

Transmission of Family Businesses and the Continuity of Socioeconomic Value Creation in Morocco

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ABSTRACT: The transfer of family enterprises has significant repercussions for the socioeconomic fabric of a society, and this paper looks into the particular situation of Morocco to examine the circumstances around this phenomenon. Family enterprises, which are an essential part of the economic landscape of the nation, provide a substantial contribution to the generation of socioeconomic value. The purpose of this paper is to investigate the process of passing family companies in Morocco in a thorough manner, with the specific goal of casting light on the obstacles, tactics, and results that are characteristic of this phenomena. We hope to make a significant contribution to the larger conversation about the sustainability and continuity of socioeconomic value creation within family businesses by conducting an investigation into the complex dynamics that are associated with the succession of business ownership in the Moroccan context. This paper seeks to broaden our awareness of the role that family enterprises play in the Moroccan economy and the influence that they have on the larger social and economic environment by making use of a comprehensive analysis of real-world situations and relevant literature.

KEYWORDS: socioeconomic value, succession, family businesses

Introduction

One of the most important aspects of economic dynamics, especially in the context of Morocco, is the transfer of family companies from generation to generation. Businesses that are owned and operated by families constitute a sizeable component of the country's commercial landscape and have a significant amount of influence over the country's subsequent socioeconomic growth. In this paper, we look into the complex process of passing on family enterprises and the consequential influence that this process has on the continued generation of socioeconomic value within the Moroccan environment. It is important to note that family businesses, which are frequently distinguished by a singular

combination of familial ties and entrepreneurial endeavors, make a significant contribution to the economic fabric of Morocco. The challenges that are associated with the succession of these businesses are multifaceted, ranging from the dynamics that exist within the family to the pressures that come from the market being external. Not only is it essential for the success of individual businesses, but it is also essential for the socioeconomic landscape as a whole to have a thorough understanding of the complexities of the transmission process (Maity and Singh 2021).

This paper is to investigate the many different aspects of the transfer of family businesses in Morocco, taking into consideration the aforementioned context. The purpose of this paper is to provide a comprehensive overview by analyzing the difficulties that these companies are experiencing, the methods that are being utilized for effective transmission, and the results that are being produced by such processes. The ultimate objective is to provide a contribution of nuanced insights on the role that family companies play in ensuring economic stability and continuity in Morocco.

Our goal is to disentangle the complexity that is inherent in the transfer of family companies in Morocco by means of a combination of empirical research, case studies, and theoretical frameworks. It is essential for both academics and practitioners to conduct this investigation because it provides a more in-depth understanding of the mechanisms that are responsible for the sustainability and perpetuation of socioeconomic value (Armstrong and Kraemer-Mbula 2022) within family businesses in the Moroccan business landscape (Martínez-Romero et al. 2020).

Literature Review

There is a rising interest in understanding the one-of-a-kind obstacles and possibilities that are linked with the process of family business transfer in Morocco, as seen by the literature that surrounds this topic. Scholars and researchers have investigated a variety of aspects of the succession of family businesses, which has resulted in the provision of useful insights into the processes that define the continuation of these businesses and their contribution to the development of socioeconomic value (Armstrong and Kraemer-Mbula 2022).

In the body of research, one of the most frequent themes is the interaction between family dynamics and the succession of company ownership. Several studies shed light on the complex connections that exist inside family-owned businesses and the ways in which these ties impact the decision-making process about the transfer of leadership and management. There are a number of factors that emerge as significant variables in the success or failure of the transmission process. Some of these factors include disputes within the family, breaks in communication, and different expectations among family members. In addition,

the research that has been done on the topic emphasizes the significance of efficient governance structures in the process of carrying out successful family business transfer. According to the findings of research, well defined governance structures, which may include succession plans, have the potential to reduce the likelihood of disputes and enable a seamless transfer from one generation to the next. For family companies that want to ensure their longevity and continue to provide socioeconomic value (Maity and Singh 2021), it is very necessary to conduct an investigation into the most effective governance techniques (Armstrong and Kraemer-Mbula 2022).

In addition, academic research investigates the external difficulties that family companies in Morocco encounter throughout the process of transfer. Uncertainties in the economy, complexity in regulatory frameworks, and the dynamics of the market all provide substantial challenges that call for strategic foresight and adaptation. It is essential for scholars and practitioners who are interested in enhancing the resilience of family companies to have a solid understanding of how these issues are navigated by family firms (Carr and Ring 2017). In addition to this, the literature investigates the methods that successful family companies in Morocco have used in order to overcome difficulties associated with transfer. There is a strong emphasis put on the role that professionalization plays, as well as mentoring programs and the development of leadership abilities among successful successors. Insights gained from real-world situations give vital insights and provide a road map for other family businesses that are attempting to navigate the complexity of generational transitions (Martínez-Romero et al. 2020).

The literature study sheds light on the complex nature of the transfer of family businesses in Morocco, shedding light on many different aspects. A more in-depth understanding of the complicated connections, governance structures, external difficulties, and success methods that influence the continuation of family companies in the Moroccan environment is achieved by scholars via the process of integrating information from a variety of sources. With this foundational knowledge, the stage is set for the empirical exploration and analysis that will follow in this article. This article will contribute to the larger discourse on the transmission of family businesses and the continuity of socioeconomic value creation in Morocco (Chirico 2008; Sharma and Carney 2012).

As part of the ongoing investigation into the literature concerning the transmission of family businesses in Morocco, this research delves into the role that cultural and contextual factors play, as well as the outcomes and impacts that are associated with the process of succession. When it comes to the transmission of family businesses (Martínez-Romero et al. 2020), cultural and contextual factors play a significant role in shaping the process. Cultural norms, traditions, and societal expectations influence the preferences and decisions of family members involved in the succession process. The findings of research

indicate that it is essential to have a thorough understanding of the cultural context in order to effectively design strategies that are in line with the values and expectations of the family (Armstrong and Kraemer-Mbula 2022), which will contribute to a more seamless transition. Furthermore, the legal and regulatory environment, which is present on both a national and international scale, has a significant impact on the planning and execution of succession, which adds an additional layer of complexity to the process of transmission (Carr and Ring 2017).

Examination of the outcomes and impacts of family business transmission on both the business itself and the broader socioeconomic environment is a topic that is becoming increasingly prevalent in the body of research that has been conducted (Armstrong and Kraemer-Mbula 2022). Successful transmission is often associated with enhanced firm performance, innovation, and long-term sustainability. Conversely, failures in the succession process can lead to financial instability, loss of employment, and even the dissolution of the business. Researchers have sought to quantify these outcomes, providing empirical evidence of the positive correlation between effective succession planning and the overall success of family businesses (Jose Parada and Viladás 2010).

Moreover, the impact of family business continuity on the wider socioeconomic landscape of Morocco is a critical consideration (Maity and Singh 2021). Family businesses are integral to job creation, economic development, and community engagement. Understanding how the transmission process influences these contributions sheds light on the broader implications for the country's economic resilience and social well-being. In conclusion, the literature review highlights the intricate interplay of cultural, contextual, and legal factors in shaping family business transmission in Morocco. It emphasizes the outcomes and impacts of successful and unsuccessful succession processes, offering a comprehensive understanding of the ripple effects on the businesses themselves and the broader socioeconomic landscape (Armstrong and Kraemer-Mbula 2022). This foundational knowledge lays the groundwork for the empirical investigation and analysis that will follow, which will provide a comprehensive perspective on the transmission of family businesses (Carr and Ring 2017) and the implications that this transmission has for the continuation of socioeconomic value creation (Chirico 2008; Sharma and Carney 2012).

We will further explore the literature on the transmission of family businesses in Morocco. Our focus will be on the evolving role of technology and innovation in shaping succession strategies and their implications for the future sustainability of these enterprises. In the last several years, there has been a discernible movement in the literature towards the influence that technology and innovation have on the transfer of family businesses.

Family businesses (Martínez-Romero et al. 2020) are confronted with the task of incorporating new technology into their operations while also negotiating

the complexities of succession planning. This problem arises as the corporate environment becomes more computerized. Studies shed light on the fact that technology can act as both a facilitator and a disruptor in the process of succession. These studies underscore the need for family companies to adapt and make use of creative solutions in order to secure their continued viability over the long term (Jose Parada and Viladás 2010).

The use of digital technologies for the purposes of communication, information management, and strategic planning has emerged as an essential component of efficient governance in family businesses. The effective movement of information across family members is made possible by technology, which also helps to streamline decision-making processes and contributes to leadership transitions that are more transparent and collaborative. The literature, on the other hand, acknowledges the possible dangers that are connected to technology. These dangers include the deterioration of traditional values and the need to give careful regard to the human element in the process of succession (Armstrong and Kraemer-Mbula 2022).

Furthermore, the key to effective family company continuity is innovation in business models, product offerings, and market strategies. This highlights the need of innovation in these areas. According to research, family businesses in Morocco that embrace a culture of innovation are in a better position to adapt to the ever-changing needs of the market and the challenges of competition. The significance of establishing an entrepreneurial attitude in successors and incorporating innovation into the broader succession plan is shown by this evidence (Martínez-Romero et al. 2020). In the context of technological improvements, the literature makes predictions about the future trajectory of family business transmission in Morocco. These predictions are based on the trajectory of the future. In order for family companies to continue to be competitive and sustainable over the course of several generations, it is vital for them to anticipate the influence of new technologies such as blockchain and artificial intelligence. Researchers stress the need of ongoing adaptation as well as a forward-looking strategy to succession planning that takes into account the ever-changing technology world (Carr and Ring 2017).

A conclusion has been reached on the literature assessment on the transfer of family businesses in Morocco, which now incorporates insights into the role that technology and innovation play. A layer of complexity is added to succession planning as a result of the ever-changing nature of these issues, which also highlights the need of adopting technology improvements in order to ensure long-term viability. In doing so, this lays the groundwork for the ensuing empirical analysis and debate, so offering a full framework for comprehending the complex dynamics of family business transfer within the context of Morocco.

Methodology

This research design takes a qualitative approach to investigate the transfer of family companies in Morocco. The research design was developed for this study. By conducting in-depth interviews and conducting case studies, our goal is to get a comprehensive and nuanced knowledge of the dynamics, difficulties, and solutions that are involved in the process of succession preparation.

In order to ensure that the sample is representative of a wide variety of sectors, sizes, and generational transitions, the sampling process is deliberate and focuses on picking family companies. Within the framework of the transfer of family businesses in Morocco, the purpose of this purposeful sampling technique is to collect a wide range of experiences. One of the primary methods of data collecting is to conduct in-depth interviews with key stakeholders in each of the family businesses that have been specified. Included in this group of stakeholders are the company's founders, current executives, and future employees. The interviews are of a semi-structured nature, which allows for flexibility in the exploration of individual perspectives and experiences in relation to succession planning, family dynamics, and the larger socioeconomic backdrop.

In addition to the interviews, case studies are used in order to give a comprehensive analysis of certain family-owned firms. The purpose of these case studies is to provide a comprehensive investigation of the specific conditions, difficulties, and approaches that each family business used throughout the process of transfer. The purpose of the study is to provide context-specific insights that may not be visible in a more general quantitative analysis. This will be accomplished by conducting in-depth investigations into particular situations. An strategy known as thematic analysis is used in the process of data analysis. This method identifies recurrent patterns, themes, and narratives that emerge from qualitative data. By using this procedure, the research endeavor intends to provide a complete narrative that is capable of capturing the essence of the transfer of family businesses in Morocco. Ethical standards are upheld throughout the study process, which guarantees the anonymity of all concerned stakeholders and encourages their involvement on a voluntary basis. Obtaining participants' informed permission and taking measures to protect their identities are both processes that are carried out.

For the purpose of providing a nuanced and comprehensive knowledge of the transfer of family companies in Morocco, the qualitative technique that was used in this research endeavor was chosen (in conclusion). The purpose of this study is to provide significant insights into the intricate dynamics of succession planning within the familial and socioeconomic framework of Moroccan family companies. This will be accomplished by concentrating on human experiences and narratives.

Results

With regard to the transfer of family companies in Morocco, the qualitative research offers a comprehensive investigation of the experiences, difficulties, and tactics that have been encountered. Key themes have developed as a result of in-depth interviews and case studies, which have made it possible to understand the dynamics of succession within the framework of the family and the socioeconomic environment. The transmission process is significantly impacted by the dynamics of the family, with disputes resulting from divergent perspectives and expectations, as well as communication failures, being among the most critical problems. The capacity to negotiate these complications was proved by successful family enterprises, which exhibited the ability to do so via open communication, scheduled family meetings, and the formation of defined roles and duties.

A number of different tactics have been discovered among family companies for the purpose of effective transmission. These strategies include the construction of codified succession plans, mentoring activities, and leadership development programs. The incorporation of non-family executives and governance structures, which were brought about by professionalization, played a significant part in the enhancement of the resilience of family enterprises throughout the process of going through succession (Jose Parada and Viladás 2010).

The research underlined the socioeconomic relevance of family companies in Morocco, highlighting the contributions that these enterprises make to economic development, the creation of jobs, activities that include the community, and the preservation of cultural traditions. It was found that successful transmission had a positive impact on the firms' capacity to continue making these contributions, but difficulties in succession had the potential to have ramifications not just for the company but also for the community as a whole (Martínez-Romero et al. 2020). During the process of transmission, cultural and contextual elements played a considerable role. Traditional values, social expectations, and the legal and regulatory environment all had a big impact on the decisions that family companies made and the tactics that they chose. The ability to adjust to these cultural idiosyncrasies turned out to be an essential component in the successful completion of the transmission process (Jose Parada and Viladás 2010).

Although the major emphasis of the research was not on technology, early results revealed that family companies are gradually incorporating technology into their operations. It was clear that technology plays a significant role in facilitating communication, the transfer of knowledge, and strategic planning. Participants brought up the delicate balance that must be maintained between preserving traditional values and embracing technological advancements in the context of succession planning. A complete investigation of the variables that are involved in the process of succession is provided by the qualitative research that was conducted on the transfer of family businesses in Morocco. A number of core

themes arose as a result of in-depth interviews and case studies, which shed insight on the varied character of this issue (Carr and Ring 2017).

Conflicts that arise from different perspectives, expectations, and communication breakdowns are noted as key problems in the process of transmission. Family dynamics play a vital part in the transmission process. The capacity to negotiate these complications was proved by successful family enterprises, which exhibited the ability to do so via open communication, scheduled family meetings, and the formation of defined roles and duties (Jose Parada and Viladás 2010).

The viewpoints of many generations that were engaged in the family company were also investigated in depth during the course of the research. As successors confronted the problem of reconciling tradition with the necessity for adaptability in a fast changing business world, founders often struggled with the conflict of whether or not to allow for innovation while still protecting the heritage of the company. In conclusion, this qualitative investigation offers a rich tapestry of insights into the transmission of family businesses in Morocco. It captures the complexities, problems, and tactics that define this complex process within the framework of the family and the socioeconomic environment. The qualitative research on the transmission of family businesses in Morocco provides a comprehensive and nuanced knowledge of the factors that are engaged in the process of succession involving family businesses. The study has unearthed numerous major themes via in-depth interviews and case studies, which has thrown light on the complex nature of this phenomena within the context of the family and the socioeconomic environment (Carr and Ring 2017).

One of the most prominent themes that emerged was the dynamics of the family, with disagreements resulting from divergent perspectives and expectations, as well as communication failures, being highlighted as key obstacles. Open communication, scheduled family gatherings, and the formation of defined roles and duties are some of the ways that successful family companies have proved their ability to handle these complications. There are a number of different ways that have been discovered for effective transmission, such as defined succession plans, mentoring programs, and leadership development efforts. The incorporation of non-family executives and governance structures, which were accomplished via the process of professionalization, played a significant part in the enhancement of the resilience of family enterprises throughout the process of succession (Jose Parada and Viladás 2010).

Through their participation in the research, participants indicated a variety of difficulties encountered throughout the process of succession. These difficulties included financial issues connected to inheritance and the distribution of wealth. The duties of assuring a fair distribution of responsibilities and assets, controlling conflicts of interest, and striking a balance between the interests of family members proved to be complex and difficult to successfully complete. In addition, the

research investigated the viewpoints of many generations that were active in the family company over its duration. As successors confronted the problem of reconciling tradition with the necessity for adaptability in a fast changing business world, founders often struggled with the conflict of whether or not to allow for innovation while still protecting the heritage of the company. In conclusion, this qualitative investigation has provided a rich tapestry of insights into the transmission of family businesses in Morocco. It has captured the nuances, challenges, and strategies that characterize this complex process within the context of the family and the socioeconomic environment. These results add to a more in-depth knowledge of the elements that influence effective succession, and they have consequences not just for academic discourse but also for practical applications within the area of family business management (Martínez-Romero et al. 2020).

Conclusion

In conclusion, the findings of this qualitative research have shed light on the complex dynamics that are associated with the transfer of family enterprises in Morocco. A multifaceted picture has evolved as a result of an in-depth investigation of the dynamics of families, methods for succession planning, socioeconomic repercussions, cultural influences, and generational viewpoints. This has brought to light the complexity of the phenomena in question. In order to successfully navigate the dynamics of the family throughout the succession process, the results highlight the very important role that efficient communication and the formation of defined responsibilities play. In order to overcome obstacles, successful family companies have proven a capacity for adaptation and resilience. These organizations have used institutionalized succession plans, mentoring programs, and leadership development efforts.

There was a clear demonstration of the socioeconomic relevance of family companies in Morocco, which highlighted their contribution not only to the expansion of the economy but also to the creation of jobs, the participation of the community, and the preservation of cultural traditions. According to the findings of the research, effective transmission had a favorable influence on the potential of the firms to continue making these contributions, highlighting the wider impact that the transmission had on the community. In the process of succession, the tactics that family firms used were significantly influenced by a variety of elements, including cultural and environmental considerations. One of the most important themes that emerged was the difficult balance that must be maintained between protecting traditional values and adopting essential adjustments. This highlighted the need of matching plans with cultural subtleties.

There were noted as key obstacles the issues that were encountered throughout the process of succession. These challenges included financial concerns as well as the need for a fair division of duties and assets. A deeper understanding

of the complexities involved in resolving conflicts of interest and striking a balance between the various interests of family members was gained via the research. The conflict that exists between promoting innovation and conserving a heritage was brought to light via the investigation of the opinions of those from various generations who are active in family companies. Founders struggled with the difficulty of passing on traditions, while successors were confronted with the requirement of adapting to a corporate world that was fast changing.

In a nutshell, the findings of this qualitative investigation provide significant contributions to the understanding of the transfer of family enterprises in Morocco. The results of this study provide a framework for additional research and practical applications in the field of family business management. They also provide a nuanced knowledge of the elements that influence effective succession. These findings may be used to develop policies that contribute to the longevity of family companies and the beneficial influence they have on the larger community in Morocco, where family enterprises continue to play an important role in the socioeconomic fabric of the country.

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