Using Balanced Scorecard & Strategy Maps to Achieve your Corporate & Personal Goals

Prof. Peter Fong

What is Strategy?

- Greek origin: Strategia (the art of war).
- It is the skill in management or planning.
- It is the means of reaching the focal objective.
- It is the direction and scope of an organization over the long term.
- It matches resources to the changing environment, and its markets, customers or clients so as to meet stakeholder expectations.

Strategy is about knowing :

- Where you are now,
- Where you are going, &
- How to get there.

Strategy implementation is about ensuring that you get there.

Balanced Scorecard

- **Balanced scorecard –** a combination of performance measures directed toward the company's long- and short-term goals and used as the basis for awarding incentive pay.

- The four categories of a balanced scorecard include:
  - financial
  - customer
  - internal
  - learning and growth

Balanced Scorecard (continued)

- It combines the advantages of different incentive pay plans.
- It helps employees understand the organization's goals.
- By communicating the balanced scorecard to employees, the organization shows employees information about what its goals are and what it expects employees to accomplish.

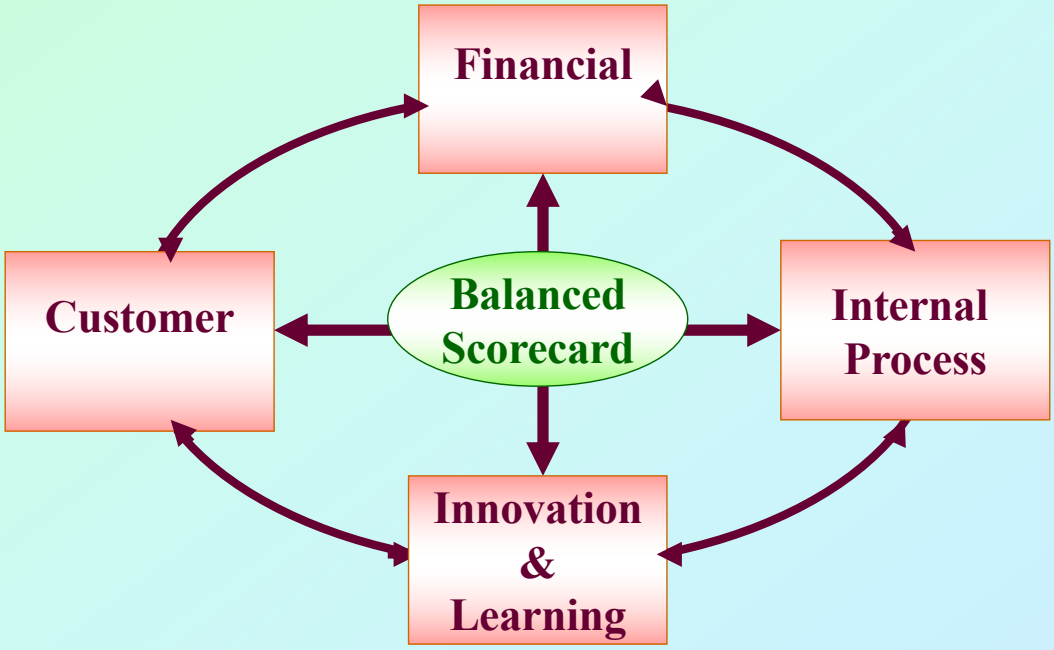
The Balanced Scorecard

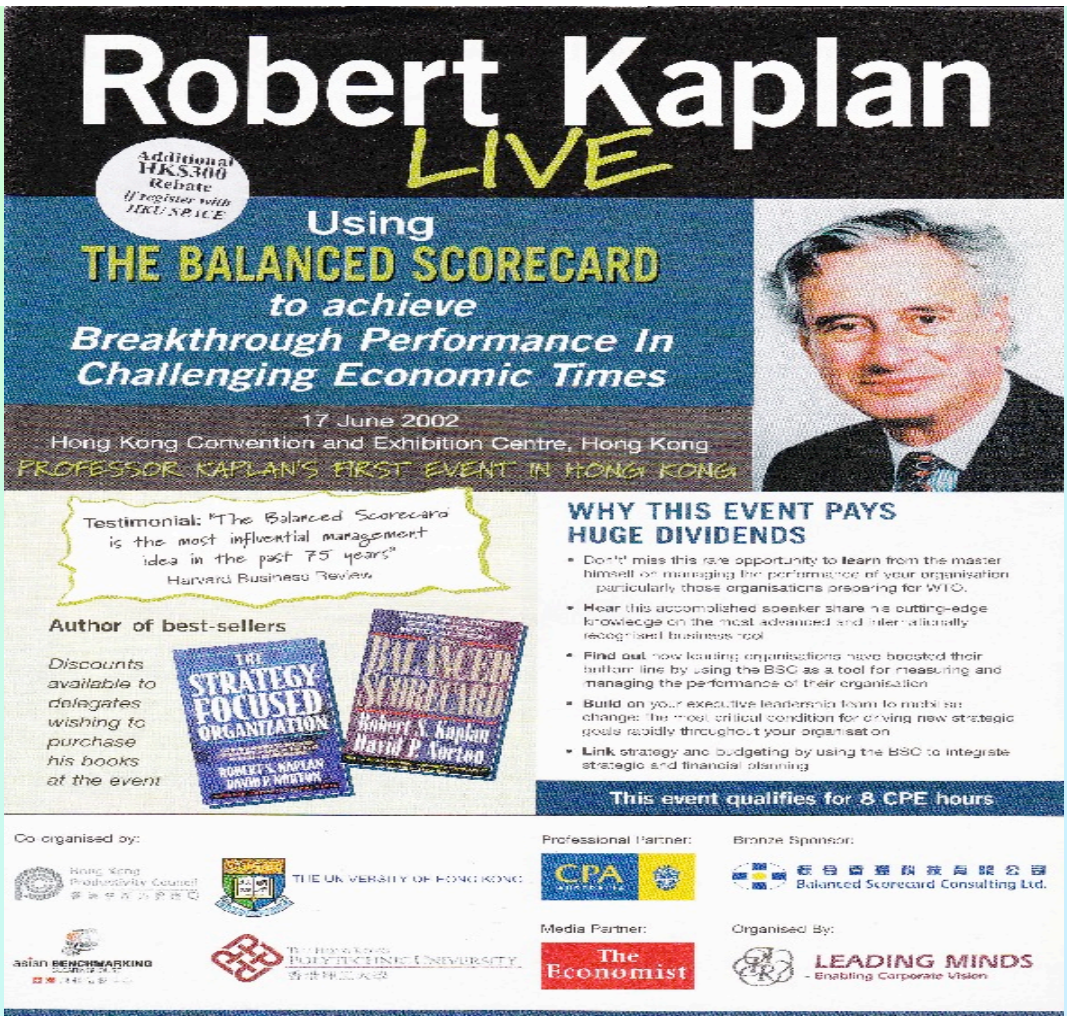
Competitive Performance is Driven by Relevant, Timely, Accurate and Connected Information

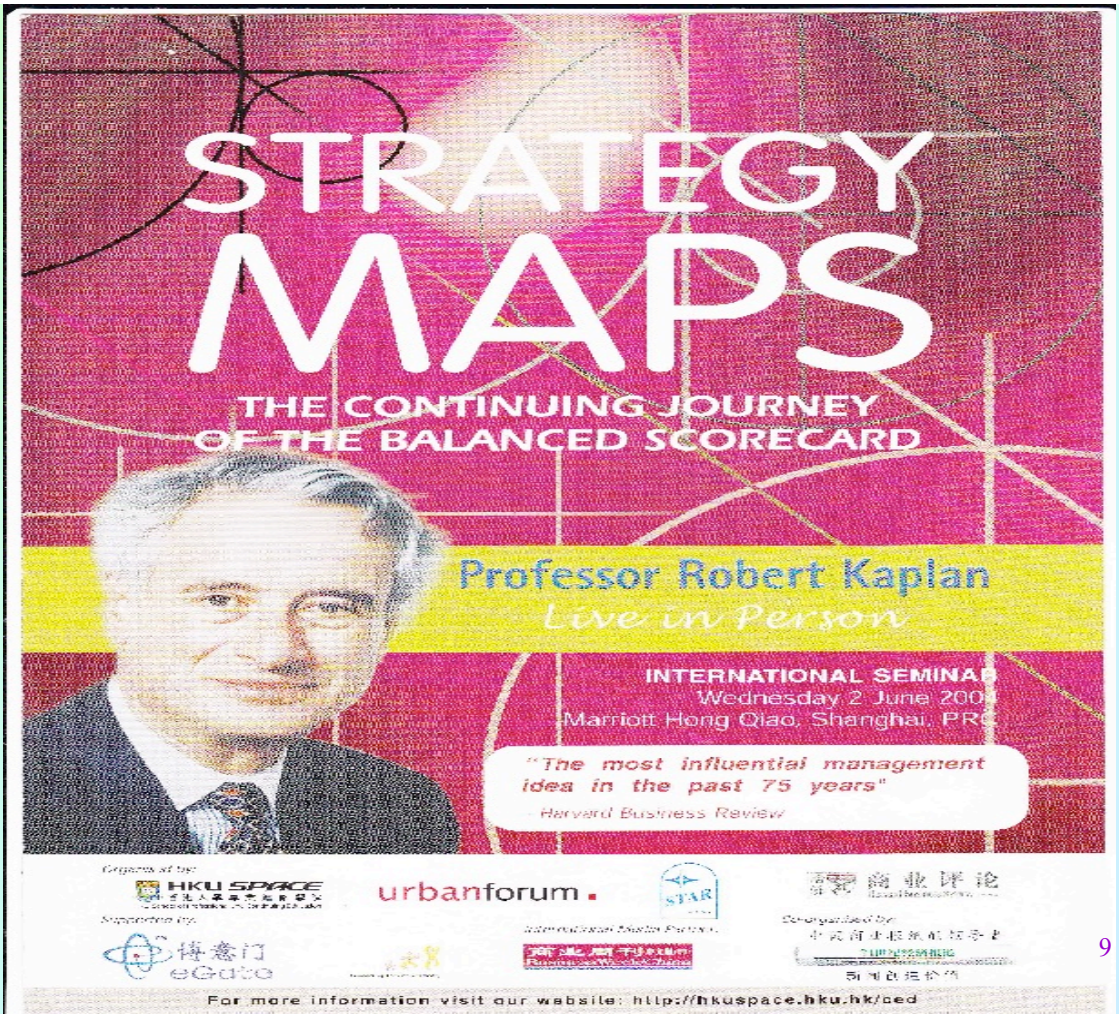
OVERALL PERFORMANCE: The Balanced Scorecard

Balanced Scorecard – What?

The 4 perspectives






STRATEGY
MAPS
THE CONTINUING JOURNEY
OF THE BALANCED SCORECARD
Professor Robert Kaplan
Live in Person
INTERNATIONAL SEMINAR
Wednesday 2 June 200
Marriott Hong Qiao, Shanghai, PR
"The most influential management idea in the past 75 years"
Harvard Business Review
HKU SPACE
urbanforum.
eGuto
For more information visit our website: http://hkuspace.hku.hk/ced

9


BALANCED SCORECARD
urbanforum.
DR DAVID P NORTON
DR ROBERT S KAPLAN
2006
ASIA PACIFIC
BALANCED
SCORECARD
SUMMIT &
HALL OF FAME
STRATEGY EXECUTION
USING BALANCED SCORECARD TO
DRIVE BREAKTHROUGH RESULTS
5-7 SEPTEMBER 2006 GRAND HYATT JIN MAO TOWER, SHANGHAI, PRC
Palladium
urbanforum.
Microsoft
PECC
CEIBS
HKU SPACE
WESLEYQUEST
KAS
Education

10

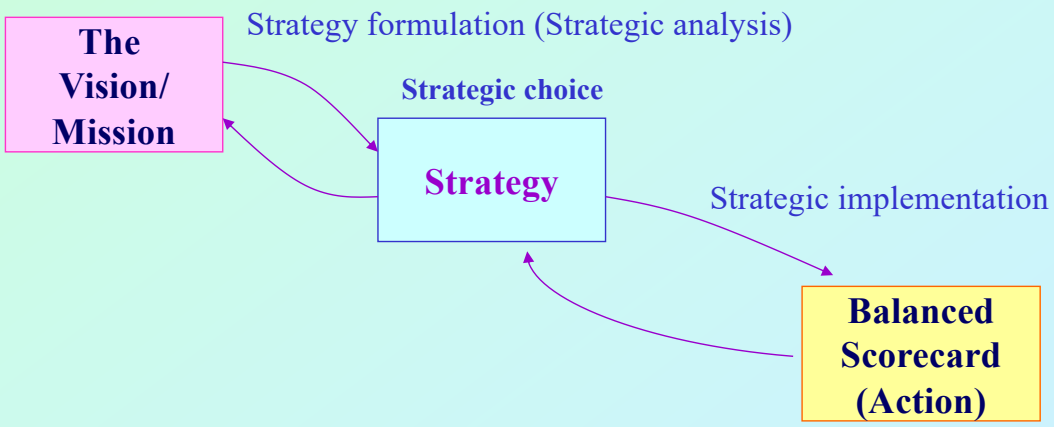


The Balanced Scorecard Development

The Balanced Scorecard - Measures that drive Performance	1992
Putting the Balanced Scorecard to work	1993
Devising a Balanced Scorecard Matched to Business Strategy	1994
Using the Balanced Scorecard to Translate Strategy into Action	1996 (a)
The Strategy Focused Organization	2001
Strategy Maps	2004
Alignment	2006
The Execution Premium	2008

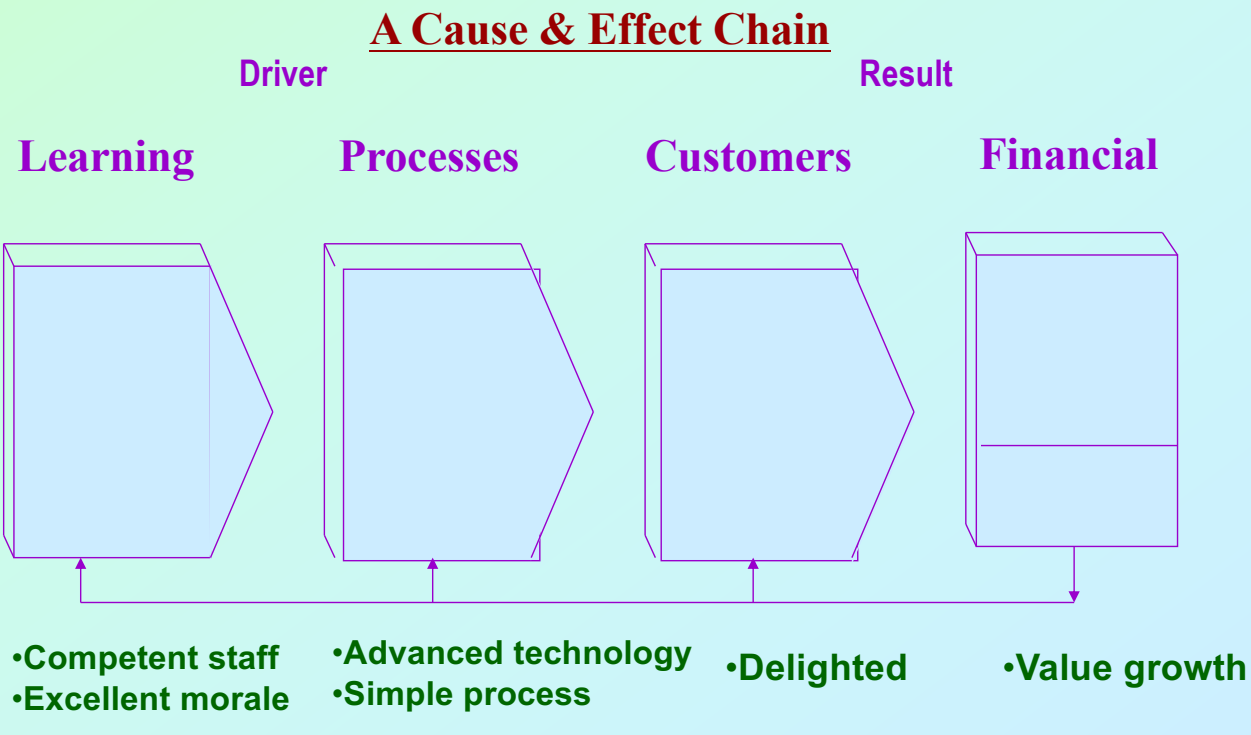
Putting the Balance Scorecard to work

(Kaplan and Norton)



- **Translating Vision/Mission into strategic objectives in 4 perspectives.**

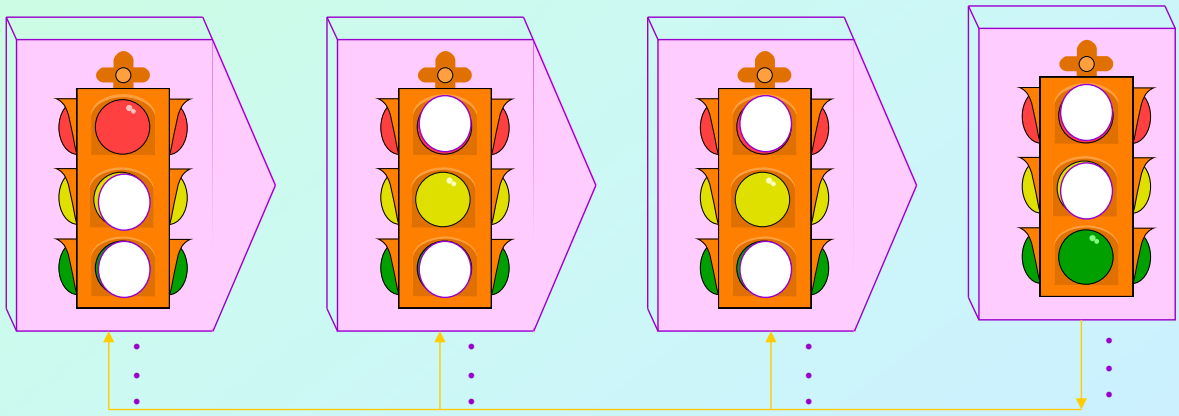
Balanced Scorecard



Balanced Scorecard

Top Level Cockpit View of an organization (KRA)

Learning Process customers Financial

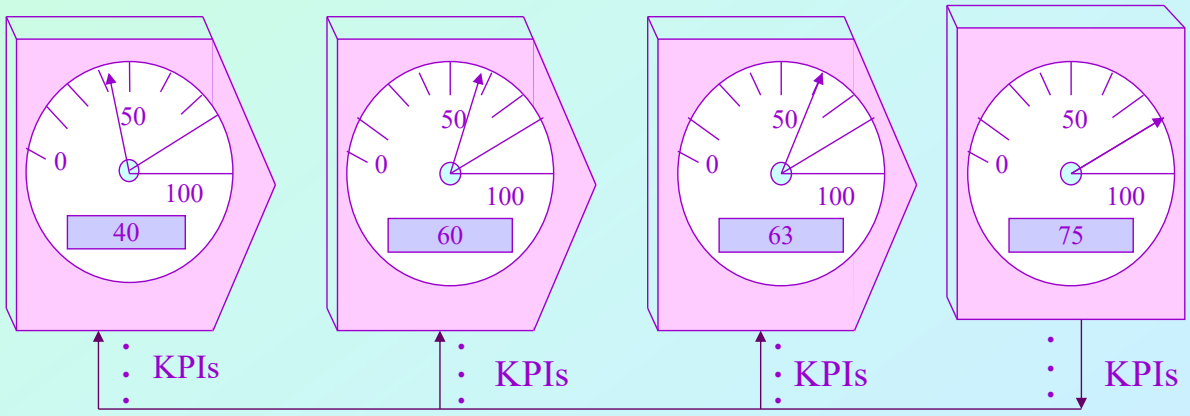


Leading indicators Lagging indicators

Balanced Scorecard

Numerical Cockpit View (Top and Senior Level)

Learning Process Customers Financial



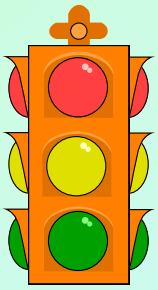
Leading indicators Lagging indicators

Balanced Scorecard

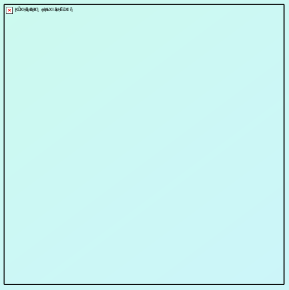
KPIs

Signal
(Top-level)

KRA

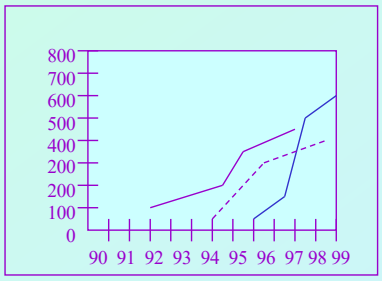


Meter
(senior-level)

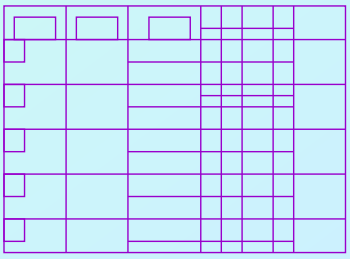


CRM/ERP
system

CRM/ERP
System



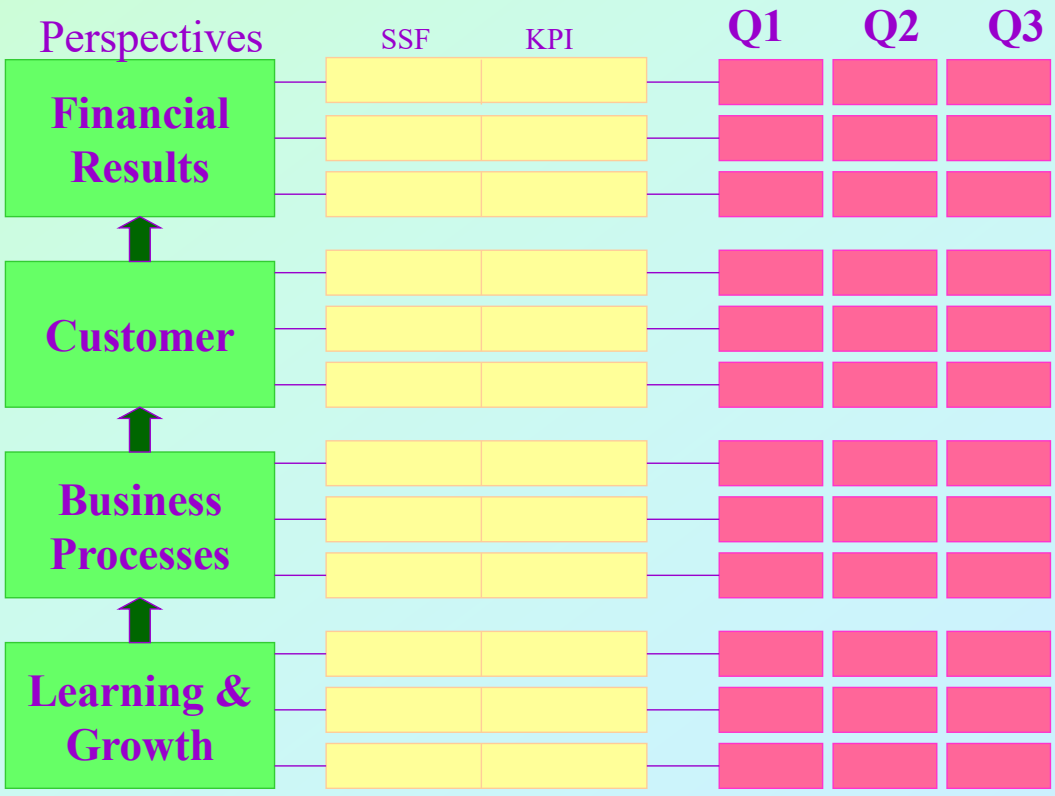
Charts (operational)



Drill Down (operational)

Balanced Scorecard

Detailed ‘ Traffic Light’ View



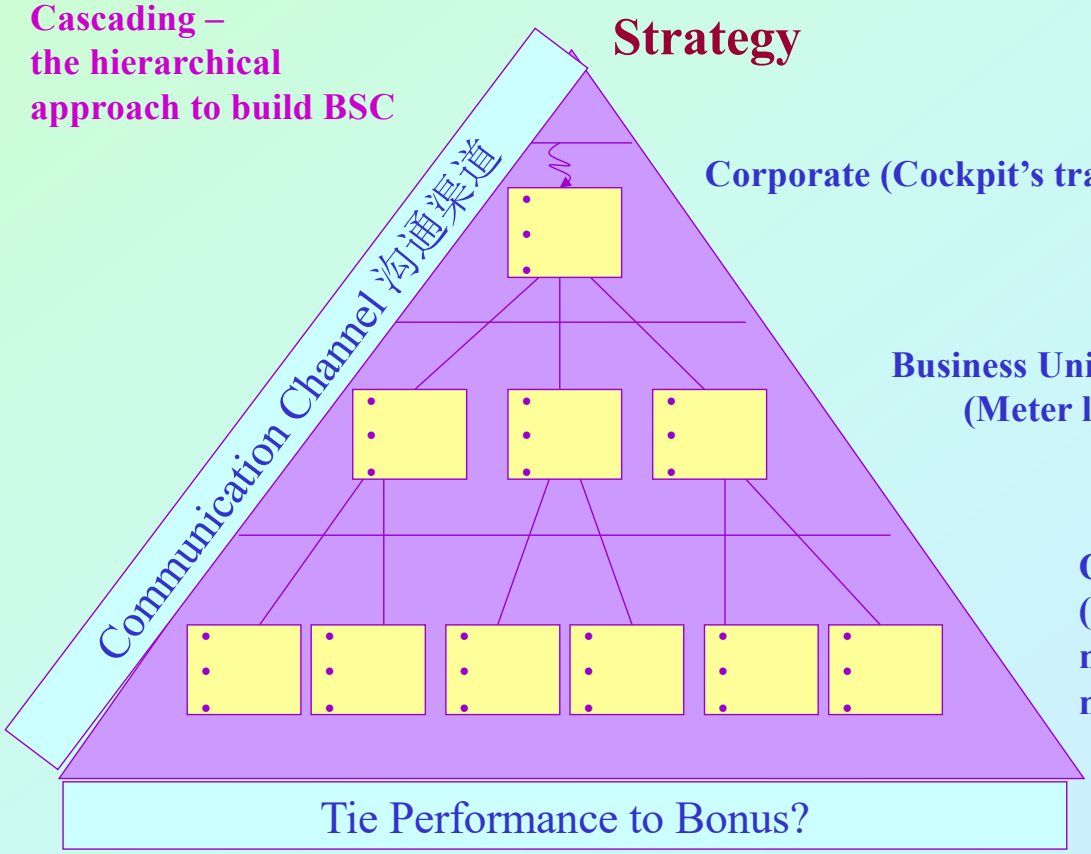
Green meets expectations

Yellow needs attention

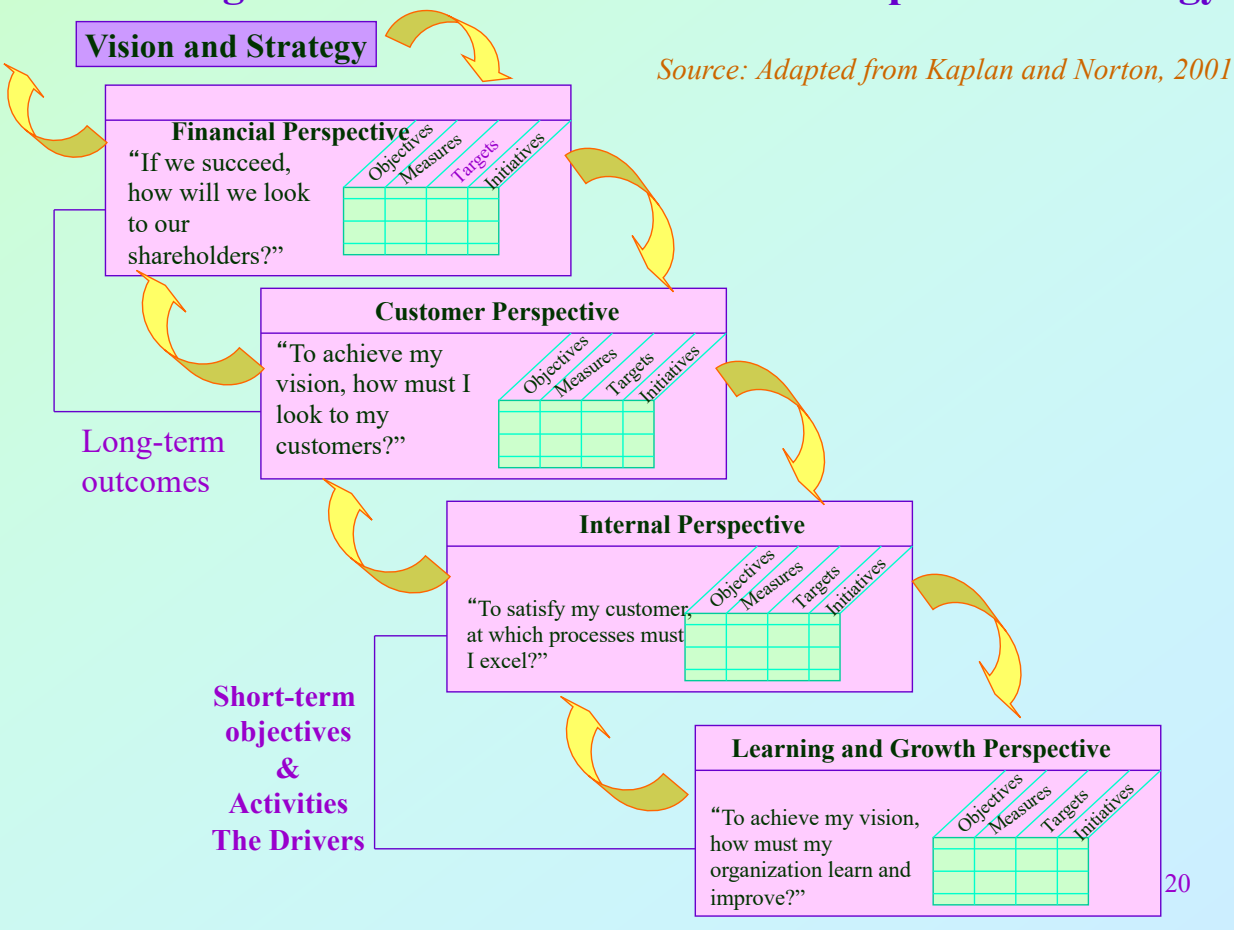
Red requires action

Balanced Scorecard

Cascading – the hierarchical approach to build BSC



Defining the Cause-and-Effect Relationships of the Strategy

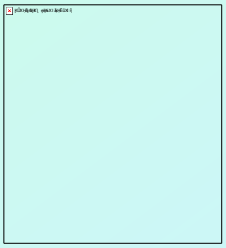


Source: Adapted from Kaplan and Norton, 2001

Balanced Scorecard : Summary

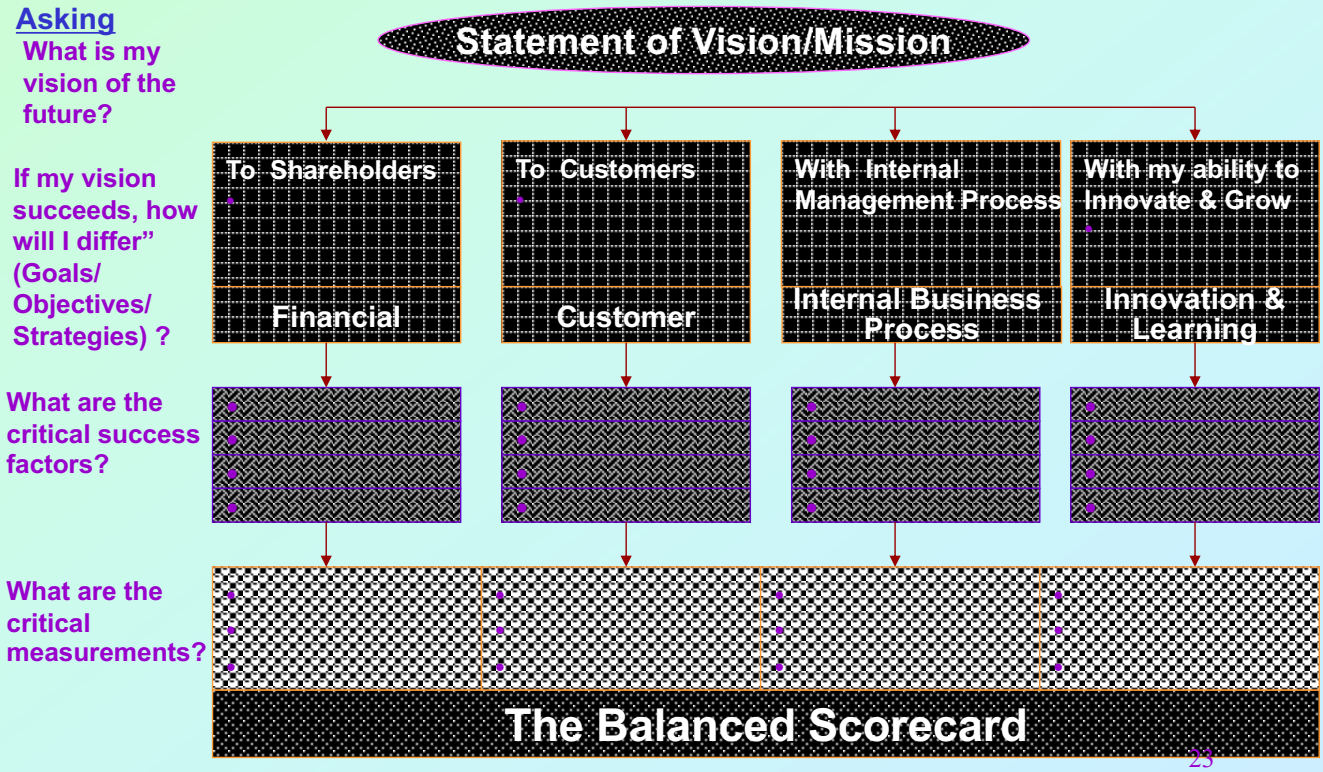
- It links up vision/mission, strategy (corporate, business and operation) to cause and effect measures.
- It involves senior (and middle) managers who have the most complete picture of the company's vision and priorities (KPIs)
- It can be used as a framework and tool for performance and reward management system.

Balanced Scorecard: Summary



- A vehicle for communicating the vision (top-down).
- A tool for adding "structure" to the Strategy Review meeting
- A tool for translating strategy into action
  - Provides clarity throughout the organization
  - Provides focus and prioritization
  - Enables all employees to understand their contribution

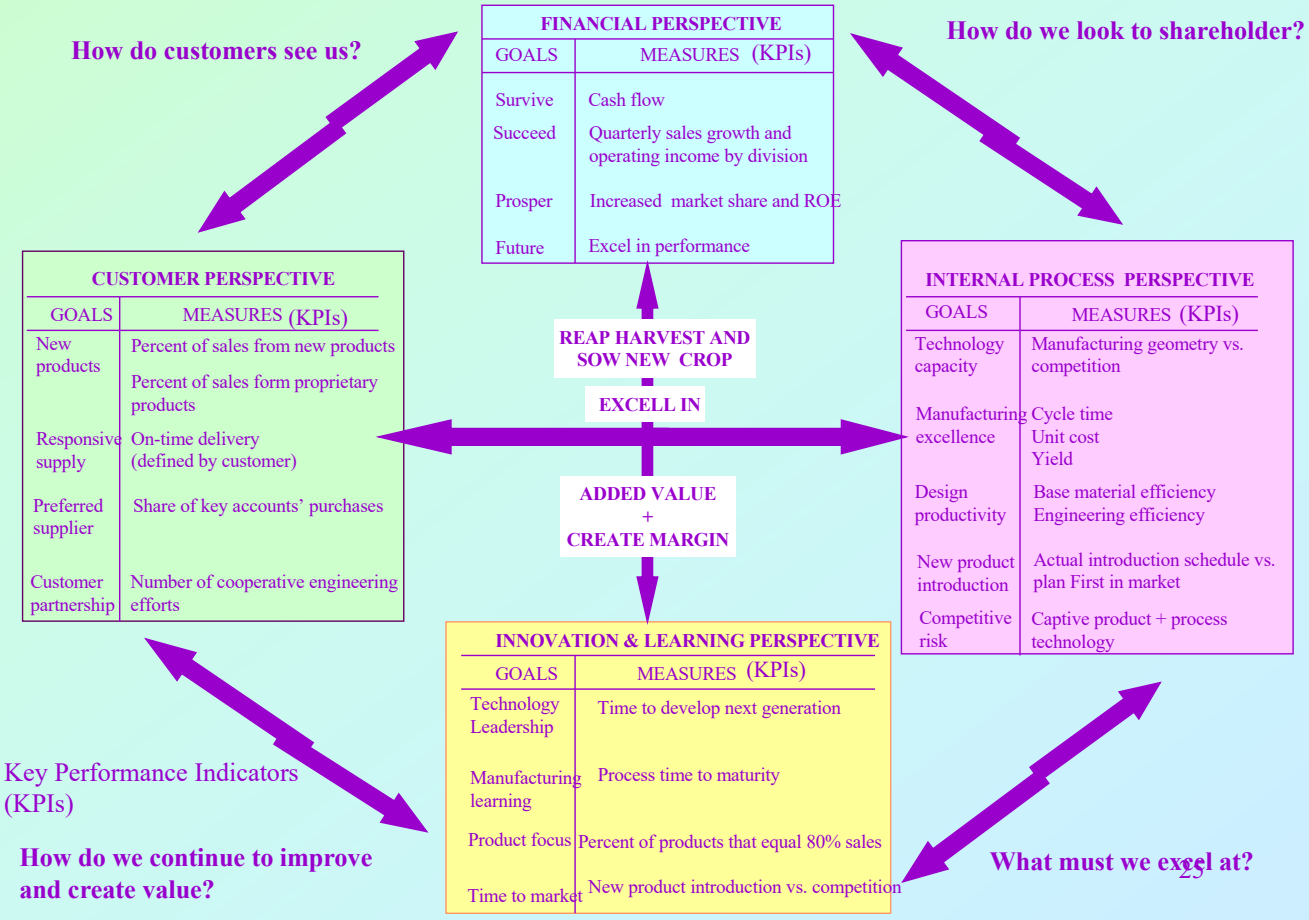
Linking Measures to Strategy



Translating Mission into Desired Outcomes



The Balanced Scorecard Links Performance Measures



BGX HK Balanced Scorecard : Table View

Scorecard	Strategic Success Factor (S.S.F)	Performance Measures (KPIs)	Target 2014 2015 2016 2017
Financial	•Shareholder Satisfaction •Profit Performance •Market Position •Cash flow •NOC	•RONA % •IFO % •Share % (OEM) •HK $Mil •Inv Turns	
Customer	•Number of quality complaints •Brand index •Relative Performance ICSL •Customer Satisfaction •Sales of New Products	•% of complaints/deliveries •Mkt share Val/Vol % •% Perfect Deliveries of Request •Survey: Rank Position on Services •% Sales To New Products	
Process	•Commercial Responsiveness •Product Mix •PCP (Product Creation Process) Hit Rate •Order Fulfillment Cycle Time •Manufacturing Yield •Implement ERP and BSC	•% Enquires > Target •% Products with IFO > 10% •% New Product Releases on Time •X Days •Material Lost % •Days per milestones	
Learning & Innovation	•Manufacturing Excellence •Purchasing Skills •Leader/Coaching Skills •Quality Improvement Teams (QIT)	•Performance to Plan i.e. NPD •Progress in Level 1 training •Maturity Assessment •% Managers Attending Course •QIT (Teams) registered pa	

The Widely Used Performance Measures

- Net profit
- Customer satisfaction
- Return on assets (ROA)
- Total sales
- Net Cash flow
- Profit growth
- Market Share
- Quality Improvement
- Price/Earnings ratio
- Asset size
- Asset growth
- Return on equity (ROE)
- Market share growth
- Shareholder rate of return
- Earnings per share (EPS)
- Increase in share price

The HR Scorecard-Measures of learning & innovation (examples)

- Training & development expenses/net sales or total payroll
- Number of training days per employee
- New qualification attained/no. of employee
- R&D expenditures/net sales
- Number of quality improvement teams (QIT) registered
- Number of new products or services
- New products sales/total sales
- Reduction of days of new product development process (before market testing or market launch)

Creating the Strategy-Focused Organization
(Kaplan & Norton, 2001)

The Five Key Principles

- Kaplan and Norton articulate the 5 key principles required for building Strategy-Focused Organizations:

1) Translate the Strategy to operational terms.
2) Align the organization to the strategy.
3) Make strategy everyone's everyday job.
4) Make strategy a continual process, and
5) Mobilize change through executive leadership.

The Principles of a Strategy-Focused Organization

Source: Kaplan & Norton, 2001



Examples of Organizations Using Balanced Scorecard

***Companies use BSC*:**

- Mobil
- Siemens
- IBM
- Hilton
- UPS
- McDonalds
- Brisbane City Council
- City of Charlotte
- Canadian Police
- Port of Spain
- Boston Lyric Opera
- U.S. Army

Examples of Organizations Using Balanced Scorecard

***Asia*:**

- Centrepoint Properties (Singapore)
- SOHO Group (Indonesia)
- Singapore Prison Service Department
- Tata Motors (India)
- Infosys Technologies (India)
- LG Philips LCD (Korea)

Examples of Organizations Using Balanced Scorecard

***Hong Kong*:**

- **MTRC**
- **Hong Kong Housing Society**
- **HSBC**
- **Modern Terminals**
- **HKPC**
- **HWL**

Application of BSC: City University of Macau (AIOU)

**Staff learning & growth*

- Hire high quality academic staff
- Conduct training for all teaching & administrative staff

**Internal process*

- Establish new organisation structure
- Publish dissertation guide for all professors & students
- Obtain ISO 9000 certification

*Customer

- Provide free lectures for partner institutions & MBA students
- Develop new Doctoral programme for graduates

**Financial*

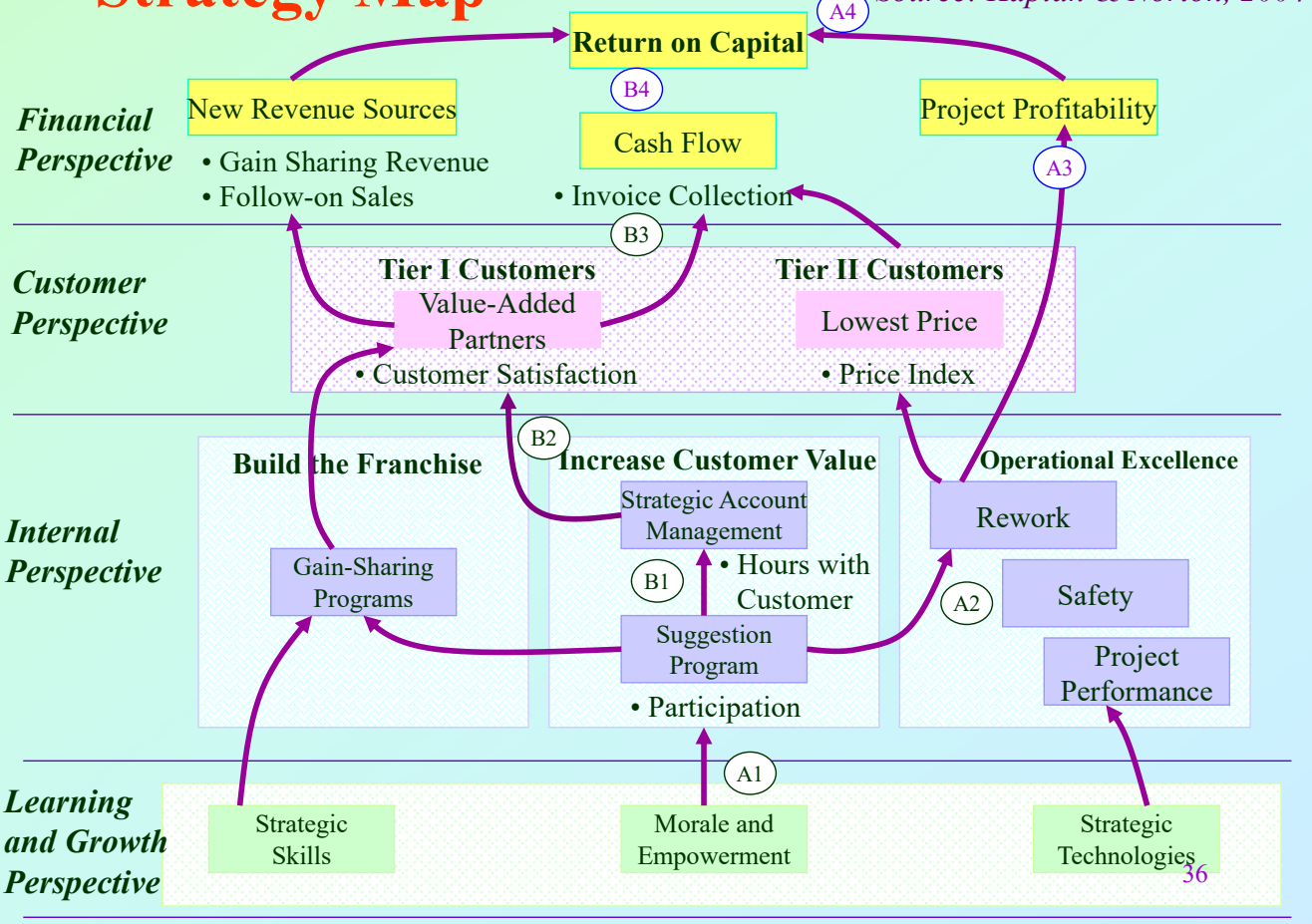
- Increase revenue from additional partners & students

What is strategy map?

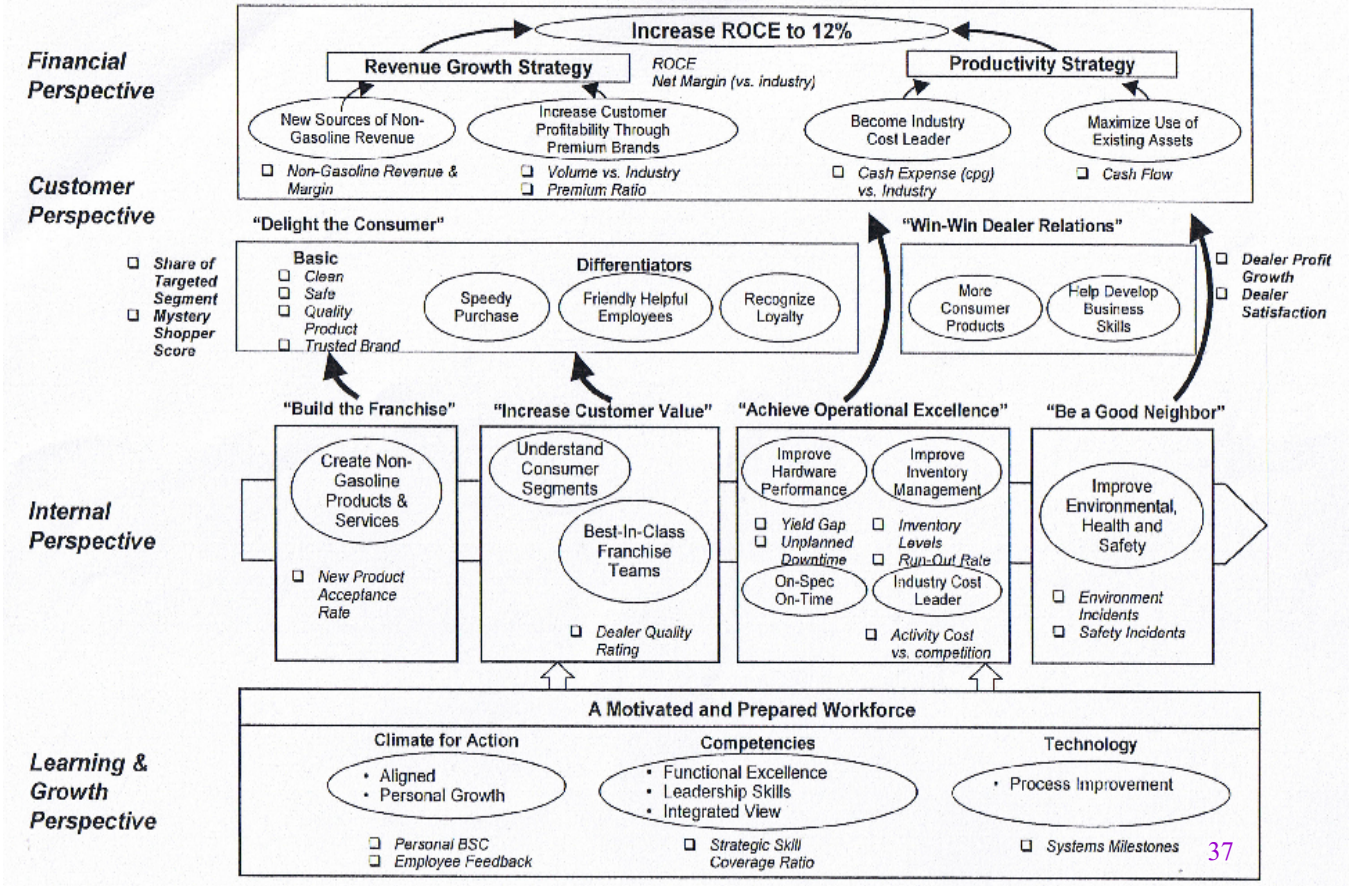
The road map by using Balanced Scorecard to achieve corporate strategic goals

Strategy Map

Source: Kaplan & Norton, 2004

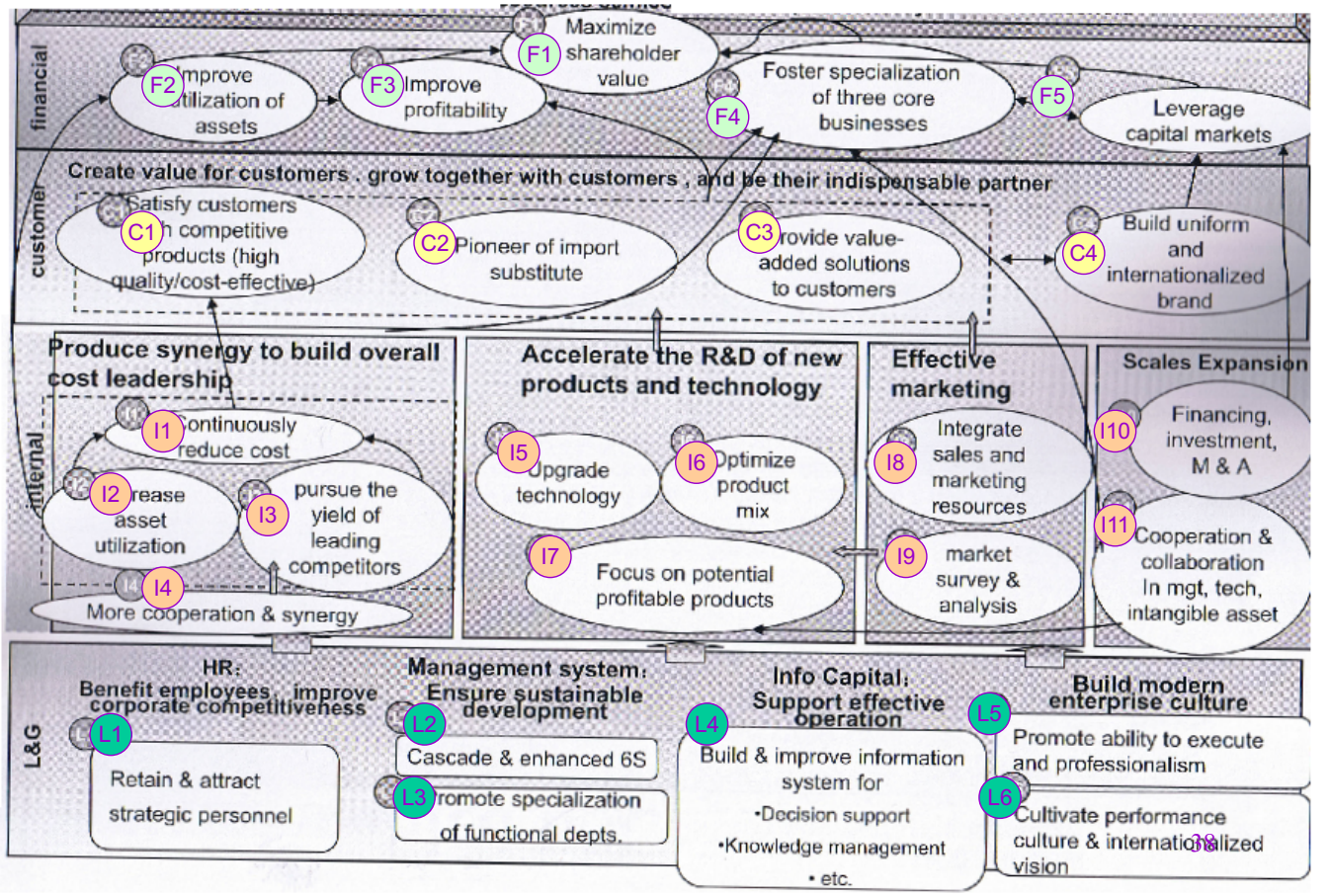


Mobil's Strategy Map



37

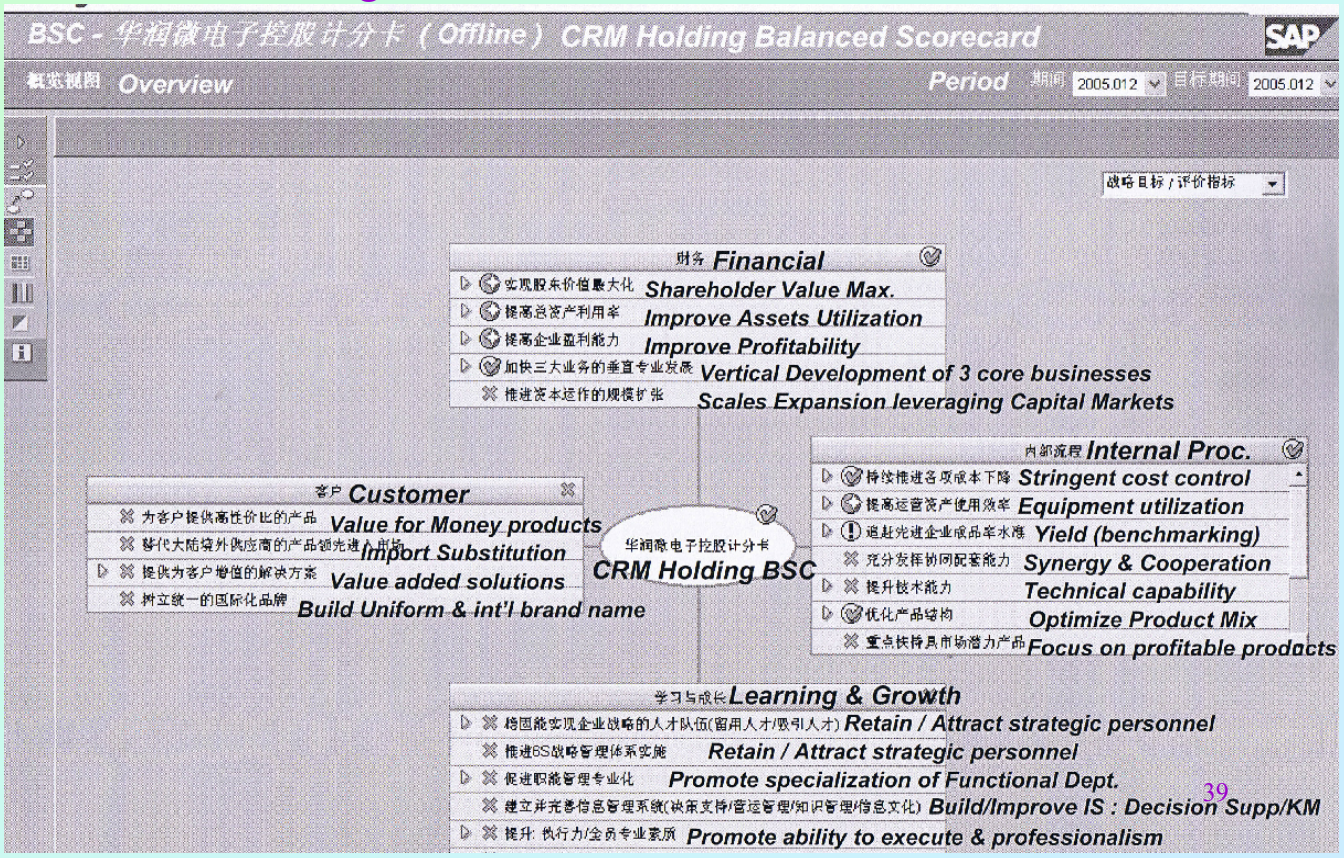
华潤微电子 - 战略地图 CRM Strategy Map



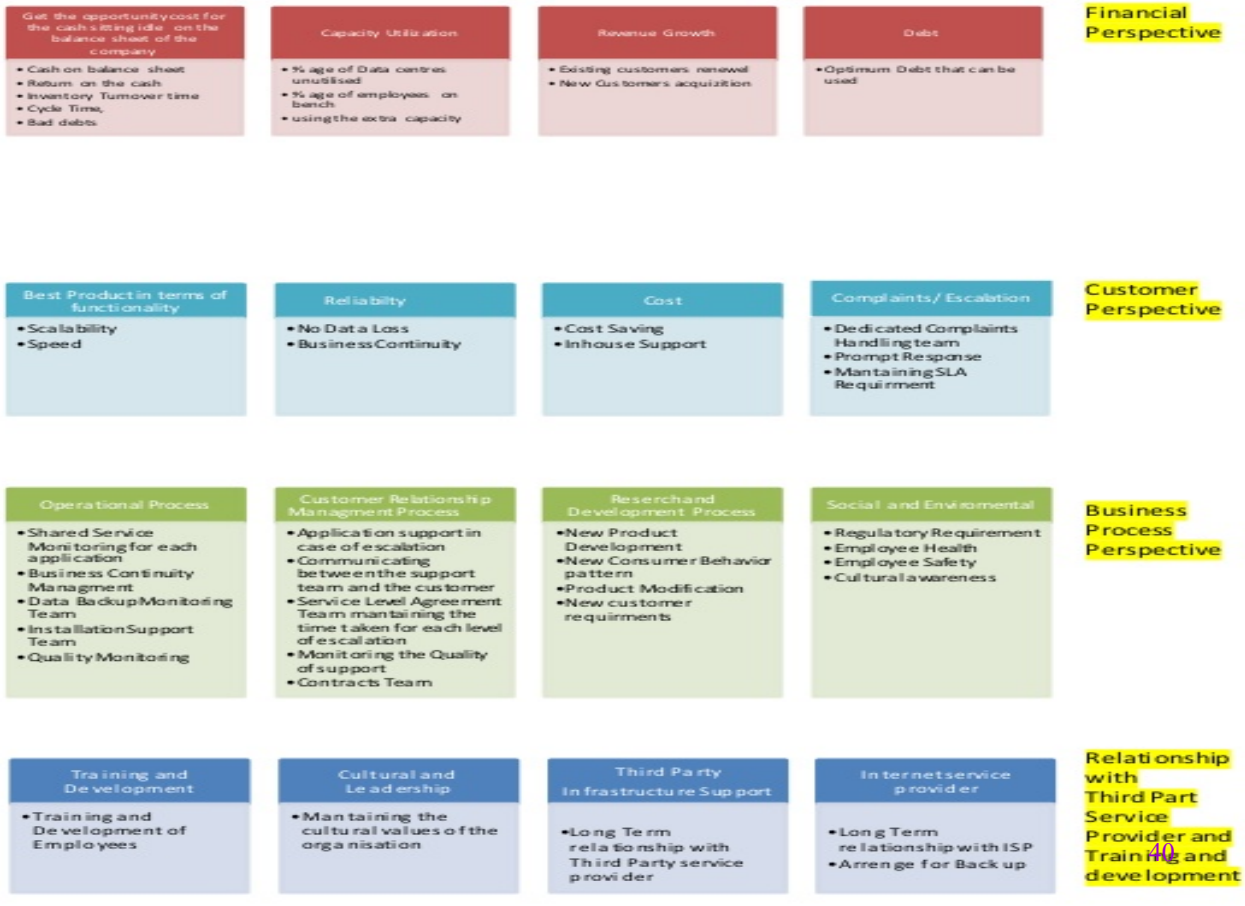
38

华潤微电子 CRM BSC Visualization

- CRM is using SAP to visualize the scorecard



Strategy Map for Cloud Based Business (Example Amazon Web Services)



Case Study 1

MTRC's Balanced Scorecard and Strategy Map

MTRC's – Strategies and Measures

Efficiency

Strategies: - Competent staff; efficient organization; optimize manpower; entrepreneurial mindset

Measures: -Training ratio; efficiency index; direct job cost ratio

Process

Strategies: - Reliable system; fast recovery to minimize impact

- Service meets demand forecast; research & apply best practices; railway extension planning

Measures: Response & recovery; planning achievement; best practices

MTRC's - Balanced Scorecard - Strategies

Customer

Strategies: - Improve customer service; enhance value-added customer service

- Accessibility; foster relationship with community, political parties & academics

Measures: Service quality; customer complaint

Safety

Strategies: - Continuous improvement on safety performance; comply to law; involve in legislation consultation; security

Measures: Staff safety; passengers safety; risk index

MTRC's - Balanced Scorecard - Strategies

Financial

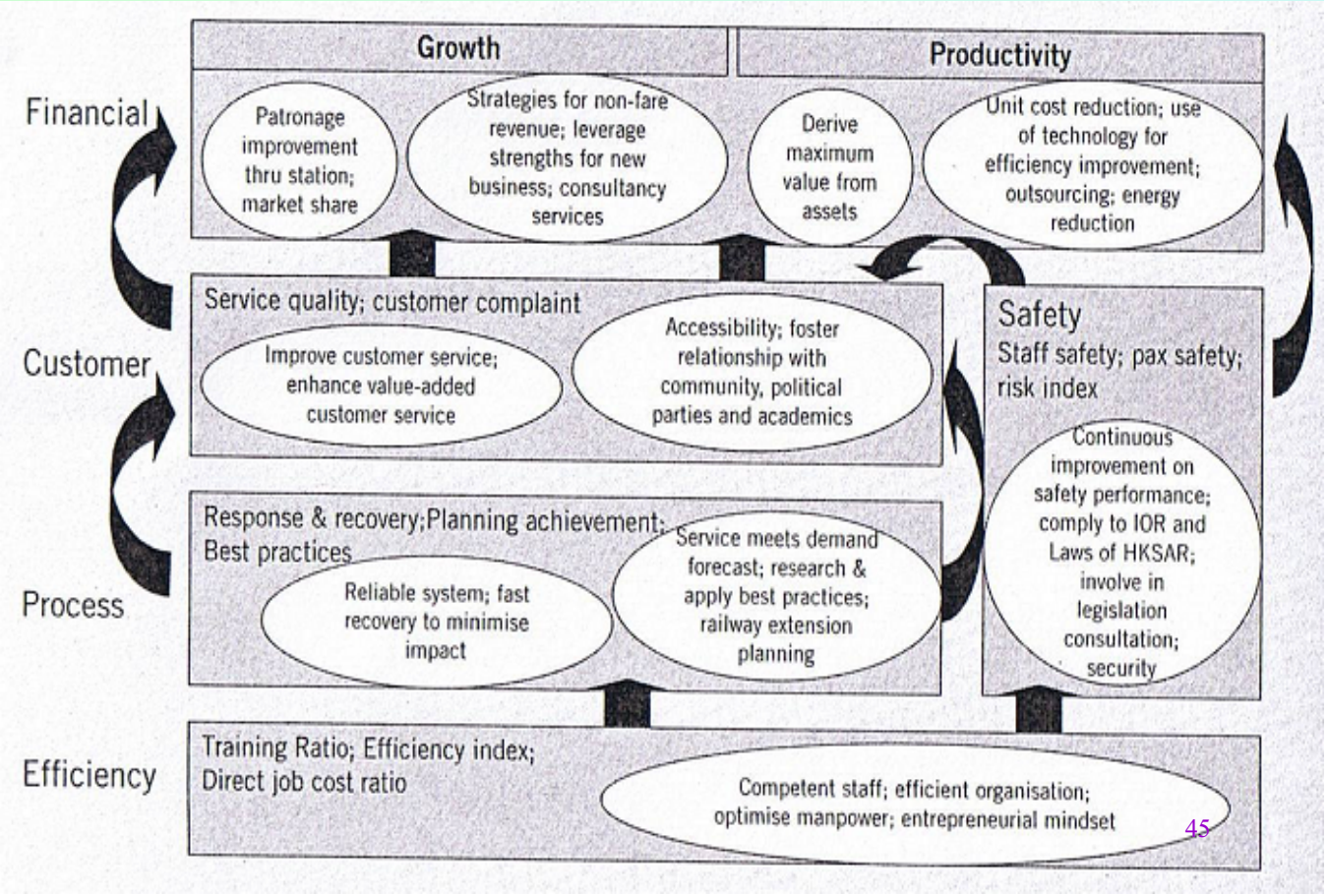
Growth strategies:

- **Patronage increase through station improvement; market share**
- **Increase non-fare revenue; leverage strengths for new business; consultancy services**

Productivity strategies:

- **Derive maximum value from assets**
- **Unit cost reduction; use of technology for efficiency improvement; outsourcing; energy reduction**

MTRC's Strategy Map



Case Study 2

HWL Group Developed its Balanced Scorecard & Strategy Maps:

Awareness & launch programme within GISD

- Kick off meetings
- Videos 'GISD Managers talk about GISD Strategy Implementation Plan and Measurements' in GISD portal and LCD screen





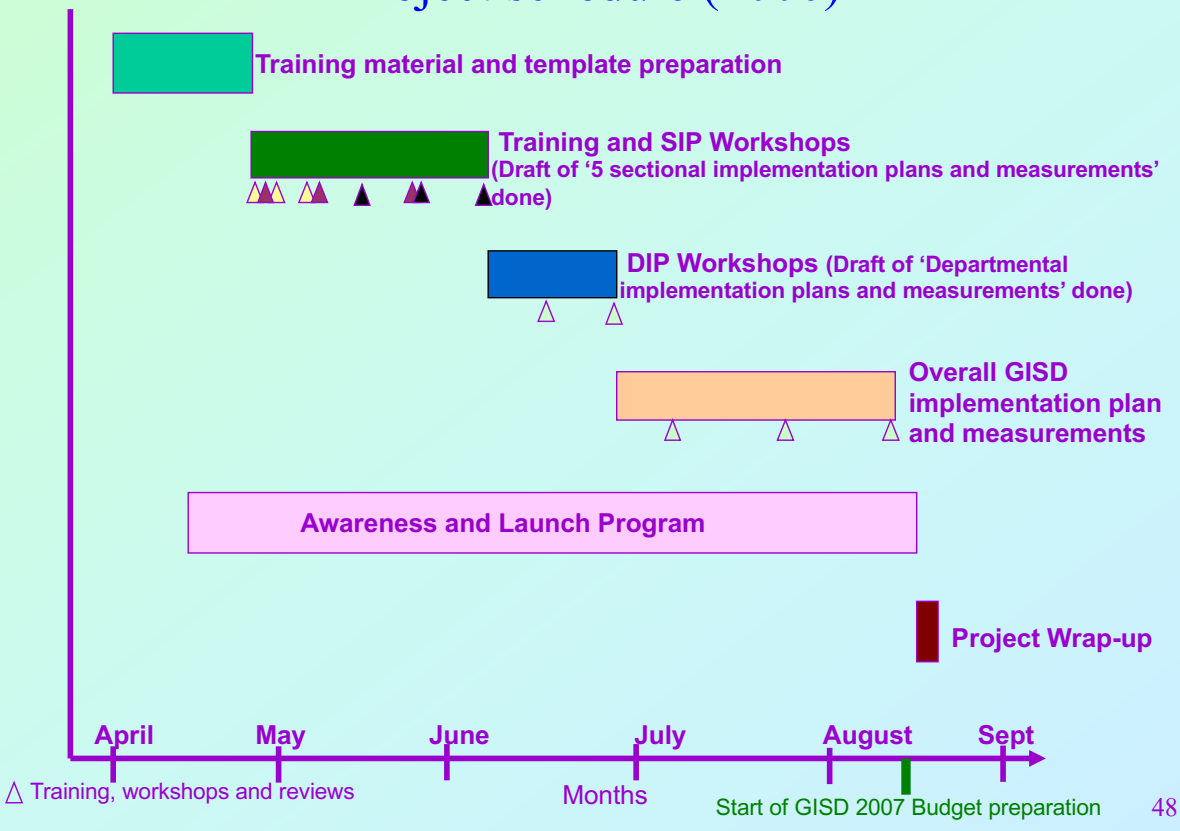






❖ Post-project launch and awareness programme

Building a BSC & Strategy Map – Project schedule (2006)



Building a BSC - Workshop Agenda

Time (pm)	Task	By	Duration (Mins)
2:00	Report 1: Report the strategic issues and SWOT analysis discussed in SIP workshop	HKU	20
2:20	Ex 1: To discuss the departmental level strategic issues	HG	40
3:00	Report 2: Report the methodologies for identifying departmental measures	HKU	45
3:30	Break		5
3:35	Ex 2: To discuss the approaches for formulating departmental measures and layout the principle(s) for defining the formulas (and amend new departmental measures if any)	HKU	40
4:30	Ex 3: To Review the relevancy of the Departmental Initiatives (and amend new departmental initiatives if any)	HG	30
5:00	Report 3: Report the sectional strategies and the measures and show how to evolve them to form the Departmental Strategy Map	HKU	30
5:30	Wrap Up	HKU	10

Mission

To provide the IT foundations to enable our HWL group of companies to grow quickly and effectively

Vision

GISD is the "one stop shop" providing high-value, reliable and excellent knowledge, direction and shared IT services for the HWL group's global business.

Strategy

Leadership & Inspiration

- Lead and inspire others to excel
- Selectively drive IT governance across our business
- Treat staff & customers as we want to be treated

Achievement & Excellence

- Achieve product excellence, service quality and process efficiency
- Strive for consistency, reusability, reliability, excellence and simplicity

Service & Synergy

- Drive inter-sector synergies & economies of scale
- Provide & grow high quality shared services

Empowerment & Innovation

- Innovation and creativity in use of technology while achieving meaningful ROI
- Empower, support and develop management and staff

Return & Value

- Generate business value in everything

Departmental Strategy

Leadership & Inspiration

- Lead and inspire others to excel
- Selectively drive IT governance across our business
- Treat staff & customers as we want to be treated

Achievement & Excellence

- Achieve product excellence, service quality and process efficiency
- Strive for consistency, reusability, reliability, excellence and simplicity

Service & Synergy

- Drive inter-sector synergies & economies of scale
- Provide & grow high quality shared services

Empowerment & Innovation

- Innovation and creativity in use of technology while achieving meaningful ROI
- Empower, support and develop management and staff

Return & Value

- Generate business value in everything

Section 1 ()

1. Selectively driving IT governance across HWL businesses
2. Drive common group IT strategies across HWL businesses
3. Exploration of Group IT Foundation Initiatives

Departmental Strategy

Leadership & Inspiration

- *Lead and inspire others to excel*
- *Selectively drive IT governance across our business*
- *Treat staff & customers as we want to be treated*

Achievement & Excellence

- *Achieve product excellence, service quality and process efficiency*
- *Strive for consistency, reusability, reliability, excellence and simplicity*

Service & Synergy

- *Drive inter-sector synergies & economies of scale*
- *Provide & grow high quality shared services*

Empowerment & Innovation

- *Innovation and creativity in use of technology while achieving meaningful ROI*
- *Empower, support and develop management and staff*

Return & Value

- *Generate business value in everything*

Section 2 ()

1. To achieve synergies and economy of scale through promoting better adoption of shared contracts
2. To improve group communication and information sharing
3. To develop effective financial procedures and standards on IT Financial Management for GISD and across the group

Strategy – ALL together

Section 2

1. To achieve synergies and economy of scale through promoting better adoption of shared contracts
2. To improve group communication and information sharing
3. To develop effective financial procedures and standards on IT Financial Management for GISD and across the group

Section 1

1. Selectively driving IT governance across HWL businesses
2. Drive common group IT strategies across HWL businesses
3. Exploration of Group IT Foundation Initiatives

Section 3

1. To promote GISD as customer focused
2. To improve overall GISD service level through world class monitoring, management and reporting
3. Driving everyone in GISD to be customer focused

Section 5

1. Improve and expand group shared service through service quality, value for money and corporate policy understanding
2. Improve operational efficiency and performance through excellence in system management

Section 4

1. To provide adaptive infrastructure foundations to enable our HWL group of companies to grow quickly and effectively
2. To enhance customer satisfaction of HIL users through providing cost-effective infrastructure and desktop services

Departmental Measures

IT Value and Governance perspective

1. % of IT budget for new initiatives
2. % of initiatives aligned with group IT strategies
3. Benefits realization from key IT investments in HWL group companies
4. Benefits from adoption of group contracts in HWL group companies
5. Compliance rate to Group IT Policy/Standard
6. Delivery cost neutral

Customer perspective

1. % of services having a documented customer relationship management plan
2. Customer satisfaction level
3. Increase number of services
4. Existence of an IT steering committee with business participation
5. % of HWL group companies using the group shared services
6. % of applications and services meeting SLAs



Internal Process perspective

1. % of initiatives suggested by customer considered and responded
2. First response time to customer
3. Reduction in number of problems reported
4. Reduction of rework rate
5. % of vendors with SLAs in place
6. % of budget and schedule variance for projects

Innovation & Growth perspective

1. % of IT budget allocated to research, seminar & training
2. % of GISD staff who understand the IT organization's mission, vision and strategy
3. % of training days and days attending seminar
4. Turnover rate
5. % of staff with completed professional development plans
6. Satisfaction Level of GISD's Innovation

Departmental measures – accountable parties summary

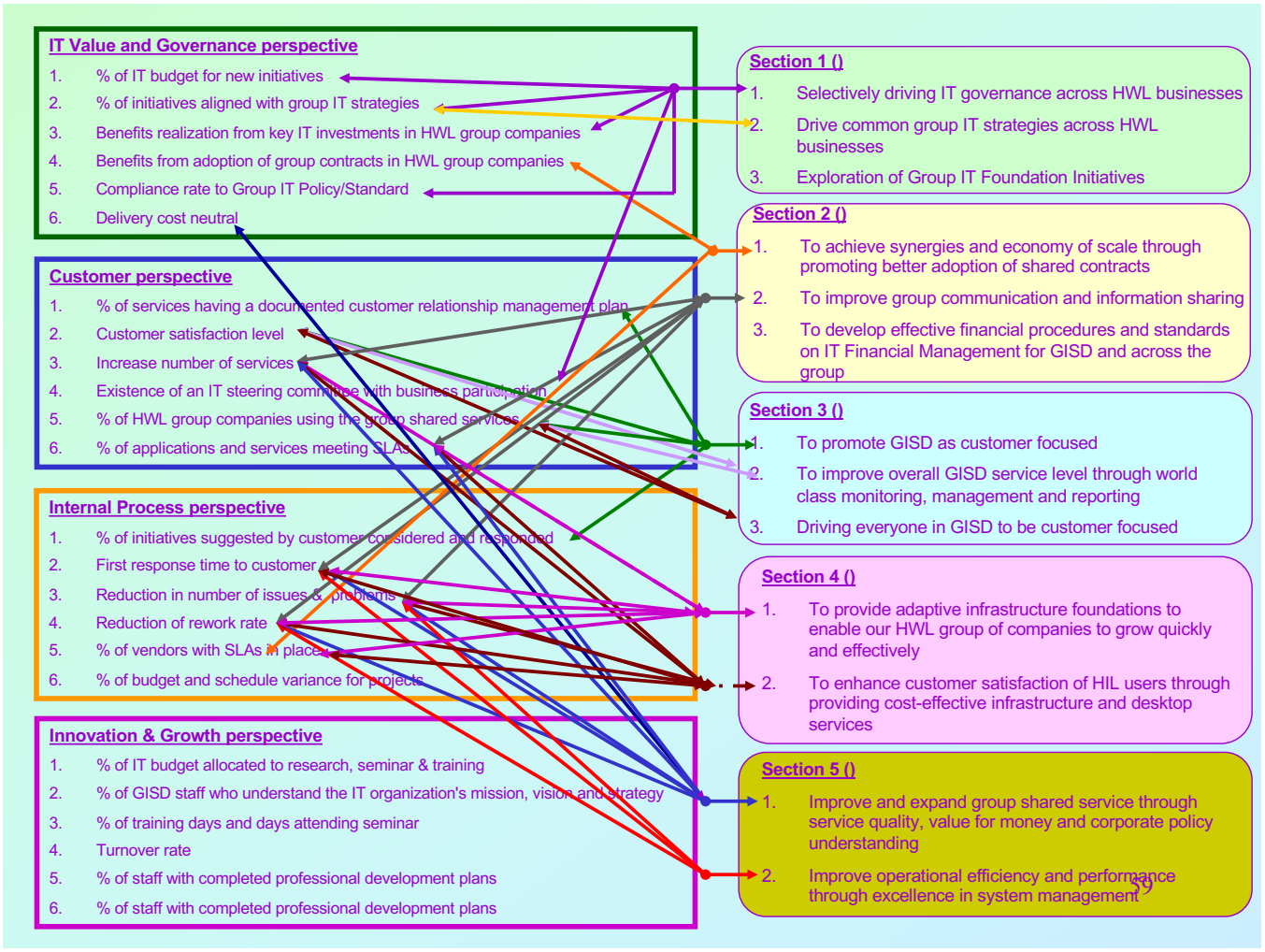
Perspectives	David	Section 1 (Peter Li)	Section 2 (Stephen)	Section 3 (KC)	Section 4 (Raymond)	Section 5 (Peter Tay)	Existing measure? Who currently managed this measure?
IT value and governance	**0**	**4**	**1**	**0**	**0**	**1**	
% of IT budget for new initiatives		Y					New measure
% of initiatives aligned with group IT strategies		Y					New measure
Benefits realization from key IT investments in HWL group companies		Y					New measure
Benefits from adoption of group contracts in HWL group companies			Y				New measure
Compliance rate to Group IT Policy/Standard		Y					New measure
Delivery cost neutral						Y	Stanley
Customer	**0**	**1**	**2**	**3**	**2**	**2**	
% of services having a documented customer relationship management plan				Y			New measure
Customer satisfaction level				Y			New measure
Increase number of services			Y		Y	Y	New measure
Existence of an IT steering committee with business participation		Y					New measure
Increasing number of HWL group companies using the group shared services				Y			New measure
% of applications and services meeting SLAs			Y		Y	Y	New measure

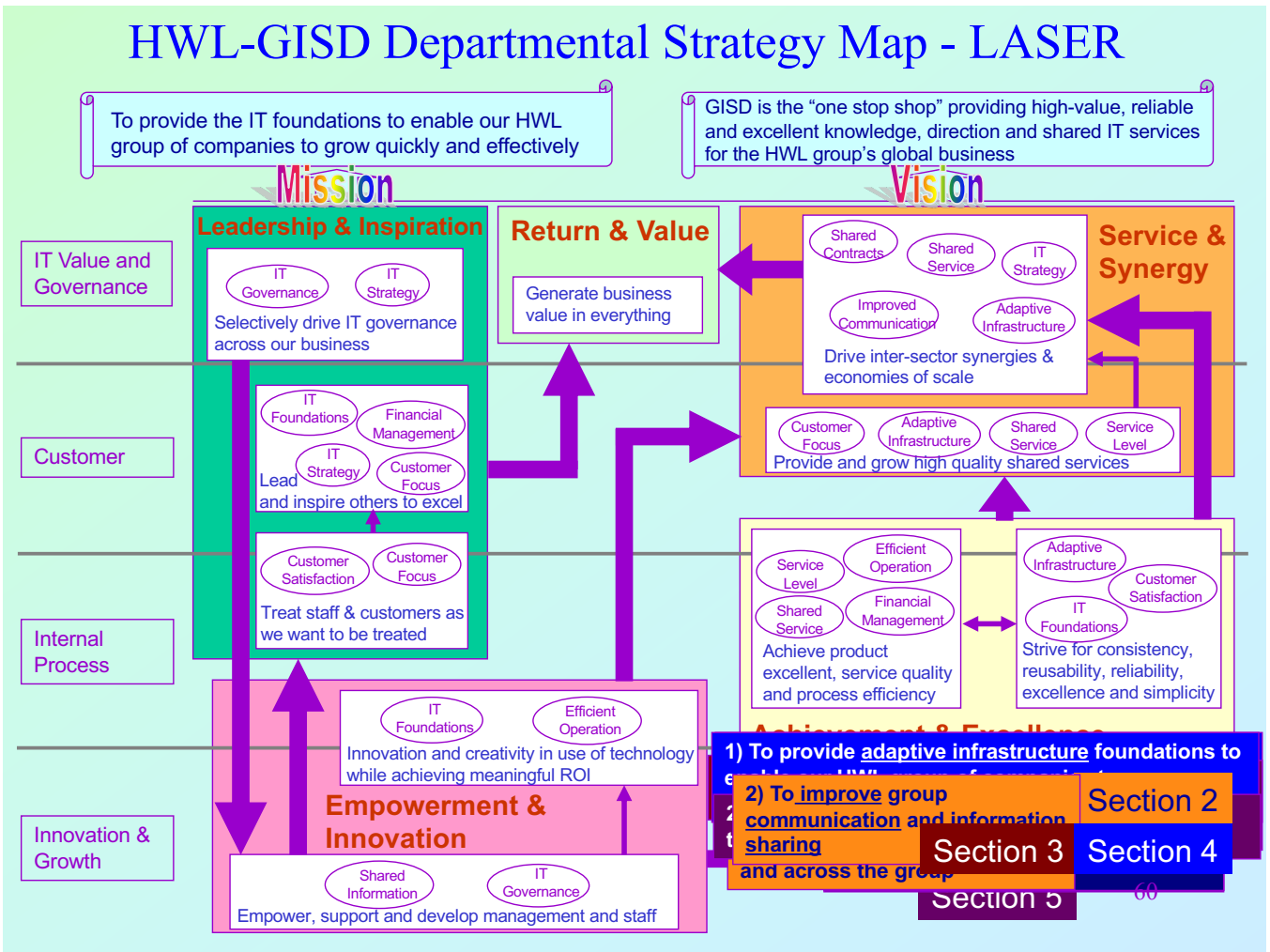
Departmental measures – accountable parties summary

Perspectives	David	Section 1 (Peter Li)	Section 2 (Stephen)	Section 3 (KC)	Section 4 (Raymond)	Section 5 (Peter Tay)	Existing measure? Who currently managed this measure?
Internal Process	**0**	**1**	**5**	**2**	**5**	**4**	
% of initiatives suggested by customer considered and responded				Y			New measure
First response time to customer			Y		Y	Y	CS
Reduction in number of problems reported			Y		Y	Y	New measure
Reduction of rework rate			Y		Y	Y	New measure
% of projects exceeding budget or schedule		Y	Y	Y	Y	Y	Project Manager
% of vendors with SLAs in place			Y		Y		New measure
Innovation & Growth	**6**	**0**	**1**	**0**	**0**	**0**	
% of IT budget allocated to research, seminar & training	Y						New measure
% of GISD staff who understand the IT organization's mission, vision and strategy	Y						New measure
% of training days and days attending seminar	Y						New measure
Turnover rate	Y						Stanley
% of staff with completed personal development plans	Y						New measure
Satisfaction Level of GISD's Innovation	Y						New measure
Total	**6**	**7**	**9**	**5**	**8**	**9**	**9**

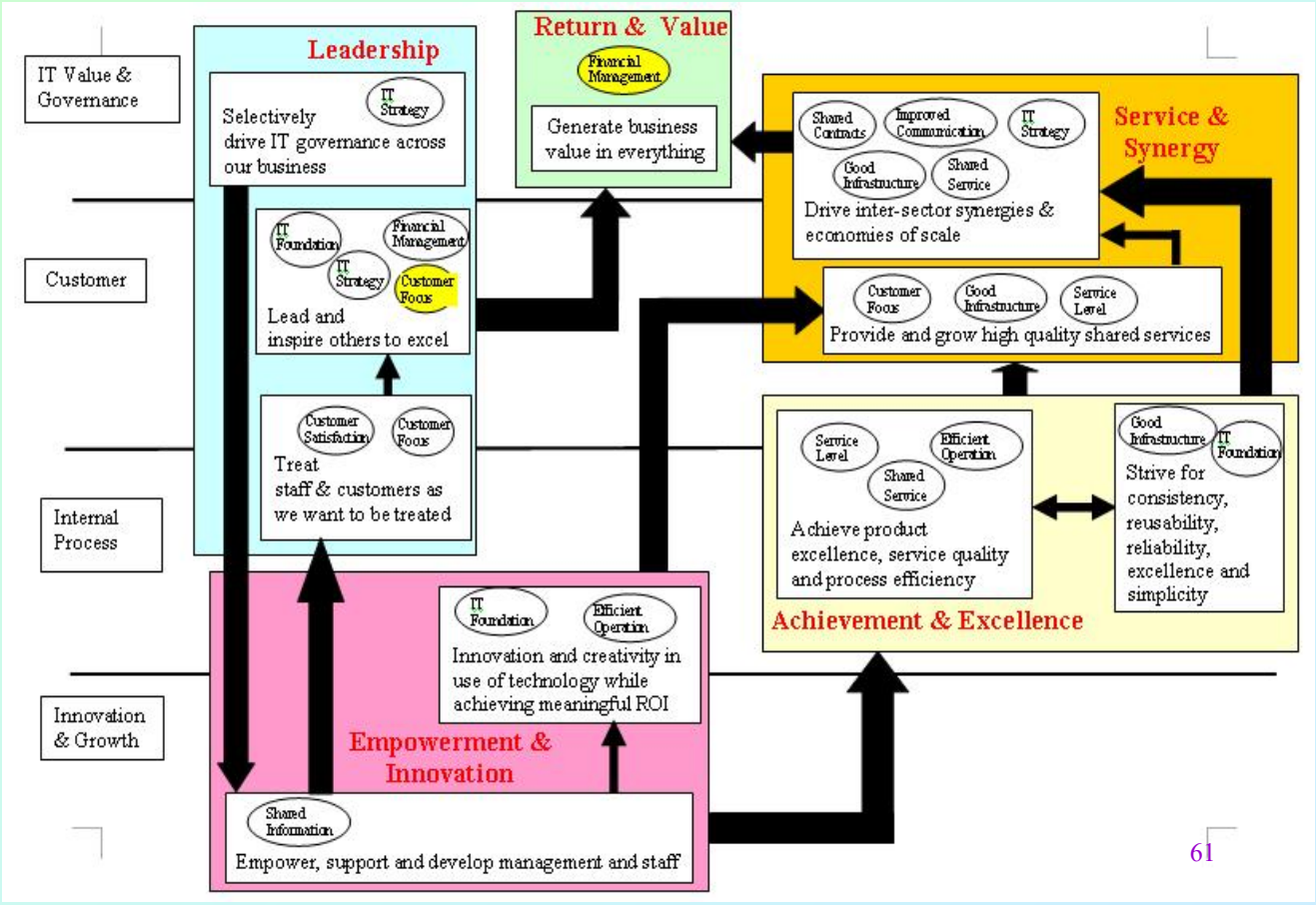
Four steps to create departmental strategy map

1. Decide the position and the relationship of our slogan – LASER
2. Decide the relationship between departmental strategy and
    1. the four perspectives in balanced scorecard with
    2. our slogan - LASER
3. Map each sectional strategy into the strategy map by using the decided information 'How this sectional strategy align with the departmental strategy'
4. Decide the relationship between departmental strategy


IT Value and Governance perspective
1. % of IT budget for new initiatives
2. % of initiatives aligned with group IT strategies
3. Benefits realization from key IT investments in HWL group companies
4. Benefits from adoption of group contracts in HWL group companies
5. Compliance rate to Group IT Policy/Standard
6. Delivery cost neutral
Customer perspective
1. % of services having a documented customer relationship management plan
2. Customer satisfaction level
3. Increase number of services
4. Existence of an IT steering committee with business participation
5. % of HWL group companies using the group shared services
6. % of applications and services meeting SLAs
Internal Process perspective
1. % of initiatives suggested by customer considered and responded
2. First response time to customer
3. Reduction in number of issues & problems
4. Reduction of rework rate
5. % of vendors with SLAs in place
6. % of budget and schedule variance for projects
Innovation & Growth perspective
1. % of IT budget allocated to research, seminar & training
2. % of GISD staff who understand the IT organization's mission, vision and strategy
3. % of training days and days attending seminar
4. Turnover rate
5. % of staff with completed professional development plans
6. % of staff with completed professional development plans
Section 1 ()
1. Selectively driving IT governance across HWL businesses
2. Drive common group IT strategies across HWL businesses
3. Exploration of Group IT Foundation Initiatives
Section 2 ()
1. To achieve synergies and economy of scale through promoting better adoption of shared contracts
2. To improve group communication and information sharing
3. To develop effective financial procedures and standards on IT Financial Management for GISD and across the group
Section 3 ()
1. To promote GISD as customer focused
2. To improve overall GISD service level through world class monitoring, management and reporting
3. Driving everyone in GISD to be customer focused
Section 4 ()
1. To provide adaptive infrastructure foundations to enable our HWL group of companies to grow quickly and effectively
2. To enhance customer satisfaction of HIL users through providing cost-effective infrastructure and desktop services
Section 5 ()
1. Improve and expand group shared service through service quality, value for money and corporate policy understanding
2. Improve operational efficiency and performance through excellence in system management
59

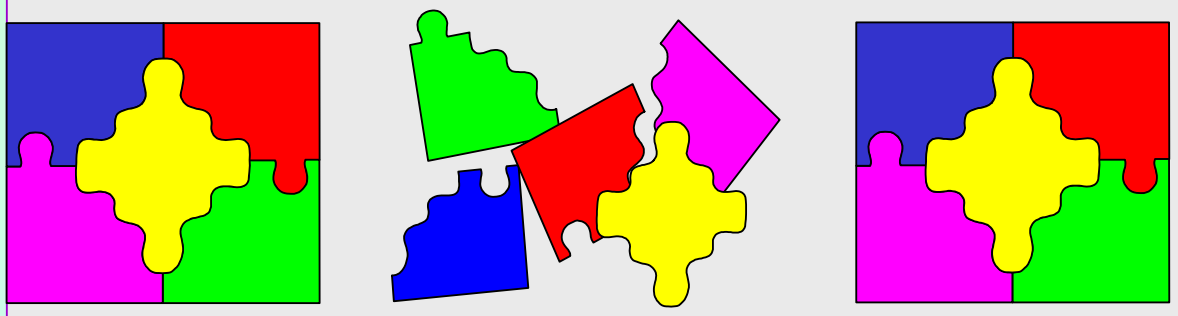

HWL-GISD Departmental Strategy Map - LASER
To provide the IT foundations to enable our HWL group of companies to grow quickly and effectively
Mission
GISD is the "one stop shop" providing high-value, reliable and excellent knowledge, direction and shared IT services for the HWL group's global business
Vision
IT Value and Governance
Customer
Internal Process
Innovation & Growth
Leadership & Inspiration
IT Governance
IT Strategy
Selectively drive IT governance across our business
IT Foundations
Financial Management
IT Strategy
Customer Focus
Lead and inspire others to excel
Customer Satisfaction
Customer Focus
Treat staff & customers as we want to be treated
Return & Value
Generate business value in everything
Service & Synergy
Shared Contracts
Shared Service
IT Strategy
Improved Communication
Adaptive Infrastructure
Drive inter-sector synergies & economies of scale
Customer Focus
Adaptive Infrastructure
Shared Service
Service Level
Provide and grow high quality shared services
Service Level
Efficient Operation
Shared Service
Financial Management
Achieve product excellent, service quality and process efficiency
Adaptive Infrastructure
Customer Satisfaction
IT Foundations
Strive for consistency, reusability, reliability, excellence and simplicity
IT Foundations
Efficient Operation
Innovation and creativity in use of technology while achieving meaningful ROI
Empowerment & Innovation
Shared Information
IT Governance
Empower, support and develop management and staff
1) To provide adaptive infrastructure foundations to
2) To improve group communication and information sharing
and across the group
Section 2
Section 3
Section 4
Section 5
60

HWL-GISD's Strategy Map





Organizational Change



Unfreezing Changing Refreezing

Kurt Lewin's Three-Step Process

Key competences of change agents

Goals

1. Sensitivity to changes in key personnel, top management perceptions and market conditions
2. Clarity in specifying goals
3. Flexibility in responding to changes

Roles

4. Team building abilities
5. Networking skills
6. Tolerance of ambiguity

Communication

7. Communication skills
8. Interpersonal skills
9. Personal enthusiasm
10. Stimulating motivation and commitment in others

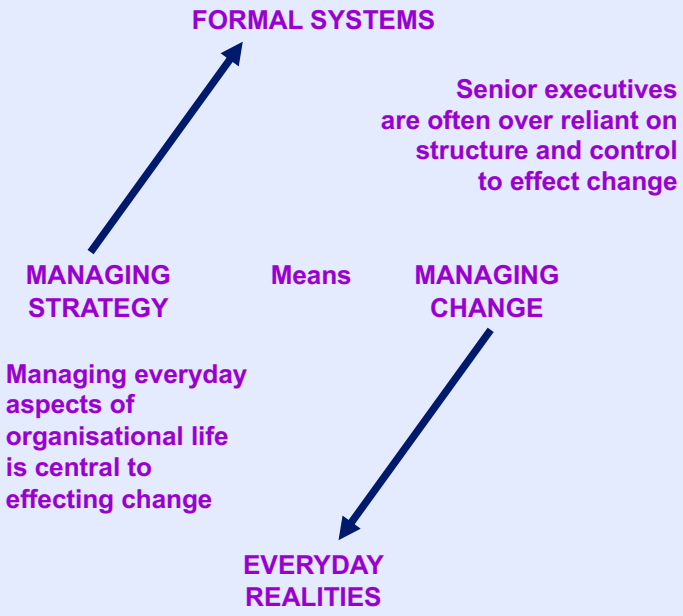
Negotiation

11. Selling plans and ideas to others
12. Negotiating with key players

Management

13. Political awareness
14. Influencing skills
15. Helicopter perspectives

MANAGING EVERYDAY ASPECTS OF STRATEGIC CHANGE



Winning Strategies

What To Do When You Are Doing Well:

Perspectives from Sun Zi (孫子)

Derived From:
Chow-Hou Wee (2005), ***Sun Zi Bingfa: Selected Insights and Applications,***
Prentice Hall, Singapore.

Be Pro-active at All Times and in All Situations

1. He who is proactive and well-prepared and await his unprepared enemy will win.

2. In the conduct of war, one must not rely on the failure of the enemy to come, but on readiness of oneself to engage the enemy.

3. One must not rely on the failure of the enemy to attack, but on the ability of oneself to build an invincible defense that is invulnerable to attacks.

Wee (2005), p.150

Question 1

If you are number 2, number 3, or number 4, (e.g. in market share, profits, quality, image, etc.),

What is your goal or strategy?

Question 2

If you are number 1, (e.g. in market share, profits, service quality, brand ranking, etc.),

What will you do?

Some Typical Answers

- Protect the No.1 Position
- Try to Remain as No.1
- Maintain the Leadership Position
- Guard Against the Competitors

Example of NBA Basketball Games

NBA-National Basketball Association

The Scores with 1 minute remaining:

Chicago Bulls 88	Houston Rockets 86
Boston Celtics 98	New York Knicks 75

NBA Standing

Southwest Division

Teams	Win	Lost	GB
San Antonio	37	15	-
Houston	36	16	1
Dallas	35	19	3
New Orleans	33	20	4.5
Memphis	14	40	24

NBA Standing

Atlantic Division

Teams	Win	Lost	GB
Boston	41	11	-
Toronto	29	23	12
New Jersey	24	30	18
Philadelphia	24	31	18.5
New York	16	38	26

GB-games behind

Questions

1. Which team will be under greater stress?
2. Which team is more willing to take risks?
3. Which team is more afraid of making mistakes?
4. Which team is likely to be more creative/innovative?

A Leader must be:

More creative and innovative

More willing to take risks

Not afraid of making mistakes

Able to withstand stress

This is why Distancing (Widening the gap) is so important!

Why Distance Yourself ?

When gap is narrow:

- Vulnerable by default.

- Provide the most logical, achievable and acceptable target for competitors.

Why Distance Yourself ?

Never give competitors the motivation to take you down.

Contrasting Leadership Behaviour

*When Leadership Gap is **Narrow***	*When Leadership Gap is **Wide***
1. Forced to guard against competitors.	1. Competitors are wary of moves by the leader.
2. Limited economies of scale.	2. Great economies of scale.
3. Can't afford to take high risks.	3. Can afford to take risks.
4. Can become conservative & less innovative.	4. More scope for innovation and creativity.
5. Under stress from competitors.	5. Stress is more self-induced.
6. Afraid to make mistakes.	6. Great leeway to accommodate mistakes.

Contrasting Leadership Behavior

*When Leadership Gap is **Narrow***	*When Leadership Gap is **Wide***
7. Tend to use tactics.	7. Time to plan & strategize.
8. Tend to be reactive and defensive.	8. Can be proactive and be on the offensive.
9. Forced to take more short-term measures.	9. Able to take long term perspectives.
10. Can be harassed by competitors	10. Can demoralize the competitors.
11. Less market and lobbying power	11. More market and lobbying power.
12. Difficult to dictate nor set the market trends	12. Able to dictate and set the market trends.

Importance of

Distancing (Widening the gap)

Business Examples:

Microsoft, Google

ExxonMobil

How to distance Yourself

1, Learn from direct/indirect competitors

2, Learn from consumers/users

3, Learn from various channel members

4, Learn from own employees

How to distance Yourself

5, Learn from other industries/businesses

6, Learn from others – consultants, publications, subscriptions, etc.

7, Learn to be different, not just better

8, Participate in exhibitions, fairs, etc.

Summary

Business Competition is like running a marathon but with far away finishing line.

If you stop running or slowing down, your competitors will catch up or distance themselves from you.

What is your choice?

Advice

1, There is no limit/boundary for learning.

2, Keep learning despite being old and successful.

3, It's no shame to learn from others below us.

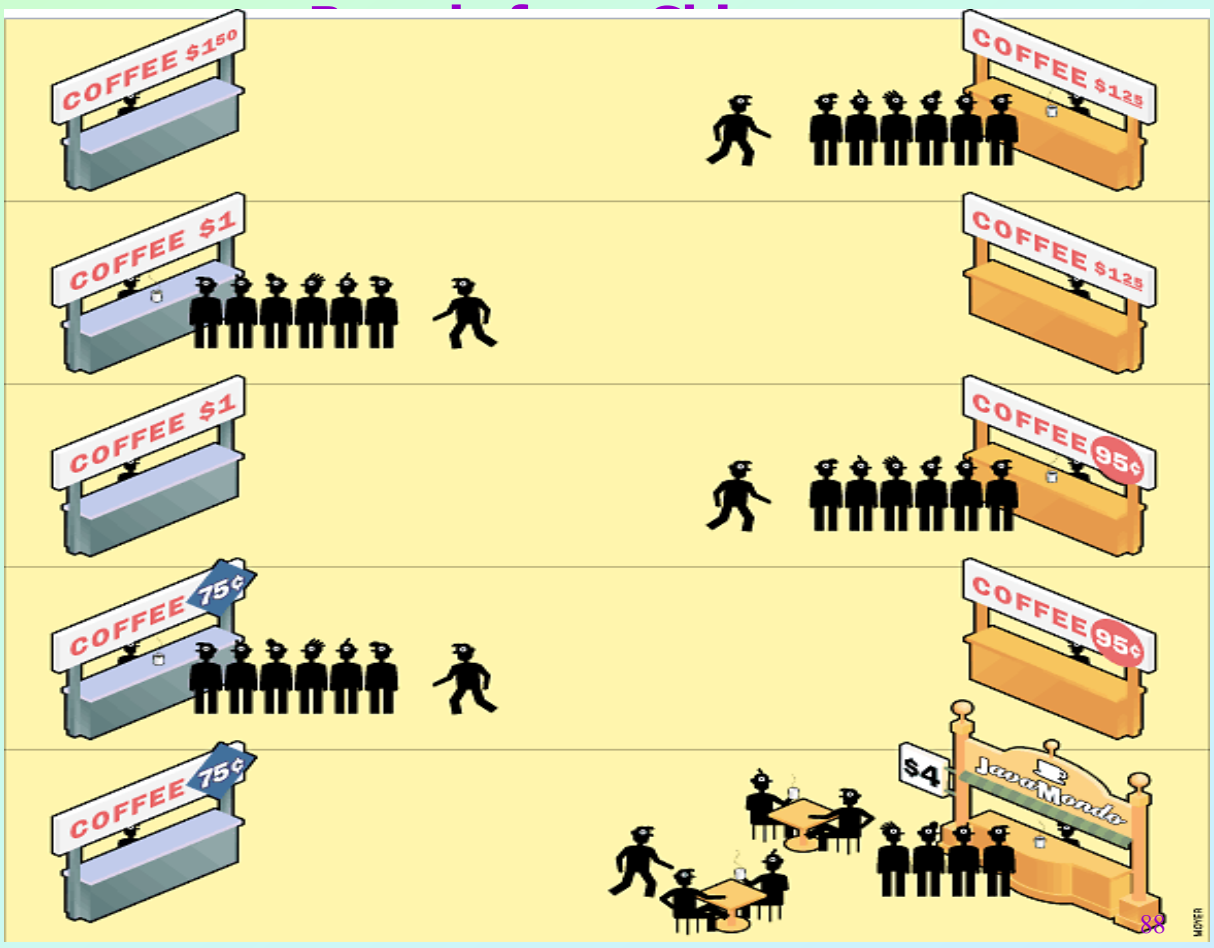
4, When I am in the company of three persons, there is a teacher among them.

You don't need to have the most resources to be a market leader









HKU Business School-
EMBA & Executive Education

- **Strategy :**

Partner with the World's Top Universities

- **UK: Oxford, Cambridge, & LBS**
- **US: Columbia, MIT, Stanford, & NYU**

EMBA-Global Asia

- **Current Partners- LBS & CBS**

EMBA-Global Asia

The first Executive MBA programme to span three cities that drive the world's economy

- The number one base of international business leaders
- Earn a joint MBA degree from three top schools
- Faculty that engages with research and bring real-world trans-national perspectives using multiple methods of learning
- Major cities that drive the global economy
- Closely connected financial networks



FT.com FINANCIAL TIMES

EMBA ranking 2008

Top 30 out of 100 Business Schools of EMBA Ranking 2008

Current rank	Rank 2007 [1]	Rank 2006 [1]	School name	Country [1]	Programme name [1]	Salary today (US$)	Salary increase (%)	Career progress rank	Work experience rank	International students rank
1	4	2	Columbia/London Business School	US / UK	Executive MBA Global	295,224	110	11	23	19
2	1	3	Kellogg / Hong Kong UST Business School	China	Kellogg-HKUST EMBA	345,159	91	27	2	1
3	2	4	Trium: HEC Paris / LSE / New York University: Stern	France / UK / US	Trium Executive MBA	297,224	106	63	7	10
4	3	1	University of Pennsylvania: Wharton	US	MBA for Executives	235,555	99	33	76	30
5	5	5	IE Business School	Spain	Executive MBA	166,412	157	3	63	32
6	9	-	Insead	France / Singapore	Gemba	232,071	81	16	3	2
7	7	6	University of Chicago GSB	US / UK / Singapore	Executive MBA	213,703	87	29	8	14
8	7	8	Washington University: Olin	China	Washington-Fudan Executive MBA	273,599	71	21	12	16
9	6	7	London Business School	UK	Executive MBA	177,184	83	22	29	13
10	9	11	Columbia Business School	US	Executive MBA	218,916	84	57	81	48
11	15	15	Chinese University of Hong Kong	China	EMBA	239,588	81	62	10	17
12	12	13	Kellogg / WHU-Otto Beisheim School	Germany	Kellogg-WHU Executive MBA	156,217	78	4	61	28
13	18	15	City University: Cass	UK	Executive MBA	149,198	97	7	75	5
14	20	19	IMD	Switzerland	Executive MBA	193,419	67	10	1	3
15	11	12	Purdue / Tias / CEU / GISMA	US / Netherlands / Hungary / Germany	IMM International Masters in Management	137,395	81	8	59	12
16	18	-	UC Berkeley / Columbia	US	Berkeley-Columbia Executive MBA	194,532	67	54	35	35
17	14	9	Duke University: Fuqua	US	MBA - Global Executive	205,438	50	46	6	21
18	21	18	New York University: Stern	US	EMBA	214,096	60	60	70	22
19	22	37	ESCP-EAP European School of Management	France / UK / Germany / Spain / Italy	European Executive MBA	144,260	83	1	16	11
20	-	29	National University of Singapore	Singapore	Asia Pacific Executive MBA (APEX MBA)	193,184	73	53	9	6
21	17	-	Kellogg / York University: Schulich	Canada	Kellogg-Schulich Executive MBA	155,376	65	77	28	8
21	13	10	Northwestern University: Kellogg	US	Executive MBA	224,489	58	36	32	43
23	23	17	Ceibs	China	International EMBA	212,647	73	40	52	39
23	37	-	Thunderbird School of Global Management	US	Executive MBA in Global Management	163,452	74	23	20	50
25	26	31	Essec / Mannheim	France / Germany	Essec & Mannheim Executive MBA	128,177	69	6	26	9
26	39	28	Rotterdam School of Management, Erasmus University	Netherlands	Executive MBA	120,304	74	35	49	27
27	32	-	OneMBA: CUHK/RSM/UNC/FGV São Paulo/EGADE	China / Netherlands / US / Brazil / Mexico	OneMBA, Global Executive MBA	182,296	60	39	22	65
28	-	-	University of Michigan: Ross	US	Executive MBA	189,520	47	73	33	59
29	23	14	Warwick Business School	UK	Executive MBA	126,837	91	68	54	20
30	38	32	UCLA: Anderson	US	Executive MBA	191,833	58	42	67	47

91

London Business School

HKU Business School

Columbia Business School

Welcome to EMBA-Global Asia Information Session

Today's agenda:

- Video of EMBA-Global Asia
- The EMBA-Global Asia story
- The benefits to you
- Programme overview
- Career impact
- Your next steps
- Q&A, discussion and close



Start your EMBA-Global journey

www.emba-global.com

92

Power of three



London Business School

- Renowned for world class faculty and research
- Strong portfolio of MBA and Executive MBA programmes
- Extensive alumni network



The University of Hong Kong

- Ranked 18th amongst world's top 200 universities
- First and most established university in Hong Kong
- Alumni network of top business and government leaders



Columbia Business School

- Brings cutting-edge theory to today's business practices
- Integration of social intelligence across curriculum
- Outstanding network

Where you will study

HKU Campus: Hong Kong



- State-of-the-art academic centre
- Magnificent harbour views
- Close to financial hub and airport

London Business School campus



- In the heart of London
- Overlooking Regent's Park
- Fully equipped campus: e-library, wireless network, fitness centre

HKU Campus: Shanghai



- Near the Bund area, the financial hub
- Walking distance from train stations
- East-meet-West experience

Columbia Business School campus



- A bustling academic village
- Close to Hudson River
- A gateway to a major capital city of global business

信報 二〇〇八年七月七日 星期一 B5

培育亞太區商界領導
港大首度推出EMBA-Global Asia課程

環球市場競爭愈來愈劇烈，目前企業要面對的對手，已非本土機構這麼簡單，而是來全球各一同爭奪同一市場。要在兩場上機構勝券，作為企業領袖，更加須要具備全球思野，才能為企業建構未來。企業對管理層的需要，令針對行政人員而設的EMBA課程如今愈趨切，是故，香港大學慕容鼎鋒教授與倫敦商學院（London Business School）及美國哥倫比亞商學院（Columbia Business School）兩間全球頂尖的學府，合辦EMBA-Global Asia課程，為亞太區的商界領袖提供培訓機會。



經濟及工商管理學院
Faculty of Business and

兩名工商界院校的精英團隊合作，港大白國華教授（左）及方鼎鋒博士一致表示，EMBA-Global Asia課程將能在更多EMBA課程中一枝獨秀，甚至成為全球同類型課程的基準所在。（中信標誌）

三大學府 首次聯手合辦EMBA課程

「全球有千多間校舍提供EMBA課程但由頂尖的商學院……美國哥倫比亞商學院、英國倫敦商學院及香港大學聯手合辦EMBA-Global，全球只此一家。」而三間學院身處的城市——紐約、倫敦及香港，去年便被城《時代雜誌》報為對未來全球經濟最舉足輕重的城市，並為此創造了一個新名詞為「紐約-倫敦-香港」（紐倫港）。港次的EMBA-Global Asia課程正好由此三地的最高學府聯辦，讓學員更能夠掌握這三大金融市場的最新發展，為日後事業角度高瞻作好準備。」白教授說。

課程特意標榜「Asia」（亞洲），只因亞太區的學生是課程最眾吸納的主要對象，白教授表示，過去不少亞洲區內高層行政人員想修讀EMBA課程，但礙於地理限制而卻步。「現在，香港大學慕容鼎鋒教授與倫敦商學院（London Business School）及美國哥倫比亞商學院（Columbia Business School）兩間全球頂尖的學府，合辦EMBA-Global Asia課程，為亞太區的商界領袖提供培訓機會。」

為配合其事，三所大學於上月23日假港島香格里拉大酒店舉行簽約儀式，出席嘉賓包括：港大校務委員會主席酒顧問博士；港大首席副校長王于漸教授；港大經濟及工商管理學院院長白國華教授（Professor Gary C. Biddle）；港大經濟及工商管理學院高級工商管理學碩士及行政課程總監方鼎鋒博士；倫敦商學院課程組織高級工商管理學碩士課程副院長Ethan Hanaburg先生；香港大學慕容鼎鋒教授；香港大學慕容鼎鋒教授；香港大學慕容鼎鋒教授

菁英增值課程

廣告特輯

港大夥 牛津 劍橋 高級行政課程 學員突破思維 拓闊世界視野

在目前的經濟環境下，行政人員更加需要提升自己，為企業作出具前瞻性的決定，以領袖角色帶領眾人走出困境。香港大學聯同牛津及劍橋大學開辦的一系列高級行政人員課程，為企業最高管理層面授最合時的商管知識，在課程上能夠與頂尖教授和商界精英交流，學員對此深感獲益良多，認為能夠拓闊個人視野，提升思維技巧。



劍橋課程學員與匯豐集團總經理王冬勝先生等人之合照



國泰航空公司行政總裁過彥鼎先生（中）與香港大學方圖華博士（右）及牛津大學Lolizos Heraclitous教授（左）合照

裝備學員 適應全球化轉變

學員之一Target Sourcing Service地區主管陳君偉先生於去年完成了此課程，他十分重視行政人員如何增值，他說：「在職學習不再足夠應付挑戰，科技和管理的結合，使全球經營環境產生變化，地域限制不斷減少，高級行政人員必須持續學習，放他們恨需要高度集中和具成效的連續課程。」

陳君偉認為，「牛津大學—香港大學」課程最足他的需要，特別是在全球化情況上，他指出，全球化改變無處不在，使此之間的邊界從此消失，以往競爭只局限在本土市場，現在則可以突自世界任何一個地方，作為一名跨國企業經理，他必須牢牢掌握本地文化和學懂管理，和提升各地員工建立公司要求水平的需要。課程關於領導能力的內容，亦讓學者獲得益不少，學人經理層於管理上應，但他們的重要的是發展領導才能。」

香港基督教女青年會企業發展總監陳志剛最近報讀了此課程。「身為工商管理碩士的畢業生，我很熟悉管理學原則和做法，但也認同現在是重新組織的時間，隨著時間過去，人往往容易忽略或忘記許多重要的知識，例如課程中強調人才資源管理的策略角色，就令我特別感興趣，我們或會以為它只是一個全新部門，但今時今日人才是企業最重要的資產，然而，今天的管理人員還未完全肯定和重視人才資源部的重要。」

互動學習 課程具策略優勢

瑞穗實業銀行香港分行副行長何麗康說：「透過專業和有產閱評的安排，這個五天的課程在各個細節上都得到了充份的準備，我深信所有的學員都能夠受益其中，在港大數碼產業的配置過了很豐富的圖，所有的講者都是我所見過中最優秀的，而內容之廣泛令我十分驚喜，由金融危機、風險管理、對中國金融和內地最新的發展等商業市場對數方案等，我深信這些都是最近期更新的資料。

最後，我很珍惜與來自財經界的領袖、如李鵬飛、任志剛和王冬勝的討論，他們的參與心態出席港大學—劍橋大學高級行政人員課程的市場領導地位，我曾經參與過其他的同類培訓課程，唯有今次我感受到由方圖榮博士領導的團隊充滿熱誠和團隊精神，執行的討論氣氛和環境令我很面拾得，今次十分難忘，我會毫不猶豫地建議我的同事和朋友在日後報讀同類的課程，我也期望下次的時候，可以再次參與由



牛津大學商學院行政教育部長Ms Gay Haskins 頒發結業證書給香港基督教女青年會企業發展總監陳志剛

oxford SAID BUSINESS SCHOOL | HKU BUSINESS SCHOOL | CAMBRIDGE Judge Business School



HKU Global Partnership Executive Programmes

Inspiring senior executives for business advancement

Proven excellence of HKU, Oxford and Cambridge Universities

Distinguished Speakers:



Prof. Louis Heracleous Cebu University | Prof. Michael Leigh Sir Po-shing Professor HKU | Mr. Ko Ching Chairman (Pacific) DHL Express (HK) Ltd | and more...

The Oxford-HKU

Senior Executive Programme:
Corporate Leadership
11–15 May 2009

Benefits to Participants

- Get cutting edge insights into the theory, practice and art of corporate leadership from the world's experts in academia and industry.
- Learn the latest corporate trends in globalisation, creativity and innovation, change management and design thinking.
- Obtain leadership insights you need to keep your organisation in the lead in an increasingly competitive environment.
- Become alumni of Oxford Said Business School and HKU Business School executive network.

Who should attend

CEOs, board members, senior managers, senior civil servants and other high-level executives with strategic responsibilities.

Distinguished Speakers:



Prof. Peter Williamson University of Cambridge | Prof. Frederick Ma Hon Ex-Secretary HKU Commerce and for Commerce and Development | Mr. Joseph Yam Chief Executive HK Monetary Authority | and more...

The Cambridge-HKU

Senior Executive Programme:
Strategic Issues in Corporate Finance
15–19 June 2009

Benefits to Participants

- Understand the key links between corporate strategy and financial structure that are vital in these turbulent financial times.
- Learn from experts' outlook on the economic downturn and how to run business in a new international financial system.
- Learn how to develop risk management strategies to protect your assets and investments under the economic crisis.
- Become alumni of Cambridge Judge Business School and HKU Business School executive network.

Who should attend

CFOs, investors, directors, shareholders, financial controllers and other high-level executives with financial responsibilities.

Enquiries | Tel: (852) 3962-1287/ 1298 | Fax: (852) 2989-6557 | Email: ExecEd.info@hku.hk

Global Network · Regional Context

www.ExecEd.hku.hk/OxCam

課程：牛津大學—香港大學 企業領袖高級行政課程
（5月11至15日）
劍橋大學—香港大學 企業財務策略高級行政課程
（6月15至19日）
院校：香港大學
查詢：3962 1287 / 1298
電郵：ExecEd.info@hku.hk
網址：www.ExecEd.hku.hk/OxCam

EDUCATION

Two city business schools take top spots in ranking

Financial Times places HKUST MBA course at No 1, while University of Hong Kong comes second

Xinqi Su
sue.su@scmp.com

The city has the best two business school programmes in the world, according to a prestigious global ranking of universities released by British newspaper *Financial Times*.

The University of Science and Technology (HKUST) retained the top spot it claimed last year, while the University of Hong Kong, entering its programme for the first time, claimed second place in the list of the top 100 Executive MBA programmes in the world.

In all, five universities from Hong Kong and the mainland made it into the top 10.

"We are delighted the [course] has been recognised as one of the best in the world," HKU's dean of business and economics, Professor Cai Hongbin, said.

Cai said he hoped there would now be growth in other programmes run by his faculty.

HKU's EMMBA-Global Asia programme has been partnered with Britain's London Business School and Columbia Business School in the United States since 2009.

"We instil a global viewpoint with Asian perspectives in our students, and with an exceptionally strong alumni network, they leave fully prepared to excel in the world's fastest growing region and emerging markets," the business dean said.

Eighty per cent of the programme's students have come from countries and regions outside Hong Kong and 27 per cent of the 140 doctoral graduates over the past three years teach in schools that are placed in the top 50 of MBA rankings.

The Executive MBA programme run by HKUST is co-hosted by the Kellogg School of Management at Northwestern University in Illinois.

In its 19 years, it has topped the ranking seven times since 2007. Course graduates reported the best average annual salary of HK$3.7 million.

HKU claimed second place ahead of a programme operated by Tsinghua University in Beijing and INSEAD, an internationally renowned graduate business school with campuses in France, Singapore and Abu Dhabi. The joint programme dropped to third place.

Antai College of Economics and Management at Shanghai Jiaotong University climbed one spot to sixth, while an Executive MBA course jointly offered by Fudan University in Shanghai and



The HKU business programme came in second. Photo: Shutterstock

> **We are delighted the [course] has been recognised as one of the best in the world**
>
> HONGBIN CAI, HKU BUSINESS DEAN

Washington University in the US was ranked seventh.

The *Financial Times*' ranking of the top 100 Executive MBA programmes started in 2001 and was based on two online surveys — one completed by participating schools and one by alumni.

Current salaries and salary increases over the past three years were the most important ranking criteria, each accounting for 20 per cent of the overall weighting.

Antai graduates enjoyed the biggest salary increase — 107 per cent — over the past three years. However, they earned on average 30 per cent less than graduates of HKUST's Executive MBA programme.