



# Emerging Giants Program

Professionalizing the Emerging Country  
Conglomerate to become a Leading Multinational

# Emerging Giants Program for Directors and Leaders of Organisations

This is an advanced programme for Chairmen, CEOs, Directors, Partners, Key Institutional Shareholders and Business Leaders of diversified privately controlled conglomerates from emerging countries focusing on Strategy, Competitiveness and Change. It is THE ONLY program of its kind for Privately Controlled Groups (PCGs) globally. We look forward to welcoming you to this challenging programme.



Chairman, Global Emerging Giants Network (GEGN)

## The Programme at a Glance

Diversified conglomerates from emerging countries are a major force, and are among the most vibrant competitors in today's marketplace. While privately controlled groups have enviable

**In our program, you'll find powerful governance solutions all around you. In the expert. In the cases. And in the seat right beside you.**  
*For business leaders like you, it's a matter of passion.*

strengths—long-term relationships, a reputation for quality work, aggressive reinvestment, and high stakeholder loyalty—they also can be hindered by traditional practices, internal politics, and owner-business conflicts. In a business environment characterized by new players and intensified competition, running a privately controlled groups with a diversity of business holdings has become increasingly complex. Owners and directors face unique challenges, such as nurturing effective shareholder relationships, addressing succession issues, maintaining ownership control, developing synergy and value relationships between business units in a demanding conglomerate setting.

In addition, the pressures facing groups with a portfolio of diversified businesses are multifaceted and unprecedented. Capital markets, boards of directors, and shareholders all are demanding that senior

leaders formulate powerful corporate strategies. As competition within product markets intensifies, diversified companies are discovering that success depends on the combined assets, skills, and capabilities of the firm as a whole. The fact is...for senior family leaders to prove that their combination of businesses—both related and unrelated—maximizes shareholder value, they must be able to demonstrate that the sum is worth more than the individual parts.



The program is therefore designed to confront

*"Olympic Group is diversified, with interests in manufacturing and services. Through the consultancy and training intervention of GEGN in our Group we are being given ample opportunity to engage in a meaningful transformation process. We are one of the very few privately controlled conglomerates which are seriously looking at professionalizing further the ownership structure with the business and going through the next steps in our internationalisation process."*

Dr. Eng. Saad E. A. Sallam  
Chairman  
Olympic Group

this challenge by exposing leaders to state-of-the-art thinking and research on corporate-

and sector-level strategy within business which is controlled by group of private individuals, private equity partners or key institutional shareholders.

These tasks require sensitive leadership and thoughtful planning by the business and ownership groups. An owner group can contribute greatly to the success of its business—

and vice versa—when the owner group follows a discipline mapped out by successful emerging giants who are proving themselves the global markets, the likes of Tata, LG, Mahindra & Mahindra and Cemex.

These leadership practices are at the heart of Global Emerging Giant Network's Privately Controlled Group (PCG) Program.

## Changing the Rules of the Game

Your business is growing. You have reached a stage of local or national importance. What do you do next? How can you continue to grow?



What is happening globally? How will global trends influence you? How can you find a more stable ownership and top management succession programme that is sustainable? How can you create a management development programme especially geared to the next generation of owners and partners in the business? How can you develop your non-owner managers to be more attuned to the needs of the business?

When a Group has reached a certain size and the ownership structure has become more complex, the decision making process tends to become more widespread amongst a number of owner members of the business. The power at the top may dilute to such an extent that it would be difficult to continue steering the group in a top down way.

**Link Leaders with Leaders—and Problems Find Solutions...Ideas Become Opportunities.**  
Assembling a Powerful Mix of Participants

Owners, partners and even non-owner managers may have taken over a number of the business units and they may be steering them in the direction they want to. This might not be necessarily congruent

with the overall policy and direction which the CEO and Chairman may necessarily wish. These are very delicate periods for such top people. Unless there is a clear trust at the top the business might become unwieldy and lead to a breakdown into separate power blocks.

A privately controlled business aiming at globalisation can lose tremendously if it does not continue to transform itself into a new cohesive organisation at each and every stage of growth. The economies of scale, the critical mass, the power that such groups exert over a local economy can be the starting points towards greater competitiveness and internationalization. However, for this to happen a degree of transformation needs to take place in the way the business is run and in the way the ownership manages itself.



At this stage, more professional ways of handling the ownership structure of the conglomerate is vital. Formal succession programs may need to be implemented. The way the Board of Directors functions may need to change. The Board should be the lifeblood of the group and should be able to exert direction. Performance management of directors, boards, chairmen, owners and managers of the business needs to become more genuinely practiced.

## Key Programme Topics

### **Privately Controlled Business Groups in the Global Economy**



A review of the challenges for privately controlled businesses from emerging countries in the global economy. The dismantling of barriers to international trade is opening up huge forces. How should such groups react to these forces and take advantage of them?

### **Aligning the Ownership Needs with the Business Needs**

An insight into the requirements and the complexity of strategically aligning the



ownership and control element with the business in the context of a large, complex, diversified and multi-owner group of companies. What are the merits of having the ownership in tune with the business and the business in tune with the ownership? What are the difficulties here? How are we to overcome these difficulties? What governance structures are necessary to streamline the needs of the top-control team with the business needs? How can we manage well the SOCIAL GROUP behind the top-control team whether this social group is a family or a group of partners and relatives or a group of private equity shareholders or people with direct or indirect interest in the company which influence formally or informally in a substantial way the direction of the business?

### **Strategy in the Multibusiness Firm**

The pressures facing multibusiness firms are intense and multifaceted. Capital markets, boards of directors, and shareholders all demand that leaders formulate powerful

corporate strategies. And as competition within product markets intensifies, diversified companies are discovering that success depends on the combined assets, skills, and capabilities of the firm as a whole. The complexity of diversification makes focus difficult. The complexity of the varying stages of business maturity of the subsidiaries makes management even more difficult. Not to mention also the complexity as a result of varying shareholdings in the subsidiaries and complexity brought about by varying market volatility in each business unit. How can we achieve the right balance in an increasingly hostile and focused competitive environment? What tools can we use to strategise in this direction? Achieving synergy and creating competitive advantage.

### **Patterns of Diversification**

All multibusiness companies need to be able to justify their ownership of the businesses in the group. The corporate-level strategy must

*"I would like to thank the whole GEGN team for an excellent Owner and Director Professionalisation Program, with a vibrant and compelling trainer, high quality standards of classes, perfect organization, and top-quality participants. Many thanks for this enlightening time. It will be most helpful in my leadership task."*

GEGN Sao Paolo Program

therefore show how and why the parent adds value to the businesses. How can privately controlled business groups from emerging countries diversify to meet new opportunities without compromising their core competencies. What are these patterns of diversification? When do groups go wrong in their diversification efforts? How can they avoid the pitfalls?

### **Factors of Success**

Discovering the factors which affect the success or failure of such a fragile organisation in emerging markets and insights into how it can succeed in reaching its maximum capabilities. What are the pre-

requisites for becoming an Emerging International Giant? Tata in India, Haier in China, and Hyundai in South Korea were once small companies who have grown to their level of today. What were the contexts and patterns in the path which has led to their successful growth?

### **The Fight of the Giants**

Privately Controlled Business Groups are the backbone of many economies particularly in developing countries. How can they protect themselves and continue sustaining



themselves in the future? How can they compete against tough foreign giant multinationals that may erode their local and international market territory?

## **Typical Participant Profile**

### **Target Audience**

The target audience would primarily be large diversified privately controlled businesses. Many private businesses are surviving and growing as a result of their diversified nature. Their diversification has led to their growth and their growth has now reached pretty large proportions at least on a local or national basis. Their trajectory to go international or to be able to fight more aggressively the multi-national giants who are taking away market share are a few of their next steps. They have the financial muscle to continue expanding beyond their shores. So

**A High-Value Learning Experience in the Least Amount of Time**

the target businesses interested in this pioneer seminar would be medium or large and diversified or otherwise are

privately controlled businesses that are aspiring to grow and diversify and want to get on the right track now.

### **Qualifying for Admission**

Enrolment is limited to a select, qualified group of owners, chairmen, directors, private equity partners; institutional investors;

## **Financing, Control and Corporate Governance**

Problems of Financing, Control and Corporate Governance in Large Business Groups: It is tough to keep financing business growth and investment in the business while retaining private control and the shareholders happy. How can this issue be managed? What governance mechanisms need to be created?

### **Succession**

Business Groups can be a very painstaking process primarily in those multigenerational businesses whose ownership compliment has widened substantially. The complexity of this issue and the pitfalls that exist are tremendous. How should the succession process be managed in Privately Controlled Business Groups? How can senior generation leaders prepare the next generations to take on the helm?

leaders and CEOs with major equity or controlling interest or management control in the business. Enrolment may include also next generation business leaders or potential

*"GEGN's Owner and Director Professionalisation Program provided me and my brothers with guidelines and frameworks to successfully run a diversified privately controlled business and secure it for future generations."*

GEGN Shanghai Program

business leaders/managers who may be in line for key positions within the company.

There are no formal educational requirements. Knowledge of English is



essential for class participation in fast-moving discussions.

We recommend the participation by teams of four or

more individuals representing both genders and two generations of business leaders, when possible - so as to enrich discussions and eliminate bias. Participants are managing an aspiring emerging multinational; a company targeting international markets; a privately controlled group with subsidiaries in



a variety of industries with different levels of shareholding and varying business and market life cycles for each business unit.

### **Current Goal**

Planning or implementing a major change programme, or needing to develop a state-of-the-art capability for managing professionally the way the owner and top-control team interacts with the business and the way the business relates to the top control team in view of the need for the business to globalise and achieve business excellence.

### **Company Situation**

Participants may be drawn from a privately controlled group facing a dynamic competitive market, including those recently facing reduction of tariff barriers, or currently facing a local economic recession or deregulation. Change creates threats to established players and opportunities for new entrants - this programme will be relevant to either type of organisation.

## **Programme Style**



This programme calls for a high level of delegate participation. Its primary feature will be the analysis and discussion of real-life examples involving practical top decision making. The trainer will supplement the casework with frameworks for decision analysis and summaries of key material, but formal lectures will be avoided.

Sessions will be supported with extensive material for subsequent self-study but the priority throughout is on discussion and the exchange of ideas. There will be extensive

syndicate group analysis of practical problems. The trainer will help participants to apply the lessons of the programme to their own organisation, and encourage the sharing of experiences with peer group members.

Participants are advised to remain free of outside responsibilities during their stay on this programme. Within this removed, charged, and challenging setting, you are free to totally focus on what really drives your business and its success—you.

The GEGN approach to leadership learning in PCGs outlined here provides a lively and stimulating mix of material which encourages participants to think, reflect and apply, as well as to learn.

***Link into the compelling approach of an international expert and the powerful network of fellow participants***

## Trainer & Facilitator

This GEGN Programme is designed and taught by accredited trainers who are impassioned experts with outstanding credentials and leading authorities in their respective fields. As board members, consultants, field researchers, and entrepreneurs themselves, they have an immeasurable wealth of real-world expertise. They also are recognised experts on global business and strategic issues—and maintain relationships with leading companies and industry leaders around the world.

GEGN Trainers possess rare insight into owning and running a business because most of them have been through the experience themselves. And, all have been carefully chosen for their proven abilities to work with company owners and CEOs. As a participant,

you have the opportunity to draw upon their experience and discuss relevant topics with them in-depth.

GEGN leverage their business expertise and field-based research to create new knowledge and enduring concepts that shape the practice of management. The result is a trainer and facilitator that exposes participants to uniquely different perspectives and challenges their thinking on multiple levels.

*"When you run a privately controlled group, it's easy to push off tough issues to a future date. But the truth is: you can't afford to. If you think that you don't have the time for a program like this, you're the type of leader who should sign up immediately. You have to make the time".*

GEGN Moscow Program