



Banyan Tree entered China less than a decade ago and now has 12 hotels across the country, including Lijiang (pictured), Hangzhou, Chongqing and Tianjin

| BY CHAN CHAO PEH |

When Ho Ren Hua, executive director and country head of China at **Banyan Tree Holdings**, was a teenager, he dreamt of being a National Basketball Association player. Not only did he try to copy all the courtside moves of his heroes — Chicago Bulls' Michael Jordan and Scottie Pippen — he also tried to copy their looks. Besides owning the Bulls' signature red jersey, Ho grabbed a shaver to create for himself Pippen's "high-top fade" hairstyle.

Not surprisingly, Ren Hua's father, Kwon Ping, co-founder and executive chairman of Banyan Tree, did not agree with his son's new look. "You are a Chinese, you can never get the same hair as him," Ren Hua recalls his father saying, in an interview with *Enterprise*, referring to the African-American Pippen.

"As a kid, you have dreams, and my dream then was to be an NBA player and to slam dunk. That never happened, because I cannot jump that high and I'm not tall enough," explains the 1.8m tall Ren Hua.

Focusing on China

Today, what drives Ren Hua and occupies his time is his family's hospitality business. From just one resort on the Thai island of Phuket back in 1994, Banyan Tree has grown into a leading regional luxury resort group.

Under the charge of his father and mother, Claire Chiang, Banyan Tree currently manages more than 30 resorts and hotels, along with dozens of spas, galleries and golf courses in exotic locations from Mexico to the Maldives.

Growing Banyan Tree

How second-generation owner Ho Ren Hua is helping his family's luxury resort business expand in China

With a market value of some half a billion, the family's controlling stake in Banyan Tree and other business interests earns Kwon Ping a regular spot on the list of Singapore's wealthiest people.

But it is in China, the world's second-largest economy, that Ren Hua is entrusted with the responsibility of growing the business.

Banyan Tree's Shanghai office is located a 10-minute drive from the Bund, but Ren Hua spends only half his time there. The other half is spent on the road, visiting the various corners of China where the company has properties or is developing new projects.

Under his watch, Banyan Tree's Shanghai-based regional headquarters team has

doubled quickly to around 120 people to help support the rapid expansion of the number of Banyan Tree properties in the country.

Having entered the China market less than a decade ago, Banyan Tree now has 12 hotels across the country at popular locations such as Hangzhou, Chongqing, Tianjin, Huangshan and Lijiang. In the pipeline, at various stages of development, are properties in equally scenic and prized locations such as Dali and Jiuzhaigou, which will bring the total to 15 in three years' time.

Ren Hua explains why Banyan Tree is focusing its attention on China. For one, it is the huge potential of China's domestic tourism market, where along with rising dispos-

able income, millions of Chinese are keen to discover other parts of the country, preferably by checking into a Banyan Tree property. And perhaps having enjoyed Banyan Tree's hospitality, these guests would book into a Banyan Tree villa or seaview room the next time they visit Phuket or the Maldives.

This month, Banyan Tree will open its latest resort in Yangshuo in the Guangxi Autonomous Region. Banyan Tree Yangshuo, with 142 villas and suites, is sited along the Li River near Guilin, widely regarded as one of the most scenic spots in China, and a source of inspiration for countless painters, poets and photographers throughout history.

While chairman Kwon Ping was the one who picked the site, for the past two years, Ren Hua has been very much involved in the development of this project, overseeing the whole process from the time when it was just a piece of bare land, to its design and construction, and hiring the team to run the resort. "Opening a project is always exciting because it is kind of like witnessing the birth of a baby, very raw," says Ren Hua, who married scriptwriter Teh Su Ching just last year.

Ren Hua is quick to qualify, however, that China is not the only growth market for Banyan. "We are still doing stuff in Thailand, the US and the UK, but at least in the luxury resort space in China, we are among the first movers."

Passion and purpose

While the Ho family has always been associated with Banyan Tree, its roots as a business family can be traced back to Ren Hua's grandfather Rih Hwa, an entrepreneur who had business interests ranging from construc-

tion and property development to mining and food manufacturing.

When Kwon Ping proposed to Chiang, the then journalist promised her he would not venture into business. When his father fell ill, however, Kwon Ping, as the eldest son, felt obliged to shoulder some responsibility. He has never looked back since.

In contrast, Ren Hua was already 12 years old when Banyan Tree was founded and has grown up in tandem with the business. When he was 14, he worked as a pool boy at one of the resorts. At 17, he did a stint in the marketing department and served at the front office at 18.

Ren Hua acknowledges it was his intention to be involved with Banyan Tree all along, but he does not agree that a career path was thrashed out for him. "I've seen the passion my parents put... into the business, so I think there's always an intention, but whether it is well charted, I can't say. At every point, you just need to have a sense of direction and then take it as it comes."

In fact, after completing his studies at the prestigious Wharton business school, Ren Hua first worked at leading management consultancy Bain & Co, undertaking assignments in New York, Hong Kong and China. During those few years, Kwon Ping maintained an interest in his son's self-directed career progression. It was only in 2010, when Ren Hua felt he had gained enough outside business experience, that he formally joined the family business.

Learning and influencing

As a next-generation business leader, Ren Hua says he is currently undergoing what he calls a "two-way process" of learning and influencing. This means refining his leadership skills while preparing himself to take on bigger roles and challenges. "You can't just be learning and you shouldn't just be giving instructions, too. So, there's this very interesting dynamic between influencing and learning. I understand clearly I am only 32. I'm not 40, I'm not 50. So, there's something to learn from everyone," says Ren Hua.

He shares a quote from a certain Fortune 500 CEO on the art of learning that says a good business leader should learn a little bit from many people in today's society and business environment that is inundated by information and management and leadership theories. Ren Hua sees this advice especially pertinent for Generation Xers like himself as they gear up for challenges in the next decade or two, where there is more complexity in the business environment than before. "You can't afford to just be a specialist in finance or marketing, because everything's going to converge even more," he explains.

It is obvious that Ren Hua's role models for running the business are his parents. The meeting room where the interview with *Enterprise* took place is just outside his father's office and adorned with numerous photos, magazines and newsletters with them on the covers.

"I've seen my parents' drive and tenacity in building the business and, let's face it, as a second generation, there's an emotional part of it. If you truly believe Banyan Tree can be an agent of change and can be a good, responsible company for our associates, for guests, for the environment and that vision was what it was founded on, hopefully I can achieve the same thing over the next few years."

And while, like his parents, Ren Hua draws steady interest from the media, he maintains that it has never been solicited. When he agrees to be in the limelight, it is not to talk about himself but to represent the Banyan Tree brand and the company. "Any interviews I've given over the last two years is really talking from the perspective of a second generation, talking about values, and it is not about me, per se; I would hesitate to talk about myself. But if it's asking about what really strikes me, what motivates me, it is really about the passion for building a long-term business," he says.

Art of communication

One can say Ren Hua is well qualified for his current responsibility in China. In fact, the Ho family is fluent in both English and Chinese. His maternal grandmother, Shanghai-born Li Lienfung, was a chemist and English literature graduate from Cornell University who wrote the *Bamboo Green* bilingual column that used to run in *The Straits Times*.

Kwon Ping was a reporter with the *Far Eastern Economic Review*, and Chiang attended Nanhua Chinese and Raffles Girls' School. Ren Hua attended Hwa Chong Institution, a top school that regularly churns out scholars equally proficient in both languages. Ren Hua is aware that language proficiency alone is not enough in managing a business in China successfully. "Regardless of what culture you

can make a difference," he explains.

The implementation of an open concept office is also in response to a newer generation of employees, who are mostly in their 30s and 40s and have already worked at MNCs in a similar environment. "I've definitely seen in the last two years a high degree of connectivity and interaction, and building that office culture has started with very simple steps," he says of his staff.

Outside the family business, Ren Hua makes appearances at industry conferences. He also regularly helps build ties with institutions he is associated with. One such institution is the Singapore Management University (SMU), where he spent his freshman year in 2000 and his father is chair of its board of trustees. An upcoming "boot camp" for next-generation



BRIAN TAY THE EDGE SINGAPORE

You can't just be learning and you shouldn't just be giving instructions, too. So, there's this very interesting dynamic between influencing and learning. I understand clearly I am only 32. I'm not 40, I'm not 50. So, there's something to learn from everyone. — Ren Hua

come from, you still have to spend time getting to know [the locals] to understand them."

Besides his cultural understanding, he has drawn on his business education to introduce modern human resource management practices. Take the open concept design of Banyan Tree's Shanghai office. No one has his own room, not even the senior management team. Everyone makes do with a standard cubicle with a modest partition.

To Ren Hua, an open concept office, without artificial barriers to communication, helps lay the foundation for building a collaborative and cohesive team — an important company culture that his father has tried to encourage in Banyan Tree. "By building a team where people are open to debate, to discuss, there's this sense of empowerment, where everyone

business owners, organised by the university's Business Families Institute, will also be held at one of Banyan Tree's resorts.

Other hats

Besides being responsible for Banyan Tree's China businesses, Ren Hua sits on the board of a company that has been around since his grandfather's time, **Thai Wah Food Products Public Co Ltd**. Listed on the Stock Exchange of Thailand since 1989, this company, with a market value of around THB3 billion (\$118 million) — about a quarter that of Banyan Tree's — is in the distribution and manufacturing of consumer food staples such as vermicelli and noodles. In FY2013, Thai Wah posted earnings of THB290 million, up 30% from a year ago, despite a 6% rise in revenue to THB1.3 bil-

lion. The company attributes the better profit margin to the lower cost of raw materials.

As a director alongside his father and uncle KwonCjan, Ren Hua takes an active interest in Thai Wah, calling it a "solid, stable and good business" with a long heritage. But surely managing resorts and spas under brands such as Banyan, Angsana and Cassia can hardly be compared to manufacturing packets of Double Dragon, Phoenix and Double Kilin carbs? Ren Hua notes that there are both similarities and differences. "First, I have the same boss — my father," he laughs, referring to Kwon Ping's role as chairman and CEO of Thai Wah.

Turning more serious, he notes that the same principles of management and leadership apply to both companies. He says, "As a family member, you have a responsibility to the management team to think long term. That's the most fundamental. You have to energise the team about Banyan Tree and Thai Wah. Second, you have to think of new ideas and to innovate."

"Two years ago, when we celebrated the 60th anniversary of Thai Wah, I said, 'Okay, we have to prepare for the 100th anniversary. What will the company look like 40 years from now?' It's these kinds of ideas you bring to the table to inspire them, and you try to build and rally them."

As another illustration, brainstorming with the Banyan Tree team might include how to make better use of WeChat, China's hottest mobile messaging app currently, to promote the luxury resorts. For Thai Wah, on the other hand, the brainstorming might centre around the development of new products to increase the demand for food staples.

"So, although the businesses are different, I still have a lot to learn, about the content and so on. As a second-generation entrepreneur, you have to apply yourself in the same way: Push the team, motivate the team for the long term, encourage them to think out of the box, innovate and inspire them," he says.

Siblings' choice

Ren Hua has two younger siblings. His sister, Ren Yung, worked at Banyan Tree for three years after finishing her sociology studies at the London School of Economics and Political Science, before co-founding Matter, a social enterprise that connects designers and textile artisans. She is also co-founder of Kennel, which provides a workspace for entrepreneurs to collaborate.

Meanwhile, younger brother, Ren Chun, who published his poetry collection *Shrines and Streetlights* in 2012, will soon complete his full-time National Service with the police force and is awaiting college admission.

Will Ren Chun join the family business? "Well, my response is: It's up to him. But I think at some point, I would encourage him to do an internship, just to touch the business. He has done stints in the hotel. He has to chart his own path but I would definitely encourage him to either do internships or have stints with us, and then let him decide," he says. Nevertheless, he desires the strength blood ties can bring. "I would love to work with my siblings more in the future," he adds.

As for his own future, Ren Hua most likely will not be heading Banyan Tree's China operations forever, especially if he succeeds in expanding its footprint and raising the profile of the brand. Where will he be assigned next? Ren Hua declines to commit to a firm answer, except to stress that any promotion has to be earned. "Even as a second generation, we are still governed by the board, we believe in the proper code of governance. I think as a second generation, you have to have the vision, but you also have to have that combination of vision and humility."

NBA players such as Jordan and Pippen can jump and shoot to stardom but such careers last barely a decade; a Banyan tree, with deep roots, can steadily grow and provide shade with its sprawling crown for centuries. ■