

PRESS RELEASE

**STEWARDSHIP ASIA CENTRE PUBLISHES
'STEWARDSHIP PRINCIPLES FOR FAMILY BUSINESSES'
Fostering Success, Significance and Sustainability**

Singapore, October 2018 – Stewardship Asia Centre (SAC) has published the 'Stewardship Principles for Family Businesses' – a guide intended to help family businesses across (and beyond) Asia, to focus on stewardship. These broad principles aim to articulate the mindset and attitudes, as well as the behaviours and practices that would foster the success, significance and sustainability for family businesses (FBs).

Stewardship is pertinent to FBs, which form the backbone of the economies across Asia. FBs are very diverse in nature – ranging from small, medium enterprises to huge conglomerates that operate across industries and countries. Every generation of FBs faces unique challenges and opportunities. Successful and sustainable FBs create wealth and growth across generations. Lasting FBs leave a rich legacy, and contribute to multiplier effects such as knowledge creation, economic development as well as human and social impacts to benefit the society in the long-run.

In today's demanding business environments, FBs face some common challenges, such as responding and adapting to the disruptive changes from digital transformation, while trying to maintain the sense of purpose that propelled them to success, and coherence as ownership becomes more fragmented over time. Stewardship therefore becomes even more relevant and important for FBs to adapt and grow. Guided by their values and purposes, successful FBs remain resilient in the face of changing times and disruptions, overcoming adversity and outperforming their competitors.

As part of this on-going effort, SAC has engaged successful and enduring family-based businesses in the Asia Pacific as well as organisations that worked closely with family businesses, and subject experts on family business leadership from institutions. The 'Stewardship Principles for Family Businesses' was therefore developed, over the process of research and consultations, to encapsulate the dispositions and structures that promote successful enduring family businesses.

A key part of this process was the Meeting of Minds (MoM) session, held on 4 June 2018, that brought together invited leaders of regional family businesses and family associations. The MoM was held in conjunction with the annual Stewardship Asia Roundtable. At the MoM, the participants gathered shared their knowledge and experience candidly, and contributed valuable insights and comments to refine and help support the principles into a set of relevance and useful guidance for family businesses.

Moving forward, SAC aims to promote these principles, and to help companies translate them into action, together with like-minded partners around the region.

For a full version of the Stewardship Principles for Family Businesses, please click [here](#) .

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Quotes from Family Businesses and Associations from Asia

“We have to have humanity, tolerance, compassion, kindness in the way we conduct business, because we always talk about wanting to do something good for society. And you can only do something good for society if you also have an open relationship to each other and a warm heart.”

– Dr Harald Link, Chairman, B. Grimm

“So it is important to identify what is that mission specific for what you want to be stewards over, because we can’t be taking care of the world. But in the sector that we operate, what are those principles that we can frame for our purpose, using these seven principles?”

– Ms Claire Chiang, Co-founder, Banyan Tree Hotels & Resorts

“I think one of the things that really became deeply rooted in me was my grandfather’s sense of responsibility to resources that were under our stewardship. He never felt that we owned this, this was a responsibility that was entrusted to us, for the good of a larger community and I think one of the strongest sentiments that also stuck with me was his desire to leave the world with an organisation in a better shape than when he founded it.”

– Ms Marianna L Vargas, Partnership Officer, Oscar M Lopez Center

“Traditionally, the focus of business succession is mainly on the downstream activities, and specifically, succession to visible assets. However, I really think that this is very short-sighted and the approach is not effective in terms of family business sustainability. Succession should cover all levels of activities, spanning from upstream to downstream.”

– Mr Morio Nishikawa, Chairman, Family Business Advisors Association Japan

“The emotional context of succession planning has different variance to it. It’s about succession planning of values, of systems, of processes. Formal succession planning, informal succession planning, take place over a period of time, which typically is never two, three years. It’s probably at best 5, 7, if not 10 years.” - Jeshier Loi, Director – Branding and Market Development, Yakun International



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About Stewardship Asia Centre

A non-profit organisation established under the Temasek Trust, Stewardship Asia Centre (SAC) aspires to be a credible and reputable thought leadership centre on stewardship and sustainability. Adopting a holistic approach, it strives to inspire and lead change, and to create an impact in Asia by marrying research and practice, as well as developing capacities for standards-setting and education, to promulgate stewardship and sustainability. For more information, visit <http://www.stewardshipasia.com.sg>.

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