



EDITORIAL

Succession as Strategic Regeneration**Lina Marlina**

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Family business succession poses a strategic problem that is deeper than identifying who will occupy the next leadership position. When authority moves between generations, successors inherit more than ownership and managerial responsibility. They receive accumulated knowledge, relationships, routines, capabilities, identities, governance arrangements, and assumptions about how the firm should compete. These inheritances can sustain competitive distinctiveness, but they can also preserve commitments whose strategic relevance has diminished. Succession therefore creates an unusual organizational moment in which the meaning and future value of the past become open to reassessment. The central question is consequently not whether family firms should preserve or change, but how they can regenerate their capacity for value creation while remaining connected to resources that make them distinctive.

This perspective moves succession scholarship beyond its traditional emphasis on successful transfer. Across the contributions assembled in this issue, a common intellectual direction becomes visible: formal leadership transfer and strategic regeneration are analytically distinct. A successor can occupy the chief executive position without possessing substantive strategic autonomy; knowledge can be transferred without being productively reinterpreted; professionalization can occur without governance alignment; and continuity can persist without continuing value creation. Conversely, inherited resources need not be abandoned for renewal to occur. The issue therefore connects succession with strategic renewal, imprinting, socioemotional wealth, dynamic capabilities, governance, and ambidexterity to explain how family firms transform generational transition into an opportunity for strategic regeneration. This synthesis resonates with the broader conception of strategic renewal as changes affecting organizations' long-term trajectories (Agarwal & Helfat, 2009) and with dynamic-capability reasoning emphasizing the reconfiguration of inherited resource positions (Teece et al., 1997).

Authority, Autonomy, and Strategic Agency

The first perspective emerging across the issue concerns strategic authority. Succession becomes consequential when formal leadership transfer is accompanied by a substantive redistribution of the right to interpret the organization's past and determine its future. This distinction matters because family firms frequently retain powerful historical imprints. Founders establish routines, relationships, strategic principles, and narratives that can remain influential after formal control has moved to another generation. Imprinting theory

explains why historical influences persist (Marquis & Tilcsik, 2013), but persistence alone does not determine whether successors remain strategically bound by them.

The issue advances this reasoning by separating inherited influence from inherited strategic authority. Successors may respect and retain founder legacies while acquiring sufficient autonomy to question their contemporary application. Conversely, nominal authority can coexist with strategic captivity when incumbents, family expectations, governance arrangements, or deeply embedded organizational assumptions continue to restrict legitimate alternatives. Successor strategic autonomy thus becomes a crucial bridge between succession and renewal: it concerns the effective capacity to retain, reinterpret, recombine, or abandon inherited strategic prescriptions rather than merely the possession of a formal leadership title.

Yet autonomy should not be equated with independence from history. Excessive rejection of legacy can destroy difficult-to-reconstruct knowledge, legitimacy, relationships, and identity resources just as excessive compliance can generate strategic rigidity. Productive autonomy therefore occupies an intermediate space in which successors can contest inherited prescriptions while retaining access to valuable inheritance. This interpretation also qualifies simplistic assumptions that succession becomes more effective as incumbent influence disappears. The strategically important issue is whether incumbent involvement provides knowledge and continuity without becoming persistent veto power over successor interpretation.

Readiness as Regenerated Capability

Strategic authority alone cannot produce renewal. A second perspective shifts attention from whether successors possess authority to whether they have developed the capacity to exercise it strategically. Traditional succession research often associates readiness with education, experience, motivation, commitment, and family acceptance. The contributions in this issue push further by treating these attributes as inputs rather than as readiness itself.

Successor readiness can instead be understood as a transition-specific dynamic capability. Strategic experience and knowledge acquisition must be converted into interpretive capacity; knowledge must be assimilated rather than merely received; competence must generate legitimacy; legitimacy must support resource mobilization; and resource mobilization must eventually enable strategic reconfiguration. This process explains why formally prepared successors can nevertheless struggle to adapt inherited enterprises, whereas others progressively develop strategic agency through experience, knowledge assimilation, legitimacy formation, and increasing responsibility.

This argument extends dynamic-capability reasoning into the distinctive conditions of family succession. Dynamic capabilities explain how organizations integrate and reconfigure competences under changing conditions (Teece et al., 1997), while dynamic managerial capabilities emphasize managers' roles in creating, extending, and modifying how firms operate (Helfat & Martin, 2015). Succession adds a complication: the actor expected to reconfigure resources is simultaneously acquiring legitimacy and substantive authority over those resources.

Accordingly, succession is not simply capability transfer but capability regeneration. Knowledge inherited from incumbents remains important, but its value depends on successors' ability to translate it into contemporary strategic judgment. Readiness is demonstrated when successors can discriminate among inherited capabilities, preserving some, recombining others, and abandoning those whose continued reproduction would impede adaptation. Effective succession therefore concerns not only whether the next generation is prepared to lead, but whether the family-enterprise system has regenerated its capacity to adapt.

Governance as an Architecture for Regeneration

A third perspective locates succession within a wider governance configuration. Strategic authority and successor capability do not operate in isolation. They are embedded in relationships among incumbents, family owners, boards, successors, and professional managers. Professionalization consequently cannot be reduced to hiring nonfamily executives or introducing formal procedures. Its strategic consequences depend on whether multiple centers of expertise and authority become coherently aligned.

This insight is particularly important because succession often coincides with organizational growth and pressures for more formal governance. Family control may provide commitment, patient capital, trust, and long-term orientation, while professional management can introduce specialized expertise, accountability, and managerial discipline. Yet combining them can also produce ambiguous decision rights. A successor may carry formal responsibility while an incumbent retains effective control; a professional manager may contribute expertise without discretion; and a board may exist formally without possessing meaningful oversight. The relevant problem is therefore not family versus professional governance but alignment among family influence, professional capacity, board oversight, and successor strategic authority.

Socioemotional wealth helps explain why such alignment can be difficult. Family owners derive value from control, identification, emotional attachment, social ties, and dynastic continuity (Berrone et al., 2012). These objectives can sustain long-term commitment but can also make redistribution of authority emotionally and symbolically consequential. Professionalization during succession therefore requires more than technically efficient governance structures. It requires legitimacy for the revised distribution of authority.

Governance consequently functions as an enabling architecture for strategic regeneration. Its task is to preserve access to incumbent knowledge and valuable family resources while creating sufficiently clear decision rights for successors and professional actors to exercise judgment. Across the issue, governance alignment repeatedly emerges as a boundary condition connecting successor capability and autonomy with strategic action. Responsibility without authority creates nominal succession; authority without legitimacy generates fragile leadership; and professionalization without alignment risks governance fragmentation.

From Legacy Preservation to Reconfiguration

The fourth perspective provides perhaps the strongest integrative theme of the issue: legacy should be differentiated rather than either preserved or rejected. Family firms inherit heterogeneous strategic content. Some historical resources continue to generate value, some require reinterpretation, some can be redeployed in new contexts, and others need to be released. Strategic regeneration therefore begins with discrimination among inherited elements rather than with a general orientation toward either continuity or change.

This argument extends organizational ambidexterity beyond the conventional exploration–exploitation distinction. Ambidexterity emphasizes simultaneously exploiting existing competencies and exploring new opportunities (O'Reilly & Tushman, 2013). During succession, however, preservation is not equivalent to exploitation. Successors inherit resources whose significance is economic but also historical, relational, identity-based, and socioemotional. They must determine not merely whether an existing capability should continue to be exploited, but whether it deserves a place in the strategic architecture of the next generation.

Legacy reinterpretation becomes the mechanism connecting inheritance with renewal. Historically accumulated knowledge can support innovation when its underlying value is separated from the particular historical configuration in which it was previously applied. Research on innovation through tradition similarly demonstrates that organizations can use

knowledge from the past as a resource for innovation rather than treating tradition and novelty as opposites (De Massis et al., 2016). Entrepreneurial legacy can likewise transmit meanings that encourage subsequent generations to pursue entrepreneurial action rather than merely reproduce established practices (Jaskiewicz et al., 2015).

The issue thus replaces the preservation-versus-renewal dichotomy with a logic of selective intergenerational reconfiguration. Preservation protects resources whose value-generating properties remain relevant. Knowledge translation adapts inherited understanding to changed circumstances. Strategic release removes commitments whose continued retention constrains adaptation. Capability reconfiguration then recombines retained and newly developed resources into strategic configurations appropriate for future competition.

Regeneration as Transgenerational Continuity

Taken together, the contributions reposition succession from an event of leadership replacement to a process through which the strategic capacity of the family enterprise is regenerated. Their shared insight is that continuity should not be confused with replication. A family firm can remain strategically continuous while changing products, routines, technologies, governance structures, and even business models if it preserves and renews the underlying resources through which it creates value. Equally, a firm may maintain ownership and organizational form across generations while experiencing strategic discontinuity if inherited configurations cease to generate value.

Strategic regeneration therefore rests on an interconnected architecture. Authority redistribution creates room for reconsideration; successor readiness supplies adaptive capacity; strategic autonomy enables independent judgment; governance alignment legitimizes and coordinates decision rights; legacy reinterpretation differentiates what should remain from what should change; and capability reconfiguration converts these judgments into renewed strategic action. Environmental dynamism influences the urgency and value of this process, while socioemotional priorities and incumbent–successor relationships condition how readily inherited assumptions can become contestable.

The broader contribution of this issue is therefore to reconceptualize transgenerational continuity as an achievement of selective change. The organizational past remains consequential, but its strategic authority is not immutable. Enduring family enterprises may be distinguished less by their capacity to preserve inherited configurations than by their ability to preserve what remains valuable while continually regenerating the capabilities through which that value is expressed. Succession, viewed this way, becomes one of the rare moments when history, authority, identity, knowledge, and future strategic possibility are simultaneously open to renegotiation. Strategic continuity ultimately depends not on protecting the past from change, but on giving each generation the capacity to transform inheritance into a resource for what comes next.

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