NATIONAL OPEN UNIVERSITY OF NIGERIA

91, CADASTRAL ZONE, UNIVERSITY VILLAGE, JABI, ABUJA

FACULTY OF MANAGEMENT SCIENCES

DEPARTMENT OF ENTREPRENEURIAL STUDIES

2019_1 EXAMINATION

COURSE CODE: ENT308 CREDIT UNIT: 2

COURSE TITTLE: FAMILY BUSINESS AND SUCCESSION PLANNING

TIME ALLOWED: 2 HOURS

Instruction: 1. Attempt question number one (1) and any other two (2)

2. Question number one (1) is compulsory and attracts 30 marks, while any other two questions attract 20 marks each

3. Present your answers or points in a clear and orderly manner

1. (a). Succession Planning is very vital to the growth and sustainability of family business. Discuss four (4) ways to avoid Mistakes of Succession in Family Business.
(16 marks)

(b). Like good leaders, successful successors have unique characteristics. Briefly describe Seven (7) characteristics of successful successors.
(14 marks)

2. (a). Succession is a challenging issue faced by all family leaders at some point of time. Discuss any four (4) common mistakes of succession in family business.
(12 marks)

(b). Succession is the generational transition from a founder to a successor. Describe four (4) common features to successful succession.
(8 marks)

3. (a). Elaborate on the three (3) patterns of ineffective succession.
(7.5 marks)

(b). Conflict, a difference of opinion, is a necessary and natural part of human relationships. Describe five (5) Guidelines for managing conflicts in family business.
(12.5 marks)

4. (a). Define the following concepts in Family Business:

i. Corporate governance (2 marks)

ii. Directing (2 marks)

iii. Controlling
(2marks)

iv. Triangulation
(2marks)

(b). Directing an enterprise should not be confused with everyday involvement in management. Describe the four (4) activities of directing in family business.
(12 marks)

5. (a). Describe the Four (4) Elements of Family Business as Defined by Westhead and Cowling (1998).
(8 marks)

(b). Elaborate on the three (3) important dimensions associated with the F-PEC scale in family business.
(12marks)