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PRESS RELEASE

2019 BNP Paribas Global Entrepreneur Report: The entrepreneurial journey and its impact on private wealth

The 5th edition of the BNP Paribas Wealth Management Global Entrepreneur Report unveils the different stages of maturity of the business lifecycle of the Elite Entrepreneurs and the need for family governance.

KEY TAKE-AWAYS:

The business lifecycle:

1. Almost half of entrepreneurs globally are in the early stages of the business lifecycle. 47% are in either the 'Creation' or 'Growth' phases, where the objective is to launch a new product or service by the end of the year; the remainder are aiming to improve profits or productivity ('Development') or consolidating in preparation for exit.
2. 56% of Elite entrepreneurs have experienced a merger or acquisition of a business in the past, most commonly to grow market share, diversify into new sectors or access new markets.
3. 44% of these entrepreneurs have used credit solutions to develop their businesses. Demand is highest in Asia, where 55% have borrowed to invest in their own businesses, rising to six in every ten in China, India and Indonesia.

The succession question:

4. Most Elite entrepreneurs intend for their business to stay in the family: 51% say their plan is for ownership to one day pass to a family member. Their main motivations are safeguarding the firm's financial value and their trust in the next generation to develop the business and preserve core values, which are particularly important motivations in Asia.
5. More than half feel the next generation of business leaders need more guidance. 55% feel their successors are not ready to take over their responsibilities; 13% haven't identified anyone suitable. However, 47% of UHNWs feel fully confident in the next generation of leaders in their firms.
6. Family governance will help different generations reach a consensus on strategy. Almost a third (29%) of entrepreneurs will implement a family governance code before they relinquish their responsibilities. A code fulfils two important objectives; smooth integration of family members into the firm and definition of the long-term business plan.

Rémi Frank, Global Head of Key Client group at BNP Paribas Wealth Management commented: "Elite entrepreneurs have specific needs depending on where their business lifecycle stands. The study highlights their needs for credit and M&A support. Over 50% of entrepreneurs who have had an M&A experience say that professional support for devising their business strategy, and having the right team in place, were both vital. It is important for us to identify what their next entrepreneurial moves are and to advise them accordingly with our lending and M&A experts."

"Moreover, every entrepreneur is faced with the pivotal decision of transferring his or her business. More than one in three baby boomers is planning to exit his or her business this year. Succession planning and family governance are therefore top of mind for many of them. Our aim with our dedicated team of 100 wealth planners around the world is to help them manage their legacy with a long term approach."

The research methodology, powered by Scorpio Partnership, involved an online survey programme with 2,763 multi-millionaire entrepreneurs in 23 countries, representing a total net worth of USD 16 billion.

Notes

- Discover [the report on wealthmanagement.bnpparibas](#)
- Solutions to support [entrepreneurs](#)
- More findings on the “Voice of Wealth” app on the [App Store](#) or on [Google Play Store](#)
- [#EliteEntrepreneurs @BNPP_Wealth](#)

About BNP Paribas Wealth Management

BNP Paribas Wealth Management is a leading global private bank and the largest private bank in the Eurozone. Present in three hubs in Europe, Asia and the US, over 7,000 professionals provide a private investor clientele with solutions for growing and transferring their wealth by creating long-term value for them, their family and the society in general. The bank has €361 billion worth of assets under management (as at 31 December 2018) and was elected “Best Private Bank for Entrepreneurs” in 2016 and 2017. BNP Paribas Wealth Management leverages all of the Group’s capabilities to help entrepreneurs build a bridge between professional and personal projects at each step of development of their company.

<https://wealthmanagement.bnpparibas/en/whom-we-serve.html>

About Scorpio Partnership – an Aon company

Scorpio Partnership is the leading insight and strategy consultancy to the global Wealth industry, owned by Aon plc. We specialise in understanding high net worth individuals and the financial institutions with which they interact. We have developed four transformational disciplines – SEEK, THINK, SHAPE and CREATE – each designed to enable business leaders to strategically assess, plan and drive growth. These include market research studies, client engagement programmes, brand assessments and business intelligence initiatives.

Scorpio Partnership has conducted more than 450 global assignments across Wealth for institutions in the banking, fund management, family office, law, trust, regulation, technology, insurance and charity sectors. During these assignments, we have interviewed over 100,000 private investors and advisors. Scorpio Partnership is an Aon company. For more information, go to www.scorpiopartnership.com

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