

Two alumni of business owning families recount their experiences

What it means for the next generation



Vasiliki Anyfioti MBA '98D
Senior consultant, Roland Berger Strategy Consultants

Vasiliki Anyfioti, MBA '98D, senior consultant at Roland Berger Strategy Consultants:

There are no elements of Greek tragedy, just an ordinary story about accepting a role in my family business, leading to many dilemmas for me. My father created an engineering consultancy in Greece in 1969 in a highly competitive market. This company undertakes turnkey projects in the food industry and today employs 30 people. In 1991, my father was looking for a new venture idea, and decided to set up a second family business, a manufacturing and distribution company of dairy products in Romania, which today has four production sites and employs about 350 people.

"Greek family ties are very strong. I had always lived in Greece with my parents before coming to INSEAD and although I have never felt forced by them to join any of the companies, the simple presence of the family business creates a great sense of duty.

"After graduating, I worked in the family business in Greece for two years. But I definitely had the CEO daughter's syndrome: I tried several new things, never achieving what I would call a major success. I felt pressured and lacking in confidence.

"INSEAD was an overwhelming experience and I met other people who were in the same situation with

family businesses. I decided to accept an offer from Roland Berger Strategy Consultants. However, before joining, I worked in the family business in Romania for six months, involved in a very difficult but successful restructuring project. For the first time, I felt I was becoming my parents' trustworthy partner, while enjoying a very rewarding experience. My parents were insisting for me to stay and this was a difficult dilemma, but finally I decided to take up the job at Roland Berger. Working for a big organization has been a steep learning curve for me. I have become more confident and gained tremendous business experience and some distance for re-evaluating my place in the family business.

Just as my parents looked after me when I was young, now I have a duty in the future to look after them and our business

"In the meantime, I have become a member of the Board of Directors in the Romanian business and now after two years of working away from the family, my strong sense of duty has come back. The difficulty is to find a balance. Just as my parents looked after me when I was young, now I have a duty in the future to look after them and our business."



Not all five fingers are the same

Indian saying

"When I came to INSEAD I intended to go straight back to the family firm," says Nikunj, "but after meeting all these people in Europe, I asked myself whether I really wanted to go back. During the summer I worked for a dotcom and I came to the conclusion that it was the same as running a family business no matter what the product is. However, I decided that I didn't want to work 14 hours a day for money, but I would do it for my family. "Now about half the family is over fifty. This second generation has grown up and made money in Africa despite the instability in some of the countries. The next generation wants to make money and live in the West and not have to worry about personal security. So there is now a huge transitional issue. Where have we come from, where do we want to go?"

"My Dad grew up in a huge house with 14 rooms and 40 people who lived there, a communal way of life which encouraged the unifying vision of the family. But there are many other children in the family now who have grown up all over the world and it is very difficult to foster a common vision. This geographical dispersion changes people's perception, people's values with regard to work, money and duty. We are now encouraging the younger generation to do internships during the holidays, to make them feel part of the extended family and to show them different aspects of the business.

Nikunj Shah MBA '00D
Director Norman Knights Ltd.

Nikunj Shah's family firm spans three and soon four generations, 15 countries and five continents. The business was started by Nikunj's grandfather in Kenya and India but, after speculating on silver in the 1940s, the family lost their nascent fortune. However, undefeated, their entrepreneurial spirit remained and the younger generation worked and saved money to create a new company in the 1960s. Today, the bulk of the family's assets are in Africa and the different businesses in steel, plastics, foam, garments and trading have turnovers between US\$ 1 million and US\$ 100 million. About 25 family members are directly involved as managers and Board members.

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"Between the second and third generation there was no defined leadership, so we have created a group of 18 under-fifties. We are looking at the family philosophy as some of the younger ones find it difficult to talk in front of the elders. We tried creating jobs for family members but this hasn't worked. There is an Indian saying 'not all five fingers are the same.' Now, we have accepted less responsible roles for some family members." IQ