

Impacts of Company Size, Company Age, and the Generation of the Leader on Firm Performance

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ABSTRACT

The impact of family business has been recognized globally. However, according to some facts and previous studies, the performance of family businesses may decline as they age and the generations change. The research tried to explore the differences in firm performances based on company size, company age, and the generation of the leaders of the firms to confirm the results from the previous study. The data were compiled from 213 companies that vary in size. There were micro, small, small-medium, big-medium, and big firms. The possible presence of significant differences in firm performance based on company size, age, and generation of the leaders was analyzed using the Analysis of Variances (ANOVA). ANOVA test shows no significant differences in company age, company size, and the generation of the leaders toward their firm performances. The research clarifies the previous studies stating that there are significant differences in those three independent variables toward firm performance. The research also shows no significant difference in different generation of the leaders toward company size. Hence, it means the firm performance of companies cannot be determined only by knowing its size, age, or the generation of the leaders. There must be other factors that can help to identify the firm performance of a company.

Keywords: company size, company age, generation of the leaders, firm performance

INTRODUCTION

The family business has dominated the world economy and played an essential role in developing nations' economies. According to the Family Firm Institute's most recent statistics, family businesses account for two-thirds of all businesses worldwide, generate 70–90% of annual global Gross Domestic Product (GDP), and create 50–80% of jobs in the majority of countries (De Massis, Frattini, Majocchi, & Piscitello, 2018). According to Osunde (2017), the total economic impact of family businesses on global

GDP is over 70%. They make up the world's third-largest economic contribution by revenue, proving the strength of family firms in the global economy (De Massis et al., 2018).

According to Ng, Tan, Sugiarto, Widjaja, and Pramono (2021), family businesses account for 75% of the business sector in Indonesia. The same source also states that the total economic impact of family businesses on Indonesian GDP is 25%. Some Indonesian family firms, such as Sampoerna, Indofood, Djarum, and Bakrie Group, have already been famous for their large size and wealth. Sampoerna is the biggest

cigarette company in Indonesia. It has conducted its business activities in Indonesia for over a century and has been passed down over three generations). It also greatly impacts Indonesian economically and socially, even during the COVID-19 pandemic (Andriani, Suyana, Sri, & Ngurah, 2021; Kumar & Prameswari, 2018; Rosen, Luddin, & Supriyati, 2019; Tan, Sugiarto, & Budhijono, 2021).

One of the important characteristics of a family firm is its vocation to last (Bodolica, Dupuis, & Spraggon, 2020; Rivo-López, Villanueva-Villar, Vaquero-García, & Lago-Peñas, 2022). However, not every family company can survive for a long period. That is what happens to Yeo Hap Seng Company (YHS) which is a successful company run by a Singaporean family. The company has branches in 60 countries and is known as one of the strong multinational companies in Southeast Asia. However, it starts to collapse during the succession of its third generation when there is an internal conflict between family members (Ting, 2020). Another example is from an Indonesian family company called Nyonya Meneer. According to Kumar and Prameswari (2018), Nyonya Meneer has a high-quality business performance. Unfortunately, the lack of innovation makes its firm performance decrease, and finally, the company goes bankrupt. This condition leads to an issue called 'sustainability'.

Based on Shen, Shuai, Jiao, Tan, and Song (2016), business performance is one of the most important factors affecting sustainability. The more consistent the company's performance for a certain period, the greater the opportunity for sustainability will be. Similar findings come from Adedeji, Ong, Rahman, Odukoya, and Alam (2019), mentioning that the companies that always monitor or supervise their performance have a notable reputation in marketplaces and attain good sustainability. Many companies' goals nowadays are to achieve continuous performance. Companies can only experience development and progress through performance (Taouab & Issor, 2019). As a result, assessing and measuring business performance is critical as companies constantly seek effective and efficient results. Hence, it leads to a question regarding what factors make a family firm have a good quality of business performance.

The first factor is company age. According to lifecycle theories, there is a series of landmarks that companies must reach during their evolution towards an expected optimum size (Markard, 2018). The Churchill and Lewis model comprises five stages of development: type of management, organizational structure, development of formal systems, strategic objectives, and owner's involvement in the firm (Luis Meroño Cerdan & José Carrasco Hernández, 2013). However, as time passes, companies grow and develop into more complicated organizations with more professional management systems. Once success is attained, some companies decide to stabilize rather than continue to grow (Luis Meroño Cerdan & José Carrasco Hernández, 2013).

The fact is that family firms' performance

may decrease along as their ages get older, or it may result in bankruptcy (like YHS and Nyonya Meneer). The situation leads to studies examining the impact of company age on firm performance in the family business. From a positive perspective, based on Susanti and Restiana (2018), company age influences firm value to increase trust for an investor to invest, which means that it will result in better firm performance. According to Mallinguh et al. (2020), company age significantly influences performance. However, according to Younis and Sundarakani (2020), company age has no relationship with any of the four performance outcomes. Based on these differences in the provided results, the research aims to explore the effect of company age on firm performance.

The second factor is generation of the leader. Generation of the leader is important because of the differences between companies with a supreme single founder figure and those with family members involved in proprietary rights and management (Berrone et al., 2020; Samara, Jamali, Sierra, & Parada, 2018). The generation of the leader approach is better than evolutionary models since it is simpler and more applicable (Sreih, Lussier, & Sonfield, 2019). The research aims to see whether there is an effect of generation of the leader (1st, 2nd, and others.) on firm performance. It will result in a comparison of family business performance led by the first generation to the second generation and the next generation.

Previous studies have examined the impact of generation of the leader on firm performance. The research from Darmawan (2019) finds that the financial performance of family businesses managed by the first, second, and third generations differs significantly. According to Baek and Cho (2017), family businesses with second-generation owner-manager perform better. The result is also confirmed by Daspit, Chrisman, Sharma, Pearson, and Mahto (2018) that the latter generation performs better than the founder of companies. However, based on Samara et al. (2018), first-generation leaders have led companies to achieve better performance than second-generation leaders. This difference became the research gap and will be a factor to be examined.

The third factor in the research is company size. According to Habib et al. (2021), company size significantly impacts firm performance from a positive perspective. However, there is a slight difference in the findings found by Younis and Sundarakani (2020) that company size has a positive relationship with environmental, economic, and social performances but not with operational performance. From the negative impact, company size harms firm value and will harm company growth, resulting in a decrease in investor interest (Susanti & Restiana, 2018).

Based on the previously mentioned results of prior studies, there are some contrasting results regarding the impact of family firms' age, size, and the generation of leader on firm performances. These different results in the field lead the research to elaborate on the relationships between the mentioned variables.

The research also aims to provide a comprehensive result regarding the effect of those independent factors (company's age, size, and generation of the leader) on firm performance. Hence, the research contributes to the stream of family firms' performance studies by giving more evidence from the fields about the impact of family firms' age, size, and the generation of the leader on their performances.

To conduct this study, some literatures are being reviewed to extend the knowledge regarding company age, size, generations of leaders, and firm performance. The first is about company age. As previously mentioned, the older the companies' age is, the more experience they have in handling firm management, such as creating organizational structures, developing formal systems, and making strategic objectives. According to Luis Meroño Cerdan and José Carrasco Hernández (2013), as time passes by, companies grow and develop into more complicated organizations with more professional management systems. It is also confirmed by Coad, Holm, Krafft, and Quattraro (2018) that company age influences performance, probably through intermediating mechanisms such as routinization, accumulated reputation, and organizational rigidity. Company age is a relevant variable deserving appropriate consideration in theoretical and empirical studies enquiring into the determinants of firm performance. This statement also has been proven by previous studies, and some agree that company age does have an impact on firm performance or other success factors, such as employee growth, innovation, and ownership (Leoncini, Marzucchi, Montresor, Rentocchini, & Rizzo, 2019; Mallinguh, Wasike, & Zoltan, 2020).

However, according to Kuncová, Hedija, and Fiala (2016), company age is not statistically significant. It is said that the relationship between company age and firm performance is ambiguous. It is also proven by Muslih and Marbun (2020) that company age has no significant impact on company performance. Based on Pervan, Pervan, and Ćurak (2017), company age negatively impacts firm performance. Considering these different facts, the researchers aim to confirm whether company age has a significant impact on firm performance or not.

The second factor is company size. Company size is the statistically significant factor explaining

the differences in economic performance among firms in the sector of raising swine in the Czech Republic (Kuncová et al., 2016). The company size, together with the amount of initial capital, explains approximately 36% of the variability in the economic performance of the firms. The previous result shows that larger firms reach higher economic performance than smaller ones. A similar result also comes from Drempeć, Klein, and Zwergel (2020) that company size has a significant positive correlation with Environmental, Social, and Corporate Governance (ESG), which is part of firm performance. Besides the previously mentioned, other studies prove that company size has a significant positive correlation with company performance (Muslih & Marbun, 2020; Oyelade, 2019; Taufik & Chua, 2021).

On the other hand, some studies declare a negative relationship between company size and firm performance (Hosseini, Brege, & Nord, 2018; Gunadi, Wiksuana, Purbawangsa, & Rahyuda, 2020). The common factor is that family issues can sacrifice company development, especially in the case of Small-Medium Sized Enterprises (SMEs). Even though the family gives unique resources, the drawbacks in terms of a lack of professionalization and family conflicts likely may impede the firm from becoming large enough to be competitive and achieving good results (Luis Meroño Cerdan & José Carrasco Hernández, 2013).

In the research, firms are divided into five groups according to the turnover they get each year. Those five groups are a micro company, small company, small-medium company, medium-big, and big company. The division of these groups can be seen in Table 1.

The next factor is the generation of the leader that leads family firms. One of the unique characteristics of a family firm is the change of generations that lead the companies. The fact that several family firms go bankrupt during the next-generation succession makes this factor interesting to discuss. Family firms need to think about succession from the beginning because it will be very unfortunate if a family company that is founded with much effort done by the first generation must vanish into the hands of the second or third generation. Renewal of family ties to the firm via dynastic succession also implies a long-term vision

Table 1 The Division of Companies Based on Its Size

Size	Total Turnover	Total Asset
Micro	Less than 300 million Rupiah	Less than 50 million Rupiah
Small	Between 300 million Rupiah and 2,5 billion Rupiah	Between 50 million Rupiah and 500 million Rupiah
Small-medium	Between 2,5 billion Rupiah and 50 billion Rupiah	Between 500 million Rupiah and 10 billion Rupiah
Medium-big	50 billion Rupiah – 100 billion Rupiah	10 billion Rupiah – 100 billion Rupiah.
Big	More than 100 billion Rupiah	More than 100 billion Rupiah

to keep the firm under the family's control in future generations (Rivo-López et al., 2022). Despite the importance of a well-developed succession plan, many family businesses do not appear to begin to plan for their successor (Umans, Lybaert, Steijvers, & Voordeckers, 2020).

According to Samara et al. (2018), first-generation leaders may catalyze or improve family firms' performances. However, family firms are associated with poorer firm performance when descendants serve as CEOs or chairmen. Similarly, based on Berrone et al. (2020), the performances of the companies led by the latter generations are weaker than those led by the first generation. However, it is also stated that the group with the lowest performance is first-generation family-managed companies, which present significant differences with outsider-managed family firms but not with second-generation family-managed family firms (Luis Meroño Cerdan & José Carrasco Hernández, 2013). These outcomes lead to another question about the connection between company size and generation of the leader, which will also be discussed in the research.

The last factor is firm performance. Firm performance is one of the important factors which can impact firm sustainability (Tang, Walsh, Lerner, Fitza, & Li, 2018). The firm performance also becomes the main factor in determining the quality of the whole system in a company. Companies should maintain their consistency in sustaining and developing their firm performances to survive in the marketplaces. Similar findings are also conveyed by (Adedeji et al., 2019) that the companies which always supervise their performances will have a good position in the market and attain good sustainability.

The measurement of firm performance has taken plenty of time to be discussed. According to Kumar, Cantor, Grimm, and Hofer (2017), firm performance can be assessed by financial indicators, such as sales growth, profitability, return on investment, return on sale, and return on equity. However, financial indicators are considered insufficient to measure firm performance. It results in the creation of other indicators, such as operational indicators and others, to produce good business performance. So, positive efforts must be made to achieve it. Therefore, the performance of family firms is more appropriate to be measured holistically based on the variables developed by Selvam, Gayathri, Vasanth, Lingaraja, and Marxiaoli (2016). There are three variables with three items for each variable.

The first is sales growth. It is the rate of increase in market size, generally known as a percentage per year. There are three items in this variable. The first item is the company's sales growth based on nominal. If the turnover of the current year is higher than the previous year and has a big amount of difference, it indicates that the company's sales growth is high. The second item is the company's sales growth based on the number of products. The higher the total number of product units sold in the current year is compared

to the previous year, the higher the sales growth will be. The third item is the company's sales growth based on the number of customers. The higher number of new customers is in the current year compared to the previous year, the higher the sales growth will be.

The second variable is organization reputation. This variable represents the result of stakeholder evaluation of the company's reputation based on these stakeholders' experience with the company. There are two items for organizational reputation. The first item is the external reputation which is related to people's (around the company) perception. It is about how people see the company's quality, feeling, and image in the community. The smaller number of negative rumors is in the mass media about the company, the higher the degree of the reputation of the organization will be. The second item is the internal reputation which is related to employees' perception of the company. The fewer negative rumors circulate among employees, the higher the organization's reputation will be. These two items are chosen because the company's reputation mostly determines the level of trust of external and internal people in building good relations with the company.

The third variable for assessing firm performance is employee satisfaction which is the emotional state of whether the workers see their work or jobs pleasantly or unpleasantly. It shows how employees feel toward their work or jobs. This variable has four items in total. The first is employee turnover. The higher employee turnover is in a company, the less job satisfaction employees have in the company. The second is whether the company pays attention to the physical health of employees. The third is whether the company pays attention to the emotional health of employees. Then, the last question is whether the company provides reward punishment in compliance with employee performance achievements. These items are chosen because employee satisfaction greatly determines performance at work. However, if there is an accumulation of all employees' low achievements, it will lower the company's performance.

With theories and facts that have been explained previously, these are some hypotheses examined in the research. The hypotheses are as follows.

- H1: There is a significant difference in firm performance based on company age
- H2: There is a significant difference in firm performance based on company size
- H3: There is a significant difference in firm performance based on the generation of the leader.

Moreover, there is one additional hypothesis regarding company size and generations in the family firm. According to Luis Meroño Cerdan and José Carrasco Hernández (2013), first-generation family-managed firms are smaller in all the indicators than second-generation family management. The hypothesis is as follows.

H4: The generation of the leader has a significant positive correlation with company size.

METHODS

The research applies quantitative methods as a research approach and influenced statistics as the foundation. It aims to analyze the existence of significant differences in independent variables toward the dependent variable. The independent variables are company age, company size, and generation of the leader. Meanwhile, the dependent variable is firm performance.

The population is a family-owned business. The number of samples is 213 consisting of family firms with different backgrounds. The samples are chosen by purposive sampling. The information regarding the characteristics of the 213 companies is the research samples. These companies receive and submit the questionnaire electronically. Through online distribution, the questionnaire can be spread faster and more effectively. After all questionnaires are submitted, the results are recorded and analyzed.

As it has been mentioned before that only several companies can survive until the third generation, the research divides the 213 companies into three groups that are led by the first, second, and third generation. Table 2 shows the backgrounds and numbers of the sample chosen based on the generation of the leaders. The company led by the second generation has the largest frequency, with 50,2% of all samples. Meanwhile, the lowest number is the company led by the third generation. It only has 22 companies with 10,3% of all samples.

Table 3 shows the characters of the samples based on company age. The researchers compare the firm performance of 213 companies related to their ages. The indicators are divided into five groups: companies with an age less than 5 years, between 5 years and 9 years, 10 years until 14 years, 15 years until 19 years, and more than 20 years. The highest number comes from companies that have been established for more than 20 years. Around 71 companies are more than 20 years. However, the smallest number is from 5–9 years old companies. There are 23 companies or 10,8% of all samples in this indicator.

Table 4 shows the characteristics of samples based on company size. This variable is divided by how the Indonesian government allocates companies. It includes micro firm, small firm, small-medium firm, big-medium firm, and big firm. Moreover, these groups are differentiated by companies' turnover per year. Most of the companies are micro-companies. It consists of 124 companies, with 58,2% of all samples. Meanwhile, the smallest number is 6 from a big company with 2,8% of all samples.

Firm performance is the dependent variable. It is measured by using three indicators: sales growth, organizational reputation, and employee satisfaction. These indicators are chosen because they can show the whole firm performance both on the economic and social side. A good company or firm should concern not only with economic matters but also with employee and community matters. Each item is measured by using a Likert scale. On the scale, one means very disagree with the statement provided, while five means very agree. Some items are reversely written to assure the validity of the questionnaires. The reverse items are written in bold in Table 5.

Table 2 Characteristics of Sample Based on Generation of the Leaders

		Frequency	Percentage (%)
Generation	First	84	39,4
	Second	107	50,3
	Third	22	10,3
	Total	213	100,0

Table 3 Characteristics of Sample Based on Company Age

		Frequency	Percentage (%)
Valid	<5 years	31	14,6
	5–9 years	23	10,8
	10–14 years	39	18,3
	15–19 years	49	23,0
	>20 years	71	33,3
	Total	213	100,0

Considering the research purposes, the researchers use three kinds of tests to measure the independent and dependent variables. Those tests are the descriptive test, ANOVA test, and Chi-Square test. First, a descriptive test shows the mean of every variable. Using a descriptive test shows the characteristics of 213 companies that become research samples. It states how many companies are included in micro size until big size company, new companies until the 20-years-old company, and the first until the third generation. This test also shows how well the firm performance of 213 companies is by presenting the average number of each item and the indicators of firm performance.

The second test is ANOVA. ANOVA or analysis of variance compares the means of more than two groups. The difference between ANOVA and Independent-Sample-T-Test is in the number of groups. Independent-Sample-T-Test only compares two groups or variables (Klemelä, 2018). The research has three independent variables and one dependent variable. With this number of variables, ANOVA is the most suitable test for analyzing the questionnaire results.

The last test is the Chi-Square test. It allows the user to determine whether there is a statistically significant relationship between two nominal variables (Klemelä, 2018). The test is needed because according to Luis Meroño Cerdan and José Carrasco Hernández (2013), the first generation family which manages firms is smaller in all the indicators than the management of the second generation family. This fact is tested in the research to show the presence of a statistically significant relationship between company size and generation of the leaders.

RESULTS AND DISCUSSIONS

For the quantitative approach especially using ANOVA, there is a condition that should be obeyed. It is the homogeneity of the dependent variable. The dependent variables must pass the homogeneity variances test to show this condition. Then, the numbers in the significant figure value in Levene statistics must be more than 0,05. The result of this test can be seen in Table 6. All the significant figure value of Levene statistics in the Homogeneity Variances test is above 0,05. It indicates that the result submitted can be analyzed using the ANOVA test.

Table 4 Characteristics of Sample Based on Company Size

		Frequency	Percentage (%)
Valid	Micro	124	58,2
	Small	48	22,5
	Small-Medium	22	10,3
	Medium-Big	13	6,2
	Big	6	2,8
	Total	213	100.0

Table 5 Questions Regarding Firm Performance Indicator

Firm Performance Indicators	
Indicators	Items
Sales Growth	There is a significant increase in profit every year.
	There is an increase in the number of products sold every year.
	There is an increase in the number of customers every year.
Organizational Reputation	There is a decrease in the number of complaints every year.
	My company has ever received massive complaints until it is published in the mass media. There is increased satisfaction and support from investors/partners.
Employee Satisfaction	There is a very low employee turnover (<10% per year).
	Employees' well-being is prioritized.
	The company is fair in giving reward-punishment to employees.

Then, the research conducts the descriptive analysis to show how good the firm performance of those 213 companies is. The result can be seen in Table 7. The highest number is “Employee Satisfaction Item 1” about employee turnover. With a mean of 3,95, it shows that most employees are satisfied with their companies and do not have the intention to leave the companies. The second and third highest mean are from the same variables (Employee Satisfaction Item 2 and 3). These items are about companies’ concerns regarding their employees’ mental and physical health. These findings result in employee satisfaction as the variable with the highest average in the research.

The lowest mean is from “Organizational Reputation Item 1”. This item concerns external reputation, which is related to people’s (around the company) perception. It is about how people see the company’s quality, feeling, and image in the community. The mean of 1,72 shows that people and shareholders around those 213 companies do not see the company well. However, as shown in Table 7,

there are still people who confirm the good reputation of the companies. Although it cannot deny the fact that organization reputation is the lowest average among all variables, other items such as internal reputation have a good number in mean with 3,61.

The first aim of the research is to examine the presence of a significant difference in firm performance based on company age. The questionnaire result has been recorded and analyzed using ANOVA, and the result can be seen in Table 8. The value in the column of significant figure shows the presence of a significant difference between the two variables. If the value of significant figure is below 0,05, it means there is a significant difference between independent and dependent variables. As shown in Table 8, the significant figure value for company age to firm performance is 0,472. It is more than 0,05 and indicates that there is no presence of significant difference in firm performance based on company age. Hence, H1 is not supported.

Table 6 Result of Homogeneity Variances Test

Independent Variables	Sig. Figure Value of Homogeneity Variances Test
Company Size	0,877
Company Age	0,249
Generation of the Leader	0,182

Table 7 Descriptive Test Result of Firm Performance

Descriptive Statistics	
Items	Mean
Sales Growth Item 1	3,61
Sales Growth Item 2	2,25
Sales Growth Item 3	3,55
Organizational Reputation Item 1	1,72
Organizational Reputation Item 2	3,61
Organizational Reputation Item 3	3,25
Employee Satisfaction Item 1	3,95
Employee Satisfaction Item 2	3,85
Employee Satisfaction Item 3	3,91
Total Firm Performance	29,71

Table 8 ANOVA Result on Company Age and Firm Performance

	Sum of Squares	Mean Square	Significant Figure
Between Groups	42,064	10,516	0,472
Within Groups	2463,889	11,846	
Total	2505,953		

The ANOVA test also shows a similar result between company size and firm performance. The significant figure value of this test is 0,883, which is above 0,05. It also indicates the absence of significant differences in company size toward firm performance. Hence, H2 is not accepted. The result of the ANOVA test between company size and firm performance can be seen in Table 9.

The last ANOVA result is generation of the leaders toward firm performance. A similar result is also from this test. The significant figure value of this test is 0,992 which also indicates the absence of a significant difference between generation of the leaders and firm performance. Thus, H3 is not accepted. The result of the test can be seen in Table 10.

Since some previous studies reveal a significant difference between generation of the leaders and company size, the research aims to confirm that fact through the Chi-Square test. The result of the test can be seen in Table 11. The value of Pearson Chi-Square in the Asymptotic Significance can show a significant difference if the value is more than 0,05. Since the value on the table is 0,759, it indicates no significant difference between generation of the leaders and company size. Hence, H4 is not accepted.

The research findings show that no independent variables have a significant impact on dependent variables. It indicates that no matter how big or small the company is, which generation that leads the company is, and how old the company is, it cannot determine how good the firm performance will be. These results have contradicted some findings from the previous result by proving that there is no significant difference in company age to firm performance. However, the research supports the findings from Kuncová et al. (2016), stating that the company age is not statistically significant. According to Kuncová et al. (2016), the relationship between company age and firm performance is ambiguous.

Moreover, the research contradicts another result by Kuncová et al. (2016) regarding company size. According to Kuncová et al. (2016), company size is the statistically significant factor explaining the differences in economic performance among firms in the sector of raising swine in the Czech Republic. It shows that larger firms reached higher economic performance than smaller ones. However, it only sees the firm performance in terms of economic or financial state. Certainly, the larger the company is, the higher the turnover will be. However, firm performance

Table 9 ANOVA Result of Company Size and Firm Performance

	Sum of Squares	Mean Square	Significant Figure
Between Groups	13,954	3,488	0,883
Within Groups	2491,999	11,981	
Total	2505,953		

Table 10 ANOVA Result of Generation of the Leaders and Firm Performance

	Sum of Squares	Mean Square	Significant Figure
Between Groups	0,194	0,097	0,992
Within Groups	2505,759	11,932	
Total	2505,953		

Table 11 Chi-Square Result of Size and Generation of the Leaders

Chi-Square Tests			
	Value	DF	Asymptotic Significance (2-Sided)
Pearson Chi-Square	4,990 ^a	8	0,759
Likelihood Ratio	5,492	8	0,704
Linear-by-Linear Association	0,008	1	0,929
N of Valid Cases	213		

a: 6 cells (40,0%) have expected count less than 5. The minimum expected count is 0,62.

cannot be measured only by the financial state. In the research, the firm performances are measured not only by financial condition but also by social reputation and community relations. The research result shows that company size cannot identify how well the whole company performs, not just by the financial state.

CONCLUSIONS

The research explores the differences in firm performances based on company size, company age, and the generation of the leaders of the firms to confirm the results from the previous study. Based on the analysis, it is found that company age, size, and generation of leaders do not impact the firm performances of companies. The difference in generation of leaders also does not impact the firm performances. It means to does not matter how big the size or how old are the companies, it cannot predict or judge the firm performances. It also does not matter what generations are the leaders belong to (1st, 2nd, 3rd, and n-th generation), it cannot predict or impact the firm performances.

The research has some limitations, such as the absence of variables that show companies' capacity. It includes innovation capability, leadership, organizational culture, and others. These variables will improve the scope of the analysis and result in a more comprehensive picture of the antecedents of family firms' performances. Moreover, these variables will record the employees' perception of their organizations and show companies' capabilities.

Despite the limitation, the research still contributes to the literature regarding firm performance. The research provides evidence about the impact of company age, company size, and generation of leaders on family firm performances. Even though the research shows no impact between the independent and dependent variables practically, it reveals that firm performances of family businesses do not rely on company age, size, or leaders' generation. It means no matter how old the companies are, how big the size is, or what generation the leader belongs to, they will not affect the firm performance.

The research also gives some insight for practitioners that they always have room for improvement in firm performances that are not limited to their company size, age, or generations of leaders. In this sense, companies can bring their best performances that are not limited to physical characteristics such as age and size. The generation of the leaders also does not guarantee the firm performance because it does not show the unique capability of the leaders.

Future research should include other independent factors that can truly determine how good the firm performance of companies is. For example, rather than generations, future research should focus on leadership succession focused on the process of preparing the next generation to be a leader. Instead of using company age and size, future research can use factors, such as entrepreneurial orientation, to show the whole company system.

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