

ABSTRACT

A family business is a common phenomenon that occurs everywhere. A family company can become a big and professional business certainly from having a transfer of leadership from the first generation to the second generation and so on. In the process of leadership transfer, every generation must have a succession plan to achieve success and progress of the family company.

This study aims to find out how a family business prepares a mature plan for their business and how they can create a succession plan in order to achieve the desired success. In addition, this study aims to acquire what the process of transfer of leadership of a family business is like from the early generation to the next, and this study also aims to know the leadership process conducted by company leaders of each generation.

This research uses qualitative methods in data collection which is done by interviews. This research also uses several variables including succession process model.

The results of this research show the process undertaken by the family company that is the object of research in making a succession plan in each generation. Additionally, the research results present that there are differences and similarities found in the leadership ways of the two generations that are the object of research.

The results of this research hopes to be a reference for the family company to improve communication, to create better programs towards employees and customers, and to be useful for further research.

Keyword: *family business, succession planning*