

Together

Cheung Kong MBA Newsletter

取 明 优
勢 道 術
Issue no. 30

Highlights in this Issue

Welcome Randy Nie to the Cheung Kong Family

Cheung Kong MBA Academic and CMC

- Courses offered in November and December
- Professor Tu Weiming interpreted Confucianism in CK
- Bosch Comes to Cheung Kong GSB Seeking Talent
- TNT to Boost Recruitment at Cheung Kong GSB
- A Conversation on Capital Markets with the CSRC

Marketing and Admission

- Cheung Kong GSB Information Session

Students and Alumni Activities

- SNU MBA visit Cheung Kong GSB
- China Transforms Once Again
- Our Representative Students
- A "Gift" for Thanksgiving Day

Welcome Randy Nie to the Cheung Kong GSB Family

Dear CK Family,

I am Randy Nie, from the Cheung Kong MBA06 intake. I greatly appreciated having the opportunity to join Cheung Kong GSB MBA CMC as a project manager. The job, after my one year intensive MBA study, seems to be a very good match for my skills and interests. Now, after a few days of working, the creative approach and family culture of the school confirm my desire to work with you all.

In addition to my enthusiasm, I will bring to the position strong interpersonal skills, assertiveness and the ability to encourage others to work cooperatively with students and school departments. I hope my contribution will help make our school strong and flourishing!

- Randy Nie, CMC Project Manager





Prof. In-Mu Haw



Prof. Yaru Chen



Prof. Liao Jianwen



Prof. Yan Aimin

Cheung Kong '06MBA

Courses in November:

Business Law – China Perspective

Prof. Liufang Fang

Confucian Humanism

Prof. Weiming Tu

Leadership

Prof. Yaru Chen

Cheung Kong '07MBA

Courses Offered in November:

Financial Accounting

Ms. Ellen Orr

Managerial Economics

Prof. Brian Viard

Marketing Management

Prof. Zhao Hao

Courses Offered in December:

Statistics for Decision Making

Prof. Liao Jianwen

Organizational Behavior

Prof. Yan Aimin

Managerial Accounting

Prof. In-Mu Haw

Professor Tu Weiming visited Cheung Kong GSB and interpreted the permanent value of Confucianism

Professor Tu Weiming, of Harvard University has just finished his lecture on humanitarian education at Cheung Kong. As Chairman of Cheung Kong's humanitarianism committee, his lecture signifies the commitment of the school on humanitarian education.

In this overview lecture, Professor Tu reviewed the history and origins of Chinese culture, highlighting the merits and virtues of great men who had devoted themselves to culture. "In China's history, there are some people who had no power and money and were even undervalued by the masses. But they enabled China's culture to survive through their endeavors, generation after generation" he said.

Professor Tu canonized Zhang Zai, a great thinker of the Song dynasty, and his motto, "Keep heaven and earth in your conscience, secure the lives and fortunes of the people, study the teachings of ancient sages and strive to establish peace for all future generations".

Regarding misunderstanding and distortions of Confucianism, the professor said he believed some ideas belonging to other schools of thought had been erroneously attributed to Confucius. Professor Tu disagreed that Confucianism must be rooted in an agricultural economy and depend on and share the influence of political power. Professor Tu's point of view was that Confucianism has permanent value for all peoples and that "harmony between humankind and nature" is a common spiritual resource.

Talking of the humanitarian course initiated by Cheung Kong GSB, Professor Tu said "It is insightful to establish a humanitarian course at Cheung Kong" remarking that despite pouring huge amounts of money into business ethic courses, Harvard had not yet succeeded. Graduates of Harvard Business School often face the dilemma of how to choose between profits and social responsibility., Cheung Kong Dean Xiang Bing agreed, replying that without humanitarianism, entrepreneurs will merely be "economic animals" eyeing only profits.

Professor Tu has some advice from the sage for businesspeople who work all hours with never a break. He cited the motto of Confucius that by "keeping up with learning and teaching, I never feel tired or weary."

Tu Weiming

Tu Weiming is the Director of Harvard Yenching Institute and chairman of the humanitarianism committee of Cheung Kong GSB. He has been Professor of Chinese history and philosophy and of Confucian Studies in the Department of East Asian Languages and Civilizations at Harvard University since 1981. He earned a B.A. at Tunghai University in Taiwan, and both M.A. and Ph.D. in history and East Asian languages at Harvard University. He is the first professor of Confucian studies at any English-language university, a position awarded to him in 1999. He is the author of major publications in Chinese and English, including: Neo-Confucian Thought in Action: Wang Yang-ming's Youth; Centrality and Commonality, An Essay on Confucian Religiousness; Humanity and Self-Cultivation; Confucian Thought: Selfhood as Creative Transformation; and Wang, Learning, and Politics: Essays on the Confucian Intellectual. He has contributed a section on Confucian spirituality to a forthcoming encyclopedia on the history of the religious quest, and an essay for a report of the U.S. President's Committee on the Arts and the Humanities.



Bosch Comes to Cheung Kong GSB Seeking Talent

Bosch, a leading company in the auto parts industry, recently came to Cheung Kong GSB's Shanghai campus to introduce their corporation and answer questions about their current job vacancies, salary benefits, career development and corporate culture.

In response to a question about her company's internal training options the Bosch HR manager, Miss Wang Hui, said: "We have three programs that are focused on developing our employees' careers: the Internal Development Program (IDP), the Manager Development Program (MDP) and Global Rotation."

She described the Internal Development Program as a series of training programs that focus on recent graduates. The Management Development Program targets two kinds of people: employees who have the potential for future promotion to a team leader and team leaders who are being cultivated to become department manager. The Global Rotation is an option for some staff to go on short-term exchanges with Bosch offices in other countries.

Later, as students asked more questions about Bosch's salary and benefit policies, Miss Wang went into great detail about basic salaries, bonuses, insurance and other benefits, with key staff enjoying compensation commensurate to their status. These levels are assessed through Bosch's annual performance assessment, which determines an employee's individual bonus, future training opportunities, salary growth rate, and who is qualified to participate in the company's internal training programs.

At Bosch, there are 11 grades of employees and three career tracks: general manager, expert and project manager. Since all three of these paths can lead to the highest grade, each employee's career path depends on the personality and ambition of each employee. Miss Wang stressed that both expatriates and local employees enjoy equal opportunities for promotion and development in Bosch.

She emphasized that Bosch sincerely cares about its employees and places a strong emphasis on corporate social responsibility. The culture of Bosch is oriented toward the future, openness, trust and fairness.

After this, Cheung Kong MBA students asked for more specific hiring information about Bosch (China), such as what the Human Resources department is looking for in a resume, what the interview process is like, and what sort of competitive advantages MBA graduates would enjoy in finding a job. Miss Wang remarked on how impressed she was with the broad experience and future potential in her audience of Cheung Kong MBA students.

The event concluded with Lu Yihai, an alumnus of the Cheung Kong MBA program, sharing from his own experience as a Bosch employee.



TNT to Boost Recruitment at Cheung Kong GSB

TNT, a leader in express logistics industry, recently launched their 2007 recruitment campaign on the Cheung Kong GSB campus as the first station in a series of tours. Several high-level managers came to Cheung Kong on November 13, 2007 to speak with professors and students of the Cheung Kong MBA program.

Edward Xu, HR director of TNT, stated that the driving force behind his company is the employees. Mr. Xu believes that as an express service provider, TNT's reputation is founded upon the activity of every employee. Thus, TNT always focuses on the investment in human capital, insisting



on internal training and constant improvement in customer service. The motto of TNT is "Deliver for you; realize the mission of you and I". TNT only spends moderately on advertising, and instead lets their regular day-to-day business meeting customer needs serve as a living advertisement expressing their above motto. James Yin, HR manager of TNT, introduced the Advanced Management Training Program at the company and used two acronyms, OPEN and VIP, to describe the requirements of TNT for applicants. OPEN means Ownership, Passion, Experience and No Excuse under any circumstances. VIP advocates Vision, Interpersonal skills and Professionalism.

Later on, Dallas Zhang, Cheung Kong MBA '04, who was promoted to general manager of the Shanghai branch and responsible for revenues of several hundred million RMB, shared his experience at TNT. After joining TNT, he received intensive training for 12 months, including 5 months in Europe. Through his rotations in different business units, Dallas has a clear understanding of the four elements of TNT's management philosophy: employees, customer service, growth and profit. Regarding the space for growth at TNT, Dallas cited the example of the CEO who began at the firm as a truck driver. Reviewing his experience in TNT, Dallas said: "In our industry, you must keep on working hard. Our reputation comes from improvements in every detail, the struggle for every contract and the delivery of every package. You cannot win unless you improve your work every time."

During Q&A, the management team of TNT answered questions for about 50 minutes. As to the acquisition of HuaYu, a local express company, Edward Xu believes the whole process is going smoothly. "We will push for quick integration with HuaYu on operations and bring our result-oriented culture to HuaYu."

A Conversation on Capital Markets with the China Security Regulatory Commission

On November 25 Qi Bin, the director of the China Security Regulatory Commission (CSRC) Research Center, visited Cheung Kong GSB to talk about the link between capital markets and innovation and their combined importance for China's continued reforms.

Qi Bin focused his thoughts on the most recent flourishing of the US economy, calling it the "Silicon Valley + Wall Street model", broadly meaning technological innovation supported by various forms of venture finance. Neither of these factors can exist in isolation as startup entrepreneurs cannot expand without capital, and the underlying source of economic development (and investment returns) in developed countries is the advance of technology and productivity growth.

Mr. Qi looks admiringly on the long evolution of capital markets in the West and the current model of direct finance. A century ago in the United States, the proportions of direct finance to indirect finance were roughly equal. Today, the volume of direct finance is nine times larger and continues to grow. "Perhaps, commercial banks and currency could one day disappear", Qi Bin speculates. He acknowledges that Wall Street is far from perfect, but as an overall system of allocating capital efficiently, nothing else is remotely comparable.

Moving on to discuss the conditions of financial markets in China, Qi Bin began by reviewing the short history of modern China's markets, which got their start in the Reform and Opening of the early 1980s. Although the markets were established in an experimental manner, by the present day they have become so integrated into the entire economic system that ideological concerns are no longer a worry. The formation of the CSRC in 1992, the stock market watchdog of China, can be seen as the moment when China's capital markets were unified.

Mr. Qi Bin cited key statistics of China's stock market: RMB 30 trillion capitalization, RMB 240 billion in daily transactions, and 380,000 new accounts opened every day. Despite the rapid growth since 2005, the participation rate of the Chinese population in the stock market is only 10%, compared to 60% in the US. Qi Bin pointed to several examples showing the importance of capital markets for China's economy, namely, putting more accurate valuations on Chinese enterprises. A classic example is the private equity firm which realized a 2000% return on their acquisition of Western Mining. This pricing function has provided a necessary platform for the restructuring of state owned enterprises, fueled the development of the private sector, and created a mechanism for the liquidation of unprofitable corporations.

Qi Bin

Qi Bin graduated in 1991 from Tsinghua University with a degree in physics. He earned his master's degree in biophysics at Rochester University in 1995 and his MBA from Chicago University in 1997. After working several years on Wall Street, Qi Bin returned to China to join CSRC in 2001 and is currently responsible for both the department of fund supervision and the research center.



Cheung Kong GSB Information Session



On November 17 Cheung Kong GSB hosted more than 40 potential candidates interested in the MBA program.

Zhao Lijing, associate director of the Cheung Kong MBA, introduced the background, governance, faculty team and prospects of the program. "Cheung Kong GSB is well positioned to grasp the historic opportunity of China's economic renaissance. With world-class professors who can integrate the latest management theories with conditions in China, Cheung Kong develops business leaders for Greater China and beyond."

Gavin Liu, Cheung Kong director of admissions and MBA Class of 2004, then shared his personal experience at Cheung Kong GSB. He summarized the value of the MBA with the key words of career development, business knowledge, skills, and alumni network. "The Cheung Kong MBA program is an accelerator to find the career path that fits you."

Gavin cited several examples of Cheung Kong MBA students changing their job function and industries with the help of their MBA. Many students use the MBA to make a variety of transitions: from engineering to business development or investment; and from state owned enterprises to multinational companies, consulting firms or investment banks.

Three current students, Gary Lu, Frank Yu and Wang Zhenhua, also participated in the information session. They reviewed their individual experience at Cheung Kong and plans for the future. They all agreed that the MBA program is extremely tough. In addition to the rigor of the program, they also cited the benefits of interacting with the school's Executive MBAs and the "family culture" of Cheung Kong—it is not merely a 12 month academic program, but also a lifelong investment.

Cheung Kong MBA Students and Alumni

SNU MBA visit Cheung Kong GSB



An MBA delegation from SNU visited Cheung Kong Shanghai campus on November 19, 2007, for a special marketing lecture given by Professor Zhao Hao.

Professor Zhao Hao delivered his marketing lecture for SNU MBA, focusing on a comparison between business magazine advertisements in the US and in China. In the United States, he said, most advertisements are sponsored by financial institutions and dot.com corporations. In China however, consumer products,

especially luxury products, dominate the ads.

Professor Zhao analyzed the Chinese consumer market, pointing out that advertisements regularly feature well-known celebrities, highlighting the consumption attitudes of contemporary China. Coca Cola is a good example: while featuring ordinary people in its US advertising strategy, the drinks manufacturer picks stars such as sportsman Liu Xiang to head its Chinese advertising campaign. The MBA classes came to the conclusion that, with cultural factors determining much consumer behavior, it is imperative to make the maxim, "global business, local wisdom", a core of marketing activities.



The most popular issue to come out of the meeting between SNU MBA and Cheung Kong was the globalization of private companies in South Korea and China. Most of those present felt that Samsung was an excellent role model for global market pioneering, with its strong customer-focus and strategy of investment in brand promotion. On concluding classroom activities, the delegation of SNU MBA rounded off its visit by touring Shanghai GM and Metro.

Cheung Kong MBA Students and Alumni

China Transforms Once Again: From Economic Power to Financial Power

On November 3, 2007, Dr. Shen Minggao, the chief economist of Citigroup China came to the Shanghai campus of Cheung Kong GSB to deliver a lecture describing the future prospects of the financial industry in China and career development for MBA students.

Beginning with a review of mature global financial centers, Dr. Shen explained how London, New York, and Hong Kong rose on the economic achievements of their respective regions. The most pressing question now is whether Shanghai will follow in their footsteps.

Dr. Shen is confident Shanghai will indeed become a global financial center because of China's continued rapid economic growth, and in particular the sustainability of the manufacturing boom.

In answer to widespread skepticism among various media and economists on this question the boom being sustainable, Dr. Shen points to China's virtually inexhaustible supply of fresh workers. Labor costs are the most sensitive factor in the manufacturing industry. Based on this long-term comparative advantage in labor costs, he believes that China's manufacturing industry can maintain its current course for at least another 30 years. Dr. Shen cited the example of labor in South Korea, which grew from 5% to 50% of US levels between 1975 and 2005. As China's supply of labor is orders of magnitude more abundant than South Korea, this rise will be correspondingly slower. In response to questions from students whether manufacturers would just move to even lower cost countries, Dr. Shen emphasized the other advantages China possesses: well developed infrastructure and a giant domestic market, neither of which is found elsewhere in the world.

In addition to the mere existence of cheap labor, a crucial factor for continuing this boom is adequate financing, an area in which China currently lags far behind developed countries. Even given the presence of sound institutions, there is an acute shortage of financial know-how. MBA's and others with formal financial training are needed.

Wu Junling, Class of '07, asked how to exercise social responsibility in the finance industry. With a knowing smile, Dr. Shen first replied that social responsibility grows from working in a job you love. More concretely, finance relates directly to many current social challenges such as the industrialization of farmland. The process for this necessity for development could be improved by using financial instruments such as municipal bonds or other securities to better reward those who lose their land, and better distribute the gains of industrialization.

Addressing the common concern meeting the demanding workload at an investment bank, Dr. Shen pointed out that "not everyone is fit for investment banking, but I believe my job in research is essential for our company and society."



Cheung Kong MBA Students and Alumni

Our representative students



What we share with you

Ada Zheng:
Think Big. Feel More.

Frank Yu:
Study hard, live to the fullest.

Danny Dong:
With all your heart, with all your will, serve the people.

Gary Lu:
Where there is a will, there is a way.

Liuni Li:
The people who get on in this world are the people who get up and look for circumstances they want, and if they cannot find them, they make them.

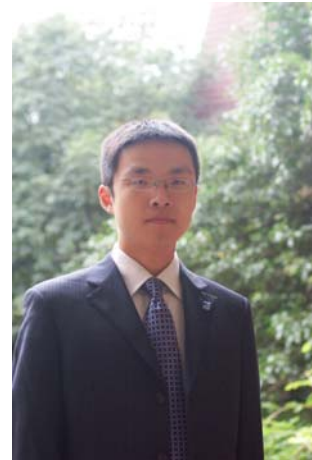
Jostar Wu:
For success, thank others. For failure, examine yourself.

A "Gift" for Thanksgiving Day

Cheung Kong '07MBA Gary Lu

--a snapshot profile for Professor Brian Viard, Assistant Professor of Strategy at Cheung Kong GSB

I still remember the question raised for Professor Brian Viard at the fifth anniversary celebration for the establishment of Cheung Kong GSB: "why chose CK?" The answer from the tall and lean handsome guy was fairly simple: the faculty governance policy. At his first Managerial Economics class with us, he restated this point in his self-introduction. This detail formed my first impression on him: this guy should be honest and serious. Later on, we quickly find out that Brian is really a classic UK-type gentleman (though he is from the US) with elegant manners and--a good taste for ties! However, this does not mean he is a dull and stubborn person in the least sense.



On the contrary, he is considerate and always concerned about how well you have absorbed rather than how much knowledge he has conveyed in the class: he collects feedback about the pace and difficulty of the course on a regular basis in order to maximize the learning benefit for us; at the beginning of every class, the first thing he does is to ask: does the microphone sounds OK?

He does not confine himself as a teacher; sometimes he is more like a friend. At one class, he shared his opinions about the difference between Chinese and Western education approaches with us: the current Chinese teaching approach is a "Deductive Method"—the contents are taught by teachers with assumed answer; there is always an uniform routine to get the "right" answer. However, what he prefers is the westernized so-called "Inductive Method"—you should think for yourself while inspired by the teachers; teachers will put forward challenging questions to force students to think hard; the way of thinking counts more than the results of thinking.

In addition, he could also be cute to relax us a little bit—pop-up funny games and exaggerated gestures to shake us up from the stuffy atmosphere in the classroom.

All of these seem to be sufficient to make a good teacher, doesn't it? The amazing thing is that he does more than that. If you ask who is always the last to leave the school everyday? Probably "Professor Viard" will be a safe answer. A little surprised? Yes, so you may see how hardworking he is.

This is also reflected in the assignment he made to us. He could relate the economical theories to the reality with ease. One morning the school shuttle bus came late due to the bad weather. He then explained a common correlated phenomenon of lack of taxi under such circumstance from a perspective of supply and demand with a constraint of ceiling price. This really cast a light on our attitude towards theoretical learning.

He also brought a lot of vivid examples in China to the class. Pu'er Tea, "70:90" regulation in real estate market, bundle tickets in Shanghai Formula 1 and (Tennis) Master Cup, just to name a few. Suddenly you find your daily life is so close to the theoretical world. Then you are not bored or confused by the course contents anymore.

Today is Thanksgiving Day which is grandly celebrated in the US as is Spring Festival in China. We would like to take this chance to thank the western God for sending us such a wonderful Brian as a cherishable special gift.

**Cheung Kong MBA
Academics**

**Cheung Kong '07MBA
Courses Offered in
December**

Statistics for Decision

Making

Prof. Liao Jianwen

Organizational Behavior

Prof. Yan Aimin

Managerial Accounting

Prof. In-Mu Haw

Financial Accounting

Ms. Ellen Orr

Managerial Economics

Prof. Brian Viard

Marketing Management

Prof. Zhao Hao



**Marketing &
Admissions**

Executive Talk @ Shanghai

Diana David, Regional

Director of FT

Date: Dec. 6, 2007

Time: 14:00 -15:00

Venue: Big Classroom Room

Infosession @ Beijing

Date: Dec. 8, 2007

Time: 14:00 -17:00

Venue: CK Beijing Campus

Professor Talk @ Shanghai

Professor Liao Jianwen

Date: Dec. 15, 2007

Time: 14:00 -16:30

Venue: Four Season Hotel

CMC

**Executive Talk by Liang Xin
Jun**

Date: December 12, 2007

Time: 2:30-4:00pm

Venue: Big Lecture Hall

Presenter: Liang Xin Jun, Vice
Chairman and
President of Fosun

**Company Recruiting
Presentation by Fosun**

Date: December 12, 2007

Time: 4:20-5:20pm

Venue: Big Lecture Hall

Presenter: the HR Team of
Fosun