

PwC's Global NextGen Survey 2024: Asia Pacific highlights

The reality of GenAI: NextGen's balancing act



Jun 06, 2024 09:54 +08

GenAI holds promise for family business, but critical gaps remain: PwC's Global NextGen Survey 2024 - Asia Pacific Highlights

- 73% of NextGen in Asia Pacific believe that generative AI (GenAI) is a powerful force for transformation, but many question the ability of their family business to capitalise on it
- Only 8% of family business in Asia Pacific have adopted GenAI, while 56% have yet to explore the technology
- A mere 9% of Asia Pacific family businesses have established

protocols on the responsible use of emerging technologies like AI

For immediate release, Singapore, 6 June 2024 – PwC today launched the [Global NextGen Survey 2024 - Asia Pacific Highlights](#) which found that while an overwhelming majority of NextGen respondents expressed a personal interest in GenAI (Asia Pacific: 84%, Singapore: 83%), and even see it as a powerful force of transformation, only 8% in Asia Pacific (Singapore: 3%) have adopted GenAI. Discouragingly, more than half (Asia Pacific: 56%, Singapore: 60%) have yet to even explore the technology.

Ng Siew Quan, Asia Pacific Entrepreneurial and Private Business Leader, PwC Singapore, said:

“There is a challenge in converting interest in GenAI into investment for technology adoption. And this seems to be attributable to the knowledge and skills gaps of both the NextGens and the current generation of business owners, partially driven by the fast moving nature of the technology change.”

The survey found that around seven in 10 NextGen surveyed (Asia Pacific: 70%, Singapore: 67%) agreed that it can be hard to keep up with the growth of AI in general, while less than half regionally (42%) and in Singapore (33%) responded that they are knowledgeable about GenAI.

The survey also highlighted that only 22% of Asia Pacific NextGen respondents have faith in the digital capabilities of their family business (Singapore: 13%). It also found that NextGens are exercising caution, citing cybersecurity (Asia Pacific: 51%, Singapore 43%), the spread of misinformation (Asia Pacific: 43% , Singapore: 27%), along with legal liabilities and reputational risks (Asia Pacific: 38%, Singapore: 30%) as the top risks associated with GenAI. Furthermore, with only 9% of Asia Pacific family businesses (Singapore: 3%) having established protocols on the responsible use of emerging technologies like AI, all these indicate a lack of clear governance that could hinder the adoption of GenAI.

When asked about where they can personally add the most value to their family business, less than a quarter (Asia Pacific: 24%, Singapore: 20%) of NextGen respondents indicated that they can do so by modernising the company’s management practices. Meanwhile, only around one in 10 responded that they could do so by investing in new business ideas (Asia

Pacific: 10%, Singapore: 7%), and in having a business strategy that is fit for the digital age (Asia Pacific: 9%, Singapore: 10%).

While seven in 10 NextGen surveyed agree they have the opportunity to learn and grow within the family business, many are facing the issue of trust deficit within the family business. Over three-quarters reported low levels of trust between theirs and the current generation (Asia Pacific: 76%, Singapore: 80%), and similarly between family and non-family members in the business (Asia Pacific: 79%, Singapore: 80%).

David Toh, Entrepreneurial and Private Business Leader, PwC Singapore said:

“Coupled with the conservative and risk-averse nature typical of family businesses, this lack of trust can further affect communications and the integration of new technologies such as GenAI. As heirs apparent, NextGen can lean on shared family values to foster greater trust between generations and within the organisation to help lead the family business into the future. At the same time, the incumbent generation can leverage opportunities to integrate transformative technologies to position NextGen for success, enabling them to uphold and keep the family legacy relevant in a fast-changing world.”

----- ENDS -----

Notes to the editor:

About the [PwC Global NextGen Survey 2024 - Asia Pacific highlights](#)

PwC’s Global NextGen Survey 2024 is an international market survey among next-generation members of family businesses. The goal of the survey is to get an understanding of what NextGen are thinking on the key issues of the day, what roles they are playing and what roles they think they should play. The survey was conducted online with 917 interviews in 63 territories globally, and 310 interviews across 13 territories in Asia Pacific - out of which 30 interviews were from Singapore. The Global analysis was based on survey findings between 13 November 2023 and 23 January 2024.

About PwC

At PwC, our purpose is to build trust in society and solve important problems - this is at the core of everything we do from the value we provide to our clients and society to the decisions we make as a firm.

Our services started with audit and assurance over a century ago. As times change and the issues faced by businesses and individuals evolved, we have developed specialised capabilities in tax, advisory and consulting to help you address emerging new challenges across focus areas like ESG, sustainability and climate change, digital transformation, cyber security and privacy, data, mergers and acquisitions, and more.

In Singapore, we have more than 3,500 partners and staff to help resolve complex issues and identify opportunities for public, private and government organisations to progress. As part of the PwC network with over 364,000 people in 152 countries, we are among the leading professional services networks in the world focusing on helping organisations and individuals create the value they are looking for.

© 2024 PwC. All rights reserved

Contacts



Siew Ling Ong

Press Contact

Manager, Brand and Communications

siew.ling.ong@pwc.com