

Jul/Aug 2015 COVER STORY: Back In Business

Posted on August 17, 2015April 13, 2016 by AmChamHK

Although he's the new Dean of the CUHK Business School, Professor Kalok Chan is quite familiar with the surroundings as he completed his undergraduate studies there in the 1980s. In his second stretch at the respected institution, he will look to prepare the school and its students to compete in the global arena

By Leon Lee

In the early 1980s, Professor Kalok Chan was a bright-eyed undergraduate studying economics at the Chinese University of Hong Kong (CUHK), looking forward to making his mark in the world. Fast forward 28 years later and he has returned to the mountainous campus in Shatin as the Wei Lun Professor of Finance and the new Dean of CUHK Business School.

"It's been great coming back to my alma mater. There's quite a lot of differences but some of the heritage and culture are still the same," says Chan. "More importantly, I see that CUHK and the Business School really have a lot of interesting developments and quite a lot of potential."

"It is a platform where I can really do something good for the university and the community using some of the experience that I have acquired before and bringing it back to the business school."

After completing his undergraduate studies at CUHK, he went abroad to the United States to obtain his PhD in Finance at Ohio State University. He stayed in the States after to do research and teach at Arizona State University. He finally returned to Hong Kong in 2003 to work in the business school at the Hong Kong University of Science and Technology (HKUST) as the Head of their Finance Department and eventually the Acting Dean of their Business School. In November of last year, Chan returned to the place where it all began.

Today, the CUHK Business School has over 4,600 full-time and part-time students along with almost 30,000 alumni which is the largest business alumni network in Hong Kong. Some notable alumni of the school are Kelvin Wu, principle partner at AID Partners, a private equity investor with investments in HMV and Legendary Pictures, Susanna Chiu, the first and only female president of the Hong Kong Institute of Certified Public Accountants (HKICPA) and Patrick Lee, CEO, North Asia & China at Inchcape Hong Kong.

Established in 1963, it was the first business school in Hong Kong and the region to offer Bachelor of Business Administration (BBA), Master of Business Administration (MBA) and Executive MBA programs.

A Second Chance

Actually this isn't the first time that CUHK has offered Chan a job. They approached him just as he finished his PhD. However, he chose to stay in the United States then to do research, as he believed it had a better environment for it than Hong Kong.

"[In the past], I don't think that there were too many research opportunities or even a focus on research. But of course now it is very different," says Chan.

"I mean whether you talk about CUHK or other institutions in Hong Kong, there is so much research momentum and so many research projects going on. I think that now if you talk about the business schools in Hong Kong, they have done a lot of good [work] and are comparable to some of the schools in the US or Europe."

The professor's research has been published in many top-ranked finance journals. But since he's started his new role in November, he has had less time to work on his own projects. However as the new Dean, he plans to continue to push and uphold the business school's reputation as a world-class research institution. The school currently has 10 research centers, which include the Asian Institute of Supply Chains & Logistics, Aviation Policy and Research Center and Center for International Business Studies.

Chan points out that many of his colleagues are already doing various research projects on China's economy, financial market, governance, etc. These are all important issues to explore as their economy is booming. He expressed an interest in researching the Shanghai-Hong Kong Stock Connect once he's more settled in as the Dean.



(<https://amchamhkpublications.files.wordpress.com/2015/08/photo-110.jpg>)

Professor Kalok Chan

Lesson Learned

Chan certainly sees the mutual benefits of the increasing connectivity between Hong Kong and China through the stock connect and the mutual recognition of funds. For Hong Kong, it will grow its financial market, particularly the stock market and asset management industry while for China, it will provide them with increased access to international capital and clients as well as working to international standards. Moves like these will give the Mainland market a good foundation to build on as the recent stock market crash showed that there is still much that needs to be developed.

“I think [the stock market crash reveals that obviously the size of the market had really grown, but in terms of the infrastructure, it is really behind. The kind of the ad hoc policies and remedies are not really touching the real issues which sometimes make the matter worse. This is certainly quite a lesson to learn,” Chan explains.

This lesson is one that the dean likened to one that Hong Kong learned in the late eighties when the city went through a global market crash. Remembered as Black Monday, stock markets in Hong Kong, Europe and the United States took sharp declines on October 19, 1987. The Dow Jones Industrial Average suffered its largest one-day percentage decline. The Hong Kong Stock Exchange sank to 3,362.39 points, dropping 45.5 percent, and trading was subsequently suspended for four days.

“You can find at that time [Hong Kong] also made a huge mistake. So I think that maybe the mistake is no smaller than the kind of mistakes that the Mainland regulators have made,” Chan says. “You just have to learn. Sometimes it’s easy, sometimes you have to learn it the hard way. Now they just got the hard way.”

Worldly Students

The increasing connectivity applies to the business school as well as they prepare students for the increasing globalization of business. Besides providing them with the foundation of knowledge, the business school is working hard to instill each student with the necessary communication skills and, more importantly, a global mindset.

Through exchange programs and internships, students get to experience how things are done in different parts of the world. In fact, some exchange programs are quite immersed in the curriculum such as the International Business and Chinese Enterprise. In partnership with the Darla Moore School of Business at the University of South Carolina, students in the program will travel to China and US on various study trips. Those who have completed their four year undergraduate degree will then get the opportunity to complete a one-year Master of International Business in South Carolina.

CUHK has also recently opened a new campus in Shenzhen in April of last year, which the Dean sees as another avenue of opportunities for its students.

“If Hong Kong can really take advantage of the development of the Southern part of China like Shenzhen and Guangzhou, it would be good [for the development of local talent]. There are really a lot of the big companies and lot of the new startups and technology companies there,” he says.

During his time at HKUST, Chan was the founding director of the well-received HKUST-NYU Stern Joint Master in Global Finance program. He is working on developing something similar for CUHK as he sees the tremendous value it can provide to students and their education.

Given the size of the economy in Asia, Chan believes it deserves more business schools as there are too few right now. The ones that are here already have shown to be very successful. According to the *Financial Times*, six out of the top 30 full-time MBA programs in 2015 are in Asia. Three of them are from Hong Kong with CUHK ranked 30th, where it was unranked the year before.

As far as teachers are concerned, Hong Kong doesn't seem to have any problems.

"I think in the last 15 to 20 years, Hong Kong has been attracting a lot of top scholars. And quite a lot of them are really just like me. We are educated in the West, received degrees in some of the best schools and even worked abroad. And with the rise of Asia and China, I think more scholars will continuously be interested in coming here."



(<https://amchamhkpublications.files.wordpress.com/2015/08/photo-4.jpg>).

Competing Against the World

Hong Kong is turning out more university graduates than ever before and Chan sees lots of potential in them. With more and more foreign talents coming to Hong Kong, the local students have to step up to compete with them both at home and abroad.

"[In the past], local talents will have more opportunities which means there was also more time for them to learn and to grow. But now, in this 21st century, companies and businesses are really looking for some kind of a quick return. So they really expect that their staff to be able to basically up and run on the first day," the professor says.

He's found that local students are probably even more skilled than before and is confident that they are able to rise to the challenge.

"That is the nature of Hong Kong, it is a very competitive city," Chan explains.

If there is one thing that can help students keep up with their competitors, he believes it is the student's attitude.

"One thing that is difficult to change is the attitude. So I think it is really the kind of attitude that determines whether the students will be able to succeed," Chan says. "It's about whether they are really persistent and resilient, if they are willing to do what it takes to persevere. This can determine whether they'll be able to succeed in business school and their career."

Looking back at his first time around at CUHK, his fondest memories was sitting down and chatting with classmates on the lawn outside the library of United College on campus. Now he'll have plenty of chances to make some new memories while helping future generations of students create lasting memories of their own.