



Faculty of Business Administration

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Management

“Trade and Investment Opportunities for Chinese entrepreneurs in the VIP countries (Vietnam, Indonesia and Philippines)”

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Abstract

1. Management by Mission

Mr. William George--2001 Academy of Management Awardee of the Distinguished Executive of the Year Award and Chair and CEO of Medtronic--said that "when a company offers its employees a sense of mission consistently over time--without deflection or hesitation--the employees end up accepting the mission and committing themselves to it." According to IESE Business School Professor Dr. Pablo Cardona and Dr. Carlos Rey, this "commitment leads to innovation and excellence in customer service, which eventually leads to higher profits." These two authors have introduced a new paradigm in the management of business. They call it "Management by Mission."

The crisis experienced by the whole world during the recent Great Recession can be significantly attributed to the fact that many companies these days have lost their sense of mission or just merely pay lip service to it. Without a sense of mission, many companies end up as pursuing purely financial objectives. What the recent financial meltdown has taught the practitioners of capitalism is that despite the controls and regulations, the wanton pursuit of purely financial objectives has led many companies and their leaders to totally disregard risks, their fiduciary responsibilities and basic norms of prudence. Management by Mission goes much beyond the much-used Management by Tasks or Results and Management by Objectives.

The lecture to be given by Dr. Bernardo M. Villegas will orient students, professors and practitioners of business to this new management paradigm and how it can be operationalized in companies in China. The theory will be complemented with concrete examples of companies practicing management by mission in different parts of the world.

2. Investment Opportunities in the ASEAN for Chinese Companies

Together with the two giant economies in Asia--China and India--the Association of Southeast Asian Nations (ASEAN) constitute the most attractive emerging markets for investments in the next ten to twenty years. The ASEAN is made up of ten countries with a total population of more than 600 million. Three of them alone--Vietnam, Indonesia and the Philippines, which are being increasingly referred to as the VIP countries--can offer over 400 million consumers. In fact, these three countries are included in the famous list of the Next Eleven crafted by economists at Goldman Sachs some ten years ago. The next eleven emerging markets are projected to follow closely the original BRIC (Brazil, Russia, India and China), emerging markets that will experience the most rapid growth in the demand for all types of consumer goods and services as well as in the construction of physical infrastructures such as road, bridges, airports, seaports, power plants, telecom facilities and railways.

With the exception of Singapore, the ASEAN countries are rich in natural resources, such as agricultural lands, petroleum and mineral ores. In addition, many of them--such as the VIP countries--have a rapidly growing middle class that is creating a consumption boom. Their respective population are still predominantly young and are not suffering from the demographic winter that has already descended on such Northeast Asian territories such as Japan, South Korea, and Taiwan. Complementing the large domestic markets is the abundance of inexpensive manpower that can be tapped by Chinese factories that are already experiencing labor shortages in the key industrial cities of China.

The high-growth industries in the ASEAN that can be very attractive for Chinese investors are agribusiness, mining, infrastructures, logistics, tourism, transport, telecom, fashion, furniture, the creative industries, health care, education, energy, real estate and housing. These are the sectors that respond very favorably to the growth of the middle class that will be expanding rapidly in these countries. These are also the sectors in which there is much that can be learned from modern Chinese technology and can yield the highest returns on the capital with which the Chinese economy is well endowed.

Date: April 14, 2011 (Thursday)

Time: 10:00 – 13:00

Venue: J206

ALL ARE WELCOME!