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Family-owned companies are an integral part of the Swiss economy. Around 85% of all employers in Switzerland are considered family-run. We have investigated the question of what makes them so attractive as employers and have discussed with candidates about the reasons. We would like to share the outcome with you from the candidate's perspective as well as our personal experience with family-owned companies.

Diverse challenges

Today's corporate world is in a state of constant change and is characterized by reorganizations, takeovers etc. In addition, there are other issues such as digitization and shortage of skilled workers, which companies have to deal with and react or act promptly. In order to effectively counter the latter, every company must have a forward-looking HR strategy. In the coming years, recruiting the best qualified employees with specific expertise will become extremely difficult, demanding and probably one of the biggest challenges on the job market. In these turbulent times, family-owned companies are becoming increasingly attractive from a candidate's point of view, particularly because of the criteria listed below.

Long-term oriented thinking and management

Non-listed family-owned companies in the SME environment generally stand for a long-term corporate strategy, a high equity ratio and a clear value framework. Thanks to high equity ratios, they are less dependent on external lenders and more self-determined in their decision-making, which means they can invest in innovations more quickly even after a crisis. This ensures sustainable growth. Even with a stock market listing, owner-managed family businesses tend to be less strongly quarterly driven than large corporations. In economically turbulent times, continuity and stability become even more important decision-making criteria when choosing a future employer. In most cases, it is the owners who have shaped the company's history over generations and who, with a great deal of passion and commitment, but also the necessary prudence, pragmatically and successfully master the challenging balancing act between tradition and innovation. Such behavior and procedures are highly valued by employees today, as they are closely linked to the consideration of job security.

Sustainability

A topic that is also continuing to gain ground. Family-owned companies think across generations and generally attach importance to sustainable management. A continuous business policy, short decision-making processes and a sensible use of resources are of great importance. On average, a CEO stays for eight to nine years; in the corporate world, the retention period is often only three to four years. The results of continuous business management are expressed, among others, in high product quality and strong customer loyalty, which in turn has a positive effect on business development. When choosing an employer, a solid foundation is highly valued by many employees. What a company does in terms of sustainability has also become much more important compared to 10 years ago. The willingness to make an active contribution has increased massively among employees.

Appreciation for employees

According to numerous responses from candidates, appreciation in everyday work is unfortunately expressed far too rarely. Feedback is very much appreciated when expressed in a constructive way. This is evidence of interest and this is what the employees want to feel. Regular feedback is the only way to develop further. In this respect, family-owned companies do better, which is also reflected in the longer time employees stay with the company. It is not uncommon for family businesses to celebrate 20 years of service, with employees being honored accordingly. In the mission statement of family-owned companies, appreciation and feedback are usually the top priority. Appreciation should be expressed in many ways and is not limited to purely monetary aspects.

Carefully executed recruitment processes

In our cooperation with family-owned companies, we find that recruitment processes are carried out very carefully, which is also regularly confirmed by applicants. Before a vacancy is filled, whether it is a newly created position or a position to be filled again, they first check whether there is a valid internal successor. If this possibility is not considered, together we will work out in detail which requirements the desired candidate should meet. Then, we can start the search for suitable candidates with a comprehensive picture of the challenges of the position and the desired personality. In the course of the candidate presentation, we repeatedly find that the interview partners on the company side always appear well prepared for the interviews, give the candidate their full attention and take sufficient time for the interviews.

What should actually be normal is, much to our regret, not always the case. In this respect, we have already experienced a lot: from writing SMS messages to concentrated work on the laptop or a pit stop. The following should apply to every employer and not only to the applicants: you never get a second chance to make a first impression.

Rapid response times

While recruiting processes at large companies can sometimes take months, family-owned companies are usually quicker to reach the agreed milestones and react promptly. The momentum that is sometimes so important when filling vacancies is thus maintained through the recruiting process. Rapid progress also leaves potential candidates with a positive perception of the company in terms of efficient processes and transparent communication.

Cooperation based on partnership

What makes working with family-owned companies even more enjoyable for us is the fact that they usually cultivate a very cooperative relationship. Once trust has been gained, owner-managed companies are very loyal. With each new search, we learn more about the company and its culture and can thus also contribute to a sustainable staffing strategy.

Risks and outlook

Despite all the strengths and advantages of family-owned companies, their special risks should not remain unmentioned, such as conflicts among the owners. Sometimes private family matters also affect company affairs. Unresolved company successions or generational changes may also occur. Nevertheless, family-owned companies are very popular when looking for a job these days - and the trend is rising. We can understand this development very well, based on our own experience.

Author



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Sabine Byland works as a Senior Consultant for EMA Partners Switzerland AG. In addition to her consulting and project management activities, she assumes leadership responsibility and has years of experience in recruiting executives and specialists. Sabine studied business administration and completed training as a coach.



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