Interview with Caroline Seow at FBNPA

Caroline Seow, Executive Director of Family Business Network Pacific Asia Ltd (FBNPA) shares her passion in helping family businesses and communities over generations, and the importance of providing support to everyone in the family.

Before we start the interview proper, would you mind sharing with us more about FBNPA?

Just to give you a bit of background, FBNPA is part of FBN International established in 1990 in Lausanne, Switzerland. A not-for-profit, FBN International has approximately 4000 members from across 45 countries. Learning from this international community, members share practices and insights on operating a family business in a responsible and sustainable manner. We also aim to nurture and support the next generation of families in whatever they choose to be, entrepreneur, physicist, artist or dancer, it doesn’t matter. Every next generation leader should be empowered and allowed to pursue their passions. We also believe that it is very important for us to promote the relevance and importance of family businesses to the stakeholders out there. There is a lot of subjectivity about family businesses, people often say “富不过三代” which is loosely translated into wealth cannot be sustained past 3 generations. But there are also many family businesses that have lasted for more than 3 generations. If you were to look at studies of family businesses versus non-family businesses, a lot of non-family businesses also do not go beyond 20 to 30 years.
Did you know that on average family businesses contribute 70 to 80% of GDP across the globe? Credit Suisse’s latest study has shown that since January 2007, family firms have outperformed the MSCI World Index by 5.7%. Family businesses do well, though not all, and our role as a network is to bring them together so they can learn from each other, help themselves and their communities. Family businesses are the cornerstone of the global economy; their contributions to the economy and community are very significant.

How did you first start working in the philanthropic sector?

I came from the corporate sector. I worked 10 years in IBM and my last job was Head of Marketing for Apple Asia Pacific. It was an awesome opportunity and one which I enjoyed very much. However from a Mum’s perspective, the travelling was relentless. I had to make trips to Cupertino every month and in-between to cities across Asia Pacific. I always had a passion to work in the non-profit space and hence in the early 2000s, decided to mothball the corporate suits to do some volunteer work and spend more time with the kids. It was great. You have the opportunity to work with some really wonderful and generous people. In these circles I met Mary Ann Tsao, the president of Tsao Foundation. She was looking for someone with a business background and a more social outlook to head a thought leadership and support network for family businesses. She approached me, we clicked and that was how I came to get involved with this particular non-profit.

What other non-profit work have you been involved in thus far?

I have been doing non-profit work for some time but it was usually on an ad-hoc and voluntary basis. In my school days, I helped out in ‘Girls Town’, a Catholic center for girls at risk. Three years into
IBM, a most enlightened company, I took a year off and I went to Zimbabwe and did some teaching and village work in the African bush. Today the group I work closest with is the IJ Myanmar Mission team which is involved in Education and Outreach programs for both teachers and kids in Yangon and outlying villages.

**How different is the work you do now, having worked in multinational corporations (MNC) and what do you find most satisfying about it?**

Whether in an MNC, public company or non-profit, there are skill sets and attributes that are generic - Being able to strategize and then translate that into operational know-how, engaging effectively, the ability to listen and communicate, openness to new ideas, respect for your fellowman etc.

If you look at the eco-system of organizations out there, we have government, business and civil society groups and you ask yourself which has the most power to effect changes. It is business. And within the business ecosystem, (if I could over-simplify) you have your MNCs, and your SMEs and family businesses (some of which could be SMEs and some MNCs of course). And then you ask yourself, who really cares about the Next Generation? I worked in MNCs for nearly two decades and I share with you frankly their relentless focus on quarterly results and a single bottom line. Family businesses, on the other hand, potentially have the long term vision, willingness and ability to align their values and practices so that the next generation will be provided for. Hence, managed and governed rightly, they are stewards for the next generation within and outside the family business, making decisions that help communities in the long run. Be it Tata or the Rockefellers or the Ayalas, family businesses that have sustained through the generations have all been very involved in society. They have earned the social license to operate.
Multi-generational family business owners are successful, very entrepreneurial, so how can they apply this entrepreneurial know-how to effect positive social change? A great example would be Bill Gates. Yes, there may only be one Bill Gates but there are lessons and takeaways for all of us.

What is your role in FBNPA?

There are three of us in the team. Collectively we do the design, programming and delivery. As a non-profit startup, the culture is one of creative collaboration. And we are blessed with progressive family business members who contribute their time, resources and good will.

What areas of research interests FBNPA?

Our work can be categorized into three areas - research, education and support/networking for members. In the area of research we are keen to do a more comprehensive study of family businesses in Asia. Both quantitative and qualitative. We also want to explore the integration of CSR into business processes. In the areas of capacity building we plan to develop learning frameworks and development programs in three areas – self, family and business. To nurture servant leaders, develop harmonious families and build sustainable businesses in communities – the self, the family and the community.

So again this is a lifelong journey, it can take months, years and we need not be constrained by artificial deadlines. We are blessed with academics, thought leaders and family business experts who are helping us develop our learning programs – the concept of servant leadership in family business, programs for helping families manage conflict and communicate better, and how families can grow their assets responsibly. Taking this a step further, the question we ask is how we can harness these
entrepreneurial skills to better engage and contribute to the community. So collectively this is how we see our role - as a support group, an enabler, a catalyst, thought leader, as well as an advocate for family businesses.

**How has FBNPA collaborated with other organizations, like NUS, and what other areas of collaboration can you foresee?**

In June 2011 we celebrated our 2nd year of membership. We could not have come so far in this short space of time without help and support from universities and other organizations. One of our first programmes was a research roundtable with academics in the region to understand better the family business landscape. Early in 2011 we did a joint research project with CSR Asia on CSR and family business. In mid-2011 we embarked on a landmark study with the NUS Centre for Governance, Institutions, and Organisations (CGIO) to examine the performance and governance structures of all listed firms (family and non-family) in Singapore and we are seeing how we can: a) learn from the findings, and b) replicate this work in other Asian markets. With NUS ACSEP, the possibilities are exciting. We have many families in our network that are leaders in the field of philanthropy and who are applying entrepreneurial principles to affect social change. Hence we could look into case studies exploring the different ‘social business models’, we could do learning journeys, roundtables or master classes with subject matter experts. There is a lot of work to be done in this space and identifying like-minded partners who share a common vision is key.
How is FBNPA different from other non-profit organizations?

We have a very special focus on the younger generation. And what makes us unique from other networks is that we are a platform for the entire family. Very often you have a network where only the business leader (CEO) attends but we aim to engage the whole family business and business family. Experience has demonstrated that learning or just attendance with other family members strengthens bonds, increases learning and results in far greater value. We are also working much hard on our programming for our next generation members. This year we plan a number of initiatives including peer support groups, internships and learning journeys.

So what are FBNPA’s highlights in 2011?

So many wonderful things happened this year but I would have to say the 22nd FBN International Summit. In October, FBN Asia was privileged to play host to over 720 family business owners from across the globe. Focused on the ‘The Art of Family Business,’ the summit aimed to help participants discover, through shared learning, the purpose of servant leadership, the promise of harmonious families & the potential of every family leader to be a responsible steward of sustainable business.

We are looking forward to an equally empowering 2012.

1 Credit Suisse Bank’s Global Index