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Interview

Uniqueness over Size for International Growth in the Financial Sector: An Interview with AIB 2024 International Executive of the Year Hyeon Joo Park

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Hyeon Joo Park, Founder and Global Strategy Officer (GSO) of Mirae Asset Financial Group, was selected as the 2024 AIB International Executive of the Year by the Fellows of the Academy of International Business (AIB). In this interview, he discusses with Seung-Ho (Sam) Park and William Newburry what factors led him to found Mirae Asset, his career path, and the keys to success in the financial services industry. He also discusses factors associated with Mirae Asset's global expansion and lessons for other Emerging Markets from the South Korean experience.

Interviewers: Seung Ho Park [SP], Nanyang Technological University, Singapore, and William Newburry [WN], Florida International University, USA

Interviewee: Hyeon Joo Park [HP], Founder and Global Strategy Officer (GSO) of Mirae Asset Financial Group, South Korea

INTRODUCTION

Hyeon Joo Park, Founder and Global Strategy Officer (GSO) of Mirae Asset Financial Group, was selected as the 2024 AIB International Executive of the Year by the Fellows of the Academy of International Business (AIB). Under Mr. Park's guidance, Mirae Asset has transformed into Korea's leading independent financial conglomerate. His name has become synonymous with innovation and excellence in local and global financial markets. His introduction of mutual funds, real estate funds, private equity funds, and globalization concepts into the Korean financial market has revolutionized the industry.

You will notice a clock with no hands in Mirae Asset's headquarters lobby, symbolizing Mr. Park's visionary leadership and entrepreneurial spirit, challenging and encouraging his fellow Mirae members to embrace change and prepare for the future. Over the last two decades, he has spearheaded continuous change and the company's global rise, earning the title of permanent innovator among his competitors and industry peers. Mirae Asset has become one of the major global financial companies, operating in 19 countries with clients from over 50 countries and over 13,000 employees worldwide. In 2018, Mr. Park stepped down as Chairman of Mirae Asset Securities to focus on expanding the Group's global presence. Since then, he has institutionalized a new global management model that has been a major driver of Mirae Asset's recent global success, achieving over 50% annual growth since 2018.

Mr. Park's commitment to corporate social responsibility is as remarkable as his business achievements. In 2000, he established the Mirae Asset Park Hyeon Joo Foundation, primarily providing scholarships to underprivileged students and supporting educational programs in Korea, India, Vietnam, and other countries. Almost 450,000 people have benefitted from these initiatives, a testament to Mr. Park's unwavering commitment to social responsibilities.

In the interview excerpts below, Chairman Park discusses with Seung-Ho (Sam) Park and William Newburry what factors led him to found Mirae Asset, his career path, and the keys to success in the financial services industry. He also discusses Mirae Asset's global expansion and lessons for other Emerging Markets from the South Korean experience.

HYEON JOO PARK'S PERSONAL JOURNEY

[SP/WN]: Congratulations on your selection as the AIB 2024 International Executive of the Year! You have had an amazingly successful career. Can you describe the most important steps in your journey to your position at Mirae Asset? What were the most influential milestones in your development?

[HP]: Thank you, Mr. Newburry and Mr. Park. It is a great honor to have received this award. The most important step I took was actively developing my sense of entrepreneurship in my formative years. Reading made me curious about the world and the mindsets of its most outstanding leaders.

In addition, the nature I was surrounded by in my childhood taught me to be imaginative. My mother's words of wisdom, centered on honesty and integrity, gave me the confidence to dream big. Not being afraid of venturing into uncharted roads and not losing sight of innovation was critical to the success of Mirae Asset.

Adversity provides us with catalysts for growth. Suddenly, my father passed away, so I was curious about what kind of message he could give me if he were alive. My mother recommended I read books, and I got a lot of inspiration through reading. Later, I would focus on leaders and their traits, including business entrepreneurs and even political leaders. I thought that was what was needed to have entrepreneurship.

The most influential milestone in my development was building the courage to go to California to learn English over 40 (I was the oldest student among teenagers!), allowing me to attend Harvard AMP (Advanced Management Program). After establishing Mirae Asset, I felt that I should diversify our portfolio. But I couldn't speak English at all, and reading English material was difficult. So, I went abroad. And it was a tough time when I studied English for at least 10 hours daily.

I thought, how could I change my career from fund manager? I might not have the qualifications to run companies because I used to be just a stockbroker. So, I enrolled in the Harvard AMP course, which was very challenging. It was difficult because it focused on case studies, but I gained much knowledge.

Without these experiences, I could not have accomplished my goal of going global.

[SP/WN]: So, when you were studying in the States, your first focus was on English, but other than English, what specific knowledge drew your attention as you attended the AMP Program?

[HP]: Even now, I focus on strategy. How to execute. I know that every businessman would like to know some concepts. What is the most important thing so I could know what kind of business I should develop? I didn't know how, so I focused on the how, even now.

For example, we are facing the artificial intelligence era. The problem is that when people say that an AI revolution is coming to us, how is this very important, how to take advantage of this is very important, so I focus on how. So, I chose the case studies. I want to examine successes and failures concerning the strategic method.

[SP/WN]: Continuing the issue about your early upbringing and challenging times, I'm sure you had many difficult times before and after you started this business. As a leader or person, I'm sure there are many moments you went through challenging times personally or professionally. Many good leaders have their way of handling personal hardship. Do you have your own way of handling complex matters?

[HP]: There are many challenges as a businessman and personally. It is tough to solve if we see the world from a short-term perspective. Especially in the financial market, if we keep a long-term perspective, we can handle it. So, we must ask financial professionals to keep a long-term perspective on the client's interests. If we try to be honest and transparent about the client's interests and society, we can solve them.

ADVICE FOR PEOPLE ENTERING FINANCIAL SERVICES INDUSTRY

[SP/WN]: Based on your experience, what advice would you provide to people entering the financial services industry?

[HP]: Honesty is the most essential quality for a financial professional to have when managing client assets. While deep financial knowledge and skills, such as analytical and strategic thinking, risk management ability, effective communication, etc., are important, gaining and maintaining client trust is everything.

Long-term sustainable and stable performance is also crucial, as client funds are meant to be carried into the future. We should avoid being short-sighted and seeking unreasonably high returns. Don't stop learning, and always be inquisitive. The world is changing too fast to rely solely on knowledge you have already acquired.

You should be the unique one rather than the best one.

Lastly, I recommend surrounding yourself with good mentors and investing in your well-being.

[SP/WN]: When advising young people, we emphasize the characteristics you just mentioned: trust and honesty. But how can young people acquire these characteristics? Is it something people are born with, or can you train them?

[HP]: There are several ways, but I would like to return to the textbook if I need to pick just one way. The textbook is number one to solve any issues, so I recommend that young people read books. The young generation might think they have some knowledge, but the world is evolving quickly. So even though they have this, it is past. You continue to look onward from any knowledge you already acquired.

Another thing is that it was a specific situation for me. I didn't like getting a good course grade, and I didn't like drinking too much or even smoking. I focused on reading and exercise. Even now, I like to work out every day for at least one hour. So, I suggest to every person working for Mirae Asset to work out daily.

FOUNDING AND GLOBAL GROWTH OF MIRAE ASSET

[SP/WN]: What were the most critical factors that influenced the founding of Mirae Asset Global Investments and Mirae Asset Capital in 1997, Mirae Asset Securities in 2000, and Mirae Asset Venture Investment in 1999? How did the Asian Financial Crisis of 1997 influence these foundings?

[HP]: I had already planned to start my own company. However, I realized that the capital required for financial companies was extremely high. So, I gave up on that idea and became an employee at a local securities firm. I did my best to deliver solid performance for my clients.

However, one day, I recognized that my performance had been negative for a year despite my best efforts to achieve good results. I understood I had to review most economic assumptions within the context of the Korean economy. I realized that due to the excessive confidence of Korean businessmen, even banks, we had accumulated too many dollar liabilities, which had caused the financial crisis. Even though Korea was well-known for its competitive manufacturing industry, we did not develop global perspectives in the financial markets. However, I believed the Korean economy would recover due to its competitive manufacturing sector and the passionate nature of the Korean people.

Back then, I was fortunate to have had the chance to read about the rise of Silicon Valley. So, I established a venture capital firm, the first company of the Mirae Asset group. The outcome was phenomenal. I continue to read materials related to the economy and company strategies – at least 5,000 pages in English each year.

In the aftermath of the financial crisis, new entrants were allowed into the asset management industry, so I set up Mirae Asset Investment to offer mutual funds to retail investors. Everyone should be allowed to take advantage of low stock market valuations. Our clients recognized my adherence to transparency and honesty.

Later in 2000, I founded Mirae Asset Securities to foster fund distribution channels and further expand our product offerings.

[SP/WN]: On May 23, 2018, you were appointed Global Strategy (GSO) of Mirae Asset Financial Group and embarked on a mission to grow and evolve Mirae Asset's global business. How would you describe the success of this growth? What have been the most important factors impacting Mirae Asset's global growth? What have been the most significant challenges and how has Mirae Asset overcome these?

[HP]: The biggest challenges were probably around the early stages, when we had no brand name, no capital, and faced some cultural obstacles. I believed that we could eventually generate sufficient brand awareness amongst investors if we stuck to our fundamental principles of honesty and transparency and provided them with sustainable long-term returns.

I have always been on a mission to grow our business globally. However, it was only in 2018 that I felt our domestic business was on the right trajectory, allowing me to focus solely on our global expansion.

Our growth success can be attributed to our strategic focus on shaping the future of the financial market and always balancing our risk via global diversification. My goal from the start was to expand into developed markets and become a leader in the global financial markets. Our global footprint over the past 20 years was all a prelude to that.

The most critical factor impacting our global growth was the need for diversification into global markets to mitigate market volatility and risk. We expanded first into emerging markets as they required less capital, and the cultural differences seemed more manageable. As we accrued more capital, we proceeded to expand into developed markets. When capital was scarce, I made organic investments, and later, we made some bold M&As when the direction was right.

[SP/WN]: You noted earlier that the venture capital firm was the first company. That was in the 1990s, and the first company was venture capital. At the time, there was little understanding or discussion of venture capital in Korea.

[HP]: As noted earlier, I was working for the stock market and read an article about the Silicon Valley story that was impressive. I got an idea. One day, I failed. Even though I tried to perform a plus return for the client's assets, I performed a negative return. So, I reviewed most things related to the Korean economy and the geographical risk surrounding the Korean peninsula. And soon, I recognized the audacious Korean businessman's mentality. They accumulated huge debt. It was fundamental, so some markets were going down. I decided that that was a critical point for Korean commerce. So, I decided to establish a company following the spirit of Silicon Valley.

Another reason was that due to the stricter regulations at the time, I couldn't establish a financial company—venture capital was not a financial company at the time. Then, during the aftermath of the 1990s crisis, we obtained the license to foster asset allocation, and then I established Mirae Asset Investment.

IDENTIFYING TARGET MARKETS FOR GROWTH

[SP/WN]: Mirae Asset operates in 19 countries and has clients from over 50 countries. What do you consider when identifying a target market in the context of Mirae Asset's globalization? In Mirae Asset's entry into these markets, you equally applied organic growth and mergers/acquisitions. How would you compare these strategies to manage Mirae Asset's global growth?

[HP]: When considering a new target market, the move must be strategically sound and align with my business' overall direction. Given my goal of becoming a top global ETF (Exchange-Traded Fund) provider, setting my eyes on the biggest and most competitive ETF market (North America) was obvious. Our success over there gave me the confidence to expand into other regions such as Australia, the EU, China, Japan, Asia, etc.... Our expansion into advanced markets was mostly through carefully thought-out M&As because we could not spend the time it takes to start from scratch, and we also stood to learn from the expertise of existing players in the market.

We took a more organic approach when entering less developed markets. For example, India stands out because we organically founded our AMC (Asset Management Company) in 2008, and until now, it is the only 100% foreign-owned AMC in India that ranks within the country's top 10. Our Indian securities unit was founded only six years ago. Last year, we acquired one of the major local securities firms, Sharekhan, to further expedite our market penetration.

[SP/WN]: Mirae Asset has become highly visible and successful in multiple emerging markets, including China, India, and Brazil. Why has Mirae Asset been keen on emerging markets instead of advanced ones? How would you prepare for the unexpected challenges of managing a financial business in emerging markets?

[HP]: I would say that rather than being 'keen' on emerging markets, we see these markets as a part of broader global markets. We always pursue a so-called balance. With limited capital and global experience, jumping straight into the developed ones would have been reckless. Not all EMs align with our business philosophy either. For example, among BRICs, I have never considered establishing any firms in Russia.

When it comes to less developed economies, I look at the competitiveness of the manufacturing base, the demographics, the educational development of the population, and the maturity of its financial system. In China, Indonesia, Vietnam, and India, I believed I could become a key challenger in their wealth management industry and positively impact society through wealth creation.

Global diversification and a robust risk management strategy are essential when dealing with unexpected challenges. In addition, maintaining a long-term view and demonstrating commitment to the market is pivotal in moments of volatility. Since we work towards our clients' long-term investment goals, we should be able to maintain our composure during fluctuations and constantly prove our professionalism. This is how we gain our clients' trust.

[SP/WN]: In your discussion above, you compared your process of investing in developed markets versus less developed or emerging markets. You noted that there was more planning with M&As in developed countries, whereas, in emerging markets, there was more organic growth. Can you describe that in a little more detail?

[HP]: I think I followed the same procedure and history in developing my business from venture capital to a securities company. When I was around 25 years old, I wanted to establish my own company, but because of the higher barrier to establishing companies, I didn't have capital, so I worked as an employee of a local securities firm and then established a company.

For the business development of Mirae Asset, I established the venture capital company with just 7.4 million US dollars. The equity capital is now 16 billion, which is considered significant. When I established the company, I didn't have any capital.

If we went to the United States, a developed market, I would not be confident in our ability to compete with global companies. At that time, confidence in emerging countries was rising, so it was comfortable for us to develop by jumping onto their growth. The important thing is that they require less capital.

So, we need to accumulate capital to grow the business. I spent almost ten years expanding my business through M&A. Money is essential for us. Because I lacked capital, I did not want to enter the developed markets. I could say that's reckless expansion. We should know who we are.

After we accumulated enough capital, I started acquiring companies. In the developed markets, I established companies, and simultaneously, we worked very aggressively to acquire companies.

[SP/WN]: Due to weak institutions and poor systems, there is insufficient reliable information for business transactions in emerging markets. How would you do the company valuation and handle a situation like this?

[HP]: That was our headache. How can we analyze that? How can we evaluate them when they don't supply enough information?

Even now, whenever I visit an office, which I like to do frequently, I don't get involved in their management. It is an entirely different situation. I would like to hear what they are doing. I would like to see what things are happening in their society and I would like to engage with people as much as I can to understand their mindset. We can read some information through articles, but I like to gain experience. Especially getting a seminar and communicating with many people is very important sometimes.

[SP/WN]: Emerging markets pay much attention to multinational brands and credibility because they try to tie in with better companies around the world. Facing other well-known global companies such as JP Morgan, Goldman Sachs, etc., how did you overcome the brand liability in entering markets?

[HP]: There are a lot of obstacles or challenges to compete with a global name. I don't like to compete face-to-face. In any case, I'd like to develop an edge to compete with them. This applies to every business. As for the ETF business, Vanguard was providing a plain vanilla ETF. If we want to try to compete with them with the same products, like a plain vanilla ETF, we cannot compete, so we need to develop an edge. So, I pick up the thematic ETF. It is straightforward.

I have developed criteria to understand the capital market. Okay, plain vanilla. So, people might think that's a testament to investment. I don't think so. This is the era of artificial intelligence. For that, we launched an AI ETF instead of a plain vanilla IT sector, with some focus on AI and natural resources. I think from now on, AI infrastructure will be very promising.

So, we are preparing for the AI infrastructure of the future. In any case, we would like to seed anything with a long-term perspective. We don't have to compromise for that. It's essential. So, keeping and developing an edge is very important to compete successfully; even in emerging markets, it's the same. If we would like to follow any companies that are bigger or smaller, it doesn't matter. If we develop an edge, I mean to be unique.

I hope Mirae Asset will be a unique company rather than the biggest one. I don't care about anything but being a great company. I don't care if I lead a significant asset, but to be a unique company.

The approach is global, but you may also be going to emerging markets; you may have an advantage there because US and European companies ignored those markets early, and so you felt more confident in those markets.

[SP/WN]: After you started this globalization process, how long did it take until you finally felt like they knew and recognized you, so you don't have to worry about this brand awareness disadvantage?

[HP]: I tried to build up brand awareness. Mainly, I know that trust from clients is everything. Without good brands, we cannot compete or be successful in the market. So, the first and last thing was to penetrate the market. So, we did many things, and I thought, how could we do that? I thought, let's build the company by empowerment. I push for complete localization of all subsidiaries.

I developed an asset management company first because it required less capital. Then, I expanded into the securities and insurance companies. (We were confident we had an edge in asset management.)

[SP/WN]: You have been actively involved in Mirae Asset's globalization by visiting frequently and working extensively in foreign offices. Why is it important that you personally get involved in overseas operations? What are the specific roles of top leaders in a company's globalization?

I frequently visit foreign offices but am not actively involved in their management. When I travel overseas, I do so to gain insight into the state of the economy and how capital is flowing into each country. I attend many seminars and take long walks. I engage with as many people as possible to understand their mindsets.

I fully empower our top leaders in global offices, so their role is critical in securing the success of our global initiatives and continuing to evolve our offering to meet our clients' growing demands. We don't force Mirae Asset's home culture on our global offices but emphasize sound and robust ESG principles. Global best practices must be followed, and we do not compromise on risk control. It is a very delicate balancing act.

[SP/WN]: How do you educate and execute Mirea Asset's core values as it develops international businesses?

[HP]: Everything was not always perfect, even though I used to comment about the sound culture, in essence, the risk management method, and our strategy method. The important thing is that we as a company need to set up very sound principles. For example, as for real estate, I focused on quality. I am a very quality-oriented person. I have had many opportunities to acquire budget holiday hotels. I have always asked my staff to maintain quality so we bought Four Seasons or Fairmont. First, quality; second, quality; what's the quality? We have to protect the client's interests because they have relied on us for the future. It's very important. We have a responsibility.

[SP/WN]: What can other companies learn from Mirae Asset's experience, both in the South Korean context and of particular interest to the AIB audience, in its global expansion?

[HP]: Regarding an expansion strategy, I focused on the "how" rather than the "what." Mirae Asset started its global business by setting up asset management companies. There is a logical reason: if your track record is solid and consistent, you can compete globally in the asset management industry with little capital and smart human resources. As you build your track record, brand awareness rises, too, and expansion becomes much easier afterward.

Lastly, I would advise other businesses to uphold important principles like professionalism, honesty, and integrity in the best interests of their clients. Our own expertise was in global asset management with sound and robust ESG principles. As a result, we were confident that we would succeed on the global stage and were certain that we would be able to mitigate any potential risks that could arise.

[SP/WN]: In your global strategy, what are the critical requirements in identifying and developing local leaders in country subsidiaries?

[HP]: Actually, I hold the same perspective (as in Korea). I prefer a person who is honest with integrity. This is very important for the business. I also like the passionate person. These are crucial elements.

[SP/WN]: Do you develop your leaders in the company, or do you hire from outside? Is it through internal training, or do you seek external training for higher-level positions?

[HP]: I have always emphasized what will happen in the future. So, the name of our educational institute is An Eye for the Future. To thrive, we need to see the future. I don't care about the past. We're going to share some core strategies. Of course, our core principles are very important. With the same principles, we can develop anything in the countries. So globally, we recently hired outside people as the CEO; sometimes, we emphasize the inside successor. Sometimes, we believe, for example, that as we progress from AUM (Assets Under Management) $10 billion to $40 billion, we can do this inside, but as we advance to, say, a $100 billion subsidiary, we need someone to think differently, and we hire from the outside. So, we hire from both inside and outside, but it depends on the country and the company's situation.

[SP/WN]: One of your company's core values is a long-term orientation. As a listed financial company facing short-term pressure, how do you balance short-term and long-term outcomes?

[HP]: While valuation matters for our listed companies like securities or life insurance, we put more emphasis on long-term value. If we want to enjoy the moment of accepting dividends, we have to stop expanding. I have a lot of dilemmas over this issue, and I understand the investors' desires, and I want to compensate our investors sooner or later. For example, in Australia, it's a very early stage for our company. So, our mandate is not to make a profit. The CEO emphasizes that in the short term, you don't make income right now. Sacrifice now and spend on costs for advertising and rent spending, which will contribute to our long-term returns.

We always emphasize that this is the kind of balance. It isn't easy. It's like investing, with financial analysts focusing on short-term earnings. But as a founder, I do not care about my earnings. Investors' interests are my priority, and I have a plan.

SOUTH KOREAN DEVELOPMENT

[SP/WN]: Over the 25+ years since you began your career at Mirae Asset, South Korea has developed tremendously as a significant player in the global economy. What do you consider the most important factors for South Korea's advancement? What has been Mirae Asset's role in the broader South Korean development?

[HP]: Korea's evolution into a significant global economy over the past 25 years was greatly shaped by the work of visionary founders in the manufacturing industry, which includes semiconductors, shipbuilding, auto, steel, and more.

Korea is at a critical point right now, as most of these industries need to be reshaped and challenged, and global big techs are establishing a new era of technological destruction. We need to invest in the future technology that will drive our economy for the next 25 years. In that respect, I think Mirae Asset's forward-looking and innovation-led approach has enabled us to deploy capital to these rising industries effectively. As an investment firm, we allocate capital selectively to leading industries that will be driving the future growth of South Korea's economy.

Mirae Asset also played its role in the paradigm shift of wealth creation among households and retirement pension plans. Although real estate investment is still the dominant means of wealth creation for Koreans, there has been a material shift from bank savings to fund and equity investments and from local stock investments to foreign ones.

Our priorities have been long-term investments and much more globally diversified pension fund management since the company's inception.

[SP/WN]: Were there specific factors associated with South Korea that either facilitated or hindered Mirae Asset's growth and globalization? How did you respond to these positive and negative factors?

[HP]: When we established the company, many dynamic factors were involved. Six months after our establishment, the Asian financial crisis hit Korea hard. I saw the economy crashing and the stock market plummeting. I was shocked because I believed Korea was built on the most competitive manufacturers in the world. I couldn't accept it at first.

I soon recognized that we had accumulated excessive dollar-denominated debt due to our underdeveloped financial system. We had ignored building sound financial systems, focusing on only developing manufacturing industries.

During the aftermath of the Korean financial crisis, the government deregulated financial licenses, allowing us to obtain a license to manage funds in 1998. In 2000, I established the Securities Company to foster asset allocation and fund distribution channels.

Korea mainly focused on attracting foreign investors to replenish dollar reserves. However, I firmly believed the Korean economy could recover thanks to its competitive manufacturing sector. I held a contrarian view, thinking it would be a short-term setback caused by a dollar mismatch.

My investment journey in the Korean market has been a valuable learning experience. Initially attracted by the undervaluation of Korean stocks, I capitalized on the 'Korea discount' phenomenon. As the market rebounded, I reassessed my position within the global context. Realizing that Korea's GDP contributes less than 1% to the global economy was eye-opening. I, therefore, decided to pursue global business opportunities. However, leading people into the global market was very challenging. Despite our great intentions, we were forced to tackle several obstacles head-on and had to overcome our fear of uncertainty and risk.

As time went on, Korean society began to understand our integrity and strategy for the future of Korea. I would say that patience, persistent effort, and venturing into global markets brought significant long-run benefits.

[SP/WN]: South Korea is considered a model for emerging markets that wish to develop their economies, given that it has long since advanced beyond what would be considered an emerging market. Based on your experience with Mirae Asset and the South Korean experience, what advice would you provide to policymakers and firms from emerging markets wishing to emulate South Korea and Mirae Asset's success?

[HP]: South Korea's success is rooted in its solid manufacturing base, skilled labor force, and accumulated technology. Despite initial challenges in the financial sector, the Korean competitive spirit and entrepreneurial drive have led to the creation of many world-leading companies, particularly in the semiconductors and automobile sectors.

Inspired by this spirit, I asked myself, "Why not in finance?" Starting with the questions of 'why' and 'how to' with less capital, Mirae Asset was founded with minimal initial capital. Through organic growth and strategic mergers and acquisitions, Mirae Asset eventually evolved into the competitive financial group it is today.

Fostering entrepreneurship and developing high-quality human resources is key to success. Policymakers should encourage and support entrepreneurs, even in non-traditional sectors. A truly dynamic society evolves through innovation. Embracing change, supporting innovation, and maintaining the spirit of challenge are crucial for sustainable growth and success.

Korea has a manufacturing industry that is very competitive. I have traveled to many emerging countries, and except for Korea, I didn't see advanced manufacturing like in Korea, so I admire visionary founders, the Korean manufacturers, Samsung, Hyundai, etc., and I think most emerging countries need to develop manufacturers first. Without the development of manufacturers, advancement will be limited. Singapore is acceptable. Due to its limited population size, they can rely on just consumption. Otherwise, an emerging market needs to start developing a meaningful manufacturing industry. The United States strongly emphasizes the manufacturing sector to build factories in the United States. They figured out exactly what was happening in China, a focus on the development of manufacturers. Instead of e-commerce, they are focused on the manufacturer.

MIRAE ASSET PARK HYEON JOO FOUNDATION

[SP/WN]: Your efforts in founding the Mirae Asset Park Hyeon Joo Foundation were exceptional. You launched it at the company's early stage while the Korean economy struggled. What were the driving factors leading you to establish the Foundation? What have been its key accomplishments?

[HP]: When I first founded the company, I felt a profound responsibility to give back to the community as a young entrepreneur. Bearing my name, this foundation was our first step in giving back. Just after three years in business, we started supporting young people in achieving their dreams through this foundation.

As the founder of a small company, I faced countless dilemmas but followed my heart and vision to provide opportunities for global talents to discover their potential. Over the past 17 years, the Mirae Asset Park Hyeon Joo Foundation has granted over 6,900 students scholarships to attend top educational institutions in 50 countries. I wholeheartedly believe it is the best thing I have done since founding Mirae Asset. We remain committed to supporting the next generation and contributing to society's sustainable development.

Before I established the company, I wanted to set up a principle of how I should manage the company if I could succeed. What kind of vision should I execute? My mother, the strongest woman I know, was my guide. And myself, what's the best and most meaningful life? I decided then to establish the foundation. I could buy 100 apartments in Seoul with the initial funds I put into the foundation. This was huge money. I couldn't sleep, causing a big worry for me as a founder of a small company. But I followed my vision. When I founded Mirae Asset, I thought if I created support for the young generation, they would make a bigger dream for society. Because I felt I was lucky as a Korean, I wanted to give back.

[SP/WN]: Do you think corporate social responsibility impacts the company's bottom line?

[HP]: Yes. That's very important. People think companies are pushing for just profitability. That's a mistake. If any businessman wants to develop their company long-term, such a concept is a sound principle. A robust risk management system is essential. They should not decide anything by discriminatory decision-making. I firmly believe that we need to set up a sound corporate culture. But what is a sound culture? I commented that the name of the educational institute is An Eye for the Future. We see the future, not focusing on the past.

[SP/WN]: Financial institutions are often pressured to comply with the government's mandate in managing economic conditions. How would you address this?

[HP]: I try to distance myself from political matters. We exist just for the client's interest. So, there is a strict guideline in Mirae Asset: You should not get involved in political matters. We are not a political party. In some emerging countries, developing political connections is very dangerous. We need to develop passion, strategic ideas, and vision for any company, not political matters.

CLOSING THOUGHTS AND MOVING FORWARD

[SP/WN]: You recently celebrated your 20th anniversary. What is your vision of Mirae Asset when it reaches its 30th and 40th birthdays? What would Mirae Asset be like globally?

[HP]: We have a few goals to achieve in the future. First, I want Mirae Asset to be a leader in the global market. What kind of company should I lead? It's a great company rather than a big company. I don't care about being the biggest company. I want to hear that Mirae Asset is a great company, beyond a good company. I want to cultivate the culture and forge the future for the client and society. I hope that Mirae Asset will emphasize the client and society first.

[SP/WN]: What do you see as major emerging trends in international businesses? What would you suggest international business scholars focus on to have young students and multinational companies be better prepared for the new generation?

[HP]: Integration of Artificial Intelligence is a major emerging trend. While AI will drive many new businesses, we must not focus on AI alone. AI will undoubtedly transform the financial services industry, but we must maintain a broader perspective. Even within the AI context, ESG principles remain relevant. These core principles will only intensify in their importance.

I advise the current generation to keep an open mind. Understanding ongoing changes, embracing challenges, and adopting a global perspective is crucial. I highly encourage scholars to provide opportunities for the younger generations through exchange programs that will enable students to gain diverse experiences. Such programs are vital for fostering a sense of entrepreneurial spirit in students and will provide them with the necessary skills to achieve their dreams on a global scale.

[SP/WN]: Sooner or later, when you step back from Mirae Asset's daily operations, how would you like to be known to the Mirae Asset people and the broader global community?

[HP]: I want to go back to my childhood. I want to stay in the rural area and feel nature. I am preparing for that. I stepped back from the Chairman's role, naming myself CSO (Chief Strategy Officer) of Mirae Asset. I believe the next generation could lead Mirae Asset. It is possible now, so I'd like to be not exactly a farmer, but feeling nature. I was in airplanes for at least 3000 hours after establishment. I am used to staying out of Korea for at least three to four months every year. I want to develop sound governance. I don't want my son and daughters to take over Mirae Asset. Most Asian companies like to hand leadership over to their family. I already announced to my family that they cannot join Mirae Asset.

When I retire from the company, I do not want to have any illusion. I am an average person but very passionate. As the founder of Mirae Asset, I am the owner, but I will not interfere in its operations.

[SP/WN]: Is there anything else you would like to add?

[HP]: As I commented before, everyone might have faced some challenges in life. We can solve these if we are healthy and have a long-term perspective. Integrity is more important than anything.

Once again, I would like to express my sincere gratitude for making this unforgettable and meaningful experience. The AIB fellows have contributed to making the world a better place. I'm proud to be part of this great organization, and I will do my best to carry on your legacy and mission. Thank you very much!

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