

MEDIA RELEASE

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Lombard Odier Middle East study: succession planning shortfalls emerge in next generation wealth transfer

- New research from Lombard Odier reveals that fewer than 1 in 5 family businesses in the Gulf region have a comprehensive succession plan in place, with intergenerational frictions cited as the main reason.
- The next generation favours a different approach, with 79% of those surveyed stating their intention to change from their parents' wealth advisor.
- 96% of older and 93% of younger respondents are confident in the next generation's leadership, yet formal governance structures remain limited.
- 80% of HNWIs with a family business also have a family office, signalling an increasing interest in more complex and sophisticated wealth management.

Lombard Odier, a global wealth and asset manager with a 60-year legacy in the Middle East, today revealed results from its **2025 GCC Succession Planning Survey**. The report explores succession readiness and the evolving challenges Gulf families face as they prepare to transfer wealth to the next generation.

The results highlight a growing disconnect between recognition and readiness. While succession is widely acknowledged as a strategic priority, only 18% of family businesses across the Gulf currently have a comprehensive plan in place.

Lack of sense of urgency

The survey reveals that 49% of the high-net-worth families in the region without a succession plan continue to postpone the process. In the UAE, 30% of respondents view succession as something to address in the future rather than a current priority. In Saudi, this figure is nearly 60%.

Beyond the lack of formal planning, families also face cultural and interpersonal barriers. These include difficulty reaching agreement (45%), limited access to expert guidance (43%) and tensions between traditional expectations and modern leadership approaches (41%).

Confidence without structure

The story is similar when it comes to family governance: fewer than one in six family businesses in the region have a formal governance framework in place to support a smooth leadership transition.

However, there is strong optimism despite these barriers. Over nine in ten respondents from the older generation (96%) and the next generation (93%) expressed confidence in the next generation's ability to take on leadership.

One promising trend is the growing adoption of family offices. More than half (55%) of high-net-worth families have established a family office, rising to four in five among those running active businesses. Tax optimisation (47%) and succession planning (44%) were cited as the top reasons for having a family office.

In Saudi Arabia, nearly 70% of respondents said they have a family office, with 62% structured as single-family entities. In the UAE, 50% of respondents have a family office, almost half of which are single-family structures. These structures help formalise decision-making, align long-term strategy, and support intergenerational planning – signalling an increasing interest in more complex and sophisticated investment management.

New generation, new vision

Succession is not only about ownership. It is also about identity, influence and the shape of leadership in the years to come; the next generation is stepping into these roles with a different vision. 46% of next generation respondents believe new technologies will have the greatest impact on family businesses in the near future. Another 32% are focused on international expansion.

Women are also playing a more active role. One in three families now include women in senior leadership, with strong benefits reported across innovation (58%), governance (45%), and generational collaboration (45%). In the UAE, almost one third of families actively include women in leadership roles, while in Saudi Arabia the figure rises to 44%. In the UAE, 50% of respondents perceive improved succession outcomes when women are actively involved.

Evolving expectations for wealth advisors

The survey reveals a clear shift in how families approach wealth advisory relationships. 79% of next generation respondents said they are likely to change the advisor their parents worked with, reflecting evolving priorities and expectations.

The younger generation is seeking more than traditional investment advice. Many want a value-driven approach that aligns with their long-term goals. When choosing an advisor, 35% prioritise shared values, followed by access to private markets (31%) and strong digital capabilities (30%). In line with this, 44% said they would consider switching to a fully digital wealth platform.

Ali Janoudi, Head of New Markets at Lombard Odier commented: "Succession is not something that happens all at once. It is a gradual process that takes time, clarity and trust across generations. What we are hearing from families is not hesitation, but a need for space to plan with intention, and the right structures to support that journey."

In this region, private wealth is growing rapidly. The question is no longer whether the next generation is ready, but whether we are doing enough to prepare them. That means moving beyond just protecting assets. It is about preserving purpose, values and relationships.

Families today are looking for advisors who can support both the financial and emotional dimensions of wealth – combining technical expertise with the softer skills needed to facilitate open dialogue, build trust, and ensure continuity across generations. At Lombard Odier, we work closely with families to plan for



what comes next, bringing together long-term thinking, advanced technology, and a deep understanding of the personal nature of succession.”

Methodology:

This Lombard Odier study reflects the views of 300 high-net-worth individuals (HNWIs) residing in the UAE, Saudi Arabia, Qatar, Kuwait and Bahrain. The respondents, each with at least USD 1 million in investable assets, were surveyed online by CoreData Research in February and March 2025. The sample includes both individuals from family businesses and those without such ties. Within the family business group, respondents are segmented into two generational cohorts: the senior generation, typically founders or current leaders, and the next generation, who are expected to take on leadership roles in the future.

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About Lombard Odier

Lombard Odier is a global wealth and asset manager. For over 225 years and through more than 40 financial crises, the Group has aligned itself with the long-term interests of private and institutional clients. It has a strong balance sheet with a CET1 ratio of 33.6% and a Fitch rating of AA-, the highest possible rating for a bank of its size.

Structured as an independent partnership, Lombard Odier is solely owned by its Managing Partners. This governance model allows the Bank to remain completely client-focused and innovative at the highest level in the organisation.

Lombard Odier is an investment house that provides a comprehensive offering of discretionary and advisory portfolio management, wealth services and custody. Asset management services are offered through Lombard Odier Investment Managers (LOIM). The Group has created cutting-edge banking technology, which is also leveraged by other Swiss and European-based private banks and financial institutions.

The Group had total client assets of CHF 323 billion at 30 June 2025. Headquartered in Geneva since 1796, at end-June the Group had 28 offices in 19 jurisdictions and employed 2,920 people.

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