



Global Workforce Hopes and Fears Survey 2024

Are you empowering your workforce
to embrace change?

Family business cut





Change these days is more pervasive and occurring faster than ever before – and employees are feeling it. **PwC's latest Global Workforce Hopes and Fears Survey**, the fifth in a series dating back to 2019, finds that more than half of the 56,000 workers surveyed from 50 countries feel there's too much change at work happening at once, and 44% don't understand why things need to change at all. At the same time, workers also report increased workloads, uncertainty about job security and pervasive financial struggles.

Before you assume the picture is bleak, you should know that there are also strong signs of optimism and engagement. Most employees say they're ready to adapt to new ways of working. Many are eager to upskill, and they see potential in using generative AI (GenAI) to increase their efficiency. More than half agree that recent changes they've experienced make them feel optimistic about their company's future.

These mixed signals, based on the feedback from the survey's participants, suggest a global workforce caught between today and tomorrow. Although there are compelling business reasons for change—**CEOs** are urgently trying to evolve their companies to remain economically viable over the long term—leaders must double down on making the case for change to their most important stakeholders: their workforce. Unless employees understand and help drive change, transformation plans are unlikely to succeed.

Hopes & Fears: family business cut

More than 18,000 of the survey's respondents work in family businesses, enabling us to gather insights on their perspectives and compare that with employees working outside family-owned businesses. What's motivating them? What are they worried about? And how are they adapting to change at a time of intense transformation?

The results of the survey reveal three key themes that can help family businesses empower their workers to innovate and transform.

In addition, we have asked two leading academics in this space, **Matt Allen**, John L. Ward Clinical Professor of Family Enterprise at Kellogg School of Management at Northwestern University, Chicago, and **Peter Vogel**, Professor of Family Business and Entrepreneurship at IMD, Lausanne, to share their reactions to some of the family business results.



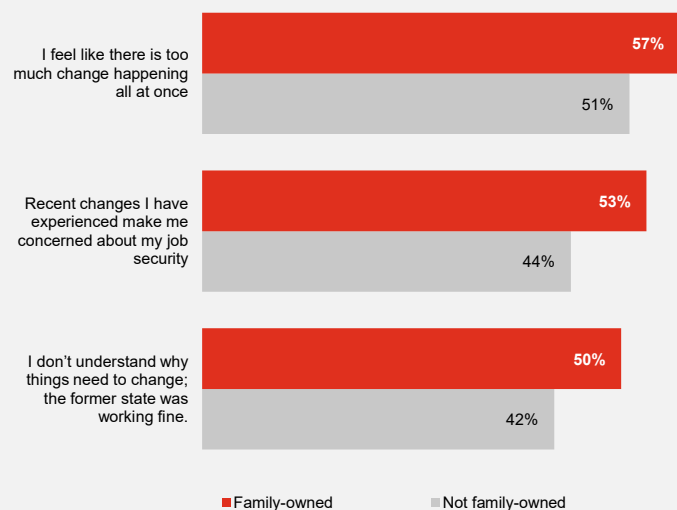
Leading through transformation

The majority (66%) of employees in family businesses say that they have experienced more change in the past year than in the preceding 12 months, as compared with only 60% of those working in non-family businesses (non-FB)*. These findings matter because, as organisations transform, leaders need to make sure that they can drive positive change through people, rather than driving people through the change.

Three quarters (80%) of employees in family-owned businesses (versus 76% for non-FB) say they feel ready to adapt to new ways of working. They appear to be experiencing higher levels of change than their non-FB peers and also to have higher levels of concern about their job security (53% versus 44%). Additionally, they seem more resistant to change, with half of the respondents from family businesses saying they don't understand why change has to occur in the first place (versus 42% of those from non-family businesses).

We believe that the main driver behind some of these results may be the fact that family businesses have historically had a tendency to innovate at a slower and more cautious pace than their non-family business counterparts, so change has always been more gradual and easily digestible for their workforce. However, the pace of change has accelerated for all industries in recent years, meaning employees may be more aware of that change than in the past and finding it harder to adjust. This in turn is resulting in higher levels of concern.

Percentage of employees in family businesses who agree with the following statements about changes they have experienced in their role in the last 12 months



*we consider non-family business employees to be those who replied 'no' to the question: 'Is the majority of the business owned by a family?'

“Family businesses often benefit from their ability to build a strong, supportive culture for their employees. While helpful during times of stability, the family feel can result in higher sensitivity to change when it does occur. During times of rapid or significant change, leaders might be tempted to move away from this supportive culture. Effective leaders will lean into rather than away from the unique working environment within a family business.”



Matt Allen

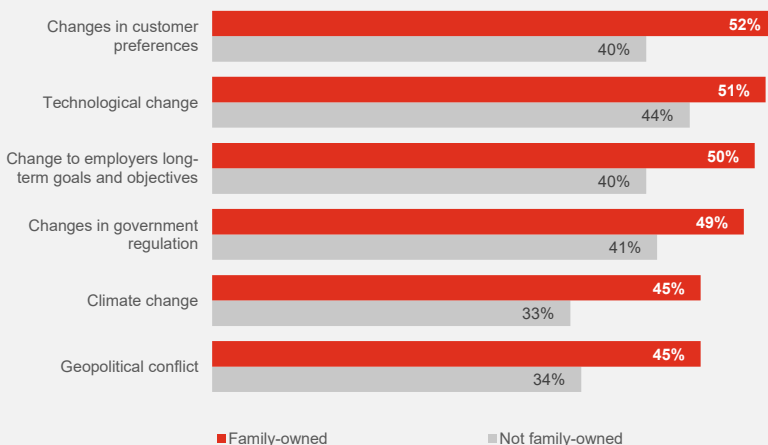
John L. Ward Clinical Professor of Family Enterprise at Kellogg School of Management at Northwestern University, Chicago



At the same time, employees in family businesses are more likely than others to think that forces such as technological change, climate change and shifting customer preferences will impact their job, compared to those in non-family businesses (see below). Taken together, these findings indicate an opportunity for family business leaders to make sure that employees are aware of the need for organisational changes, understand the context and impact of those changes, and receive support in building the capabilities necessary to contribute positively to transformation activities.

These steps reflect the fact that, to manage change effectively, leaders must define a clear vision for the future, drive strategic communications to engage employees, and develop holistic plans that enable employees to participate and even help drive change.

Employees in family businesses' top factors impacting their job (showing percentage who selected 'to a large extent' and to a very large extent' over the next three years)



“There are inherent characteristic that family business can leverage to empower their employees and motivate them to embrace change. The very nature of family business is that they think long-term, have deep-rooted values and stronger loyalty to their workforce. If the family shares a clear, honest, transparent message around their long-term vision and family purpose, and explains how the changes being made relate to the bigger-picture goal to ensure future competitiveness, then the workforce will be more likely to understand why change is needed.

It’s about having an honest conversation. And that’s where family businesses have an advantage.”



Peter Vogel, Ph.D.
 Professor of Family Business and Entrepreneurship,
 International Institute for Management Development (IMD)

Key actions

Lead in new ways to build resilience within your workforce

As organisations transform at an unprecedented scale in line with new aspirations, there is an increased risk of change fatigue among employees. More than half (51%) of employees in family businesses say their workload has significantly increased over the past year – which may be contributing to stress for some employees.

Addressing this risk requires transformative leadership – helmed by those who can challenge the status quo in a way that inspires and empowers others to embrace change. This approach helps employees build resilience so they're better able to navigate uncertainty and seize opportunities, even if change is still churning around them.

Family businesses have an opportunity to draw on their long history of resilience and agility to help their employees adapt to change. Companies that prioritise their employees' wellbeing and lead in a people-centric way will be well positioned to create buy-in and even enthusiasm for change across their workforce.

Inspire employees to drive transformation

Eighty per cent of employees in family businesses (versus 76% for non-FB) feel that their work aligns with their organisation's long-term goals and objectives. This result mirrors the findings from our [Global Family Business Surveys](#) over recent years, where most of the family business owners and leaders participating claim to have a clear purpose and objectives, and the majority also state that they ensure these are clearly communicated to – and embraced by – their employees. Family business employees are also more likely to say that their leaders listen to the views of employees like them (72% versus 63% for non-FB) and that communication from leaders is clear and transparent (74% versus 67% for non-FB).

Once they have clearly defined the vision for change, fine-tuned it to their purpose and values, and devised a structured road map for achieving it, leaders should be sure to engage with employees about that vision. One useful way to do this is to hold focus groups that promote open communication between leaders and employees at all levels across the organisation. The feedback from these groups can help leaders incorporate a wider range of employee views and proactively address concerns that might make change more difficult.

“The longer employment tenures and higher levels of affective commitment often found in family businesses can result in employees taking a more proactive approach to market changes. Employees who are more aware of how macro conditions impact their individual jobs are better able to support organisational efforts to adapt to those changes. Family business leaders should leverage this heightened awareness by providing employees with a clear vision of organisational strategies for dealing with these changes and the important role that each individual employee has. In this way, awareness becomes an asset rather than a liability.”



Matt Allen

John L. Ward Clinical Professor of Family Enterprise at Kellogg School of Management at Northwestern University, Chicago

Unleashing GenAI

Family business employees value the potential of GenAI. The emergence of generative AI (GenAI) offers tremendous potential for businesses of all kinds. Among many other benefits, it promises to help streamline operational workflows through automation, enhance service delivery, and enable data-driven decision-making through advanced analytics.

Many employees recognise this opportunity: 65% of employees in family businesses (versus 60% for non-FB) say they think GenAI will increase efficiencies in their work over the coming year, and most agree it will improve the quality of their work (76%) and help them be more creative (77%). Both of these percentages are higher than for non-FB respondents (70% and 71% respectively). What's more, 44% of family business employees (versus 32% of non-FB) have used GenAI on a monthly basis (see below) at work in the past year, although they are concerned about some potential impacts of the tools, including the risk of bias. In general, employees of family businesses appear to be more appreciative and open-minded about GenAI than their counterparts in non-family-owned businesses. Significantly, these employees seem to be in alignment with the next generation of owners of family businesses: in our latest [NextGen Survey](#), the respondents told us that they firmly believe in the transformative power of GenAI, but are also concerned about the ability of their family businesses to withstand the disruption it may cause and to capitalise on the opportunities it offers.

With both employees and next generation family members seeing the substantial value and opportunities associated with AI, family business owners and leaders have a great opportunity to really unleash the power of GenAI by actively seeking the support and involvement of these two groups.

Percentage of employees who report using GenAI at work either daily, weekly or monthly.



“It’s interesting that employees in family businesses have adopted AI faster into their daily work than in non-family businesses. My interpretation of this finding is that that regulations and policies on the adoption of new technologies are less stringent in privately-held organizations, allowing for quicker and easier implementation. The size might also be a factor to consider when interpreting these findings. Together, these characteristics may mean family-owned businesses can implement new technologies or systems quicker because they don’t have to go through 10,000 layers of red tape and due diligence. They just do it, in a very entrepreneurial way.”



Peter Vogel, Ph.D.
Professor of Family Business and Entrepreneurship, International Institute for Management Development (IMD)

Theme two



Key actions

Help employees lead on innovation

Although most employees in family businesses feel positive about AI, there is clear potential to improve uptake. More than one in five of workers who have never used GenAI say their employers have not given them access to GenAI tools (22%) – and the same proportion say that they don't know how to use such tools.

In order to reap the full benefits of GenAI, leaders in family businesses need to not only introduce the technology, but also ensure it's fully embedded in their people's ways of working. This should include undertaking upskilling initiatives based on specific use cases that facilitate streamlined adoption of relevant GenAI tools.

Instil confidence in GenAI

While introducing GenAI to their operations, leaders should also look to improve employees' confidence in the technology by addressing their worries around its ethical usage. A significant proportion of employees in family businesses express concern that GenAI will increase misinformation (58%) and bias against employees like them (56%). Both percentages are higher than for non-family businesses (49% and 54% respectively).

Education on the responsible use of GenAI is critical in helping both employees and leaders spot bias. Leaders should also be transparent about the use of AI systems in decision-making processes, and communicate clearly on how these systems fit within the internal technological systems, the data they use, and the algorithms they employ.

“It is often assumed that family businesses are somehow more reluctant or slower to embrace new concepts, ideas or technology. Clearly that is not the case with the use of generative AI. Not only is this technology being used at a higher rate, but employees in family businesses are better able to recognise the benefits of the technology. Leaders can enhance this competitive edge by heaping on praise, support and recognition as well as continued investment in the technology to further motivate these forward-looking employees.”



Matt Allen

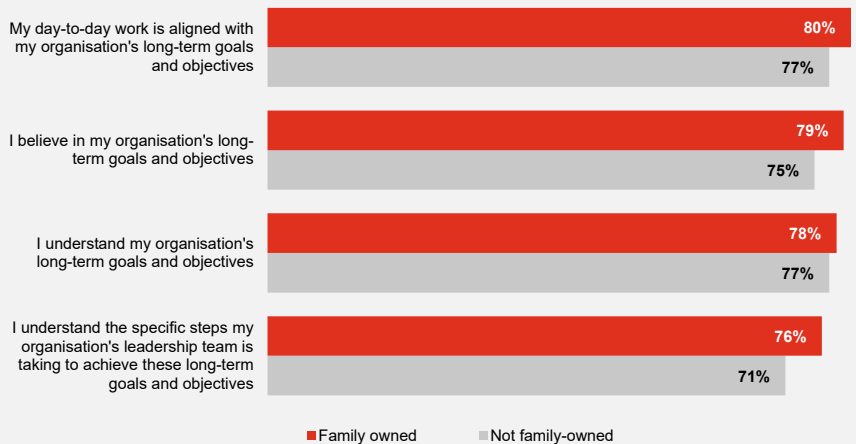
John L. Ward Clinical Professor of Family Enterprise at Kellogg School of Management at Northwestern University, Chicago

Fuelling performance through upskilling and the employee experience

Ensuring that employee morale is high during periods of transformation is essential. The majority of employees in family businesses feel their work is aligned with their organisation's long-term goals and objectives (see below), and they are more likely than the global average to agree that they feel optimistic about their organisation's future (66% versus 57%). Addressing these attitudes through upskilling opportunities and an improved employee experience may be critical to fuelling performance during the transformation process.



Percentage of employees in family businesses who agree with the following statements about their organisation's long-term goals and objectives.



“The theme I see in comparing the responses of family and non-family business employees is that employees in family businesses demonstrate higher awareness across the board. Not just awareness of change and the fears and frustrations that might come with it, but awareness of how this change impacts their jobs, how change might lead to opportunity and, most importantly, awareness of the organisational strategies and goals for how these changes will be addressed. The opportunity is there for family business leaders to leverage this awareness in order to face the challenges of change together as a team.”



Matt Allen

John L. Ward Clinical Professor of Family Enterprise at Kellogg School of Management at Northwestern University, Chicago

Key actions

Recognise how critical skill-building is to workers

Compared to non-FB workers, upskilling opportunities are less likely to be an important factor for employees in family businesses when choosing whether to leave or stay with their current employer (53% versus 44%). They are also less likely than those not in family-owned businesses to say that the nature of their role has changed (32% versus 42%) over the past year.

Having said that, it's still important for family businesses to take the opportunity to better understand the capabilities within their workforce by conducting a skills inventory, which can help identify gaps and target specific areas for upskilling. This may also aid companies in shifting to a skills-first approach, which can help workers to apply their skills more effectively and leaders to better deploy talent within their organisation.

Prioritise the employee experience to enhance performance

There is a gap between what employees in family businesses think is important in their job and what they feel they are getting. The most important aspects for them are fair pay (82%) and fulfilment (76%), but far fewer feel that their current role is paid fairly (51%) or is fulfilling (61%). In addition, 51% report being financially stressed.

PwC research shows that economic stress takes a toll on employees' wellbeing and hurts their productivity. In addition to working to address pay gaps, leaders can focus on offering and promoting fulfilling work. Leaders can also communicate any wellbeing support available and encourage employees to use it. These actions can help to close the gap between what people need and what they feel they are getting from their job





“As family businesses – in common with most businesses these days – are faced with the need to transform and often reinvent their business models, they need to maintain a keen focus on their workforce to make sure they are with them for the ride, since their ability and willingness to embrace change is crucial for long-term success. Emerging technologies such as artificial intelligence, a greater focus on sustainability, and the need for an increasingly client-centric approach are all driving new ways of working, new capabilities and new skills demand.

Family businesses are characterised by what we call a ‘tradition of innovation’, springing from the fact that these businesses – especially if they’ve been around for several generations – have had to reinvent themselves regularly and innovate to stay relevant in the face of often cataclysmic events. However, change and disruption are now happening at an unprecedented pace, so the formula that has served them well in the past might need some significant fine-tuning.

Whatever path to innovation and reinvention family businesses choose to follow, it is key they make sure their workforce recognises the need for change, and that their leaders communicate these changing requirements clearly, assess current capabilities and workloads rigorously, and develop programmes to bridge skills gaps. They should also capitalise on the fact revealed in our survey that family business employees value – and are generally quite positive about – the possibilities offered by GenAI.

Overall, our research underlines that family businesses are ideally placed to build a loyal and motivated change-making workforce, especially in the light of the fact that employees value highly working for a firm with values and purpose*, and particularly when these align with their own**. We also know that when it comes to the ‘values effect’ family businesses are ahead of the curve: many family businesses tend to have a strong purpose underpinned by clear and codified values*** – an attribute that has been recognised as a clear competitive advantage by many studies, including PwC’s Global Family Business Surveys over the years.”



Jonathan Flack
Global and US Family Business
and Family Office Leader,
PwC US

[Read the full report](#)

*75% of all Family business employees agree with the statement ‘I believe in my organisation’s long-term goals and objectives, Hopes & Fears, 2024, PwC.

**80% believe their work aligns with their organisation’s long-term goals and objectives, Hopes & Fears 2024, PwC

***PwC’s Global Family Business Survey 2023 and PwC’s Global Family Business Survey 2021