



# PwC Family Business Survey 2025: Papua New Guinea Report

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## Foreword

Family businesses play a central role in Papua New Guinea's (PNG's) economic and social development. They provide substantial employment, contribute materially to GDP, and anchor communities across the country. As PNG navigates a rapidly changing global environment and a set of distinct local challenges, the resilience, adaptability and strategic choices of its family businesses are critical to sustaining growth and building multigenerational success.

The 2025 PwC Family Business Survey (FBS), conducted from April to June 2025, offers a timely snapshot of this landscape. This edition comes at a moment of cautious optimism — supported by renewed activity in the resources sector and elevated prices for PNG's key agricultural commodities — set against ongoing socio-political disruption and macroeconomic pressures.

### Signs of momentum

Several recent developments have reinforced expectations of future growth. Key projects such as the Papua LNG development continued to advance towards a Final Investment Decision, while the Porgera gold mine reopened after an extended closure. These initiatives have generated anticipation of new employment and investment opportunities, with positive flow-on effects for family businesses directly linked to these sectors and those that benefit from broader economic spillovers.

Persistently strong commodity prices in 2025 helped offset domestic headwinds. Higher resource export revenues strengthened the government's fiscal position, while robust agricultural prices delivered direct income gains into PNG's large informal economy. A further positive surprise in 2025 was the improved availability of foreign currency, driven by stronger export inflows and changes in monetary policy by the Bank of PNG. Together, these factors underpinned a lift in business confidence, enabling some family businesses to cautiously pursue growth and innovation despite continuing uncertainty.

### Significant challenges persist

At the same time, the operating environment remains demanding. The events of 10 January 2024 — widely known as "Black Wednesday" — saw civil unrest that caused extensive damage to infrastructure and businesses, primarily in Port Moresby but also in other centres. This social disruption compounded existing pressures, including foreign currency constraints and rising costs.

Between early 2024 and mid-2025, the PNG kina (PGK) depreciated by an estimated 10–15% against the US dollar, pushing up import costs and compressing margins for businesses unable to fully pass these increases on to customers. Broader inflationary pressures further eroded household purchasing power, weighing on consumption and increasing operating costs across the family business sector.

Global and regional headwinds add another layer of complexity. Geopolitical tensions, fragile supply chains, ongoing commodity price volatility and persistent international inflation continue to shape PNG's export-reliant economy — and the family businesses embedded within it.

### About this report

This report examines performance, growth outlook, strategic priorities, governance practices and innovation adoption among PNG family businesses. It benchmarks PNG findings against results from the PwC Global Family Business Survey 2025, which captured 1,325 interviews across more than 60 territories. The analysis highlights current strengths, emerging challenges and critical areas for future focus as PNG family enterprises seek to build competitive resilience and long-term continuity in a dynamic environment.

The report is intended for family business owners, policymakers, professional advisers and all stakeholders invested in PNG's economic future.

We extend our sincere thanks to the 38 family businesses that participated in this survey. Your willingness to share your experiences and perspectives makes this research possible and ensures it remains grounded in the realities of doing business in PNG.

PwC PNG remains committed to supporting the country's family business community through research, advisory services and practical insights that help build stronger, more resilient enterprises for generations to come.

## Executive Summary

### Executive Summary

The 2025 PNG Family Business Survey (FBS) captured responses from 38 family businesses across Papua New Guinea, spanning a range of sectors and generational stages. The survey was conducted between 1 April and 17 June 2025 as part of the broader PwC Global Family Business Survey programme, which covered 1,325 interviews across more than 60 territories worldwide.

The findings portray a sector characterised by commendable resilience and cautious optimism amid complex economic, social and geopolitical forces. They also highlight critical gaps in innovation, digital capability, sustainability and governance that must be addressed to secure multigenerational success.

### Performance and growth

Half (50%) of PNG family businesses reported sales growth in the past financial year, compared to 73% globally. Among those that grew, 34% achieved double-digit growth — ahead of the global rate of 25% — while 24% reported single-digit growth (vs. 32% globally).

This points to a polarised growth landscape: PNG family businesses that are finding growth opportunities are often capturing them strongly, while a larger proportion face stagnation or decline relative to global peers.

Looking ahead, PNG family businesses remain measured in their outlook. Growth ambitions for the next two years stand at 67%, compared with 77% globally in 2025, and down from 76% in PNG in 2021 (vs. 86% globally).

Since 2019, PNG family businesses have navigated overlapping shocks — resource project delays, the COVID-19 pandemic, political instability, social unrest, kina depreciation and global economic volatility — requiring sustained focus on resilience alongside cautious opportunity-seeking.

### Strategic priorities and leadership

PNG family businesses demonstrate a nuanced strategic posture: pragmatic in protecting core operations, yet notably bold in responding to disruption:

- 61% of PNG family businesses opt to fully reinvent their approach during times of market disruption, compared to 35% of global family businesses that take a more cautious approach
- The most common trigger for strategic shifts is opportunities for expansion or diversification (34%), well above the global rate of 21%
- More than two-thirds of PNG family business leaders report balancing long-term objectives and short-term returns equally, compared to 51% globally
- 74% of PNG respondents have a clear company purpose
- 87% rate maintaining their family business's reputation as "Very Important" — exceeding the 78% global rate

However, investment in emerging technologies remains underdeveloped. Globally, 17% of family businesses are early adopters, 51% invest selectively in proven innovations, 24% take a wait-and-see approach and 8% are risk-averse. PNG findings indicate that technology adoption is an area requiring focused strategic attention.

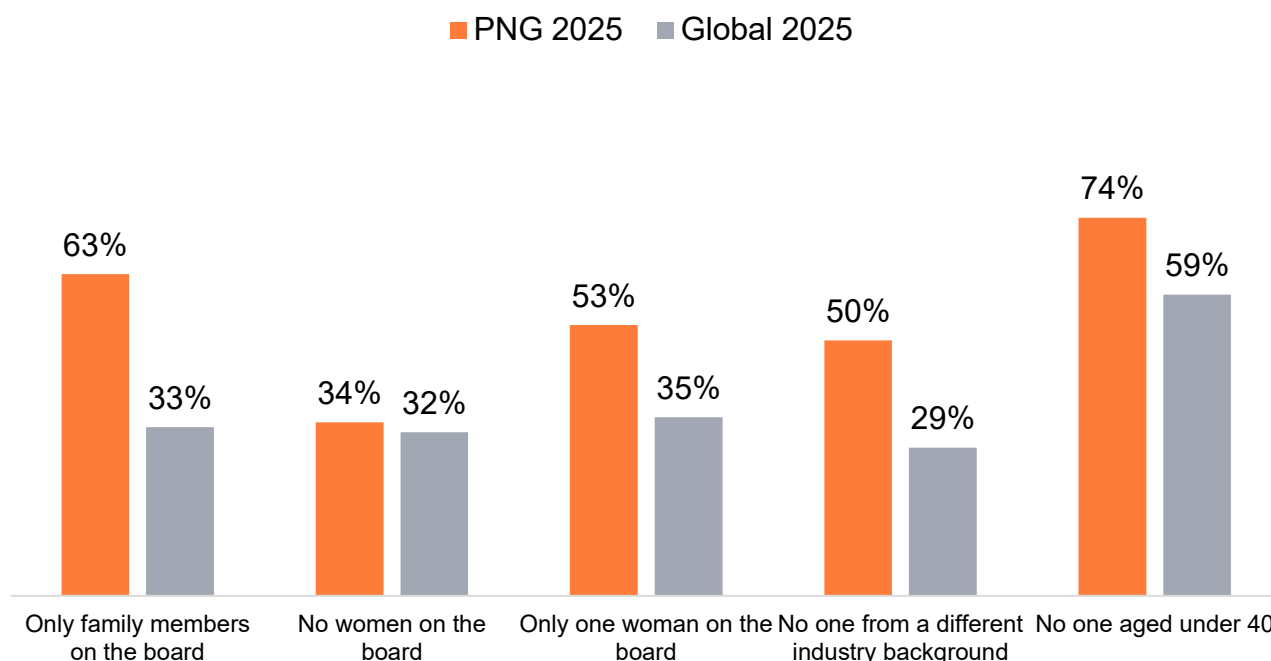
### Family dynamics and governance

Trust in family businesses relative to non-family businesses stands at 71% in PNG, closely aligned with the 74% global figure.

Generational alignment on key business priorities is a critical factor in long-term continuity. Global benchmarks indicate 53%–63% alignment, 27%–34% neutral, and 10%–13% not aligned across different priority areas; PNG data is presented alongside these figures throughout the report.

Board governance, however, reveals some of the most significant structural gaps when PNG is compared to global peers, including smaller and more family-dominated boards with limited diversity of perspective and experience.

Board governance reveals significant structural gaps:



Family offices are present among 37% of PNG respondents (vs. 33% globally), with a striking 37% using virtual family offices compared to just 6% globally — suggesting both growing sophistication and a preference for flexible structures.

### Looking ahead

The survey findings point to four strategic imperatives for PNG family businesses seeking to build competitive resilience and multigenerational success:

1. **Strengthen governance and board diversity** — expand board composition, formalise governance structures and bring in external perspectives.
2. **Invest in digital capabilities and innovation** — move beyond basic tools toward strategic technology adoption.
3. **Enhance employee engagement and trust** — build the human capital foundations required for succession and growth.

- 4. **Integrate sustainability principles** — prepare for rising global expectations and capture emerging market and financing opportunities.

By embracing these strategies, PNG family businesses can build on their deep-rooted entrepreneurial spirit and cultural strengths — overcoming current constraints, competing more effectively and cementing enduring legacies that benefit both families and communities across Papua New Guinea.

## Performance and Growth Outlook

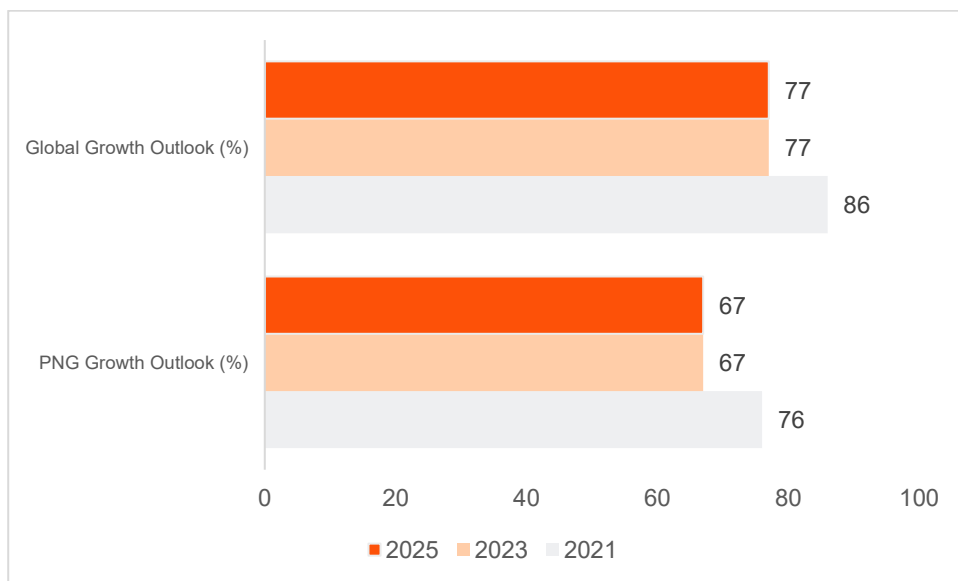
Family businesses are central to Papua New Guinea’s economic fabric. Their performance trajectory and growth outlook provide an important indicator of broader economic health. In recent years, PNG family businesses have demonstrated resilience amid macroeconomic volatility, domestic disruptions and global uncertainty — but the data also points to persistent structural challenges that limit stronger, more widespread performance.

### Sales growth: A significant gap with global peers

Half (50%) of PNG family businesses reported sales growth in the past financial year, compared to 73% globally.

This 23-percentage-point gap is substantial and reflects the demanding operating environment in which PNG family businesses operate — including inflation spikes, currency depreciation and episodic social disruption.

Historical trend data from the survey shows a declining trajectory in growth outlook:



Historical trend data from the survey also shows a declining trajectory in growth outlook over recent cycles. The persistent gap between PNG and global peers — consistently around 10 percentage points on forward-looking growth ambitions — suggests that structural barriers, rather than cyclical factors alone, are constraining business confidence and expansion.

### Distribution and intensity of growth

While the overall share of growing businesses trails global peers, the intensity of growth among those that are expanding is more encouraging:

Growth Intensity	PNG 2025 (%)	Global 2025 (%)
Double-digit growth	34	25
Single-digit growth	24	32

This points to a polarised growth landscape. PNG family businesses that do find growth opportunities tend to capture them aggressively, with a higher incidence of double-digit performance than global peers. However, a larger proportion of PNG businesses experience stagnation or decline. The lower rate of single-digit growth (24% vs. 32%) suggests fewer businesses are achieving moderate, steady expansion; growth outcomes tend to skew towards either strong performance or none.

### Contextual factors influencing performance

These performance dynamics reflect a combination of global and local forces:

- **Resource sector momentum** — Prospects surrounding the Papua LNG project and the reopening of the Porgera mine are providing stimulus but remain sensitive to commodity prices and project timelines.
- **“Black Wednesday” (January 2024)** — Civil unrest caused significant infrastructure damage and supply disruption, particularly in Port Moresby, creating operational uncertainty and temporary sales declines.
- **Kina depreciation and inflation** — An estimated 10–15% depreciation of the kina against the US dollar between early 2024 and mid-2025, combined with broader inflationary pressures, increased input costs and eroded consumer purchasing power, squeezing margins and constraining demand.
- **Improved foreign currency availability (2025)** — Stronger export inflows and changes in Bank of PNG monetary policy eased some foreign currency constraints, relieving pressure on import-dependent businesses.
- **Sustained elevated commodity prices** — Higher prices for key commodities bolstered government fiscal positions and agricultural incomes, providing an important offset to domestic headwinds.
- **Geopolitical tensions and supply chain volatility** — Ongoing global uncertainty continues to affect market access, logistics and cost structures.

Against this backdrop, PNG family businesses have generally demonstrated prudent financial management and operational flexibility — protecting core assets and customer relationships while navigating a challenging environment.

### Section implications

The growth profile of PNG family businesses — lagging global peers overall, but with strong performance among those that are growing — highlights several strategic opportunities:

- **Facilitate access to affordable capital** — Enabling more businesses to invest in capacity, diversification and innovation.
- **Address structural barriers** — Tackling infrastructure gaps, connectivity issues and market access constraints that limit the proportion of businesses able to grow.
- **Harness the reinvention mindset** — With 61% of PNG family businesses willing to fully reinvent their approach during disruption, there is a strong cultural foundation to channel into deliberate, structured growth strategies rather than reactive responses.

In summary, PNG family businesses exhibit notable endurance, evidenced by strong double-digit growth among successful performers and cautiously optimistic expectations despite multiple shocks. Yet the significant gap with global peers on overall growth rates underscores the need for concerted action. Accelerating growth will require navigating domestic headwinds with strategic agility, investing in capabilities and strengthening internal foundations to compete effectively in an increasingly dynamic environment.

## Strategic Priorities, Innovation, and Sustainability

Strategic priorities define the roadmap family businesses follow to navigate their markets, balance risk and opportunity, and secure long-term success. For PNG family businesses, the 2025 FBS reveals a nuanced picture: a pragmatic focus on resilience and core business protection, combined with a strong willingness to reinvent when disruption demands it — yet constrained by significant gaps in innovation investment, sustainability integration and board governance.

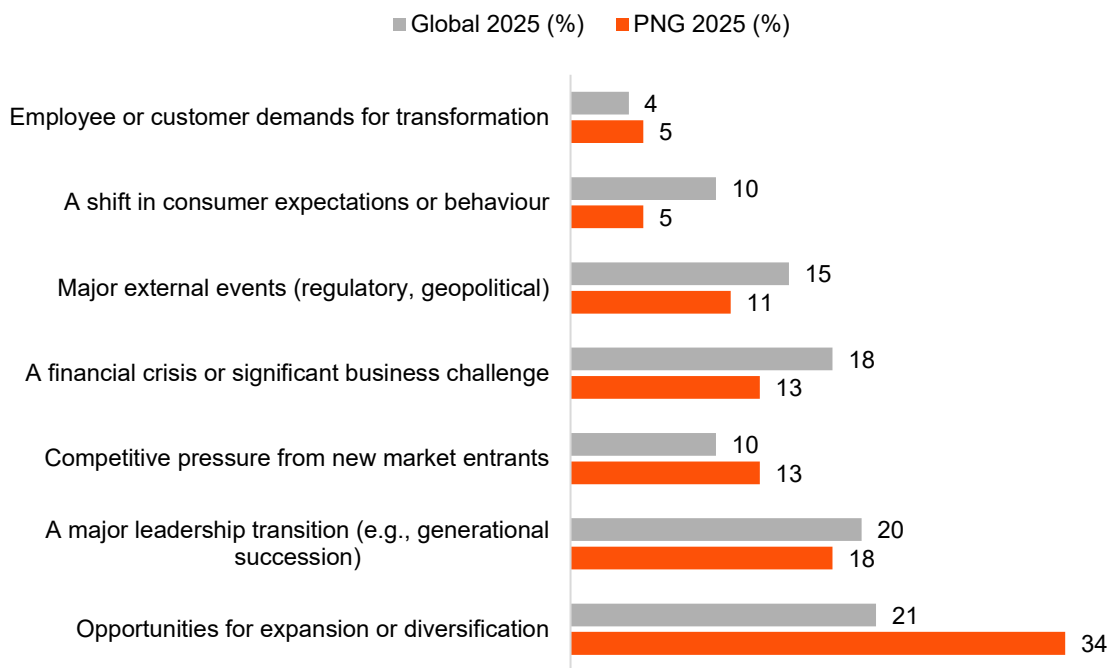
### **Growth context: Framing strategic priorities**

PNG family businesses' strategic choices are shaped by their growth context. As outlined in the Performance section, 50% of PNG family businesses reported sales growth in the last financial year, compared to 73% globally. Among those that grew, 34% achieved double-digit growth (vs. 25% globally). Growth ambitions for the next two years stand at 67% (vs. 77% globally).

This combination — moderate overall growth with pockets of strong outperformance amid considerable challenges — underpins a strategic posture that is both opportunity-seeking and cautious.

### **Strategic triggers: What drives significant shifts**

A distinctive feature of PNG family businesses is what triggers major strategic shifts. The survey shows that PNG family businesses are:



This suggests that, even in a difficult operating environment, many PNG family businesses are proactively seeking growth rather than responding only when forced by crisis.

### Response to market disruption: Bold reinvention

When confronted with market disruption or significant industry change, PNG family businesses take a markedly more transformative approach than their global peers:

- **61%** of PNG family businesses opt to “**Fully Reinvent**” their approach — fundamentally changing how they lead and manage the business
- Globally, **35%** of family businesses take a more “**Cautious Approach**” — making incremental changes while largely maintaining familiar management styles

Other global response categories include “Actively Innovate” (rethinking management strategies and adopting more adaptive decision-making), “Selectively Experiment” (testing new approaches in specific areas while maintaining stability elsewhere) and “Entrench Deeply” (doubling down on traditional strategies and minimising risk).

PNG’s strong reinvention mindset represents a significant strategic asset. However, without accompanying investment in innovation capabilities, sufficient capital and robust governance, reinvention risks becoming reactive rather than deliberate and value-creating.

### Balancing long-term objectives and short-term pressures

More than two-thirds of PNG family business leaders report balancing long-term objectives and short-term returns equally. This contrasts with the global picture, where 51% report this balance, 34% prioritise long-term objectives even at the expense of short-term profitability, and 12% prioritise immediate/short-term returns.

This equilibrium-focused stance is characteristic of family businesses embedded in their local markets and communities, where reputation, relationships and legacy encourage balancing near-term viability with multigenerational thinking.

### Trust and reputation: A distinctive PNG strength

Reputation is a particular area of strength and emphasis for PNG family businesses:

- **87%** of PNG respondents say maintaining the family business’s reputation is “**Very Important**” — compared to 78% globally
- **71%** of PNG family business leaders say their family business has **higher trust** than non-family businesses in terms of reputation with customers, employees and partners — close to the global figure of 74%

This trust foundation — built through deep community relationships and long-term stakeholder engagement — is a strategic asset that can support expansion, attract talent and underpin sustainability leadership.

### Competitive advantage perception

Despite their reinvention mindset, PNG family businesses express somewhat lower confidence in the competitive advantages of being family-owned:

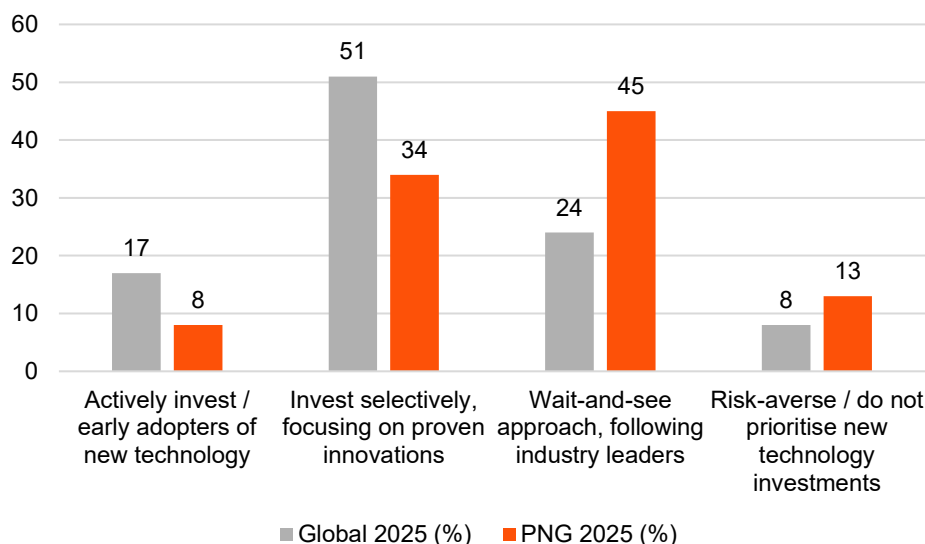
- **50%** believe they have a **moderate to significant** advantage compared to non-family businesses in responding to market disruptions — versus 63% globally
- **24%** believe the advantage is **significant** — marginally above the global figure of 22%

This confidence gap is likely shaped by PNG’s structural constraints — smaller market size, infrastructure challenges and limited access to capital — rather than a perceived weakness in family business attributes themselves.

### Innovation and technology investment: The critical gap

Innovation is one of the clearest areas of divergence between PNG family businesses and their global peers.

The survey explores investment approaches in emerging technologies (e.g. AI, automation and advanced analytics), with PNG results benchmarked against global patterns, where:



PNG data indicates a more cautious posture, with lower levels of structured investment in emerging technologies.

In terms of **innovation funding**, PNG family businesses rely more heavily on internal capital and make limited use of external finance — consistent with the smaller, family-dominated boards documented elsewhere in this report.

### Why innovation may be under-prioritised in PNG

- **Capital constraints** — In a market where 50% did not achieve sales growth in the past year, discretionary investment in unproven technologies competes directly with operational necessities.
- **Conservative risk tolerance** — Heightened by economic uncertainty, currency volatility and limited exposure to innovation ecosystems.
- **Digital infrastructure gaps** — Unreliable internet and power supply, particularly outside major urban centres, reduce the practical return on digital investment.
- **Digital literacy and skills** — Limited technical capabilities within workforces and leadership teams slow adoption.
- **Governance concentration** — With 63% of PNG boards comprising only family members (vs. 33% globally) and an average board size of 3.1 (vs. 5.0 globally), boards may lack the external expertise and diverse perspectives needed to champion technology-driven transformation.

As global peers accelerate adoption of advanced digital capabilities — including AI, automation, data-driven decision-making and e-commerce — PNG family businesses’ slower pace of investment risks widening an already emerging competitiveness gap.

### Family offices: An emerging but distinctive vehicle

PNG family businesses show a slightly higher rate of family office adoption than the global average:

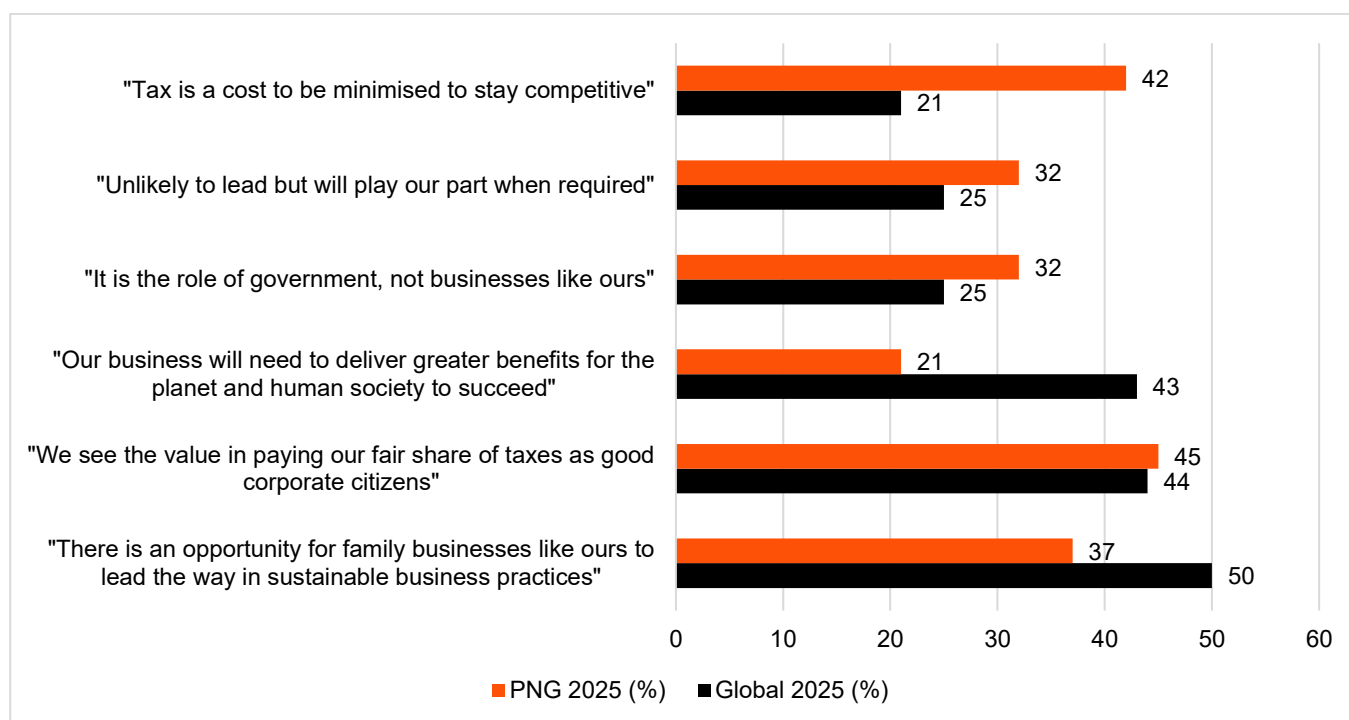
Family Office Metric	PNG 2025	Global 2025
Have a family office	37%	33%
Virtual family offices (among those with a family office)	37%	6%
Single family offices (SFOs)	—	67%
Embedded family offices (EFOs)	—	14%
Multi-family offices (MFOs)	—	13%

The high prevalence of virtual family offices in PNG likely reflects geographic realities, scale and cost considerations, while also demonstrating an adaptive approach to accessing structured investment and wealth management capabilities. If given a clearer strategic mandate, family offices could become important vehicles for channelling capital into innovation and sustainability initiatives.

### Sustainability: A critical strategic gap

Sustainability and environmental responsibility remain under-prioritised among many PNG family businesses.

The survey explores how family business leaders feel about the role of their family business today:



The survey explores how family business leaders view the role of their businesses in society, with PNG findings benchmarked against global data. These comparisons provide insight into how PNG family businesses perceive their societal responsibilities relative to peers in other markets.

### Why sustainability prioritisation may be low in PNG

- **Immediate survival pressures** — In a volatile economy with constrained growth (50% achieved growth vs. 73% globally), sustainability often feels secondary to day-to-day viability.
- **Limited awareness and capability** — Many family businesses lack a practical understanding of what sustainability means in their operational context.
- **Perceived cost barriers** — Sustainability initiatives are often seen as discretionary or expensive, without sufficient recognition of potential cost savings, revenue opportunities and risk-mitigation benefits.
- **Weak local regulatory pressure** — Unlike markets where ESG regulation is advancing quickly, PNG's regulatory environment has yet to create strong compliance incentives.
- **Board composition limitations** — With 74% of PNG boards having no one aged under 40 (vs. 59% globally) and 50% having no director from a different industry (vs. 29% globally), boards may lack the diversity of perspective needed to champion sustainability.

### The strategic case for action is strengthening:

- **International supply chain requirements** — Major trading partners (particularly Australia, the EU and others) are implementing supply chain due diligence and ESG disclosure regimes, increasing compliance demands on PNG exporters and their partners.
- **ESG-linked financing** — Development finance institutions and impact investors are directing more capital towards businesses demonstrating credible ESG commitments.
- **Community and stakeholder expectations** — In a country where 87% of family businesses rate reputation as "Very Important", visible environmental and social responsibility directly reinforces trust and social licence to operate.

- **Risk mitigation** — Climate change, environmental degradation and resource depletion pose direct, material risks to many PNG businesses, particularly in agriculture and resource-linked sectors.

PNG family businesses that begin building sustainability capabilities now — even through modest, practical first steps — will be better positioned to meet rising expectations and capture emerging opportunities.

### Section summary: Resilience and reinvention, constrained by capability gaps

Strength	Data Point	Associated Risk / Gap
Willingness to reinvent during disruption	61% fully reinvent approach	Reinvention without structured capabilities may be reactive rather than strategic
Expansion-driven strategic shifts	34% triggered by expansion (vs. 21% globally)	Ambition constrained by capital, digital, and governance limitations
Balanced long-term/short-term orientation	>67% equally balance both (vs. 51% globally)	May limit bold bets on transformative investments
Strong reputation focus	87% say reputation is "Very Important" (vs. 78% globally)	Reputation not yet leveraged for sustainability leadership
Higher family office adoption	37% have family offices (vs. 33% globally)	Predominantly virtual; may lack strategic innovation mandate
Gap: Innovation and technology	Technology investment approaches lag global benchmarks	Widening competitiveness gap in digital era
Gap: Sustainability	Low prioritisation vs. global peers	Risks to market access, financing, and stakeholder trust
Gap: Board diversity and governance	63% family-only boards (vs. 33%); board size 3.1 (vs. 5.0)	Limits access to external expertise and ESG perspectives

The path forward requires a deliberate shift: maintaining the resilience that has served PNG family businesses well, while progressively building the innovation, digital, sustainability and human capital capabilities that will underpin competitiveness in the years ahead.

## Family Dynamics and Governance

Family dynamics and governance structures are fundamental to the long-term resilience and success of family businesses worldwide. In Papua New Guinea — where family businesses are often deeply embedded within local communities — these factors shape not only business continuity, but also social cohesion and the fulfilment of legacy aspirations.

### Company purpose

A clear company purpose provides the foundation for strategic alignment, stakeholder engagement and cultural coherence:

- **74%** of PNG family businesses have a clear company purpose — one that leaders say can be articulated in a single sentence.

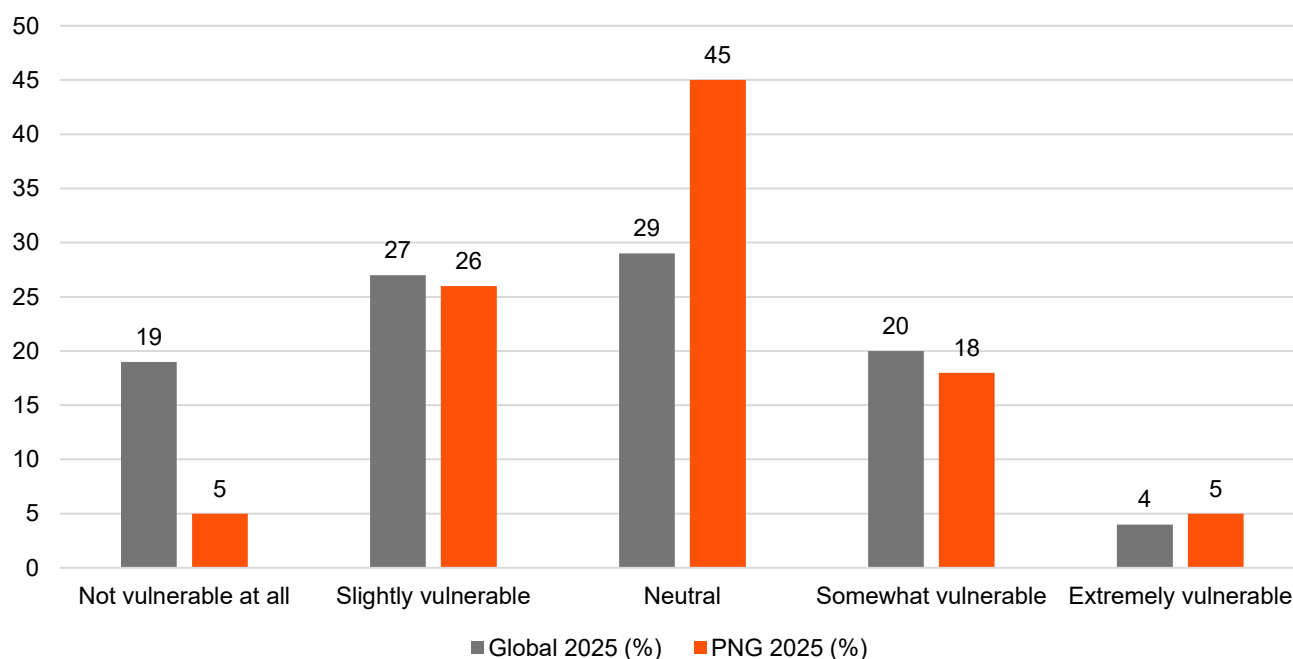
Among businesses with an articulated purpose, the survey explores which statements are true of that purpose, with PNG and global data presented side by side. A clear purpose can serve as a unifying framework for family members across generations and a reference point for strategic decision-making.

### Trust and reputation

Trust is a cornerstone of family business stability and collaboration:

- **71%** of PNG family business leaders say their family business enjoys **higher trust** than non-family businesses in terms of reputation with customers, employees and partners — closely aligned with the global figure of 74%.
- **87%** of PNG respondents say maintaining the family business’s reputation is **“Very Important”** — exceeding the 78% global rate.

This strong emphasis on reputation is a significant asset. At the same time, survey responses indicate that many PNG businesses perceive meaningful vulnerability in their reputation when tested against current social and economic pressures:



The combination of high importance placed on reputation and perceived exposure suggests that PNG family businesses recognise their reputational capital — while strong — requires active protection and management in the current environment.

### Generational alignment on key business priorities

The survey examines the degree of alignment between the current and next generation across key business priorities. Global benchmarks show:

Alignment Level	Range across priority areas (Global)
Aligned (Top 2 Box)	53%–63%
Neutral	27%–34%

PNG data is presented alongside these figures throughout the report, enabling comparison of where generational views converge and diverge.

Where misalignment exists, the risks can be significant:

- **Decision-making gridlock** — diverging views can slow or stall critical decisions.
- **Generational gaps** — differing priorities between founding and succeeding generations may result in strategic incoherence.
- **Succession challenges** — misalignment complicates leadership transitions and can undermine confidence in the succession process.

### Governance policies in place

The survey assesses which governance policies and procedures family businesses have implemented, with PNG and global results compared.

Effective governance structures help to:

- **Define roles and responsibilities** — reducing ambiguity and preventing overlaps or gaps.
- **Provide conflict-resolution mechanisms** — supporting constructive handling of disagreements.
- **Strengthen strategic oversight and planning** — aligning family aspirations with business objectives.
- **Enhance external accountability** — supporting engagement with investors, lenders, advisors and other stakeholders.

PNG results indicate considerable room to formalise governance, particularly in earlier-generation businesses where informal arrangements often prevail.

### Family conflict

The survey also explores whether family conflict occurs within the business and how it is handled:

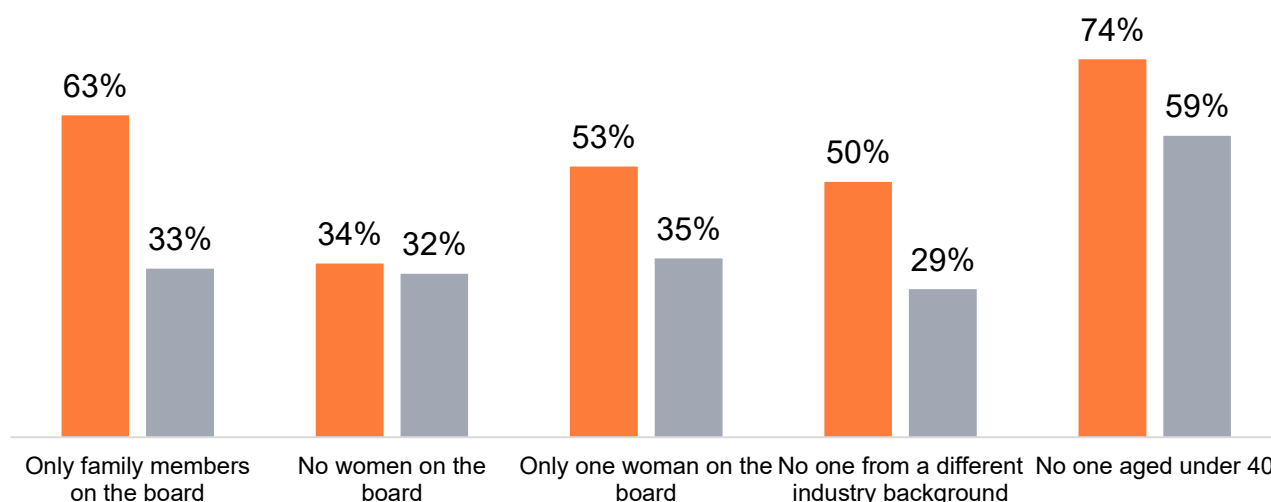
- The prevalence of conflict and the mechanisms used to manage it are captured for both PNG and global respondents.
- Among those experiencing conflict at least occasionally, the survey documents the approaches used to resolve disputes.

Effective conflict management is critical, especially in PNG's predominantly early-generation family businesses where roles, leadership boundaries and authority are still being actively negotiated.

### Board composition and diversity: A significant governance gap

Board composition is one of the areas where gaps between PNG and global family businesses are most striking:

■ PNG 2025 ■ Global 2025



- **Board size** — PNG boards average **3.1** members, compared with a global average of 5.0. Smaller boards may be more agile, but they also limit the range of perspectives, expertise and oversight capacity available.
- **Family dominance** — **63%** of PNG boards comprise only family members (vs. 33% globally). This is the widest single gap and restricts access to independent, external viewpoints that can challenge established thinking and contribute specialised expertise.
- **Gender diversity** — While **34%** of PNG boards have no women (similar to 32% globally), a further 53% have only one woman (vs. 35% globally). This means the vast majority of boards have minimal female representation.
- **Industry diversity** — **50%** of PNG boards have no member from a different industry background (vs. 29% globally), limiting cross-sector learning and innovation potential.
- **Age diversity** — **74%** have no one aged under 40 (vs. 59% globally), constraining the infusion of next-generation perspectives, digital fluency and evolving market insights.

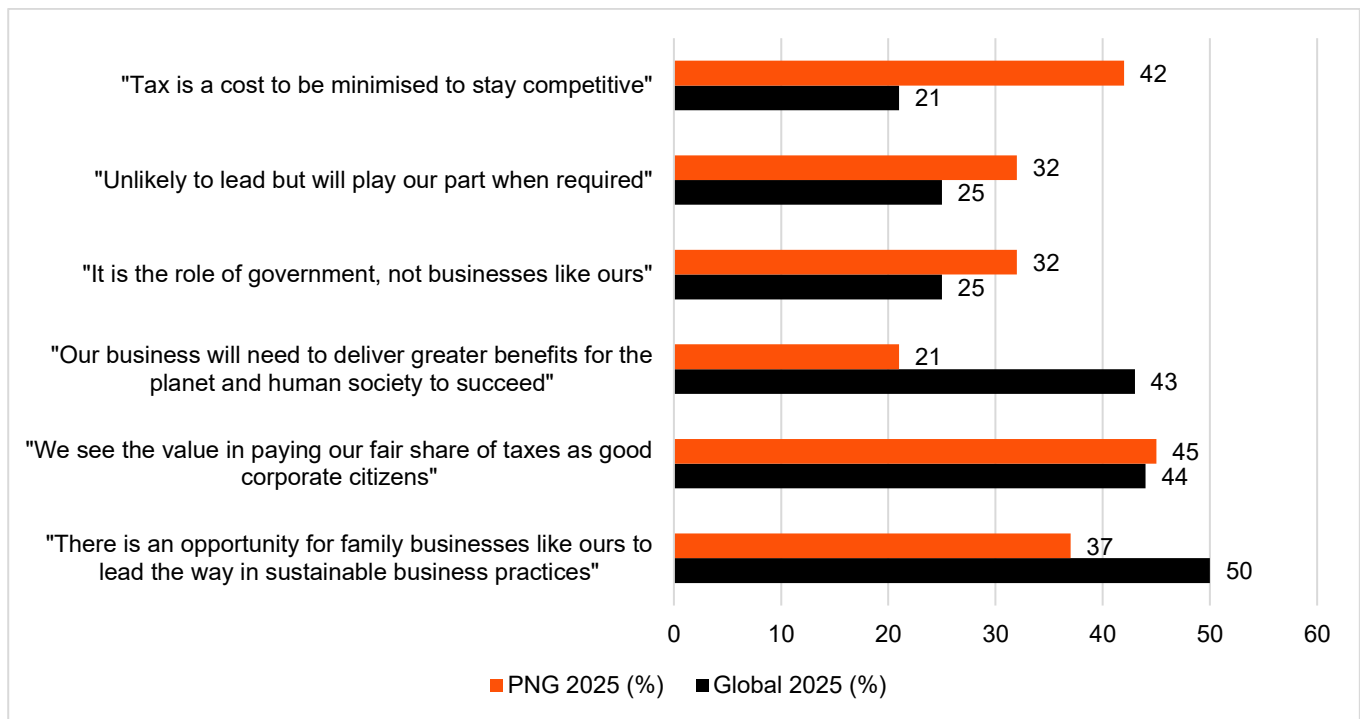
These governance gaps compound the challenges identified elsewhere in this report — particularly around innovation adoption, sustainability integration and succession readiness.

### Longer-term goals

The survey also examines the importance family businesses place on a range of longer-term goals (over the next five years or more), with PNG and global data presented side by side. Global importance ratings range from 45% to 88% across various priority areas, providing benchmarks against which PNG family businesses' forward-looking priorities can be assessed — including growth, professionalisation, family cohesion, sustainability and social contribution.

### Role of family business in society

PNG family businesses' views on their role in society provide important context for both sustainability and governance discussions:



The survey compares PNG with global results on the extent to which family businesses see themselves as responsible for:

- Creating jobs and supporting local communities
- Acting as stewards of natural resources
- Contributing to national development and social wellbeing

PNG data is presented alongside these global figures, highlighting the degree to which PNG family businesses view themselves as custodians of broader societal outcomes, not just commercial performance.

### Challenges in preparing the next generation

The survey identifies the most significant challenges in preparing the next generation for leadership, with PNG and global data compared. These challenges include:

- Ensuring the next generation has the right skills and experience
- Managing expectations around ownership and leadership roles
- Encouraging interest and commitment to the family business
- Balancing merit-based appointments with family considerations

This is particularly relevant in PNG, where many family businesses are still in their first or second generation, and will face major leadership transitions over the coming decade.

### Section implications

PNG family businesses demonstrate strong foundations in **trust, reputation and purpose**. However, governance structures — particularly board composition and diversity, and the formalisation of policies and processes — represent the most significant areas of divergence from global peers.

To address these gaps, PNG family businesses should consider:

-  **01 Board diversification** — expanding board composition to include independent external members, cross-industry expertise, gender diversity, and younger perspectives
-  **02 Governance formalisation** — establishing clear frameworks defining roles, decision authorities, and conflict resolution mechanisms
-  **03 Structured family alignment initiatives** — regular strategic retreats and facilitated dialogues involving all generations
-  **04 Succession planning and leadership development** — tailored succession plans with clear timelines, criteria, and development pathways
-  **05 Documentation of values and purpose** — building on the 74% who have a clear purpose by codifying family values as living governance tools

By strengthening governance and managing family dynamics proactively, PNG family businesses can better harness their existing strengths — particularly trusted relationships and strong reputations — to support sustainable, multigenerational success.

## The Path Forward: Four Strategic Imperatives

PNG family businesses have demonstrated admirable resilience and enduring commitment in a complex and challenging operating environment. The 2025 survey confirms that they remain central to PNG's economy — anchoring communities, providing employment and driving local development.

At the same time, meaningful gaps persist compared to global peers — particularly in board governance and diversity, innovation and digital capability, human capital investment and sustainability integration. Left unaddressed, these gaps risk constraining growth, undermining competitiveness and jeopardising the multigenerational legacies PNG family businesses aspire to build.

Four strategic imperatives emerge from the survey findings. While all four are important, they are presented in a deliberate sequence: **governance** provides the foundation on which the other three depend and is the logical starting point for most family businesses.

### Imperative 1: Strengthen governance, board diversity and family alignment

#### The data:

- PNG boards average **3.1** members (vs. 5.0 globally).
- **63%** have only family members on the board (vs. 33% globally).
- **74%** have no one aged under 40 (vs. 59% globally).
- **50%** have no board member from a different industry background (vs. 29% globally).

- Only **50%** of PNG family businesses believe they have a moderate to significant competitive advantage as a family business (vs. 63% globally).

#### **Why it matters:**

Governance is foundational. Without appropriately composed boards and clear structures for decision-making, conflict resolution and strategic planning, other initiatives — such as digital investment, employee engagement and sustainability — will struggle to gain traction. More professional governance is also a prerequisite for attracting external investment and partners, and for managing the generational transitions that many PNG family businesses will face in the coming decade.

#### **Recommended actions:**

- **Expand board composition** to include independent external members, cross-industry expertise, gender diversity and younger perspectives.
- **Establish formal governance frameworks** — for example, family councils, documented decision-making protocols and conflict-resolution mechanisms.
- **Conduct facilitated family alignment sessions** — regular strategic retreats involving multiple generations to articulate shared vision, values and direction.
- **Codify family values and purpose** — building on the 74% who have a clear company purpose, create “living” documents that guide culture, strategy and communications.
- **Develop formal succession plans** — with defined timelines, leadership criteria and development pathways.

#### **Getting started:**

A facilitated family retreat to discuss shared vision, roles and governance needs can be an effective and low-cost first step — even before formal structures are established.

## **Imperative 2: Invest in digital capabilities and innovation**

#### **The data:**

Globally, family businesses’ approaches to emerging technology are:

- 17% early adopters
- 51% investing selectively in proven innovations
- 24% taking a wait-and-see approach
- 8% risk-averse

PNG family businesses largely fund innovation from internal capital. **37%** have family offices (vs. 33% globally), with a notably high share being virtual (37% vs. 6% globally).

#### **Why it matters:**

Digital transformation and innovation are reshaping competitive dynamics worldwide. PNG family businesses that do not invest in these capabilities risk falling further behind — not only relative to international competitors but also to non-family enterprises operating locally. Even incremental digital investments can deliver meaningful productivity gains, cost efficiencies and customer insights. The bold reinvention mindset demonstrated by 61% of PNG

businesses during disruption is a strong cultural foundation — but it must be complemented by structured innovation capabilities.

#### **Recommended actions:**

- **Launch pilot digital initiatives** to build confidence and demonstrate tangible returns.
- **Build digital literacy** across the workforce through practical, targeted training programs.
- **Explore external funding partnerships** — including government digital-economy programs, development finance institutions and impact investors.
- **Expand family office mandates** to explicitly include innovation investment and strategic advisory functions.
- **Foster a culture of experimentation** — encourage testing new approaches, tolerate measured failure and reward continuous improvement.

#### **Getting started:**

Identify one core business process that is currently manual and time-consuming, and pilot a digital solution. Small wins help build momentum and organisational confidence.

### **Imperative 3: Enhance employee engagement and trust**

#### **The data:**

The survey explores employee-related priorities alongside other strategic areas. Global benchmarks for five-year priorities show importance ratings ranging from 45% to 88% across different focus areas. Board composition data indicates that **74%** of PNG boards have no one aged under 40 (vs. 59% globally), suggesting limited representation of younger perspectives in decision-making and people-related strategy.

#### **Why it matters:**

Human capital is the backbone of any successful enterprise. In a market with talent constraints, the ability to attract, retain and develop skilled employees is a critical competitive differentiator. Weak employee engagement undermines both day-to-day performance and succession planning — without a capable and committed internal talent pipeline, leadership transitions become significantly riskier.

#### **Recommended actions:**

- **Strengthen two-way communication** — regular employee forums, accessible feedback channels and transparent management updates.
- **Invest in fair compensation and career development** — structured advancement pathways that signal long-term commitment to employees.
- **Implement leadership development programs** — tailored for the PNG context, combining practical local training with targeted external exposure.
- **Encourage employee participation in decision-making** — involving staff in problem-solving to build ownership, loyalty and shared purpose.
- **Build an internal talent pipeline** — identify and develop high-potential employees who can assume greater responsibility and future leadership roles.

### Getting started:

A confidential employee engagement survey — even a simple one — can highlight immediate priorities and demonstrate to staff that their voices are valued.

## Imperative 4: Integrate sustainability principles

### The data:

Globally, **50%** of family businesses see an opportunity to lead in sustainable business practices, and **43%** believe the business must deliver greater benefits for the planet and society. PNG family businesses' views are benchmarked against these figures in the survey. Meanwhile, **87%** of PNG respondents rate reputation as “Very Important” (vs. 78% globally) — providing a strong foundation for sustainability-based differentiation.

### Why it matters:

Sustainability is becoming a mainstream strategic imperative globally. While this may feel distant from PNG's immediate operational pressures, its impacts are increasingly evident through international supply chain requirements (particularly from Australia and the EU), ESG-linked financing criteria from development institutions, evolving consumer preferences and growing community expectations. Family businesses that begin building sustainability capabilities now will be better positioned to meet these requirements and capture related opportunities.

### Recommended actions:

- **Start with practical, measurable steps** — for example, energy-efficiency initiatives, waste-reduction programs, ethical sourcing practices and employee wellbeing initiatives.
- **Invest in community development** — projects aligned with the firm's values that strengthen relationships with local communities.
- **Explore ESG-linked financing** — tapping development finance institutions and impact investors that increasingly prefer businesses with credible ESG commitments.
- **Initiate transparent reporting** — even basic sustainability disclosures can build credibility and trust with key stakeholders.
- **Frame sustainability as opportunity** — emphasising cost savings, risk mitigation, enhanced brand reputation and access to new markets.

### Getting started:

Conduct a simple assessment of the business's environmental footprint and community impact. Identifying a handful of “quick wins” can build momentum without requiring significant capital investment.

## A window of opportunity

The current economic environment offers a favourable window for action. With the Papua LNG project advancing towards a Final Investment Decision, the Porgera mine reopened, commodity prices elevated and foreign currency availability improved, PNG's outlook provides family businesses with an opportunity to invest in foundational capabilities.

However, such windows do not remain open indefinitely. The family businesses that act now — strengthening governance, building digital and innovation capability, investing in their people and embracing sustainability — will be best positioned to thrive in the years ahead.

## Measuring progress

To sustain momentum and ensure accountability, PNG family businesses should consider:

- **Establishing internal benchmarks** — setting specific, measurable goals for governance, digital adoption, employee engagement and sustainability.
- **Participating in future survey cycles** — using the PNG Family Business Survey as an external benchmark to track progress over time.
- **Engaging with peer networks** — sharing experiences and learning from other family businesses facing similar challenges and opportunities.

## A closing note

The 2025 PNG Family Business Survey depicts a sector at a pivotal moment. PNG's family businesses are resilient, deeply committed to their communities and grounded in strong cultural values. These are significant strengths — reflected in survey findings that show **87%** prioritise reputation, **71%** report higher trust than non-family businesses, **74%** have a clear company purpose and **61%** are willing to fully reinvent during disruption.

At the same time, the data reveals meaningful gaps in the capabilities that will shape future competitiveness — particularly in board governance and diversity, technology and innovation investment, and sustainability integration. The entrepreneurial spirit that built these businesses is the same spirit that can transform them — if matched with strategic action, openness to change and a commitment to continuous improvement.

By embracing these four imperatives, PNG family businesses can transcend current constraints, compete more effectively and build the enduring multigenerational legacies they aspire to — legacies that benefit families, communities and Papua New Guinea as a whole.

PwC PNG remains committed to supporting the country's family business community through research, advisory services and practical insights. We again extend our sincere thanks to the 38 family businesses that participated in this survey. Your willingness to share your experiences and perspectives makes this research possible and ensures it remains grounded in the realities of doing business in PNG.

## About the Survey

### Overview

The 2025 Papua New Guinea Family Business Survey (FBS) forms part of PwC PNG's ongoing research into the state of family businesses in Papua New Guinea. The survey was conducted between 1 April and 17 June 2025 and captured responses from 38 family businesses operating across the country.

This PNG survey is part of the broader PwC Global Family Business Survey programme, which in 2025 conducted 1,325 interviews across more than 60 territories worldwide. Global interviews were conducted online and averaged around 27 minutes in duration.

## Methodology

- **Survey instrument:** A structured questionnaire covering business performance, growth outlook, strategic priorities, innovation and digital adoption, sustainability practices, family dynamics and governance structures.
- **Administration:** Online interviews were the primary method of data collection.
- **Respondent profile:** Responses were primarily provided by senior family members involved in business leadership — including founders, managing directors, chief executive officers and next-generation family leaders.
- **Participation basis:** Participation was voluntary and confidential. All responses have been anonymised and aggregated in this report; no individual business or respondent is identifiable.

## Sample characteristics

The 38 participating family businesses represent a range of sectors and generational stages. Company profile data captured in the survey includes turnover (sales) in US dollars, shareholder majority, sector and the family's role in the business.

## Historical context

### The PNG survey provides trend data across multiple cycles:

The survey provides trend data across multiple cycles:

Survey Year	PNG Respondents	Global Respondents
2025	38	1,325
2023	42	2,043
2021	34	2,801
2018	31	2,817

Note: Papua New Guinea started participating in 2018.

## Benchmarking approach

PNG survey findings are benchmarked throughout this report against the PwC Global Family Business Survey 2025 results (n = 1,325 across 60+ territories).

The global survey captures responses from family businesses across multiple countries and sectors — including Europe (Eastern and Western), Asia and the Pacific, North America, Latin America, the Middle East and Africa — providing robust reference points for contextualising PNG's results.

## Sample size and interpretation

The sample of 38 family businesses provides meaningful directional insights into the PNG family business landscape. However, readers should note the following when interpreting findings:

- The sample is not statistically representative of all family businesses in PNG. Results should be understood as indicative of trends and sentiments within the surveyed group rather than definitive population-level statistics.
- Percentage-based findings should be interpreted with care. In a sample of 38, each percentage point corresponds to fewer than one respondent; movements of 2–3 percentage points between survey cycles may reflect small absolute changes.
- Despite these limitations, consistent participation across survey cycles supports meaningful trend analysis, and the findings align with qualitative observations from PwC PNG's ongoing engagement with the family business community.

## Confidentiality

All survey responses were provided on a confidential and anonymised basis. No individual respondent, family or business is identified in this report. Only aggregated data is presented, to protect respondent privacy while enabling meaningful analysis.

## Disclaimer

This report has been prepared by PricewaterhouseCoopers PNG (PwC PNG) for general informational purposes only. It does not constitute professional, legal, financial or investment advice and should not be relied upon as such.

The findings, analysis and recommendations in this report are based on survey data collected from 38 family businesses in Papua New Guinea between April and June 2025, as part of the PwC Global Family Business Survey 2025, which covered 1,325 interviews across more than 60 territories. While the survey provides meaningful directional insights, the PNG sample size is relatively small and the results should not be treated as statistically representative of all PNG family businesses. Global benchmark data is drawn from the PwC Global Family Business Survey and is provided for contextual comparison; any methodological differences should be taken into account.

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