



Cornerstone
— COACHING —

Family Enterprise Survey Findings

SURVEY FINDINGS REPORT

Insights from Family Business Owners & Next-Gen Leaders

July 2026

Prepared by Cornerstone Coaching | Confidential — Working Draft for The Torch

About This Survey

This report shares what we learned from a short survey sent to family business owners, next-gen leaders, and trusted advisors — people navigating the real work of building something that outlasts a single generation.

The group skews experienced: nearly two-thirds represent family businesses that are 26 or more years into family ownership, and most are actively in the middle of a generational transition right now, not reflecting on one long past.

The survey asked what issues matter most, what experiences actually shaped them as leaders, and — in their own words — what they wish someone had told them, the most common mistake they've seen, and what has actually made their own transition work.

Every chart, quote, and finding in this report traces back to what these families said, not a theory about what they should say.

Respondent Profiles

Respondents span three generations of family leadership, plus non-family executives working closely alongside these families. Most are in the thick of an active transition.

Where Respondents Sit in the Business

Position	% of Respondents
G2 — child of founder, leading or co-leading	41%
G3 or later	32%
Founder / G1	18%
Non-family executive or advisor	9%

Where the Business Is in Its Generational Journey

Stage	% of Respondents
Actively transitioning G1 → G2	32%
Multiple generations working side by side, unclear timeline	27%
Actively transitioning G2 → G3	23%
Transition already complete	9%
Founder-led, no transition planned yet	5%

Formal Succession or Governance Plan

Status	% of Respondents
Informal / verbal understanding only	45%
Yes, documented and active	32%
No plan yet	14%

What Respondents Said Matters Most

Respondents selected every issue they considered critical for family enterprises today. Ranked by percentage selected:

Issue	% Selected
Defining clear roles for family members in the business	50%
Letting go of control at the right pace	50%
Preparing the next generation before they're needed, not after	46%
Separating family decisions from business decisions	36%
Communicating a shared vision across generations	36%
Building a governance structure (board, family council, etc.)	27%
Protecting the marriage/family unit under business pressure	27%
Building trust between the outgoing and incoming leader	27%
Navigating money and inheritance conversations	18%
Bringing in non-family leadership without losing culture	18%
Handling sibling or cousin dynamics as ownership spreads	14%
Knowing when (and how) to sell or exit	14%

The Generational Gap

The single most useful pattern in this data isn't the overall ranking — it's how differently each generation answered. Founders and next-gen leaders are, in effect, worried about two different problems inside the same transition.

Top Concerns by Generation

Generation	Top Concerns	% Selecting
G1 (Founder)	Governance structure	75%
G1 (Founder)	Letting go of control	75%
G2	Defining clear roles	44%
G2	Preparing the next gen early	44%
G3+	Defining clear roles	57%
G3+	Separating family/business decisions	57%
G3+	Communicating shared vision	57%

Founders are almost entirely focused on the mechanics of the handoff — building structure and releasing control. G2 and G3+ leaders are focused on something more immediate: knowing what's actually expected of them day to day. Almost no one names the other generation's problem as their own.

“As a G2 you have to find your own style/leadership voice... it is never too early to have conversations between G1 & G2 regarding clarity on the future and what is expected of you in the next season.”

— G2 respondent, 26–50 years in family ownership

Formative Experiences

Respondents were asked what actually shaped them as leaders — not what they read, but what they lived.

Experience	% Selected
Outside mentorship or a coach not related to me	41%
Being given real responsibility earlier than I felt ready for	36%
Watching my parents/predecessors navigate a hard season	32%
Working outside the family business before joining	32%
Serving together in church, community, or a shared cause	27%
A season of real conflict within the family	23%
A transition that went well and taught me the pattern	23%
A failure or loss that forced a reset	9%
A transition that went badly (mine or another family's)	5%

The top answer is notable: more respondents point to mentorship from outside the family than to any experience inside it. Watching parents navigate hard seasons ranks third — real, but not the dominant force it's often assumed to be.

Key Findings

These are the conclusions we draw from the full data set, including the open-response answers.

The Generations Are Solving Different Problems

1

Founders overwhelmingly flag governance and letting go of control (75% each). The next generation overwhelmingly flags role clarity and shared vision. Both are right about their own experience — and largely silent on the other's. Naming this gap out loud may be the single most useful thing a family can do before a transition, not during one.

Role Clarity and Letting Go Tie for the Top Concern

2

Both landed at 50%, ahead of every other issue. Read together with the generational gap, this isn't one problem — it's the same transition viewed from opposite ends. The founder's job is releasing; the next-gen's job is understanding what they're releasing into.

Governance Lags Far Behind the Concern About It

3

Building governance structure and letting go of control are top-tier concerns, yet only 32% of respondents have a documented, active succession plan. 45% are running on informal, verbal understanding alone. The concern is real; the infrastructure to address it usually isn't.

“Waiting Too Long” Is the Most Repeated Mistake

4

Asked independently about the most common mistake they've seen, multiple respondents converged — unprompted — on the same idea: families wait too long to hand off, too long to have the hard conversation, too long to make roles explicit. One respondent used the exact phrase “waiting too long to pass the torch.”

5

Mentorship That Shapes Leaders Usually Comes From Outside the Family

41% named outside mentorship or coaching as most formative — more than any in-family experience, including watching parents navigate hard seasons. A trusted voice with no stake in the family dynamic appears to carry real weight.

6

The Best Fixes Share One Thing: They Make the Implicit Explicit

A standing weekly meeting with no required agenda. Naming which “hat” you're wearing — owner, manager, or family member — before a hard conversation. Tying compensation to role and market value rather than last name. Different families, same underlying move: stop assuming alignment and build a structure that forces it into the open.

What Respondents Said in Their Own Words

On Patience

"Patience isn't slowing down or holding back. It's knowing which ideas are worth pushing, and when. In a family business especially, the people around you have earned their read on things, and moving too fast can cost you the trust you need to actually lead."

On Making the Implicit Explicit

"We put dedicated time on the calendar every week for open communication. There is no agenda required, just the space to actually talk... Because it's already on the calendar, the hard conversations don't get put off; there's always a place for them to land."

On Naming the Role You're In

"My Dad and I communicate which role or 'hat' we are wearing in a conversation — owner's hat, manager's hat, father-son hat. This helps us know and prepare ourselves mentally and emotionally for the following conversation. It's kind of like agreeing to the terms of a conversation."

On Compensation and Last Names

"A question that helped guide us was: if a private equity firm acquired the business tomorrow, who would they retain in their role and what would they pay them? ... Today, expectations are clear, and we believe people are being paid fairly based on the responsibilities of their role — not their ownership status or family relationship."

On Waiting

"The handoff will take much longer than anticipated." ... "Waiting too long to pass the torch." ... "Elevating someone not prepared or capable of running the company in the next gen."