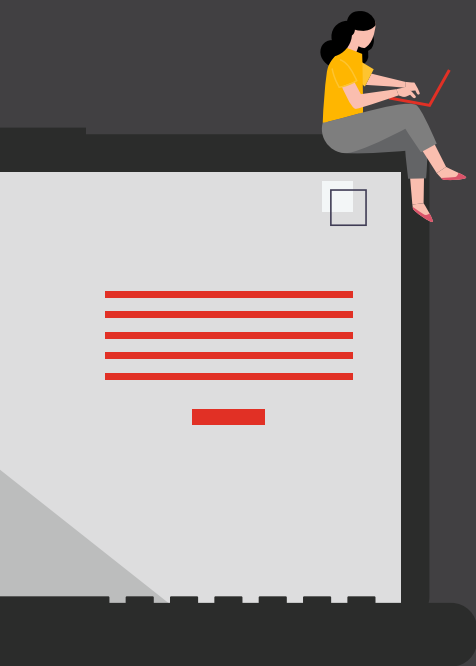


# Agents of change: Earning your licence to operate

Driven by how new tech and disruption are shaping businesses and the economy, PwC's NextGen Survey 2019 aims to understand how NextGens are addressing and perceive that constant change. NextGens show great commitment and ambition but feel constrained to a greater or lesser degree about their role in driving the family business forwards. We surveyed nearly 1,000 respondents who are becoming, or aspiring to become, family business leaders and we are pleased to summarise our Singapore insights.

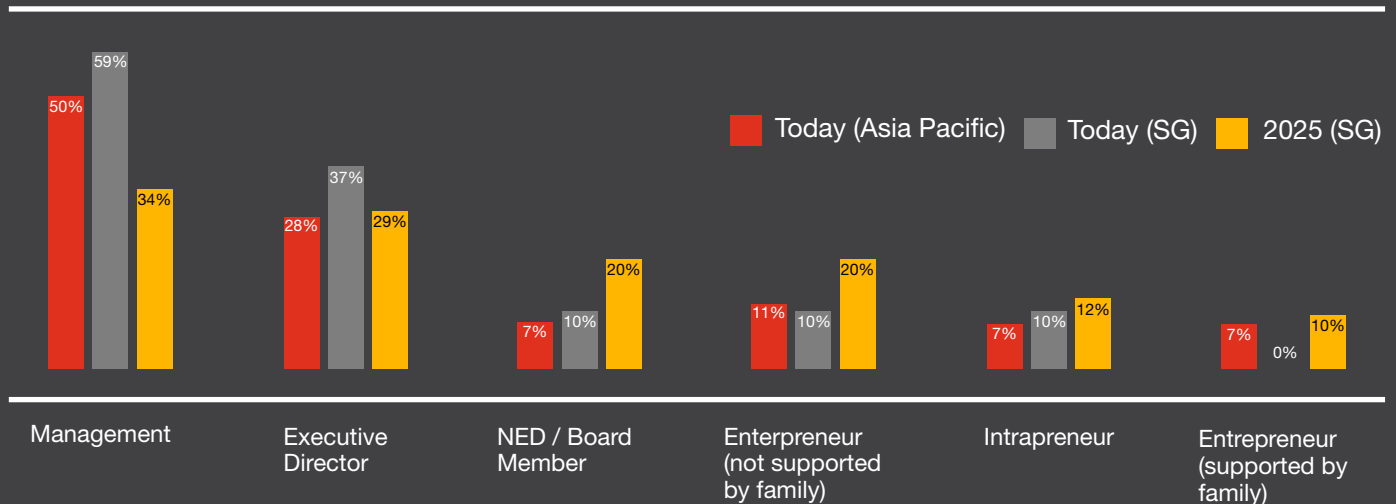


## The majority of NextGens in Singapore are deeply engaged in the family enterprise

NextGens in Singapore are actively engaged in their family business today with 59% of them currently in management roles (50% Asia Pacific vs 39% global) and 37% of them in executive director roles (28% Asia Pacific vs 26% global). More than half of Singapore NextGens (68% vs Asia Pacific 52% vs Global 48%) reported that they've been given the responsibility to lead a specific change project.

NextGens are committed and ambitious, but they yearn for more trust and mentorship. The challenge for the current generation is to find more effective ways to help NextGens make the transition to a leadership position. Over the next five years, Next Gens are looking to move away from management and Executive leadership roles into governance roles in their family business, or setting up their own entrepreneurial venture.

## The role of NextGens in their family business today and ideally, in 2025



## NextGens are agents for change in driving purpose and attracting talent

Aligned with Asia Pacific, NextGens in Singapore see the biggest drivers of change within their business as market competition (68%), with 38% ranking it as a top driver.

There is a strong correlation between what NextGens think their business needs are and where they feel they could add significant value to. For example, talent is a key business priority for NextGen locally, in the region and globally and NextGens feel that attracting talent as an area where they can personally add most value to realising the family business goals.

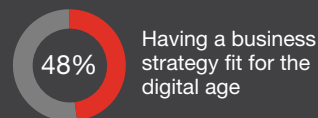
### Business goals vs NextGen value

#### Top priorities which NextGens think the business should be focusing on:

##### Singapore

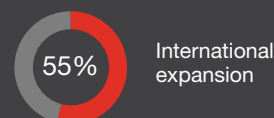


##### Asia Pacific

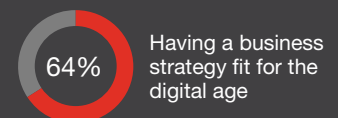


#### Top areas where NextGens feel they could add significant value to:

##### Singapore



##### Asia Pacific



As digital natives, Singapore NextGens believe they possess the knowledge and skills to help their family business succeed in a disruptive landscape.

97% of Singapore NextGens believe they can add value in helping their family business develop a strategy fit for the digital age. They are particularly focused on the Internet of Things, Artificial Intelligence and robotics. In Singapore, 49% of NextGens believe their business is better than competitors at using technology effectively, and 32% say their business is at the same level as the competition.

“

Our business needs to be willing to embrace new technology and to be aware of wide global changes, as well as having professional management.

- Second generation, Singapore

”



## NextGens want to lead and feel that they can add value but they also feel like they are being held back and do not have a license to operate

The challenges they face and the decisions they make. The networks they're building and the legacies they want to leave. It's all personal. But it also has to be professional. To help NextGens unlock their full potential, current leaders can remove barriers and commit to succession plans.

A fair majority (42%) of NextGens in Singapore say that their current level of expertise is a major constraint on having the impact they would like to have, compared to 24% in Asia Pacific and 22% globally. The other two constraints are also consistent with Asia Pacific and Global - the opportunity for development you are been given inside your family business and self-doubt.

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).

### What NextGens think would help them add more value to their family business

Singapore	Asia Pacific	Global
56% Skills Development	62% Skills Development	61% Skills Development
54% Mentoring or shadowing	51% International exposure	48% Mentoring or shadowing
49% International exposure	46% Mentoring or shadowing	43% Peer to peer networking
46% Peer to peer networking	45% Peer to peer networking	42% Work experience outside
46% Work experience outside	44% Work experience outside	41% International exposure

“ Old and young, we have different perspectives and experiences and interpretations. The old way is not always right, but neither is a new way. There may be something valid from the old path, but it may not be suitable for the current market.

- Third generation, Singapore

The top two skills they cited were problem solving and strategic thinking and leadership, both with 78% of respondents reflecting that these skills were essential to 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%).



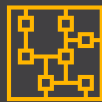
## NextGens have different ways of doing things

In our NextGen survey 2017, we identified four paths to success: **transformers, stewards, intrapreneurs and entrepreneurs**. In 2019, we have identified that there is a greater proportion of transformers in Singapore (53%) compared to Asia Pacific (47%) and Global (46%).



### Stewards

focus on protecting the profitability of the family firm, and ensuring its long-term sustainability.



### Intrapreneurs

set up their own venture within the family business, often with family financial backing.



### Transformers

take on the task of driving significant change in the family firm, with the scope and support to do so.



### Entrepreneurs

set up their own separate venture outside the family firm, with no profits going back to the family business.



Take this short quiz to find out which NextGen path you may be on and explore recommendations and case studies tailored to you.

<https://pwc.to/2OAH22o>

## About the survey methodology

PwC's NextGen survey 2019 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.

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