



The Hang Seng University of Hong Kong

Business Review



- 01 | On the Concept of a Junzi Corporation: A Ten-Year Research
Felix Tang / Xie Tingting
- 02 | Sustainable Growth for the 88th Year: A Bank's Virtue of Wisdom and Sustainability
Poon Anna / Yuen Wing Kiu, Erica / Chung Ho Ying, Holly / Lei Hong Weng, Lawrence
- 03 | Closing the Gender Gap: Engaging Female Workforce for Business Sustainability
Cheng Yan Lok, Alison / Choy Yui Bing, Icelyn / Ng Sze Wing, Christy / Fu Ho Ying, Jeanne
- 04 | More Than a Physical Sense: Re-definition of Environmental Sustainability of Social-Issue-Focused Social Enterprises (SIFSE)
Lin Wenjia, Lauren / Brandon Wu / Chung Ho Ying, Holly

The Hang Seng University of Hong Kong Business Review Editorial Team

Editors-in-Chief

Lawrence Hong Weng Lei, *The Hang Seng University of Hong Kong (HSUHK), Hong Kong*

Email: lawrencelei@hsu.edu.hk

Felix Tzu Lung Tang, *HSUHK*

Email: felixtang@hsu.edu.hk

Associate Editors

Accountancy	Kevin Chee Keung Lam, <i>HSUHK</i>
Economics and Finance	Ben Ka Ming Cheng, <i>HSUHK</i>
Management	Jeanne Ho Ying Fu, <i>HSUHK</i>
Marketing	Thomas Leung, <i>HSUHK</i>
Supply Chain and Information Management	Ricky Siu Kuen Wong, <i>HSUHK</i>

Editorial Reviewer Board

T. S. Chan, <i>Lingnan University, H.K.</i>	Kenny Zhen Pin Lin, <i>Lingnan University, H.K.</i>
Fanny Fong Yee Chan, <i>HSUHK</i>	Thomas Wing Yan Man, <i>HSUHK</i>
Haksin Chan, <i>HSUHK</i>	Tirta N Mursitama, <i>Bina Nusantara University, Indonesia</i>
James Tsun Se Cheong, <i>HSUHK</i>	Ian Phau, <i>Curtin University, Australia</i>
Yingyot Chiaravutthi, <i>Mahidol University International College, Thailand</i>	Tomoki Sekiguchi, <i>Kyoto University, Japan</i>
Warren Chi Kwan Chiu, <i>H.K. Polytechnic University, SPEED</i>	Piyush Sharma, <i>Curtin University, Australia</i>
Geng Cui, <i>Lingnan University, H.K.</i>	Tsui Yii Shih, <i>National Taipei University of Business, Taiwan</i>
Sanjaya Singh Gaur, <i>New York University, USA</i>	Holly Chung, <i>HSUHK</i>
Lisa Goh, <i>HSUHK</i>	Edward Yui Tim Wong, <i>Lingnan University, H.K.</i>
In Mu Haw, <i>Texas Christian University, USA</i>	Woody Y. Wu, <i>Chinese University of Hong Kong, H.K.</i>
Eva Yeung Wah Khong, <i>City University of Macau, Macau</i>	Rita Wing Yue Yip, <i>HSUHK</i>
Alicia S. M. Leung, <i>Hong Kong Baptist University, H.K.</i>	Denghua Yuan, <i>Guangdong University of Foreign Studies, China</i>
Casey Lim, <i>China at Macquarie Applied Finance Centre, H.K.</i>	Fue Zeng, <i>Wuhan University, China</i>
Eko Yi Liao, <i>HSUHK</i>	Lianxi Zhou, <i>Brock University, Canada</i>

Editorial Support Team

Rebecca Ong, *HSUHK*

A Note from the Outgoing Founding Co-Chief Editor

Dear Readers,

Thank you for reading Volume 3 Issue 2 of The Hang Seng University of Hong Kong Business Review (HSUHK BR). It is my pleasure in presenting my last issue as Co-Chief Editor of HSUHK BR. I will be handing over the role to Dr. Alvin Ang, who will work with Dr. Lawrence Lei, our other Co-Chief Editor, to continue the development of this special journal. The journal serves as a platform for research and scholarship on business-related themes and topics. It is designed to stimulate discussions among academia, researchers, business professionals and other influential thought leaders about advances in business practice in East Asia. It aims to circulate new business-related research and innovative ideas, especially surrounding interdisciplinary subjects, so that business professionals can benefit from the work that appears in this publication.

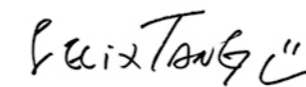
In this issue, we have a great selection of four articles surrounding the area of business ethics from a Chinese perspective. The first paper, written by Dr. Tingting Xie (*Assistant Professor in the Department of Marketing*) and me, discusses the concept of a “Junzi Corporation”, which can be translated as a highly ethical corporation in the Chinese culture. The conceptual model has five-dimensions, and the concept is evident to have a significant influence on customer purchase behaviors and loyalty. The findings are based on the survey data collected by area-sampling of over 20,000 real customers in Hong Kong. The second paper, by Dr. Holly Chung (*Senior Lecturer in the Department of English*), Dr. Lawrence Lei (*Assistant Professor in the Department of Accountancy*) and two student co-authors including Erica Yuen and Anna Poon (*Year 2 students in Corporate Governance and Compliance*), exemplifies the concept of a “Junzi Corporation” by using Hang Seng Bank as a case study. The virtue of “Wisdom” of Junzi is carefully discussed and explained in a bank setting. From staff development to environmental protection, the authors share their observations and insights in a very thoughtful way. Industry practitioners may find this article very interesting and useful.

The third paper, written by Professor Jeanne Fu (*Professor in the Department of Management*) together with three student co-authors including Alison Cheng (*Year 2 Student in Supply Chain Management*), Icelyn

Choy (*Year 2 Student in English*), Christy Ng (*Year 2 Student in Finance and Banking*), examines the relationship between gender diversity in the workforce and business sustainability. They use CLP Power Hong Kong Limited as a case and apply the component-based framework of the Economic Participation and Opportunity Subindex from the Global Gender Gap Report as a rubric. Finally, but not last, the fourth paper, written by Lauren Lin (*Year 2 Student in Financial Analysis*), Brandon Wu (*Year 2 Student in Data Science and Business Intelligence*) and Dr. Holly Chung (*Senior Lecturer in the Department of English*) studies the impact of social-issue-focused social enterprises in Hong Kong. They conducted in-depth interviews with key informants in the industry and discussed their motivation for and practices of environmental sustainability.

It has been my honour to serve as a member of this team of like-minded academics, such as Professor Bradley R. Barnes and Dr. Lawrence Lei. As the ex-director of the Research Institute for Business and one of the two founding editors of HSUHK BR, my heartfelt gratitude is expressed to all corresponding authors, Editorial Board members, and Editorial Support Team for making this publication possible. I look forward to reading more insightful and meaningful articles in the journal and I wish Lawrence and Alvin the very best of luck in taking HSUHK BR to new heights.

Please enjoy the read!!



Dr. Felix Tang
Departing Founder Co-Chief Editor



Table of Contents

Vol. 3, No. 2 (May 2021)

- 6 On the Concept of a Junzi Corporation: A Ten-Year Research**
Felix Tang (*Associate Professor, Department of Marketing*)
Xie Tingting (*Assistant Professor, Department of Marketing*)
- 14 Sustainable Growth for the 88th Year: A Bank's Virtue of Wisdom and Sustainability**
Poon Anna (*Year 2 Student in Corporate Governance and Compliance*)
Yuen Wing Kiu, Erica (*Year 2 Student in Corporate Governance and Compliance*)
Chung Ho Ying, Holly (*Senior Lecturer, Department of English*)
Lei Hong Weng, Lawrence (*Assistant Professor, Department of Accountancy*)
- 22 Closing the Gender Gap: Engaging Female Workforce for Business Sustainability**
Cheng Yan Lok, Alison (*Year 2 Student in Supply Chain Management*)
Choy Yui Bing, Icelyn (*Year 2 Student in English*)
Ng Sze Wing, Christy (*Year 2 Student in Finance and Banking*)
Fu Ho Ying, Jeanne (*Professor, Department of Management*)
- 32 More Than a Physical Sense: Re-definition of Environmental Sustainability of Social-Issue-Focused Social Enterprises (SIFSE)**
Lin Wenjia, Lauren (*Year 2 Student in Financial Analysis*)
Brandon Wu (*Year 2 Student in Data Science and Business Intelligence*)
Chung Ho Ying, Holly (*Senior Lecturer, Department of English*)



01

ON THE CONCEPT OF A JUNZI CORPORATION: A TEN-YEAR RESEARCH

Felix Tang

(Associate Professor, Department of Marketing)

Xie Tingting

(Assistant Professor, Department of Marketing)

INTRODUCTION

The Hang Seng University of Hong Kong (HSUHK), which has been actively upholding business ethics, introduced the Confucian concept of “Junzi” to conduct the “Junzi Corporation Survey”. Since 2011, Dr. Felix Tang and his team have been working on a research project titled the “Junzi Corporation Survey”, which monitors and measures consumers’ perception of business ethical level among the corporations in seven industries in Hong Kong. Through this rigorous and scientific academic study, HSUHK has been measuring the business ethical level of Hong Kong corporations, identifying the most ethical ones in the eyes of Hong Kong citizens, and promoting the concepts of “Junzi” and the “Five Virtues” in business contexts.

This article summarises the conceptual model of a “Junzi Corporation” with a five-dimensional measurement (i.e., the Five Virtues) (Ip, 2009), which was found to have a significant influence on customer loyalty behaviors (Kwong et al., 2015). The findings are based on the

survey data collected by area-sampling of nearly 20,000 real customers. This research aims at promoting a new academic viewpoint that adopts the “Five Virtues of Junzi” as a code of ethics for business operations and awarding accolades to corporations with demeanour exemplifying Junzi. Its research findings have been widely recognised by industrial practitioners and have attracted media attention every year, as the research is conducted scientifically and rigorously.

In this article, we shall first explain the conceptualisation of a Junzi Corporation and proceed to discuss in depth each of the underlying five virtues based on the Confucianism literature. Next, we shall introduce the research methodology, summarise some general research findings, and highlight the impact of this meaningful research project beyond academic contributions.

JUNZI AND ITS FIVE VIRTUES

The advocacy of “Junzi Corporations” is a relatively comprehensive and complete framework of standards to assess the business ethical level and fulfillment of social responsibilities. This new advocacy is a blend of the “Five Virtues”, consisting of “Benevolence”, “Rightness”, “Propriety”, “Wisdom”, and “Sincerity” from the concept of Junzi, and Western ethical theories of business, with emphasis on integrity and fairness (Cheung and King, 2004; Cua, 2007).

Junzi, which represents an ideal of human excellence in Confucianism, is also the epithet given to a person who upholds the highest standard of Confucian ethics;

likewise, the name “Junzi Corporation” is awarded to a business corporation which conducts operations in accordance with the Confucian ethics. In the traditional Chinese literature, the “Five Virtues” refer to “Benevolence”, “Rightness”, “Propriety”, “Wisdom”, and “Sincerity”, which are the core values of Confucianism, and in a business context, the principles for Junzi Corporations to adhere to.

“Benevolence”

“Benevolence”, in a business context, implies a loving heart and kindness in operations. “Benevolence” is widely regarded as the most important concept in

the teachings of Confucius. In Chapter 22 of Book XI “Yan Yuan” of the Analects of Confucius, when Fan Chi, who was one of the disciples of Confucius asked about benevolence, the Master replied, “It is to love all men.” Thus, loving everyone equals “Benevolence”. From the perspective of business management, a corporation that shows care to its customers and stakeholders with a benevolent heart can be regarded as a benevolence-oriented Junzi Corporation (Cua, 2007; Ip, 2009).

“Rightness”

According to “The Doctrine of the Mean” of Zhongyong, Chapter 20 (ii), “Rightness” means “setting things appropriate, or fit”. At the Book of “San Zi Jing” (The Three Character Classic), it depicts the meaning of “Rightness” as “what people should do is rightness. Anything that is concisely appropriate and what is good for the public is rightness”. Therefore, a Rightness-oriented corporation operates in accordance with responsible business practices.

“Propriety”

The “Propriety” in Junzi corporations refers to corporations being devoted to attaining the individual goals of each stakeholder with the achievement of an all-win situation and mutual benefit and assistance as the guiding principle. In the Book “Of Honor and Disgrace” in Xunzi, “Propriety” is “the way to make the whole populace live together in harmony and unity”. In Chapter 12 of Book I “Xue Er” in Confucian Analects, the philosopher You said, “In practicing the rules of propriety, a natural ease is to be prized”. A good example of achieving an all-win situation with propriety is Fair-Trade Coffee. Under the Fair-Trade Coffee Programme, not only can the income of the farmers be increased, but they can also learn and adopt more environmentally-friendly and sustainable farming techniques. The farmers’ neighbourhoods can receive additional funding to improve their medical

facilities, among other social amenities. In addition, consumers of Fair-Trade Coffee have a sense of pride when they contribute to the social welfare.

“Wisdom”

“Wisdom” is the capability to be wise and insightful, to acquire market intelligence, to analyse and assess, to create, and to reflect and learn. Chapter 28 of Book XIV “Xian Wen” in Confucian Analects describes Junzi as “wise, he is free from perplexities”. That means wise people can deeply understand issues and the connection between issues. In face of difficult problems, they are free from indecisiveness. In daily corporate operations, “Wisdom” includes the management of corporate knowledge, which is illustrated in sequential activities, i.e., first, conducting marketing research, then the management of marketing information system for analysis, and at last the inference of major market trends. On a deeper level, “Wisdom” also reflects the corporation philosophy and the operational principles which centers on recognizing consumer needs and satisfying those needs with benevolence and competency. A wise corporation must analyze and understand the fundamental changes in the macro environment to fulfil consumers’ need accordingly. For example, an aging population has become a dominant trend and brought considerable implications for the strategic direction and operations of corporations. To illustrate this with the catering industry as an example, restaurants’ owners should consider the following actions to attract more elderly customers, i.e., to print a menu with a larger font size, to place a magnifying glass on each table, to provide brighter lighting, to apply an anti-skid surface on the floor of the dining area and toilets, to install handrails along the walls, and to adopt a longer cooking time to ease the eating process of the elderly.

“Sincerity”

“Sincerity” for corporations refers to honest behaviours with integrity and fairness. In Chapter 7 of Book XII “Yan Yuan” in Confucian Analects, Zi Gong asked about government. Confucius, the Master, said, “The requisites of government are that there be sufficiency of food, sufficiency of military equipment, and the confidence of the people in their ruler.” Then Zi Gong said, “If it cannot be helped, and one of these must be dispensed with, which of the three should be foregone

first?” “The military equipment,” said the Master. Zi Gong again asked, “If it cannot be helped, and one of the remaining two must be dispensed with, which of them should be foregone?” The Master answered, “Part with the food. From of old, death has been the lot of all men; but if the people have no faith in their rulers, there is no standing for the State.” This story highlights the importance of trustworthiness. And the way to earn trust is through sincerity, that is, honest behaviours embedded in integrity and fairness.

RESEARCH METHODOLOGY

Scope of Survey

To align with the aim of the survey, i.e., to identify “Junzi corporation” from the perspective of consumers, the seven industries selected as the survey objectives to a large extent can truly reflect the lives of the public. The seven industries are (1) wholesale and retail, (2) postal services and transportation, (3) tourism, (4) finance and insurance, (5) accommodation and catering, (6) information, and communications, as well as (7) real estate. The Hong Kong Standard Industrial Classification Version 2.0 from the Census and Statistics Department are used to determine the names of the seven industries and the classification of corporations. Moreover, the public can generally conduct a fair assessment of these corporations given that they are consumers to all and have a basic understanding of the corporations among these industries.

Rigorous Data Collection: From Personal Impression to In-Depth Analysis

Like other longitudinal research, while some variants and new initiatives were founded each year, the fundamental five-dimensional framework of the “Junzi Corporation Survey” as a quantitative study remains the

same every year. After years of testing, the questionnaire has demonstrated a high level of validity. We will use the data collected in 2018 as an example. In 2018, the survey teams were led by Dr. Felix Tang and Dr. Tingting Xie, and jointly coordinated by the Research Institute for Business (RIB), the Department of Marketing, and the Marketing Society of the Hang Seng University of Hong Kong. The survey teams, which were comprised of 59 students from HSUHK, carried out all the field work. All survey team members had to satisfactorily complete the training before being assigned to the fields. The survey was conducted by means of interviews as mutual trust between the interviewers and interviewees can be quickly built up via face-to-face interaction. In addition, it allowed the interviewers to effectively explain to the interviewees the abstract concepts embedded in the questionnaire (for example, “Junzi”, “Benevolence”, “Rightness”, “Propriety”, “Wisdom”, and “Sincerity”). We, therefore, believed that data collected by means of interviews may be of relatively high quality. A leader, who was a student experienced in conducting surveys, was assigned to each team. In the meantime, we set up a monitoring system. The research team and inspectors from time to time made spot checks in randomly selected areas to ensure the reliability of data.

Comprehensive Sampling across the Territory

For sampling, we adopted a two-stage area-sampling method. First, a random re-sampling was conducted by using the 2015 District Council Constituencies which covered the entire Hong Kong as a sampling frame. Next, face-to-face street interviews were conducted

through quota sampling according to age and gender. This method enhanced the representativeness of the samples as they were taken randomly from citizens of different age groups in various constituency areas. In total, the research team conducted 2,337 face-to-face street interviews in 2018.

RESEARCH FINDINGS

Though originally, we did not intend to conduct a 10-year longitudinal survey, somehow, we ended up doing it every year for ten years. We are going to share some general research insights based on the common findings over the past years.

First, the findings indicate that the concept of Junzi with five underlying constructs fit well, yet it is also applicable to use a simplified model of three constructs, "Benevolence", "Rightness", and "Propriety" as the three cardinal virtues leading to the other two virtues, "Wisdom" and "Sincerity" (Kwong et al., 2016). The full model is preferred as more dependent variables can be related, which will yield more insights on how to improve the business ethical level.

Second, overall speaking, the extent to which corporations fulfil the five virtues exerts a positive influence on consumers' product/service evaluation, satisfaction, repurchase intention, and reference likelihood (Kwong et al., 2015). This lends strong support to the theory that ethical corporation image affects consumers' buying behaviors.

Third, some findings are quite counter-intuitive. In specific, the analysis results (as shown in the table at the end of this section) show that in contrary to intuition, corporations' "Benevolence" does not

influence consumers' product evaluation as much as expected, and similarly, "Wisdom" has a limited influence on consumer satisfaction. Meanwhile, "Rightness" and "Propriety" remain two common influencers to product/service evaluation and consumer satisfaction.

Fourth, repurchase intention is primarily influenced by "Rightness" and "Wisdom", and secondarily influenced by "Benevolence" and "Sincerity". It is clear that "Rightness" consistently plays a critical role in product/service evaluation, consumer satisfaction and repurchase intention. Yet "Propriety" is not a big impact factor in repurchase intention. This suggests that consumers are more likely to form positive attitude towards corporations that treat their customers with integrity, fairness, and good manners during interactions. However, justice and good manners are not enough to convince consumers to repurchase. Corporations need to retain customers by their long-term strategic thinking, problem-solving skills, and taking their stakeholders' interest to heart.

Fifth, another interesting finding is on consumers' price perception. Corporations may believe that consumers always need cheap but quality products, and if they provide so, they will earn high scores for the Five Virtues and being recognised as a "Junzi Corporation". However, our study tells a different story. Consumers'

perception to the product price is mainly influenced by "Wisdom". That means if a company has a wise market strategy and strong capabilities, consumers will believe

their product prices are fair to cost and perceive a good value for money even though the product is expensive.

Impact level	"Benevolence"	"Rightness"	"Propriety"	"Wisdom"	"Sincerity"
Product/service evaluation	*	***	***	*	**
Customer satisfaction	***	***	***	*	***
Repurchase intention	**	***	*	***	**
Reference likelihood	***	**	***	***	**
Perception of cheap price	**	*	*	***	*

Note: Impact level: *** indicates strong influence; ** moderate; * weak

IMPACTS

The contribution of the "Junzi Corporation Survey" exerts far-reaching impacts on students, companies, and society. For students, all HSUHK students are required to acquire knowledge and concepts about business ethics, among other ethics theories. Through participating in the "Junzi Corporation Survey", HSUHK students not only learn about consumers' experiences and genuine opinions on corporations, but also profoundly understand the relationship between business ethics and enterprise performance. For companies, we publish

annual reports on the research findings and provide specific observations and suggestions for companies in the seven industries. We believe this annual appraisal encourages companies to abide by higher standards of Confucian ethics. For society, the research team complies and publishes the annual HSUHK Hong Kong Business Ethics Index, and corporations of the most recognised moral exemplars are awarded accolades, which also promotes the importance of the Junzi education in the local business community.

References

- Chan, G. K. Y. (2008). The relevance and value of Confucianism in contemporary business ethics. *Journal of Business Ethics*, 77(3), 347-360. <https://doi.org/10.1007/s10551-007-9354-z>.
- Cheung, T. S., & King A. Y. C. (2004). Rightness and profitableness: The moral choices of contemporary Confucian entrepreneurs. *Journal of Business Ethics*, 54(3), 245-260. <https://doi.org/10.1007/s10551-004-6405-6>.
- Cua, A. S. (2007). Virtues of Junzi. *Journal of Chinese Philosophy*, 34(1), 125-142. <https://doi.org/10.1111/j.1540-6253.2007.00456.x>.
- Ip, P. K. (2009). Is Confucianism good for business ethics in China? *Journal of Business Ethics*, 88(3), 463-476. <https://doi.org/10.1007/s10551-009-0120-2>.
- Kwong, K. K., Tang, F., Tian, V.I, & Fung, A. L. K. (2015). Can customer loyalty be explained by virtue ethics? The Chinese way. *Asian Journal of Business Ethics*, 4(1), 101-115. <https://doi.org/10.1007/s13520-015-0045-z>.
- Kwong, K. K., Tang, F., Xie, T. (2016). Is the concept of junzi measurable? A consumer perspective of virtue ethics in China. In *6th World Business Ethics Forum, 11-13 December 2016* (pp. 11-13). <https://ied-wbef.hkbu.edu.hk/conference-proceedings/doc/A041-Full.pdf>.

The work described in this paper was substantially supported by a grant from the Research Grants Council of the Hong Kong Special Administrative Region, China (Project Reference No. UGC/IDS14/15)



02

SUSTAINABLE GROWTH FOR THE 88TH YEAR: A BANK'S VIRTUE OF WISDOM AND SUSTAINABILITY

Poon Anna
(Year 2 Student in Corporate Governance and Compliance)

Chung Ho Ying, Holly
(Senior Lecturer, Department of English)

Yuen Wing Kiu, Erica
(Year 2 Student in Corporate Governance and Compliance)

Lei Hong Weng, Lawrence
(Assistant Professor, Department of Accountancy)

INTRODUCTION

Banks, similar to many other financial institutions, nowadays are growing to focus, if not more, on achieving long-term sustainability (Banerjee & Velamuri, 2015). While still aiming to make profits and add values to their products and services, especially when facing international crises like the pandemic looming large in 2020, banks are especially being reactive and proactive to practise sustainability (Raut, 2017), because of their significant role in maintaining or even boosting confidence, financially and even spiritually, to the public that their city is still functioning.

Among all domestic banks in Hong Kong, this article features Hang Seng Bank (thereafter known as “the Bank”) because of a good number of remarkable coincidences:

- A number of Hang Seng Bank founding directors and Hang Seng Bank Limited itself were among the major sources of funding in the establishment of the Hang Seng University of Hong Kong’s (HSUHK) root, Hang Seng School of Commerce (HSSC);

- Hang Seng Bank was one of the three top-scorers awarded with the Junzi Corporation Exemplary Award, in the past Junzi Corporation Award presentation ceremonies, one of the highlights in the HSUHK’s signature event hosted by the Research Institute for Business (RIB); and

- As one of the leading domestic banks in Hong Kong, Hang Seng Bank, in the year of 2021, is celebrating its 88th anniversary, founded in 1933.

In 2021, in celebration of the Junzi Corporation Award’s 10th anniversary, this article examines how Hang Seng Bank is advocating sustainability, to secure its strong foothold in the banking industry, to grant its staff a positive working environment, and to serve its customers in all walks of life. Through an in-depth interview with Ms. Wendy Yuen, the Head of Retail Distribution of Hang Seng Bank, this article chooses “Wisdom”, one of the five virtues in Junzi, because it is believed that the Bank, amidst the current difficult time for the whole world, manages to employ wisdom in its strategies and practices, ranging from its branch design and functionality, to its products and services. Therefore, the Bank’s various sustainability initiatives could be interpreted as creating wisdom for itself and its staff, and also sharing wisdom with the public so that the whole city could grow wiser at the same time. The article will first further outline the five Junzi virtues, with a particular focus on wisdom. The discussion will proceed to examine the relationship between the virtue of wisdom, and a bank’s sustainability practices. Drawing on the insights of Ms. Wendy Yuen, the Head of Retail Distribution, Hang Seng Bank, it will further discuss how the Bank’s missions, visions and practices could embody the virtue of wisdom, especially regarding the promotion of sustainability within and also by the Bank. The areas of sustainability practices being focused on are the Bank’s customer orientation, staff development, innovative initiatives, and environmental protection.

FIVE VIRTUES OF JUNZI

Junzi is the epithet given to appreciate a person who practices the uppermost and excellent standard of Confucian ethics. Junzi can also be applied to the business world. A company is named as a "Junzi Corporation" when the company runs its business with the Junzi morals.

The five virtues of Junzi, also being the pillars of Confucianism in the traditional Chinese culture, are "Benevolence", "Rightness", "Propriety", "Wisdom", and "Sincerity". "Benevolence" embodies a person's or a company's loving heart and kindness. "Rightness" means setting things in an appropriate and fit manner. "Propriety" refers to a company's devotion to attain each stakeholder's goal with the achievement of all-win situation and mutual benefit. The Book "Of Honor and Disgrace" (榮辱篇) in Xunzi (荀子) also mentions that "Propriety" is the goal of achieving harmony and unity when people live together in the same community. "Wisdom" is described as one's ability to be wise and insightful, to acquire knowledge, to analyse,

to judge, to create and to think. Lastly, "Sincerity" means one's honesty and trustworthiness.

As a university running on a unique educational model of "Liberal + Professional", the Hang Seng University of Hong Kong (HSUHK) is dedicated to promoting the Junzi five virtues through commending local businesses' ethical practices. In such regard, HSUHK started the "Junzi Corporation Survey" in 2011, embodying business ethics and the Confucian concept of Junzi. Each year, HSUHK students and staff members apply the rigorous and scientific approach and examine companies' ethical behavior in Hong Kong. After such a careful and systematic study, HSUHK has compiled and announced the "HSUHK Hong Kong Business Ethics Index" (thereafter known as "the Index") since 2011. This index is to appraise companies' ethical level and inform the public about Hong Kong citizens' views on companies' business practices.

VIRTUE OF WISDOM IN BANKS

The banking industry in Hong Kong largely contributes to Hong Kong's GDP and workforce. According to the statistics provided by the Hong Kong Monetary Authority in 2020, Hong Kong is a world well-known international banking centre, with the presence of more than 70 largest international banks. In addition, there are over 29 multinational banks setting up their regional headquarters in Hong Kong (<https://www.hkma.gov.hk/eng/key-functions/banking/>).

In such regard, the banking industry in Hong Kong is competitive. In order to survive and sustain, banks have to smartly use their wisdom to implement strategies, from the design and functionality of branches to the types of services provided to customers. Therefore, this article will examine how Hang Seng Bank, one of the most reputable banks in Hong Kong that is also celebrating its 88th anniversary in 2021, embodies the virtue of wisdom in its development and practices, in the past, present and near future.

WISDOM IN ACTION

Customer Orientation

The Chinese name of Hang Seng Bank (恒生銀行) literally means "sustainable growth". This also exemplifies its core value: to sustain its growth in not only its own operation, but also its long-lasting relationships with customers. The Bank's sustainability practices demonstrate its customer orientation, namely a thorough understanding of its customers so as to create superior values (Cortez & Johnston, 2019). This understanding, thanks to the rapid development of technology nowadays, has even turned into an interactive process of generating wisdom: The Bank is offering its wisdom to the customers through upgraded, digitalised and personalised banking experience, while its customers are exercising their own wisdom because of the time saved and the convenience resulted. This two-way wisdom generation is also a proud result of the Bank's stepping into the Bank 4.0 era. This is the time when the interactions between banks and customers are being transformed into an experience-driven relationship consisting of an equal importance of customer experience and performance experience (Mehdiabadi et al., 2020). Spearheading in this Bank 4.0 era, the Bank is building an open and flexible relationship with its customers through true integration of experiences across its physical branch and digital banking. For example, customers can open a simple bank account through the Hang Seng Personal Banking Mobile App, while they can take time to go to branches to upgrade services being enjoyed. A majority of banking and wealth management products and services are available across various platforms of the Bank. Customers may choose to discuss with Wealth Experts at branches and completed their transactions later on via online or mobile. The Bank also developed the "Smart@Digital Banking" online platform to provide

customers with tips and instructions on using digital banking services. Customers can, therefore, enjoy end-to-end experience and manage their finances anytime, anywhere, quickly and simply.

Furthermore, the ever-upgrading direction led to a transformation of the Bank's physical branches. Hang Seng is the first bank in Hong Kong to offer the use of NFC technology for its Mobile Cash Withdrawal service at ATMs. It also adopts the e-ticketing and e-appointment services, part of the Bank's "Future Branch Concept" so that customers can better plan ahead their time. Standing in queues is no longer needed. Instead, all customers are sitting with leisure while waiting for the Bank to complete their services. One latest example exemplifying the Bank's dedication to upgrading both its customer experience and performance experience is the implementation of the "Future Branch Concept" in its MOSTown Branch in Ma On Shan. The interactive digital wall in this branch provides a wide range of real-time market and financial information as well as light-hearted infotainment. Interaction with this wall is also available for customers to obtain more information through QR codes. In addition, Hang Seng is the first to introduce Digital Advocates at the branch, who will assist and educate their customers on all digital abilities of the bank. This way, customers will learn and fully utilise the Bank's capabilities to complete their finance transactions in a more efficient manner.

As Ms. Yuen insightfully remarks, "what remains unchanged is the Bank's mission to keep transforming". This mission is being embodied in the Bank's customer-oriented upgrades in both its physical branches and online banking. As a result, despite the temporary limitations on physical activities due to the pandemic, the ever-

progressive spirit of the Bank could still withstand obstacles and overcome challenges, even taking the nurturing of wisdom to a new level.

Staff Development

In addition to customers, its staff is also an important asset to the Bank. Other than aiming to achieve sustainable growth with and for its customers, the Bank is also growing wisdom for not only its staff's work knowledge but also their mental and physical nourishment.

On top of its respective banking expertise, the Bank ensures that all of its staff members share the same concepts of ethical acts, honesty and full accountability through offering training on banking regulations, codes of practice, data privacy, bribery and corruption, anti-money laundering and sanctions. The "three lines of defence" framework is also established with business units, risk management specialists and internal audit for its staff to have references when facing an ethical dilemma and possible fraud.

Besides imparting ethical wisdom, the overall health condition of its staff is also being constantly improved. In times of crises such as the global pandemic, the Bank has swiftly responded and enabled up to 85% of office staff to work from home. Information about COVID-19 is regularly provided for all staff by their intranet and staff app. Other than these physical measures, the mental health of its staff is also being prioritised, especially during the work-from-home periods, to make its staff understand that they are not alone. The Bank is sustaining its presence in its staff's lives through organising online activities and talks to support the longer-term mental and physical well-being of their colleagues.

In an Asian city like Hong Kong where the Confucian values are in general rooted smartly applying the virtue

of wisdom to enhance their staff's performance and dedication to their firm could improve work attitudes, thus improving public relations among customers sharing the same cultural wisdom (Chen et al, 2020). Long-term sustainability could, in turn, be guaranteed upon an ever-improving human asset and increasing loyalty (Khan, 2018). The Bank, as a result, puts the virtue of wisdom into operation through increasing competitiveness of every staff member, in an encompassing manner.

Innovative Initiatives

Dedicated to cultivating an interactive and flexible relationship with customers through enhancing the Bank's own performance experience and also its customer experience, coupled with its staff who are growing in wisdom as the Bank grows, the Bank is all ready to achieve another new level of corporate sustainability through different dimensions of innovation, such as promoting technological and FinTech projects and re-energising the public with redesigned branches.

It is notable that a good number of technologically-driven innovations of the Bank are aimed at developing wisdom in the budding generations in Hong Kong. For example, the Bank has introduced a number of innovative financial management services and products such as Savings Planner, SimplyFund and Invest Express which make money management and investment easier for customers, especially the younger segment. Furthermore, the Bank provides future skills learning opportunities for Hong Kong's young people. For example, personalised online career planning services for the next young generation are available in the "I am..." Youth Portal, one of the Bank's charitable programmes. The e\$mart Financial Education Programme helps primary students to grasp financial concepts and digital transactions at an early age.

The idea of future-readiness applies to not only young people but also the Bank's staff. The Bank introduced the "Future Proof Yourself and Our Bank" initiative internally to equip its employees with the knowledge, skills and mindset to become future-ready, creating a culture that is agile and open where people face changes and future challenges positively. Furthermore, the Bank introduced the FinTecubator initiative to encourage its staff to stay creative and tech-savvy. The FinTecubator nurtures innovative start-up ideas and accelerates the development of Fintech within the Bank.

The Bank's strategic alliance with the Hong Kong Science and Technology Parks Corporation (HKSTP) further demonstrates its desire to embrace new initiatives to drive innovation. In January 2021, the Bank announced it would support the HKSTP to launch the Banking Virtual Lab by providing synthetic banking data to promote more Fintech solutions. This indicates how engaged the Bank is in cutting-edge digital banking initiatives.

Innovation, on top of the above-mentioned projects oriented to creating new wisdom, can also be preserving the local heritage. For example, as part of the Bank's 88th anniversary in 2021, selected branches were redecorated with lively and playful wall illustrations to present a "Colourful Journey" through some of the community's well-known landmarks and distinct characteristics. The locations of the selected branches are also a piece of solid evidence that the Bank's innovation is reaching out to all walks of life. For example, the Yau Ma Tei Branch is one of the Bank's longest-serving outlets, and its wall artwork was inspired by the drawings of a group of students in the neighbourhood. Other selected branches are the Johnston Road Branch in Wanchai, one of the most important commercial districts in Hong Kong, and the above-mentioned MOSTown Branch in Ma On Shan, one of the newly-developed cities in Hong

Kong where one of the latest branches is located as well. These initiatives all point to the Bank's dedication to cultural conservation and stimulating creativity. These projects manifest not only the Bank's endeavours to innovate its goods and services to progress, compete and distinguish itself in the banking industry (Baregheh et al., 2009), but, more importantly, the Bank's actualising its sustainability through creating new forms of wisdom and advocating such to the public, especially the young, the future leaders of not only the banking industry but also the world.

Environmental Sustainability and Sustainable Finance

On top of being capable of critically evaluating and thus fulfilling the needs of its customers, its staff, and its neighbouring communities, the Bank also manifests its virtue of wisdom in their environmental sustainability practices. In terms of its daily operation, the Bank strives to lead by supporting the transition to a lower-carbon economy. The Bank was the first local bank to sign up as a supporter of the Task Force on Climate-Related Financial Disclosures (TCFD) and to attain ISO 14001 certification for all its offices and branches, the environmental management system helping an organisation enhance its environmental performance, fulfil compliance obligations, and achieve environmental objectives (ISO 14001:2015, 2015). Hang Seng Bank is also the only bank in Hong Kong selected for the Dow Jones Sustainability Asia Pacific Index 2020. The Bank follows its Environmental Policy where it acts in a responsible manner through its different initiatives to promote environmental sustainability. For instance, its Workplace Transformation Programme is a recent initiative to create a best-in-class workplace with an innovative design and technology to increase both staff satisfaction and more importantly, operational efficiency. It makes use of digital solutions to achieve paperless working and ensure an efficient use of energy.

On the sustainable finance front, the Bank's current Green Financing Promotion Scheme encourages corporate customers to acquire environmentally-friendly equipment that contributes to sustainable development. The Bank will also look into ways to engage its retail clients, and plan to provide them with relevant knowledge, services and products in sustainable finance.

CONCLUSION

Since 1933, Hang Seng Bank has been growing and evolving together with the whole Hong Kong community. An in-depth interview with Ms. Wendy Yuen, the Head of the Retail Distribution of Hang Seng Bank, further illustrated how the Bank's encompassing products and services could exemplify and even modernise one of the five virtues in Confucianism - "Zhi" (智), the virtue of wisdom. While Zhi can be understood as using knowledge in a wise way (Wang & Juslin, 2009), the Bank exemplifies how it succeeds in discerning the market's needs and developments, and reacting actively and proactively. As Ms. Yuen reiterated in the interview, "our business is guided by four key brand values: customer-centricity, progressive technology, creativity, and corporate social responsibility". This paper, coincidentally, revealed Hang Seng Bank's sustainability practices showcasing its wisdom in terms of four aspects: customer orientation, staff development, innovative initiatives, and environmental sustainability and sustainable finance.

The Hang Seng Indexes Company also launched the ESG 50 Index in July 2020 to commend the performance of the Top 50 ESG leaders with relatively high market-capitalisation listed in Hong Kong. This new set of indexes provides a formal guideline for investors to choose enterprises that care about sustainable issues. This enhances the market share of financial product providers and investors who are interested in sustainability issues in the Hong Kong stock market.

Customer orientation is one recurring message in the interview with Ms. Yuen. On top of updating and upgrading its products and services to cater for its customers' ever-changing and ever-growing needs, the Bank further excels in creating wisdom for its customers so as to let them know what further needs a customer could be asking for from the banking industry nowadays. The Bank also considers its staff members, caring for their physical, spiritual and intellectual developments. Appraising the technological needs and developments, the Bank is generous to invest in not only technologically-oriented or FinTech-related projects but also, more importantly, the budding engineers behind: the young generation. This people-focused approach can also be seen in the Bank's environmental sustainability practices. The Bank also broadens the definition of the "environmental protection", preserving not only a traditional scope of a physical environment, but also a social, financial and cultural environment where the communities and their respective cultures and customs are being conserved and further fostered.

References

- Banerjee, S., & Velamuri, M. (2015). The conundrum of profitability versus soundness for banks by ownership type: Evidence from the Indian banking sector. *Review of Financial Economics*, 26(1), 12-24. <https://doi.org/10.1016/j.rfe.2015.04.001>.
- Baregheh, A., Rowley, J., & Sambrook, S. (2009). Towards a multidisciplinary definition of innovation. *Management Decision*, 47(8), 1323-1339. <https://doi.org/10.1108/00251740910984578>.
- Chen, J. Y., Lim, S. J., Nam, H. J., & Phillips, J. (2020). Local culture as a corporate social responsibility multiplier: Confucian values' mediation between firm policies and employees' attitude. *Asia-Pacific Journal of Business Administration*, 12(3), (3/4), 387- 407. <https://doi.org/10.1108/APJBA-04-2019-0088>.
- Cortez, R. M., & Johnston, W. J. (2019). Cultivating organizational wisdom for value innovation. *Journal of Business & Industrial Marketing*, 34(6), 1171-1182. <https://doi.org/10.1108/JBIM-11-2017-0292>.
- ISO 14001: 2015. (2015). Environmental management systems - Requirements with guidance for use. Retrieved March 27, 2021 from <https://www.iso.org/standard/60857.html>.
- Khan, H. A. (2018). *Globalization and the Challenges of Public Administration: Governance, Human Resources Management, Leadership, Ethics, E-Governance and Sustainability in the 21st Century*. Palgrave Macmillan, (1st ed.). <https://doi.org/10.1080/12294659.2020.1769325>.
- Mehdiabadi, A., Tabatabaieinasab, M., Spulbar, C., Karbassi Yazdi, A., & Birau, R. (2020). Are we ready for the challenge of Banks 4.0? Designing a roadmap for banking systems in industry 4.0. *International Journal of Financial Studies*, 8(2), 1-28. <https://doi.org/10.3390/ijfs8020032>.
- Raut, R., Cheikhrouhou, N., & Kharat, M. (2017). Sustainability in the banking industry: A strategic multi-criterion analysis. *Business Strategy and the Environment*, 26(4), 550-568. <https://doi.org/10.1002/bse.1946>.
- Wang, L., & Juslin, H. (2009). The impact of Chinese culture on corporate social responsibility: The harmony approach. *Journal of Business Ethics*, 88, 433-451. <https://doi.org/10.1007/s10551-009-0306-7>.

CSR



03

CLOSING THE GENDER GAP: ENGAGING FEMALE WORKFORCE FOR BUSINESS SUSTAINABILITY

Cheng Yan Lok, Alison
(Year 2 Student in Supply Chain Management)

Ng Sze Wing, Christy
(Year 2 Student in Finance and Banking)

Choy Yui Bing, Icelyn
(Year 2 Student in English)

Fu Ho Ying, Jeanne
(Professor, Department of Management)

INTRODUCTION

Workforce diversity can have both positive and negative effects in business, as differing perspectives can encourage innovation and problem solving. However, if these differences are mismanaged, conflicts and crises may occur. Managing workplace diversity has increasingly been the subject of academic research (Harrison & Klein, 2007), but findings regarding whether diversity helps or hinders organisational performance have been mixed (Jackson et al., 2003). Jackson and Joshi (2004) demonstrated that the positive effect of diversity on team performance can be highly contingent on the broader demographic context of the organisation.

Gender diversity research has found that a greater percentage of female in leadership positions can lead to better financial performance in firms (Hoobler et al., 2018; Post & Byron, 2015). Therefore, increasing gender diversity in an organisation may result in a potential competitive advantage. However, women have been found to be under-represented in the workforces of many countries. According to the Global Gender Gap Report 2020 by the World Economic Forum (Crotti et al., 2020), the overall index, capturing the magnitude of gender-based disparities in economy, education, politics and health, stood at 68.6%. This suggests that a gap of 31.4% remained. In 2020, the dimensions of educational attainment, political empowerment, and health and survival have shown improvement compared with last year's figures. However, the dimension of economic participation and opportunities demonstrated a slight decrease. Women are disadvantaged in terms of various aspects of labour activities, such as general employment, senior leadership positions in both private and public

sectors, and access to entrepreneurial resources. Thus, workplace inequality remains a substantial issue, and there is room for further improvement in organisations worldwide.

Our aim in this article is to explore organisational practices that can contribute to reducing the gender gap and enhancing the engagement of female workers. We selected CLP Power Hong Kong Limited (CLP), a wholly-owned subsidiary of leading regional power company CLP Holdings Limited, for this case study. As a public utility company, CLP's business actions have high bearing on the environment and future generations. It was chosen as our study target because its mission and vision strongly value ethical service delivery and minimal impact to the environment. Their commitment to satisfy and balance the interests of diverse stakeholders is visible through different energy-saving initiatives and practices, such as investing in renewable energy and smart technology to increase energy efficiency. To analyse how CLP achieves its sustainability goals through responsible human resource practices, we apply the component-based framework of the Economic Participation and Opportunity Subindex from the Global Gender Gap Report (Crotti et al., 2020) in our research. This subindex considers the gender gap in terms of labour market participation, remuneration, and advancement. Through these aspects, we examine the representation of female workers at different job levels and the extent to which their strengths and capabilities are valued in terms of compensation and benefits, promotion opportunities, and career development in an organisation.

COMPANY BACKGROUND OF CLP POWER HONG KONG LIMITED

CLP is a longstanding Hong Kong-based corporation that provides electricity and related services to the Hong Kong population. They embrace the values of constant improvement and a shared vision of a better tomorrow. CLP was founded in 1901, when electricity was still a limited commodity for the few, and has grown into a substantial business that powers millions of homes and businesses not only in Hong Kong but also across the Asia-Pacific region in China, India, and Australia. CLP prioritises sustainability and creates value for its stakeholders and the communities within which it operates.

CLP's business strategy is to create long-term value for its stakeholders through strong governance and responsible performances. This strategy is based on four

pillars to ensure sustainability in its business activities: (1) responding to climate change; (2) harnessing the power of technology; (3) reinforcing cyber resilience and data protection; and (4) developing an agile, inclusive, and sustainable workforce. Together, these pillars serve as an ever-evolving plan enabling CLP to implement a series of response measures to external trends, while simultaneously protecting the interests of their employees and other stakeholders. The company acknowledges the importance of human resources while ensuring that it remains at the forefront of the marketplace. Building an agile, inclusive, and sustainable workforce represents a core pillar for achieving CLP's strategic goals and direction and is considered in all of its business growth initiatives and activities.

METHODOLOGY

The information and data used in this study were obtained from CLP's 2019 and 2020 Sustainability Reports (CLP Power Hong Kong Limited, 2019, 2020) and through a private interview with its Chief Corporate Development Officer, Ms Quince Chong, in March 2021. In this structured interview, Ms

Chong provided in-depth insights and responses to our questions concerning an inclusive and gender-balanced workforce, thus enabling us to obtain a greater understanding of CLP's business practices in terms of female engagement and leadership from an insider's perspective.

FINDINGS AND DISCUSSION

Management Philosophy and Sustainable Workforce Value

CLP believes that it is important for corporations to evolve in response to external environmental changes and to seize opportunities whenever possible. According to Ms Chong, CLP's mission is not only to make profit but also to help the city grow. Observing

and recognising what society requires and planning their strategies accordingly in a timely manner is central to CLP's sustainable development. Since it was established 120 years ago, CLP has focused on nurturing an ethnically diverse and gender-balanced workforce and has implemented pioneering initiatives to improve women's welfare and work opportunities. As STEM

(Science, Technology, Engineering, and Mathematics) education has become increasingly popular in recent years, more women are studying STEM subjects and are working in related fields such as engineering, which is traditionally dominated by men. By applying its core values of diversity and inclusion, CLP further encourages female employee engagement through various organisational initiatives that support the United Nations Sustainable Development Goal of Decent Work and Economic Growth (United Nations, 2021).

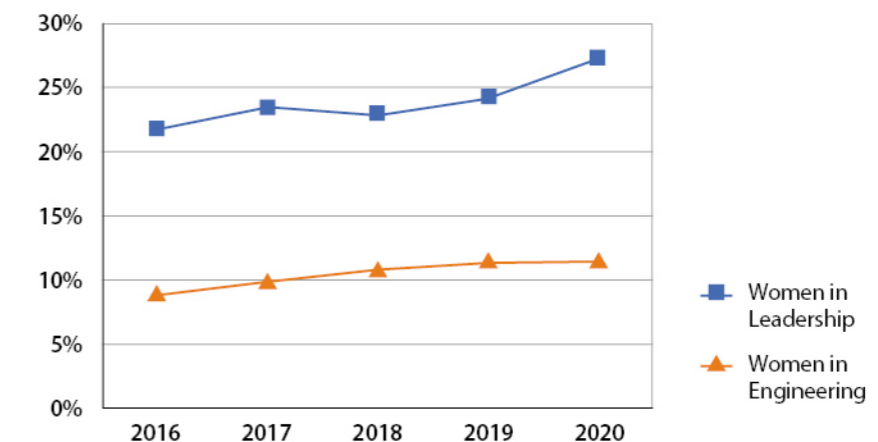
Gender Distribution in Engineering and Leadership

Throughout its long history, CLP has attempted to develop an inclusive workplace with a high level of female participation. Its board of directors and the management team are dynamic and diverse, and its teams include men and women from various cultural backgrounds. Such diversity enables CLP to develop new ways of thinking, knowledge, and experiences, thus equipping it to face emergent changes and challenges in the future. CLP has continued to support women's development in the company and also the broader industry. Although the gender ratio in the

company suggests that the CLP work environment favours male employees, Ms Chong explained that the work requirements and conditions of some positions in engineering or construction did demand a higher level of physical strength and endurance, creating a potential self-selection bias and objective barriers to female applicants in the past. However, with advances in technology, having more and more machines to replace human work, these biases and barriers are gradually removed.

CLP has been examining ways of addressing the perceived gender biases by increasing the knowledge and transparency of the career paths available to both job applicants and incumbents. Figure 1 shows that the gender distribution in both engineering and leadership has continuously improved from 2016 to 2020. According to CLP's Sustainability Reports, the percentage of women in leadership has increased from 21.8% to 27.3% over these few years, and an increase from 8.9% to 11.5% was reported for women in engineering positions. Thus, CLP clearly strives to attain gender balance and is committed to developing the careers of female employees.

Figure 1. Percentages of women in leadership and women in engineering



Source: CLP Power Hong Kong Limited.

Female Leadership Attributes

Through the interview with Ms Chong, we obtained information about how the knowledge, skills, and abilities of women in positions of leadership have contributed to the organisational success of CLP. Women are typically more inclined towards collaboration, are detail-oriented, and focus on end-to-end execution, whilst men aim for agentic achievement, and big-picture strategic goal setting. This is supported by the literature on gender stereotypes (Abele, 2003; Eagly & Johnson, 1990; Kaiser & Wallace, 2016). Differences in psychological and behavioural attributes embedded in a team can represent complementary capabilities in decision-making (Brynjolfsson & Milgrom, 2013; Tiedens et al., 2007) and reveal different aspects of strategic leadership (Harrison et al., 1998). Diverse management perspectives can lead to broader innovative solutions (Ruiz-Jiménez et al., 2016), which can enhance team performance (Joshi & Roh, 2009). The inclusive culture in CLP in terms of gender diversity and its related attributes has therefore paved the way for its success in the energy industry.

Reasons Why Women Leave

Life stage changes were found to be the key reasons for the departure of female workers from CLP. In gender studies, it has been found that gender stereotypes create socio-psychological expectations of how one should behave in a given circumstance (Heilman, 2012). Female workers who experience life stage changes, such as being pregnant or having more kids, likely have different needs and constraints compared to their male counterparts. When the gender mix is not balanced in a workplace, these needs may be overlooked or sometimes misunderstood, particularly when gender-stereotypical attitudes (e.g., that engineering jobs are for men) are deeply rooted (Chiu et al., 1998; DeArmond et al., 2006). Chiaburu

and Harrison (2008) found that co-worker support enhanced job-role perceptions, work attitude and performance, and reduced withdrawal behaviour. To create a non-discriminating work environment and support women's engagement, CLP has implemented various measures such as organising female mentorship programmes and networking events. Other research has shown that considerate leadership can mitigate the negative impact of work isolation on organisational citizenship behaviour and retention (Marshall et al., 2007; Mulki & Jaramillo, 2011).

In contemporary societies, many women strive for freedom and independence in various domains and thus desire recognition in the workplace. However, women may suffer from the career barriers of a glass ceiling, i.e., the lack of promotion opportunities despite qualifications, experience, and ability (Adler, 1993; Bass & Avolio, 1994), or a glass cliff, i.e., occupying a senior position that is precarious or risky (Ryan & Haslam, 2005). Ms Chong did not feel that the issues of a glass ceiling or glass cliff were significant at CLP and did not regard them as cause for concern at the organisational level. This is consistent with some research findings in academia (Adams et al., 2009; Kaiser & Wallace, 2016). She further commented that what mattered more than observable gender characteristics were the personal beliefs, attitudes, skills, and abilities of management. This is supported by the finding that bio-demographic (or surface-level) diversity is not necessarily related to performance (Harrison et al., 1998; Horwitz & Horwitz, 2007). On the other hand, task-related (or deep-level) diversity can significantly affect team innovation and performance (Carpenter, 2002; Pelled, 1996; Talke et al., 2010).

CLP has implemented a comprehensive personnel management system to ensure a fair working environment. The timely appreciation and recognition

of employees by colleagues and senior management are ingrained in the company's culture. CLP gives awards to employees every quarter and holds a year-end recognition event to motivate them to excel. The company also believes that employees choose CLP because they feel their jobs can be meaningful and provide them with a sense of purpose. Job meaningfulness is an important aspect of work motivation and job performance (Barrick et al., 2013;

WORK ENGAGEMENT PRACTICES DESIGNED FOR WOMEN

To sustain an inclusive workforce, CLP has introduced various organisational facilities and policies to engage female employees and address their gender-specific needs. These practices involve tangible and intangible resources, along with both hardware and software aspects of organisational development.

Benefits and Facilities for Female Employees

To align with the "caring" objective of CLP, both the physical and mental health needs of female employees are considered in the buildings of many of the facilities. For example, to provide convenience and respect to female workers, CLP aims to provide sufficient female sanitary space and changing room in remote construction sites and has added breast-feeding facilities for mothers with new-born babies. Maternity leave in CLP is also longer than legislated by the Labour Department. CLP values talent, irrespective of gender and ethnic origin. The company's view is that female workers in the engineering industry need not feel out of place but should be regarded positively as competent and deserving employees.

Mentorship Programmes

CLP has taken the initiative to provide various mentorship

Frieder et al., 2018). Given the importance of corporate social responsibility, CLP, as a public utility company, should consider more than measures of bottom-line financial performance because the company's business is focused on providing services to the whole population. By aligning their organisational mission with their employees' work motivation, turnover in CLP remains at a low rate.

programmes for women who are interested in the engineering industry with the aim of encouraging more women to join the workforce. CLP launched a Mentoring Programme in Hong Kong in 2015. Through this initiative, students were able to find out more about the engineering profession and the power industry. In a mentor-mentee relationship, the mentee can express their work-related concerns and frustrations to their mentor during difficult times, thus creating trust and a sense of belonging. In 2019, over 40 female engineering students joined the mentorship programme and gained practical insights into CLP's operations, thus preparing them for their potential future workplaces. To date, over 230 women have participated in the programme as trainees and mentors, and more than 80% have demonstrated an increased interest in pursuing an engineering career. These commitments are the result of the mutual involvement of mentors and mentees and also of concerted efforts across all levels of CLP (CLP Power Hong Kong Limited, 2019, 2020).

Female Engineer Networking

Over 40 female engineers joined CLP's first two Female Engineer Networking annual events in the India subsidiary in 2019 and 2020. They gained insights into

the renewable technologies and business models that CLP has applied and received career management training. CLP has continued to invest in developing female engineering networks by establishing a local Diversity and Inclusion Council in India. To date, 7 female engineers have progressed to CLP's Graduate Trainee Programme after joining the mentoring programme. This programme has enhanced their knowledge of a real workplace and expanded their engineering network in CLP and beyond.

Resolving the Gender Pay Gap

Gender inequality in terms of salary has been a major concern worldwide, including in Asia where CLP's

subsidiaries are located. Pay gap analyses should therefore be included as regular processes in general management and engineering talent reviews. CLP conducts annual internal reviews of their gender diversity targets and aims to resolve any gender pay gaps. CLP was certified as a Fair Wage Employer in Hong Kong in 2018, and this initiative has been sustained and extended over subsequent years. Similar initiatives have been implemented to address gender pay differences in Australia.

CONCLUSION

CLP regards the building of an agile, inclusive, and sustainable workforce as a pillar of its reputation as a responsible corporation, in which efforts to narrow the gender gap are clearly central. Its various management practices provide strong evidence of establishing mentorship programmes, resolving gender pay gaps, and enhancing women's roles and opportunities in corporate decision-making and career development. The provision of resources for talent development is multifaceted and progressive in CLP, despite it being within a competitive industry that demands constant technological upgrades and reinvention. From a company perspective, a sustainable workforce

mitigates external shocks and can be part of a broader strategic initiative that leads to profitable organisational outcomes. When managed properly, typical stereotypes can be overturned and glass ceilings shattered. A good mix of gender in an organisation brings together complementary skills, experiences, and abilities that are necessary for success. Gender-friendly facilities and adequate support systems are cornerstones of a conducive work environment that leads to high levels of work engagement. To conclude, a diverse and inclusive workforce represents a set of irreplaceable assets for modern organisations.

References

- Abele, A. E. (2003). The dynamics of masculine-agentive and feminine-communal traits: Findings from a prospective study. *Journal of Personality and Social Psychology, 85*(4), 768-776. <https://doi.org/10.1037/0022-3514.85.4.768>.
- Adams, S. M., Gupta, A. & Leeth, J. D. (2009). Are female executives over-represented in precarious leadership positions? *British Journal of Management, 20*(1), 1-12. <http://doi.org/10.1111/j.1467-8551.2007.00549.x>.
- Adler, N. J. (1993). An international perspective on the barriers to the advancement of women managers. *Applied Psychology: An International Review, 42*(4), 289-300. <https://doi.org/10.1111/j.1464-0597.1993.tb00745.x>.
- Barrick, M. R., Mount, M. K., & Li, N. (2013). The theory of purposeful work behavior: The role of personality, higher-order goals, and job characteristics. *Academy of Management Review, 38*(1), 132-153. <http://dx.doi.org/10.5465/amr.2010.0479>.
- Bass, B. M. & Avolio, B. J. (1994). Shatter the glass ceiling: Women may make better managers. *Human Resource Management, 33*(4), 549-560. <https://doi.org/10.1002/hrm.3930330405>.
- Brynjolfsson, E., & Milgrom, P. (2013). Complementarity in organizations. In R. Gibbons & J. Roberts (Eds.), *The handbook of organizational economics* (pp. 11-55). Princeton; Oxford: Princeton University Press. <https://doi.org/10.1515/9781400845354>.
- Carpenter, M. A. (2002). The implications of strategy and social context for the relationship between top management team heterogeneity and firm performance. *Strategic Management Journal, 23*(3), 275-284. <https://doi.org/10.1002/smj.226>.
- Chiaburu, D. S. & Harrison, D. A. (2008). Do peers make the place? Conceptual synthesis and meta-analysis of coworker effects on perceptions, attitudes, OCBs, and performance. *Journal of Applied Psychology, 93*(5), 1082-1103. <http://dx.doi.org/10.1037/0021-9010.93.5.1082>.
- Chiu, C. Y., Hong, Y. Y., Lam, I. C. M., Fu, J. H. Y., Tong J. Y. Y., & Lee, V. S. L. (1998). Stereotyping and self-presentation: Effects of gender stereotype activation. *Group Processes and Intergroup Relations, 1*(1), 81-96. <https://doi.org/10.1177/1368430298011007>.
- CLP Power Hong Kong Limited. (2019). *Sustainability Report*. <https://sustainability.clpgroup.com/en/2019/>.
- CLP Power Hong Kong Limited. (2020). *Sustainability Report*. <https://sustainability.clpgroup.com/en/2020/>.
- Crotti, R., Geiger, T., Ratcheva, V., & Zahidi, S. (2020). *Global Gender Gap Report 2020*. In World Economic Forum. http://www3.weforum.org/docs/WEF_GGGR_2020.pdf.
- DeArmond, S., Tye, M., Chen, P. Y., Krauss, A., Rogers, D. A., & Sintek, E. (2006). Age and gender stereotypes: New challenges in a changing workplace and workforce. *Journal of Applied Social Psychology, 36*(9), 2184-2214. <https://doi.org/10.1111/j.0021-9029.2006.00100.x>.
- Eagly, A. H., & Johnson, B. T. (1990). Gender and leadership style: A meta-analysis. *Psychological Bulletin, 108*(2), 233-256. <https://doi.org/10.1037/0033-2909.108.2.233>.
- Frieder, R. E., Wang, G., & Oh, I. S. (2018). Linking job-relevant personality traits, transformational leadership, and job performance via perceived meaningfulness at work: A moderated mediation model. *Journal of Applied Psychology, 103*(3), 324-333. <https://doi.org/10.1037/apl0000274>.
- Harrison, D. A. & Klein, K. J. (2007). What's the difference? Diversity constructs as separation, variety, or disparity in organizations. *Academy of Management Review, 32*(4), 1199-1228. <https://doi.org/10.5465/amr.2007.26586096>.
- Harrison, D. A., Price, K. H., & Bell, M. P. (1998). Beyond relational demography: Time and the effects of surface- and deep-level diversity on work group cohesion. *Academy of Management Journal, 41*(1), 96-107. <https://doi.org/10.5465/256901>.

- Heilman, M. E. (2012). Gender stereotypes and workplace bias. *Research in Organizational Behavior*, 32, 113-135. <https://doi.org/10.1016/j.riob.2012.11.003>.
- Hoobler, J. M., Masterson, C. R., Nkomo, S. M., & Michel, E. J. (2018). The business case for women leaders: Meta-analysis, research critique, and path forward. *Journal of Management*, 44(6), 2473-2499. <https://doi.org/10.1177/0149206316628643>.
- Horwitz, S. K. & Horwitz, I. B. (2007). The effects of team diversity on team outcomes: A meta-analytic review of team demography. *Journal of Management*, 33(6), 987-1015. <https://doi.org/10.1177/0149206307308587>.
- Jackson, S. E. & Joshi, A. (2004). Diversity in social context: A multi-attribute, multilevel analysis of team diversity and sales performance. *Journal of Organizational Behavior*, 25(6), 675-702. <https://doi.org/10.1002/job.265>.
- Jackson, S. E., Joshi, A. & Erhardt, N. L. (2003). Recent research on team and organizational diversity: SWOT analysis and implications. *Journal of Management*, 29(6), 801-830. [https://doi.org/10.1016/S0149-2063\(03\)00080-1](https://doi.org/10.1016/S0149-2063(03)00080-1).
- Joshi, A. & Roh, H. (2009). The role of context in work team diversity research: A meta-analytic review. *Academy of Management Journal*, 52(3), 599-627. <https://doi.org/10.5465/amj.2009.41331491>.
- Kaiser, R. B., & Wallace, W. T. (2016). Gender bias and substantive differences in ratings of leadership behavior: Toward a new narrative. *Consulting Psychology Journal: Practice and Research*, 68(1), 72-98. <https://doi.org/10.1037/cpb0000059>.
- Marshall, G. W., Michaels, C. E., & Mulki, J. P. (2007). Workplace isolation: Exploring the construct and its measurement. *Psychology & Marketing*, 24(3), 195-223. <https://doi.org/10.1002/mar.20158>.
- Mulki, J. P. & Jaramillo, F. (2011). Workplace isolation: Salespeople and supervisors in USA. *The International Journal of Human Resource Management*, 22(4), 902-923. <https://doi.org/10.1080/09585192.2011.555133>.
- Pelled, L. H. (1996). Demographic diversity, conflict, and work group outcomes: An intervening process theory. *Organization Science*, 7(6), 615-631. <https://doi.org/10.1287/orsc.7.6.615>.
- Post, C., & Byron, K. (2015). Women on boards and firm financial performance: A meta-analysis. *Academy of Management Journal*, 58(5), 1546-1571. <http://dx.doi.org/10.5465/amj.2013.0319>.
- Ruiz-Jiménez, J. M., Fuentes-Fuentes, M. d. M. & Ruiz-Arroyo, M. (2016). Knowledge combination capability and innovation: The effects of gender diversity on top management teams in technology-based firms. *Journal of Business Ethics*, 135, 503-515. <https://doi.org/10.1007/s10551-014-2462-7>.
- Ryan, M. K., & Haslam, S. A. (2005). The glass cliff: Evidence that women are over-represented in precarious leadership positions. *British Journal of Management*, 16(2), 81-90. <https://doi.org/10.1111/j.1467-8551.2005.00433.x>.
- Talke, K., Salomo, S., & Rost, K. (2010). How top management team diversity affects innovativeness and performance via the strategic choice to focus on innovation fields. *Research Policy*, 39(7), 907-918. <https://doi.org/10.1016/j.respol.2010.04.001>.
- Tiedens, L. Z., Unzueta, M. M., & Young, M. J. (2007). An unconscious desire for hierarchy? The motivated perception of dominance complementarity in task partners. *Journal of Personality and Social Psychology*, 93(3), 402-414. <https://doi.org/10.1037/0022-3514.93.3.402>.
- United Nations. (2021). *Sustainable Development Goals*. <https://sdgs.un.org/goals>.



04

MORE THAN A PHYSICAL SENSE: RE-DEFINITION OF ENVIRONMENTAL SUSTAINABILITY OF SOCIAL-ISSUE-FOCUSED SOCIAL ENTERPRISES (SIFSE)

Lin Wenjia, Lauren
(Year 2 Student in Financial Analysis)

Chung Ho Ying, Holly
(Senior Lecturer, Department of English)

Brandon Wu
(Year 2 Student in Data Science and Business Intelligence)

INTRODUCTION

Social Enterprises (SEs) have become an upward trend in Hong Kong as the number of SEs has increased approximately three times in a decade, with 666 SEs in Hong Kong at the end of 2020 (Social Enterprise Business Centre, 2020). SEs endeavour to solve environmental and social problems through a market-driven approach (Social Enterprise Alliance, 2021). In Hong Kong, 60% of the SEs have objectives focused on social issues which will be known as social-issue-focused social enterprises (SIFSEs) in this study (British Council, 2020). To further define, SIFSEs refer to social enterprises which focus on social problems related to human interests such as employment for the underprivileged and the ageing population (British Council, 2020).

In Hong Kong, in response to the government’s motivation, the majority of SEs’ objectives gravitate towards society-related problems. The largest sources of funding for SEs in Hong Kong are the Social Innovation and Entrepreneurship (SIE) Fund (32%) and the Enhancing Self-Reliance Through District Partnership (ESR) Programme (18%) which are both from the government and are significant sources of finance for early-stage social enterprises (British Council, 2020). The SIE Fund is described from the official website to have “contributed to alleviation of poverty and social exclusion through the unique approaches of facilitating cross-sectoral collaboration and leveraging the social capital of intermediaries” (The

Social Innovation and Entrepreneurship Development Fund, 2021, para. 4). The ESR Programme provides subsidies for eligible SEs to set up or scale up their organisations which focus on the socially disadvantaged to improve their self-sustainability and influence on the community (Policy Initiatives, 2020).

Though there is a limited number of SEs that prioritize environmental sustainability (9%), its importance should not be neglected (British Council, 2020). For example, waste management is a critical problem as landfills could be full several years earlier than expected if waste loads continue to evaluate, and air pollution remains of high concern to the community as Hong Kong has yet to fully achieve the current Air Quality Objectives (Air, n.d.). After all, as defined by the Social Enterprise Alliance, one of the key catalysts for the social enterprise development in the United States, social enterprises are “organizations that address a basic unmet need or solve a social or environmental problem through a market-driven approach” (Social Enterprise Alliance, 2021, para. 2). Considering the maturing development of the social enterprises in Hong Kong, it is high time the environmental concerns were also on the agenda even in social enterprises that primarily focus on addressing social issues. For this reason, this paper explores the involvement of SIFSEs in Hong Kong through their definitions of the “environment”, their motivation for and their practices of environmental sustainability.

LITERATURE REVIEW

SEs, to enrich the depth and the width of their activities, could facilitate their own development and secure their sustainability. Recent studies have also shown that SEs in general demonstrate abilities

more than engaging in addressing social issues. (Bandyopadhyay & Ray, 2019; Junaedi et al., 2020; Ranabahu, 2020; Pasricha et al., 2018). Licite et al. (2020) explain that in Latvia, a study on the performance

of the social enterprises involved in environmental protection showed that other than undertaking environmental issues, the social enterprises also participated in social and economic issues, including the integration and welfare of socially disadvantaged groups along with the development of the region and the urban environment. However, Licite et al. (2020) reveal that the performance and development of social enterprises in Latvia are influenced by the capacity of human resources, the accessibility to funds and the public's attitudes towards environmental problems and lifestyles.

Similar to that in Hong Kong, situations where SEs are led to lean towards socially-focused issues are also seen in other Western and Eastern countries such as the United Kingdom (UK) and Taiwan. Due to the UK's national policies to address its rising unemployment and growing policy attention to the sustainable development agenda at the local level, SEs that have striven to incorporate environmental and social benefits have particularly focused on employment creation and work experience initiatives that target disadvantaged groups and communities (Vickers, 2010). Furthermore, Vickers (2010) explains that though up to a quarter of SEs in the UK identify themselves as contributing to environmental goals, only a small fraction of SEs (5%) recognise the environment as a main focus of their activities. In Taiwan, Chan et al. (2011) describe that the main social mission of SEs is also to create employment and employment-related training opportunities. Chan et al. (2011) further explain that the development of SEs in Hong Kong and Taiwan has been closely associated with the evolution of the political context, and notably with the institutional changes in the environment which have significantly affected the operational efficiency of SE initiatives launched by non-profit organisations (NPOs).

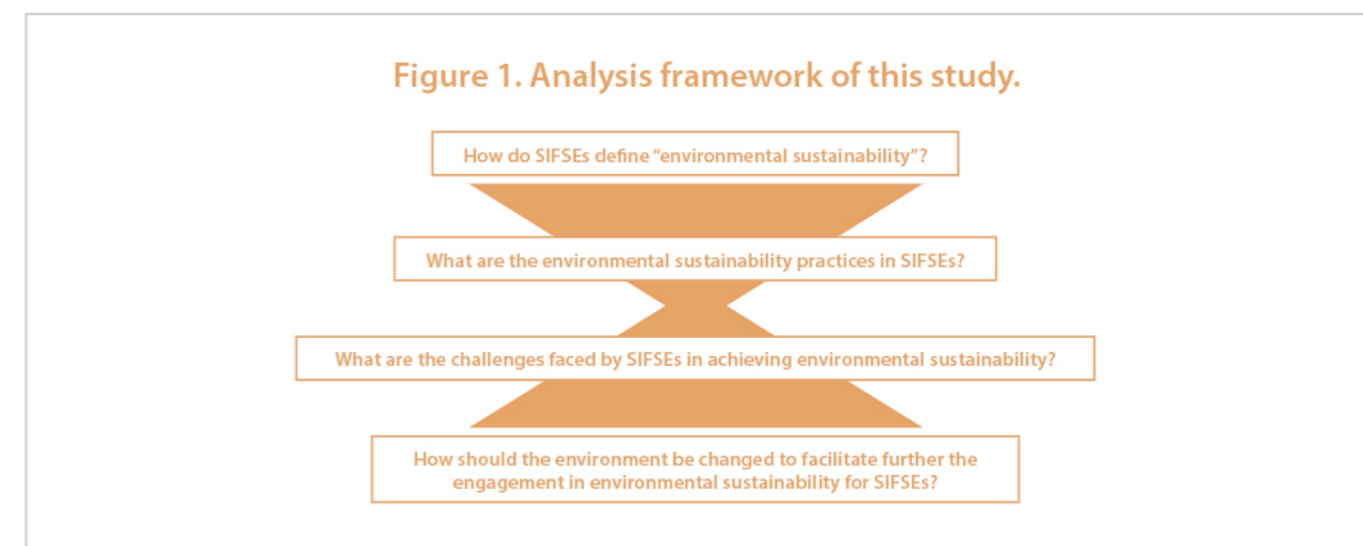
In addition to tackling social issues, it is essential for SEs to address environmental issues, as the environment plays a crucial role in achieving sustainable development. Kim and Lim (2017) explain that sustainability is decided from the collaboration among person-made capital, natural resources, human capital, and social capital. Kim and Lim (2017) further emphasise that weak sustainability regards the four mentioned resources as mutually substitutable concepts, in particular the importance of natural resources is relatively weak, whereas a strong sustainability treats the four resources as not substitutable but complementary. SEs are essential to achieve environmental sustainability as it creates the majority of social innovations that solve social problems by devising new products using appropriate technology or innovating new social service models and working processes, in which the collaboration and the participation of the community is involved (Kim & Lim, 2017).

Chan et al. (2011) further explain that other than SEs that focus on social issues, social enterprises promoting environmental protection are also active in Hong Kong. From the Social Enterprise Business Centre (SEBC), a collaborative platform under the Hong Kong Council of Social Service (HKCSS) that supports local social enterprises and their beneficiaries, Hong Kong SEs contribute to environmental sustainability using social innovations on food waste management, green products, recycling and upcycling, and organic farms (Social Enterprise Business Centre, 2020). Moreover, from a study by Xiong and Mok (2020), the Hong Kong government encourages sustainability practices in higher education institutions by establishing the Sustainable Development Promotion Award to encourage the concept of sustainable development to local undergraduate students and to promote students to form projects for implementing sustainable practices in daily lives.

METHODOLOGY

To further investigate how social-issue-focused social enterprises (SIFSEs) are involved in the environmental sustainability in Hong Kong, this study uses a qualitative approach to investigate the level of engagement, challenges as well as examine the possible limitations of SIFSEs. The data were gathered by utilising semi-

structured interviews. Informed by the analysis framework (Figure 1), this study hopes to provide insights into the development of environmental sustainability, and the possible roles played by businesses, the government, and the community for SIFSEs through Hong Kong cases.



Two interviews were conducted (each being around 120 minutes to allow in-depth sharing) with a representative of the Project Futurus, and a representative of the Social

Entrepreneurship School Education (SEnSE) Program. This study has assigned unique codes for the interviewees to safeguard their confidentiality (See Table 1).

Table 1. Interview Participants

Interviewee	Organisation Name	Nature of organisation
E01	Project Futurus	Target beneficiaries: The ageing population Mission: Product innovation; service design and social reengineering
E02	SEnSE Program	Target beneficiaries: Secondary and tertiary students; young entrepreneurs Mission: Educational; social innovation

The interview for E01 was conducted in English. The interview for E02 was conducted in Cantonese in which the transcripts were translated into English by

the writers with the best intention of adhering to the original ideas of the interviewee.

FINDINGS AND DISCUSSIONS

The findings and discussions derived from the data analysis process are to answer the research question regarding the definitions of the “environment” from the perspective of SIFSEs, their motivations for environmental sustainability, and their related practices.

Definitions of the “Environment”

While the two interviewed social enterprises shared the similarity of addressing their respective social calling fundamentally, another equally important facet, environmental sustainability, was presented to them, hoping to learn about their definitions. The two interviewees showed the same tendency of broadening the traditional definition of the “environment”. In addition to the physical sense, “environment is not just a physical element, but also the social awareness, the cultural aspect, and the language (how people address the elderly). They are all equally important” (E01). The other interviewee whose organisation acts as an agency between young entrepreneurs and start-up social enterprises similarly remarked that the definition of the “environment”, to them, is broad and flexible. After all, E02 pointed out one important fact that social enterprises in Hong Kong are under the supervision of the Home Affairs Bureau (HAB) of the Hong Kong Special Administrative Region Government. The HAB sets different objectives to achieve through their various funding schemes every year. As a result, E02 shared that if it so happens to have environmental sustainability being part of the funded goals, their SIFSEs would act accordingly. However, E02 stressed that the issues relating to the “environment” tend to be in the Environmental Protection Department’s territory relatively more in Hong Kong. The way they understand the environment will vary from the requirements of different partners, which are the financial sources of their social enterprises

and also the young seeking their advice on their social enterprise proposals and execution.

The broadened definitions of the “environment” by both interviewees echo Licite et al.’s (2020) insights that developing the regional and urban environment could also foster the welfare of the social enterprises’ target groups, namely the socially disadvantaged. For example, E01 stated that they source materials for their innovative soft meals and contemporary ageing-friendly interior designs, facilities and equipment in an environmentally-responsible manner, namely from suppliers, locally and internationally, who show a track record of adhering to environmental sustainability. E01, however, reiterated that their “smart-ageing” social mission could be considerably quite distant from the environmental concerns promoted by the concerned units in the government or in the community. The social enterprise of E01, according to the interview, is “doing everything they can to protect the environment”, still. This, in fact, coincides with the realistic concern raised by Licite et al. (2020) that social enterprises, whether the environmental sustainability is their primary mission or not, are developing, subject to a myriad of factors, on top of their missions and visions, such as the mainstream attitudes towards environmental problems, and the lifestyles prevalent among the public. That could further explain why E01 advocated a three-dimensional definition of the environment: physical, social and cultural.

Motivation for Environmental Sustainability

According to both interviewees, the motivation for their social enterprises’ environmental sustainability measures stems from their inherent drive to protect the environment. This is especially true when

compared with profit-making companies: “Unlike the commercial corporations, approaching corporate social responsibility (CSR) is our day-to-day work so we did it on a daily basis” (E01). Similar to E01 whose social enterprise is not primarily built towards the goal of environmental protection, E02 considered themselves an influencer and an educator when being asked about their commitment and engagement in environmental sustainability. They are devoted to providing young social enterprise entrepreneurs with financial assistance, practical training and advice on their proposals to set up worthwhile social enterprises. If environmental protection and sustainability happen to be in the proposals, E02 would encourage the execution.

Intrinsic motivation can be located in both interviewees, regarding their drive for playing their parts in protecting and sustaining the environment. Based on Ryan and Deci’s (2001) categorisation of extrinsic and intrinsic motives, both interviewees, in their respective way, are showing internally based motives where their SIFSEs adopt an integrated approach and their broadened definitions of the “environment” to sustain not only the environment but also their own enterprises. Their intrinsic motivation can also find resonance in the relationships among the four resources constituting Kim and Lim’s (2017) definition of sustainability, namely person-made capital, natural resources, human capital and social capital, as reviewed above. To Kim and Lim (2017), these four sources should complement each other to form strong sustainability. Therefore, the intrinsic motivation shown by both interviewees could be the catalyst for a truly sustainable cause for environmental protection: the interviewees, in the leading position in their own SIFSEs can be considered the person-made capital providing the long-term visions for their enterprises and the staff (human capital) to strive for their socially-oriented goals (social capital). The

environmentally-conscious deployment of natural resources is embodied in their day-to-day decision-making, routines, and operations. As a result, compared to some for-profit companies which might be subject to external regulations (Ryan & Deci, 2001) to perform CSR, SIFSEs could even be enjoying relatively more flexibility and autonomy in their journey of environmental sustainability.

While both interviewees reiterated that environmental sustainability might not be on top of their agenda and there could be some other governmental or non-governmental units devoted to such a cause, it is noteworthy that the intrinsic value both attached to the importance of their definition of the “environment” could have already made them a long-term advocate for environmental sustainability. CSR may not need to be explicitly mentioned or promoted, since committing themselves to bettering the city in their best capacity is how their enterprises came about in the first place.

Practices of Environmental Sustainability

Rather than making CSR part of their social enterprise’s an obligatory target like one of those for-profit companies, E01 exemplified their enterprise’s commitment to protecting the environment through their daily operations, such as recycling without waste, making garbage classification, choosing low carbon dioxide products, and selecting partners with the same environmentally-friendly goals. While stressing that “recycling without waste is not a KPI for us to evaluate our enterprise”, the incorporation of environmental sustainability measures into their daily routines matches E01’s own definition of CSR: “Corporate social responsibility is not only about the physical environment and it’s also about social and mental change and the culture change”.

E02, adhering to the roles of an influencer and an educator as mentioned above, engages themselves in environmental sustainability through supporting the young to implement their social innovation, advertising on the media and holding workshops to educate the public. "While figuring out the people-oriented problem, the environment side could also be benefited", E02 also stated.

In social-issue-focused social enterprises (SIFSEs) as focused in this paper, it should be expected that their environmental sustainability practices come only secondary. As a matter of fact, similar to Vicker's (2010) above-reviewed remark that environmental-issue-focused social enterprises in the UK are the minority, in Hong Kong, environmental sustainability promoted by social enterprises in general is not being singled out, but inherently incorporated in the running of the

enterprise as a whole. Built upon their definition of the "environment" and their intrinsic motivation for environmental sustainability, E02 stressed that it is the mindset change and the enhancement of social awareness to which their SIFSE is devoted. E02 also made a note that their one single unit may not be strong enough to make any significant difference in the macro policies mapped out by the government for environmental protection or sustainability. This can find support in Chan et al.'s (2011) remark on the development of social enterprises in developed cities such as Hong Kong and Taiwan where political factors or the political environment has a major role to play in enacting environmental policies or any changes in such an area. However, E02 still believed in their influencer and educator roles, going hand in hand with the decision-makers and policymakers, as well as advocates of environmental friendliness in all walks of life.

CONCLUSION AND IMPLICATIONS

The findings and their discussions have pointed to the multi-layered roles played by social enterprises in Hong Kong. Targeting only two SEs whose primary missions are to promote a new understanding of dignified ageing, and to assist the young entrepreneurs in establishing and sustaining their social enterprises, this study has already revealed the inseparable roles they are in fact playing in promoting environmental sustainability, in their own unique ways.

Given the small sample size, further studies are needed to increase the validity of the implications. Future research can be conducted in form of a case study consisting of not only semi-structured interviews but also analysing the official documents or statistics provided by interviewees, as well as related news to exemplify the development of the concerned social

enterprises or their target beneficiaries. Another potential research direction will be interviewing more social enterprises in Hong Kong, with representatives from different target beneficiaries ideally, so as to result in a relatively larger scale qualitative study outlining the different or even evolving focuses of a wider variety of social enterprises.

From their definitions, or redefinitions of the "environment", their motivation for environmental sustainability, to the practices implemented to better this city in their own ways, the two interviewees' sharing still manages to reveal that fulfilling their social missions explicitly or implicitly involves environmental concerns, such as sourcing materials, choosing collaborators, and funding budding social entrepreneurs with a legitimate environmental cause. The above story,

however, may also unfold a relatively sorry state that social enterprises in Hong Kong are being situated in quite an uphill battle: Not only do they need to keep themselves financially sustainable, they also need to underline their primary missions to solve social problems while not completely neglecting the need to address environmental concerns from the public or their own stakeholders, not to mention the fact that the financial assistance each social enterprise receives from the government is limited and competitive. And social enterprises in Hong Kong may not have the luxury enjoyed by some large-scale for-profit companies in which Corporate Social Responsibility (CSR) could be one of their key performance indicators and so there could be a significant budget allocated to this particular cause, engaging their staff in voluntary or community services. However, the broadened definition of the "environment" and the intrinsic motivation embodied in the interviewed SIFSEs in this study illustrate that CSR should be more than an obligation, or even merely a "performance" to gain recognition from the public. On the contrary, riding on an insight shared by one of our interviewees, E02 to be exact, it is hoped that in the foreseeable future, the notion of social or environmental sustainability shall no longer be singled out or discussed as whether certain

companies are doing it, but it shall orient, naturally, part of how each organisation, regardless of their size or nature, shall operate. One suggestion could be encouraging synergies among different units or departments in the government, such as between the Home Affairs Bureau and the Environmental Protection Department, ranging from allocating resources or subsidies, identifying the needs where social and environmental concerns are equally important and mapping out the development of SEs accordingly.

This study also points to a possible cooperation across different social enterprises, despite their different target beneficiaries and missions. With their operational autonomy respected, synergy could be maximized especially among SIFSEs to identify common environmental goals to achieve and to pull resources together. This suggestion could echo the fact that environmental concerns may not be of the SIFSEs' top priority. Therefore, collaboration and coordination within SIFSEs, despite their different target beneficiaries could actualise the broadened notion of environmental sustainability, as insightfully pointed out by the two interviewees, to encompass the sustainable development of social, cultural and physical environments.

References

- Air. (n.d.). Environmental Protection Department. Retrieved April 07, 2021, from https://www.epd.gov.hk/epd/english/environmentinhk/air/air_maincontent.html.
- Bandyopadhyay, C., & Ray, S. (2019). Responsible marketing: Can social enterprises show the way? *Journal of Nonprofit & Public Sector Marketing*, 31(2), 164-183. <https://doi.org/10.1080/10495142.2018.1526738>.
- British Council (2020). *The state of social enterprise in Hong Kong*. <https://www.socialenterprise.org.uk/international-reports/the-state-of-social-enterprise-in-hong-kong/>.
- Chan, K.T., Kuan, Y.Y., & Wang, S.T. (2011). Similarities and divergences: Comparison of social enterprises in Hong Kong and Taiwan. *Social Enterprise Journal*, 7(1), 33-49. <https://doi:10.1108/17508611111130149>.
- Junaedi, I. W. R., Damayana, I. W., & Waruwu, D. (2020). Social enterprises through traditional cooperation: Love, joint responsibility, portfolio, and wellbeing. *Technium Social Sciences Journal*, 12(1), 333-346.
- Kim, D., & Lim, U. (2017). Social enterprise as a catalyst for sustainable local and regional development. *Sustainability*, 9(8), 1-15. <https://doi:10.3390/su9081427>.
- Licite, L., Perkune, L., & Auzina, A. (2020). Role of social entrepreneurship in tackling environmental problems. *Proceedings of the 20th International Multidisciplinary Scientific GeoConference: Surveying, Geology and Mining, Ecology and Management (SGEM)*, 20(5.2), 431-438. <https://doi:10.5593/sgem2020/5.2/s21.053>.
- Pasricha, P., Singh, B., & Verma, P. (2018). Ethical leadership, organic organisational cultures and corporate social responsibility: An empirical study in social enterprises. *Journal of Business Ethics*, 151(4), 941-958. <https://doi.org/10.1007/s10551-017-3568-5>.
- Policy Initiatives*. (2020). Home Affairs Bureau. https://www.hab.gov.hk/en/policy_initiatives/policy_initiatives.htm.
- Ranabahu, N. (2020). 'Wicked' solutions for 'wicked' problems: Responsible innovations in social enterprises for sustainable development. *Journal of Management & Organisation*, 26(6), 995-1013. <https://doi.org/10.1017/jmo.2020.20>.
- Ryan, R. M., & Deci, E.L. (2001). On happiness and human potentials: A review of research on hedonic and eudaimonic well-being. *Annual Review of Psychology*, 52, 141-166. <https://doi:10.1146/annurev.psych.52.1.141>.
- Social Enterprise Business Centre. (2020). *SE Directory 2020/21*. <https://www.hkcss.org.hk/>.
- Social Enterprise Alliance. (2021). *Social Enterprise: What is Social Enterprise?* <https://socialenterprise.us/about/social-enterprise/>.
- The Social Innovation and Entrepreneurship Development Fund. (2021). *Our Performance*. <https://www.sie.gov.hk/en/who-we-are/performance.page>.
- Vickers, I. (2010). *Social enterprise and the environment: A review of the literature*. Working Paper. Third Sector Research Centre. Middlesex University.
- Xiong, W.Y., & Mok, K. H. (2020). Sustainability practices of higher education institutions in Hong Kong: A case study of a sustainable campus consortium. *Sustainability*, 12(2), 452-466. <https://doi:10.3390/su12020452>.

The Hong Kong University of Hong Kong

BR *Business
Review*