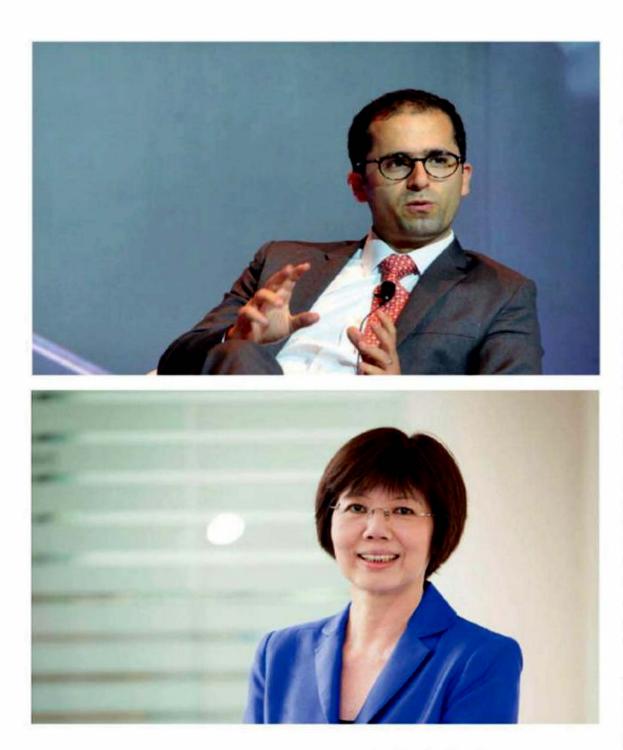
Publication: The Peak Date: 1 June 2015 Headline: Good management, family-style

HSBC PRIVATE BANK SPECIAL



Former banker Philippe Bera (top) joined his family's wine business when his father tweaked operations. Prof Annie Koh (above) recognises the strength of family bonds in setting boundaries. was willingly pulled back by a sense of duty, and daughter Ren Yung felt able to play a key role in Banyan Tree, after successfully forging a socially motivated business of her own, Matter.

"What's really important is that the older generation or the parents always relate to the children as that, apart from their potential to join the business," says Ren Yung.

"I always felt my parents supported me, in that regard. It was like an open conversation... so I therefore felt that the conversation was changing to where I was saying, 'I want to come back into the business. I've found a certain direction and I feel the freedom to apply that on this platform'." Michelle Lau, managing director and head of wealth planning for Asia at HSBC Private Bank, applauds this approach. "Banyan Tree is setting an example of a young family enterprise that has not only successfully carved a niche for itself, but is also one where family values have permitted the business to flourish."

But what are the challenges faced by those in a different business environment, and what's their approach? Philippe Bera is back in the family fold at Omtis Fine Wines, after a high-profile career in banking. He openly admits to feeling the pressure of being in his father's shadow - something that kept him away for a long time. "I spent about nine years in finance and I joined the family business, not due to my father coaxing or forcing me, but because he adjusted the business in a way that made it interesting for me and my background to fit in."

Bera also reveals how his father was very adept at planning for transfer over a 15-year period. "He was extremely transparent. I was actually shocked because I think a lot of families have this concept of both losing control and shocking the children with overwhelming numbers. But my father's philosophy was that he just felt it was important to communicate and then discuss it."

In Prof Koh's eyes, emotion plays a significant role. "The emotional dimension in a family business has positive influence on the business. I think the reason why family businesses are so unique is that being part of a family means that strong emotional bonds exist. So the emotional dimension can be garnered and leveraged to be a positive part of the business," she says.

"I have seen families orchestrate this beautifully. They say, 'We have roles as a family and rules as a business'." This, says Prof Koh, gives them the freedom to make tough decisions with love, without bringing emotion into the business itself.

A tricky balance to strike, but one which reaps much reward in the long term.

HSBC Private Bank is a division of The Hongkong and Shanghai Banking Corporation Limited, which is incorporated in the Hong Kong SAR with limited liability.

Source: The Edge Review © The Edge Review Limited. Permission required for reproduction.