

Preview

SUCCESSION MONITOR

SUCCESSION: TRANSPARENCY FOR GERMAN SMES

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Creditreform Rating



KCE Kompetenzzentrum
für Entrepreneurship & Mittelstand
der FOM Hochschule für Oekonomie & Management

THE STARTING POINT

Germany is facing a wave of need for corporate succession

Of about 3.6 million companies, about 99% are SMEs

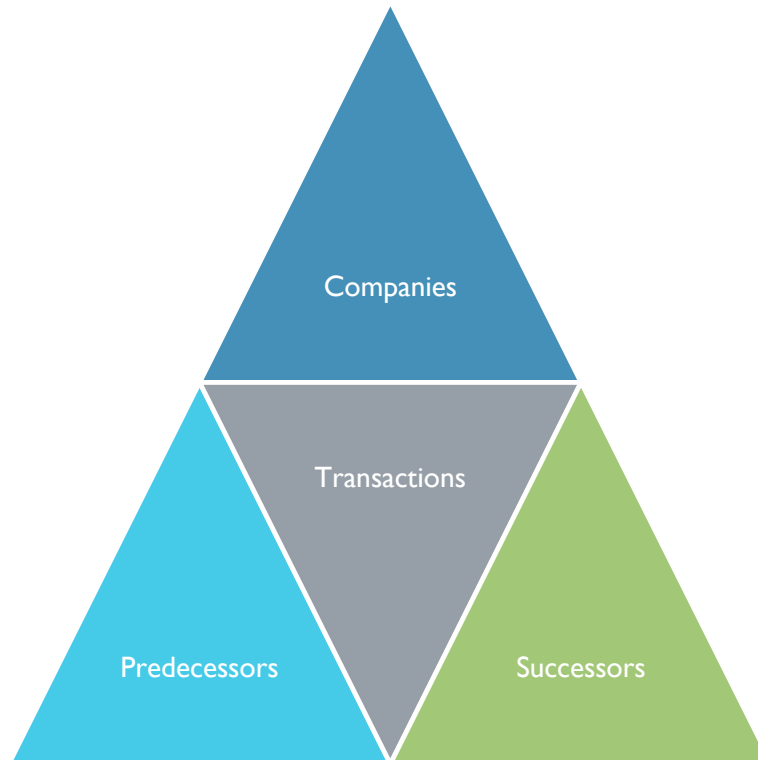
Because of missing official statistics so far no reliable numbers to company successions available

Estimates vary between 19 and 102 thousand company successions per year*

The succession monitor helps to close this knowledge gap.

* Kay, R.; Suprinovic, O.; Schlömer-Laufen, N.; Rauch, A. (2018), p. III.

THE EXAMINATION OBJECTS

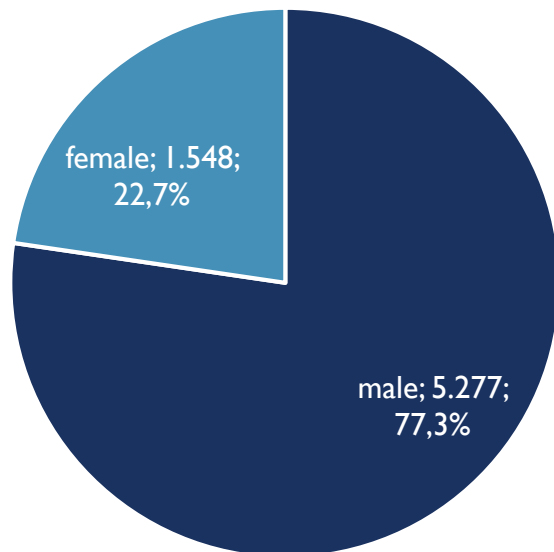


- The successor monitor includes 4 objects in the investigation, which are examined by **region** (state / county) and **industry** (section, department):
 - Persons (**Predecessors** und **Successors**):
Age, Gender
 - **Companies**:
Employees, Development, Financials
 - **Transactions**:
Form, Components, Multiples

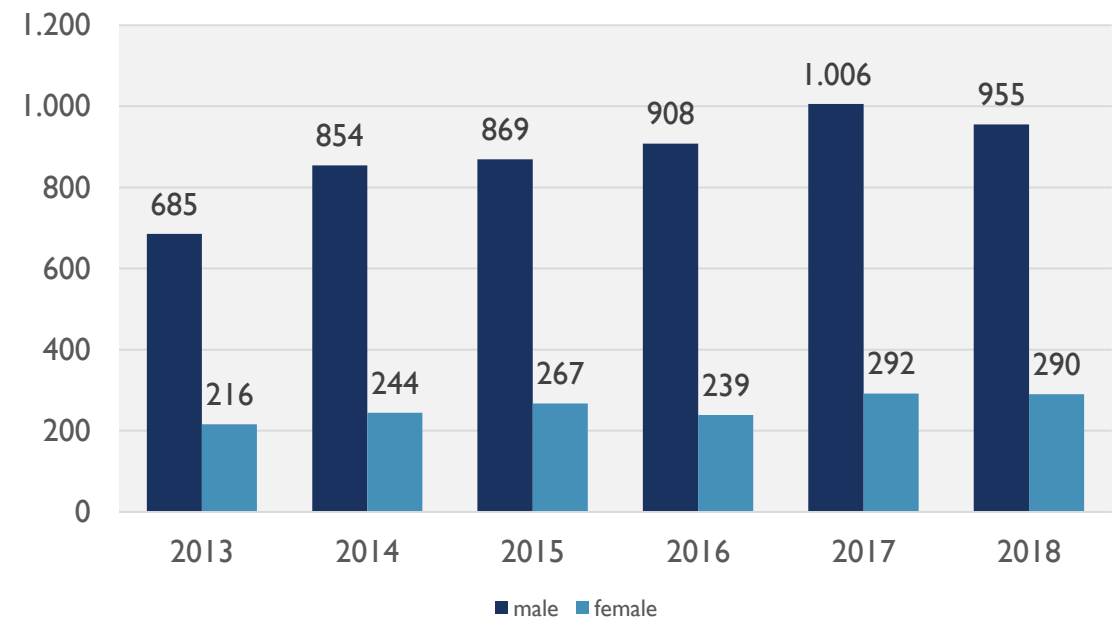
GENDER DISTRIBUTION AND DEVELOPMENT

Successors

Successors 2013 - 2018 by gender

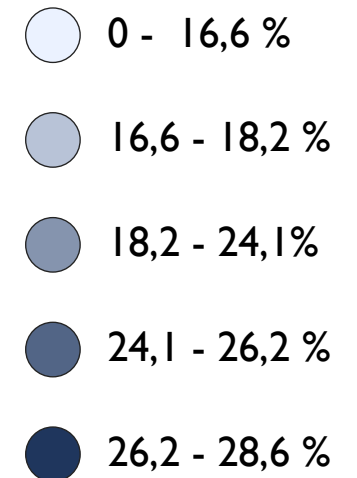
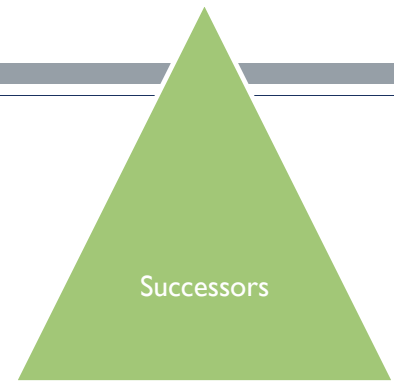
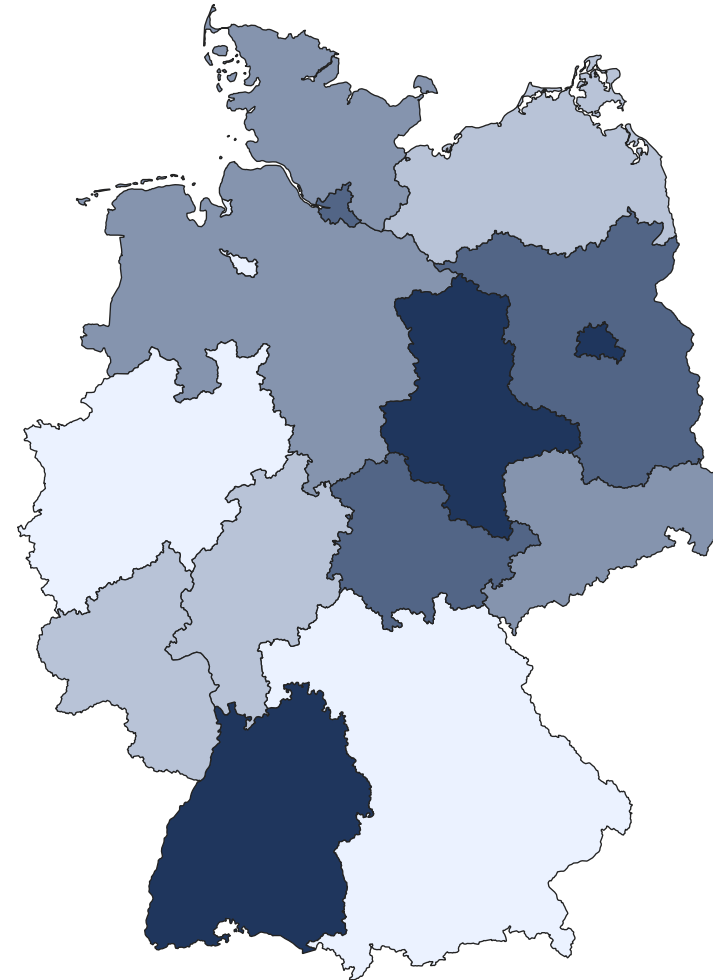


Number of Successors with guarantee institution support 2013 - 2018



PROPORTION OF FEMALE SUCCESSORS

- The proportion of female successors is very different in the federal states.
- Their share is below the proportion of women in management positions and well below the share of the working population.

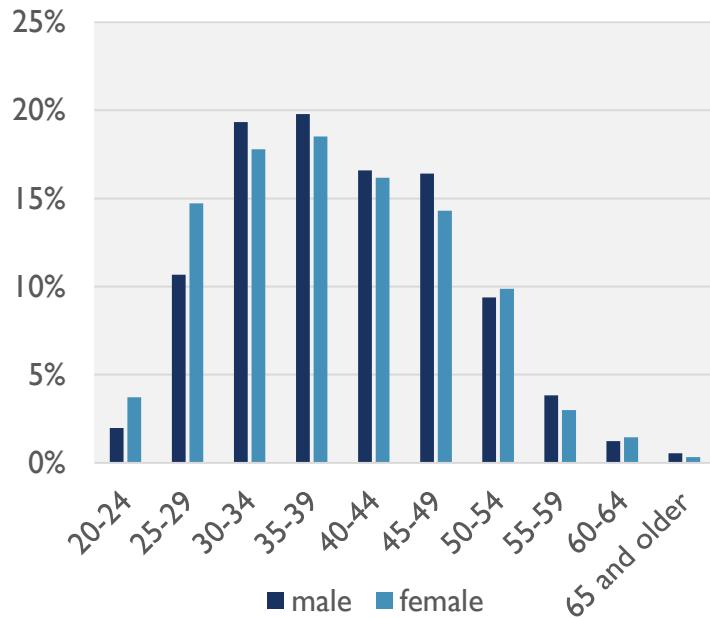


AGE OF SUCCESSORS

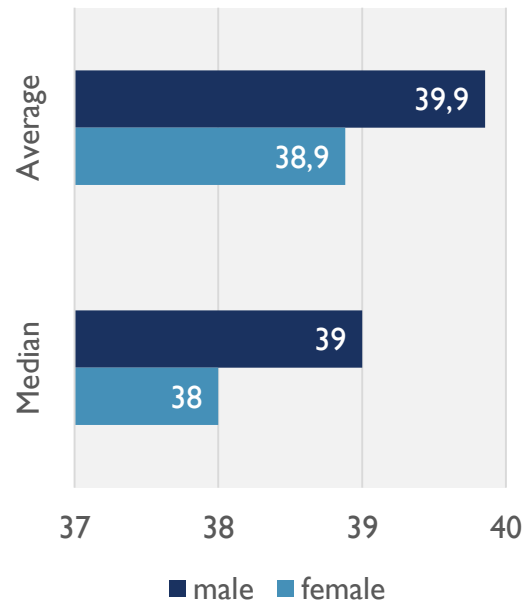
Average
39,6
Median
39,0

Successors

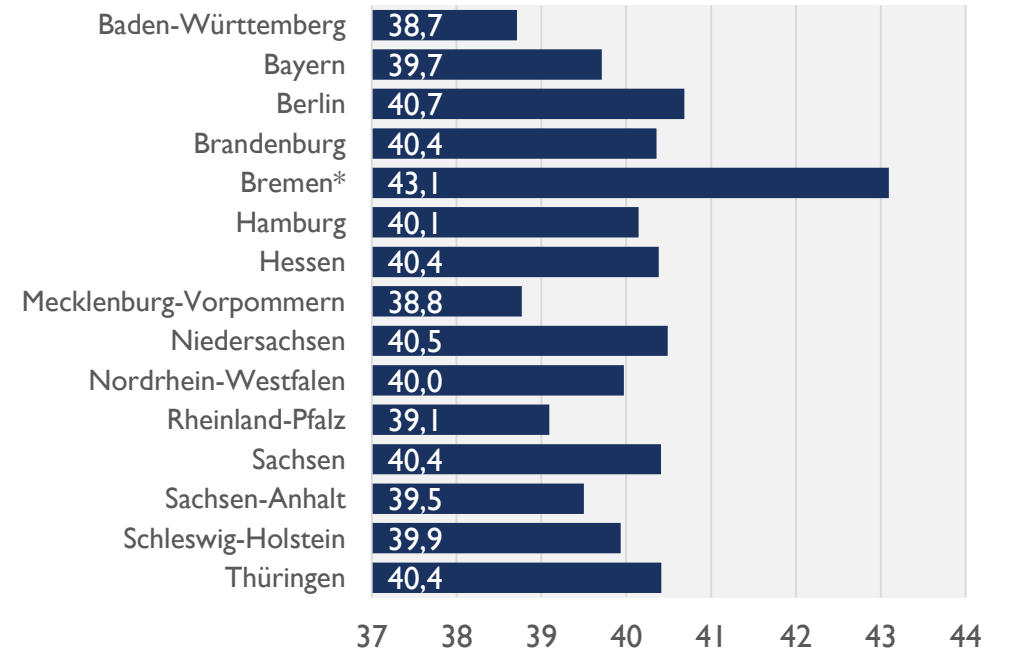
Proportion of successors by age group



Age of successors: average and median

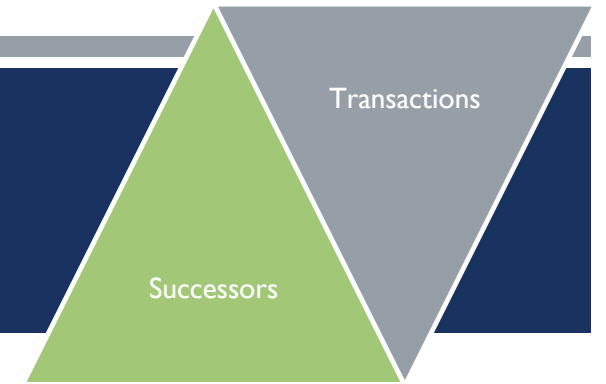


Average age of successors by state

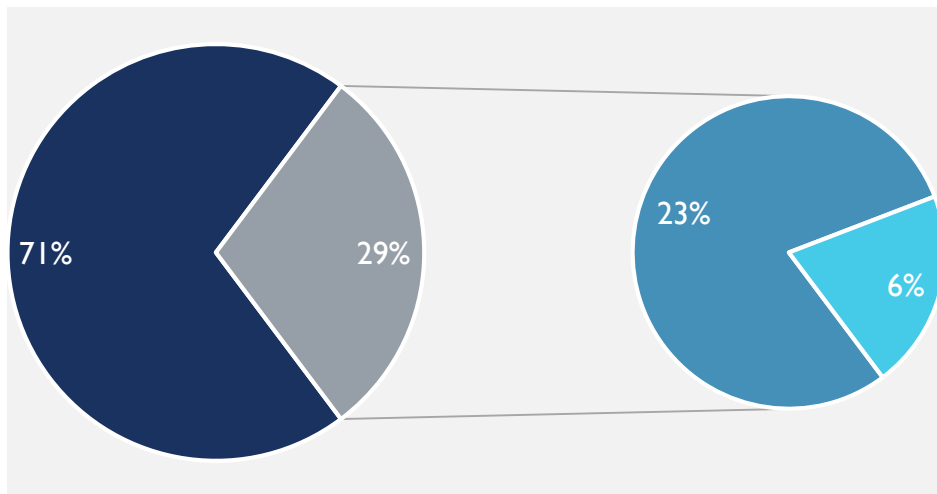


* Bremen: Limited informative value due to a relatively small number of cases

TRANSACTIONS

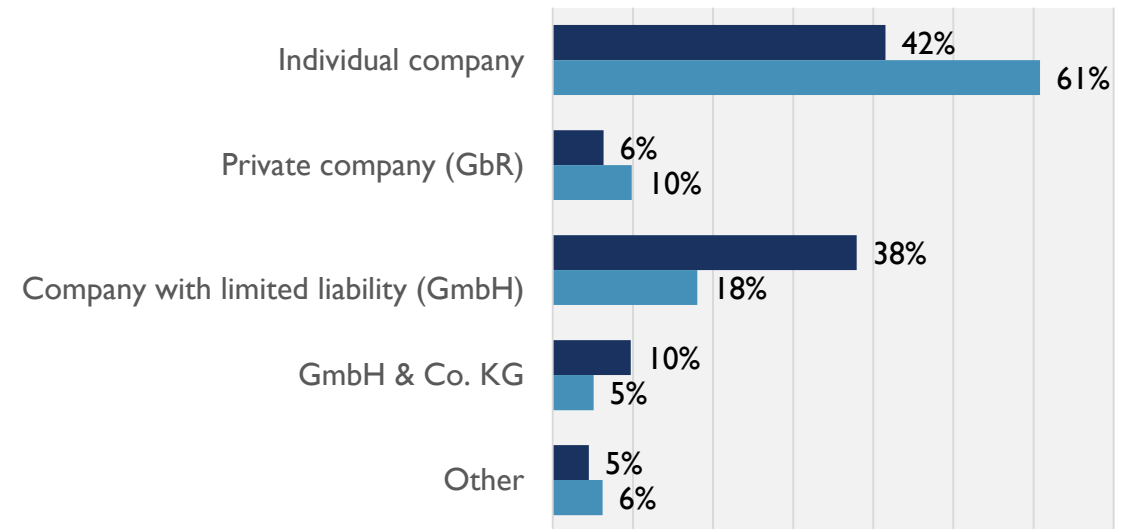


County and federal transitions*



■ Same County ■ Same State ■ Different States

Legal forms of the transferred companies by gender of the successor



■ male ■ female

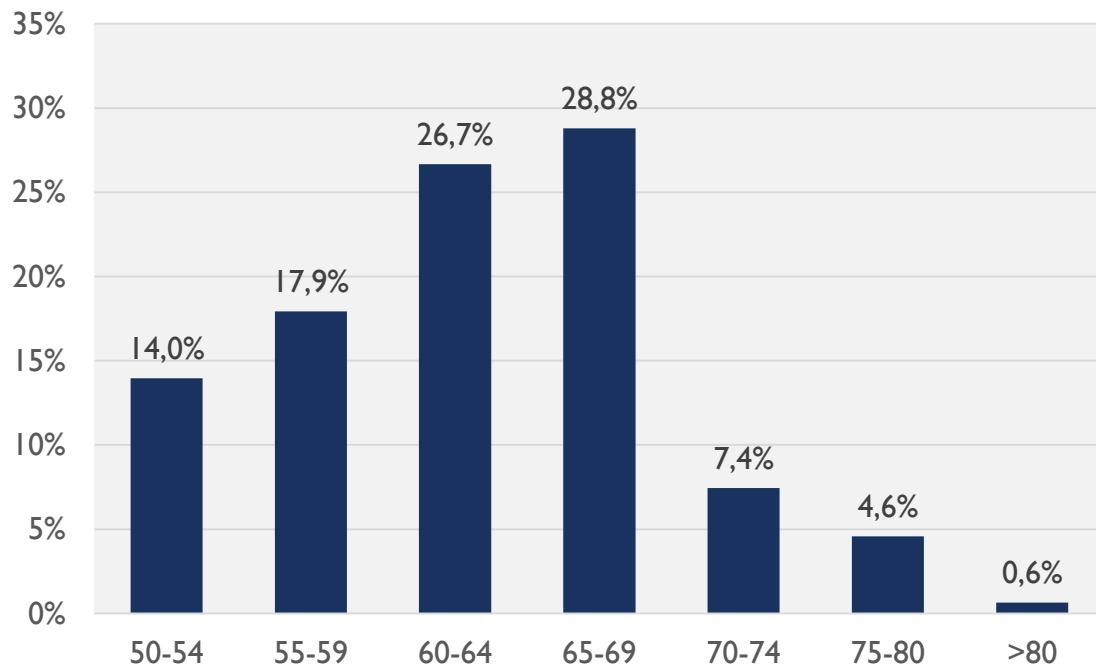
* Presented only for companies from Baden-Württemberg

AGE OF PREDECESSORS

Average
62,7
Median
63,0

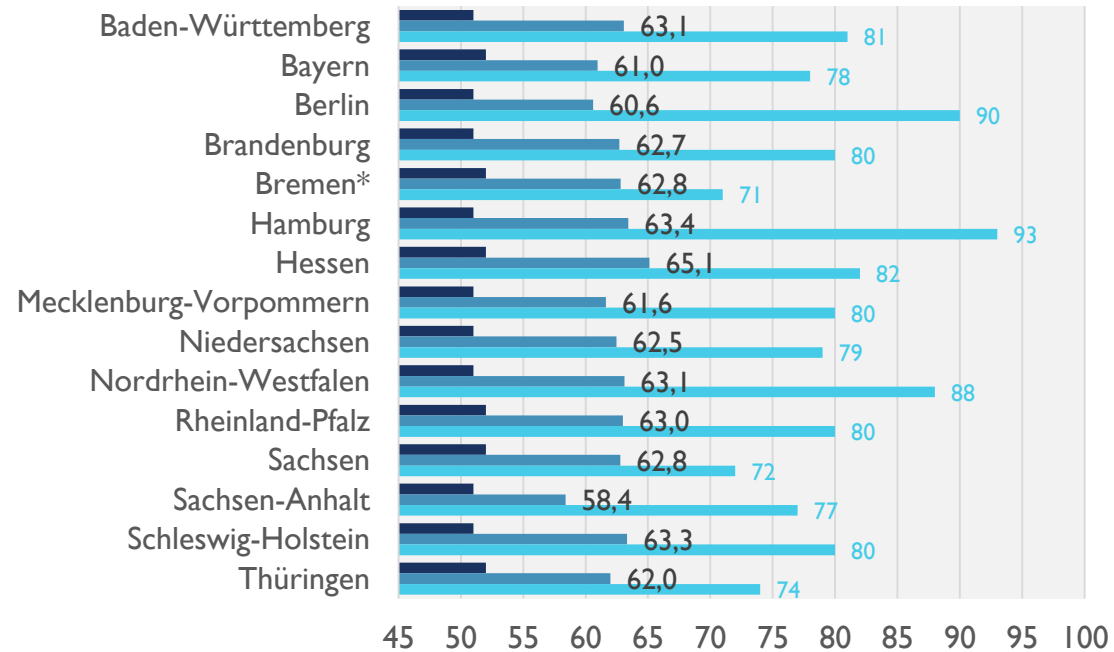
Predecessors

Share of predecessors by age group



Average 62,7, Median 63

Age of predecessors bay state: average and maximum

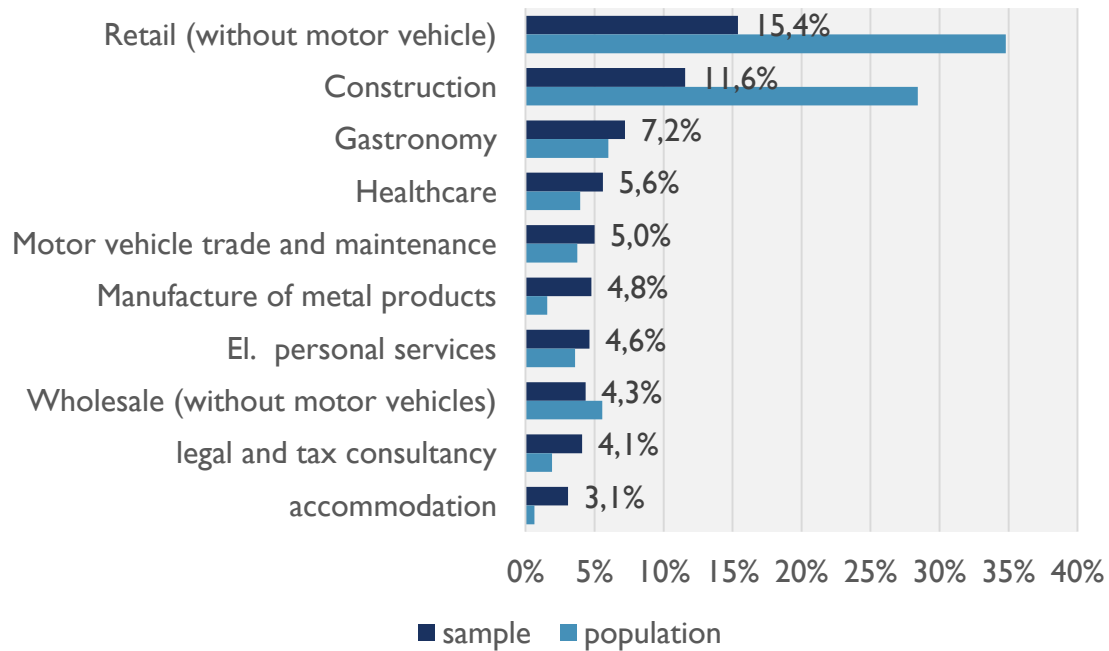


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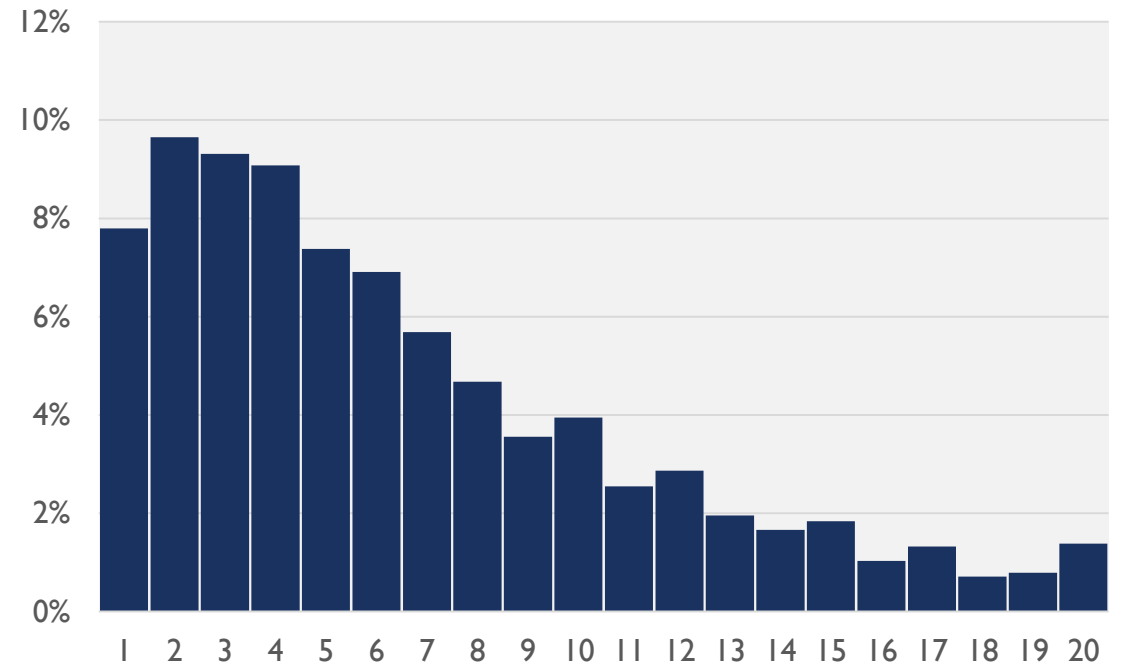
INDUSTRIES AND SIZE CATEGORIES

Companies

Shares of the industries in sample and population



Shares of companies with up to 20 jobs

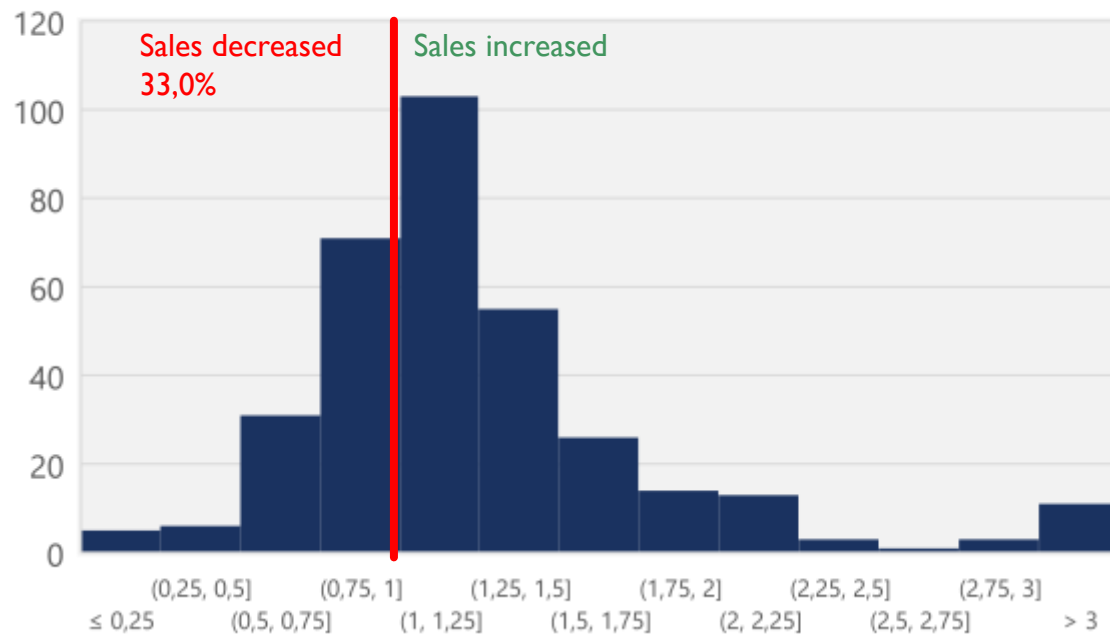


SUCCESS MODEL SUCCESSION?

Transactions

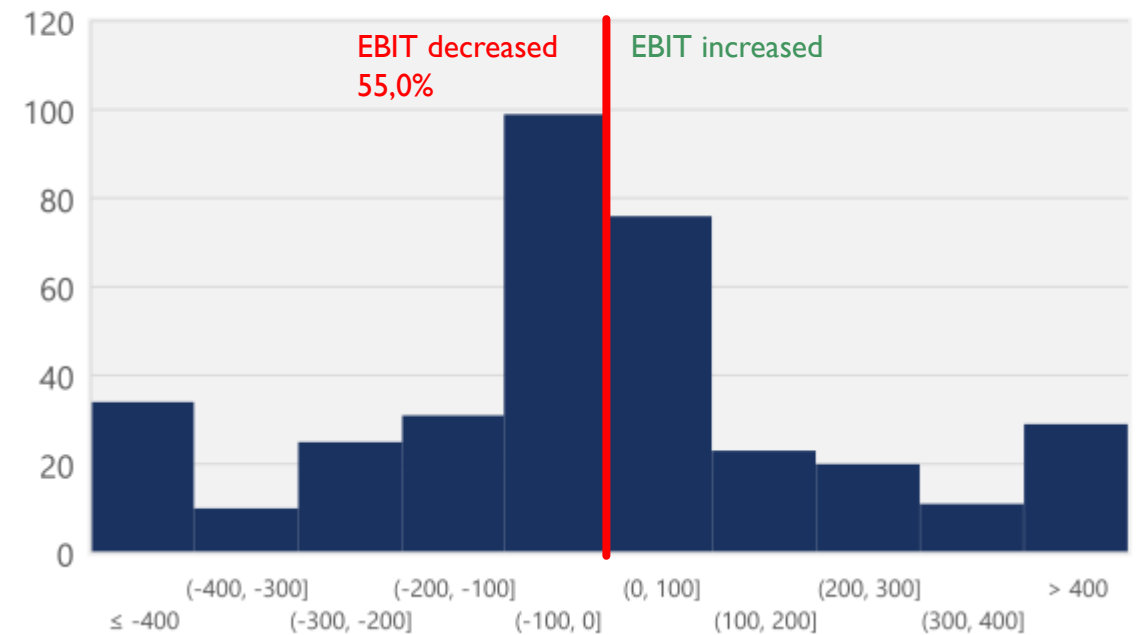
Companies

Change of Sales (as factor)
2 years after succession / 2 years before succession



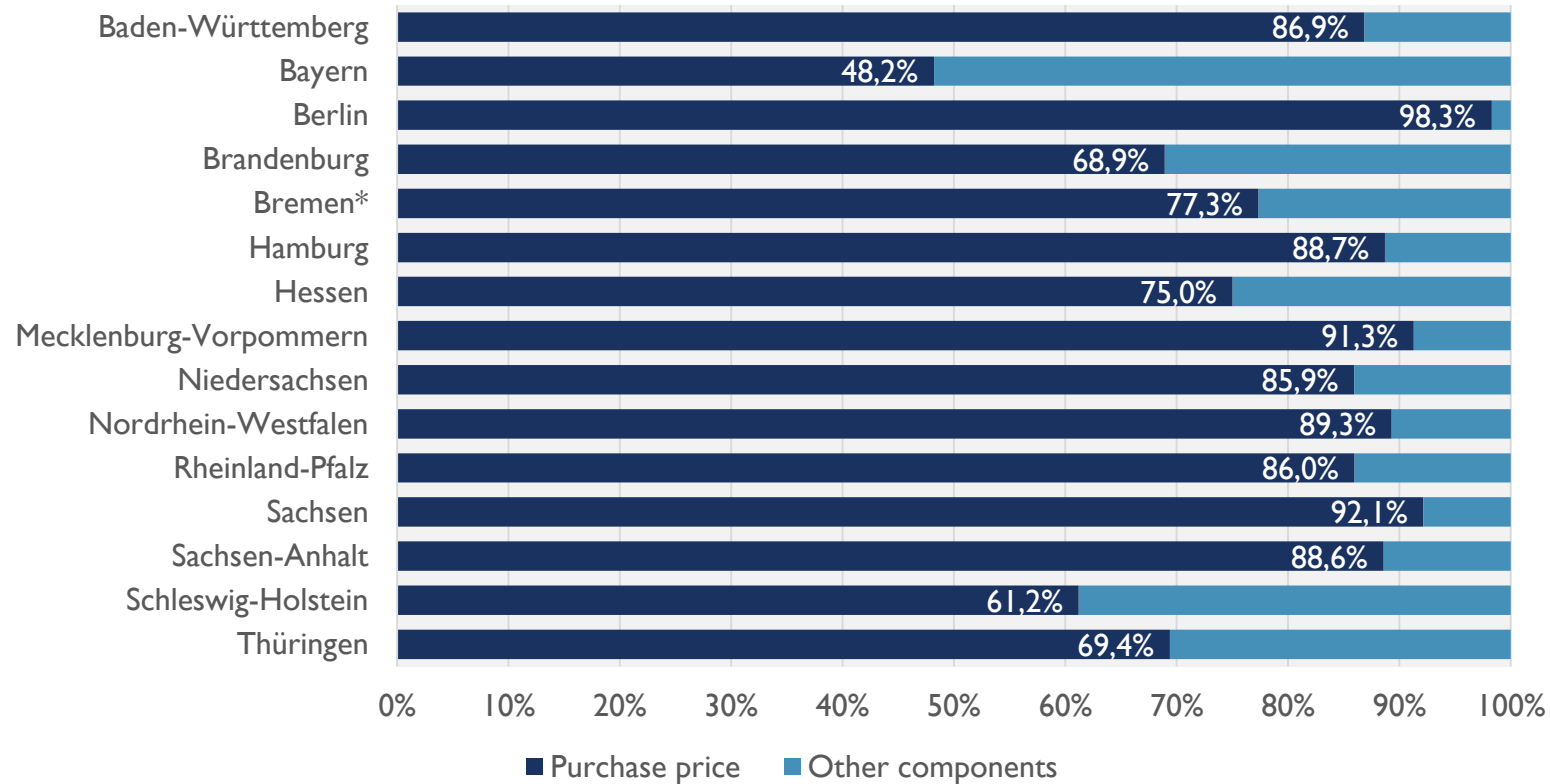
Average 1,6, Median 1,1

Change of EBIT (in kEUR)
2 years after succession - 2 years before succession

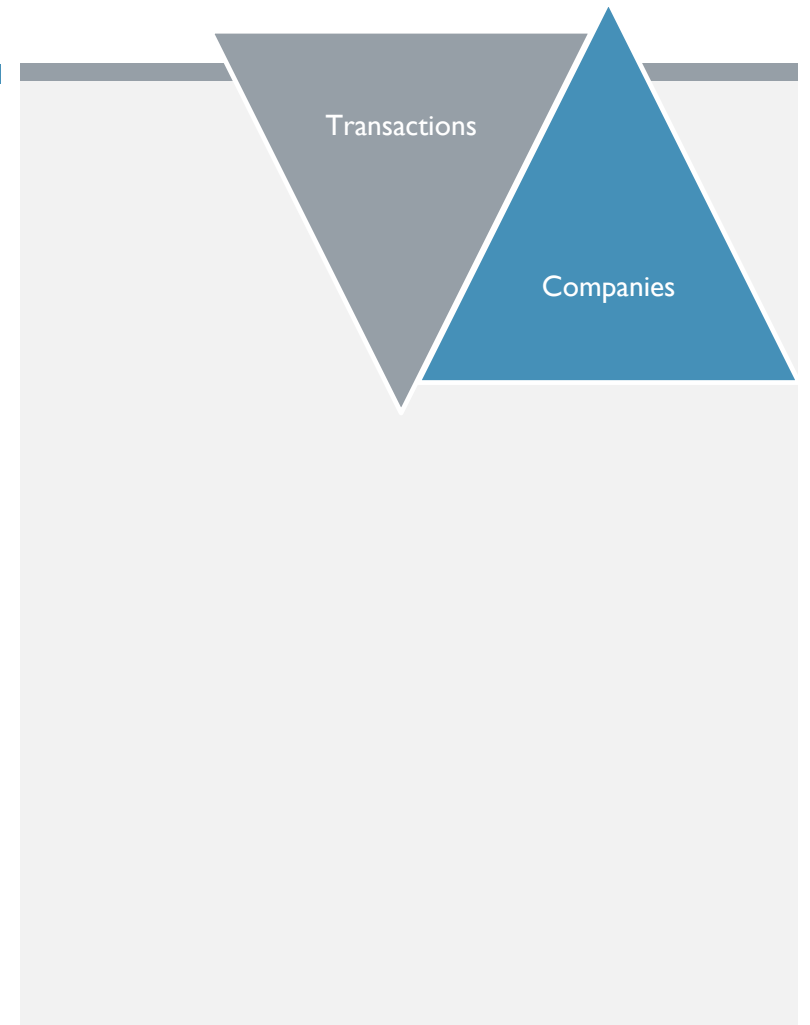


Average +12,4, TEUR Median -13,5 kEUR

Share of the purchase price in the financing volume



* Bremen: Limited informative value due to a relatively small number of cases



SHARE OF PURCHASE PRICES IN THE FINANCING VOLUME



THANK YOU

WE LOOK FORWARD TO THE DISCUSSION!

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