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# XIV AUB Observatory

## Diversity in the governance structures: an international comparison

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**The size distribution of family firms in the four European countries analyzed confirms the presence of very few large companies in Italy, but a strong existence of medium-sized companies**

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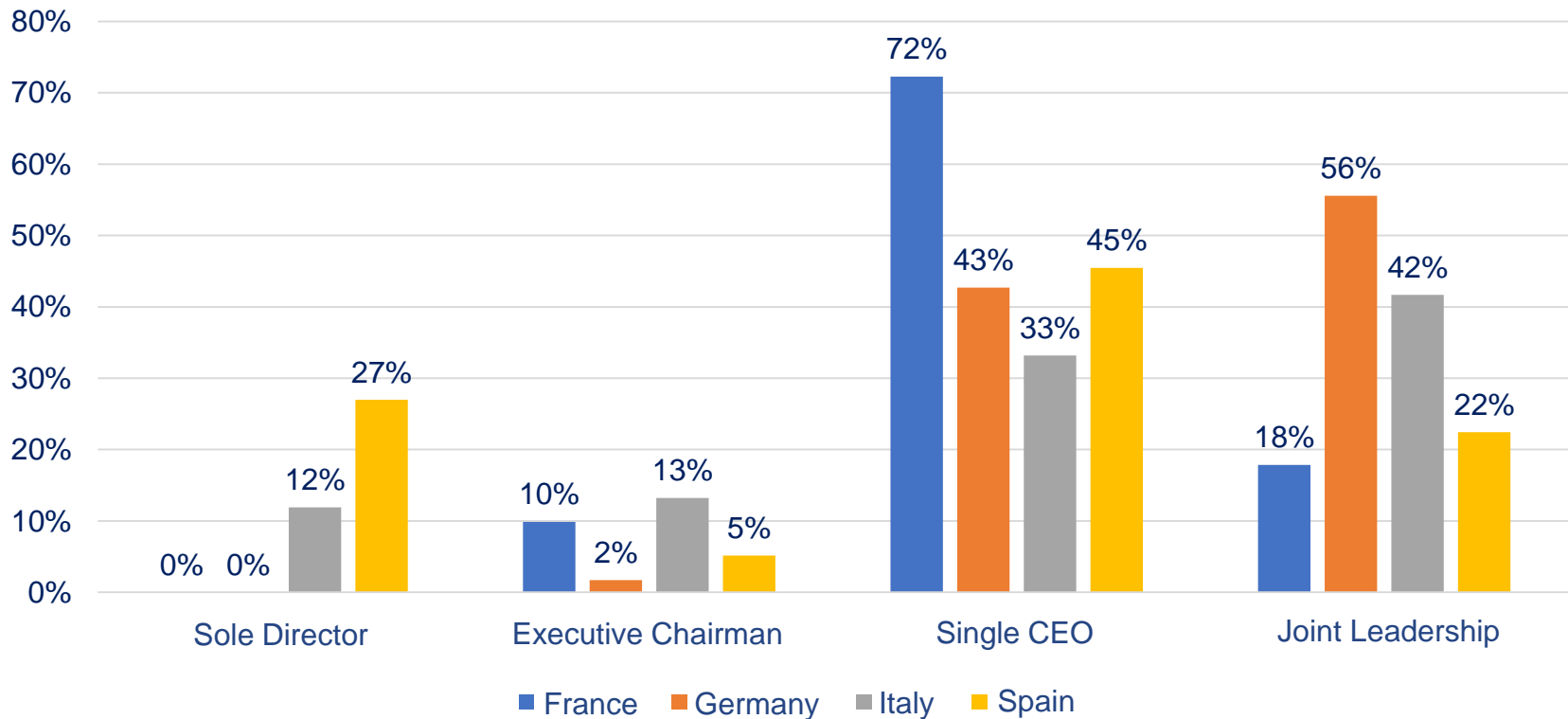
SIZE CLASS	FRANCE		GERMANY		ITALY		SPAIN	
	N	%	N	%	N	%	N	%
> 10 bn Euro	12	1,2%	19	1,9%	4	0,4%	4	0,4%
Between 5 and 10 bn	8	0,8%	18	1,8%	5	0,5%	4	0,4%
Between 2,5 and 5 bn	32	3,2%	42	4,2%	18	1,8%	4	0,4%
Between 1 and 2,5 bn	48	4,8%	134	13,4%	66	6,6%	27	2,7%
Between 0,5 and 1 bn	78	7,8%	281	28,1%	121	12,1%	50	5,0%
Between 250 - 500 mln	176	17,6%	470	47,0%	227	22,7%	145	14,5%
< 250 mln	646	64,6%	36	3,6%	559	55,9%	766	76,6%
Total	1.000*	100,0%	1.000*	100,0%	1.000*	100,0%	1.000*	100,0%

\* The top 1,000 companies by sales revenue in Euro in 2020 in each country (Source: Orbis).

**Before considering diversity in family firms' governance, it is useful to point out the presence of many cases of Sole Director in Spain and, although to a lesser extent, in Italy**

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Leadership models of Executive Board / BoD \*



\* Companies with a Board of Directors were considered for Italy and Spain (excluding cases of Sole Director), and Executive Boards for France and Germany.

**Considering only the top 1,000 family groups by sales revenue in the four countries where there is a Board, the levels of diversity are as follows:**

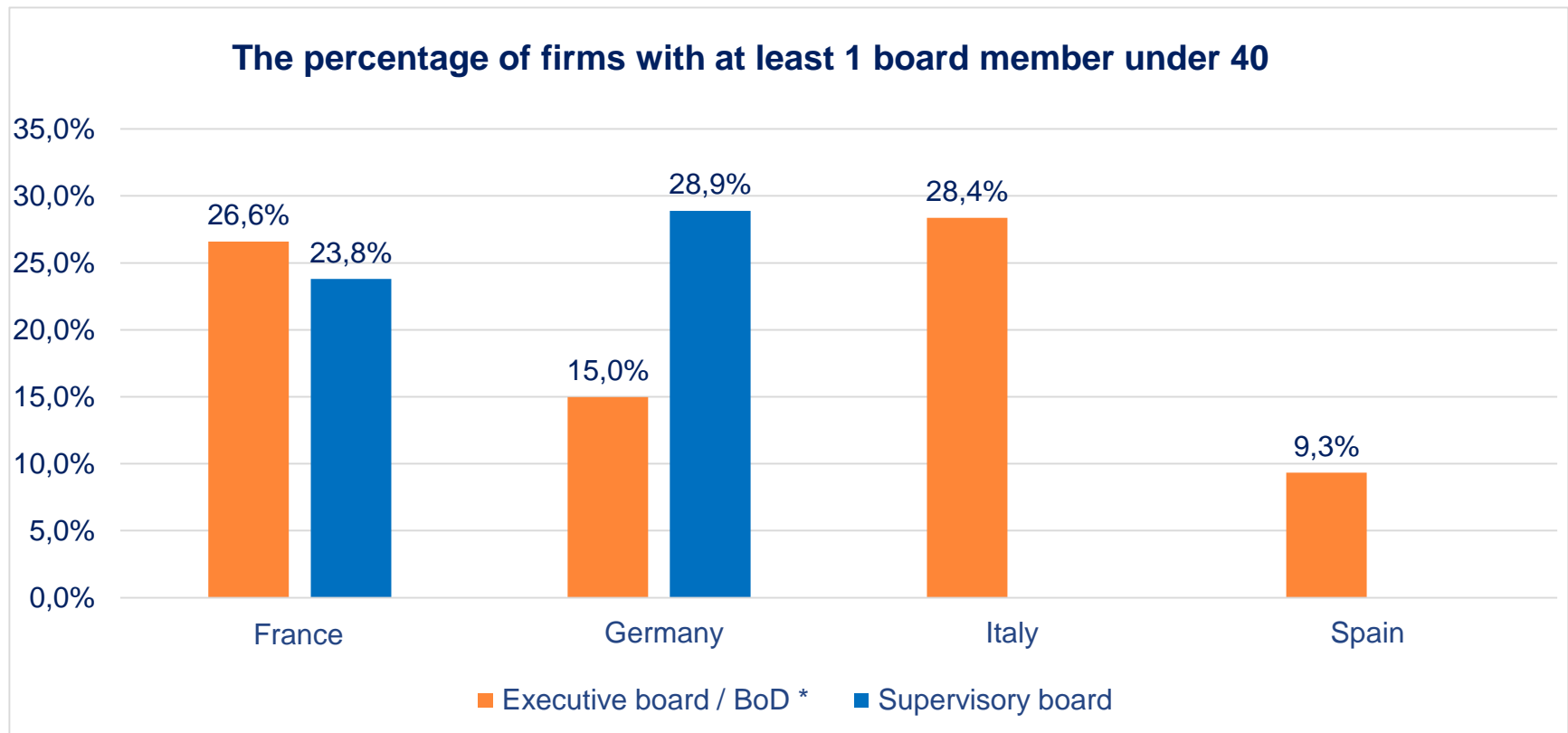
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Diversity indicators	FRANCE	GERMANY	ITALY	SPAIN
At least 1 director under the age of 40	26,6%	15,0%	28,4%	9,3%
More than 33% female board members	40,9%	15,7%	34,9%	36,9%
At least 1 non-family board member	77,6%	78,9%	78,3%	75,5%
No more than 1 director over 75 years	90,1%	99,7%	84,6%	95,4%

**Considering all the top 1,000 family groups by sales revenue in the four countries (including those where the governance is in the hands of a Sole Director), the following levels of diversity are recorded:**

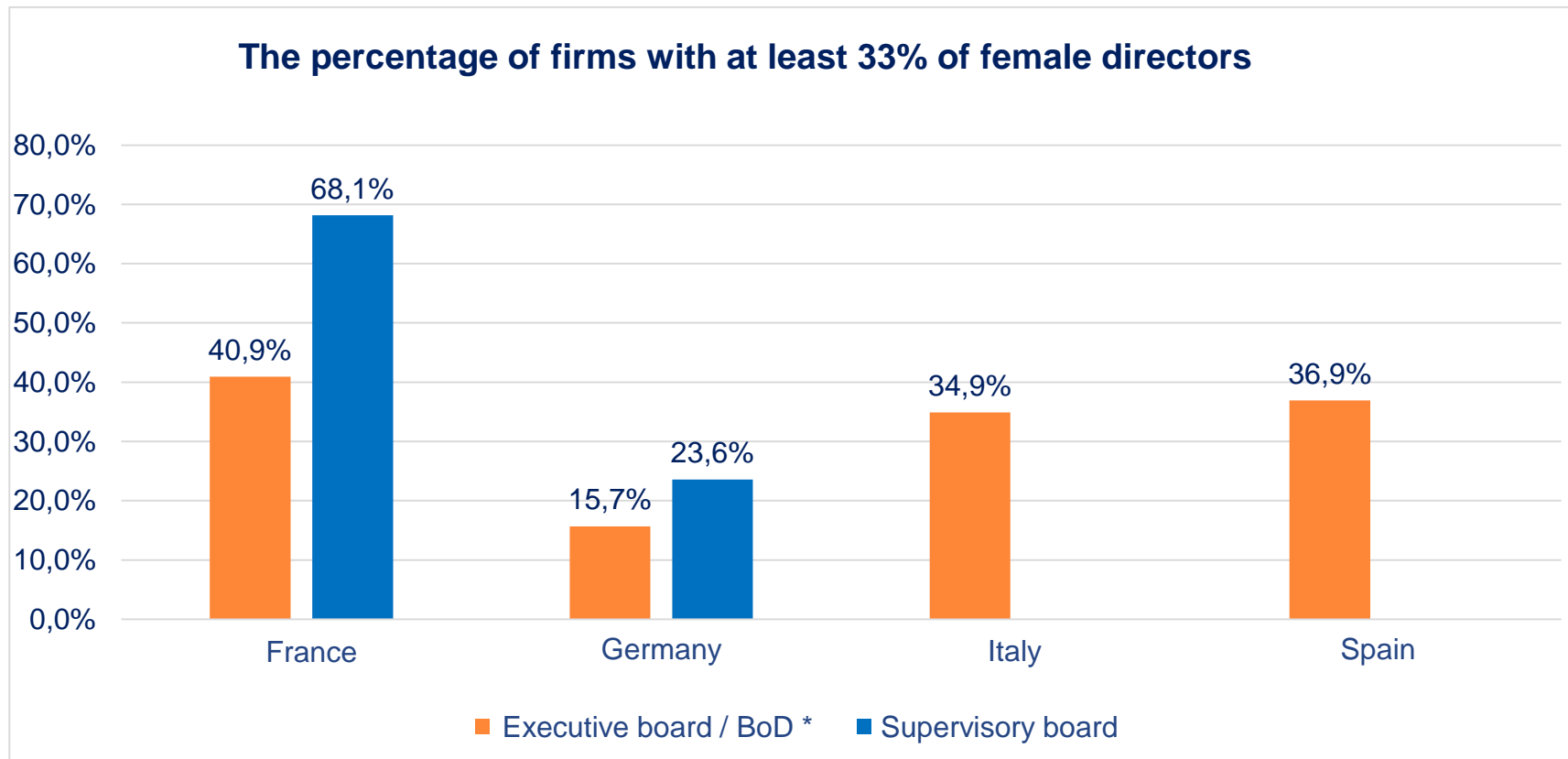
Diversity indicators	FRANCE	GERMANY	ITALY	SPAIN
At least 1 director under the age of 40	26,6%	15,0%	25,0%	6,8%
More than 33% of woman as board members	40,9%	15,7%	30,7%	27,0%
At least 1 non-family component	77,6%	78,9%	69,0%	55,2%
No more than 1 director over 75	90,1%	99,7%	74,6%	69,7%

**Around 1 out of 4 family firms have at least one board member with less than 40 years on Board in Italy, a figure that is among the highest compared with the other European countries analyzed**



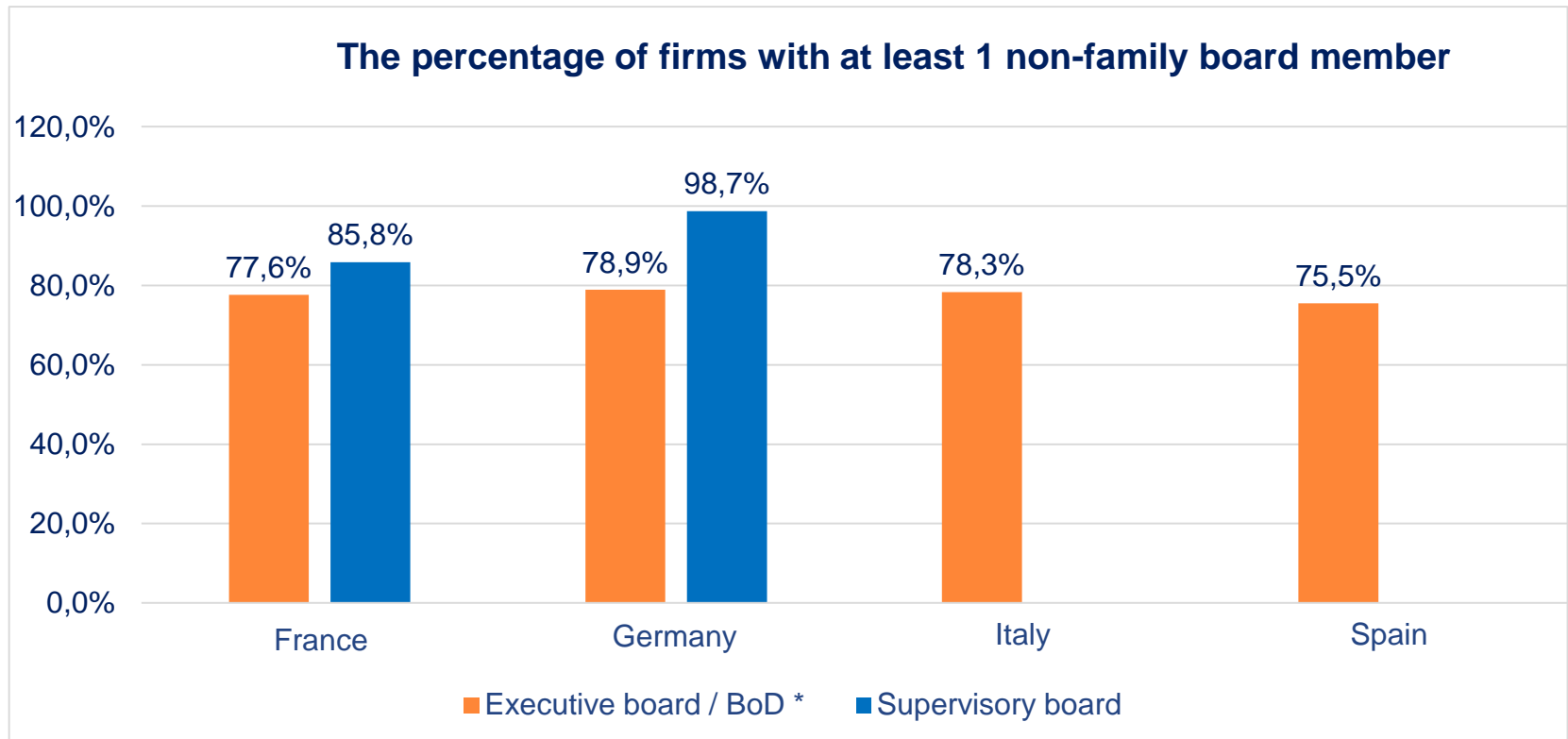
\* Companies with a Board of Directors were considered for Italy and Spain (excluding cases of Sole Director), and Executive Boards for France and Germany.

**About 1/3 of boards in Italy consist of at least 33% female directors, a figure lower than in France, but higher than in Germany**



\* Companies with a Board of Directors were considered for Italy and Spain (excluding cases of Sole Director), and Executive Boards for France and Germany.

**The Boards of Directors of family-owned firms with the presence of **at least one non-family director** are almost 80% in Italy, in line with the other European countries analyzed (when compared to the executive board)**

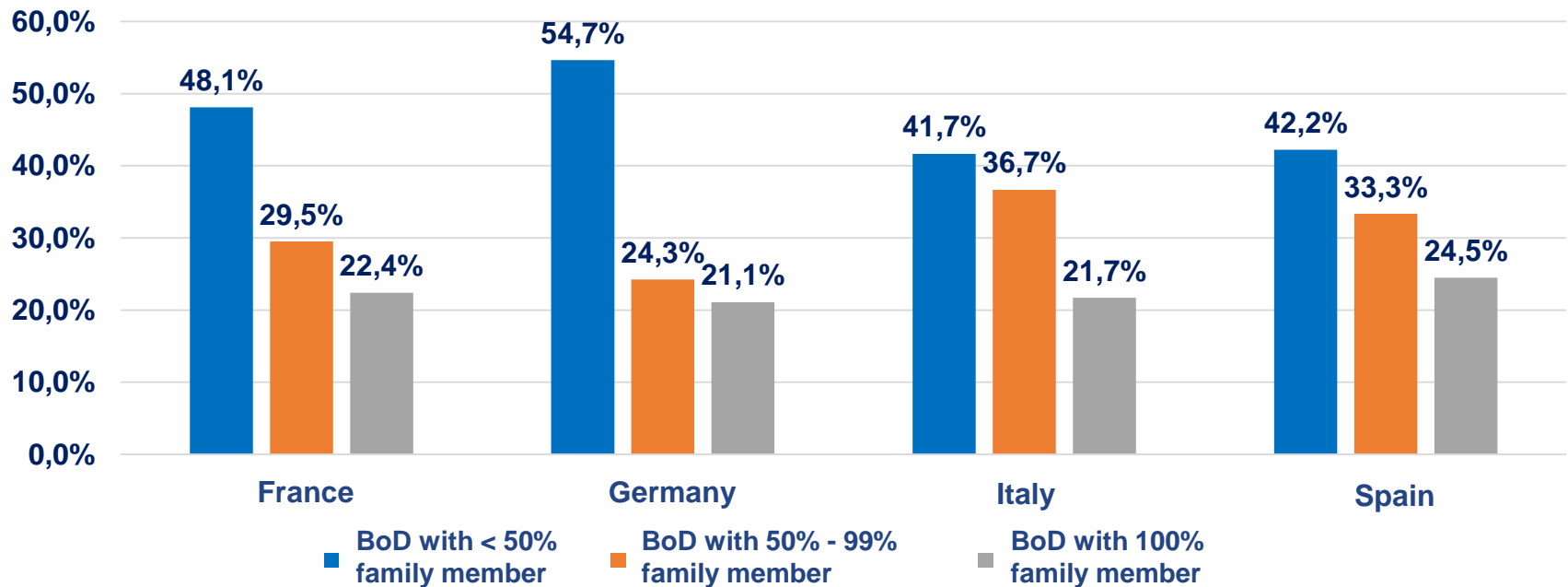


\* Companies with a Board of Directors were considered for Italy and Spain (excluding cases of Sole Director), and Executive Boards for France and Germany.



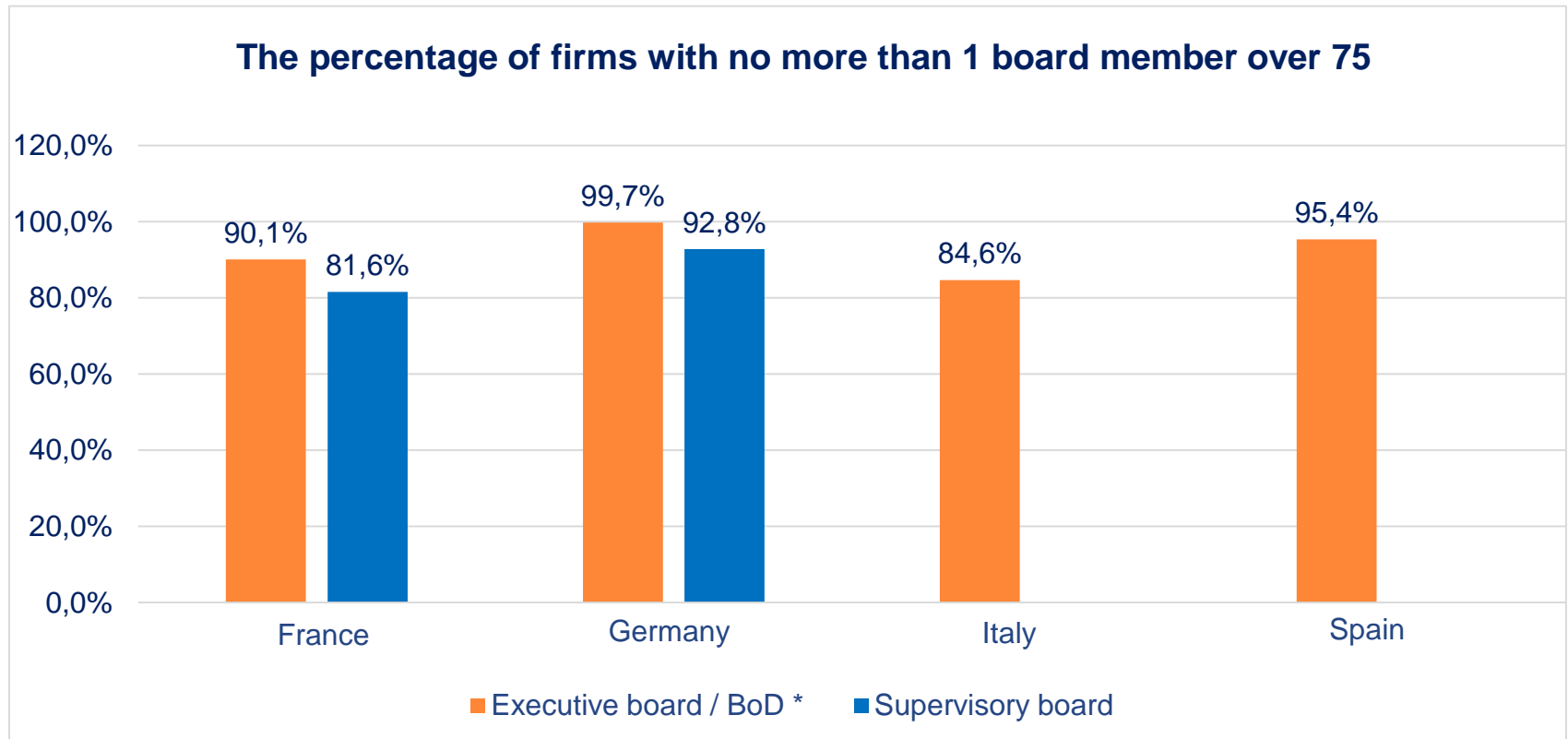
**The Boards of Directors of Italian family-owned firms (compared to executive board) show in a greater number of cases, compared with France and Germany, a board composed mostly of members of the controlling family**

Leadership models of Executive Board / BoD \*



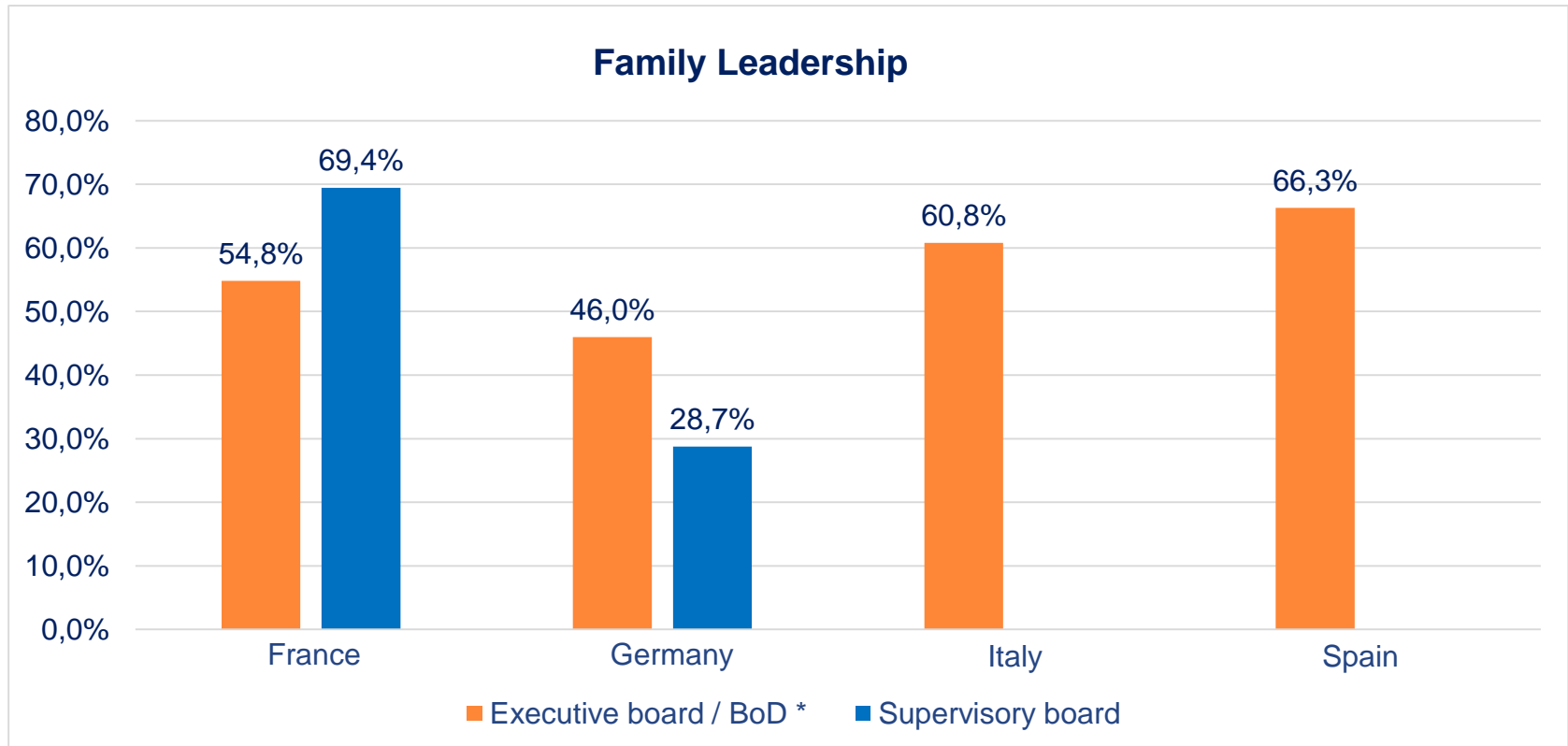
\* Companies with a Board of Directors were considered for Italy and Spain (excluding cases of Sole Director), and Executive Boards for France and Germany.

**Roughly 85% of Italian family firms have no more than 1 board member over 75 years of age on the BoD. This figure reveals a greater presence of cases in Italy with 2 or more board members « over 75 »**



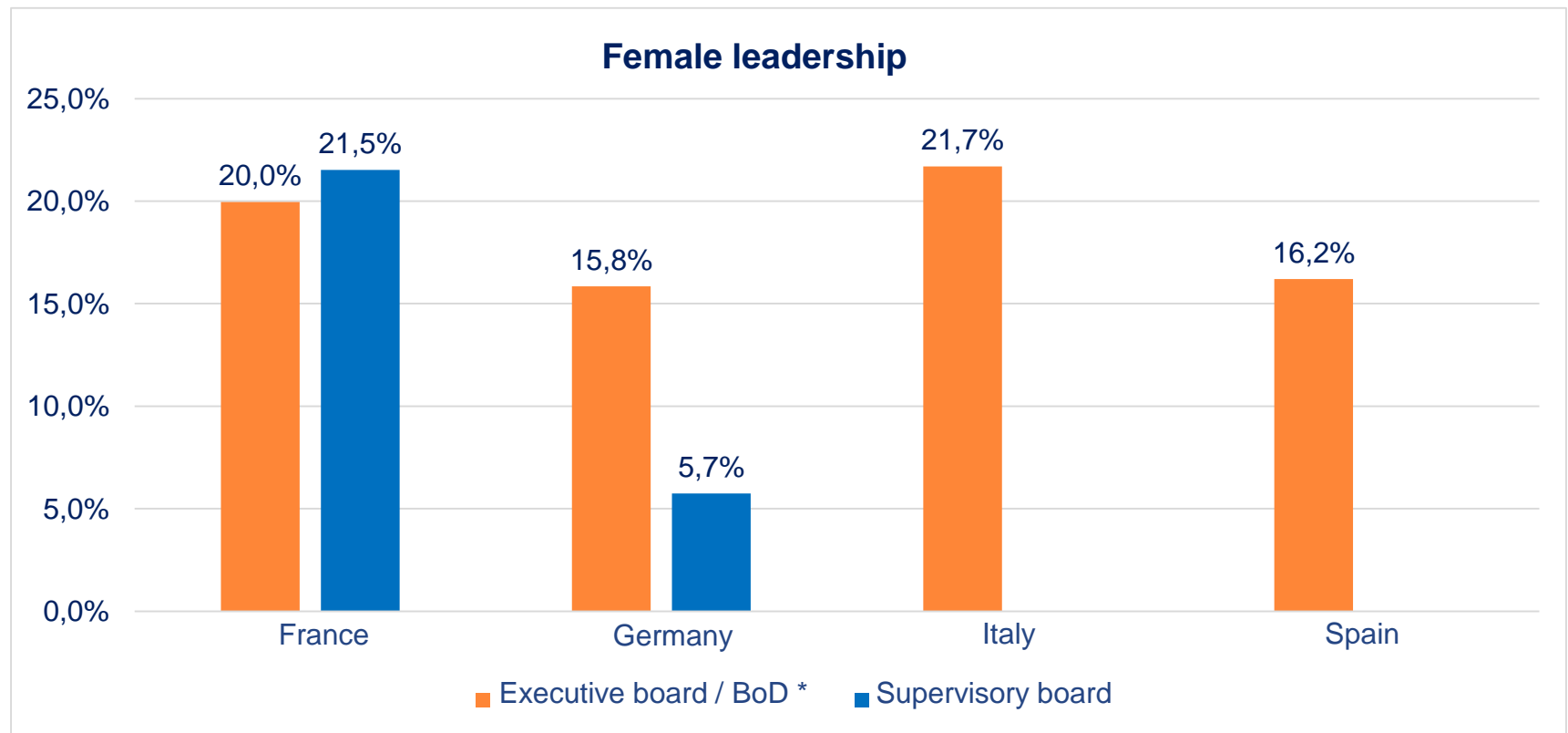
\* Companies with a Board of Directors were considered for Italy and Spain (excluding cases of Sole Director), and Executive Boards for France and Germany.

**About 60% of Italian family firms is led by a (fully) family leadership. This figure is higher than those in France and (especially) Germany (if compared to the Executive Board)**



\* The leader is the CEO, if any, or the Chairman (Source: Orbis). In cases of joint leadership, the leadership was considered as a family one when all CEOs belong to the controlling family.

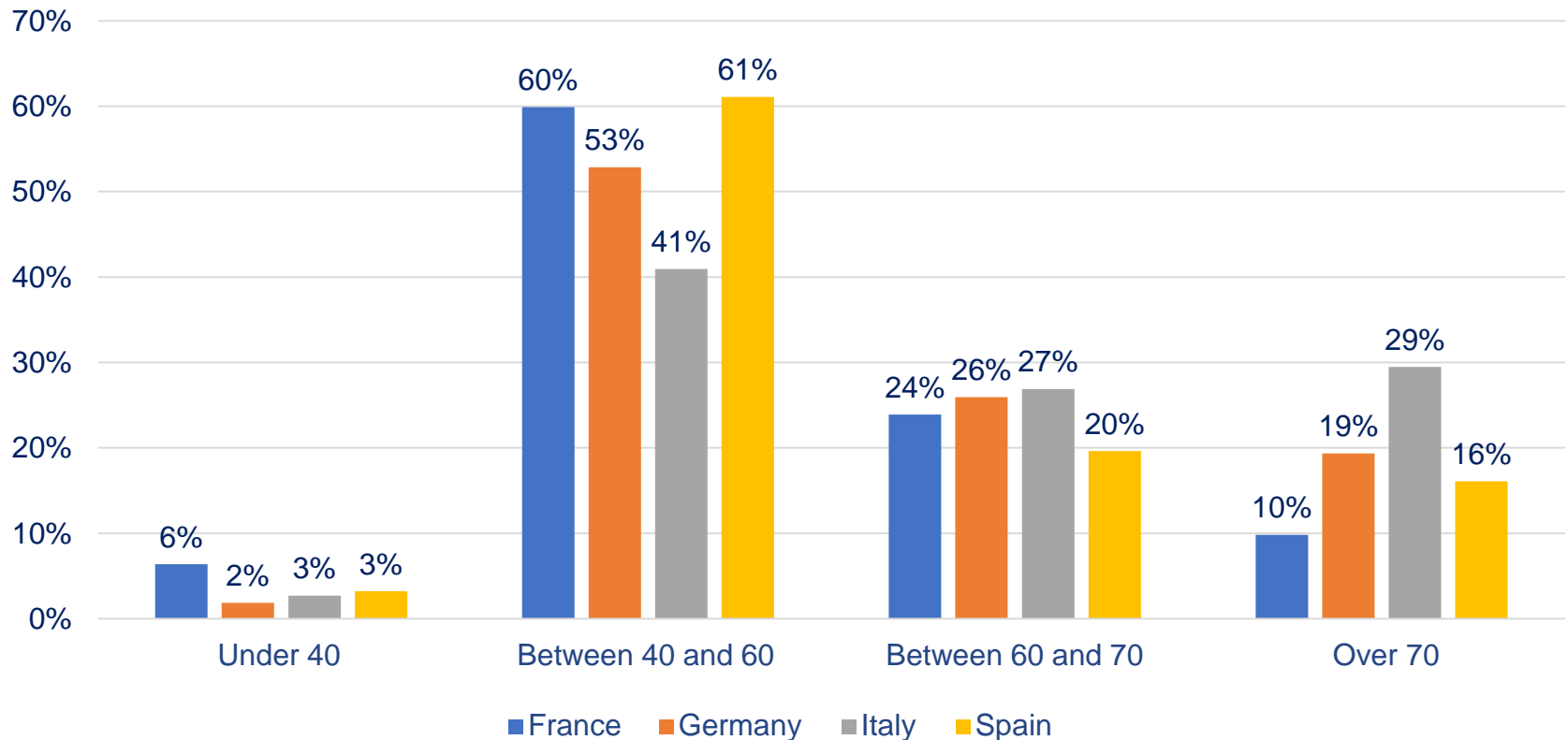
**In Italian family firms, as in the other 3 countries analysed, a very high gender gap in leadership roles is confirmed, particularly in Germany**



\* The leader is the CEO, if any, or the Chairman (Source: Orbis). In cases of joint leadership, the leadership was considered female when at least 1 CEO is a woman.

**Italian family firms have a higher percentage of leaders over 70, but «young» leaders (under 40) are rare in all European countries analyzed \***

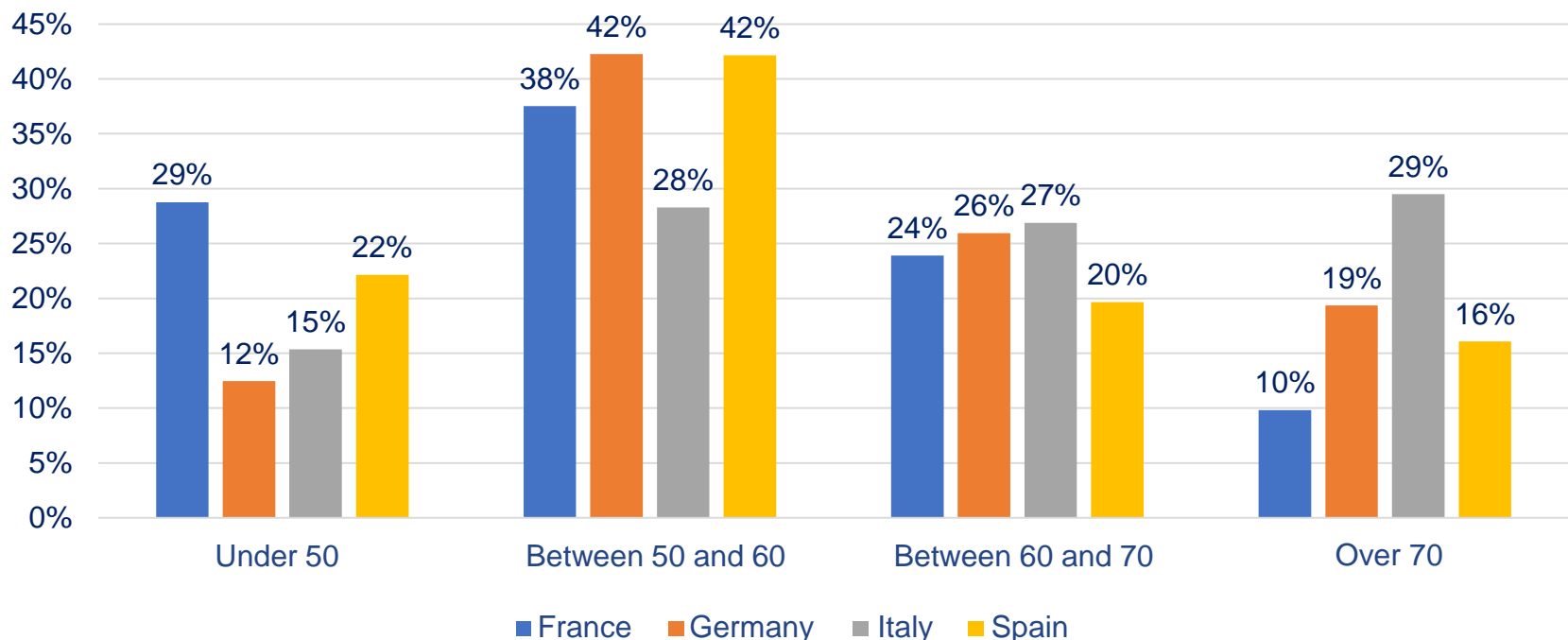
Leader age on the Executive Board / BoD



\* The leader is the CEO, if any, or the Chairman (Source: Orbis). In cases of joint leadership, the most senior CEO of the top management team was considered.

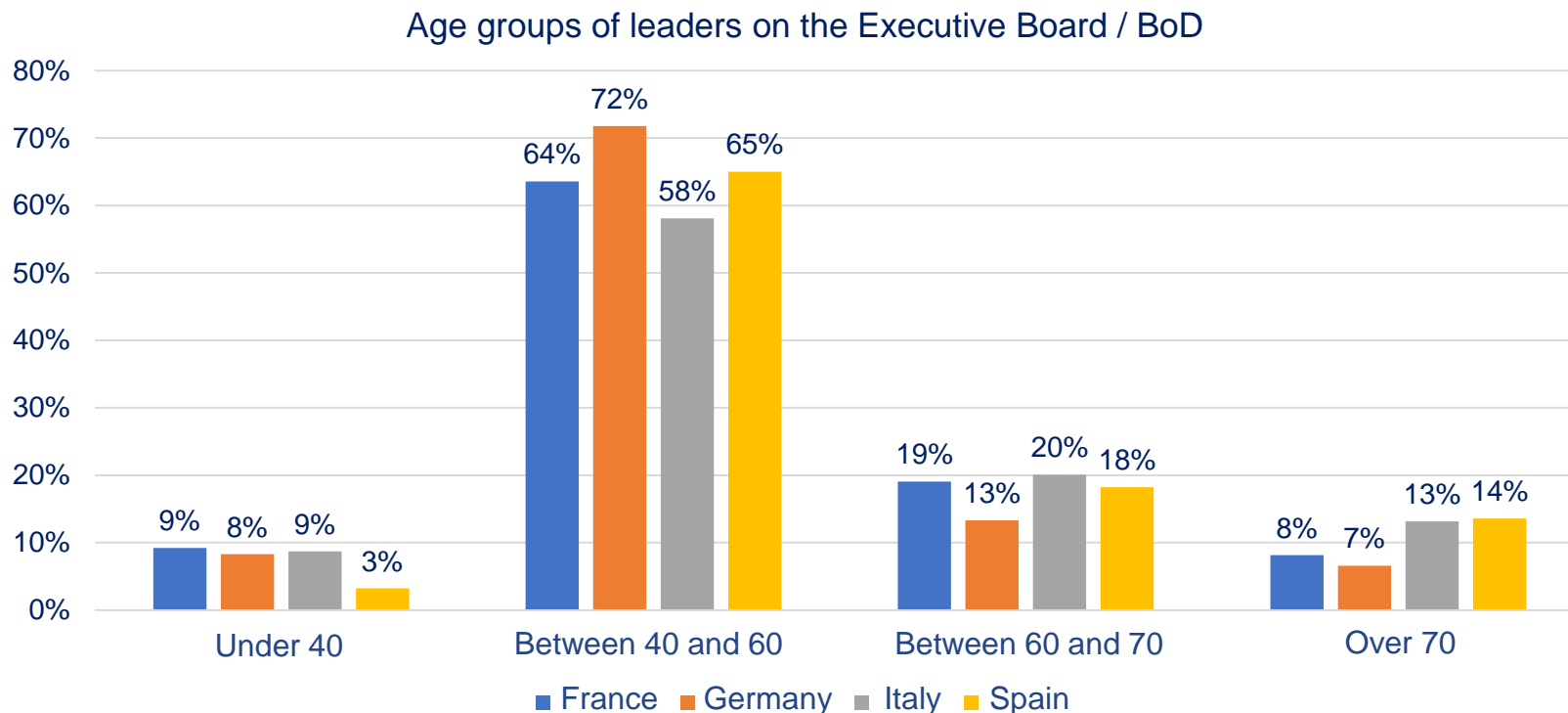
**Italian family firms have a higher percentage of leaders over 70, and even «young» leaders (under 50) - as in Germany - are lower than in France and Spain\***

Leader age on the Executive Board / BoD



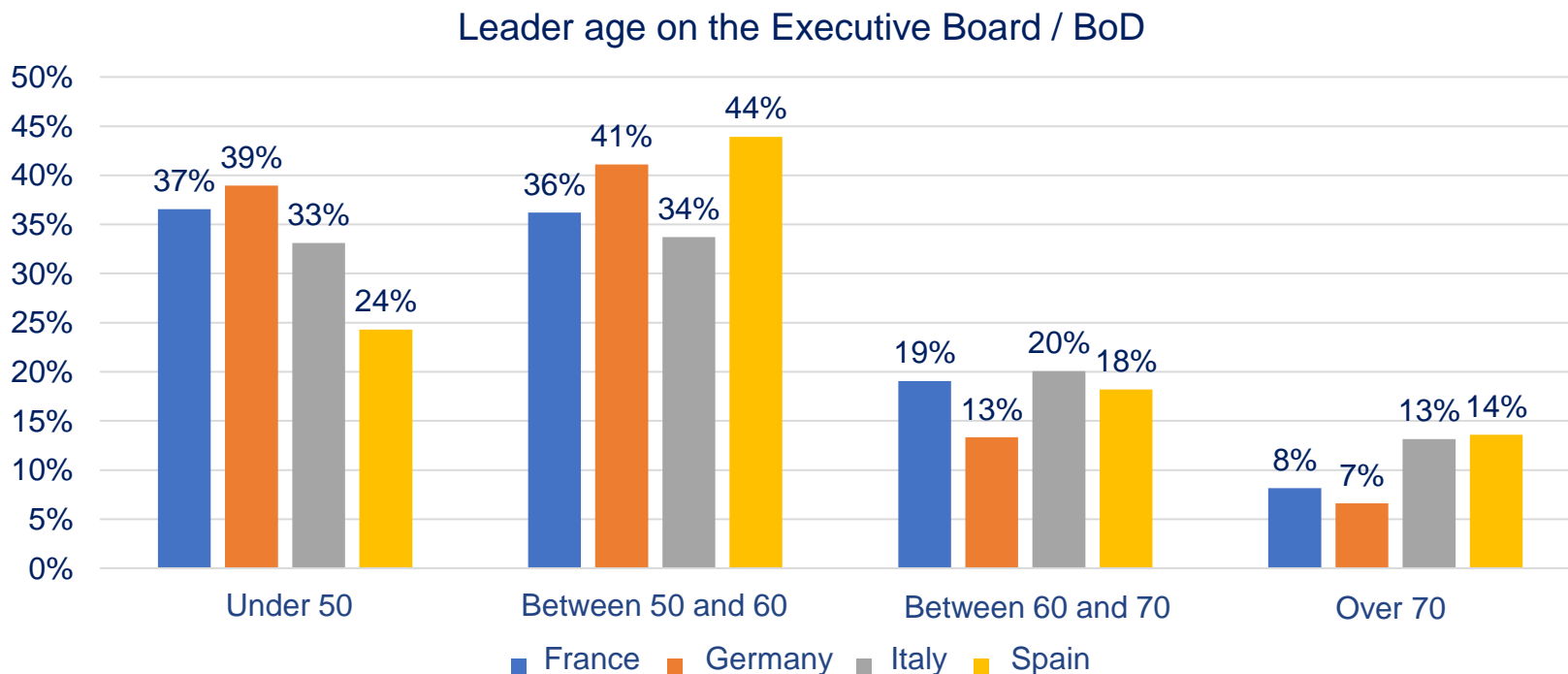
\* The leader is the CEO, if any, or the Chairman (Source: Orbis). In cases of joint leadership, the most senior CEO of the top management team was considered.

Looking at the youngest leader in the top management team, the percentage of leaders over 70 in Italian family firms is not far from that of other countries, but «young» leaders (under 40) remain few in all the European countries analyzed\*.



\* The leader is the CEO, if any, or the Chairman (Source: Orbis). In cases of joint leadership, the youngest CEO of the top management team was considered.

**Considering the youngest leader in the top management team, the percentage of **leaders over 70 in Italian family firms** is not far from the one of other countries, while the percentage of «young» leaders **(under 50) are increasing significantly in Germany, France and Italy\*****



\* The leader is the CEO, if any, or the Chairman (Source: Orbis). In cases of joint leadership, the youngest CEO of the top management team was considered.