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Challenges and opportunities in family businesses to retain and motivate Generation Y and Z

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RESUMO

Atualmente, os membros da Geração X são considerados os antecessores de uma empresa familiar e os sucessores são dominados por indivíduos conhecidos como a geração Millennial ou Geração Y e a geração seguinte, conhecida como Geração Z, nascida entre o ano de1995 a 2010. Estas gerações apresentam oportunidades e desafios para investigadores e empresas, o que leva a necessidade de compreender as características do local de trabalho dos membros desta nova geração a fim de desenvolver e adotar estratégias e práticas eficazes de recrutamento e retenção para estes novos trabalhadores (De Vos et al, 2009; Lanier,2017; Tang,2019).

As empresas familiares têm características muito específicas e complexas, o que pode ser uma barreira para as gerações mais novas que têm as suas próprias características quando entram neste tipo de empresas. O maior desafio neste tipo de empresa é garantir a sua continuidade, o que nos remete para a importância do tema da sucessão. Assim, é fundamental estudar e compreender as novas gerações que vão ou não assumir a empresa dos pais, pois sem a sua vontade e ambição, a empresa pode perder o seu legado e até ser vendida caso não haja um sucessor no seio da família. Neste sentido, definimos o tema desta dissertação como: "Desafios e oportunidades nas empresas familiares para reter e motivar a Geração Y e Z" de forma a garantir a sua continuidade neste tipo de empresas.

O estudo desenvolvido foi qualitativo e de carácter exploratório onde foram realizadas entrevistas a seis empresas familiares portuguesas. Além disso, recorreu-se à observação direta através de documentos e relatórios das empresas e aplicou-se o método de Gioia para a análise dos resultados. Os resultados mostram que as diferentes gerações apresentam obstáculos na empresa familiar, desde formas de trabalho, diferentes choques geracionais como a comunicação e a falta de reconhecimento das gerações mais novas por serem consideradas inexperientes pelos pais. Assim, após a análise das entrevistas através do método de Gioia, foram apresentadas propostas de melhoria, destacando-se a profissionalização dos mecanismos de comunicação da empresa, a sensibilização para a importância de áreas como a gestão do stress, a prevenção do burnout, a avaliação psicológica e os workshops de sensibilização, e a criação de três mecanismos de governação familiar, incluindo reuniões familiares, um conselho de família e um protocolo familiar.

Classificação JEL:G34, M01

Palavras -Chave: Geração Y e Z, Sucessão; Conflitos Familiares; Governance Familiar.

ABSTRACT

Currently, members from Generation X are considered the predecessor of a family firm, and the successors are dominated by individuals known as the millennial cohort or Generation Y and the following generation known as Generation Z born between 1995 and 2010. Those generations present opportunities and challenges for researchers and companies which leads to the understanding of workplace characteristics of members of the new generation is necessary to develop and adopt effective recruitment, retention strategies and practices for these new employees (De Vos et al, 2009; Lanier,2017; Tang,2019).

Family businesses have very specific and complex characteristics, which can be a barrier for the younger generations who have their own characteristics when entering this type of business. The biggest challenge in this type of company is to guarantee its continuity, which brings us back to the importance of succession. Therefore, it is crucial to study and understand the new generations that will or will not take over the parents' company, since without their will and ambition, the company may lose its legacy and even be sold in case there is no successor within the family. In this sense, we defined the topic of this dissertation as: " Challenges and opportunities in family businesses to retain and motivate Generation Y and Z" to ensure the continuity of this type of company.

The study developed was qualitative of exploratory nature where interviews were carried out in six Portuguese Family Businesses. In addition, direct observation through documents and company reports was used and the Gioia method was applied for the analysis of the results.

The results show that different generations present obstacles in the family business, from ways of working, different communication generational shocks and lack of recognition for younger generations as they are considered inexperienced by their parents. Therefore, after analyzing the interviews using the Gioia method, proposals for improvement were made highlighting the professionalization of the company's communication mechanisms, raising awareness of the importance of areas such as stress management, burnout prevention, psychological assessment and awareness-raising workshops, and the creation of three family governance mechanisms, including family meetings, a family council, and a family protocol.

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INTRODUCTION

During recent years, there has been a growing interest in the study of family firms from diverse fields and disciplines. Gersick, Davis, McCollom, & Lansberg (1997) states that the interest in family firms is not surprising and the most conservative estimates show that the proportion of firms worldwide whose ownership or management lies in family hands is between 65% and 80%. According to Ward (1987), fewer than 30% of successful family business make it to the third generation and fewer than 15% make it through that generation. One third of all European Union companies will change hands over the next 10 years, thus the report suggests that an average of 610.000 SMEs will change each year potentially affecting 2.4 million jobs according to the Best Project expert group report.

Family business is characterized as an environment prone to conflicts, however, Górriz (2002) and Ussman (2004) states that there are methods to help rationalize the family and company relationship and resolve those conflicts through family councils, creation of a family protocol, or even the inclusion of an external mediator. Cabrera-Suárez (2005) acknowledges the importance of family businesses establishing efficient management mechanisms in their family environment, such as the protocol and the family council as well as succession planning as a strategic event of this type of business.

Nowadays, Gen Y and Z presents the youngest pool of talent entering the world of work and is gaining a lot of attention in the business environment which means that is crucial to study and understand the characteristics of generations, specifically, Y and Z that present a particular way of thinking and behaving at work to realize the challenges that those generations presents and how they evaluate a possible entry into a family business to help the succession process and consequently the continuity of the company. The data from the Deloitte report show that it is estimated that by 2020, Gen Z will occupy 20% of the workplace. As total, both Gen Y and Gen Z will occupy almost half of the workplace so it will be crucial to understand those unique characteristics and attitudes to work-related issues for attracting and retaining young talent in the coming years.

Beyond that, human resources managers need to find the best motivational tools to keep them in companies which are a serious task for companies (Cook, 2016). Also, some mechanisms of family governance will be highlighted since family governance structures are posited to effectively manage the complexity generated by the closely intertwined elements at the core of a family business, i.e., family and business (Gimeno at al. 2010).

In short, family business presents difficulty in retaining those new generations which will become a big problem for its continuity. The present study will analyze six small medium sized Portuguese Family Businesses with different core business and Gen X, Y and Z who does or does not work in the family business to analyze how those generations view their entry into this type of business and the challenges and opportunities inherent to their entry.

The origin of this theme was due to due to my satisfaction of having taken the subject of family business management and having worked for a year in a company of this type. Besides, the subject of Gen Z is new and there is still a lot of research that can be done from now on. In that way, aggregating these two themes: family businesses and Gen Y and Z will be relevant as these new generations will impact the labor market a lot and more specifically in a family business.

This research is divided into chapters, with the first chapter corresponding to the literature review which supports the theoretical concepts to be addressed in this research. This is followed by the second chapter on methodology, which describes the method used to arrive at the final considerations, as well as presenting the results obtained from the interviews. The next chapter presents some proposals for improvement as well as a comparison between the theory analyzed, and the results obtained. Finally, the conclusion presents a summary of the results obtained and provides lines of support for future research on this topic.

1. LITERATURE REVIEW

Family businesses differ from non-family businesses by the presence of the family in the company, the overlap between management and ownership of the company, which makes the company vulnerable on the issue of succession, a single source of competitive advantage due to the interaction of family, ownership and management, and the owners' dream of leaving the company to the family to provide continuity of the business from generation to generation. Regarding the definition of the concept, there is no consensus of a family enterprise because in the literature there are several definitions around the concept of family business due to the difficulty that exists in the degree of involvement of the family resulting from the possible interactions between the three elements (Zellweger et al, 2010; Munoz-Bullon et al, 2018).

We are in the presence of a family business if it meets the following requirements:1) the majority of votes is in possession of the natural person(s) who established the firm, or in possession of the natural person(s) who has/have acquired the share capital of the firm, or in the possession of their spouses, parents, child or children's direct heirs. 2) The majority of votes may be indirect or direct. 3) At least one representative of the family or kin is involved in the management or administration of the firm. 4) Listed companies meet the definition of family enterprise if the person who established or acquired the firm (share capital) or their families or descendants possess 25 % of the right to vote mandated by their share capital. (European Commission (2009:10).

According to Zellweger (2017), is possible to use an integrated definition of a family business that encompasses four dimensions: ownership, management, transgenerational perspective, and last-generation control represented in the table 1:

Table 1: Definition of the family business in the 4 dimensions

Ownership	SME: at least 20% of voting rights in the family.
	Large and listed companies: at least 20% of voting rights in the family.
Management	SME: family involved in top management.
	Large and listed companies: family may not be involved in the management.
Trans-generational perspective	The enterprise is controlled by one family, with the perspective of passing it on the next generation.
Last Generation Control	First generation firm: firm controlled by the founder.
	Later generation: company controlled by the family.

Source: Zellweger (2017)

Some of the most used criteria in definitions of family business are percentage of shareholding, voting control, power over strategic direction, involvement of several generations, active management by family members, among others (Shanker e Astrachan, 1996). Churchill & Hatten,(1987) states that the key to understand the behavior of these organizations is found in the interaction of the two distinct subsystems, family, and business, and in the effect, this has on the actions of all those involved in the system.

1.1 Characteristics of Family Business

According to data from the European Union, in Europe, family businesses represent about 60% of companies, most of which are small and medium enterprises. These entities represent about 40% to 50% and revealing a great dynamic of employment development, thus economic growth is vital to reduce poverty and improve the quality of life of citizens, in this sense, family businesses are important to achieve economic growth because they contribute to the creation of employment and wealth (European Commission 2009).

Regarding the specific influence on the Portuguese economy, the relevant family business groups have the following characteristics (Todo Bom, 2023 p.32).

- They have medium/high size, with a sales volume of more than 20 million euros.
- Present medium/high business complexity, with a minimum of 4 business units involving different businesses.
- They present medium/high family complexity, comprising at least two generations with a minimum of four family members with relevant positions in the business units.
- Exhibit medium/high complexity in holding ownership and voting rights, involving at least two levels in the business pyramid.

1.2 Corporate Governance in Family Business

The governance of family businesses differs greatly from that of non-family businesses (Bettinelli, 2011, as cited in Nordqvist et al, 2014). The complexity of strategic decisions is high due to the organizational structure they adopt and the limited capital investments. If the CEO is a family member, he or she may end up assuming a dominant role in leading the organization's performance, making communication with other family members difficult and creating tensions between them (Minichili et al, 2010). Therefore, communication is a very important element in family businesses and plays an important role in decision-making in this type of organization (Frank et al, 2017).

According to Palacios et al, (2012) business organizations of a family nature need formal management procedures, which increase as the company matures and becomes more complex. Those problems can be addressed with a good corporate governance system that implements the right policies to manage such complexity and creates a solid organizational structure that clarifies roles, lines of communication and delegation of responsibility and draws the line between ownership and management and separates political direction from the day-to-day running of the business (Sarbah e Xiao, 2015).

Corporate Governance is a system where it reveals a relationship of the wider corporate society with its shareholders and other members of the company, it is an institutional relationship between the different stakeholders of the corporate company, promotes more transparent management models with responsibilities and should encourage and create mechanisms and effective tools of control and supervision. This arose as a control system to better evaluate performance and manage conflicts of interests that may appear, based on the protection of rights of small shareholders before majority shareholders and managers, ensuring a longevity of corporate health.

The Portuguese Institute of Corporate Governance (IPCG) defines the expression "corporate governance as *the set of structures of authority and of supervision of the exercise of that authority, both internal and external, with the aim of ensuring that the company establishes and performs, effectively and efficiently, activities and contractual relations in accordance with the private purposes for which it was created and is maintained and with the social responsibilities that underlie its existence.* – (SILVA, 2006 IPCG.)

Beyond corporate governance, exists self-governance suited to addressing problems of self-control, typically arise in the early stages of a family's life cycle, when owner-managers struggle to restrain their tendencies of parental altruism. In the later stages of the family firm's evolution, these tendencies grow weaker and are replaced by different types of interpersonal agency problems that result from family opportunism and managerial opportunism.

Another mechanism available to family firms is family governance, which is defined as a set of mechanisms whose purpose is to manage conflicts between family members. Gersick & Feliu (2014) states that the purpose of family governance is to make clear the rewards and requirements of family participation in the company, communicate opportunities for family involvement in the company, facilitate the flow of information

to build trust and minimize manipulation by family members, and above all, to foster a sense of belonging to the company throughout the family.

(Mustakallio et al, 2002), states that family governance should be based on the unique characteristics of this segment of family businesses, since they potentially have many cohesive strengths, such as family ties, ownership stakes, and the high involvement of family members through various roles that contribute to the long-term viability of family businesses.

Some authors associate family governance with conflict resolution within the family (Brenes et al, 2011), while others believe that the family unit is a driving force for the use of effective management practices, such as governance mechanisms (Poza et al, 2004).

1.3 Main Mechanisms of Governance in Family Business

The main family governance mechanisms are family meetings, family assemblies, family councils and family protocol. Those mechanisms link the family and the company and create opportunities for family members to discuss issues related to the family and the company (Frank et al, 2019). However, a very small percentage of companies have adopted this type of mechanism (Sharma & Nordqvist, 2008, as cited in Arteaga & Escribá-Esteve, 2020). Family councils and family protocols seek to ensure the implementation of family and company decisions and policies by improving the strategic position of the business and allowing information to flow properly and transparently between the company's different shareholders. It is important to note that family councils and protocols are the ones that contribute most to promoting communication within the company (Suess, 2014).

1.3.1 Family Assembly

The family assembly allows family bodies to participate in planning, problem-solving and decision-making in both the family and the company. The main objective is to update family members who do not have an active stake in the company on the state of the company, share information on policies for employing family members in the company, transfers of ownership and a suitable place for resolving conflicts and problems within the family.

1.3.2 Family Meetings

Family meetings are the simplest and most common form of family governance and represent an informal gathering of family members, their frequency being influenced by the age and size of the business, the generations involved and the structure of the ownership (Neubauer & Lank, 1998 as cited in Nordqvist et al 2014).

1.3.3 Family Protocol

Siebel and zu Knyphausen Aufseb, (2012) describe a family protocol as a governance mechanism that formally describes the rules of interaction between family members and business. Family protocols formalize communication processes, strengthening a shared commitment to norms and values and mostly revolve around anticipating potential conflicts related to succession processes and the incorporation of family members in managerial positions in the firm. They are intended to create policies to provide potential solutions to issues that may become conflictive, reducing family members interference in ownership and management (Gallo and Kenyon-Rouvinez, 2005).

Palacios et al. (2012) states that to draw up the family protocol it is necessary to choose a period of tranquility both in the family and in the company, so that the contents and agreements of the protocol are developed in a climate of reflection and voluntary participation of all family members. This is a long-lasting and arduous task that requires patience, commitment, dedication and time and should be carried out in moments of family and business unity; it is also advisable to seek the help of professionals with a high level of ethics and integrity, due to various reasons, such as lack of knowledge of the family, the delicacy of some issues that should be raised by third parties or the challenge of making things appear out of bounds. Once the protocol has been signed, it should be implemented and a plan can be made establishing the main tasks to be carried out and the deadlines, which should be reviewed and commented once or twice a year in a family meeting to keep it up to date (Díaz 2012).

The Instituto de la Empresa Familiar (Family Firms Institute), in Spain, developed a study showed that only 11,3% of family firms have a family council and 74,3% of companies do not think they need a family protocol, 6,3% do not know what a family protocol is and only 11,3% have developed a protocol to regulate the relationship between family and business. In Portugal, family protocol is not legally typified, which is evident in the small number of companies that adopt this mechanism. Even so, there is nothing to

stop it being adopted and used, as it is very effective in facilitating the continuity of the family business.

1.3.4 Family Council

A family council is unique to family firms (Siebels and zu Knyphausen-Aufseb, 2012). The role of a family council is to voice shareholder's concerns formally and accommodate family member's preferences. It's crucial to promote cohesion among shareholders, thus reducing information asymmetry, increasing social interaction, and ensuring the effective continuity and profitability of the core business (Jaffe and Lane, 2004; Siebels and zu Knyphausen-Aufseb, 2012). It is a formal type of family meeting that allows family and business issues to be discussed among family members in a more formal way, allowing them to express their needs and expectations regarding the future of the company and ensure that their interests are met (Suess, 2014).

As the family grows the family council will grow too, and the emergence of a new generation requires that family members need training and guidance on their role, responsibilities, ownership, and management of assets to ensure their survival, revealing a determining role in whether or not a family council exists. Even so, most family firms don't use family protocols or family councils to govern the relationship between the owner family and the firm, so these mechanisms are usually adopted only by a small percentage of family firms. But according to several scholars, family governance mechanisms are widely recommended and Brenes et al. (2011) states that about 70% of the family businesses he studied had already developed a family council prior to the implementation of a family protocol.

To conclude, family businesses tend to be sensitive to generational change and dealing with succession issues due their nature (Hnátek,2015). A unique feature of family businesses can be found in the innate conflicts that result when members of the firm try to reconcile family and work commitments, goals, resource needs, and others (Matherne, 2011).This type of company is exposed to relationship conflicts, and, in addition, family involvement is characterized by the fear of losing their wealth, which is seen as a source of resistance to change, especially in older companies (Carney, 2005; Chrisman et al, 2005; Zahra, 2005). Conflicts between family members occur due to the complexity of correctly defining roles and the limits between work and private life. In addition to this,

it is difficult for parents to punish their children's behavior, bringing conflicts into the company (Eddleston & Kidwell, 2012).

Regarding conflicts, there are 3 types of conflicts: firstly, the difficulty in defining what time is spent with the family and what time is spent with the company; secondly, the conflict between the pressure on one of the roles that can have consequences for the other; and finally, the conflict of the behavior expected in the company that differs from the behavior expected in the family (Beehr et al, 1997). There are several problems that can be fatal to the business and are caused by the owners, such as dictatorial styles that lead to resentment and animosity among other family members (Gersick et al, 1997); or the anger created by appointing or promoting certain family members within the company (Martin, 2001). In addition, there is the difficulty for owners to accept their retirement as leaders of the company and pass on leadership to their children, which, added to the fear of losing the family legacy and the difficulty in achieving prospects, can deteriorate the relationship between father and son (Sonnenfeld & Spence, 1989, as cited in Lohde et al, 2020).

Another problem is that family business owners face the challenge of bringing children into business as employees, defining their roles. These leaders often find it difficult to successfully integrate their children into the company, either by making decisions that favor their children even if these are negative for the business or by finding it difficult to assess their offspring's behavior realistically and penalize them for fear that this may have social repercussions for their families (Schlze et al, 2003).

In the next generations, there are problems such as the fact that some children don't feel identified with the business and join the company to protect their succession rights, maintain access to company resources, keep up social appearances or ensure their children's future in the organization (McCann, 2000, as cited in Eddleston & Kidwell, 2012).

To Ussman (2004) there are methods that can help rationalize the family/company relationship and to resolve those conflicts such as: family councils, creation of a family protocol, or the inclusion of an external mediator. Palacios et al. (2012b) present some adversities that negatively affect the continuity of the family business: possible confusion of assets; inadequate organizational structure; low level of institutionalization, such as family council and family protocol, lack of professionalization of management, family conflicts of generational relevance, lack of flexibility to change past strategies problems, problems related to ownership structure, problems related to succession, namely the

absence of planning; and, lack of debating bodies, such as the family council. According to Ward (2006) in 60% of the cases, the demise of family businesses is the result of family problems, while the remaining 40% are caused by the business' own operation.

In that way, next subchapter will address the topic of succession in order to lead a successful succession and discover some strategies to retain and captivate these members to continue the legacy of the family business since succession is inevitable and it has to be carefully planned and managed. All the relationships with the parties involved in this process such as: (family members, founder, customers/suppliers, and company's stakeholders) should be correctly to avoid the disequilibria and the performance decreasing or the demise of the family business caused by conflicts (Levinson, 1971).

1.4 Succession

Based on global facts, only 30% of companies were successfully passed on the business to the second generation, only 12% were successfully passed on the third generation and only 4% were successfully passed on the fourth generation which shows that succession is a global challenge for family firm. The succession is characterized by the transfer of ownership and control to the next generation and is one of the most relevant topics in family firm context Le Breton-Miller et al, 2004, Nordquvist, Wennberg, Bau & Hellerstedt (2013) and its crucial for the survival and performance of the family firm. This process needs a set of sequential steps and for a successful succession, there needs to be a long-term plan, initiated by the previous generation, that anticipates the decisions that the next generation will have to make. The succession phase presents a challenge in that the family firm must maintain its competitive advantage while resources and knowledge are successfully transferred to the next generation. Succession is a complex process for several reasons such as the diverging needs of the multiple stakeholders, complexity in the transfer of ownership, management leadership, and family assets with different views in the family members that can cause potential conflicts and the uncertainty about the time frame to complete the process creating anxiety in the family members as well as the uncertainty in the management of the business increasing conflicts within the family and the business, in that way, the preparation of this plan should be done early, should encourage intergenerational teamwork and should be written down by establishing formal mechanisms with rules and procedures in order to avoid divisions in the family, since the succession process of the following generations is different from that

of the successor because in the first phase there is a significant change in the profile of the person who will lead the business and the family.

Kenfield (2011), presents a systematized and structured model for the succession process in a family group that has four phases: 1) Framework that contemplates the need for the existence or not of a succession process, the family's values, the plans and objectives for the family and the company, the needs and challenges of both entities, possible candidates and the profile of the current leader that may condition the profile of the successor, 2) Evaluation of aspects related to the company and the family as credible candidates for the succession process, congruent family values, the impact of employees and stakeholders following the succession process and the impact on the family itself, 3) Planning, which includes the criteria defined for the candidates for succession, the process of internal and external communication within the family and the company, the program and criteria for measuring the capacity of the selected candidate, 4) Implementation, respecting the precautions mentioned in the planning phase, such as the final selection of the candidate, communication of the choice to the family and the company, exposure to all areas of the company's business, evaluation of the candidate's performance in the decisions he or she makes and the formal ceremony for the candidate's inauguration, concluding with the conclusion of the process.

For Holt et al, 2010; Zellweger et al,2012; De Tienne and Chirico,(2013) the initial process of succession starts with a decision about what type of succession the predecessor intend to engage in (i.e. intra-family succession, out of family or no succession) and the belief is that intra-family succession is the one that will bring success to the firm and help preserve the family legacy throughout generations since the word mean " the transfer of management to a family member that takes control of the family business when the predecessor decides to step down". There are two main actors of succession: predecessor and successor, both have their own characteristics in undergoing succession process Nordqvist et al, (2013) and study and know the characteristics of both could lead to a successful succession (Sharma et al, 2014).

1.5 Generation Y and Z from the perspective of F.B. succession

1.5.1 Definition of Generation Cohort

"Generation Cohort" is an academic term that is used in various domains of literature research, and it is specified by meaning that people in the same generational cohort

experience same time events and share similar values between the period late adolescent and early adulthood. The members of each generational cohort reflect important historical events, social changes in society occurring within the same period and the values emphasized during particular periods. All of these will determine the specific experience of each generation, however, does not mean that each person in the same generational cohort thinks in the same line and has the same values or beliefs (Parry % Urwin, 2011).

Generations represent distinct and separate groups of people with a common set of beliefs, experiences, and values about the way the world works. According to (Zemke et al,) there are 5 generations: Veteran Generation born between 1925 and 1946, Baby Boomers born between 1946 and 1960, Generation X born between 1960 and 1980, Generation Y or Millennials born between 1980 to 1995, Generation Z born between 1995 and 2010 and the last one named as Alfa Generation born after 2010. This timeline of generations is described in the figure 1:

Figure 1: Timeline of generations.

Source: authors' construction (on the basis of Zemke et al., 2000)

Some authors have different opinions regarding the birth rate of Generation Z for example for McCrindle, (2014) is between 1995-2019, for (Bencsik et al, 2016; Seemiller & Grace, 2016; Koulopoulos & Keldsen,2016) is between 1995-2010, or simply after 1997 according to (Bresman & Rao, 2017).

In the job market more and more employers recognize the importance of understanding the diverse characteristics and preferences of each generation (Gursoy et al, 2008), once, when employers can understand an employee's needs and respond appropriately to each generation's perspective, organizations benefit via increased employees' productivity, morale and employee retention. Therefore, organizations need

to work continuously on changing organizational practices to adapt to the diverse nature of the multigenerational workforce.

Next topic will cover Generation Y and Z to understand their characteristics and behaviors in their daily routine as well in the workplace since different generations working together will develop conflicts and low engagement amongst employees and management. Nevertheless, if generational differences are managed successfully, it will create a positive work culture and improve employee engagement and motivation.

1.5.2 Characteristics of Gen Y and Gen Z

The letter "Y" comes from the English word youth and this generation is also called "Millennium" and is characterized by "multitasking" the muti-sided and shared attention (Schaffer 2012/2015). This generation is very different compared to earlier generations for different aspects such as: was the first who born into the world of technology which means ease for them to quickly acquire the use of new tools and devices in IT and this generation was raised in a complete and protected family which allowed them to get attention and direction from their parents. As characteristics they are known as: self-centered, entitle, challenging, risk-taker, optimistic and drive.

Furthermore, they are very demanded and have high expectations compared to generations before or even generation Z. At the workplace, they have unique ideas about future positions at the workplace and the top priority for them is the concept of success, career, and money. Now, most of Generation Y is already present at the labor market and they work together with generation X and fewer people from generation Z.

According to (Lanier 2017), Generation Z represents a continuation and extension of Generation Y workplace demands. However, due to different events and circumstances, Generation Z have shown that they are considerably different from Generation Y (Schroth, 2019; Tang, 2019). Generation Z is known as the global generation and has distinctive characteristics compared to Gen Y since Gen Z is growing up in different global economic and social experiences compared to Gen Y. Those economic conditions have shaped Gen Z because they growing up experiencing recession and economic uncertainty and they have seen with their own eyes their parents and people they know struggling and lose their jobs and homes during crisis, for this reason, they have a pragmatic view of the world and tend to be more realistic compared to Gen Y who is very optimistic. In addition, Gen Z is warier about their both long-term and short-term future and have lower expectation compared to Gen Y, so it's a confident generation but cautious (Tuglan,2013).

The technology is one of the major factors that shape the common trait, have strong relationships with all parts of the world, cannot tolerate slowly processes because they adore speed in each aspect of life, are tech-savvy since engaged technology from early ages, are visually engaged who tend to watch videos that provides overall quick understanding about a subject instead of reading articles, took more years of formal education than previous generations, are the most socially skilled and involved through the social media tools, are good at social relationships since they prioritize sharing information rather keeping to themselves, give importance in work-life balance more than their parents who sacrifices themselves by ignoring the engagement of social activities and health conditions for the sake of working, enjoy attractive environments that foster their performance in the work, appreciate diversity among people, they don't want to work in a business that marginalizes individuals because of sexual orientation, gender and ethnicity, care to social matters, social activism is important for them as being a core value and is the most educated generation moving into adulthood.

1.5.3 Generation Y and Z at the workplace

The retirement of the Baby Boomers is offering younger generations an excellent opportunity to have more impact on the workplace (Flippin,2017). The Generation X members, who constitute many of the parents of the generation Z, are now becoming senior members of the workforce as baby boomers retire (Seemiller and Grace,2019). Generation X is defined as self-directed, sceptical, autonomous and seek work-life balance, making sure they have enough time to devote to their family. This generation are not technological novices and tend to have different communication preferences from younger generations. An example: Gen Z do not prefer the use of e-mail to communicate in the workplace, they prefer texting which is not ideal for Gen X (Seemiler and Grace,2019).

Now, younger generations, at the workplace has different expectations grouped into 5 dimensions, according to (Lub et al.2016). The first one is job content which include the meaningfulness of the work performed and the interest or diversity of activities. For Gen Z a meaningful job together with reward and professional development is one of the most important motivating factors in the workplace (Bencsik et al, 2016; Kubátová,2016).

The importance of this dimension for Gen Z can be confirmed in relation to the outside world since this generation are not indifferent to the surrounding world and expect companies where they work or will work should be positive about the social-

environmental environment of the company (Deloitte,2018). The second dimension is career development where members of Gen Y expect to have a longer working life in their professions than previous generations while they are reconciled with the fact that their retirement will be up to the age of 70 or may even have no limit and the most frequently reason to change job is to acquire new skills or qualifications, according to (ManpowerGroup,2016) study. To Gen Z the traditional career ladder system and the system of work positions in companies is not recognized (Baldonado,2018). They combine career change with the acquisition of new skills and opportunities to work on their own projects rather than traditional career advancement like Generation Y (Deloitee, 2018). For the following authors (Fratricová & Kirchmayer,2018; Bencsik et al, 2016) agree that career advancement or change is one of the main motivators for both generations.

Organizational Policies is the third dimension, which include methods of communication and supervision, feedback, fair treatment or the regulation of the organization and the treatment of company values (Lub et al, 2016). For Gen Z diversity is a crucial topic and it can be said that they expect it as a matter of course for companies rather than as element by which they make decisions. They require higher frequency and consistency of feedback, unlike the Millennials (Puiu,2017). Requirements such as flexible work and work-life balance are beginning to be taken for granted (Meret et al, 2018). These members are increasingly eager for the opportunity to work through remote access at any time and from anywhere, regardless of working hours.

The social atmosphere is the fourth dimension and is represented by communication in the workplace, workplace culture and workplace organization. For Gen Y a lower level of expectations in the issue of the social atmosphere can be observed. The work environment and atmosphere are a key theme and motivator for Gen Z since these generation tends toward a private environment and thus there is a clear deflection from shared offices and spaces, which were characteristics of the Millennials (Puiu,2017).

The dimension of rewards is linked to wages which are one of the most important motivating factors for most members of all generations and for Gen Z wages are still among the most important factors (Bencsik et al 2016) and due to the economic crisis in 2008 the importance of wages is growing. Generation Y and Z prioritize wages and remuneration when looking for a new job (ManpowerGroup 2016) study.

To complete Generation Z in the labour market is currently approaching Generation X, the one that is more realistic and aware of the difficulties of the labour universe. And

that fact is being reinforced now, with the pandemic, at a time when unemployment has soared, and many companies have been forced to adjust their operations.

For Millennials one of the priorities was remote work, for Generation Z, having a physical place where they can work is one of their greatest desires. With this generation entering the market, there is a great deal of expectation about returning to the cult of yesteryear means they desire greater job stability. This generation want to grow in a company where they feel good, where they feel like they are learning and participating, without the need to keep changing to other companies. With the development of self-knowledge, this generation will know better what they want. Generation Z, which this year represents more than 10% of the workforce in Portugal, is the generation most immersed in digital and in the long term will have difficulty remembering the world without wi-fi.

In Portugal, the data according to the study conducted by Deloitte "Gen Z and Millennial Survey 2022" which has a specific analysis to the reality in Portugal states that young Portuguese Generation Z and Millennials feel financially insecure, suffer with high levels of stress and confess to be apprehensive about retirement when they finish their professional career.

When it comes to the topic of retirement only 27% of Gen Z and 33% of Millennials feel safe in Portugal regarding their retirement, numbers below the 41% registered in both categories at a global level. The topic of stress is very relevant and highlighted among the younger generations in Portugal with approximately 53% of Gen Z and 39% of Millennials stating that they feel anxious or stressed most of the time. The causes indicated by respondents for feeling anxious or stressed are long-term financial future (Gen Z 54%|Millennials 43%), mental health concerns (44%|35%), workload (43%|34%), Family/Personal Relationships (41%|30%) and day-to-day finances (41%|35%). At the workplace, the percentage of young people who would not feel comfortable talking openly with their direct manager about feeling stressed or anxious or about other mental health challenges reaches 37% in Generation Z and 35% for Millennials.

Regarding to Career progression Gen Z are shown to be more willing to change jobs than Millennials. According to the study, 29% of Gen Z intend to leave their current job within 2 years and 20% intend to change within 5 years' Z are shown to be more willing to change jobs than Millennials. Some 36% of Gen Z and 23% of Millennials say they will leave their work even if they have no other guaranteed job to move to. The flexibility such as remote, hybrid or face-to-face for Millennials the figures are similar: 18% work

remotely, 25% hybrid and 53% totally face-to-face. But these data are not totally aligned with the desires of young Portuguese workers with a large majority of Gen Z wanting hybrid forms of work (72%) and with remote (8%) or face-to-face (14%). Among Millennials, the dispersion is similar with a large majority (64%) preferring the hybrid model and the remote (19%) and face-to-face (12%) being a minority in the preferences of young Portuguese workers.

About the type of benefits that they value in the labour market, despite being more realistic than the previous generation, they still aim for a balance between work and family life. Having seen their parents, they know what they do not want for themselves and although they consider a more stable job, they do not want to work from 9am to 6pm if this means giving up personal time. Individual appreciation is very important to this generation. The concept of "work-life balance" is a bit demanding and differs from person to person or from the type of work performed. For some young people it only makes sense to work 100% telecommuting (to have the possibility to be a digital nomad), for others it may be necessary to be always in the office to increase concentration and productivity and still others prefer a hybrid version.

In summary, Gen Z values financial security and job stability at work (Ozkan and Solman, 2015; Grow & Yang, 2018; Lazányi and Bilan, 2017) as a result, their focus is more on the future. They want to work in an organization where their ideas are valued and are provided with an opportunity to implement the same. They believe that only big organizations can afford to offer a variety of work and provide higher compensation so working in a small family business is of little interest to these young people. Generation Z prioritize working for an organization with innovation, rapid development, work-life balance, collaboration, freedom, fun, integrity, and speed (Tapscott,2009; Desai and Lele,2017) and working in a family business will be a disappointment compared to working for a multinational corporation regarding career progression and workplace mindset. This generation has lots of ideas, but parents don't give much importance due to the little experience their children have which makes this generation not feel heard and valued. They would choose to start something small of their own for a non-family company instead of getting involved in the family business and concerning politics.

For Gen Z work-life balance it's almost mandatory and they believe that parents should provide flexibility because doing so will increase productivity and efficiency, however, their parents do not value a higher degree of work-life balance concerning their expectations, since they realized and understand the responsibilities of the role and that separating life from work might not be feasible, which acts as a barrier to pursuing a career in the FB. Furthermore, this generation is not prepared to work independently since they want to learn strategies, tactics, and nuances of other organizations and after acquiring the knowledge it will be possible to return to the family business and implement all the learnings that they had from corporate and ensure that their business grows. At this point, there is a fear of failure due to the lack of experience that this generation presents.

Therefore, in the literature review it was possible to identify traits and characteristics of these two generations at a personal and professional level and to identify some barriers that these generations have when entering a family business. However, existing literature has general limitations and there is a great lack of studies that address those two themes, that are the generations and their possible entry into the family business. To overcome these limitations a set of interviews will be carried out to a specific sample and the GIOIA technique will be applied.

2. METHODOLOGY

This chapter will describe the methodological approach adopted in this study. The research process is rigorous and the decision to choose a research paradigm becomes an essential step in the development of any study. The decision should be made with an awareness of what the differences, advantages, limitations, and specificities of each of the paradigms are, bearing in mind what the research objectives are.

The qualitative methodology is particularly appropriate for this study given the nature of the topic and the research problem, which seeks to analyze Y and Z generations from the perspective of possible entry and continuity in a family business, considering the factors that could motivate and retain those generations.

Through the research and reading of articles, it was possible to verify that there is a need to develop a study about those new generations and the inherent characteristics of family businesses that may or may not create challenges and opportunities in retaining them and consequently compromise the continuity of the family business.

The qualitative methodology was used for data collection and data analysis through documentary research and observation and GIOA technique has been applied and was lead to the adjustment of the information under study, obtaining a general agreement on this.

2.1 Method

Qualitative research was carried out which allowed a complex and holistic analysis of the issue under study. A qualitative methodology constitutes a field that has gradually acquired its own right, undergoing numerous transformations in the epistemological and methodological field. Flick (2004) states that research of a qualitative nature is characterized by the depth of methods and theories, by the participants' perspectives and, finally, by the researcher's reflection on the results obtained. Qualitative research is based on distinct methodological traditions of inquiry that explore a social or human problem. In this way, the researcher analyzes the words, reports the detailed expectations of the respondents, and conducts the study in a natural context. Still, this methodology has advantages and disadvantages shown in table 2.

Table 2: Advantages and Disadvantages of Qualitative Methodology

Advantages	Disadvantages
Access to complexity	Data inaccuracy
Contextualization	Difficult to accept
Access to the experiential world of Participants	Technical Limitations
Interpretation	Not intended to generalize
Description	Deep understanding of restricted realities
Subjectivity- researcher as research instrument	

Source: Flick, 2009

The main characteristics of a qualitative study are (focus on a given reality, phenomenon or event; descriptive (seeks a full description of the phenomenon being studied); heuristic (leads to the understanding of the phenomenon being studied; inductive (based on reasoning that starts from the particular to the general) and holistic (focuses on the processes through understanding and interpretation. Then, the interpretative paradigm was used, which was built through the literature review that embodied the theoretical part and supported the main research question and finally a script will be prepared for the realization of the interviews and data will be collected considering the need to achieve the following objectives: (appendix).

- Identify ambitions/expectations of these young people in their integration of their family business.

- Understand how young people from generation Y and generation Z relate to each other.

- Understand the ambitions of these young people at work level.

- Interpret and characterize the behavior of Generation Y and Z as perspectives for their future, both personally and professionally, considering the challenges of joining a family business.

- Understand attitudes, beliefs, and lifestyles of the Y and Z generation - identify common traits in the personality of these young people.

Regarding to Generation X we intended to have answers to the following questions: (appendix)

The type of qualifications that children are required to enter the company as well as the valuation of professional experience outside the company.

- If they are prepared for the entry of younger generations and how;
- What characteristics did the succession plan have;
- What is the impact of children joining the company;
- What concerns did you have regarding your child's integration into the company;
- Existence or not of generational shocks in the father/son relationship in the context of a family business.

The achievement of these objectives and the answer to the problem under study was made through an analysis of different articles concerning the characteristics of this generation and their perception of family business.

2.2 Research Methods and Techniques

This research used document analysis and semi-structured interviews. Through the documentary analysis, two perspectives were analyzed such as the literature review through databases such as: B-on, Google Scholl, Scopus, Science Direct, among others following a PRISMA methodology to select the most relevant articles. On the other hand, we analyzed company documents such as websites, reports, and others. The second technique used was semi-structured interviews with both generations.

Some interviews were performed with a sample of six family businesses. Within each company, between two and three interviews were carried out with the founder and his children. The interviews were carried out at the company and others at these people's homes. All the interviews were typed up and sent to the interviewees to guarantee the reliability and credibility of the data, and all the answers can be found in the appendix.

2.3 Participants

The interviews consisted of informal conversations oriented towards a vast number of questions to respond to the research problem and fell into specific samples, in this case, certain questions were directed to Generation X and others to Generation Y and Z.

To prepare the scripts was necessary to carry out a declaration of consent containing information about the study in question, including its objectives and purpose. This declaration aims to inform the participants who agree to participate in the study, about the voluntary nature and the confidentiality and anonymity of the data to guarantee their free and informed participation. This sample covers Generation Z, which includes young people born between 1995 and 2010 which means that in the sample could have or not have young people under 18 years of age, so this authorization had to be signed by their parents.

After the participants had consented to enter the study sample, the best days for data collection were established with each family businesses. The sample is covered by Generation X (the parents of generation Y and Z) and generation Y and Z, the possible successors of the family business. Some interviews were held in the company itself in just one session with different generations present and the others were made via Zoom.

The interview guide covered the following items: Sample characterization (name / age / gender / generation / position in the company and educational qualifications); Characterization of the family business (foundation year / business area / location / number of members who are part of the family and work in the company); The interview questions were open-ended, which allowed the participants to freely express their experiences, thoughts, and feelings. The interviewees were explained the purpose and the objective of the interview. In the scripts there are 3 different situations applied to generation Y and Z with different questions. The first situation applies to generations Y and Z who may still be studying and are not part of the family business, the second applies to the generation that has already entered and performs management functions in the

family business and the third situation applies to generation that chose not to enter the family business. A script for Generation X was also developed.

The questions and answers can be seen in Appendix 1 and the characteristics of the participants, and the family business can be consulted in the tables 3,4,5,6,7 and 8:

Table 3:Demographic profile of group 1

Group 1 Participants:	Gender	Age	Generation
Founder (Persona A)	Male	56	X
Successor (A1)	Male	26	Z
Successor (A2)	Male	18	Z
Successor (A3)	Female	17	Z
Total number of participants:4			

Table 4: Demographic profile of group 2

Group 2 Participants:	Gender	Age	Generation
Founder (Persona B)	Male	62	X
Successor (B1)	Male	34	Y
Successor (B2)	Female	25	Z
Total number of participants:3			

Table 5: Demographic profile of group 3

Group 3 Participants:	Gender	Age	Generation
Founder (Persona C)	Female	60	X
Successor (C1)	Male	26	Z
Successor (C2)	Female	24	Z
Total number of participants:3			

Table 6: Demographic profile of group 4

Group 4 Participants:	Gender	Age	Generation
Founder (Persona D)	Female	56	X
Successor (D1)	Female	22	Z

Successor (D2)	Female	20	Z
Total number of participants:3			

Table 7: Demographic profile of group *5*

Group 5 Participants:	Gender	Age	Generation
Founder (Persona E)	Female	60	X
Sucessor (E1)	Male	31	Y
Successor (E2)	Female	23	Z
Total number of participants:3			

Table 8: Demographic profile of group 6

Group 6 Participants:	Gender	Age	Generation
Founder (Persona F)	Male	60	X
Successor (F1)	Female	25	Z
Total number of participants:2			

2.4 Data Treatment Technique

The Gioia technique was developed in 1991 and was chosen for this study. This technique allows for a first-order presentation of data (analysis centered on the informants), and a second-order approach (a more abstract analysis that allows for the creativity of the researcher to tell a narrative based on the first-order results.

In other words, in this theory, the words used by the interviewees represent first-order concepts that are grouped together, and it is possible to create second-order themes which, in turn, will give rise to aggregated dimensions. It is therefore normal to find many first-order concepts when observing the results obtained. I must then look for similarities between these concepts and group them into themes that will be more theoretical and will help to explain the phenomena being observed. By defining the second-order themes, the aggregate dimensions can be created, which represent the fundamental step of the research.

According to Gioia et al. 2012, the interviewees construct their organizational realities since they are the knowledgeable agents who will be in the first order by quoting in full and then those who analyze tend to create a narrative of these results.

3. EMPIRICAL APPLICATION AND RESULTS

The content analysis based on the Gioia (2012) methodology, represented in the figure 3, shows that the companies under analysis have some positive points in the father/son relationship that contribute to their success, as well as some points that should be improved. After conducting interviews with the founders of each company and their children, the favorable points include: clear and well-defined separation of the role of father/boss, the possibility for the children within the company to evolve and progress in their careers across all areas, the flexibility allowed in the company and, most importantly, the motivation that the children have when working in the company because they feel that they belong to something that is also theirs and that continuity may depend on their effort and commitment. However, some weaknesses were also identified within each company, such as the lack of governance mechanisms, which causes various conflicts, the various clashes due to the characteristics of each generation and the lack of communication about what goes on within the company. Nevertheless, it is important to emphasize that not all companies have the same problems, since each family and each company differs from all the others and operates in different business sectors.
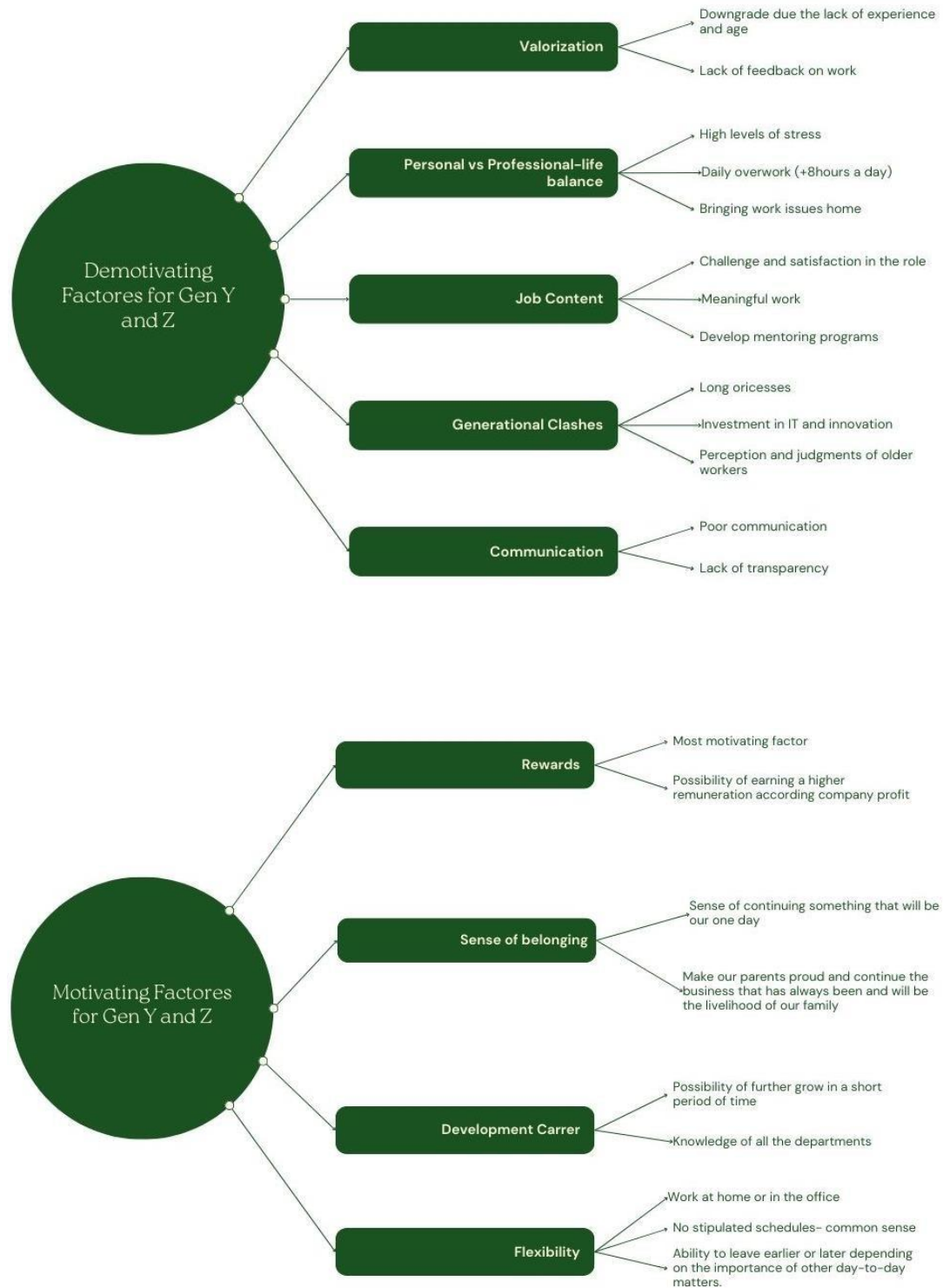
3.1 Interview Results

1st Order Concepts   2nd Order Themes   Aggregate Dimensions
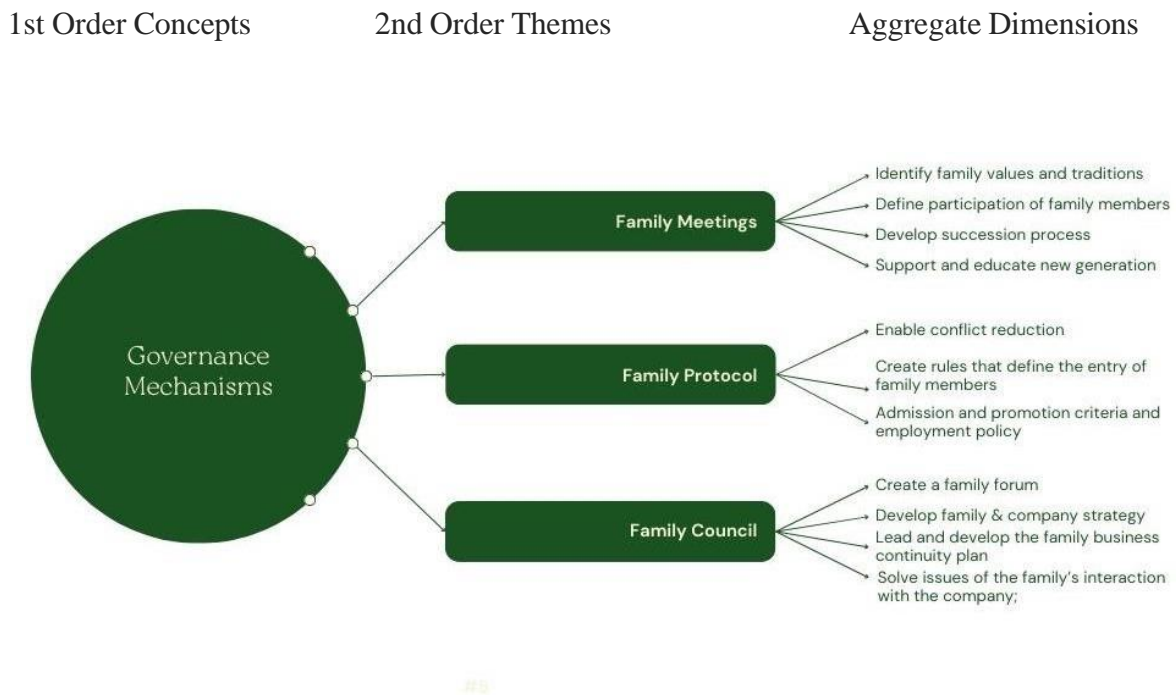
Figure 2: Results of the interviews conducted with the six Portuguese Family Businesses

3.1.1. Governance Mechanisms:

The dimension of governance mechanisms revealed used by the family businesses interviewed are non-existent, demonstrating a panoply of conflicts between family members in the different generations working in the company. All the companies interviewed are in the second generation and the creation of family meetings will be crucial since the family grows, as do the generational changes in the company, which leads to the emergence of more family members linked to the company.

The creation of this mechanism will allow values to be passed down from generation to generation at the time of transition or decision-making to ensure good succession planning, conflict resolution between family members and increased transparency. It can also help to promote the development of future generations by allowing the younger generation to take an active part in programs that foster their growth, such as preparing them for future positions. Since all the companies are in their second generation and the founder has more than one child, it would be important to adopt this mechanism to discuss the issue of succession and understand which members will take on the leadership of the company in the future. In addition, since family meetings are informal, there should also be time to talk about concerns for environmental measures and inclusion policies in the company, as this is a very important issue for young people. Regarding family protocol is a mechanism to leaders in how they manage their company and ensures that the rights and interests of other family members are not set aside. The family protocol should be adopted as the number of family members is increasing and entering in the company. Thus, the creation of this document is important to help the family resolve conflicts that may arise between its members as well as preparing the succession plan. The protocol should include the family's mission and vision as well as the values that the family believes are important to maintain in the company, after the family will be ready to clearly define its purpose. Beyond that, it set the limits for each member's intervention, defining the behavior expected of them, remuneration and employment policies, etc and as Gallo and Kenyon-Rouvinez (2005) state this mechanism creates policies to provide potential solutions to issues that may become conflictive, reducing family members' interference in ownership and management.

Regarding family council is a formal mechanism with regular meetings at which a wide range of topics are discussed and then reported on. Its composition also differs, as the family council only includes members who are directly linked to the management of the company or the family's assets. In terms of the topics covered, family meetings focus

more on training new members and passing on values/traditions from generation to generation, while the family council focuses more on the company's performance.

This mechanism should be adopted since family council meetings are where decisions are made, such as investments, acquisitions/mergers, among others. This board allows members to share important decisions and discuss the company's performance and challenges, giving everyone the chance to participate actively, thus increasing the sense of belonging in the company's life. By adopting this mechanism, it is possible to ensure that all members can intervene giving their opinions, and to ensure that everyone speaks genuinely and truthfully, and over time to learn constructive communication techniques. To Frank et al. (2019) these mechanisms link the company and the family and create opportunities for family members to discuss issues related to the family and the business, but a low percentage adopt these mechanisms (Sharma & Nordqvist, 2008, as cited in Arteaga & Escribá-Esteve, 2020).

In synthesis, for Frank et al. (2017) what affects business continuity is the low level of institutionalization such as family council and family protocol as well as generational conflicts, low flexibility to pass on old strategies, the lack of a succession plan and the absence of discussion bodies such as the family council. According to several scholars, family governance mechanisms are widely recommended for many reasons (Brenes et al 2011).

3.1.2 Demotivating Factors for Gen Y and Z:

The dimension "Demotivating Factors for Gen Y and Z" is divided into five second-order themes such as: Communication is one of the theme that discouraging those new generation and leads to conflicts for various reasons:

- The expectations created about each person's work and responsibilities within the company may not be clearly defined, which leads to misunderstandings and conflicts, making communication very complex.

- Mixing conversations that concern the business with personal and family matters, so communicating in a structured way is the ideal way to facilitate relationships and exchange information more effectively, the lack of structured communication in family businesses generates conflicts and makes it difficult to reach an understanding.

- The communication style between the two generations is different due to their generational differences, with the older generation favoring more formal

communication methods and the younger generation taking more direct, digitally focused approaches.

- There is little transparency between the two generations when it comes to the future of the company, such as key decisions and the succession plan that will or will not lead to continuity, which leads to a lack of trust and consideration.

- The family's personal conflicts are brought into the workplace, which hampers effective communication and creates a bad atmosphere among the family, which may or may not spill over to other employees within the company. For Frank et al, (2017) communication is a very important element in family businesses and plays an important role in decision-making in this type of organization.

Regarding to valorization which is the theme most mentioned by the six companies interviewed, proving to be the most important for this new generation, and the inexistence of it leads to demotivation, low productivity and poor quality in the role performed, thus valorization is evidenced in different contexts:

- Resistance to change is the most mentioned, with the older generation being used to more backward-looking working methods and more restrained in listening to and accepting new ideas and advice from their children, who are bursting with innovation, technology, and out-of-the-box ideas.

- Preference for older workers outside the family because they have a long history/reputation in the company and a valued experience in the company that expresses a source of knowledge and security and is an asset for the company itself. The seniority of these workers is viewed with respect, which leads the founders to value them because they have already earned their space and trust in the company, which leads the children to feel like a "2nd option" when it comes to company matters and to feel undervalued in their opinions, even so, generation X prefers to test their children and wait for them to show responsibility and commitment to the company and establish their reputation in the company so that they can then be recognized and given new responsibilities so that there is impartiality between children and older workers. (Persona B1, Gen Y - *I've thought about giving up because sometimes I don't feel valued. It feels like I have to prove myself more than others because I'm the son of the founder and sometimes I feel that my opinion is not valued as much as that of my colleagues.*

*In my opinion, this is because I'm a son and my father doesn't want to give the impression that he's favoring me over other employees. (*Persona F1, from Gen Z states that "*Regarding opinions and whether they are valued or not, they have always been valued and considered because I have gained my father's trust over the years, and I can distinguish the role of boss from the role of father".* (Persona A1, from Gen Z, "When *it comes to opinions, my father insists on getting a second and third opinion instead of listening to me first"* and finally (Persona E2 from Gen Z "*When it comes to valuing opinions, I feel that my mother values the ideas I present or the opinions I have. This is very motivating").*

- Impartiality is also very important for founders to take into account so that there are no injustices regarding the treatment of children within the company and it is not seen as a "wedge" or "favoritism" for being part of the family, so there are parents who prefer to treat all members of the company equally, including their own children, revealing an impartial approach to avoid conflicts and maintain an equal working environment. (Persona F1 from Gen Z, mention that "*I would leave the company if there was a great lack of respect from my parents towards me in front of a collaborator. In other words, I give a directive to an employee and that same employee goes to talk to my parents to try to change my directive and my parents accept it without even listening to me or understanding the reason for the directive I gave initially").*

Next theme is generational clashes which are evident in these two generations analyzed due to the different working styles, leadership, communication, values, and different expectations mentioned above:

- Different values, i.e., while Generation Z values inclusion, diversity, and sustainability (topics that have been much discussed since the beginning of the 21st century), generation X has other values and prioritizes stability, habits, and practices that have been considered for many years. (PersonaB1, Gen Z, G*enerational clashes have to do with age difference and experience. Someone with more experience, like my father, sometimes doesn't take the opinion of someone younger so well, because don't have as much experience. But he's much better now".) (*Persona D, Founder *"Completely. We learn things differently at university and we have different ways of looking at problems and, above all, we look at work as part of our lives".)*

- New technologies and new working methods are emerging as this new generation enters the job market, preferring more digital methods of communication. In terms of flexibility, they prefer remote working and place great value on balancing their personal and professional lives, whereas Generation X is prone to more traditional methods. (Persona A1, Gen Z, "*My father prefers to keep sending an email on a cell phone instead of sitting down at a computer, opening an email, and sending things properly. He doesn't want to learn Excel and has no desire to do so*".

- Different types of leadership emerge, with the younger generation preferring a more collaborative and communicative leadership and the parents tending to have a more authoritarian leadership, which is another source of generational clashes within the company.

- Poor communication is also a major cause of conflict and unease both in the company and in the personal father/son relationship, as the older generation values more formal, face-to-face communication, while the younger generation prefers more direct, faster communication.

- Recognition within the company is very important to the younger generation, who are constantly looking for feedback, whether positive or negative, as well as opportunities for development within the company, which leaves them feeling motivated and valued, while generation X prioritizes job stability and more traditional benefits. An interesting mention was made by (Persona F1, Gen Z, saying that "*I don't feel any generational clashes with my parents because, as I said, they trust in me and, being 50 years old, they are very open and deal well with my opinions. The clash I do feel is with the company's employees, those who have more seniority within the company in relation to my gender, because I'm a woman and I have a position of high responsibility. They are not very receptive to changes or new projects. And being a woman is something that confuses them in this sector*".All those generational clashes can be managed through open communication and adopting practices and methods that consider the expectations and characteristics of each generation involved in the family business. As Gursoy et al, (2008) refers when employers can understand an employee's needs and respond appropriately to each generation's perspective, organizations benefit via increased employees' productivity, morale and employee retention. Therefore,

organizations need to work continuously on changing organizational practices to adapt to the diverse nature of the multigenerational workforce.

Next, the theme personal vs professional life balance is very important and has a lot of emphasis these days because young generation value well-being and quality of life more than being successful in their work and being recognized, thus, is a trend that is expected not to end in the coming years.

- Mental health is the topic most often mentioned, and there needs to be a good atmosphere at work and a good balance like quality of life which is also an important topic. There is a need for activities outside of work, such as spending time with family and friends, in addition to the 8-hour working day (Persona D1, Gen Z "*There ends up being more pressure because it's a family business and I feel I have to prove myself even more. However, I haven't encountered much resistance from my colleagues". (*Persona F1, Gen Z *"I can't switch off 100% because the work never ends. Sometimes we talk about work but sometimes we talk about work too"*).

- Try not to bring work from home and know how to distinguish between things, but it's often difficult when it comes to family business. This underload of work that is brought home is very stressful for both generations (Persona A1, Gen Z "*I am often upset with my father about work problems, but then as soon as we leave work, we are fine and we go out for dinner as if nothing had happened, which is a good thing*" (Persona B1, Gen Y *"Problems are brought home. If there's a disagreement between us at work, the atmosphere gets a bit heavy at home. It shouldn't happen, but it's very difficult to avoid*") (Persona D1, Gen Z *"Problems are brought home, in the sense that often at dinner we inevitably end up talking about what happened during the day, and what might happen the next day"*.Schroth, 2019 and Tang, (2019) show that this new generation give importance in work-life balance more than their parents who sacrifice themselves by ignoring the engagement of social activities and health conditions for the sake of working, enjoy attractive environments that foster their performance in the work. To sum up, a company's corporate culture can be developed to achieve a work-life balance, and to implement policies at work such as incentives for self-care, support for parental leave, etc.

For the theme job content, we are all aware that our daily role is very important as a source of motivation to constantly challenge ourselves and evolve in the company but, there are several reasons why the role can be demotivating for the younger generations, such as:

- Recognition is the word most emphasized by young people because the lack of it hurts their motivation and commitment. Not recognizing their work and the lack of reward makes them feel undervalued and demotivated. (Persona B1, Gen Y "*There ends up being more pressure. Because it's family, I feel like I must do twice as much work to be recognized*".

- Career stagnation is an important factor, as young people are always looking for a job that allows them to develop and go further, and if the content of the role doesn't offer career progression, it's demotivating, meaning that aligning the expectations of young people and their roles when they join the company is crucial. (Persona A1, Gen Z " *In my case, I'm very motivated because I've been with the company for more than five years, I've been through all the departments and I was able to choose the area I liked best, but I know that my brother is unhappy because he's just started and wants to go through all the areas, but he has to wait for the time it takes to develop*".

- Lack of dynamism, i.e. routine jobs without challenges, will lead to monotony and demotivation, so open communication and alignment of expectations is crucial.

- Lack of independence at work and the more work is controlled, the more young people feel a lack of opportunity to express opinions and unleash their creativity to make independent decisions.

In summary, a meaningful job together with reward and professional development is one of the most important motivating factors in the workplace (Bencsik et al, 2016; Kubátová,2016). And the importance of this dimension for Gen Z can be confirmed in relation to the outside world since this generation are not indifferent to the surrounding world and expect companies where they work or will work should be challenging and captivating (Deloitte,2018).

3.1.3 Motivating Factors for Gen Y and Z:

And finally, dimension Motivating Factors for Gen Y and Z is divided into four second-order themes, which the first one is: Rewards or remuneration and is one of the most motivating factors not only for Generation Y and Z but for all the others and there are several reasons why remuneration is important:

- Nowadays, and in the current paradigm, renting or buying a house is almost impossible due to various external and internal factors, where the age at which a young person can move out of their parent's home is after the age of 30, and remuneration is considered the most important factor in meeting the costs associated with housing, food, leisure, transportation and so on.

- Young people are increasingly investing in their education in the face of competition in the job market and investing in that is a very heavy burden for them, which means that a good salary will help pay off some of their educational debts and even give their parents that money back for having taken on this burden with their children.

- Desire for financial stability is crucial for the young people of this generation because they have seen what their parents went through and the difficulties they had in times of crisis and so they are more aware and increasingly value financial stability because of the instability that the future may bring and a good salary will bring security and stability to these young people to build a solid foundation for their future. The Deloitte study carried out in 2022 presents data on the Portuguese reality which shows that both generation Y and Z feel financially insecure and confess to feeling apprehensive about retirement when their careers end.

- Competitive remuneration can indicate recognition and appreciation for the role played, contributing to the good performance and motivation of young people whose characteristics are to be ambitious and goal oriented.

- Easy access to information on remuneration in other companies makes young people increasingly ambitious and fair for their role, which will increase their expectations of competitive remuneration. The Deloitte study shows that Gen Z are more willing to change jobs than Millennials. According to the study, 29% of Gen Z intend to leave their current job within 2 years and 20% intend to change within 5 years' Z are shown to be more willing to change jobs than Millennials.

The next theme, a sense of belonging, in the following question "<u>what is your main reason for joining the family business</u>? "reveal admiration for their parents and for all the efforts they made to ensure that nothing was missing since the family business is their only source of income, and also their desire to continue with the company which means:

- A sense of purpose and identity that young people feel because they contribute not only to the financial success of the company but also to family history and identity.

- Continuity and tradition are a motivating factor, as many young people have a strong emotional bond with the company through experiences, family stories and a deep connection with its values and furthermore the idea of being able to contribute to the family legacy is very encouraging.

- The opportunity to learn from an early age and learn about the company's management techniques is a motivating factor, as many of the young people have the chance to do summer internships and start playing small roles in the family business from an early age, while other young people don't have this chance, and so being part of the company from an early age provides opportunities for learning and growth, proving to be beneficial for professional development.

The next theme is development and has crucial role in increasing the motivation since:

- The possibility of having a leader close by because they have access to their parents' valuable advice and guidance is a competitive advantage for their success and intrinsically for the company itself.

- Opportunity for "faster" growth and "professional growth" because it is in the company of the parents and presents significant opportunities for professional growth and many young people see the company as an environment where they can progress and get to where they want to be by taking on more challenging roles, whereas in a multinational company this would not happen. (Persona A1, Gen Z *"Having the chance to grow according to what I want and what I can achieve, if I were in another company I could only grow as much as they allow, and I'd be stagnant in that role up to a certain point in my father's company I can explore a bit of everything and in my area of specialization I can manage and reach all points of the company".*

- Building professional and personal relationships is provided in the family business, where young people could work side by side with family members and non-family members, building lasting connections.

Joining the family business is usually the first option for many young people, either to make some money during the summer and pay for their expenses or to pay for their studies during the academic period, so the family business is seen as a reliable source of financial stability and security, yet there are divergent responses on this point, which is why other young people have chosen not to join the company, either because they don't like the sector or because they don't want to create more conflicts than those that already exist at home.

The flexibility theme refers to the possibility of implementing new techniques and methods, using more advanced technology and work on hybrid models among others:

- Flexible working hours are very important for young people and when they work for their parents' company they feel that there is greater flexibility when it comes to personal matters such as attending doctor's appointments or going to state affairs such as finances, so the ability to set in and out times is adjustable according to the young person's life and the option of remote working is also accessible, although not as often due to the high responsibility of the young person's position in their parents' company. (Persona B1, Gen Y, *"The company is flexible when it comes to employee's personal issues. If it's necessary to work from home, if the job allows it, there's plenty of flexibility).*

- The working environment should be innovative with the adoption of innovative practices and more inclusive working methods as well as the adoption of more modern technologies to solve problems more efficiently and practically (Persona A1, Gen Z " *I've been implementing in the company new processes, and I have much more freedom to do things the way I think is right and effective, and I end up having more flexibility in my working hours").*

- Allowing young people to explore their interests such as events and activities (Persona D1, Gen Z *"We have the freedom to carry out our work in the way that suits us best, whether this means working from home or going into the office").*

CONCLUSION

Consolidations and Recommendations

The main objective of this study was to understand the challenges and opportunities that family businesses present to stimulate/motivate/encourage new generations to continue the family business, which in turn will require an effort on the part of human resources to keep them in the companies and finding the best motivational tools.

As far as governance mechanisms are concerned, according to the founders, they don't adopt any type of mechanism, they just use family dinners or lunches to talk informally about specific company issues. It is suggested that at least one of the three mechanisms mentioned above be adopted so that communication is clearer and more concise and so that all members are informed and up to date on all situations.

Regarding flexibility, both generation Y and Z are very satisfied with the working conditions and the autonomy they have to do their jobs. However, they all say that they work too much, more than they should (+8 hours) because it is a family business and because they have a highly responsible position, which has a negative effect on their work-life balance. Therefore, some benefits should be reviewed and adapted to meet the priorities of this generation, such as work-life balance, which is very complicated in this type of company, and the promotion of wellness programs to reduce stress and avoid burnout, which is defined as a state of exhaustion caused by overwork, which has been shown to be a factor of dissatisfaction on the part of young people because they have to work more compared to another company that is not family business.

About the clashes between generations, these are evident for both generations, from working methods to ways of thinking about work. Since the younger generation is creative and innovative, it would be interesting for companies to create a good environment that encourages the more innovative side of young people and encourages them to give their input and new ways of thinking so that they feel valued, as well as allowing young family members to be involved in important company processes to make them feel valued, which also helps to pass on values and helps in the succession process.

In line with the theme of valorization, it would be interesting for parents to allow investment in more technological methods such as the use of more digital tools and other technological solutions that optimize work processes, considering each business area.

With regard to the generation that is still studying, it is clear that they all have an entrepreneurial spirit and that if they choose not to work with their parents they would

like to start their own business in their area of interest. It's worth mentioning that the parents haven't put any pressure on their children to follow a certain area, but those who have the ambition to pass the company on to their children are clearly saddened to realize that their children don't want to continue with the business. With regard to the children who chose not to join the company, they show that they made this decision because of the conflicts that work brings into the home, and so they prefer to move away and take another direction in their lives, as Persona B2 from Generation Z said "I chose to follow a different path because I realized that there are several conflicts between my father and my brothers because of the company and I know that my father wants me to have a path that is not linked to his business" Another case is Persona C1 from Generation Z, who also chose to leave his mother's company because since his younger sister joined, his mother favored her youngest daughter and disregarded everything that had been done by his older brother, who was already there.

In other words, each dynamic within the family is different and the motivations of some may not be the same as others. It is important to highlight that there are common points between the generations regarding their expectations when working with their parents, as well as there are many divergent points, while some feel very valued within their parent's company, others are completely set aside and devalued by the arrival of another brother in the company.

The findings of this study, comparing the literature and the results of the interviews, show that the new generations increasingly prioritize organizations that foster innovation and creativity and that offer rapid development, work-life balance, collaboration, freedom, fun, integrity, and speed.

To conclude, the relationships within the family represent a strategic dimension within the family business and play a source of competitive advantage which means, if the family is successful, the value of its business and its investment can be multiplied through generations (Jaffe and Lane, 2004).

Significance and impact of the research

In a family business is expecting that their children take over the business and a diversity of academic articles reveal unique characteristics as well the perception that Gen Y and Z have of making their carrier in a family business that is very different from older generations. Some researchers realized the lack of this research and emphasize the importance of understanding Gen Z to devising and implementing strategies to groom them to take over the FB and to deliver a powerful message to the younger generation promoting the entrepreneurial spirit, and preparing them to take calculated risks, and devise strategies for the firm's sustainability (Bharat Chillakuri, Jonnalagadda Sai Hitesh and Kaparthi Srinivas).

Due the theoretical and practical contributions already made, it is believed to be able to bring added value, mainly by studying a sample in the context of Portuguese culture and by being able to enrich theory and practice of the B.F that will be more prepared for the arrival of those generations newest in the company. It's well known that that those group of individuals is shaking up the world we know and both human resources and the family need to understand those younger generations.

By carrying out this study, will be possible to make a theoretical contribution to the literature, which until then was quite scarce regarding some themes such as: "new generations" and "generational cohort". This study does not focus only on the characteristics of those generations but on why those generations presents challenges and obstacles in joining a family business.

The relevance of this topic will allow the founder and the rest of the family involved in the company to become aware of the characteristics of this new generation that will shake up the job market. In conclusion it is important to emphasize that relationships within the family represent a strategic dimension within the family business and play a source of competitive advantage (Morris et al., 1997). Therefore, if the family is successful, the value of its business and its investment can be multiplied through generations (Jaffe and Lane, 2004)

About Deloitte's study (2018), the top factors that Gen Z considers when searching for a new job are: financial rewards, positive workplace culture, flexibility, and opportunities for continuous learning. Another study, a worldwide study from 2014 presented 3 dominant work motivators of Gen Z which are (advancement, more money and meaningful work (Schwabel, 2014).

Reflections for Future Research

This study has allowed us to highlight the characteristics of Gen Y and Z as well as their motivating and demotivating factors in the job market and, more specifically, in their parents' company. The type of relationship that exists between Generation X (founder) and Generation Y and Z (children) was demonstrated, as well the main conflicts and strategies to be adopted by the company and its founder to retain those generations and give the company a chance to continue.

The main limitations of this study are the small size of the sample, and each company represents a different sector which reveals very diversified answers due to the different business areas from hospitality to accountancy firms and also the fact that all the companies are located in Portugal. Another limitation is the age of the participants, since the children of the founders are still young which reveals that they are still immature and have some difficulties in answering some questions in the script, which makes it difficult to understand some of their thoughts and reflections. In addition, many answers were vague and had very little content, which required an effort to extract a little more content so that the answers in the end could enlighten the study in question.

Another major limitation in this study is related to the scarce number of articles in literature focusing on those generations and the obstacles they face in joining their parents' company. Therefore, general articles were considered such as the main characteristics of those new generations, their behaviors and work habits in the workplace and in other articles the general themes of family businesses and in the end, it was possible to align everything and try to have an objective result with the help of interviews with direct and open-ended questions.

In a future study, it would be interesting expanding the sample size to obtain a greater diversity of responses and adopting a quantitative analysis in the study to generalize the results obtained. And another suggestion will be the possibility of interviewing members of the company who do not make part of the family, to understand some patterns between the relationship between them and the youngest entrants which was revealed during the interviews a raised topic.

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APPENDIX

<u>Focus Group Guidelines:</u>
The purpose of this study is to understand the challenges and opportunities in the family business to retain and motivate the Y and Z generation.

There are 2 scripts, the first refers to generation Y and Z and the other to generation X. Generation Y was born between the years 1980-1995 and generation Z between 1995-2010.Generation X was born between the years 1960-1980.

Those generations all together in the labor market will create conflicts or even opportunities to grow and achieve a competitive advantage in the company, even so, several scientific articles evidence the great resistance that children (generation Y and Z) present to enter the company of their parents (generation X).

Thus, the following questionnaire presents several questions to obtain results and create improvement proposals so that family businesses are prepared to receive their children and to retain them in the company so that it can continue and survive over the years.

Characterization of the Sample	Characterization of the Family Business
Name	Name
Age	Year Founded
Gender	Business Area
Generation	Location
Position in the company	Number of family members working in the company
Academic qualifications	Number of possible successors

There may be 3 distinct situations:

1- generation that is still studying and therefore not yet part of the family business.

2- generation that has already entered and exercises management functions.

3- generation which has chosen not to enter the family business.

After identifying what your current situation is, several questions will be asked for each specific point of which are as follows:

Script: Generation Y and Z:

Case of the generation that is still studying:

- What are the educational qualifications/ has there ever been contact with the labor market, if yes, was it outside the parents' company?

- Did your parents influence you to take a certain course? If yes, was it with the intention of a possible entry in the company after the end of the course?

- After finishing the course, do you think you would have the will and ambition to go and work in your parents' company or would you prefer to work in another company?

- Is there any concern or fear about how the workers of the company outside the family will look at your entry, since you are a member of the family and may have more benefits than the workers who have already been in the company for several years?

- Having entrepreneurial parents, was there ever an ambition to build and create a company from scratch?

Case of the generation that has already entered and performs management functions:

- How did your parents influence your entry into the family business? Was the role that parents played a reason that led you to be committed to the company?

- What kind of qualifications did the parents require? Was there professional experience outside the company itself?

- What were the main reasons for the decision to enter the family business?

- How long have you been at the company and what position do you hold?

- Have there been challenging projects in the company? If not, mention the reason.

- Right now, what guarantees continuity or not in the company?

- After joining the company, what did you feel most positive and negative about working conditions, organizational policies, communication, flexibility (face-to-face/hybrid work), consistency of feedback, opinions valued or not by parents, etc...

- What are the factors that can influence parents to leave the company? Ex: career development, low rewards, high stress levels, financial insecurity, work environment among others.

- What are the main obstacles and advantages of working at your parents' company?

- Considering that your objective is continuity in the company and that you are the direct successor, what kind of improvement actions would you implement in the company?

- For possible conflicts in the company, what types of governance mechanisms exist? (family meetings / family protocol / succession plan)?

- Is there a balance between personal and professional life? Or are the problems that exist in the company taken indoors?

- Because you have an important position in the company and a certain responsibility, do you feel that there is a need to work more than in a non-family company?

- Does extreme responsibility in your job increase your level of stress and anxiety? If yes, in what way?

- At some point did you feel like giving up and wanting to leave the family business? If yes, what were the main reasons?

- In some words, mention what could motivate/retain you to join your parents' company, in case things are not going in the best way.

- What are the most evident generational shocks that you feel when working with your parents who are from an older generation? Are they reluctant to new technologies? Do not accept to hear outside opinions? Not in the habit of giving constant feedback? Etc.

Case of the generation that chose not to join the company:

- What is the reason for not having the ambition of wanting to work in your parents' company? Ex: preference to work in a multinational because it will provide more financial stability, conflicts with the family at home, etc.

- What would be the main factors that would lead you to better rethink and choose to work with your parents (factors that would motivate you to join).

- Did the decision not to be part of the family business create any kind of resentment towards your parents?

- What are you currently doing professionally?

- Do you feel valued and motivated in the company where you are currently working?

- Do you have siblings who work in your parents' company?

Script: Generation X (Founder)

- What kind of qualifications/soft/hard skills do children require to join the company?

- Do they value their child's professional experience outside the company?

- How do you perceive the entry of children into the company?

- Are the government structures prepared for the entry of these younger generations?

- In terms of your son's desire to integrate into the company, what kind of concerns did you have regarding his/her integration into the company?

- What characteristics did your succession plan have?

- What were the facilitating factors/barriers to the children's entry into the company?

- What impact did your son's entry into the company have? Either positively or negatively.

- Do you feel that there are generational shocks in the father/son relationship in the family business? Different ways of working, divergent ideas, work environment, flexibility, among others.

- What kind of succession do you hope to achieve?
  - Intra-family is the transfer of management to a family member.
  - Non-family – transfer of management to a member who is not part of the family.
  - No succession- decision to terminate the company and sell it.

Interview Results:

Characterization of the Family Business

- **Name**: (not mandatory): JESET Comércio e Distribuição, Lda
- **Year Founded**: 1998
- **Business Area**: Office furniture and archives
- **Location**: Lisbon
- **Number of family members working in the company**:3
- **Number of possible successors** (founder's children): 2

Characterization of the Sample:

- **Name**: Carlos Santos
- **Age**: 66
- **Gender**: Male
- **Generation:** Baby Boomer (X)
- **Position in the Company**: General Manager (founder)
- **Academic Qualifications**: 12º ano

1. **What kind of qualifications/soft/hard skis do you require of your children to join the company?** Soft skills**:** Leadership, Emotional intelligence, Proactivity, Teamwork, and Effective communication. Hard skills**:** Practical knowledge of the business area and machine operation.
2. **Did you value your child's professional experience outside the company?** If possible, acquire diverse professional skills before joining the company.
3. **How do you perceive your children joining the company?** The initial intention was never for the company to become a family business. However, due to circumstances in their careers, one of my sons joined the company in logistics and the other set up a company that complements the services (outsourcing), also the area of logistics and the assembly of office furniture and archives. Ideally, both would have had independent career paths and not been directly linked to my company.
4. **Are government structures prepared for the arrival of these younger generations?** Regardless of the government structures that may help the younger generations to enter the company, I believe that it should be the role of the company's board to make the decision and, consequently, to integrate them into the organization. In this type of business, the emotional relationship significantly influences the dynamics of the company, so we shouldn't follow a "by the book" model, but rather understand the characteristics and strengths of each family candidate.
5. **When you wanted to integrate your child into the company, what kind of concerns did you have when integrating your child into the company?** Relationships and communication with other employees without distinguishing family ties; Integration into the team and business model.

6. **What features did your succession plan have?** As mentioned above, the initial intention was never for the company to become a family business, so the succession plan was never a priority and therefore never planned. As there is another partner, succession to a family member is not an option now.

7. **What were the facilitating factors/barriers to your children joining the company?** Relations with other employees are a challenge and some communication problems due to playing the role of father and boss;

8. **What impact has the son's entry into the company had? Either positively or negatively?** Discomfort in making certain decisions that have an impact on the family relationship.

9. **Do you feel that there are generational clashes in the father/son relationship in the family business? Different ways of working, divergent ideas, working environment, flexibility, etc.** Yes. The difference in ages and ways of thinking/working create differences that are reflected in the running of the business and consequently in the family relationship.

10. **What kind of succession do you hope to achieve?**

- Non-family or No succession.

2: Case of the generation that has already entered and performs management functions:

Characterization of the Sample:

- **Name**: Gonçalo Santos
- **Age**: 32
- **Gender**: Male
- **Generation**: Y
- **Position in the Company**: Logistics Manager
- **Academic Qualifications**: High School

11. **How did your parents influence your entry into the family business? Was the role your parents played a reason why you were committed to the company?** From a very young age, I was interested in issues related to my father's company. I was interested in understanding the business, how it worked and how my father made decisions.

12. **What kind of qualifications did the parents require? Has there been any professional experience outside the company itself?** No qualifications were required. I started by doing some work during the school vacations. The work consisted of supporting the furniture assembly technicians. It was my first professional experience.

13. **What were the main reasons for the decision to join the family business?** The main reasons why I wanted to join the company were: the fact that I have always been interested in how the company works and in the business itself. The

admiration I always had for my father's professionalism and the question of the company's continuity.

14. **How many years have you been with the company and what position do you hold?** I've been an employee of the company since 2015 (7/8 years). My role is head of logistics.

15. **Have there been any challenging projects in the company? If not, why?**
Yes. Sometimes interesting and challenging projects come up, such as supplying furniture to large companies and office spaces, which put me to the test in terms of logistics management.

16. **At the moment, what guarantees your continuity in the company?**
At the moment, I'd like to move on, but as I'm already in a stable situation and within the company's dynamics, I'll end up staying.

17. **After joining the company, what did you feel were the most positive and negative about working conditions, organizational policies, communication, flexibility (face-to-face/hybrid work), consistency of feedback, opinions valued or not by parents, etc?**

- Working conditions: Employees are free to carry out their work in the way that best suits them.
- Organizational Policy - The guidelines are well defined. However, sometimes they are not fully respected, which leads to some problems in the organization.
- Communication - This is sometimes a problem I encounter in the company. The lack of communication between certain elements sometimes leads to unnecessary problems.
- Flexibility - The company is flexible when it comes to employees' personal issues. If it's necessary to work from home, if the job allows it, there's plenty of flexibility. In my case, as I manage suppliers, I have to be present to receive orders.
- Valuing opinions - Sometimes I feel that my opinion is not valued as much as that of my colleagues. In my opinion, this is because I'm a son and my father doesn't want to give the impression that he's favoring me over other employees.

18. **What factors might influence you to leave your parents' company? For example: career development, low rewards, high stress levels, financial insecurity, working environment, etc.**
Seeking new professional challenges; Meeting new people and new environments; Getting to know new businesses; Improving salary;

19. **What are the main obstacles and advantages of working for your parents' company?**

- Obstacles: Little recognition
- Advantages: Working on something that belongs to us.

20. **Bearing in mind that your goal is continuity in the company and that you are the direct successor, what kind of improvement actions would you implement in the company?** Training employees in computer skills (Excel, for example) and hiring someone to support the commercial area.

21. **What kind of governance mechanisms are in place to deal with possible conflicts in the company (family meetings / family protocol / succession plan)?** Doesn't exist.

22. **Is there a balance between personal and professional life? Or are the problems that exist in the company brought into the home?** Problems are brought home. If there's a disagreement between us at work, the atmosphere gets a bit heavy at home. It shouldn't happen, but it's very difficult to avoid.

23. **Because you have an important position in the company and a certain amount of responsibility, do you feel the need to work harder than in a non- family business?** There ends up being more pressure. Because it's family, I feel like I have to do twice as much work to be recognized.

24. **Does the extreme responsibility of your position increase your level of stress and anxiety? If so, in what way?** Yes, stress and anxiety are part of my daily life. In the logistics area, there's a lot of stress about order deliveries. Some customers are more understanding than others. All it takes is a delay in an order for there to be pressure and discontent on the part of the customer.

25. **Did you ever feel like giving up or wanting to leave the family business? If so, what were the main reasons?**Yes, I've thought about giving up because sometimes I don't feel valued. It feels like I have to prove myself more than others. Definitely because I'm the son of the founder.

26. **In some words, mention what could motivate you to join your parents' company if things aren't going well.** What could motivate me: To continue something that my father built. What could hold me back: The fear of not being able to continue what has been built.

27. **What are the most obvious generational clashes when working with your parents who are from an older generation? Are they reluctant to new technologies? Unwilling to listen to outside opinions? Are they not in the habit of giving constant feedback? Etc.**The most obvious clash has to do with age difference and experience. Someone with more experience, like my father, sometimes doesn't take the opinion of someone younger so well, because they don't have as much experience. But he's much better now.

Case of the generation that chose not to join the company:

- **Characterization of the Sample:**
- **Name:** Margarida Santos
- **Age**: 25
- **Gende**r: Female
- **Generation**: Z
- **Position in the Company**: N/A
- **Academic Qualifications**: Master

28. **Why don't you have the ambition to work for your parents' company? E.g. preference to work for a multinational because it will give more financial stability, conflicts with family at home, etc.** I chose to follow a different path because I realized that there are several conflicts between my father and my brothers because of the company and I know that my father wants me to have a path that is not linked to his business and that he would like all his children to

have followed paths independent of his. In addition, the office furniture market doesn't particularly interest me and I preferred to pursue an area that I enjoy more.

29. **What would be the main factors that would lead you to rethink and choose to work with your parents (motivating factors)?** Knowing that because I had acquired a different type of knowledge from my brothers, I could continue with the company.

30. **Did the decision not to be part of the family business create any hurt feelings towards your parents?** No, I know that my father prefers me to have a career independent of his.

31. **What are you currently doing professionally?** I'm trying to follow my areas of study and shape my career around them.

32. **Do you feel valued and motivated in your current company?** Yes
33. **Do you have siblings who work for your parents' company?** Yes

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Characterization of the Family Business

- **Name**: (not mandatory): Avelino Portela e Ribeiro Uni, LDA
- **Year Founded**: 2001
- **Business Area**: Civil Construction
- **Location**: Madeira
- **Number of family members working in the company**:4
- **Number of possible successors** (founder's children): 3

Characterization of the Sample:

- **Name**: Avelino Portela e Ribeiro
- **Age**: 56
- **Gender**: Male
- **Generation:** Baby Boomer (X)
- **Position in the Company**: General Manager (founder)
- **Academic Qualifications**: 12° ano

1. **What kind of qualifications/soft/hard skis do you require of your children to join the company?** Willingness to learn, love for the area and resilience.

2. **Did you value your child's professional experience outside the company?** Is irrelevant. The most important thing for me is knowing that my three children want to work for my company.

3. **How do you perceive your children joining the company?** The only dilemma for me is that the youngest doesn't get on well with the middle one and since they were little, they've had their backs to each other. And the middle one insists that his sister Francisca shouldn't get involved in the business since she's a girl that has nothing to do with because the business specializes in construction and has nothing to do with her.

4. **Are government structures prepared for the arrival of these younger generations?** I think so, I've clearly defined the future I have for them in the company and over the years I've also listened to what they expect from the company.

5. **When you wanted to integrate your child into the company, what kind of concerns did you have when integrating your child into the company?** None. He adapted to every circumstance, and it was he himself who revolutionized the company and got it back on its feet.

6. **What features did your succession plan have?** I never thought about it. His rapid entry was due to a great need for the company not to disappear.

7. **What were the facilitating factors/barriers to your children joining the company?** There were no barriers. One of the most facilitating factors was that my eldest son needed to join the company at a time when he also needed money to pay for his studies. So, it worked out well, but the truth is that since he's been working with me he hasn't continued his studies and I don't think it's in his plans any more.

8. **What impact has the son's entry into the company had? Either positively or negatively?** Positively had a major impact on organizing documents, creating employment contracts, researching, and analyzing cheaper resellers and many other things. The most negative thing I see is wanting to interfere too much in the decisions of the project engineer who has more experience.

9. **Do you feel that there are generational clashes in the father/son relationship in the family business? Different ways of working, divergent ideas, working environment, flexibility, etc.** Yes, I feel that way a lot, especially with the arrival of my eldest son six years ago. If it hadn't been for him changing all the processes and organizing everything, the company would have gone down.

10. **What kind of succession do you hope to achieve?** Intra-family succession

2: Case of the generation that has already entered and performs management functions:
Characterization of the Sample:

- **Name:** Gonçalo Ribeiro
- **Age**: 26
- **Gender**: Male
- **Generation**: Z
- **Position in the Company**: Commercial Director, Accountant, Product Manager, Stocks, Warehouse. He performs a bit of everything.
- **Academic Qualifications**: Bachelor's in business administration (not completed)

11. **How did your parents influence your entry into the family business? Was the role your parents played a reason why you were committed to the company?** My father always made me see that I should take an interest in the company, and he put more pressure on me to do so when I tried to start my first business - because at the end of the day it didn't make sense for me to do so because I had

my father's company that I could help and not just hand it over to anyone. At the time, I wasn't very motivated because I didn't see myself working in the construction industry, nor did I know the business, and even because of the stereotype that exists (no one has an education, and they're seen as poorly educated).My mother was always completely against me working for the company. She thought I should finish my studies first, 2ndly I should follow what I want to do and not be influenced by what other people have in mind for me; and because my mother didn't trust my father's intentions very much due to the mistakes he made with me in the past when he stopped paying me my salary and I was forced to leave because I didn't want to work under those conditions.

12. **What kind of qualifications did the parents require? Has there been any professional experience outside the company itself?** No. I joined the company as a "courier". I organized events, discos and festivals with a team of 67 people and worked sporadically as a caterer for a company.

13. **What were the main reasons for the decision to join the family business?** The main reason was to help my father and pay my college, because I didn't have a job at the time and also due the lack of organization, logistics, paperwork, there wasn't a sheet of paper, an office, nothing.

14. **How many years have you been with the company and what position do you hold?** I've been with the company for 6 years and for 2 years I took a break and stopped working because I wasn't valued and exploited and often didn't get paid. I had more and more responsibilities and tasks and everything remained the same, without any benefits.

15. **Have there been any challenging projects in the company? If not, why?** Yes, quite a few. One of them was the carris project, which consisted of redesigning the entire network of metropolitan carris stops in the Setúbal metropolitan area and the total redesign of the Oeiras Parque shopping center.

16. **At the moment, what guarantees your continuity in the company?** Having started a process of segmentation and expansion of the company and not wanting to leave the process I started and not leave it halfway through. "It's one of the main reasons, but not the only one". And because it's something that could be for me later, whether I want it to be or not.

17. **After joining the company, what did you feel were the most positive and negative about working conditions, organizational policies, communication, flexibility (face-to-face/hybrid work), consistency of feedback, opinions valued or not by parents, etc?** Working conditions - not good, as I was younger, I was considered inexperienced. I was considered an errand boy and moved around without a physical, stable place to do my job. Often, I didn't have a very strict schedule, almost like part-time, but then there were days when I had to work twice as hard and I had to miss classes and everything. Nowadays, with the structuring and organizational plan I've been implementing in the company, all the processes are easier, I have much more freedom to do things the way I think is right and effective, and I end up having more flexibility in my working hours. I have support for fuel, company cars if I need them, tolls paid, etc.). With regard to feedback, I often have to give it to my father because I often tell him what he has to do. When

it comes to opinions, my father insists on getting a second and third opinion instead of listening to me first. When it comes to accounting, I say that we have to change something, and he instantly says that it doesn't work like that and ends up going to an accountant he knows and months later ends up doing what he initially suggested.

18. **What factors might influence you to leave your parents' company? For example: career development, low rewards, high stress levels, financial insecurity, working environment, etc.** Critical management scenarios that will make the company's future unviable or my work will no longer be valued, not least because my father thinks I'm being paid too much for what I'm doing. The only part done by my father is the commercial one, because he's the one who has the contacts and knows the engineers, which doesn't end up being very positive, because he ends up making the estimates far below the desired values so that the company has a healthy profit margin.

19. **What are the main obstacles and advantages of working for your parents' company?** Advantage - having the chance to grow according to what I want and what I can achieve, if I were in another company I could only grow as much as they allow and I'd be stagnant in that role up to a certain point and in my father's company I can explore a bit of everything and in my area of specialization I can manage and reach all points of the company. Obstacle - because the company is mine/father's I often end up setting my own path...even though I'm a very consistent person. As I don't have any demands because it's mine, there's a possibility that I'll lose my way and feel demotivated, and if that happens it's bad for me and for the company.

20. **Bearing in mind that your goal is continuity in the company and that you are the direct successor, what kind of improvement actions would you implement in the company?** Consider the solidity of the company in the market / the position it occupies It's no longer justifiable for us to make estimates that don't give the company a profit margin just to show off the good work we do, because at the end of the day this can even harm the company.

    It's very complicated to keep workers and we end up giving them high salaries because as we train them from scratch and follow the whole process from start to finish, they end up becoming good professionals and they themselves end up wanting to leave to other countries in search of higher salaries, such as Switzerland, Belgium and France. We pay above market rates, but they still leave in search of even higher salaries. "I have an employee earning 3,000,000 euros a month when in many companies even an engineer doesn't earn that much, but in countries like Belgium they end up earning more (500 or 600 more) which makes them go abroad to work.

21. **What kind of governance mechanisms are in place to deal with possible conflicts in the company (family meetings / family protocol / succession plan)?** I'm implementing it at the moment. Creating an organigram (what are the necessary functions of our company) and then delimiting tasks for each position and later structuring a protocol. The last family meeting was at the beginning of the year and the person who transcribed the meeting was an engineer who is not part of the family, but my father decided to do so.

22. **Is there a balance between personal and professional life? Or are the problems that exist in the company brought into the home?** There isn't. I'm often upset

with my father about work problems, but then as soon as we leave work we're fine and we go out for dinner as if nothing had happened, which is a good thing.

23. **Because you have an important position in the company and a certain amount of responsibility, do you feel the need to work harder than in a non-family business?** Absolutely. Even so, I prefer to work more in a company that is my own.

24. **Does the extreme responsibility of your position increase your level of stress and anxiety? If so, in what way?** Yes, a lot of the time I have to do things that I'm not responsible for in order for things to run smoothly and having to do that when I'm not responsible for it increases my stress because I end up overlapping tasks and because they're highly responsible I can't make mistakes.

25. **Did you ever feel like giving up or wanting to leave the family business? If so, what were the main reasons?** Yes. Lack of recognition, lack of pay, demotivation (not seeing things develop). I would say what we had to do and the engineer outside the family would say the same as me and my father would readily accept his feedback without even questioning it, but when I said it, it was always seen as if it didn't make sense and for the engineer it was almost like a law.

26. **In some words, mention what could motivate you to join your parents' company if things aren't going well.** Organization, inspection, future, evolution, construction, solidification, preservation, knowledge, specialization, achievement**.**

27. **What are the most obvious generational clashes when working with your parents who are from an older generation? Are they reluctant to new technologies? Unwilling to listen to outside opinions? Are they not in the habit of giving constant feedback? Etc.** All those points mentioned earlier. My father prefers to keep sending an email on a cell phone instead of sitting down at a computer, opening an email and sending things properly. He doesn't want to learn excel and has no desire to do so. He says things are very easy, but he doesn't know how to do them. He has no working method and is very disorganized. I feel like the person guiding my father in his own company and without me I would say that the company could suffer great financial losses and even go out of business because of his lack of responsibility.

Case of the generation that is still studying:

Characterization of the Sample:

- **Name:** Francisca Ribeiro
- **Age**: 17
- **Gender**: Female
- **Generation**: Z
- **Position in the Company**: N/A
- **Academic Qualifications**: High school (at the moment)

28. **What are the educational qualifications/ has there ever been contact with the labor market, if yes, was it outside the parents' company?** Yes, I already had

contact with the job market in my father's company. My duties included administrative practices and georeferencing the road lines in the Setúbal district.

29. **Did parents influence you to take a certain course? If yes, was it with the intention of a possible entry in the company after the end of the course?** No, the choice of course (Law) had no influence.

30. **After finishing the course, do you think you would have the will and ambition to go and work in your parents' company or would you prefer to work in another company?** After finishing the course, I see myself working in something related to law, such as being a lawyer or a judge, and I see the opportunity to work in my father's company as a plan B.

31. **Is there any concern or fear about how the workers of the company outside the family look at your entry will, since you are a member of the family and may have more benefits than the workers who have already been in the company for several years;** No, if I ever work for my father's company I don't have that fear, because I'm aware that within the company there's a good atmosphere and everyone is treated the same regardless of whether they're a family member.

32. **Having entrepreneurial parents, was there ever an ambition to build and create a company from scratch?** I can't see myself doing it now, but it's not completely out of my plans.

Case of the generation that is still studying:

Characterization of the Sample:
- **Name:** João Ribeiro
- **Age**: 18
- **Gender**: Male
- **Generation**: Z
- **Position in the Company**: Summer internships
- **Academic Qualifications**: Bachelor's degree in economics (not concluded)
-

33. **What are the educational qualifications/ has there ever been contact with the labor market, if yes, was it outside the parents' company?** Second year of university. I've already had contact with the job market in various situations, including a short period of time at my parents' company.

34. **Did parents influence you to take a certain course? If yes, was it with the intention of a possible entry in the company after the end of the course?** No, the choice was totally determined by me.

35. **After finishing the course, do you think you would have the will and ambition to go and work in your parents' company or would you prefer to work in another company?** I'd have the ambition, but it would only be naive not to take advantage of my parents' work and start from scratch.

36. **Is there any concern or fear about how the workers of the company outside the family will look at your entry, since you are a member of the family and may have more benefits than the workers who have already been in the company for several years;** No, there is no such concern.

37. **Having entrepreneurial parents, was there ever an ambition to build and create a company from scratch?** Yes, there is, but it's purely based on my will, with external influences having zero impact on my decisions.

Characterization of the Family Business

- **Name**: (not mandatory): -
- **Year Founded**: 2015
- **Business Area**: Consulting and Accounting
- **Location**: Porto
- **Number of family members working in the company**:3
- **Number of possible successors** (founder's children): 2

Characterization of the Sample:

- **Name**: Sandra Teixeira
- **Age**: 52
- **Gender**: Female
- **Generation:** Baby Boomer (X)
- **Position in the Company**: General Manager (founder)
- **Academic Qualifications**: Master's in taxation

1. **What kind of qualifications/soft/hard skis do you require of your children to join the company?** **Soft skills**: Teamwork; Communication; Time organization; **Hard skills**: Theoretical knowledge of the business area; Knowledge of English; Knowledge of excel.
2. **Did you value your child's professional experience outside the company?** A lot! Although we give you the chance to do summer internships in our company, we encourage them to go elsewhere and explore other realities.
3. **How do you perceive your children joining the company?** The intention was never to turn this company into a family business. However, my daughter began to take an interest in this area and ended up joining the company and making a very valuable contribution.
4. **Are government structures prepared for the arrival of these younger generations?** I believe that transparent communication about the future of the company is essential. It is crucial to understand the expectations, values and knowledge of the younger generations. In this sense, it is important that governance

structures are flexible enough to adapt to the changes that younger generations may bring and demand.

5. **When you wanted to integrate your child into the company, what kind of concerns did you have when integrating your child into the company?** Make a point of leaving the family relationship "out of doors"+ Integration into the team and business model as if it were just another person.

6. **What features did your succession plan have?** We never really dedicated ourselves to creating a succession plan, since it was never the company's goal to become a family business.

7. **What were the facilitating factors/barriers to your children joining the company?** Difficulty imposing work/home boundaries.

8. **What impact has the son's entry into the company had? Either positively or negatively?** The family relationship translates into a relationship of mutual trust that facilitates open and honest communication, which ends up creating a healthy business environment.

9. **Do you feel that there are generational clashes in the father/son relationship in the family business? Different ways of working, divergent ideas, working environment, flexibility, etc.** Completely. We learn things differently at university, we have different ways of looking at problems and, above all, we look at work as part of our lives.

10. **What kind of succession do you hope to achieve?** Currently, our work has been very much focused on intra-family succession.

2: Case of the generation that has already entered and performs management functions:

Characterization of the Sample:

- **Name:** Matilde Teixeira
- **Age**: 25
- **Gender**: Female
- **Generation**: Z
- **Position in the Company**: Junior Consultant
- **Academic Qualifications**: bachelor's in management and law

11. **How did your parents influence your entry into the family business? Was the role your parents played a reason why you were committed to the company?** I grew up hearing my parents talk a lot about the company, but I never felt any pressure to pursue it. However, when the time came to choose, the right path seemed to be a double degree in Management and Law.

12. **What kind of qualifications did the parents require? Has there been any professional experience outside the company itself?** Like all the other employees, they required me to have a degree in management or economics. My professional experience came a lot from small internships, which my parents always encouraged me to do, but never with the aim of gaining experience to later join the family business.
13. **What were the main reasons for the decision to join the family business?** Interest in business and alignment of personal values with the company's values.

14. **How many years have you been with the company and what position do you hold?** I've been an employee of the company for 2 years since I finished my degree. My position is Junior Consultant.

15. **Have there been any challenging projects in the company? If not, why?** Yes. Legislation is constantly changing and that demands a lot of us. What's more, we've managed to increase our client base, which means a greater workload and greater responsibility.

16. **At the moment, what guarantees your continuity in the company?** For the time being, the founders are not yet close to retirement, so this question doesn't arise. Everything indicates that the company will continue.

17. **After joining the company, what did you feel were the most positive and negative about working conditions, organizational policies, communication, flexibility (face-to-face/hybrid work), consistency of feedback, opinions valued or not by parents, etc?** Way of working: we have the freedom to carry out our work in the way that suits us best, whether this means working from home or going into the office. Work-life balance: although the job demands a lot of us, our bosses always encourage us to keep to our working hours as much as possible. However, many people work overtime, which ends up creating a tacitly more competitive environment.
18. **What factors might influence you to leave your parents' company? For example: career development, low rewards, high stress levels, financial insecurity, working environment, etc.** Desire to explore new professional challenges and desire to live in another city/country.
19. **What are the main obstacles and advantages of working for your parents' company?** Obstacles: Difficulty establishing limits between what you say at home and what you say at work; Advantages: Working for a company you identify with.

20. **Bearing in mind that your goal is continuity in the company and that you are the direct successor, what kind of improvement actions would you implement in the company?** Increasing the number of team-building moments; Betting on a different office that encourages sharing challenges on a daily basis.
21. **What kind of governance mechanisms are in place to deal with possible conflicts in the company (family meetings / family protocol / succession plan)?** Don't exist.

22. Is there a balance between personal and professional life? Or are the problems that exist in the company brought into the home? Problems are brought home, in the sense that often at dinner we inevitably end up talking about what happened during the day, and what might happen the next day.

23. Because you have an important position in the company and a certain amount of responsibility, do you feel the need to work harder than in a non-family business? There ends up being more pressure. Because it's a family business, I feel I have to prove myself even more. However, I haven't encountered much resistance from my colleagues.

24. Does the extreme responsibility of your position increase your level of stress and anxiety? If so, in what way? Yes, stress and anxiety are part of my daily life. In the logistics area there's a lot of stress about order deliveries. Some customers are more understanding than others. All it takes is a delay in an order for there to be pressure and discontent on the part of the customer.

25. Did you ever feel like giving up or wanting to leave the family business? If so, what were the main reasons? No.

26. In some words, mention what could motivate you to join your parents' company if things aren't going well. What could motivate me: Continuing something my parents have built. What could hold me back: Better and more interesting opportunities.

27. What are the most obvious generational clashes when working with your parents who are from an older generation? Are they reluctant to new technologies? Unwilling to listen to outside opinions? Are they not in the habit of giving constant feedback? Etc. The most obvious clash has to do with the age difference and the value they place on things. For me, work is a - not very big - part of my life. For my parents, work is almost their whole life**.**

Case of the generation that chose not to join the company:

Characterization of the Sample:

- **Name:** Carolina Teixeira
- **Age**: 20
- **Gender**: Female
- **Generation**: Z
- **Position in the Company**: /
- **Academic Qualifications**: Bachelor

28. Why don't you have the ambition to work for your parents' company? E.g. preference to work for a multinational because it will give more financial stability, conflicts with family at home, etc. I chose to study for a degree that was completely different from my parents' business. I decided to do what I really liked - mechanical engineering - and I didn't give in to the pressure to do management or economics to join the family business.

29. **What would be the main factors that would make you rethink working with your parents (factors that would motivate you to join)?** Eventually, in a situation of great need, I could help as much as I could.

30. **Did the decision not to be part of the family business create any hurt feelings towards your parents?** No. They respect that I have different tastes and preferences.

31. **Assuming you don't work with your parents, what are you doing now professionally?** I'm still finishing my degree in Mechanical Engineering and I'm not yet working for a company.

32. **Do you feel valued and motivated in your current company?** No data

33. **Do you have siblings who work in your parents' company?** Yes

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Characterization of the Family Business

- **Name**: (not mandatory): -
- **Year Founded**: 2020
- **Business Area**: Local accommodation and events organization
- **Location**: Madeira
- **Number of family members working in the company**:1
- **Number of possible successors** (founder's children): 3

Characterization of the Sample:

- **Name**: -
- **Age**: 55
- **Gender**: Female
- **Generation:** Baby Boomer (X)
- **Position in the Company**: General Manager (founder)
- **Academic Qualifications**: Bachelor's degree

1. **What kind of qualifications/soft/hard skills do you require of your children to join the company?** Being proactive, creative, persistent, demanding, assertive and a good communicator.

2. **Did you value your child's professional experience outside the company?** Yes, because knowledge is the basis of success, so it's always good to seek knowledge outside the company.

3. **How do you perceive your children joining the company?** As this is a local accommodation company and, given the company's growth over the years, I felt

the need to acquire staff with training in management and human resources. Given that my youngest daughter was finishing her degree in human resources management and showed every interest and motivation to develop the business, I decided to hire her.

4. **Are government structures prepared for the arrival of these younger generations?** -

5. **When you wanted to integrate your child into the company, what kind of concerns did you have when integrating your child into the company?** I was worried about my daughter researching information in the area.

6. **What features did your succession plan have?** Since my daughter, of the three, was the one who wanted to take up the business, I think that if all three are employed by the company, she is the one who can best offer growth to the company.

7. **What were the facilitating factors/barriers to your children joining the company?** Challenge: Finding strategies to grow the company; Facilitating factors: Interest in entrepreneurship.

8. **What impact has the son's entry into the company had? Either positively or negatively?** It's been positive because the company has shown growth, it's only added value to the company.

9. **Do you feel that there are generational clashes in the father/son relationship in the family business? Different ways of working, divergent ideas, working environment, flexibility, etc.** I'm aware that the fact that I'm open to new experiences and new management models means that there are no generational clashes.

10. **What kind of succession do you hope to achieve?** Intra-family succession

2: Case of the generation that has already entered and performs management functions:

Characterization of the Sample:

- **Name:** Beatriz Caboz
- **Age**: 23
- **Gender**: Female
- **Generation**: Z
- **Position in the Company**: Management of local accommodation
- **Academic Qualifications**: Master's in management

11. **How did your parents influence your entry into the family business? Was the role your parents played a reason why you were committed to the company?** The fact that I've been interested in entrepreneurship since I was a teenager and that my mother developed something in this area.

12. **What kind of qualifications did the parents require? Has there been any professional experience outside the company itself?** I wasn't required to have any qualifications. I acquired professional experience in summer internships, which consisted of helping users in the area of local accommodation.

13. **What were the main reasons for the decision to join the family business?** The main reason was that my mother was open to new experiences, new ideas and didn't have an uncompromising personality. Another reason was that I was interested in continuing the business.

14. **How many years have you been with the company and what position do you hold?** I've been with the company for 2 years and I'm a local accommodation manager.

15. **Have there been any challenging projects in the company? If not, why?** No.

16. **At the moment, what guarantees your continuity in the company?** The fact that i'm interested in this area of business and enjoy what I do.

17. **After joining the company, what did you feel were the most positive and negative about working conditions, organizational policies, communication, flexibility (face-to-face/hybrid work), consistency of feedback, opinions valued or not by parents, etc?** As far as working conditions are concerned, I have the freedom to carry out my work in the way that suits me best and in the place that suits me best. As far as organizational policies are concerned, the policies are well defined, which makes my job easier. With regard to communication, this is a point that I consider to be very important and that I feel is the biggest motivator for me to stay with the company. With regard to flexibility, I have total flexibility, given that my work can be done from home or anywhere, as long as I have my computer and cell phone. When it comes to valuing opinions, I feel that my mother values the ideas I present or the opinions I have. This is very motivating.

18. **What factors might influence you to leave your parents' company? For example: career development, low rewards, high stress levels, financial insecurity, working environment, etc.** I have no plans to leave the company, as I want to continue developing it.

19. **What are the main obstacles and advantages of working for your parents' company?** Obstacles: I don't think there are any; Advantages: Working in something that gives me pleasure.

20. **Bearing in mind that your goal is continuity in the company and that you are the direct successor, what kind of improvement actions would you implement in the company?** I'd bet on hiring someone experienced in digital marketing and partnering with other companies in the field.

21. **What kind of governance mechanisms are in place to deal with possible conflicts in the company (family meetings / family protocol / succession plan)?** Don't exist.

22. **Is there a balance between personal and professional life? Or are the problems that exist in the company brought into the home?** There is a balance, the problems that exist are not brought into the house.

23. **Because you have an important position in the company and a certain amount of responsibility, do you feel the need to work harder than in a non-family business?** I do, because it's a company that's connected to me.

24. **Does the extreme responsibility of your position increase your level of stress and anxiety? If so, in what way?** Yes, it's a stressful job, because I have to watch out for overlaps, deal with customer complaints and dissatisfaction.

25. **Did you ever feel like giving up or wanting to leave the family business? If so, what were the main reasons?** No.

26. **In some words, mention what could motivate you to join your parents' company if things aren't going well.** To give continuity to something that was built by my mother.

27. **What are the most obvious generational clashes when working with your parents who are from an older generation? Are they reluctant to new technologies? Unwilling to listen to outside opinions? Are they not in the habit of giving constant feedback? Etc.** I don't see any clashes, even though my mother is from an older generation, because my mother is affected by new technologies, she accepts listening to outside opinions, in fact, she asks me to give opinions so that the company can develop.

Case of the generation that chose not to join the company:
Characterization of the Sample:

- **Name:** Gonçalo Caboz
- **Age**: 26
- **Gender**: Male
- **Generation**: Z
- **Position in the Company**: N/A
- **Academic Qualifications**: High School

28. **Why don't you have the ambition to work for your parents' company? E.g., preference to work for a multinational because it will give more financial stability, conflicts with family at home, etc.** I'm an older brother and I already worked for my mother's company. Until my younger sister graduated in the field and joined the company, we both had a lot of conflicts with each other. Mainly with my mother, who devalued me when my sister joined the company, she took away a lot of my responsibilities because it showed that my sister was better than me because she specialized in the area. I didn't like the lack of recognition for my work, and I left the company.

29. **What would be the main factors that would lead you to rethink and choose to work with your parents (motivating factors)?** None, for the lack of consideration they had for me.

30. **Did the decision not to be part of the family business create any hurt feelings towards your parents?** My mother feels guilty for having done what she did, but she still thinks that my sister is the right person to replace me. My father has a reconciliatory role and would like to see me be part of the company again.

31. **What are you currently doing professionally?** I decided to take a gap year and travel to get to know new realities and be away from my family and all the conflicts created in the last year.

32. **Do you feel valued and motivated in your current company?** Now, I am not working.

33. **Do you have siblings who work for your parents' company?** Yes, my youngest sister.

Characterization of the Family Business:

- **Name**: (not mandatory): -
- **Year Founded**: 1997
- **Business Area**: Hospitality
- **Location**: Estoril
- **Number of family members working in the company**:3
- **Number of possible successors** (founder's children): 2

Characterization of the Sample:

- **Name**: -
- **Age**: 55
- **Gender**: Male
- **Generation:** Baby Boomer (X)
- **Position in the Company**: General Manager (founder)
- **Academic Qualifications**: not concluded

1. **1.What kind of qualifications/soft/hard skills do you require of your children to join the company?** I don't require anything because I don't think they have any ambition or desire to work with me. I'd rather see them go into another area and another company.
2. **Did you value your child's professional experience outside the company?**

Doesn't matter, they've been coming to help in the summer since they were 15, so they could have some financial independence.

3. **How do you perceive your children joining the company?** My perception is that the hospitality industry is very difficult, and it takes a lot of resilience to manage and grow a business like this. My two children have interests in other areas, and I prefer them to follow what they like, otherwise our lives could be like hell both at home and in the company.

4. **Are government structures prepared for the arrival of these younger generations?** N/a

5. **When you wanted to integrate your child into the company, what kind of concerns did you have when integrating your child into the company?** Their integration is neither our wish nor theirs. They are both on different separate ways although my eldest has been working here for three years, but he hasn't finished his studies yet.

6. **What features did your succession plan have?** Succession is not expected.

7. **What were the facilitating factors/barriers to your children joining the company?** Knowing the sector and the barriers are undoubtedly the conflicts and arguments that take place at home.

8. **What impact has the son's entry into the company had? Either positively or negatively?** During the summer jobs the impact was always positive because any help is welcome, but I could see that they weren't happy in what they were doing. They did it out of a need to have some money at the end of the week and because it was a job (easy to get into and with the family).

9. **Do you feel that there are generational clashes in the father/son relationship in the family business? Different ways of working, divergent ideas, working environment, flexibility, etc.** The way they perceive work is very different from when I was their age. I had to work out of necessity even if I didn't like what I was doing. But my children seek happiness over stability. For them, happiness in what they do is the most important thing.

10. **What kind of succession do you hope to achieve?** Non-family

2: Case of the generation that has already entered and performs management functions:

Characterization of the Sample:

- **Name:** Sebastião Carvalho
- **Age**: 23
- **Gender**: Male

- **Generation**: Z
- **Position in the Company**: Management of local accommodation
- **Academic Qualifications**: Bachelor's in management

11. **How did your parents influence the entry into the family business? Was the role that parents played a reason that led you to be committed to the company?** In my specific case, they both have their own companies, which inspired me to have my own company. I've worked in both companies in two different sectors, and obviously that was one of the reasons for my commitment to the company.

12. **What kind of qualifications did the parents require? Was there professional experience outside the company itself?** They didn't require any. While I was studying, I always worked for my parents' companies.

13. **What were the main reasons for the decision to enter the family business?** Having deeper inside knowledge because it's familiar.

14. **How long have you been at the company and what position do you hold?** 3/5 years as waiter and fleet maintenance.

15. **Have there been challenging projects in the company? If not, mention the reason.** Not really, I think catering always involves the same type of service, as does the car trade.

16. **Right now, what guarantees continuity or not in the company?** Without a doubt, customer service and customer satisfaction.

17. **After joining the company, what did you feel most positive and negative about working conditions, organizational policies, communication, flexibility (face-to-face/hybrid work), consistency of feedback, opinions valued or not by parents, etc.** In my case, I think the positive parts are flexibility, although not abusive, working conditions and valued opinion. The negative parts are the lack of the same vision or more personal disagreements.

18. **What are the factors that can influence parents to leave the company? Ex: career development, low rewards, high stress levels, financial insecurity, work environment among others.** Another view, a different work area.

19. **What are the main obstacles and advantages of working at your parents' company?** The main obstacles are undoubtedly the thin line between work and familiarity. The advantage is trust and flexibility.

20. **Considering that your objective is continuity in the company and that you are the direct successor, what kind of improvement actions would you implement in the company?** I'd move on to other types of clients or do something to renew the brand/marketing image.

21. **For possible conflicts in the company, what types of governance mechanisms exist? (family meetings / family protocol / succession plan)?** Nothing.

22. **Is there a balance between personal and professional life? Or are the problems that exist in the company taken indoors?** There are very few conflicts, but when there are there is always this discomfort at home.
23. **Because you have an important position in the company and a certain responsibility, do you feel that there is a need to work more than in a non-family company?** Yes, without a doubt, the phrase you hear most often is "you have to set an example".
24. **Does the extreme responsibility in your job increase your level of stress and anxiety? If yes, in what way?** It increases stress in the sense that you never want to perform worse than someone in your family or not achieve the desired level of service.
25. **At some point did you feel like giving up and wanting to leave the family business? If yes, what were the main reasons** Yes, the main cause is the divergence of opinions and procedures to be used.
26. **What are the most evident generational shocks that you feel when working with your parents who are from an older generation? Are they reluctant to new technologies? Do not accept to hear outside opinions? Not in the habit of giving constant feedback? Etc** In my case, I don't have this problem. I think they're very open to new technologies, although it's harder than usual to convince them to use these latest tools. Especially for fear of not knowing how to use them.

Case of the generation that is still studying:

Characterization of the Sample:

- **Name:** Beatriz Mendes de Carvalho
- **Age**: 23
- **Gender**: Female
- **Generation**: Z
- **Position in the Company**: Hostess
- **Academic Qualifications**: Bachelors in psychology (to complete a master's degree in clinical

27. **What are the educational qualifications/ has there ever been contact with the labor market, if yes, was it outside the parents' company?** Degree and master's degree, there has already been contact with the job market, not only in the parents company but also in other companies**.**

28. **Did parents influence you to take a certain course? If yes, was it with the intention of a possible entry in the company after the end of the course?** No. They did influence me to take a course but never with a possible entry into their business.
29. **After finishing the course, do you think you would have the will and ambition to go and work in your parents' company or would you prefer to work in another company?** I like working at my parent's company, but I would never do it in the long term even after finishing my degree.

30. **Is there any concern or fear about how the workers of the company outside the family look at your entry will, since you are a member of the family and**

may have more benefits than the workers who have already been in the company for several years. No, but I understand, and it makes sense that in many places this is a concern.

31. **Having entrepreneurial parents, was there ever an ambition to build and create a company from scratch?** Yes, but never in the hospitality sector which means that I don't intend to continue in my parent's company, I'm just doing it to help and pay some expenses that I have, such as my own studies.

Characterization of the Family Business

- **Name**: (not mandatory): BGR
- **Year Founded**: 2008
- **Business Area**: Waste Management
- **Location**: Loures
- **Number of family members working in the company**:4
- **Number of possible successors** (founder's children): 3

Characterization of the Sample:

- **Name**: -
- **Age**: 59
- **Gender**: Male
- **Generation:** Baby Boomer (X)
- **Position in the Company**: General Manager (founder)
- **Academic Qualifications**: 12ª degree

1. **What kind of qualifications/soft/hard skills do you require of your children to join the company?** I didn't have the chance to keep studying and I require my daughters to take at least a degree, in the area they prefer and enjoy.

2. **Did you value your child's professional experience outside the company?** I don't care. Since they were little, my daughters have been very present in my company and know all the workers. We picked them up from nursery school and often took them back to the company because it's our livelihood and we had no one else to look after them. So, the oldest, Raquel, has felt the need and commitment to help us since she was 16 years old, and we are very proud to have our eldest daughter wanting to be more and more present in the company, and today, at 25, she already has a good position and is recognized and valued by our 58 workers.

3. **How do you perceive your children joining the company?** Raquel has been a very hard-working girl who perfectly distinguishes between the role of father at home and boss in the company. There is no favoritism in the company, and everyone has their role. She respects and hears my opinions a lot, but she always adds new ideas and new working methods so that the company can be more efficient and grow faster and faster. In addition, her constant concern for more environmentally friendly methods has been evident since she joined the company since our company deals with car waste on a daily basis.

4. **Are government structures prepared for the arrival of these younger generations?** I think we're prepared for the arrival of this new generation because we also see what's happening at home and how our daughters see the world of work and aspire to change in this new world. One of the fundamental things for managing expectations well and for our daughter's entry was communication over the years, which is essential for a step like this.

5. **When you wanted to integrate your child into the company, what kind of concerns did you have when integrating your child into the company?** The commitment and expectations expected and above all to put favoritism aside so that there are no tensions with other workers.

6. **What features did your succession plan have?** Communication, expectations planning, training

7. **What were the facilitating factors/barriers to your children joining the company?** Challenge: nothing; Facilitating factors: Interest in the sector and to grow the company.

8. **What impact has the son's entry into the company had? Either positively or negatively?** It's been positive because the company has shown growth, it's only added value to the company.

9. **Do you feel that there are generational clashes in the father/son relationship in the family business? Different ways of working, divergent ideas, working environment, flexibility, etc.** I feel that many things are different, such as working methods, but I'm a very receptive person and I easily go along with my daughter's ideas.

10. **What kind of succession do you hope to achieve?**
    Intra-family succession

2: Case of the generation that has already entered and performs management functions:

Characterization of the Sample:

- **Name**: Raquel Santos
- **Age**: 25
- **Gender**: Female

- **Generation:** Z
- **Position in the Company**: Financial and commercial manager (advising top management)
- **Academic Qualifications**: Bachelor's in business administration

11. **How did your parents influence your entry into the family business? Was the role your parents played a reason why you were committed to the company?** Ever since I was young, I was used to going to my parents' company and spending a lot of time there during the summer vacations. We have a sense of belonging, everything we have is the result of our work there, the company is like a fourth child to us. The money I took for Erasmus was from small jobs I did during the summer.

12. **What kind of qualifications did the parents require? Has there been any professional experience outside the company itself?** My father never studied, so he forced his three daughters to have at least a degree. I've never had any experience outside my parents' company.

13. **What were the main reasons for the decision to join the family business?** Firstly, because I identify with the company's values, which have been passed down to me since I was a child, and because I want the continuity of the company.

14. **How many years have you been with the company and what position do you hold?** 4 years. I'm currently on maternity leave and my younger sister helps me with the financial side of the business.

15. **Have there been any challenging projects in the company? If not, why?** Yes, there is all the time.

16. **At the moment, what guarantees your continuity in the company?** The feeling of belonging, my opinions being valued, because when I joined I did things correctly. I arrived and I never devalued or diminished anyone or the processes that existed, I think what we have to do is add value to the company with our knowledge.

17. **After joining the company, what did you feel were the most positive and negative about working conditions, organizational policies, communication, flexibility (face-to-face/hybrid work), consistency of feedback, opinions valued or not by parents, etc?** Flexibility is the most positive thing, if you need to leave early there's no problem. Regarding opinions and whether they are valued or not, they have always been valued and taken into account because I have gained my father's trust over the years, and I can perfectly distinguish my boss from my father.

18. **What factors might influence you to leave your parents' company? For example: career development, low rewards, high stress levels, financial insecurity, working environment, etc.** Only 2 reasons: If they decide to close the company or if there is a great lack of respect towards me in front of an employee.

19. **What are the main obstacles and advantages of working for your parents' company?** Advantages: flexibility. Obstacles: I can't switch off 100% because the work never ends. Sometimes we talk about work but sometimes we talk about work too.

20. **Bearing in mind that your goal is continuity in the company and that you are the direct successor, what kind of improvement actions would you implement in the company?** The first change would be to strengthen the company's digital presence and the other would be to make it possible for information to be shared, i.e. we have a worker with a specific role but if his computer breaks there's no one who can deal with it because that information isn't shared.

21. **What kind of governance mechanisms are in place to deal with possible conflicts in the company (family meetings / family protocol / succession plan)?** Don't exist. There are only family meeting at dinner time.

22. **Is there a balance between personal and professional life? Or are the problems that exist in the company brought into the home?** Yes, because we live in the same house and always have dinner together. But these meetings for everyone are positive.

23. **Because you have an important position in the company and a certain amount of responsibility, do you feel the need to work harder than in a non-family business?** No doubt, but for me the company is like a baby, so I want and aim to work as much as possible.

24. **Does the extreme responsibility of your position increase your level of stress and anxiety? If so, in what way?** I like to feel anxiety "it motivates me".

25. **Did you ever feel like giving up or wanting to leave the family business? If so, what were the main reasons?** No. As I said before, I would do it if there was a great lack of respect from my parents towards me in front of a collaborator. In other words, I give a directive to an employee and that same employee goes to talk to my parents to try to change my directive and my parents accept it without even listening to me or understanding the reason for the directive I gave initially.

26. **In some words, mention what could motivate you to join your parents' company if things aren't going well.** The salary because, as a parent company, you end up getting paid more than in a normal company. The flexible working hours and being and doing "part of me".

27. **What are the most obvious generational clashes when working with your parents who are from an older generation? Are they reluctant to new technologies? Unwilling to listen to outside opinions? Are they not in the habit of giving constant feedback? Etc.** I don't feel any generational clashes with my parents because, as I said, they trust me and my ideas very much and, being 50 years old, they are very open and deal well with my opinions. The clash I do feel is with the company's employees, those who have more seniority within the company in relation to my gender, because I'm a woman and have a position of high responsibility. They are not very receptive to change or new projects. And being a woman is something that confuses them.

Appendix 2

Request for authorization to conduct interviews:

My name is Matilde Figueiredo and I'm a student on the master's degree in management at ISCTE. As part of my master's dissertation, I'm carrying out research, under the guidance of Professor Generosa do Nascimento, with the title " Challenges and opportunities in family businesses to retain and motivate Generation Y and Z" to ensure the continuity of this type of companies.

The main objectives of this research are: a) Identify ambitions/expectations of these young people in their integration of their family business; b)Understand how young people from generation Y and generation Z relate to each other; c)Understand the ambitions of these young people at work level; d)Interpret and characterize the behavior of Generation Y and Z as perspectives for their future, both personally and professionally, considering the challenges of joining a family business e)understand attitudes, beliefs, and lifestyles of the Y and Z generation and analyze how they relate to their parents within the company. In that way, to carry out this research, it is essential to listen to young people under the age of 18 (as they are part of generation Z) to understand their opinions and behavior related to the parents' company. The data collected consists of interviews with various questions that will support this research and its theme. In these interviews, it may be necessary to record audio or even take photographs during the session. Even so, I guarantee total respect for the anonymity and confidentiality of both generation Z under 18 and all interviewees who so wish. The data from this interview will only be used in this study and it is important to note that participation is voluntary and if they do not wish to answer the questions, they may do so.

To authorize the participation of your minor child, I ask you to fill out the following detachable:

I _____ father of _____ after reading the objectives of this study, hereby authorize my son to participate in the proposed interviews.

Furthermore, I authorized/ do not authorize (delete what does not matter) the collection of images/ audio recording during the interview.

Date: ___/___/___

_____

_____

Father" s Signature

Lisbon, October 2023

Yours faithfully

Matilde Proença Oliveira Figueiredo - Email: matildeolivfig@gmail.com