



A road well-traveled

**How family businesses are guiding
the sustainability journey**

Global family business report April 2023

Do family businesses have a sustainability advantage?



Personal insights from top family business leaders



7 individual interviews



3 roundtable discussion groups with 20 leaders sharing their insight

Bringing stakeholder capitalism into the mainstream



The pandemic has made sustainability more relevant



Organizations are increasingly being challenged on their impact on the world



Stakeholder capitalism is rising



Shared value practices are embedded in families' values and business models



Opening up new ways to innovate and compete



A once-in-a-lifetime opportunity for family businesses

The first-mover advantage



Long-term orientation
and patient capital



A sense of duty to
future generations



Embedded in their
values and business
models



A crucial part of the
family legacy



A driver of continuous
innovation, transformational
change and business growth

The license to operate

“

Companies that are able to anticipate and meet rising environmental and societal expectations are also more likely to improve their reputations, attract and retain top talent and generate new business opportunities.

Sustainability is now a business imperative, as much as it is a stewardship one, and the companies that fail to adapt may struggle to compete in a new, low-carbon world.

Andrea Calabrò,
STEP Project Global Consortium Academic Director,
Professor of Family Business & Entrepreneurship,
IPAG Business School

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Sustainability as a business imperative

The potential benefits of sustainability — through the family business lens



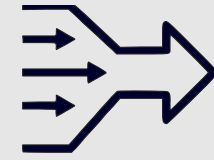
Value creation



Environmental and social progress



Growing human capital



Increased access to limited sources of capital



Increased customer loyalty



Financial benefits



Reducing costs



Risk mitigation

Turning sustainability into 'business as usual'

3 interconnected goals

1
Ensuring the
economic
sustainability *of*
the business

2
Adopting
responsible
operating
practices *in*
the business

3
Supporting
people and
planet initiatives
outside the
business

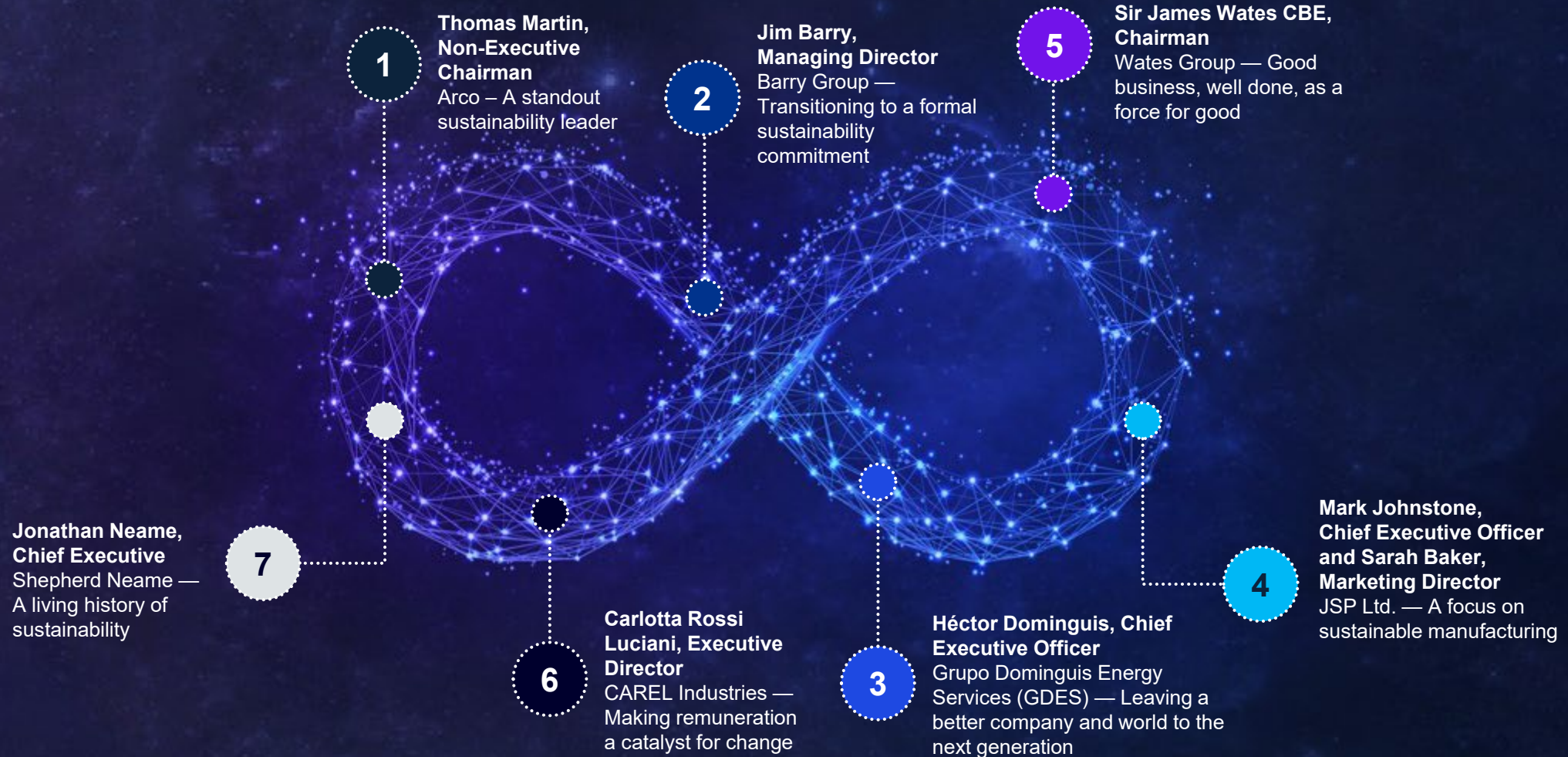
8 keys to unlocking sustainability performance



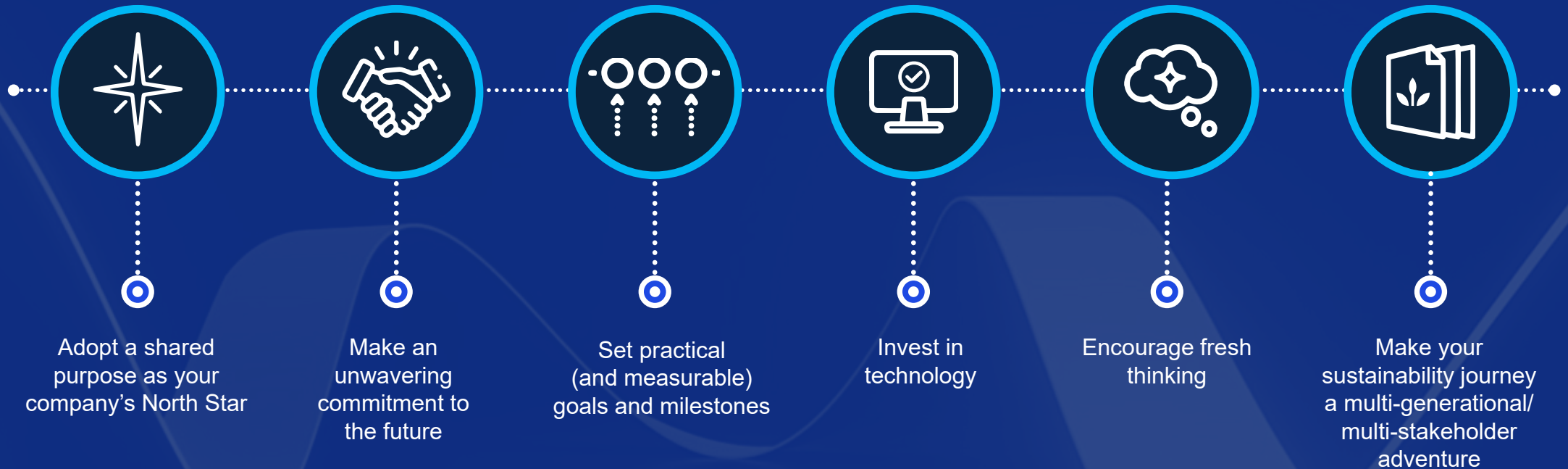
Traveling down a winding road



What we learned from family business leaders



How to follow the family business route to sustainability advantage



Why follow the family business road?

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I truly believe that family businesses that successfully engage with all their stakeholders on this sustainability journey will not only survive but prosper. Those that don't step up are likely to be left behind. The choice for companies may be that binary!

Family businesses have prospered based on core sustainability principles across several generations, and there are many lessons that everyone can take away from their experiences. This is a once-in-a-lifetime for them to be the guide.

Tom McGinness,
Global Leader, Family Business,
KPMG Private Enterprise,
KPMG International

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Methodology

The 2021 Family Business Survey, relied on a convenient sampling strategy replicated across multiple countries. Each affiliated team identified potential respondents eligible for the project considering the industry characteristics and the business structure of their own country. The survey was designed by a research team with more than 15 years of experience in conducting qualitative and quantitative research from the Successful Transgenerational Entrepreneurship Practices (STEP) Project Global Consortium and KPMG Private Enterprise. Previously validated scales have been used in the questionnaire to define each question. The questionnaire was firstly generated in English in September 2021. 2,439 family businesses completed the questionnaire from 70 countries in: Europe, the Americas, Middle East & Africa and Asia Pacific.

The survey data was supported by anecdotal evidence provided by top family business leaders who participated in personal interviews and contributed to roundtable discussions which took place between January and March 2023.



Contact us



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