

Designing for Succession in Family Enterprises

Succession planning is often discussed as a single moment in time—when a founder retires, steps away, or hands over a title. In practice, succession unfolds over many years and across multiple dimensions of a family enterprise.

The following vignettes explore different approaches to succession, including leadership development, ownership alignment, and the role of purpose in shaping long-term continuity. Each case highlights a distinct set of tradeoffs families face as they plan for the next chapter.

How to Read These Vignettes

These vignettes are designed to be read quickly and discussed thoughtfully. You do not need to remember all the details or track every fact. Instead, they offer snapshots of how different families have approached succession across leadership, ownership, and governance over time. As you read, focus on the underlying choices, tradeoffs, and consequences rather than the specifics. Consider what assumptions each family made about continuity, control, and relationships—and how those assumptions shaped outcomes. The goal is to compare approaches, identify missteps, and surface lessons that may apply across different family enterprise contexts.

Brinker Group

Introduction

Larry Brinker Jr., the current President and CEO of the Brinker Group, has spent much of his career working in the business his father founded. Established in Detroit in 1989, Brinker is a group of family-owned and operated construction services companies. Through sustained growth and strategic acquisitions over the years, Brinker has led more than \$4 billion in construction projects.

"When others left the city because times were tough, we doubled down and stayed put. Because we're in this to strengthen the community." Brinker prides itself on doing more than simply building structures; the company focuses on creating places where people belong.

Apprenticeship Model

Larry and his father share a close relationship, one his father was careful to protect during the eventual leadership transition. Anticipating his retirement, Larry's father made a strategic decision to hire an external mentor to guide the succession process. This individual had recently sold his own construction company and was brought in specifically to prepare Larry to become President and CEO of Brinker over a four-year period.

"The first year, I was a fly on the wall. I was in every meeting and had no idea what was going on half the time. In year two, I started to understand what was happening. By year three, I was helping to make decisions. By year four, he was allowing me to make decisions for the company." By the time he was 30 years old, Larry—after four years of focused leadership training—felt confident in his ability to lead the organization.

Larry reflects positively on the opportunity to learn without the pressure of working directly for his father. Leadership succession between family members can be particularly challenging, as balancing independence with accountability is often difficult. Larry notes that he has seen many transitions unfold without planning, and he credits the mutual respect between himself and his father for enabling a smooth process. That respect allowed him to learn, make mistakes, and grow without constant push and pull. "Our succession plan should be a case study."

Bass Brothers Enterprises

Introduction

Bass Brothers Enterprises is a Fort Worth-based investment company created to manage the wealth of the Bass family, one of Texas's most prominent multigenerational families. The family's wealth originated in oil discoveries in the Permian Basin and was later expanded through investments in real estate, energy, and financial assets.

Rather than dividing assets among heirs, the Bass family chose to pool capital across siblings and invest through a shared enterprise. That decision created scale, flexibility, and influence—but it also set the stage for a complex succession story that unfolded over time.

Background

The Bass family's investment platform was organized under Bass Brothers Enterprises by the family patriarch, who had overseen the oil businesses that generated the initial wealth. After years of leading the enterprise, he stepped back from day-to-day involvement and transferred responsibility to his sons.

Leadership of the shared platform was not rotated or jointly held. One brother was designated president and given authority over investment strategy and operations. The remaining brothers retained equal economic ownership but were less involved in management decisions.

This structure allowed the enterprise to move quickly. Capital was deployed across a growing range of investments, and professional managers were hired to support the expanding portfolio.

Succession Within the Next Generation

As the enterprise matured, leadership shifted again—this time within the sibling group. The brother serving as president gradually reduced his operational role, and leadership responsibilities transitioned to a younger sibling who had been working closely with the investment team.

This second succession was informal but meaningful. Day-to-day control changed hands, while ownership and governance structures remained largely unchanged. All siblings continued to hold interests in the same pool of assets, governed by rules established years earlier.

The enterprise continued to perform well financially, but the family's circumstances had changed. Individual goals, risk preferences, and desired levels of involvement were no longer aligned.

Rising Tension

Over time, differences among the brothers became harder to manage within a shared structure. Some were comfortable remaining passive owners in a centralized investment platform. Others wanted greater autonomy over their capital and clearer access to liquidity.

Because assets were pooled, no individual could exit or rebalance independently without affecting the entire enterprise. Decision rights over investment timing, risk

tolerance, and asset sales were concentrated in leadership, even though economic ownership was shared.

Without a defined mechanism for voluntary separation, disagreements intensified. Signs of fragmentation emerged earlier than the eventual breakup, as at least one brother began pursuing more independent investment activity in the mid-1980s, well before the shared platform was formally unwound. Untangling jointly held assets proved complex and time-consuming, and some investments remained collectively owned even after the separation.

Walker's Shortbread

Introduction

Walker's Shortbread is a family-owned Scottish food manufacturer best known for its traditional shortbread biscuits and tartan packaging. Founded in 1898 in Aberlour, Scotland, the company has remained under Walker family ownership for more than a century, growing from a local bakery into an international business exporting to dozens of countries.

As the company passed through successive generations, Walker's evolved from a founder-led enterprise into one governed by a cousins' consortium, with ownership spread across several branches of the Walker family. That shift has shaped how the family approaches leadership succession, governance, and long-term stewardship.

Background

The business was founded by Joseph Walker and led for decades by successive generations of the Walker family, with leadership concentrated among a small group of closely related family members. For much of the twentieth century, ownership and management overlapped, and informal family decision-making was sufficient to guide the company.

Over time, the family expanded and ownership became more dispersed. By the fourth generation, Walker's was owned by a broader group of cousins, many of whom did not work in the business but remained invested in its long-term independence and success. Public reporting describes multiple family branches holding shares, increasing the need for clearer distinctions between ownership, governance, and management roles.

The transition to a cousins' consortium increased both the scale and complexity of succession planning. Leadership decisions now carried implications beyond daily operations, affecting a wider group of family shareholders with differing levels of involvement and expectations.

Succession and the Cousins' Consortium

In response, the Walker family planned deliberately for a fourth-generation transition. Rather than assuming leadership would pass automatically, the family emphasized internal development and operational experience, while strengthening governance structures to support a broader ownership base.

In January 2022, Walker's appointed Nicky Walker, a great-grandson of the founder, as Managing Director, succeeding his father, Joe, and his uncle, James, who had served as joint managing directors for decades, while his cousin Bryony Walker was appointed Head of Commercial Strategy, reflecting a coordinated fourth-generation transition. Nicky's appointment followed more than two decades in the business, including senior production and management roles. Coverage of the transition emphasized continuity, internal preparation, and the importance of earning credibility with employees and family shareholders.

At the same time, other fourth-generation family members assumed strategic and governance roles, reflecting the realities of a cousins' consortium rather than a single-successor model. Senior third-generation leaders stepped back from executive responsibilities while remaining involved as shareholders and stewards.

Current Structure

Today, Walker's operates with a family Managing Director supported by a professional management team and a governance framework designed for a dispersed ownership group. Not all family shareholders are involved in operations, and leadership authority is clearly separated from ownership rights.

The cousins' consortium continues to shape how succession is managed at Walker's. Leadership transitions are treated as part of an ongoing process, supported by governance mechanisms intended to balance continuity, accountability, and family unity. Under its current leadership, Walker's continues to reinvest in the business and preserve its independence within a multigenerational ownership structure.

Market Basket

Introduction

Market Basket is a privately held supermarket chain with deep roots in New England and a fiercely loyal customer base. Known for its low prices, employee loyalty, and strong operating culture, the company has long been closely associated with Arthur T. Demoulas, its longtime chief executive. To employees and customers alike, he is simply "Artie T."

Behind the scenes, however, Market Basket is also the product of a complex family ownership structure. Control of the company is shared among members of the Demoulas family, whose relationships and disagreements have repeatedly shaped the company's leadership and governance.

Background

Market Basket was founded in 1917 in Lowell, Massachusetts, by Athanasios and Efrosini Demoulas as a small family grocery store. In 1954, they sold the business to their sons, Telemachus "Mike" Demoulas and George Demoulas, who expanded it into a supermarket chain together until George's sudden death in 1971, after which Mike assumed sole control, setting the stage for decades of ownership disputes between the two family branches. Over time, ownership of the company passed to his children and, through trusts, to the following generations. While the company grew into a regional powerhouse, family governance became increasingly complicated.

Arthur T. Demoulas emerged as the public face and operational leader of the business. Under his leadership, Market Basket expanded to roughly 90 stores, maintained low prices, and cultivated a culture that emphasized employee loyalty and customer trust.

Ownership, however, was divided. Arthur held a minority stake in the company, while his three sisters, Frances, Glorianne, and Caren, collectively controlled a majority of the shares. Governance authority rested with a board that increasingly included outside directors appointed by the majority owners.

Succession, Trusts, and Governance

Succession at Market Basket has never been limited to naming a CEO. Control of ownership, voting rights, and family trusts has played a central role in shaping leadership outcomes.

A family trust established decades earlier held a meaningful stake in the company on behalf of the next generation. Arthur served for years as manager of that trust, while his sisters later sought changes to its governance, arguing for greater transparency and shared oversight. Court rulings eventually altered the trust's management structure, further straining already tense family relationships. At the same time, the board sought to professionalize governance by adding outside directors and asserting greater oversight of management. Arthur resisted some of these changes, arguing they interfered with the operating model that had made Market Basket successful.

Escalating Conflict

In 2014, a dispute over leadership and control erupted publicly, leading to Arthur's removal and an extraordinary backlash from employees and customers. What followed was not a typical labor action, but one of the largest organized non-union employee walkouts in U.S. history. Thousands of employees across dozens of stores refused to work, suppliers halted deliveries, and customers boycotted the chain, effectively crippling operations for weeks.

The disruption was so severe that economists later pointed to the Market Basket shutdown as a measurable contributor to a temporary uptick in the Massachusetts unemployment rate. The episode underscored the extent to which Arthur's authority derived not only from formal titles, but from deep loyalty among employees and customers. After weeks of protests and mounting financial pressure, Arthur was reinstated, and the family completed a complex buyout to consolidate control.

More than a decade later, the company faced a new set of control and leadership challenges. In 2025, Market Basket's board removed Arthur from his role following disputes over governance oversight, including requests for budgets and a formal succession plan, which Arthur resisted. Arthur contested the decision, arguing that the board was acting in the interests of majority shareholders rather than the long-term health of the company.

At the same time, disagreements over family trusts, distributions, and succession to the next generation continued to unfold in court. Members of the next generation expressed interest in greater access to wealth and leadership opportunities, while the board raised concerns about family conflict spilling into company operations.

As legal proceedings continued, a judge's decision on Arthur's status and the company's governance was not expected for months, if not longer.

Questions for Discussion

- Which family do you believe managed succession most effectively, and why?
- Where do you see the most significant missteps across the vignettes?
- Which challenges were foreseeable, and which seemed to emerge only over time?
- What could each family have done differently to mitigate conflict or risk?
- What lessons from these cases feel most transferable to other family enterprises?

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