The Push-Pull MODEL of Family Business Succession (& Incumbent Retirement).

What are the forces at work on the incumbent?

Incumbent

→ ←

PUSH Forces (retiring *from*)
Push forces mainly generated by successors & others

(Succession) **RESISTANCE**
Incumbent's likely response

Most commonly observed push forces (forces pushing incumbents to retire, let go, plan and implement succession strategies) are necessary but rarely sufficient to produce requisite succession and/or retirement outcomes. Push forces, on their own, have a tendency to generate equal and opposite 'resistance' forces. The result is often 'stalemate'; little or no movement at the station; delays, indecision, frustration, and potential conflict.

Incumbent

← →

DRAG

PULL Forces (retiring *to*)
Other things to have, to do & to be - a future diary
(Lifestyle alternatives outside the business)

Without forward planning, pull forces operating alone are likely to produce a void that needs filling and can generate a 'drag effect' that slows things down. Result: little movement in the short/medium term.

Incumbent

→ + →

PUSH Forces **PULL Forces**

When pull & push forces combine, the conditions that are both necessary & sufficient to generate the requisite momentum for succession (& retirement) to occur start to take shape. Likely result: timely voluntary succession & incumbent retirement. The combination of pull & push forces harnesses & channels the push forces productively & reduces resistance.

Pull forces are things that the incumbent is inclined to want to have, to do, and to be beyond the business. Given awareness & acceptance by incumbents that succession & retirement are not questions of 'if' but when, and that timing (as in the baton exchange in a relay race) is of the essence, something to 'retire to' rather than 'from' can pave the way for a timely & properly executed baton exchange.

Successors who are ready, willing, & able and who have a demonstrated track record of integrity & commitment to the business lend legitimacy to the 'push' forces. In addition, what is also required is a constructive ongoing relationship and dialogue with the incumbent that leads to the formulation of a shared vision or dream (or uniting common purpose) that ensures there is a win-win outcome in the succession process for both incumbent and successor(s).

Pull forces are personal to the incumbent. Nevertheless, the challenge for all concerned in the succession process, is how to help (or inspire) incumbents to pay attention to, and generate, sufficient pull forces to complement/supplement existing push forces.

The above notes were prepared by **Lucio Dana** for a presentation to attendees of the Many Paths Farm Succession Planning Conference - Dubbo, NSW, April 2006
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