



UWTSD DBA

HKBM7006

Visions for the Future: Theoretical Perspectives on Management

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Course Aims

- **Course Aims**
- To reflect critically on the evolution of contemporary management theory and the relevance of management theory to management practices.
- To apply current theoretical knowledge to address contemporary management challenges in a critical, rigorous and holistic manner.

Seminar Outline

- Introducing contemporary management
- Evolution of management theories
- Introducing 3H approach as a holistic management framework
- H1 Heart related management theories
 - Leadership and organisational culture as competence creators and enablers
 - Motivation theories
 - Heart-to-heart communication
- H2 Head related management theories
 - Strategic management theories
 - Macro and industry analysis
 - Resource-based view and sustainability of competitive advantage
 - Competitive strategy
 - Value chain and total value chain system
- H3 Hand's competence-based theories
- 3H holistic management framework in practice

What is Management

"Management is the art of getting things done through and with people in formally organised groups."

Harold Koontz, *The Management Theory Jungle*

"Management is a multi-purpose organ that manages business and manages managers and manages workers and work."

Peter Drucker, *Principles of Management*

"To manage is to forecast and to plan, to organise, to command, to co-ordinate and to control."

Henri Fayol, *Industrial and General Administration*

"Management is the art of getting things done through people."

Mary Parker Follet

So What is a good Management?

“A good management is an art and science of getting things done effectively and efficiently through people and other required resources.”

Eddie Yu

The Evolution of Management Theory

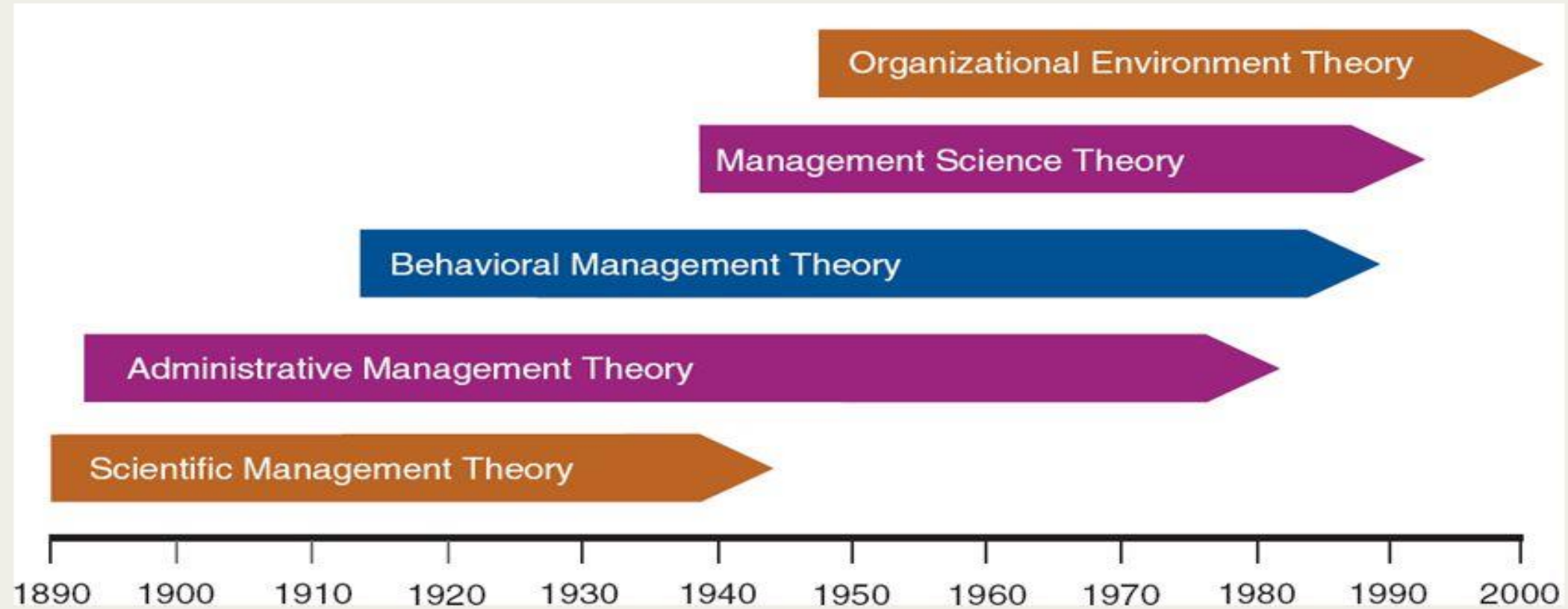
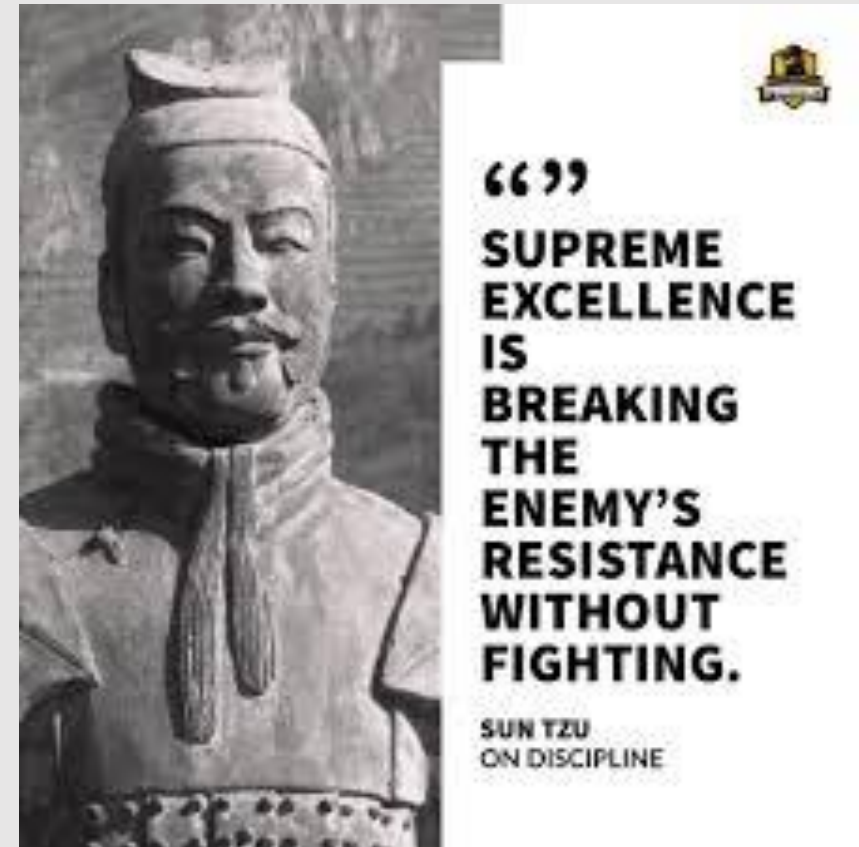
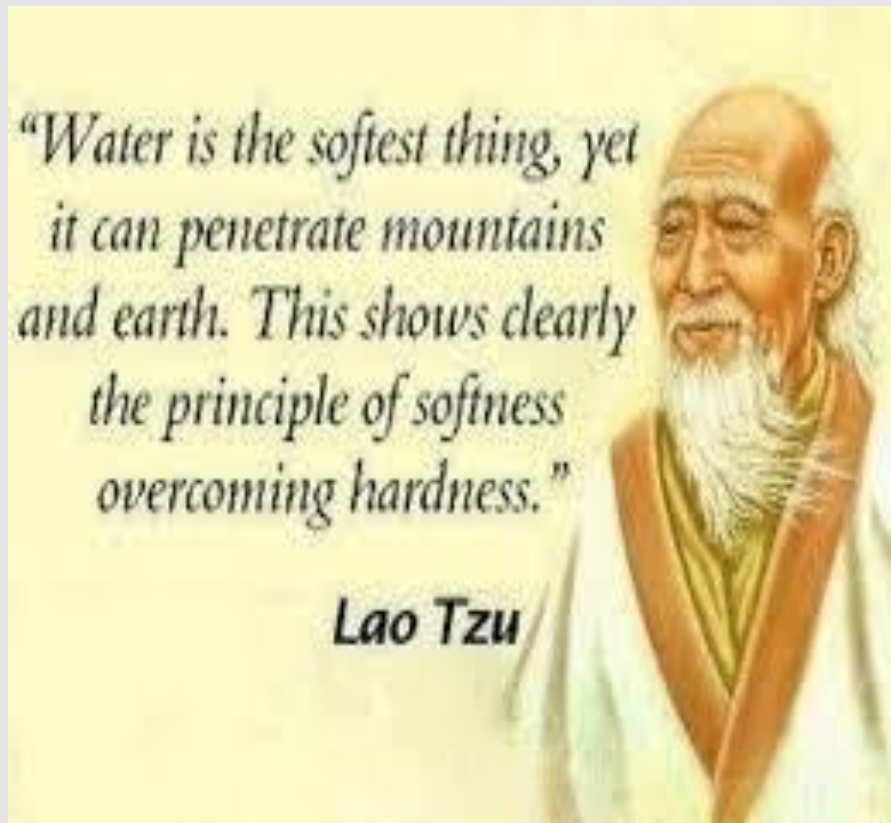


Figure 2.1

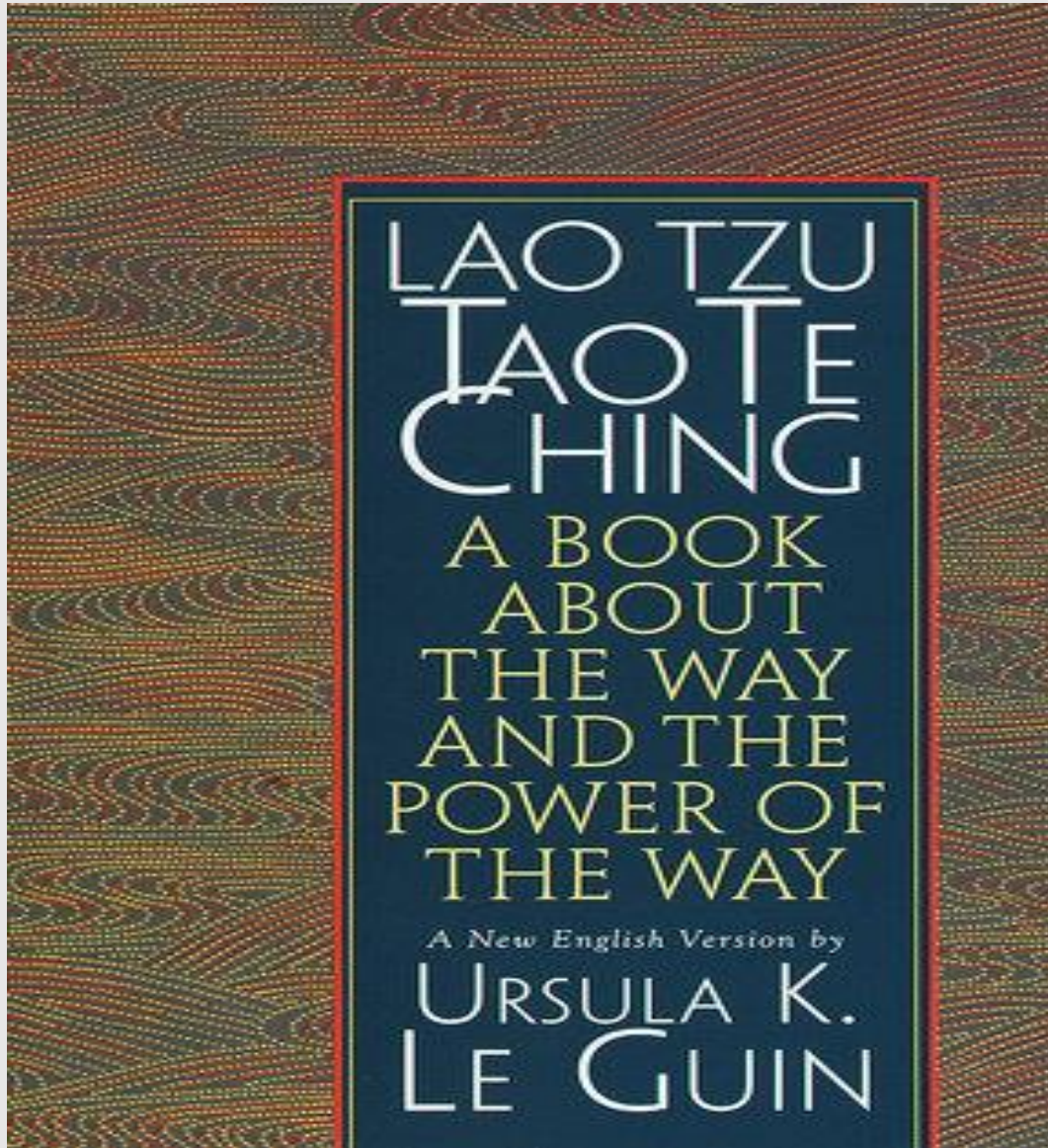
Five Major Schools of Management Thought

MANAGEMENT SCHOOLS	Beginning Dates	Emphasis
CLASSICAL SCHOOL		Managing workers and organizations more efficiently.
Scientific Management	1880s	
Administrative Management	1940s	
Bureaucratic Management	1920s	
BEHAVIORAL SCHOOL		Understanding human behavior in the organization.
Human Relations	1930s	
Behavioral Science	1950s	
QUANTITATIVE SCHOOL		Increasing quality of managerial decision-making through the application of mathematical and statistical methods.
Management Science	1940s	
Operations Management	1940s	
Management Information Systems	1950s—1970s	
SYSTEMS SCHOOL	1950s	Understanding the organization as a system that transforms inputs into outputs while in constant interaction with its' environment.
CONTINGENCY SCHOOL	1960s	Applying management principles and processes as dictated by the unique characteristics of each situation.

Ancient Chinese Classics with Impacts on Contemporary Management Thoughts especially in Confucian Asian cluster (China mainland, Taiwan, Hong Kong, Singapore, S. Korea and Japan)



Lao Tzu (6th Century BC)



在中國古代思想史上，老子率先以理論思維的形式，創立了以「道」為核心之較完整的哲學理論體系，成為道家學派的鼻組。他還充當了諸子百家的啟蒙者；他的學說對儒、墨、法、刑、名、縱橫、陰陽諸家都發生過深刻的影響。將老子學說稱做中國古代哲學史的骨幹是毫不為過的。

Lao Tzu's Key Philosophical Ideas

Lao Tzu (Laozi) was a central figure in Chinese culture and he was regarded as the author of the Tao Te Ching (Daodejing). Lao Tzu's key philosophical ideas are as follows:

- People have desires and free will (and thus are able to alter their own nature). Many act "unnaturally", upsetting the natural balance of the Tao. The Tao Te Ching intends to lead students to a "return" to their natural state, in harmony with Tao.
- Return to "nature", rather than action. Technology may bring about a false sense of progress. The answer provided by Laozi is not the rejection of technology, but instead seeking the calm state of wu wei, free from desires.
- Wu wei (無爲), literally "non-action" or "not acting", is a central concept of the Tao Te Ching. The concept of wu wei is multifaceted, and reflected in the words' multiple meanings, even in English translation; it can mean "not doing anything", "not forcing", "not acting" in the theatrical sense, , "acting spontaneously", and "flowing with the moment."
- Ziran (自然), or harmony with the Tao. Laozi used the term broadly with simplicity and humility as key virtues, often in contrast to selfish action.

老子管理哲學之現代意義：

1. 管理的本質即「無為而無不為」(只要「無為」就能得到有效的「為」只有在違反天道、違反公道、違反自然的時候，才需要管理)。
2. 「治大國如烹小鮮」，主張干預越少越好，且應避免無謂的管理。
3. 只有在違反天道、違反公道、違反自然的時候，才需要管理
4. 應從返本務本、擅於反省、溝通協調、「去甚、去奢、去泰」以及自我訓練處開始管理。
5. 應由不爭的人(有不爭名、不爭位、不爭權的人，才能容納更多的人才)、自然的人、胸襟大的人、博大真人(學問淵博、胸襟偉大、性情真誠的人)及能同情的人來管理。
6. 應該以謙下、民主、開放、有餘(凡事留有餘地)、力行(在強調腳踏實地、苦幹實幹)等方法來管理。

Sun Tzu (545-470 BC)

SUN TZU'S CORE CHAPTERS

- Laying Plans
- Waging War
- Attack by Stratagem
- Tactical Disposition
- Energy (movement)
- Weak Points and Strong
- Maneuvering
- Variations in Tactics
- The Army on the March
- Terrain
- The Nine Situations
- The Attack by Fire
- The Use of Spies

孫子兵法

Selected Quotes from *The Art of War*

知彼知己，百戰不殆。

“If you know your enemies and know yourself, you will not be imperilled in a hundred battles”

夫未戰而廟算勝者，得算多也。

“The general who wins the battle makes many calculations in his temple before the battle is fought.”

不戰而屈人之兵，善之善者也。

“To subdue the enemy without fighting is the acme of skill.”

故兵無常勢，水無常形；能因敵變化而取勝。

“Just as water has no constant shape, so in warfare there are no constant conditions. He who can modify his tactics in relation to his opponent shall succeed in winning”.

故知勝者有五：知可以戰與不可以戰者勝，識眾寡之用者勝，上下同欲者勝，以虞待不虞者勝，將能而君不御者勝；此五者，知勝之道也。

“There are five attributes of victory: (1) One who knows when to fight and when not to fight (2) One who knows how to handle both superior and inferior forces (3) leader and followers who shared their common values (4) one prepared himself, waits to attack the unprepared enemy (5) competent leader who is not interfered by the management in leading.”

Cautions in applying management theories

- Culture-bound – both national and organisational culture should be analysed. Useful reference , Hofstede and GLOBE cultural dimensions
- Context-bound – external and internal environmental factors
- Situation-bound – contingency issues

Theorising about Management Practice with Yu's 3H Framework

Introducing Yu's 3H Framework

What is a 3-H Framework?

- The 3-H framework is a methodology for managing people and organisational issues in a holistic way to ensure individual performance and in turn the entire organisational performance can be efficiently and effectively managed.
- Using metaphoric expressions of Heart, Head and Hand to represent the vital dimensions of people, organisation and competence, respectively. A **holistic solution** to manage people and organisation issues means all 3H dimensions have to be effectively and efficiently well-integrated and coordinated in order to create best organisational performance.



Why 3H framework?

- The 3H framework posits the most effective way to manage people and organisation issues is using a holistic approach. There are necessary and sufficient conditions to fulfil in order to meet the holistic management approach. Few organisations or nations can sustain long-term competitiveness if they could only excel in partial conditions of the 3H framework. By referring to the 3H framework it can systematically guide us to develop and execute a holistic strategic plan.
- Although such thinking appears to be obvious, companies, including renowned ones, e.g., MNC cases- Kodak, Thomas Cook, local cases- MTR Corporation (construction project scandal), HKSAR government (Extradition Bill case), failed to learn from these common yet very expensive mistakes.
- At country level, leaders failed to holistically manage the COVID-19 pandemic in their countries and that oversight was very costly (Yu, 2020).
- Operating environment is increasing challenging – pressures from ever rapid changing environment mandate for flexible organisational structure, customers are increasingly demanding – better products/services at lower cost prompt firms to be agile and to tighten up cost control (“do more with less”, ever demanding on productivity, efficiency), conflicting demands from shareholders vs stakeholders... mandates a holistic approach to manage the challenges.
- Executives will find 3H framework is useful for theorising about their experiences in a holistic way.

The Concept of:

Effectiveness - The degree to which objectives/goals are achieved and the extent to which targeted problems are solved.

- “Doing the right things.” Peter Drucker

Efficiency – Producing the best possible outputs with the lowest possible input factors (time, effort and required resources).

- “Doing the things right” Peter Drucker

The dragon boat racing case.

The crew: drummer, rowers, cox.

In 3H context,

what role of each crew member is playing?

What are the KSFs for winning the race?



3-H Related Theories and Concepts

H1 **Heart**-related literature:

- Organisational behaviour (OB) related (e.g., motivation, emotion, commitment, engagement, satisfaction, trust); leadership, management of change; values and organisational culture, cross-cultural management; communication; managing groups and teams.

H2 **Head**-related literature:

- Organisation architecture (organisational design, structure, alignment); strategic management related (e.g., macro-industry-industry analysis, institution, resource-based view, value chain, levels of strategy); management planning and control (e.g., balanced scorecard, strategy map).

H3 **Hand**-related literature:

- Competence related; functional strategy and practices, e.g., HR related: recruiting process, performance and compensation systems, training and coaching skills

The Concept of Holistic Approach

The necessary and sufficient conditions (independent/moderating variables) contributing to effective and efficient organisational performance (dependent variable)

- Effective leadership (H1), which motivates and engages employees is necessary but not sufficient condition for effective and efficient organisational performance.
- Effective strategy (H2) is necessary but not sufficient condition for effective and efficient organisational performance.
- Workforce competence (H3) is necessary but not sufficient condition for effective and efficient organisational performance.
- *Synthesis* among three domains of H1, H2 and H3 seamlessly shall secure the necessary and **sufficient** conditions for effective and efficient organisational performance. Case 1 in the diagram below illustrates the conditions. The greater the congruence area the better.
- The dependent variable can be at the corporate level, e.g., organisational performance or at the project level, e.g., merger and acquisition success, digital transformation. The dependent variable should be quantifiable and detailed about how it will be measured.

3H Framework's Algebraic Expression

Organisation performance, the dependent variable, is a function of the complements among Heart (H^1), Head (H^2) and Hand (H^3) independent variables of that organisation.

$$OP = f(H^1 \cap H^2 \cap H^3)$$

OP = Organisational Performance

$\cap$ = Intersection of each H domain, level of synthesis among 3 H domains is hypothesised positively correlated with the organisational performance.

H^1 = Heart domain (people related: emotional appeal, leading, motivating and engaging people abilities)

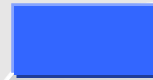
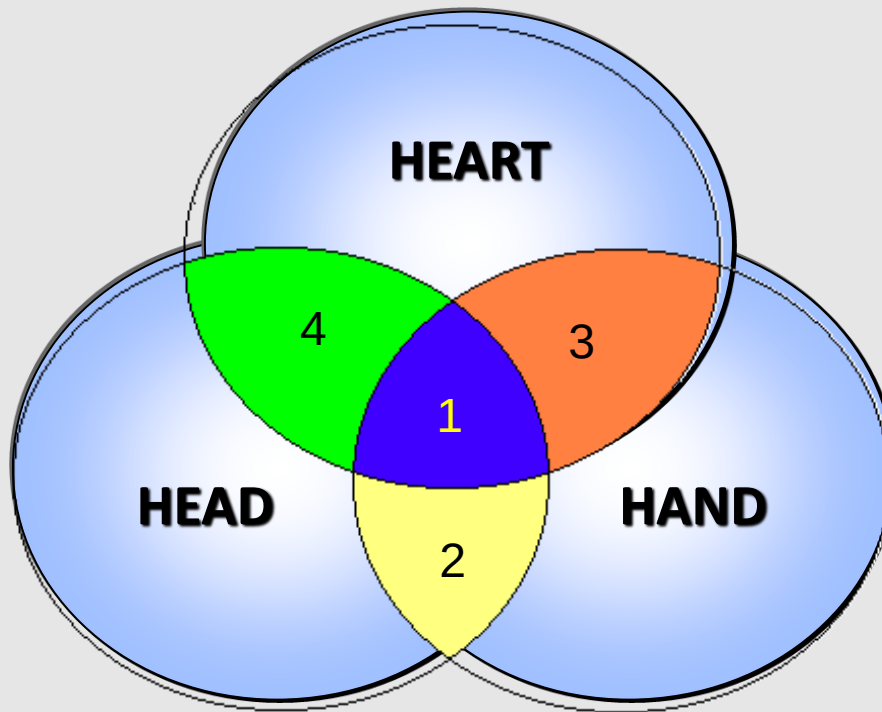
H^2 = Head domain (strategic, organisation and business model related: logical & strategic planning, organisational design, cognitive abilities)

H^3 = Hand domain (task-oriented issues and competence related: operational/functional skills & abilities).

- Each H's domain may carry different weights of importance to managerial decision makings. Often, H^1 carries heavier weight than H^2 and H^3 , whereas H^2 carries a relatively heavier weight than H^3 . Reasons being, even though an organisation's strategy, systems and competence are most advanced, if the leader fails to unify and motivate people to achieve strategic goals, the organisation would wither.*

Yu's 3H Holistic Management Framework

Scenarios resulting from different H domains' interceptions – fulfilling the necessary and sufficient conditions **OP = $f(H^1 \cap H^2 \cap H^3)$**



Case 1- Committed & capable of managing the right thing ($H^1 \cap H^2 \cap H^3$)



Case 2 – Uncommitted but capable of managing the right thing ($H^2 \cap H^3$) - H^1



Case 3 - Committed & capable, but not sure managing the right thing ($H^1 \cap H^3$) - H^2



Case 4 - Committed and well planned but don't know how to execute it right ($H^1 \cap H^2$) - H^3

The underlying assumptions of Yu's 3H Framework

- Managing people and organisation should be a coherently holistic process – each H is interrelated and interacted with one and other, neither one nor a couple of Hs are sufficient to effectively & efficiently manage an organisation. It has to be a congruently interception among three Hs.
- Depending on the nature of a management project, individual H has different degrees of impact to the outcome, e.g., a HR project - designing an organisation-wide performance management scheme, **heart**- and **head**-driven thinking shall play a more important role, whereas making a staff-forecasting plan, head-driven and **hand**-driven mentality shall play a more important role.
- Every member of an organisation exercises one or more H function(s) in any stage of his/her career. Typically, when people advance upward along a corporate ladder, they tend to engage with their Head- and Heart-oriented functions more often. Top management shall spend more time in playing Heart & Head-oriented roles and her/his Hand-oriented jobs usually are delegated downward. On the contrary, junior manager or frontline workforce shall spend most of their time in handling Hand-oriented tasks.

H Driven	Generic Assumptions	Manifested to
Heart	Managing people is a social process People are motivated by intrinsic and extrinsic rewards . People are motivated by different motivators. Reciprocity Heart-to-heart – people often inspired by a good purpose, cause or shared value and belief It is relevant to all employees but manager has to set role model for employees to follow	Wanted to
Head	HRM especially its planning process is a rational, logical, scientific, engineering process What you measure what you get/manage Its emphasis at middle management level and strategic thinking shall be emphasised at higher level of management	Ought to
Hand	People are typically equipped with special occupational skills/competences Provided with proper training and reward scheme, they will get the job done well It’s emphasised in functional departments especially on frontline staff	How to
3-H	Holistically managing people and organisation means each H is interrelated and interacted with one and other, neither one nor a couple of Hs are sufficient. Depending on the nature of a project, individual H has different degrees of impact to the outcome, e.g., designing an organisation-wide performance management scheme, heart and head shall play a more important role, whereas designing a logistic system, head and hand shall play a more important role. Every member of an organisation at any office hour plays one or more H role(s). Typically, when the member advances upward along a corporate ladder, s/he will play Head and Heart roles more often. Top management shall spend more time in playing Heart-orient role her/his Head related jobs can be delegated downward. On the contrary, junior manager or frontline workforce shall spend most of their time in handling Hand related tasks	Purpose-sensing, Wanted to do right job and able to do right every time

H1 - **HEART** Dimension of the 3-H Framework



The Heart-Oriented Approach

Introduction

- The metaphor of 'Heart' plays a central role to the 3-H approach. Heart-oriented dimension means caring about motivational and other human aspects in management practices with an aim to motivate employees to commit in achieving organisational goals.
- Arguably, it is the most challenging part to tackle with among all three H dimensions of the model. It is because dealing with people especially when it requires to change their attitudes and behaviour is a very difficult job. Unfortunately, there is no cookbook recipe nor short cut to win the hearts of people. But you can improve your positive influence skills through coaching/training on, e.g., motivation theories, leadership, communication and change management skills, etc.
- If heart dimension has not been tackled well, management should not push through the strategy implementation or project launching; otherwise, it is highly likely the new initiative or change would meet with strong resistance.
- Understanding motivation theories and new insights on these theories are therefore crucial for developing and practising Heart-oriented approach in managing people.
- Perceived purposeful or honourable cause can be a powerful motivator.
- Heart-to-heart relationship would bear fruit of TRUST, which is a cornerstone for commitment.

Leadership and Managing People & Organisation

The Evolution of Leadership Definitions in the West

- 1900–1929--Control and centralization of power
- 1930s--Trait approach, leadership as influence
- 1940s--Group approach, directing group
- 1950s--Group theory, shared goals, and influence overall group effectiveness
- 1960s--Leadership as behavior, act of influence
- 1970s--Organizational behavior, leadership is a reciprocal process

The Evolution of Leadership Definitions in the West

- 1980s--Explosion of research
 - Leader's will
 - Influence was still the most popular construct
 - Traits
 - Transformation and its process emerged (Burns 1978)

Late 20th to early 21st century--The process of leadership

- Authentic leadership – leader's authenticity
- Spiritual leadership – leader's values & senses inspired followers
- Servant leadership – leaders act as servant to support followers to achieve common goals
- Adaptive leadership – direct followers to meet challenges and adapt changes
- Followership – focus on follower's role play in the leadership process
- Discursive leadership – the efficacy of leadership based on the quality of the communication and negotiation between the leader and followers

Leadership Theories Snapshot

From Great Man to Transformational Leadership

School	Theory
Great Man	Based on the belief that leaders are exceptional people, born with innate qualities, destined to lead. The use of the term 'man' was intentional since until the latter part of the twentieth-century leadership was thought of as a concept which is primarily male, military and Western. This led to the next school of Trait Theories.
Trait Theories	Highlights traits or qualities associated with leadership, exist in abundance and continue to be produced. They draw on virtually all the adjectives in the dictionary which describe some positive or virtuous human attribute, from ambition to zest for life etc.
Behavioural Theories	These concentrate on what leaders actually do rather than on their qualities. Different patterns of behaviour are observed and categorised as 'styles of leadership'. This area has probably attracted most attention from practising managers.
Situational Leadership	This approach sees leadership as specific to the situation in which it is being exercised. For example, whilst some situations may require an autocratic style, others may need a more participative approach. It also proposes that there may be differences in required leadership styles at different levels in the same organisation.
Contingency Theory	This is a refinement of the situational viewpoint and focuses on identifying the situational variables which best predict the most appropriate or effective leadership style to fit the particular circumstances.
Transactional Leadership	This approach emphasises the importance of the relationship between leader and followers, focusing on the mutual benefits derived from a form of 'contract' through which the leader delivers such things as rewards or recognition in return for the commitment or loyalty of the followers.
Transformational Leadership	The central concept here is change and the role of leadership in envisioning and implementing the transformation of organisational performance.

Leadership and three traditional Chinese philosophies.

	Daoism	Confucianism	Legalism
Title of original treatise	Dao De Jing (aka Tao Te Ching).	The Analects. A record of dialogues with Confucius, written by his students.	Hanfeizi
Founding philosopher or “teacher”	Lao Zi (aka Li Dan, Li Er, Lao-Tzu, Lao-Tsu, Lao-tze)	Confucius (aka Kong Qiu, Kong Zi, Kong Fuzi, K'ung Fu-tzu, the Master)	Han Fei (aka Han Fei Zi)
Birth, death, relationship to the other two philosophers	B. circa 571 BCE D. circa 471 BCE Oldest of the three	B. 551 BCE D. 479 BCE 20 years younger than Lao Zi who answered Confucius's questions regarding rituals.	B. 281 BCE D. 233 BCE (about 300 years after Lao Zi). Learned from Xun Zi, a student of Confucianism.
Target	Born rulers	Born rulers, officers, and ordinary people	Born rulers and officers
Basic leadership arguments	No over-leading, no action, empower subordinates to lead, balance and avoid extremes, selflessness	Establish healthy virtuous climate through learning, meditation, and self-reflection. Differentiate benevolence, respect, and ritual to encourage followers. Promote and praise followers.	Use power to exercise influence. Establish laws and use contingent awards to fit human nature. Implement rules universally, no personalized approach, promote by experience.
Most relevant current leadership models	Laissez-faire Servant leadership Authentic leadership Empowering leadership Paradoxical leadership	Transformational leadership Paternalistic leadership Leader–member exchange Individual consideration	Initiating structure Transactional leadership Path–goal leadership

The Art of War (Sun Tzu, 5th century BC) Five Principles of Leadership

- **道**者，令民與上同意也，可與之死，可與之生，而不畏危。(Transformational leadership)
- Principle of **Leading**: sharing of the ***purpose/mission*** between the leader and followers, so that they will unconditionally and wholeheartedly follow their leader.
- **天**者，陰陽，寒暑，時制也。(Adaptive leadership)
- Principle of **Climatology**: understanding the nature of times and seasons.
- **地**者，遠近，險易，廣狹，死生也。(Situational approach)
- Principle of **Geography**: preciseness of distance, size and space of the landmass; nature of the terrain.
- **將**者，智，信，仁，勇，嚴也。(Trait approach)
- Principle of Leader's **Traits**: wisdom, sincerity, benevolence, courage and sternness.
- **法**者，曲制，官道，主用也。(Skills approach)
- Principle of **Methodology**: competence of structuring and hierarchical formation of the military troops, the infrastructure development, logistics and control of military supplies.
- 凡此五者，將莫不聞，知之者勝，不知者不勝。(Holistic leadership)
- These five principles should be familiar to every leader: he who knows them will be victorious; he who ignores them will fail.

A Comparison of Motivation Theories

Model of Maslow's hierarchy of needs

5. Self-actualization and fulfillment needs

4. Esteem and status needs

3. Belonging and social needs

2. Safety and security needs

1. Physiological needs

Motivational factors

Maintenance factors

Herzberg's two-factor model

Work itself
Achievement
Possibility of growth
Responsibility
Advancement
Recognition

Status

Relations with supervisors
Peer relations
Relations with subordinates
Quality of supervision

Company policy and administration
Job Security

Working conditions
Pay

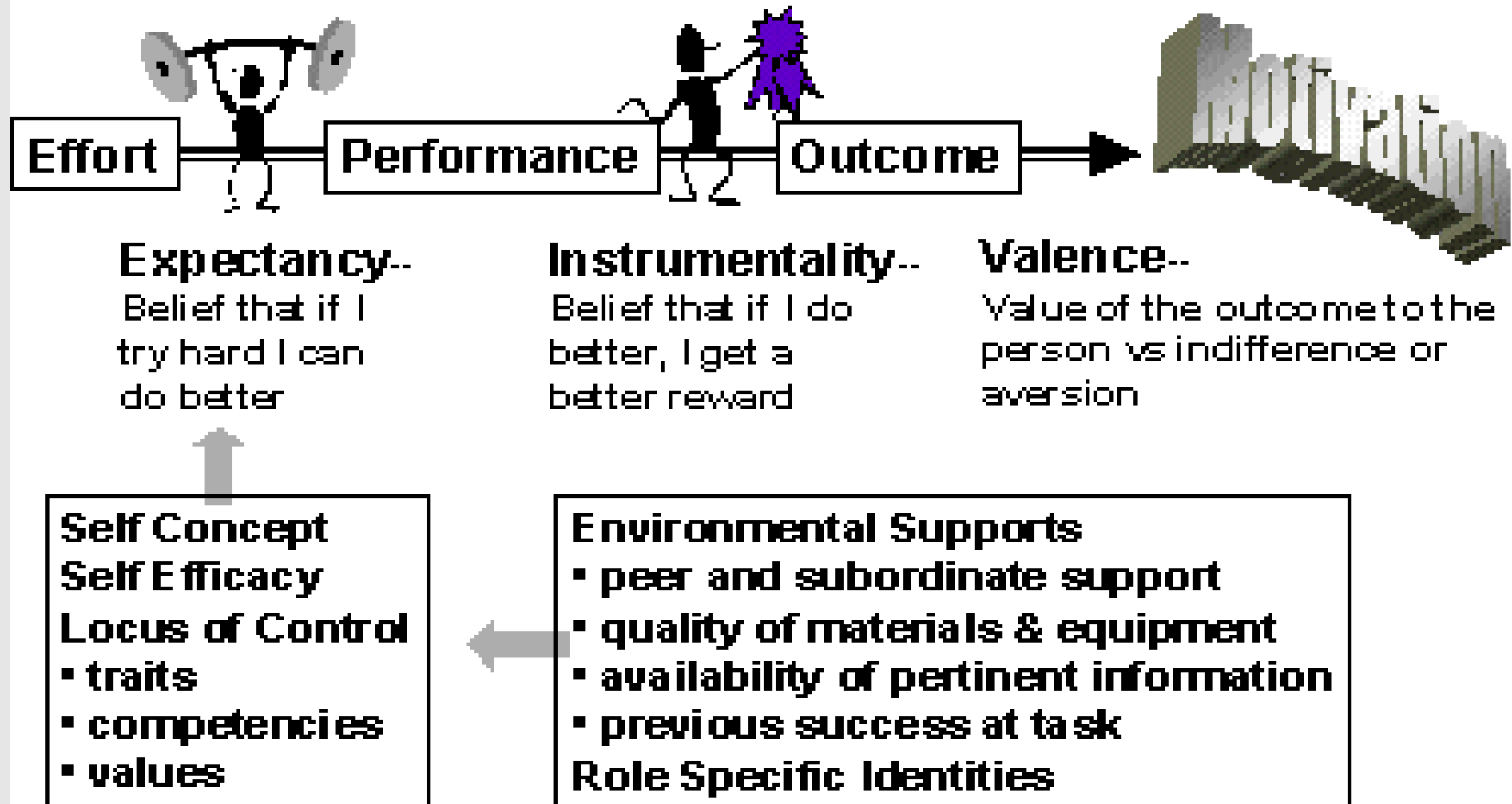
Alderfer's E-R-G model

Growth needs

Relatedness needs

Existence needs

Vroom's VIE Expectancy Theory



Applying Classic Motivation Theories with Care

- From latest empirical observations, Maslow's hierarchical needs pyramid is in the process of upside down. Young workers are keen to enjoy socialisation, seek opportunities for self-actualisation and sensitive to protect their self-esteem; while the basic needs, concerns of safety and security have long been well supported by their parents.
- Herzberg's motivating factors of responsibility and advancement may not as effective to the millennial workforce, who tend see responsibility as a burden and they don't want to work for long in the same company and wait for advancement. His hygiene/maintenance factors such as peer relations and relations with supervisor are motivating, which may lead to loyalty and stay longer in a company as socialisation is an important activity to them.
- Beware of McGregor's Theory X and Y stereotyping effects. The 3-H approach assumes good and bad elements co-exist in oneself. A heart-driven organization tends to be able to augment its people's goodness and restrain their badness, consequentially, it is better prepared for opportunities and challenges.

Organisational Culture

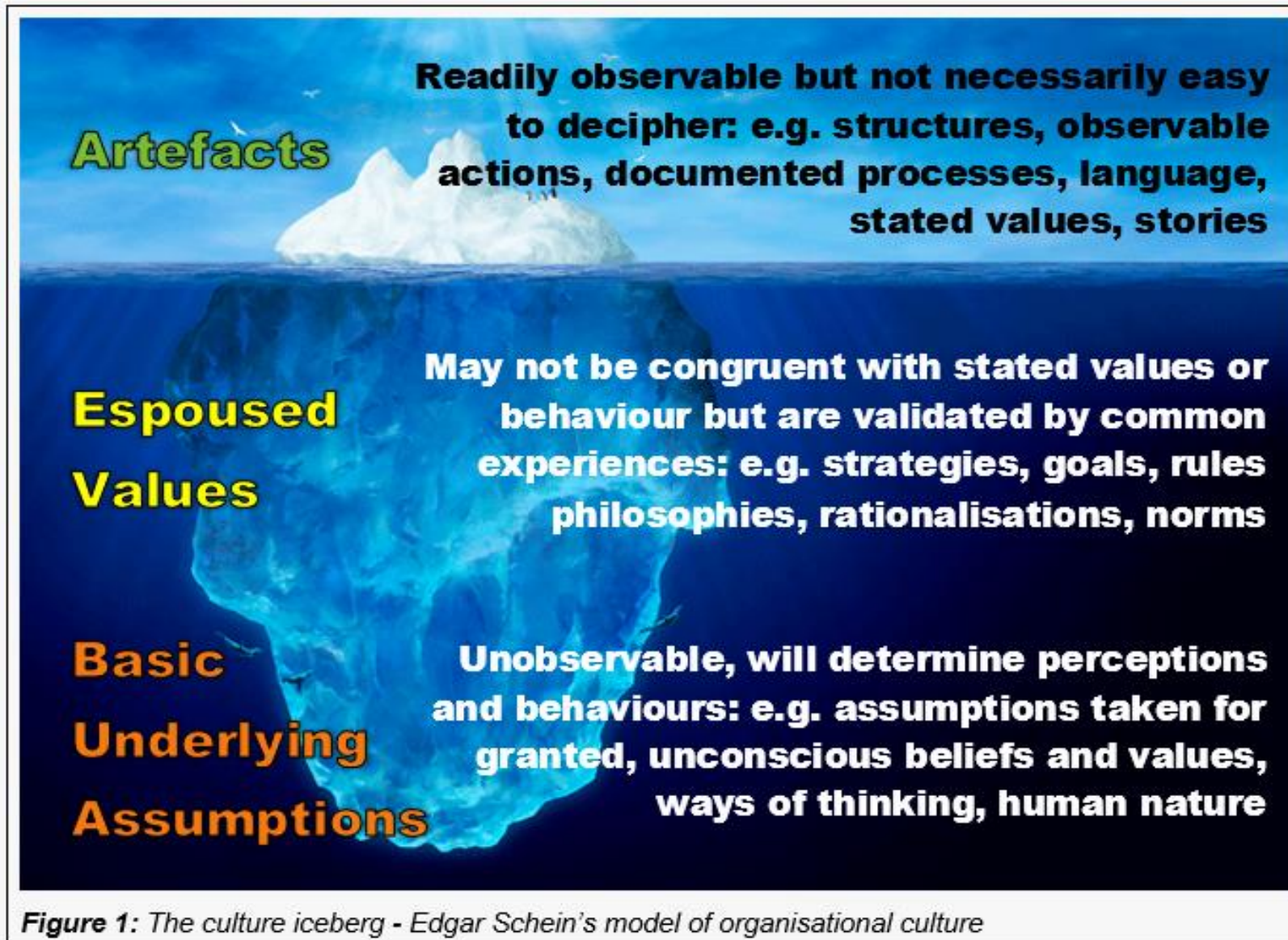
Edgar Schein defines organisational culture as:

a set of basic assumptions, developed by a given group as it learns to cope with its problems of external adaptation (how to survive) and internal integration (how to stay together) – which have evolved over time and are handed down from one generation to the next.

(Schein, 2004, p.14)



Organisational Culture Enables or Disable Effective HRM Practices



Factors Contributing to Positive Employee Experience

Figure 4. Factors that contribute to a positive employee experience

Simply Irresistible Organization™ model				
				
Meaningful work	Supportive management	Positive work environment	Growth opportunity	Trust in leadership
Autonomy	Clear and transparent goals	Flexible work environment	Training and support on the job	Mission and purpose
Select to fit	Coaching	Humanistic workplace	Facilitated talent mobility	Continuous investment in people
Small, empowered teams	Investment in development of managers	Culture of recognition	Self-directed, dynamic learning	Transparency and honesty
Time for slack	Agile performance management	Fair, inclusive, diverse work environment	High-impact learning culture	Inspiration
Cross-organization collaboration and communication				

Companies have an integrated program for employee well-being focused on the employee, their family and their entire experience at life and work

Leadership is Playing a Key Role in People & Organisation Management

- A leader's management style and moral values can transform not only a corporate but the entire country's culture.

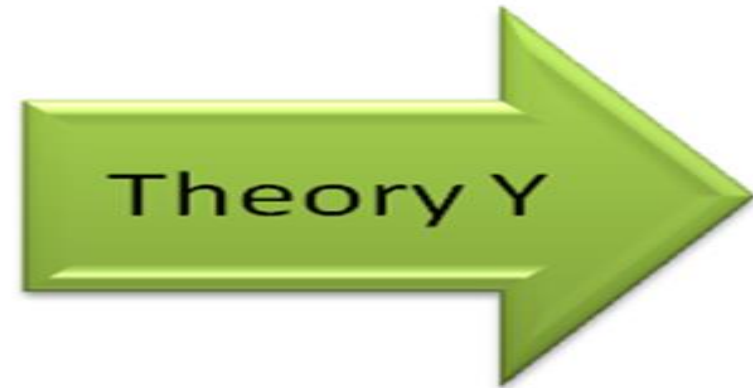
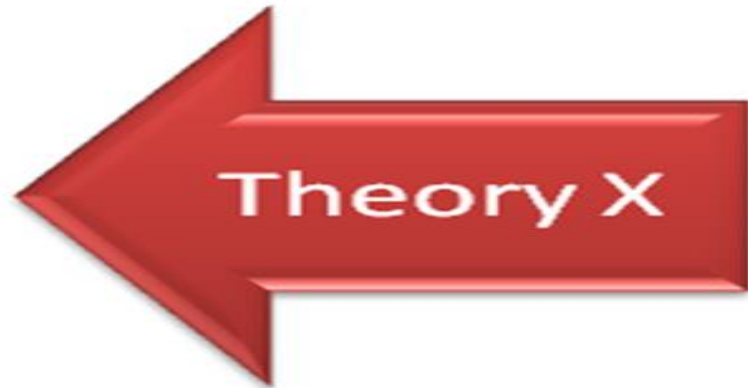
Based on Sun Tzu advocated “Five leadership qualities”: acumen, integrity, benevolence, courage and sternness, how would you rate the following leaders?



Heart vs Head-Oriented Leadership

Leadership Act	Heart-Oriented Leadership	Head-Oriented Leadership
Influence strategy	Emotion dimension Impressed or inspired followers with sense of purpose, abilities to lead to develop and to empower	Rational-logical dimension By position power, authority
Influence base	Missionary driven, focus on purposes and values to yield conviction	Duty goal driven, focused on mutual benefits to yield support
Leading process	Long-term and relationship building, transformational	Transactional, highlight mutual benefits
Personal growth	Developmental, e.g., from follower to leader	Confine to task-related skills
Feeling between leader and followers	Warm, comfortable and respectful	Unnatural, can be stressful
Ultimate outcome	Trust & bonding relationship, want to, committed to contribute, willing to make extra effort and self-leading	Transactional relationship, ought to, compliance mentality, passive followers, unwilling to work beyond minimum requirement

Heart oriented leaders believe human nature has its good and bad elements, regardless, leaders should strive to develop and expose people's good elements instead of coercively suppressing their bad elements. The assumption is that if people can work happily to earn a living in an ambient work environment with fair opportunities to grow and advance, they will control themselves and not to risk their careers.



Attitude

We dislike work, find it boring, and will avoid it if we can.

We need to work and want to take an interest in it. Under the right conditions, we can enjoy it

Direction

We must be forced or coerced to make the right effort.

We will direct ourselves towards a target that we accept.

Responsibility

We would rather be directed than accept responsibility, which we avoid.

We will seek and accept responsibility, under the right conditions

Motivation

We are motivated mainly by money and fears about their job security.

Under the right conditions, we are motivated by the desire to realize our own potential.

Creativity

Most of us have little creativity – except when it comes to getting around rules.

We are highly creative creatures – but are rarely recognized as such or given the opportunity to be.

Examples of Head- and Heart-Driven Leader's Appeals

Incident	Head-Oriented Leader's Appeal	Heart-Oriented Leader's Appeal
In 2003, SARS's Ward Roster Notice from The Chief Executive of a public hospital to medical professionals	“We're in crisis, you're not allowed to take any vacations until further notice. Compensated leave and special allowances will be awarded later”.	“SARS patients are badly needed your medical care to save their lives. Given this very difficult period, we urge you to stand by us to fight against the SARS to save the patients and to save Hong Kong”.

The Heart-Driven Heroes in SARS Outbreak of 2003



Discussion

*“Medicine is not just about curing, it’s also about **caring**. Medical practitioners should know what treatment is best to cure a patient’s disease and they need to serve it with their **hearts**.”*

Joseph JY Sung



So, Leadership is:

- about how to convey a message (purpose-sensing) to inspire and influence his/her followers
- about what leader assumes nature of man
- authentic leaders act the way they think

Essentially, leadership is an influencing process that a leader exerted with an aim to achieve intended goal(s) through his/her followers.

- Leadership is a neutral term, it can be effective or ineffective (outcome: engaging or disengaging), it can be ethical or unethical (depending on leader's personal qualities, means to end).
- A leader with low moral values and integrity would cause severe damages to an organization, indeed, to a state too!

Effects of National leaders' mindsets and speeches



- “The Fake News Media and their partner, the Democrat Party, is doing everything within its semi-considerable power ... to inflame the coronavirus situation.”



- “Now is a crucial moment, a time for us to rise up to challenge and act with swiftness. I am convinced that through solidarity and mutual assistance, we will prevail over this outbreak.”

Communication: the much underrated factor of importance in Effective Management



The most important thing in communication is hearing what isn't said.

Peter Drucker



The single biggest problem in communication is the illusion that it has taken place.

George Bernard Shaw



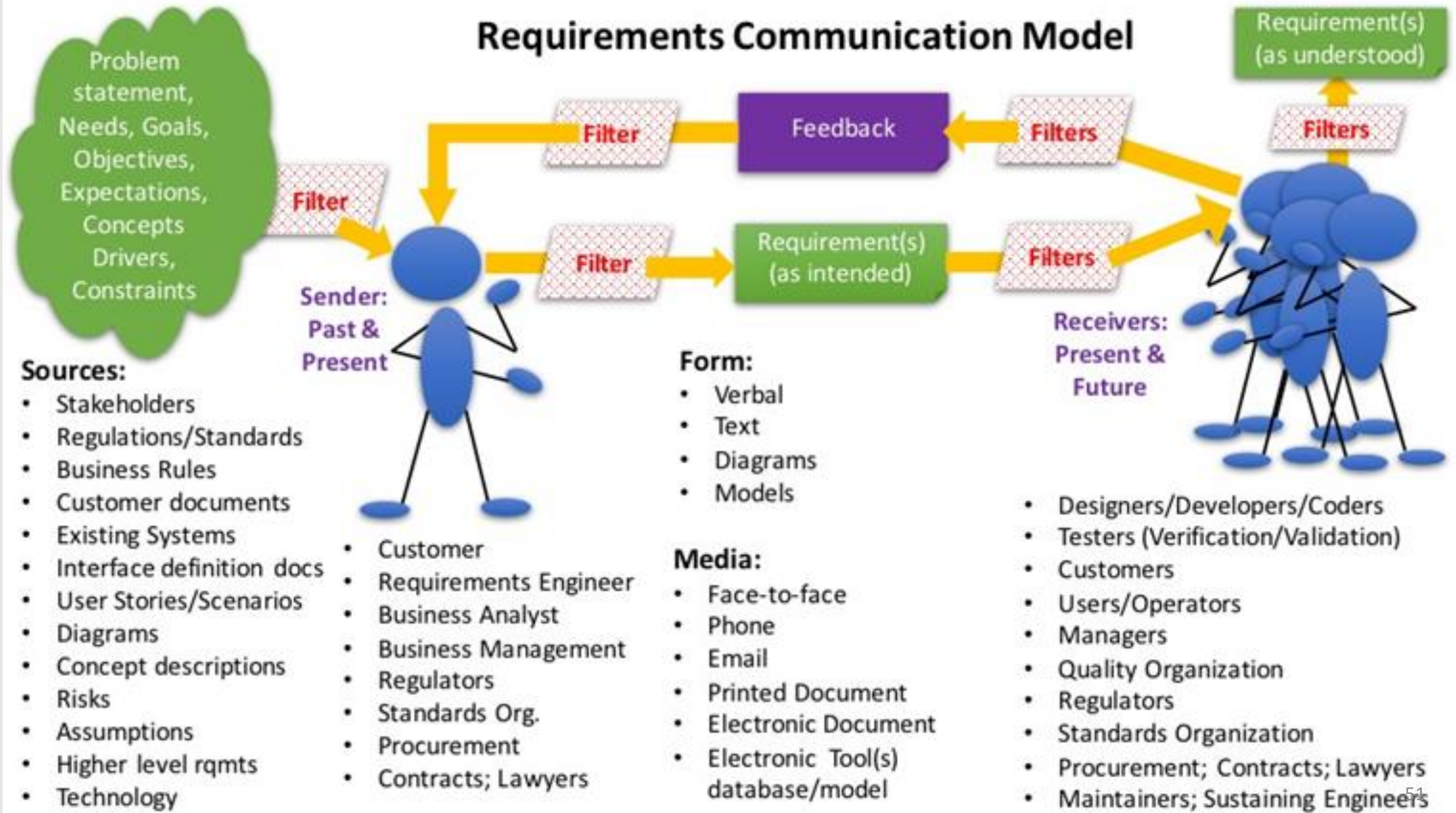
"The effectiveness of communication is not defined by the communication, but by the response."

- Milton Erickson

Heart to Heart Communication

- Great strategies if they are miscommunicated or not effectively communicated to employees, they will only stay in top management level without being successfully cascading down to middle management and frontline staff.
- Heart-to-heart communication strategy is to manage important corporate communication with an aim to achieve a congruence of hearts and minds between the sender and receiver, typically begins by purpose-sensing statement(s).
- To this aim, the message should be designed and delivered to pass through receiver's "filters" without being distorted or misunderstood.
- Key enemies of H2H Communication are: Distrust, apathy, premature evaluation, selective perception, inactive listening.

Planning a Heart-to-Heart Communication



Required Competences for Heart-Oriented Function

- Ability to inspire, influence, lead, persuade, engage & motivate others;
- Able to exercise emotional appeal based communication skills, interpersonal skills;
- Other capabilities: team-building abilities, promote value & goal congruent abilities,
- With high emotional intelligence, lead and influence others with human skills, sincerity without relying on authority and power;
- Ability to build trusty and bonding relationship

Issues of Implementation

- It is vital to have the top management's support to endorse the Heart-orient approach in managing the people.
- Top management in collaboration with HRM department to create a conducive culture and reward system, which ensures all development and implementation of strategy and operation plans will give due consideration on human aspects.
- Although heart-oriented approach is essentially based on theory-Y and honest assumptions, control and surveillance systems must be established and strictly implemented to prevent people from abusing the approach.

Enacted Scope

- Develop and implement a perceived fair and reasonable compensation & reward system
- Recruiting, developing and retaining employees who value Heart-oriented approach in managing.
- Provide adequate training and coaching for employees who have to do new tasks or support new company initiatives.
- Regularly conduct survey on employees' opinions and views on the company's culture to see if there is any gaps in goal and value congruence. Make immediate remedial action to narrow the gap, if any.

Manifested Outcomes

- Trust and bonding relationship
- high morale and team spirit
- good employee loyalty, low attrition rate
- individuals show “want to act and support”
- People act purposefully, they are committing and engaging
- very good volunteer turnout when called upon
- excellent cross-functional collaboration and collegiality.

H1 Heart interactions with Head & Hand



- Even the entire organisation is motivated, engaging and enthusiastic in support the corporate initiatives, if strategies or projects are poorly planned (weak in H2 Head), or poorly implemented (lack of required H3 Hand competence), the organisation will not be able to achieve its intended goals.

Pitfalls

- Emotion obsession and ignore objectivity and scientific perspective; overly ideal at the expense of efficiency; no control measures to deal with employees who abuse of trust.
- Harmony obsession may resort to making compromises of principles and reasonableness. It may weaken the company's competitive spirit.

Prospecting for the Future

- Important lessons learned from combating pandemic, how to promote effective heart-oriented approach to manage people, and organisations across different cultures, industries, organisations and institutions is of paramount importance to public and business administrations.
- Heart-driven organizations yield recognitions from society, which in turn helps enhance employee and customer loyalty and reputation.
- Tackling corporate complacency and other cultural issues, which impede organisation's turnaround/transformation abilities.
- Technology didn't kill Kodak (it invented the world first digital camera in 1976), arguably, complacency did.

H2 – HEAD Dimension of the 3-H Framework



The Head-Oriented Approach

Introduction

- The metaphor of 'Head' means the mind of a strategist, corporate planner, executive and manager, typically working at HR strategy and Plan related tasks with visionary, strong planning, organising and control expertise.

Required competences

- Strategic thinking, creative ability, analytical mind, management especially planning, organising, control and decision-making skills

Head-related theories and concepts

Contemporary strategic management theories, including:

- Macro and organisational environment analysis with STEEP/PESTLE;
- Industry analysis with Porter's 5-Force model;
- Organisational/Internal analysis with McKinsey 7-S; Barney's resource-based theory and VRIS/O sustainability test; Porter's competitive strategy & value chain; competitor analysis; Kaplan & Norton's balanced scorecard and strategy map.

Mindfulness of developing a competence that is adaptable to a dynamic environment is of critical importance to the sustainability of that competence.

Equally importance is about developing an organisational process, which is conducive to synthesising the organisation's human, technical, physical and financial resources together to create a competence or advantage.

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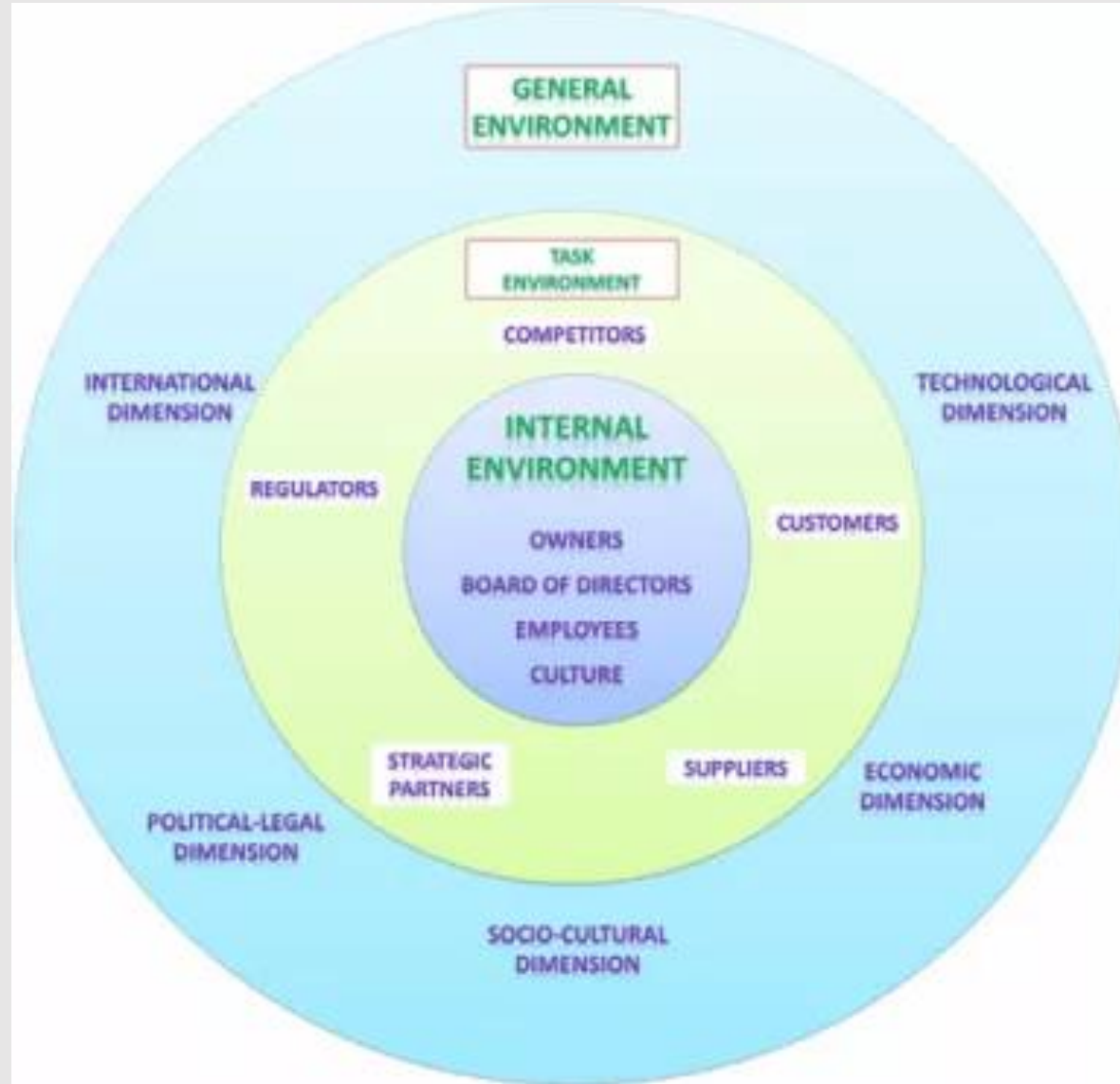
graph LR
    A[Analyze current Performance  
• Mission  
• Goals  
• Strategies  
• Comp Adv]
    B[Environmental Analysis  
• STEEP  
OT]
    C[Industry & Market Analysis  
• 5-Force: BRESS  
• BCG]
    D[Company Analysis  
• 3-H & 7-S  
• RBV  
• Value Chain  
SW]
    E[SWOT Analysis  
• Strategic Gap]
    F[Strategic Options  
Levels of Strategy  
New/SCA]
    G[Implementation  
• Evaluation & Control  
• VRIO Maintenance  
• 3-H]

    A --> B
    B --> C
    B --> E
    C --> D
    D --> E
    E --> F
    F --> G
  
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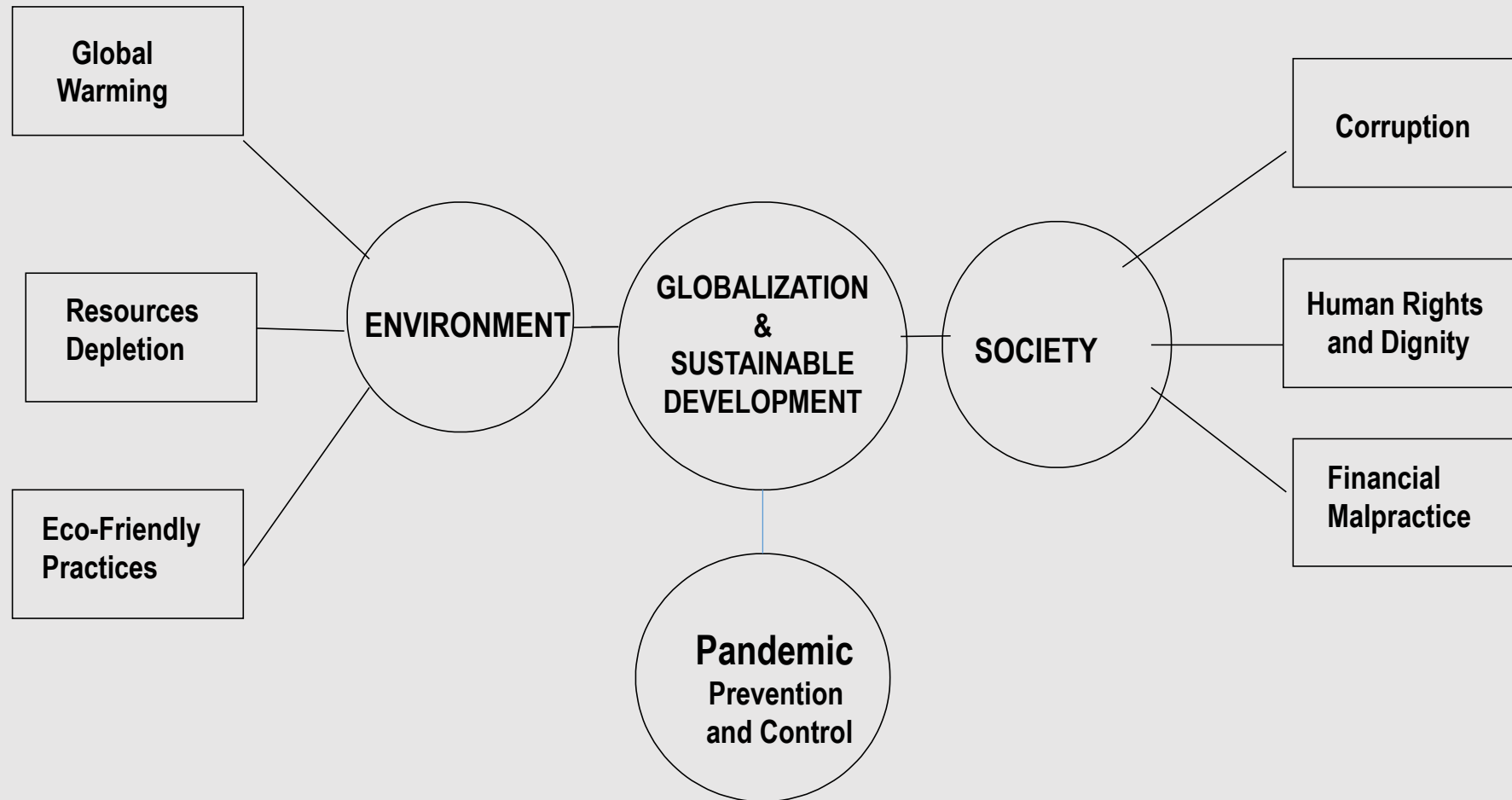
Strategic management mindset embedded of Head-Oriented Manager

Where are we now? *Where should we go?* *How do we get there?*

General, Task/Industry and Internal Environmental Forces



Globalization & Sustainable Development Challenges



STEEP Macro/General Environment Analysis

Issue-Fact-impact analysis-recommendation

Identification of significant issues

Many social phenomena happened cannot be explained just by social perspectives.

- For example, people taking photos are much more frequent than the old days, why?

Be specific about the factors which exert changes to create a phenomenon.

- For example, people can conveniently take photos with their smartphones is made possible by the new digital, Internet, telecom and micro-processing technologies introduced in recent decade.

Identified opportunities (Os) and threats (Ts) have to be coherently addressed with SWOT matrix strategic options through different levels of strategy alongside with short and long-term consideration

Drivers of change in the Aviation Industry

(Future of the Airline Industry 2035, IATA 2018)

Society	Technology	Environment
• Urbanization and the growth of megacities • Passenger identity and fraud • Global aging • Middle class growth in China and the Asia- Pacific region • New modes of consumption • Tensions between data privacy and surveillance • Global population growth driven by Asia and Africa • Shifting ethnic, political and religious identity • Disability, fitness and health	• Cybersecurity • Expanding human potential • Robotics and automation • 3D Printing and new manufacturing techniques • Virtual and augmented reality • Internet(s) of Things • Alternative fuels and energy sources • New aircraft designs • Alternative modes of rapid transit • Geospatial technology	• Infectious disease and pandemics • International regulation of emissions and noise pollution • Resource nationalism • Personal carbon quotas • Water and food security • Environmental activism • Extreme weather events • Rising sea levels and reclaimed habitats • Human-controlled weather • Circular economy

Drivers of change in the Aviation Industry

(Future of the Airline Industry 2035, IATA 2018)

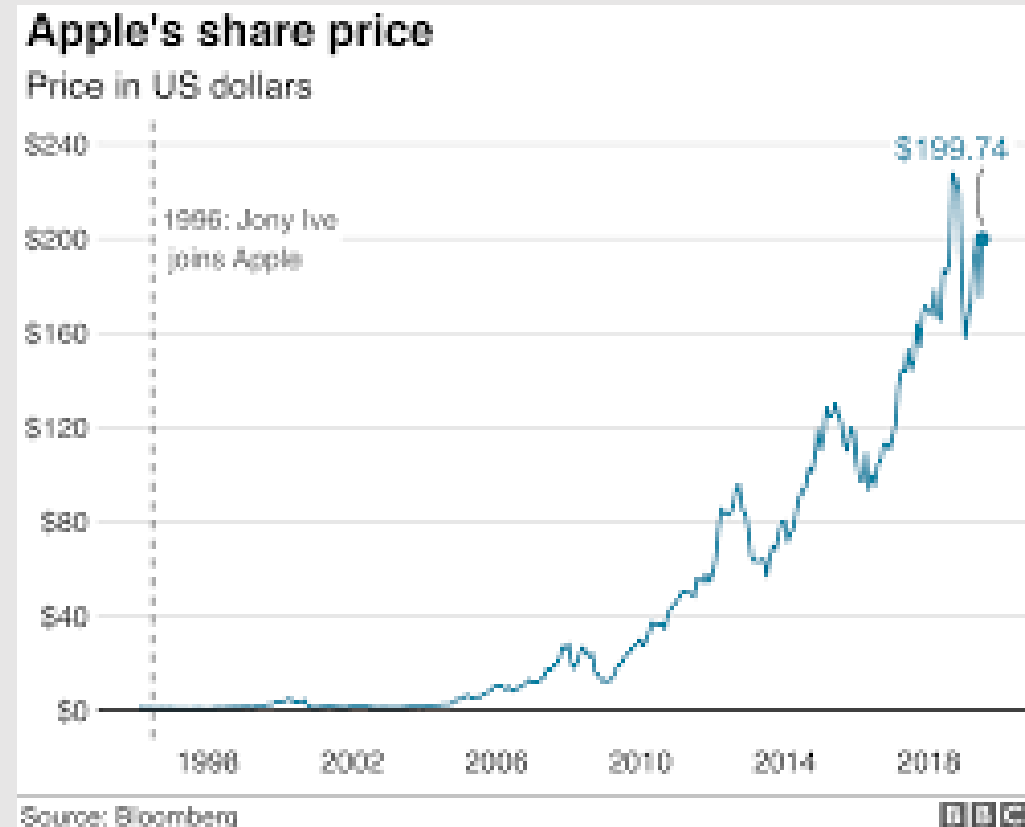
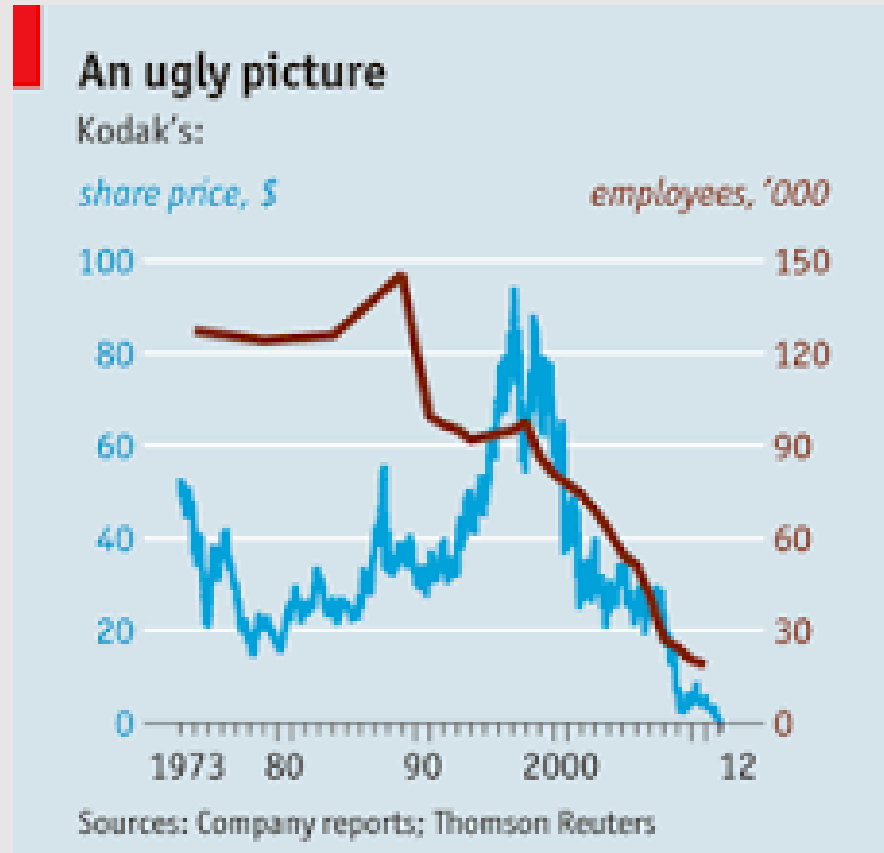
Economy	Politics
• Global income inequality • Strength and volatility of global economy • Price of oil • Level of integration along air industry supply chain • Shift to knowledge-based economy • Privatization of infrastructure • Concentration of wealth into a "Barbell economy" • Unionization of labor and regional independence • Open data and radical transparency • Changing nature of work and competition for talent	• Bribery and corruption • Geopolitical (in)stability • Government ownership of airspace and critical infrastructure • Strength of governance • Anti-competitive decisions • Shifting borders, boundaries, and sovereignty • Increasing influence of alternative regional and global institutions • Trade protection and disputes

Industry Analysis with Porter's 5-Force Framework



Why macro environment and industry analyses are important to Head domain?

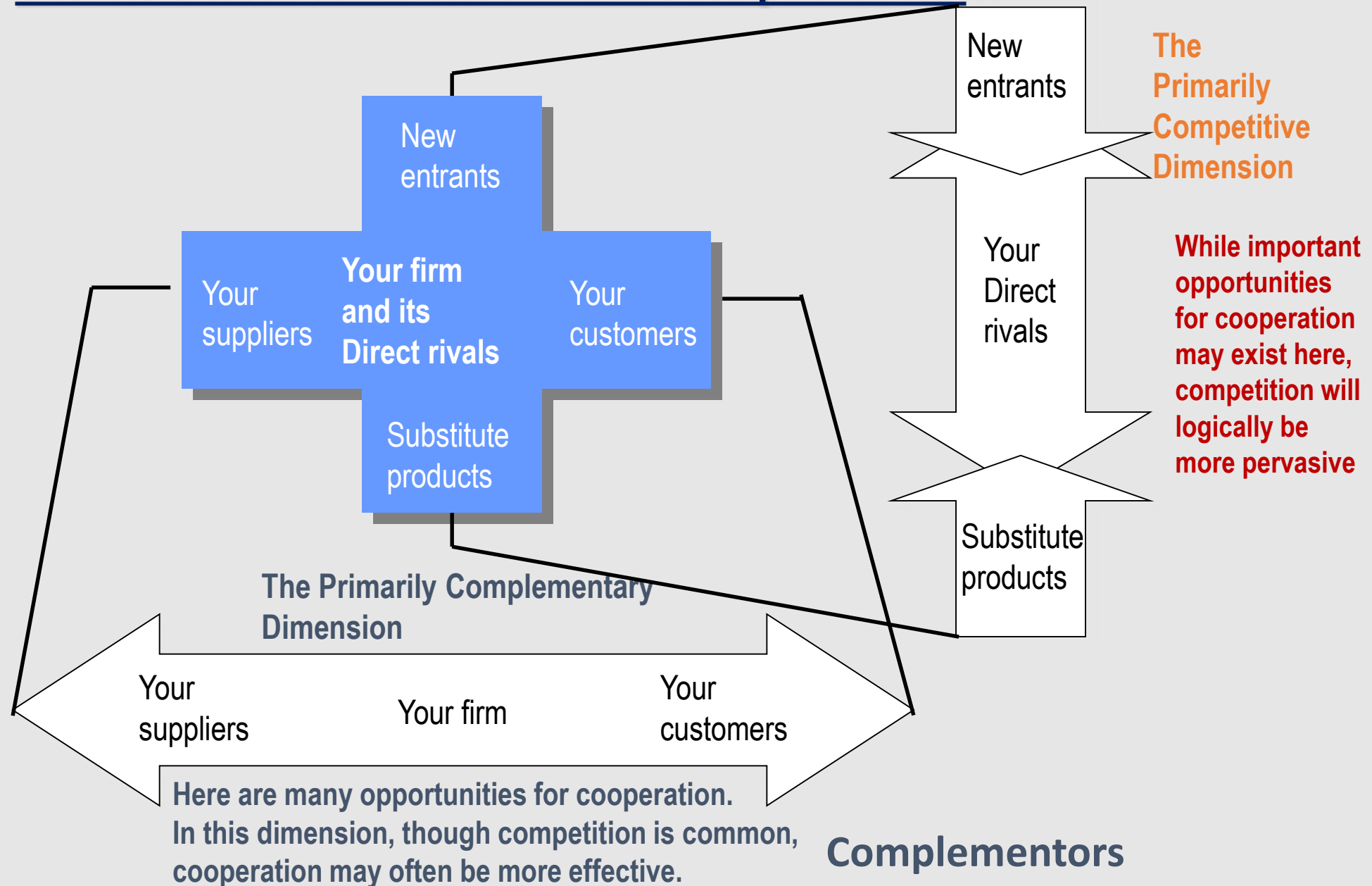
- From corporate strategy perspective
- From competitive strategy perspective



Common misconceptions on the 5-Force Model

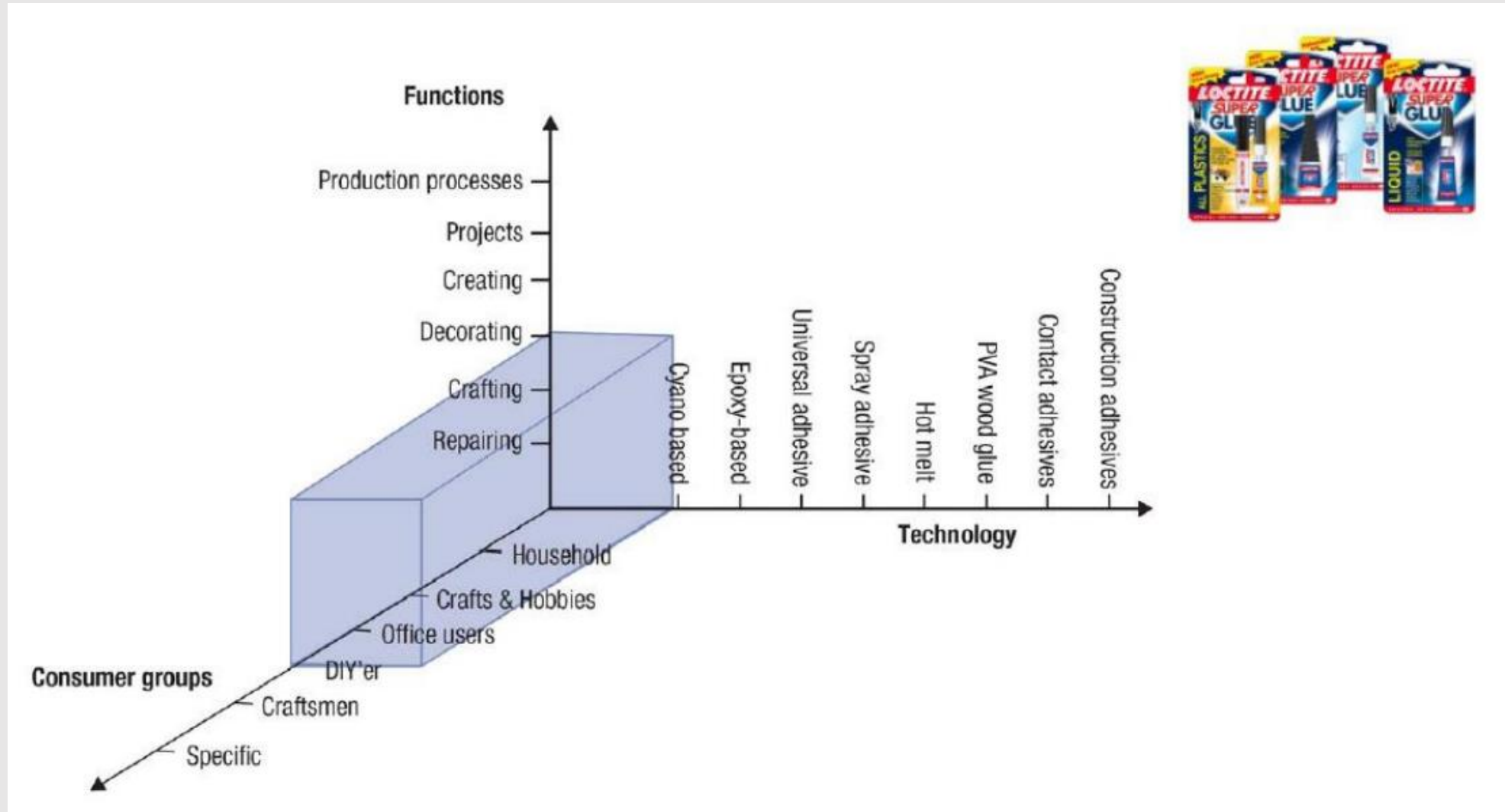
- Treating Buyer and Supplier groups in same size without noticing that different size of the groups might exert different bargaining power
- Buyers and Suppliers are necessary playing zero-sum game and ignore the fact that when both connected can create win-win outcomes through enjoying synergy creation.
- Substitute is not from product/service of the same form/type/nature, e.g., fast speed train substitutes airline service but Pepsi is not a substitute of Coke.
- Threat of Entry has to be considered with scale and scope of the firm in question, e.g., McDonald's will not consider a newly opened small hamburger shop next to it as a threat. However, that small hamburger shop may consider so if it sees a new McDonald's is coming soon.
- Assessing each force by gut feeling rather than its underlying principles.
- Without due considerations on the present and future government's related policies and political influences to all five forces.
- Without considering the complements and other strategic value chain partner's effects.
- The intensity of rivalry is treated independently without knowing it mirrors the impacts of the other four forces.

The two dimensional views of the five competitive forces



Internal Environment – Head Perspective

Derek Abell – Business Definition Framework



Discussion

How would Abell's business definition framework help transform a company's business?



Organisational Analysis with Resource-Based Theory (RBT)

The Long-term competitiveness of a company depends on:

- its distinctiveness of resources developed and retained against its competitors;
- the synthesis of resources and capabilities to create distinctive competence; and
- Managing **VRIO** (Value-Rarity-Imitability-Organisation) to maintain sustainable competitive advantage (Barney 1991)

Core Competence Identification and Creation

Core competence is created with HR facilitated structural process to coordinate/integrate with diverse, organizational resources and capabilities (functional skills, e.g., R&D, programming, operations, marketing) and supported by organizational infrastructure to drive the business model of a firm.

Examples of organizational **resources**:

1. Leadership
2. Entrepreneurship
3. Strategic intent, vision
4. Culture
5. Training, coaching, mentoring
6. Operating manual and policy

Organizational **infrastructure**:

1. HRM policy and performance evaluation systems
2. Learning IT systems for archiving, retrieving and disseminating staff experience, expertise best practices
3. Technologies, R& D engineering
4. Marketing systems
5. Operations and production
6. Logistics systems

Core Competence and Competitive Advantage

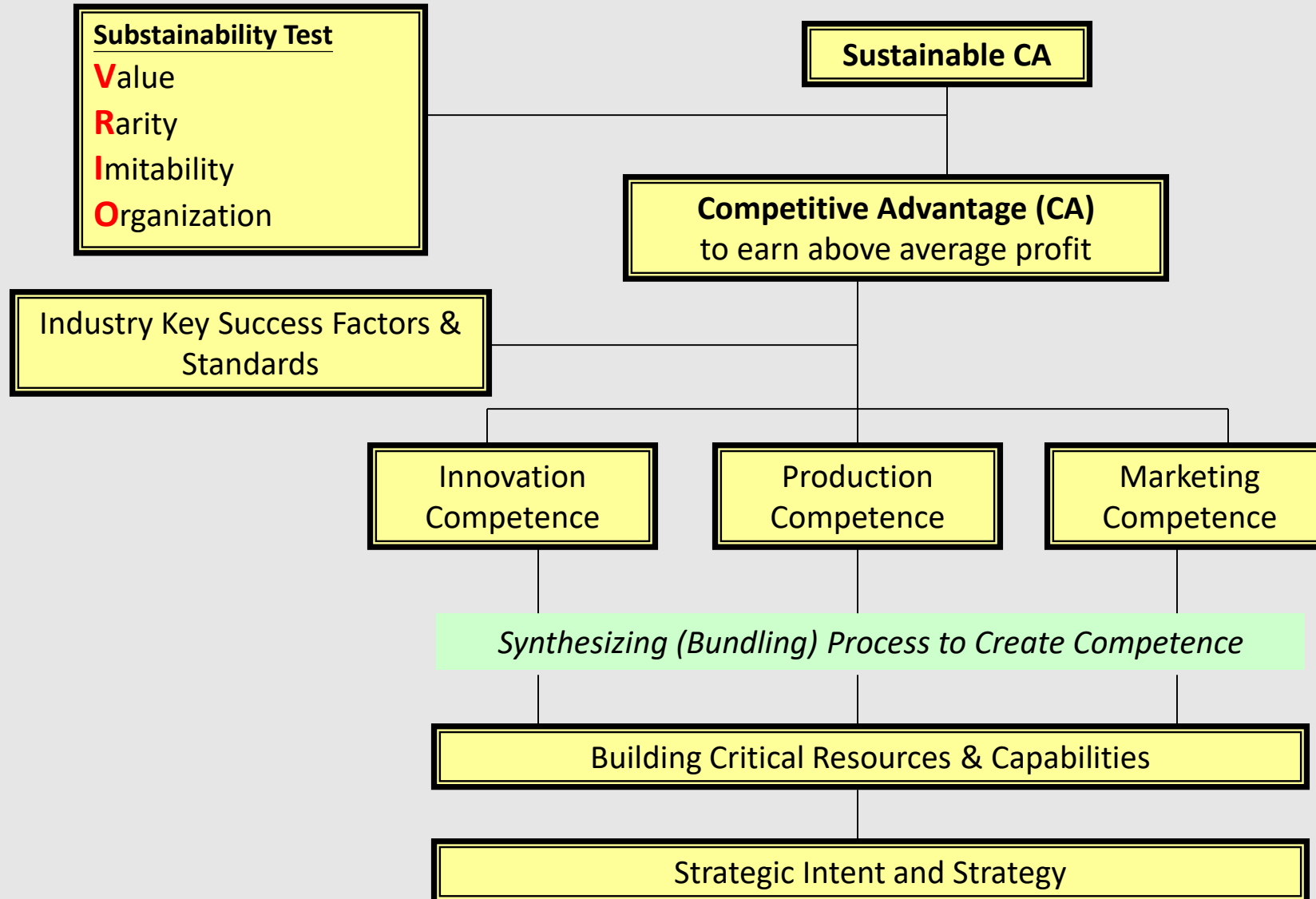
Core competence can be considered as a mother and competitive advantages are her children.

For example, Li & Fung's core competence in driving its total global supply chain system to provide CRIQES (customer responsiveness, innovation, quality, efficiency & speed) competitive advantages to its buyers.

Core competence has seldom created by a single resource or capability, rather it is typically bundled with a series of key resources (e.g., SHK's core competence in building high quality properties has been created by its organisational resources of quality culture, abilities to recruit, retain and develop high-calibre professionals, quality assurance systems).

Owing to emergence of new technologies (e.g., digital, broadband wifi) existing core competence (e.g., Kodak's film-based photography) can turn into core rigidity, which can stifle the firm's transformation.

The Roots of Competitive Advantage and Creating Above Average Profit



Discussion

Cathay Pacific enjoys highest safety rating for years. Safety and arrival on time flight operations can be a core competence for an airliner. Apply RBT to illustrate how this competence can be created?



VIRO and Sustainability of Competitive Advantage

- Few competitive advantages can be sustained forever.
- The VRIO analysis (Barney & Hesterly 2006) is a competitive advantage sustainability test framework. The certainty of a sustainable competitive advantage hinges on the level of confidence in answering the four key questions below:
- The Question of Value: "Is the firm able to help capitalise on an opportunity or neutralize an external threat with the competitive advantage?"
- the Question of Rarity: "Is the competitive advantage is rare among the rivalry?"
- the question of Imitability (Ease/Difficulty to Imitate), and
- the question of Organization (ability to exploit the incumbent competitive advantage).

The Question of Imitability: "Is it difficult to imitate, even if it can be replicated would it be too costly, too time consuming and too risky for a copycat firm?" The following are the inhibiting factors for replication and imitation attempts:

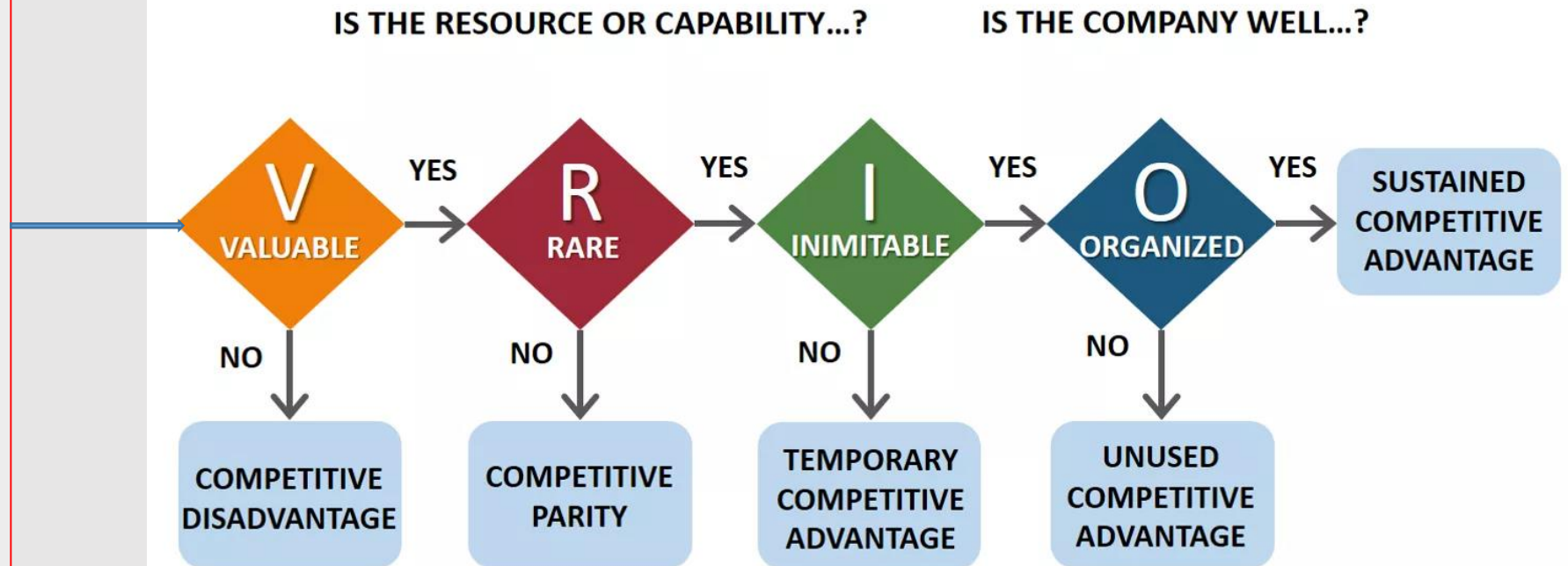
- Causal Ambiguity – input and output factors may be exposed to imitators but the ‘blackbox’ processing has been well-covered up by the firm thus an imitating firm cannot copy the process for replicating a product or service,
- Social Complexity - when at least partial creation process of a competitive advantage is intertwined with socialisation and exchanges of ideas and insights among members of, e.g., new product development team, R&D team and other cross-functional teams, such social interactions are tacit therefore very difficult to describe let alone to imitate. Another example is a strong service culture-driven organisation, its staff tend to serve customer from their hearts, whereas an organisation without service culture tends to be mechanical and lack of sincerity

- Patents and other legal registrations - a source of long-term competitive advantage certificated by authority. As a case in point, Philips claims patent infringements from unauthorised CD manufacturers is more profitable than the profit from selling its CD players!
- Unique Historical Conditions – for decades or even centuries, a cluster of firms well-established in a city, which products or services, due to accumulated effects of learning and experience curves, are of unique quality in the world, e.g., watches in Geneva, fashions and perfumes in Paris, leather goods in Milan.
- Natural endowments – a geological location for centuries endowed with valuable reserves, e.g., oil fields in Saudi Arabia, Gold mines in South Africa, or the soil and climate are best for growing certain precious plantations, e.g., vineyards in Bordeaux, ginsengs grow in Hamyang, South Korea.

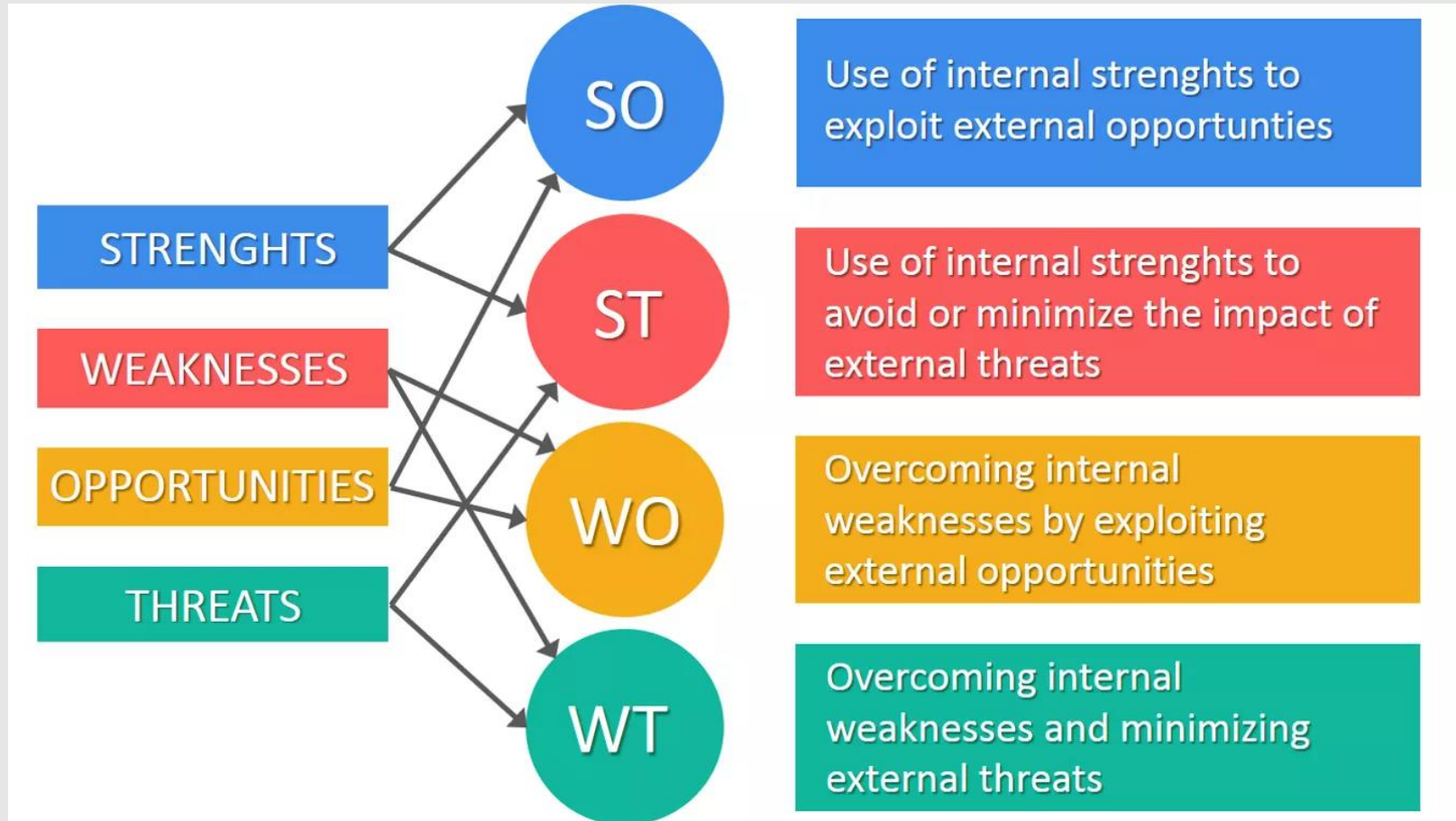
Competitive Advantage Sustainability Test with Barney's VRIO

Competitive Advantages (firm specific):

- Firm's infrastructure
- HRM
- Leadership
- Corporate culture
- R&D
- Product design
- CRM
- Brand equity
- Distribution network
- Production capacity



Analysis of Internal (SW) and External (OT) Environments for strategy formation



Business-Level/Competitive Strategy

- Porter's 4 Generic Strategies
- The emerging 5th Strategy

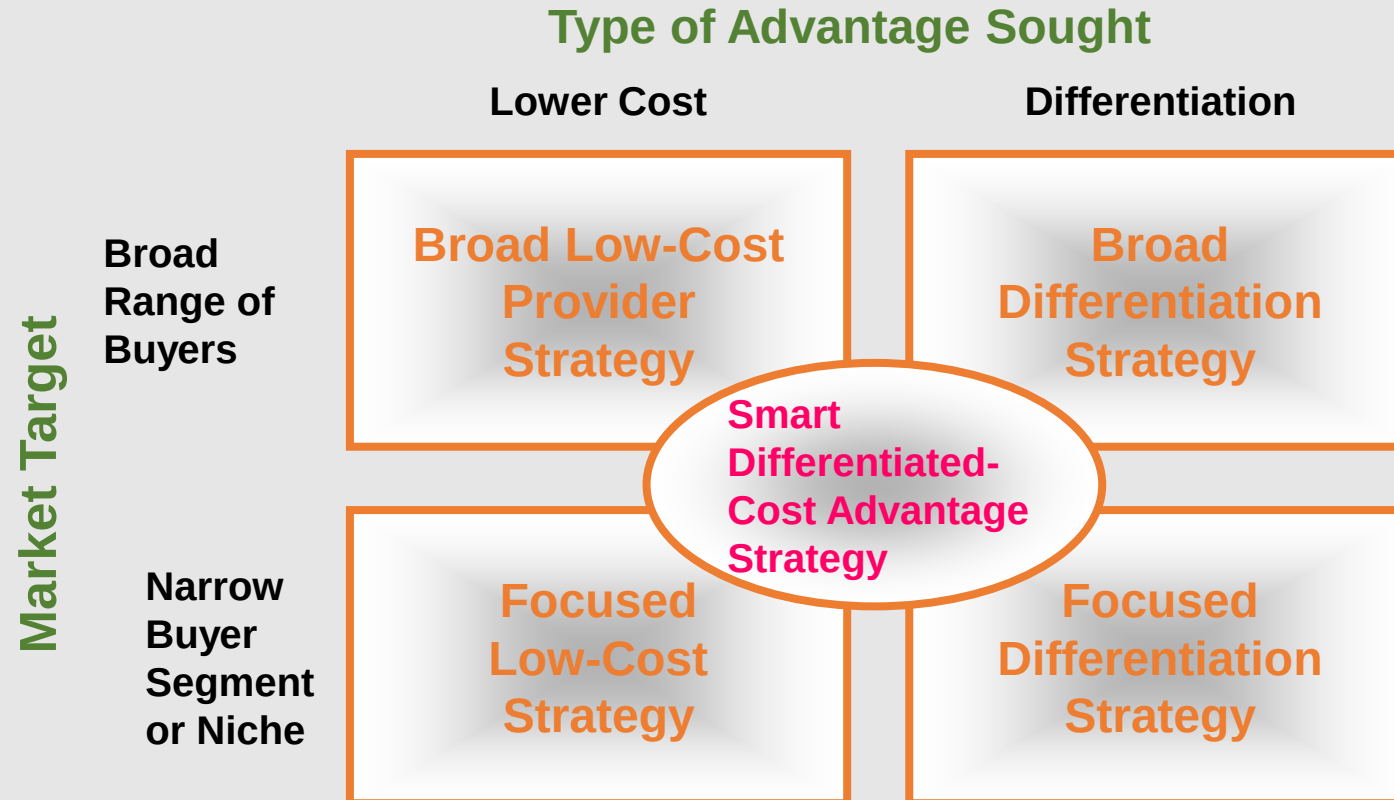
Real or “stuck in the middle”?



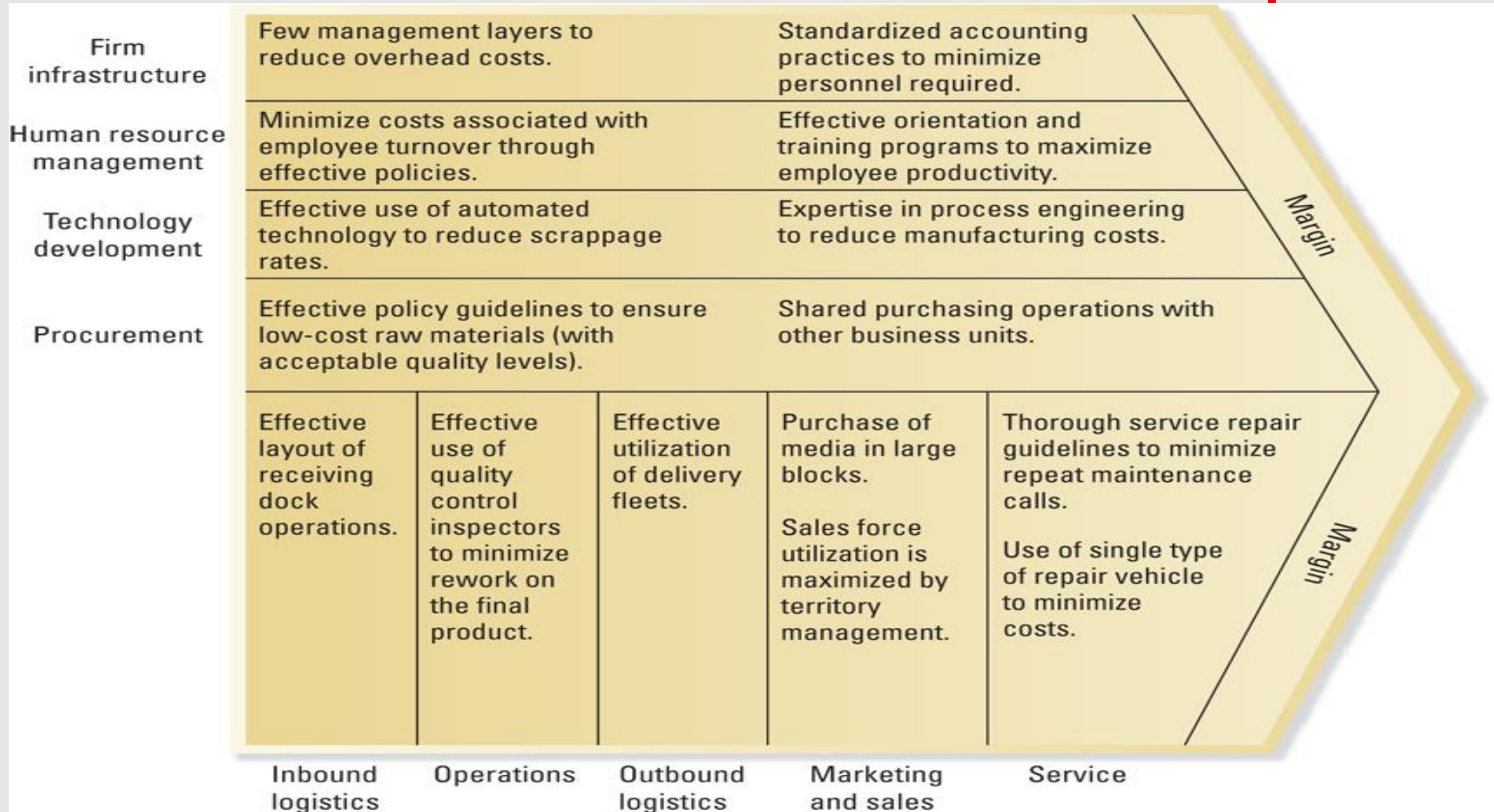
The 5 Competitive Strategies :

The 5th Smart Differentiated-Cost Competitive Strategy

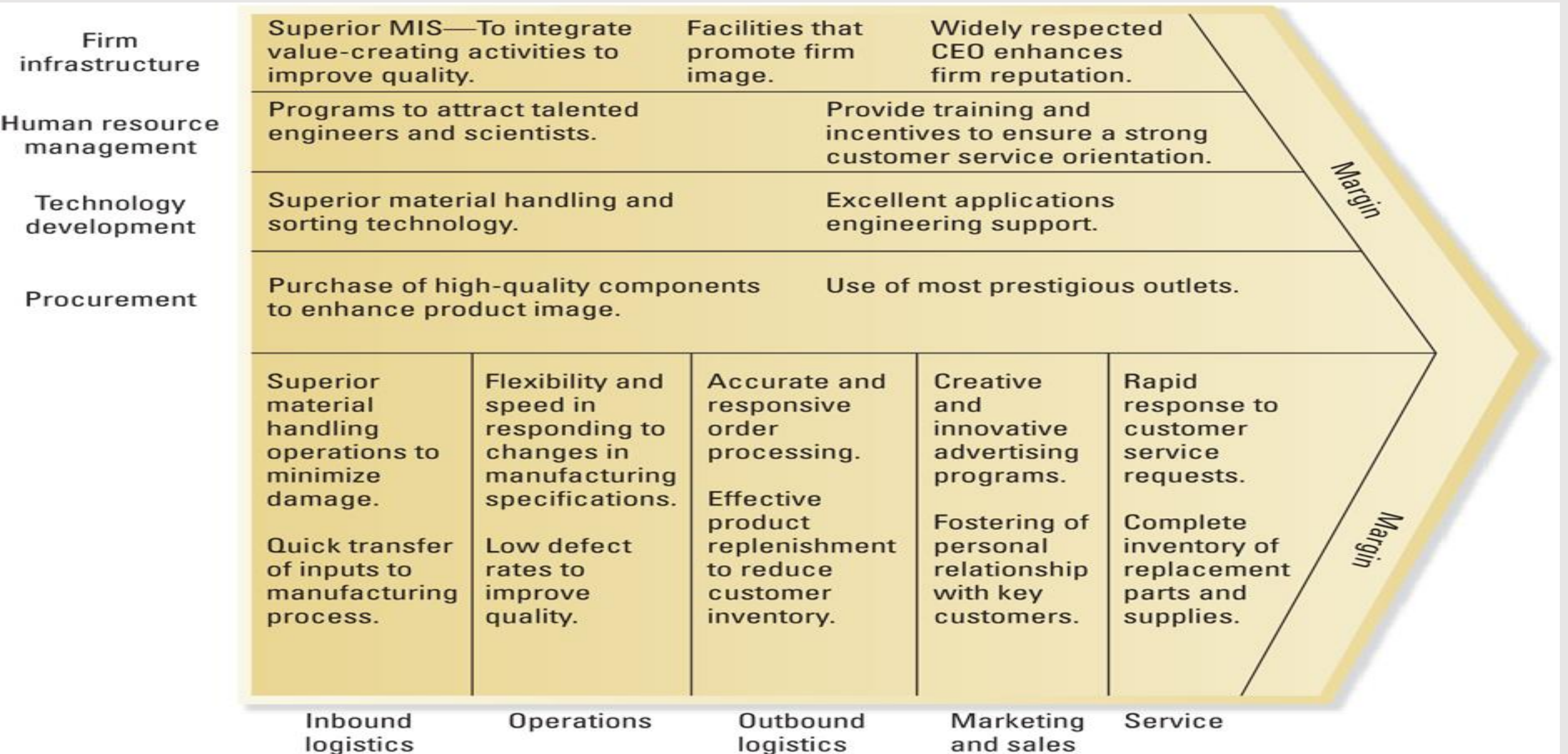
(Eddie Yu adapted from Porter's 4 generic strategies)



Value-Chain Activities: Overall Cost Leadership

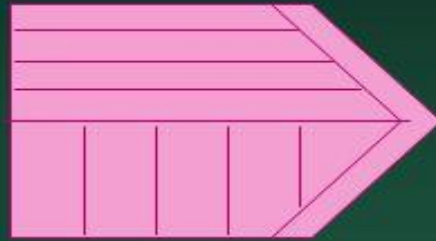


Value-Chain Activities: Differentiation

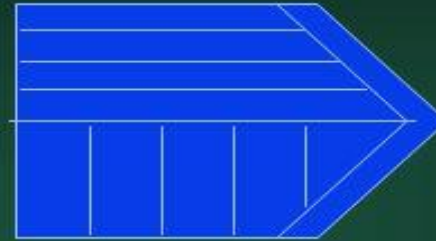


*Value Chains are part of a **Total Value System***

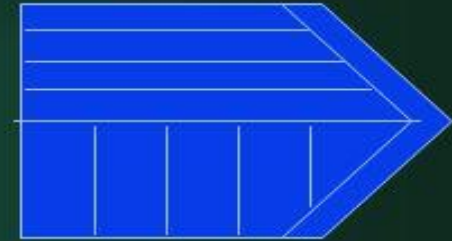
Firm Value Chain



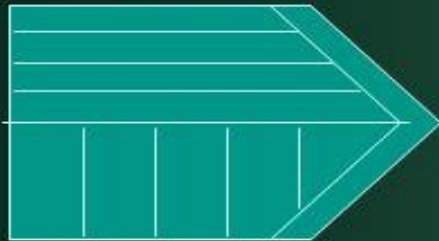
Channel Value Chain



Buyer Value Chain



Supplier Value Chain



Upstream Value

**Perform valuable activities that
complement the firm's activities**

Total Value Chain System

How supplier's value chain enhances buyer firm's competence sustainability?

Foxconn strengthens Apple i-product's functionality via better components integration and boost value to Apple Inc. via better product reliability at competitive production costs.

Li & Fung's one-stop shop global supply chain system leveraging competences of its strategic partners to satisfy its buyer's needs.

Focus on synergy creation on **TOTAL** value chain system.

Customize generic value chain to different business model of a firm. For example, R&D should be a primary activity of Apple Inc.'s value chain.

In-Class Discussion

How would the key functional practices (e.g., Marketing and Operation) differ between a premium airliner and a low-cost airliner value chain?

Issues of Head-Oriented Implementation

- Strategy doesn't come from a calendar-driven process; it isn't the product of a systematic search for ways of earning above-average profits; strategy comes from viewing the world in new ways. Strategy starts with an ability to think in new and unconventional ways.” (Gary Hamel)
- Derek Abell (1981) posits addressing 3 key questions as a starting point to create a business strategy: who are your customers (segmentation), what are their needs (market research findings) and how they can be best satisfied (leveraging existing and or creating new competences) Derek Abell (1980)

Enacted Scope

- Formulation of different levels and scope of strategy, e.g., global, corporate, business and functional strategies
- Translation of levels of strategy – strategy mapping: strategy design and implementation in a way that ensures sustained value creation-- depends on managing four key internal processes: operations, customer relationships, innovation, and regulatory and social processes. By mapping the strategy in such way companies can link those processes to desired outcomes; evaluate, measure, and improve the processes to ensure sustainable success (Kaplan & Norton 2004).
- Alignment of organisation – using balanced scorecard to create corporate synergies: how the enterprise creates value above that achieved by individual business units operating alone (Kaplan & Norton 2006).

An example of Head domain's task:

Design a HR performance metrics scheme with HR Scorecard

The HR scorecard is a method for Human Resources to position itself as a strategic planning partner with line managers and executives within an organization. (*The HR Scorecard*, by Becker, Huselid, and Ulrich, 2001).

HR managers should develop metrics to demonstrate how HR activities impact profitability. The process:

- Identify the critical deliverables for Human Resources.
- Identify HR's customers (for the deliverables).
- Define HR activities that provide the critical deliverables (such as high-talent staffing or a retention initiative).
- Conduct a cost-benefit analyses of activities that provide deliverables.

Template : KPI Table for HR Manager

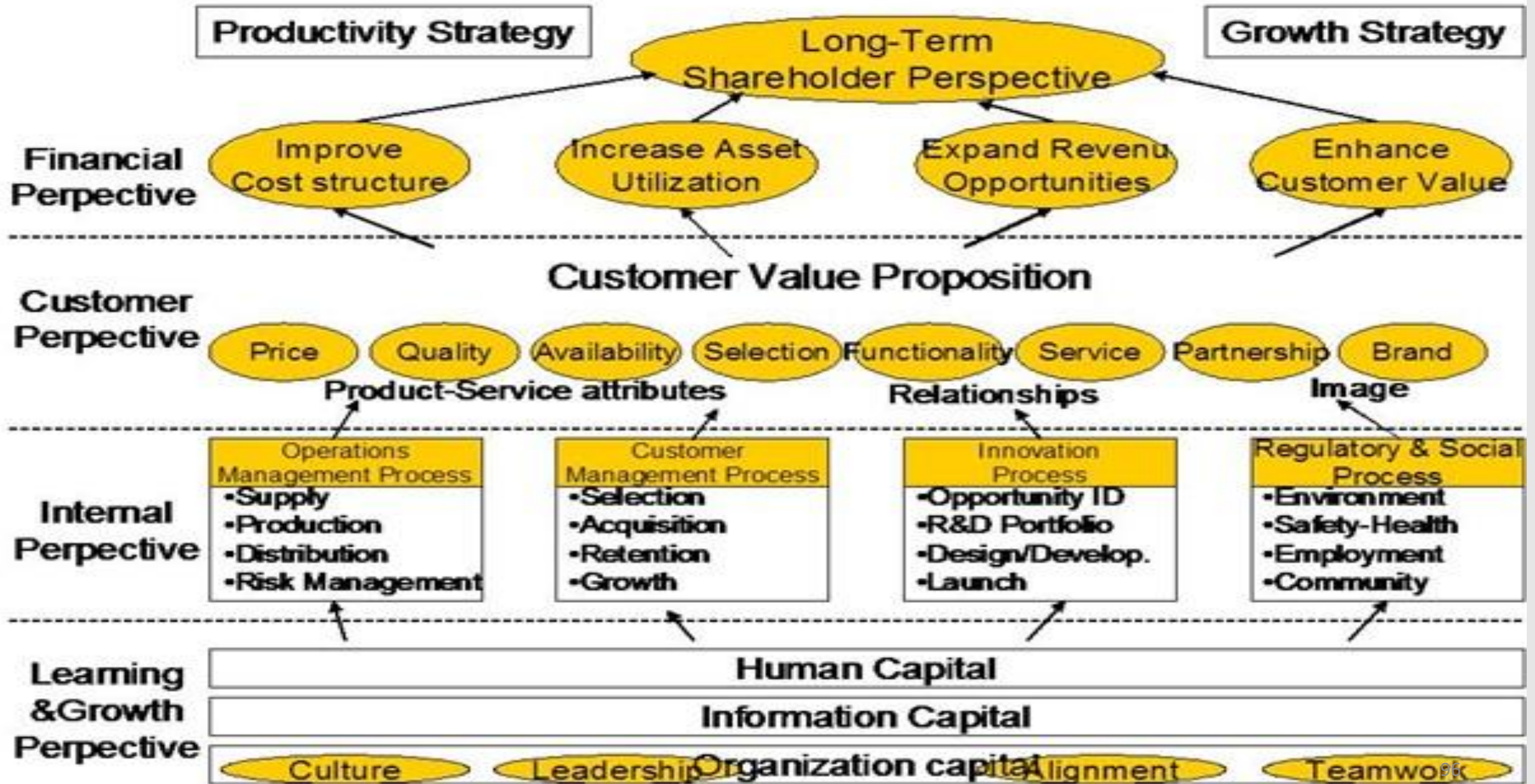
No.	Key Result Areas	Key Performance Indicators	Weight of KPIs	Target	Actual	Score	Final Score
1	Recruitment	Average lead time to recruit employees	15				
		Performance score of new employees within 6 months	15				
2	Training and Development	Training Hours per Employee / Year	10				
		% difference in the rate of productivity before and after training	10				
3	Performance and Career Management	% of employees that fully execute their Individual Development Plan	10				
		% of employees that participate in career coaching program	15				
4	Employee Retention and Productivity	% of employees that leave the organization in a given time period	15				
		Profit per employee	10				
			100				

Weight of each KPI should be defined. Weight of KPI is determined based on the scale of priority. Total weight should be 100.

From Balanced Scorecard to Strategy Mapping

- Balanced Scorecard and Strategy Mapping (Kaplan and Norton 1990s to 2000s)
- A strategy map is a new framework built on traditional balanced scorecard concepts. It is a mapping diagram that shows how an organization's strategy is translated into actionable themes.
- An underlying framework of horizontal perspectives arranged in a cause and effect relationship, typically Financial Perspective, Customer Satisfaction, Operation Process and Learning & Growth.
- Objectives within those perspectives. Each objective as text appearing within a shape (usually an oval or rectangle). Relatively few objectives (usually fewer than 20).
- Vertical sets of linked objectives that span the perspectives. These are called strategic themes.
- Clear cause-and-effect relationships between these objectives, across the perspectives. The strategic themes represent hypotheses about how the strategy will bring about change to the outcomes of the organisation.

Strategy Map



H2 Head Interaction with Heart & Hand

- When the 'soft' side of H1 Heart factors are duly considered in the strategic planning process, the workforce will be more motivated to implement the strategy.
- When the entire operation system and H3 Hand issues have been well planned and organised, the workforce will be more likely to efficiently achieve operational goals.
- On the other hand, even a sound strategic plan developed if the H1 Heart dimension issues have not been addressed, employees may not be committed to achieve its goals; if lack of H3 Hand competence, implementation of the strategy will be slow and erroneous.

Pitfalls

- Logic obsession so much that may stifle creative and innovative thinking and attempts. Engineering or technology obsession ignores human factors.
- Be aware of logic/rational trap lose sight of human factors in strategic planning (K Ohmae, The mind of the strategist, 1991)



Prospecting for the future

- Technologies will continue to create and destroy industries in faster pace and larger scale. Competent strategist, who can envisage the business trends, identify opportunities, foresee challenges and threats and effectively respond them faster than others would be well-sought after.
- Given the pace of change and complexity of the operating environment, head-oriented approach should be driven by a biological rather than a mechanical thinking process.

H3 – HAND Dimension of the 3-H Framework



The Hand-Oriented Approach

Introduction

- The metaphor of 'Hand' means the operatives, technicians, workers, typically work at frontline equipped with occupational skills (e.g., HR process, marketing & selling, accounting, processing, IT, etc.). No matter how great the strategy or plan, at the end it is the frontline workforce to have them implemented.

Required capabilities

- Knowhow, experiences, skillsets, technical/operation skills, competences
- Professional/functional/occupational knowledge and technique, e.g., HRM, Accounting & Finance, IT, Marketing, Manufacturing, Operations, Logistics, Legal, etc.
- Strong task problem-solving skills
- HR managers have the primary responsibilities to recruit and develop staff with required competences and expertise to serve aforementioned functions. Apparently, HR personnel should be competent in performing all tasks of the HR process.

Core functions

- Implementing business and functional programs and plans to achieve respective strategic goals
- Typically explicit and well-defined scope, duties and responsibilities
- Addressing How to _____ efficiently.

Manifested outcomes (selected examples)

- The moment of truth whether Heart and Head approaches are effective.
- Know how to get the right job done right at the first time
- Do more with less
- Seamlessly connected the total value chain system
- Recruit, develop, motivate and retain high calibre staff
- Source and employ capital economically
- Manage zero-defect quality control

Head and Hand Manifested outcomes

Well-aligned Head and Hand domains shall help facilitate effective and efficient execution of strategy to deliver distinguished performance, which has generic characteristics of CRIAQES:

- CR Customer responsiveness – care to satisfy customer's needs and preferences
- I Innovation – mainly related to process innovation - apply new IT technologies and AI to support strategy implementation.
- A Agility – flexibility and dexterity in deployment of people and resources to adapt fast changing business condition
- Q Quality – delivering citizen expected standard of service and meeting performance pledges
- E Efficiency – yielding cost effectiveness in all operations
- S Speed – act swiftly and in shortest possible cycle time

H1 Hand interactions with Heart & Head



Even a heartily committed sound strategic plan requires a set of competence to implement it. If the organisation lacks of such competence, its goals cannot be achieved.

Pitfalls

- Efficiency obsession at the expense of effectiveness. (Calling centre story)
- Compliance (cat & mouse mentality) vs commitment

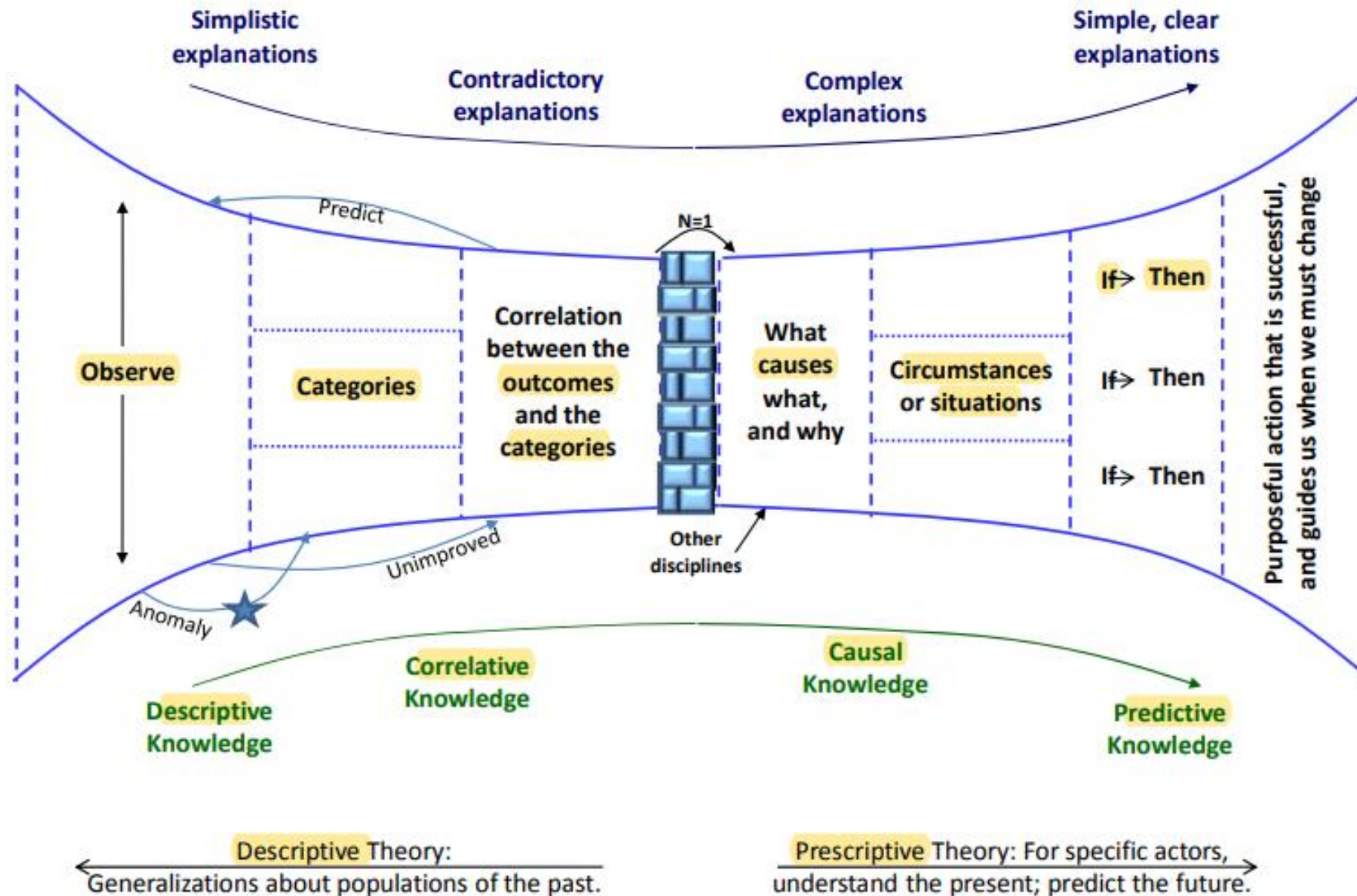
Relevant literature or body of knowledge

- Business function (e.g., Marketing, Operations, HRM, A&F, IT, Procurement, etc.), subject based textbooks, professional operation manuals, technical and software guidebooks, TOM, 6-Sigma etc

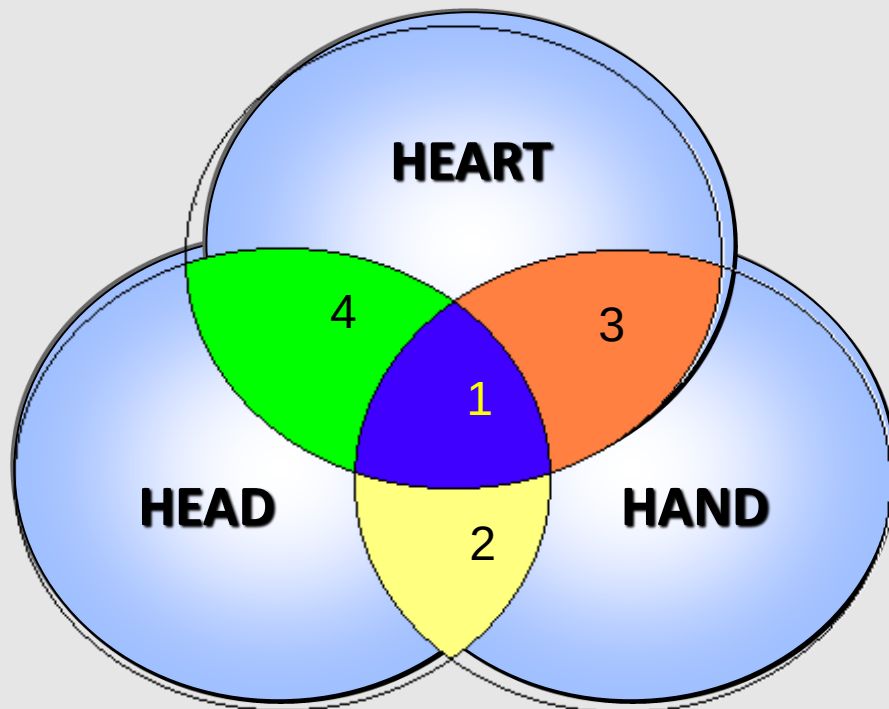
Prospecting for the future

- Knowledge worker is well sought after. Knowledge worker (KW), is a person who is proficient in leveraging latest technologies to search, capture, archive and distribute useful knowledge, knowhow and experiences around an organisation. KW can also make use of these resources to tackle problems and to capitalise on opportunities identified. KW also possesses Improvising skills. KWs develop tacit knowledge on top of their occupational knowledge.
- Many professional jobs, such as auditing, legal, medical consultation, market research will be handled by AI-driven robots in foreseeable future. Generally, the routine with no or little requirement of tacit knowledge tasks will be easier placed.
- Synergistic integration of 3H would be prevailing as evidenced in the US's performance in fighting with COVID-19 pandemic – neither excellence in healthcare competence nor most advanced medical equipment and systems are sufficient to save life

The Process of Theory Building (Christensen & Carlile, 2009)



Propositions for Testing the 3H Holistic Management Framework



Proposition 1 - $OP = f(H^1 \cap H^2 \cap H^3)$

Committed & capable of managing the right thing is most likely to achieve organisational goals

Proposition 2 - $(H^2 \cap H^3) - H^1$

Uncommitted staff but capable of managing the right thing leads to either inefficiently or miss achieving organisational goals

Proposition 3 - $(H^1 \cap H^3) - H^2$

Committed & capable staff, but not sure managing the right thing due to led astray by wrong strategic direction thus leads to either ineffectively or miss achieving organisational goals

Proposition 4 - $(H^1 \cap H^2) - H^3$

Committed and well planned but don't know how to execute it right may lead to either inefficiently or chaotic in achieving organisational goals

Putting 3-H Framework in Practice



Assessing 3H Functionality in your Organisation

1. Do your organisation factor 3-H attributes have factored into the HR (recruiting, selection, training & development) process?
2. Does the performance review process, especially the reward and promotion decisions, incorporate 3-H criteria?
3. How often the following adjectives are used to describe a manager? For instance:
 - All- or well-rounded
 - Head – superior strategist, analyst, organiser
 - Heart – compassionate, empathetic, caring, motivational, sensitive, people-oriented and high EQ leader
 - Hand – outstanding executor, doer, facilitator, controller.
4. Does the 3-H perspective have woven into organisation's mission, culture and other management policy statements, which are notably published and periodically distributed to employees through corporate newsletters?
5. Does the purposes and significance of 3-H perspective have been preached and discussed in major corporate events such as strategic plan, annual management review meetings?
6. Does the 3-H approach support the indoctrination of the corporate culture in the organisation?

Key Success Factors of 3H Integration

1. Top management's genuine commitment and support the 3-H driven HR practices in the organisation.
2. A sound vision and strategic goals, which inspire employees and other key stakeholders.
3. A 3-H driven performance management system developed to evaluate and reward employee's performance.
4. An effective H2H communication and other buy-in strategies, which yields people's 'want to' (commitment) and know 'how to' support the 3-H transformation.
5. A 3-H conducive culture.
6. Trust bonding between management and staff.
7. Effective alignment among 3-H driven strategy-structure-system-skill dimensions.

What 3H framework isn't and what it's?

- The 3H framework should not be regarded as a cookbook recipe or even treated it as an ISO operation template. Rather it should be a thinking paradigm or mental schema, which managers would spontaneously draw on as they are involved in strategic planning and execution activities.
- If the framework is successfully embedded in the minds of managers, they should be more likely to plan and execute their strategies effectively and efficiently with the 3H approach.
- It is also a framework, which helps guide a theorisation about your managerial experiences and knowledge.



to your theorisation about managerial
experiences and knowledge!

End of Lecture

Q&A