

Hong Kong Shared Good Values Annual Summit Panel Discussion Summary

Panel Discussion 1: “Do Good, Do Well” – Sustainable Change in Company Culture

In the “Do Good, Do Well” panel, three representatives from the NGO, public and private sector shared their experience and knowledge in running social enterprises and building company culture with shared good values.

Facilitator:

Mr. Howard Ling
Chief Consultant, Hong Kong Council of Social Services

Panel Speakers:

Ms. Florence Chan
Assistant Superintendent, Tung Wah Group of Hospitals Jockey Club Rehabilitation Complex
Dr. Yanto Chandra
Assistant Professor, Department of Public Policy, City University of Hong Kong
Mr. Kenneth Lo
Chairman of the Board and Executive Director, Crystal International Group Limited

Ms. Florence Chan - Doing Good While Doing Well at iBakery

As an NGO representative, Ms Florence Chan from Tung Wah Group of Hospitals Jockey Club Rehabilitation Complex went into details about how she and her team built iBakery, a bakery and catering social enterprise that aims to create job opportunities and training for the mentally-challenged, from scratch. Over the years, iBakery grew from a small start-up social enterprise to an award-winning brand with products that are certified by ISO22000 and well-received by the Hong Kong community. Chan identified three keys to success in the progress of developing iBakery: **A, C, and E**.

The first is that iBakery’s business strategy is **ability**-sensitive (**A**). As the baking industry does not necessarily require a lot of high level skills, staff who are mentally-challenged are still able to produce iBakery’s core business products, such as simple cookies that are very well-demanded by the community. The fact that iBakery chose to work in this industry shows that it considers very much the skill and ability levels of its staff when positioning its core business.

The second factor is that iBakery’s work is **collaboration**-driven (**C**). Chan credited their social enterprise’s rapid growth to the contribution of their business partners. For example, partners like Hyatt Regency Kyoto, Hyatt Regency Hong Kong Shatin, Circle K, Haagen Dazs and Starbucks, co-created, co-sold or co-launched iBakery cookies at their branches. Meanwhile, shopping mall partners like Windsor House, Kornhill Plaza, Hollywood Plaza, Tong Chong Street Market, Olympian City, Lab Concept Admiralty, Panda Place, and Hopewell Centre, also explored the setting up of pop-up iBakery stalls in their vicinity. Without these business partners, iBakery would not be able to set up so many shops and to boost sales and presence so effectively. It benefited much from the synergistic effect of riding on the strengths and resources of its business partners.

The third key success is **empowerment (E)**. Apart from creating jobs, iBakery pays a lot of attention to ensuring job satisfaction for their mentally-challenged staff. It positions itself as an enterprise that challenges itself and pushes its limits to improve. For example, it attained the ISO22000 food safety and management standards. It also arranges overseas staff training at places like Hyatt Regency Kyoto to foster in their employees a passion for work.

Dr. Yanto Chandra - The Science of Better for Social Enterprises

Speaking on behalf of the public sector, City University public policy assistant professor Dr Yanto Chandra shared with the audience his research findings around the topic “The Science of Better for Social Enterprises”. Chandra believes social enterprises are very important vehicles to promote and exercise shared good values. In his studies of social enterprises worldwide, Chandra has identified five factors that can increase sustainability in social enterprises’ operation so they can achieve greater social impact and financial impact. The five factors are **innovativeness, strategic fit, ease of scaling up, market orientation and founder legitimacy**.

Regarding **innovativeness**, Chandra thinks social enterprises have to think out of the box in order to create new and more profitable work-pay designs that can improve livelihoods of the underprivileged or the marginalised. Singapore’s Dignity Kitchen, for example, carefully picks the food type that it sells in order to raise salaries of its disabled staff. It sells expensive bird’s nest company to customers with higher-spending power. As a result, it can hire and pay its disabled staff a salary that is two to three times higher than average.

Under **strategic fit**, Chandra brought up the notion of beneficiary-colleagues and a magic ratio when determining the characteristics of a staff body. Instead of just hiring a particular group of marginalised people like ex-drug addicts, Chandra found that it is more beneficial for social enterprises to have a mix of different people in their staff body. The staff body should also have no more than 40% of marginalised employees in order to better encourage both the marginalised group and non-marginalised group to connect and integrate.

Ease of scaling up is self-explanatory in the sense that social enterprises should consider whether they can expand their operations easily when they first design their projects. They should at least have an intention to grow. Chandra gave the example of Tai Wan’s mobility mobile application Our City Love, in which wheelchair users are hired to rate accessibility at different hotels, restaurants and venues. Chandra explained that this project has an ease of scaling up because its service is not culturally specific. It is a mobile application with accessibility information that can be universally understood, used and appreciated.

The fourth factor Chandra mentioned is the **market orientation** of a social enterprise. He emphasised that it is important for enterprises to have a perceived quality, citing the example of iBakery, its ISO 22000 certification, its awards, its trendy products and its trendy packaging. Enterprises should develop a sense of market learning to ensure market popularity of its products and financial sustainability.

Lastly, **founder legitimacy** can help sell the social enterprise itself and make noise for good values in society and the media. Chandra explained that every business needs a compelling story with a personal element in it in order to attract public interest. One example he gave was that of Diamond Cab - taxis that are equipped to serve people on wheelchair. Chandra said its founder Doris Leung managed to dress the social enterprise up with her own distressing story of taking care of her wheelchaired mother when moving her into a taxi.

Mr. Kenneth Lo - “People First” (以人為本) Ideology

Representing the commercial sector, chairman of Crystal International Group Kenneth Lo identified “putting people first” as the secret to his company’s success. Crystal Group is a leading garment manufacturer on Fortune’s 2016 list of world-changing companies. It is also the only Hong Kong listee. Lo said as early as 40 years ago, he has already been pushing for the company culture of “**I for Thou, Thou for me**” (人人為我，我為人人) to be realised among his management and staff. Lo said it is very important for the company leader to first set an example, showing sacrificial love and care for his staff, in order for his staff to reciprocate. This, he said, promoted a culture of generosity between staff and boss, where both parties would not mind taking a few more steps to look after the interests of the other party.

Lo’s CSR policy following the principles of “**People, Product, Profit**”, covering issues like environment, staff care, and innovation. Together with GAP, Crystal Group launched a people-centric project called P.A.C.E. (Personal Advancement and Career Enhancement) to provide training for its female workers, who make up about 70% of its employees. The programme trains textile workers in less developed countries like Cambodia. It aims to advance the lives of up to 40,000 females by 2020 in the areas of communication, time and stress management, problem solving and decision making, general and reproductive health, financial knowledge, legal literacy, and execution excellence.

Lo emphasised while businesses have to profit in order to survive, profit-making doesn’t necessarily mean giving up the environment or staff benefit. Crystal Group even runs CSR programmes that look after the needs of the families of their staff.

Concluding, Lo thinks if a company can successfully convince its staff to share company vision and values that promote goodness, they will have a stronger sense of purpose and belonging. This will increase both workers’ job satisfaction at work and also bring positive impact to the company.

The DNA of a Company, an Organisation or a Field

In response to moderator Ling’s question “What’s the DNA of your field when it comes to creating shared good values?”, the three speakers gave their responses.

Ms. Chan believes the two DNAs that define iBakery are its staff’s passion at work and the company’s stance on designing its business operations based on its staff’s ability. Dr. Chandra believes university treasures innovation, such as innovation in research methodology, the most. Meanwhile, Mr. Lo thinks “people” and taking care of people is the most important thing in doing business.

Photo highlight:



Photo1 (From left to right): Mr Howard Ling; Ms Florence Chan; Dr Yanto Chandra; Dr Joseph Lee & Mr Kenneth Lo



Photo2 : Panelists shared their keys to success with audiences.