

# family business matters

The Newsletter of the Family Business Center of Hawai'i

UNIVERSITY OF HAWAII AT MĀNOA SHIDLER COLLEGE OF BUSINESS

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## MESSAGE FROM THE FACULTY DIRECTOR:



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We are more than a year into the COVID-19 pandemic, and much has changed for families, businesses, and communities. We are fortunate that the Family Business Center of Hawai'i has been able to continue its activities, a testament to the important role of family businesses and their well-being for our community.

In the last few months, we have heard from wonderful speakers about a range of topics—from cybersecurity to how the next generation defines success and finds new opportunities to take a business to the next level. For me, one of the key highlights of these talks has been that despite all the hardship and challenges, there is this sense of resilience to push forward. This is a shared trait among many family business owners and is rooted in knowing the family business history and the desire to honor and continue the legacy.

Last month, the first cohort of Ulu na Alaka'i (Growing Leaders Program) graduated. The program, which ran for ten months, was designed to aid high-performing, mid-level managers prepare for the next leadership level in a family business. In March of 2020, we started the classes in person at Shidler College of Business, and the pandemic happened shortly after. We were lucky that the original plan was to have the majority of the coursework done virtually to offer flexibility to the participants. With some adjustments, we completed it as planned, and we are proud of everyone who participated and graduated from the program.

Finally, as a new work norms are settling in, they are changing how we manage our work-life balance. The pandemic has certainly made balancing different life and work demands more difficult for the majority of people. Therefore, it is beneficial to be mindful of work-life balance as it could influence the well-being of individuals, families, ultimately family businesses.

## COMPLETION OF THE ULU NA ALAKA'I - GROWING LEADERS PROGRAM HO'OMAIIKA'I ~ CONGRATULATIONS GRADUATES!!

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~ TJ Cordero, *Service Rentals & Supplies*: My fondest memory is working with my mentor, she gave me so much incite and encouraged me along the way. I am very thankful for such an awesome mentor!

~ Garrett Miyagawa, *Service Rentals & Supplies*: The one that stood out the most was when he [coach] told me "If it's not measured, it's not managed." I took that and really looked at my operation and started to make changes.

~ David Yu, *Dorvin D. Leis Co*: "It was a good refresh course to utilize DISC to work with others in a most efficient ways. Also understanding how "family business" could be a big company and how they deal with internal conflicts."

~ Phyllis Fretias, *Hawaiian Telcom*: Thank you for including me in. It was definitely a privilege to participate. It is an excellent program for future leaders. Rachele was such a joy to work with. Everyone's presentations on Saturday was outstanding. Congratulations on such a great program.

~ Wayne Tanaka, *Retired*: I enjoyed the opportunity to work with the Pacific Pipe Team. Thank you for including me in your program.

MAHALO TO FBCH BOARD ADVISOR MYRON NAKATA,  
SARAH KALICKI-NAKAMURA OF THINK LLC.,  
APPLICANTS & GRADUATES,  
INTERNAL MENTORS & COMMUNITY COACHES!

## SPOTLIGHT ON RESEARCH - WORK FAMILY BALANCE AND THE IMPACT OF COVID-19

**Work Family Balance:** Work Family Balance is an ongoing area of study in family business because in these settings, the boundaries between work life and family life are especially flexible and permeable. In many ways, the challenges associated with the COVID-19 pandemic have amplified these existing issues. Research has examined a number of factors that impact work family balance including roles, boundaries, gender, and the impact they have on the business.

**Roles:** In a family business, individuals maintain both a work role and a family role. While having multiple roles has been associated with a number of positive outcomes such as increased engagement, it can also lead to conflict between the roles. On the other hand, integrating work and family roles can also lead

to positive spillover. For example, adolescents working year-round for the family business have been shown to have stronger relationships with their parents. As there are benefits and challenges associated with integrating multiple roles, it is important to understand how boundaries can foster work family balance.

**Boundaries:** Transitioning between roles is not always seamless. In family businesses, boundaries are inherently more permeable, and members engage in micro-role transitions throughout the day. These micro-role transitions can lead to higher levels of anxiety in relation to role identity. A sense of boundary control, the perception that one can determine the timing and transition between roles, has been linked to lower levels of psychological distress. COVID-19 has increased the prevalence of work from home

arrangements, which has made the boundaries between work and family life even more undefined.

Women in family businesses are known to bare the majority of home and family care responsibilities. According to research, women in the US spend 37% more time on unpaid care (child-care, elderly-care, cleaning/cooking) than their male counterparts (>2 hours more per day). With the decrease in available services due to the pandemic, women have taken on even higher levels of unpaid care responsibilities. This is one of the contributors to women leaving the workforce at a disproportionate rate, even after accounting for job sector differences. On that note, women's jobs are 1.8 times more vulnerable to the pandemic. The impact of COVID-19 has disproportionately impacted women, making them more prone to work family imbalance, and more vulnerable to the

economic effects of the pandemic.

**Impact:** Work family balance is important not only for the well-being of individuals, but also for the success of the family business. Research indicates that entrepreneurial couples that balanced family and work commitments performed better financially. COVID-19 has amplified the existing challenges in balancing work and family life. Therefore, it is important to understand and support work family balance, not only for the well-being of individuals but also for the success of the family businesses.



## STANLEY LAU PRESENTS "INSURECURITY ABOUT MY CYBERSECURITY"

Stanley Lau, the Founder and CEO of Hawaii Tech Support, presented on insecurity about cybersecurity. Hawaii Tech Support is a technology company focused on helping businesses effectively utilize technology. Stanley has over 20 years of experience in technology in areas including: systems administration, security implementation, software development, project management and technology consulting. Hawaii Tech Support was recognized twice as one of Hawaii's 50 fastest growing companies. Stanley earned his Bachelor of Science in Computer Science and Engineering from UCLA and was recognized as one of Hawaii's 40 under 40.

Stanley presented a high-level overview on cybersecurity, explained that cyber incidents can be very costly, and noted that if we can prevent one cyber

incident from this presentation, it would be a success.

In registering for the presentation, Stanley had FBCH participants complete a brief survey about cybersecurity. 30% of FBCH respondents reported that they have experienced some type of cyber incident in the past two years. According to the survey, staff was considered to be the #1 security concern, and on a scale of 1 (low) to 10 (high) the average cyber readiness among survey FBCH respondents was 6/10.

Stanley discussed the need for cybersecurity in relation to the need for physical security, he said "when you think about cybersecurity, there are a lot of parallels to physical security. Your locks would be equivalent to your username and password [for] your account, a way to

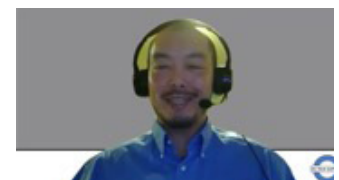
authenticate that you can get into the home.

You have sensors, so instead of a motion sensor or laser sensors, you would have things like security incident and event managers, which take logs, they scan your network activity. You have intrusion detection systems, and so there's different technologies that mirror this. So, as you think about what it means to have cybersecurity systems in place, you can think of this in parallel with some of the physical security systems."

In his presentation, Stanley highlighted the value of using multi-factor authentication (MFA), a password manager, as well as backup data and systems. Having these measures in place provide an additional layer of security. If your username and password end up on a database somewhere, an MFA

provides a second layer of protection to your account. Stanley recommended deploying MFA wherever possible.

Stanley also discussed the importance of community and creating an organization wide culture that makes security a priority. He said, "that's why it's so exciting to have so many business leaders on this call because the more we can come together and discuss what we're doing, it's almost like creating that neighborhood watch group. If we're not talking about what happened, where things went wrong, what we're doing to improve, we don't collectively come together to make improvements, then things will keep happening."



## BUDDY NOBRIGA PRESENTS “SCOOPING UP OPPORTUNITIES IN A SHAKEN WORLD”



Buddy James Nobriga, Operations Manager of Roselani Ice Cream joined us to share the story of his family business and speak on scooping up opportunities in a shaken world. Buddy was born and raised on Maui with Hawaiian and Portuguese roots. He studied Business Law and Finance, and after 8 years in the food, beverage, and entertainment industries, Buddy, his wife, and his children returned to Maui to work with his family at Maui Soda & Ice Works, Ltd. Starting in the warehouse, he is now the company's Frozen Operations and Sales and Marketing Manager. Since the beginning of the pandemic, Buddy has played an integral part in continuing the Nobriga Family and Maui Soda & Ice Works' legacy of community service.

Originally founded as Maui Ice Works in 1884, the business has been operational for 137 years. It started as an ice company before expanding into soda, ice cream, and community support. Manuel Nobriga, Buddy's great grandfather started working for the business in 1946. On Manuel's first day, he was given a horse and buggy to deliver ice and told that the horse knows the way. Velvet Ice Cream had rented some space from them, but ended up going bankrupt during the great depression, leaving their equipment. Manuel Nobriga used three books to teach himself how to use the equipment, and that is how they got into the ice cream business.

Buddy explained, “our family is basically three business ventures, five generations of being ranchers, four generations of Maui Soda and Ice Works, and Roselani.” He shared the family tree of Manuel Nobriga through the great and great, great

grandchildren. He noted that their extended family is their employees and that over 50% of their employees have been with the company for almost 25 years or longer.

In his presentation, Buddy talked about a number of the company's core values including: ‘ohana (family), hoaloa (friend), po‘okela (excellence), and ha‘aheo (pride or legacy of our predecessors). He discussed the honor and humbleness that comes from having such a long history, and the pride they carry in upkeeping the respect of those that came before them.

Buddy noted that in 2020, they faced a number of losses, including loved ones. He shared, “March for us was really focused on our employees and our team, keeping them safe. How to react when we're doing shutdowns, but we were classified as essential. Where are we comfortable, where are employees comfortable. Did we do everything we could to protect them? Did we follow our values, to put people ahead of profits? These are all things we struggled with in March and going into April as we saw the biggest immediate decline in sales in 137 years. Just to let that sink in a little bit, we've been through great depressions, world wars, other pandemics and nothing has hit harder than COVID.” He added, “But as we normally do in our family, we focused our attention after taking care of our internal ‘ohana to our external ‘ohana, figuring out ways to help our community.

When discussing layoffs, Buddy said, “this is a very tough thing to talk about because we truly believe that every employee here is a part of our family. How do you let go or face people who you have asked to be a part of your family? Could you really tell your aunt or your uncle, you don't have room in your house for them?” He added, “even though we have to make some tough decisions we wanted to make sure we

took care of the people we had to let go.”

Despite challenges, leadership changes, layoffs, restructuring and the largest sales hit in their 137-year history, they were able to pivot with new partnerships, receive local support and support the community.

They supported the community in a number of ways. On the ice cream side, they celebrated National Ice Cream Day by setting up a drive-thru ice cream scoop and served over 2,000 scoops to over 1,200 people. In August, Roselani partnered with Hale Makua and Pacific Ohana to start a meal delivery program, picking up meals from a local restaurant and delivering them to the most needy communities in the county.



They would deliver anywhere from four to eight hundred meals a day and be a part of a team that delivered door-to-door meal delivery. Buddy shared, “I'm proud to say we were a part of that, and we were able to provide over 35,000 meals through this partnership. It was truly an honor to be a part of it.”



In closing, Buddy said, “in one of the most uncertain times in the history of our company, using our values, skills, and determination, we were able to come together as a family to overcome adversity while working to increase opportunities for our future.”

### UPCOMING 2021 EVENTS MARK YOUR CALENDAR!

- Wed, May 26, 2021, 11:30am-1:00pm  
O`ahu Chapter Hybrid Meeting (open to all islands)  
Location: Announced via email  
Speaker: Ms. Angie Lee, Vice President of Fabric Mart, Inc. & Printex, Inc. / Topic: TBA
- Wed, June 16, 2021  
Next Generation Peer Group Meeting  
Time & Location: Announced via email
- Fri, July 9, 2021, 11:30am-1:00pm  
O`ahu Chapter Hybrid Meeting (open to all islands)  
Location: Announced via email  
Speaker: Ms. Kiani Wong, President & CEO of Kaka`ako Kasuals / Topic: TBA
- Fri, Sept 17 thru Sat, Sept 18, 2021  
FBCH Annual Retreat  
Location & Agenda: Announced via email



**CHRIS IWAMURA PRESENTS “CHASING RAINBOWS: DEFINING SUCCESS FOR THE NEXT GENERATION”**

**\*\*LAUREN ARAKI,**  
Managing & Marketing Director  
Waipi'o Valley Trading Co. dba Kuhio Grille

**CHAD BLOOM,** Vice President - Zelinsky Company

**SARAH BOW,** President & COO  
Bow Engineering & Development, Inc.

**JAMI BURKS,** President  
THE MAKANA Aloha Foundation

**ELISIA FLORES,** CEO & Vice Chair  
L & L Hawaiian Barbeque

**\*\*KEENE FUJINAKA,** VP & East Hawai'i Market Manager  
- Bank of Hawai'i

**\*KENNETH M. GILBERT,** Senior Consultant/Partner  
Business Consulting Resources, Inc.

**\*DR. MARJAN HOUSHMAND,**  
Faculty Director - Family Business Center of Hawai'i

**\*\*DAVID HONMA,**  
Senior Vice President & Island Manager  
Bank of Hawai'i

**GUY KAMITAKI,** Treasurer - Maui Varieties Ltd.

**\*\*WAYNE KAMITAKI,** President - Maui Varieties Ltd.

**CHARLES “CHUCK” KELLEY, M.D.,**  
Chairman of the Board - Outrigger Enterprises, Inc.

**\*GINGER LUCY,** Assistant Vice President  
Trilogy Excursions

**JOHN MORGAN,** President  
Kualoa Ranch Hawai'i, Inc.

**MYRON NAKATA,** Former President  
Acutron Co., Inc.

**\*NELSON OKUMURA,** President - VIP Foodservice

**\*RYAN OUYE,** General Manager  
Service Rentals & Supplies

**TIFFANY RICHARDSON,** President  
Current Affairs-An Event Production Agency

**\*DR. VANCE ROLEY,** Dean  
Shidler College of Business

**\*ALVIN SANTANDER**  
Assistant VP and Commercial Banking Officer  
Bank of Hawaii

**WENDY SHEWALTER,** CEO - Office Pavillion

**\*\*TOBY TANIGUCHI,** President - KTA Super Stores

**\*\*STEVE UEDA,** President & CEO  
Suisan Company, Ltd

**JARED WATUMULL,** Vice President  
Watumull Brothers, Ltd.

**LIA YOUNG-HUNT,** President  
Goldwings Supply Service, Inc.

*\* Maui Chapter Advisory Board  
\*\*Hawai'i Island Chapter Advisory Board*

Chris Iwamura shared his experience as the CEO of Rainbow Drive-In, a local Hawaiian family business. Chris was born and raised in Hawaii, after graduating high school, he attended Santa Clara University, where he received a master's degree in computer engineering. He proceeded to work as a Web Software Developer for various start-ups. In 2015, Chris moved home and earned his MBA from Shidler College of Business, while working for the family business.

When describing Rainbow Drive-In, Chris said, “we’re basically local comfort food, plate lunches, that’s our bread and butter.” He added, “we found out over the past year, during the pandemic that there’s a place for fancy food, there’s a place for five-star dining, but there’s also a place where you want to feel good and go back to your childhood. Go back to dinners with Grandma where they take you out, grab plate lunches and go to the park or the beach.”

Seiju Ifuku, Chris’ grandfather, was born in Ewa Beach, his family returned to Okinawa, but he loved Hawaii and decided to stay. That is when Pearl Harbour happened, so he signed up for the US Army and fought in Italy, where he learned to cook. He opened Rainbow Drive-In on October 2, 1961.

Chris talked about his Dad and Uncle’s leadership contributions, solidifying processes and growing the business. Rainbow Drive-In now has 60+ employees, serves ~1,200 plates per day, 600 sandwiches, and has 5 locations (4 franchised) with different revenue streams. Chris explained that Rainbow Drive-In is built on three pillars: employees, customers, and community, and it will celebrate its 60th year anniversary in October. Rainbow Drive-In has even had shout-outs from President Obama and LL Cool J!

Chris shared his journey in earning respect and proving himself while working for the family business. He said, “I literally scooped

rice, I stomped on the trash, whatever needed to be done... cashiering, at times doing phone orders. I just wanted to start from the ground up and learn.” He shared the challenges he faced in his path to succession, the recommendation to earn experience as a bank teller, exclusion from executive meetings, and learning without really being taught.



In terms of franchising, Chris explained how growing too quickly can sacrifice the brand, and not only his name, but also everyone’s name who came before him. While they have had inquiries to expand to Europe and Australia, he noted that they are trying to be strategic, careful and take things step by step.

Chris shared how his definition of success has evolved across different stages of life and family business. From defining success as winning (as a Tennis Player), to achieving good grades (as a student). As a CEO during the course of the pandemic, his definition evolved into “success is taking care of our employees, customers, and community”. During the pandemic, Chris had to lay off his parents and he gave up his own income. Additionally, Rainbow Drive-In collaborated with local companies and donated 1,000 meals to kapuna.

Chris discussed the mission of Rainbow Drive-In and that its values are family, quality, trust and aloha. “Aloha is an attitude. One of unconditional kindness, hospitality, respect for ourselves, our coworkers, and our customers.”

**MISSION OF THE FAMILY BUSINESS CENTER OF HAWAII’I:  
Equipping, Educating and Celebrating Families in Business**

The Family Business Center of Hawai’i is a nonprofit, member-based forum, housed within the Shidler College of Business at the University of Hawai’i at Mānoa. Administrative support for the FBCH is provided by the Pacific Asian Center for Entrepreneurship.

**SHIDLER COLLEGE OF BUSINESS**  
**FAMILY BUSINESS CENTER OF HAWAII’I**

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