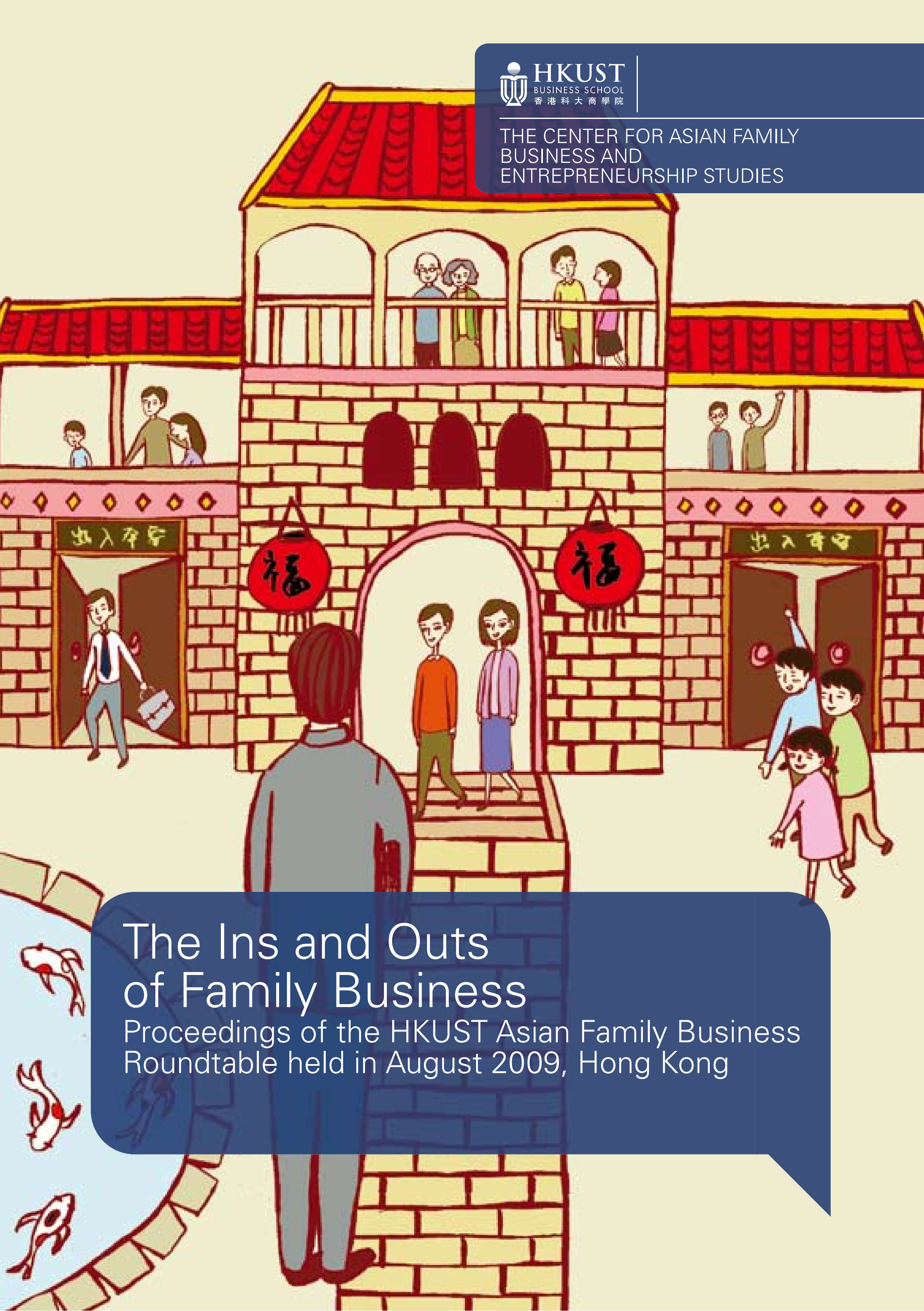
HKUST BUSINESS SCHOOL 香港科大商學院

THE CENTER FOR ASIAN FAMILY BUSINESS AND ENTREPRENEURSHIP STUDIES



The Ins and Outs of Family Business

Proceedings of the HKUST Asian Family Business Roundtable held in August 2009, Hong Kong

The HKUST Asian Family Business Roundtable

Date : August 20, 2009 (Thursday)

Venue : HKUST Business School, Central
Room 1501-02, 15/F Hong Kong Club Building
3A Chater Road, Central, Hong Kong

Contents

Organizers:

HKUST BUSINESS SCHOOL 香港科大商學院

The Center for Asian Family Business and Entrepreneurship Studies

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Family business is a fascinating subject.

It is fascinating because its reach is so wide. Across the globe family business represents a significant proportion of business in general. In the US, 35% of public companies in the S&P 500 are family-owned, as are 46% of S&P 1500 firms. In Hong Kong, the share is nearly 100%. In Europe, family business is not only prevalent but also having histories that transcend centuries.

Still more fascinating is the fact that family business represents a wealth of knowledge yet to be tapped.

Our Center believes that one of the ways to promote greater knowledge and understanding about these businesses is to bring together academic researchers and practitioners. Through dialogues and sharing of information proactively, practitioners will be able to know more about the most current academic insights, while researchers can gain access to information that would help their research.

With this in mind, the Center organized the HKUST Asian Family Business Roundtable in August 2009. It attracted more than 120 participants from Asia and North America, the largest academic-practitioner conference on family business so far in Asia.

Topics of the Roundtable covered the differences between East and West in succession planning, family governance, professional managers in family businesses, financing growth and whether Asian family businesses were different from those elsewhere. There was also a research talk on private wealth management.

This publication provides summaries of the discussions that took place during the event. It contains crystallized thoughts and insights that will be helpful to anyone who is interested in understanding more about family business.

I hope you enjoy reading it. We welcome your feedback. Feel free to contact us at afbs@ust.hk.

Roger King
Director
The Center for Asian Family Business and Entrepreneurship Studies

The **HKUST Asian Family Business Roundtable** was organized by the Center for Asian Family Business and Entrepreneurship Studies of the Hong Kong University of Science and Technology. This invitational Roundtable aims to bring together world renowned academic researchers in the field of family business with regional practitioners and members of family business, to create an opportunity for better understanding and to explore new subjects of family business research that have greater relevance. This event was a great opportunity for the participants to learn from each other, to network with people who were confronted with the same issues, and to compare solutions and challenges with people from different cultural backgrounds.

Roundtable Rundown

8:30 am **Registration**

8:45 am **Welcoming Speech**
Prof. Leonard Cheng, Dean, School of Business and Management, HKUST

Leonard Cheng is Chair Professor of Economics and Dean of the School of Business and Management of the Hong Kong University of Science and Technology. He is a member of the Provisional Minimum Wage Commission and the Broadcasting Authority. He was formerly a member of the Manpower Development Committee and the Commission on Strategic Development of the HKSAR Government.

9:00 am **Goals and Objectives of the Roundtable**
Prof. Roger King, Director of the Center for Asian Family Business and Entrepreneurship Studies, HKUST

Roger King is Adjunct Professor of Finance; Director of the Center for Asian Family Business Studies and Entrepreneurship Studies and Director of the Center for Business Case Studies at HKUST. He was the Chief Operating Officer of Orient Overseas (Holdings) Limited, Founder of ODS System-Pro Computers Limited, Chairman of Euro-Asia Shipyard Limited, Chairman of Pacific Coffee Limited, Chief Executive of Sa Sa International Holdings Limited, and a member of the Zhejiang Province People's Political Consultative Conference.

9:15 am **Session 1: "Succession Planning – Differences Between East and West"**
Moderator: Prof. Josephine Smart, University of Calgary

Josephine Smart is Professor of Anthropology at the University of Calgary. Her research and teaching interests are economic anthropology, food and emergent infectious diseases, Bovine Spongiform Encephalopathy and social-economic impact in Canada, social and economic development in post-1978 China, Chinese international migration, globalization, immigrant entrepreneurs, and the international mobility of capital and labor.

Academic Panelists:
Kevin Au – *The Chinese University of Hong Kong*
Jess Chua – *University of Calgary*
Justin Craig – *Bond University*
Joseph Fan – *The Chinese University of Hong Kong*
Hun-Joon Park – *Yonsei University Group*
Katherine Xin – *HKUST*
Yong Wang – *University of Wolverhampton*

Practitioner Panelists:
Robert Dorfman – *Herald Holdings*
Richard Eu – *Eu Yan Sang*
Yvette Yeh Fung – *Hsin Chong International Holdings Ltd.*
Makoto Ohsawa – *PwC, Japan*
Christian Stewart – *Family Legacy Asia (HK) Ltd*
Jim Thompson – *Crown Worldwide*
Pamela Tung – *Orient Overseas International Limited*

10:30 am **Coffee Break**

10:45 am **Research Talk: "The Family Office – Private Wealth Management in the Family Context"**

Prof. Raphael (Raffi) Amit, Wharton School of Business, University of Pennsylvania

11:15 am Session 2: "Family Governance Asian Style"

Moderator: Dr. Gregg Li, Aon Global Risk Consulting

Gregg Li is Principal of Corporate Governance Practice at Aon Asia, one of the world's premier risk advisory firms with over 500 offices in more than 120 countries and world largest in terms of revenue and diversity of clients. Gregg leads Aon's global initiative in designing and improving how family boards manage their risks proactively. His global team covers institutional governance, corporate governance, and of course family governance.

Academic Panelists:

Kuan Cheng Chen – *Shih Hsin University*
Jess Chua – *University of Calgary*
Joseph Fan – *The Chinese University of Hong Kong*
Keiichi Kubota – *Chuo University*
Yimin Lin – *HKUST*
Ken Moores – *Bond University*
K. Ramachandran – *Indian School of Business*

Practitioner Panelists:

Henry Cho – *Ajia Partners*
Peter Greenwood – *China Light and Power Ltd.*
Andreas Raharso – The Hay Group
Christian Stewart – *Family Legacy Asia (HK) Ltd*
Yoon Suk-ha, Alex – *Epoch Limited*

12:30 pm Lunch

1:30 pm Session 3: "Professional Managers in the Asian Family Business Setting"

Moderator: Mr. Peter Greenwood, China Light and Power Ltd.

Peter Greenwood is the Group Executive Director – Strategy of CLP Holdings, reporting to the Chief Executive Officer. His principal focus is to work on matters of a strategic nature impacting the overall direction of the CLP Group. He is also responsible for the oversight of CLP Group's corporate secretarial and legal affairs. He is the Chairman of CLP Huanyu (Shandong) Biomass Heat and Power Company Limited.

Academic Panelists:

Kuan Cheng Chen – *Shih Hsin University*
Keiichi Kubota – *Chuo University*
Hun-Joon Park – *Yonsei University*
K. Ramachandran – *Indian School of Business*
Katherine Xin – *HKUST*
Henry Yeung – *National University of Singapore*

Practitioner Panelists:

Kevin Chau – *Sincere Watch Limited*
Robert Dorfman – *Herald Holdings Limited*
Connie Hui – *Luen Thai International*
Roger King – *HKUST*
Bryant Lu – *Ronald Lu & Partners*
Andreas Raharso – *The Hay Group*

2:45 pm Session 4: "Are Asian Family Businesses Really Different"

Moderator: Prof. Henry Yeung, National University of Singapore

Henry Yeung is Professor of Economic Geography at the Department of Geography, National University of Singapore. His research interests cover, broadly, theories and the geography of transnational corporations, Asian firms and their overseas operations and Chinese business networks in the Asia-Pacific region.

Academic Panelists:

Kevin Au – *The Chinese University of Hong Kong*
Kuan Cheng Chen – *Shih Hsin University*
Justin Craig – *Bond University*
Josephine Smart – *University of Calgary*
Raymond Wong – *HKUST*

Practitioner Panelists:

Ignatius Chong – *RBS Coutts, HK*
Po Chung – *DHL*
Robert Dorfman – *Herald Holdings Limited*
Peter Greenwood – *China Light and Power Ltd*
Tay Liam Wee – *Sincere Watch Limited*
Andrew Tung – *Orient Overseas International Limited*

4:00 pm **Coffee Break**

4:15 pm **Session 5: "Financing of Growth Without Losing Control"**

Moderator: Prof. Raphael (Raffi) Amit, Wharton School, University of Pennsylvania

Raphael (Raffi) Amit is the Robert B. Goergen Professor of Entrepreneurship and a Professor of Management at the Wharton School. He co-founded and leads the Wharton Global Family Alliance to enhance the marketplace advantage and the social wealth creation contributions of global families through thought leadership, knowledge transfer and the sharing of ideas and best practices among influential global families.

Academic Panelists:

Jess Chua – *University of Calgary*
Joseph Fan – *The Chinese University of Hong Kong*
Vidhan Goyal – *HKUST*
Gan Jie – *HKUST*
Roger King – *HKUST*
Ken Moores – *Bond University*
Yong Wang – University of Wolverhampton

Practitioner Panelists:

Yvette Chua – *Simon Enterprises, Inc.*
Richard Eu – *Eu Yan Sang*
John Hsu – *Ajia Partners*
William Peng – *Chinese Maritime Transport (HK) Ltd.*
Sunny Tan – Luen Thai Holdings
Tay Liam Wee – Sincere Watch Limited
Jim Thompson – Crown Worldwide Group

5:30 pm Conclusion and Wrap up

Prof. Jess Chua, Professor in Family Business Governance, Haskayne School of Business, University of Calgary and Prof. Roger King, Director, Center for Asian Family Business and Entrepreneurship Studies, HKUST

Jess Chua is a widely cited researcher in family business. He holds the Professorship in Family Business Governance and is Professor of Finance at the Haskayne School of Business of the University of Calgary. His primary research interests are the strategic management of family business and financial management.

6:00 pm Reception

Harcourt Room, Hong Kong Club, 1 Jackson Road, Central

HKUST Center for Asian Family Business and Entrepreneurship Studies

The Center for Asian Family Business and Entrepreneurship Studies aims to become a center of excellence and leader in generating and disseminating knowledge for understanding the burgeoning family and entrepreneurial business sector in Asia through top-quality academic research and distinctive teaching. Recognizing the multi-disciplinary nature of the field of family business, the Center draws its strength from the Departments of Accounting, Finance, Management, Marketing and Social Sciences at HKUST to achieve the following objectives:

- To promote greater understanding of the distinctive characteristics of Asian family and entrepreneurial business through top-quality multi-disciplinary academic research;
- To organize academic and industry symposiums;
- To develop and teach customized corporate, executive and MBA courses including those on the distinctive characteristics of Asian family and entrepreneurial business;
- To promote case method, case writing and teaching on Asian family and entrepreneurial business.

afbs@ust.hk

Lineal succession of family business tends to be more prevalent in Asia than in the West.

Panel Session Summaries:

Session 1: Succession Planning: Difference between East and West

Moderator: Prof. Josephine Smart

Panelists: Kevin Au, Jess Chua, Justin Craig, Joseph Fan, Hun-Joon Park, Yong Wang and Katherine Xin; Robert Dorfman, Richard Eu, Yvette Yeh Fung, Makoto Ohsawa, Christian Stewart, Jim Thompson, Pamela Tung.

In this session, panelists touched upon succession issues among Asian family-run businesses, such as the willingness of patriarchs to pass on businesses to the next generation, the cultural influences on succession, and the differences in lineal succession between the East and West as well as other related topics.

"succession is less openly and widely discussed within Asian families than among western ones because death is a taboo subject"

Panelists included both practitioners, some of whom worked as professional managers for family-run businesses, and academics. They noted that succession is less openly and widely discussed within Asian families than among western ones because death is a taboo subject. It is considered disrespectful, ambitious and overly aggressive for the second generation and other family members to bring up succession. Founders, meanwhile, are generally unwilling to pass on the business due in part to a psychological fear of losing control or power. There are examples of some Asian patriarchs – particularly in Hong Kong – who stay at the helm of their companies when they are in their 80s.

Despite these factors, academics observed that lineal succession of family businesses tended to be more prevalent in Asia than in the West. This conclusion is based on the hypothesis that the ease of succession depends mainly on three key factors – the family's desire to keep the business within the family, the family's commitment to keep the business within the family, and the willingness of the successor to take over the business. Traditional Chinese culture plays an important role here, particularly Confucianism, which advocates the stability of a family unit to secure the stability of a society or nation. This stability is based on adherence to hierarchical obedience and respect for the elder members of the family. Amid this environment, founders are more likely to welcome succession if they are confident they will be well cared for in retirement. Conversely, successors are more likely to accept their role and even sacrifice their own interests or careers to take over the family's business because of Confucian filial piety.

"Studies show that the stock price of family-owned public companies in Asia tends to be more negatively affected when a founder steps down"

The academic panel also observed that although second generations are inclined to take part in the family businesses, Asian families tend to be more flexible on the issue of succession. When a member of the second generation chooses to work outside the family business, Asian families are more likely to accept the situation. This may be attributed to the fact that Chinese families regard business as a source of income while in western countries, such as the United Kingdom, people tend to regard the business as a family legacy and are keen to hand down ownership to the next generation.

The practitioner panelists, especially those with a western background commented that second generations in the West enjoy more freedom to choose their career paths. The ownership of the business can be handed down to them through a trust or foundation.

Shareholders of family-owned public companies reacted differently to succession in the East compared to the West. Studies show that the stock price of family-owned public companies in Asia tends to be more negatively affected when a founder steps down and a second generation leader emerges. Stock values can drop by as much as 60%, which is more than the value lost when a public company changes CEOs in the United States. Academics attribute this to the unique factor of *guanxi* (relationship) in Asian family businesses. The intangible assets of the patriarchs – guanxi, reputation and so on are difficult to pass on to the second generation. Successors face the challenge of inheriting guanxi from their fathers as well as strengthening their own. They need to shore up their reputation among shareholders and investors and at the same time demonstrate their professional competence. The practitioner panel believes this is more essential than recapturing the spirit of the original entrepreneur in today's business world.

In cases where the second generation is incompetent or uninterested in the family business, Asian patriarchs are usually reluctant to sell the business. They tend to find competent professional managers to keep the business in operation. In Europe and America, however, patriarchs are less sensitive and emotional. Selling the business is a feasible alternative.

The academic panel also noticed a difference among Asian countries. They found that in Korean family businesses, usually the eldest son inherits the business. Daughters have less status in succession plans though they may participate in management. In Japanese run businesses, it is not always the eldest son who takes the reins of the business but the most competent, even if this includes an adopted son, son-in-law or an apprentice. In Chinese families, the eldest son has some preference, but he may not necessarily inherit the whole business. Shares of the businesses are usually inherited equally among all sons.

Even within one country, the dynamic of succession can change over time. The practitioner panel noticed changes in Japan over the past 20 years. Previously, over 80% of Japanese founders passed their businesses to their heirs. Now, the number is only 40%, which might be attributed to social demographics. For example, there are many more attractive jobs in the market today than 20 years ago, and young people do not necessarily have to work in the family business for career success. Also, an increasing number of people have moved away from their family homes and live in big cities like Tokyo.

Session 2: Family Governance Asian Style

Moderator: Dr. Gregg Li

Panelists: Kuan Cheng Chen, Jess Chua, Joseph Fan, Keiichi Kubota, Ken Moores, K. Ramachandran and Yimin Lin; Henry Cho, Peter Greenwood, Andreas Raharso, Christian Stewart and Alex Yoon

In this session, the two panels discussed the following three topics: corporate governance in Asian family businesses, status quo of family governance among Asian family businesses, and the need for a more professional style of family governance.

Both panels see professionalism as a natural course for family businesses. Family businesses that span generations eventually evolve from entrepreneurism to professionalism.

"Both panels see professionalism as a natural course for family businesses"

Listed family businesses are under special public pressure to establish good corporate governance, balancing between family interests and the interests of non-family shareholders, committing to disclosure and transparency, achieving board independency as well as promoting integrity and ethical behavior.

The academic panel compared the board structures of listed family businesses in Japan to those in the United States. In Japan, board seats tend to be occupied by family members while half of the board members are outsiders in the United States. Japan's board structure, however, is shifting toward a more western style recently, which represents a kind of trend in Asia with more Asian family businesses expanding overseas and going to major financial centers for funding through public listings.

While corporate governance involves bringing in non-family board members and professional managers, family governance is mainly about the family system under which a family allocates power and makes decisions. In many Asian families, family governance is dictator style, marked by the patriarch making most of the major decisions.

Both panels suggest that Asian families establish a more professional style of governance by setting up policies, guidelines and processes under which decisions are made. They also suggest more communication among family members as well as encourage the education of the third generation if they are involved in succession. Because the third generation tends to grow up in a wealthy household, they are seen as less motivated and less interested in the family business. This is why it is important for these individuals to get hands-on exposure to the family's non-core business or through business school.

One interesting but meaningful reason for Asian families adopting a more professionalized style of family governance is Asia's unique phenomena – some patriarchs have multiple wives and therefore multiple groups of children, which may make succession even more complicated. With the appropriate governance system, these families cannot only reduce complexity, but also enjoy the "banyan tree effect" where each branch lays down the roots and the tree ultimately benefits from it.

A practitioner panelist brings up the question about measurement of family business objectives. Will the objectives only be measured by financial data and stock price? Is there anything like "happiness index" that also works as a measurement?

The answer may lie in the family governance system itself. When we talk about why a family business needs family governance, we focus on its effectiveness in preserving family continuity, family wealth and family harmony across generations.

Session 3: Professional Managers in the Asian Family Business Setting

Moderator: Mr. Peter Greenwood

Panelists: Kuan Cheng Chen, Roger King, Keiichi Kubota, Hun-Joon Park, K. Ramachandran, Katherine Xin and Henry Yeung; Kevin Chau, Robert Dorfman, Connie Hui, Bryant Lu, Andreas Raharso

The two panels discussed the following topics: the role of professional managers in Asian family businesses, the relationship between professional managers and family members in Asian family businesses, how to build trust between professional managers and family members, and is there a glass ceiling for professional managers working in family businesses?

The academic panel stated that professional managers play several roles in Asian family businesses. The first is in organizational learning as professional managers have ex-periences outside the business/market and can provide useful insight. The second role is in introducing international standards of financial practices. This is especially true when family businesses want to utilize overseas capital markets through public listings. The third role is in technology. Some family businesses may require certain technological strengths and professional managers can inject technological expertise or competence that does not exist among family members.

Nevertheless, according to several practitioners who once worked as professional managers in family businesses, families need outside professional managers only when they face changes such as a crisis or expansion into new markets. In other words, families take in professional managers when they need them, not necessarily because they want them. This suggests that the family member-professional manager relationship is a delicate one.

The academic panel identifies three paradoxes in the relationship between the two. The first paradox is professionalization and the processes, brought about by professional managers, versus flexibility and speed of decision making when the patriarch makes all the decisions. The second is the relationship between the two can be collaboration or win-win situation, but at the same time, there is the issue of trust and agency problem. The third paradox is a long-term perspective versus a short-term perspective. Family members tend to make decisions for

"families take in professional managers when they need them, not necessarily because they want them. This suggests that the family member-professional manager relationship is a delicate one"

long-term growth while professional managers tend to be short-term driven to demonstrate their ability to earn profits on a quarterly basis especially for listed family firms.

Both sides agree building trust is crucial to the relationship between professional managers and family members. Professional managers can earn effect-based trust initially through identifying similarities in experience between themselves and their bosses. One panelist, who worked as a professional manager for an Indonesian family-run business, noted that linguistic identity helped form the idea that the professional manager and family members had similar values. Eventually, professional managers can gain cognition-based trust through their loyalty, credibility, expertise, predictably consistent behavior as well as the results.

"building trust is crucial to the relationship between professional managers and family members"

Apart from the trust issue, compensation of professional managers was another area of panelists' interest. Families may not be sure how to pay professional managers. The practitioner side queries why competent professional managers would want to work for family businesses where they are not involved in the decision-making process, and as such, whether professional managers should be compensated for that. The panelists suggested that families should prepare to pay professional managers appropriately, provide them with opportunities for recognition and treat them fairly, as if they were family members, in order to retain them.

According to the academic panel, a study made by Credit Suisse shows that public family businesses or public companies where professional managers own a substantial share outperform public companies that have no family or substantial executive shareholding. This might provide a valuable insight as to whether substantial shares are a good incentive to retain professional managers and motivate them to align their interests and goals with those of the families that employ them.

Section 4: Are Asian Family Businesses Really Different?"

Moderator: Prof. Henry Yeung

Panelists: Kevin Au, Kuan Cheng Chen, Justin Craig, Yimin Lin, Josephine Smart and Raymond Wong; Ignatius Chong, Po Chung, Robert Dorfman, Peter Greenwood, Tay Liam Wee and Andrew Tung

The academic and practitioner panels discussed several key topics: a) differences between family-controlled businesses in the East and West, b) entrepreneurs' financial resources, concerns about CEOs' education, and c) differences between family and non-family firms through the Architecture, Governance, Entrepreneurship, and Stewardship (AGES) framework and cultural dimension.

Specifically, the academic panel compared the strategy and structure among family businesses from the United States, Germany, Japan and those of ethnic Chinese. Using survey data, they found that Chinese family businesses tend to rely more on "network capital" and on kinsman for initial startup capital. They also observed three characteristics of Chinese family startup businesses. First, transparency and trust are positively related to family investments in start ups. Second, gifts, as family investments, are considered a positive. Third, family restrictions and interference are viewed negatively. A panelist also commented that the "familism effect" is ruled by rational and sentimental factors, for example, seeking capital from friends instead of a spouse or siblings allows for greater freedom in running a business. The panelist concluded that family businesses are being replaced by businesses formed by friends and, therefore, theories on Chinese business networks and strategies no longer apply.

The AGES framework was introduced

to explain the key differences in family-controlled businesses in contrast to professionally managed enterprises. The key differences between East and West from the cultural perspective were also explained by Hofstede's theory. In terms of the "Long Term Orientation Dimension", Australia, the United States and Germany are similar, while China ranked higher than Hong Kong and Hong Kong ranked higher than Singapore and India. Academics observed some factors have significant influence on Asian businesses, such as education. Asians are also less likely to embrace non-family senior executives or board members. Issues such as China's one-child policy were also raised as posing a unique challenge.

In identifying a definition for family businesses, an academic panelist put forth three criteria: the business must consist of family members; the owner intends to pass the business to his or her descendants and; the owner must have a clear self-identification as the head of the family business.

"although the values in the East and West are far from universal, they are similar"

A practitioner panelist presented a survey conducted in the United Kingdom and Asia that revealed little difference between the UK and Asia in terms of family business preparation for challenges of the future. The findings also reflected many similarities in the humanity and business value aspects, such as, commitment to the business and low staff turnover. Generally speaking, family businesses have a strong commitment to business.

As for the differences, the practitioner noted that Asian family businesses have greater difficulty in identifying successors to the business, which may be a result of cultural or educational factors. UK family operations tend to be more receptive to non-family members being executive directors. In terms of operational management, the panelist perceived no dramatic differences between Asian family businesses and those elsewhere. He concluded that although the values in the East and West are far from universal, they are similar.

Another practitioner expressed his concern about the present day business school educational system stating specifically that an MBA education is not sufficient for today's challenges. Future CEO needs to have an integrated knowledge of the entire operation just as an admiral needs to know the function and duties of its crew, the ship and its tactics. Today's MBA programs take a non-holistic approach and are too technical, often neglecting integrated thinking.

Session 5: Financing Growth without Losing Control

Moderator: Prof. Raphael (Raffi) Amit

Panelists: Jess Chua, Joseph Fan, Gan Jie, Vidhan Goyal, Roger King, Ken Moores and Yong Wang; Yvette Chua, John Hsu, William Peng, Sunny Tan, Tay Liam Wee and Jim Thompson

This session's discussions centered on the decision-making process of family operations on business growth, liquidity and family control. Academics posed the following questions: How do businesses finance their operations when the owners place a high value on control and are unwilling to relinquish their grip on the company? What do capital providers, such as joint venture partners, private equity companies and public investors, bring to the table and what do they want in return?

One academic panelist also discussed how family businesses retain control in industries that are capital intensive and highly cyclical and are unable to generate sufficient internal cash flows required to grow and stay competitive. They tend to seek public funding via the route of IPOs which is contrary to the traditional "pecking-order" concept of corporate finance. This approach unfortunately dilutes the family ownership and hastens the loss of control by the family.

Three control-enhancing mechanisms were introduced and their pros and cons discussed: dual-class stock voting agreements; pyramid ownership and; disproportional board representation. A prime advantage of a pyramid control chain is to facilitate financing. Because it is difficult for small and medium-sized companies to get financing without political connections, some well connected entrepreneurs have borrowed capital from underground sources and created a pyramid financing system whereby a number of projects are funded. Companies can also retain their decision-making autonomy.

Small companies in China have great difficulty in raising capital. And although private equity is now an option, there are some traps in this type of financing. Cultural differences in decision making can lead to misunderstandings, which may further lead to the loss of control of the business. This is especially true for companies operating outside the legal framework or in gray areas.

Panelists also discussed the fact that out of the two-thirds of companies that are listed on the Hong Kong Stock Exchange, at least 20% have some family ownership. A majority of these companies don't lose much of their control.

"One practitioner said despite the compulsion to have controlling ownership of a company, there are few dissenters at shareholder meetings. He added, Our desire for 51% may be overkill"

When discussing the need to maintain control, practitioners said, "Control is about a family's independence and freedom." It is considered natural for an entrepreneur to live and die for the family business. One practitioner said despite the compulsion to have controlling ownership of a company, there are few dissenters at shareholder meetings. He added, "Our desire for 51% may be overkill."

Individual practitioners introduced their companies and their financial approaches. They suggested that businesses have a clear financing strategy and choose appropriate approaches suitable for the business's situation. Investment decisions and financing go hand-in-hand, but the options for financing depend on the business's situation. When discussing the option of listing a company, tax is one of the factors to be taken into consideration. For example, tax requirements are lower for a company listing in the Philippines compared with these non-listed companies.

Some companies are reluctant to go public and instead choose the private equity route. This may be because the company prefers not to fully disclose details of its operations or reveal otherwise confidential information in exchange for going public. In opting for a venture capital or private equity fund, the concern is that if the investment return requirements are high, the company must maximize profitability and focus on short-term development, which is not necessarily suitable for a business's growth or a family's benefits.

Session Concluding Remarks:

At the conclusion of the round table session, Professor Jess Chua expressed gratitude to Professor Roger King and his team for assembling the panelists. Citing the Chinese proverb, 當局者迷，旁觀者清 (loosely translated means those watching the game see more than the game participants), Professor Chua said academics and practitioners and consultants need to work together. Academics are able to offer practitioners insight through their collection of data, while practitioners can keep academics up-to-date on current developments. Co-operation is required for continued research and accurate analysis.

Professionalism is a natural course for family business.

Session 1: Succession Planning – Differences Between East and West

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Control is about a family's independence and freedom.

Guest Speakers, Master of Ceremony, Moderators and Panelists

(in alphabetical order by last name)

Raphael ("Raffi") Amit is the Robert B. Goergen Professor of Entrepreneurship and a Professor of Management at the Wharton School. He co-founded and leads the Wharton Global Family Alliance (WGFA), a unique academic-family business partnership established to enhance the marketplace advantage and the social wealth creation contributions of global families through thought leadership, knowledge transfer and the sharing of ideas and best practices among influential global families.

Professor Amit holds BA and MA degrees in Economics, and received his PhD in Managerial Economics and Decision Sciences from Northwestern University's J.L. Kellogg Graduate School of Management. Professor Amit's current research and teaching interests center on family business management, governance, and finance, on venture capital and private equity investments, on the design of business models and on business strategy. He has published extensively in leading academic journals and is frequently quoted in a broad range of practitioner outlets.

Professor Amit has held a range of management and Board of Directors positions in various companies. He has consulted to numerous family businesses, and publicly held firms in North America and Europe on a broad range of strategic, governance and financial issues.

Kevin Au graduated from the Chinese University of Hong Kong with a BBA degree in 1989, and went on to study for an MPhil degree in Psychology at the same university and a PhD degree in management/ international business at the University of British Columbia. He founded the CUHK Center for Entrepreneurship and has been Associate Director since 2005. For the past three years he also serves as associate director of the MBA program at the Chinese University of Hong Kong.

His research interests are international management, social network, entrepreneurship, and cross-cultural research methodology. He has published more than 40 articles and book chapters in academic outlets and served on the editorial boards of several academic journals.

In the past three years, he and his colleagues have participated in the Global Entrepreneurship Monitor, a consortium of academics in 40 countries, for studying entrepreneurship and providing policy advice. They have published a number of business cases and several reports with the results appeared in local and international channels magazines, newspapers, and TV.

Recently, he embarked on two multi-country studies, one on cultural intelligence and one on tacit knowledge with researchers from Europe and North America. He has used the research findings and knowledge gained in these and other research projects to provide consulting and training for the government and large business corporations in Hong Kong and China. His clients include the Social Welfare Department, AIA, Ove Arup, Hong Kong Town Gas, and China Telecom and several others.

Kevin Chau Kwok Fun has been the Executive Director and Vice Chairman of Sincere Watch Limited since 2005. Mr. Chau has been a Director and the Chairman of Sincere Brand Management Limited (SBML) since 1996. He is responsible for the overall development of the Group's business, as well as the strategic planning and positioning and management of the Group.

Mr. Chau graduated with a Bachelor of Arts degree in Economics from the Wesleyan University, Connecticut, USA. Prior to joining the Group, Mr. Chau was a principal officer of an investment company in Hong Kong dealing in real estate and the food and beverage industry in the PRC. He began his career in 1982 with a US bank in New York dealing in fixed income and derivative syndication and had been posted by the bank to their London and Tokyo offices.

In 1990, he set up his own real estate investment company in California, USA, investing in real estate projects in Texas and California. Mr. Chau is also an independent non-executive director of Tai Sang Land Development Limited whose shares are listed on the main board of Hong Kong Stock Exchange. Mr. Chau joined the Group (as Director of SBML) in March 1996. Mr. Chau also served as director of the Tung Wah Group of Hospitals (2008).

Kuan Cheng Chen is Assistant Professor of Business Administration, Department of Business Administration, Shih Hsin University, Taipei, Taiwan. His research and teaching interests are Chinese family firms, Chinese capitalists, political ties, strategies and structures of firms in emerging economics and corporate governance.

Prior to joining the academic field, Dr. Chen has had extensive commercial experiences in both Chinese family firms and multinational corporations across Asia Pacific. He worked in Indonesia as General Manager and Special Assistant to the controlling family of the Asia Pulp and Paper, Sinar Mas Group, one of the largest family-owned business groups in Southeast Asia.

Dr. Chen is currently a member of the Board of Directors of the Foundation for Promoting Clean Elections in Taiwan. He is also helping Taiwan's Ministry of Justice to develop strategies for anti-corruption in corporations.

Dr. Chen holds three degrees in business administration, including a BBA from National Taipei University (Taiwan), an MBA from Leuven University (Belgium); and a PhD from Manchester Business School (United Kingdom).

Leonard Kwok-Hon Cheng is Chair Professor of Economics and Dean of the School of Business and Management of the Hong Kong University of Science and Technology. He is a member of the Provisional Minimum Wage Commission and the Broadcasting Authority. He was formerly a member of the Manpower Development Committee and the Commission on Strategic Development of the HKSAR Government.

Henry Cho is the Co-founder and Managing Partner of Ajia Partners. He was Managing Director and head of Bank of America's North Asia Capital Markets Group. Prior to Bank of America, he led HSBC Markets' Korea desk, and previous to HSBC, worked at Chase Manhattan Bank, Booz Allen Hamilton and HSBC's leveraged buyout group.

Mr. Cho's family is one of the founding families of the Hanjin Group. Mr. Cho's father is the co-founder of Hanjin Group, the 5th largest conglomerate of Korea. In the past, he has also been active in managing the family's investment activities.

Mr. Cho received his BA from Brown University and MBA from Wharton. He is also active in admissions activities for Andover.

Ignatius K. K. Chong has been the Executive Vice President and Head of Hong Kong RBS Coutts, Hong Kong Branch since 2006. In addition to managing the accounts of a select number of Hong Kong clients, Mr. Chong leads a team of private bankers focused on the Hong Kong market. He also serves as deputy to the Head of Private Banking, Hong Kong Branch. He has worked at RBS Coutts since 1994, starting as Vice President and building up many successful long term private banking relationships. He believes such success starts with excellent trust and partnership with fellow team members.

Jess H. Chua is Professor of Family Business Governance in the Haskayne School of Business at the University of Calgary. He received his PhD degree in Business Administration (Finance) at University of Michigan in 1976. He is listed in Who's Who in Canada, Who's Who in Canadian Business and earned Best Unpublished Paper Award, Family Firm Institute in 2008.

Professor Chua is co-author of *Current Trends and Future Directions in Family Business Management Studies: Toward a Theory of the Family Firm, Innovation and Entrepreneurship in Western Canada: From Family Businesses to Multinationals, A Review and Annotated Bibliography of Family Business Studies,* etc. He has also published many articles in national and international journals.

Yvette P. Chua is a CPA and lawyer in the Philippines currently participating in the continuity planning process for her family business's transition from the second to the third generation. She practiced law with Angara Abello Concepcion Regala & Cruz Law Offices, a top Philippine law firm specializing in litigation, arbitration and corporate law, and has taught business law at the University of the Philippines. Her Bachelor of Science in Accountancy is from De La Salle University, Bachelor of Laws is from the University of the Philippines, and Master of Laws is from the Harvard Law School.

Po Chung co-founded DHL International in 1972 and built the company into a global network. At 52, he stepped down from his day-to-day running of the company and subsequently sold his shares at DHL.

Mr. Chung obtained a degree in fisheries management from California State University at Humboldt in 1968 and attended the Stanford Executive Program at Stanford University in 1981. He obtained a Master of Fine Arts from the Royal Melbourne Institute of Technology University in 2005.

Mr. Chung spearheaded the creation of the Center for Asian Entrepreneurship & Business Values at The University of Hong Kong and has taught a course in Entrepreneurship in the years since. He published his first book *The First 10 Yards – The 5 Dynamics of Entrepreneurship and How They Made a Difference at DHL and Other Successful Startups*, a book for those who want to explore how to survive the "first ten yards" of a new company and then thrive.

Most recently, Mr. Chung received an Outstanding Third Age Citizens Award, jointly organized by The Hong Kong Council of Social Service and HK Electric in recognition of his outstanding achievements and contributions.

Justin Craig is Associate Professor of Entrepreneurship and Family Business, and the Co-Director of the Australian Center for Family Business (ACFB) at Bond University in Australia. Justin's research has appeared in the Family Business Review, the Journal of Business Venturing, Entrepreneurship Theory and Practice, the Journal of Small Business Management, Small Business Economics, amongst others. He holds editorial board positions with the Family Business Review and the Journal of Small Business Management and is a founding member of the recently launched Journal of Family Business Strategy editorial board. He is involved with the Asia Pacific regions Successful Transgenerational Entrepreneurship Practices (STEP) initiative, which he and his colleagues are leveraging to develop a Family Business Learning Community at the ACFB.

Robert Dorfman joined the Herald Group in 1983 and has been an executive director of the Group since 1992. Mr Dorfman is a past Chairman of The Americas Area Committee of The Hong Kong General Chamber of Commerce and is Chairman of the Vision 2047 Foundation. Mr. Dorfman is a past Chairman of the Young Presidents' Organization's Asia-Pacific Regional Board and served as a Director on its International Board. Mr. Dorfman is Vice Chairman of the company and director of certain of the group's companies.

Richard Eu joined Eu Yan Sang in 1989. Founded by his great grandfather in 1879, it started from humble beginnings offering Traditional Chinese Medicine (TCM) remedies to tin mine coolies in Gopeng, Perak, Malaysia. Richard has successfully built Eu Yan Sang to where it stands today; it has become a household name in Asia with an unrivalled reputation as a leader in the TCM industry. As at February 2009, Eu Yan Sang has an extensive distribution network comprising more than 160 retail outlets and over 20 clinics in China, Hong Kong, Macau, Malaysia, Singapore and Taiwan.

Joseph Fan is the Director of the Institute of Economics of Finance and Professor of the School of Accountancy and the Department of Finance of the Chinese University of Hong Kong (CUHK). He received his PhD degree in finance at the University of Pittsburgh in 1996. Before joining CUHK in 2004, he was on the faculty at the Hong Kong University of Science & Technology and the University of Hong Kong.

Professor Fan's main research and teaching areas are corporate governance, corporate finance, and organizational economics. He has done extensive research on family business in emerging markets, including his recent projects on Asian family firm successions. Professor Fan is also an expert in finance and entrepreneurship in China.

He has presented his research and delivered speeches in numerous professional institutions and leading international conferences, and has published many of his works in world top academic journals. His corporate governance and family business research has been featured by various business press, including The Economist, the Asian Wall Street Journal, the Financial Times, and the South China Morning Post. He is on editorial boards of several leading academic journals, and has consulting activities with the World Bank, OECD, and the Asian Development Bank. He is married with two children.

Yvette Yeh Fung is Director of Hsin Chong International Holdings Ltd. She also serves as the Independent Non-executive Director of Hong Kong Catering Management Limited and Tai Ping Carpets International Limited and as a Non-executive director of

Fountain Set (Holdings) Ltd. since 2000. From September 2003 to September 2008, she was the Deputy Chairman and Executive Director of Synergis Holdings Limited, a subsidiary of Hsin Chong until September 2008.

She holds a BA degree in Psychology from Stanford University, USA, an MBA from the University of California, Los Angeles, USA and a JD from Stanford Law School, USA. Mrs. Fung has over 10 years experience in legal practice in both international law firms and corporations. She is a Member of the Court of The Hong Kong University of Science and Technology, a Member of the Board of Managers at the Hong Kong International School, and a Council Member of the Hong Kong Society for the Deaf.

Jie Gan is Associate Professor of Finance at the School of Business and Management, Hong Kong University of Science and Technology (HKUST). She obtained her PhD from MIT. Before joining HKUST, she was an assistant professor of Finance and Economics at Columbia Business School. Professor Gan is an expert on corporate finance and banking and has published many articles in top academic journals. Her teaching has been rated highly by both MBA and EMBA students and she has received several teaching awards. Professor Gan was featured, as a "guru of the future," in Financial Times for her research and teaching.

In addition to her academic achievements, Professor Gan has extensive industry experiences. She worked for CRA International (formerly Charles River Associates), one of the largest finance and economics consulting firms in the U.S., for two years. Her consulting experience spans company valuation, security fraud, and anti-trust in a range of industries including financial services, consumer goods, and energy. In Hong Kong, she was consulted by banks on how to identify bubbles in the real estate market and how to incorporate real estate properties into investment portfolios.

Vidhan Goyal is Professor of Finance at the Hong Kong University of Science and Technology. His research interests are in empirical corporate finance, with an emphasis on capital structure and corporate governance. His research papers have been published in the Journal of Finance, the Journal of Financial Economics, the Journal of Business, the Journal of Financial Intermediation, Finance Research Letters, the Journal of Corporate Finance and the Pacific Basin Finance Journal. Vidhan is a member of the American Finance Association, the Western Finance Association and the Beta Gamma Sigma.

Peter William Greenwood is Group Executive Director – Strategy of CLP Holdings, reporting to the Chief Executive Officer. His principal focus is to work on matters of a strategic nature impacting the overall direction of the CLP Group. He is also responsible for the oversight of CLP Group's corporate secretarial and legal affairs. Prior to stepping down in 2005, Mr. Greenwood was an Executive Director (since 2001), the Company Secretary and Corporate Counsel (since 1996) of CLP Holdings. He is the Chairman of CLP Huanyu (Shandong) Biomass Heat and Power Company Limited; and a Director of CLP Shandong Biomass Projects Company Limited, TRUenergy Holdings Pty Ltd and The Hong Kong Heritage Project Limited. Mr. Greenwood holds an MA degree in law from the University of Cambridge and a diploma in German law and legal systems from the University of Tubingen and the Justice Ministry of North Rhine-Westphalia. In 2006, he completed full-time study for an MA degree in War Studies from King's College, London University (with distinction). He is a Fellow of The Institute of Chartered Secretaries in England and a Fellow of The Hong Kong Institute of Chartered Secretaries. He is a solicitor in England and Wales and in Hong Kong, as well as being qualified as an avocet in France.

Before joining the CLP Group in 1995, Mr. Greenwood was a Senior Commercial Lawyer with the Provisional Airport Authority, Hong Kong, and prior to that was in private practice as a solicitor with leading corporate law firms in London, Hamburg, Hong Kong and Paris.

John C. Hsu is a partner of Ajia Partners, one of Asia's largest privately owned alternative investment firms, offering numerous Asia-focused funds in private equity, real estate, public equities and fund-of-hedge-funds.

Mr. Hsu's family, originally from Shanghai, have been multi-generational owners and operators of bulkers, tankers and specialized ships, through Taiwan-listed Sincere Navigation Corp and through Oak Maritime, Inc., for which he is director.

Mr. Hsu is also director of NYSE-listed Seaspan Corp. (owner/operator of container-ships), as well as several other private companies, including

Kolorific, Inc. (a surveillance video IC provider), and Convergence Tech Venture (a venture capital fund).

From 1998 to 2002, he was CIO of Matrix Global Investments, a hedge fund in US-listed technology companies. Since 1993, he was responsible for managing his family group's investment portfolio of hedge funds, private equity funds, real estate funds and various direct investments. Mr. Hsu received his BA from Colgate University in 1986 and MBA from Columbia University in 1992, and is fluent in Japanese and Mandarin.

Connie Hui joined the Luen Thai Group as the Director of Family Office to assist the owner family to set up and implement family governance in 2008.

Ms. Hui graduated from the Chinese University of Hong Kong in 1989. Since then she has accumulated nearly 20 years of management experience in the NGO sector. She worked for the Hong Kong General Chamber of Commerce from 1992 to 96 which was followed by a brief stint as the General Manager of Gemini Personnel Ltd. She joined the Business and Professionals Federation of Hong Kong in 1997 and eventually served as its Secretary General between 2001 and 2008. BPF is a policy think tank founded by the Group of 89 of the Basic Law Drafting and Consultative Committee. Ms. Hui was responsible for the full operation of the BPF and its program of policy research and advocacy and membership activities. All these years have provided her with a wealth of experience in event management, having organized a wide range of activities both on local and international levels.

Ms. Hui has an MBA from the Baptist University of Hong Kong.

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Dr. King is currently a Non-Executive Director of Arrow Electronics Corporation, listed on the NYSE; Supervisory Board member of TNT, listed on AEX; Overseas Orient International Limited and Sincere Watch (Hong Kong) Limited, both listed on the SEHK and the Honorary Consul for the Republic of Latvia in HKSAR.

Dr. King is a graduate of the University of Michigan, BSEE; New York University, MSEE; Harvard Business School, AMP; and Hong Kong University of Science and Technology, PhD (Finance).

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In February 2009 his article, co-authored with Professor Hitoshi Takehara, received the best AAII paper award. He served as National CPA examiner for the Ministry of Financial Services of Japan for 2006-2008, and serves for the University Administrative Committee, the Ministry of Education, Culture, Sports, Science and Technology of Japan. His current research interest is in asset pricing, efficiency of family businesses, management accounting, empirical accounting, and public finance.

Keiichi Kubota is Professor of Finance at Graduate School of Strategic Management, Chuo University, Tokyo, and received his PhD degree from Osaka University. He has published several books and many articles in Japan, and published English articles for the Journal of Business, Pacific-Basin Financial Markets, Finanz Archiv/ Public Finance Analysis, Japan and the World Economy, the International Journal of Accounting, and others. Before joining Chuo University he served as the Dean of the Faculty of Economics, Musashi University, Visiting Professor at the HEC School of Management, Visiting Scholar at the Federal Reserve Bank of Minneapolis,

Karen Lee is a practitioner with 20 years experience in investment banks and supply chain management. During her 12 years with the financial industry, she focused on project finance (origination and syndication) with international financial institutions, including Chase Manhattan (Asia) Limited, Societe Generale Asia Limited, ABN AMRO Bank N.V. and Export Finance & Insurance Corporation, Australia. In 2000, Dr. Lee became the General Manager of Sun Logistics Company Limited, a joint venture between Sun Hung Kai Properties and Sun Hing Group of Companies. Since 2006, she has been serving as a director for Sun Hing Group, a local conglomerate in logistics, insurance and property investments.

Dr. Lee received a BA (Economics) from the University of California Berkeley, an MBA from the University of New South Wales, Australia and a DBA from the University of Newcastle, Australia. Since September 2008, Dr. Lee has been a Visiting Scholar with the Department of Management at HKUST. Her research interests are organizational behavior especially in knowledge management, change management and leadership.

Gregg Li is Regional Principal of Corporate Governance Practice at Aon Global Risk Consulting. Dr. Li leads Aon's global initiative in designing and improving how family boards manage their risks proactively.

Dr. Li has helped a few of the leading and largest families in Asia, some with over 300 enterprises, to transform them from clan governance to modern day governance. His clients include the Hong Kong Police Department and family empires led by second and third generations who are eager to form new ventures and private equities in their efforts to align interests.

Dr. Li has done action research at the East West Center in Honolulu, and the University of Hong Kong where he once led their management think tank. In terms of teaching, he has taught governance and strategy at Tsinghua University, HKUST, HKU, the University of Hawaii at Manoa, and Fudan University in Shanghai.

Dr. Li is the Vice Chairman of Aon's Advisory Board (HK), the Vice Chairman of the Business and Professional Federation in Hong Kong which gave Hong Kong her mini-constitution, and has been a member of the Central Policy Unit. Dr. Li received his engineering doctorate from the University of Warwick, his MBA from UCLA, an MA in Asian Economics from the University of Hawaii at Manoa, and his BA from Washington University in St. Louis.

Yimin Lin is Professor of Division of Social Science at the Hong Kong University of Science & Technology (HKUST). He gained his PhD degree and MPhil, at Yale University (Organizational Sociology). His research interests are political economy, organization and institutions. His publications include *"Post-revolution Transformations and the Re-emergence of Capitalism in China: Implications for the Internal Organization of Economic Activities."* In Y.W. Chu (ed.), *Chinese Capitalisms,* New York: Palgrave-Macmillan, 2009, *"The Institutional Context of Rent*

Seeking in Economic Transition." 59-78 in T.W. Ngo & Y. Wu (eds.), *Rent Seeking Politics in China,* London & New York: Routledge, 2008, *"The Decline of Township-and-Village Enterprises in China's Economic Transition"* (with J. Kung). *World Development* 35(4): 569-584, 2007 amongst others.

Bryant Lu is Vice Chairman of Ronald Lu & Partners (Hong Kong) Limited (RLP), a family business founded in 1976 by his father. The firm has grown to 9 studios and is one of the largest professional architectural firms in the region. Nurturing the transformation from a small team years ago to one of the largest today takes vision, resolve, and commitment. Mr. Lu is in charge of the overall transformation process, development, strategic direction and investment of all companies under RLP. Internally, he oversees all corporate services and China offices in Guangzhou, Beijing and Shenzhen. On top of that, Mr. Lu takes leading responsibility on all China projects and shares responsibility on the daily HK project operation with the Managing Director of RLP.

Prior to his contribution to RLP, Mr. Lu worked for the renowned New York architecture firm—Fox & Fowle Architects P.C. He acquired his Bachelor degree from the College of Architecture, Art & Planning at Cornell University, New York. As a civic-minded architect, he has made active contribution to society through his involvement with various non-profit organizations, such as the Hong Kong Federation of Youth Groups, the Moral Education Concern Group, the Young Entrepreneurs' Organization Hong Kong, and the Hong Kong Military Summer Camp for Hong Kong Youth.

Ken Moores is Professor and Founding Director in the Australian Center for Family Business (ACFB) at Bond University in Australia. His current research is focused on family business leadership, performance reporting, and transgenerational entrepreneurship.

Ken returned to the Faculty in 2004, after serving the university as its Vice-Chancellor and President from 1997 to 2003, to concentrate on further developing scholarship in family business. After a distinguished career as an accounting academic, including being Head of Accounting and Dean of Business at Bond, he now co-directs ACFB, a center he established in 1994.

Dr. Moores is the author of over ninety publications (books, monographs, chapters, cases, articles, and conference presentations) across the fields of accounting, education, management, and family business including articles published in Accounting, Organizations and Society, Accounting and Business Research, etc.

Dr. Moores serves on the editorial board of the Journal of Small Business Management, the Advisory Board of the Family Business Review and was recently appointed a Fellow of the International Family Enterprise Research Academy.

Makoto Ohsawa is a Partner of PwC Advisory Co., Ltd. He joined PwC Advisory in 2006. Before joining PwC Advisory, he had 25 years of experience in the Bank of Japan, working as Deputy Chief Representative in Europe (London Office) and as the Director of the Financial Market Department. He was General Manager of the Naha Branch when he left the Bank of Japan.

Hun-Joon Park is Professor of Management at Yonsei University Business School (YSB) and Law School (YLS) in South Korea. Professor Park served the Korea Research Foundation as Director of Research (2001-2002). He was adjunct senior research scholar at the Columbia Business School (2008), a Fulbright visiting scholar at the Wharton School of the University of Pennsylvania (2005-2006), visiting scholar at Stanford University (1997), and a researcher at INSEAD (1984-1986). His other visiting appointments include the Ohio State University (1996 and 2000) and Bowling Green State University (1998-1999).

Professor Park has held administrative positions such as Vice Dean at YSB and Faculty Director for the Advanced Management Program and has been an academic leader for the Korea Association of Negotiation Studies as President (2003-2005) and the Association for Korean Management Scholars as Co-President (2002-2005). Professor Park currently serves as Director of Yonsei Social Enterprise Center and Executive Director for Social Venture Competition Korea (SVCK).

William S. H. Peng was born in New York, but grew up in Taiwan. He graduated from Columbia University with a degree in history and later earned an MBA, also from Columbia. He previously worked at Citibank in Hong Kong, Associated Industries China Inc. in Taiwan, and at CITIC Capital in Hong Kong before assuming his current role as managing director and president of Chinese Maritime Transport (Hong Kong) Ltd. in Hong Kong.

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Dr. Andreas has worked with global multinational clients, large family businesses as well as government institutions. He currently works with clients to develop ambidexterity organizations – an advanced form of organization that is able to achieve not just a higher level of business efficiency but also superior innovation capabilities.

His research interests include marketing orchestration, performance management, family owned businesses and M&A. Prior to joining the Hay Group, Andreas was the Dean of the largest private Business School in Indonesia. Andreas holds a BA in Economics, MBA in Finance and Management Science, and PhD in Marketing.

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His consulting experience includes areas such as family business governance, professionalization, succession planning, strategic planning, identification of new opportunities for growth, corporate entrepreneurship and turnaround strategies in family and non-family environments.

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Dr. Smart is the co-editor of *Petty Capitalists and Globalization: Flexibility, Entrepreneurship and Economic Development (2005),* co-editor of *Plural Globalities in Multiple Localities – New World Borders (2001), etc*. She has published many articles in national and international journals in addition to numerous book chapters in edited publications.

Recently she completed an SSHRC funded (2004-08) project titled "*Consequences and Prospects of Restructuring in a South China Factory Town*." She is also a recipient of a Chiang Ching Kuo Foundation research grant (2005-2007) to look into Taiwanese investment in the IT sector in China.

Christian Stewart is the founder and managing director of Family Legacy Asia (HK) Ltd. He founded the company in July 2008 to help Asian families preserve their family wealth for generations, by providing them with independent and objective advice on good family governance.

Before founding Family Legacy Asia, he was a Managing Director and the head of the Wealth Advisory Team in Asia for JPMorgan Private Bank for six years. In that capacity, he worked with some of the leading families and Family Offices in Asia on family governance, private trust companies, and succession planning for the family owned business.

Prior to joining JPMorgan, Christian was a Tax Partner at PricewaterhouseCoopers in Hong Kong. In his eight years at PwC he helped found and lead its Trust and Private Client Group and helped PwC create a reputation as one of Hong Kong's leading firms in the trust planning area.

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Tay Liam Wee has been the Executive Director and Chairman of Sincere Brand Management Limited (SBML) since 2004 and 2005 respectively. Mr. Tay has been a Director of SBML since 1996. He was appointed Director of Sincere Watch Limited (SWL) in 1980 and Group Managing Director and Chief Executive Officer of SWL in 1993. Mr. Tay is responsible for driving business strategies and the market development of the Group. He has been instrumental in transforming Sincere Watch from a traditional watch company into an established watch group with a pan-Asian presence.

Mr. Tay graduated with a Bachelor of Business Administration degree from the Lakehead University, Canada and has over 27 years of experience in the retail and distribution of luxury watches within the Asia Pacific region. Mr. Tay was awarded Chief Executive Officer of the Year 2007 at the Singapore Corporate Awards for mainboard listed companies with market capitalization of S$500m and below. He also won the Lifestyle and Retail Entrepreneur of the Year 2004, Ernst & Young Entrepreneur of the Year, Singapore 2004 and Tourism Entrepreneur of the Year 2005 from the Singapore Tourism Board.

James E. Thompson, GBS, is the founder and chairman of The Crown Worldwide Group of companies. Mr. Thompson graduated from San José State University with a Bachelor of Science degree in Aeronautical Engineering. He came to Asia shortly after the completion of his university studies and has lived in Japan and Hong Kong ever since. He is a member of the International Advisory Board of the San José State University Business School.

Additionally, Mr. Thompson serves as a member of the Hong Kong Forum and Vision 2047 which are organizations that actively discuss Hong Kong issues with visiting politicians, journalists and academics that visit Hong Kong. He is also a member of the Board of the Hong Kong-America Center and has been a delegate representing Hong Kong on numerous Hong Kong Trade Development Council trade missions around the world.

Mr. Thompson was awarded the Gold Bauhinia Star, Hong Kong's second highest award, by the Hong Kong Government in 2003 for distinguished service to the community.

Andrew Tung Lieh Cheung has been an Executive Director of Orient Overseas Container Line Limited (OOCL) since May 2008 and has been appointed as the Chief Operating Officer of OOCL since January 2009. He is also a director of Cargosmart (Hong Kong) Limited. Prior to 2006, Mr. Tung was the Chief Operating Officer of Hong Kong Dragon Airlines Limited. He also worked for OOCL in various management capacities between 1993 and 1999. He is also Chairman of the International Chamber of Commerce Committee on Maritime Transport. Mr. Tung holds a Bachelor degree from Princeton University and an MBA from Stanford University in the USA.

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Professor Yeung has done consultancy work for Samsung Electronics, the Ministry of Trade and Industry, Singapore Government, the Central Policy Unit, Hong Kong SAR Government, UNCTAD, and the Commonwealth Secretariat.

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Our MBA program and our research has been ranked at numbers 9 and 10 respectively by the Financial Times in its 2010 MBA ranking. The paper said, "The top 10 schools, from the London Business School to Hong Kong UST Business School, form the leading group of world class business schools".

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