

Integrating Family Business Values into Cultural Heritage Stewardship at Malacca Heritage World Site, Malaysia

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Abstract

This research investigates the intersection of family business practices and cultural heritage management in Malaysia, a country rich in cultural diversity and history. The study was motivated by the need to understand how family-run businesses contribute to preserving and promoting cultural heritage in Malaysia. Through a comprehensive qualitative approach, researchers examined the business strategies, cultural values, and operational models of family businesses engaged in cultural heritage sectors. The findings revealed a unique blend of traditional values and modern business understanding, highlighting how these businesses play a crucial role in sustaining cultural heritage. Family businesses in Malaysia have developed distinctive approaches to cultural heritage management, blending traditional values with innovative strategies to navigate the challenges of modernisation and globalisation. This has implications for business practices and cultural preservation, offering insights into sustainable cultural heritage management in a rapidly evolving global landscape. The study underscores the importance of family business-based culture in the stewardship of cultural heritage. It argues for greater recognition of these businesses in policy formulation and heritage management strategies. The “take home” message is clear: Malaysia’s symbiotic relationship between family businesses and cultural heritage presents a unique model that balances economic viability with cultural preservation, offering valuable lessons for the business world and cultural heritage sectors globally.

Keywords: *Cultural Heritage Entrepreneurship, Family Business, Malaysia.*

Introduction

Preserving sites of profound cultural significance is crucial in safeguarding a nation's essence and history. Family-owned businesses in Malaysia can incorporate their fundamental principles into keeping the Malacca Heritage World Site, guaranteeing the conservation of this historic location for future generations (Chua, Chrisman & Sharma, 1999). This study examines the potential impact of integrating these deeply ingrained beliefs with site maintenance on preserving Malacca's historical allure. What is the objective here? Illuminate how distinct ethical practices within family businesses can enhance the conservation of cultural heritage. Situated in Malacca in Malaysia, this renowned location was designated a UNESCO World Heritage Site in 2008.

Within this location are ancient structures and notable sites that provide evidence of Malacca's historical significance as a thriving centre of commerce. However, concerns are growing over the optimal approach to manage and ensure this crucial location's safety effectively. Several challenges need to be addressed: more representation for local voices, limited financial resources, and the potential negative impact of short-term trade goals on long-term care plans. Could the principles of family entrepreneurship be the solution? These enterprises have a long-term perspective, prioritising the preservation of their history over short-term profits (Malone, 1989). They are well-suited to meet the needs of historical sites like the one mentioned. These businesses rely on the connections and relationships within a community, which might be beneficial if we incorporate them into our overall management strategy (Irava & Moores, 2010). By allowing kin-led enterprises to participate, residents can have more influence, thus strengthening their connection to preserving our collective assets (Chua, Chrisman & Sharma, 1999). Family ensembles foster strong bonds based on trust, making them ideal for harmonising different groups' aspirations and requirements into a

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comprehensive strategy that garners widespread approval. However, issues still need to be addressed. The interconnectedness between traditional custodians and modern influences can sometimes hinder smooth progress; the pursuit of financial gain conflicting with the preservation of cultural heritage can ignite discussions and disagreements (Handler, 1994). As one generation passes the baton to the next, there is a critical period where the ability to anticipate the future must be robust.

Can everyone remain faithful without adequate supervision? Challenges related to family relationships might weaken the effectiveness of actions made. To prevent this, it is necessary to establish solid and well-defined structures. The plan adapts as required, with vigilant attention to change. By carefully considering and implementing a family-oriented approach, it is possible to address the current shortcomings at the Malacca Heritage World Site. However, such effort requires meticulous evaluation of the challenges at every juncture. If executed well, with consistent monitoring, the commitment remains robust: clear guidelines are established for those who come after us to appreciate and protect what we value now in our UNESCO sanctuary in the future.

Literature Review

The literature on family businesses offers a multifaceted view of their unique characteristics and roles. Governed by family members who exercise significant control over strategic directions (Chua, Chrisman & Sharma, 1999), these businesses are distinct in their operational and decision-making processes. A defining feature of family enterprises is the involvement of multiple generations (Zellweger, 2017), which brings a blend of tradition and innovation to business practices. This generational involvement often poses challenges, particularly during succession, yet provides long-term sustainability and resilience opportunities. Core values, deeply rooted in the family's beliefs and history, are central to the identity and operations of these businesses (Berrone, Cruz & Gomez-Mejia, 2012). These values frequently shape the organisational culture, influencing customer relations and employee management, often focusing on non-financial goals like community well-being and the maintenance of family traditions. Collectively, the literature underscores the unique position of family businesses in the economic and sociocultural fabric, highlighting their capacity for sustaining heritage and traditions amidst the challenges of modernisation and changing market dynamics.

Family businesses are frequently portrayed as embodiments of a family's heritage. Miller and Le Breton-Miller (2005) discuss how these businesses often originate from modest beginnings grounded in founding family members' skills, values, and visions. This historical rooting contributes to a sense of identity and purpose that transcends generations. The evolution of family businesses is characterised by a complex interplay of maintaining tradition while adapting to changing times. As Gersick et al. (1997) illustrates, family businesses often start with a firm founder's influence, evolve through sibling partnerships, and then navigate the complexities of cousin consortiums. Each stage represents a mix of continuity and change, reflecting shifts in market demands, technological advancements, and family dynamics. Concomitantly, the business passage from generation to generation often involves re-evaluating business strategies and practices. Zellweger (2017) notes that while the core values and traditions may remain constant, each generation brings its perspectives and innovations, leading to evolutionary business adaptation. Moreover, authors like Handler (1994) highlight the enduring nature of family businesses, often attributed to their ability to blend traditional practices with modern adaptations. This resilience is seen as a critical factor in the longevity and success of these businesses as they navigate challenges such as market competition, economic fluctuations, and generational transitions.

The literature further suggests that family businesses contribute significantly to cultural heritage management. Their inherent commitment to preserving traditional practices and local identities is vital in maintaining cultural continuity (Miller, Steier & Le Breton-Miller, 2003). These businesses often act as stewards of cultural heritage, particularly in food and beverage sectors where traditional recipes and methods are pivotal to cultural preservation (Basu, 2004). Moreover, the challenges they face in balancing conventional practices with the pressures of modernisation and globalisation are well-documented (Chrisman, Chua & Litz, 2004). This juxtaposition of tradition and modernity within family businesses

underscores their dynamic role in cultural heritage management. The literature thus calls for more focused attention and support for these entities, recognising their dual role as economic drivers and cultural custodians. In sum, family businesses emerge from this body of literature as complex, multifaceted entities whose contributions extend far beyond the financial sphere, deeply entwined with the cultural and social fabrics of the communities they serve. Hence, this study is conducted with a specific purpose to examine the business strategies, cultural values, and operational models of family businesses engaged in cultural heritage site in Malacca, Malaysia.

Methodology

In the research design, we adopt a qualitative approach to delve deeply into the operational models, cultural values, and family traditions of selected family-run food and beverage (F&B) businesses. This approach is particularly suitable for exploring the nuanced aspects of cultural heritage and business practices. The core of our research methodology will be the case study method, focusing on ten family-run F&B establishments in the Malacca Street Art area. These establishments will be chosen based on specific criteria: they must be family-run with a history spanning at least two to three generations and primarily offer F&B services featuring unique family recipes or cooking methods. The sample selection process begins with an initial identification phase, where potential businesses are identified through online research and literature reviews. This phase is followed by exploratory visits and preliminary interviews with local business associations to finalise the selection and to request their consent to participate in the study. This two-step process ensures a thorough and representative selection of businesses for the survey. Table 1 depicted the demographic data of selected businesses at Malacca Street Art area as respondents for this study.

Table 1. Demographic Data of Respondents

	Business Type	Years in Operation	Generation	Unique Family Recipe/Method
Business 1	Cafe	25 years	3 rd	Yes
Business 2	Small Eateries	20 years	2 nd	Yes
Business 3	Bars	30 years	3 rd	Yes
Business 4	Cafe & Bars	28 years	3 rd	Yes
Business 5	Restaurant	30 years	3 rd	Yes
Business 6	Restaurant	25 years	3 rd	Yes
Business 7	Cafe	20 years	2 nd	Yes
Business 8	Bar	23 years	2 nd	Yes
Business 9	Cafe & Bars	27 years	3 rd	Yes
Business 10	Small Eateries	30 years	3 rd	Yes

Data for this study was collected in three methods: (1) semi-structured interviews with current business owners and any family members involved. These interviews aim to gather in-depth information about the business history, family recipes, operational challenges, and the cultural significance of these establishments; (2) on-site observations, whereby researchers visited the selected businesses to gain firsthand experience of their operations, customer interactions, and overall atmosphere. Photographic documentation will also be pursued, subject to obtaining permission, to capture the essence of each business visually; and (3) the collection of secondary data will complement these primary methods which include gathering historical data, reviews, and publicly available records about these businesses, providing a comprehensive understanding of their historical and cultural context. Through this triangulated approach, the research aims

to provide rich, detailed insights into how family-run F&B businesses in the Malacca Street Art area contribute to preserving and promoting cultural heritage, therefore offering significant implications for cultural studies and business practices in heritage sites.

Results and Discussion

The data from an in-depth interview was transcribed and analysed using Atlas.TI software, in order to find common patterns or themes. Five main themes emerged from the data analyses are as follow:

- *Preservation of Cultural Heritage:* The interview responses consistently emphasised preserving traditional recipes and cooking methods. This practice underscores a deep-rooted commitment to maintaining cultural heritage, with these family businesses emerging as crucial custodians of Malaccan culinary traditions (Basu, 2004). The dual role of family businesses as cultural stewards and commercial entities creates a unique dynamic. Balancing the authenticity of their cultural offerings with market viability is a complex task, as seen in their adaptive strategies. This balance is critical in maintaining the integrity of traditional practices while ensuring business sustainability. Family enterprises frequently face a dilemma where they must balance preserving the genuineness of their cultural products and adjusting to current commercial demands. For example, a shop proprietor in the Malacca Street Art district stated, "While we employ social media for promotional purposes, our kitchen adheres strictly to traditional cooking methods." Striking a delicate equilibrium involves enticing tourists while retaining our local clientele who appreciate genuineness (Chrisman, Chua & Litz, 2004). This response highlights the difficulty of adopting contemporary marketing strategies while safeguarding the integrity of traditional cooking methods. In addition, these businesses frequently engage in innovation to maintain their viability amidst commercial challenges. A different participant emphasised the importance of including an internet-based purchasing mechanism, particularly in light of the epidemic. Nevertheless, we took measures to ensure that our dishes adhered faithfully to the traditional recipes handed down from one generation to another. This adaption exemplifies how family enterprises manage the delicate balance between maintaining economic sustainability and upholding cultural authenticity (Zellweger, 2017). Moreover, the recurring theme revolves around harmonising conventional values with contemporary techniques. According to one proprietor, we have incorporated unique fusion cuisine options that attract a younger clientele while unaltered our classic traditional dishes. The goal is to attract a broader demographic while remaining authentic to our origins. This approach emphasises the strategic process of balancing innovation and adherence to tradition (Gersick et al., 1997). Consequently, the dual duty also encompasses the domain of cultural continuity. Businesses struggle to convey cultural and gastronomic legacy to younger generations amid swiftly evolving economic environments. A participant commented, "instructing my offspring about our ancestral culinary traditions and the narratives associated with them holds equal significance to instructing them on navigating the modern digital landscape for business purposes". Finally, businesses also influence the establishment of the local identity, frequently acting as cultural icons within the community. According to a business owner, "our establishment serves a purpose beyond providing food; it serves as a storehouse of our cultural legacy, and we actively engage in local festivals, where we proudly exhibit our authentic cuisine", which captivates the interest of both residents and visitors (Miller, Steier & Le Breton-Miller, 2003).
- *Adaptation to Modern Market Demands:* The data revealed efforts by these businesses to adapt to contemporary trends while upholding their traditional values. This adaptation is evident in modern marketing strategies, such as social media and online ordering, demonstrating a strategic balance between innovation and tradition (Chrisman, Chua & Litz, 2004). The ability of family-operated food and beverage businesses in Malacca to adjust to contemporary market requirements is crucial to their long-term viability and expansion. These firms manage the intricate equilibrium between keeping their abundant cultural past and adopting modern trends to remain competitive and pertinent. Indeed, a prevailing pattern in these firms is incorporating digital platforms for marketing and consumer involvement. As an illustration, a speculative reply from a proprietor could be: "we

have lately been advertising our conventional culinary offerings on several social media platforms. It is remarkable how a technologically advanced platform can facilitate the dissemination of our cultural legacy to a global audience." This response demonstrates how family businesses use contemporary methods, such as social media, to expand their audience while preserving their traditional core (Chrisman, Chua & Litz, 2004). Furthermore, the enterprises also demonstrate ingenuity in their product offers, frequently combining conventional flavours with modern tastes. The answer stated that they implemented a fusion cuisine that blends traditional Malaccan spices with contemporary cooking methods. This menu is beautiful for the younger demographic and tourists seeking an exceptional gastronomic adventure. This remark emphasises the innovative ways in which firms modify their conventional methods to meet the needs of a varied and ever-changing clientele (Gersick et al., 1997). Another facet of adaptation involves the enhancement of customer experience through modernity. The business owner could state, "to stay current, we have introduced an online reservation system." It facilitates client visits, particularly during high tourist seasons. This exemplifies the incorporation of contemporary technologies into their operations to augment client convenience while preserving the classic allure of their establishments. Also, the firms are not merely undergoing passive adaptation but are actively seeking methods to reconcile their rich histories with contemporary strategies. According to one owner, although specific components, such as our point-of-sale systems, have been updated, the core of our business, which includes our recipes and cooking procedures, has remained unchanged and authentic. Finally, amidst global trends and evolving client tastes, certain firms are delving into eco-friendly operations and offering health-conscious menu options. The owner might state, "we have expanded our selection of organic and locally sourced ingredients in response to the increasing desire for sustainable and nutritious dining choices."

- Generational Transition and Continuity:* Responses highlighted the challenges and opportunities in transferring knowledge and practices across generations. This theme reflects the complexities of ensuring business continuity and preserving traditions amidst generational shifts (Gersick et al., 1997). Generational transition and continuity are fundamental to comprehending the evolution and viability of family-run F&B enterprises. This theme encompasses the intricate and subtle aspects of transmitting a business and a diverse array of traditions, values, and practices from one generation to the next. As a matter of fact, transiting information and habits from generation to generation is a complex, complicated process. A company proprietor may express, "educating my offspring in our ancestral recipes is not solely focused on the constituents or techniques; it is about instilling a profound understanding of our heritage and fostering a feeling of honour." This remark highlights the profound and intricate nature of this transfer. It is an exchange of abilities and a personal and profound experience of exchanging cultural heritage and identity (Zellweger, 2017). As such, succession planning is essential to guaranteeing a firm's uninterrupted operation. The owner may express the difficulties associated with determining the successor. We must have economic abilities and an understanding and respect for our traditions. This highlights the intricacies of selecting a successor who can effectively continue the legacy (Gersick et al., 1997). All in all, the evolution of family dynamics throughout generations also impacts corporate operations. The business owner may express, "as our family expands and disperses, upholding the same degree of engagement and dedication to the business among all family members has become increasingly difficult." This adaptability is essential for the firm to flourish in changing family arrangements (Miller, Steier & Le Breton-Miller, 2003).
- Community Engagement and Local Identity:* A prominent theme was the role of these businesses in promoting local culture and engaging with the community. Participation in cultural festivals and contributions to local tourism exemplify their role in shaping and reflecting the regional identity of Malacca (Miller, Steier & Le Breton-Miller, 2003). Thus, the significant contribution of family-operated F&B enterprises in Malacca to promoting community involvement and moulding local identity is evidence of their essential place within the region's cultural and social framework. This theme delves into how these enterprises transcend their commercial functions to conserve and actively advance the local culture. These companies also frequently serve as catalysts for preserving

culture, functioning as living museums that showcase Malacca's abundant culinary history (Basu, 2004). A company owner may express this position, "our restaurant not only provides food but also narrates the tale of Malacca. We showcase conventional culinary utensils and vintage photographs of historic Malacca, providing our customers with an immersive cultural encounter". This statement emphasises the business's responsibility in preserving and making the local heritage available to the public. Additionally, the enterprises have a solid and integral presence in the community of Malacca. They frequently engage in local festivals and activities, enhancing the region's dynamic cultural milieu (Miller, Steier & Le Breton-Miller, 2003). One proprietor said, "we consistently participate in the yearly food festival by operating a booth." This reflects the method of commemorating and disseminating local cultural background throughout the community and among tourists. Moreover, family-operated food and beverage establishments in Malacca have a substantial impact on promoting local tourism. They entice travellers not only with their distinctive gastronomic offerings but also by offering a genuine immersion into the local culture. The business owner admitted that, "tourists visit our establishment to savour genuine Malaccan cuisine, and we take pride in contributing to their immersion in our city's cultural and historical heritage.' Hence, these companies both embody and influence the local identity of Malacca. Their activities, which have strong foundations in tradition and history, reflect the region's cultural values (Malone, 1989). A reply indicated that, "our culinary creations draw inspiration from Malacca's historical significance as a bustling trading port. We employ a variety of spices and culinary methods that embody the diverse cultural background of our city." Finally, the firms bolster the local community by frequently procuring ingredients from nearby sources and offering employment prospects. An owner may emphasise the following feature by replying that "we procure our ingredients from nearby markets and farms. We must endorse and bolster other nearby enterprises while positively impacting our community's economy."

- Challenges in Sourcing and Sustainability*: Respondents frequently cited challenges in sourcing authentic ingredients and competition with modern fast-food chains. These issues indicate the broader context of globalisation and highlight the need for sustainable and ethical business practices. Generally, traditional family companies depend on local supply networks for authentic, high-quality ingredients for their recipes. However, globalisation and commercial farming may reduce local suppliers, making it hard to locate authentic ingredients (Chrisman, Chua & Litz, 2004). One respondent stated, "our family firm started a 'cultivate local' program with local farmers to revive and preserve traditional ingredient farming to address depleting local suppliers. Our fair prices and long-term contracts provide a consistent supply and promote local agriculture, preserving our cultural dishes." Due to their restricted supply or traditional production methods, authentic ingredients may cost more. Family enterprises in cultural locations must balance authenticity and cost, especially when competing with modern restaurants that employ mass-produced food. As several respondents claimed, "we use 'transparent quality' to educate customers about the worth and authenticity of our components. We explain the source and process of our components to justify the expense and give clients an authentic experience that sets us apart from mass-produced alternatives." Consequently, few entrepreneurs claimed that they were trying to launch the sustainable sourcing initiative' to promote sustainability. This requires balancing traditional ingredients with regenerative agriculture practices among our local suppliers. Some stated, "we are also finding new ways to use every ingredient to reduce waste and protect the environment. Overusing local components might deplete resources. To preserve cultural heritage without harming the environment, businesses must blend original components with sustainable practices." Furthermore, fast-food companies worldwide promote new tastes and eating habits, changing consumer preferences. Traditional restaurants may need help attracting younger customers who are used to fast food's convenience and standardisation. Most respondents stated that, "to attract younger customers, we combine heritage and contemporary. We modernise and present our cuisine while retaining its essence. We teach kids about our cuisine's cultural significance through social media and participatory seminars, making tradition modern and current." Indeed, scale economies allow fast-food restaurants to price their products competitively. Family businesses prioritise

authenticity and quality and may struggle to compete on price without compromising their beliefs and traditional offers.

Conclusion

In a nutshell, to effectively incorporate family business principles into preserving cultural heritage at the Malacca Heritage World Site necessitates a deliberate strategy that tackles obstacles to procuring genuine ingredients and contending with contemporary fast-food establishments. Ensuring the survival of local suppliers, achieving a harmonious balance between quality and cost, and embracing ecological methods are essential for preserving authenticity while adjusting to the changing global environment. Furthermore, implementing tactics such as integrating traditional elements with contemporary ones, implementing economic endeavours, and employing successful branding techniques can contribute to the prosperity of family-owned enterprises in the face of evolving consumer tastes. Adopting a strategic and culturally integrated strategy is crucial to maintaining cultural heritage's sustainability and ongoing significance in globalisation.

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