



Vijay Eswaran

EDITORS' NOTE A Malaysian entrepreneur, philanthropist and author, Vijay Eswaran is the founder and Executive Chairman of the QI Group of Companies. He is also the founder of Quest International University in Malaysia, and has established the RYTHM Foundation, the philanthropic arm of the QI Group. Eswaran grew up in Malaysia and moved to the UK as a student where he worked as a taxi driver to fund his higher education in accounting and management. He then spent several years working as an information systems engineer for various companies, including IBM in North America. He moved back to Southeast Asia after spending 13 years in the West. In 1998, Eswaran established a direct selling network in the Philippines, which would eventually become QNET, using a revolutionary combination of direct selling and e-commerce. Eswaran established the QI Group of Companies to oversee a wide variety of investments including real estate, education, retail and hospitality. His passion for mentoring entrepreneurs led him to establish and chair Quest International University (QIU) in partnership with the Malaysian Perak state's local government in 2011. QI is currently constructing Qi City, a \$300 million development, which will serve as the new headquarters for QIU and will include a hospital, condominiums and retail space. In 2005, he founded the RYTHM Foundation, with a focus on community development in Asia, Africa and the Middle East. Among its many projects, the Malaysian chapter of the Foundation established TAARANA, a school for children with special needs. Eswaran has published three bestselling books on leadership and mindfulness, with *In the Sphere of Silence* selling half a million copies to date. He is a regular speaker at global events including the World Economic Forum and has received numerous awards, among them the ASEAN Business Advisory Council and Lifetime Achievement Award for Global Entrepreneurship in 2016.

Adapt, Adjust, Accommodate

An Interview with Vijay Eswaran,
Executive Chairman, QI Group of Companies

COMPANY BRIEF The QI Group of Companies (qigroup.com) is a multinational entity with regional offices in Hong Kong, Singapore, Malaysia, Thailand and the Philippines and a wide range of subsidiary companies in nearly 30 countries. The Group has six main business lines diversified into lifestyle and leisure, luxury, training and education, property development and management, logistics and an e-commerce based retail and direct sales business. The Group ventured into the education sector with the establishment of the Quest International University (QIU) in Malaysia. The constantly evolving Group has also invested in the hospitality segment in Sri Lanka, Thailand, South Africa and Turkey through a range of spa resorts and boutique hotels. The QI Group is a Forum Partner of the World Economic Forum (WEF) and a strategic partner of the Asian Strategy & Leadership Institute (ASLI).

Will you discuss the history and heritage of QI Group and its key areas of focus?

We founded the company in 1998 and will be celebrating 20 years in business this September. I came back to Southeast Asia in the mid 90s after over a decade in the UK and US because I was convinced the new millennium was going to be the Asian Millennium. Internet was changing the game for businesses and turning the world into a global village. I had found some success in the area of direct selling and was fascinated by its potential to develop micro-entrepreneurs. My partners and I decided to marry the concept of direct selling with the then newly emerging concept of e-commerce.

The idea of being able to deliver products across the world to one's doorstep was being revolutionized by Amazon at the same time. We just added the direct selling business component to it.

We conceived the idea in the Philippines and moved to Hong Kong to set up the company. We established ourselves in Asia and today we have incorporated a dozen businesses stretching from telecommunications to education to nutrition, travel and hotels.

We have 200 products that we sell across the world to approximately 15 million customers and we have offices in 30 countries. We employ about 1,500 people directly and almost 5,000 people indirectly.

Is brand awareness for QI important or is it more about the individual businesses within the group?

QNet is the direct selling arm and, therefore, is the most well-established and best-known company in the group. It represents well over half of the group's volume.

All of the other companies, except for the education arm and the supermarkets we have in Hawaii, in some way support the QNET business. Some of the other businesses emerged because we found success with certain types of products for QNET and started developing them ourselves as opposed to sourcing outside suppliers.

For instance, QNET started a holiday products line by initially offering travel destinations and we bought room nights in bulk from various vendors. At one point, we walked into a hotel and recognized that we had booked out almost every room night they had to sell for the next couple of years. It made sense to start buying and owning our own hotels.

Is there a commonality among the businesses under the QI umbrella?

All of our businesses are about helping people live better lives, and/or empowering them to do more.

Is Asia still your primary market today?

We started in the Far East. We began with Hong Kong, Kuala Lumpur, Bangkok, Jakarta, Manila, and so on, and then we worked our way across the Indian subcontinent, and then into the Middle East, Central Asia, and sub-Saharan Africa. Our newest offices are in Frankfurt and Dublin. So we are definitely global, with a focus on emerging markets.

Where did your passion and purpose for creating this business come from?

What attracted me to the business of direct selling was its potential to empower entrepreneurs. That's why I founded a company in Asia that could fuel entrepreneurship. When I was in college studying economics, I never bought into the fallacy of full employment. The World Bank keeps publishing these reports about how technology is disrupting and reshaping the workforce as we know it. I think one of the statistics even predicts that approximately 750 million young people will be joining the workforce by 2025 globally. There is no way that many number of jobs could be created even if all nations on the planet were to set aside their differences with each other and work together.



This is an increasing concern being discussed at various international forums. I recently spoke about it at a World Economic Forum event.

Therefore, the world has to prepare itself for a whole different pattern of living. We have currently built universities to become degree factories that prepare people to find employment. If they no longer have that path, what will they do with themselves?

In order to view this intelligently, one has to go back 150 years. There was no concept of 9-to-5 jobs then. People generally did one of several things: they either accrued the same skills as their father or they apprenticed themselves in some field of endeavor to pick up a trait and then set up their own shop. A third choice was to join the Army, which was always looking for people. The fourth option was to join the clergy and the fifth option was politics.

The industrial revolution came along and the concept of employment began as we know it today. That phase is now beginning to pass. This world is changing fast. Technology is taking over human jobs. We have an economy that has expanded, but the unemployment figures have gone up because the requirements for the workforce have shrunk. Factories are being mechanized and computerized and AI is a serious threat to traditional work.

What can people do? Go back to the concept of trade. Trade is how the circle was built from East to West. Trade is what drove empires. People were entrepreneurs and traders long before they were anything else. It is that skill that we need to return to.

Based on our history and background, I believe entrepreneurship is the future. It's the one true alternative to the predicaments we have ahead of us. It's why I'm impassioned and believe in empowering entrepreneurship. This is what we do as a company.

We exist in the third world because emerging markets is where this concept has to be rebuilt. They are the ones who have to see and understand this, and learn the skill sets that were lost being colonized for so long.

This has become our tagline and mission as a company.

Is there an effective understanding that job creation is going to be driven by entrepreneurs?

I don't think the authorities or governments in power in many countries understand this well enough.

The great majority of students who come out of universities are job seekers, because that is what they have been programmed for. Unfortunately, until that programming is broken, we're going to keep witnessing a growing unemployment rate that will never be solved.

On the other end, we have job creators, and they are still present in many countries in the Far East. If we go to universities in China, Taiwan, and Hong Kong, it is refreshing to see that the students coming out of these colleges don't really want a job. They are totally focused on setting up a company and hiring 100 people on their own.

Can entrepreneurship be taught?

To some extent the basic fundamentals can be taught. However, being successful as an entrepreneur is an entirely different ball game.

Whenever one is starting out in this journey, they have to understand the rules of the game. That is the only head start you can get in a classroom setting. If you want to become a player, no amount of academic training can take you there. To become a really good player, nothing replaces the experiential process, and that is the bottom line on entrepreneurship.

Teaching entrepreneurship is a paradox, because being an entrepreneur is a unique skill. It's something that every individual has to define for himself.

Through our business, we empower entrepreneurs. We don't teach them entrepreneurship. We give them the tools and the self-confidence they need because those are very important factors. Then we send them out in the world and let them build those skills and imprint their own personality upon them.

I don't believe successful entrepreneurship can be taught.



Staff of QI Group in Malaysia and Thailand volunteering their time over a weekend to help with local community development initiatives including beach cleaning, constructing additional structures in a home for orphaned children, developing a garden space in a home for the elderly, and helping out at a food bank.



Students at QI University in Perak, Malaysia

Is there gender equality when it comes to empowering entrepreneurs?

In Asia, I think we have a distinct advantage. In my own experience, it is in the emerging markets where women are the traders and networkers. They're the ones who go out and get things done. For example, there is a woman-only bank that literally changed the culture in Bangladesh.

I believe that women have a latent ability to be entrepreneurs.

In Asia and Africa, women represent at least one third of our current workforce.

Disruption is taking place across all industries. Is education keeping up and is it able to innovate and transform itself to provide the curriculum and skills needed for the jobs of the future?

Yes and no. The concerted effort by universities to go online and the development of a whole new approach to getting an education in the Philippines from some of the top schools created disruption.

Having said that, the great majority of universities are still very much 19th century institutions, stewarded by people in the 20th century with curriculums developed in the 20th century for students who are all from the 21st century.

In essence, as long as they don't change this and recognize that they are not degree factories anymore, then they are destined to become defunct.

Our own QI University is a work in progress. We are constantly experimenting, trying out different theories and philosophies. It's amazing to see the young minds there; their reception to our experiments is very encouraging.

You have a strong personal commitment to philanthropy. Was this instilled in you early on and what do you see as the responsibility of companies when it comes to addressing broader societal need?

For me, it's a no-brainer. Any company that exists purely for profits is, in a sense, taking a short-term view.

Profit by itself cannot justify the existence of a company. They have to play a role in giving back, as well as developing the communities from which businesses sustain themselves. Many companies recognize this.

The QI Group's philosophy is built upon something we refer to as RYTHM, an acronym for Raise Yourself To Help Mankind. That's where our corporate foundation gets its name from. What it means is that we empower people to raise themselves, so that they can go out and help their communities. It's a ripple effect. In addition to our Foundation that is formally involved in a number of community development projects all over the world, we also inculcate in our employees a culture of giving back. Every month, different groups of employees from different countries take up a particular cause one weekend — be it cleaning a beach, planting trees, volunteering at a home for the elderly, or helping out at soup kitchens.

Philanthropy can never be a PR activity. It must be built into the organization's DNA. We only have this one planet and it is up to us to leave it better than we found it for future generations.

When you reflect back on creating QI and see the impact it has made, are you able to take moments to appreciate what you have built?

For a long time, the focus was clearly on what's next in terms of business growth. Today, it's different. It's about the impact we are having on those around us. It's about leaving a legacy. One of the most special moments for me is when people walk into our school for kids with special needs in Malaysia and see what we have done there. To be able to see the impact we're

making in their lives and the contributions we can make to the community is more enriching than any of my other achievements.

I feel the same way about the university — to see the young innovative minds at work bursting with ideas, and take pride in the fact that we, as a company, were able to get this off the ground is very rewarding.

When I wanted to invest in the university, the resistance I faced from half of my Board of Directors was impressive because, despite the fact that we wanted to give back, we are also a profit-oriented business. I had to deal with people who couldn't see the university for what it was. They were worried about the monetary commitment.

When the first batch of students graduated last year, I invited the entire Board to attend the convocation. Watching the pride of the parents and the newly minted doctors ready to join society was a special moment. I could visibly see the naysayers undergoing a paradigm shift.

It can be daunting as a young person to think about how to build a career today. What advice do you give new graduates and what are the keys to building a successful career?

My mantra is what I call the three A's — it revolves around Adapt, Adjust, Accommodate. When one goes into the world, the world doesn't change. Therefore, one must change for the world. The more one changes, the more their world will change.

The corporate icon of the QI Group is Mahatma Gandhi — his life was his message. His most memorable message was that if one changes, the world changes with them.

One has to learn to be part of the environment and ecosystem wherever they go. The changes must be made within ourselves and then the world will meet you halfway. ●