



College of Business

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# CITY BUSINESS Magazine



香港城市大學  
City University of Hong Kong

College of Business

*Weaving a  
Sustainable Future*

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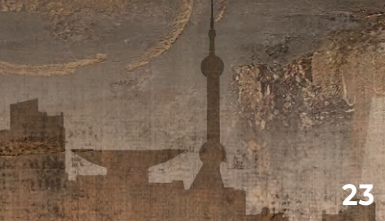
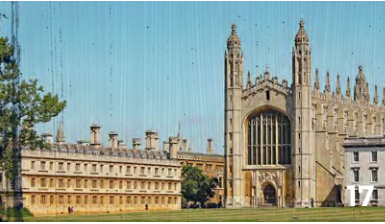
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WELCOME TO OUR NEW FACULTY

From the Dean



Weaving a Sustainable Future

Disruption is all the rage these days. Yet even the most dramatic innovations are rooted in the hard work of the past. On our cover, the familiar modernist skyline of Hong Kong is rendered as an intricate textile. As AI accelerates, we pose the question: How are we to weave sustainability into our future?

We have various responses to this question from leading practitioners spanning academia and industry. Professor Haiyang Li, of Rice University, Texas, and CB alumnus, takes the big picture and describes a future of flattening hierarchies where corporates increasingly adopt open innovation. Diversity of opinion and standpoint is implicitly the advantage as companies source ideas across their workforces, externally, and beyond the traditional preserve of in-house R&D.

Teresa Yang, Vice Chairman of Esquel Group, and member of our College International Advisory Board, has promoted inter-industry “Integral Conversations,” for more than a decade. Here, a leading strategy has been open innovation: to solicit a wide range of viewpoints, beyond not only the company, but also the textile sector, in introducing innovative and sustainable practices.

For CB alumna Professor Helen Bao of Newnham College, Cambridge, academic freedom is key to fostering innovation. Such freedom is cultivated in the Cambridge University ecosystem which proffers a valuable dual affiliation — to both College and University. Intellectual curiosity flourishes in the more relaxed collegiate environment and mixing with colleagues from across the University offers wider perspectives beyond the rigours of department and faculty.

Universities are edging ever closer to market and commercial goals, and academics may feel torn between their identity as researchers and entrepreneurial expectations. Professor Joohyung Kim of the Department of Management, takes a novel tack, considering the individual psychological experiences of researchers who are being encouraged to adopt this new approach.

As part of our ongoing outreach to the Greater Bay Area, Professor Michael Wong, shares insights from the Global EMBA Master Class delivered in Shenzhen, offering a Roadmap for Chinese Enterprises identifying critical challenges and the changes that need to be made to prioritise international expansion.

Finally, I am pleased to report that CB has achieved a further 5-year AACSB accreditation extension, the latest in a continuous run that dates back to 2006. I would like to take a moment to express my heartfelt gratitude to all advisory board and committee members, faculty, staff, students, and alumni for your hard work and commitment during the AACSB Peer Review Team’s visit in November 2024. Your dedication made this achievement possible.

I do hope this issue of City Business Magazine encourages us all to think about the best way forward, and to talk realistically about the benefits and possible pitfalls of the technology of our time.

City Business Magazine takes a fresh look at breaking global business issues. We showcase the achievements of our faculty, students, alumni and distinguished guests. Established in 2014, we reach some 60,000 alumni, international partners, and corporate stakeholders in hard and soft copy.

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**Professor Kalok Chan**  
Dean  
College of Business



# A Year of Strategic Transformation

The College of Business has experienced a year of significant strategic advancement focused on innovation, international collaboration, and societal impact. City Business Magazine Editor Eric Collins talked with the Dean, **Professor Kalok Chan** to find out more.

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## Embracing the AI Revolution

The first year of Dean Kalok Chan's tenure coincided with the rapid advancement of artificial intelligence. The College of Business (CB) is actively embracing AI in education, allowing students to utilise tools like ChatGPT for information gathering, while emphasising the crucial role of critical analysis and independent thought.

"AI is a tool, not a replacement for critical thinking," says Dean Chan. "We would rather embrace it allowing our students to gather information, but it is not a substitute for intelligent selection, analysis, and crafting of argument on the part of students."

This shift reflects a broader understanding that future professionals will need to collaborate effectively with AI, rather than being replaced by it. CB plans to bolster this approach with the launch of a new master's programme in AI in Business, focusing on the practical application of AI across various business disciplines.

Meanwhile, the evaluation of students' written work remains an area in progress. Whilst acknowledging the challenges posed by AI to traditional assessment methods, the Dean highlights the need for a diversified approach that includes in-class discussions, independent assessments, and appropriate examinations.

"We need to develop assessment methods that go beyond AI's capabilities, focusing on analytical and communication skills."

This kind of proactive adaptation positions CB at the forefront of business education in the age of AI.

## Redefining Business Models and Cultivating a Culture of Creativity

Dean Chan stresses the importance of fostering innovation within the business school, recognising that innovation extends beyond product design to encompass the creation of entirely new business models.

"Our students need to develop a creative and critical mindset, capable of analysing complex information generating practical solutions and working with business models," he says.

To cultivate this innovative spirit, CB is creating opportunities for students to engage with real-world business problems, interact with industry leaders, and collaborate in team settings. This includes participation in open competitions, which broaden perspectives and encourage innovative thinking. The College is also exploring the implementation of shorter, more applied courses, particularly within the realm of Executive Education, including the recently established Business Innovation Education hub, to provide agile responses to the rapidly evolving needs of the corporate sector. This approach reflects a commitment to providing relevant and timely skills development for both students and working professionals.

## Global Reach for Diversity of Thought

International collaboration forms a cornerstone of CB's strategic vision. The recent signing of an MOU with Cambridge University's Department of Land Economy and Judge Business School represents a significant step in this direction. This collaboration aims to facilitate student exchanges, faculty collaborations, and joint research initiatives, providing students with exposure to diverse perspectives and broadening their global outlook.



“We envision further collaborations and joint research initiatives to create a truly global learning environment,” says Professor Chan.

This international focus extends to student recruitment, with CB actively seeking to attract students from various international backgrounds, including hitherto untapped Asian markets, further enhancing the diversity of thought within the College. The existing strong alumni network, comprising over 60,000 graduates, is also viewed as a crucial asset in expanding international partnerships and providing mentorship opportunities for current students.

#### Strengthening the Alumni Network

The College of Business recognises the immense value of its extensive alumni network, spanning Hong Kong, Mainland China, and various international locations. Dean Chan emphasises the importance of strengthening these connections, not only for mentorship and networking opportunities but also for fostering collaborations in research and thought leadership.

“Alumni engagement is crucial for maintaining a strong link between the academic world and business practice,” he says.

The College is actively engaging with alumni, particularly those from its EMBA and DBA programmes, to leverage their expertise and experience in contributing to teaching, research, and societal impact initiatives. A particular goal is to ensure that the College’s curriculum remains relevant and responsive to the evolving needs of industry.

#### Research and Collaboration

Dean Chan firmly believes in the importance of societal impact for business schools. He highlights the College’s commitment to engaging with the business community, NGOs, and the government

to address pressing societal challenges. This engagement is facilitated through research collaborations, such as the planned establishment of Gen AI for Business Lab, which aims to tackle essential business problems with industry partners. The College’s research extends to other areas of societal impact, notably sustainability, where faculty members are conducting research and collaborating with various stakeholders to address environmental and social issues. Amongst these are some of Hong Kong’s leading financial institutions.

“The university has recently signed an MOU with the Hang Seng Bank, and we are going to co-offer an MBA course sustainable finance with the Hang Seng Bank as part of the deal.”

The partnership with Hang Seng Bank, further illustrates CB’s commitment to collaborating with industry to address real-world challenges whilst contributing to societal progress.

#### Data-Driven Approach Balanced with Conceptual Thinking

While acknowledging the growing importance of data-driven and evidence-based approaches in business, particularly with the rise of AI, Dean Chan stresses the continued relevance of conceptual thinking.

“Students need a strong conceptual framework to guide their inquiries, enabling them to formulate insightful questions and effectively utilise AI tools to gather and analyse relevant data,” he says.

“So, the students definitely need to have a general framework of understanding, and then to be able to really to ask sensible questions.”

The ability to discern meaningful information from the vast amount of available data remains a crucial skill, requiring a balance between data analysis and critical thinking. This balanced

## College of Business Alumni Homecoming

2 November 2025



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approach ensures that CB graduates are well-equipped to navigate the complexities of the modern business world.

#### Work-Life Balance

Dean Chan readily recognises the importance of work-life balance, particularly for younger generations.

“I enjoy doing the work and sometimes I find myself thinking about a piece of work, even during weekends. As long as you enjoy doing it, you don’t really find that it is real stress.”

“Still, I’d emphasise the importance of maintaining a healthy work-life balance. People need peaceful weekends!”

This commitment reflects a broader understanding of the importance of well-being in fostering a productive and fulfilling academic environment.

#### Vision into Practice

Professor Chan’s first year as Dean has been marked by a focus on innovation, international collaboration, societal impact, and strengthening the relevance of the business curriculum in the College environment. This proactive embrace of new knowledge, the strengthening of alumni relations, and the commitment to impactful research all contribute to a College of Business which is well positioned to help shape the future of business leadership in these transformative times.



# Innovation in the 21st Century

## A Conversation with Professor Haiyang Li

*Interview by Eric Collins*

**Professor Haiyang Li** is H. Joe Nelson III Professor of Strategic Management & Innovation, Jesse H. Jones Graduate School of Business, at Rice University, Houston, Texas. Professor Li gained a PhD from City University of Hong Kong and is a recipient of the College of Business Distinguished Alumni Award. City Business Magazine caught up with Haiyang in Cambridge and talked about change around flattening hierarchies, the disruption myth, and the future of a market-oriented university.

**We last talked about corporate innovation in 2018. What has happened in the last six years?**

There have been many changes. Business model innovation stands out, particularly with the emergence of online businesses driven by digital technologies. Generative AI is another significant shift, providing tools that enable organisations and individuals to innovate in ways previously impossible. It's transforming how problems are approached and how organisations can be run. A third trend, not entirely new but increasingly adopted, is open innovation.

**Could you define open innovation for us?**

This involves leveraging ideas from both within and outside an organisation. Traditionally, innovation was confined to R&D or technology teams. Now, many companies allow ideas to flow from anyone, including external contributors. So,



to take one example, Proctor and Gamble (P&G) has reduced its R&D investments but increased innovation outcomes by sourcing ideas from consumers and experts outside the company.

NASA is another example. While core technologies may be kept private, open innovation happens in areas like space life science (e.g. astronaut food or clothing). These are places where external expertise contributes. It's about managing the innovation process to leverage outside resources without compromising sensitive data. With the growth of digital technologies, open innovation will become more relevant and important for organisations.

**But managing data privacy around core technologies must be challenging?**

True. But even in advanced fields like AI, you see collaboration between organisations. For example the Stargate project, announced in 2025, is a joint venture created by OpenAI, Softbank, Oracle, and investment firm MCX. Rarely does one company develop advanced technologies alone. I think the issue here is co-developing technology innovation. But the geopolitical environment can add complexity, particularly for multinational companies which might hesitate to innovate in certain countries. For instance, in China in the early 2000s, General Electric's Shanghai Innovation Center adapted products for the local market and gained valuable insights. However, partly due to geopolitical tensions, it was shut down despite its success.

**■ Flattening Hierarchies**

**So, how effective is innovation within companies?**

It can be very effective, and it aligns with the

principles of open innovation. For example, more than 10 years ago, I went to visit Haier, a Chinese home appliance company, and in one building they had a huge banner saying, "Everybody can become a CEO." In Haier, employees across different levels are empowered to identify problems independently, form cross-functional teams, and develop innovative solutions, with performance evaluated on project involvement and revenue generated. This structure transforms employees into intrapreneurs, driving innovation from within the company.

Companies are reducing hierarchies to foster innovation. In the past, bureaucracy has made innovation less effective in some large organisations, think of Kodak or Nokia. Middle management can sometimes impede the flow of innovation ideas from frontline employees to the top. Nowadays, leaders like Elon Musk are advocating flatter structures to improve efficiency and communication.

**■ The Disruption Myth**

**Will disruption remain central to innovation?**

Disruption is often misunderstood. It refers to innovations that make incumbent firms irrelevant, not ones that outright destroy them. For example, Kodak wasn't "killed" by digital photography but became obsolete because it failed to adapt when the industry was shifting from film to "filmless."

Labeling oneself as a disruptor can be risky, as it provokes resistance from incumbents. Effective innovation grows markets rather than targeting existing players directly. If you really want to have an innovation culture, it's not about what kind of terminology you are using, it's more about developing a process.



### What about the relationship between corporate culture and innovation?

Culture is critical but not necessarily CEO-driven. For example, 3M has been consistently innovative, but how many times have you heard of the CEO's name? Meanwhile, companies like Google or Apple rely heavily on visionary CEOs. A CEO-driven innovation is less sustainable because leadership changes can disrupt progress. If you want an innovation culture, it's less about technology itself and more about developing processes that foster innovation. 3M's innovation culture is reflected in its institutionalised process for fostering innovation.

### When asked on how to innovate, Elon Musk has responded: Challenge authority.

Challenging authority isn't about disruption for its own sake. It's about doing things differently and improving existing systems. For instance, IBM dominated the computer industry in the 1960s, but later it was overtaken by companies such as Compaq, HP and Lenovo. Because of the change in the rules, that is, from mainframe computers to PCs, these companies overtook IBM by offering better alternatives, not by directly challenging it. Competition is about creating better value, not destroying incumbents.

“Innovation is not about disruption but about doing things differently”

### So, disruption doesn't necessarily suggest progress?

That's exactly the point. I don't like the word “disruption” because it's a little bit misleading. An innovation cannot be preemptively labeled as

“disruptive” before it has proven its market impact. Disruption is not a predetermined characteristic, but an outcome determined solely by market response. In my view, innovation is not about disruption but about doing things differently, creating unique value propositions, addressing unmet client needs. Disruption is not a strategy but a potential consequence of successful innovation. Successful innovators concentrate on competitive differentiation and value creation, allowing market dynamics to validate their approach.

### China's Rise in Innovation

#### How innovative are Chinese companies?

It's a very interesting question and to answer it is important to ask: How to define “being innovative” or “innovation capability”? Are we able to compare innovation capability across companies, industries, or countries? A widely used measure of innovation capability is the number of patents. However, the number of patents alone isn't reliable because it varies by industry and country. The quality of patents also varies.

My recent research<sup>1</sup> develops a new measure of innovation capability by addressing both the issues of patent quantity distortion and patent quality variation. By using this new measure, my study compares innovation globally using US and European patent data from 1983 to 2017 across 22 manufacturing industries. China excels in computers, electronics, optical products manufacturing, and electrical equipment manufacturing but is average or below in other sectors. The US is also not necessarily ahead in other sectors. At the firm level, I believe that Chinese firms lead in some areas, for example they are way ahead in electric vehicles, but face

challenges moving from imitation to leadership.

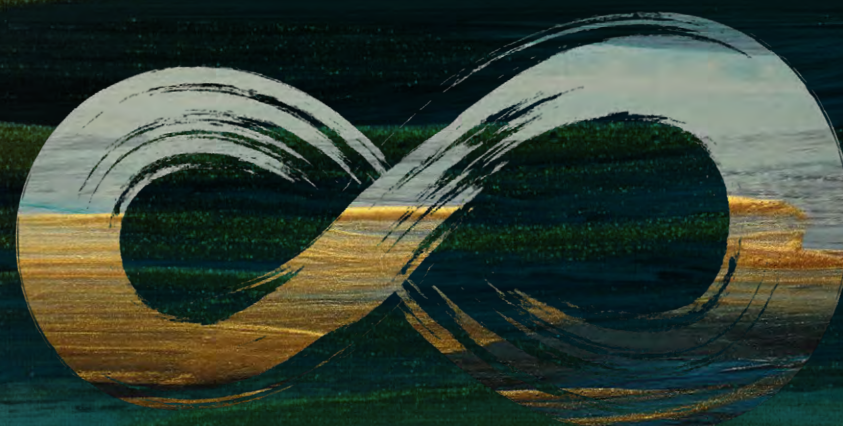
Knowledge accumulation is a factor. Leading requires a strong foundation, which China lacks in fields like AI, compared to the US, where generations of research laid the groundwork for recent breakthroughs in AI. However, things may change over time because of AI and machine learning.

### The Power of Imagination

#### Do you see a distinction between data-driven R&D and conceptual innovation?

Both have value. Yesterday I was visiting the National Gallery in London with my son, and we were looking at the different kinds of paintings, some incredibly innovative such as Picasso's cubism. Without imagination it's very hard to make breakthrough innovations. Conceptual innovation requires imagination while data-driven R&D can refine ideas. Education needs to balance teaching fostering creativity and data analysis, as breakthrough innovation often combines both.

“Without imagination it's very hard to make breakthrough innovations”



### Will AI take over the creativity role?

AI is just better, more advanced technology. So, it will help us a lot by augmenting our intelligence. We will do a lot of amazing things with it, but humans will still play a very important role because we have the imagination. We will have to decide how to use AI to innovate and improve our life.

But this is a very hard question because of the “I” in AI. How intelligent can these things be? There are a lot of uncertainties. I hope we can develop AI in a safe, ethical, and legitimate way. If we look at previous innovations, Microsoft Excel for example can compute very fast, but it hasn't eliminated what we are doing. Humans are learning very fast, as fast as AI I would say. So, there's still a place for humans because of the emotional thing, the social and the imagination.

### Driving Innovation: Science Parks

#### What role do science parks play?

Science parks, or technology clusters in general, are vital for startups, offering tax benefits and infrastructure. They can also attract service intermediaries such as venture capitalists, legal services, and headhunters, which are crucial for startups' growth.

About 30 years ago, Professor Annalee Saxenian from UC Berkeley published a seminal study, *Regional Advantage: Culture and Competition in Silicon Valley and Route 128*. Route 128, by the way, was America's First High Tech Region in the vicinity of Boston, Massachusetts. Right after World War II both areas had a very similar starting point, but after 40-50 years Silicon Valley was way ahead. Why? One of the reasons was that Silicon Valley developed a decentralised but cooperative industrial system with well-



established service intermediaries, particularly VC financial firms, facilitating information flow and startup development in California. My own research<sup>2</sup> also highlights the importance of service intermediaries for startups' innovation in science parks in China's Guangdong province.

#### How about the influence of government funding?

Government funding has played a role, especially in industries close to national security and strategic importance. For example, Stanford University's growth was tied to World War II demands. However, in China many of the most innovative companies like Alibaba and JD.com grew with little government funding. Most innovations there come from market-driven private firms. But some industry sectors, such as electric vehicles, are more government-subsidised, both in China and the US whilst other sectors such as online business rely almost entirely on market forces for growth.

There are some cons associated with government fundings, for example, becoming less engaged with the broader commercial market. Also, government funding priorities may shift, potentially leaving especially small firms vulnerable if they become too reliant on this source of capital.

### “ Regulation is a double-edged sword ”

#### Does regulation inhibit innovation?

Regulation is a double-edged sword. It ensures market fairness and consumer protection but can slow innovation. For example, in industries like pharmaceuticals or space exploration, regulations

can delay progress. Striking a balance is key, adapting rules without compromising safety or fairness.

#### ■ Diversity can be Elusive

##### How important is diversity?

Diversity, particularly in cross-functional teams, can add value to innovation. Mixing disciplines such as business and engineering can create new perspectives. But it doesn't always work. For example, in some business schools, faculty have been encouraged to take an office away from their parent area. So, in that way, a faculty working on strategy can meet their colleagues in, say, the finance or accounting area. But do they really talk? Not always. You've got to have a reason for people to talk across subject areas to explore new research projects.

##### How far can innovation be taught?

Good question. Some successful entrepreneurs have never attended business schools, but education provides value by helping students understand the logic behind business actions. As a business school professor, I don't teach how to run a business step-by-step. Instead, I encourage students to develop strategic thinking and understand how to adapt to market changes.

For example, in my classes on strategic innovation management, students learn to connect theory to their daily work. This helps develop a mindset for tackling problems from a CEO's perspective. The goal is to provide frameworks for decision-making rather than prescriptive solutions. That can be really powerful.

I don't teach how to design an iPhone. But we might consider: as the CEO, if you want to make

your company more successful or sustainable, what are the key questions in terms of innovation you need to ask? What are you going to do? How do you strategically transform your businesses for sustainable growth? That's the value we can add.

#### ■ The Market-Oriented University

##### Is academia too distant from market needs?

Most universities, especially business schools, are trying to reduce the gap between academic research and the market through entrepreneurship programmes and collaborations, etc. But it is also important to ask: what is the purpose of having universities and academia? I believe that academia's role includes both teaching and advancing fundamental knowledge, not just market-oriented research. We've got to strike a balance.

##### Are universities still fit for purpose?

My prediction is that over time universities will need to change. Given the AI technology, given that the accessibility of knowledge has been significantly improved, I think the time that students spend on campus can be significantly reduced. Digital transformation is not just for industries. But many universities are old, and institutionally the evolution can be slow. The way we are teaching today is quite similar to 100 years ago. If we don't adapt, we will become obsolete.

### “ The time spent on campus can be significantly reduced ”

#### So, a more agile approach?

Absolutely, and more customised to the students. Given the AI, we can gain insights into each

student's profile. So, we can offer something highly relevant and personalised to each student. This customised approach not only enhances the overall student experience but also saves time for both educators and students. By providing targeted resources and support, we can add significant value to the educational process. Ultimately, this creates a win-win scenario: students receive the personalised attention they need to thrive, while educators can focus on delivering impactful instruction. Embracing this level of customisation will lead to more effective learning outcomes and greater satisfaction for everyone involved.

<sup>1</sup> Zhu, Zhijing and Haiyang Li. Patently catching up: How innovative are Chinese manufacturing industries? Working paper.

<sup>2</sup> Zhang, Yan & Haiyang Li. 2010. Innovation search of new ventures in a technology cluster: The role of ties with service intermediaries. *Strategic Management Journal*, 31: 88-109





# Weaving a Sustainable Future

By Eric Collins

**Teresa Yang** is Vice Chairman of Esquel Group, a knowledge-based textile and apparel business, and member of the College International Advisory Board. Teresa is responsible for Esquel Group's strategic planning and serves as Chairman of the Hong Kong Research Institute of Textiles and Apparel.

The textile industry, a global behemoth often taken for granted by fashion conscious consumers, carries a complex and sometimes troubled legacy. Since the mid-19th century, it has been synonymous with mass production often at the expense of environmental sustainability and worker well-being. From the polluting processes of dyeing and finishing to historically exploitative labour practices that have plagued parts of the supply chain, the industry has faced intense scrutiny and calls for radical reform.

Esquel Group, a vertically integrated Hong Kong-based textile manufacturer, stands as a counter-narrative, a company actively reshaping its industry through a commitment to sustainability, innovation, and the cultivation of a wellness-conscious mindset within its workforce. This journey, described here by Vice Chairman Teresa Yang, offers a case study in the challenges and rewards of building a sustainable business model in an historically problematic sector.

Teresa Yang's vision transcends mere corporate social responsibility; it is deeply embedded in Esquel's corporate culture.



"In whatever we do, we are guided by our 'eCulture,' Ethics, Exploration, Environment, Excellence and Education. I would say they are all equally important."

This holistic approach underscores Esquel's commitment to responsible business practices, extending beyond compliance with regulatory requirements. The environment has always been a concern, and new technologies can help reduce the amount of damage to the environment.

"Our work with wastewater treatment facilities started a whole series of other research that eventually resulted in us going waterless with the dyeing process."

Teresa emphasises that Esquel's proactive stance on sustainability stems not from a reactive response to external pressures.

"I honestly don't like the word 'compliance.' If you know your business well enough, you should really know what is needed. Not to be told that you need to do this."

## Wellness and the Workforce

The concept of "wellness" is a core tenet of Esquel's sustainability strategy, linked to its environmental and ethical commitments. Teresa highlights the evolution of the company's workforce, transitioning from a predominantly migrant worker base to a more settled, local workforce.

The sustainability journey began in the early 1990s, when Esquel established its major production base in China. This period presented a significant turning point, a moment where the company could have followed the conventional path of prioritising short-term gains over long-term sustainability.

"If you look at the history of our industry, when we first started in 1978, most of our production operation was outside of China. We manufactured in countries such as Malaysia, Sri Lanka, Mauritius, even all the way to Jamaica, and often with Chinese labour."

"The mostly female migrant workers would want to go home after perhaps reaching the age of 25, often to get married. Eventually we learned that this was not a very sustainable business model because nobody is looking into the long term."

An opportunity presented itself in 2005 when China entered the World Trade Organization, putting an end to quota restrictions. At the same time, changes were afoot inside China.

"In the past, most of the manufacturing was concentrated in the Pearl River Delta or Yangtze River Delta area, predominantly utilising migrant workers from regions such as Hunan and other areas. Today, every single province has their own establishments, and so nobody is willing to work outside of their hometown if there is an option. So, nowadays, we are retaining a more mature workforce who have become more like stakeholders."

This shift has fostered a stronger sense of community and engagement. Employees are no longer seen as simply a labour resource, but as stakeholders invested in the company's long-term success. This change opened a focus on employee wellness, encompassing both physical and mental health. Esquel recognises that a healthy and engaged workforce is essential for productivity, innovation, and the overall success of the company, creating a virtuous cycle where employee well-being directly contributes to the company's sustainability goals.





### Going Waterless

The commitment to environmental responsibility translated into significant and sustained investments in research and development. Esquel poured substantial resources into developing waterless dyeing technology, a groundbreaking innovation that effectively eliminates wastewater production in the dyeing process.

“Our corporate culture led us to look for solutions. That’s where we first started looking at wastewater treatment facilities, and in the end moving to a waterless dyeing process.”

“Historically, that technology was available for synthetic fabrics, but it posed a significant challenge to be adapted for cotton,” she said. “The R&D took more than a decade.”

This proactive approach has not only established Esquel as a leader in wastewater treatment within the textile industry but has also transformed an historically polluting process into an environmentally friendly one, setting a new benchmark for the sector.

### A Transparent Supply Chain

Esquel’s commitment to traceability and transparency is another aspect of its sustainability strategy. The company works to ensure that its supply chains are ethical and environmentally responsible, providing consumers with greater visibility into the origins of its products.

“We have worked progressively backwards down our own supply chain. We started with garment sewing, and then gradually moved into spinning, dyeing and finishing in the 1990s. We started using extra-long staple cotton from Xinjiang. Then we could really look at a much longer-term horizon.”

This commitment to transparency builds trust with consumers and strengthens Esquel’s

position as a leader in sustainable textile manufacturing, demonstrating a commitment to accountability and ethical sourcing.

### Learning through Conversations

Teresa Yang’s leadership style is integral to Esquel’s success. Instead of relying on a purely top-down approach, she fosters a culture of open communication, collaboration, and shared responsibility, both within and beyond the company. This ensures that innovation isn’t solely driven by management but emerges from the collective intelligence of employees at all levels.

## “Innovation emerges from the collective intelligence of employees at all levels”

“Everybody understands what we mean by ‘moving forward.’ We are not just looking for faster or cheaper options. We are not necessarily looking for a return ahead of investing into R&D.”

The company actively solicits input from various departments, encouraging the development of long-term, sustainable solutions. This inclusive approach is further amplified through the “Integral Conversations,” an annual platform that for the last 11 years has been bringing together people from various industries to share ideas and inspire innovation in sustainable practices at Integral, Esquel’s sustainable development garden in Guilin.

“We find like-minded people from different industries, who are also looking for new operating models, to get together, share ideas and inspire one other.”

External collaborations expand Esquel’s knowledge base, accelerate its progress towards a more sustainable future, and foster a sense of shared purpose beyond the confines of the textile industry, creating a network of collaborators dedicated to shared goals.

### The Advent of AI

In the past Esquel used to make a lot of physical samples.

“Designers like to come up with a lot of different ideas. But then they also like to see how these will turn out as physical products. Previously there was a lot of wastage, but nowadays Esquel’s AI software helps designers come up with a lot more varieties. This is also a more economical process.”

The changing demographics of Esquel’s workforce has also meant a shift in training and development. While dexterity in operating machinery remains important, the focus has broadened to include training on automated facilities, data analysis, and AI tools.

“Today, when we provide training, it’s often about understanding how to operate automated facilities. Workers are no longer

afraid of operating something that is like a smartphone. So, we no longer focus solely on hand-eye coordination, and how fast a task can be performed.”

This approach demonstrates Esquel’s commitment to adapting its operations to meet the evolving needs of its workforce, fostering a culture of continuous learning and growth, and ensuring that employees are equipped with the skills needed to thrive in a rapidly changing technological landscape. The investment in human capital is a crucial element of Esquel’s long-term sustainability strategy.

Esquel’s journey highlights the transformative power of integrating sustainability, innovation, and wellness. The company’s success is not solely measured by financial metrics but by its positive impact on the environment, its employees, and the wider community. The story underscores the importance of a holistic approach to business, where ethical considerations, environmental responsibility, and employee well-being are not viewed as separate entities but as interconnected pillars of sustainable growth, reinforcing each other and creating a synergistic effect.





# The Cambridge Collegiate Advantage

By Eric Collins

**Professor Helen Bao** is Professor of Urban Economics & Public Policy and Fellow of Newnham College at the University of Cambridge. Helen specialises in the application of behavioural insights and hedonic price modelling in land and housing markets, and gained her PhD at the College of Business, City University of Hong Kong. City Business Magazine visited Newnham College, Cambridge to talk with Helen.

The collegiate system at the University of Cambridge is a key factor in its success. Unlike many universities, Cambridge isn't a monolithic institution but comprises 31 independent colleges, each with its own history, traditions, and — crucially — autonomy. We spoke with Helen to understand the impact of this variegated structure on research, teaching, and the overall academic environment.

Our conversation began with the fundamental question of the collegiate system's importance. Helen's response was immediate and emphatic: "My experience is that the collegiate system is essential for us to have the autonomy to pursue both research and teaching." This autonomy, she explained, is not merely a matter of administrative convenience. It is the bedrock of academic freedom and innovation.

## Autonomy and Innovation

"Academic freedom is key to innovation. If



you let the top decide what you're going to do, that's only one person's wishing. Here, the university is kind of floating on top of the colleges. Each college is independent from the other. Both financially and administratively, we make our own decisions. Doesn't matter what the university wants us to do. We have the right to say, 'We have our history, we have our culture, we have our beliefs. This is what we're going to do.'"

## Academic freedom is key to innovation

For faculty, the atmosphere of independence extends to the choice of college. "Members of a department can choose to affiliate with any college they want. And that is the sort of environment that can really help a person to grow. This is what, I believe, makes the Cambridge experience complete. You are a member of a department, and you can do really well in terms of your career development. But the college affiliation and involvement makes the experience more human."

## Unique Dual Affiliation

This dual affiliation — with university and college — isn't simply a matter of holding two jobs. "I was employed by the university first," Helen explains. "And I only joined Newnham in 2009, three years after I was appointed. My contract with the college is completely separate from my university contract and is entirely up to me." While the college salary is "almost nominal," the affiliation provides significant benefits, both tangible and intangible.

The cultural impact of collegiate autonomy is profound. Helen gives a compelling example: "If a department with very capable students

and a demanding course does not agree to work with colleges to provide supervision, the college can turn round and say, 'Right, we're not going to take your students.' If we cannot deliver for whatever reason, we're not going to take the students." This power dynamic ensures that colleges maintain high standards and actively participate in shaping the educational experience.

Individual autonomy is highlighted by the absence of a rigid promotion or evaluation system. "In Cambridge, we are not told which journal to publish in, which topic you have to focus on, how many papers you need to publish in what period of time. Not at all. You just need to figure out what is your area of specialty. And ask how can you be a leader in your field?"

## Freedom as a Catalyst for Innovation

Helen's own research journey exemplifies the benefits of this freedom of manoeuvre. When asked about innovation in Cambridge research, she said: "Innovation, I don't think is the right word I want to use. Freedom is the word I want to use because when you have the freedom you can choose to do whatever you want to do. It doesn't have to be innovative." This freedom allows for intellectual curiosity to flourish, leading to unexpected breakthroughs.

Her own shift from statistics to behavioural economics perfectly illustrates the point. "My training was in statistics, but after I joined the Department of Land Economy, I realised I was too technical...So I thought, OK, in order to fit in, I probably need to make some adjustments to make my research more practical, more policy-oriented...And there were just so many possibilities. This is when I realised, Wow! I basically have the whole world in front of me. I can choose whatever I want to choose, as I see fit."



### Supportive Academic Ecosystem

The lack of rigid metrics and prescribed research paths creates a unique ecosystem, one that prioritises quality over quantifiable outputs. “We have very capable students and effective faculty members in this institution, and we want them to work on problems that are quite different from the standard problems that people usually deal with,” she explained.

This approach extends to undergraduate teaching, where the focus is not on providing model answers but on cultivating the skills to formulate and answer insightful questions: “We don’t have such a thing as a model answer at Cambridge University. We have examination questions...there is no model answer. Students are encouraged to think outside of the box. They are in control.”

### Flexible Evaluation

Student evaluation has other characteristics: “Take my research methods course as an example. Even if it is a statistics course, I have to give essay-based examination questions, it’s got to be part open-ended. So, questions are half calculation questions and half writing. Students do not have to write one single number or equation to get full marks. Also, we recognise that students are different, so you have to give options. You have to give them this room to leverage their advantage instead of just using a narrow set of criteria to assess them.”

The rise of AI further underscores the importance of formulating insightful questions. “It’s because of AI we realise that creativity is the irreplaceable part. Our people are the ones who can get the most out of AI, yet find the AI the least useful. They are very good at asking the right question to get the best answer out of AI.”

### The Collegiate Mix

Collegiate life offers a unique social and supportive environment. “First of all, it’s very communal,” she says, gesturing around the dining hall. “Those are all senior members from my college. But I’m the only Land Economist. So this is a chance...This is the platform where you can get to know people outside of your discipline in a very relaxed environment.”

This informal networking, coupled with the supportive atmosphere, provides invaluable career advice and emotional support, often lacking in the more competitive departmental setting. “Within a department there’s always conflict of interest. Here, it’s more open. And reasonably well-off colleges can provide fantastic support to their members, for example topping up university teaching rates and childcare subsidy, etc.”

### Life in Cambridge

Beyond the academic sphere, life in Cambridge offers its own unique advantages. “It’s a bubble. A very nice bubble,” she admits. “If you look at the whole country, it’s far from perfect. But if you just look at the city and the University of Cambridge, whatever may happen in the wider country, probably here will be affected last.”

This relative insulation, combined with the freedom and intellectual stimulation, creates a highly desirable environment for academics and students alike. “Freedom,” Helen concludes, “I have the freedom to pursue whatever I like career-wise and I can say anything that I want to say, of course within certain ethical and moral boundaries.” The Cambridge collegiate system, it seems, fosters not only independence of mind, the resulting academic excellence, but also a unique and vibrant way of life.

### Cambridge Colleges and the University of Cambridge

The original foundations at Cambridge were the colleges. The oldest is Peterhouse (1284) and after that a number were founded especially in the 14th to 16th centuries for example King’s College (1441), St John’s (1511), Trinity (1546), through to 19th century establishments such as Girton (1869) and Newnham (1871), which were the first colleges dedicated for women. To this day, the colleges are places where students live, enjoy a lot of their social life, and receive much of their education. The University of Cambridge was historically merely an association of the colleges; an ‘umbrella organisation’ which gave the degrees at Senate House (built from 1730 onwards). Only in the last 150 years has the University become more visible as a teaching institution, with the building of higher profile infrastructure, especially to meet the needs of modern scientific enquiry such as the Cavendish Laboratory (1874), and The Downing Site (1900 onwards). 20th century buildings such as the current Cambridge University Library (1934), and the Sidgwick Site for the arts, humanities and social sciences (1956 onwards), have finally made it easier to spot the University, as opposed to the colleges, when you walk around Cambridge. King’s College, is pictured below.





# The Key to Promoting Academic Entrepreneurship

By Joohyung Kim

Recognising the pivotal role that individual scientists play in academic entrepreneurship and consequent innovation, **Professor Joohyung Kim** of the Department of Management considers the psychological experiences of individual scientists, who are being encouraged to become academic entrepreneurs.

University scientists, engineers, and researchers often engage in commercialisation efforts to transform their research ideas into products and services that can benefit society. These individuals, known as academic entrepreneurs, have played a critical role in developing groundbreaking innovations such as computers, smartphones, the internet, GPS, pacemakers, and artificial intelligence. The process, called technology transfer, typically involves various activities, including patenting, collaborating with external firms, and establishing startups.

Given the critical role of academic entrepreneurship in fostering innovation, universities worldwide are increasingly striving to improve the structure, policies, and system surrounding technology transfer. However, relatively little attention has been paid to the individual scientists, or more specifically, how to encourage them to engage in academic entrepreneurship. Without a deeper understanding of their inner workings, efforts to promote academic entrepreneurship may not be as fruitful



as universities hope. Thus, in my research, I aimed to delve into the minds of the scientists.

## Am I a Scientist or an Academic Entrepreneur?

Perhaps the most straightforward way to promote academic entrepreneurship is to encourage scientists to continuously consider the issue, which can help them generate groundbreaking ideas for innovation. Indeed, many universities' efforts are often focused on making the issue salient in the scientists' work environment. However, university researchers are primarily hired to conduct

research for the public good, rather than to seek personal gain as entrepreneurs, and thus the expectation to be entrepreneurial is a relatively new challenge. As a result, they may feel torn between their identity as researchers and the entrepreneurial expectations placed upon them. This internal conflict can result in ambivalent attitudes as they grapple with whether pursuing academic entrepreneurship aligns with their identity.

How might these identity conflicts influence scientists' pursuit of academic entrepreneurship when they are repeatedly exposed to cues, instances, or work activities designed to nudge them in that direction? My research suggests that those facing identity conflicts are likely to develop heightened ambivalence (i.e., both positive and negative attitudes) toward academic entrepreneurship when it is made salient in their work environment, as the salience forces them to confront the conflicting identities they might otherwise overlook.

Then, what might be the implications of this ambivalence on scientists' pursuit of academic entrepreneurship? Although some argue that ambivalence is inherently unsettling and may deter individuals from pursuing academic entrepreneurship as a defence mechanism, the story can be a bit more complicated — it ultimately depends on how individuals view ambivalence. Some people have a natural aversion to ambivalence and find it unsettling, while others thrive on it, viewing it as an opportunity for creative problem-solving. Those who embrace ambivalence are more inclined to seek constructive solutions to their conflicting attitudes toward academic entrepreneurship. They may look for ways to integrate their research with entrepreneurial endeavours, making them more likely to pursue academic entrepreneurship compared

to those who see ambivalence as a disruptive force to avoid.

## Key Takeaways

In sum, my research suggests that although universities often strive to promote academic entrepreneurship by embedding it in scientists' work environments, these efforts may backfire if scientists experience identity conflict and lack effective ways to navigate their conflicting attitudes. Therefore, organisations should consider the following in their efforts to promote academic entrepreneurship:

### 1. Supporting Identity Navigation:

Organisations should help individual scientists navigate and reconcile potential identity conflicts. This could involve targeted training programmes that highlight the complementarity and synergy between their roles as scientists and academic entrepreneurs.

### 2. Tailored Approaches for Ambivalence:

Organisations' efforts to increase the salience of academic entrepreneurship should be accompanied by support to help scientists embrace their ambivalence. By helping individuals see ambivalence as an opportunity for creative problem-solving (e.g. through training, mentoring), universities can enable them to effectively manage their internal struggles and ultimately pursue both scientific research and entrepreneurship.



**Professor Joohyung Kim**  
Assistant Professor  
Department of Management



# Global Business Expansion: A Roadmap for Chinese Enterprises

By Michael C S Wong

**Professor Michael C S Wong**, Associate Dean (Global Executive Programmes) and Global EMBA Director of the College of Business, and Associate Professor of Finance, Department of Economics and Finance, shares insights from the Global EMBA Master Class delivered in Shenzhen in November 2024. Professor Wong identifies critical challenges facing Chinese enterprises, and the changes that need to be made to prioritise international expansion.

This article aims to analyse the significant challenges facing Chinese enterprises in the coming two decades. To sustain and enhance its export growth, China must actively explore foreign markets, as relying solely on domestic demand is becoming increasingly insufficient. Despite advancements in industrial innovation, China's declining population limits the potential for improved income from domestic markets. Furthermore, while companies like BYD and Huawei exemplify successful innovation, many Chinese firms struggle to keep pace. This article identifies promising global markets for these enterprises and discusses the geopolitical, ESG, and climate risk considerations that will shape their international operations.

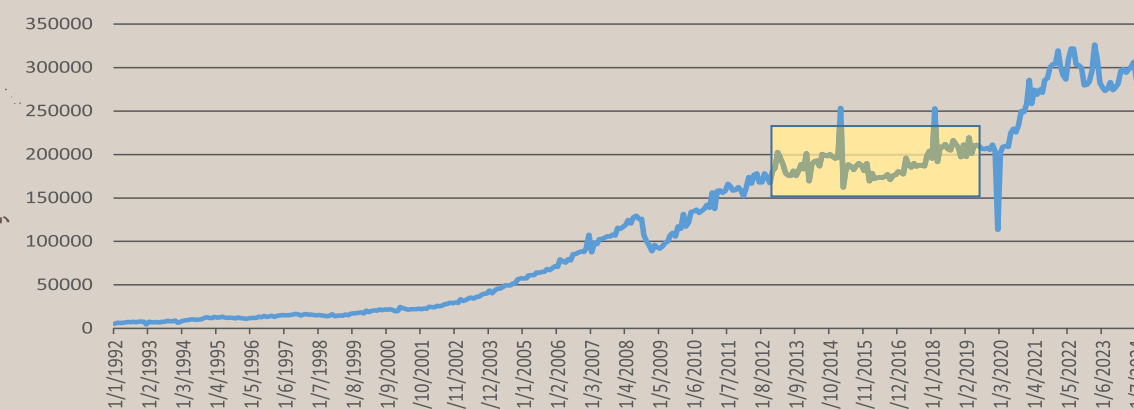
## Stagnating Growth of Exports?

China has been a global manufacturing hub for many years. However, from 2012 to 2019, export growth stagnated due to weak demand from developed economies (see the shaded

box in Graph 1). The aftermath of the 2008 financial crisis left many advanced economies struggling, with some European nations on the brink of collapse. Additionally, trade tensions between the USA and China during this period redirected the USA imports from China to other countries.

During the COVID-19 pandemic, China's exports experienced a rebound, as it was one of the few countries sustaining normal production levels. However, from 2022 to 2024, this growth stagnated despite notable advancements in industrial and product innovation, particularly in telecommunications equipment, electric vehicles, smartphones, solar technologies, semiconductors, drones, artificial intelligence, batteries, and video games. During this period, the reduction of reliance on China by the United States and Europe significantly contributed to the sluggish growth of Chinese exports.

Graph 1 Monthly China Exports (USD Million) in 1992-2024



Data Source: Federal Reserve St Louis

## Another Round of Massive Government Spending?

From 2009 to 2020, China's total GDP kept growing steadily but the percentage of China's exports relative to its GDP consistently declined. This trend indicates that much of the country's economic growth came from other sectors, such as government spending on infrastructure and real estate. China has developed an impressive transportation network, including subways, intercity high-speed rail, and modern airports. However, this rapid development raises questions about whether similar massive government spending will happen again in the next two decades.

## Declining Population

One of the most pressing challenges for Chinese enterprises is the decline in population. China's population peaked in 2021, followed by decreases in 2022 and 2023. The IMF predicts this trend will continue over the next five years, driven by an aging demographic and the long-term effects of the one-child policy.

What will happen in the next 10 years? If government spending increases modestly and population growth continues to fall, businesses will face intense competition in the

domestic market. To thrive, companies must offer exceptional products and innovative services. Firms selling traditional goods will face increasing pressure as consumer preferences shift and demand drops. Obviously not all companies are well prepared for innovation.

Ordinary enterprises must seek new markets outside China to remain viable. The question becomes: where should they go? Finding suitable international markets will be crucial for survival. Without exploring these options, many businesses risk being sidelined in an increasingly competitive landscape.

## ■ The Top Economies in GDP and in Population by 2050

A simple way to identify promising markets for Chinese exports is to focus on the largest economies by GDP and population. Countries with high GDP and large populations generally have strong consumption. Table 1 lists the top economies projected for 2050 in both categories, with India, the USA, Indonesia, and Brazil appearing on both lists, indicating good potential for Chinese exports. Unfortunately, the USA-China trade tension should remain for a long period.



The table also highlights three African countries, including Nigeria, Ethiopia, and the Democratic Republic of the Congo, whose combined population is approximately 802 million in 2050. In addition to the two giant Asian countries, India and China, three other Asian countries, including Pakistan, Indonesia, and Bangladesh, are expected to have a combined population of 908 million by 2050. If these emerging economies in Africa and Asia continue to grow steadily, they could become significant markets for Chinese exports.

Moreover, the above emerging economies typically have a higher percentage of young people (aged 40 and below), indicating long-lasting consumer demand over the next 20-30 years. They also offer a workforce with young talent and lower labour costs for Chinese firms looking to establish operations in the region.

Table 1 Top 10 Countries in GDP or in Population by 2050

Nominal GDP 2050*		
Rank	Country	Projected GDP (USD Trillions)
1	China	\$41.90
2	India	\$37.20
3	United States	\$22.20
4	Indonesia	\$6.30
5	Germany	\$6.20
6	Japan	\$6.00
7	United Kingdom	\$5.20
8	Brazil	\$4.90
9	France	\$4.60
10	Russia	\$4.50

Population 2050**		
Rank	Country	Projected Population (Millions)
1	India	1,680
2	China	1,260
3	United States of America	381
4	Pakistan	372
5	Nigeria	359
6	Indonesia	321
7	Ethiopia	225
8	Democratic Republic of the Congo	218
9	Brazil	217
10	Bangladesh	215

■ Other Risk Factors in Global Expansion

Geopolitical Considerations

As Chinese enterprises expand globally, they must navigate geopolitical issues that can impact their supply chains, operations, and reputations. Geopolitical tensions, trade disputes, and shifting international alliances create uncertainties affecting market access and regulatory environments. For example, companies may face trade tariffs, entry bans, or additional taxes due to diplomatic conflicts or environmental regulations. Advanced economies and their close alliances are likely to present challenges for Chinese firms seeking to export their goods.

ESG Issue

In addition to geopolitical factors, Chinese enterprises must address ESG standards in their global strategies. Stakeholders, including consumers, investors, and regulators, increasingly demand responsible practices in environmental sustainability, social equity, and corporate governance. Advanced economies are likely to impose stricter ESG requirements, while some emerging economies have also raised their standards. Certain countries intentionally set high ESG standards as import barriers.

Carbon Tax and Green Energy

The EU’s Carbon Border Adjustment Mechanism (CBAM), set to take effect in 2026, will significantly impact Chinese exports, particularly in carbon-intensive industries. This mechanism will impose a carbon tax on imports of specific goods, such as steel, aluminum, cement, and fertilisers, to equalise carbon costs between EU and non-EU producers. Its aim is to prevent “carbon leakage,” where companies relocate production to countries with less stringent environmental regulations, thus undermining

the EU’s climate goals. Consequently, Chinese exporters may face substantial costs related to carbon emissions or the need for improvements to mitigate them.

Chinese enterprises can consider relocating carbon-intensive operations to countries with abundant green energy. For example, Laos generates over 80% of its energy from renewable sources and exports green energy to neighbouring nations. Similarly, Brazil also produces 80% of its energy from green sources. This relocation offers several advantages. First, products from these overseas operations can maintain a competitive edge, even when carbon emissions are taken into account. Second, moving operations abroad directly reduces energy demand in China, helping the country progress toward its goal of carbon neutrality. Finally, this shift can support industrial development in emerging economies, fostering growth in those regions.

Climate Risk

Climate change poses risks to all populations, but certain regions are more vulnerable. Coastal cities, where many businesses operate, face increasing threats from flooding and extreme weather, leading to infrastructure damage, operational disruptions, and higher insurance costs. Climate change can exacerbate water scarcity, affecting industries that rely on water for production. Rising temperatures and shifting rainfall patterns threaten agricultural productivity, potentially disrupting food supply chains.

In Asia, cities like Kolkata, Jakarta, Bangkok, Ho Chi Minh City, Manila, Shanghai, Taipei, and Tokyo are projected to be at risk of submersion by 2050. Chinese enterprises should consider these long-term climate risks when choosing locations for global expansion.

■ Summary and Conclusions

This article identifies critical challenges facing Chinese enterprises, including a declining population and increasing domestic competition. As the population ages and consumer preferences evolve, companies must adapt their strategies to remain competitive.

To succeed, Chinese firms must prioritise international expansion, particularly in emerging economies in Africa and Asia. These regions present significant opportunities due to their growing consumer bases and lower labour costs. Additionally, enterprises must navigate geopolitical tensions and comply with country-specific ESG standards. Meeting these requirements is essential for gaining market access and maintaining a strong global reputation.

Climate change poses additional risks that require careful consideration in global expansion. Chinese enterprises should strategically select expansion locations to minimise environmental exposure and vulnerabilities.

In summary, immediate action is essential. By targeting emerging markets and addressing these pressing challenges, Chinese enterprises can enhance their prospects for success over the next two decades.



Professor Michael C S Wong  
Associate Dean (Global Executive Programmes)  
College of Business

\*Projections from Goldman Sachs and PwC  
\*\* Projections from World Population Prospects



## From Second-Hand to Third-Hand: Reuse and Resale Cycle

**Professor Vincent Wong**, from the Department of Marketing, has co-authored a study revealing that consumers are more inclined to resell second-hand items compared to brand-new purchases. The six-part study validates this phenomenon across various product categories. Initial observations track actual resale behaviours, while subsequent analyses delve into the underlying mechanisms and how emotional connections with products influence this behaviour. This research is crucial for understanding consumer resale actions, encouraging responsible consumption, and fostering a vibrant second-hand market. By exploring why consumers choose to resell products, the study contributes to sustainable development efforts.



Globally, the focus on sustainable practices such as reuse and resale has intensified due to the need for responsible resource management. These practices not only reduce waste but also conserve energy by curbing new production. Despite setbacks during the COVID-19 pandemic, the resale market, valued at US\$177 billion by 2022, continues to grow.

Consumers decide to resell based on product characteristics, motivations, and personal differences. The study introduces the idea of a “reuse and resale cycle,” suggesting that buying second-hand can trigger future resales, promoting continuous reuse among consumers. The research also explores consumers’ emotional ties to second-hand products, noting that these connections are weaker compared to new items. This reduced attachment may drive consumers to resell second-hand possessions more readily. In conclusion, this research provides insights into consumer behaviours regarding reuse and resale, emphasising sustainability and responsible consumption practices to build a more sustainable society.



Huang, Feifei; Wong, Vincent Chi. “From Second-Hand to Third-Hand: Reuse and Resale Cycle.” June 2024; In: *Journal of Consumer Research*, Vol 51, Issue 1, pp. 104-113

## Website Localisation Strategies to Promote Global E-Commerce

Global firms can effectively tailor their websites for E-commerce across different countries through the strategic use of website localisation. **Professor Choon-ling Sia**, from the Department of Information Systems, along with co-authors, has been investigating the importance of customising websites for local users and its impact on website loyalty using three key website localisation strategies: web similarity, web distinctiveness, and web prestige.



Some of these strategies vary across social cultures. The study indicates that web distinctiveness and web prestige are more impactful in collectivistic societies such as China, Japan, and Korea compared to individualistic cultures such as the US, Germany, and Australia. Therefore, websites that highlight how a foreign company’s products or services can differentiate themselves from competitors and showcase esteemed awards and positive feedback from the locals will be more likely to gain website loyalty in collectivistic cultures. On the other hand, web similarity strategies, such as using images of local employees, native language, and resonating with local slogans, have consistent effects in both social settings.

Website designers are recommended to take cultural differences into account when developing online platforms for foreign companies. They should assess the level of website localisation needed to evoke more positive responses from local consumers.



Wu, Tailai; Peng, Chih-Hung; Sai, Choon Ling; Lu, Yaobin. “Website Localization Strategies to Promote Global E-Commerce: The Moderating Role of Individualism and Collectivism.” March 2024; In: *MIS Quarterly: Management Information Systems*, Vol 48, Issue 1, pp. 31-66

## Can Gamification Designs Enhance Online Learning?

**Professor Alvin Leung**, along with his team, **Professor Ron Kwok** and **Professor Wei-thoo Yue** from the Department of Information Systems, and co-author, are researching how gamification can make online learning more engaging. Their research indicates that gamification is most effective when tailored to each learner’s unique traits. Some learners focus on mastering subjects and pay little attention to rewards, preferring to set their own high standards. Therefore, a personalised approach is critical to ensure that the learning experience aligns with their motivations.



In a world where no single solution fits all, personalised gamification shines like a light at the end of the tunnel. Using a simple learning goal orientation test can be an inexpensive yet valuable tool to determine the goal orientations of students in their learning process. Gamification is cost-effective to implement, with many online platforms offering tools to create badges and virtual points. The crucial aspect is aligning these gamified elements with students’ learning goal orientations.

By implementing gamification thoughtfully, education can become more engaging and even reignite the interest of learners who may have lost motivation. As online education expands, blending gamification with personalised learning could unlock its full potential. This fusion could pave the way for a future where learners are motivated and enthusiastic about learning, combining their pursuit of success with a passion for knowledge.



Leung, Alvin Chung Man; Santhanam, Radhika; Kwok, Ron Chi-Wai; Yue, Wei Thoo. “Could Gamification Designs Enhance Online Learning Through Personalization? Lessons from a Field Experiment.” March 2023; In: *Information Systems Research*, Vol 34, Issue 1, pp. 27-49

## A Cost-Effective Sequential Route Recommender System for Taxi Drivers

In a busy city, where empty taxis effortlessly find passengers without any hassle, a new system is setting the pace. The Sequential Route Recommender system aids taxis in selecting optimal routes to pick up riders. **Professor Junming Liu**, from the Department of Information Systems, along with co-authors, has introduced a system using a smart framework that assists taxis in determining the best roads to maximising earnings from their next passenger. By analysing the demand for rides and the availability of taxis, drivers can position themselves effectively at the right place and right time.



What makes this system special? It utilises technology to forecast potential passenger locations. By combining two models — a “graph convolution network” focusing on passenger locations and a “long short-term memory model” examining temporal trends — the system provides accurate predictions. This empowers taxis to assess the likelihood of finding passengers on various streets.

Armed with these real-time updates, drivers can make smart decisions about their routes. The system quickly calculates the best options, allowing drivers to reach passengers more efficiently. This approach enhances drivers’ operational efficiently and reduces waiting times for riders.

Tests conducted using GPS data from taxis in Beijing demonstrate the effectiveness and efficiency of this new system. With this innovative technology, the future of taxi services appears promising, simplifying the process for individuals to secure a ride precisely when needed.



Liu, Junming; Teng, Mingfei; Chen, Weiwei; Xiong, Hui. “A Cost-Effective Sequential Route Recommender System for Taxi Drivers.” September 2023; In: *INFORMS Journal on Computing*, Vol 35, Issue 5, pp. 1098-1119



NEWS

# CB Welcomes Joseph Ngai as CIAB Chairman

We welcome **Joseph Ngai**, Senior Partner and Chairman — Greater China, McKinsey & Company as College International Advisory Board Chairman.

Joe is a senior partner and chairman of McKinsey's offices in Greater China, which comprises 800 partners and consultants across Beijing, Hong Kong, Shanghai, Shenzhen, and Taipei.

Previously, Joe led McKinsey's Financial Services and Private Equity Practices in Greater China. He has led many large-scale transformation efforts for Chinese and multinational organisations and has advised senior management on topics such as strategy, M&A, and operational transformations.

Joe is frequently quoted in top-tier media outlets such as CNBC, the Financial Times and China Daily, as well as major local media. He is the author of numerous reports on China's financial institutions and is coauthor of Life Insurance in Asia: Sustaining Growth in the Next Decade (Wiley, September 2012), which offers a comprehensive look at the challenges and opportunities facing insurers across Asia. Joe speaks frequently at major international forums on a range of topics including The Next China, financial services, leadership and management, and social enterprises.

He has been appointed to various government advisory committees, and he is also a board member of the Hong Kong Education Commission and the University Grants Council.

Joe is passionate about social enterprise and education. He is chairman of DiamondCab, an award-winning social enterprise that provides taxi services to people with physical disabilities; president of Phillips Exeter Academy Association of Hong Kong; a director of the Diocesan Boys' School Foundation; and a director and former president of the Harvard Business School Association of Hong Kong.

Recognised for his influence, Joe was named one of the "2023 & 2024 Forbes China 100 Most Influential Chinese" and was honoured as one of the "2022 CEOs of the Year for Multinational Corporations in China" by Jiemian News. He is also appointed as a Justice of Peace by the Hong Kong Government.

The College International Advisory Board comprises luminaries from the business world and leading academics. CIAB acts as a steering force on internationalisation and helps CB gain external, expert inputs on its internationalisation drive, as well as offering strategic advice on the ways of strengthening the College's ties with local business.

The College of Business looks forward to working with Joe and benefitting from his wide-ranging experience in multiple business areas.



# College Excellence Awards 2024

The College of Business is delighted to share the results of the College Research Excellence Awards (CREA) 2024 and the College Teaching Excellence Awards (CTEA) 2024.

CREA recognises overall research excellence, important research achievements, and research that significantly impact society, industry, and knowledge advancement. The two award winners for CREA 2024 are:



**Professor David Yang Yilin**, Assistant Professor, Department of Economics and Finance, has published two papers in top economics and finance journals. His publication record is truly exceptional, considering the difficulties in publishing in these journals and that he is still in an early stage of his career. His research focuses on the Federal Reserve's monetary policy and bank credit supply. We believe that his work has strong policy implications and deepens our understanding of the dynamics of the money markets and the banking system.



**Professor Pengfei Guo**, Chair Professor, Department of Decision Analytics and Operations, has published numerous top-quality papers in the field of operations management, focusing on service operations and queuing economics with applications in healthcare management and supply chain management. Additionally, he serves on the editorial boards of several prestigious academic journals. We believe his research will generate continuous impact on the understanding of customers' queueing behaviour and enhance public healthcare systems.

CTEA recognises exemplary teaching practices within the College and the fostering of a caring learning environment for our students. The three award winners for CTEA 2024 are:



**Professor Junming Liu**, Assistant Professor, Department of Information Systems, excels in teaching a range of technical courses, focusing on making complex technical content accessible and applicable to real-world problems. He is dedicated to integrating emerging technology into the curriculum, including the development of the course Artificial Intelligence for Business Applications. Additionally, Professor Liu plays a crucial role as PhD supervisor and advisor for master's level capstone projects, providing timely guidance to students during their academic journeys.



**Professor Juhee Kwon**, Associate Professor, Department of Information Systems, has cultivated an engaging learning environment for students. She emphasises collaborative learning and peer discussions to deepen students' understanding and nurture students with essential teamwork skills. With strong industry connections, Professor Kwon ensures the integration of industrial insights into her courses. Through hands-on experiences, active learning techniques, practical applications, and employment of a diverse range of corporate data sets in her teaching pedagogy, she assures students an experiential learning environment to apply academic knowledge and technical skills in practical use.



**Professor Vincent Wong Chi**, Associate Professor, Department of Marketing, has developed a unique teaching philosophy, namely "Sustainable Cycle of Interactive Education", integrating resources and creativity across various educational levels. He innovates interactive methods like the "Business Debating Game" and "5-Minute Mini Workshops of Frontier Consumer Research" to immerse students in practical business scenarios and nurture critical thinking and practical skills. Through his unwavering commitment to fostering a dynamic learning atmosphere for students, Professor Wong has consistently motivated and engaged students in active learning.



# BSc Environment and Sustainable Business

The BSc in Environment and Sustainable Business offers students the opportunity to develop the skills and knowledge required to succeed in this rapidly growing field while contributing to the development of a more sustainable financial sector in Hong Kong and worldwide.

Award Title	Bachelor of Science in Environment and Sustainable Business 理學士(環境及可持續發展商業)
Collaborating Academic Units	School of Energy and Environment (Host) and College of Business
Academic Year of Entry	2025/26
Programme Duration and Study Mode	4 years, Full-time



## Leading industry partners are supporting the programme:

“This new programme aligns well with Hong Kong’s goals to narrow the ESG talent gap, helping to advance our green and sustainable finance market while strengthening our city’s status as an international financial centre.”

**Robert Lui (Audit & Assurance partner, Deloitte China)**

“Providing students with a comprehensive understanding of sustainable finance and ESG investing... empowering students to utilise financial models and data analysis to assess sustainable investment opportunities ... This programme not only presents students with a unique opportunity to develop the skills and knowledge required for success but also contributes to the development of a more sustainable financial sector.”

**Teresa Yang (Vice Chairman, Esquel Group)**

## NEWS

### CB Joins Hands with University of Cambridge

A Memorandum of Understanding was signed between the College of Business and the Department of Land Economy at the University of Cambridge on 1 November 2024 to foster a deeper collaboration in undergraduate, PhD, and postdoctoral education. **Dean Kalok Chan** and **Professor Martin Dixon**, Head of Department of Land Economy at the University of Cambridge, signed the MoU, witnessed by **Professor Freddy Boey**, President of City University of Hong Kong and **Professor Dame Madeleine Atkins**, President of Lucy Cavendish College, the University of Cambridge.

President Boey enthused about the opportunities presented by the MoU, saying, “The exciting and extensive cooperation with the University of Cambridge will deepen talent exchanges and academic cooperation between the two institutions and enhance the global exposure of our students and faculty members.”

Professor Kalok Chan highlighted the potential impact of the MoU, “This partnership with the Department of Land Economy at Cambridge will lead to thrilling possibilities, such as joint research initiatives that address some of the most pressing global challenges, exchange programmes for students and faculty, fostering a deeper understanding and appreciation of diverse perspectives, and collaborative workshops and conferences to address global business and land economy issues. Looking forward, I envisage a vibrant exchange of people, ideas and connections between our institutions.”



### Scholarship at Cambridge Judge Business School

Building on the partnership between City University of Hong Kong and the University of Cambridge, the College of Business is excited to announce a new CityUHK-Lucy Cavendish College scholarship programme for the Master of Finance (MFin) at Cambridge Judge Business School. The scholarship programme offers fully funded scholarships to talented students and recent graduates from the MBA/MSc/MA programmes at the College of Business, allowing them to enrol in the prestigious MFin programme at the University of Cambridge.

The MFin programme at the University of Cambridge is designed for high-flyers with a strong academic record and professional finance experience. The scholarship recipients will receive comprehensive financial support from CityUHK, covering tuition, maintenance, flights, visa costs and health insurance.

“We are delighted to partner with the University of Cambridge to offer this scholarship, which provides vital financial assistance and will motivate our students to advance their skills in finance,” stated **Professor Kalok Chan**, Dean of the College of Business at CityUHK.” The MBA/MSc/MA programmes at the College of Business are tailored to equip emerging managers and professionals with the necessary tools for success. Outstanding students will be nominated for the scholarship to enrich their academic experience at Cambridge.”

The scholarship programme reflects the College of Business’s commitment to developing future leaders in finance. The recipients will gain invaluable insights from leading faculty and collaborate with a diverse, international student cohort, enhancing their educational journey. By investing in student education, the College of Business aims to nurture a new generation of finance professionals who will make meaningful contributions to the industry and society.



## NEWS

## Green Finance Partnership Launched with Hang Seng Bank



Hang Seng and CityUHK sign an agreement to launch the "Hang Seng x CityUHK HK Tech 300 Innovation Programme" on 26 November 2024.

Hang Seng Bank and City University of Hong Kong signed an agreement to launch the "Hang Seng x CityUHK HK Tech 300 Innovation Programme" on 26 November 2024. The collaboration aims to accelerate local start-ups and nurture a new generation of talent in the important field of green finance through CityUHK's MBA programme.

The agreement was signed by **Mr Gilbert Lee**, Head of Strategy & Planning and Chief of Staff to CE of Hang Seng Bank, and **Professor Michael Yang**, Senior Vice-President (Innovation and Enterprise) of CityUHK, witnessed by **Professor Sun Dong**, Secretary for Innovation, Technology and Industry of the HKSAR Government, **Ms Diana Cesar**, Executive Director and Chief Executive of Hang Seng Bank, and **Professor Freddy Boey**, President of City University of Hong Kong.

**Dean Kalok Chan**, emphasised the significance of this collaboration, saying, "The partnership with Hang Seng Bank enriches our MBA programme and empowers students to engage in sustainable entrepreneurship, addressing critical challenges our society faces. Working hand in hand, we aim to develop innovative solutions that contribute to a sustainable future for Hong Kong and beyond."

**Professor Chak-fu Lam**, MBA Director, added, "Our partnership with Hang Seng Bank is one of a kind in Hong Kong, as we introduce a new Environment, Sustainability, and Governance (ESG) course co-taught by CityUHK professors and Hang Seng Bank executives."

The Hang Seng x CityUHK HK Tech 300 Innovation Programme focuses on three primary areas: Innovative Research Application, Market Connectivity, and Sustainability and Talent Development. The Sustainability and Talent Development component will include offering a specialised course on sustainable finance tailored for students enrolled in CityUHK's MBA programme to prepare students for the evolving needs of the sustainability sector.

The College is committed to nurturing leaders who can effectively address future challenges, particularly in green finance, which is essential for economic sustainability. The partnership aims to create significant opportunities for students and the broader community.

## CB Students Excel at Central European Case Competition

Four undergraduate students from the College of Business secured the 1st runner-up position in the 24-hour case challenge at the 6th Central European Case Competition (CECC), held at Corvinus University in Budapest, Hungary, from 24 to 28 November 2024. The competition brought together 16 teams from top business schools worldwide, providing a platform for students to testify their teamwork and problem-solving skills through tackling complex business strategy cases based on the Central European region.

The team consisted of **Gisela Gwen Michelle** and **Verena Andrea Wibisono**, from BBA Global Business, and **Richard Ponto** and **Christopher Qu**, from BSc Computational Finance and Financial Technology. Under the guidance of faculty advisor **Professor Michael Wong**, they tackled a challenging 24-hour case focused on Wizz Air, a Hungarian ultra-low-cost airline, as well as a five-hour case centered on Lime, a micromobility company.

Highlighting key takeaways, Gwen said, "The most memorable aspect was the intense collaboration and the excitement of presenting solutions under pressure." For Verena it was "The importance of strategic thinking and adaptability in a fast-paced, high-pressure environment, especially while working under an intense 24-hour case."

Richard said, "The best part of the experience was networking with like-minded students and learning practical decision-making frameworks from industry professionals." Christopher added, "Applying theoretical knowledge in a practical setting." He emphasised, "The experience fostered teamwork and communication skills, as we had to quickly align our ideas and present a cohesive and feasible strategy." Professor Michael Wong commended the students' performance, "The long case required students to develop implementable globalisation strategies for a European budget airline. They stayed awake for 24 hours and delivered impressive solutions. They truly deserved to win."

**Professor Alvin Leung**, who supported the team throughout their preparation, expressed his pride in their achievement. "Success is not just about winning; it's about the dedication, intelligence, and unwavering determination that you demonstrate along the way. Our undergraduate students' achievement as first-runner up in CECC 2024 is a testament to their hard work and brilliance, surpassing other strong teams from across the globe," said Professor Leung.

The College of Business emphasises the importance of practical experience and actively supports student participation in case competitions to enhance analytical skills and prepare them for real-world business challenges. Congratulations are extended to the student team on this remarkable achievement.



1st Runner-Up of the 24-Hour Wizz Air Case: Richard Ponto, Christopher Qu, Gisela Gwen Michelle, Verena Andrea Wibisono and Prof. Michael Wong.



## NEWS

## Department of Decision Analytics and Operations Enters New Era



The Department of Management Sciences has been officially renamed the Department of Decision Analytics and Operations (DAO), effective 1 January 2025. This new designation aims to better represent the department's focus on analytics, particularly in quantitative techniques such as Statistics, Operations Research, and Operations Management.

An inauguration ceremony was held on 15 January 2025 to mark this transition. The event was attended by members of the Departmental Advisory Committee: **Mr Raymond Yuen**, CEO of MTR Australian Business; **Mr Kam-tim Chau**, Deputy

Commissioner of the Census and Statistics Department of HKSAR; and **Mr Wilson Chong**, Managing Director of Rightlink Technology.

The ceremony featured speeches from key figures, including **Professor Kalok Chan**, Dean of the College of Business; **Professor Frank Chen**, Interim Head of the Department of Decision Analytics and Operations; and **Professor Alan Wan**, Associate Provost of Academic Affairs and former Head of the Department. The renaming of the department signifies a strategic alignment with current trends in analytics and aims to enhance its educational and research capabilities.

## MSc Marketing Tops Asia MBA Joins Global Top 100

The College of Business proudly announces that five programmes have been recognised in the 2025 QS Business Master's Rankings. The Master of Science (MSc) in Marketing secured 1st position in Asia and Hong Kong for the second consecutive year. Further, the MBA programme reached a significant milestone by being ranked 99th globally, marking CityUHK's debut entry into the QS Global MBA Top 100 Rankings, and 16th in Asia.

In addition, five master's programmes have been recognised:

- MSc Marketing: 1st in Asia, 34th globally
- MSc Operations and Supply Chain Management: 2nd in Asia, 11th globally
- MSc Finance: 5th in Asia, 46th globally
- MA Global Business Management: 5th in Asia, 52nd globally
- MSc Business and Data Analytics: 4th in Asia, 51st-60th globally

These rankings highlight the exceptional performance of the College's business master's and MBA programmes, particularly in "Return on Investment" and "Thought Leadership." **Professor Kalok Chan**, Dean of the College of Business, said, "CityUHK had distinguished itself in the 2025 QS Business Master's Rankings and the Global MBA Rankings. This underscores the College's commitment to nurturing business elites with a global perspective and enhancing the competitiveness of its students. The College of Business will continue to enhance its programmes to provide diverse learning experiences for future business leaders."

This recognition reflects the College's dedication to cultivating business leaders with a global perspective and enhancing the overall competitiveness of our business graduates.



## Inauguration of CityUHK DBA Alumni Association



CityUHK celebrated the official inauguration of its Doctor of Business Administration Alumni Association on the evening of 19 February 2025. The event, held at the Alumni Lounge in the CityUHK International Centre, marked a significant milestone for the university's DBA community. The ceremony commenced with opening remarks from CityUHK President **Professor Freddy Boey** who emphasised the importance of alumni networks in fostering professional growth and collaboration.

**Dr Toa Charm**, Chairman of the DBA Alumni Association and a DBA graduate of the class of 2014, then welcomed attendees and highlighted the association's goals, saying: "We are excited to officially establish the DBA Alumni Association, which aims to cultivate a dynamic community of CityUHK DBA alumni and learning partners. We focus on promoting connections, professional growth, and impactful contributions to society and academia. We aspire to become an influential alumni association that drives academic and professional excellence through engagement, collaboration, and a commitment to societal betterment."

**Professor Muammer Ozer**, Director of the DBA programme, congratulated the DBA community saying, "I am delighted to witness the official establishment of the DBA Alumni Association, a significant milestone for our community. Since the launch of the CityUHK DBA programme in 2006, it has been inspiring to see our graduates and learning partners not only excel in their fields but also come together to support one another in research and study. This collaborative spirit reflects the essence of our programme, fostering a resourceful community that empowers its members. I look forward to the continued growth of our DBA programme and the invaluable contributions of our alumni in shaping the future."

The officiating ceremony featured other key figures, including Vice Presidents **Professor Anderson Shum** and **Professor Chi-hou Chan**, and Dean of the College of Business, **Professor Kalok Chan**. The event concluded with a cocktail reception, allowing attendees to network and strengthen ties within the DBA community.

Established in 2006, the DBA programme at CityUHK has graduated over 145 alumni and continues to attract new students. The formation of the DBA Alumni Association aims to strengthen the bonds among DBA alumni and learning partners across cohorts, create relevant value for the CityUHK DBA community, engage closely with the university's management and communities, generate economic, research and social impact, and advise and support current learning partners on their DBA research and study.



Scan the QR code to learn more about the DBA Alumni Association.



# Welcome to Our New Faculty

We welcome our new faculty who joined CB between March 2024 and February 2025.

## Department of Accountancy

**Professor LI Wei**  
Assistant Professor



**Professor LI Xuanbo**  
Assistant Professor



## Department of Decision Analytics & Operations

**Professor CAI Biao**  
Assistant Professor



**Professor WANG Tong**  
Assistant Professor



## Department of Economics & Finance

**Professor CHEN Zhiyao**  
Assistant Professor



**Professor LI Yingxiang**  
Assistant Professor



## Department of Information Systems

**Professor WANG Chong Alex**  
Professor



## Department of Marketing

**Professor CONG Jiajia**  
Assistant Professor



**Professor LIANG Ce**  
Assistant Professor



# MSc Artificial Intelligence in Business

The MSc in Artificial Intelligence in Business trains future business talents who understand AI and can integrate cutting-edge technology with the core domains of business in Hong Kong and contribute to the renaissance of the region.

Award Title	Master of Science in Artificial Intelligence in Business 理學碩士(商業人工智能)
Collaborating Academic Units	Department of Information Systems, College of Business
Academic Year of Entry	2025/26
Programme Duration and Study Mode	1-2.5 years, Full-time; 2-5 years, Part-time/ Combined mode



### Tech partners are supporting the programme:

“The initiative is motivated by the strong demand for Business Innovation Education and rapid advancement of Generative AI technologies.”

**Cally Chan (General Manager, Microsoft Hong Kong Limited)**

“We see the programme can prepare well-rounded students who can face challenges and pursue success in future business. Such talents are critical for Hong Kong to maintain its central role in world trade and business.”

**Selina Yuan (President, Alibaba Cloud International)**

