

# Expert Warns: America's Family Businesses Face a Generational Cliff

*A survey of 2,000 adult children shows 51% won't continue their parents' family businesses, warning experts of a looming generational cliff.*

SIOUX FALLS, SD, UNITED STATES, December 5, 2025 /EINPresswire.com/ -- For more than a century, family businesses have powered America's Main Streets – from New Jersey diners to Nebraska feed stores. But a new study by [MarketBeat.com](https://MarketBeat.com), a financial media company, warns that this legacy may be reaching a breaking point.

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*Matt Paulson, founder of  
MarketBeat.com.*

According to the survey of 2,000 adult children of family business owners, over half (51%) say they do not plan to continue their parents' enterprise.

The findings point to what experts are calling a “silent succession crisis,” as family-run firms struggle to survive beyond their founding generation. The data reveal striking state-by-state divides.

At one end of the spectrum, New Hampshire (86%), North Carolina (76%), and Massachusetts (74%) record some of the highest rates of next-gen withdrawal – suggesting that even in prosperous or professional states, the appetite for inheriting the family firm is fading fast.

In contrast, loyalty still runs deep in parts of the heartland. Nebraska (20%), Idaho (30%), and Iowa (40%) showed far fewer young adults turning away – a reminder that in some corners of the country, a family name on the sign still means something.

## Why Successions Are Stalling

When asked why they were walking away, respondents cited a mix of modern pressures and long-standing family tensions:

- Different career interests – 40%
- Financial instability or risk – 16%
- Desire for better work-life balance – 14%

- Conflicts within the family – 16%
- Preference for remote or flexible work – 14%

The barriers don't end there. Among current owners and heirs alike:

- 42% blamed a lack of interest from the next generation.
- 18% said the current owner was reluctant to step aside.
- 16% pointed to poor financial planning.
- 16% mentioned communication breakdowns.
- 8% cited tax or legal complexities.

## Emotional Fallout

Even when families decide to sell, the sense of loss runs deep. A majority (58%) said they would feel sad, describing it as the end of a family legacy. Others saw opportunity in closure: 22% said they'd feel motivated to start something new, while 10% felt largely neutral.

Another 10% admitted they would feel relieved to move on, proof that, for many, letting go of the family business brings both grief and a strange kind of freedom.

When asked whether they would rather inherit the business or an equal value in cash, the country split down the middle: 50% chose the business, 38% the cash, and 12% weren't sure.

Perhaps most concerning of all, 48% said their parents never talk to them about taking over – a silence that could prove fatal for many firms.

"We are standing on the edge of a generational cliff," says Matt Paulson, founder of [MarketBeat.com](https://www.marketbeat.com). "For decades, family firms were built on sacrifice, trust, and continuity. But today, lifestyle shifts, financial pressure, and communication gaps are making it harder to sustain that legacy. Unless owners start succession planning early – and talking honestly with their children – we will see thousands of once-thriving family businesses quietly disappear over the next decade."

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