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The Effect of Business Strategy, Social Responsibility and Succession on Family Business Sustainability

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ABSTRACT

Family business sustainability is essential for ensuring long-term business continuity. This study examines the effects of business strategy, social responsibility, and succession on family business sustainability. Data were collected from 241 family business owners in Payakumbuh City, West Sumatra, selected randomly from a population of 612 businesses. Structural Equation Modeling (SEM) was employed for data analysis. The findings reveal that business strategy significantly influences family business sustainability, whereas social responsibility and succession have no significant direct effects. These results suggest that strategic management plays a crucial role in sustaining family businesses, while effective succession planning and social responsibility require further development to support long-term sustainability

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INTRODUCTION

Family business research has been more widely acknowledged in the literature in the last several decades, especially in studies on entrepreneurship development (Reay & Whetten, 2011; De Massis & Kotlar, 2014; Santos et al., 2021a; Santos et al., 2021b). The body of scholarship acknowledges that family enterprises constitute a crucial component of global economic activity, significantly contributing to the creation of jobs (Collins & O'Regan, 2011; Liñán et al., 2019; Paul, 2020). Family enterprises are generally well-known in the market for boosting family income (Georgiou & Vrontis, 2012). It is crucial to manage the family business sustainably if you want to improve its income and reputation.

According to Brigham, Lumpkin, Payne, and Zachary (2014), family businesses often have a long-term focus and are meant to be passed down to the following generation. In other words, business owners strive to guarantee the longevity of their organization. As a result, the business will reject stakeholders' opportunistic behavior and take actions that harm relationships with other parties (Berrone et al., 2010; Berrone et al., 2013; Cruz et al., 2014).

Sustainability in family businesses seeks to provide for current requirements without sacrificing the capacity of future generations to provide for their own needs. (Liñán et al., 2019). The best approach to ensure family businesses can continue to be sustainable is a sustainability business model that is implemented regularly and makes business improvements (Dressler and Paunović (2019). Business sustainability is key to family business prosperity (Kot, 2018; Williams & Schaefer, 2013). Brinkerink et al. (2020) argue that business sustainability will affect small and medium business actors through opportunities to increase income and community welfare, which can be achieved if MSME business actors can develop their businesses.

A strategy is a tool used to achieve the goals of a company in achieving long-term goals supported by an action plan and prioritizing the allocation of existing resources (Bövers & Hoon, 2021; Kushins & Behounek, 2020; Rondi et al., 2019). Every business activity must always be accompanied by preparing a mature strategic plan to achieve sustainable business success. The business world in the current era of globalization is very competitive, and every existing company must be able to meet unlimited consumer needs and must be able to create attractive products and create unique products (Chung & Dahms, 2018; Cirillo et al., 2022).

Strategy is the answer for management regarding how to achieve company goals well and how to fulfil the mission and vision of a strategic corporate organization by the rules that apply within the company (Efendi et al., 2021). Strategizing is about how to reach market targets that will buy products, how to compete healthily with business opponents, how to achieve competitive victory in the long term, and how to make the mission and vision of strategic management a reality that must be faced for a company (Setiawan et al., 2021). In addition, family businesses have a social responsibility to support the welfare of their members.

Family businesses that perform CSR (corporate social responsibility) often demonstrate socially responsible or environmentally conscious behaviour (Tashman et al., 2019). CSR is well-studied in organizational settings to build a family business reputation (Hou, 2019; Tashman et al., 2019) gain business legitimacy, 2019), gaining business legitimacy (Marpaung et al., 2022; Rivo-López et al., 2021), increasing the competitive advantage of family businesses (Dharmapala & Khanna, 2018) and business sustainability (Abbas, 2020; Dyck et al., 2019; Xie et al., 2019).

Only thirty percent of family firms, according to study, are able to endure the change from the first to the second generation. Comparatively, just 3% of all family firms remain open beyond the fourth generation, and only 15% of them will continue to function until the third generation (Ferreira et al., 2021). For family firms, thus, one of the biggest challenges is the succession process (Calabrò et al., 2021; Ferreira et al., 2021). Due to population aging, between 50% and 80% of family company owners plan to retire in the next 10 years (Calabrò et al., 2021; Ferreira et al., 2021). However, few of their descendants are able and ready to take over the family firm (Zellweger, 2017). This makes succession even more crucial. Given that many firms struggle with development and continuity, a family business's transition from one generation to the next is an important turning point in its history (Calabrò et al., 2021; Ferreira et al., 2021). During the succession process, plans are established to update the organization's technology and goods while also addressing industry difficulties and preserving the entrepreneurial spirit of businesspeople (Magnadi et al., 2021).

Family businesses play an important role in Indonesia's economic growth. Family businesses have unique characteristics that enable them to survive for long periods in each generation and make significant economic contributions (Ahmad & Yaseen, 2018). Successful succession is the successful transfer of a business from one family member to another (the result of succession). Another factor that causes the disappearance of family business entities in Indonesia is that their children are not interested in the business and tend to look for new businesses or become government employees (Ahmad & Yaseen, 2018; Wicaksana & Rachman, 2018). This study contributes research on the sustainability of family businesses, on the aspect of succession, its attention to the social and environmental environment and the business strategies undertaken. This research takes place in West Sumatra because this province is known as a source of family business in Indonesia in the form of Padang restaurants and dry food businesses.

Moreover, the centre of food and culinary products in West Sumatra is in Payakumbuh City. In Payakumbuh City the local government has begun to focus on developing SMEs in Payakumbuh City. This is evidenced by the existence of business centres scattered in the area. Such as the rendang centre in the Lampasi Tigo Nagari area, the weaving centre in Balai Panjang, and other SMEs that boost the economy of the Payakumbuh City community. Based on the results of data processing obtained from the Office of the Cooperative and SME Office of Payakumbuh City, the data obtained that South Payakumbuh Sub-district has 10 family businesses with a percentage of 2%, North Payakumbuh Sub-district has

44 family businesses with a percentage of 7%, East Payakumbuh Sub-district has 86 family businesses with a percentage of 14%, Payakumbuh Lamposi Tigo Nagari Sub-district has 110 family businesses with a percentage of 18. West Payakumbuh Sub-district has 362 family businesses with a percentage of 59%. The most family businesses in Payakumbuh City are in the West Payakumbuh sub-district. At the same time, a small number of family businesses are in the South Payakumbuh District. These SMEs are the seeds of the family business. Based on these circumstances, researchers want to see how a family business experiences sustainability or not in its business. According to previous research conducted by (Ahmad et al., 2021), Business sustainability is significantly and favorably impacted by social responsibility and succession planning. The impact of business strategy on the sustainability of family businesses is noteworthy and favorable (Dharmapala & Khanna, 2018). The study is to look into more research and serve as a resource for similar studies on the impact of social responsibility, business strategy, and succession on the sustainability of family businesses in Payakumbuh City.

LITERATURE REVIEW

A company, according to Griffin and Ebert, is an entity that sells products or services in order to turn a profit (Griffin & Ebert., 2007). According to Casillas & Moreno-Menéndez (2017) and Hernández-Linares, Sarkar, &... (2017), business goals are the outcomes that businesspeople hope to accomplish from their work and are a reflection of the outcomes expected to be completed by the company's personnel, production, and marketing departments. These outcomes will ultimately determine the company's performance. The family's vision and purpose greatly impact the management and performance of the firm, regardless of its size, as it is a family-owned and managed enterprise (Marín, Hernández, Valle, &..., 2016). Family companies are not, however, immune to a variety of issues that can occasionally be challenging to resolve. The three primary facets of sustainable development—economic, social, and environmental—can be used to gauge industrial sustainability (Franco & Prata, 2019). In the concept of sustainability of a business, it is necessary to have factors that determine its sustainability. With these factors, the sustainability of a business can be achieved.

1.1. Succession Strategy for Business Sustainability

A strong strategic plan must always guide business operations in order to ensure long-term corporate success. Not infrequently, business owners are optimistic and enthusiastic about running their business. Still, in the end, they fail because they need to take the time to develop a strategy that can differentiate them from their competitors (Dressler & Paunovic, 2021). Without a solid basis to determine the company from its competitors, business owners can only hope to become a company with a limited market share. In today's global competitive environment, companies that still need a transparent and integrated (solid) strategic plan will be vulnerable to business sustainability (Hery, 2020). The goal is to develop the company and ensure the sustainability of the company even better in the future. All facets of a business's operations, including development, production, sales, and support, can be impacted by sustainability. Additionally,

sustainability has the power to improve all values generated, both now and in the future. A company's ability to succeed will be hampered by its wide reach (Çiçeklioğlu, Öcek, Turk, &..., 2015; Lisboa, 2015). Based on this previous literature, the following hypotheses are obtained:
H1: Strategy has a direct effect on succession and an indirect impact on family business sustainability.

1.2. Social Responsibility, Succession to Business Sustainability

A more comprehensive view of CSR, according to Teguh S. Pambudi, was put forward by the Prince of Wales International Business Forum through five pillars. First, building human capital concerns the company's ability to have reliable (internal) human resource support (Stephen, Ireneus, & Moses, 2019). Second, strengthening economies: empowering the community economy. Third, assessing social. This indicates that in order to avoid causing strife, the business keeps peace with the local community. It was the fourth, promoting responsible leadership. Starting from this understanding, it turns out that CSR is engaged not only in the company's external territory but also in the internal space. This is done because, with good social responsibility, it will support the sustainability process of a family business. Based on this previous literature, the following hypothesis is obtained:
H2: Social responsibility has a direct effect on succession and an indirect impact on family business sustainability.

1.3. Strategy Has a Direct Effect on Sustainability

A strategy is a tool for achieving certain objectives. The art of strategy is utilizing an organization's assets and talents to accomplish its objectives under the most favorable circumstances and via positive interactions with the surrounding environment. The company's resources can be arranged and distributed in a distinctive and sustainable way with the aid of a well-thought-out plan (Orozco, Vargas, & Galindo-Dorado, 2018). A well-crafted plan takes into account the company's internal strengths and weaknesses, anticipates changes in the environment, and counters the coordinated movements of adversary spies (Budio, 2019: 60). To ensure long-term business success, a strong strategic strategy must always come after business activity (Padachi & Bhiwajee, 2016). In today's global competitive environment, companies that still need a transparent and integrated (solid) strategic plan will be vulnerable to business sustainability (Hery, 2020). The main task of company officers is to plan business strategies taking into account the internal and external environment to develop the company and ensure the company's sustainability. Based on this previous literature, the following hypothesis is obtained:
H3: Strategy has a direct effect on family business sustainability

1.4 Social Responsibility for Business Sustainability

The concept of social responsibility emphasizes that the company's responsibility is to seek profit and social and environmental responsibility. According to (Obiageli, Uzochukwu, & ..., 2015), As a responsive value, social responsibility highlights how family companies are disposed to respond to the

needs and expectations of others. According to Fan and Lederman (2018), social responsibility is a responsiveness value that focuses on establishing the framework necessary for businesses to behave responsibly at all times, including their whole corporate history. Based on this previous literature, the following hypothesis is obtained:
H4: Social responsibility has a direct effect on family business sustainability

1. 5 Succession to Business Sustainability

One of the founder's efforts to maintain and develop his company is to carry out succession planning. According to (Ramírez-Orellana et al., 2017), succession in family companies is the process of forming and planning successors that are made according to the needs of the owner, family and company. The sustainability of family companies can last a long time depending on the continuous succession process from generation to generation. Therefore, succession is often related to intergenerational turnover. Multigenerational issues that arise vary, one of which is that the older generation has no desire to share power with the next generation. Based on this previous literature, the following hypothesis is obtained:
H5: Succession has a direct effect on family business sustainability.

METHODOLOGY

The population in this study is a family-owned business in Payakumbuh City, which totals 612 family businesses. The time conducted in this study was from April to June 2022. The researcher uses a simple random sampling technique to determine the respondents who will be sampled. The sample size will be taken from the population determined by the Slovin formula with a sample size equal to the number of samples to be studied, namely 241 respondents. In this study, researchers used data collection techniques in the form of a questionnaire (questionnaire). This questionnaire contains questions with answer choices, which will be submitted to research respondents, namely family business owners in Payakumbuh City. In this study, researchers used a Likert Scale with a five-variation choice model to measure data to display better respondent answers. The preparation of research instruments was carried out in this study using variable indicators that have been based on the previous theory. The research indicators in the preparation of instruments on business strategy variables are several indicators, namely labels/brands, product design, product line changes throughout the market, product packaging, prices, payments, discounts, profits, advertising themes, advertisements, promotion costs, promotion targets, transportation strategies, distribution costs, distribution (Hagen et al., 2012). The Social Responsibility variable has several indicators, namely, the environment, employees, society and customers (Herrera Madueño et al., 2016). The succession variable has several indicators, namely personal, family relationships, situations and finances (Chaimahawong & Sakulsripraseert, 2012). The sustainability variable has several variables, namely productivity, cost, market share and relationship management. This research uses the SEM PLS approach. SEM PLS is an analytical tool used in analyzing SEM modelling and hypothesis testing with SmartPLS software version 4.0. Partial Least Square, or PLS, is a component-based SEM analysis with formative construct properties. The data analysis techniques used in this study are descriptive analysis, verification analysis, model evaluation and hypothesis testing.

Descriptive Analysis

Data for each variable is presented as a frequency distribution where each respondent gives an assessment according to the actual situation. The following are the results of the distribution analysis of all research variables:

Table 1. Descriptive Data of the Overall Variable

No.	Variable	Average	MEAN	Criteria
1	Strategy	4,17	83,37%	Good
2	Social responsibility	4,25	85,03%	Good
3	Succession	4,20	84,08%	Good
4	Sustainability	4,49	89,74%	Good

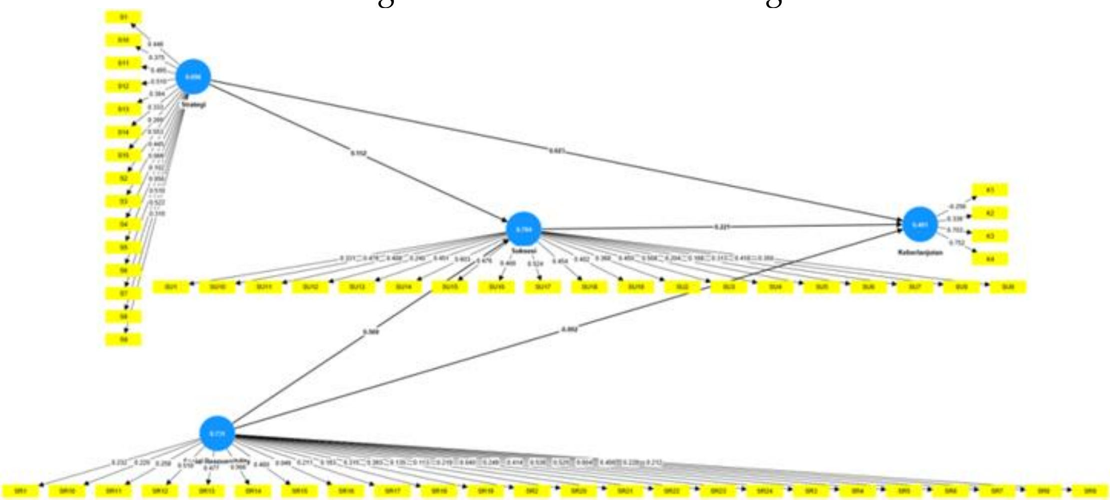
Source: Primary data processing results

In Table 1, it ca n be explained that the strategy variable MEAN value is 83.37% with good criteria. The MEAN value in the Social responsibility variable is 85.03% with good criteria. In the Succession variable, the MEAN value is 84.08% with good criteria. The Sustainability variable's MEAN value is 89.74% with good criteria

Evaluation of the Measurement Model (Outer Model)

Convergent validity is said to be high if the loading value or correlation of the indicator score with the construct is above 0.7 (Ghozali, 2014). However, if the loading score is between 0.5-0.6, researchers should not delete indicators with this loading score as long as the AVE and commonality of the indicator are> 0.5. In this study, indicators whose loading is less than 0.5 will be removed in testing the instrument's validity and then re estimated.

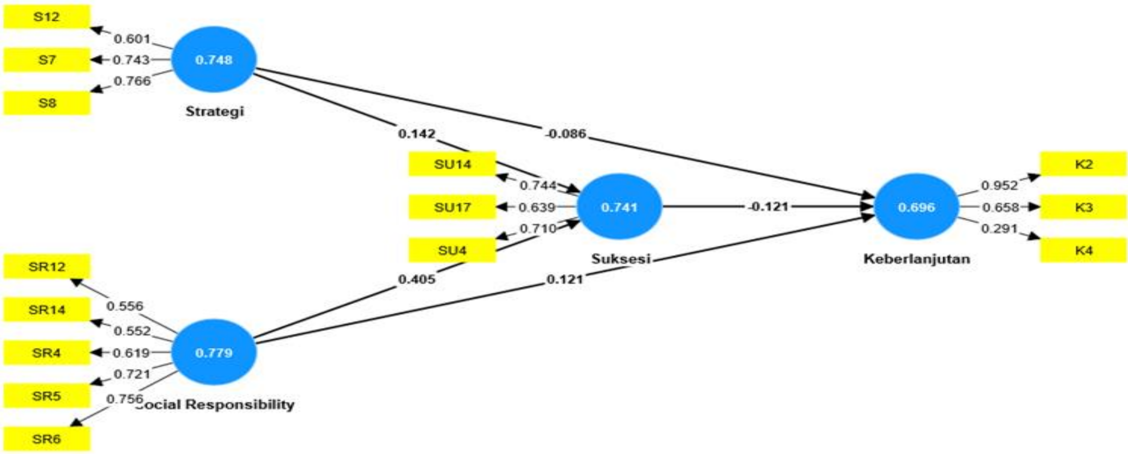
Figure 1. Initial Outer Loading



Source: Primary data processing results.

Figure 1 shows the initial form of the model between variables. In the initial relationship model, it can be seen that the indicators are not valid because there are still indicators that have a loading factor value below 0.5 or need better convergent validity. Therefore, it is necessary to reestimate the initial construct model by dropping indicators that fall into the discriminant validity category of as many as 48 statements, where the value is below the loading factor ≥ 0.5. After these indicators are removed, the variable model is reestimated, and then the final model form between variables is obtained, which can be seen in the following figure:

Figure 2. Final Outer Loading



Source: Primary data processing results

Reliability Tes

Two criteria are used to assess the reliability of the instrument in this study: the Cronbachs alpha for each indicator block on the reflective construct and the composite reliability value. The rule of thumb composite value must be greater than 0.7. The following are the composite reliability results from the SmartPLS output:

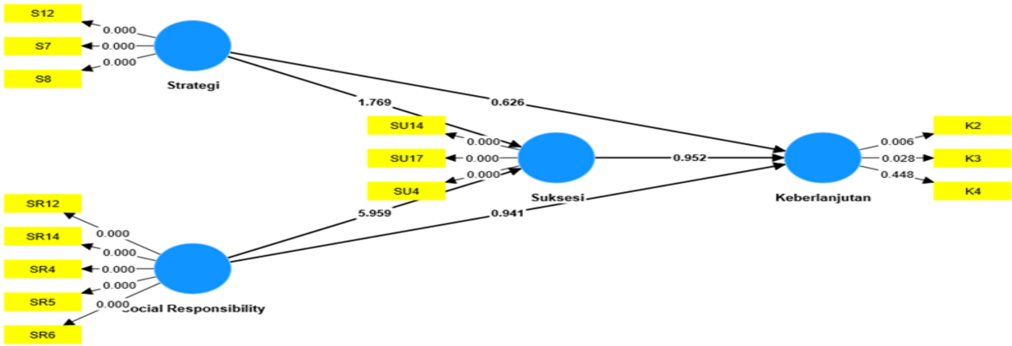
Table 2. Composite Reliability Analysis Results

	Composite reliability
Sustainability	0,696
Social Responsibility	0,779
Strategy	0,748
Succession	0,741

Source: Primary data processing results

Table 2 shows that the composite reliability value for all constructs is above 0.7 except for the sustainability variable which shows that the composite reliability is 0.696.

Evaluation of the Structure Model (Inner Model)



Source: Primary data processing results

The test results of this bootstrapping method aim to determine the relationship between indicators and research variables so that they can support the analysis of research hypotheses. The following is a table of 14 Path Coefficient (Mean, STDEV, TValues) which will show the level of relationship that is significant or not in the hypothesis.

Table 3. Path Coefficient (Mean, STDV, T-Values)

	Original sample (O)	*Sample mean (M)*	*Standard deviation (STDEV)*	*T statistics (|O/STDEV|)*	*P values*
Social Responsibility - > Sustainability	0,121	0,134	0,128	0,941	0,347
Social Responsibility - > Succession	0,405	0,418	0,068	5,959	0,000
Strategi -> Sustainability	-0,086	-0,090	0,137	0,626	0,531
Strategi -> Succession	0,142	0,152	0,080	1,769	0,077
Succession -> Sustainability	-0,121	-0,105	0,127	0,952	0,341

Source: Primary data processing results

Based on the route coefficient in Table 3, which represents the outcome of the structural model's testing. Sustainability is not significantly impacted by the succession variable, as indicated by the T-Value> 1.96 of 0.952. The strategy variable has no significant effect on succession, because the T-Value> 1.96 is 1.769. The strategy variable has no significant effect on sustainability, because the T-Value> 1.96 is 0.626. The T-Value> 1.96 for the social responsibility variable is 5.959, indicating a considerable impact on succession. Because the T-Value> 1.96 is 0.941, the social responsibility variable has no discernible impact on sustainability.

R-Square (R2)

The first step in using PLS to evaluate the model is to look at the R-square for each independent latent variable. The endogenous variable's (Y) value is represented by the R-square value. The degree of variance in changes in the independent variable on the dependent is measured by the R-square value. A better level of prediction accuracy is indicated by a larger R2 number, which spans from 0 to 1. The following are the results of the R-square estimation using SmartPLS.

Table 4. R-square Analysis Results

	R-square
Sustainability (Y)	0,020
Succession (X3)	0,237

Source: Primary data processing results

Table 4 shows that the R-square value of the sustainability variable is obtained at 0.020. This result shows that the succession, social responsibility, and strategy variables can influence 2% of the sustainability variable. Meanwhile, the succession variable is obtained at 0.237; this result shows that the sustainability variable can influence 23.7% of the succession, social responsibility, and strategy variables.

DISCUSSION

The results of this first hypothesis test show no significant influence between social responsibility and sustainability. The path coefficient value of 0.121 means that the first hypothesis is rejected. This shows that the social responsibility variable on sustainability shows a t-count value of 0.941; this value is smaller than the t-table value (1.96). Furthermore, the P value obtained is 0.347. These results indicate no significant influence between social responsibility and the sustainability of family businesses in Payakumbuh City. This means that family business owners feel other things are more important to do than making social responsibility something that must be applied in continuing the family business.

Social responsibility is indeed something that family business owners should consider. This is done so that the business that has been built can stand for a long time. Social responsibility means that there is a business influence on the surrounding community; this is in line with research conducted by Yenti (2013). Her research shows that social aspects influence the company's image, and this shows that the assistance of funds flowing from the company to the community around the company's environment can help the community improve its economic welfare (Jovanovic & Lazic, 2018).

The path coefficient value is 0.405, and the P value obtained is 0.000, according to the findings of the second hypothesis test. Thus, it may be concluded that the second hypothesis is true. These findings suggest that social responsibility has a major impact on the succession of family businesses in Payakumbuh City. The t-count value of 5.959 for the social responsibility variable on succession is higher than the t-table value of 1.96. This demonstrates the strong correlation between succession planning and social responsibility. A family firm's ability to pass along its business will be greatly impacted by how well it practices social responsibility. The local community recognizes the benefits of a family-run business and the business's obligation to the environment; thus, for the business to thrive during the business succession process, the community must provide support. Naturally, this will also have a favorable effect on the family business's potential to survive in the long run (Odunaike & Ajiboye, 2020). This is also supported by the results of research by Kotler & Nance (2005), the opinion that the business aspect of CSR on succession provides results that can increase sales and market share and strengthen the position of trademarks in the market to increase the ability to attract, motivate and maintain employees who work in the company, able to reduce operating costs that should be incurred by the company.

This family-run company has many impacts on the government and the surrounding community. With the existence of this family company, of course, the surrounding community will feel helped because the community can have a decent job, the company has a profitable income, and the government will get revenue in the form of taxes from the company. Therefore, the sustainability of family companies is very important, so a good succession process is needed (Musidora & Mustamu, 2015).

The third hypothesis test's findings indicate that a P value of 0.531 was attained. The study's findings suggest that strategy and sustainability have no discernible relationship. The path coefficient value obtained is -0.086, meaning the third hypothesis is rejected. Furthermore, the strategy variable on sustainability shows a t-count value of 0.626, which is still small compared to the t-table value (1.96). Furthermore,

According to the research, there is no discernible relationship between strategy and the long-term viability of family companies in Payakumbuh City. That being said, the approach here is not one that will help the family company thrive going forward (Azizah et al., 2020. The point is that a mature strategy is needed to continue a business. Strategy is needed always to be able to survive in any condition. If the strategy is mature and ready to maintain a business, the possibility of the business surviving will be small.

This is in accordance with Nofianti's (2020) viewpoint. He contends that the value of Indonesia's economic GDP in the first quarter of 2020 was 2.97%, according to statistics from the BPS (Central Statistics Agency). This represents a decline from the first quarter of 2019 to 5.07, the lowest economic growth rate since 2001. MSMEs are the industry that has been hit most by the COVID-19 pandemic; around 96% of MSMEs have seen negative effects on their operations, and 75% have seen a decline in product sales (Azizah et al., 2020). Other research results also show that in a pandemic like today, MSMEs that have mastery of their business fields can continue to grow and develop. Therefore, mastering this field is a very important basis for MSMEs to build strong supply chains and resilient MSMEs. By mastering the business field he is involved in, he can control other things that will likely attack his business in the future (Fauji et al., 2022).

The fourth hypothesis test's findings indicate that a P value of 0.077 was attained. These findings suggest that strategy and succession have no discernible effects on one another. The route coefficient value of 0.142 indicates the rejection of the fourth hypothesis. Furthermore, the strategy with succession shows a calculated t value of 1.769; this value is smaller than the t table value (1.96). Furthermore, In this study, there is no significant influence between strategy and family business succession in Payakumbuh City. In this case, the strategy is something other than something that positively influences the family business succession process. The point is that a family business succession process will only be able to run well and precisely if a qualified strategy supports it. A good strategy can make the succession process from one generation to the next. One of the strategies is the existence of a good and positive mindset of the business owner in running the business. If the business owner has a good mindset, the family business succession process for the next generation will likely succeed.

This follows the results of Fauji's research; in his research, he found that a positive, open and not easily satisfied mindset is one of the conditions that the business is stable. In his research, he interviewed an entrepreneur (informant I); he felt that his mindset had made him fail and that he had received satisfactory results during the business, so he needed to be more careful. Therefore, after informant I restarted his business after going bankrupt, informant I tried to change his mindset. This was conveyed by the following statement: "I used to be pretentious, so I felt that my capital was small, and then I got much money, I was happy. I didn't think about the future. Earning money and then going on a spree. Now my focus has changed." (read: I used to be arrogant, so I was immediately happy when I did business with relatively little capital and earned a large profit. I should have thought about how my business would be in the future. I got the money that I spent. Now, my focus has changed). According to Bals et al. (2019), This positive mindset can also be interpreted as strategic thinking/business skills in future competencies. This is because, in principle, a positive, open and not easily satisfied mindset is a behavioural skill in running a business. These skills will be able to relate to broader strategic issues and a positive mindset (Fauji et al., 2022).

The fifth hypothesis test findings indicate that a P value of 0.341 was found. These findings suggest that succession and sustainability do not significantly interact. Moreover, the route coefficient value is -0.121, indicating the rejection of the first hypothesis. A computed t value of 0.952 is displayed for the sustainability succession variable; this value is less than the t table value of 1.96. In the research that has been done, there is no significant influence between succession and the sustainability of family businesses in Payalumbuh City. In this case, succession is something other than something that positively influences the process of family business sustainability. The point is that if, in the process of succession, the first generation of the family business cannot provide provisions to the next generation, then most likely, the business will go out of business in the second generation. This means that it is very necessary to have sufficient provisions for the second generation in continuing a family business.

Susanto et al. (2007) argue that in running a family company, ideally, there should be a balance between the business being engaged in and the family in it. However, in reality, what often happens is that the family is more dominant than the business being worked on. As a result, family companies tend to be conservative and reject existing changes. At the same time, the business world requires changes from time to time following the development of the existing era so that the company is more competitive against its opponents (Purwanto & Mustamu, 2013). In other studies, several researchers have recognized that company founders (first generation) have a considerable influence on culture, values and corporate performance during and after tenure and the distinctiveness of family businesses in terms of values, which are also influenced by the role of founders in Sharma, (2004). The founder's family values greatly influence a family firm's culture. The family values and traditions will greatly influence the successors when they make decisions in the family company. Stavrou (1998) states that the complexity of family values, traditions and relationships will influence the successor, who can effectively develop his role in the family company. The distinctiveness of family businesses in terms of values generally comes from the founder's values (Dewi & Martini, 2007).

CONCLUSIONS AND RECOMMENDATIONS

It can be concluded that the social responsibility variable has no discernible impact on the sustainability of family businesses in Payakumbuh City based on the findings of research and discussion regarding the influence of strategy, social responsibility, and succession on these businesses' sustainability. This demonstrates that family-run businesses in Payakumbuh City continue to prioritize other things. Social responsibility variables significantly affect family business succession in Payakumbuh City. This shows that good social responsibility will make the family business succession process in Payakumbuh City run smoothly. The strategy variable only significantly affects the sustainability of family businesses in Payakumbuh City. This demonstrates the continued requirement for a suitable family company management plan. Therefore, there is still work to be done to ensure the viability of family enterprises in Payakumbuh City. In Payakumbuh City, the strategy variable has no discernible impact on the succession of family businesses. This demonstrates the need for more acceptable tactics in the management of family businesses. Therefore, there will be a high chance that the Payakumbuh City family business's attempt to pass along ownership to the next generation would fail. Succession variables do not significantly influence the sustainability of family businesses in Payakumbuh City. This shows that there are still family businesses in Payakumbuh City that need sufficient understanding and provision for the next generation to continue the family business in Payakumbuh City.

Based on the findings of her investigation, the author makes a number of recommendations. The study's conclusions highlight the significance of strategy, social responsibility, and succession planning for the long-term viability of family businesses. According to this research, managing a firm should take into account factors more than only the advantages or profits made. However, it also involves planning so that the family company may continue under all circumstances, even a pandemic. Likewise, in social responsibility, a family business must be supported by the surrounding community so that it can develop well, not only famous among outsiders but also able to have a good impact on the surrounding community. A family firm should initiate the succession process as soon as feasible to ensure that the following generation is prepared and motivated to carry on the family business that the previous generation established. in order to successfully accomplish the family business's sustainability. The results of the research that has been done should be a forum for knowledge for people who want to start a new family business. So, starting a family business can prevent things that are not desirable. Researchers suggest that people equip themselves first in starting a family business so that unwanted things are less likely to happen. It is advised that future researchers look even more closely at the family business's sustainability. This family business's sustainability may also be understood in terms of the money available to keep it going.

ADVANCED RESEARCH

With various limitations in this research, it is recommended for further research to expand the research area by developing mediating variables such as innovation capability between business strategy and sustainability.

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