



Family Business Survey

A Southern African perspective

April 2026



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Key messages

To grow with confidence, best-in-class family businesses are confronting their vulnerabilities and leveraging their unique characteristics. Our research identifies five priority areas that set top performers apart, each explored in more detail below:

- **Scaling your purpose.** A clear, well-codified purpose underpins a range of capabilities that enable and sustain growth.
- **Embracing your structural agility.** High-performing family businesses are leaning into more centralised decision-making.
- **Putting your long-term capital to work.** In an era of macroeconomic uncertainty and geopolitical volatility, patient capital is proving to be a growth engine.
- **Protecting and activating your reputation.** For family businesses, reputation is both a legacy to protect and a lever to activate growth.
- **Managing tax as a societal responsibility and strategic asset.** Tax should be managed carefully, balancing cost control with compliance.



02

Introduction

The United Nations estimates that family-owned or managed businesses generate about two-thirds of global GDP and 60% of jobs. Long seen as more resilient than their publicly owned peers, many are now under mounting pressure.

Our **Global Family Business Survey** of 1,325 owners and senior leaders in more than 60 territories shows that only one in four (25%) achieved double-digit sales growth over the past year. That is down from 43% two years ago—and marks a return to mid-pandemic levels in a core sector of the global economy.

Part of the challenge is that traditional strengths, such as high reinvestment rates and low leverage, are becoming harder to translate into sustained growth. At the same time, global volatility—from shifting trade policies and geopolitical shocks to climate issues, and advances in GenAI—are also reshaping the operating environment.

37%

of the local owners and senior leaders reported double-digit sales growth over the past year.

And yet, South African family businesses continue to outperform. An impressive 37% of the local owners and senior leaders that we spoke to reported double-digit sales growth over the past year, compared to a global average of only 25%—a testament to South Africa’s renowned resilience.

However, in a decade defined by relentless disruption, their future success depends on how they continued to evolve.

PwC’s South African Family Business Survey reveals what truly differentiates top performing family businesses from the rest. Our results show that leading family businesses are converting purpose, agility, long-term capital vision, reputation, and tax strategies into growth under pressure.



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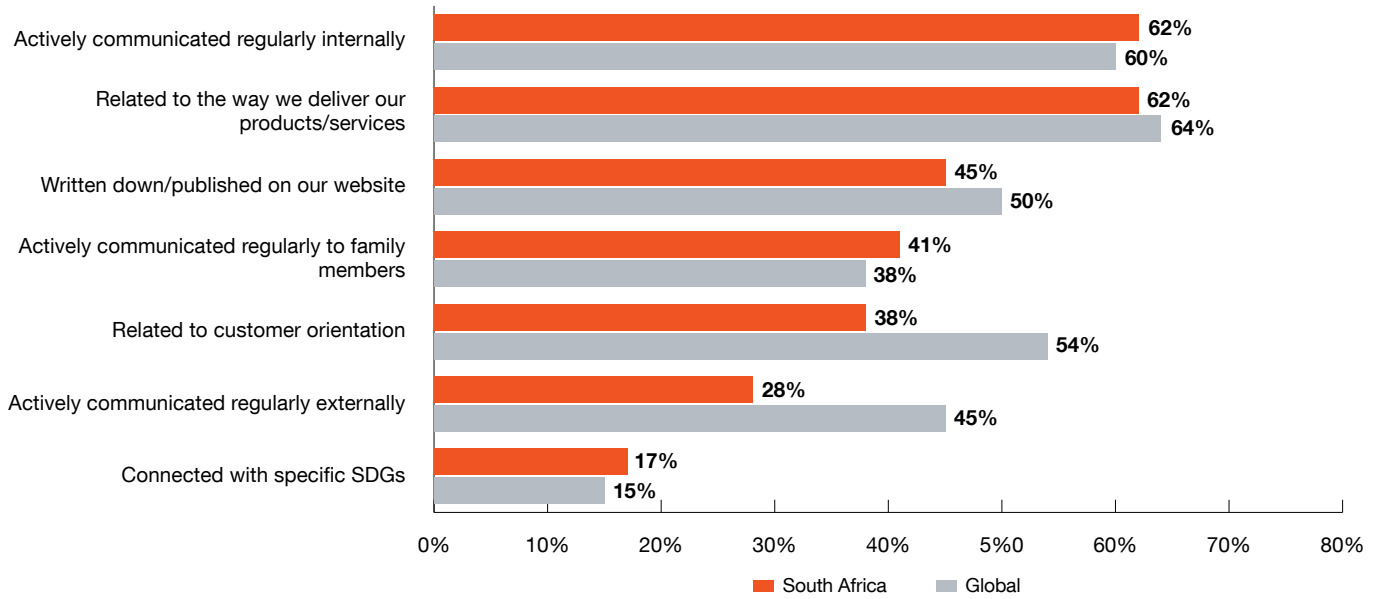
Purpose

Company purpose has always mattered, but in today's environment, it has become a source of competitive advantage. And family businesses are steadily uniting around a clear, well-defined statement of their mission and values.

Our survey shows just how widespread this shift has become. Eight out of ten (83%) of our local survey respondents say they have a clear company purpose—one that can be summed up or articulated in a single, powerful sentence. Something like “To build trust and solve important problems”. That is PwC’s purpose statement. (Our history is rooted in the founding of the family business Coopers Brothers & Co in London during the 1850s.)

Two out of three (66%) surveyed families say they have a documented purpose and vision. For the remainder, codifying and clearly communicating organisational purpose—both internally and externally—is becoming an imperative rather than a nice-to-have.

Figure 1: Which statements are true of your company's purpose? (Among those who have a purpose)



There's a powerful link between purpose and the core enablers of sustained performance in family businesses. Family businesses with a clearly articulated purpose are not only more anchored in strong values but also more attuned to innovation, long-term vision, and stakeholder trust.

Yet, South African family businesses have a gap in communicating their purpose to stakeholders. Only 28% share their purpose externally, compared to 45% globally, and 62% communicate it internally to staff and family members, versus 64% worldwide. This is a missed opportunity in an era where transparency and authenticity are key drivers of brand equity and trust building.

Practical steps to strengthen performance:

Act now by codifying and communicating your purpose: Family businesses can strengthen and scale their purpose by acting in three ways.

First, codify your purpose in a short public "Purpose Playbook" that captures the purpose statement, core values, founding story, and three (or so) clear commitments. Share this internally and externally to build trust.

Second, embed purpose into daily work through an activation sprint that links purpose to performance discussions, customer experience, and onboarding so employees understand their role in fulfilling the mission.

Third, use a simple Purpose Filter to assess new initiatives, ensuring decisions reinforce purpose, build stakeholder trust, and support long-term vision.



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Agility

In a world that is changing both quickly and unexpectedly, agility has become essential. Markets can shift overnight, and the organisations that succeed aren't always the biggest—they're the ones that can pivot with purpose and act with speed. And this is where family businesses often surprise the world.

The myth? Family businesses lack urgency. The reality? They're some of the most adaptable businesses on the planet—moving faster, smarter, and with greater conviction than many give them credit for.

The reality is that high performing family businesses are leaning into their agility. They are not being held back by tradition and are leveraging structural advantages—like private ownership models, flat leadership hierarchies, and streamlined decision chains—to act quickly and decisively.

Academic research into family businesses has often focused on how their long-term orientation and close-knit leadership can foster resilience and innovation, especially in times of crisis. When empowered by the right culture and governance, these attributes become powerful enablers of responsiveness. Boards play a critical role by defining clear authority lines, fostering strategic foresight, and supporting rapid capital deployment.

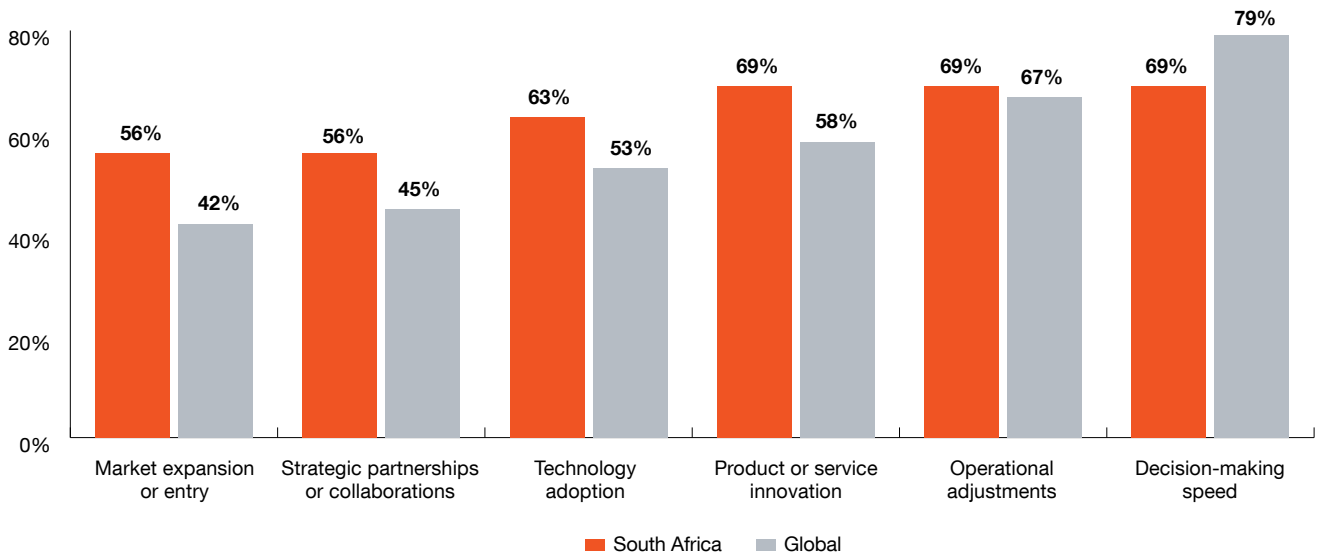
46%

of South African family businesses have proven their agility.

Whether during tough economic times, periods of political and policy uncertainty, or the disruption caused by COVID-19, South African family businesses have proven their agility. Almost half (46%) of them describe themselves as agile or very agile—in line with the global average of 45%.

We see that among those South African family businesses who manifest agility, the ability to innovate products/services, adopt technology, expand into new markets, and clinch strategic partnerships and collaborations is ahead of global averages. These are some of the cornerstones for agility.

Figure 2: Areas agility has been most evident in their business



Agility also needs quality governance. Strong boards enable fast and informed decisions. Building agility requires a reshaping of governance to reflect the future ambition and growth of the family and business.

Practical steps to strengthen performance:

Act now by building agility: Family businesses must formalise faster decision making, institutionalising rapid experimentation, and equipping the board for future-focused governance. Start by resetting your governance to enable “fast lane” decisions: clarify decision rights, delegate authority for innovation and market moves, and shift board agendas so 30–40% of time focuses on forward-looking strategy. Next, run quarterly 90-day sprints targeting key agility drivers, using cross-functional squads to test, pilot, and sunset ideas based on evidence. Finally, build an agility-ready board by adding independent experts, creating a foresight committee, and running scenario simulations. This strengthens strategic responsiveness in an unpredictable environment.



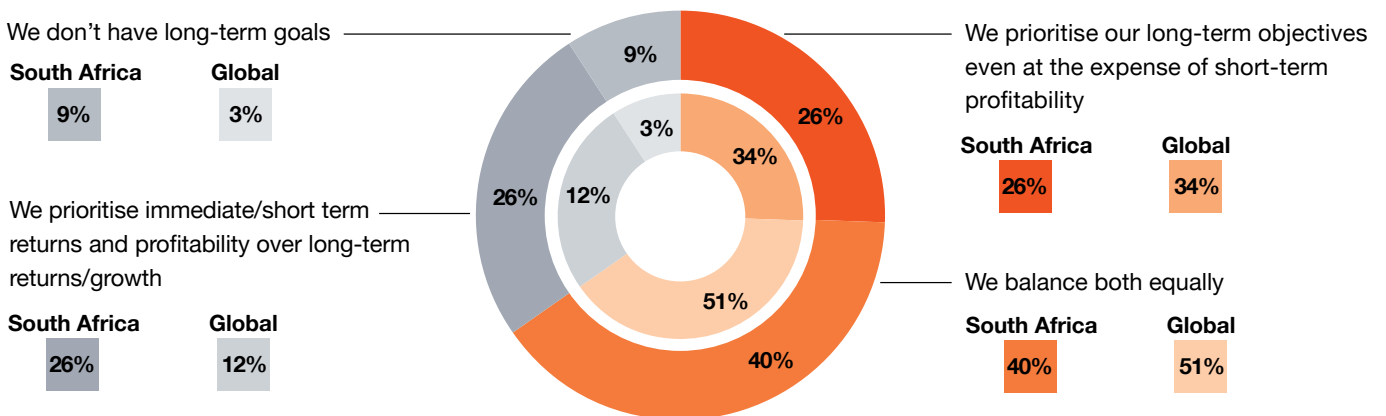
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Capital

Family businesses have traditionally been defined by long-term, patient investment, and a commitment to long-term value creation. Globally, three times as many survey respondents prioritise long-term objectives (even at the expense of short-term profitability) than those who put short-term considerations first.

In South Africa, there is less of a long-term focus. Approximately one in four (26%) prioritise long-term objectives compared to approximately one in three (31%) globally. South African businesses are also more likely to prioritise immediate/short-term returns and profitability over long-term returns/growth (26% local versus 12% global).

Figure 3: How family businesses balance long-term goals with short-term financial pressure



This raises an important question: does this reflect the nature of doing business in South Africa—a challenging and unpredictable jurisdiction for most of the past decade—and the need for short-term focus? Probably. Yet uncertainty, both locally and abroad, is now a near constant feature in the business landscape, and not a good excuse for focusing less on the future.

At the same time, family business leaders need to make capital decisions. Our survey shows that core business expansion is the top priority for South African family business right now (80% versus 75% globally) ahead of diversification into new markets and industries (54% versus 45%).

We also know that long-term-oriented family businesses consistently outperform their short-term oriented peers. That does not mean that short-term investments lack value. Investments in, for example, sustainability and AI are long-term bets, but with often immediate benefits to the bottom line.

Family business leaders also need to think of where their capital comes from. Around eight out of ten (83%) of them reinvest profits to fund innovation in their business, with only four out of ten (40%) using third-party funding like bank loans or private equity.

83%

of Family business leaders reinvest profits to fund innovation.

Practical steps to strengthen performance:

Act now on a long-term investment strategy: A long-term investment strategy requires dedicated funding, diversified capital sources, and disciplined horizon management. Start by ring-fencing 1–2% of revenue into a Future Fund for long-horizon initiatives such as AI, energy resilience, and digital transformation, approved through fast-lane governance. Next, broaden capital sources beyond reinvested profits by using bank debt for core expansion, external investors for new markets, and grants for sustainability projects. Finally, adopt a twin-horizon model separating core performance from future opportunities, reviewed frequently to ensure operational demands don't crowd out long-term growth and innovation.





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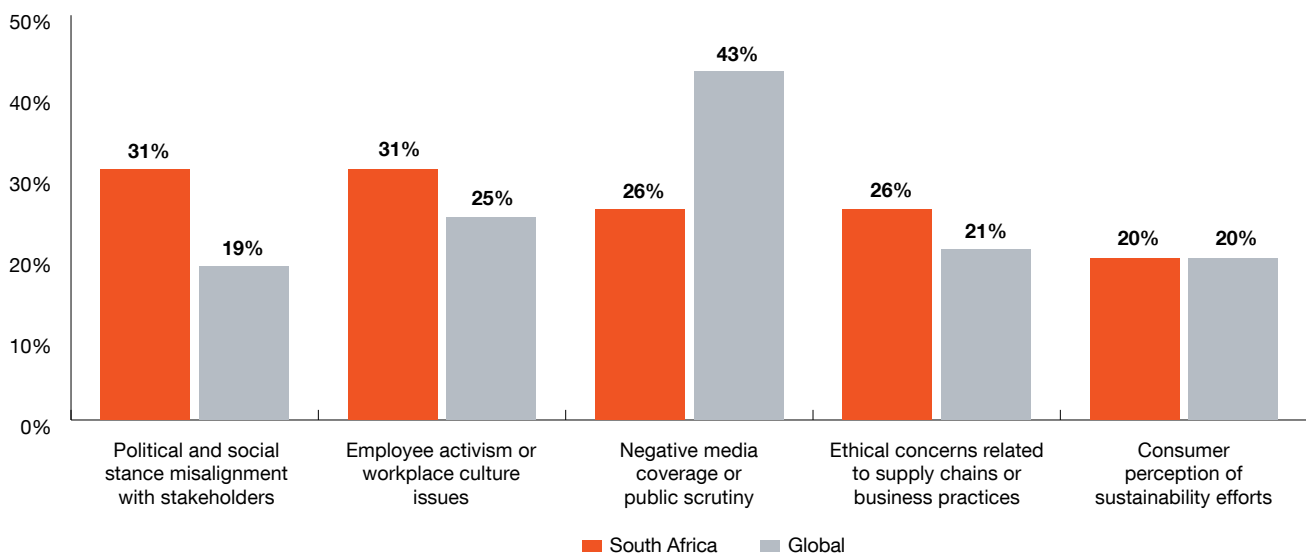
Reputation

For family businesses, reputation is both an asset to protect and a lever to activate.

Reputation is the public perception of a business based on its past behaviour, including its products, services, values, and treatment of stakeholders. A strong reputation is often linked to business growth, though the pattern skews toward stability rather than rapid expansion.

When it comes to reputational risk, the local family business leaders that we spoke to are concerned about political, social, and labour issues. This closely mirrors what many businesses across the country are grappling with. By comparison, there was noticeably less worry about areas like negative media coverage, ethical conduct, or consumer perceptions.

Figure 4: Greatest risk factors to their business's reputation





Reputation is shaped by many factors, and trust sits at the centre of it. While it was once an inherited advantage for family businesses, trust is now a competitive battleground.

Almost nine out of ten (86%) South African family business leaders believe they outperform non-family businesses when it comes to trust and reputation with customers, employees and partners, including local communities.

Their commitment to the community also stands out. Eight out of ten (80%) South African respondents say they are contributing to their local communities through philanthropy compared to just 67% at the global level. This is a crucial process for building trust with communities and reducing political, social, and labour challenges.

Even for successful multinational family enterprises that are now in their third or fourth generation, maintaining a strong local presence could be a source of competitive advantage, as well as a counterweight to rising scepticism of businesses.

Practical steps to strengthen performance:

Act now to share messages about your role in local communities: Building local legitimacy requires a clear, consistent narrative and genuine community participation. Start by creating a local impact statement that highlights jobs created, supplier development, social partnerships, and community investment, and communicate it through reports, social media, client pitches, and public forums. Train leaders and next-generation family members to share this story confidently. Then shift from traditional philanthropy to participatory partnerships by co-creating initiatives with schools, SMMEs (small, medium and micro-enterprises), and community groups, supported by employee-led volunteering. Publish measurable outcomes—this could require a socio-economic impact assessment. This approach strengthens trust, reduces political and labour tensions, and reinforces long-term reputation.



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Taxation

Family businesses are operating in an evolving and increasingly complex tax landscape. This environment is characterised by more assertive enforcement from the South African Revenue Service (SARS), detailed audits, and intricate regulations such as transfer pricing and Pillar II global minimum tax rules.

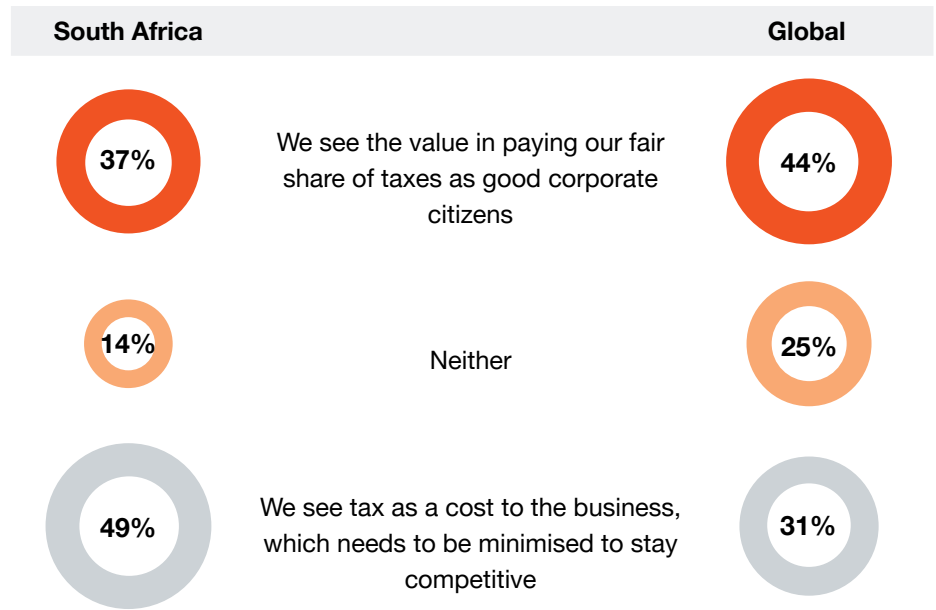
In this context, embracing technology both in regular business processes and tax compliance can improve efficiency, transparency, and strategic decision-making, helping family businesses adapt in a complex environment.

The evolving tax environment requires family businesses to view tax not merely as a compliance obligation but as an integral part of business strategy, aligned with long-term goals and sustainability.

37%

of South African respondents see the value in paying their taxes as good corporate citizens.

However, only 37% of South African respondents see the value in paying their fair share of taxes as good corporate citizens. Around half (49%) of the global respondents that we spoke to believe tax is a cost to the business which needs to be minimised to stay competitive.



Tax should be managed carefully, balancing cost control with compliance and reputation considerations; aggressive tax management strategies risk penalties and reputational harm.

Understanding SARS' evolving policies, maintaining transparent tax positions, and leveraging technology and advisory support can optimise tax outcomes without compromising integrity or long-term business sustainability.

Practical steps to strengthen performance:

Act now to make tax management an advantage: Family businesses should embrace technology and innovation across operations and tax to enhance agility and compliance. Staying audit-ready, monitoring regulatory developments, and engaging proactively with SARS helps anticipate challenges and reduce risk. Viewing tax strategically—aligned with business growth and sustainability goals—ensures it is treated as a value driver rather than a cost. Prudent tax management strengthens stakeholder trust, which is essential for long-term reputation and resilience. By combining innovation, preparedness, strategic thinking, and disciplined compliance, family businesses can navigate today's complex tax environment while supporting sustainable growth and preserving their legacy.



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Conclusion

The future will belong to family businesses that prepare for it today.

Family businesses are at a pivotal moment. The pressures shaping today's environment are real, but so are the opportunities for those ready to adapt and lead with clarity. Purpose, agility, patient capital, trusted reputation, and disciplined tax planning all matter—but their real impact comes when they are brought together into one coherent way of running a business.

This means setting an intent that outlives the founders, putting in place governance that enables timely decisions, and directing patient capital towards initiatives that compound over time while still delivering near-term progress. It also requires a consistent local narrative—one that builds trust through visible contribution—and a view of tax as part of long-term value creation rather than a cost to minimise.

Now is the moment to set the rhythm. Families who build systems around their strengths will shape the decade ahead.



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