When we think of Hong Kong as a vibrant business city, we talk about its assets such as its pool of professional talent, modern infrastructure, and strong business culture. As we look for ways to stay competitive, through upgrading our talent pool and strengthening our business culture, we have to talk about the importance of quality education for executives.

The HKUST Business School has been keen to play its part in supporting Hong Kong as an international business hub. We have set our sights on a similarly global level.

One example is our joint Executive MBA program with the Kellogg School of Management of Northwestern University. Launched in 1998, it was the first executive degree program of similar international stature available in Asia. We have taken pride in bringing our partner school, Kellogg, into the region and building with them what is now a world-acclaimed executive MBA program based in Hong Kong.

In April this year, the program will be holding a series of events to celebrate its first five years of success. We welcome your participation.

We are also developing our MBA program in a similar direction. In the latest Financial Times rankings, the program has again been selected as number one in the world in terms of the international experience offered. Our faculty, in addition to being ranked number two for its international diversity, also won the School a world top 20 position for research output and quality.

These achievements are a direct result of the unique culture that the School has built in its decade-long history. To realize the School’s potential so that it can continue to grow as an underlying force in support of Hong Kong’s future development, this culture must be preserved. I look forward to having continued support from the government, the business sector, the public and the HKUST Business School community.

K.C. Chan
Dean

From the Dean
The School continued its strong showing in international rankings by being chosen by the Financial Times as the top business school in Asia and Australia offering a full-time MBA for the second year running.

Its strength in research proved key, with a global position of 20th in this field, up six places from last year, and in front of some well-known US research-focused schools. It also ranked first in the world for the international experience its MBA program offers and second for its international faculty.

“The good news is that it [HKUST] retained its top slot in Asia. Perhaps the biggest contributing factor was its research rank ... despite having a faculty of just 92, half the number of most of the big US schools,” the Financial Times reported.

That ranking looks even better when compared to only publicly-funded institutions. Then the School comes in 6th, the same position achieved for “employment at three months of graduation” for its recent MBA graduates.

The Financial Times used three broad dimensions – purchasing power in the marketplace, diversity of experience and research qualities – to produce by far the most comprehensive head-to-head comparisons of business schools worldwide.

Only five Asia-Pacific business schools made the Financial Times list with 56 from the US and 28 from Europe. Melbourne Business School came closest to HKUST at 64th with Chinese University of Hong Kong at 77th.

HKUST president Professor Paul Ching-Wu Chu said: “Amid the economic challenges facing Hong Kong, we are very pleased to see the School has held up its position as the top school in Asia and Australia in the rankings.”

HKUST was ranked alongside the best in the world and top in Asia and Australia in economics and financial research in two independent international studies, winning praise from both sets of authors.

The university led the regional institutions in the “Rankings of Academic Journals and Institutions in Economics”, a study conducted between 1995 and 1999 and submitted to the official journal of the European Economics Association.

It was placed 37th in a list of 200 universities worldwide according to research output in 30 of the most important economics journals, in the same league as such major research institutions as the University of Southern California (36th), Ohio State University (38th), Cambridge (39th) and Oxford (40th).

The region’s rankings impressed the authors, Pantelis Kalaitzidakis of the University of Crete, Theofanis Mamuneas of the University of Leicester and Thanasis Stengos of the University of Guelph in Canada. “It is interesting to note the presence of the Asian universities that appears in the group of the top 200,” they wrote in their paper. “In particular, we note that one university from Hong Kong [HKUST] is placed in the top 50.”

The university also topped the regional rankings in a study on financial research output submitted to Financial Management, a journal published by the Financial Management Association International. Its authors, Kam Chan, Carl Chen and Thomas Steiner of the University of Dayton, selected 100 of the world’s most productive universities in finance research between 1996 and 2001.

HKUST came 34th, beating the only other two regional representatives, the University of Auckland (65th) and the Chinese University (89th), when results in the world’s top three financial journals, the Journal of Finance, the Journal of Financial Economics and the Review of Financial Studies, were dissected. It rose to 19th globally when the study was widened to the top 16 financial journals.

Again the authors gave special mention to HKUST, highlighting it as one of “only three non-North American institutions in the top-50 ranked institutions,” together with the London Business School and the UK’s City University Business School.

Researchers Win Top Rankings

The Top 5 Universities in Asia and Australia in the Economics Research World Rankings (1995-1999)

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<th>Universities</th>
<th>World Rankings</th>
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<td>HKUST</td>
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<td>Australian National U</td>
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<td>U of New South Wales, Australia</td>
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<td>Chinese U of HK</td>
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<td>Osaka U, Japan</td>
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Positions of Universities in Asia and Australia in the Finance Research World Rankings (1996-2001)

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<th>Universities</th>
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<td>HKUST</td>
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<td>U of Auckland, New Zealand</td>
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Nine prestigious mainland universities are joining the exchange program for business undergraduates this spring, further expanding the list of countries whose schools and universities are providing students with the global perspective and international outlook essential in business and management today.

The universities of Fudan, Nanjing, Peking, Shanghai Jiaotong, Sun Yat-Sen, Tsinghua and Zhejiang, the University of Science and Technology of China and Harbin Institute of Technology are now part of an initiative that started in 1995.

In that first year 19 students went overseas and two were hosted on campus. In 2002-03 those numbers have increased to 171 and 162 respectively, with a target of 250 in each category for 2003-04.

There are 36 partner institutions in North America alone, including the Stern School of Business at New York University and nine of the University of California’s top schools. Seventeen are based in a wide range of European countries with others in Australia, Singapore, South Korea and Thailand.

Ninety-four new members have been recruited to the Beta Gamma Sigma HKUST Chapter, which honors academic achievement and encourages moral leadership and good practice in business.

The top 10 per cent of undergraduates, the top 20 per cent of postgraduates and eligible PhD students were among those recruited, along with faculty members who have been awarded tenure or have been with the School for more than six years.

Three prominent business executives also were inducted into the HKUST Chapter. T.C. Chan is country corporate officer of Citibank Hong Kong. Dr Jinbao Liu is vice-chairman of the Bank of China, vice-chairman and chief executive of the Bank of China (Hong Kong) and chairman of Nanyang Commercial Bank. And Peter Woo is chairman of the Trade Development Council, Wheelock and Company, and Wharf (Holdings).

The president of the HKUST Chapter, Professor Gary Biddle, said membership in Beta Gamma Sigma offered long-term benefits.

"In addition to recognizing scholastic achievement, this year’s newly inducted honorees and members can tap into the globally expanding Beta Gamma Sigma network," he said.

Beta Gamma Sigma was founded as an honor society in the United States in 1913 and has more than 400,000 members and 374 chapters worldwide.

Twenty students joined the Business Mentoring Program in January, taking up an opportunity to learn from business people working in the field.

The 20 “mentee” students are paired with mentors who are either HKUST MBA alumni or come from Friends Unlimited, a non-profit organization which advocates volunteering.

Students are expected to show initiative in developing a relationship with their mentors. Mentors, meanwhile, are asked to share their experiences and be sounding boards for students.

The mentoring program is in its fifth year and each session lasts for six months.

For the Best in Business... The newly inducted honorees are, from left, Chi Zhu, deputy chief executive of Bank of China (Hong Kong), representing Jinbao Liu, Peter Woo and T.C. Chan.
Families Go Back to School

Families in business operate in the same commercial world as the rest of us, but the challenges and opportunities they face can differ. These were addressed at a one-and-a-half day Family Business Program at the School in December – the first of its kind in Asia – where cutting-edge knowledge of their operating environment was offered by Professor John Ward, of the Kellogg School of Management, a world-class expert in the field. Professors T.J. Wong and Surendra Mansinghka from the School added an Asian perspective. Key facets of family business success, exploiting special competitive advantages, corporate governance and succession planning were explored.

Attendance was by invitation to select family businesses only, with founders, successors, senior executives and family shareholders welcomed.

Programs Bring Business Leaders to Campus

Three company chairmen spoke recently to students and participants in the School’s programs on the HKUST campus.

In February, Ronnie Chan, chairman of Hang Lung Group and Sir Gordon Wu, chairman of Hopewell Holdings, shared their insights in leadership in an age of change with 40 senior government officers (all at various directorate grades). The group was attending the School’s “Leading Change Program” for working executives.

Chan spoke on “How Did I Deal with the Rise of China – and Changes in Hong Kong”, while Sir Gordon’s topic was “Hong Kong at the Crossroads”.

On 1 March, the MBA Saturday Luncheon Speakers Series featured Thomas Kwok, vice chairman and managing director of Sun Hung Kai Properties. Kwok explained the key factors contributing to the company’s success through the topic, “Purpose, Products and People – How SHKP Seeks to be the Best”.

Rowse Looks to the Future

The colorful Mike Rowse, director-general of Invest Hong Kong and a 30-year resident here, shared his views on the Future of the Hong Kong Economy at an MBA Alumni City Seminar held at the Hong Kong Bankers Club in late fall.

InvestHK was established by the government with Rowse at its head in July 2000 to strengthen Hong Kong’s position as the leading international business center in Asia through promotional activities and providing assistance to corporations and individuals looking for direct investment opportunities.

His hosts at the dinner function were Lawrence Liu, president of the HKUST MBA Alumni Association and Professor Steve DeKrey, the School’s associate dean and MBA/EMBA director.
Fifth Anniversary for EMBA

The Kellogg-HKUST EMBA program is celebrating its fifth anniversary with a conference, dinner and reunion for graduates.

With the incoming sixth class, the total number of graduates and students stands at 269. Diversity is a defining feature of the participants of the program.

The EMBA program was named the best EMBA in Asia in a survey by Chief Executive China.

Founders and leaders sent a joint e-mail to students, alumni, colleagues and friends, thanking them for helping to create a world-class EMBA and outlining the celebrations, which will be held 11-13 April.

“Students and alumni are what will define the stature of our program. Being part of this group, you have helped build the program and will remain an important member of this family,” said the e-mail, signed by the founding dean of HKUST Business School Prof Yuk-Shue Chan, the current dean, Prof K.C. Chan, the former dean of the Kellogg School of Management, Prof Donald Jacobs, the current dean, Prof Dipak Jain, and the HKUST associate dean and founding director of the EMBA program, Prof Steve DeKrey.

The program lasts for 16 months, with classes twice a month on Friday afternoons, Saturdays and Sundays. Participants also attend two live-in sessions, one at HKUST and one on the Kellogg campus at Northwestern University where they mix with other EMBA students from Kellogg partner schools.

EMBA is Top in Asia

Magazine survey advises Chinese managers that HKUST is the best

Behind HKUST in the overall rankings were the University of Chicago Graduate School of Business Asia Campus; National University of Singapore Business School; Richard Ivey School of Business (Asia Campus), University of Western Ontario; and Nanyang Business School, Nanyang Technological University.

The Kellogg-HKUST EMBA came top of the magazine’s overall 2002 ranking after 45 key programs in the region were assessed for reputation, faculty strength and student quality.

Deans of the 45 participating institutions were asked to vote on program reputation while the magazine judged the other two categories itself. EMBAs from the Mainland were not included because most were only introduced recently.

Source: Chief Executive China 12/2002
Students Take Flight

More students than ever are jetting into Hong Kong to attend the Kellogg-HKUST EMBA program, bolstering its reputation as the top program of its kind in the region.

Thirty-five per cent of the sixth intake come from outside Hong Kong. The average student has 15 years’ experience and earns US$210,000 per year. The 52 students on the program come from such employers as the Bank of Bermuda, Corning China, Federal Express, HSBC, Joyce Boutique Holdings, Motorola Asia Pacific and Vivendi Water.

Executives from Mainland China are showing a growing interest, with 18 per cent of this year’s intake coming from there versus eight per cent when the program was launched in 1998.

Top-level Toast to Program’s First Five Years

Internationally prominent speakers and current developments globally and in the region are the main ingredients of a key, one-day conference being organized by Kellogg-HKUST EMBA program in April as a tribute to the ongoing support of the two partner schools followed by a dinner to toast the fifth anniversary of the program’s founding.

The Kellogg-HKUST EMBA Program 5th Anniversary Management Conference, at the Conrad Hotel on 11 April, includes among its panelists leading scholars from world-renowned business schools, economists from award-winning international financial institutions, chairpersons and CEOs of major companies and other leaders in the business community.

They will focus on important issues relevant to organizations developing their business operations in Asia under the theme “Rethinking Asia: Prospects for the Future”.

Topics include “Asia and the West, Walking Together or Drifting Apart?” in which speakers will share their views on the economic outlook for Asia, Europe and the US in the second half of 2003, taking into account the Iraqi and North Korean situations. Asia’s changing relationship with its economic partners will be discussed.

“Coping with China’s Rise” will look at the implications for the region of China’s dramatic growth as a manufacturing center. Challenges and opportunities in the PRC will be included in “Winning in China, Perspectives and Strategies”. Hong Kong’s changing role will be dissected in “Straight Talk – a Dialogue with Hong Kong’s Business Leaders”. Ample time will be given for questions from the floor.

Invest Hong Kong will serve as principal sponsor. The Hang Lung Group will act as supporting corporate partner with the Asian Wall Street Journal and Far Eastern Economic Review as media sponsors.

The program’s successful first five years will be celebrated at an anniversary dinner that evening in the ballroom of the Conrad Hotel.
Five Professors Win Teaching Award

Fine work by five professors during winter 2001 and spring 2002 was recognized in a ceremony at the school board meeting last November in which they were awarded the HKUST Business School Franklin Prize for Teaching Excellence.

Conference Calendar

Upcoming conferences at HKUST cover finance, statistics and business research, including:

March
- Finance Symposium, from 27-29 March, hosted by the department of finance.

This inaugural symposium takes Corporate Finance as its theme, with 13 papers being presented and a distinguished list of guest academics leading discussions on organization capital and resource allocation; financial constraints and capital structure; financial constraints and investments and economic activity; incentives and organizational structure.

July
- The Bernoulli Society EAPR Conference, from 10-12 July, hosted by the University under the auspices of the East Asian and Pacific Regional Committee of the Bernoulli Society, an autonomous section of the International Statistical Institute.

Among the keynote speakers are academics from the University of California at Berkeley, Harvard University and the Chinese Academy of Sciences in Beijing. An impressive list of participants has already been confirmed.

December
- The Second Asian Conference on Experimental Business Research, from 16-19 December, hosted by the Center for Experimental Business Research.

This conference will bring together leading minds in the experimental business research field from around the world. Papers will be presented by invitation. The event is open to researchers and students from Hong Kong and further afield.

Thong Joins Editorial Board

James Thong’s distinguished research record and outstanding review work for MIS Quarterly have won him an invitation to serve as an associate editor of the prestigious University of Minnesota publication.

The associate professor in the department of information and systems management will serve for three years on the editorial board of what is seen as one of the top three information systems journals worldwide, ranking alongside Information Systems Research and the Journal of Management Information Systems. Such positions are usually reserved for established scholars or rising stars in their fields.

Telecom Policy under the Microscope

A unique review and analysis of the evolution of Chinese telecommunications policy forms the basis of a new book co-authored by Professor Yan Xu of the department of information and systems management.

Chinese Telecommunications Policy, published in the Artech House Telecommunications Library series, contains first-hand information obtained from interviews with senior figures in the Chinese telecommunications industry.

Professor Xu analyzes the strengths, weaknesses, opportunities and threats facing new entrants, along with issues of ownership, the broad economic background of 3G licensing and implications of WTO accession.

The considerable problems remaining to be solved as a result of the weakness in the sector’s industrial and regulatory systems are highlighted.

Professor Xu’s work has earned high praise from Professor Gary Madden, associate editor for Information Economics and Policy and director of the Communications Economics and Electronic Market Research Center of the Curtin Business School in Australia. The book, he says, “is regarded as the benchmark in the analysis of contemporary Chinese telecommunications policy”.

MBA Required Courses
- Gary Katzenstein: Assistant Professor, Management of Organizations

MBA Non-Required Courses and MSc Teaching
- Rami Zwick: Professor, Marketing

Year One Teaching
- Ki Ling Cheung: Associate Professor, Information and Systems Management

Year Two Teaching
- Jaideep Sengupta: Associate Professor, Marketing

Year Three Teaching
- Dilip Soman: Associate Professor, Marketing
In the wake of Enron and WorldCom, the relationship between auditors and their clients has come under scrutiny. But there has been little research into the origins or impacts of close affiliations between the two.

Professor Clive Lennox of the department of accounting took this as his starting point when he set out to research “Executive Officers’ Affiliations with CPA Firms: Causes and Consequences for Audit Quality”.

He focused on the phenomena of company executive officers who previously worked for their company’s audit firm. Perhaps not surprisingly, he found these relationships skewed the results of audits. They were more likely to come out “clean” and less likely to reveal problems.

“Regulators are concerned that affiliations might impair audit quality and, consistent with these concerns, I find affiliated companies are significantly more likely than non-affiliated companies to receive clean audit opinions,” he said.

Close ties affect results
In fact, 80.6 per cent of the companies in his study who employed affiliated executives had clean audits, versus 62.8 per cent of companies who had unaffiliated executives with prior CPA experience, and 59 per cent of companies whose executives had no CPA experience.

The data for the study came from Securities Exchange Commission registrants who were recorded in Compustat from 1995-98. There were 28,292 audit opinions. Given time and financial restraints, Professor Lennox focused on the 3,923 companies most likely to deserve unfavorable opinions, based on variables studied elsewhere and found to be significant such as profitability, liquidity and company size.

The number was whittled down to 325 companies who employed executives affiliated with their auditors. Apart from finding that the companies were more likely to receive clean audits, Professor Lennox also found the type of affiliation had an impact.

Some 71.3 per cent of affiliated executives had previously worked for their company’s auditor, while 28.7 per cent had “alma mater” affiliation – after starting work for their company, the company had switched auditors and appointed their former CPA firm.

Alma mater affiliations had the biggest impact on results, with 88.4 per cent of these companies producing clean reports, versus 79.1 per cent of companies with employment affiliations.

“Employment affiliations are a valid cause of concern for regulators, as they are relatively common and they impair audit quality. However, regulators should also be concerned with alma mater affiliations which, despite being less common, have a highly significant negative impact on audit quality,” he said.

Risks for independence
Professor Lennox suggested several reasons as to why affiliations might affect audit outcomes. For example, if a potential executive is negotiating a lucrative employment contract with a client – while still employed by the audit firm – he or she might be unwilling to confront the client with management problems uncovered during the audit.

Once the person leaves, audit team members might be overly friendly or respectful to their former colleague, which again might affect whether the client is confronted about problems. Or the former colleague might be familiar enough with the audit firm’s procedures to circumvent them.

“Executive affiliations might impair quality by reducing the likelihood of problem discovery and/or reducing auditor independence,” Professor Lennox said.

Also significant was the fact that affiliated executives were more likely to leave the firm within one year after an unfavorable audit opinion. And those firms with favorable opinions saw a less-than-normal attrition rate among their affiliated executives.

The findings confirm the beliefs of regulators, such as those behind the US Sarbanes-Oxley Act, that auditors and clients must be kept independent. Under the Act, former employees of a company’s audit firm must wait one year until they are allowed to be employed as CEOs or executives in accounting or finance positions by that firm.

Professor Lennox concluded his findings raised three issues worthy of further exploration. One was that audit firms might try to reduce the impact of affiliations on audit quality. A second issue was the need for further research into whether employment affiliations impair audit quality before the individual leaves the audit firm. Finally, there was the need to look at healthy companies and compare the results.

“Audit opinion reporting is just one dimension of audit quality, so future research might investigate alternative consequences for financial reporting such as the propensity for companies to engage in earnings management,” he said.
Studying overseas is a great opportunity for students to be exposed to new cultures and ideas. But it can also leave them exposed to challenging environments.

Wind and snow were the main downsides of otherwise enriching experiences, students reported.

Joanna Wong, a recent full-time MBA graduate, spent four months at the Kellogg School of Management in Chicago where the windy city more than lived up to its reputation.

“The weather was the main drawback, it was very windy and cold,” she said, but added the rest of the program made it all worthwhile.

Wong found friends who not only came from other countries, but also had experience in pharmaceuticals, an industry she is hoping to work in.

“I made a lot of friends from very diversified backgrounds. Some worked for Pfizer, others worked in South America for Eli Lilly. It was a very global group of students and it was also useful to find out about the pharmaceutical industry,” she said.

Just as important was her exposure to the confident style of American students, who were well aware that they were attending one of the best business schools in the United States.

“The students there have the confidence and courage to do what they want. When I was there I thought, why not try new things? I wanted to make sure I didn’t have any regrets later,” Wong said.

Cherry Chau, a third-year Bachelor of Accounting student, spent four months last year at Copenhagen School of Business in the snowy climates of Scandinavia.

“Denmark is so cold in the winter,” she said. “But I met a lot of people there, especially exchange students from different parts of Europe. It has stimulated my interest in world issues and helped to broaden my horizons beyond just my studies.”

She is keeping in touch with her new friends by e-mail and applying some of what she learned in Denmark in Hong Kong. “I ask more questions now during class rather than waiting until afterwards. In Europe, there is a lot more discussion in classes,” Chau said.

Heidi Adick, a recent full-time MBA graduate, had less reason to complain about the weather. She was stationed in Sydney at the Australian Graduate School of Management, where she worked directly with a real client, News Interactive.

Adick also made many friends and had time to travel around Australia and New Zealand.

“What I really enjoyed was the general fun. Socially it was fantastic and we did a fair bit of traveling, too,” she said.

“Academically, the experience was really fulfilling and readied me for going back to work. It was like an internship, but better. I’m more relaxed now. I’ve opened up a bit more and I have more confidence in my work,” she said.

Professionals from six major investment banks shared their experiences and tips with undergraduate and MBA students during a special forum co-hosted by HKUST.

Deutsche Bank, Goldman Sachs, JP Morgan, Merrill Lynch, Morgan Stanley and US Financial Services Group joined the event which was held on campus in November 2002.

Representatives from each bank discussed the pros and cons of working in the banking industry and why they chose to do so. They also offered examples of good and bad interviews when recruiting and advice on applying for jobs in the industry.

The banking representatives spoke during a panel discussion and students afterwards had the opportunity to speak informally with them at a reception.

The keynote speaker was Tim Freshwater (inset), chairman of corporate finance, Asia, of Goldman Sachs. Dean K C Chan opened the event.
The HKUST MBA Alumni Association (MBAAA) held their AGM and dinner in January, when they elected a new Executive Committee, and enjoyed a relaxing evening with sumptuous food and funny games at the Dynasty Club in Wan Chai. More than 120 students, alumni, faculty and staff members attended the event.

### 2003/04 MBAAA Executive Committee

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<tr>
<th>Name</th>
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<tr>
<td>Dekai Wu (EMBA 02)</td>
<td>President</td>
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<tr>
<td>Alex Hung (MBA 01 Part-time)</td>
<td>Vice President (Communications and Public Affairs)</td>
</tr>
<tr>
<td>Susan Yuen (EMBA 02)</td>
<td>Vice President (External)</td>
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<tr>
<td>Regina Wong (MBA 01 Full-time)</td>
<td>Vice President (General Affairs)</td>
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<td>HP Suen (EMBA 01)</td>
<td>Vice President (Internal)</td>
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<tr>
<td>Frederick Mutto (MBA Year-2 Full-time)</td>
<td>Vice President (University Liaison)</td>
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<tr>
<td>Adrian Bradley (MBA Year-2 Full-time)</td>
<td>General Secretary</td>
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<tr>
<td>Sean Lin (Dual Degree ISM Year-3)</td>
<td>Membership Secretary</td>
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<tr>
<td>Josie Lee (MBA Part-time 02)</td>
<td>Social Secretary</td>
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<tr>
<td>Kitty Chong (Dual Degree ISM Year-3)</td>
<td>Social Secretary</td>
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<tr>
<td>Josie Wong (MBA Part-time 94)</td>
<td>Treasurer</td>
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<tr>
<td>Victor Chan (Dual Degree ISM Year-3)</td>
<td>Web Master</td>
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### MBA Alumni Annual Dinner

#### The Giving Spirit

MBAs especially are very fortunate and my thinking is that if I can get one more person to help, it’s better than nothing,” she said.

The gifts were donated to the Children’s Heart Foundation and distributed at a Christmas Day party for infants and children up to age 13.

Apart from the Christmas gift drive, Ng has also organized people to do voluntary work on weekends with an organization that helps parents and children communicate better with each other.

#### Fund-raisers Blaze a Trail

The HKUST MBA Alumni Association topped the education category of the Trailwalker 2002 event for their outstanding fund-raising abilities.

They were honoured in February for raising HK$157,300 for the annual autumn race, which is organized by Oxfam.

Among the five MBA teams, two finished in the top five in the education category. The two teams each completed the 100-kilometer walk in under 30 hours.

Each team had four members, with some teams supplemented with “MBA friends” who helped them to make up the numbers.

MBA alumna Lesley Kong was one of those who scaled the heights, having been in training since April last year. Her team completed the walk in 28 hours and 42 minutes – more than their ambitious 18-hour target - after one member fell ill and the others slowed down to allow him to keep up.

“I really enjoyed the experience. Every weekend, I trained for over 40 kilometers. My feet got used to the long distance running and walking - no more blisters,” she said.

Kong added associate dean, Professor Steve DeKrey, provided “a lot of spiritual support” and made generous donations to each team.

It was the second year in a row that the MBAAA teams had topped the Trailwalker fund-raising category, having raised HK$136,510 in 2001.

Team 13 finish in 23hr23min. They were the 1st runners-up in Education category. Team members: Wiwin Leung, Lilian Leung, Grace Lo, Raymond Fong.
Faculty Promotions and Appointments

The School is pleased to announce the following new appointments and promotions.

**Albert Ha**, associate professor of information and systems management, has been appointed deputy head of the department for the period from September 2002 to June 2003. He joined HKUST in 2001 from the School of Management of Yale University where he was associate professor. His research interests are the coordination of product and process development, stochastic models for production and inventory control, incentive in operations and supply chain management.

**Suil Pae** has been promoted to associate professor of accounting effective July 2002. Pae came to HKUST in 1996 as assistant professor upon completion of his PhD degree at University of British Columbia. His research focuses on the role of accounting information in organizations and markets and economics of auditing.

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**SCALING NEW HEIGHTS**

For a man who has scaled the heights of Africa’s Mount Kilimanjaro and South America’s highest peak, associate professor of accounting Brian Semkow is surprisingly cautious.

It took two trips to Kilimanjaro before he would attempt the summit – the first time he was delayed by a cold. And on a recent trip to Chile’s Ojos del Salado, which took 38 hours in flying time alone, he stopped just short of the summit because he did not feel in top shape.

In both cases, his caution was grounded in good sense. Mountain climbing – or hiking, as he prefers to call it – can be a dangerous hobby. Nausea, vomiting and, in severe cases, high altitude cerebral edema (potentially-fatal water on the brain) can result from pushing too far.

Not to mention the risk of being stranded on a mountain alone, which was a possibility at Ojos where his hiking partner and guide were keeping a much faster pace than Prof Semkow.

“Summit day (when you reach the highest peak) is a big day. It’s nerve-wracking and it’s challenging because you have never been that high before,” he said.

The final climb is often done in the dark, with hikers setting off at midnight and reaching the summit at daybreak. “It’s kind of a survival test. Once you get higher, there’s the risk of falling down crevasses and things,” he said.

But there are rewards, too. Prof Semkow enjoys observing the flora and fauna on the way up and photographing them. This is one reason why he prefers a “hike” – which involves mostly walking – versus a “climb”, which involves scaling a lot of vertical walls.

“I like the flora and fauna, the blue skies. And the higher you go, the less rock there is and the more ice, you see beautiful configurations. It’s a beautiful experience,” he said.

And he insisted that anyone in good health could enjoy the same experience.

Prof Semkow said he had an “average” fitness

From summit ridge on Ojos del Salado, South America’s second highest peak. Photo courtesy of Kurt Wimmer.

(Cont’d on page 12)
Like Prof Semkow, if I’m not working, I’m dreaming of the mountains and planning my next trip. I have climbed mountains in New Zealand, Argentina, Malaysia, the United States and France. My last summit was Mont Blanc, the highest mountain in the Alps at 15,781 feet (4,811 meters).

Climbing Mont Blanc requires some technical skills. Climbers wear crampons, the sharp metal spikes attached to heavy hiking boots, which prevent slipping on the ice and glaciers. Learning to walk on crampons, especially on a long descent, takes practice and energy. You kick rather than step.

Groups of climbers on Mont Blanc form teams and are attached together with ropes. That way, if one person falls, the others on the rope can arrest the fall. You climb with both your own safety and the safety of others in mind and you must be ever mindful of how your own actions might affect the lives of your teammates.

The air is thin above 10,000 feet (3,049 meters) and breathing becomes labored and difficult. The actual experience of climbing a mountain can be quite painful and cold – even in July in France – but once you arrive at the summit and see the view from the top, it’s easy to forget the pain.

He also advised hikers to take the time to acclimatize to the higher altitudes, to reduce the risks of nausea and water on the brain. Prof Semkow will be doing a lot of acclimatizing if he reaches his next goal of 8,000 meters – as well as adding some intensity to his running.

“People who are fit on campus can do this peak. The wellness level is not difficult – two five-mile runs a week, for about 40 minutes. The important thing is to consult your doctor before because there is always the risk that your heart is not as fit as you think," he said.

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The sub-editor of this newsletter, Dr Virginia Unkefer, a technical writer at HKUST, shares a similar passion for mountaineering. She describes below a different kind of climbing experience.

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