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## **Singaporean entrepreneurs: a bet each way when it comes to business, but not for family, HSBC global report**

Singaporean entrepreneurs are hands-on with their primary business yet display a willingness to be open to other side-businesses and business partners, a global HSBC report has found. In keeping with their opportunism, many have a business exit in mind, but not necessarily a plan. Yet despite the seemingly modern-age attitudes to business, traditional values and duty to family remain.

The findings come from a new report from HSBC Private Banking. The bank's third Essence of Enterprise report researched the motivations and ambitions of entrepreneurs, including the views of over 3,700 business leaders in eleven countries.

### **Singaporeans are focused on their business... but still have a wandering commercial eye**

Singaporean entrepreneurs like to be the ones that nurture their business, but are keeping the door open to other opportunities and from different sources.

Findings from the report identified:

- 36% of Singaporean entrepreneurs still manage the business they started – more than entrepreneurs from any other market.
- Beyond that, 53% have an active shareholding in another 2-4 ventures outside of their core business.
- When looking for opportunities, 44% said they look to their social network, 38% seek professional networks and 37% seek venture capital networks.

Philip Kunz, Head of Southeast Asia, HSBC Private Banking, said: "Singaporean entrepreneurs are keeping options open. They continue leading companies invested in with their own capital and sweat, yet look to invest in the next big opportunity. The embracing of venture capital is opening up what has traditionally been a closed, harder to break into social network. This bodes well for a thriving ecosystem in Singapore with the funneling of capital and expertise back to the entrepreneurial community."

### **Business exit on the cards and nimble on execution...Or are they?**

Consistent with their serial business mentality, Singapore entrepreneurs are most likely amongst their global peers to exit their core business but, ironically, are among the least likely to have a plan as to its execution. Their main motivation, apart from coming to a certain age, is when the next opportunity comes along.

According to the report:

- 58% of Singaporeans have an intention to sell or are open to the idea – more than any other market globally (37% - yes, 21% open).
- Conversely, only 64% of Singaporeans have an exit strategy – the lowest of all markets apart from Saudi Arabia and Australia.
- 22% said they'd leave when reaching a certain age, and a further 16% (more than any other market) said they'd exit when the next opportunity came along.

Mr Kunz continued: “At first glance, you’d say that Singaporean entrepreneurs are a barrel of contradictions: they’re focused on making an exit, yet hazy on how they’ll do it. But on closer inspection, there’s logic to it, in that they’ll depart when the right opportunity or time presents itself. The irony here is that both of these drivers require some element of agility to exit quickly – and that actually requires pre-preparation. This suggests a blind-spot for some of our Singapore entrepreneurs that may require a third-party back-stop to cover themselves.”

### **Hard-nosed but still have family in mind...**

Dispute the hard-nosed business focus, Singaporeans show that family values and ESG isn’t just for the headlines.

According to the report, 33% of Singapore respondents say their main priority when running a business is financial security for themselves and loved ones – more than any other consideration. Moreover, 75% say that social and environmental concerns are extremely to very important for business planning.

Mr Kunz explains: “In all this hype about the ‘me’ generation and entrepreneurial self-interest, overall we’re seeing a commitment to community and family as a strong motivating force. Sure, they want to leave their mark and build successful companies, but doing good goes hand-in-hand with this, not separate from it.”

For further findings of the Essence of Enterprise research, visit: <http://hsbcprivatebank.com>.

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### **Note to editors:**

#### **About the research**

The research was conducted by Scorpio Partnership between December 2017 – January 2018. There were 3,725 respondents all of whom a) were major shareholders and active decision-makers in privately owned businesses and b) had an average wealth of USD 2.52 million. The research covered mainland China, Hong Kong, Singapore, UK, Germany, France, US, Switzerland, Australia, the United Arab Emirates and Saudi Arabia.

#### **About HSBC Private Banking**

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