

The 4Gs in successful business families: Generations, growth, giving and global

Many successful families have shown that the 4Gs mindset can help to preserve family harmony, which serves as the fuel to foster family entrepreneurship. **BY ANNIE KOH AND ESTHER KONG**

MANY enduring family businesses display exemplary stewardship behaviour. This attitude is driven by a strong consideration for future generations and for growth; a focused intent to bring the business to a global scale; and a desire to give to the community in various forms.

Family members who believe in stewardship see themselves as stewards of the family firm and take responsibility for ensuring successful inter-generational transfer of values, entrepreneurial spirit, wealth, and service mindset. So stewards managing the business commit themselves to growing and preserving the business not just for the succeeding generations but also to serve the larger community.

One example of a family business with a strong “think generations” outlook is the Jebsen and Jessen Group of Companies, which built their roots in Asia in 1895. The group started in Hong Kong and eventually established a trading interest in Singapore and Malaysia. Jebsen & Jessen (SEA) was then formally incorporated in 1963 with its headquarters in Singapore. From its humble beginning as a trading offshoot, Jebsen & Jessen has been transformed into an industrial conglomerate that owns seven core businesses serving the South-east Asian region. With over 120 years of history, the Jebsen & Jessen family enterprise has successfully outlived two world wars and economic turmoil in the region.

A key success factor is the firm’s underlying respect for their tradition



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and culture, as well as their commitment to businesses and employees. These qualities propel the Jebsen & Jessen family business through generations, building sustainable businesses and keeping the entrepreneurial spirit alive. Their corporate commitment guides their actions. The im-

plementation of sustainable business practices, such as compliance with ethical, environmental, health and safety best practices, builds a strong future for their business and creates lasting relationships with clients, partners, employees and communities.

“Thinking growth” is evidently in the DNA of successful business families. But growing the business entails hiring well-qualified and trusted non-family professionals who bring with them innovative ideas. Not all business owners will take this bold step.

Patrick Chong, founder and chairman of Luxasia Group once shared: “I started the Luxasia business with my partner in 1986 in Singapore and Malaysia. As the future is different, it is key for us to transform ourselves and shift our thinking. We had rebranded and repositioned our business objectives. To remain ahead of the game, we have to evolve from a distributor to be a market maker. This transformation would require us to bring in an incredibly talented and dedicated team of like-minded family members, professional managers, and advisers with the right set of values and skills.” The appointment of Wolfgang Baier as Luxasia’s CEO in its 30th year is a key move for the company’s overall growth strategy as Asia’s trusted beauty brand.

Another aspect of family business’ legacy is giving back to the community. Family firms invest not only in the well-being of their employees and customers but also that of the larger community, to make a positive social impact.

One example of a family business

that is committed to giving is City Developments Limited (CDL), which had adopted the ethos of “Conserving as we Construct”. More than two decades ago in 1995, the company had remodelled its operations to achieve a more balanced triple bottom line in financial, environmental and social performance. CDL views its role beyond that of “just a builder of living spaces, but also a developer of lives and communities”.

Another example is Banyan Tree Hotels & Resorts. With footprints in 28 countries, Banyan Tree’s story began when its founders dedicated themselves to the cleansing of acid-laden soil in Phuket by planting more than 7,000 trees. In doing so, they transformed an ecological wasteland into the company’s first environmentally sensitive Banyan Tree resort on the island in 1994. Banyan Tree’s



With the world having become extremely interconnected, it is crucial for the multiple generations of business families to think global. PHOTO: FREEIMAGES

sustainability efforts are not solely environmental; positive impact and benefits also extend to the local communities through social and educational initiatives.

Finally, with a world so interconnected, it is crucial for business families to think global. A good example is OSIM, a global leader in high quality and healthy lifestyle products. Founded by Ron Sim in 1980, the company was renamed OSIM, which combines Mr Sim’s own surname with an ‘O’ to represent the world. His vision was to build OSIM into an international brand. Unfazed by challenges, he seized opportunities during economic downturns to benefit from lower startup costs and advertising fees. Today, more than 800 OSIM outlets can be found in over 111 cities across 30 countries.

Many successful families have

demonstrated that the 4Gs mindset can help to preserve family harmony, which in turn serves as the fuel to foster family entrepreneurship, as the strong family culture of trust and respect empowers both family and non-family talent to be innovative. It is noted that the winners of the EY-Barclays Family Business Award of Excellence are able to deliver excellence in everything they do, for family, business, country and community.

■ Professor Annie Koh is the vice-president for Business Development and a professor of Finance (Practice) at the Singapore Management University (SMU). She is also the academic director of Business Families Institute@SMU. Esther Kong is the deputy director of Business Families Institute@SMU.