

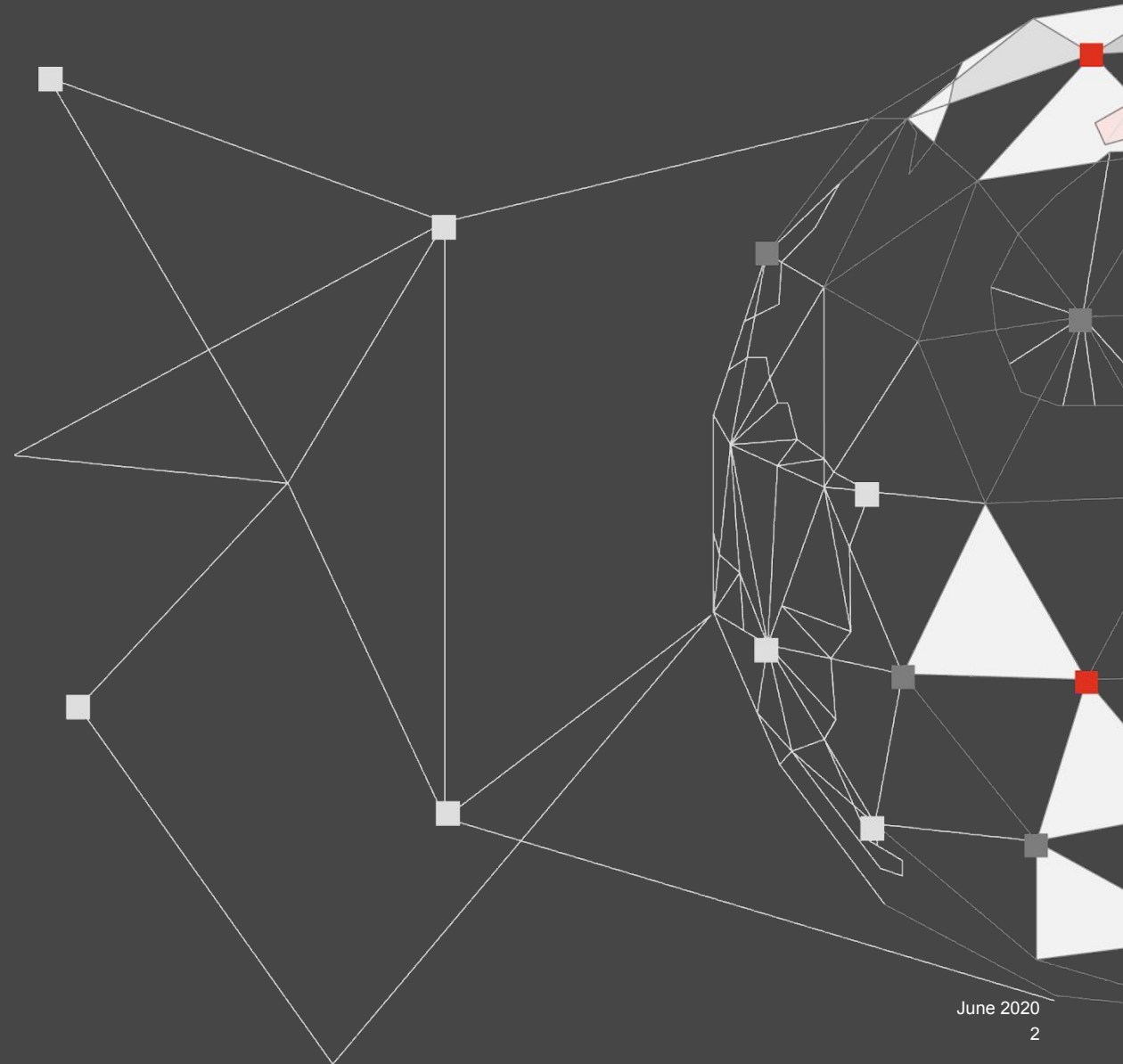
Family businesses

Operating in the 'new normal'

Resilience is part of family businesses DNA

Family businesses are inherently resilient – and yours is no exception, whether recently-founded or long-established. Either way, resilience is part of your family business DNA – underpinned by your deeply-held values and purpose, long-term horizon, agile decision-making, patient capital, and rock-solid commitment to your workforce and communities.

As in any crisis, family owners had to stand united, define their commitment to their business and speak with one voice. Sending a strong message to employees, business partners and public was vital. Now that Vietnam is on its road to recovery, how family businesses leverage on the lessons learnt during the pandemic will further boost the competitive edge of family businesses.



A low-angle, upward-looking photograph of several tall skyscrapers with glass facades, reaching towards a blue sky with scattered white clouds. The perspective creates a sense of height and scale.

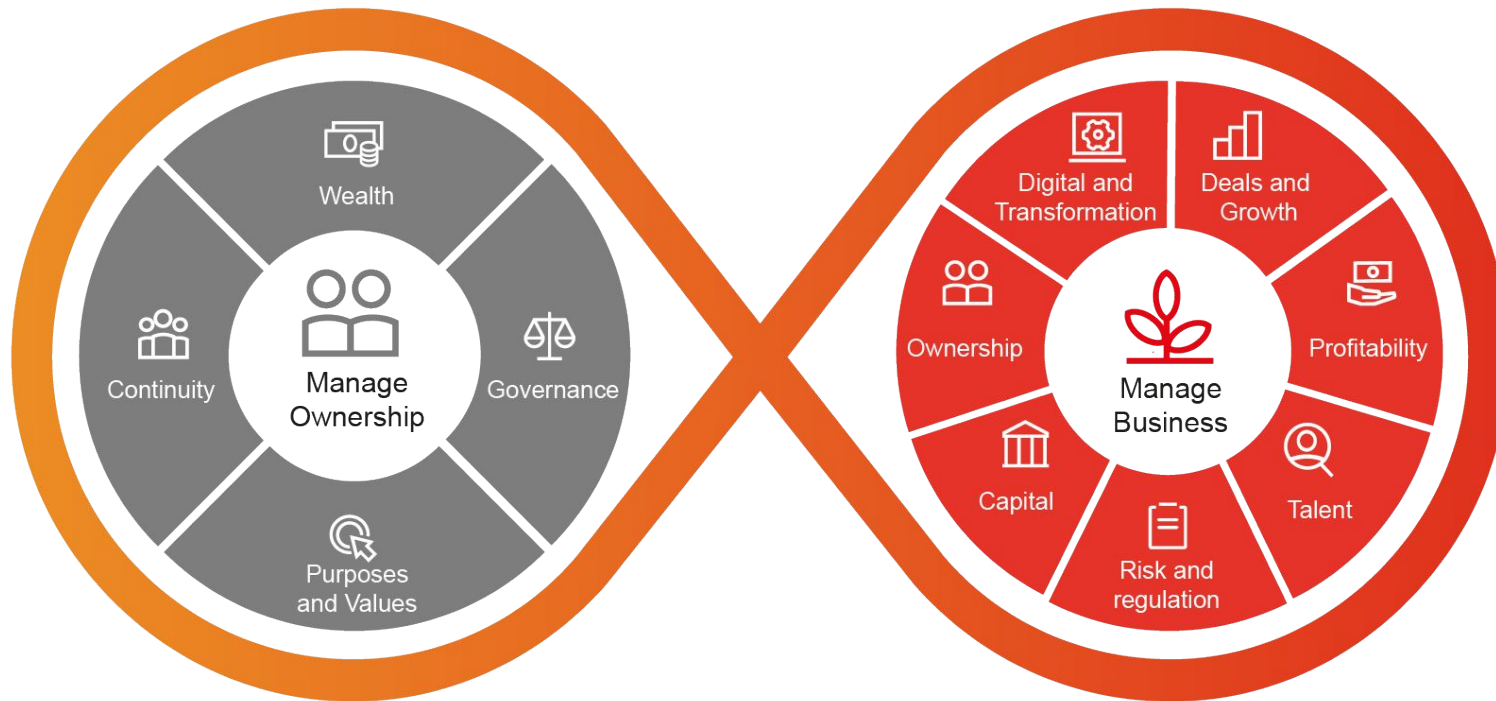
“

COVID-19 brought about challenges and disruption never imagined before. Your ability as a family business to thrive post pandemic is critical to the future of your family, your business and all the people who rely on it”

It is time to revisit your Owner's agenda

How has the pandemic changed your approach or views?

The key to business success and longevity but also family cohesion and happiness lies in your ownership strategy approach.



Achieving the right level of sustainable growth is an especially complex for family businesses.

Key owner challenges for long term success



Wealth

Managing, protecting and growing your wealth today and for the future



Governance

Effective and professional governance of your business needs, individual needs and the needs of those around you



Continuity

A smooth and well-managed ownership transition for the future of your business



Purpose and Values

Identify your purpose and define, codify, communicate and embed their values



Key issues for sustainable growth and profitability



Digital and transformation

Digital, technology and innovation strategies to strengthen competencies and optimise internal processes



Deals and Growth

Aligning to your long-term vision, values and readiness



Capital

Maintaining a robust financial base while considering new sources of capital



Profitability

Set the right goals to manage and measure profitability



Risk and regulation

Understanding the risks your businesses face and identifying the best strategies and governance frameworks to mitigate them in a rapidly changing world



Talent, reputation and employer branding

Attracting, retaining and developing the right talent to drive your businesses forward while remaining aligned to their values and ambitions

Embrace and live your values

For a family business, values are the connective tissue – the source of your success, commitment and longevity. But when survival is at stake and these values are challenged, cultivating them may not feel like a priority.

Never was it more evident than during the COVID-19 crisis. Staying united and leaning on your unique family values helped you stay connected with your ecosystem – your family stakeholders, employees, communities and customers.

In the “new normal”

01

More than ever, remain focused on aligning your actions with your purpose and values – such as supporting wider community

02

Empower your next generation to take the lead in staying connected digitally (eg. Use social media to engage your ecosystem etc)

Good governance can be a real differentiator

Effective governance – both family and corporate – is critical at any time. COVID-19 highlighted its importance. Trust, transparency and clear expectations helped navigate family businesses through challenges in the right way.

Future proofing your business requires you to keep your directors' duties front of mind. Be ready to seek external expertise if you're uncertain.

In the “new normal”

01

Your family council is the beating heart of your business: are there any other family members that has unique, crisis-relevant skills and experience who can help plan for future shocks?

02

Assess how your business handled the crisis. Was your board of directors equipped to manage the crisis and related risks appropriately? With the experience of hindsight, what were the gaps and areas for further contribution?

Reassess your strategy in managing your business and family wealth

Thoroughly evaluating the impact of COVID-19 on your personal finances, estate and investments is key post pandemic. Of course, it is also during this time, where you as a family business owner want to give back to your community in areas where it is most needed.

Many countries, including Vietnam has provided tax incentives to help the local economy get back on track. PwC is monitoring the changing tax landscape in real time [here](#).

In the “new normal”

01

Understand the [tax measures](#) introduced in response to COVID-19 and their effect on your personal tax position and liquidity. Then consider how to allocate your assets most effectively.

02

Consider whether your business will need additional capital in its recovery phase, and how you might use your private wealth to help.

03

In terms of philanthropic giving, you might wish to revisit your current approach to address issues generated by COVID-19 that has affected your immediate community.

04

Adjust existing plans to support the business’s ongoing liquidity requirements.

05

Communicate with your beneficiaries to ensure they are clear about any changes to plans in place, and on any sacrifices they may have to make, like accepting the reduction or suspension of dividends/returns.

Establish ownership continuity plan

Succession is critical to the success and continuity of any family business. Like all other businesses affected during COVID-19 with faltering cashflows, uncertain sources of operations or funding and supply chains disruption, ownership is an unavoidable added element for family businesses.

Post pandemic is an opportune time to turn to your next generation for leadership. In our latest [NextGen Survey – Vietnam in focus](#), they told us they're ready to make their mark, especially around digital transformation – but that they don't yet feel they have the licence to operate. Now is the time to bridge the generation gap, hand over that licence – and let them help drive your business post crisis.

In the “new normal”

01

Review wills and set out clear leadership/role transitions both at family and business level.

02

Give your next generation the opportunity to apply their digital savviness. This can make the difference between falling behind and staying ahead, as remote working and digital solutions become even more important.

03

Involve your next generation in using social media effectively, ensuring you have a clear and confident voice out there with all stakeholders.

Contact us



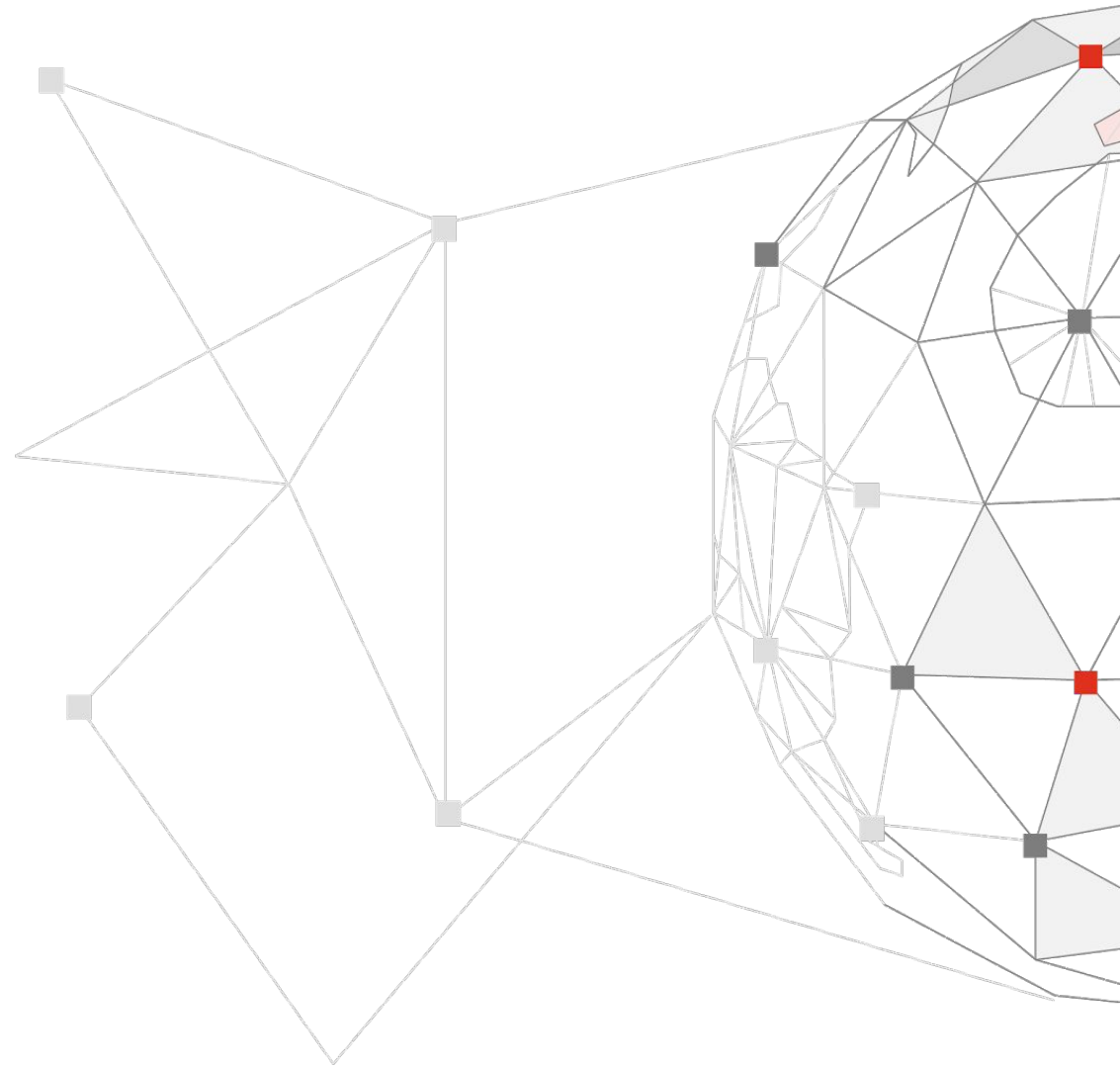
Dinh Thi Quynh Van

General Director/Partner,
Tax and Legal Services
PwC Vietnam
dinh.quynh.van@pwc.com
+84 24 3946 2231



Johnathan Ooi Siew Loke

Partner, Deals Services Leader
PwC Vietnam
johnathan.sl.ooi@pwc.com
+84 28 3823 0796



[pwc.com/vn](https://www.pwc.com/vn)

This content is for general information purposes only, and should not be used as a substitute for consultation with professional advisors.

©2020 PwC (Vietnam) Limited. All rights reserved. PwC refers to the Vietnam member firm, and may sometimes refer to the PwC network. Each member firm is a separate legal entity. Please see www.pwc.com/structure for further details.