

# Salma Serunding: A Multi-Generation Family Business Legacy

**Authors:** Arbaiah Abdul Razak, Munirah Mahshar, Hasannuddiin Hassan & Mohd Ikhwan Aziz

## Prologue

*This case describes a family business producing meat floss – known as ‘serunding’ in Malay – that has been operating since the 1960s in Kampung Langgar, Kota Bharu, Kelantan. In 2000, Suzieyana Mat (henceforth, she shall be known as Suzie), a fourth-generation family member, was entrusted with the legacy of this meat floss business that her great-grandmother started. In 2019, the business had about 10 permanent employees and is estimated to have a sales turnover of RM500,000 to RM1 million per year. In line with the development of the local food industry and business management transition, Suzie set up the Salma Serunding Company in 2013. The company is able to maintain the success of this meat floss business by continuing the family’s secret recipe for generations. Most of the traditional methods for food manufacturing and business management are still practised in Salma Serunding. As the company manager, Suzie feels there is a need to update the company’s management, expand the market and make research on the products. But, a closed approach in doing business at Salma Serunding makes Suzie contemplate on various aspects of business, family and legacy before making strategic decisions for the company.*

## Introduction

Suzie started to involve in the family business at a young age before she entered primary school. Back then, Suzie’s involvement was very informal, and she simply followed her mother to the barn looking at her mother’s business activities in producing the meat floss. When Suzie started school, she still informally helped the mother in the production and sales of meat floss after school hours and at weekends. Suzie learned how to produce and sell traditional meat floss during this informal involvement. According to Suzie, she learned about the family business from her mother.

## THE AUTHORS

Arbaiah Abdul Razak, Munirah Mahshar, Hasannuddiin Hassan & Mohd Ikhwan Aziz are based in the Faculty of Entrepreneurship and Business at Univesiti Malaysia Kelantan, Kelantan, Malaysia.

**Correspondence email:**  
munirah@umk.edu.m

## Keywords:

Entrepreneurship, family business, traditional food, leadership

## Disclaimer

This case is written solely for educational purposes and is not intended to represent successful or unsuccessful managerial decision-making. The authors may have disguised names; financial and other recognizable information to protect

“I have been involved with this business since I was a small kid. I followed my mother to the [meat floss] cooking area. I helped my mother sell the meat floss. My mother teaches me about business little by little. She teaches me how to produce the meat floss, but she is still in charge of the cooking activities. The workers and I just followed her instructions.”

Suzie is the youngest child of 10 siblings. Besides Suzie, four siblings are also involved with the family's meat floss business. The other brothers and sisters have their own businesses that are unrelated to the family business. Only Suzie directly manages the family business covering finances, operations, and marketing. The other siblings were only involved with the production of the meat floss. It was mutually understood among the siblings that Suzie was the main family member who would succeed in the family business. Suzie's age is 25 years old (at the time the interview was conducted in 2019). Suzie started her own family after two years of marriage and an infant child. Earlier, Suzie and her mother had adopted a child. Slowly, Suzie has exposed the family business operation to this adopted child, who can now help Suzie with the simple task at the meat floss shop. Suzie narrated as.

“My mother is helping a lot. We manage the business together. I bring my baby to the shop, and the mother helps to look after the baby when I have to handle the customers. The other siblings are more focused on production. So, I have a small sister [a non-family member] that I have taken care of since she was very young. I have taught her about the work at the shop. Now, she can also help me with the business. A simple thing like helping customers with their purchase.”

A similar role had been taken by the second-generation family member and passed down the secret recipe and meat floss business to the third-generation family member (i.e. Suzie's mother), which later passed down to Suzie (i.e. the fourth-generation). Suzie started to involve in the family business at a young age before she entered primary school. Back then, Suzie's involvement was very informal, and she simply followed her mother to the barn looking at her mother's business activities in producing the meat floss.

Suzie has the responsibility to maintain the legacy of the meat floss business. Some of the meat floss production activities are done by machine. Nevertheless, the most critical production parts, such as mixing spices and ingredients and cooking the meat, are still conducted traditionally. The meat cooking is done using a firewood kitchen, and Suzie's mother still does the spice mixture by hand. This family business has had several fixed local suppliers for the raw materials since old times, and Suzie has maintained the business contacts until now. Account management is also being done traditionally, that is manual cash bookkeeping, as Suzie's mother has done since long ago. Suzie continues the manual account and follows her mother's style of doing cash transactions when trading with customers or suppliers.

## **The Business**

The founder or owner has a critical role in managing and planning the business. Suzie's family meat floss business was started in the 1960s by her great-grandmother (i.e., the first-generation), who used to breed cattle and supply beef in Kota Bharu, Kelantan. Back in the 1960s, the family did not own a refrigerator to keep the leftover beef. So, the great-grandmother planned to save the beef by cooking 'rendang' – a Malay spicy meat cuisine – with the leftover beef. Once the 'rendang' cooked till dry, it was shredded into a fine strip that formed a spicy meat floss called 'serunding'. The great-grandmother started selling the beef 'serunding' as a secondary product to Suzie's family business until it became popular around the neighbourhood and overtook the original family business in supplying fresh beef.

In the 1970s, Suzie's family meat floss became widespread in the area, and there was a great demand for 'serunding' from a military camp. To fulfil the customer's demand, Suzie's grandmother (i.e. the second generation) shared the meat floss recipe with other siblings and relatives in the village to help with the meat floss production. It was the onset of Suzie's family business development. Later, after getting the traditional recipe, other family members started to produce their own meat floss products for sale. The family members involved in the business resided in the same village until the area became a well-known place for traditional meat floss production. Slowly, the traditional meat floss recipe spread to other districts through marriage between families and emerged as a local industry because many entrepreneurs also did the same meat floss business but with their own recipes and different tastes.

Throughout the years, Suzie's maternal bloodline maintained management of the family meat floss business. In the 1980s, Suzie's mother (i.e. the third-generation) became a hawker and started selling meat floss in the market. Now, the type of meat floss has three main varieties: beef, chicken and fish. In the 1990s, Suzie's mother opened a shop in the village in front of their original house and a small warehouse next to the shop for traditional meat floss. Besides the family meat floss, there are many other food products being sold in Suzie's shop. Her mother likes to trade small businesses with other entrepreneurs and expand their food product varieties.

"My mother is like that; she likes to sell things. She would look for something to bring back to the shop and sell wherever she went. Not much, only a few items. Just to bring the product varieties. That is why many other food products are available in the shop, and we want to make this shop a one-stop-shopping centre. So that customers will be easy to shop for other Kelantan's traditional food products, and they do not have to go to the big market for shopping. Everything exists here, in our shop."

In the 2000s, Suzie, the fourth-generation family member, continues managing the meat floss business. All this while, the family meat floss products do not have a specific brand and Suzie started to use a brand named 'Salma Serunding' around this year for their meat floss products. This brand was registered for trademark with the Intellectual Property Corporation of Malaysia (MyIPO). The word 'Salma' came from the name of Suzie's mother, the business's current owner. Under Suzie's management, some parts of the meat floss production process have been replaced by machines that were provided through agro-based funding by government agencies like the Federal Agricultural Marketing Authority (FAMA) and the Department of Veterinary Services (DVS). Suzie also received

assistance from the government, such as financial aid to build a new brick building for meat floss production, replacing their wooden warehouse. To increase her knowledge in food company management, Suzie has attended several pieces of training at Small & Medium Enterprise Corporation (SME Corp) and Federal Agricultural Marketing Authority (FAMA). Although the business has developed well and adopted a few modernisations, some operations are still traditional, including manual salary payment to the workers and using a hand sealer for packaging the meat floss products.

“Many entrepreneurs sell meat floss nowadays, even in this village. These entrepreneurs are my relatives, but our ‘serunding’ still dominates the business because we are the original family for this meat floss. I introduced a machine to use in a small part of the business. Now, meat floss production uses mixed methods between machines and traditional. My mother still uses firewood to cook the meat, which would give an authentic wood aroma to the ‘rendang’. I try to follow the trend by using online marketing and selling, but still use account bookkeeping manually and focus more on selling at the shop.”

Since taking over the family business management, Suzie has actively participated in business trade events. In addition, to increase local customers, Suzie aims to market their family meat floss abroad. Salma Serunding has been among the main suppliers for meat floss products throughout Peninsular Malaysia, and some meat floss products have gone overseas through personal customers instead of business trading. It is a challenge for Suzie to expand the business market outside Kelantan at the moment, particularly overseas, because Suzie just got married and cannot leave her newborn baby and family for a long business trip.

Getting a time balance between the family and the business is not the only challenge faced by Suzie. After managing the family meat floss business for about two decades, Suzie still has difficulty getting a Halal certificate for her food products. The reason is that many criteria need to be complied with for a food company to get a Halal certification. Nevertheless, Suzie keeps trying to get the Halal certification as it would help her business expand and penetrate a larger market, particularly overseas. Besides the Halal issue, Suzie's views on price competition for meat floss products are not healthy among food entrepreneurs.

Therefore, Suzie's strategies are to keep her meat floss products at the best quality and never deter customers from freedom of choice of purchase. In order to maintain her products' quality, Suzie would maintain the quality of raw materials and ensure the sources are from the same suppliers that have collaborated with her family business since long ago. The meat floss products are always maintained fresh, and new batches of products will only be processed once products in the shop are almost sold out. Salma Serunding's meat floss products have been tested for food shelf life at the Malaysian Agricultural Research and Development Institute (MARDI) and have been proven safe for six months. However, based on the existing customers' feedback, the meat floss products are still fresh, have no changes in smell, appearance, or taste, and can still be consumed for up to one year.

“So far, our shop never stops receiving customers. Our shop operates seven days a week and closes for about two hours for Friday praying. During the fasting month, there is much demand, and we have to hire

additional workers to maintain a good quality of meat floss. One worker will [concentrate] cooking for a big pan until perfectly done. Some customers have said our meat floss was expensive compared to other places. However, I am sure that our price is reasonable for the kind of food quality that we have produced. Furthermore, I think our meat floss prices are considerably low. Although the government introduced the SST and GST, our products' prices remained unchanged.”

To sustain the family business, Suzie has collaborated with the local tourism centre and made their meat floss shop a tourist spot. Thus, her shop constantly receives tourists from all over Malaysia and never closes its operations. Many customers are happy to shop at Salma Serunding because of the good quality of meat floss and because there are many other food products available. The wholesaler concept implemented at Salma Serunding has made the shop one of the leading choices for shopping for traditional Kelantan food products. Suzie's mother started this strategy, and Suzie continued providing various products from other small entrepreneurs at her shop until the present day.

On the other hand, Suzie also allowed customers to buy their meat floss products in large quantities. Suzie would provide meat floss products in a large container without their brand name. Usually, these customers are small retailers and will make their packaging. There was one incident where a customer took Suzie's meat floss products and failed to pay her back. It involved a large sum of money but Suzie (and her mother) just forgave the customer.

For future business development, Suzie aims to strengthen the company management and plans to recruit new staff (could be family or non-family members) to help in the business, particularly at the shop. Suzie plans to expand their family business more outside Kota Bharu, Kelantan, throughout Malaysia and especially abroad. Before, Suzie travelled to another state to promote her family's meat floss alone without any help from anyone from the company. This limited Suzie's movement because she had to travel all by herself before he got married. The types of meat floss produced by Salma Serunding are chicken, beef, and fish. Through a business matching event attended by Suzie earlier, there was an expression of interest from a Japanese company for a seafood-based meat floss. Thus, Suzie would also like to strengthen the company's research and product development to meet this demand. She knows continuous research and development are important for a company's survival and competitive advantage.

## **The Family**

Usually, the owner of a family business would overseas succession planning, set the strategic direction of the company and develop leadership. In the case of Salma Serunding, although Suzie is the company's manager, her mother (i.e. the third generation), as the business owner still the chief of the company and actively involved in the business's decision-making. The mother still leads in producing meat floss especially involving the traditional methods of meat cooking and mixing spices for the secret recipe. Suzie's siblings and some local villagers are helping with the meat floss production, but only to finish the cooking process that basically involved stirring the cuisine for a long time till it dried.

Suzie's mother made her attached to the family business closely. Since very little, Suzie has started working in the company. It was mutually understood by the other family members that Suzie is succeeding in the family business and currently managing the company. Suzie knows all aspects in the family business, the administration, finances, operations, sales, suppliers, and customers. Nevertheless, she never did the secret spice mixture herself. At 25, Suzie is still young and has envisioned other job prospects instead of working in the family business. Looking at her friends from schools and universities doing many types of jobs made her wonder about trying on and doing something other than the family business. But then, Suzie's obligation towards her mother weighs more than her desire.

"It is only because of my mother that I stayed in business, and I always think about her. If not because of her, I might have done other things. Furthermore, now I am in the [family] business and have to do it. The other siblings have their own businesses. I always consulted her in whatever I wanted to do for the business. I am still doing what my mother used to do it. I keep the account manually, like in the old time. I make payments in cash because my mother dislikes making debt. That is why I do not make [bank] loans for running the business and use the company's capital."

### **Acknowledgement**

The research is funded by the Global Entrepreneurship Research and Innovation Centre (GERIC), Universiti Malaysia Kelantan