



Nov 26, 2019 00:01 +08

## More than half of next generation leaders in family businesses already hold management positions, says PwC

- 75% of next generation (NextGens) of family businesses are deeply engaged in the business, according to PwC's Global NextGen Survey 2019
- In Singapore, 59% already hold a management role in the business
- Significant minority do not feel they have a 'licence to operate' with 42% saying that their current level of expertise is a major constraint on having the impact they would like to have

- Current generation should act now to harness the potential of NextGens as future leaders of digital transformation

**Singapore, 26, November 2019** - Family business NextGens view themselves as agents of change for digital transformation but are looking for greater support and trust from current generation leaders, according to a new report by PwC.

The Singapore results, launched today, PwC's Global NextGen Survey 2019 has found that a majority of NextGens in Singapore are already deeply engaged in the family enterprise. Singapore NextGens are more actively involved than their global counterparts, with more than half of them (59%) reporting that they have a management role in the business (compared to 50% in Asia Pacific and 39% globally). About two in five (37%) are in an executive director positions (28% in Asia Pacific and 26% globally).

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

“These deeply engaged NextGens in Asia Pacific are well-placed to help their family enterprises navigate today's business landscape. Globalisation and digitalisation present a wealth of opportunities for businesses to internationalise and NextGens will be driving this next phase of growth.”

Lim Hwee Seng, PwC's Singapore NextGen Leader, PwC Singapore said:

“Despite this great potential, NextGens in Singapore don't necessarily plan to follow in their leader's footsteps. We are seeing more of them looking to contribute to the business in different ways from current generation leaders. The roles Singapore NextGens are looking to go into are less involved, with many planning to move away from management and executive director positions into more governance roles or set up their own entrepreneurial venture.”

In the report, only 20% of Singapore respondents are entrepreneurs or intrapreneurs. This figure is set to rise to 42% over the next 5 years.

When it comes to technology, 24% of Singapore NextGens believe that their business is worse at using technology effectively as compared to their

competitors (26% in Asia and 24% globally). This provides an opportunity for NextGens, as digital natives, to bring value in helping their business develop a strategy fit for the digital age with 24% saying that they were able to help their businesses grow in this area.

Respondents also see that they can contribute to develop other business priorities, especially in their areas of strength. They reflected that their strongest attributes - of professionalising and modernising management practices and attracting and retaining talent - were priorities that their businesses needed to focus on in order to thrive. (Figure 1 below)

**Figure 1. Top areas to focus on and where NextGens can add value to**

Top priorities which NextGens think the business <b>should be focusing on</b> :	Top priorities which NextGens think the business <b>should be focusing on</b> :	Top areas where NextGens feel they could <b>add significant value to</b> :	Top areas where NextGens feel they could <b>add significant value to</b> :
Singapore	Asia Pacific	Singapore	Asia Pacific
#1	#1	#1	#1
Attracting and retaining talent (68%)	Attracting and retaining talent (54%)	Professionalising and modernising management practices (76%)	Professionalising and modernising management practices (66%)
Tied #2	#2	#2	#2
Professionalising and modernising management practices (48%); and Upskilling staff (48%)	Upskilling staff (54%)	Attracting and retaining talent (66%)	Having a business strategy fit for the digital age (64%)

While NextGens in Singapore thought they could help to add value in upskilling staff, more than half of them felt that they needed to develop their own skills (56% in Singapore, 62% in Asia Pacific, 61% globally). Respondents said problem solving and strategic thinking, and leadership (both 78%) were the top two essential skills they needed for the future role they wanted to play in the business. In order to develop these skills, NextGens looked to their family networks (70%), conferences (68%) and their peers (65%).

Ng Siew Quan, PwC's Asia Pacific Entrepreneurial and Private Business Leader concludes:

“Be it through the family or personal connections, it is important for NextGens across the Asia Pacific to build strong relationships. This is not just to upskill themselves but to also get new ideas, broaden their minds and learn more about what’s happening in the market.

“Though some of the NextGen’s business challenges differ from those their predecessors faced, current leaders can play a big role in unlocking the full potential of their successors. Leaders can empower NextGens to hone their digital skills and encourage them to connect with other industry players. If the current generation can do this and can commit to succession plans, NextGens will then know how to prepare themselves and champion long-term strategic growth for the business.”

Ends

### **Notes to editors:**

Numbers above refer to Singapore respondents unless otherwise indicated.

### **About the report**

PwC’s Global Next Gen survey 2019 ‘Agents of change: Earning your licence to operate’ surveyed nearly 1,000 respondents who are becoming, or aspiring to become, family business leaders. An online survey was carried out by Meridian West between 10 June and 13 September 2019. In total, responses were collected from 956 from next-generation (NextGen) family business leaders across 69 territories, including 45 respondents from Singapore.

You can view the Singapore Findings here: [www.pwc.com/sg/nextgensurvey](http://www.pwc.com/sg/nextgensurvey)

View the global report here: [www.pwc.com/nextgensurvey](http://www.pwc.com/nextgensurvey)

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