Foundation for Family Businesses

Adjust the compass towards competitiveness

EU Family Business Survey 2026

September 2026 – Research Report

Edelman Intelligence / September 2026

Foundation for
Family Businesses

Contents

1 Executive Summary

2 Detailed Findings

1. Confidence remains resilient, but growing caution signals a changing business mood
2. Confidence alone will not sustain growth, Europe must remain competitive to attract investment
3. Businesses are looking beyond tax rates, they want predictable and competitive tax systems
4. Administrative complexity is a growing barrier to competitiveness
5. Europe remains a platform for growth, but businesses expect a more connected and competitive Single Market
6. Businesses are embracing AI, but most remain in the early stages of the journey
7. The future of family businesses depends on turning succession ambitions into succession readiness
8. *Appendix*

Economic conditions differ across Europe, reflecting varying growth momentum and labour market conditions

IMF estimates (2024-2025) and latest IMF projections (2026)

Markets ordered based on GDP

Country	GDP Growth (%)			Unemployment (%)		
	2024	2025 (Est.)	2026 (Proj.)	2024	2025 (Est.)	2026 (Proj.)
Germany	0.2	0.5	0.9	3.4	3.8	3.9 ↗
France	1.1	0.8	1	7.4	7.6	7.9 ↑
Italy	0.7	0.7	0.8	6.6	6.1	6.0 ↘
Spain	3.2	2.5	2.3	11.3	10.5	9.8 ↓
Netherlands	1.0	1.3	1.6	3.7	3.9	4.1 ↑
Poland	2.9	3.2	3.5	2.9	2.8	2.8 →
Sweden	1.0	1.8	2.6	8.3	8.3	8.4 ↗

Source: IMF World Economic Outlook, April 2026.

Foundation for Family Businesses

Executive Summary

Edelman Intelligence / September 2026

Foundation for Family Businesses

Executive Summary

1. Europe's confidence is holding, but the warning signs are becoming more severe	Business confidence remains resilient over the long term, with family businesses continuing to demonstrate greater resilience. However, expectations for the year ahead have softened across Europe, with Germany emerging as the clearest warning signal. Confidence remains intact, but it can no longer be taken for granted.
2. Germany's softening outlook is a warning to European competitiveness	Germany records the sharpest deterioration in short-term business confidence and is consistently more critical than other markets on competitiveness, taxation, regulatory burden and AI-related employment expectations. As Europe's largest economy, its changing business sentiment should be treated as an early warning for Europe.
3. Europe continues investment attraction, but businesses are demanding a more competitive operating environment	Businesses continue to invest across Europe and see the Single Market as a platform for growth. Future investment, however, increasingly depends on a more competitive operating environment, including competitive tax systems, faster approvals, lower administrative burdens and stronger economic growth. Businesses are not asking the EU for more intervention; they are asking it to remove friction so they can invest, grow and compete.
4. Administrative complexity is becoming one of Europe's greatest competitive disadvantages	Administrative complexity has become a competitive disadvantage. Regulatory compliance is absorbing resources that businesses would rather invest in innovation, digital transformation, infrastructure and skills. While businesses welcome simplification efforts, many remain unconvinced they will deliver meaningful relief, particularly in Germany.
5. Europe's competitiveness increasingly depends on its ability to scale AI	AI adoption is progressing, but most businesses have yet to move beyond implementation. Businesses consistently identify skills, regulatory clarity and harmonised rules as the foundations for wider AI adoption. Here too, the message is clear: businesses are not asking the EU to lead AI adoption for them, they are asking it to remove barriers, provide certainty and create the conditions that allow AI to scale.
6. Family businesses remain a strategic strength, but continuity cannot be assumed	Family businesses remain resilient and confident about generational continuity, but succession readiness is weakening. The growing gap between confidence and formal succession planning suggests that sustaining Europe's family business model will require both a stronger business environment and greater investment in long-term succession planning.

Foundation for Family Businesses

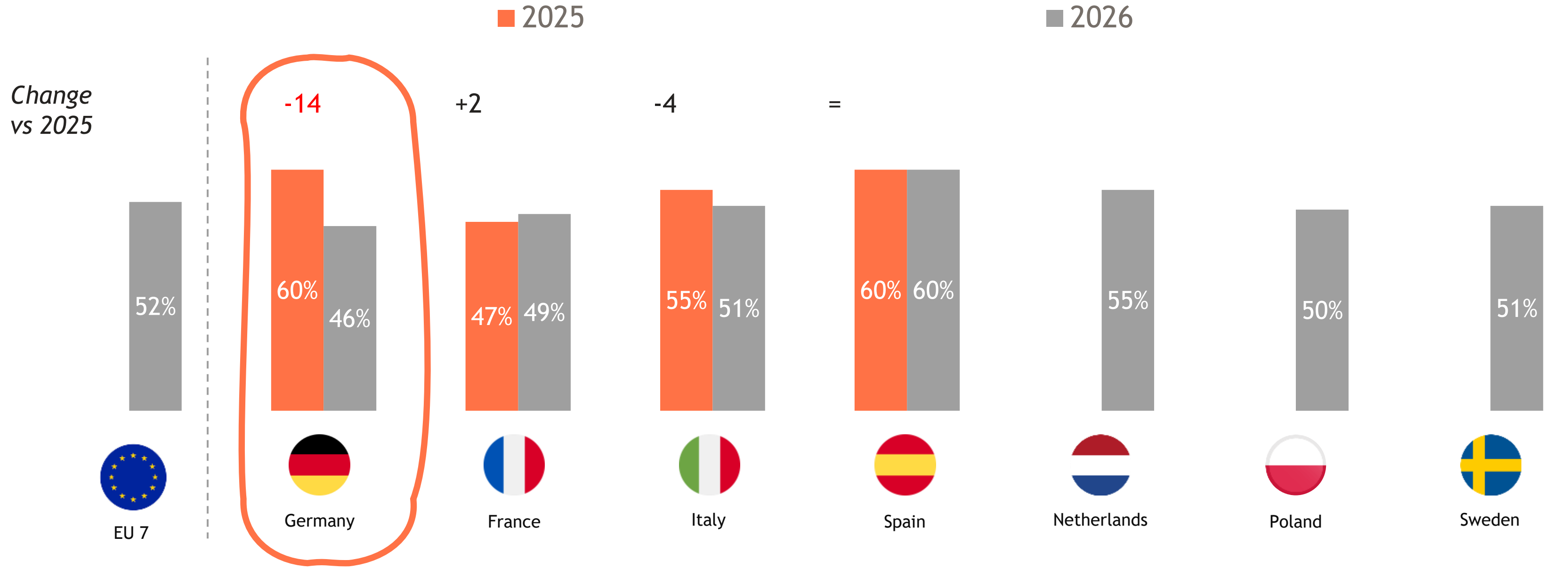
Confidence remains resilient, but growing caution signals a changing business mood

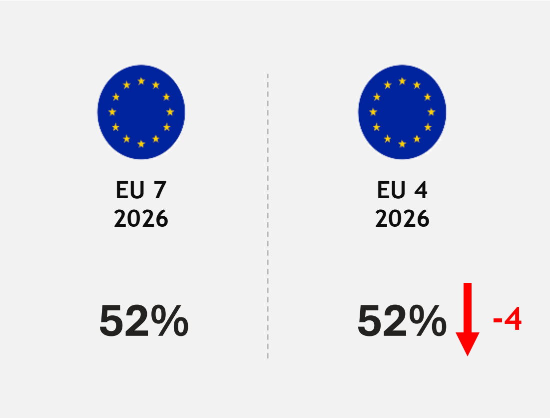
Edelman Intelligence / September 2026

Short-term business confidence is giving way to growing unease, with Germany emerging as the clearest warning signal

Future outlook for the next 12 months: Better than today 2025 vs 2026

Markets ordered based on GDP





Business confidence is cautiously positive, with more optimism in the South and Germany most pessimistic.

EU 7: the 7 European markets tracked in 2026 / **EU 4**: the 4 markets tracked in 2025 (Germany, Spain, Italy and France)

/ Significantly higher / lower than 2025 at 95%

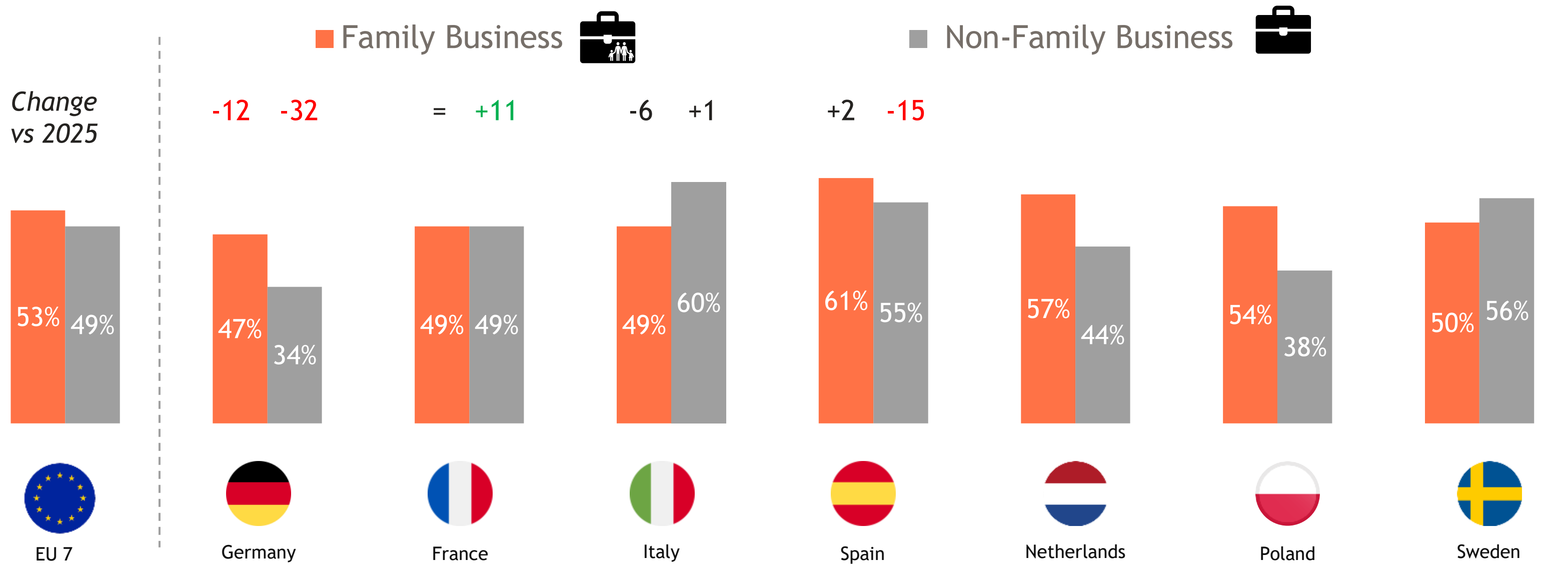
Q1. What do you think the general state of your company will be in each of the following? Please select one response per statement using a 5-point scale where 1 means "A lot worse than today" and 5 means "A lot better than today". Top 2 "Better than today in the next 12 months". Base: All respondents - 2026 (N = 2,101), All respondents - 2025 (N = 2,401).

Foundation for Family Businesses

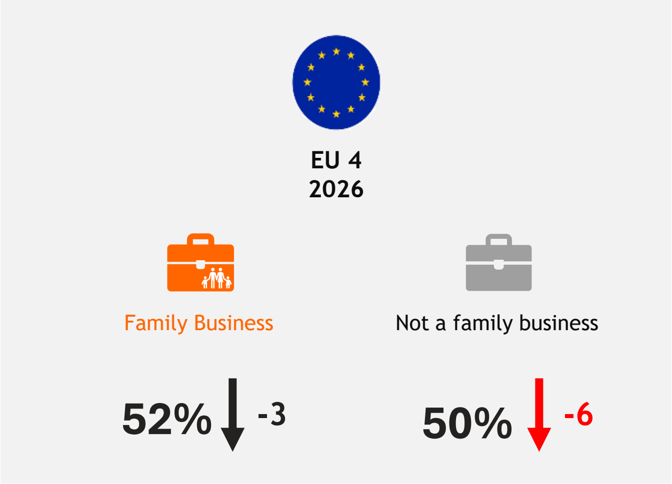
Family businesses demonstrate greater resilience across most markets, although Italy and Sweden stand out as notable exceptions

Future outlook for the next 12 months: Better than today by business model

Markets ordered based on GDP



2026 vs 2025



The decline in confidence observed in Germany and Spain, particularly among non-family businesses, is driven primarily by a shift towards more neutral rather than more pessimistic expectations, suggesting growing caution rather than declining confidence.

EU 7: the 7 European markets tracked in 2026 / **EU 4:** the 4 markets tracked in 2025 (Germany, Spain, Italy and France)

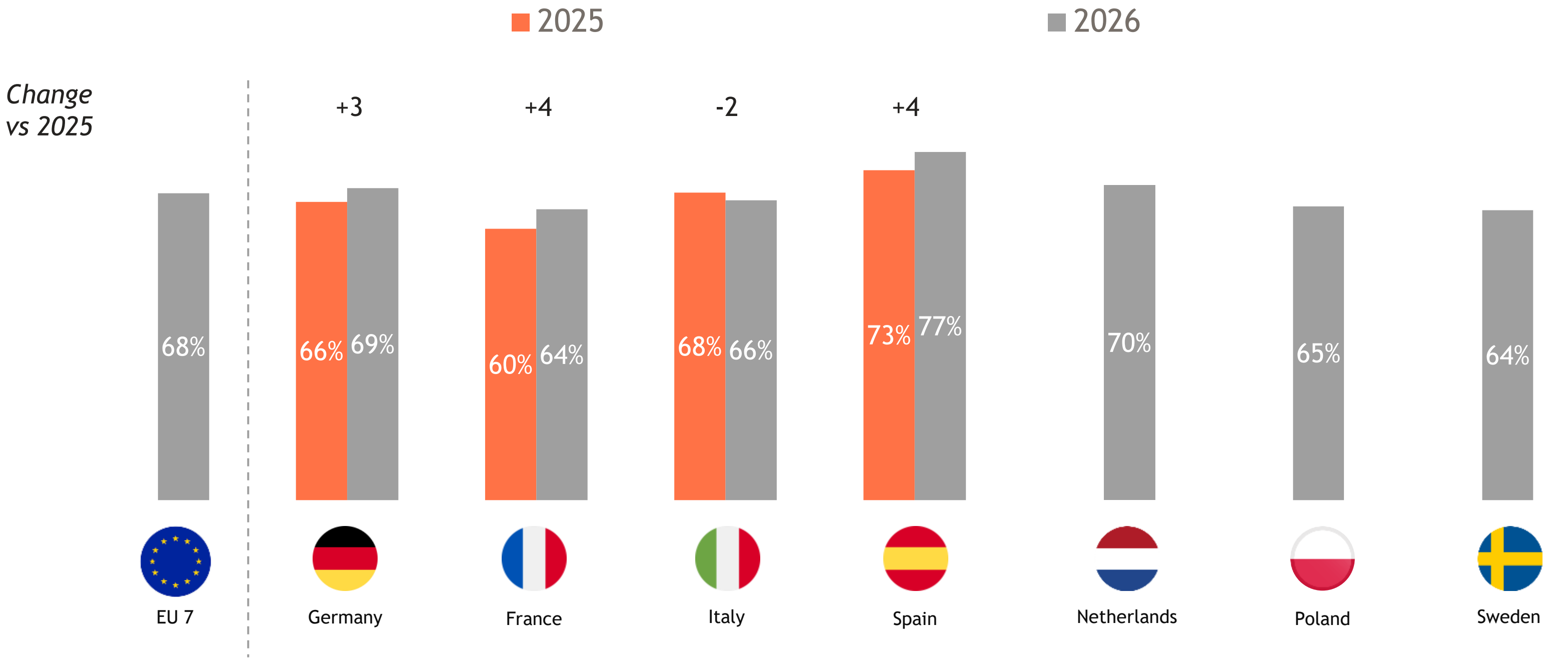
/ Significantly higher / lower than 2025 at 95%

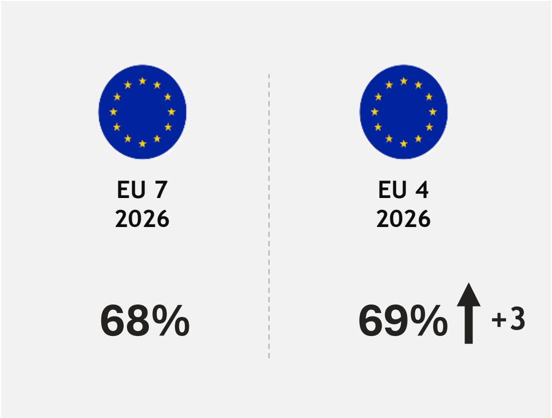
Q1. What do you think the general state of your company will be in each of the following? Please select one response per statement using a 5-point scale where 1 means “A lot worse than today” and 5 means “A lot better than today” Top 2 “Better than today in the next 12 months”. Base: All respondents - 2026 (Family Business N = 1,673, Non-Family business N = 419), 2025 (Family Business N = 1,992, Non-Family business N = 409).

Despite uncertainty, business leaders remain focused on long-term growth

Future outlook for the next 5 years: Better than today 2025 vs 2026

Markets ordered based on GDP





Both family and non-family businesses remain equally confident about the future, with long-term confidence strengthening across both business models in the EU 4.

EU 7: the 7 European markets tracked in 2026 / **EU 4**: the 4 markets tracked in 2025 (Germany, Spain, Italy and France)

/ Significantly higher / lower than 2025 at 95%

Q1. What do you think the general state of your company will be in each of the following? Please select one response per statement using a 5-point scale where 1 means “A lot worse than today” and 5 means “A lot better than today”. Top 2 Box “Better than today in the next five years” Base: All respondents - 2026 (N = 2,101), All respondents - 2025 (N = 2,401).

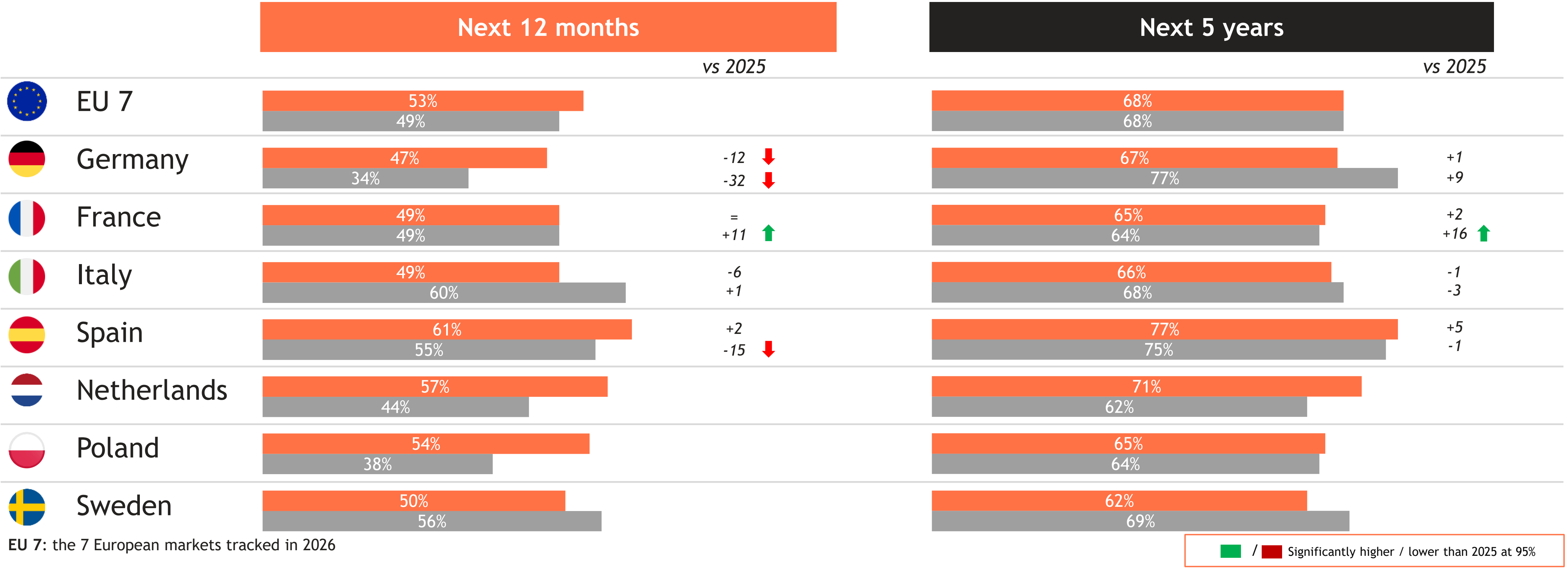
Foundation for Family Businesses

Family businesses show greater short-term resilience, while long-term confidence remains strong across both business models

Future outlook: Better than today 2025 vs 2026 by business model

Markets ordered based on GDP

Family Business   Non-Family Business



EU 7: the 7 European markets tracked in 2026

Q1. What do you think the general state of your company will be in each of the following? Please select one response per statement using a 5-point scale where 1 means “A lot worse than today” and 5 means “A lot better than today” Top 2. Base: All respondents - 2026 (Family Business N = 1,673, Non-Family business N = 419), All respondents - 2025 (Family Business N = 1,992, Non-Family business N = 409).

Confidence alone will not sustain growth, Europe must remain competitive to attract investment

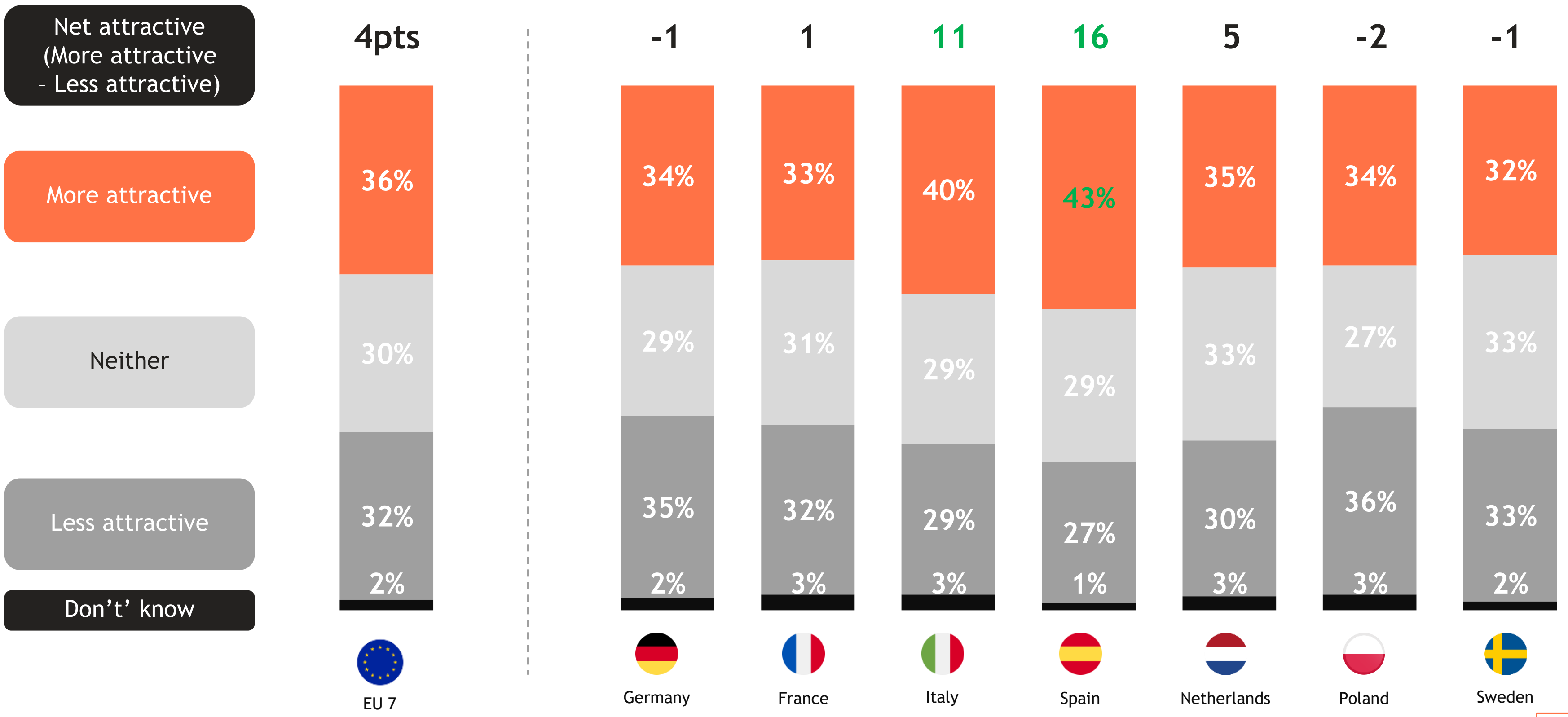
Edelman Intelligence / September 2026

Foundation for Family Businesses

Business leaders are divided on the EU's attractiveness, with recent declines reported in Germany, Poland and Sweden

Attractiveness of the EU as a business location vs 2 years ago

Markets ordered based on GDP



The lack of clear consensus suggests that businesses are reassessing the EU's competitive appeal.

Both business models (i.e., family and non-family businesses) mirror the overall trend, with no significant difference between the 2 groups.

EU 7: the 7 European markets tracked in 2026

/ Significantly higher / lower than 2025 at 95%

Q3. Over the past two years, has the EU become a more or less attractive business location? Please select one response using a 5-point scale where 1 means "Much less attractive" and 5 means "Much more attractive". Percentages may not total 100% due to rounding. Base: All respondents (N = 2,101).

Most businesses continue to prioritise investment in the EU despite mixed perceptions

Geographic investment allocation over the past 2 years - EU 7

53%

of businesses invested in the EU (home and/or EU countries)

31%

invested inside and outside the EU

27%	26%	24%	6%	*14% reported no significant investments*
Invested only in home country	*Invested in home country and other EU countries*	*Invested both within and outside the EU*	*Invested mostly outside the EU*	

Highest EU Investment Focus

Germany Sweden

Germany and Sweden record the strongest European investment focus (55%)

Most International Footprint

Poland 34%

Driven by the largest share investing both within and outside the EU (29% vs 24% in EU 7)

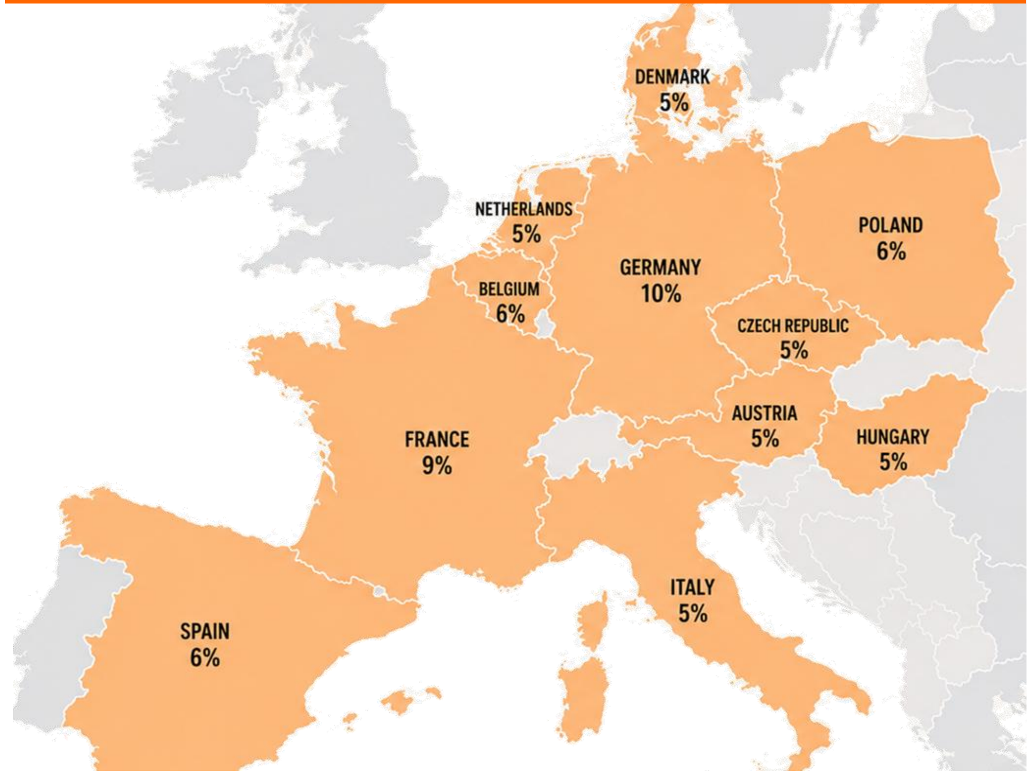
Q4. Which of the following best describes your company's investment decisions over the past two years? Please select one response. Percentages may not total 100% due to rounding. Base: All respondents (N = 2,101).

Foundation for Family Businesses

Investment within the EU reflects strong regional and economic connections

Top destination countries for investment - *among businesses that invested in home market and EU countries*

EU 7



Germany	
1. France	14%
2. Germany	10%
3. Spain	9%

France	
1. Germany	14%
2. Spain	14%
3. Italy	12%

Italy	
1. France	15%
2. Croatia	8%
3. Spain	7%

Spain	
1. Hungary	9%
2. France	7%
3. Croatia	7%

Netherlands	
1. Croatia	8%
2. Hungary	8%
3. Romania	6%

Poland	
1. Germany	20%
2. France	11%
3. Czech Rep.	11%

Sweden	
1. Germany	9%
2. Denmark	8%
3. France	8%

Top 2 EU economies

Q4A. In which countries did your company make investments? Within the EU: Please specify. Businesses that invested in home countries, other EU countries and some investments outside the EU (N = 1,064).

Taxation, growth and regulation drive EU investment decision, even though business priorities differ across countries

Incentives to invest more in the EU - *among businesses that invested in their home market and other EU countries*

	EU 7
Lower **corporate tax burden**	40%
Economic **growth** and consumer demand	39%
Fewer **regulatory requirements**	38%
Lower labour costs	36%
More flexible labour market rules	32%
Faster approval procedures	31%
More competitive energy costs	31%
Improved availability of skilled workforce	24%

Market Insights:

Germany

1. Lower corporate tax burden
2. Economic growth and consumer demand
3. More competitive energy costs

France

1. Fewer regulatory requirements
2. Lower corporate tax burden
3. Economic growth and consumer demand

Italy

1. Lower corporate tax burden
2. Fewer regulatory requirements
3. Lower labour costs

Spain

1. Economic growth and consumer demand
2. Lower corporate tax burden
3. Fewer regulatory requirements

Netherlands

1. Fewer regulatory requirements
2. Lower corporate tax burden
3. Economic growth and consumer demand

Poland

1. Economic growth and consumer demand
2. Lower labour costs
3. More flexible labour market rules

Sweden

1. Economic growth and consumer demand
2. More flexible labour market rules
3. Lower labour costs

EU 7: the 7 European markets tracked in 2026

Q4C. What factors would encourage your company to invest more in the EU? Please rank up to 3 factors, where 1 = would increase your investment the most, 2 = second most, and so on. Base: Businesses that invested in home countries and/or inside the EU (N = 1,117).

Tax competitiveness remains a universal priority, while larger businesses place greater emphasis on operating conditions

Incentives to invest more in the EU - *among businesses that invested in their home market and other EU countries*

	EU 7	Small Businesses (10-49 employees)	Medium Businesses (50-249 employees)	Large Businesses (250+ employees)
Lower **corporate tax burden**	40%	43%	36%	39%
Economic **growth** and consumer demand	39%	39%	38%	39%
Fewer **regulatory requirements**	38%	39%	37%	39%
Lower labour costs	36%	35%	38%	33%
More flexible labour market rules	32%	31%	31%	36%
Faster approval procedures	31%	31%	31%	33%
More competitive energy costs	31%	29%	34%	31%
Improved availability of skilled workforce	24%	23%	25%	26%

Small Businesses
(10-49 employees)

Tax competitiveness is the primary investment lever, with lower corporate taxes (43%) emerging as the strongest incentive for additional investment.

Medium Businesses
(50-249 employees)

Operational cost competitiveness takes priority, with lower labour costs (38%) and more competitive energy costs (34%) becoming increasingly important investment drivers.

Large Businesses
(250+employees)

Growth is increasingly linked to **business efficiency**, with greater emphasis on more flexible labour market rules (36%) and faster approval procedures (33%) to support investment and expansion.

EU 7: the 7 European markets tracked in 2026

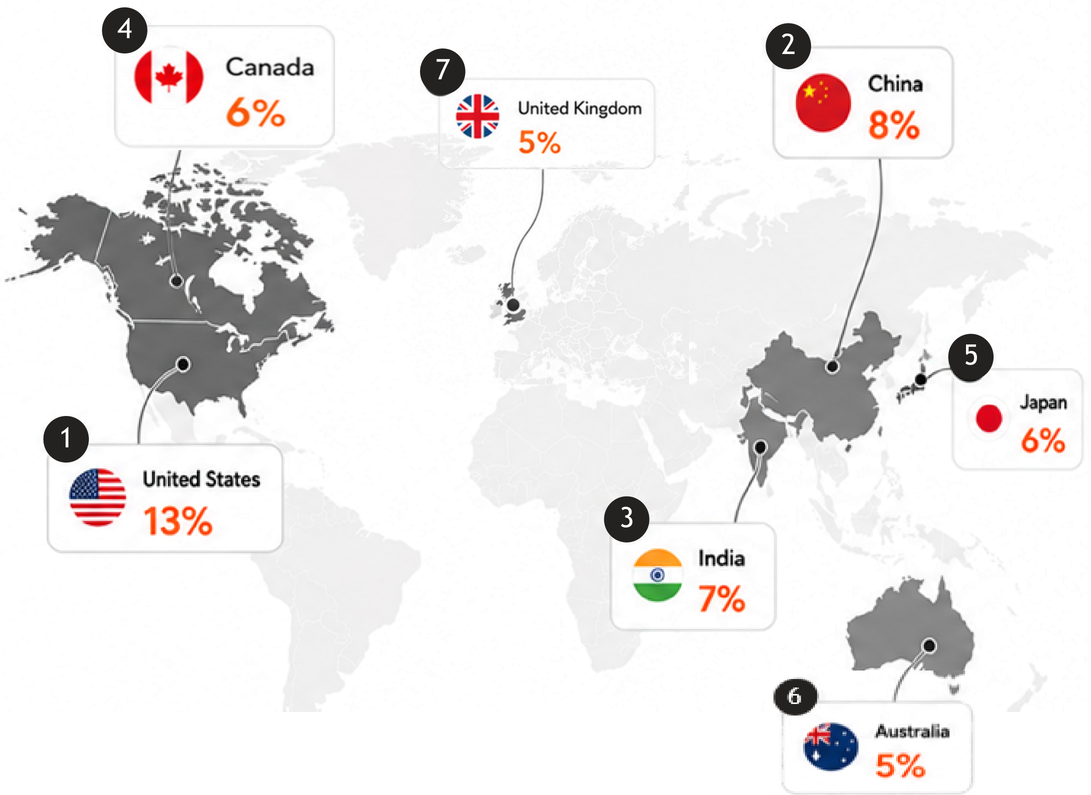
Q4C. What factors would encourage your company to invest more in the EU? Please rank up to 3 factors, where 1 = would increase your investment the most, 2 = second most, and so on. Base: Businesses that invested in home countries and/or inside the EU (N = 1,117).

Foundation for Family Businesses

Global investment is directed towards North America and Asia's major growth markets

Top destination countries for investment – *among businesses that invested outside the EU*

EU7



Germany	
1. US	14%
2. China	11%
3. Japan	9%

France	
1. US	15%
2. China	13%
3. UAE	8%

Italy	
1. US	7%
2. China	7%
3. India	7%

Spain	
1. China	7%
2. Vietnam	7%
3. Indonesia	7%

Netherlands	
1. China	8%
2. India	8%
3. Vietnam	7%

Poland	
1. US	26%
2. UK	11%
3. India	10%

Sweden	
1. US	14%
2. Singapore	10%
3. India	7%

Top 2 global economies

Q4A. In which countries did your company make investments? Outside the EU: Please specify. Base: Businesses that invested in EU countries and some/significant investments outside the EU (N = 648).

Foundation for Family Businesses

Europe's investment appeal depends on a common competitiveness agenda with distinct national priorities

Drivers that would make the EU a more attractive place to invest - ***among businesses that invested outside the EU***

	EU 7
Faster approval procedures	41%
Lower **labour costs**	39%
More flexible labour market rules	35%
Stronger economic growth and consumer demand	35%
Improved availability of skilled workforce	33%
Fewer regulatory requirements	33%
More competitive energy costs	31%
Lower corporate tax burden	29%

Market Insights:

Germany

1. Fewer regulatory requirements
2. Lower labour costs
3. More flexible labour market rules

France

1. Lower labour costs
2. More flexible labour market rules
3. Faster approval procedures

Italy

1. Faster approval procedures
2. Lower labour costs
3. Improved availability of skilled workforce

Spain

1. Faster approval procedures
2. Stronger economic growth and consumer demand
3. **Lower labour costs**

Netherlands

1. Lower labour costs
2. Faster approval procedures
3. Stronger economic growth and consumer demand

Poland

1. Lower labour costs
2. More flexible labour market rules
3. Faster approval procedures

Sweden

1. Faster approval procedures
2. Improved availability of skilled workforce
3. Fewer regulatory requirements

EU 7: the 7 European markets tracked in 2026

Q4B. What would make the EU a more attractive place to invest? Please rank up to 3 factors, where 1 = would increase attractiveness the most, 2 = second most, and so on. Base: Businesses that invested in EU countries and some/significant investments outside the EU (N = 648).

Foundation for Family Businesses

Businesses of all sizes prioritise a more efficient business environment, with investment priorities evolving as companies grow

Drivers that would make the EU a more attractive place to invest - *among businesses that invested outside the EU*

	EU 7	Small Businesses (10-49 employees)	Medium Businesses (50-249 employees)	Large Businesses (250+ employees)
Faster approval procedures	41%	43%	41%	37%
Lower labour costs	39%	39%	38%	39%
More flexible labour market rules	35%	30%	36%	42%
Stronger economic growth and consumer demand	35%	34%	35%	36%
Improved availability of skilled workforce	33%	32%	34%	34%
Fewer regulatory requirements	33%	36%	30%	31%
More competitive energy costs	31%	31%	32%	31%
Lower corporate tax burden	29%	29%	27%	30%

Small Businesses
(10-49 employees)

Administrative efficiency is paramount, with faster approval procedures (43%) and fewer regulatory requirements (36%) emerging as the strongest drivers of investment attractiveness.

Medium Businesses
(50-249 employees)

Large Businesses
(250+employees)

As businesses grow, flexibility becomes increasingly important, with greater emphasis on labour market flexibility and improved availability of skilled workers.

EU 7: the 7 European markets tracked in 2026

Q4B. What would make the EU a more attractive place to invest? Please rank up to 3 factors, where 1 = would increase attractiveness the most, 2 = second most, and so on. Base: Businesses that invested in EU countries and some/significant investments outside the EU (N = 648).

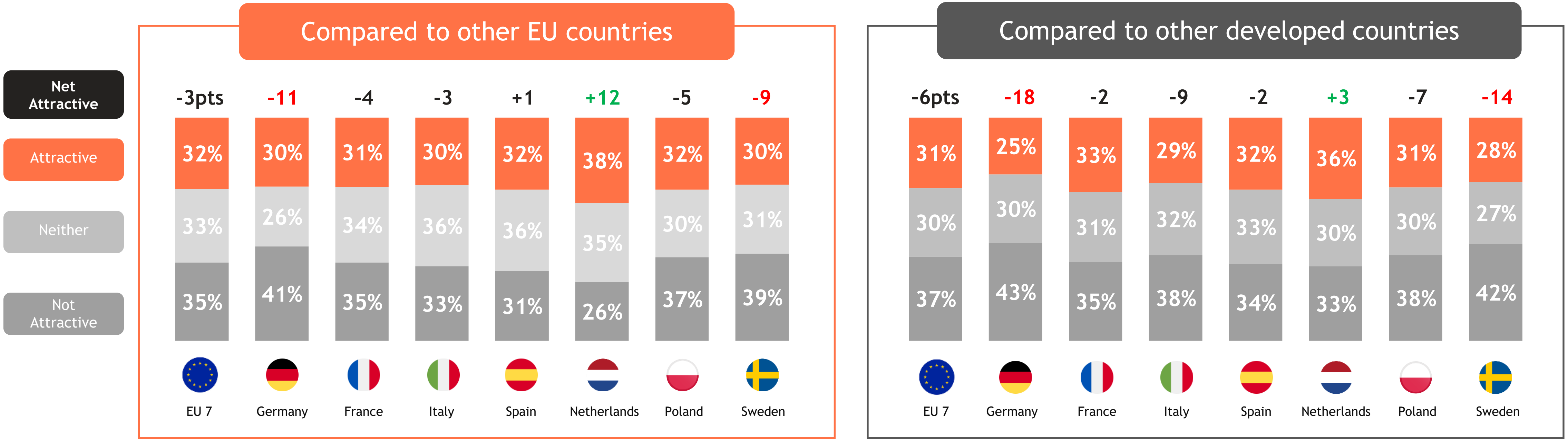
Businesses are looking beyond tax rates, they want predictable and competitive tax systems

Foundation for Family Businesses

Most businesses view their domestic tax system as less attractive than those of other European and developed economies

Competitiveness of domestic tax conditions vs other EU countries and other developed countries

Markets ordered based on GDP



Business leaders in the Netherlands deem their tax conditions to be attractive vs other countries. Business leaders in Germany and Sweden are the most critical of the attractiveness of their tax regime.

EU 7: the 7 European markets tracked in 2026

/ Significantly higher / lower than 2025 at 95%

Q10. How do you assess the tax conditions in your home country compared to the following. Compared to other EU countries /Compared to other developed countries (non-EU countries). Percentages may not total 100% due to rounding and the exclusion of "Don't know" / "Prefer not to say" responses. Base: All respondents (N = 2,101).

Businesses want a tax system that is easier to navigate and provides certainty

Priority measures to enhance economic success and competitiveness – EU 7

21%	19%	16%	15%	14%	13%
Simplifying tax compliance requirements	Reducing tax rates on business profits	Improving tax predictability and long-term stability	Introducing tax incentives for reinvested profits	Reducing or eliminating taxes on business ownership	Reducing or eliminating succession and inheritance taxation

Businesses see tax competitiveness as a combination of simpler compliance, greater predictability and competitive tax rates. Within markets, Italy assigns higher priorities to simplifying compliance and reducing tax rates.

Priorities are consistent across markets, business models and business sizes.

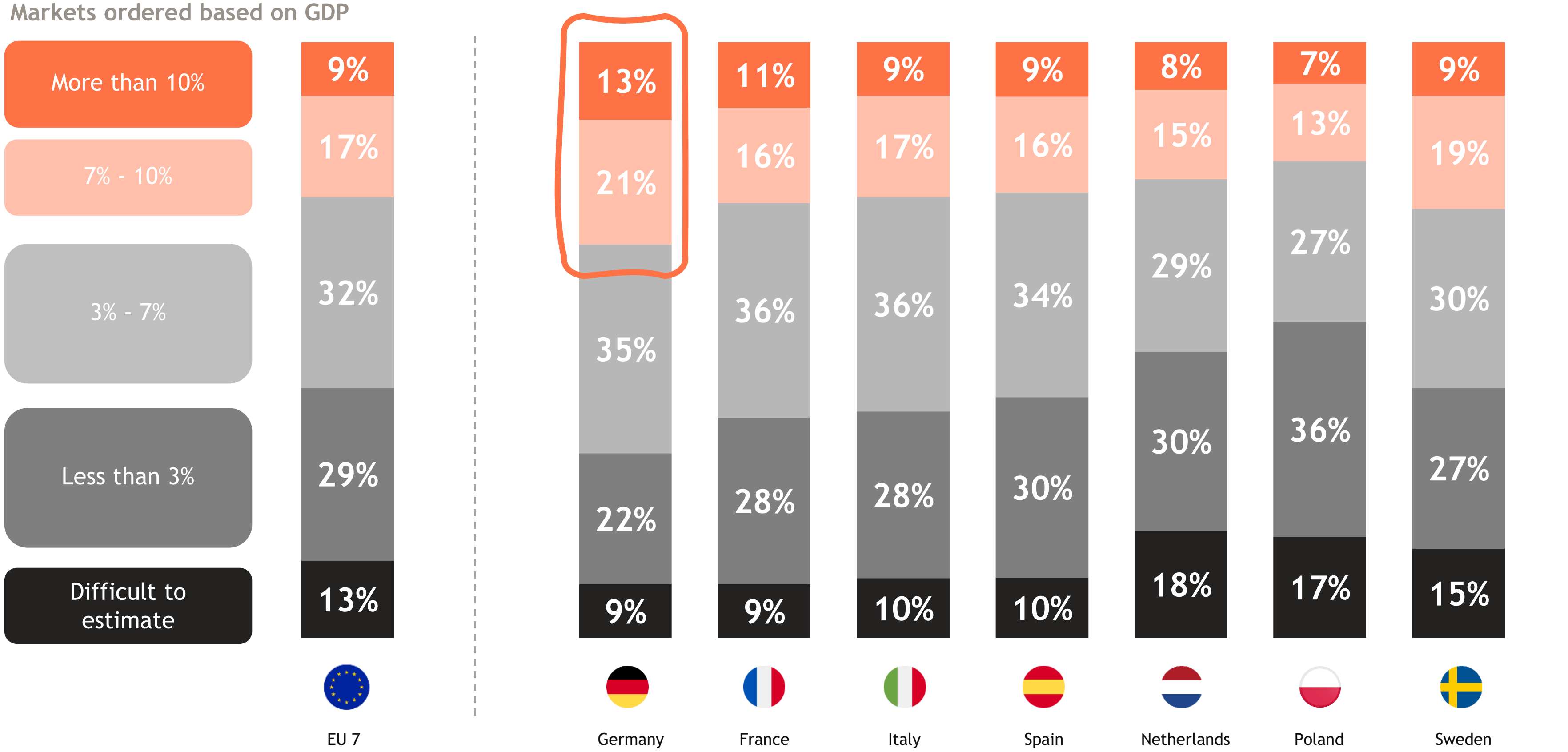
Q11. Which of the following tax-related measures would most significantly enhance the economic success and competitiveness of your business? Please rank up to 3 factors, where 1 = would enhance competitiveness the most, 2 = second most, and so on. Base: All respondents (N = 2,101).

Administrative complexity is becoming a barrier to competitiveness

For one in four businesses, regulatory compliance represents a significant cost of doing business

Compliance costs as a share of annual revenue

Markets ordered based on GDP



Germany reports the highest compliance burden among all surveyed markets.

EU 7: the 7 European markets tracked in 2026

Q7. What share of your company's annual revenue would you estimate is related to regulatory compliance (e.g., compliance officers) and reporting requirements? Base: All respondents (N = 2,101).

Operational regulations create the greatest administrative burden, ahead of sustainability-related requirements

Most burdensome regulatory areas

	EU 7
Financial regulation	19%
Labour regulation	18%
Data protection	17%
Sustainability / ESG reporting	10%
Supply chain regulations	9%
Climate regulation	9%
Environmental regulations	8%
Rules on cross-border mobility of employees	7%

While operational regulation dominates across markets, the nature of the burden varies

Germany

1. Data protection
2. Financial regulation
3. Sustainability / ESG reporting

France

1. Financial regulation
2. Labour regulation
3. Data protection

Italy

1. Labour regulation
2. Data protection
3. Financial regulation

Spain

1. Data protection
2. Labour regulation
3. Financial regulation

Netherlands

1. Financial regulation
2. Labour regulation
3. Data protection

Poland

1. Financial regulation
2. Data protection
3. Labour regulation

Sweden

1. Financial regulation
2. Labour regulation
3. Data protection

EU 7: the 7 European markets tracked in 2026

/ Significantly higher / lower than 2025 at 95%

Q8. Which areas of regulation currently create the greatest administrative burden for your company? Please rank up to 3 areas, where 1 = greatest burden, 2 = second greatest burden, and so on. Base: All respondents (N = 2,101).

Regulatory burden is limiting investment in the capabilities that drive Europe's competitiveness

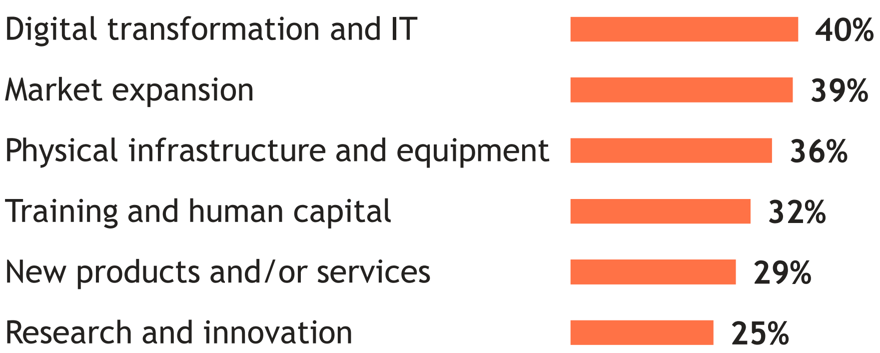
Regulatory cost impact

83% of business leaders say regulatory burden **limits investment in critical areas**

Germany	France	Italy	Spain	Netherlands	Poland	Sweden
85%	81%	88%	82%	81%	83%	80%

Large businesses are more affected than small businesses: 88% vs 79%.

Most impacted areas by regulatory burden



Germany
#1
Physical Infrastructure: **40%**

Italy
#1
Training & human capital: **36%**

Spain
#1
Market expansion: **47%**

Netherlands
#1
Digital transformation & IT: **44%**

Poland
#1
Physical Infrastructure: **40%**

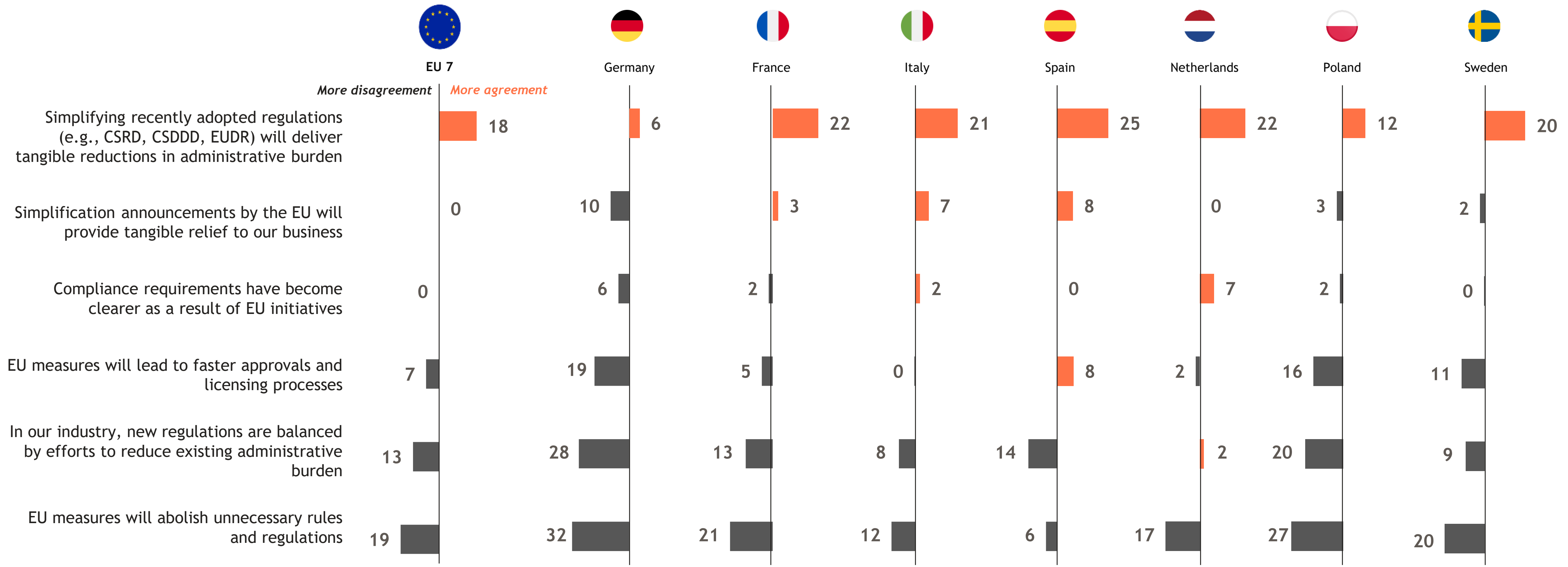
Sweden
#1
Digital transformation & IT : **46%**

/ Significantly higher / lower than 2025 at 95%

Q8A. Do regulatory compliance and bureaucracy limit your company's ability to invest in some critical areas? Base: All respondents (N = 2,101) | Q8B: In which areas of your business do you notice these investment limitations? Base: Businesses that agree that regulatory burden limits investment in critical areas (N = 1,745).

Businesses believe in the promise of simplification but remain unconvinced that it will deliver meaningful administrative relief, especially in Germany

Business perceptions of the EU's administrative simplification efforts - *Net agreement (% agree minus % disagree, percentage points)*



EU 7: the 7 European markets tracked in 2026

Q9. The EU has launched various initiatives to reduce administrative burden (simplify reporting obligations). To what extent do you agree or disagree with the following statements? Please select one response per statement using a 5-point scale where 1 means “Strongly disagree” and 5 means “Strongly agree”. Net top 2 minus bottom 2. Base: All respondents (N = 2,101).

Europe remains a platform for growth, but businesses expect a more connected and competitive Single Market

Edelman Intelligence / September 2026

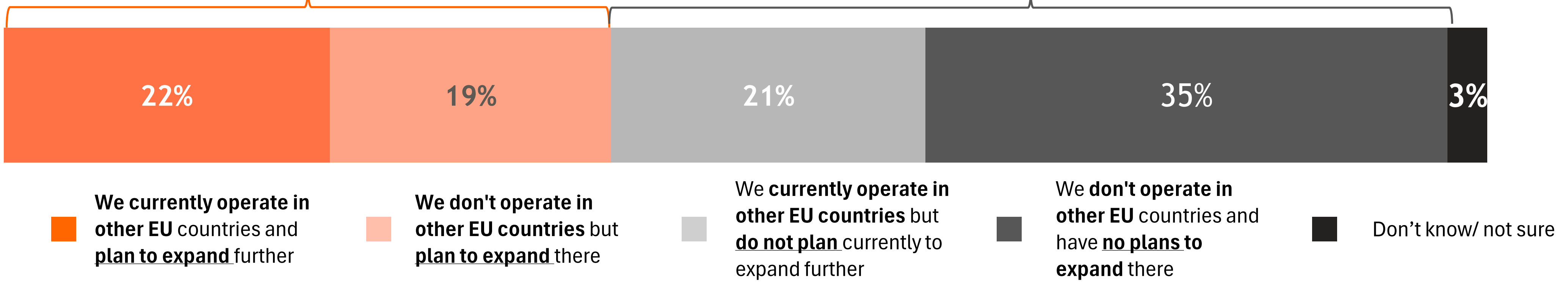
Foundation for
Family Businesses

Businesses continue to see the EU as a platform for growth and expansion

Current business operation locations and plans to expand across EU countries

41%
Plan to expand in other EU countries

56%
Have no plan to expand in other EU countries



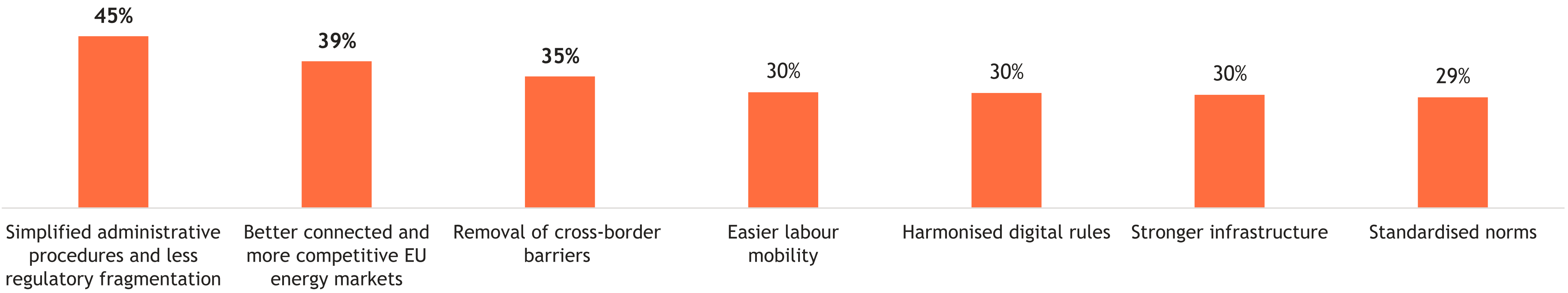
Germany	Netherlands	27%
	Large Businesses (250+ employees)	31%

Small Businesses (10-49 employees)	43%

Q5. Does your company currently operate in, or plan to expand into, other EU countries? Please select one response. Percentages may not total 100% due to rounding. Base: All respondents (N = 2,101).

To unlock the full potential of the Single Market, businesses call for less friction, simpler rules and better-connected markets

Priorities for further EU Single Market integration - *among those operating in the EU markets (outside of home country) or intending to expand in other EU countries*



Large Businesses (250+employees)

Large businesses place the highest priority for: **Better connected and more competitive EU energy markets** (46% vs 39%)

Poland

Top priority: **Easier labour mobility & qualification** recognition: 37%

Not a family business

Non-family businesses place significantly higher importance on **harmonised digital & AI rules** (35% vs 29% for family businesses)

Not a family business

Non-family businesses place significantly higher importance to **standardised product & technical norms** (33% vs 28% for family businesses).

Q6A. In your view, which areas should be prioritised for further EU Single Market integration? Please select up to three answers. Base: (N = 1,305).

Businesses are de-risking supply chain dependency through diversification rather than nearshoring

Strategies used or considered to reduce supply chain dependency

	EU 7	Germany	France	Italy	Spain	Netherlands	Poland	Sweden
Using multiple suppliers for key parts	45%	52%	45%	39%	44%	45%	42%	49%
Reducing reliance on any single country	39%	45%	40%	31%	42%	38%	37%	40%
Expanding operation to new markets	32%	36%	36%	30%	30%	32%	31%	28%
Relocating supply chains closer to Europe	23%	30%	19%	21%	19%	27%	16%	30%
No strategies/changes planned	12%	10%	12%	13%	10%	12%	13%	15%

Germany is the most proactive in strengthening supply chain resilience, consistently reporting the highest adoption of diversification strategies across Europe.

EU 7: the 7 European markets tracked in 2026

Q13. Which strategies is your company using or considering to reduce its supply chain dependency? Please select all that apply. Base: All respondents (N = 2,101).

Foundation for Family Businesses

Businesses don't expect a single solution: they expect the EU to play a multifaceted role in strengthening supply chain resilience

EU's role in helping businesses reduce supply chain risk

38%	37%	35%	35%	35%	27%	25%
Simplify regulatory frameworks for supply chains	Support EU production of critical raw materials	Negotiate strategic trade agreements to diversify supply sources	Improve infrastructure and logistics networks	Strengthen international partnerships to enhance supply chain resilience	Promote diversification of supply chains across regions	Facilitate information sharing between companies

Businesses see supply chain resilience as requiring a combination of regulatory simplification, industrial capacity, infrastructure and international partnerships.

Q14. What role should the EU Institutions play in helping companies reduce supply chain risks? Please select up to three answers. Base: Businesses that are using or considering some strategies to reduce supply chain dependency (N = 1,593).

Foundation for Family Businesses

Businesses are embracing AI, but most remain in the early stages of the journey

AI adoption journey is progressing, but most businesses have yet to scale transformation

AI and digital transformation readiness

Full Integration Stage

AI fully integrated across the organization

Scaling AI solutions across multiple functions

21% have reached scaling or full transformation

Implementation Stage

Implementing AI Solutions in specific business areas

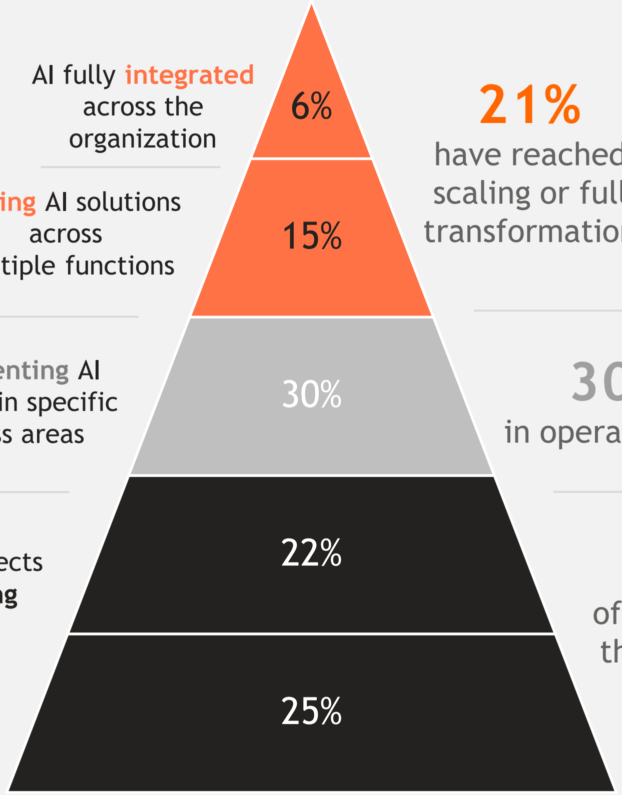
30% in operational AI

Exploration Stage

Running pilot projects or **experimenting**

Exploring AI opportunities or researching solutions

47% of businesses are in the early stages of AI adoption



Italy
Highest in AI full integration:
23%

Italy
Highest in AI Implementation:
33%

Spain Poland
Highest in AI Exploration:
51%

Family businesses are more concentrated in the **implementation phase** (31% vs 25% for non-family businesses).

While non-family businesses are more likely to have progressed to **scaling AI** (25% vs 19%)

Q15. How would you describe your company's current stage in adopting AI and digital technologies? Percentages may not total 100% due to rounding and the exclusion of "Don't know" / "Prefer not to say" responses. Base: All respondents (N = 2,101).

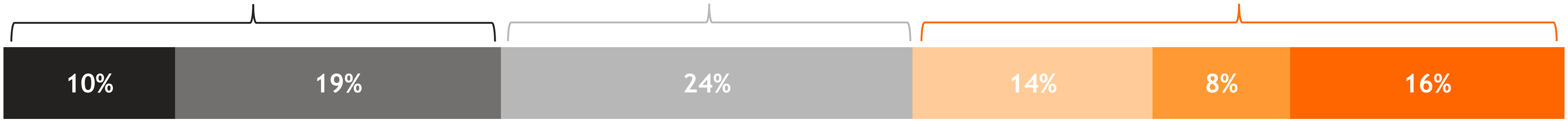
Businesses remain divided on AI's workforce impact, with optimism outweighing pessimism

Expected impact of AI on workforce size

29% Net decrease in workforce

24% No change in workforce

38% Increase in workforce



- Expect workforce to **decrease by 5% -10%** due to AI
- Expect workforce to **decrease by up to 5%** due to AI
- Expect **no change** in workforce due to AI
- Expect workforce to **increase by up to 5%** due to AI
- Expect workforce to **increase by 5% - 10%** due to AI
- Expect workforce to **increase by more than 10%** due to AI

-4.1%
Average decrease

8.1%
Average increase

Germany

Germany is the only country where businesses are more likely to expect workforce reductions than increases as a result of AI adoption (34% vs 32%).

Italy

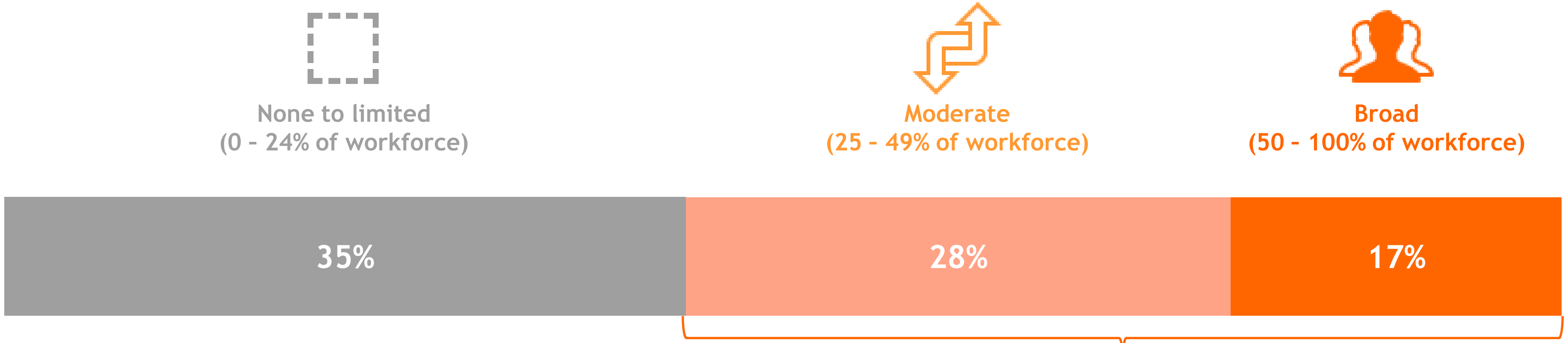
Italy records the strongest expectations for workforce growth (41%) despite also reporting relatively high expectations of workforce reductions (33%).

Q17: Over the next two years, by what percentage do you expect your company's total workforce to change as a direct result of AI adoption? Percentages may not total 100% due to rounding and the exclusion of "Don't know" / "Prefer not to say" responses. Base: All respondents (N = 2,101).

AI is expected to reshape a substantial share of employees' core tasks within the next two years

Percentage of remaining workforce that will have at least 20% of their core tasks automated by AI within the next two years

20%
said "Don't know", indicating uncertainty about the extent of AI-driven task automation.



Italy

Italy leads in limited automation expectations, with 43% expecting AI-driven task automation to affect less than 25% of their workforce (vs 35% average).

45%
of businesses expect at least one-quarter of their workforce to have at least 20% of their core tasks automated by AI within the next 2 years.

Large Businesses (250+ employees) **52%**

Q18. Over the next two years, what percentage of your remaining workforce will have at least 20% of their core tasks automated by AI? Please enter an approximate percentage, if you are unsure, please provide your best estimate. Percentages may not total 100% due to rounding and the exclusion of “Don’t know” / “Prefer not to say” responses. Base: All respondents (N = 2,101).

To accelerate AI competitiveness, businesses expect the EU to build the right foundations: skills, harmonised rules and regulatory clarity

EU priorities to accelerate AI adoption and competitiveness

	EU 7
Invest in AI skills and talent development	36%
Standardise AI rules across the EU	32%
Ensure strong data protection and digital sovereignty	32%
Simplify and clarify AI regulation	31%
Improve access to high-quality data for AI development	25%
Provide financial incentives for AI adoption	25%
Strengthen European AI research and innovation capabilities	24%
Invest in AI infrastructure	24%

Top and distinctive priorities by AI maturity group:

Exploration Stage

- Skills and talent
- Standardised AI rules
- Data protection and digital sovereignty

Implementation Stage

- Skills and talent
- Simplify and clarify AI regulation

Full Integration Stage

- Skills and talent
- Access to high-quality data for AI
- Financial incentives for AI
- Invest in AI infrastructure

EU 7: the 7 European markets tracked in 2026

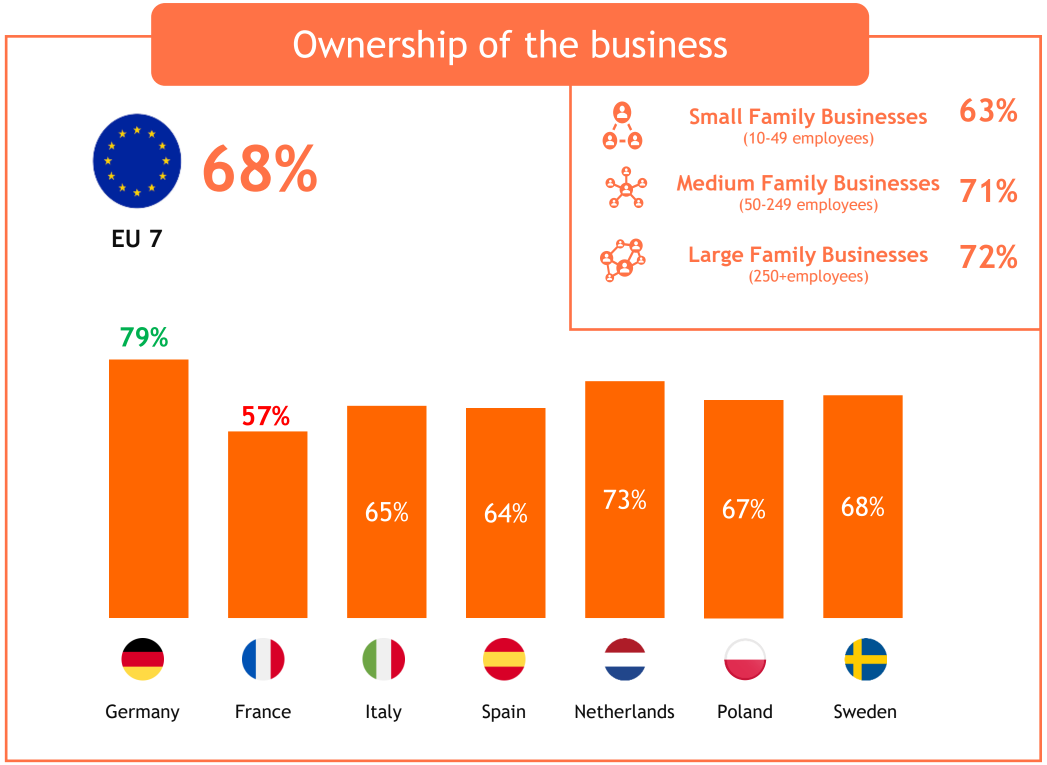
Q16. What should the EU prioritise to accelerate AI adoption and competitiveness? Base: All respondents (N = 2,101).

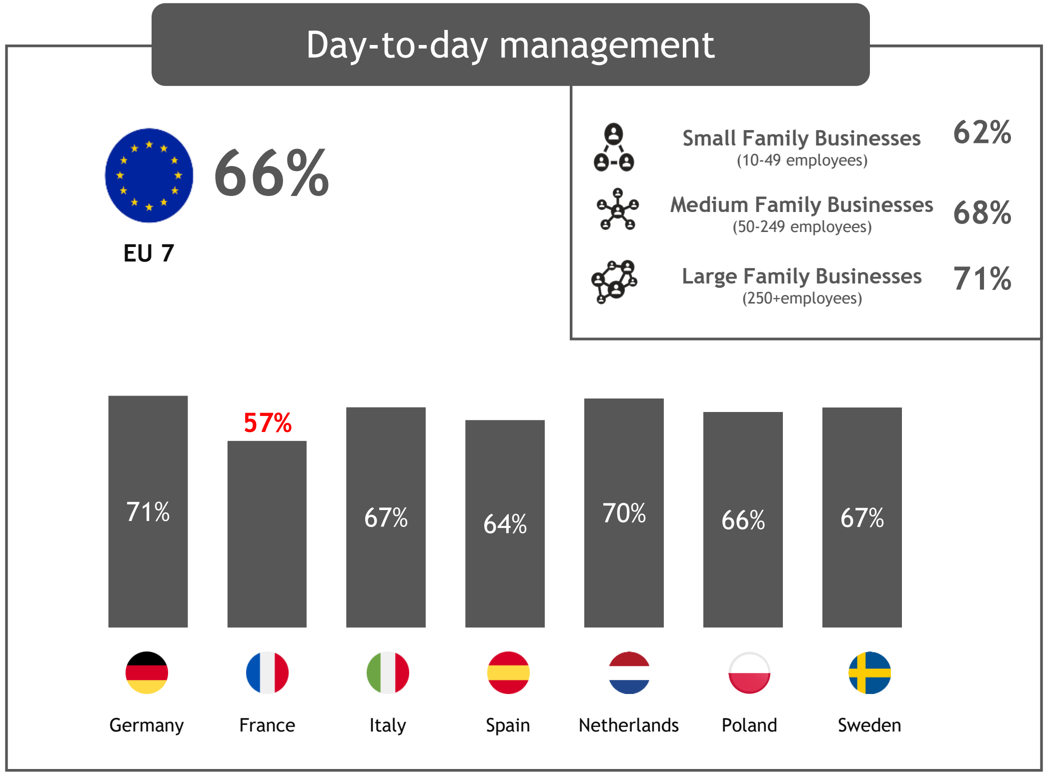
The future of family businesses depends on turning succession ambitions into succession readiness

Edelman Intelligence / September 2026

Confidence in generational succession remains strong, particularly among larger family businesses

Likelihood of the next generation taking the following roles – *among family businesses*





EU 7: the 7 European markets tracked in 2026

/ Significantly higher / lower than 2025 at 95%

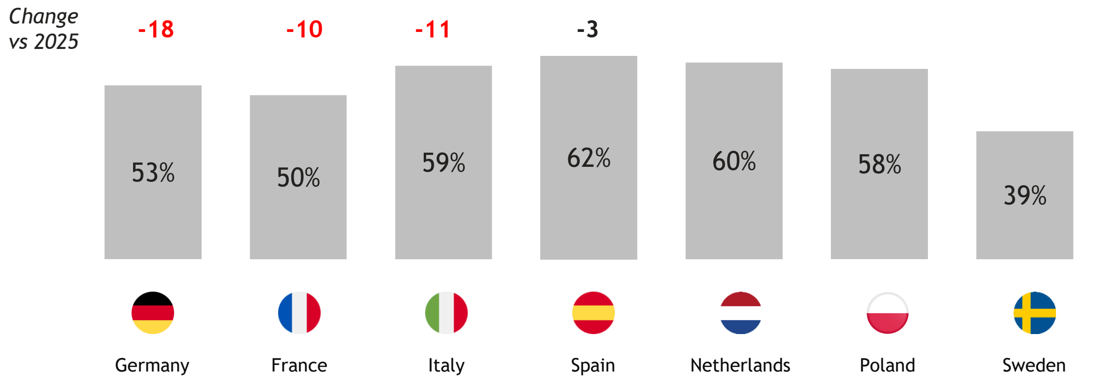
Q2. How likely is it that the next generation will take over the following aspects of your family business? Please select one response per statement using a 5-point scale where 1 means “Very unlikely” and 5 means “Very likely”- top 2. Base: All respondents (N = 1,673).

Confidence in succession is not matched by formal succession planning

55% of family business leaders say there is a designated successor for executive management from the current or previous CEO/owners family

EU 7

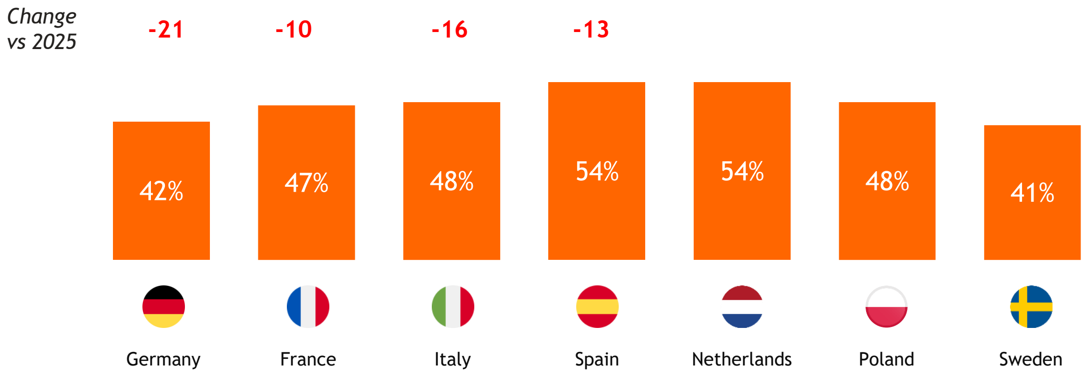
EU 4: 56% (-9% vs 2025)



49% of family business leaders say there is a designated successor for the supervisory or advisory board from the current or previous CEO/owners family

EU 7

EU 4: 48% (-10% vs 2025)



Succession readiness is weakening, particularly in Germany, highlighting a growing gap between long-term aspirations and current preparedness.

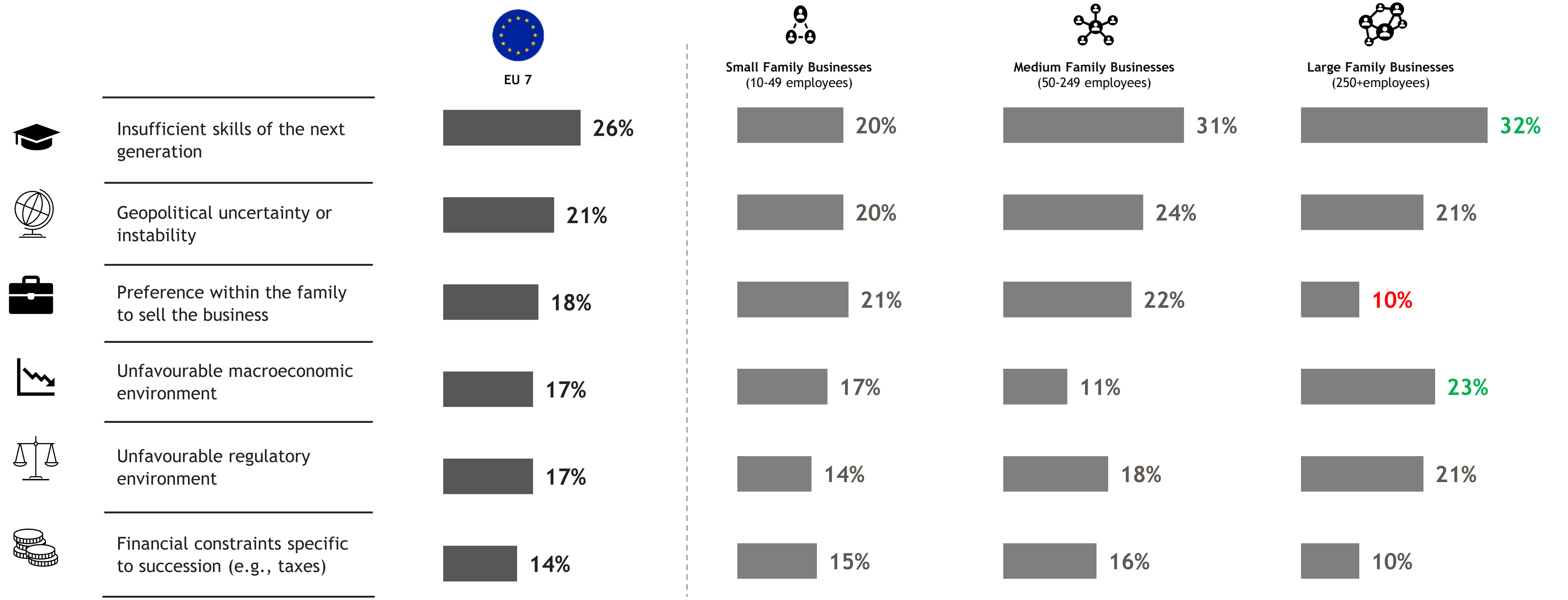
EU 7: the 7 European markets tracked in 2026

/ Significantly higher / lower than 2025 at 95%

S10. To better understand family involvement in your company's governance, please indicate whether the following statements apply to your organisation. Base: Family Businesses 2026 (N = 1,673)/ Family Businesses 2025 (N = 1,992).

Succession planning is becoming more complex as businesses face capability and external challenges

Barriers to family succession among businesses with lower succession likelihood

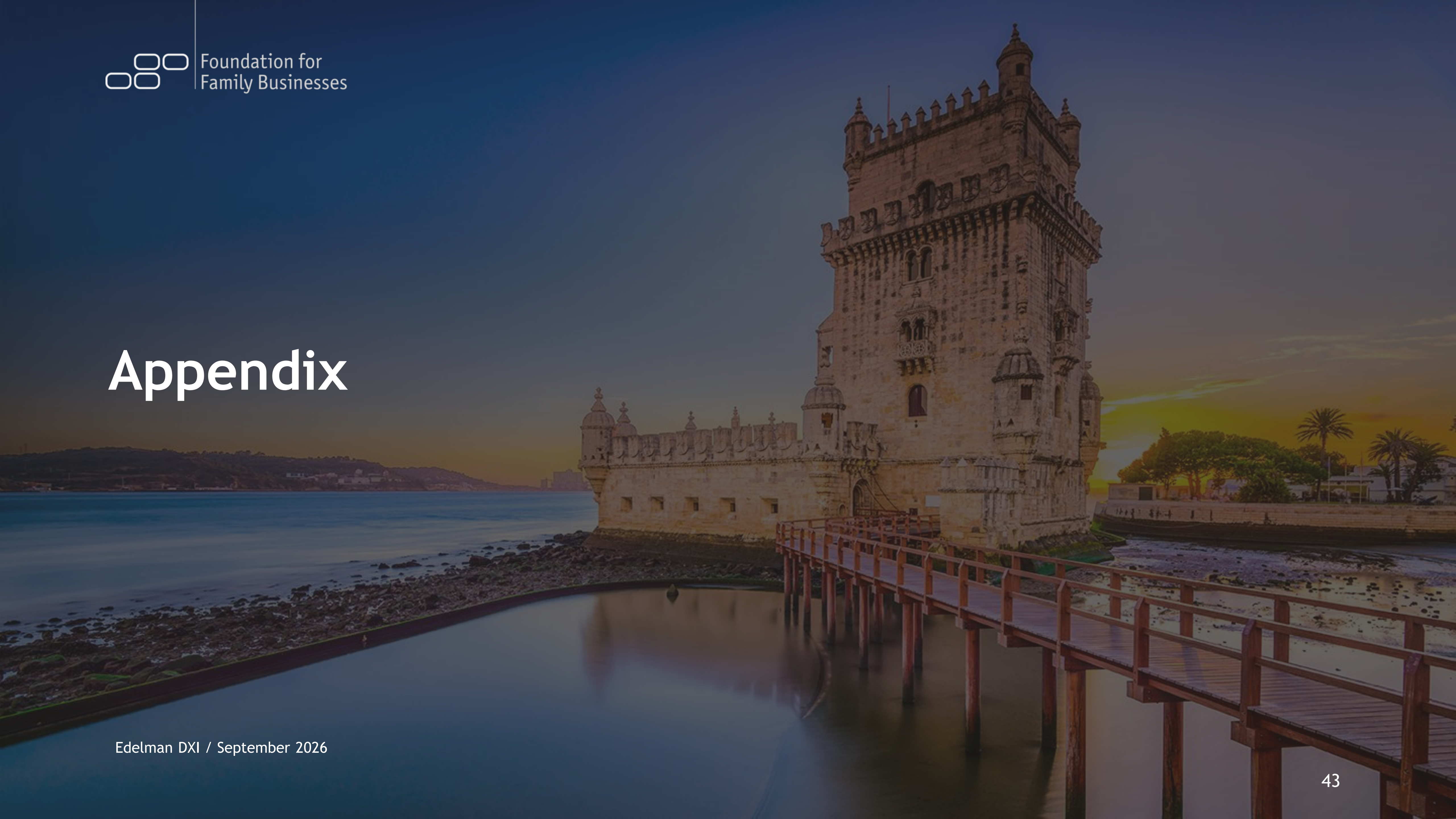


EU 7: the 7 European markets tracked in 2026

/ Significantly higher / lower than 2025 at 95%

Q2A. What are the reasons the next generation may not take over the family business? Please select up to three answers. Base: Low likelihood of taking over family business (N = 286), Small Businesses (N = 153), Medium Businesses (N = 55), Large Businesses (N = 78).

Foundation for
Family Businesses



Appendix

Study Specifications

Methodology

Methodology: We conducted a 10-to-15-minute online survey in markets' local languages.

Audience: Business leaders of companies with 10 or more employees across 7 markets, as outlined below:

- **Consistent with previous wave:** Germany, France, Italy, Spain
- **Newly added markets:** the Netherlands, Poland and Sweden.

Sample Size:

- Total sample, N = 2,101
- N = 300 per market

Hard quotas were placed on Family Businesses per market, whilst soft quotas were placed on business size and industry to ensure good representation

Fieldwork dates: Monday 25th of May - Monday 22nd of June 2026

Logos

Throughout this topline report, we use a series of logos to visually represent a number of different samples.

Please find these outlined below:

EU 7 | Germany | Spain | France | Italy | Netherlands | Poland | Sweden

Business revenue is less than €100m | Business revenue is €100m+ | Small Businesses (10-49 employees) | Medium Businesses (50-249 employees) | Large Businesses (250+ employees) | Family Business | Non-family business

Sig testing keys

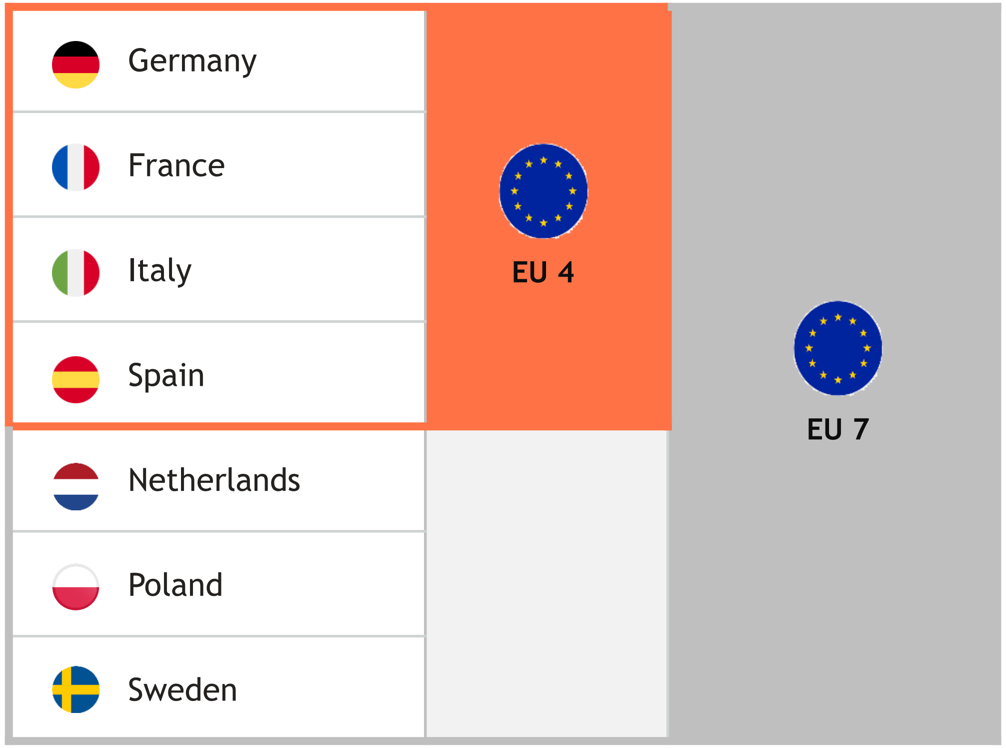
/ Significantly higher / lower than EU / at 95%

Foundation for Family Businesses

Reading Guide

Reporting Scope:

EU 4: Trend comparisons with 2025 are available only for the four markets tracked in both waves (Germany, France, Italy and Spain).
EU 7: Refers to the combined results across all seven markets surveyed in 2026.



Market Order:

For all the data points, markets are presented in a consistent order throughout the report, based on GDP size.

Sample Size Threshold:

Results for base sizes below **30** respondents

Respondents' profile

Gender

35%

65%

Region

Germany	France	Italy	Spain
14%	14%	14%	14%

Netherlands	Poland	Sweden
14%	14%	14%

Seniority

Executive level (General Manager, Executive Vice President, Executive Director, etc.)	58%
Senior executive level (CEO, Owner, Founder, Finance Director, etc.)	42%

Tenure

1 to 3 years	27%
4 to 5 years	27%
More than 5 years	46%

Age

Gen Z	7%
Millennial	58%
Gen X	28%
Boomers & Silent Generation	3%

Company Size

Small Businesses	42%
Medium Businesses	33%
Large Businesses	25%

Company Revenue

< €5M	31%
€5M to €19.9M	33%
€20M to €49.9M	15%
€50M to €99.9M	12%
€100M or more	9%

Employment Status

Employed full-time	84%
Self-Employed or running my own business full-time	16%

Percentages may not total 100% due to rounding and the exclusion of "Don't know" / "Prefer not to say" responses.

Foundation for
Family Businesses

Breakdown of family businesses within the sample

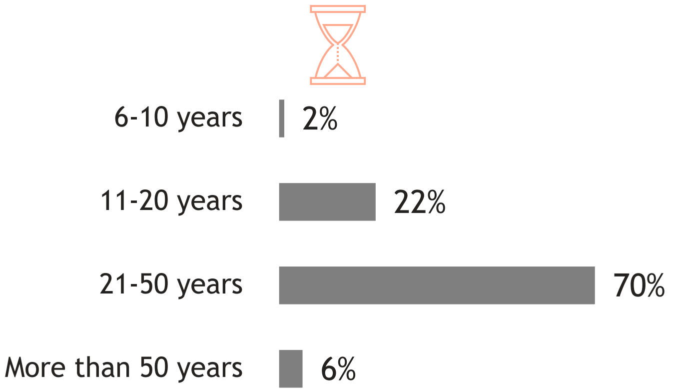
	Sample	Family Businesses	Non-family businesses	Proportion of family businesses
TOTAL EU 7	N=2,101	N=1673	N=419	80%
Germany	N=300	N=255	N=44	85%
France	N=300	N=238	N=61	79%
Italy	N=300	N=246	N=53	82%
Spain	N=300	N=255	N=44	85%
Netherlands	N=300	N=248	N=50	83%
Poland	N=300	N=226	N=73	75%
Sweden	N=301	N=205	N=94	68%

S8: Would you describe your company as a family business? Base: All respondents - 2026 (N = 2,101)

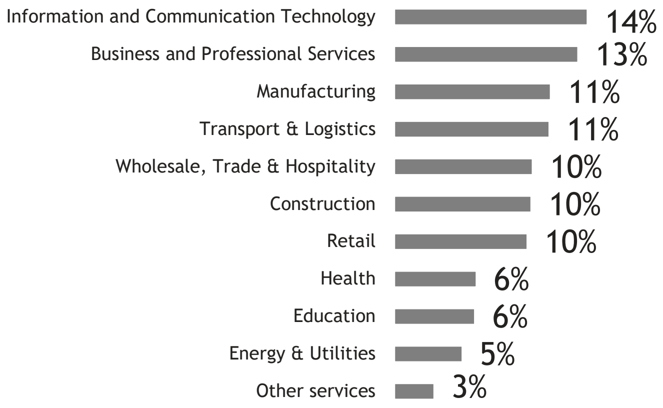
Foundation for Family Businesses

Respondents' profile

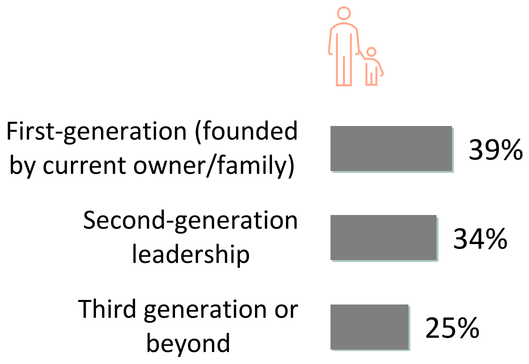
Company Age



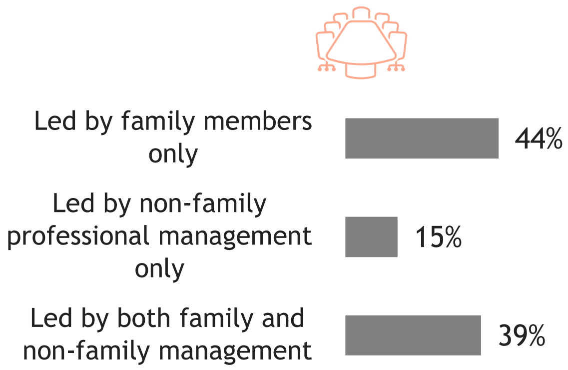
Sector



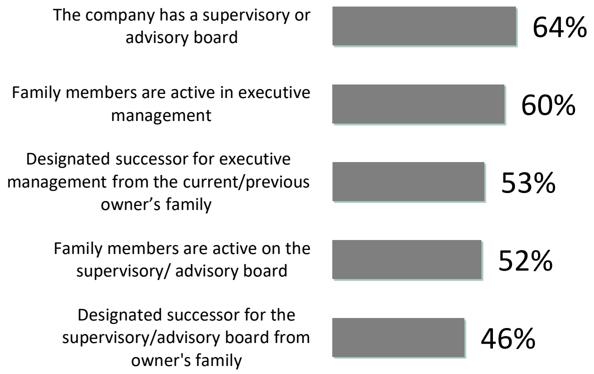
Generational Ownership



Family Business Management



Family Involvement



Export Activity Outside the EU

Percentages may not total 100% due to rounding and the exclusion of "Don't know" / "Prefer not to say" responses.

Publication details

Published by:

Foundation for Family Businesses
Prinzregentenstraße 50
80538 Munich
Germany
Phone: +49 (0) 89 / 12 76 400 02
Email: info@familienunternehmen.de
www.familienunternehmen.de

Prepared by:

Paris Office:
31 Rue de Miromesil
Paris 75008

Maurice Selg, Senior Vice President