HAUTE ÉCOLE DE GESTION
HOCHSCHULE FÜR WIRTSCHAFT
SCHOOL OF MANAGEMENT
Fribourg
Freiburg

Final report 2025

Survey of family businesses

Bilan

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LOMBARD ODIER
LOMBARD ODIER DARIER HENTSCH

Hes·so

The survey of family businesses in Switzerland was conducted by the School of Management Fribourg (HEG-FR).

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Essential aspects

499

Family-owned SMEs in **23 sectors**, run by the same family for at least **two generations**

52 %

are **small businesses** with between 10 and 49 employees

the **construction** sector is the most represented

18%

29 %

consider **selling** the company

only 10 %

have formalized an **integration process** for the next generation

and ½

have not yet implemented any measures

42 %

have no defined strategy for the future **distribution of capital** among the heirs

from 2022 to 2024, 49% of companies recorded **growth** in their **turnover**

executives believe they have a clear idea of the **value** of their company

37%

members of the next generation join the company after an **initial career** elsewhere

however, experts warn of a risk of **emotional overvaluation** of

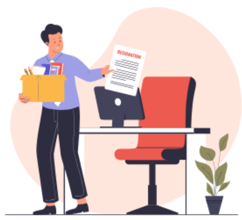
30%

2025 - 2027

the most relevant strategic **challenges**:

employee retention

increasing **customer** demands



Summary

This study, conducted by the Fribourg School of Management (HEG Fribourg) in collaboration with the magazines *Bilan* and *Finanz und Wirtschaft* and the bank Lombard Odier, surveyed **499 family businesses** across Switzerland during the summer of 2025. Unlike the 2024 edition which focused on French-speaking Switzerland, this new survey provides a national overview, allowing for a better understanding of the common challenges facing this pillar of the Swiss economy. Family businesses are going through an unprecedented phase of transition, marked by an acceleration of generational change and a notable lack of preparation for succession issues.

Main Challenges

The major challenges have evolved. While generational transition remains a central issue, the most immediate concerns for 2025-2027 are now **retaining employees** and meeting **increasing customer demands**. These operational challenges take precedence over long-term governance issues, although the latter remain critical. Companies must find a balance between daily management and the strategic planning essential for their long-term sustainability

Governance and Succession

The lack of formalization remains the Achilles' heel of many family businesses.

- **Succession Process:** Only **11%** of respondents have completed a formalized succession process, while **47%** have not even started the reflection.
- **Integration of Next Generation:** Only **10%** have a formalized integration program for the next generation.
- **Designation of a Successor:** Nearly half of companies have not yet identified a successor (**52%** have none, although **20%** are in discussion).

Business Valuation

Half of the leaders (**50%**) report having a clear idea of their company's value, a figure stable compared to 2024 (47%). However, this perception is often subjective. According to Maxime Dubouloz, Director at Lombard Odier, "we are sometimes far from the economic and market value."

Report

Introduction and Methodology

The 2025 survey was conducted among 499 Swiss family businesses of all sizes and across **23 sectors** of activity. The questionnaire was distributed by HEG Fribourg, *Bilan*, *Finanz und Wirtschaft*, and with the support of the Swiss Chambers of Commerce and Industry. The sample is characterized by a high representation of small companies (**10-49 employees**) which constitute **52.71%** of respondents. Geographically, the canton of Zurich is the most represented (**15.43%**), followed by Bern (**13.43%**) and Vaud (**10.82%**). This national study offers a broader perspective than the 2024 survey, which focused on 245 SMEs in French-speaking Switzerland.

Generational Transition: An Unanticipated Shift

Generational renewal is accelerating, but preparation is not keeping pace. Although **71%** of leaders state they do not want to sell, this figure masks a more complex reality. As Maxime Dubouloz points out, "among the 71% who say they don't want to sell today, we have a large number of leaders aged 50 to 60, who will still change their mind."

The lack of preparation is striking: **47%** of companies have no measures in place to integrate the next generation, and **47%** have not initiated a formalized succession process.

This situation is particularly worrying since a successful transfer is a long process, potentially lasting two to five years. Professor Jürgen Fritz of HEG Fribourg notes that "most family businesses have not yet formalized their succession process," confirming that while succession is considered, structured approaches remain rare.

Business Valuation: Between Awareness and Overvaluation

Knowing the value of your business is a key step in any planning process. In 2025, **50%** of executives surveyed believe they have a clear idea of this value, a slight increase from 47% in 2024. However, experts question the relevance of this self-assessment. Value is often influenced by emotional factors and a strong dependence on the figure of the executive, whose expertise and network are not always transferable. Nicole Conrad, Deputy Head of Lombard Odier, points out that this bias is all the more complex given that “children expect a discount of around 60% when they take over the business from their parents,” making an external perspective essential.

The Next Generation: Path, Integration, and Motivation

The profile of the next generation has changed. Taking over is no longer a moral obligation. The next generation has often studied and worked outside the family setting.

- **Path:** The majority of successors (**37%**) join the family business after gaining external experience, which strengthens their credibility and autonomy, while bringing a fresh perspective.

- **Motivations:** The main motivations are no longer tradition or family pressure. They are primarily **long-term value creation**, the search for **freedom and autonomy**, **personal interest** in the profession, and a **strong connection** with the company's values.

Despite a qualified and motivated successor generation, their integration remains a weakness: only **10%** of companies have a formalized program.

The question of capital: a strategy to be defined

The distribution of capital among heirs is one of the most sensitive and least prepared issues. **42%** of entrepreneurs admit that nothing has yet been done about it. Only **32%** have formally settled this issue.

Yet the stakes are high: preserving family harmony, ensuring the company's long-term viability, and optimizing taxation. Tax concerns are shared by 31% of respondents, with 30% saying they are “somewhat” concerned.

New aspects studied in 2025

The 2025 survey introduced new questions, offering new insights.

- The role of gender in succession

Equality is progressing: 93% of respondents say that only skill level matters, not gender. However, for the remaining 7%, gender still plays a role, mainly for reasons of family tradition or perceived legitimacy in male-dominated sectors. Qualitative comments highlight that while attitudes are changing, some female leaders still have to “earn their place” on a construction site or deal with male-dominated management structures.

- Psychological well-being and retirement age

The psychological well-being of managers, measured on a scale of 1 to 5, scores an average of 3.64, indicating a moderate level. We observe that well-being tends to increase with age: the Baby Boomer generation reports higher scores (3.70) than Generation Z (3.32). When it comes to retirement, 65 is the most popular age (24%), followed by 70 (18%) and 60 (15%), showing a strong preference for retiring between the ages of 60 and 70.

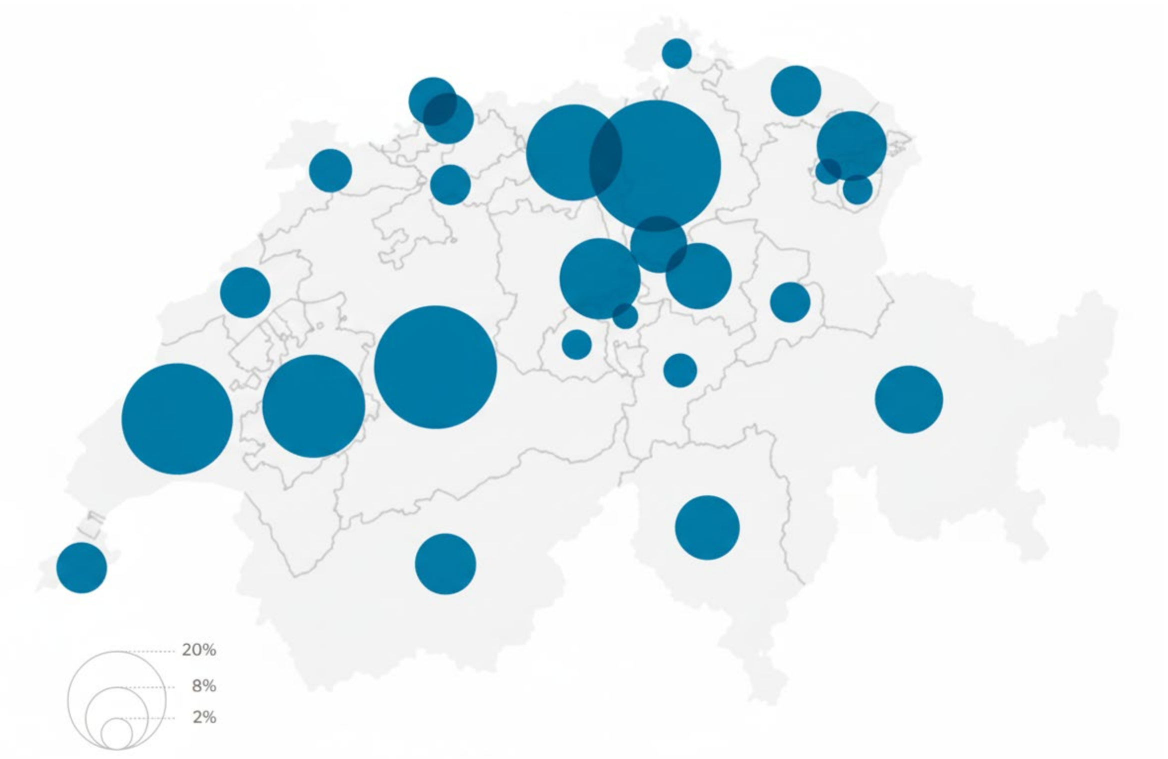


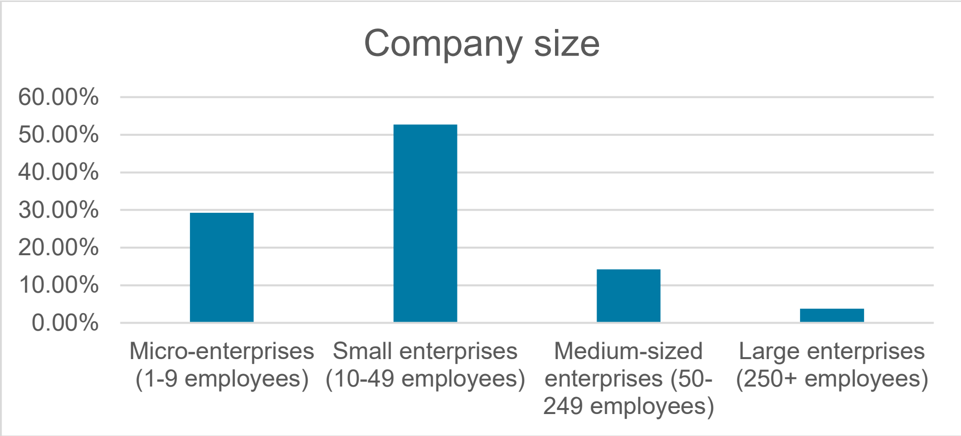
Fig. 1. Geographical distribution of the 499 family businesses

Positions within companies: A significant majority of respondents (58%) are CEOs, followed by board members (14%) and executive roles such as chief financial officers (CFOs), chief operating officers (COOs), and chief marketing officers (CMOs), who account for 12%. The remaining 16% hold various specialized positions.

Age and size of companies: Companies are classified into four categories based on their year of establishment.

Cluster	Years	Relative %
Historical Foundations	1829-1899	6.4%
Early 20th Century	1900-1949	15.8%
Mid to Late 20th Century	1950-1999	51.3%
Early 21st Century	2000-2023	26.5%

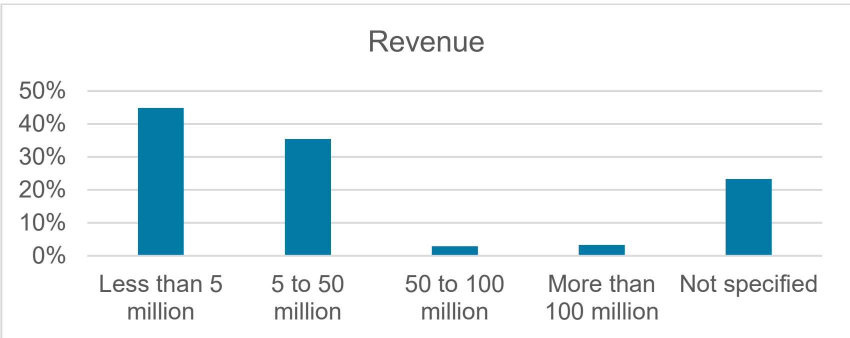
The data highlights the predominance of small businesses within the overall entrepreneurial population. Most companies (84%) are structured as S.A. (public limited companies), with only 12% choosing the S.a.r.l. (limited liability company) structure.



Family involvement: Low family involvement (1 to 2 members) is the most common, accounting for 47.70%, followed by moderate involvement (3 to 4 members) with 32.87%. Most entities maintain limited but present family influence.

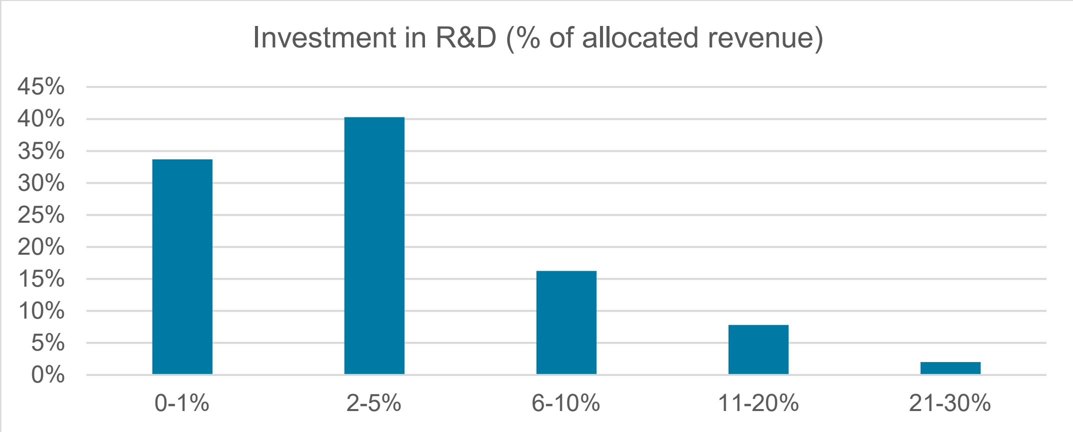
Cluster	Family members	Relative %
No Family Members	0	11%
Small Family Involvement	1-2	48%
Moderate Family Involvement	3-4	33%
High Family Involvement	5+	8%

Revenue and investment: Most companies report annual net revenues of up to $5 million (45%). A significant portion of companies (23%) did not disclose their revenues, likely due to privacy concerns.

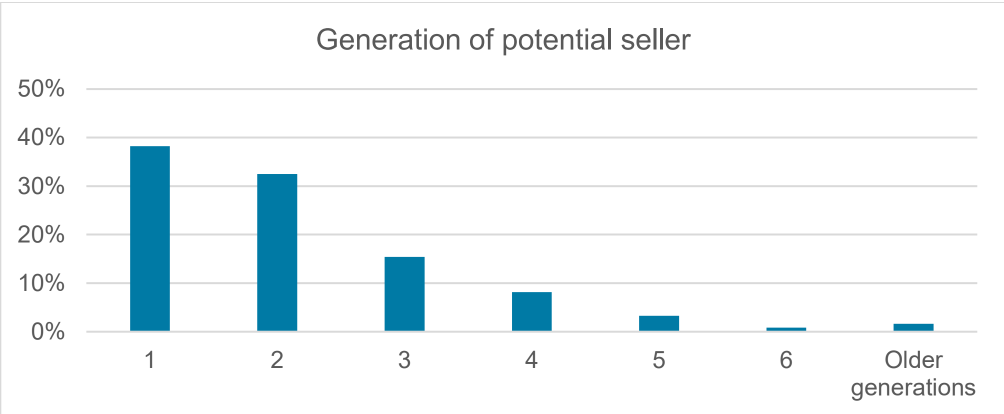


When it comes to investment, most companies allocate only a small percentage of their revenues to R&D. Among the 84% of companies that do invest in R&D, the approach is cautious and investment levels moderate: 40% devote between 2% and 5% of their revenues to R&D, and 34% allocate 1% or less.

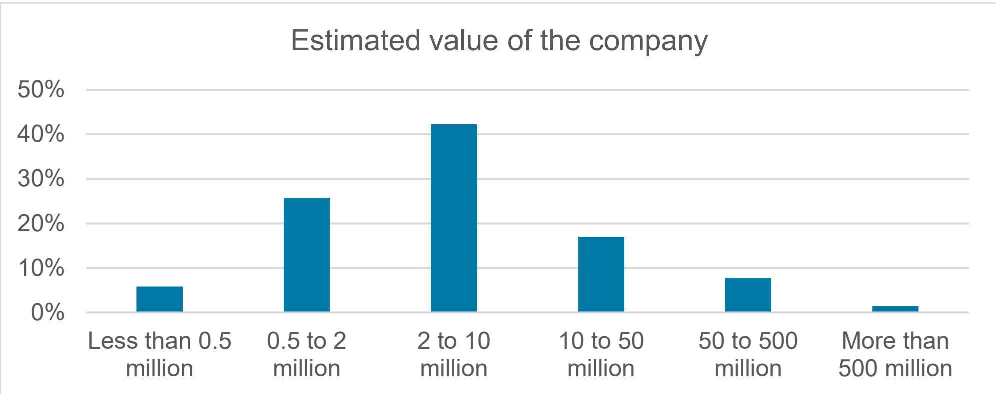
Although most companies maintain moderate levels of investment, reflecting a cautious approach, these figures nevertheless demonstrate a general commitment to innovation.



Generational transition and openness to selling the business: 71% of respondents do not plan to sell their business, while 29% do, most of whom belong to the first (38%) and second (33%) generations. Among potential sellers, the preferred time frame is five years (26%), and 50% have a clear idea of the value of their business.

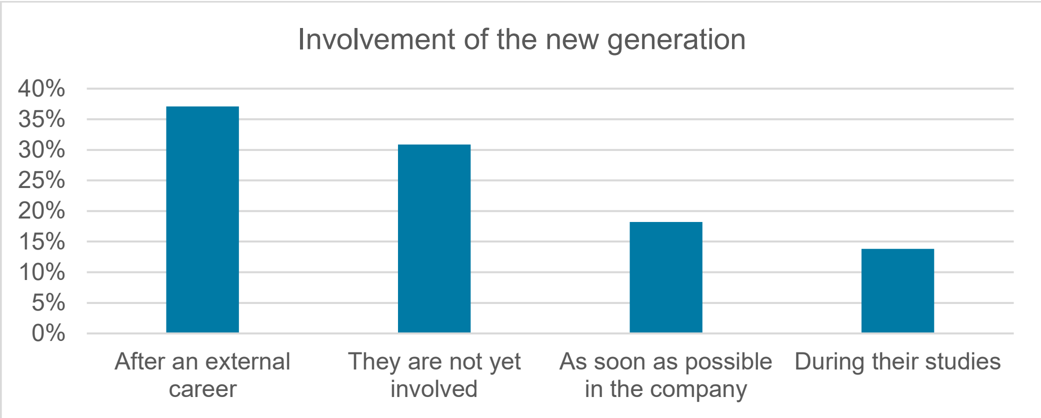


The majority estimate the value of their company to be between 2 and 10 million Swiss francs (42%), followed by 0.5 to 2 million Swiss francs (26%).

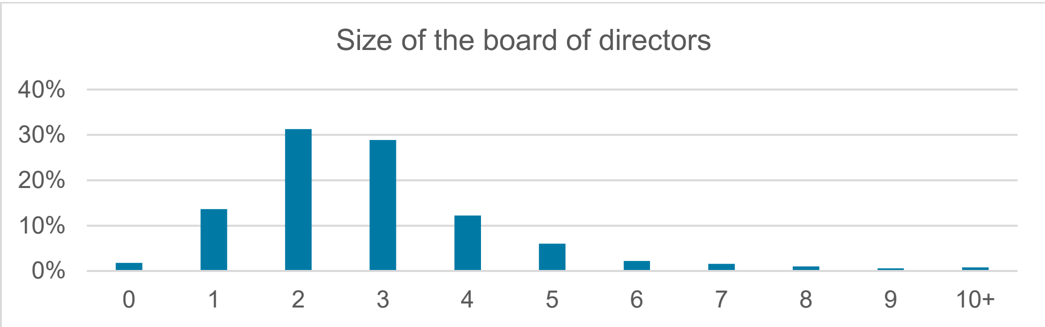


The next generation: Data shows that most members of the new generation begin to get involved after an external career (37%), while 31% are not yet involved. Only a minority begin during their studies (14%) or as soon as possible (18%).

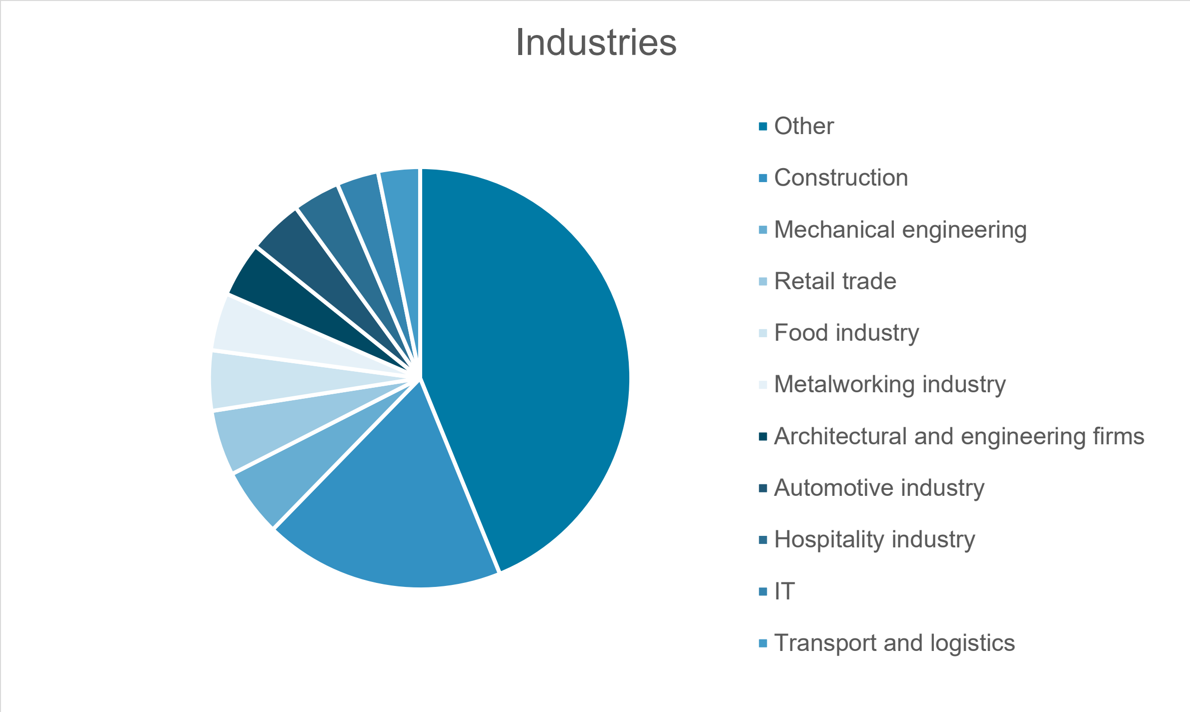
When it comes to succession planning, 47% of companies have no integration measures in place, and only 10% have a formalized program. These formal programs often include structured integration, family agreements, and planned transitions. Examples range from internal training and contracts to specific handover dates, such as January 1, 2026. Overall, the results suggest that, although succession is being considered, structured approaches are still relatively rare.



Board structure: Many companies prefer a more concentrated governance structure, potentially to maintain tighter control and greater efficiency in decision-making.

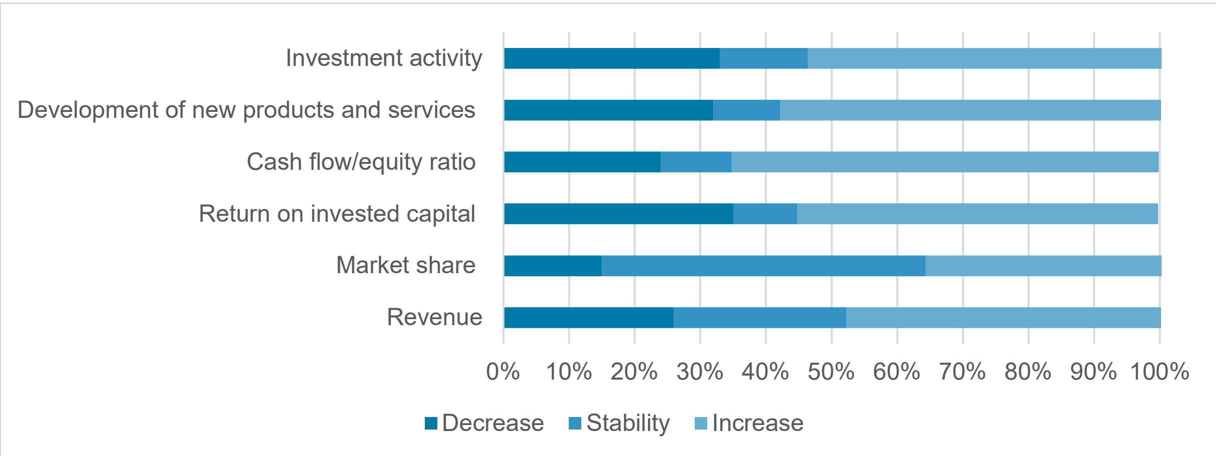


Sectors of activity: Construction (18.44%), mechanical engineering (5.2%) and retail (5%) are the most represented sectors, while 43.8% belong to the "Other" category, suggesting a wide variety of sectors among respondents (legal, tax and business consulting (business services), Wood industry, Wholesale trade, Real estate, Printing and publishing, Banking and finance, Chemicals, Watchmaking, Health and care, Medical technologies, Education, Electrical engineering, Energy, Health and social services, Telecommunications, Electronics, Pharmaceutical industry, Aeronautics, Insurance).



Performance: From 2022 to 2024, most companies reported stable or slightly improved performance in all key areas. Revenue remained stable (26%) or increased slightly (27%), while market share remained stable for nearly half of respondents (49%).

The strongest growth was seen in return on capital (45%) and equity ratio (56%), indicating financial strengthening. Product and service development (47%) and investment activities (41%) also showed notable growth.



Overall, the data reflects a cautious but positive trend in financial and innovation indicators. The outlook for companies' revenues in 2025 is generally positive, with 29% expecting fairly good results and 17% expecting good results, while 6% anticipate very good results.

In contrast, 17% anticipate some decline, including 1% very poor, 3% poor, and 13% fairly poor. Twenty-three percent expect stable performance. Overall, sentiment leans toward cautious optimism, with the majority anticipating neutral to positive revenue growth.

Strategic objectives: Between 2025 and 2027, companies will prioritize objectives such as launching new products and services, expanding into new markets, and developing skills in sustainability and digitalization.

Improving flexibility, profitability, and product quality is also considered very important, as are employee well-being and developing corporate culture. Succession planning and integrating the next generation are of varying importance.

Other objectives mentioned include governance, liquidity, digital transformation, customer retention, AI integration, and infrastructure renewal, reflecting an overall strategic focus on resilience, innovation, and long-term growth.

Challenges: Between 2025 and 2027, companies consider **growing customer expectations** and **employee retention** to be the most pressing challenges, with both receiving the highest scores in terms of relevance. Legal frameworks, succession planning, and geopolitical instability are considered moderately relevant.

In contrast, changes in customs tariffs, new trade alliances, and integrating the next generation are seen as less critical. Overall, the focus is on adapting to changing market and workforce demands, while external factors are recognized but given lower priority.

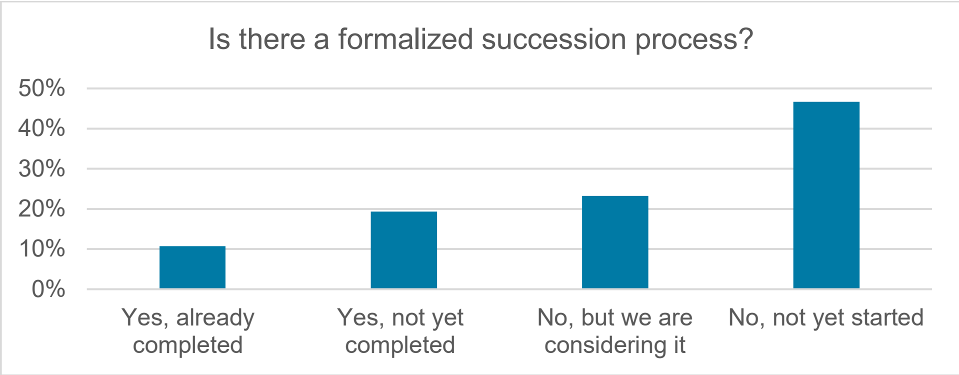
Willingness to sell: Willingness to sell increases with age, particularly among Generation X, where 15% are willing to sell compared to 31% who are not. Baby boomers also show a notable willingness, with 8% of them ready to sell, while younger generations are less so. This suggests that succession and exit planning is more relevant for older business owners.

Willingness to sell varies considerably from sector to sector. The strongest willingness to sell is found in the construction sector (15%), followed by transportation and logistics, metalworking, and food (6% each). In contrast, sectors such as electronics, electrical engineering, telecommunications, education, and insurance show a willingness to sell of 0%.

Challenge: Succession, planning, integration: Succession planning is more important to older generations, while younger generations attach less importance to it. Compared to younger generations, older generations also perceive the challenges of integration as more significant.

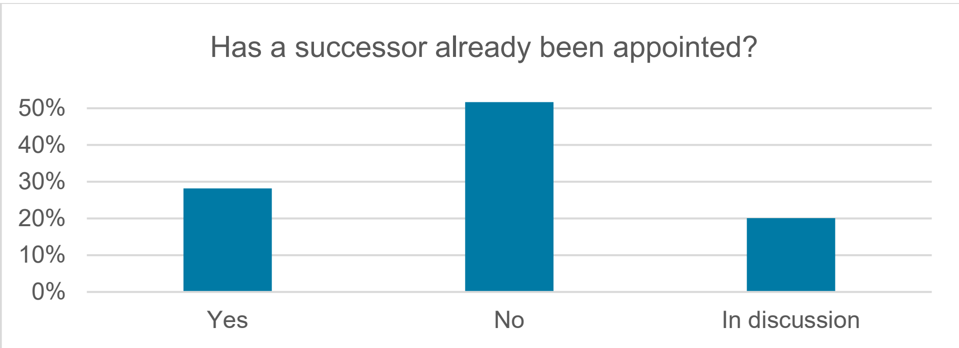
Psychological well-being: The overall psychological well-being score is 3.64 (on a scale of 0 to 5), indicating moderate well-being. Baby boomers and subsequent generations score higher (up to 3.82), while Generation Z has the lowest average, at 3.32. This suggests that well-being tends to be higher among older people and subsequent generations. In terms of gender, men (3.65) and women (3.58) are close.

Succession process



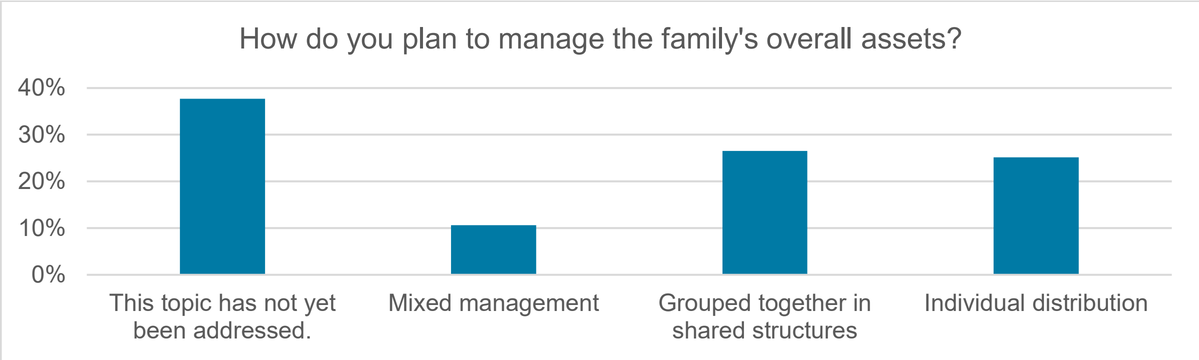
Most family businesses have not yet formalized their succession process: 47% have not yet begun, while only 11% have completed it. Despite this, 72% are supported by experts, mainly trustees, lawyers, and wealth advisors.

A successor has been designated in only 28% of cases, and gender plays a minor role, with competence and equality being the dominant criteria. The next generation is primarily motivated by long-term value creation, freedom, personal interest, and adherence to company values, rather than tradition or external pressure.



Succession and gender: When it comes to succession in family businesses, the survey results show a strong consensus in favor of competence: 74% of respondents say that the choice of a successor is based solely on their abilities, not on gender expectations. Factors related to tradition or gender are largely rejected as grounds for decision-making (less than 1% each). However, a notable minority of 17% believe that the sectoral context (industry) influences this approach. These figures reflect a modern and emancipated succession culture in most of the companies surveyed.

Distribution of capital: Many respondents have not yet formalized a capital distribution strategy (42%), while 24% are still considering it. Wealth management remains an open issue for many (38%), although 27% favor common structures such as holding companies.



Concerns about taxation when transferring assets are shared, with 31% saying they are worried and 30% somewhat concerned. Despite this, many have not taken concrete steps to mitigate the tax implications.

The greatest need for assistance is in the areas of legal, tax, governance, and wealth strategy, but only 15% have used Swiss assistance programs, mainly involving banks, legal advisors, and trustees.

Conclusion

The 2025 survey reveals that Swiss family businesses are navigating between **strong operational resilience** and **chronic unpreparedness** for structural transitions. On the one hand, financial results show good momentum, marked by stronger equity and significant investments in product and service development. However, this solidity is being tested by immediate challenges such as **employee retention** and the need to meet increased customer demands.

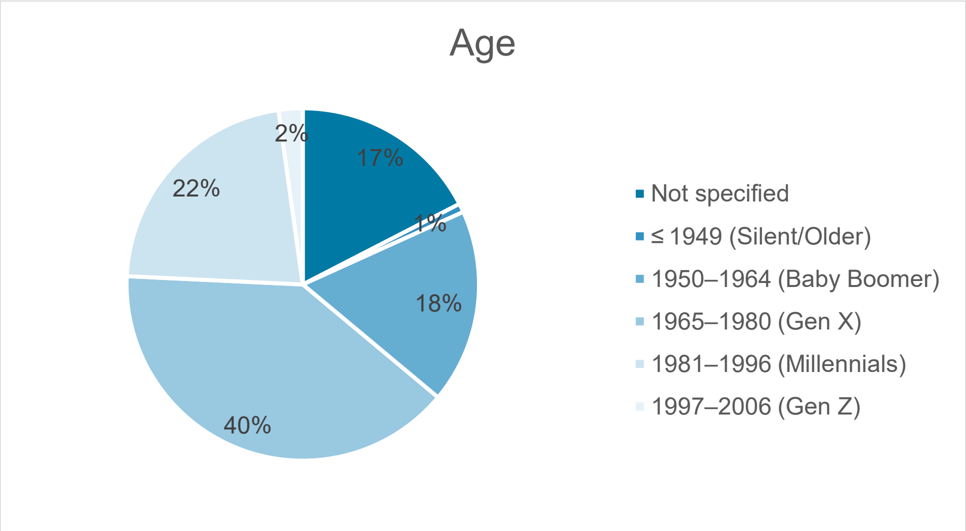
On the other hand, the data highlights a glaring **lack of formalization** in long-term planning. Nearly half of executives have not yet begun their succession process, and the distribution of capital remains an open question for the majority. Although the new generation is qualified, motivated by value creation, and judged on their skills (with gender taking a back seat), the integration of this new generation is rarely structured. The gap between the perceived **emotional value** of the company and its **actual economic value** also represents a significant risk of conflict during transfers. To ensure sustainability, companies must translate their financial optimism into concrete governance and succession planning actions, often with the support of external experts.

Respondent profile

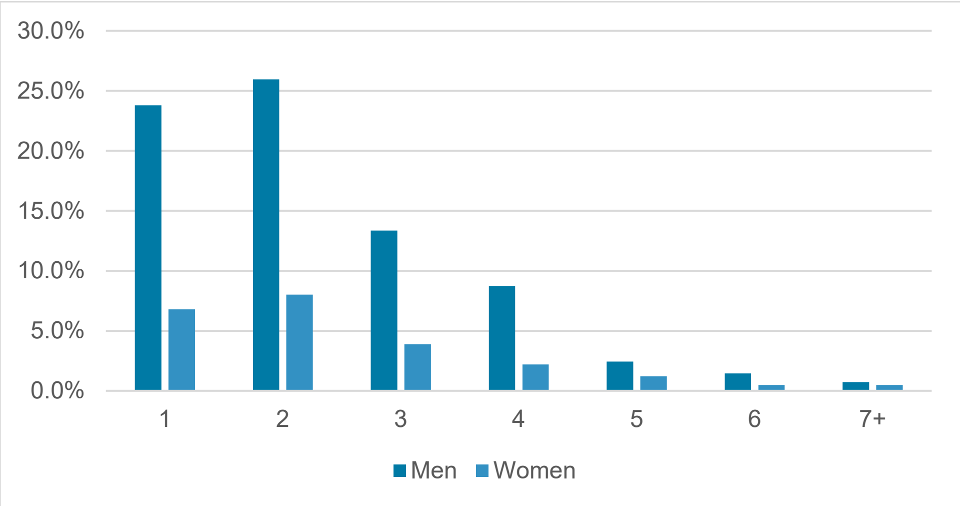
Gender:

23% Women, 76.5% Men, 0.5% Other

Age:



Distribution of family businesses by generation and gender of the manager:



The “Family Businesses” survey was conducted by the School of Management Fribourg (HEG-FR).

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