

PricewaterhouseCoopers Family Business Survey

Globally, we talked to nearly 2,400 family business decision makers in over 40 countries over the last few months.

In Malaysia, we spoke to 50 family business decision makers and found out that the results here generally line up consistently alongside our global results – certainly in terms of recent commercial performance, optimism for growth, overall personal and business goals and future plans in terms of passing the business on.

Here is a snapshot of our survey findings in Malaysia.

Growth



64% recorded growth in sales last year

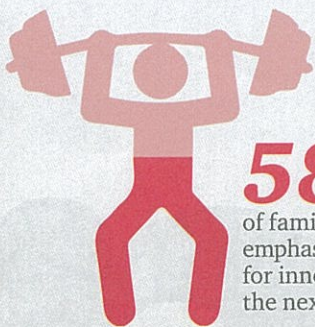


66% aim for steady growth over the next 5 years



18% aim to grow quickly and aggressively over the next 5 years

Key challenges



58% of family firms emphasised the need for innovation over the next 5 years



52% predict fierce competition

Succession planning appears to be a key challenge to businesses in the short and long terms respectively at **16%** and **48%**



Professionalising the family

Where the elements of “head” and “heart” collide, families often postpone professionalising the family as it raises too many intractable issues.

Succession



38% are looking to pass on management to the next generation



36% are looking to pass on ownership but bring professional managers in



Only **16%** have a formal succession plan

The number of stakeholders increases as the business grows, and so does the potential for conflict. Transition from the first to the second generation is the easiest. After that it only gets harder.

Professionalising the business

Moving to the next level



46% feel a greater need to professionalise

Across the world, more family businesses are seeing the value of bringing in professionals to run their businesses. The loss of control compensated by an increase in discipline is inevitable to ensure the continuous success of the business.



70% have non-family members on board

Skills and talent

Key issues



Staff recruitment appears to be the key challenge in the short and long terms respectively at **60%** and **58%**



Retention of key staff seems to be a heightened issue as **44%** of respondents listed it as a key challenge

18% of family firms are looking to sell and exit their business

Conflict: Head and heart of the matter



Only **28%** of family firms have a conflict resolution mechanism in place



34% have a shareholders' agreement



20% have family councils to manage any conflicts and to provide advice on issues faced

PRICEWATERHOUSECOOPERS

SENIOR MANAGING EDITOR: AZAM ARIS

#edGY EDITORIAL TEAM

ASSISTANT EDITOR CHUA SUE-ANN
WRITERS SOPHIA HALIM, GRACE WONG, SHAHIRAH ABDUL HAMID, JO-ANN TAN, LILLIAN WEE
CONTRIBUTORS EZRA ZAID, STEPHANIE CAUNTER, BOEY CHEEMING, UMAPAGAN AMPIKAIPAKAN, DARYL WONG, JOEL LOW, POONAM BALAN
EXECUTIVE EDITOR (PRODUCTION) OOI INN LEONG
CHIEF COPY EDITORS PUSHPAM SINNAKALUNDAN, MAHPIN PIN
SENIOR COPY EDITOR WONG SOON FAH
COPY EDITORS LEE MEI GEOK, CHOY WAI FONG
CHIEF PHOTOGRAPHERS ABDUL GHANI ISMAIL, CHU JUCK SENG
SENIOR PHOTOGRAPHERS KENNY YAP,

SU-HAIMI YUSUF, MOHD IZWAN MOHD NAZAM, PATRICK GOH
ART DIRECTOR SHARON KHOH
DESIGN DESK RAYMOND KHOR, NIK EDRA, NURUL AIDA MOHD NOOR, HENRY LEE
WEB COPY EDITOR AHMAD TAHIR ALHAMZAH
WEB DESIGNER AHMADSYAH ZHAFRIE MOHAMED NASIR
PRODUCTION MANAGER THOMAS CHIN
ASSISTANT PRODUCTION MANAGERS HONG KIN SIANG, YONG ONN, TO YEN SUANG
PRODUCTION ASSISTANTS KELVIN LEE, CHAU CHEE FEI

ADVERTISING & MARKETING

CHIEF MARKETING OFFICER SHARON TEH (012) 313 9056
SENIOR SALES MANAGERS GEETHA PERUMAL (016) 250 8640
FONG LAI KUAN (012) 386 2831

SHEREEN WONG (016) 233 7388
PETER HOE (019) 221 5351
ACTING SENIOR SALES MANAGER GREGORY THU (012) 376 0614
ACCOUNT MANAGERS LUM WAI FONG (016) 218 5908
JOANE TAN (012) 377 2885
LEE SOO SIN (012) 710 6220
LIJQMAN AB RAHIM (017) 629 0297
NG CHING YIN (012) 232 8035
SHAFINA SYAHRIR (017) 281 4787
SHANNON LEONG (012) 677 5345
SHARON LEE (016) 330 1571
AD TRAFFIC MANAGER VIGNESWARY KRISHNAN (603) 77218005
AD TRAFFIC ASST MANAGER ROGER LEE (603) 77218004
EXECUTIVE AD-TRAFFIC NORMA JASMA (603) 77218006
EMAIL | nkt.ad@bizeedge.com

BUSINESS DEVELOPMENT & READERSHIP SERVICES

MANAGER ELIZABETH LAY

CORPORATE COMMUNICATIONS

HEAD LIM SHIEW YUIN
MANAGER SUE ANN LEE
ASSISTANT MANAGER CHARIS TAN

RESEARCH

MANAGER - NEWS LIBRARY TAN WELLYOUNG
FINANCE + OPERATIONS GENERAL MANAGER CALVIN LAI
MANAGER (FINANCE) LISA CHONG

HUMAN RESOURCE + ADMINISTRATION

HEAD GROUP HR TERESE CHIN
MANAGER ALICIA WONG

CORPORATE

PUBLISHER & GROUP CEO HO KAY TAT
MANAGING DIRECTOR AU FOONG YEE
DEPUTY MANAGING DIRECTOR LIM SHIEW YUIN

PRINTER

KHL PRINTING CO SDN BHD
LOT 10 & 12, JALAN MODAL 23/2, SEKSYEN 23, KAWASAN MEL PHASE 8, 40000 SHAH ALAM SELANGOR, MALAYSIA.
TEL (603) 55413695 FAX (603) 55413712.

#edGY IS PUBLISHED BY

THE EDGE COMMUNICATIONS SDN BHD
LEVEL 3, MENARA KLK, NO 1, JALAN PJU 7/6, MUTIARA DAMANSARA, 47810 PETALING JAYA, SELANGOR, MALAYSIA.
TEL (03) 77218000.

#edGY, THE YOUNG PULLOUT OF THE EDGE, IS ON THE YOUNG, SMART AND UNSTOPPABLE GENERATION. WE WELCOME FEEDBACK SO DROP US A LINE AT EDGY@BIZEEDGE.COM OR FAX IT TO (03) 77218018. PSEUDONYMS ARE ALLOWED BUT PLEASE STATE YOUR FULL NAME, ADDRESS AND CONTACT NUMBER FOR US TO VERIFY.

www.edgy.my
www.facebook.com/edgymalaysia