

Future Group heading towards professionalization

Kishore Biyani, the head of \$2 billion worth Future Group, has recently taken several initiatives to professionalize the family run business, which is growing at 30-40% per year. The group currently owns 1,000 stores spread over 16 million square feet of retail space. Presently, brothers and cousins of Kishore Biyani manage various business operations in the group, and they also occupy various board positions. Some members from the younger generation of his family are also involved in the business. As part of the professionalization initiatives, the group has recently hired several leading retail professionals to run the business. The top professionals will be empowered to take independent business decisions in their respective verticals. Consequently, the family members will move out of the day-to-day operations of the business, including the board positions, and will play a larger role in creating synergies within the group and mentoring the professionals. Two entities have been created to regulate the boundaries between the family and business system: Family Business Board (FBB) and Group Executive Board (GEB). FBB will deal primarily with family issues such as succession planning, business strategy and relationships with vendors. The family members will be able monitor the business operations through this platform. On the other hand, GEB, created below the FBB, will deal only with the business issues and will constitute of all the professionals and one representative from the family.

Source : Biyani tells kin to hand over future reins to professionals – The Economic Times, November 24, 2010