

Family Business 101 – Entrepreneurship for Eternity

It is always a delight, and an honor, to share the numerous remarkable and nostalgic stories that abound of entrepreneurial parent(s) passing down family businesses onto their children. Not only because family businesses are the cradle of entrepreneurship in any society, but also because they are the throttles of growth for any economy. On the same vein, and not lost to us, is the fact that taking a family business beyond the third generation is a difficult task that few manage. And while there are exceptions, pretty much, the history of family businesses is dotted with businesses that didn't survive much longer after the founder passed away. Sounds familiar? Well, apparently, every village seems to possess a story on this!

Take a look at this: The oldest documented and existing family enterprise, [Japan's Takenaka Corporation](#) is all of 408 years old, while the 10th oldest Wieland-Werke is German based, and which will clock its double century in 2020. Takenaka is an architecture, engineering and construction firm, while Wieland-Werke is a maker of products for automotive, electrical, air-conditioning and other industries. While there are family businesses, like Merck, which started in 1668 as a small pharmacy and is today a global pharmaceutical. Closer home and located on Meru Town Njuri Ncheke Street, is the 117 year-old family enterprise founded by an Indian who landed in Kenya by chance.

What makes some family businesses to survive centuries, where others can get barely past a few decades was the subject of a recent conversation we had with members of Rotary Club of Nairobi. Drawing on our practical regional experience, we believe; **family businesses, who survive, have planned transitions, are focused, have adopted formal family business governance structures and are driven by values – making them sustainable!**

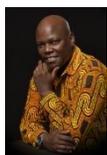
It is a neat coincidence, that a fifth generation scion of a family business with interests in Kenya and Canada, known to his friends as Cjay was visiting Kenya at the time and was in the audience. From where, he gave the following remarkable and insight revealing contribution during the Q&A segment of the session.

The two part conversation moment, which he delivered with revealing humility, I think, was a grand take-away from the session;

- ***“The key to survival is discovering and putting the right model in place.”***
- ***“If a family business survives second to third generation, and third to fourth generation, it's set for a long haul as the model is proven and working,. Planning for the long haul might pay off if the model is steady and survives at least one century, but it must be planned for – It must!”*** - He emphasized.

And so as [the first and specialized premier family business training, coaching and advisory services provider in the region](#). It is always a joy to share the success stories, as we support entrepreneurial families tackle the pain points of family business governance, succession planning, and next generation education and engagement – and we go further. Through a four phased propriety process; **Family Business Sustainability Canvas™**.

If your need to talk we are here to listen, and provide you with solutions.over to you.....



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| Company | Founded In | Based In |
|-----------------------------|------------|-----------|
| Takenaka Corp | 1610 | Japan |
| Merck | 1668 | Germany |
| Wendel | 1704 | France |
| Franz Haniel | 1756 | Germany |
| Molson Coors Brewing | 1786 | US |
| Jeronimo Martins | 1792 | Portugal |
| Thomson Reuters | 1799 | Canada |
| D'leteren | 1805 | Belgium |
| Swire Pacific | 1816 | Hong Kong |
| Wieland-Werke | 1820 | Germany |

Source: EY Family Business Yearbook 2017

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