

# ECONOMY JOURNAL

## Vision for Korea lies in a 'strong Korea'

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Chairman of Tongil Group



An endless series of meetings and appointments keeps him flying back and forth between Korea and the United States. His busy schedule is proof to us that the mind rules over the body. When I met him at the Tongil Group chairman's office not long after the December Presidential election, he seemed very tired from meetings and decisions that had continued all day. He eluded my expectation of at least a forced smile in meeting a reporter, because he has an American style. He was so outspoken with frank expressions that it rather embarrassed the reporter. His sincerity showed itself in topics ranging widely from the aura as he spoke about national security to the lighthearted way he told us how much he likes Tteokbokki (Korean-style seasoned bar rice cake).



## Born-again Tongil Group

Tongil Group was founded in 1963, and eventually became a huge dinosaur with over 33 affiliated companies. But as time went on, its deficits grew larger. The business world is cutthroat competition. Faced with crisis, Tongil Group called in Chairman Moon Kook Jin, who had been running his own business in the US, and entrusted him with managing the Group out of its chaotic state. There must have been concerns about whether he, so long accustomed to the American way of life, could find solutions that would work in the environment of Korean corporate management. As it turned out, his momentum improved Tongil Group's industrial structure in a short time.

Recalling those days, he said, “When I took office in 2005, over 80% of our affiliates were in the red. Of course there’s no smoke without fire, but there was no time to lose. We had to root out the disease by performing major surgery.” “The Group's crisis came from an absence of professional executives and management processes. I immediately brought in marketing, personnel and IT professionals, as well as certified public accountants and lawyers, to reevaluate the corporate value and business profitability of all affiliated companies. We then sold off, liquidated, merged and removed faltering enterprises and sectors.

Then, by using modern management tools such as Six Sigma and Theory of Constraint (TOC), I was able to establish a framework for management reform and constructed incentive opportunities based on Balanced Scorecard (BSC), personnel management and IT systems. This was done based on advice from the world’s leading consulting companies, such as Deloitte, Watson and Wyatt. Although the beginning was difficult and painful, I believed that once ready, the process would be the cornerstone for the Group’s sustainable growth.”

Through these processes, the performance for the group as a whole returned to profitability after 3 years. Today, Tongil Group has been restructured into 12 healthy affiliates, including Ilhwa, the Segye Times, YongPyong Resort, Ilsang Ocean Development, Sunwon Construction, Ilshin Stone, TIC, Shinjeong Development, Seil Travel, JC, Saeilo and Asia Forum.



### **A window of communication for strong Korea**

In March 2011, the “National Campaign for a Strong Korea” was officially launched with Chairman Moon Kook Jin heading the list of its leaders. Chairman Moon, who had left Korea at the age of 3 and lived in the US until 2005, had little memory of Korea. Still, he continuously hoped that his mother country would become a small but strong country.

He says he was quite shocked to see the way our country reacted in 2010 to the sinking of the navy's Cheonan and the bombardment of Yeonpyeong Island. The lives of our soldiers and innocent civilians were lost in these incidents. Yet they were silently being buried in the public's memory. He concluded this was due to Korea being weak, and he acutely realized the need to raise public awareness on national security issues.

This mind set is probably the reason Chairman Moon’s ‘Strong Korea?’ lecture leaves such a deep and serious impression on those who hear it. He calls for a Korea that stands with dignity, despite its current division between North and South and its precarious geopolitical environment surrounded by major powers. When he is finished, audiences are so deeply affected they find it difficult to leave their seats for a time. Chairman Moon prays that this warm reception to his lectures may serve to make Korea strong.

He has given the lecture over a hundred times at home and abroad, and persons from all sectors of society are standing with him in the National Campaign for a Strong Korea. In Korea, he and other speakers have given the "Strong Korea?" lecture to some 26,000 people in 230 counties and city wards around Korea. What are the choices Korea must make to become a truly strong country in the international community so that our people can live happily without suffering unfair treatment? Chairman Moon is posing his ideas to this question through the national campaign that he leads with patriotic fervor.



### **Chairman Moon Kook Jin's ceaseless efforts**

In December, Chairman Moon was installed as chairman of the board of the Sun Moon Education Foundation, which owns and operates Sun Moon University and other schools. From this position, he plans to give students a well-rounded education so they may become model citizens of good moral character according to the tradition established by the late Rev. Moon Sun-Myung.

Chairman Moon clarified, "We must educate students who will bring about both globalization and localization," he said. "Following the teachings of our Founder, professors and teachers should guide their students with love from the parents' position, and students should respect their teachers and professors from the child's position. Sun Moon Foundation should become "a place of a culture of heart", where true love forms the foundation for us to study, learn and teach and live our lives for the sake of others," he said.

Regarding this year's plan and vision for affiliated companies, he said he would keep a close watch on changes in the world economy. Expecting that the world economy will remain unstable, Chairman Moon is putting his primary objective for affiliated companies this year on risk management. He said there might be selective growth, but this is going to be a year for avoiding damage from risks and insuring substantiality. While taking a breather like this, he will study how to leap forward once the world economy has been stabilized. It is also the manager's ability to seize opportunities at the right time.

