

# CITY BUSINESS Magazine



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## Smart Cities

 City University of Hong Kong –  
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Autumn 2016



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### From the Dean



As global systems mesh with local, we live in an increasingly benchmarked age. Business schools are very much part of this process. It is mostly productive work, and especially if benchmarking moves us in the direction of sustainable practice.

Projects such as the Smart City are vital. We need to make more intelligent use of existing infrastructure, and make our cities more liveable. New technologies have been rising to the challenge of sustainability for millennia. In our opening article, Eric Collins charts the development of the Smart City. Some one hundred years ago, electrically driven trains and trams rapidly replaced the horse. In our own era, are electric cars about to replace petrol and diesel powered cars? And will this reduce – or simply shift the source of pollution?

New technology brings hope, and Professor Emeritus at Arizona State University Joseph Hui, also known as Solar Man, recently presented *Hong Kong as a Smart City*, a distinguished lecture for the Institute for Advanced Study at CityU. Here, he proposes a paradigm shift away from the electrical grid to the locus of personal energy. A new hybrid solar and gas turbine is key to his vision.

CB alumni Dr Toa Charm and Karen Wu take up the innovation theme in *Cyberport search for the next GoGoVan*. Here you can read about Cyberport's mission to nurture digital industry startups, and the many incentives on offer to our local innovators.

In *Interact, Incentivise, Innovate — Building towards a Smart City Culture*, CityU President Way Kuo reflects on Hong Kong's choices for sustainable energy, his experience as a researcher in the private and public sectors, and the pitfalls of an over-regulated society. Innovation can be stifled by regulation, he cautions; we have to go beyond the mere following of rules.

In *What does "success" mean at HSBC?* former CB exchange student Alison Hanrahan, now Global Head of Marketing Strategy for Commercial Banking at HSBC, has some interesting interview advice for our students. Interviews are in danger of becoming over-formulaic. Share what you are passionate about, she urges.

I hope our magazine piques your interest. We are passionate about writing stories, sharing interviews and publishing photos. Congratulations to Vivien Mak Wai-ye, for her competition-winning photo, Smart City, which you can find on our centre pages. As ever we are on the lookout for further contributions. Enjoy the magazine and we look forward to hearing from you.

Houmin Yan

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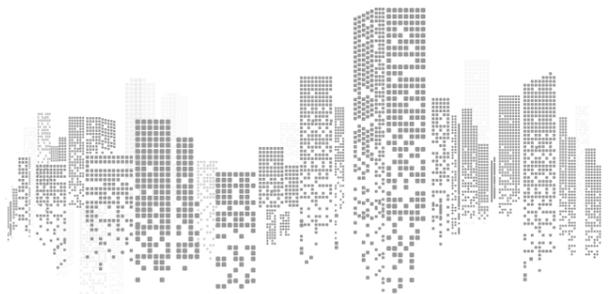
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#### ON THE COVER

New York Skyline by Colin Ruffell. "The world famous spectacular view of the New York skyline is heart thumpingly mind-blowing when you see it for the first time." CR

Colin Ruffell was born in 1939. Then he was bombed, evacuated, educated, expelled, travelled, repatriated, married, bred, qualified and taught; until in 1965, aged 26, he became a full-time professional artist. Since then he is proud and happy to have survived. More on Colin: [www.colinruffell.com](http://www.colinruffell.com)

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# What have Smart Cities done for us?

By Eric Collins

*Cities have been — to a degree — smart for centuries. The Romans achieved reliable water flow into their cities using aqueducts. Two millennia later, as cities grew phenomenally, the electrical grid helped mitigate seemingly insurmountable pollution problems. And now contemporary cities promise to increase efficiency and quality of life. Infrastructure will be managed more efficiently by leveraging real-time bi-directional flows of big data. City Business Magazine editor, Eric Collins, takes a highly selective, historical view of how the Smart City developed, and how it is being redefined in the contemporary era.*



“What have the Romans ever done for us?” John Cleese, centre, as Reg in *The Life of Brian*

“What have the Romans ever done for us?” This is the question famously asked in the Monty Python comedy, *The Life of Brian* (1979). In the film, Reg, the leader of the People's Front of Judea, is trying to stir up a revolt against the Roman occupation. Unfortunately for Reg, his supporters come up with quite a lot of good answers: They remember that the Romans have built sewers, aqueducts, roads, and so on. In the end, Reg tries to regain the initiative:

Reg: *All right... all right... but apart from better sanitation and medicine and education and irrigation and public health and roads and a freshwater system and baths and public order... what have the Romans done for us?*

Xerxes: *Brought peace!*

Reg: *(very angry, he's not having a good meeting at all) What!? Oh... Peace, yes... shut up!*

So, since ancient times city authorities have — up to a point — been smart in building infrastructure. The Romans built aqueducts to bring water into their cities, but they didn't bother to monitor or control the flow. The excess water was simply used to flush out the sewers. Now, the 21<sup>st</sup> century city is opening up new possibilities for *managing* that infrastructure.

So what can Smart Cities do for us? The story begins with data.

## Who owns the data?

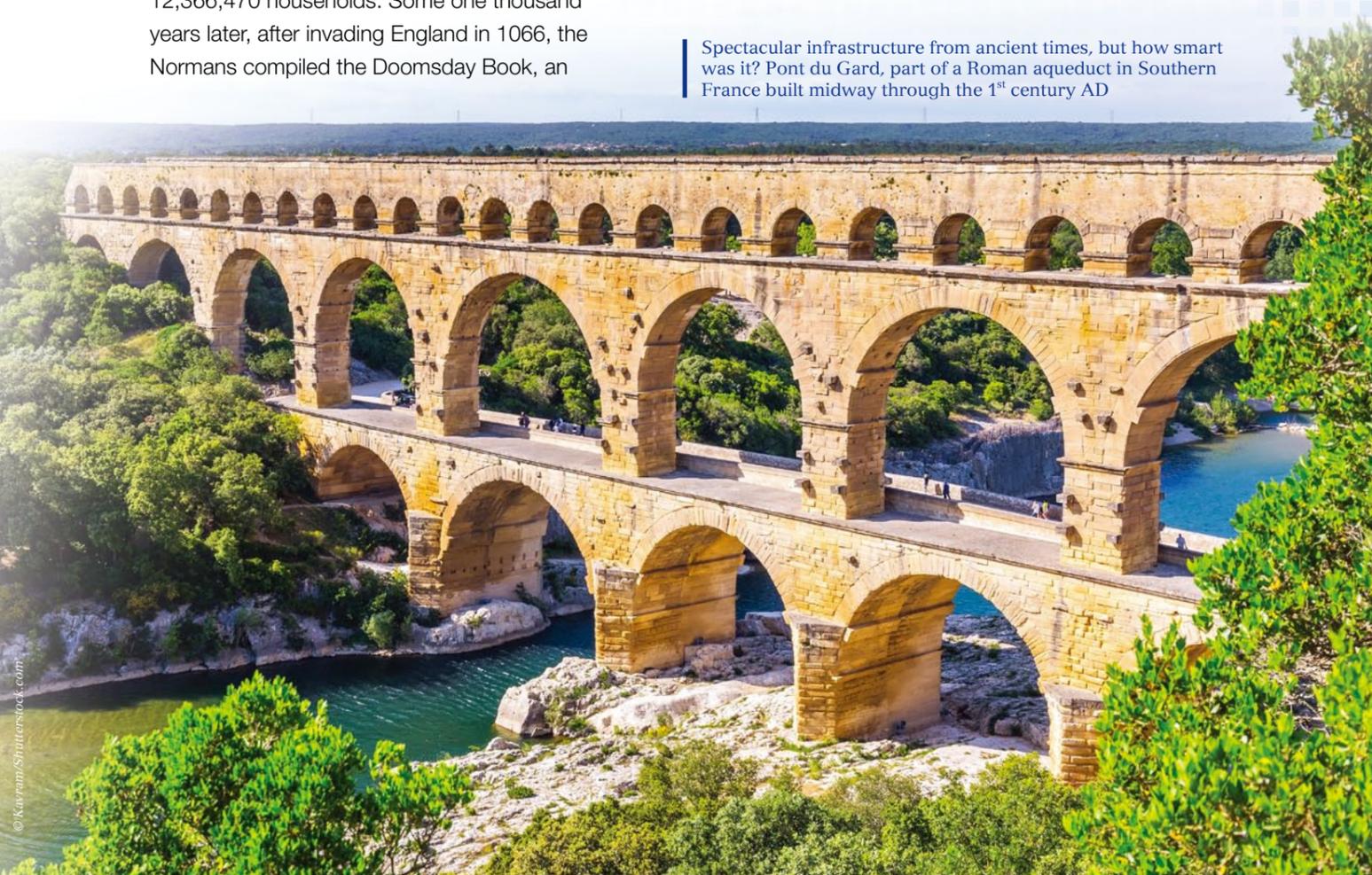
Historically, data has belonged to governments, and headcount was the first concern. The ancient Egyptians conducted censuses, as did the early Chinese dynasties. In China's first known nationwide census taken in the Han Dynasty (2 AD), the population was registered very precisely as having 57,671,400 individuals in 12,366,470 households. Some one thousand years later, after invading England in 1066, the Normans compiled the Domesday Book, an

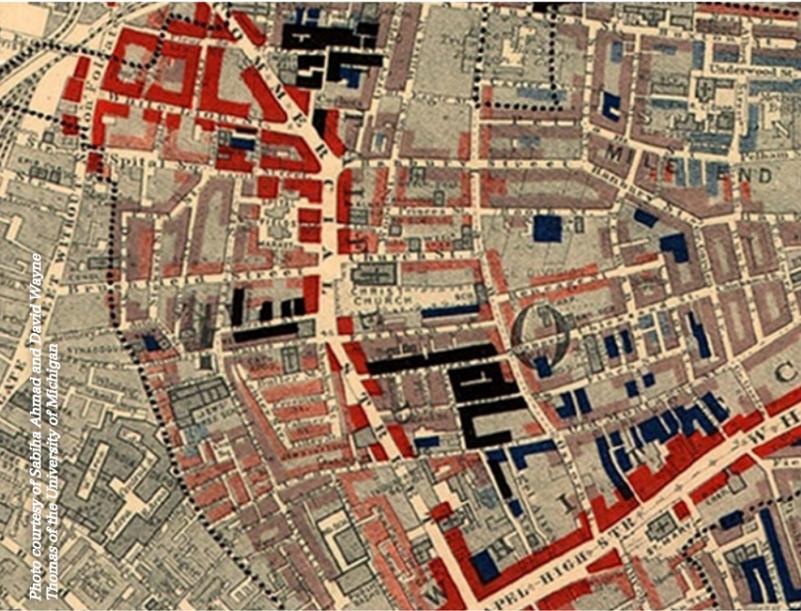
“*Social inequality moved wealthy philanthropists to action*”

inventory of all the people, land and property in their new domain. It was, after all, important for the new conquerors to find out who they were going to tax.

In the last two hundred years, wealth and inheritance data has been recorded in countries such as France, the United Kingdom, Germany, Sweden, and the United States, and is the basis for the recent work on income inequality by French economist Thomas Piketty. Indeed, by the end of the 19<sup>th</sup> century, problems caused by social inequality were so great that wealthy philanthropists were moved to action.

Spectacular infrastructure from ancient times, but how smart was it? Pont du Gard, part of a Roman aqueduct in Southern France built midway through the 1<sup>st</sup> century AD





Part of Charles Booth's map of London, 1889. The red areas are "well-to-do"; the black areas are "Lowest class. Vicious, semi-criminal". Booth popularised the idea of a poverty line

Liverpool ship owner Charles Booth felt that contemporary analysis underestimated the problem. His database revealed that 35% of the population lived in abject poverty, and he drew detailed maps of London to show exactly where the problem populations (including "the vicious, semi-criminal") were located. Booth's *Life and Labour of the People in London*, first published in 1889, is one of the founding texts of British sociology, and draws on both quantitative and qualitative methods. He used the work to argue for "limited socialism" such as the introduction of Old Age Pensions. These kinds of privately collected datasets prefigure the current era, where ownership of data is increasingly shared between public and private sectors.

### Healthcare — data sharing

Impelled by its mission to save lives, in the contemporary Smart City the healthcare sector leads the way in sharing access to databases, often through public private partnerships. In May 2016, DeepMind, a company owned by Google, was given access to the healthcare data of up to 1.6 million patients in the United Kingdom. The company is developing algorithm-based software in partnership with National Health Service (NHS) hospitals to alert staff to patients at risk through kidney failure. This sort of information sharing is common. The NHS already has some 1,500 agreements with third-party organisations to process patient data.

By comparing massive sets of patient data, DeepMind seeks to predict when someone is in the early stages of a disease that has not yet manifested. In healthcare we appear to be at a tipping point. The premise for treatment is changing. Increasingly the aim is to pre-empt illness by treating people before they become ill. Aside from Google, in 2015 Apple and IBM collaborated on a big data health platform that allows iPhone and Apple Watch users to share data to IBM's Watson Health cloud-based healthcare analytics service. And in Hong Kong, the Electronic Health Record Sharing System launched in March 2016, is capable of processing multiple types of patient data, and can be accessed by medical practitioners across the public and private sectors.

### Goodbye horse — Welcome electricity, Welcome car!

The current Smart City is in fact a sequel. Over a century ago faced by a range of polluting technologies, cities had to get smart fast. Coal was the number one power source, and horses were still the main means of city transport. Trams, carts and taxis were all pulled by the humble horse. But there was a downside. In New York the population of 100,000 horses was producing over one thousand tonnes of horse manure per day. Cities were literally disappearing beneath piles of horse manure.

Innovation was the great game changer. First, the introduction of the electrical grid enabled city street cars to switch to electricity. Then, municipal governments and urban residents began to switch from the horse to cars driven by the newly invented internal combustion engine. By the early 20<sup>th</sup> century motorised taxis were being introduced and city doctors were travelling in their own cars. By 1912, cars outnumbered horses in New York and London, and in 1913 Henry Ford's Model T came on-line, leading to the widespread



© William Louis Sonntag, Jr. / Museum of the City of New York. 32.275.2

Smart City 1.0. The electrical grid, enabled the spread of cleaner, integrated city transport systems – and the demise of the horse. William Louis Sonntag, Jr. painting of the Bowery area of New York, 1895

adoption of cars by commuters. By 1917 the days of the horse were over — they were banned from central New York.

### Manhole explosions

Early adopters often experience a downside, and New York, creaking with 19<sup>th</sup> century infrastructure, is no exception. The city currently has a deadly problem with exploding manhole covers. A cover can weigh up to 150 kg and explode 50 metres up into the air, so these explosions can be fatal. The solution? Predictive

analysis can be used to help make the city safer. New York has over a quarter of a million manhole covers, so the data set is large. In an oft-cited study, a team of researchers from Columbia University developed an algorithm to predict which manholes might be the next to blow. The power company, Con Edison, now uses this model to help prioritise inspection and repairs on the grid.

### Hong Kong's startup ecosystem

So how about Hong Kong — Is this a Smart City? The region has long held an impressive

Photo courtesy of Tyrrell Collection, Museum of Applied Arts and Sciences, Sydney



“Google's DeepMind is redefining healthcare in the UK”

A beast of burden. The horse takes the strain in late 19<sup>th</sup> century Sydney



© Todd Maiese/NY Daily News/Getty Images

Manhole explosion in New York City, winter 2015

lead in efficient transportation infrastructure. The 1997 launch of the Octopus Card predated adoption of London's Oyster card by some six years. Conscious perhaps of the need to retain the strategic high ground, in January 2016 an Innovation and Technology Venture Fund HK\$2 billion was announced to co-invest with private venture capital funds on a matching basis. In terms of quantity, Hong Kong's startup ecosystem has rocketed in the last few years. In 2015, according to InvestHK's latest survey, there were 1,558 startups in the first 7 months alone. Magazines such as JumpStart chronicle this emerging culture, and Internet of Things investment is booming. Recent companies that have caught the eye include GoGoVan, a local startup that matches van drivers with customers, COSVehicle, an open source vehicle project which allows people to contribute their designs for potential full-scale production; Shape Prototype which helps startups by providing economical and effective prototyping and manufacturing solutions; and Remotec Technology, a consumer electronics company manufacturing universal remote controls.

### The disrupted city

How to set up a conducive startup ecosystem? Hong Kong Science and Technology Parks Corporation is helping to stimulate this culture by setting challenges for its IT-savvy citizens. City Challenge — Bridge to a Smarter City, is the city's first competition inviting citizens to come up with innovative technology-based applications. The competition is aimed at the general public and school children. Collectively citizens are encouraged: "Let's disrupt today and build a better tomorrow".

Hong Kong is also thinking regionally, and in April 2016, business groups from the mainland and Hong Kong signed a deal to develop Smart Cities into mainland China. Eric Yeung Chuen-sing, convener of Smart City Consortium, signed the agreement on behalf of some 30 major companies, including the duopoly utility companies, China Light and Power and Hong Kong Electric. The idea is to get more creative input from the mainland, to work with the larger mainland market for scale, but to use Hong Kong as a place to launch pilot schemes. Elsewhere in this magazine (Cyberport search for the next GoGoVan) we describe further efforts to create an ecosystem of innovation.

### SPRING Singapore

City governments are themselves big customers. Leveraging its buying power, the Singapore government is defining its future challenges rigorously — by launching Sector Specific Accelerators (SSA). These identify, invest and grow startups in strategic sectors, such as medical and clean technology. SPRING Singapore is dedicated to enabling startups, and co-invests with the accelerators on a 1:1 basis. Crucially, the Singapore legislation also uses challenge-based procurement methods alongside its open data strategy to derive innovative new products. A total of US\$70 million has been committed under the SSA Programme to encourage the formation and growth of startups specifically in medical technology. In addition to co-investing, the accelerators take a hands-on approach to help the startups build their management teams, meet regulatory requirements and connect with potential customers.

### Going autonomous

The Smart City project is increasingly about networks. Transforming Personal Mobility, a study at the Earth Institute of Columbia University, New York, has revealed the potential for autonomous cars. A scheme is proposed that could alleviate much of the city's traffic congestion by replacing New York's fleet of 13,000 yellow cabs with 9,000 data-optimised, autonomous cars. The networked system would decrease wait times and increase the utilisation rate of cars, resulting in greater efficiency and lower costs. Currently many taxis remain unoccupied even during peak hours, causing operating costs of up to US\$4 per mile. The Columbia study claims the use of a driverless fleet would have an estimated cost per mile of just US\$0.50. Pioneers such as Elon Musk, founder of electronic car maker Tesla, believe that in around two years, autonomous cars will have a technology that will enable them to safely navigate through roads. The early adoption of autonomous cars would be greatly speeded by legislation, either at city or national level. Already some countries such as the Netherlands have proposed banning sales of petrol and diesel driven vehicles by 2025. And in August 2016, the first ever autonomous taxi available to the public started picking up passengers in Singapore.



© Graham Jepson/Alamy

Air pollution is on the rise and electric vehicles are becoming popular. Hong Kong has the highest density of Tesla superchargers in the world

### Startup city

Is it possible to spot a Smart City? According to a recent CITIE Report, smart cities work more like startups than bureaucracies.

"They are happy to try things out and not afraid to fail. And they are increasingly delivering agile projects, prototyping, deploying user-led designs and developing digital services. As a result, they are able to move quickly as the world changes around them."

The Organisation for Economic Co-operation and Development (OECD) has suggested that cities can learn from each other's experiences in a way that would be impossible at the level of national politics. Speed of adoption of the new technologies will vary. Progressive legislation is a huge enabler. And our bureaucracies may start to behave more like startups. Just as horse power was replaced by horsepower in a matter of years, autonomous electric vehicles can rapidly replace the fossil fuel driven engines — a radical move towards the Smart City Sequel for our own times.

# Solar Man

## Small is Sexy

By Professor Joseph Hui

**Joseph Y. Hui** is Professor Emeritus at Arizona State University, CEO of Monarch Power Corp, and also goes under the name of **Solar Man**. Since 2010, he has filed more than ten patents in the areas of water, energy, food, information, and transportation, collectively known as We-fit. Professor Hui delivered Hong Kong as a Smart City, a distinguished lecture for the Institute for Advanced Study at City University of Hong Kong in July 2016.

**I**magine! We can all have the energy we need, where we need it, now. We no longer depend on power stations or the grid. Forty years after E.F. Schumacher championed the concept of small-scale intermediate technology, small is not only beautiful, it is sexy too!

I am proposing a paradigm shift to personal energy. The goal is to reverse the Thomas Edison centralised model of power generation and distribution. In the future, energy will be locally collected, stored, converted and used.

“If you’re someone with some crazy-sounding ideas to solve our energy challenge, the world needs you”

— Bill Gates

We cannot keep on trashing the earth. Energy sources should be primarily renewable, with fossil fuel as a backup energy supply. So, let’s aim big but think small.

### The Bill Gates challenge

In his annual letter for 2016, Bill Gates said that he was looking for a miracle to solve the world’s energy and environmental problems:

“When I say ‘miracle’, I don’t mean something that’s impossible. I’ve seen miracles happen before. The personal computer. The internet. The polio vaccine. None of them happened by chance. They are the result of research and development and the human capacity to innovate.”

“In this case, however, time is not on our side. Every day we are releasing more and more CO<sub>2</sub> into our atmosphere and making our climate change problem even worse. We need a massive amount of research into thousands of new ideas — even ones that might sound a little crazy — if we want to get to zero emissions by the end of this century.”

### Personal Energy

I have been working on flow battery, solar fuel, and solar thermal for the past five years. The key to solar thermal is the invention of a hybrid solar and gas turbine that has 10 S qualities — smart, small, simple, scalable, save money, strong, silent, safe, storage, and stylish. The turbine will be key to bringing in a new industry of Personal Energy and Smart Environment.

Personal Energy replaces the late 19<sup>th</sup> century model of centralised generation with a new model of distributed generation. It personalises generation, storage, conversion, and use of energy at a lower cost, higher functionality, and it is totally mobile. It uses heat energy for co-generation of electricity, heat, and chilling. Personal Energy also allows desalination of water, production of food, and electric transportation.

The new technology will bring low cost We-fit to people wherever they are, in Africa, India, or China.

### The fourth industrial revolution

In the first industrial revolution James Watt’s steam engine led to tremendous improvements in productivity. In the second, following groundbreaking work by Edison and Tesla, electricity was distributed by the grid. In the third, Moore’s law, predicting that electronics would improve by a factor of 2 every 18 months, came true — ushering in the information age. And now we are seeing the fourth industrial revolution in personal energy bringing things full circle.

How? By thinking small. Electricity works better on a small scale — allowing an explosion of productivity. In the future, industrial-scale mechanical machinery can be reduced to a personal scale, and can become independent of the grid. Big power will be possible on a human scale. Five crucial areas go personal: There are plans for water, energy, food, information, and



“ My passion is to help people all over the world to live a comfortable and sustainable lifestyle ”

transportation, summarised as We-fit in my recent book *What's the Matter with Energy*.

### Hybrid solar and gas turbine

A core innovation is the hybrid solar and gas turbine. I asked myself how does a turbine turn in the most natural way? I looked to the most powerful and devastating phenomenon in nature for inspiration — the hurricane, and the spiral that it creates.

The new generation turbine is mathematically very similar to the hurricane's spiral. Gas pushes from the inside to the outside, exponentially increasing its radius in the process. In the conventional turbine, the blades are obstructions. Hot, high pressure gas is produced by the compressor to make the blades turn. But this impact causes heat — and loss of efficiency. By numerically solving the gas flow and the power of the turbine, four key parts — turbine, compressor, generator and the motor — have been successfully miniaturised. The result? A system that produces

more than 50% efficiency. This compares to 40-50% for very large gas turbines, and less than 20% for solar panels.

The turbine can satisfy the needs of disparate cultures. In the American car-based culture that means a hybrid car is key. An electric motor and generator on board the car can be at the centre of power generation for the house, supplying both heat and AC energy. Solutions are scalable for all kinds of situations. The Firefly Trigen turbine series coming in five sizes: 100W for personal use, 1kW for small offices or rooms, 10kW for families, 100kW for small enterprises, and 1MW for large enterprises and communities.

### Emergency backup

The East Coast of the US is prone to natural disasters, and they can bring the grid down. But co-generation, using turbine technology with heat and chill generation is the answer for emergency backup. At present a lot of natural gas is wasted through burning. It is a crime not to use natural gas to make electricity. Gas is abundant, safe and reliable — and pipelines do not go down in natural disasters such as hurricanes.

The seahorse fractal pattern. If you zoom into the centre of the spiral, you see the pattern repeats without ending

Smart energy is about personal energy, distributed energy, and user driven apps. It is user-friendly, mobile, and ubiquitous. This approach is integral to emergency response, hospital, transportation, communication, and environmental control.

The long-term ambition in the United States is even grander. Starting with solar-rich states such as Arizona, I aim to enter the market with cheap locally produced energy, and turn things on their head. In the future, smart energy is the default. The power company only comes into play with the backup power generator!

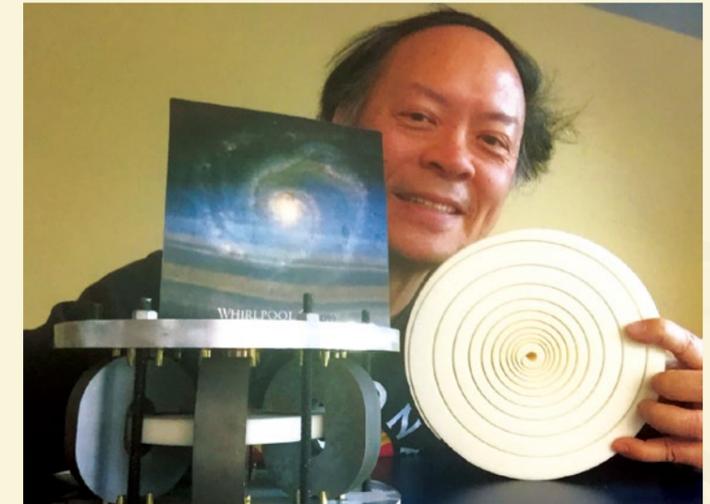
### Energy justice

The new technology can also spearhead a move to global climate and energy justice. Why should European, American and Chinese companies have a monopoly on fossil fuel in Africa? I believe it is impracticable to bring a fossil fuel powered grid to Africa. Not only is it inefficient, it is also prone to energy loss by people stealing energy in areas where the state is weak. For example, there is little power in Northeast Nigeria where Boko Haram is operating. Again, the future is bringing the technology to the point of personal use. My motto goes: “Create solar energy of the people, for the people, and by the people.”

Where once upon a time Church missionaries were active, 21<sup>st</sup> century Justice Ambassadors can rove the world — young people acting as emissaries for social and climate justice worldwide. It is social justice, because you need to empower people where they are — giving them the electrical power they need where they live. Hence another motto — “Let's live a comfortable and sustainable life.”

### Social entrepreneurs

I see great hope in the coming generation, many of whom are motivated by a future beyond



The Hui spiral and turbine generator inspired by the Whirlpool Galaxy

politics and money. I don't know what they're putting in their tea, but young people are thinking altruistically!

I would like to help empower the next generation to think bigger, arranging missionary trips so that people in Africa can acquire revolutionary technology in water and energy.

In Hong Kong, it would be possible to work with the College of Business and leverage this trend to do social entrepreneurship. The idea would be to work with influential people in Africa, for example Nigeria and Tanzania. Students would go into a community, understand their needs, and help them set up the infrastructure with a local power company for community solar and gas power. They will take a holistic view of energy needs in water, environmental control, food, information, and transportation.

The notion that you are in business to help other people — and not just because you want to make a ton of money — is a noble ideal. At the end of the day there is no regulation against doing good.

# Cyberport search for the next GoGoVan

By Eric Collins

Cyberport is a creative digital cluster on the south side of Hong Kong island. We talk to College of Business alumni **Dr Toa Charm** (DBA), Cyberport's Chief Public Mission Officer, and **Karen Wu** (MA Global Business Management), Head of Corporate Marketing and Communications, about Cyberport's mission to nurture digital industry startups, and Cyberport's new University Partnership Programme.

GoGoVan is a leading Asia delivery and logistics app

When Alibaba Group announced that they were going to fund GoGoVan in May 2016, it was clear that the new-generation logistics company was hitting the big time. Chosen alongside fellow startups YEECHOO, and Shopline from more than 200 Hong Kong companies, GoGoVan is all set to further disrupt the traditional logistics industry.

Less well known is the role that Cyberport has played in nurturing GoGoVan since its foundation in 2013. As Chief Public Mission Officer Dr Toa Charm says: "We are big supporters of entrepreneurial programmes, and GoGoVan — along with Shopline — were early Cyberport successes. Previously these kinds of programmes were only organised by people like ourselves, but now you see corporates like Alibaba getting involved."

Another big success is Snapask in the education sector, an instant tutorial programme. Answers can be provided within 15 seconds from instructors in Hong Kong. This is the magic of the digital entrepreneur — solutions which straddle the digital and human worlds.

Cyberport has been a landmark on Hong Kong Island's Southside since the early 2000s. Initially, critics described it as more of a residential than a technology hub. But change is afoot. As we talk, looking over the ships sailing out to sea, there is a sense that Cyberport is finally beginning to fulfil its mission of nurturing digital industry startups and entrepreneurs.

"We help prep Hong Kong startups to grow and get extra mileage in international accelerator programmes. We also bring international accelerators so Hong Kong can work with global talents," says Charm, outlining the game plan.

"We work directly with Hong Kong universities through our new Cyberport University Partnership Programme which links with Stanford Graduate School of Business. It's a great way for students to kick start a career in FinTech (financial technology)."

## Wearable IoT World

One recent Hong Kong arrival is Wearable IoT World, an accelerator solely focused on the Internet of Things and Wearables ecosystem, which is an essential ingredient of the Smart City.

Dr Charm clearly finds the startup challenge fascinating.

"We are trying to build an ecosystem to help the whole of Hong Kong. We need more quality startups who make use of new technology to add to the value chain."

Key players are existing corporates, government, organisations such as Cyberport, as well as the startups themselves.

"If corporates don't see the use of the new technology, then the startup will die. Bridging the ecosystem is a joint effort between all these players."

Charm sees the future as challenge-based, and increasingly catalysed by the private sector.



College of Business alumni  
Dr Toa Charm and Karen Wu



YEECHOO, Asia's biggest online designer dress and accessory rental and sharing platform

“Corporates will share a problem. Young talents will compete, get funding and develop solutions. In some cases the corporates may get equity in return. The goal here is to arrive at brilliant solutions for existing problems.”

### Tech career

With expert overview, Charm swiftly defines the Smart City: big data, IOT, wearables, education tech, electronic commerce, and all in an international context. Cyberport is part of the regional Smart City Consortium, and he expects to see more concrete action in the next few years.

“There will be more investment in wifi and open data; better standards for exchanging data, and dealing with data privacy issues, and these are global issues.”

Ironically, Charm believes, parents of today's youngsters are holding onto outdated perceptions and doing their children an active disservice.

“In Chinese culture we always want our kids to be doctors, lawyers, accountants. Now, we are trying to influence the culture and say tech can also be a viable career. When parents understand the benefits of tech, when we have more GoGoVans, an Elon Musk Hong Kong, and a Facebook Hong Kong we will have reached a tipping point.”

### Innovators rather than consumers

Cyberport provides the ideal informal environment for people to interact and bounce ideas off one another. But it also offers a lot of more organised opportunities: networking sessions, conferences, seminars, for different types of audience — from primary school to seasoned practitioners. The idea is to leverage the creativity of young people.

“Say, you are in year 3 university, and you want to use open data to do something, you can apply for the Cyberport Creative Micro Fund to validate your idea. We will give a little bit of funding so that proof of concept and prototypes can be produced.”

As Karen Wu, Head of Corporate Marketing and Communications, puts it: “We want innovators rather than consumers. We want to inspire the next generation. We want them to start at a very young age, to have tech in their DNA. So they get behind the software, pump out code, and use tech as a means of expression.”



Photo courtesy of Cyberport

Plans are scalable and already a huge success.

“Last year we broke the world record during Cyberport Youth Coding Jam 1000, bringing over a thousand Hong Kong kids together at Central Harbourfront. Many of them had been coding from an early age.”

### Smart City Code

For Wu, coding is critical.

“Coding enables you to identify problems and make a first attempt at solving them. We were one of the early pioneers bringing coding to kids and education.”

Students are given practical but stimulating problems: “At Cyberport Youth Coding Jam 1000, students were given a piece of virtual land to build and connect with neighbours. They leveraged their creativity to build a smart city in virtual space with their coding skills.”

“We are different in so far as we don't have a syllabus and we don't need one to spark interest in coding among kids — they genuinely love it because they have the space to express their creativity in a tech way. For example, some kids built a slide in the virtual playground, and we asked why are you doing that, why are there are so many?”

“It turned out it wasn't a slide but a time tunnel — so that they could travel back and forth from present to past and into future eras. They'd heard from their grandparents how music used to be stored on vinyl, then cassette tapes and minidisks, and wanted to find out more about tech history. Kids' minds know no bounds.”

“The beauty of these kinds of project is that the kids are continuing these projects in their schools as extra curriculum. In this way innovation is entering the more mainstream education system.”

## Cyberport University Partnership Programme

This potentially life-changing experience offers you a chance to participate in an Entrepreneurship Boot Camp at the Stanford Graduate School of Business and receive mentorship from FinTech industry elites. You also have the opportunity to pitch your FinTech business idea to investors, work with a HK\$100,000 cash grant from Cyberport Creative Micro Fund, and gain an interview opportunity for Cyberport Incubation Programme.

CityU students are nominated through the Knowledge Transfer Office.

Contact: [fanny.ho@cityu.edu.hk](mailto:fanny.ho@cityu.edu.hk)

## Cyberport Macro Fund

Cyberport Macro Fund (CMF) for Hong Kong-based digital entrepreneurs aims to accelerate the growth of digital technology startups. With an initial size of HK\$200 million CMF is open to all promising Hong Kong-based digital technology scalable startups. This includes incubatees, graduates of Cyberport's programmes, Smart-Space companies and office tenants at Cyberport. Visit [www.cyberport.hk/en/about\\_cyberport/cyberport\\_macro\\_fund\\_for\\_more\\_information](http://www.cyberport.hk/en/about_cyberport/cyberport_macro_fund_for_more_information).

# Interact Incentivise Innovate

## Building towards a Smart City Culture

By Eric Collins

*Professor Way Kuo has been President of City University of Hong Kong since May 2008. A pioneer in reliability research of systems at their infant stage, Professor Kuo is renowned for his work in designing the reliability of electronics systems and nuclear energy, and has made breakthroughs in nano-reliability research. Here Professor Kuo talks about his educational upbringing, how to get an innovation culture up and running in Hong Kong, and how to respond in the face of critical incidents such as the recent green roof collapse at CityU.*

Since joining CityU, President Kuo has presided over a number of learning and teaching initiatives which encourage student innovation. The Discovery-enriched Curriculum encourages students to take risks and to explore the unknown, an interesting departure in an educational culture which is often seen as 'top-down' in character. Way Kuo was himself brought up in the post-war Taiwan of the 1950s. As a start point, we explore the educational culture he experienced there.

### On education

Was the asking of questions encouraged in Taiwan? "Strictly speaking I don't think we know how learning takes place," the President began. "There are two different theories. One is that you have to memorise everything, and the other that you don't have to. We don't

really know which way is better. I know a few Nobel Laureates in Chemistry and they say the best way is to memorise everything. Even some poets say the same. The current trend is 'don't memorise – ask questions', but the younger generation sometimes ask a lot of questions that are ill-informed from the outset."

But what about his personal experience in Taiwan? "When I grew up we had to memorise a lot of things, and it actually helped. It depends on the individual. I don't think there is a formula for everyone. In our classrooms it was more old style, one direction communication."

On completing his first degree, Way Kuo moved to the United States, studying for his PhD degree in engineering at Kansas State University.

"The US was similar. My professors gave a lot of lectures. Many of the best scientists are quite quiet. And you don't necessarily have to talk to communicate. I think that is a misconception these days. People rely so much on talking."

So where is the interactive element in the US system? "You do research, you have teamwork, you present your project. My education in Taiwan was also very American." For the President, educational dialogue in the US seemed to occur around research projects: "You can solve a lot of open-ended questions through projects."

What, then, of the lecture? Is this not an outmoded concept in an era where educational methodology encourages interaction? Here the President is upbeat:

"I can have dialogue with my students in the lecture theatre, even with 800 people at a time. Maybe you are surprised, but communication is not necessarily better in smaller classes. It's not a function of size, rather the capability of the faculty."

It turns out that despite lectures being a mainstay of university education, they do still need to be complemented with other strategies:

"In fact, for me lecturing is not the most important thing; discussion is. If students take a course, they must learn something from the teacher beyond the textbook. We need to give more space to engage students and for them to have discussions."

### Why Smart City?

Professor Kuo is a long-time supporter of the Smart City concept, which is written into CityU's current Strategic Plan as one of the lead research themes, and he is emphatic on its importance:

"Global warming is a reality, and the provision of clean energy is vital for all of us. We need to look at how to use energy more efficiently, and to research how this can be achieved. We don't treasure energy enough in Hong Kong."

In Professor Kuo's estimation, legislation is important and Hong Kong is in a good position to promote the Smart City. Government should take a lead and big data can provide optimal solutions. It is important not to take a reactive stance to critical events. He brings up the recent collapse of a sports centre green roof on the CityU campus, an incident which thankfully caused no fatalities.

"When it collapsed there was a backlash. Some people started to question whether we needed a green roof. But I said the concept is good. It is the implementation we have to work on. We should not backtrack on green energy conservation measures."

Many people expressed surprise that Hong Kong, with a reputation for being a very regulated society, did not have laws in place to regulate green roofs which have become ubiquitous on institutional rooftops over the last ten or fifteen years.



“If we all know how to behave, there’s no need for regulations. But once you have a lot of regulations, implicitly anything that is not regulated is OK. And because regulations cannot be exhaustive, people will still make mistakes. I am not surprised at all. Fewer regulations may be the best way forward. This may sound philosophical, but it’s actually quite practical.”

### Building an incentive culture

Professor Kuo sees endemic regulation as creating a wider and potentially unwelcome effect:

“Because of over regulation, innovation is held back in Hong Kong. Do nothing and you are safe. You follow the rule and you are fine.”

Innovation is recognised as an area where Hong Kong performs less well than with infrastructure. In the World Economic Forum Global Competitiveness Report, released in September 2015, Hong Kong was ranked the seventh most competitive economy in the world, but only 27<sup>th</sup> in terms of innovation. To help address this situation, last year an Innovation and Technology Bureau was established with the brief to formulate holistic policies, and to foster development in related industries in Hong Kong.

Here, Professor Kuo strikes a cautious note: “We need to take away the formality. If it’s just a bureau, and you monitor regulation, you are not going to have innovation.”

“If I were a political leader I could turn this downside-up. I would have a policy to place funds strategically. If students form a company in a university, and if they make 10 dollars’ profit, government could match it, for a period of five years or so.”

Government can also specify strategic areas for development.

“If you think biomedicine is important, or energy, government can offer matching funds in these areas. Research areas can be defined even more narrowly, for example battery technology.”

“You set a policy, based on a strategy. People are incentive driven. So we need to go beyond regulation from the government side. We need a strategically driven incentive culture.”

The place where the tech world was born, now a modernist ruin. Old Bell Labs Holmdel Complex, located in New Jersey, about 20 miles south of New York



### Smart City Hong Kong?

Professor Kuo’s perspective on Hong Kong is forthright:

“The beauty of Hong Kong is order, and everything is well defined. We have no shortage of regulations and they do serve a purpose. The judiciary, the banking and the financial sector are thriving because there is transparency. That works well, but innovation is yet to happen. This is a very good follower society.”

Elsewhere he has argued that when we move towards the knowledge economy era, businesses will support their research through consultation and patent authorisation — this has become a successful model in Korea. It is understandable that Hong Kong was not good at technology innovation pre-1997 when it was still a colony. But even after the sovereignty handover, technology performance has been uneven, lagging behind neighbouring cities despite the fact that the city has a rich pool of human resources. He explains this through a long-time micro-management style and relative tardiness in leveraging the potential of the new technology era.

The President challenges us with an open question. Could we give an example of any innovation coming out of Hong Kong in the last 30 years? My colleague Jaime came up with the famous example of the drone developed by a group of students from The Hong Kong University of Science and Technology (UST) which couldn’t attract funding in Hong Kong and found a home in Shenzhen.

“UST can be proud that they produced the students, but Hong Kong could not support it,” he responded. “Of course some of the good projects are going to go overseas. But home-grown innovation means that they should be rooted in Hong Kong. We are in a situation where in 30 years no big step innovation projects have rooted in Hong Kong.”

By contrast transport and logistics work impressively.

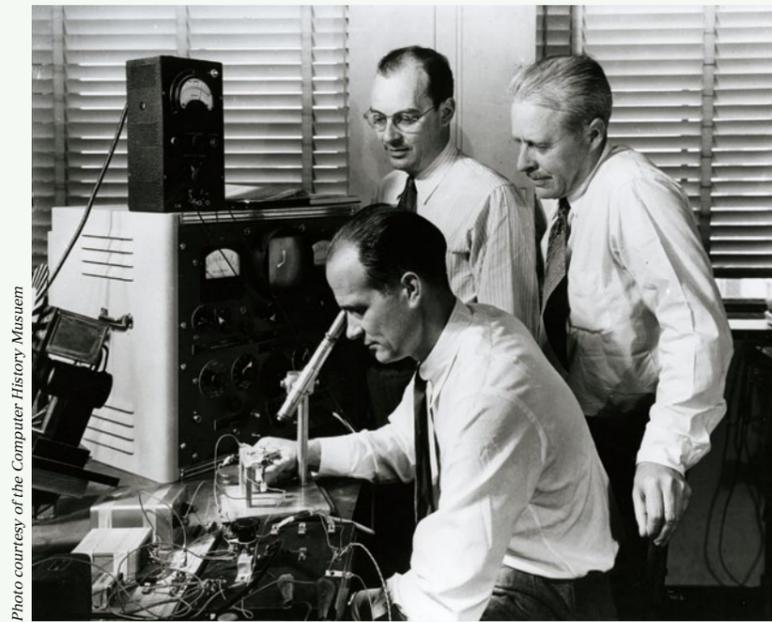


Photo courtesy of the Computer History Museum

The limits of pure research. After inventions such as the transistor, information theory, lasers, and solar energy, Bell Labs finally pulled out of fundamental physics research in 2008

“I think our airport and our subway are the best in the whole world. Implementation is a strength here. But somehow we are wasting the IQ of Hong Kong people. We should leave room for innovation. Relax the rules, set up policy, use the Innovation and Technology Bureau in a constructive, proactive way. So far we haven’t done enough.”

“Early adopters face lots of challenges. But we have also to look at the wider cultural context, the Chinese mentality. As the saying goes: 槍打出頭鳥. The first bird which shows its head out of the nest gets shot.”

### The first bird out — Bell Labs

Back in the early 1980s, the recently graduated Way Kuo worked as a researcher at Bell Laboratories, a venerable corporate institution which was responsible for a string of big step innovations. As Douglas Coupland, author of *Generation X*, has documented in his book *Kitten Clone*, a mordant celebration of Bell’s decline in its latter-day guise as Alcatel-Lucent, Bell Labs was first out of the nest on a striking number of occasions:

*Since 1925, Bell Labs has generated 7 Nobel prizes, and changed the course of humanity with*



*stunning regularity. No California redwood forest full of brainstorming genius millionaires could compete with Bell Lab's creative heyday in the mid-twentieth century: the transistor, information theory, lasers, solar energy, radio astronomy, microchips, UNIX, mobile phones, mobile networks — all invented here.*

In 1996 Bell Labs was spun off as Lucent Technologies, briefly enjoying a dream ride as a tech stock in the late nineties before crashing in the wake of the 2001 dotcom bust. What went wrong and, more generally, how and where is research best conducted? Public or private, “pure” research or mixed with business? Given his background across both continents and sectors, Professor Kuo is instructive:

“Bell Laboratories failed because they went too far in the direction of pure research. They didn't have an education component, and as a company they didn't make a profit, so they disappeared. Now, as a university we don't have to worry so much about income. We should of course look after the bottom line, but we don't need to make a profit.”

“Latter day corporate campuses such as Google have invention in their DNA; it drives their business. Bell Labs on the other hand pursued invention for its own sake. A balance is needed. Similarly, universities can develop outreach education, but best not to go to an extreme in pushing a commercial teaching operation.”

“Universities have to rigorously define their purpose. Our purpose at CityU is teaching and research. We are not running a business. One reason we are successful is that we have defined our mission and focused on it. Otherwise you dilute your purpose.”

### Smarter energy

An important component of the Smart Cities package is clean energy. What is the ideal mix of energies for Hong Kong?

“Hong Kong does not have so many choices for sustainable energy, no wind, no solar or tidal. We have nuclear, coal and gas. In my opinion we should minimise and then eliminate coal. Coal is hurting us. Hong Kong is a very small territory. We cannot be isolated. We need to work with the neighbouring states to achieve clean air.”

Professor Kuo's support for a spectrum of energies to meet the global energy demand is well documented in his recent book, *Critical Reflections on Nuclear and Renewable Energy*. Here, he chronicles how emissions from new coal-burning power plants planned in Guangdong may cause as many as 16,000 deaths in the next 40 years. In the wake of Fukushima, the nuclear industry has been under pressure, but he posits the question, what is more important: to give up nuclear energy altogether or to cut down on the use of carbon?

Professor Kuo believes that Hong Kong could easily save 10% of its energy consumption through better practice and simple energy saving devices — and 10% is the equivalent of a new power station.

“Hong Kong is a rich city with relatively cheap electricity, and people are often not so mindful of their electricity bills. We need to do more with power-saving strategies and incentives.”

The President also argues that we need to formulate a comprehensive policy on energy conservation, environmental protection, innovation and safety

“One reason CityU is successful is that we have defined our mission and focused on it. Otherwise you dilute your purpose”

of energy use. In addition, we should constantly develop new energy sources and design an optimal plan of power distribution by making use of smart grid and cloud computing technology. One thing is clear: given the prevailing wind system (approximately nine months of the year from the north), for Hong Kong any meaningful clean air strategy has to be part of a regional solution.

### Striving for balance

A thread runs through Professor Kuo's approach: striving for a sense of balance. So, in educational methodology, communication is multi-directional: yes, lectures offer opportunities for interaction, but need to be leavened with other more interactive strategies (tutorials, seminars). In society, regulation is not a sufficient solution and needs to be judiciously applied so as to leave space for invention and creativity; exhaustive prescription is counter-productive. An implementation-focused society needs to be incentivised to take risks and reinvent itself. In business, innovation strategy must be informed, if not driven by economic considerations. Research for its own sake won't work; Google rather than Bell had it right. And in real time, it is better to respond rather than react to events (including critical events such as roof collapse or nuclear melt-down). So, green roofs should not be rejected out of hand; and nuclear is still a viable energy despite the Fukushima accident.



# Effective leadership takes courage and life long learning

By Eric Collins



**Dr Brian To, OBE, is a global strategist, Senior Practice Professor of Strategy and Leadership, Senior Fellow at the Wharton School of the University of Pennsylvania, and Adjunct Professor at the College of Business. He is an adviser and coach to Fortune 500 corporations, governments, and distinguished family owned enterprises in Asia, Europe and North America. Here Dr To discusses ethics in the new Chinese economy, management education, and the importance of leadership.**



## How would you characterise the Chinese economy?

As it is unfolding, clearly the economy is in a major transition. With double-digit growth for decades, it is moving from a hyper-emerging economy to a more strategic positioning in the global economic landscape, with a comfortable GDP growth rate somewhere within the 6-8% range.

Further, in order to sustain economic growth, the Central Government has identified a necessity to align the leadership of state owned enterprises and corporate China through principled leadership and ethical management practices.

Understandably, this has caused the highlighting of gaps in management process, facilitation methods and leadership practices. Today the consequences of significant corruption are challenging, and past practice can no longer be the modus operandi for leaders in facilitating business growth and expansion. The new generation has to adopt principled and ethical leadership practices. And this needs to be deeply rooted in one's consciousness because under the present leadership of China, it is obviously not an invitation but more of a demand.

## How is China performing, economically and environmentally?

Despite being the whipping boy of foreign leaders on various campaign platforms this year, the Chinese economy has performed well compared to other leading nations, where GDP growth has struggled to reach even 3%. Still, as chill winds blow across Asia, the challenges for China are mammoth in scope and consequence.

China is experiencing the largest mass migration of people from the countryside to the city in history. An estimated 250 million Chinese have left the countryside and migrated to the cities in recent years

Whilst many who travel to Beijing and Shanghai have got used to the perpetual smog, pollution and dark skies, a government urbanisation plan unveiled earlier this year aims to increase residential and commercial density, reduce commuting distance, and accommodate the endless millions of people moving to the cities each year. It is a race against time to reduce pollution and prepare to accommodate the expected 100 million plus people moving into China's cities by 2020. The greatest migration on planet earth will undoubtedly continue.

## What should we be expecting from China in the near future?

China, I believe, will push forward towards closer cooperation with countries not only within ASEAN, but with the EU, and almost all developing countries including those in Africa and America. For example, bilateral annual trade volume with the EU will reach US\$1 trillion in a few years, and probably before the 2020 target. Despite a slowdown this year, the goal seems manageable if China maintains a 6-7% growth year on year. Similar opportunities also apply to both Central and Eastern Europe.

The impact of the recent global financial crisis and the migration of displaced refugees from the Middle East have created distractions, and even more debt in the Eurozone. France, Greece, Spain and even Turkey amongst others are being hit hard with increasing labour strikes. So issues in Europe may drag Sino-European trade goals down, particularly since the cost of labour overall has been rising in the EU for the last six years.

Another indication of China's rapidly rising role in global leadership is the Asian Infrastructure Investment Bank (AIIB), whose founding members included half the EU member states. Equally impressive is the recent agreement between the International Monetary Fund and the AIIB to consider joint process. Additional joint investments funds will follow to compliment the One Belt One Road initiative



© Kevin Lee/Bloomberg/Getty Images

which features Chinese infrastructure projects. Despite the global economic slowdown, China will continue to forge new partnerships and explore new opportunities regionally and globally.

## Why the emerging interest in ethical leadership?

This is how I look at it. As we are intently watching the global markets, both Fortune 500 and Inc. 500 companies continue to look at China and India as the key mega markets where opportunities for market expansion are exponentially increasing. On the other hand, Chinese businesses are eyeing ever more aggressively overseas companies in North America and Europe.

Looking back, whilst hospitality is still a key component of doing business in Asia, traditional ways have changed. Previously, companies relied heavily on relationships (Guanxi) and facilitation, and now the budget for this appears to be more modest. Moving forward, the focus has shifted to stricter corporate transparency requirements, dual listings, more special audits and independent overseers, thus creating a sharp demand for more ethical leadership not only in China but in the global business environment.

With recent notable leadership practical challenges in Malaysia, Philippines, South Korea, Brazil and Taiwan, it's becoming evident that both country and corporate leadership must become more principled and ethical if business sustainability is to be achieved. The recent cases of Volkswagen and Mitsubishi in corporate and consumer disclosures clearly show that the challenge exists not only in China but in the global arena as well.



Professional roads to success: CityU - pioneering veterinary medicine in Hong Kong



Massive Chinese infrastructure projects. The Three Gorges dam, located in Hubei province, is the largest hydroelectric dam and largest generator of electricity in the world

### Why study management?

Hyper-competition and economic turbulence have caused all of us to be focused around growth and change in the midst of increasing shrinking profitability. In this era of rapid innovation, we are charged with managing value whilst globalisation and technology shape a radically different future.

As we continue to devote ourselves to serving the global community through education in both management and business programmes through DBA, PhD, EMBA and MBA and other offerings, we must recognise that our study together is based on a conviction that good leadership and management can indeed make countries, companies and societies more capable and more vibrant.

Whilst a growth in enrolment in management education has been noticed in recent years, one curiously observes that motivation for candidacy varies. Some treasure the opportunity to advance their standing in a business career. Others are looking to fill space on an office wall, or for a conversation piece on the golf course. Some are instrumentally motivated to gain skills and do a better job at work. Others are more intrinsically motivated to understand their work in new contexts. Despite these varying motivations, the opportunity is really about advancing ones "intellectual ambition" and advancing our "organisation's inclusion" in the global marketplace.

### What are the shaping forces for management education nowadays?

Foremost, let's understand that China has made education a national priority. Some 40% of the world's engineering and technical graduates are minted each year in China, and by 2020 it is expected to be around 60%. The results are compelling: the number of patents filed each year on the mainland has been growing dramatically over the past eight years. Information overload threatens, with the Library of Congress showing exponential increases in size. Therefore, management and business degree programmes must be relevant and practical. It is ever more important that graduate business education be taught by leading practitioners together with experienced faculty. In recent years, many EMBA programmes have come under heavy criticism as participants allegedly enrol for the purpose of networking and future access. I believe this analysis to be unfair. We should not forget the many significant learning outcomes of these programmes. In applying newly learned skills, participants have built business development initiatives in many key cities in the Asia Pacific region.

### How does this impact on the teaching of leadership?

Obviously, leadership education is not effective if it happens once every twenty years. Study of leadership should not be restricted to a discussion about the

latest fads and models but must go deeper into the anatomy of leadership coupled with a profound understanding of behavioural science. All too often nowadays, leaders are promoted within corporations not because of their innovative or motivational skills, but because of their political savvy and manoeuvring. In the present teaching era where competition is getting tougher every day and there are unavoidable economic changes, education is imperative. Moreover, leadership is needed to maintain balance between an increasingly chaotic environment and corporate functionality.

Hong Kong and Singapore parents have traditionally encouraged their children to enrol in medicine, engineering, and professional disciplines such as law and business. While these programmes have their merits, it is my belief that without the study of human interaction, behaviour and communications, students will find themselves increasingly marginalised and professionally ineffective. These days when fresh graduates do job interviews, many are unable to piece together a complete and comprehensible sentence. In fact, a considerable number of graduates utterly lack social skills and an even basic understanding of human behaviour. Even those armed with five years' work experience can show unease in interviews and group settings. This is, to say the least, troubling to those of us working in management education.

### How can we advance leadership?

With courage. All CEOs, managing directors, managers intuitively know that we have a responsibility to advocate leadership and decisiveness throughout an organisation regardless of size or shape. In this hypercompetitive environment, there are many challenges. Some we may not be particularly prepared for. Leadership requires courage and superior interpersonal skills, a passion for human performance and a focus on inclusion. Having a vision of what should be done — and inspiring others to greater involvement — remains one of our greatest opportunities. Clearly by understanding ourselves and others better, we can best prepare for competition and change — both ethically and productively.

### Your parting words?

Be courageous and remember, it's better to be kind than always right.



Difficult to contain. The Library of Congress is increasing exponentially in size

# What does “success” mean at **HSBC**?

By Alison Hanrahan



Playing with children while working at a local school in Uganda

I studied at Clarkson University in Potsdam in Upstate New York. One of the things I wanted from that education was the chance to see the world. Clarkson had just started an exchange programme with CityU, so I grabbed the opportunity. I was in Hong Kong for about six months in total, seeing Asia, and travelling. It was the first time I had left the US. Now I have been to around 70 countries. All of that kick-started when I came to Hong Kong and got a lot of perspective on things.

I was overwhelmed by Hong Kong. There are vast differences between Upstate New York and Hong

*Alison Hanrahan is Global Head of Marketing Strategy for Commercial Banking at HSBC. As part of her degree programme at Clarkson University, New York State, Alison studied as an exchange student at CityU. She returned to Hong Kong three years ago to work in the Asia marketing division of HSBC. Here she talks about her education, how she became passionate about marketing at HSBC, taking time out, and her next move: London.*

Kong. We are talking about lots of farmland, my childhood home had dozens of acres around it. So coming into CityU, sharing an apartment the size of my closet with another person, was a huge adjustment! Hong Kong is such a vibrant place, the people, the smells, the traffic, it was all overwhelming at first.

I was studying on an International Business Programme — a combination of liberal arts and business, and in Hong Kong I focused on the business side. I was really impressed by the whole operation at CityU and the fact that it was going on in English, most people’s second language. It seemed to me like an amazing achievement.

The final year at Clarkson was very difficult for me. I wanted to be “out there”. Going back to Potsdam I felt, how can I get that feeling back of exploring and seeing new things? It was a tough transition year. I took extra math courses at Clarkson, so at that time I was consciously going down the route of specialisation.

## Starting at HSBC

Representatives from HSBC came up to Clarkson, and I interviewed with them, and got a position in

their management training programme. I started this rotation programme with various roles in the different places: in Chicago I worked on philanthropic affairs running an event with over 300 volunteers at a local school on the south side. In New Jersey, with tax payer financial services, I built a database using customer data. In Florida I created a national marketing campaign to educate customers on adjustable rate mortgages during the mortgage crisis. In New York City I worked for a commercial banking marketing team, and in Las Vegas as credit card collection team leader.

I then went to London on a three-month project, and was asked to stay on and take an international contract with them. So I wrote a proposal which was then accepted, and took a role in core products in current accounts, and created a new proposition for business banking. First of all, we conducted a series of researches. The idea was that everything was to be digitally led, so that people would not have to visit the high street branch. At the time it was all relatively new. It was a good combination of math and marketing. The proposition was launched in ten countries. Travel-heavy, seeing the world, and working in marketing, I absolutely loved it!

## Wildlife

I was invited to go back to New York but decided that I wasn’t ready. I wanted to explore a bit, and follow my interests — which is wildlife. So I requested from the bank that I take a year’s sabbatical. I had to write a proposal.

So that forced me to sit down and ask myself: what do I want to get out of this year? Where do I want to go? And that helped me because otherwise I may have just taken a long holiday on the beach! But instead I was really specific about what I wanted to do, and learn. So I ended up managing my trip in the same way that I would manage a project at the bank.

I went on unpaid leave for 12 months, and travelled in Latin America and Africa. I started in Panama, and then went to Ecuador, Costa Rica, Peru, worked with bears, with turtles, with whales, and then around Africa and got my field guiding certificate. I lived in Kruger Park in South Africa, and took an educational course in order to get certified to give safaris throughout Africa. I spent the rest of the time going to Zimbabwe, Uganda, Malawi, Zambia, Tanzania, and Kenya, and doing different things. I worked in a lion orphanage, an elephant orphanage, I saw gorillas, and worked in a school.

Herding Elephants in a private game reserve, Zimbabwe





| Village children in Malawi

I am still passionate about wildlife and work with nonprofit organisations through volunteering and donations. I have an autographed picture of David Attenborough hanging in my living room, and the guest gifts at my wedding were animal “adoptions” via donations to the World Wildlife Fund.

After the year’s sabbatical, I went back to New York and took up a role in marketing for business banking.

### Getting creative

When I first got the job at HSBC I did more finance-heavy things, but I realised that I didn’t like it. My broad degree gave me options, and then I discovered marketing. It’s a combination of numbers and people, getting out, planning campaigns, being creative. I really like what I do. If you are not working close to your interests, you won’t have that passion and you won’t be as good at it.

A lot of marketing is about creativity, about connecting with the customer. It’s about hearing the voice of the customer. I started as a generalist at HSBC, but now, without ever having got a marketing degree, I would consider myself a marketing specialist.

My current role is in marketing, which at HSBC is a global function. I work in commercial banking and manage campaigns across Asia, as well as all marketing activity for 14 of the 19 markets in the region. There are significant differences across countries. Local events are tailored by local teams. So for example in Hong Kong we are less likely to build an event around the basics of global trade — because it is engrained in the business ethic here already and by the nature of the geography, most businesses know a bit about trade. But in somewhere like Indonesia which is a growing economy, and where companies are starting to expand into places like China, you might well build an event to teach more of the fundamentals of trade. We might send trade specialists from China to Indonesia, build up discussion panels, and so on.

### London

Our family is moving from Happy Valley here in Hong Kong, where we love being close to Tai Tam and taking our dog for walks, and swapping it for Putney in London. We are very much looking forward to living in London. We’ve just had a daughter and it is important to be closer to family. My family will be just a quick hop over the Atlantic, only 6 or 7 hours or so to Upstate New York, and my husband’s family will be a 20-minute train ride away.

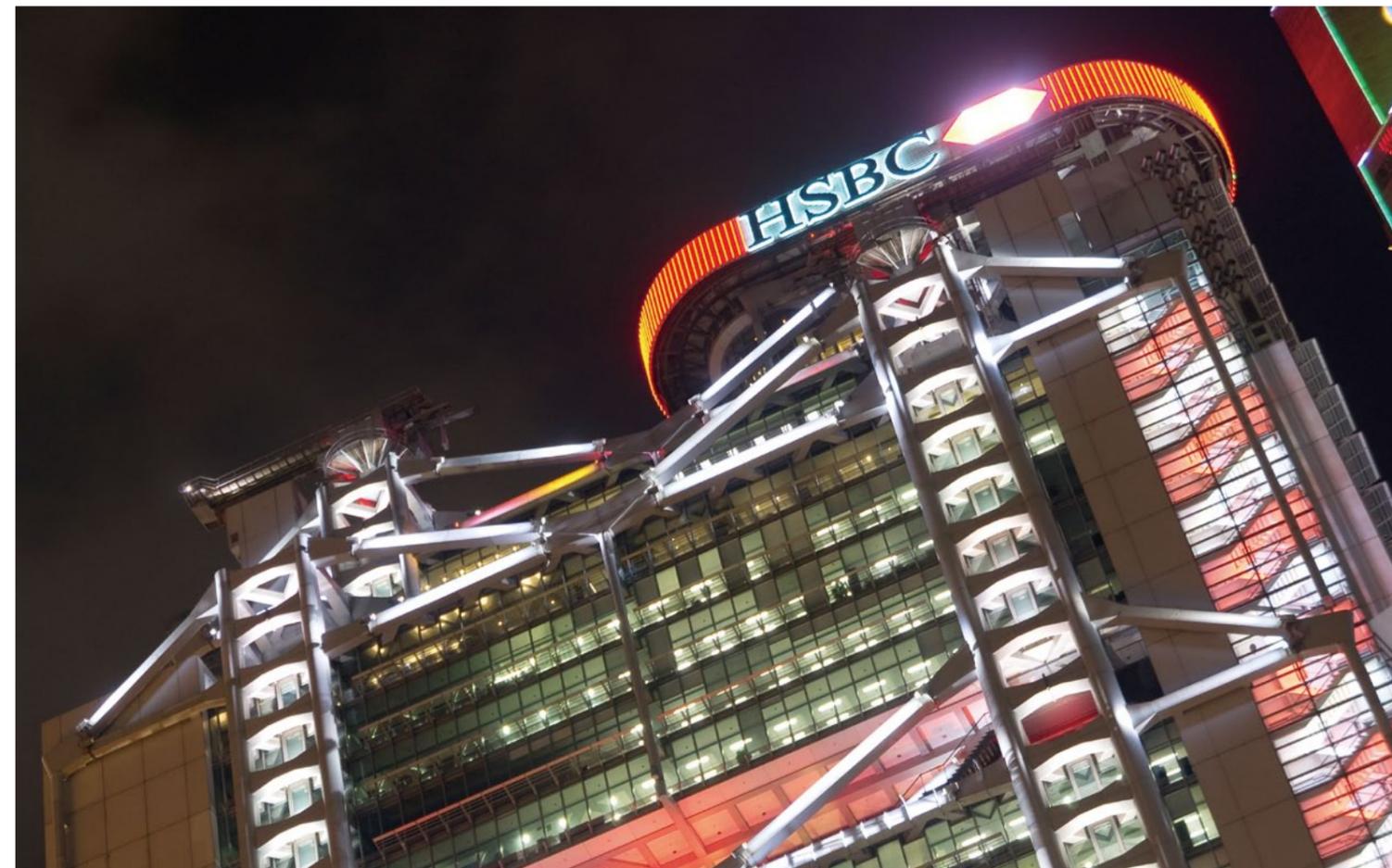
In London I will be working with HSBC as the Global Head of Marketing Strategy, which is a segment within Commercial Banking. When you work internationally there comes a point when you are ready for something new. I think at this point we are ready.

### What do we look for in graduates?

In the three years I have been in Hong Kong I have interviewed and filled a lot of positions in marketing, and one thing I’ve found with some of the graduates, is that there seems to be an exercise of “ticking the box.” Making sure you have community service, leadership, etc. on your resume. I think this is blown out of proportion. Yes, you absolutely need a strong resume, but when I sit down with someone and look to see if they are a good fit, I look for things like passion. Have they done things they are interested in? Do they have a point of view on something? Are they able to articulate that point of view? And if I ask why they feel that way, are they able to tell me in a coherent way as to why? There are a lot of things outside ticking those specific boxes that I would look for — and I think my colleagues would look for too.

The whole thing has become somewhat formulaic at the moment. If someone sits down and isn’t able to have a great conversation, isn’t able to expand on “Well why did you choose to play the violin over the piano?” then that’s probably not going to work. You should have reasons why you are investing time in different projects, and you should know why and be able to talk about it, not because someone told you that this is what you needed to do. Do something because you have an interest. Don’t say: “I want to get to HSBC.” Follow your interests and see where that leads you; then pick a profession, then pick a company.

So I think less focus on building up a resume. More focus on finding something that you are interested in and getting involved in that — and if that leads you to financial services and HSBC, then bring that into the interview.



# An Unexpected Journey

By Jonathan Lu

Never could I have ever imagined a university life so fruitful and so diverse when I first joined CityU as a freshman three years ago. But, since then, I have taken three internships locally and internationally in three totally distinct fields where I have acquired extensive experience and knowledge. Here, I am going to share some of my experience in the hope that this is going to give you insights into how your university life can thrive!

## Everything is leverage

Last year, I was very fortunate to be offered my very first internship position at the Asia-Pacific headquarters of media company NBCUniversal in Singapore, as Marketing and Public Relations Intern for six months. I learned a lot about how the business world works, of which the most important is "Everything is leverage." Be it products, services or promotions, every business leverages on something to maximise their profit. In this case, NBCUniversal, as a TV channels owner, leverages on its large viewership and negotiates an agreement with cable operators in which the operators pay NBCUniversal for broadcasting its channels on a pay-per-view basis instead of a lump sum. The same leverage philosophy holds true for securing job vacancies!

## Independence, Integrity, Diligence

Earlier this year, another opportunity presented itself, an audit internship with Deloitte. One of the challenges of working at Deloitte, other than the technical side, is that it is not unusual for interns to have to face the CFOs and directors of our clients alone, so we had to stay smart and vigilant at all times. Also, even as interns, it was very critical to be independent and critical in thinking because as auditors, the audit team engages the client as an independent third party to review their accounts and ensure that they present a true and fair value. As audited financial statements have a wide usage across the business world, independent auditors play an important role in establishing a firm's credibility. Lack of independence can be devastating. This is, after all,



**Jonathan Lu, is a Year 4 Business Operations Management student, currently on a CB Student Exchange Programme in Oslo. Jonathan has made extraordinary efforts to organise a series of internships whilst at CB. Here he describes his rich and varied experience.**

how Arthur Anderson went out of business in the Enron scandal.

## Own the numbers

Then this summer, I was in Sydney for two and a half months for an internship with a boutique business improvement consultancy called Sandwalk Partners, founded just four years ago but proving to be very successful. Some of my many tasks there included conducting a performance review of the firm, and forecasting. I was trusted with the firm's bank account and sales data to carry out these tasks. As I progressed, I realised that owning the numbers is critical, no matter which industry you are in. By that, I mean simply passing on data and numbers that are already there is not good enough. The only way to add value is by contextualising and putting them into perspective so we are passing on analysed information and taking people on a journey in terms of what the data means.

## Journey on

When I look back, one of the things that helped me to achieve all this was my attitude: be led by opportunities, not boundaries. And of course this is not the end, as I continue to take on challenges and write new pages of my university life and career.

# The Entrepreneur Roller Coaster



**You Are Selected**  
To: Sammi Mak  
From: Adecco Group

By Sammi Mak

Looking back to where I started exactly one week ago as a CEO1Month at Adecco Hong Kong, I see a dream, insecurity, strength, and pride.

In my wildest dreams, I couldn't have dreamt of working so closely with a managing director at the age of 20. One thing for sure, entering such a valuable internship programme comes with both excitement and anxiety. I get a chance to oversee and manage the company from a top management perspective without years of hard work.

But... I stressed over what an undergraduate can do to add value to a mature company. What if my best is not good enough? And more what-ifs. Then, I thought of the E-mail with the subject line "You Are Selected." Memories of all those preparations I dared to dream, and I dared to achieve it. I tell myself confidently, "I CAN DO IT."

My first week was a healthy mix of formal meetings with management, ad-hoc projects with the teams, and casual meals with colleagues. What impressed me most was the efficiency of meetings, the way my country director sees and analyses a set of figures and the communication of jargon. Having no solid knowledge of the HR industry, they all sound like an alien language to me. So, how can I turn this threat into an opportunity? Ask questions, understand and apply, as simple as it is.

## What is your super power?

On top of my first week was a webinar jointly organised by LinkedIn and Adecco Way to work on building a professional brand. We were asked to think about our "Super Power" that differentiates us from other young people. Three words



**Sammi Mak, a year 3 BBA student majoring in Banking & Financial Services, was winner of the Adecco Group, "CEO for One Month" Hong Kong, 2016. Over the summer, Sammi got the chance to work alongside the Adecco Hong Kong Manager and leadership teams. The Adecco Group is a leading worldwide provider of HR solutions. Here are excerpts from Sammi's Journal to youngsters.**



appear to my mind immediately — ambition, confidence, and dedication. I set my goal, and I go for it.

When I saw the video of Ayumi, Global CEO 2015 talking about her journey. I was inspired and set my goal. There must be something good about every person. Creativity? Expressiveness? Self-awareness? Define your strength, identify what you can do or have already been doing, enhance it by searching for new opportunity, devote all yourself into the thing and excel in it.

## Elevator to success

But why are millennials always labeled as lacking perseverance? Dear youngsters, is it true that we have a tendency to give up at hurdles? I say, no, it is not true. Dear youngster, please don't give up. Failure is the opportunity to begin again, only more intelligently. At some point in everyone's life, we will hit a bottleneck. The elevator to success is — take the stairs one step at a time. From I'll plan, I'll try, I'll do, I'll do again to I'll succeed.

## Centre pages

Smart City by alumna Vivien Mak Wai-yee, BA Business Studies'93, winner of the Photography Competition for City Business Magazine.

Smart City shows one of the world's most breathtaking skylines, the Central waterfront in Hong Kong.



# Fighting Corruption the Hong Kong Way

By Eric Collins



**Tony Kwok Man-wai, SBS, IDS, JP** worked for 27 years at the Hong Kong Independent Commission Against Corruption (ICAC) where he served as Deputy Commissioner and Head of Operations from 1996 to 2002. He now works as an international anti-corruption specialist, and has travelled to 25 countries on a total of 200+ missions. Tony Kwok is a College of Business alumnus and holds an MBA from CityU.

If you are a Hong Kong Senior Citizen, you may just remember the bad old days of “tea money”. In 1970s Hong Kong, if you wanted a bedpan in a hospital, what did you do? A new phone line installed? Firefighters to show up if there was a blaze? The answer was always the same: “tea money”. Corruption was a way of life.

As Tony Kwok puts it: “Hong Kong, as a British colony, was definitely one of the most corrupt places on earth. There was a saying that corruption existed from womb to tomb”.

The former Deputy Commissioner and Head of Operations of the Independent Commission Against Corruption (ICAC), the city’s anti-corruption agency, knows the ground better than most.

“As a taxi-driver, you could even buy a monthly label to stick on your taxi and it would guarantee you against traffic prosecutions.”

“Police corruption was syndicated. Nearly all types of organised crimes, vice, gambling and drugs, were protected.”

The tipping point came with the infamous Godber case. As Chief Superintendent of the Royal Hong Kong Police Force in Kowloon, Peter Godber was embroiled in a bribery scandal shortly before his retirement in 1973. He used his special police pass to slip past immigration and fled to the United Kingdom. Justice was seen to be done when Godber was extradited back to Hong Kong and subsequently sentenced to four years in prison.

## “I” for Independent

The establishment of the ICAC — with an emphasis on the “I” for Independent — was a direct result of the Godber graft case. And forty years on, Hong Kong has won the accolade of being one of the cleanest of metropolises.

“Our success in containing corruption, has won a global brand status unique to Hong Kong,” says Kwok.

And this is reflected in international rankings: Political and Risk Consultancy Limited rates Hong Kong as the second cleanest place to do business in Asia, whilst the Transparency International corruption perception index ranked Hong Kong 18th cleanest of 167 countries in 2015.

“When the ICAC was set up, very few people in Hong Kong believed that it would be successful. Within 3 years, we smashed all corruption syndicates in the government and prosecuted 247 government officers, including 143 police officers. Amongst these were some labelled as billion-dollar Station Sergeants, although a few had managed to escape and are still hiding in Taiwan.”

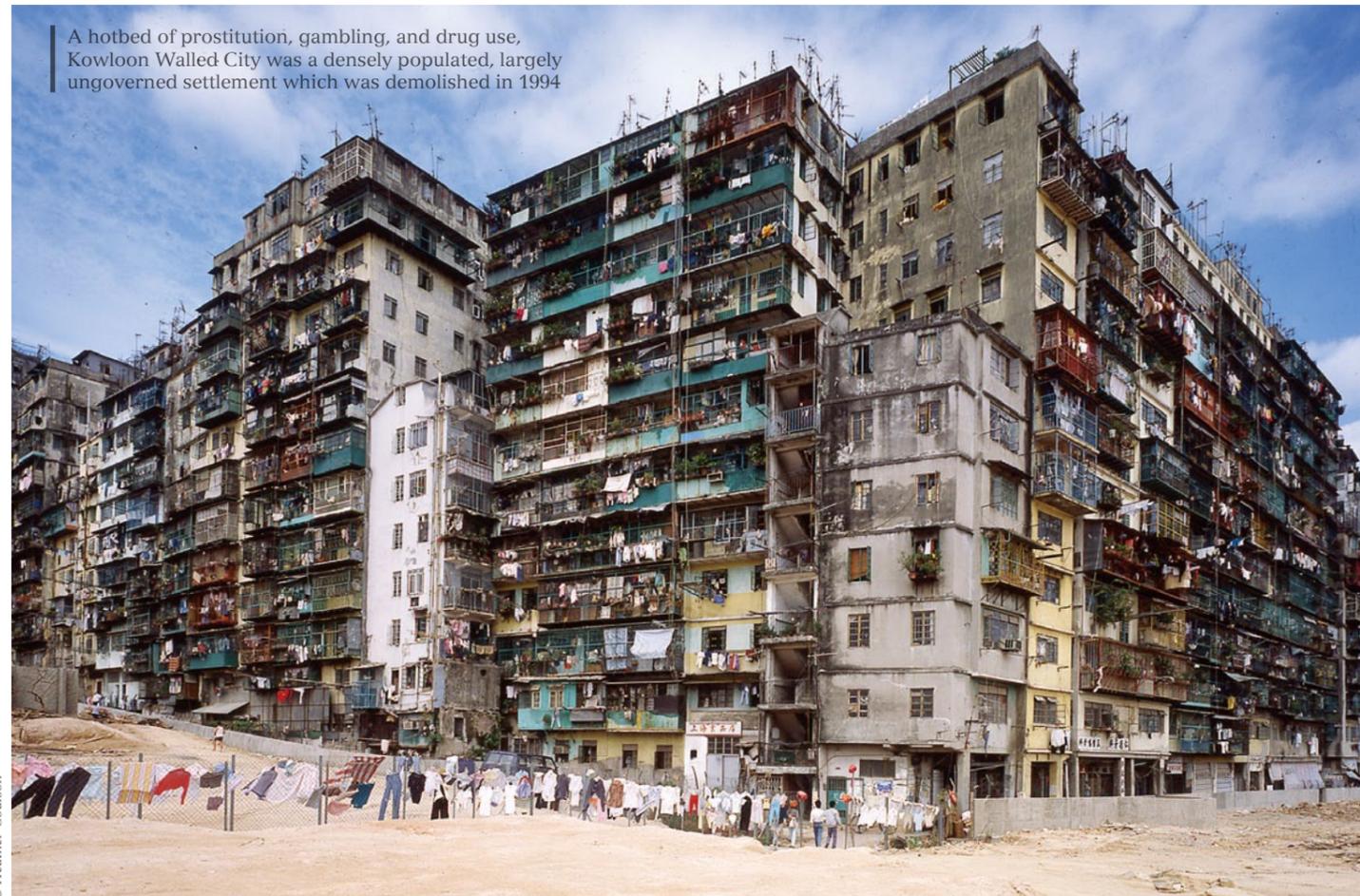
“I should add that since then, the police have started their own reforms, and now the Hong Kong Police is recognised as one of the most efficient and cleanest forces in the world.”

## Transformation

Kwok joined the ICAC shortly after its inception in 1975, and participated in the successful battle to transform Hong Kong from a most corrupt place to one of the world’s cleanest cities. He retired as the first local Deputy Commissioner and Head of Operations in 2002, after having successfully led the Commission through the smooth transition of sovereignty from British Colony to China in 1997 despite international pessimism.

In 1986, Kwok led a joint ICAC/Police Task Force with 30 officers to investigate the collapse of the third largest local bank in Hong Kong, which involved

A hotbed of prostitution, gambling, and drug use, Kowloon Walled City was a densely populated, largely ungoverned settlement which was demolished in 1994



Tony Kwok, the first local Deputy Commissioner & Head of Operations of ICAC in 1996



corruption and fraud resulting in a loss of HK\$3 billion. This investigation was successfully concluded in 16 months, resulting in five convictions, including the three top management positions of the bank, and two persons were extradited from the United States.

The case also acted as catalyst in the formation of the Hong Kong Monetary Authority, paving the way to enable Hong Kong to become the third largest financial centre in the world. Tony Kwok was subsequently awarded a Governor Commendation for his leadership and professional ability.

The recent conviction of a property tycoon accused of bribing the city's former No. 2 government official shows that the ICAC lost none of its zeal after the return of sovereignty, and sent a signal that nobody is beyond reach.

### Lessons for China?

The ICAC's successful experience serves as a model for mainland China, which largely follows the ICAC three-pronged strategy of deterrence, prevention and education. But there is a difference. As Kwok puts it, "In China, the party and government are inseparable, hence there are a number of party and government organisations responsible for anti-corruption, as well as at different levels — national, provincial, city and rural. It would be ideal if there were one single

national anti-corruption agency directly answerable to the central government which could avoid any undue local influence."

Kwok is optimistic that despite these obstacles, President Xi's campaign could work because he has demonstrated a strong political will and has made corruption recognised in China as a high risk crime.

### Life after ICAC

Since his retirement in 2002, Tony Kwok has been invited to 25 countries and numerous provinces in China to provide professional anti-corruption consultancy, lectures, and to conduct anti-corruption seminars and workshops. He has taken up a number of anti-corruption projects with the United Nations Development Programme, World Bank, Asian Development Bank, European Commission, The Asia Foundation, to name but a few. He has also assisted a number of countries to set up their new anti-corruption agencies, including Mongolia, Cambodia, Serbia, Mauritius and Timor-Leste.

Many countries Kwok has visited are plagued with serious corruption. They greatly admire Hong Kong's success and they have largely followed the ICAC model, although how effective they can be largely depends on the top political will of their country leaders.

"Very often they expressed bewilderment to me when they saw public protests and demonstrations taking place regularly in Hong Kong," Kwok said, "For them, Hong Kong is heaven and yet Hong Kong people seem unable to realise how fortunate they are!"

### Life Long Learning

Tony Kwok is a firm believer in life long learning, and obtained a Master of Business Administration (MBA) at CityU at the age of 40.

"The programme was very practical and I found there were many points of intersection with my work life. Inspired by the programme, I initiated an

annual strategic planning workshop in the ICAC for brainstorming and published a five-year action plan." He has also attended a number of residential police management courses in the UK, including the prestigious six-month Senior Command Course at the Police Staff College, as well as a six-week China Studies Course at Tsinghua University in Beijing.

Kwok has extended his work to educational course design, and assisted HKU SPACE in designing the world's first International Postgraduate Certificate in Corruption Studies where he is the Adjunct Professor and Honorary Programme Director. He received the Outstanding Teacher Award from the University in 2006. In 2010, he launched a pilot course with the University called Senior Executive Certificate Course on Institutional Integrity Management which attracted participants from both the public and business sectors. It is his wish that all institutions in Hong Kong, whether government or private, should have a sound institutional integrity management in place to ensure their houses are clean.

Even at the age of 69, he is attending philosophy class at the Elder Academy in CityU SCOPE, and is fond of quoting Henry Ford:

"Anyone who stops learning is old, whether at twenty or eighty. Anyone who keeps learning stays young."

### Hong Kong's advantage

Today, it is no exaggeration to say that the ICAC is an integral part of Brand Hong Kong. When visiting dignitaries come to town, the ICAC is firmly on the tour schedule.

A celebrated stop on the ICAC tour is the in-house museum. Here you can find dioramas of markets with different coloured lights for brothels, gambling dens and opium parlours. And there is one key exhibit: a copy of the notebook which former police chief Godber used to keep detailed records, including maps and dates, of all the bribes he collected from criminals.

Despite its success, in recent news the Commission finds its independence questioned. Tony Kwok is, however, adamant that allegations of political interference at ICAC are unfounded, as there is in place a very effective system of checks and balances with independent committees monitoring all aspects of ICAC work.

The life work of public servants such as Tony Kwok has ensured that Hong Kong's public services are generally beyond reproach, and work to the highest levels of international transparency. Long may that legacy continue.



Tony Kwok interviewed by TVB at the scene of a car smuggling case

# Notes from the Frontier

By Eric Collins

**Dorothy Pang** is a veteran Hong Kong educationalist, having served as Principal of Methodist College and Bishop Hall Jubilee School before retiring. She now works as a school development consultant for rural schools in Xiangxi, western Hunan. Pang has completed two master degree programmes at CityU — an MA (TESL) and College of Business EMBA. Here she shares her experience of Tin Shui Wai, of eco-farming and education in mainland China, and her thoughts on the teaching of critical thinking.

## Frontier town

Tin Shui Wai — for Hong Kong people, the very name is loaded. You can feel the undertow.

A walled village built on the marshes, where the sea water meets the fresh. Isolated in Hong Kong's furthest north west, it was a village of farmers — in the old days rice, fresh water fish, and oysters. It is a new town synonymous with unemployment, depression and suicide. For many it was a new town too far. The place where the Hong Kong public housing dream finally sank: A City of Sadness.

“Financial problems, employment problems, social problems. So many pretty ladies from Hunan or other places in China worked in Shenzhen and met Hong Kong guys. They would marry and come to Hong Kong. They were shocked to find that Hong Kong was like that, and there were so many family problems. So lots of tragedies happened,” says Pang.

Tin Shui Wai has left an imprint on the psyche. In her 2006 best-seller *The Voices of Tin Shui Wai Women*, Eva Chan Sik-chee, a journalism senior

lecturer at Chinese University, chronicled the everyday lives of a dozen housewives. Against a backdrop of unemployment and marginalisation, the women show resilience, courage and determination. This was followed by the haunting 2008 film, *The Way We Are* (天水圍的日與夜) directed by Ann Hui. So the world knows something of Tin Shui Wai.

Then things changed. Now at last the town is fully connected. West Rail, and with it hope, arrived in 2003. Bright Lights, Big City — Central is just 40 minutes away.

Tin Shui Wai is also the sort of place that attracts movers and shakers.

Pang spent nine years of her career there. As Curriculum Coordinator she had helped the founders and pioneer teachers make the school famous for sustainable development education. Recently she went back. Now the gardens have grown wild, and the campus no longer green. But she still sees it as a frontier town, a place where work can still usefully be done.

“Because of my work there I started to have feelings for the place. So after my retirement in 2008 I thought I should do something for this place, and later I became a blogger. I made my title ‘Tinshuiwaidorothy’, and actually I have recently set up a company called loveTinShuiWai.com. The aim is to give these ladies something to do.”

And Tin Shui Wai is not the only frontier she is interested in.

## Frontier farming

Pang has recently returned from Hunan province. Mu Li is a village close to Feng Huang County, a grade one historical site, and one of the major tourist hot spots of western Hunan. She went to visit a friend who used to be a designer in the USA. The friend had met some Miao tribe ladies, and then went to learn eco-farming from a Sichuan farming expert, who was following Korean farming methods.

“They raise pigs — but you don't smell any bad smells! The pigs are raised in sties with wood, straw and sawdust, and enzymes decompose the pig waste. The dirt sinks, and the pigs roll in the sawdust which helps clean their bodies. The waste is regularly drawn from the bottom as fertiliser for the fields.”

“I started to explore the possibility of making the farm more known to the villagers through the Mu Li Xiang Comprehensive School, which provides boarding places to students from the other villages in the vicinity. With students educated in the concepts of

sustainable development and eco-farming, there is a chance that the young people will choose to stay on the land.”

## Hope for the future

“Migrant workers are moving back into the cities, towns and villages in the centre and west of China. Entrepreneurs are coming back and investing in their home villages. Schools are sponsored by their alumni and other organisations.”

Pang sees a future where China will overtake Hong Kong. She points out technology in education. The central government will soon have two million video lessons on their video platform. This brings new meaning to the acronym MOOCs — Massive Open Online Courses. Content is provided by the teachers, participation is compulsory, and scale is indeed massive.

“Each teacher must be able to produce one model video lesson on one of the lessons in the textbook. If you haven't lived in China you wouldn't believe it. In China things work! No argument. When you are sleeping at night they send you a message: tomorrow you should be at the meeting at 8.30am. You will be there!”

Hong Kong, she thinks, lags behind.



## “Martin Luther had a sound database before he spoke”

“In the use of education technology to stretch the mind, Singapore is more advanced than us. Students learn new technology and stretch their minds, improve the mind, and become global citizens.”

But China is catching up. By September 2016, all village schools in Feng Huang will be equipped with multi-media facilities and powerful internet connections for all classrooms. One of the foci of the Thirteenth Five-year Plan is to narrow the gap between rural and city schools, and to use information and communications technology to improve teaching and learning.

“The Hong Kong-based charity which I collaborate with now, Reading Dreams Foundation Limited, has

kicked off our Reading-based English Enhancement Programme in Mu Li Comprehensive Primary School. I demonstrated how to use the online English Reading Programme i-learner.com.cn, and English picture books donated to the school. Leaders of the Feng Huang Education Department, English Curriculum Officers, senior managers of Mu Li School, and representatives from Jin Xin Comprehensive Primary School in the neighboring village were amazed to see the students’ interest and high level of engagement. I-learner is a Hong Kong brand which has had over half of the market share among primary schools in Hong Kong for more than eight years. Mr Yao, Secretary of Education of Feng Huang immediately gave a green light to this pilot project, and he will follow through the upgrading of equipment and facilities.”

“On 1<sup>st</sup> June 2016, Mu Li and Jin Xin schools sent students to perform English story telling and other programmes on Children’s Day. We are expecting positive outcomes in the Grade 6 public English examinations.”

This is China, no argument, no delay, all for the good of the children.

### Frontier thinking

Is the teaching of critical thinking successful in Hong Kong?

“No, definitely not! Let’s take Liberal Studies originally aimed at nurturing students’ critical thinking. I taught it way back in 1998. I found that the way it is taught now is not really based on sound knowledge. So-called critical thinking is just a bunch of resources downloaded from the internet.”

“Then they put these stakeholders’ perspectives together to make a case study. Here is a banker, this is a farmworker. Then you look at an issue like building a rail track over farmland. You have to look at the stakeholders’ views before coming to any judgement. That’s only part of critical thinking.”

“To me as an educator the very basic things are literacy, and a foundation of knowledge, and then there are whole steps of value education and knowledge. Many students’ essays are just based on what they have downloaded from the internet, or interviews with this stakeholder, or that stakeholder.”

“But the foundation, the very basic knowledge such as the content of economics, is not there. The whole curriculum from primary to secondary is fragmented in Hong Kong.”

“You need that foundation before you come to a view, make a judgement, and write an essay. When you make a judgement about government policy, you should know about the government. In the old days we had economics and public affairs, health education, and science. Now we have general studies. It’s like salad. It’s not systematic.”

“The basis of discussion is absent. Critical thinking has become short for rebelliousness. But rebelliousness based on what? Martin Luther rebelled against the Catholic Church, but he had a sound database before he came to a conclusion that he should voice out his opinion.”



# Small Data Smart Analysis BIG Impact

*By Professor Robert M. Davison,  
Department of Information Systems,  
and Professor Maris G. Martinsons,  
Department of Management,  
City University of Hong Kong*

**T**he current fetish for big data is well known. Big data is being applied to many contexts ranging from transportation systems to health care. Our own interactions with many business leaders suggest that the greatest value from big data initiatives does not come from the ability to simply process and review a lot of data. Instead, it is the ability to integrate data from many different time periods and sources, and understand the implications of all that data.

The analysis of a large quantitative data set can uncover patterns, correlations, trends, preferences, and other useful information. However, to get a deeper understanding of what is really going on, a sharper focus is often useful. This involves collecting what we call “small data” and subjecting it to “smart analysis”. For example, small data

can help us to understand how and why a few professors are extraordinary in developing the knowledge and skills of their students, or when and why businesses create strategic alliances.

### What is small data?

Small data is often largely qualitative. It is often collected through systematic observations and semi-structured interviews. Small data tends to involve a few informants and contexts, which are investigated deeply and intensively. Small data is usually rich data, involving detailed descriptions of such phenomena as: how people behave; how and why they react to specific circumstances; how they (attempt to) solve problems. Small data is most valuable if it is gathered and analysed very carefully.



**Professor Maris G.  
Martinsons**

### IT Applications for knowledge workers in China

As digital natives join the labour force, we have observed increasing tensions regarding information technology (IT) use in the workplace. Our first case focused on an international hotel chain’s knowledge workers in mainland China.

These workers regularly access social media applications such as QQ, WeChat and Weibo for work purposes even though these applications are proscribed by their own corporate policy.

Corporate policies, which often include permitted and restricted IT applications, tend to be formulated by business leaders. These leaders usually have a lot of business experience, but they are not very familiar with emerging IT applications. Not surprisingly, we have found that many leaders have little regard for informal IT-mediated communications media. They also worry about data privacy and security issues as personal digital devices proliferate. In contrast, digital natives view social media as essential tools for their jobs. They may aim to work around administrative and technological constraints in order to use these IT applications.

Small data is often associated with case studies, but it can also be found in ethnographies, action research, and hermeneutic investigations. Business research based on small data typically has two distinct aims: 1) improving the performance of organisations and/or their stakeholders; and 2) contributing to theory and scholarly knowledge.

This belief in serving both the business and the academic community is rooted in our own backgrounds. One of us has an interest in the applications (and misapplications) of information systems. Wherever possible, he works with client organisations and stakeholders at all levels to solve their problems in a collaborative fashion. The other is an experienced management consultant who has consistently aimed to improve the performance of his client organisations. He has been driven by his intellectual curiosity to discover what really works to make different types of businesses successful.

To illustrate our application of small data, smart analysis ‘method’ in much of our research, we present two short cases. In each case, we first describe our data collection and analysis. We then explain how our smart analysis of the small data led to big impacts. Finally, we summarise the merits and challenges of this method for business research.



**Professor Robert  
M. Davison**

### Outdated corporate IT policy?

Our research collected a variety of employee-based data. Over 14 months, we interviewed 27 knowledge workers (from middle managers to experienced non-management employees) in 12 hotel properties across 9 cities in China, and two executives from corporate headquarters. By studying a few knowledge workers in each location, we could compare the common problems and (sometimes) solutions of similar people in similar circumstances. Our interview questions covered topics including the nature of work, problem solving approaches, traditional and digital communications, corporate policies and culture. We often started with one question, such as “Which IT application(s) do you use?”, but followed that up with many others: “Why this app?”; “What can this app enable us to achieve?”; “What is your boss’ view regarding this app?”; “How was your corporate IT policy created?”; “What is the rationale for this policy?”; “Who was consulted when it was created?”; “Why were they (and not others) consulted?”...

We also reviewed the data logs showing the use of different IT applications. We built up a detailed profile of specific work needs, specific IT application needs, and how knowledge workers used different applications for different tasks at different times. We discovered that several specific solutions had been developed to circumvent the corporate IT policy.

With small data research, a basic set of questions may be an appropriate starting point for most situations. However, more specific, intensive and penetrating questions usually need to be asked in order to compile a richer picture. The aim is to describe and explain the current situation in such a way that an educated audience, unfamiliar with the context, can readily appreciate the nuances of the situation. Ideally, they would be able to recontextualise the findings to their own circumstances. An additional aim is to predict the

consequences of potential future developments that the researchers foresee.

### Conflict of the generations

By asking specific questions, we garnered a rich (but small!) data set focused on an investigation into the challenges and opportunities created by the situation of an IT governance structure that was mismatched with the employees’ work-related requirements. Several key themes emerged from this study. They included: the digital expectations of the knowledge workers; the needs for knowledge workers to build and maintain personal connections (guanxi) with various communication partners, both internally and externally; the tensions between the stipulations of the IT governance structure and the espoused IT needs of the employees; and, perhaps most importantly, the tendency for employees to engage in acts of bricolage, accessing IT through unorthodox or proscribed channels, creating feral solutions to ensure the successful completion of work.

These themes, each illustrated with small qualitative data, formed the basis for an intensive case study. Subsequently, recommendations for better business practice were developed. They also facilitated the development of a new theoretical framework. This framework aims to explain how digital natives are likely to behave when IT governance structures conflict with their expectations for access to social media applications in the workplace.

### Transforming the local operations of a multinational enterprise

The second case was an intervention in the local business of a multinational enterprise that specialises in IT-based solutions. One of us worked with an incoming local business leader in a concerted effort to achieve a business turnaround. The approach to achieve this dramatic improvement followed the traditional



cycle of five action research stages: diagnosis, planning, implementation, evaluation, and reflection. This cycle is illustrated above.

When it comes to improving business performance, the key success factors are no secret. They include a clear vision and strategy, a fitness for change across the organisation, appropriate leadership and stakeholder incentives to motivate the change, and systematic processes to facilitate change. Nevertheless, the specific intervention will vary greatly. The plan will depend on what the diagnosis reveals as the root causes of the underperformance.

In this case, the multinational enterprise had entered the local market more than a decade earlier. However, the performance of this business had been consistently disappointing. This led to a steady stream of local business leaders being fired or resigning. The incoming leader was recruited from outside the industry, but he was under no illusion about the challenge ahead. He knew very well that he faced an uphill struggle in turning around his business in the face of

keen market competition and customers who constantly demanded high-quality products and service.

Before taking on the project, the incoming leader and the professor both confirmed that the products sold by the firm were functionally competitive with its key rivals. However, we found that the customer services it provided to both businesses and consumers were poor. Corporate buyers claimed that they were ‘treated like kings’ by rivals. In contrast, many of those same buyers felt like they were ‘almost as a nuisance’ to some of the salespeople from the focal organisation. Based on some preliminary competitive intelligence gathering, we also discovered that that the business had been receiving 50 to 100 percent more consumer complaints than its main rivals in the local market. These complaints related to both after-sales service and technical support.

The action research philosophy meant that instead of conducting large-scale customer or employee surveys, the diagnosis concentrated

on small data collection from key informants. Consistent with the well-known 80/20 rule, 20 percent of customers accounted for 80 percent of sales, and for 80 percent of complaints. It was critical to find out precisely what made them unhappy, and what was needed to make them happy. Similarly, one-on-one, face-to-face talks were conducted with employees. The primary aim was to understand their capabilities and motivations. Discovering this was not possible with any Big Data technique. It required careful, customised probing and the collection of somewhat subjective small data.

### Turnaround plan

A deep diagnosis based on a foundation of small data from key stakeholders was completed after about 30 days of intensive effort. The diagnosis revealed three specific root causes of the service problems. Each of these problems was addressed as part of a turnaround plan that was formulated during the following month.

The plan included: tough decisions about which employees would be able to “ride the bus” as

the business moved forward; exit procedures for those “leaving the bus”; specific training and development for those who would “stay on the bus”, and also for those who would be hired; a small but systematic overhaul of the customer service process; and a sharper focus on a few key customers. Several corporate customers became ‘prime targets’ because they had large volumes of installed IT, and were expected to refresh their hardware soon.

A balanced scorecard was designed specifically to monitor and evaluate progress as the plan was implemented. This initial scorecard included a dozen key performance indicators (KPIs) as shown in the diagram below. The final set of thoughtfully-selected KPIs was based on fairly simple measurements: unit sales, customer service satisfaction, product performance, operational efficiency, and employee engagement. A composite indicator of organisational learning and development would also be monitored.

### Smart analysis

The business leader set out specific targets for the sales, customer, and employee measures. These would subsequently be used to evaluate his performance. If the local business leader achieved all the targets, then his bonus would far exceed his annual salary. One target was to improve the ranking of the company in the local market from number 3 to number 2. The business leader privately desired and expected his business to be number 1.

The business plan for the local operations and the resources needed to implement it were rigorously reviewed and approved by top management at global headquarters. The plan included some short-term initiatives to steady the local business and harvest some ‘low-hanging fruit’. These also aimed to build up

employee morale. Nevertheless, the ambitious elements of the plan extended over several years. It required substantial resources to modify and expand the local office, launch a major marketing campaign, make better use of technology and, most importantly, to hire and develop dozens of employees.

Implementation of the plan began about three months after the new leader took command of the local business. Frequent evaluation of the KPIs in the months that followed confirmed that the business was steadily improving. A few major customers were acquired while existing customers complained less often about the service that they were receiving. These developments were reflected in 2 of the KPIs: unit sales and customer service satisfaction.

By addressing the root causes revealed by the small data diagnosis and smart analysis, the performance of the local business of the multinational firm steadily improved. Within one year it had gone from third to first in the local market.

### Sustained improvement

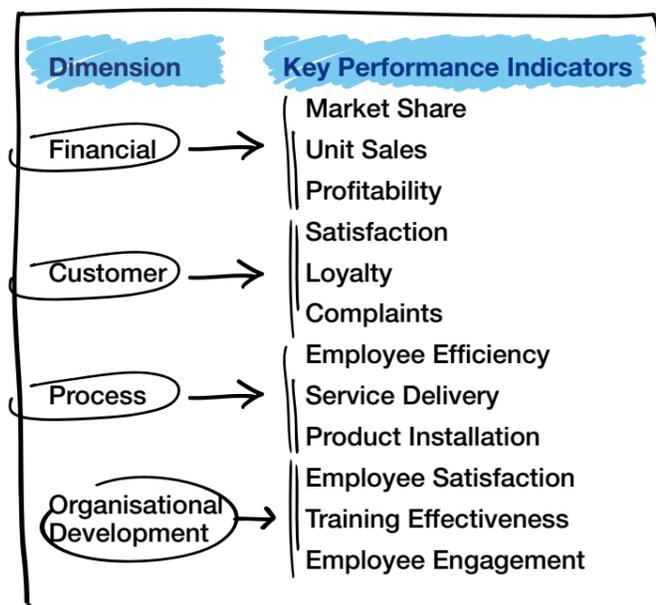
The huge improvement exceeded almost all expectations. It justified a celebration to reward everyone who had contributed to this remarkable success. In parallel, a personal touch was used to reflect on the actions and achievements to date. This reflection made this remarkable case useful for both illustrating and theorizing about best practices in business transformation and organisational change management. The successful boss and the action researcher also had lengthy discussions on how to sustain this enviable level of performance. Further opportunities for improvement were also considered. Since the boss was likely to receive a well-deserved promotion to a regional role, the next round of diagnosis, planning and

execution would be undertaken by a new local leadership team.

### Conclusion

We have illustrated how researchers, working with business managers, can make big impacts with small data and smart analysis. While conducting research for many decades, we have found many organisational situations that are suitable for small-and-smart research. It commonly results in major contributions to academic knowledge and business practice. Some small data research may be limited to thoroughly describing and theoretically explaining a specific situation. Other projects include a carefully-planned intervention based on smart analysis that usually brings about substantial improvements in performance. This in turn often leads to the discovery of transferable management practices.

A key to the success of most small data, smart analysis projects is the cooperation of organisational champions. These business people commonly have some of the same intellectual curiosity that inspires and motivates our own professional endeavours. Our preferred type of research is undeniably challenging because it involves the messiness of real-world organisations and human interactions. The success of these projects often hinges on the commitment and support of top managers in the focal organisation — that is where the relationships and networks of CityU business school alumni and professors can be very helpful.



A Balanced Scorecard for a Business Transformation



# FinTech — Exploring investment opportunities based on digital footprints

By Dr Alvin Leung



The use of online platforms is now ubiquitous — and generating a wealth of valuable data. **Dr Alvin Leung Chung-man**, Assistant Professor in the Department of Information Systems, investigates how financial technologies (FinTech) can be used to analyse the digital footprint of online users, uncovering aggregate customer preferences, and revealing investment opportunities.

The primary research data in this study come from Yahoo! Finance. This is a great resource and consistently ranks number one in online finance communities in the US. Making use of cookies, Yahoo! records aggregate user search data and presents a summary of top co-search activities on a stock summary page. Figure 1 presents a snapshot of the summary, and shows that people who search Google are also interested in Priceline (PCLN), Amazon (AMZN), Baidu (BIDU), Apple (AAPL), MasterCard (MA) and Netflix (NFLX). The data is dynamic and changes over time. Our study aggregates the dynamic changes of the co-search data of Russell 3,000 component stocks over four years (see Figure 2).

## Search clusters

Using network analysis approach, we identify 50 to 79 dynamic search clusters that represent common interests of investors.

The search clusters shown in figure 3 demonstrate characteristics of investment habitats that have been documented in previous finance research based on transactional data, for example, returns co-movement (stock price tends to move in the same direction in the same habitat with control of market factors). The research results show that a cluster is not necessarily formed simply by industry and other accounting fundamentals such as firm size or market-to-book ratio.

Google Inc. (GOOG) - NasdaqGS			
<b>694.59 +2.29 (0.33%)</b> 11:13AM EST - Nasdaq Real Time Price			
Prev Close:	696.88	Day's Range:	693.48 - 700.90
Open:	699.16	52wk Range:	556.52 - 774.38
Bid:	695.55 x 100	Volume:	757,187
Ask:	695.83 x 200	Avg Vol (3m):	2,868,230
1y Target Est:	798.35	Market Cap:	228.60B
Beta:	1.23	P/E (ttm):	21.80
Next Earnings Date:	18-Jan-13	EPS (ttm):	31.91
		Div & Yield:	N/A (N/A)

People viewing GOOG also viewed:  
PCLN AMZN BIDU AAPL MA NFLX

Figure 1: Example of aggregate search information of Google

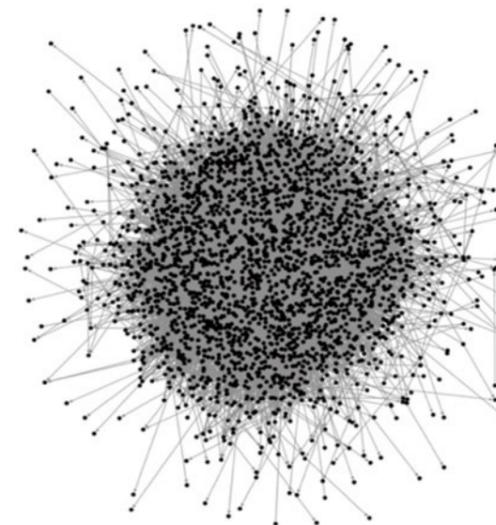


Figure 2: Co-search networks of Russell 3000 stocks in September 2011

A number of other reasons may influence investors' stock preferences, such as firm location, supply-chain relationship, or volatility, to name but a few. For example, Walmart may be frequently searched with Nike, Disney, and Home Depot. Aggregate search data may reveal the unique preferences of investors which may not be easily discovered using traditional finance theories.

## Arbitrage opportunities

The aggregate search data open up new avenues for research and investment opportunities. As some firms such as supply-chain partners are economically related to each other, the performance of partners is highly correlated. For example, strong sales of Hewlett-Packard (HP) PCs may positively affect the future performance of Intel, as HP is one of Intel's major customers. If the majority of investors are aware of the supply-chain relationship, the stock price of Intel should immediately be reflected if a sales announcement of HP is released. However, given that there are plenty of supply-chain partners, and investors have limited cognitive processing power, they may not always be aware of supply-chain partner news. In this case there is a delayed market reaction. This opens up an arbitrage opportunity.

We have identified supply-chain partners of all Russell 3,000 firms using Bloomberg, and find that the

aggregate search intensity on Yahoo! Finance can be a proxy of co-attention of investors to supply-chain related stocks. Formulating a portfolio that trades inattentive supply-chain partners with the highest extreme lagged stock returns, we find that it is possible to generate a portfolio with an annualised alpha of 20.77%.

The "also-search" feature of Yahoo! Finance was suspended in May 2015, and this investment opportunity may be privatised. Nevertheless, there are still abundant search data available on other financial portals, for example, Nasdaq.com. Also, aggregate search information is not just limited to financial portals but is also available through e-commerce sites such as Amazon and Taobao. This sort of information may help to forecast customers' demand for consumer goods and related products.

References:  
Leung, A.C.M., Agarwal, A., Konana, P., & Kumar, A. (Forthcoming). Network Analysis of Search Dynamics: The Case of Stock Habitats. Management Science. <http://dx.doi.org/10.1287/mnsc.2016.2470>

Leung, A.C.M., Agarwal, A., Konana, P., & Kumar, A. (Forthcoming). Co-search Attention and Stock Return Predictability in Supply-Chains. Information Systems Research.

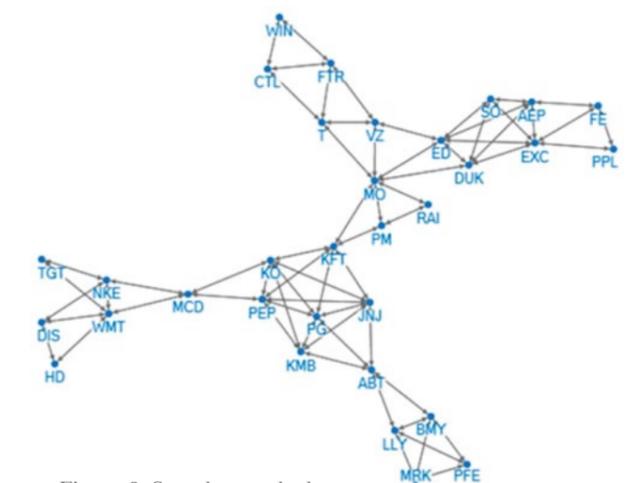


Figure 3: Sample search cluster

## College to roll out PPP Training Course at United Nations in Geneva

The College of Business is gearing up to launch its 10-day Training Programme on Public-Private-Partnerships (PPPs). The first phase of the programme will be delivered at the College of Business CityU campus in Hong Kong, followed by a second phase at the Palais de Nations, United Nations Office in Geneva, Switzerland.

"This is an exciting prospect where One Belt One Road policy can be studied in international contexts," said College of Business Dean, **Professor Houmin Yan**.

"Where better place to go than Geneva, which has been closely associated with the advancement of international understanding for the past 100 years?"

The programme will combine classes on topics such as Globalisation Strategy, Eastern and Western cultural values, Business laws in One Belt One Road, and perspectives on Public-Private-Partnerships, along with various field studies. In Geneva these will include meetings with Ambassadors to the United Nations, visits to the Olympic Headquarters, the World Trade Organization, as well as leading corporations.

The United Nations Economic Commission for Europe (UNECE) seeks to benchmark quality in the PPP field, and established an International PPP Centre of Excellence in 2012.

The International PPP Specialist Centre of Excellence for Public

Transport Logistics aims to galvanise PPP development in China. An initial MoU was signed between the United Nations Economic Commission for Europe (UNECE), and the National Development and Reform Commission of China (NDRC) in August 2015.

The centre is a non-profit entity, jointly established by CityU and Tsinghua University, and housed both in the College of Business of CityU and the School of Public Policy and Management of Tsinghua University. Faculty experts from the CityU PPP Centre will contribute to this training programme, which is expected to roll out early next year.



## Executive classroom naming ceremony

A College of Business executive classroom in Lau Ming Wai Academic Building has been named "EMBA Association Executive Classroom ( 蒼雋堂行政教室 )" in appreciation of the generous support and donations given by the [EMBA Association](#) to the University.

Supported by various members of the EMBA community, the naming ceremony held in September, was attended by **Ms Alvine Suen Yee-ming**, Chairlady of the EMBA Association (2014-16); **Mr Aley Chang Chi-hung**, the newly

elected Chairman of the EMBA Association; **Professor Way Kuo**, the University President; **Professor Matthew Lee Kwok-on**, Vice-President (Development and External Relations); and **Professor Houmin Yan**, Dean of the College of Business.

In his welcoming remarks, Professor Kuo thanked the EMBA Association for its continuous support and contributions to the University. In her speech, Ms Suen said that the primary aim of the EMBA Association Fundraising

Campaign was to raise donations for the development of the EMBA programme and the College. Donations could also be used for student scholarships, and sponsoring their participation in various community projects. Ms Suen ended by explaining the meaning of the Chinese name of the executive classroom: 蒼雋堂, which carries the hope of gathering all talents and experts, to work together in advancing the EMBA programme.



Ms Alvine Suen (fifth from left), Mr Aley Chang (fourth from right), University management, College Dean Houmin Yan and representatives

## College of Business alumni made Honorary Fellows of CityU



Dr Haywood Cheung (fourth from left), Ms Dilys Chau (fourth from right), other newly conferred Honorary Fellows, and presiding officers of the ceremony

Two College of Business alumni **Ms Dilys Chau** and **Dr Haywood Cheung** have been made Honorary Fellows of CityU in recognition of their distinctive contributions to the development of the University at a special presentation ceremony held in September 2016.

Ms Dilys Chau, Partner of Ernst & Young, obtained a BA (Hons) degree in Accountancy from CityU, and has since gained wide ranging experience in the accounting profession. Ms Chau is a former Court and Council member of the University, serving on a number of committees under the Council, and is now a Vice-Chairman of CityU Eminence Society. She is currently an Adjunct Professor of the College's Department of Accountancy. She received the CityU Chapter Honoree Award of the Beta Gamma Sigma Chapter

in 2011/12 and Distinguished Alumni Award in 2011. Ms Chau is a practising member of the Hong Kong Institute of Certified Public Accountants and a Fellow of the Association of Chartered Certified Accountants (ACCA). She is currently the Chairman of the Association of Christian Accountants and a former President of ACCA Hong Kong. She serves as a member of the Education Commission and Quality Education Fund Steering Committee. She is also a member of the current Election Committee of the HKSAR Government, representing the Accountancy Subsector.

Dr Haywood Cheung, Chairman and Executive Director of Target Insurance (Holdings) Limited, is an expert in the financial sector with over 30 years' experiences in metals trading, securities and futures brokerage and forex dealing. He is

a Permanent Honorary President of the Chinese Gold & Silver Exchange Society. After graduating from the College of Business with an Executive Master of Business Administration (EMBA), and Doctor of Business Administration (DBA), he has participated enthusiastically in alumni activities over the past few years, helping to boost alumni support for the University. He is a member of the Alumni Advancement Committee under the CityU Foundation, and has made generous donations to propel campus development. As Honorary Chairman of the EMBA Association Charity Trust, Dr Cheung has also taken the lead in soliciting donations for promoting the EMBA programme and funding students through scholarships. In appreciation of his longstanding support, Lecture Theatre 13 was named after the Cheungs as "Jennifer and Haywood Cheung Lecture Theatre".

## CB hosts first Business Career Fair

College of Business students had a valuable opportunity to explore future career options and meet with potential employers at a Business Career Fair held in September 2016. The fair, organised by the College Career Services Team, served as a platform for students to learn about the latest market information and job opportunities from industry professionals and company representatives.

**Professor William Wan**, Associate Dean (Research and Faculty), thanked all the business partners for participating in the fair. He hoped that the event could allow potential

employers to meet with students, and to learn about the recent developments of the College. From their side, the students could understand more about the various companies, and how best to present themselves to potential employers.

The College would like to express its gratitude to all those who participated. These included the Bank of China (Hong Kong) Limited, BDO Limited, China Construction Bank (Asia) Corporation Limited, Chiyu Banking Corporation Ltd., Citibank Hong Kong, Ernst & Young, Hang Seng Bank Limited,

Standard Chartered Hong Kong, The Bank of East Asia, Limited, and the Hong Kong and Shanghai Banking Corporation Limited. Participating technology companies included Hong Kong Broadband Network Limited, and Accenture Technology Solutions (HK) Limited. The retail sector was represented by A.S. Watson Group (HK) Limited, McDonald's Restaurants (Hong Kong) Limited, Pret a Manger (Hong Kong) Limited, and Techtronic Industries Co. Ltd. Property sector companies included Hopewell Holdings Limited and New World Development Company Limited, and garment industry company Crystal Group.



## Heart-warming concert shares positive message



The Department of Marketing celebrated the beginning of summer by inviting local band **De Tesla** to give a *CityU Special - Within 10 Mins Concert*, at the Wong Cheung Lo Hui Yuet Hall, CityU, in June 2016. The five-member band delivered a stunning two-hour performance, sharing real-life stories, and helping to spread a positive message to the many Diploma of Secondary Education (DSE) students present.

**Professor Way Kuo**, the University President, and **Professor Matthew Lee Kwok-on**, Vice-President (Development & External Relations) were among a group of faculty members who attended the concert. They were joined by **Professor Julie Li Juan**, Head of the Department of Marketing, **Dr**

**John Leung Wai-keung**, Associate Professor, **Dr Yanni Yan Mingping**, Associate Professor, and **Mr Alex Koy-siong Tham**, Senior Teaching Fellow.

Many business leaders including Hon Christopher Cheung Wah-fung, SBS JP, a member of the Legislative Council of Hong Kong, Mr Chan-wing Li, a veteran media and communication expert, Mr Fu Lin, CEO of Tibet Water Resources Holdings Ltd, Mr Albert Oung, Founder and President of the World Green Organisation, school principals and other honourable guests also enjoyed the concert.

Dr John Leung talked glowingly of the positive feedback: "Many DSE students and their parents came to the concert. The teenagers were

touched by the stories shared by the band, and also identified with their voice. I got the feeling that they would like their parents and society to hear more about these kinds of issues."

"The Marketing Department hopes to give inspiration to young people through these kinds of events. We hope audiences will feel empowered to work towards their dreams," Dr Leung added.

De Tesla is an independent local band, formed with a mission to spread positive energy through singing their songs and telling real-life stories — encouraging people to overcome challenges and adversities with courage.

## CB teams in Cyberport Top 10

College of Business students featured as two of the winning teams in the Cyberport University Partnership Programme (CUPP) 2016. The CB students impressed the judges with their project, Travel Maker (Forexchange), a platform connecting currency exchange stores to the general public, enabling users to find the best brokers for immediate currency exchange.

The CB Travel Maker team comprised Information Management graduates, **Jared Lam Chi-ki**, **Issac Liu For-chun**, **Wilson Lai Ka-wo**, and final year students **Cyrus Wong Tsz-chung**, and **Jason So Tak-chun** from the Department of Information Systems. A further CB student from

the Department of Economics and Finance, **Roy Hung Lok-bun**, joined up with other CityU students to create another award-winning project, B-route (ticket chain), a blockchain ticketing platform which allows customers to buy or resell e-tickets and create their own events.

All students attended a pre-camp training and the entrepreneurial boot camp at Stanford. Each of the ten winning teams were awarded a cash grant of HK\$100,000 and

shortlisted as candidates for the Cyberport Incubation Programme to turn their business ideas into reality.

The CUPP winners said, "We are so thrilled to have won in the Cyberport University Partnership Programme 2016! Thanks to everyone for all the support and help extended throughout the programme. We are especially grateful for the patience, critical input and valuable insights from the professors at the Stanford Graduation School of Business."



The Travel Maker team at the CUPP presentation ceremony

## EMBA students visit Yale for leadership training

A group of 57 students from the College of Business Executive Master of Business Administration (EMBA Chinese) attended an executive education programme held at Yale University in July 2016. Key

business and economic topics such as free trade between China and the United States, brand management, organisational leadership, corporate strategy and revolution, global investment and politics, etc. were

addressed in a series of lectures and sharing sessions delivered by world renowned academicians and business leaders.



## College Teaching Excellence Awards 2016

**Dr Yulin Fang**, Associate Professor of the Department of Information Systems, and **Dr Vikas Kakkar**, Associate Professor of the Department of Economics and Finance have been awarded the College of Business Teaching Excellence Awards 2016. Their citations are as follows:

**Dr Yulin Fang** is an enthusiastic teacher who emphasises the application of knowledge to practice. His unique “Case-Based Collective Reflection” encourages graduate students to reflect on their acquired knowledge in a professional context. Yulin has written many Asia-

based cases and distributed them through publishers such as Ivey and IMD, thus contributing to the global repertoire of business cases. His cases are often enriched by multimedia resources.

**Dr Vikas Kakkar** is an inspiring teacher who encourages an inquiry-based approach to learning. DEC elements are incorporated in each

and every one of his courses. Vikas puts students at the centre of the learning process, encouraging and empowering them to discover knowledge to the fullest extent possible. He has demonstrated an ability to motivate active learning by engaging students in interactive discussions, even in large classes.



Dr Yulin Fang (left) and Dr Vikas Kakkar

## College Research Excellence Awards 2016

**Dr Du Du**, Associate Professor of the Department of Economics and Finance, and **Dr Yangxin Yu**, Associate Professor of the Department of Accountancy, have been awarded the College

of Business Research Excellence Awards (CREA) 2016.

The CREA Selection Panel was favourably impressed by the high quality of work presented and

commended the awardees for their overall research excellence: “The two research excellence awardees of this year have very strong research achievements. They truly deserve this honour because of their significant contribution to world class research within a very short period of time. We believe their works will have strong impact on their respective fields, and they will consistently generate high impact research in their careers.”

A special note of thanks goes to our benefactor **Ms Jenny Chan** for her generous donation which has made the establishment of these teaching and research excellence awards possible.



Dr Du Du (left) and Dr Yangxin Yu

## Donation supports CB and financial market research

A donation ceremony was held in October 2016 to mark a generous endowment to the College by **Dr Xiezhong Chen**, Doctor of Business Administration (International) (IDBA) graduate 2016, and Chairman of Zhejiang Yamei Chengda Investment Management Co., Ltd, a financial consultancy company in Zhejiang Province, China.

In his opening remarks, **Professor Houmin Yan** noted that the IDBA had been successful in attracting a high calibre of students over the years, and was gaining a reputation for the high quality of its research outputs. Professor Yan thanked Dr Chen for his contribution to the

programme and College and wished him every success in his ongoing career.

In reply, Dr Chen said it had been a great honour to study in Hong Kong, a place where financial development was so dynamic. Noting that research was an important aspect of such development, his donation had a threefold aim: to support College of Business faculty academic and social activities; to support the CB faculty development top-up fund; and to support research in financial markets, bonds and stocks in the Department of Economics and Finance.

**Professor Junbo Wang**, Department of Economics and Finance, commended Dr Chen for the hard work he had put into the IDBA, and said he was delighted to have achieved such positive results with his first batch of IDBA students.

The IDBA programme has been offered in collaboration with the School of Management, Fudan University since 2010. The programme caters to CEOs and senior executives as well as entrepreneurs from leading companies in the areas of investment/banking, property, trading, IT, manufacturing and law, etc.

Dean Yan presents a certificate of appreciation to Dr Xiezhong Chen (right)



## CB duo win Gold and Bronze



In an extraordinary double, BBA Management Sciences student **Tsz-fung Yip**, and Economics and Finance student **Chi-him Wong**, won the gold and bronze medals at the 9<sup>th</sup> World University Squash Championships, held in Kuala Lumpur in September 2016.

In the final, Tsz-fung, the tournament's top seed, put in a commanding display to win in straight games 11-3, 11-9, 11-4 against second seed, Malaysia's Ivan Yuen. This was the first time that the men's gold medal has been won by a Hong Kong player in the event's 20-year history.

"I feel very happy about winning the game. It was going well. I am satisfied with the way I maintained my focus throughout the match, and didn't let it slip away," said Tsz-fung. He is world-ranked 44 and is one of three Hong Kong squash players currently inside the Professional Squash Association's world top 50.

Chi-him lost to his CB colleague in the semi-finals, but claimed the bronze medal.

"Before the tournament, I put myself under pressure because I wanted to be on the awards stage," he said. Both players are members of the Hong Kong Sports Institute where

they follow an intense training schedule with ten sessions per week.

"I am grateful for the flexibility shown by the university in terms of course and exam arrangements, so that it's possible to manage life as a full-time squash player," said Chi-him.

They see the Asian Games in two years' time as a target, and hope to achieve good results there. A little pressure can certainly pay off. Congratulations to Tsz-fung and Chi-him on their extraordinary achievement!

## Eye-opening Internet+ study tour

A group of 22 undergraduate students from the Department of Information Systems went on a summer study tour to learn more about Internet+. The regional tour took in five cities — Seoul, Beijing, Shanghai, Hangzhou and Shenzhen — in 29 days. Generously subsidised and supported by the department, the tour has drawn much positive feedback from the participants.

Guided by **Dr Terence Cheung**, Assistant Professor of the Department of Information Systems and the Programme Leader of the BBA in Information Management, a group of five student representatives planned the expedition, and arranged visits to more than 20 corporates in the five cities. The study tour aimed to increase students' international exposure, and give the opportunity to learn about operation and management practices in various companies, especially in e-commerce and internet industries.

Dr Cheung commented: "Internet+ is prominent and upbeat in industry right now. There is a phenomenal growth in business companies, both locally and in China. I hope our students can learn more about how these companies succeed, and how to create more business in the Internet+ era." The study trip included visits to many well-known corporates such as Alibaba Group, Tencent, Sina, Xiaomi, JD.com, etc. Students also toured offices in Qianhai, to learn about incubation projects led by young entrepreneurs in mainland China.

**Chloe Ho Ka-ye**, one of the student representatives organising the study tour, was delighted to see the department's support for the trip, "We are very thankful to have this study tour. We were inspired by the company visits, and they have really helped us keep abreast of the latest market trends. After each visit, we would discuss with our teachers, to consolidate what we have observed and learned."

Another participant, **Darren Deng Yansheng**, felt that the visits to Tencent and Alibaba were the most memorable. "I was impressed by how fast these companies react to new ideas. There is no hierarchy in the office — whoever has a new idea can propose to the team instantly. If the idea is accepted, they will work on it, and then launch to market. They respond to changes very fast and efficiently."

Both Chloe and Darren were fascinated by the surge of new projects and companies in China, and are considering launching their own startups in the future.

"The trip was an eye-opener. Everyone can start their own business with a good idea. There are a lot of resources and support from the government for new startups, and many opportunities out there in China," she said.



## Department of Economics and Finance hosts Annual SoFiE Conference at CityU

The Department of Economics and Finance and the Global Research Unit co-organised the 9<sup>th</sup> Annual Society for Financial Econometrics (SoFiE) Conference at CityU in June 2016. Sponsored by the Hung Hing Ying and Leung Hau Ling Charitable Foundations, the four-day conference attracted over 140 local and overseas researchers from major research institutions, and discussed a series of compelling issues related to current financial econometrics.

**Professor Yin-wong Cheung**, Founding Director of the Global Research Unit and Hung Hing Ying Chair Professor of International Economics at the Department of Economics and Finance, together with other local organising

committee members, **Professor Giorgio Valente** and **Dr Daniel Preve**, Professor and Assistant Professor from the Department of Economics and Finance respectively, and Dr Yingying Li, Associate Professor of The Hong Kong University of Science and Technology, contributed a tremendous effort to make the conference successful.

Keynote speakers included: Professor Francis X. Diebold, Paul F. and Warren S. Miller Professor of Economics, The Wharton School of the University of Pennsylvania; Professor René Garcia, Professor, EDHEC Business School; Professor Harrison Hong, John Scully '66 Professor of Economics and Finance, Princeton University;

Mr Michael McCracken, Assistant Vice-President, Federal Reserve Bank of St. Louis; Prof Per Mykland, Robert M. Hutchins Distinguished Professor of Statistics and Finance, University of Chicago; Professor Olivier Scaillet, Professor of Finance and Statistics at the Geneva Finance Research Institute of University of Geneva and Senior Chair at Swiss Finance Institute; Professor Hao Zhou, Unigroup Chair Professor and Associate Dean at PBC School of Finance, Tsinghua University; and Mr Leong Cheung, Executive Director, Charities and Community, The Hong Kong Jockey Club.

The Society for Financial Econometrics (SoFiE) is a global network of academics and practitioners dedicated to sharing research findings and ideas in the field of financial econometrics. SoFiE is an independent non-profit organisation, committed to promoting and expanding research and education by organising and sponsoring conferences, programmes and activities relating to the topic of finance.



Professor Francis X. Diebold, one of the keynote speakers at the SoFiE Conference

CityU College of Business  
**EMBA**  
*the Elite*



**Finding New Strength,  
Soaring High**



**Christopher W.F. CHEUNG (張華峰)**

2007 EMBA Graduate  
CEO, Christfund Securities Ltd  
LegCo Member (Financial Services)  
Member, The National Committee of CPCC

"CityU EMBA — Experiencing Learning in Teamwork Environment."



**LI Chan Wing (李燦榮)**

2007 EMBA Graduate  
Current DBA Participant  
Director, U.C.W. Consultant Ltd.  
Veteran Media Professional

"一小時賺最多是演講；一天賺最多是拍廣告；一年賺最多，是讀了城大EMBA。"



**Dr Haywood CHEUNG (張德熙)**

2012 EMBA Graduate  
2014 DBA Graduate  
Permanent Honorary President, The Chinese Gold & Silver Exchange Society  
Chairman, Target Insurance (Holdings) Ltd.  
President, The New Territories General Chamber of Commerce

"讀完EMBA後，我在作出重要決定時，比以前更有自信。"



**L C HO (何麗全)**

2014 EMBA Graduate  
Veteran Media Professional

"一段奇妙的學習過程 ~ 由城大EMBA開始重新燃起追求學問的樂趣，而每次上課後都有一個強烈的感覺：「聽教授一席話，勝讀十年書！」"



**Venus CHOW (周嘉儀)**

2015 EMBA Graduate  
Associate Director, Business Development, China Industrial Securities International Brokerage Limited

"修讀EMBA，讓我擴闊視野，打破傳統思考框框，啓發全面而多元的思維模式。"



**CHENG Ka Ho (鄭家豪)**

2015 EMBA Graduate  
Senior Business Development Manager, Hopewell Holdings Ltd.  
HK Ten Outstanding Young Persons (2009)  
Wushu World Champion (1999, 2003 & 2005)

"休息是為了走更長的路，轉型是為了歷練不同的徑，學習是為了踏好腳下每一步……"



**Anthony LAM (林世豪)**

2015 EMBA Graduate  
Current DBA Participant  
Managing Director, Golden Resources Development International Ltd.

"城大EMBA課程設計把理論和企業實際情況作平衡分析，可以給現職行政人員一個切實的平台改進個人思維和企業文化。"



## COMINGS

We welcome our new faculty who joined us between April 2016 and August 2016.



**Dr So-yeon Kwack**  
Assistant Professor  
Department of Accountancy

Dr Kwack received her PhD in Accounting from Temple University and MBA from the University of Michigan, Ann Arbor. Before joining CityU, she worked in the Financial Controls Department at HSBC Korea for four years, where she carried out financial reporting and internal control work. Her primary research interest is in corporate governance, including executive compensation, audit committees, and top management teams.



**Dr Hongseok Choi**  
Assistant Professor  
Department of Economics and Finance

Dr Choi received his PhD in Economics from the University of Pennsylvania. For undergraduate studies he went to Seoul National University, where he received a BSc in Physics and a BA in Economics. His research interests are asset pricing, portfolio choice, and decision making under ambiguity.



**Dr Wonsang Ryu**  
Assistant Professor  
Department of Management

Dr Ryu received his PhD in Strategic Management from Purdue University. Before his doctoral study, he obtained his master's degree in Statistics from Stanford University and BA in Economics from Yonsei University. He has also worked at Accenture Strategy Group and Monitor Consulting as a strategy consultant. His current research mainly focuses on competitive dynamics in R&D alliances.



**Dr Jing Wu**  
Assistant Professor  
Department of Management Sciences

Dr Wu received his PhD in Business Operations from the University of Chicago Booth School of Business, where he also received his MBA. His research interests include supply chain management, interfaces between operations and finance, economic networks, and asset pricing. Prior to joining CityU, he was a quantitative strategist at Deutsche Bank in New York and a business analyst at McKinsey & Co in Shanghai. Dr Wu obtained his bachelor's degree in Electronic Engineering from Tsinghua University.



**Dr Wenfeng Wang**  
Assistant Professor  
Department of Accountancy

Dr Wang received his PhD in Accounting from the University of Maryland College Park. His current research focuses primarily on how financial reporting quality affects resource allocation efficiency in the economy, and the determinants and consequences of an audit market structure.



**Dr Kyoung-yong Kim**  
Assistant Professor  
Department of Management

Dr Kim received his PhD in Management from the University of Houston. His research interests include strategic human resource management, employee-employer relationships, and leadership. His work has been published in academic journals such as the Journal of Applied Psychology, Journal of International Business Studies, and Journal of Organizational Behavior, among others.



**Dr Zhankun Sun**  
Assistant Professor  
Department of Management Sciences

Dr Sun received his PhD in Statistics and Operations Research from the University of North Carolina Chapel Hill. Before his doctoral study, he obtained his BE in Industrial Engineering from Tsinghua University. His research interests are within the area of modeling, analysis, and control of stochastic systems. He is particularly interested in applications that arise from healthcare operations.



**Dr Huazhong Zhao**  
Assistant Professor  
Department of Marketing

Dr Zhao received his PhD in Marketing from the University of Florida. He obtained his master's and bachelor's degrees from Oxford University and Tsinghua University. His research focuses on advertising, digital entertainment and social media strategies.

## GOINGS

We extend all best wishes for future happiness, professional fulfilment and prosperity to faculty who left us during the same period.



**Professor Kwok-kee Wei**

The College of Business bids a fond farewell to Professor Kwok-kee Wei, *Chair Professor in the Department of Information Systems*, and our previous *Dean of the College of Business (2007-2012)*. KK led the College in an era of great expansion and success. Under his leadership Hong Kong Government research grant awards nearly doubled, and there was a near 25 percent increase in SSCI/SCI publications, helping the College move up more than 30 places in the UTD business school research rankings. During his time, the International DBA (IDBA) was launched, CB's Centre for Advanced Business Research and Executive Education (Shenzhen) was opened, and CB attained EQUIS 5-Year accreditation for the first time. KK's achievements were recognised when he was presented with the LEO Award for Lifetime Exceptional Achievement in Information Systems, by the Association for Information Systems (AIS) in 2015. We thank KK for his exceptional contribution to the College over the years, and wish him the very best for his future endeavours.

**Professor Kin-keung Lai**  
Chair Professor  
Department of Management Sciences

**Dr Yue Zhang**  
Assistant Professor  
Department of Accountancy

**Professor Paul Benjamin Lowry**  
Professor  
Department of Information Systems

**Dr Hao Zhang**  
Associate Professor  
Department of Accountancy

**Dr Reuben Mondejar**  
Associate Professor  
Department of Management

**Dr Aurelia Mok**  
Assistant Professor  
Department of Management

**Dr Joseph Atkins Johnston**  
Assistant Professor  
Department of Accountancy

**Mrs Teresa Hou Ng Kit-ye**  
Assistant Professor  
Department of Management Sciences

**Dr Yupeng Lin**  
Assistant Professor  
Department of Accountancy



# Alumni Class Notes

Share your news with classmates and CB alumni! Tell us about the highlights of your year – family, career, accomplishments, and interests. We will publish your updates in the "Class Notes" section of City Business Magazine and on the CB Alumni website.

Simply submit your information (name, major, graduation year) and your news to us on:



Don't forget – you can attach photos with your write-up.



**Hon Christopher Cheung Wah-fung**, SBS, JP, EMBA'07, has been re-elected as a member of the Sixth Legislative Council of the HKSAR representing the financial services constituency. Holding a key post in the Legislative Council as one of the lawmakers, he has been tireless in representing the financial services industry, as well as the wider public interest. Christopher is an experienced stockbroker, having founded Christfund Securities Limited, and serves as its Chairman.



**Annie Wong**, BBA Marketing'08 is working in the communications department of charitable organisation Po Leung Kuk. Before that, she took a gap year traveling in Germany and enjoyed seeing the world and – in the process – discover more about herself.



**Zoe Wong Sau-lai**, BBA Electronic Commerce'13, is owner of Kami Hair and aspires to bring hope to the follicly challenged through her expertise in providing medical tailor-made wigs. She started in the business ten years ago, and has decided to dedicate her life to this career. Over the years, Zoe has helped some 13,000 clients. She delights in witnessing their smiles as they embark on their lives with renewed zest.

**Castiel Kie Kwun-ping**, BBA China Business'14, is co-founder and CEO of All-in-One and also a founding member of the China Business Strategic Alliance. Castiel and his partners won a HK\$100,000 grant from the Cyberport Creative Micro Fund for All-in-One, an online FinTech platform that allows insurance, agents to promote their business products. His startup story was reported by TVB news and ViuTV. Castiel is active in the wider startup community and hopes to become a game changer in the FinTech world.



**Samson Lee Lai-ting**, BBA China Business'14, is currently working as a Marketing Director at Chi Fung International Group Ltd, a company that specialises in the cosmetic trading business. Samson has been appointed Executive President of the International Beauty & Health General Union, which aims to build relevant training and educational courses as well as providing certifications for its graduates. He is also a board member of "Education Bureau Qualifications Framework – The Beauty and Hairdressing" Industry Training Advisory Committee.

會馬堂行政教室命名典禮  
ASSOCIATION EXECUTIVE CLASSROOM NAMING CEREMONY  
2016



**Adam Lee Yat-keung**, EMBA'10, Managing Director, Head of Greater China, Kingsway Financial Services Group Limited, is a retired athlete with over 20 years' experiences in the Hong Kong financial markets. Adam has successfully transformed his career from sports to the financial industry. He now voluntarily serves the Hong Kong Athletes Career & Education Programme Committee, supporting retired athletes in their pursuit of re-education and new career paths. He especially thanks his role model, Dr John Leung, Programme Director of CityU EMBA, for inspiring Hong Kong youngsters in their ability to transform themselves.

**Marcus Chan Wing-hong**, BBA Business Economics'11 (second left), maintains a precious friendship with his three CityU friends Calvin, Nicky and Ka-chun, who were on exchange together in Sweden in 2010. The group most recently met up in August to share their latest news.



**Kringle Kezz Uy Ho**, BBA Marketing'12, is working as a Senior Communications Officer at Veolia China Holding Limited. In pursuing a career in corporate communication in a multinational company, she appreciates the beauty of cultural diversity. She is interested in how emerging digital trends and cultural elements come into play in the evolution of everyday communication, and enjoys exploring various digital channels for company brand building and client engagement.

**VEOLIA**  
RESOURCING THE WORLD  
資源再生 生生不息

The world is growing, it craves for new resources. The linear "take-make-disposal" consumption model is no longer sustainable. Veolia, an expert company committed to the environment, provides an array of solutions related to water, energy and materials – with a focus on waste recovery. By assisting cities and industries to manage their waste, we recover, preserve and replenish precious resources. We are promoting the transition towards a circular economy.

世界在增長，同時需要更多的資源去支撐。傳統的「取-製-棄」的線性消費模式已經無法再持續下去。威立雅憑藉其在環境管理方面的專業知識，為城市及工業提供一系列解決方案，透過回收廢物，保存及補充寶貴資源。我們正積極推廣一個循環經濟。



**Raymond Wong Wai-wing**, EMBA'14, is Chief Operating Officer of Nameson Holdings Ltd. Nameson is one of the leading knitwear manufacturers in mainland China, supplying quality knitwear products to internationally renowned apparel brands. Believing the garment industry to be an evergreen sector, albeit with challenges ahead, Raymond incorporates cutting-edge technologies into the manufacturing sector and aims to nurture young talents. Revolutionary management reform initiatives and innovative operational advancements have driven the company into a new era. Raymond was presented with The Hong Kong Young Industrialist Award of by The Federation of Hong Kong Industries in 2015.



**Jerry Zhang Chi**, BBA Electronic Commerce'14, is working for Facebook Hong Kong as a Client Solution Manager, E-commerce, for Greater China. He enjoys the working environment embracing its freedom, creativity, innovation and diversity. Jerry is thankful for what he has learnt in CB and aims to be always bold and think big in life.