FAMILY SITUATION AND THE EXIT EVENT: AN EXTENSION OF THRESHOLD THEORY

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ABSTRACT

Previous research into entrepreneurial exit has examined exit from a firm perspective focusing upon firm performance as the primary determinant of exit; however, new research is emerging which suggests that other variables (e.g. entrepreneurial human capital) may impact the exit decision over and above that accounted for by firm performance. Our research adopts a family embeddedness perspective to examine the impact that gender and family situation (marital status, number of children, running a family business) have on voluntary exit decisions over and above that attributed to firm performance. Our research contributes not only to the growing research in entrepreneurial exit, but also extends threshold theory.

INTRODUCTION

The previous exit research has examined exit from two perspectives. The first has focused on large, publicly traded companies (Wasserman, 2003) examining the impact on firm performance (e.g. stock price, market share) (Shen & Cannella, 2002) has on the exit decision and how exit decisions (e.g. spinoff) impact industry concentration. Using an economic or strategic theoretical lens this research has primarily been concerned with market exit, business exit, and corporate restructuring.

A second stream of exit literature focuses upon entrepreneurial exit in privately-held companies (DeTienne & Cardon, 2008; Gimeno, Folta, Cooper & Woo, 1997; Leroy, Manigart, & Meuleman, 2007) and examines the determinants and processes of entrepreneurial exit. Utilizing threshold theory and the theory of planned behavior the bulk of this work suggests that other criteria (e.g. entrepreneurial human capital, entrepreneurial experience) may impact the exit decision over and above that accounted for by firm performance. For example, the work by Gimeno et al. (2007) argues that firm exit is not simply a function of economic performance but is also related to the entrepreneur’s “threshold of performance”.

In addition, there is a growing body of research to suggest the importance of examining entrepreneurial behavior within the context of the entrepreneur’s personal life (Aldrich, 1989; Jennings & McDougald, 2007). In particular this research has examined the importance of adopting a “family embeddedness” perspective which implies that “researchers need to include family dimensions” when conceptualizing and modeling entrepreneurial behavior (Aldrich & Cliff, 2003: 574).

Our research utilizes a family embeddedness perspective to examine how an entrepreneur’s marital status, gender, and family situation impact his or her threshold level and thus the voluntary exit decision. Our general thesis is that married entrepreneurs, female entrepreneurs, and entrepreneurs with children have a higher threshold level; thus, after controlling for firm performance, will be more likely to choose voluntary exit. In addition, we examine the moderating effect of family business on these relationships hypothesizing that married
entrepreneurs, female entrepreneurs, and entrepreneurs with children in family business have a reduced threshold of performance. That is, if the family’s well-being is contingent upon a family business these entrepreneurs have a lower threshold of performance and are less likely to voluntarily exit.

Using data from 189 entrepreneurs in Spain who exited a business from 2006-2007, our research makes several important contributions to the growing body of research which examines the exit decision. First, we add to threshold theory by demonstrating that family embeddedness impacts the entrepreneur’s threshold of performance. Our findings suggest that married entrepreneurs and female entrepreneurs have higher threshold of performance. Second, we extend the family embeddedness literature to include entrepreneurial exit by providing evidence that family situation impacts the exit decision; however, this relationship is reduced if it is a family business.

ENTREPRENEURIAL EXIT

Entrepreneurial exit is a multi-faceted and multi-level phenomenon as it concerns both the individual entrepreneur’s personal exit from the firm and entrepreneurial firms from the market (Wennberg, 2008). The research examining the individual’s exit characterizes entrepreneurial exit as the process by which firm founders leave the firms they created (DeTienne, 2008). In this perspective the firm may also exit from the market or it may survive with another management team, may be acquired, may be transferred to family members (family business succession), or may become publicly traded (IPO) (DeTienne & Cardon, 2008). The primary concern in this perspective is the outcome for the entrepreneur.

A second perspective of exit examines exit when the firm leaves the marketplace. In this perspective, both the entrepreneur and the firm are examined concurrently as it is obvious that if the firm leaves the market, the entrepreneur does as well. Much of the early research in this area assumed that exit was the result of poor performance; however, several recent studies have shown that entrepreneurs make decisions to exit the firm from the market for a multitude of reasons including personal choices, family, environmental, other job opportunities, physical relocation, and parent firm strategy decisions (Mayer & Goldstein, 1961; McGrath, 2006; Ronstadt, 1986). In a study of exits in a regional ecosystem, McGrath (2006) found that approximately seventy-five percent of firm exits were due to reasons other than poor financial performance. Bates (2005) found that more than one-third of owners of exited firms characterized their firms as a success. Similarly, McGrath and Cardon (1997) suggest that firms persist (or exit) from the market as a result of the self-interested actions of those who are dependent upon the firm rather than from firm performance.

This current research builds upon this extant research which examines the personal reasons firms leave the market. Using a family embeddedness perspective we examine the decision by entrepreneurs to leave the firms they created.

THRESHOLD THEORY AND FAMILY EMBEDDEDNESS

A threshold perspective is helpful in thinking about entrepreneurial exit because it proposes that organizational exit is a function of both economic performance and the entrepreneur’s threshold of performance (Gimeno, et al., 1997). “The threshold of performance is the level of performance below which the dominant organizational constituents will act to dissolve the organization” (Gimeno, et al., 1997). In this perspective exit is viewed as a choice (voluntary) and
complements the work which examines exit as a decision made by environmental conditions outside the firm (Gimeno, et al., 1997).

Gimeno, et al. (1997) found several factors which impact an entrepreneur’s threshold of performance. An owner’s managerial experience and entrepreneurial experience positively affect threshold of performance, while psychic income (personal satisfaction) and switching costs (age) have a negative impact. That is, the human capital, motivation, and switching costs of the founder impact the level of performance s/he is willing to accept.

We build on these works and suggest that the entrepreneur’s exit decision should be viewed from a family embeddedness perspective. In particular, we argue that entrepreneurs make choices about whether to stay in business based upon on their gender and family situation and the subsequent conflict they might experience in trying to balance work and family demands. In doing so, our paper challenges previous characterizations of entrepreneurship which view entrepreneurship as a panacea for balancing work and family roles responsibilities. Scholars have indeed recently been calling into question this claim and have proposed that although the self-employed experience higher freedom and job satisfaction than organizationally employed workers, the drive for economic security may also imply higher levels of work–family conflict and lower family satisfaction (Moore, 2005; Parasuraman & Simmers 2001). Following these arguments, we contend that in determining whether to continue support for the venture, the entrepreneur will evaluate the opportunity costs that this represents in terms of family life.

Despite its importance to the literature (Aldrich, 1989; Aldrich & Cliff, 2003; Jennings & McDougald, 2007) no research (that we are aware of) has examined how family embeddedness impacts the entrepreneur’s threshold of performance. Anecdotally the idea that marital status of an entrepreneur or the number of children s/he has could impact the entrepreneurial exit seems to have face validity as we know that during these phases of life there is added responsibility to provide an income as well as increased responsibility for care of others.

Because there is not a significant body of literature from which to draw on to develop our hypotheses we turn to two related bodies of literature. The first is a body of literature which has demonstrated that family situation or kinship responsibility impacts other career entry and exit decisions (e.g. job search behavior, voluntary turnover, job satisfaction) (Blegen, Mueller, & Price, 1988; Brett & Reilly, 1988; Van Hooft, Born, Taris, Van Der Flier, & Blonk, 2004).

The second is the work-family interface (WFI) (Jennings & McDougald, 2007) literature which suggests that entrepreneurship is a career choice for individuals who desire to attain an optimum balance between work and family (Boden, 1999; Caputo & Dolinsky, 1998; Carr, 1996; Jennings & McDougald, 2007; Jurik, 1998). The bulk of this research has examined the experiences of work-family interface (e.g. time-based conflict, strain-based conflict, behavior-based conflict, enhancement perspective) and the strategies of work-family interface (e.g. segmentation, boundary management, couple-based strategies) (Jennings & McDougald, 2007).

Hypotheses

The literature has demonstrated extensively that many females start ventures for non-economic reasons, such as satisfaction with their work or the need to achieve a better balance between the dual domains of work and family (Boden, 1999; Caputo & Dolinsky; 1998; Carr, 1996; DeMartino & Barbato, 2003; Lombard 2001; Marlow, 1997). For example, Boden (1999) examined the reasons individuals become self-employed and found that 58 percent of women cite
flexibility of schedule, child care problems, or other family/personal obligation while only 15 percent of men reported these reasons.

This initial motivation for venture start-up will later on affect decision-making with respect to several business outcomes such as growth, performance and exit. For example, recent research indicates that compared to males, female entrepreneurs tend to set lower growth thresholds in order to maintain control on their business (Cliff 1998; Still & Timms 2000). Morris, Miyasaki, Watters and Coombes, (2006) note that female entrepreneurs have a clearer sense of the costs and benefits from achieving high business performance and growth and “make careful trade-off decisions”. In other words, female entrepreneurs assess success in its integrality taking into account both financial indicators as well as life quality criteria.

In this sense, we argue that when life-quality needs are not met as a result of the heavy work demands implied by business ownership, female entrepreneurs will have more incentive to demise from their work than men. Just as nongrowth is often a deliberate choice of female entrepreneurs (Mitra, 2002), business exit is more likely to be a voluntary decision for these females than for males. Bates’ (2005) recent study comparing the determinants of successful versus unsuccessful business closures lends support to our argument. His findings indicate that a higher percentage of females than males assessed their demise from the business as successful. On the basis of these results, the author calls for a better conceptualization of the opportunity costs of self-employment which have been narrowly defined as the existence of alternative employment. Despite having fewer alternative employment opportunities than men, women seem indeed to have higher opportunity costs attached to staying with their current venture, much of which might be related to family issues. Given the above considerations, we formulate the following hypothesis.

**H1:** Controlling for performance, female entrepreneurs are more likely than male entrepreneurs to voluntarily exit their business.

In organizational research it is largely accepted that non-work factors such as family attachments and conflicts between work and family roles influence job attitudes and voluntary turnover (Mitchell, Holtom, Lee, Sablynski, & Erez; 2001). Lee and Maurer (1999) found for example that having children and a spouse were better predictors of leaving a job than traditional indicators of organizational commitment.

A parallel argument could be made with respect to the commitment of entrepreneurs towards the continuity of their business. While it is assumed that entrepreneurs enjoy personal freedom and have the flexibility to reconcile work and family role responsibilities (Greenhaus & Callanan, 1994), research has shown that entrepreneurs might experience greater work-family conflict than organizational employees (Parasuraman, Purohita, Godshalka & Beutell, 1996). For example, previous research has suggested that family represents a potential constraint on the entrepreneur’s professional activities (Renzulli, Aldrich & Moody, 2000). Entrepreneurs that are married or that have children are more constrained in how much time they can devote to business than are nonparents and single entrepreneurs (Shelton & Daphne, 1996). On the other hand, the time and effort necessary to ensure the survival and economic success of the enterprise diminishes the time available to fulfill family commitments (Goffee & Scase, 1985; Loscocco et al., 1991).

Entrepreneurship literature also indicates that being married has a positive effect on self-employment, generally because marital income releases extra resources for business ownership (Brush, 1992; Connelley, 1992; MacPherson, 1988). We argue that since married entrepreneurs face a lower economic necessity that non-married entrepreneurs, they will be less likely to exit a
business because of financial burdens. The joint effect of higher opportunity costs from self-
employment and a lower financial exigency should in turn increase the likelihood of voluntary exit
with respect to non-married entrepreneurs. Thus,

\textit{H2: Controlling for performance, married entrepreneurs are more likely than unmarried
entrepreneurs to voluntarily exit their business.}

Parenthood is another component of family structure that should affect the entrepreneur’s
decision to voluntarily exit a business. In Olson et al.’s study (2003), the number of children had
no significant effect on business performance but was found to be negatively related to perceived
success by the business owner. This result indicates that the existing tension between the personal
and the professional sphere is intensified by the presence of children (Pleck, Staines, & Lang,
1980). Indeed, Olson et al. (2003: 659) explain their results arguing that “children are expensive,
and if the business must be able to support the family adequately for the owner to perceive it as
successful, each additional child may raise the threshold of what is perceived as success”. In other
words, given that managing the conflicting demands of business and family put a high strain on
the entrepreneur, the number of children should heighten the opportunity costs of being a business
owner. Holding business performance constant, this will increase the likelihood of voluntary exit
compared with entrepreneurs with no children. Formally stated,

\textit{H3: Controlling for performance, entrepreneurs with children are more likely than
entrepreneurs without children to voluntarily exit their business.}

As previously mentioned this paper uses the Family Embeddedness Framework to predict the
type of business exit of entrepreneurs. We contend that when the business is family-run, the
business embeddedness into the family is maximized—the family is the firm. Hence, we expect
the drivers behind sustaining the firm to be predominantly non-economic in nature. Trying to
describe the motivational factors relevant to entrepreneurs, Kuratko, Hornsby and Naffziger’s
(1997) study yielded “family security” as one of the main determinants. This dimension
encompassed goals such as “to build a business to pass on” and “to secure future for family
members”. We argue that when entrepreneur’s main motivation behind business ownership is to
obtain some measure of security for their families, they will be less inclined to voluntarily close
the business.

The notion that the entrepreneur will feel committed toward the family business survival
beyond economic performance is consistent with the evidence in the literature on non economic
utility and family firms. This literature is replete with anecdotes that attest to the importance of
the non-economic utilities derived from contract that involves family ties. These include for
instance the satisfaction of deep social/emotional needs for belonging (Kepner 1983), the
satisfaction to contribute to the family business perpetuation (Handler 1990), and the fulfillment of
identification needs (Westhead, Cowling, & Howorth 2001).

Moreover, and unlike an entrepreneur running an independent business, the entrepreneur in a
family business concentrates all his or her risks into one business. Gomez-Mejia, Larraza-Kintana,
and Makri (2003: 230) describe these risks as socioemotional rather than only financial, as “the
family's name is at stake, a living symbol of its generational or multigenerational achievement”.
Additionally, the external employment prospects of family entrepreneurs if the company closes are
likely to be limited as they might have spent most of their working lives within that business and
their human capital is generally firm-specific. All the above arguments imply that opportunity
costs of exiting or closing a family business outweigh those of closing an independent business.
Thus we hypothesize the following:

**H4:** Controlling for performance, entrepreneurs in family business are less likely than other entrepreneurs to voluntarily exit their business.

An important contingency in the relationship between family structure and the type of firm exit is gender. Jennings and McDougald (2007) argue that the influence of work and family and its effects on the firm do not affect male and female business owners in the same manner. In particular, they contend that male and female entrepreneurs tend to prioritize work and family responsibilities differently. Male entrepreneurs are able to more easily accommodate work demands and exhibit less family role intensity in terms of time and attention. In contrast, female entrepreneurs have less work schedule autonomy and flexibility, more household time demands, and a higher family responsibility level. According to their arguments, female entrepreneurs are less likely to scale back their psychological and behavioral commitment to family roles. We believe that given these arguments, female entrepreneurs will experience the opportunity costs of self-employment with respect to family demands in a different manner than male entrepreneurs.

Researchers have found that marital status and parenthood had a different influence on voluntary job interruptions according to gender: it increased the likelihood of exiting the labor force for females and decreased it for males (Felmlee, 1984; Joshi, 1990; Koenigsberg, Garet & Rosenbaum, 1994). Following a similar rationale for entrepreneurs, we contend that although marriage and children will heighten both male and female entrepreneurs’ opportunity costs of being self-employed, increasing their likelihood of voluntary exit, this effect will be higher for females. Normative expectations for the roles of wife and mothers (Bielby & Bielby, 1989) will indeed incur in females experiencing a greater work-family role conflict as a result from business ownership than their male counterparts (Starr & Yudkin, 1996). Based on these arguments we hypothesize that the likelihood of married and parenting entrepreneurs to voluntarily exit the business would be enhanced for female entrepreneurs.

The opposite happens with respect to the effect of gender on the relationship between family business ownership and exit. Female entrepreneurs are not only more committed toward family because of gendered-expectations of society, they are also known to derive more altruistic goals from self-employment, such as helping or giving work to others (Brush, 1992). If these “significant others” working in the business are family members, then female entrepreneurs will feel even more committed towards business continuity. Our arguments find support in the research of Langan-Fox and Roth (1995) which identified “pragmatist entrepreneurs” as the dominant typology of the female entrepreneurs that were studied. These entrepreneurs exhibited not only economic reasons for entrepreneurship pursuits but also family business concerns such as the opportunity to pass the business on to children. Thus, even though we contend that gender affects positively voluntary exit (as per Hypothesis 1), this effect would be reduced when the family depends both emotionally and economically on the firm sustainability. Formally stated:

**H5:** Gender moderates the relationship between (a) marital status (b) number children, (c) family business and voluntary exit such that:

**H5a:** Married female entrepreneurs are more likely than married male entrepreneurs to voluntarily exit their business.

**H5b:** Female entrepreneurs with children are more likely than male entrepreneurs in the same situation to voluntarily exit their business.
**H5c: Female entrepreneurs that run family businesses are less likely than male entrepreneurs in the same situation to voluntarily exit their business.**

**METHODS**

**Data**

To examine these questions, our study uses data drawn from the GEM (Global Entrepreneurship Monitor) Spanish survey for year 2007, which tracks entrepreneurs based on a representative telephone survey of the adult population. Using a probability sample, interviewers at Opinometre, the survey vendor in charge of collecting data for the Spanish GEM study, screened 27,880 households’ telephone numbers to ascertain whether the respondent was presently an entrepreneur or a former entrepreneur that had closed or exited a business during the year preceding the survey. For year 2007, the resulting sample was of 276 former entrepreneurs that had exited their businesses. Two hundred and three of these former entrepreneurs agreed to answer to a follow-up questionnaire constructed for this specific research. This questionnaire concerned the former entrepreneur family situation and the business’ characteristics at the moment of closure. The remaining sample after correcting for missing information is 189 usable questionnaires.

**Dependent Variable**

The GEM study includes a set of items eliciting the reasons for business exit. Former entrepreneurs were asked the following question “What was the most important reason for quitting this business?” with the possibility to choose between the following categories: “An opportunity to sell the business”, “The business was not profitable”, “Problems getting finance”, “Another job or business opportunity”, “Retirement”, “Personal reasons” and “Other”. Respondents choosing this last category where asked to describe the specific reason for exit.

On the basis of the theoretical framework outlined above, we relied on these items to reclassify the GEM categories for exit into a binary variable, called Voluntary Exit. This dependent variable distinguishes people who voluntarily choose to exit the business because of high opportunity costs (voluntary exit) from those who where rather forced to exit the business for performance reasons (involuntary exit).

**Independent variables and controls**

Independent variables include gender, marital status, and number of children at the moment of closure. The family business status of the closed business was assessed based on a set of three questions: whether the respondents considered that business as a family business, the percentage of capital owned by the family, and the number of family members involved in decision-making.

Following previous literature on firm exit we controlled for several personal characteristics of the entrepreneur (age, education, experience in industry, ratio of capital invested in business/average annual income) and of the closed business (industry, firm age and level of performance with respect to industry at the moment of closure).

Using logistic regression we test for the effect of family situation on voluntary exit. In a second step, the interaction of the independent variables with the gender of the business owner is tested.
ANALYSIS AND RESULTS

Table 1 shows the results of the hypothesized effects of entrepreneur’s personal and family characteristics on voluntary exit. Model 1 is the base model which includes only control variables. Model 2 introduces all independent variables. The addition of these variables make a significant contribution to the overall model as the increase in the $R^2$ is significant. This additional explanatory power of the independent variable set is due primarily to the impact of gender and marital status. Consistent with hypothesis 1, the regression coefficient for gender was significant and positive, suggesting that the odds of exiting voluntarily from the business is about 2.44 times larger for female entrepreneurs than for male entrepreneurs. Similarly, marriage seems to increase the odds of exiting voluntarily from the business by 2.66 times with respect to unmarried entrepreneurs, lending support to hypothesis 2. The regression coefficients for the number of children and family business were not statistically significant, leading us to reject hypothesis 3 and 4.

Hypothesis 5 posits the existence of a moderating effect of gender on the impact family situation of the entrepreneur and the likelihood of voluntarily exit. Results give partial support to this hypothesis in that although all coefficients are of expected sign, only two interactions are statistically significant (p<.10 for gender*married and p<.05 for gender*family business). For entrepreneurs running a family business, the impact of being female decreases the odds of voluntarily exiting a business by 100 (0.244 -1) = 75% with respect to males in the same situation. In contrast, being a female had a positive effect on the odds of voluntary exit for married entrepreneurs, increasing them by 4.5 times with respect to married male entrepreneurs.

DISCUSSION AND CONCLUSIONS

This study extends theory and gives empirical support to the tenets of the family embeddedness perspective. In line with their assumptions, we demonstrate that the effect of family structure of entrepreneurs on venture outcome is large. Specifically, we found that marriage and family dependence upon the business are, over and above firm performance, important predictors of voluntary exit.

Moreover, our results indicate that the relationship between voluntary exit and gender is more complex than previously thought. Based on previous findings that female businesses tend to be smaller, slower growing, and less profitable than those owned by males (Greene et al., 2003) and because business exit has previously assumed a failure perspective, the entrepreneurship literature has summarized that females had a higher failure rate than males. However, our results point to a different explanation—one in which females are more likely than males to voluntarily leave their firms. While married individuals of both genders are more likely to voluntarily exit, the impact is stronger for married female entrepreneurs. In addition, female entrepreneurs in family business are significantly more likely than male entrepreneurs to choose voluntarily exit. Why then are women self-assessing their business exit as a voluntary choice rather than as a failure to achieve financial success? One explanation builds upon the argument that if females leave organizational employment for business ownership in order to gain a better work-life balance, they should be more aware about the opportunity costs of being self-employed than are men. In this sense, the study expands previous research on females’ non-monetary expectations from business ownership (Buttner & Moore, 1997; Collins-Dodd, Gordon & Smart, 2004; Still & Timms, 2000; Unger & Crowford, 1992; Williams, 1987) and analyses how these motivations affect decision-making with respect to firm sustainability.
Another explanation for our findings may be found in the emerging psychological ownership literature (e.g. Pierce, 2003) which suggests that possessions play a dominant role in an individual’s identity (Dittmar, 1992). While psychological ownership can be directed to both physical (house, automobile) and nonphysical (ideas, artistic creations) (Pierce, 2003) entities, there is evidence that males tend to identify more strongly than females to their profession, organization, and workgroup (e.g. Johnson, Morgeson, Ilgen, Meyer, & Lloyd, 2006). Thus, females may have a weaker psychological attachment to their ventures; providing an additional explanation for why they may be more willing to voluntarily exit.

One implication of our findings is that future research examining voluntary exit should include both gender and family situation. A significant amount of new research is examining the high rate of new venture failure. As noted in the introduction, this emerging research suggests that many of new venture exits previously categorized as failure are indeed cases of voluntary exit. We propose that theoretical perspectives including work-balance arguments as well as psychological ownership arguments are appropriate to examine this research.

Overall, the number of children did not appear to have an effect on voluntary exit. A potential explanation for the lack of findings regarding children might focus on the age of these children and whether they depend on the entrepreneur or not. A recent study has shown that children might have an opposite effect, according to their dependent status, on the entrepreneur’s perception of success and the importance they gave to economic versus criteria non-economic ones (Justo, Cruz, DeCastro, 2007). While entrepreneurs with dependent children tended to value non-economic rewards from business ownership such as flexibility and helping others, entrepreneurs having adult children rather valued monetary success. Therefore, it might be that business ownership have different opportunity cost for the entrepreneur, depending on whether the latter has dependent or adult children.

As noted above, our non-finding between number of children and voluntary exit should be interpreted carefully and future research should examine this variable using a finer-grained approach (see Justo, et al., 2007). Additionally, although our focus on a single country helped minimize national effects, future research should examine our findings in other countries as well as cross-country samples.

In conclusion, our findings contribute to the emerging research on entrepreneurial exit—particularly that research focusing upon the exit of the firm from the market. Our research suggests that voluntary exit is prevalent and that a family embeddedness perspective provides greater insight into voluntary exit.

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### Table 1: Logistic regression models of the log odds of exiting a business voluntarily

<table>
<thead>
<tr>
<th>Model</th>
<th>B</th>
<th>Exp (B)</th>
<th>B</th>
<th>Exp (B)</th>
<th>B</th>
<th>Exp (B)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Model 1</td>
<td></td>
<td>Model 2</td>
<td></td>
<td>Model 3</td>
<td></td>
</tr>
<tr>
<td></td>
<td>B</td>
<td>Exp (B)</td>
<td>B</td>
<td>Exp (B)</td>
<td>B</td>
<td>Exp (B)</td>
</tr>
<tr>
<td>Constant</td>
<td>1.627</td>
<td>.196</td>
<td>-2.736</td>
<td>.065</td>
<td>-2.681</td>
<td>.068</td>
</tr>
<tr>
<td>Age (Standardized)</td>
<td>-.339 *</td>
<td>.712</td>
<td>-.371 *</td>
<td>.690</td>
<td>-.420 *</td>
<td>.657</td>
</tr>
<tr>
<td>Age² (Standardized)</td>
<td>-.369 *</td>
<td>.691</td>
<td>-.358 *</td>
<td>.699</td>
<td>-.308 t</td>
<td>.735</td>
</tr>
<tr>
<td>Experience in sector</td>
<td>.142</td>
<td>1.152</td>
<td>.237 T</td>
<td>1.267</td>
<td>.299 *</td>
<td>1.349</td>
</tr>
<tr>
<td>Superior Education</td>
<td>1.207 **</td>
<td>3.344</td>
<td>1.257 **</td>
<td>3.514</td>
<td>1.348 **</td>
<td>3.848</td>
</tr>
<tr>
<td>Capital/income</td>
<td>.113</td>
<td>1.119</td>
<td>.143</td>
<td>1.154</td>
<td>.097</td>
<td>1.101</td>
</tr>
<tr>
<td>Business age</td>
<td>.099</td>
<td>1.104</td>
<td>.112</td>
<td>1.119</td>
<td>.104</td>
<td>1.109</td>
</tr>
<tr>
<td>Industry: Transforming services</td>
<td>-.397</td>
<td>.673</td>
<td>-.543</td>
<td>.581</td>
<td>-.413</td>
<td>.661</td>
</tr>
<tr>
<td>Industry: Business services</td>
<td>.098</td>
<td>1.102</td>
<td>.077</td>
<td>1.080</td>
<td>-.216</td>
<td>.806</td>
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<tr>
<td>Industry: Consumer oriented</td>
<td>-.310</td>
<td>.734</td>
<td>-.421</td>
<td>.656</td>
<td>-.464</td>
<td>.628</td>
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<tr>
<td>Performance: superior</td>
<td>.277</td>
<td>1.319</td>
<td>.260</td>
<td>1.296</td>
<td>.324</td>
<td>1.383</td>
</tr>
<tr>
<td>Gender</td>
<td>.893 **</td>
<td>2.442</td>
<td>.761 **</td>
<td>2.140</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Married</td>
<td>.981 *</td>
<td>2.666</td>
<td>.234 *</td>
<td>1.264</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nº of children</td>
<td>.104</td>
<td>1.110</td>
<td>-.070</td>
<td>.933</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Family business</td>
<td>.040</td>
<td>1.041</td>
<td>.802</td>
<td>2.229</td>
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<td></td>
</tr>
<tr>
<td>Gender X Married</td>
<td></td>
<td></td>
<td>1.517 t</td>
<td>4.559</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gender X Nº of children</td>
<td></td>
<td></td>
<td>.370</td>
<td>1.448</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gender X Family business</td>
<td></td>
<td></td>
<td>-1.410 *</td>
<td>.244</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chi-Square</td>
<td>24.245</td>
<td>.161**</td>
<td>12.276</td>
<td>.234**</td>
<td>7.923</td>
<td>.280*</td>
</tr>
<tr>
<td>Nagelkerke R²</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

Dependent variable: Involuntary closure (1= involuntary; 0= voluntary). Reference category 1
N= 189; Significant at level: t = .10; * = .05; ** = .01; ***=.00