



Private  
Company Outlook  
Family Enterprise

July 2025

Deloitte Private asked **leaders of 100 family-owned companies** about their priorities around board governance, succession planning, and tech adoption over the next 12 months.

### METHODOLOGY

Deloitte Private's pulse survey, "Private Company Outlook," gauges private company leaders' perspectives on opportunities and risks to business now and in the future. This survey looks specifically at family-owned businesses.

The survey of 100 family-owned company leaders was conducted online by an independent research company between April 28th and May 2nd, 2025. Respondents included C-level executives, board members, and partners/owners of family-owned companies in the US with annual revenues of US\$100 million to US\$1 billion+.

# Executive summary

## **AI use is the #1 Strategic Priority for Family Enterprises**

Increasing the use of Artificial Intelligence (42%) is the top strategic priority over the next year, followed closely by technology investments (37%).

## **Family Enterprises are Seeking Board Members with Emerging Tech Experience, but Finding Suitable Candidates is a Challenge**

Two-thirds of family enterprises already have (27%) or are in the process (39%) of adding board members with specialized expertise in areas such as technology/emerging tech expertise.

The biggest barrier to adding board members with specialized expertise is difficulty finding suitable candidates (46%).

## **Most Family Enterprises are Well Prepared for Leadership Succession**

While 49% feel well or very well prepared for succession, many still face key challenges such as lack of next generation interest (37%), unclear selection criteria (31%), and skill gaps (31%).

Top methods to prepare the next generation of leadership include formal education (52%), on-the-job training (48%), and mentorship and coaching (45%).

## **Strengthening supply chains is the top goal for M&A activities**

Around half of respondents indicated that they aim to strengthen supply chain and distribution networks (51%) and increase market share (48%) through M&A activities.

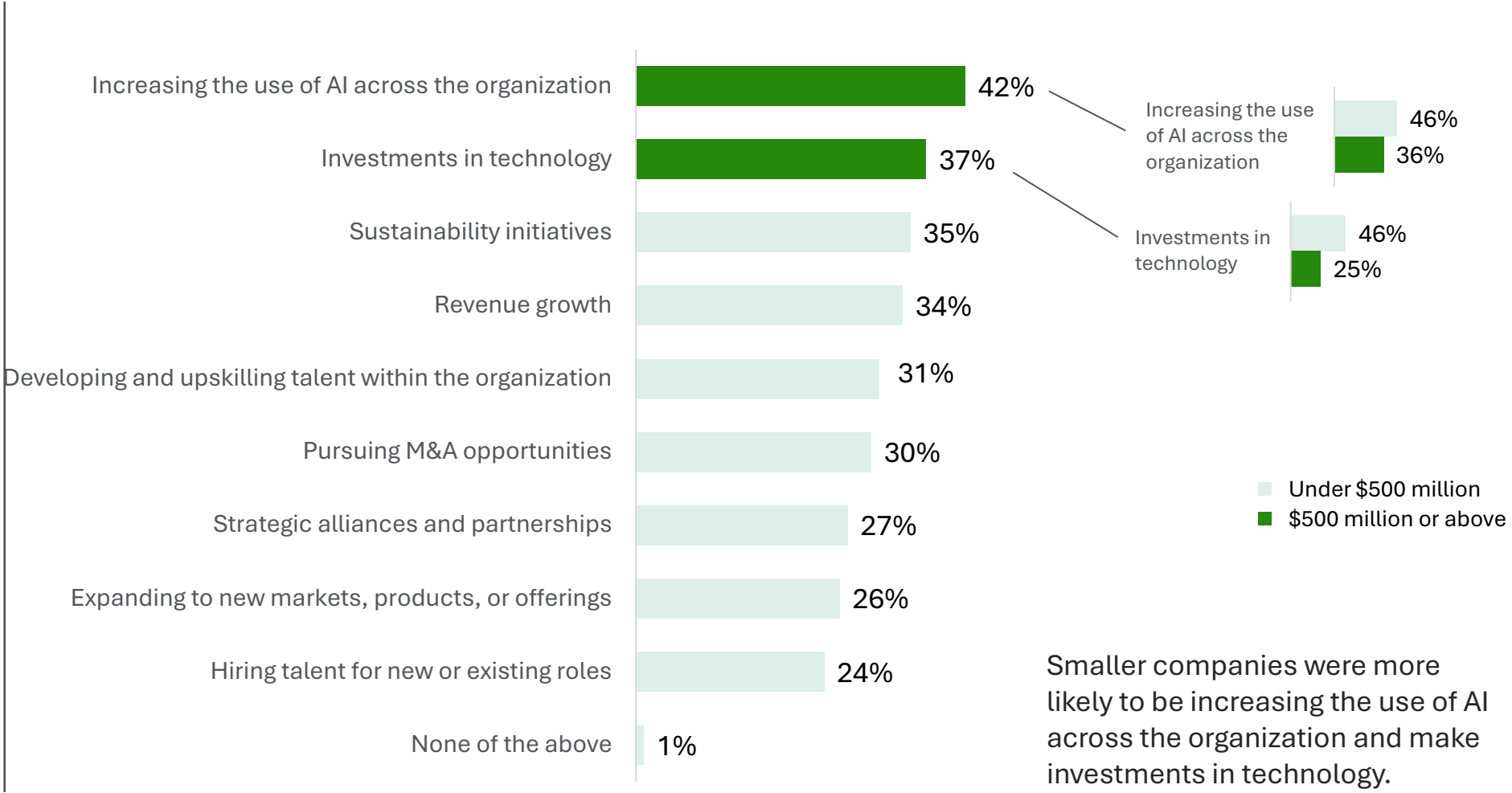
When considering future M&A funding strategies, almost six in ten (57%) respondents considered public markets.

# Private company outlook: Family Enterprise

Over four in ten respondents (42%) indicate that increasing the use of AI across the organization is a main growth and strategic priority over the next 12 months.

**What are the main growth and strategic priorities for your organization over the next 12 months?**

Select up to three.



# Private company outlook: Family Enterprise

Almost half of respondents indicate that their businesses’ main operational priorities over the next 12 months are: increasing profitability through cost improvement (49%), increasing productivity (48%), and mitigating risk (48%).

**What are the main operational priorities for your organization over the next 12 months?**

Select up to three.

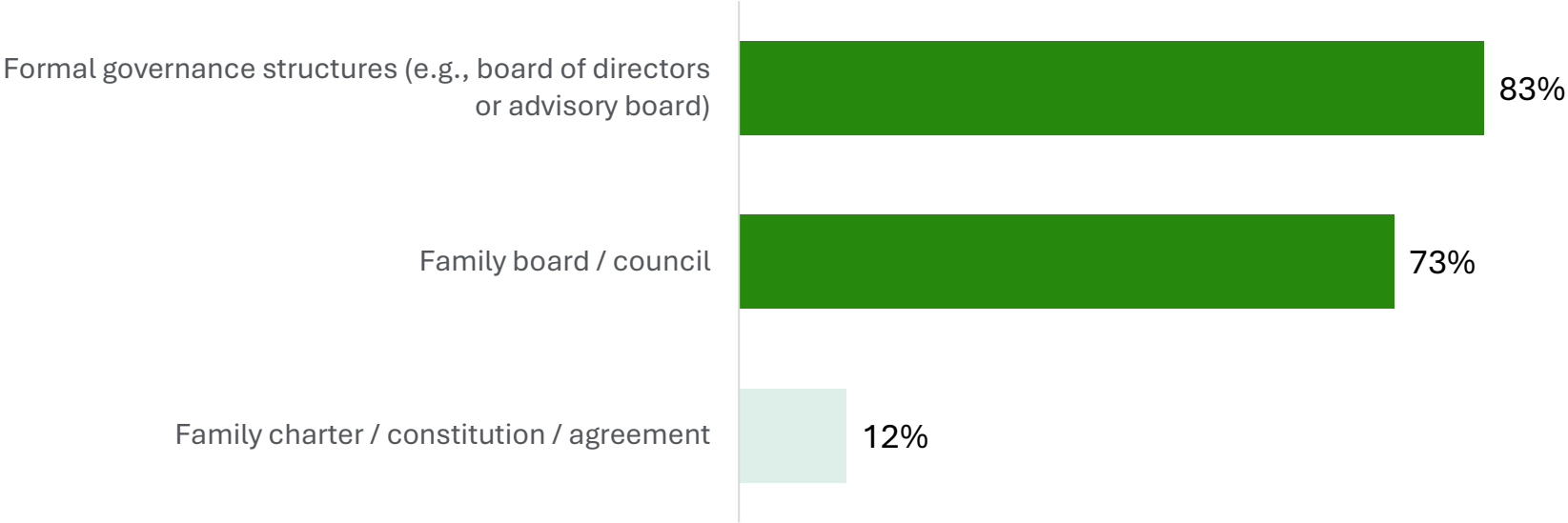


# Private company outlook: Family Enterprise

To ensure effective management and alignment of family and business interests, over eight in ten (83%) businesses use formal governance structures and almost three-quarters (73%) of businesses use a family board/council.

**What approach does your business take towards governance to ensure effective management and alignment of family and business interests?**

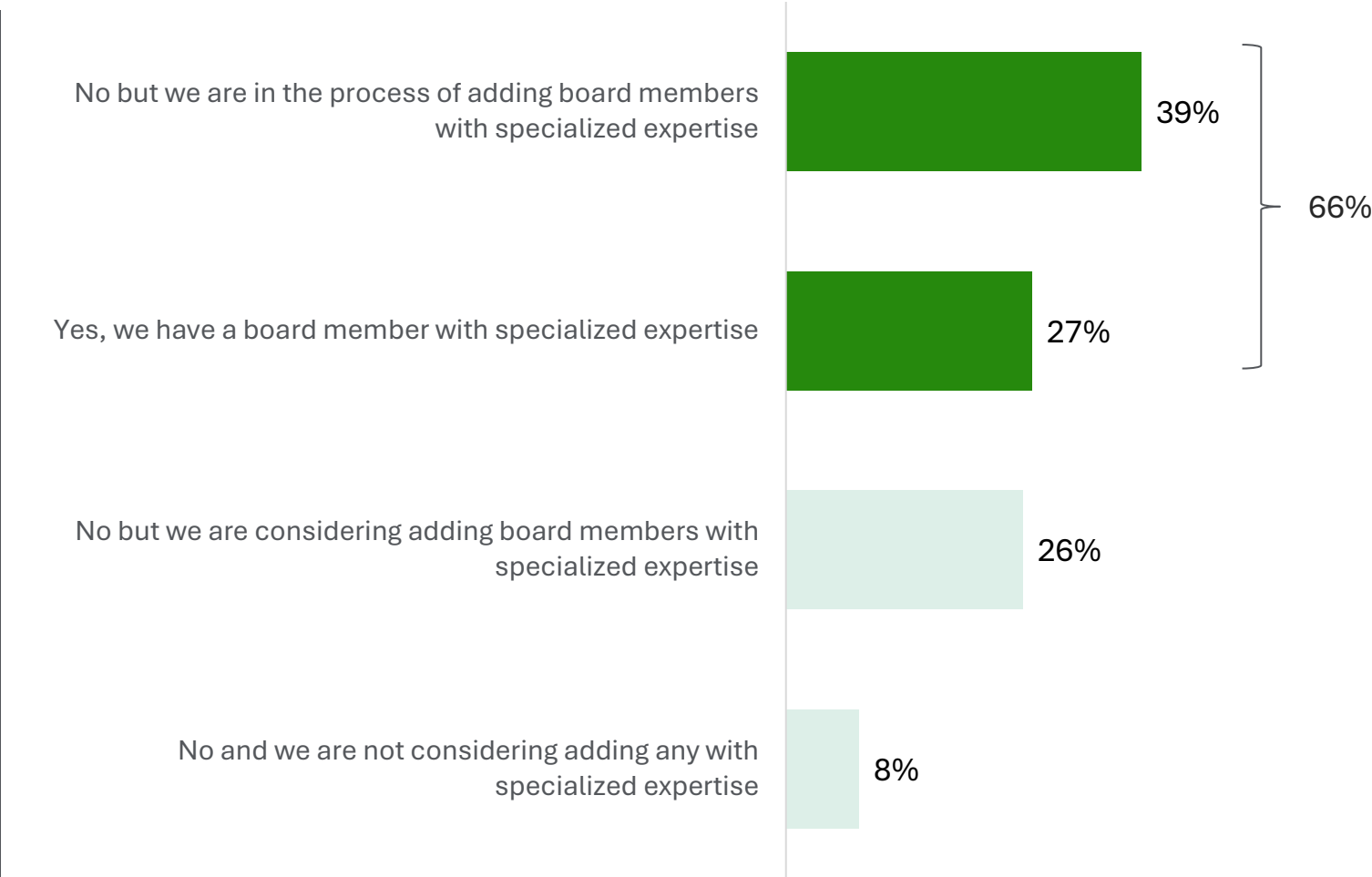
Please select all that apply.



# Private company outlook: Family Enterprise

Two thirds (66%) of respondents are either in the process of adding board members with specialized expertise (39%) or have a board member with specialized expertise (27%).

**Does your board contain any members with specialized expertise in technology and/or emerging technology such as AI?**

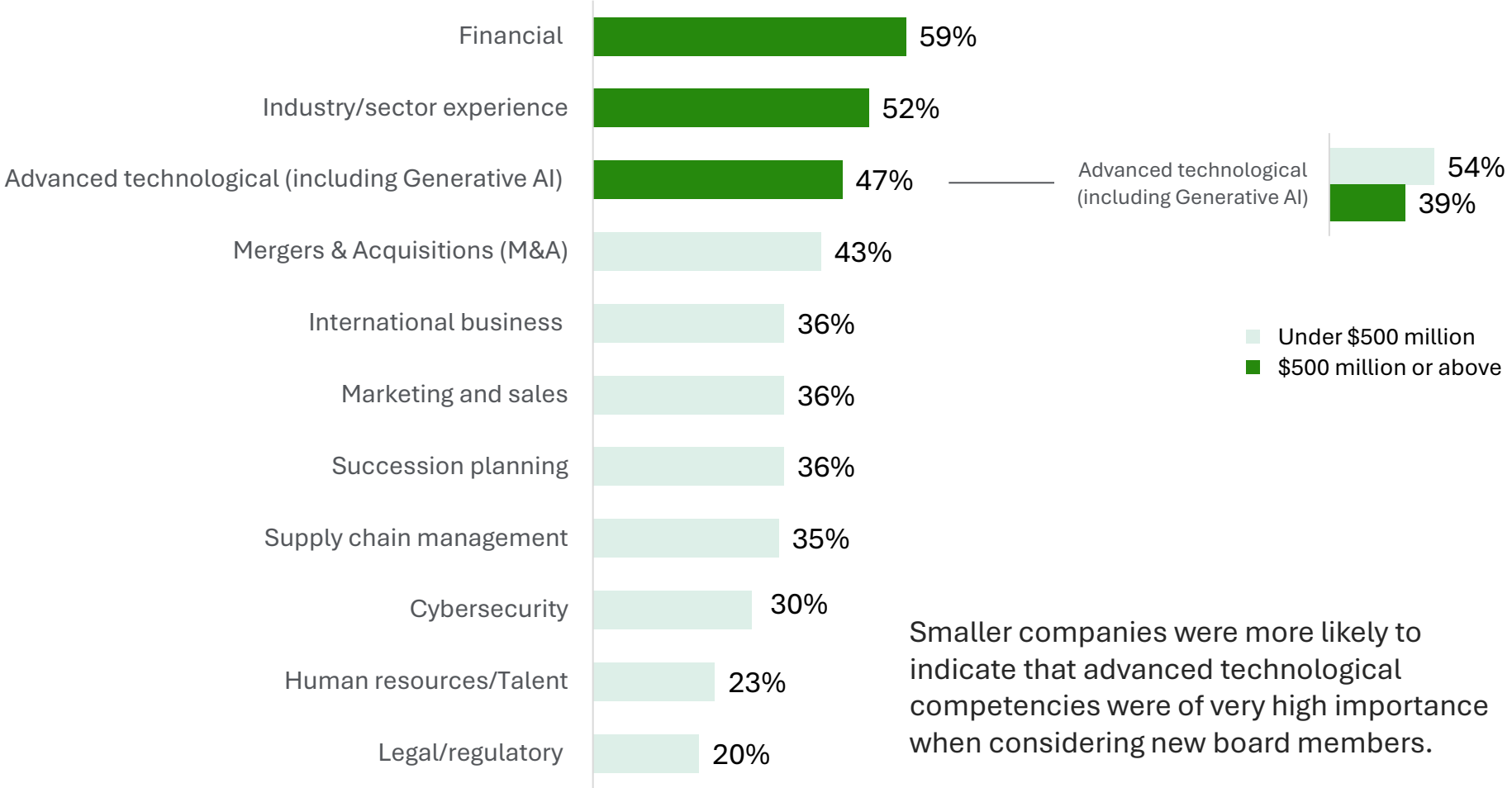


# Private company outlook: Family Enterprise (cont.)

Respondents indicate that the most important competencies for new board members are financial (59%) and industry sector experience (52%).

Rate the importance of the following types of competencies when considering new board members?

(Percentage responding “Very high importance”)



Smaller companies were more likely to indicate that advanced technological competencies were of very high importance when considering new board members.

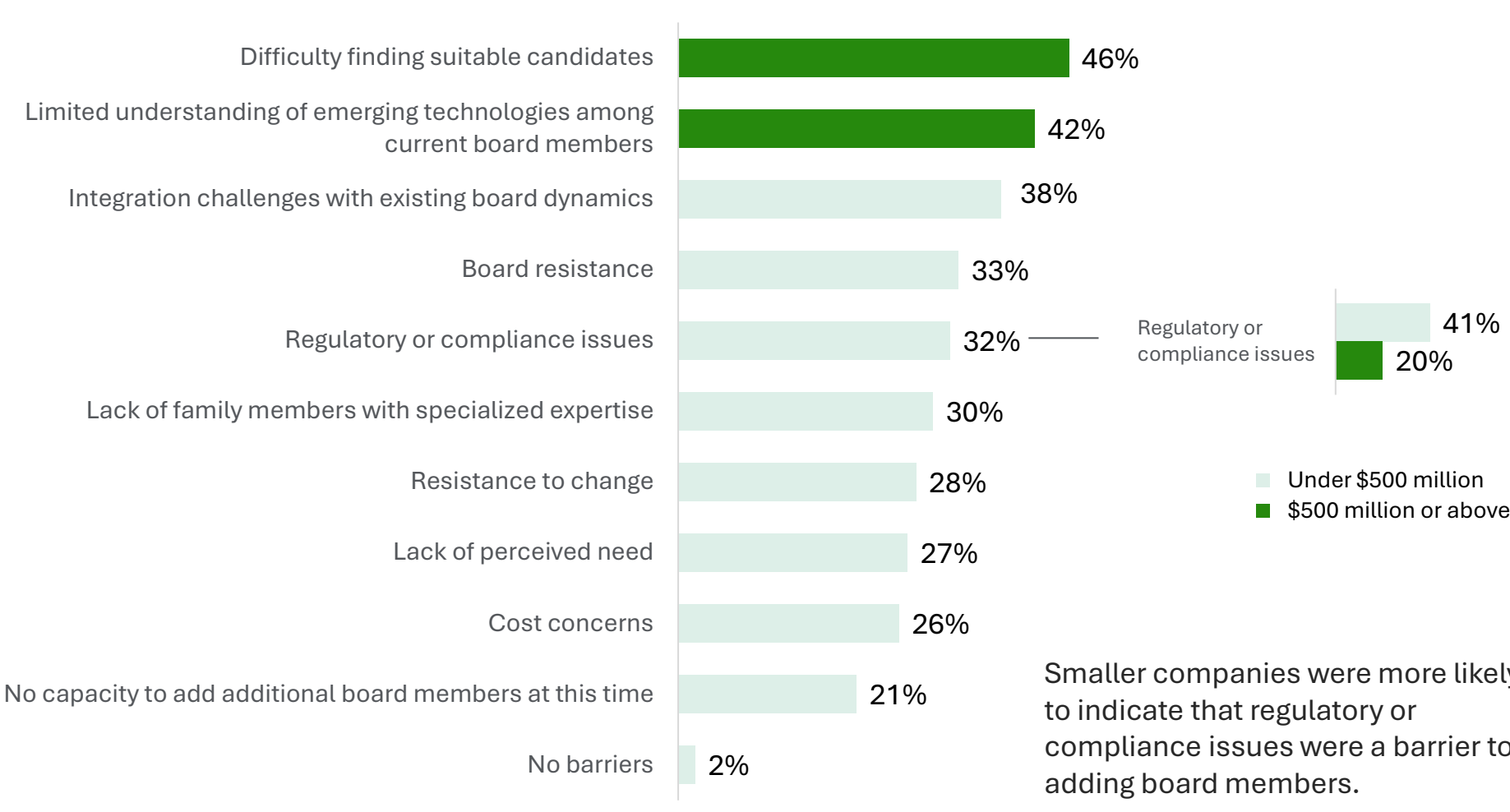


# Private company outlook: Family Enterprise

The biggest barriers to adding board members with specialized expertise are difficulty finding suitable candidates (46%) and the limited understanding of emerging technologies among current board members (42%), according to leaders surveyed.

What barriers have prevented your board from adding members with specialized expertise?

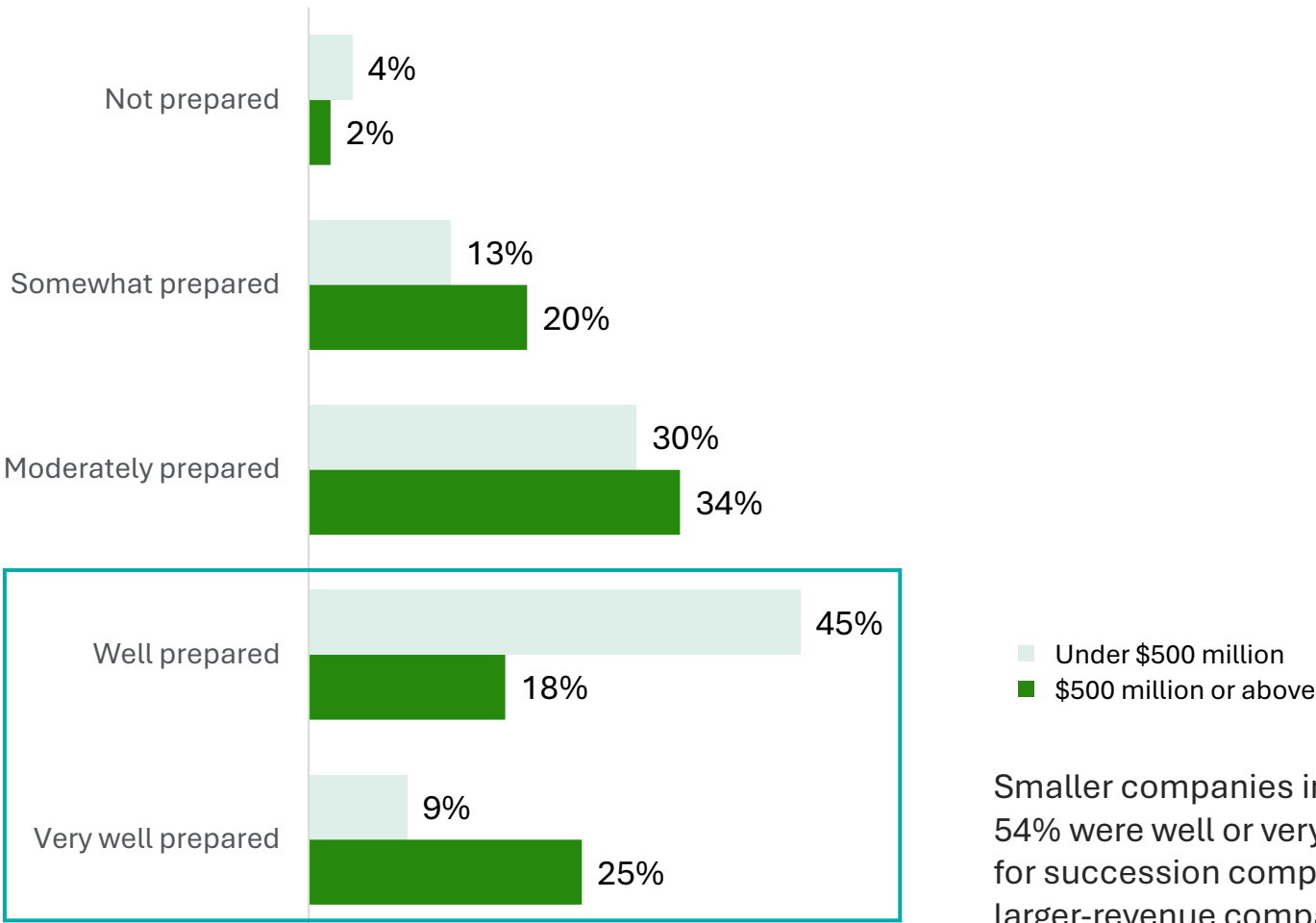
Select all that apply



# Private company outlook: Family Enterprise

Almost half of all respondents indicate that their organization is well prepared (33%) or very well prepared (16%) for leadership succession.

How prepared is your organization for leadership succession?



Smaller companies indicated that 54% were well or very well prepared for succession compared to 43% of larger-revenue companies.

# Private company outlook: Family Enterprise

Only 2% of respondents surveyed indicate that their organization faces no challenges in their leadership succession planning. Challenges are closely distributed, with lack of interest from the next generation (37%) being the most selected response.

**What challenges is your organization facing in your leadership succession planning?**

Select all that apply



# Private company outlook: Family Enterprise

When asked about methods used to prepare the next generation of leaders, respondents primarily cite formal education, leadership programs, and workshops (52%), on-the-job training (48%), and mentorship and coaching (45%).

**Which of the following methods does your organization use to prepare the next generation of leaders**

Select all that apply

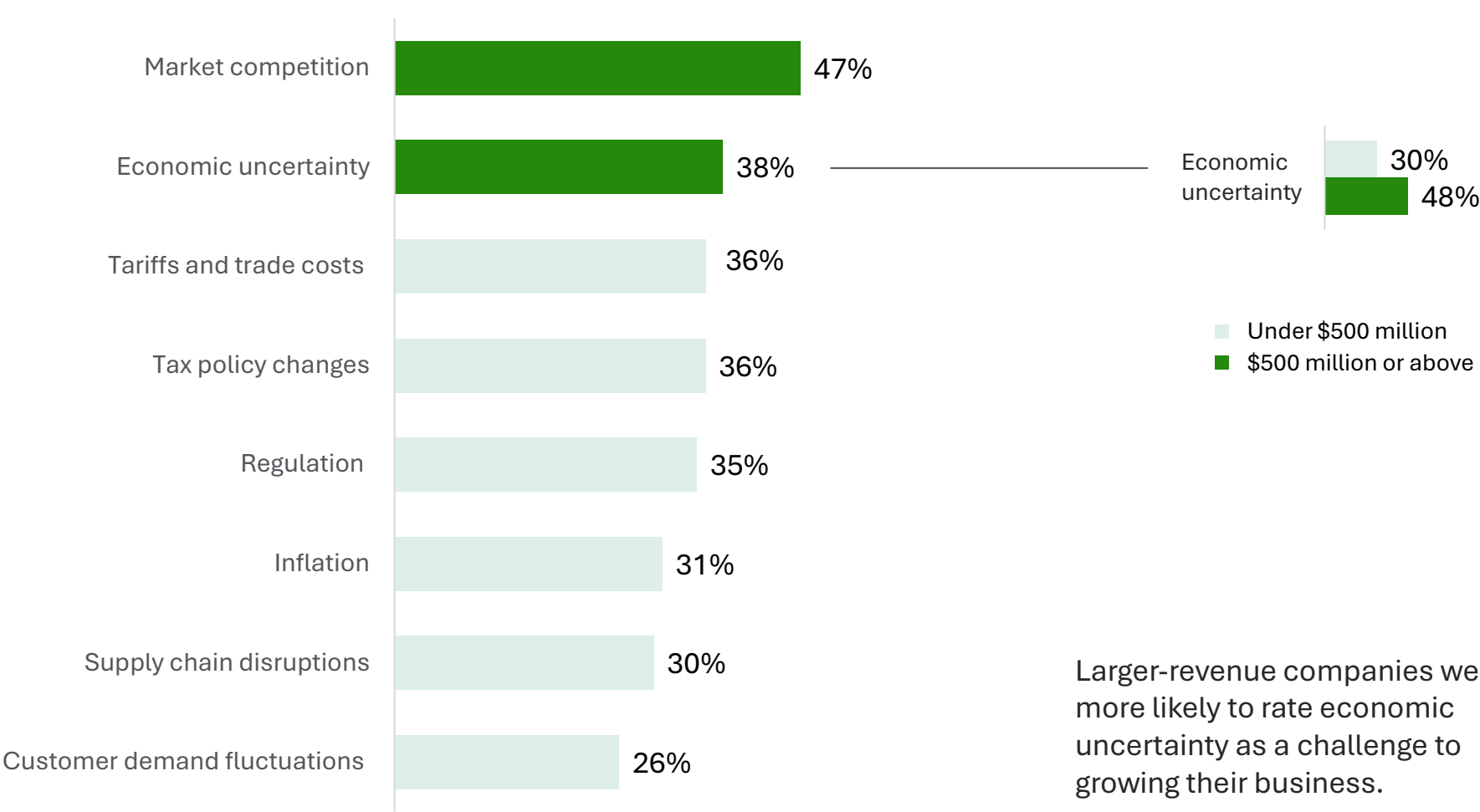


# Private company outlook: Family Enterprise

In terms of macro challenges to growing their businesses over the next 12 months, almost half (47%) of respondents indicate market competition. Just over a quarter (26%) indicate customer demand fluctuations.

Please rate the potential macro challenges to growing your business over the next 12 months.

Select up to three.



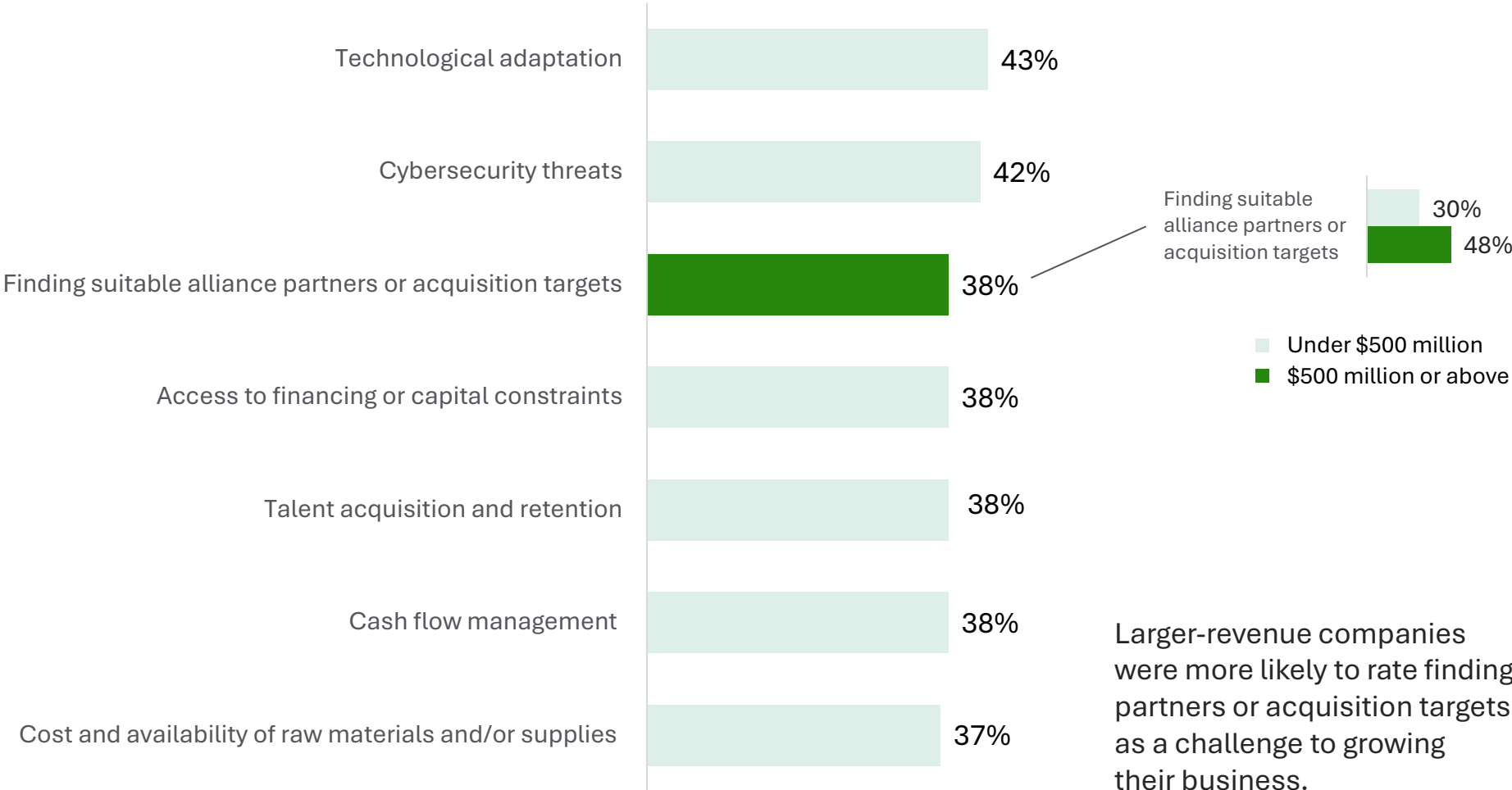
Larger-revenue companies were more likely to rate economic uncertainty as a challenge to growing their business.

# Private company outlook: Family Enterprise

Enterprise challenges to growing the respondents' businesses over the next 12 months are very evenly distributed.

Please rate the potential enterprise challenges to growing your business over the next 12 months.

Select up to three.



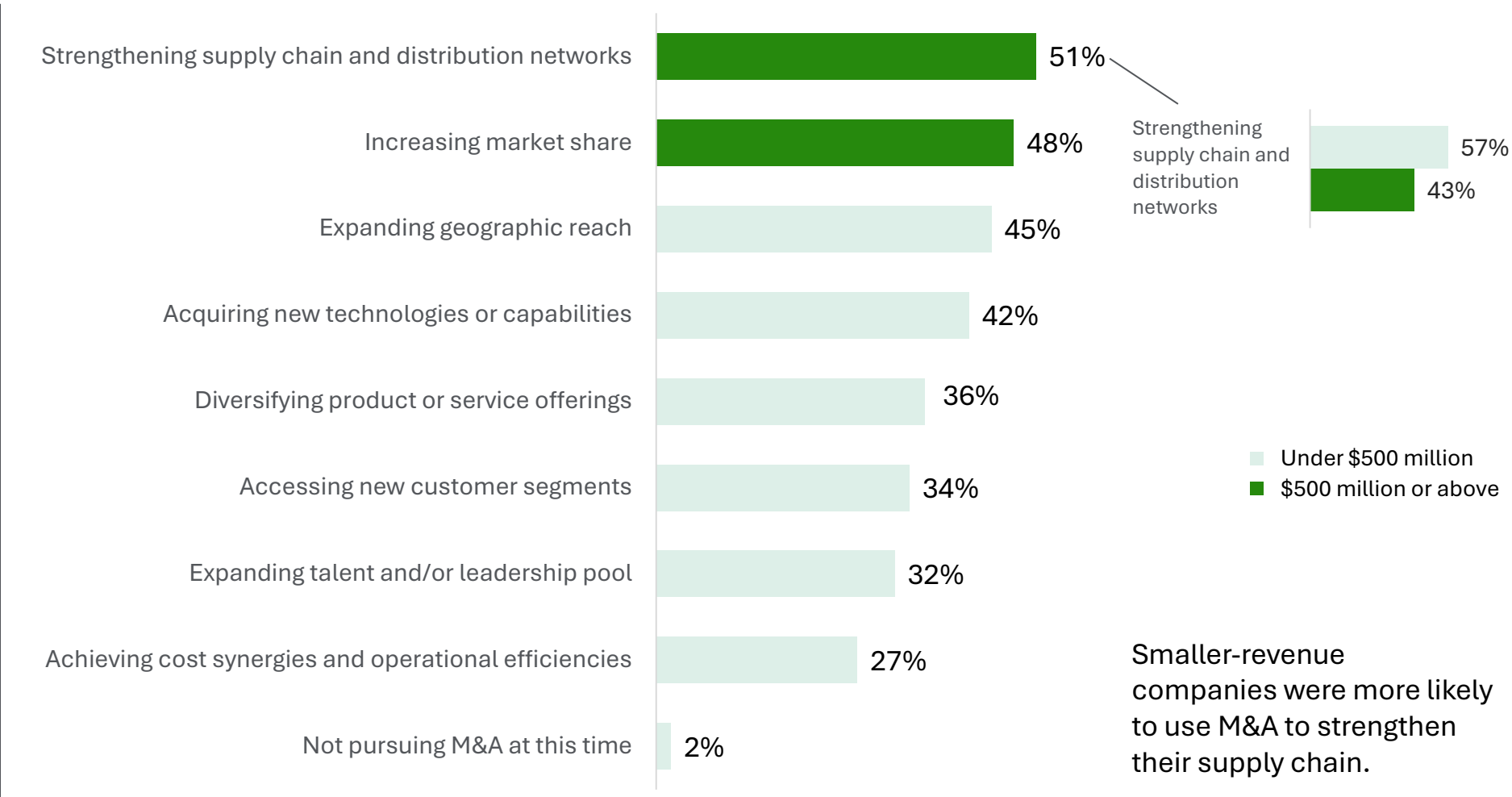
Larger-revenue companies were more likely to rate finding partners or acquisition targets as a challenge to growing their business.

# Private company outlook: Family Enterprise

Around half of respondents indicate that they aim to strengthen supply chain and distribution networks (51%) and increase market share (48%) through M&A activities.

Which of the following goals are you aiming to achieve through M&A activities?

Select all to apply

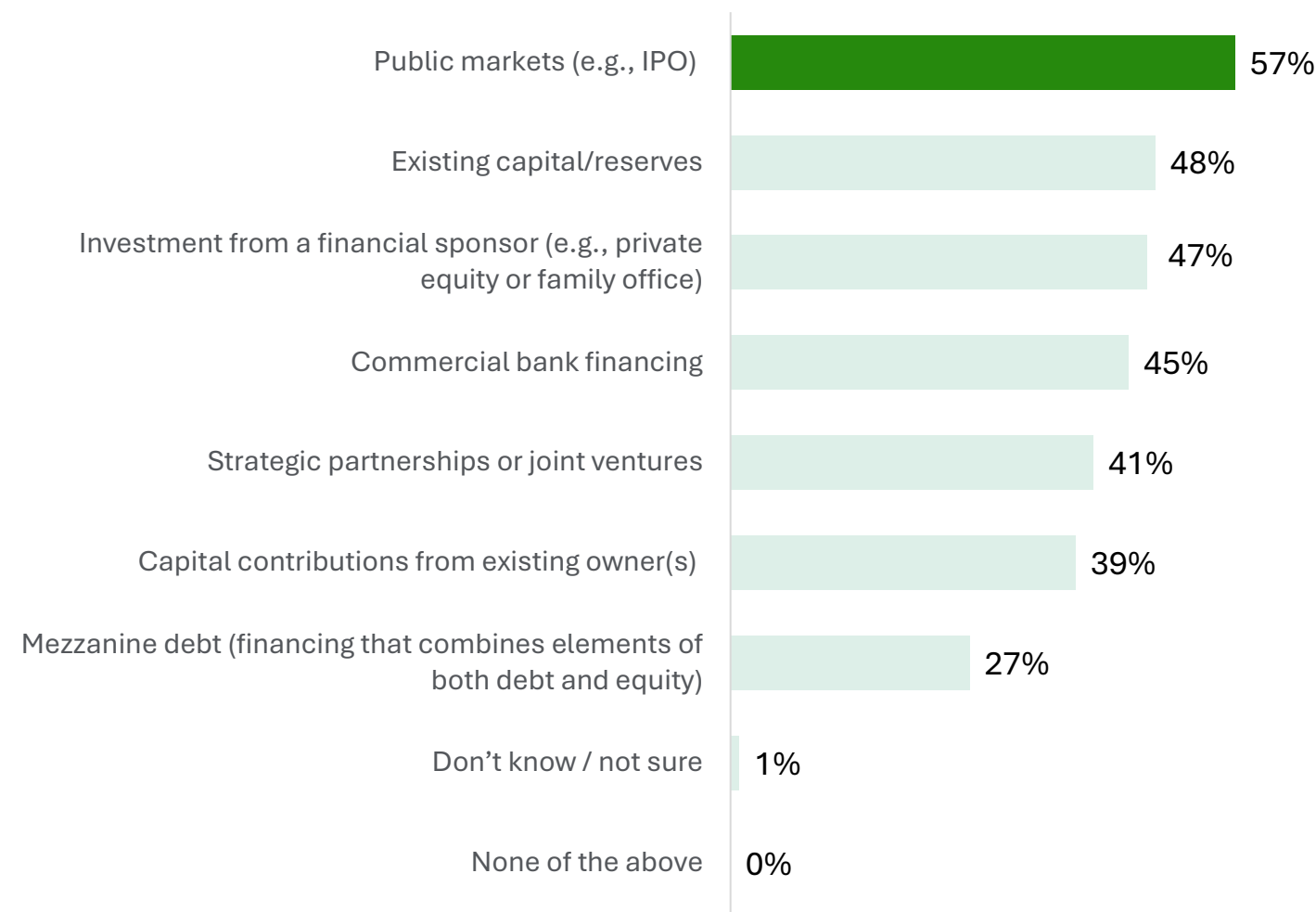


# Private company outlook: Family Enterprise

When considering future M&A funding strategies, almost six in ten (57%) leaders surveyed say their organization is likely to consider public markets, while less than three in ten are likely to consider mezzanine debt (27%).

**Which funding strategies is your organization most likely to consider for a future M&A transaction**

Select all that apply







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