SUCCESSION PLANNING PRACTICES AND CHALLENGES: A STUDY OF BUSINESS FAMILIES IN LUDHIANA

Mr. Nitin Goel*

*Assistant Professor,
P.G. Department of Commerce,
K.L.S.D College,
Ludhiana, India.

ABSTRACT

Succession planning is a process of identifying and developing internal people to fill key strategic positions in the business organization but consequences of appointing wrong successor can be much worse than slow growth or decline in market capitalization. Now the trend is changing and companies are looking for successor from outside rather than family member. Business organizations in Ludhiana are following the same trend now days. So there was need to study the trend being followed by organizations in Ludhiana for doing succession planning for their businesses. The attempt has been made to study need for succession planning. It is also tried to find out the challenges and steps taken by families in growing their business beyond generations in highly competitive environment and factors affecting identification and development of successors for business.

KEYWORDS: Businessmen, Family Business, Management, Succession Planning and Successor.