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# YMCJournal



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YMC Journal cum Biennial Working Report

Issue No.



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#### Disclaimer

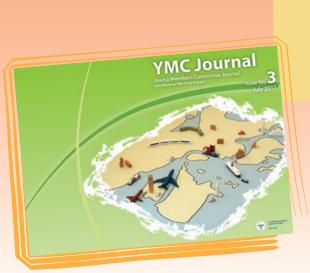
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# Editor's Message

Firstly, we are very pleased to take this opportunity to welcome our readers to our Journal. We are delighted to set up the Editorial Group for this Journal, and to take charge of this challenging task.

The YMC Journal acts as one of the most important communication channels among young members, industry, various interested parties and overseas CILT members. Since 2007, the YMC Journal was published biennially, in order to report for work of their session, and share their points of view on Transport, Logistics, and Supply Chain sectors by means of academic articles.

This year is the third issue of the Journal, and all these key elements still remain unchanged. The Editorial Group also conducted an interview to let more members know about recent developments within our industry. We are glad to present the YMC Journal Issue No.3 to all fellow members.

During the editorial process, the Editorial Group had to face many pressure and difficulties in coordinating matters, however great support was given by both Council and YMC members, which gave us a strong confidence to get the job done. In addition, this enabled us to learn, that producing a specific piece of work is a process, but learning is a life-long task and more than just art. We truly hope this spirit could be learnt by our members, to benefit for the future development in the YMC and their future lives.

Last, but not least, we offer our heartfelt thanks to all the contributing writers or contributors. We hope all members and readers will know more about our work by reading this Journal.

Enjoy reading!

Mr. CHA Kai-tung, Leo, MILT &
Mr. POON Wai-kin, Harry, CMILT
Editorial Group
YMC Journal Issue No. 3

#### **My Vision**

"My Vision" is the main theme of YMC Journal Issue No.3. The Editorial Group makes use of a freestyle drawn Hong Kong coastal map, together with transport and logistics related toy blocks, showing Hong Kong's future development in a relax way. Green pasture background and white chalk edge represent new generation brings fresh idea to the industry.

# **Foreword Message**

## by Dr. Stephen Wing-chiu HO KCSJ, FCILT



Since its establishment in 2004, I have witnessed the continuous growth of the CILTHK's Young Members Committee (YMC). Numerous popular events including seminars, company visits, mentorship programmes, workshops, annual dinners and scholarship programmes were organized and received overwhelming support over the past few years.

I am pleased to see many dynamic, energetic and innovative young members voluntarily foster the link between YMC and academic institutions to enlarge the Committee membership. They establish a close connection with the logistics and transport industry to broaden members' know-how as part of the professional development.

Through the publications of the YMC journal, various activities organized by the YMC during the past two years were reported. The journal acts as a medium for exchange of views and ideas among members. Thanks to the hard work of the Editorial Board of YMC, I am sure that readers will find the journal interesting, informative and useful.

I wish YMC every success in the coming events.

Best Regards,

Dr. Stephen Wing-chiu HO KCSJ, FCILT

President (2010/12)

The Chartered Institute of Logistics & Transport in Hong Kong

# Foreword Message by Ir Prof. Sze-chun WONG, FCILT



I am very pleased to send my heartiest congratulations to all young members of CILTHK on the publication of this third edition of the YMC Journal. With the leadership of Ir Dr. Paul TSUI and all YMC Advisors, a number of new programmes have been launched to encourage professional development of young members and most importantly strengthen connections among members and the Institute.

I am glad to have been the first Chairman of YMC when it was established by the Council in 2004, and in participating all along with our young members. We have had exciting times and I am grateful to have worked with dedicated young people in the last 6 years. In particular, we have seen an encouraging succession this year, in which Miss Alice YIP, the first Executive Chair of YMC in 2004, has been elected a Chartered Member and Council Member, and will chair the YMC of the Institute in the new 2010/2012 term. Following the excellent leadership of Paul, I am sure that the YMC will continue to grow to new heights in Alice's capable hands.

Last, but not least, I would like to encourage all our young members to actively engage themselves and thus participate in a variety of events and activities that will be organised by YMC and CILT Hong Kong in the years ahead.

#### Ir Prof. Sze-chun WONG, FCILT

Immediate Past President
The Chartered Institute of Logistics & Transport in Hong Kong

# Foreword Message by Ir Dr. Paul Hon-yan TSUI, FCILT



The Young Members Committee (YMC) has successfully organized a number of activities between 2008 and 2010 including scholarship programs, mentorship programs, firm visits, seminars. YMC aims at providing a platform for young members to participate in these activities. The Committee also provides members with an opportunity to meet with other CILT fellow members enabling them to gain a better understanding on the practicality issues relating to the transport and logistics industry.

The YMC Journal continues with its objectives of communicating and sharing information with members on the current status of YMC. The publication covers a number of topics which are of interest to members. It reports on activities that took place in the immediate past term; publishes articles on transport and logistics issues that are contributed by committee members; provides update on the latest news and information; and advise members on upcoming activities organized by the Committee. The publication serves as a channel to communicate and connect with our young members.

I wish the editorial board continued success with the YMC Journal.

Best Regards, Ir Dr. Paul Hon-yan TSUI, FCILT Chairman of YMC (2006/10) Advisor of YMC (2010/12)

# Foreword Message by Miss Alice Wai-chong YIP, CMILT



I am delighted to see the publication of the YMC Journal which reflects our committee's endeavor in the session 2008 to 2010. This bi-yearly Journal is the third issue since the Young Members Committee's official establishment in 2004.

In the past six years, the Committee strived for the best in meeting young members' needs in professional knowledge enhancement and network connection with other members in the Institute.

This Journal reviews the events held by the Committee in the past two years, including company visits, seminars, annual dinner, professional training scheme, mentorship program and workshops. Also, there are several articles regarding latest industry developments. We hope readers will gain a deeper understanding on our committee as well as the logistics and transport industries after reading this Journal.

I would like to take this opportunity to pay tribute to all my committee members as well as advisors who have contributed to the successful development of the Committee. Besides, I would also like to acknowledge with thanks the assistance and co-operation rendered by other committees and the Council of CILTHK, Tertiary Institutes and supporting organizations.

Going forward, I look forward to your continuous support so that we can bring another joyful and fruitful year to all young members.

Best Regards,

Miss Alice Wai-chong YIP, CMILT

Chairlady of YMC (2010/12)

Executive Chair of YMC (2004/06)

Committee Member of YMC (2006/10)

# Foreword Message by Dr. Simon Sheung-man YUEN, CMILT



I am glad to be the advisor of YMC, CILTHK since year 2004 and I am so appreciate that YMC members are actively organizing and participating various events i.e. YMC mentorship programme; site visits & seminars as well as annual dinner.

The THIRD issue of YMC Journal contains interesting articles to disseminate the latest information about transport, logistics and supply chain management in Hong Kong and Asia Pacific region. It acts as a media for exchange of knowledge and ideas in both transport and logistics to all members.

With the hard work of members of the editorial board, I am sure that this issue of YMC Journal will be of good standard, and readers will find its contents interesting, useful and informative.

I wish the editorial board every success with the Journal.

Best Regards, **Dr. Simon Sheung-man YUEN, CMILT**Advisor of YMC (2004-12)

# Foreword Message by Mr. Joseph Yui-yip LAU, MILT



First, I, on behalf of Young Members Committee (YMC), want to take this opportunity to thank our YMC fellows' efforts in the past 2008-2010. I am so glad to be appointed as Executive Chair of the third YMC.

YMC is one of the committees of the Chartered Institute of Logistics and Transport in Hong Kong (CILTHK). YMC has organized various professional training schemes, seminars, company visits, mentorship programmes and workshops to stimulate our members' knowledge and interest in the field of logistics and transport.

The YMC Journal plays an important role to enhance the relationship of young members between CILTHK and member Councils, to promote the YMC in other countries and to serve as a channel to communicate with our members. The YMC Journal consists of different articles on the topic of the logistics and transport industry, latest news and activities organized by YMC. We hope readers will gain a deeper understanding on our committee as well as transport and logistics industries through reading this interesting and informative journal.

With the excellent leadership of Ir Dr Paul TSUI, I am sure YMC will thrive in the coming term. I wish the editorial board every success with the Journal and another fruitful year for our members.

Best Regards,

Mr. Joseph Yui-yip LAU, MILT

Public Relations Secretary of YMC (2010/12)

Executive Chair of YMC (2008/10)

Professional Activities Secretary of YMC (2007/08)

# Foreword Message by Mr. Davin Ka-ho CHAN



First of all, I would like to thank you all for the great work by YMC members of the past sessions, and it is my honour and pleasure to be Deputy Chairman of YMC for the session of 2010-2012.

The Young Members Committee (YMC) plays a unique role in CILTHK in serving student and affiliate members. Through a range of events and activities - from site visits to seminars, from mentorship to scholarship programme, from social gatherings to annual dinner - YMC creates a platform for tertiary students in related fields to gain practical exposure to the logistics and transport industries, as well as interaction with experienced practitioners for future personal development.

YMC also promotes collaboration with different parties in the industries. Academically, periodical road shows are organized at tertiary institutes to students in a bid to foster their understanding of CILTHK and YMC and encourage participation in our events. Meanwhile, close coordination and collaboration with other associations are promoted through various means.

In the following session, I am determined to contribute to the continued success of YMC by strengthening teamwork of our committee members, promoting synergy of our activities on different fronts, along with facilitating cooperation with a variety of academic and industry stakeholders.

With the support of CILTHK, Council, Chartered Members and various parties, let's work for a more efficient, effective and integrated YMC for young members, for our industries, for our society!

#### Mr. Davin Ka-ho CHAN

Deputy Chairman of YMC (2010/12)

# Introduction of Young Members Committee

The Young Members Committee (YMC) of the Chartered Institute of Logistics and Transport in Hong Kong has been officially established since October 2004. We aim to promote the CILTHK and Logistics and Transport industries to persons who are aged 35 or below through organising variety activities.

- To organise activities for young members, who are members of the Institute and not more than 35 years of age.
- To promote the active participation of young members in the Institute's affairs.
- To foster the linkage with academic institutions and other relevant organisations for promoting the recruitment of young members.
- To provide a stronger link between the Council and young members.
- To enhance the participation of young members in the running of the institute.
- To advise the Council on the formulation of young member policies for the Institute.
- To enhance the relationship and cooperation of young members between CILT Hong Kong and member Councils.

In line with the development of the logistics and transport industries, we widely deliver logistics and transport-related knowledge and information to students and young players in the various industries, and other interested parties.



















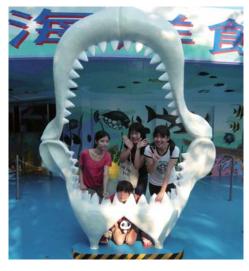














The YMC established in 2004, we organised different kinds of activities for members. Apart from learning, we also aim to enhance relationship among our members. These photos recorded part of our activities, our happy faces and our great memories. You may turn over to the following pages to learn more about our work.

# Enjoy!















# Local Activities

#### **Site Visits**

## Asia Container Terminals Limited (14th November 2008)

To facilitate young members have a better understanding on port management and the operation of a container terminal, YMC organised a half-day visit to Asia Container Terminals Limited (ACT) on 14th November 2008. During the first half of the visit, Commercial & Marketing Executive Ms. Connie CHAN shared with us a detailed presentation of ACT's company profile and future development. The presentation was then followed by a visit to the company's operation centre. Mr. Eddie CHENG, Operations Superintendent showed the participants the operation of the Operation Control Centre. The visit enabled visitors to have a direct observation to the terminal's sophisticated container monitoring system. The bus tour in the ship yard also made the participants more familiar with the ship side operations.

Upper photo Ms. Connie CHAN (left), Commercial &

Marketing Executive led us have a visit in ACT's terminal, received souvenir from

YMC representative, Mr. Victor LAI.

Lower photo Group photo taken outside ACT.



#### South-China International Logistics Centre (SILC) (27th February 2009)



SILC was established in 2007 at Lunghua, Shenzhen, and is well-linked to the boundary checkpoints of Hong Kong and the freeway from the industrial hinterland in South China. It is one of the 6 logistics parks under Shenzhen Municipal Government's 11th Five-year Plan. SILC is positioned as an "Inland Logistics Port" with its It provides competitive geographical advantage. different kinds of supporting services including Green Lane Express, empty container depot, cargo interchange and bonded warehouse etc. It is also the first operator of "Green Lane" to simplify the process of cargo movement. During the half day visit, our members received a presentation of SILC's company profile, and visited the control centre. Finally members joined a coach tour to observe the operation of the container depot and warehouse.

Upper photo Group photo taken outside Service Building

of SILC in Lunghua, Shenzhen.

Lower photo Ir Dr. Paul TSUI (left) was presenting souvenir

to the Mr. Gary SUEN, Vanguish Holdings

Limited.

# Jiangmen Dah Chong Hong - SIMS Food Processing & Warehousing Limited's International Logistics Centre (25th June 2009)

Jiangmen Dah Chong Hong Sims Food Processing and Warehousing Limited provides public warehousing and 3PL logistics services. It occupies 68,000 square meters of area. The bounded warehouse is strategically located at the Xinhui Tianma Port and is the first warehouse with bounded functions in Jiangmen. 17 participants joined the visit and were shown the import bounded warehouse, export supervised warehouse, and repacking centre. During the visit, the group was given briefings of the food processing and warehousing operations and their future direction. The visit enabled participants to gain a better understanding on the application of total supply chain services.

Upper photo Mr. Ken CHUNG (right), General Manager of

DCH Logistics Limited, received souvenir from

YMC representative, Mr. Kenneth LAW.

Lower photo Group photo taken at Jiangmen

Dah Chong Hong Sims Food Processing and

Warehousing Limited.



#### **Government Dockyard & Vessel Traffic Centre,**

Marine Department (17th September 2009)



The visit to the Government Dockyard and Vessel Traffic Centre (VTC) of the Marine Department was held on 17th September 2009. The site visit provided a valuable and insider look into field operations of the Dockyard which plays a key support role in HKSAR Government's marine-related services, as well as the VTC which is responsible for ensuring safety and efficiency of maritime activities in Hong Kong waters. With an in-depth briefing and the guidance of colleagues of the Marine Department, the tour group enjoyed the afternoon in the two sites. Finally, YMC representatives presented souvenirs to Marine Department staff.

Upper photo Mr. FUNG Pak-keung (left), Senior

Mechanical inspection / Plant Maintenance of Marine Department receiving the Institute flag from YMC representative, Mr. Davin

CHAN.

Lower photo Group photo taken after the brief

presentation by Marine Department.

#### Local Activities

#### Tsing Yi MTR Operations Control Centre (20th February 2010)

The first site visit of YMC in 2010 - the MTR Tsing Yi Operations Control Centre (OCC) was held on 20th February 2010. The MTR started using the OCC since 1998 to replace the former control centre at Kowloon Bay. OCC is now the largest inspection point among four centres, and is responsible for inspecting the train operations of four Urban Lines, Tung Chung Line, Airport Express and Disneyland Resort Line.

28 young members had an opportunity to understand the control of one the major public transports – MTR. Mr. Albert KUNG, Chief Controller of OCC, shared with us the daily operation and the technical terms on railway transport. All members gained a valuable and unforgettable experience as MTR offered a chance for the participants to observe the actual functioning of the control centre.

Mr. Albert KUNG (left, upper photo), Chief Controller of MTR, receiving an Institute Flag from Mr. Joseph LAU, Executive Chair of YMC, and a group photo was taken at the OCC Viewing Deck afterwards.



#### Hong Kong Aircraft Engineering Company Limited (17th April 2010)



On 17th April 2010, 19 participants joined the visit to the Hong Kong Aircraft Engineering Company Limited (HAECO). A guided tour of the operational areas pertaining to line maintenance, base maintenance, and freighter conversion was given. This technical visit also included HAECO's Parts Store where the fully integrated computerized Inventory Management System was introduced. Young members found this technical visit very interesting and they were very impressed by the well-established aircraft maintenance facilities of this well-known company in the aviation industry.

Ms Fanny Or (left, lower photo), Assistant General Manager (Material Management) of HAECO, receiving an Institute Flag from Mr. Joseph LAU, Executive Chair of YMC, and a group photo was taken inside HAECO operational area.

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## Airport Control Tower (9th July 2010)

As one of the busiest airports in the world, the Hong Kong International Airport (HKIA) has a very sophisticated air traffic control system to facilitate more than 800 flights per day. On 9th July 2010, YMC organised a half-day visit to the Air Traffic Control Complex (ATCX) for young members to understand the daily operation. During the visit, the functions and roles of the Air Traffic Control Centre and the Communication Centre were discussed. The participants learned the principles of air traffic communication and the training of air traffic control officers through the visit.

A group photo was taken outside ACTX with Mr. Peter LAM, Senior Air Traffic Flight Services Officer (6th from the left).





## Local Activities

#### **Seminars**

#### **Seminar**

1

Topic Date Speaker Liner Shipping Networks 21st April 2009 Dr. Venus LUN With the enthusiastic participation by our members, YMC was very much honoured to have a seminar delivered by Dr. Venus LUN on 21st April 2009. Dr. Lun is a Lecturer at the Department of Logistics and Maritime Studies of the Hong Kong Polytechnic University. She specializes in the shipping field and has conducted several research studies in this area. In the seminar, Dr. Lun shared much knowledge about her research on "Development and operations of liner shipping networks", and expressed her opinions on shipping network's management. Our members enjoyed this informative seminar very much. Furthermore, the seminar had also stimulated Dr. Lun and our members to have a fruitful discussion by sharing their opinions. Thanks were expressed to Dr. Lun for being our guest speaker and the support from our members.

Being a platform for young members and students to know about logistics, the YMC is keen on inviting speakers to introduce activities and events in the logistics industry. On 13th January 2010, the YMC successfully invited Mr. William CHONG, the Senior Director of SDV Logistics Limited, to give a speach of how modern firms outsourcing their supply chains to logistics companies. In the seminar, Mr. Chong gave case studies for members to clearly understand and provided clear answers to the audience in the Q&A session. 24 audiences left gratefully for the one-and-half hour seminar.

#### **Seminar**

Topic Date Speaker Logistics Outsourcing 13th January 2010 Mr. William CHONG 2

Seminar Topic

3

Date Speaker Drama-Based Learning: How to enhance your communication skills in daily lives? 10th September 2010 Mr. Maric CHENG YMC organised the workshop for the young members –"Drama-Based Learning: How to enhance your communication skills in daily lives?" on 10th September 2010. We were honored to invite Mr. Maric CHENG, IATA Dangerous Goods Instructor to be the host of the workshop. He is also the Supply Chain Security and Safety Consultant of Alliance Management Consultant Ltd., specializing in compliance in the Freight Forwarding industry.

This workshop did not have teaching materials. Participants had to fully concentrate throughout the program. It included several sections, including group discussion, drama and role-playing, in order to enhance the connection with each other. Participants could learn communication skills from it, especially non-verbal skills and how to socialize with colleagues, classmates and friends.

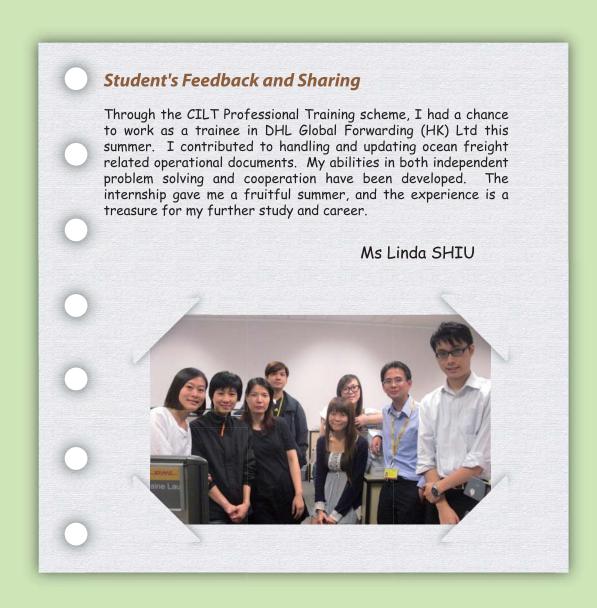
## **Professional Training Scheme**

The Professional Training Scheme offers students an opportunity to develop their personal competencies, as well as apply theories and concepts in the real working environment. The Institute is grateful for receiving the training opportunities and offers our heartfelt thanks to the participating companies.

In 2009 and 2010 summer, YMC received the following offers for summer placements for student members, including -

DHL Global Forwarding (HK) Ltd Western Harbour Tunnel Co., Ltd WinSports Holding Ltd Tate's Cairn Tunnel Co., Ltd Teeny-weeny Ltd

\* Company names are listed in alphabetical order.



## YMC Scholarship Programme 2010

On top of interest and commitment to the transport and logistics industry, YMC emphasizes the development of academic as well as professional knowledge. Based on this principle, the Student Scholarship Programme was launched in 2007 to reward students who have excellent academic results and actively participate in professional activities. With the generous support from The Janel Group Hong Kong Ltd, the programme offered scholarships to three students with the most outstanding performance.

This year, the scholarship programme received a very good response by having the highest number of candidates. Through the research paper campaign, candidates demonstrated their knowledge and insight on transport and logistics issues. At the later stage, eight short-listed candidates entered the final round of the completion and presented their views and ideas to the judging panel, which comprised three Council Members of CILTHK.

The awardees received certificates from the President of CILTHK, Ir Prof. WONG Sze-chun in CILTHK AGM 2010 recognising their effort and excellent performance for the programme.



- 1. Miss CHAN Wing Pui, The Hong Kong Polytechnic University Emirates Sky Cargo
- Mr. CHONG Cheuk Lun, HKU SPACE Community College Benefits of rationalisation of bus routes outweigh disadvantages?
- 3. Miss KONG Lihui, The Hong Kong Polytechnic University
  Analysis on the competitiveness of HK as an Int'l air cargo hub



# Social Gathering

# Olympian Super Fun Bowling



It was a sporty afternoon on 26th September 2009!

More than 10 young and energetic YMC committee members gathered at Olympic City Bowling Arena to have some indoor sport.

Two lanes were rented for unlimited bowling for two hours, and YMC members had a lot of fun during the bowling competition. We started off by forming two teams, everyone frantically "throwing" the balls onto the two sides of the lanes. Nonetheless, it was a remarkable afternoon to meet people in a sports occasion you usually only see during YMC meetings.

7

BBQ

The social gathering of YMC in 2010 – BBQ gathering was organised at Siu Lam in the evening, blessed with wonderful weather. After a whole year contributing to organizing events for our young members, more than 15 young and energetic



YMC committee members participated in this memorable social gathering to relax and share the achievements with each other. After enjoying the delightful BBQ, the committee members took dessert in Sham Tseng. It was an unforgettable moment for joy and fun with YMC big family.

# Casual Dinner

Around 10 YMC members gathered at a Chinese Restaurant in Wan Chai to join this social gathering in 2010. Eight traditional Chinese dishes and white gourd soup were served. We shared our lives and future plans while we ate; we have actually become good friends through working with each other. We had lots of fun chatting, drinking and eating the entire night. Our bonding has been strengthened and we all look forward to our next social event.



In order to facilitate the connection between practitioners in logistics and transport industries and young members, the mentorship programme has been establishing since 2005. With the generous support from 16 mentors who are the Institute's senior members, the programme was successfully held and a good relationship among Mentors and Mentees was established.

In the last session, YMC organised diversified activities in order to facilitate the communication between Mentors and Mentees. The programme was kicked off by the first gathering which was held on 29th May 2009 in the CILTHK Office. The gathering offered an opportunity for the Mentors and Mentees to know and interact with each other. For the second gathering, we went outside and visited the Ngong Ping 360 in Tung Chung. All participants not only found the visit very meaningful, as they gained a better understanding on the cable car operations, but also had more interaction with their Mentors and Mentees. The thank you party was held during the YMC Annual Dinner 2009 and the mentees expressed their gratitude and sincere thanks to their Mentors.

We thank you all Mentors and Mentees for the contribution and participation in the events. Their passion and commitment to the event made the programme very successful. We wish the Mentorship Programme every success in future.

# Mentorship









- 1. YMC members visited Ngong Ping 360 in the second gathering.
  - 2. Photo taken after one of the Mentorship Gatherings.
- 3. YMC members were introducing Mentorship Programme.

# Programme 2009/10 >





The YMC Mentorship Programme 2010 was held between February and June 2010, in which over 15 experienced Mentors in the logistics, shipping and transport industries, as well as almost 40 Mentees from different tertiary institutes.

There were three official activities organised each month during the period for the Programme. A kick-off session was held on 26th February 2010, which gave an introduction to attending Mentors and Mentees, followed by a matching session between them.

Then a relaxing outdoor activity of Peng Chau Walk was held on 28 March 2010, for around 55 mentors, mentees, their family members and friends. The group had a brisk walk from the ferry pier to Finger Hill, to a beach and had lunch at a Chinese restaurant, along with sightseeing around the island.

Another informal gathering dinner was organized in April in Tsim Sha Tsui, which again served as an opportunity for a gathering between 40 participants Mentors and Mentees, in a relaxed environment.

In June, an Appreciation Dinner was held in which Mentees treated their Mentors. During the Dinner, the YMC presented souvenirs and certificates of participation to Mentors and Mentees, for their valuable support and participation.

Through the Mentorship Programme, not only have Mentees and Mentors learnt from each other from different perspectives, but also they have developed a long-term friendship and personal skills as a part of life-long learning, personally and professionally.

Finally, a successful YMC Mentorship Programme counts on the support and participation of experienced Mentors from Chartered Members of CILTHK and pro-active Mentees from tertiary institutes in the related majors.

- 4. Kick-off session of the Mentorship Programme.
- 5. Photo taken at Peng Chau Walk.
- 6. An Appreciation Dinner was held in June 2010.



#### Local Activities

# YMC Annual Dinner 2009 cum Mentorship Programme Thank You Party

The CILTHK YMC Annual Dinner 2009 was successfully held on 14th November 2009 at the Kowloon Cricket Club. The Annual Dinner was the biggest YMC event of the year, and provided a platform for young members to know each other, shared their studying and working experiences within the logistics and transport industry and build up their networking.

Mentors and Mentees.



The YMC Mentorship Program 3rd Gathering cum Thank you Party was also held during the event. Through this program, members had the opportunities to connect with the leaders in this industry. There were totally 6 mentors and 13 mentees (total number of participants: 49) attended the party and received their thank you letters and certificates respectively.

YMC members were singing together with one of the advisors - Let's have fun together!





Mr. Edwin YEUNG, Mr. Stephen CHAN & Mr. Jason HO was performing a song named "Friends" during the dinner.

The Annual Dinner also included a game session, buffet dinner, lucky draw and musical performances. During the performance, YMC members performed 3 songs for us. All the participants then sang the classical song "Friends" together, accompanied by YMC's Band and brought the dinner to a high level, and also brought the annual dinner to a close.



Group photo taken after the dinner.

All participants were very enthusiastic in the dinner and had a terrific night. Thanks all the energetic mentors and member's support for this dinner.

#### YMC Annual Dinner 2010

55 participants came to enjoy our YMC Annual Dinner 2010 on 20th August 2010. The YMC Annual Dinner 2010 was successfully held at the Hong Kong Football Club. "Football" was the theme of the YMC Annual Dinner 2010 which brought us an energetic and youth night.

With the welcoming speech by our Executive Chair, Mr. Joseph LAU, the annual dinner blasted off brightly. Everyone enjoyed the buffet and shared with each other after the welcoming speech.

YMC Executive Chair – Mr. Joseph LAU delivered an opening speech before the dinner.



We all had a wonderful night as three performances were held during the dinner. The warm up games, talk show and song performance came across some interesting angles of YMC. With touching and memorable sharing by the members of YMC, the show brought the Annual Dinner to the climax of the night. Besides, the YMC Band performed three songs, and all the participants followed the music and sang with the singer.

Group photo taken after the dinner.





Group photo taken after the dinner.



YMC Secretaries stayed together.

After that, thank you presents to Miss Harriet LEUNG and Miss Chili LAI were presented by Mr. Harry POON, the Vice-Executive Chair of YMC.

The night ended with an exciting Mark Six lucky draw. Congratulations to all the laureates of that night! With the effort of the committee helpers and the appreciation of the advisors, all participants had a fruitful and memorable dinner at that night.

# Secondary School Seminars

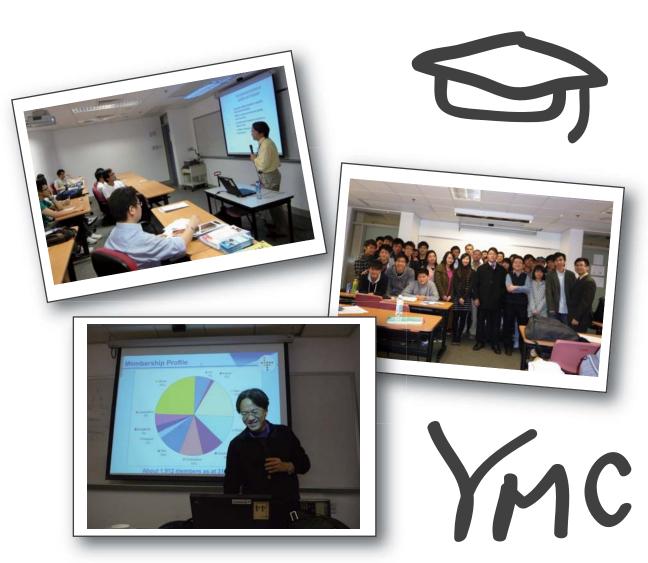
Three secondary school seminars were organised between September 2009 and February 2010 (exact dates shown below), at Shau Kei Wan East Government Secondary School, Lingnan Hang Yee Secondary School, and Ju Ching Chu Secondary School (Yuen Long) respectively (details see below). During these seminars, YMC members introduced a new syllabus of logistics and transport under the "3+3+4" education system and further studies offered in tertiary institutions. We briefly illustrated concepts of logistics and transport in Hong Kong and the Pearl River Delta region, introducing the roles and functions of CILTHK and YMC. In the Questions & Answers session, the student audience inquired on areas like further study opportunities, career prospects, personal studying and working experience and latest industry updates.



# Roadshows at Tertiary Institutes

YMC put a great effort in doing Roadshows in order to attract more young persons who are the full time students studying transport & logistics programmes. To foster the linkage between institutions and us, we held roadshows in different institutes including City University of Hong Kong, HKU SPACE Community College, IVE Tsing Yi, IVE Morrison Hill, Northumbria University in collaboration with PolyU SPEED, PolyU Hong Kong Community College, The Chinese University of Hong Kong, The Hong Kong Polytechnic University, The University of Hong Kong and The Hong Kong University of Science and Technology in the past two years.

We thanked for all the institutes and hope they will continually support us in the future. Finally, the more members, the stronger CILTHK. Are you ready to be a Student Member? Join us now!



## International Activities

#### **Academic Visits of Foshan Students, China**



Two groups of students from Foshan taking the CILT International Logistics Management programme at the Guangdong Industrial Technology College (GITC, 廣東輕工職業技術學院) paid 2-day visits to Hong Kong in 2008 and 2010 respectively.

#### First visit: 24th to 25th October 2008

On 24th October, 14 students joined a campus tour provided by the Hong Kong Institute of Vocational Education - Tsing Yi (IVE - Tsing Yi) and a visit to Hong Kong International Terminals (HIT). A sharing session between the Foshan students and YMC was held on 25th October, 2008. The student representative of GITC - Mr. GUAN You-hao gave a presentation about their college, and YMC members also shared the general study and working conditions in Hong Kong.



#### Second visit: 31st May to 1st June 2010

9 students attended the visit to IVE - Tsing Yi on 31st May, 2010. Department of Business Administration lecturers, Mr. Anthony CHAN and Dr. Raymond KAN gave an introduction of the Department and guided the campus tour at IVE - Tsing Yi. YMC members invited Foshan students for a hot-pot dinner in Tsing Yi afterwards.

On the next day, they had a visit to the Super Terminal 1 at Hong Kong International Airport. They experienced the real operation of Hong Kong air cargo terminal and warehousing system.

#### 4th January 2009

GITC students invited YMC to visit their campus in early 2009. Two YMC members – Mr. Leo CHA and Mr. Harry POON visited the Foshan campus on 4th January 2009. This was a great opportunity for YMC members to understand the different education systems in Hong Kong and China.

- Mr. MIAO Xing-feng, the Dean of Management Engineering Department of GITC, was presentating souvenir to Ir Dr. Paul TSUI.
- 2. A group photo was taken after the First visit.
- 3. GITC students visited IVE Tsing Yi during their second visit, guided by lecturers Mr. Anthony CHAN and Dr. Raymond KAN (on left).
- 4. A group photo taken outside Super Terminal 1.
- 5. Two YMC members, enjoyed a great visit with GITC students.



#### Meeting with CILT Secretary General - Mr. Bernard Auton

During Mr Auton Bernard's Asia tour in December 2009, he had stopped over in Hong Kong and met with members of YMC before leaving. A delicious dinner was hosted for Mr. Auton on 1st December 2009. It was a memorable night for YMC members and the discussion committee development issues and exchange of professional experience were discussed and young members were greatly encouraged to the future direction of young member system enhancement in Hong Kong.



#### **Study Tour of Nigeria members**

On 8th to 14th November 2009, a group of 11 CILT Nigeria members consisting of logistics and transport professionals and logistics students of Lagos State University, Nigeria visited Hong Kong with an aim of acquainting themselves with how a developed transport and logistics system in Hong Kong supported the economy.



During their visit, the CILTHK office, with the assistance of YMC, organised a study tour which included technical visits to the following:

10th November 11th November 12th November New World First Bus/CityBus (Chai Wan Depot)
MTRC Tsing Yi Operations Control Centre
Department of Logistics and Maritime Studies,

Hong Kong Polytechnic University
Shun Tak-China Travel Ship Management Ltd.

**13th November** Modern Terminals

Hong Kong Air Cargo Terminals

On 11th November 2009, a meeting for both Nigerian delegates and YMC members was hosted at CILTHK office. A presentation regarding the current position of CILTHK YMC was delivered by Mr Joseph LAU, the YMC Executive Chair. Thereafter, all members were divided into various discussion groups to have a deeper professional experiences and cultural issues exchanges which had helped in establishing the foundation of cooperation between both youth members. A buffet dinner was also hosted in the Luk Kwok Hotel, Wanchai. All members enjoyed a wonderful night.

After the delegates returning to Nigeria, they had sent the Hong Kong office the following appreciation note:

"On behalf of the CILT Nigeria, we would like to thank all receiving companies for their warm hospitality extended to the delegation." – CILT Nigerian delegates.

## International Activities

# Participation in Young Members' Programme at ICM 2009 – Mauritius

In May 2009, Mr. Kenneth LAW and Miss Alice YIP joined the second International Young Members Day (IYMD) in Mauritius. It was not only a precious opportunity for young members from different countries to meet with each other in this African country, but also a valuable chance to understand the culture and history of Mauritius, which is well-known as "the Pearl of Indian Ocean". It was really an exciting and memorable experience for us.

During IYMD, we had a series of programs with other 15 young members from Mauritius, Australia and Singapore. In the first day, we had a meeting for discussion on how to reach and retain young member within the Institute, and our expectations to CILT. The discussion outcome was then presented to the International Council Meeting.

Since Hong Kong is the first CILT Council setting up a Young Members Committee, we gave a "show-case" presentation to the International Council regarding the recent developments of the Young Members Committee in Hong Kong. Many meeting participants showed their interest in setting up similar young members group in their countries. Besides, we also attended a seminar of Dangerous Good Handling in Mauritius, and we were very impressed by the professional way oil leakage handling was demonstrated in the video clip.

Apart from these professional activities, we joined a sightseeing tour to discover beautiful natural scenery in Mauritius, and we also enjoyed a President Dinner, including a local dancing performance.

IYMD is an annual event, and we do encourage all young members to take part in this global event. Please join to seize this opportunity, to broaden your horizon, to experience the cultural difference and to make more friends from all around the world!



## Participation in Young Professionals Programme 2010 – Malta

There were 4 participants, Mr. Joseph LAU, Mr. Kenneth LAW, Miss Alice YIP and Miss Virginia TANG who joined the Young Professional Workshop organised in Malta. It was not only a good opportunity to meet young members from countries like Egypt, Australia and the United Kingdom, but also a valuable experience to explore the culture, history and transport and logistics developments in Malta.

During the trip, we attended the 2010 CILT Malta Conference: "The Calm After the Storm – Global Expectations in Trade, Transportation and Logistics: 2010 – 2015". This conference stimulated the audiences to have a fruitful discussion by sharing their opinions. In addition, we joined four fantastic visits including Malta Freeport, Playmobil, Valetta Cruise Liner Terminal and the Grand Harbor. All delegates enjoyed the exciting tour. We also participated in the President Dinner at which we had a joyful evening with other delegates.

Indeed, we have established key milestones and new directions in the sharing session: "Attracting, Retaining and Developing Young Professionals". This sharing session enabled the International Council to gain a deeper understanding on the present position, problems and future planning for young professionals.

We here wholeheartedly thank and congratulate CILT Malta for the success of Young Professionals Workshop in 2010. We believe the spirit and philosophy of young members will be inherited in the future.





# Academic Articles

This section aims to share the articles written by YMC members on various topics in both Transport, Logistics and Supply Chain industries. Starting from Issue No.1, each YMC Journal publishes at least three articles. Different research methods, data and regulations were used during the preparation of the articles.

# Company Interview This year, the Editorial Group was honored to conduct a company interview with KMB and to let our members know more about recent developments within the transport industry.

# Company Interview

## **The Kowloon Motor Bus Company (1933) Limited**

The Magic of Training Design of One of the Key Players in the Hong Kong Transport Sector - KMB



**Buses** provide one of the major transport services in Hong Kong. Owing to the continuous high public expectation, provision of bus services relies heavily on effective training and customer service elements in our modern society. In addition, efficient and effective human resources management could help a company to select the right candidates as employees, as well as maintaining those human assets.

The YMC Journal's Editorial Group visited Kowloon Motor Bus (KMB) Shatin Depot and the Bus Captain Training School (BCTS) on 22nd October 2010 and met Mr. Ivan LO – Manager, Human Resources, Mr. Wilson WONG – Assistant Manager, Bus Captain Training & Miss Wing YIM – Human Resources Officer, to share their valuable experiences with young members.

#### **Everything Starts from Selection**

One of the tools adopted by KMB to select candidates is the Competency Based Interview (CBI). It is used to identify the candidate's "Can do the job", "Will do the job" and "Will fit in the

job" potential. It is a set of specific and standard questions to understand a candidate's related behaviours and attributes (e.g., personality, ability and motivation) that are relevant to successful job performance. Examples of competency for bus captain are Driving Attitude, Customer Focus, Sense of Responsibilities and Emotional Control. CBI is widely used in the selection of professionals in Hong Kong labour market. KMB fully used this tool in the selection of frontline bus captains with the aim to enhance safety awareness and deliver quality bus service to the public.

Apart from this, KMB also adopts a personality test to evaluate bus captain candidates' suitability to handle the job. An ideal profile was first identified by inviting good bus captain performers to fill in a questionnaire. Bus captain candidate is required to complete a questionnaire before interview. Questionnaire results will be generated as a profile and for trained recruiters to evaluate a candidate's suitability to perform this job against the ideal profile.

Once placement of a new recruit is confirmed, the training stage commences.

# Company Interview







- Route plate showing "Training Bus Fleet" in Chinese
- Double-decker bus training fleets
- Instructor driving inside the training bus
- Cab Simulator Demonstration
- Immediate computer replay screen-shot

#### **Training Design**

The KMB training courses are basically categorized into two main streams: One targets on bus captain and the other relates to supportive staff.

#### **Bus Captain Training**

The KMB bus captain training started in the 1950s. Then, due to the large influx of immigrants from mainland China, a more efficient transport network was required. In order to provide an efficient training programme, KMB started "司機訓練班"(or "Driver Training Course" in English). Some of the experienced bus captains also act as instructors, to train new bus captains.

After two decades of development, the first KMB Bus Captain Training Centre was set up at Cheung Sha Wan in the 1980s. By that time, KMB offered bus operating theories to their new recruits inside the Bus Captain Training Centre, and there was another training bus parking lot located at Butterfly Valley in Lai Chi Kok. At that time, KMB started to include both theory and route training into their bus captain training courses.

In 1988, the Bus Captain Training School (BCTS) was established by the KMB in the Shatin Depot. By this change, provision of comprehensive training course also started. After a long term development and resource input from KMB, the BCTS now owns over 20 training fleets. The BCTS provides Basic Training for bus captain trainees as qualified bus captains and Driving Enhancement Training courses to existing bus captains.

#### Supportive Staff Training

Compared with the bus captain training programme, KMB also puts training resources for other staff. The company supports life-long learning, encourage employees to learn wider knowledge. Currently speaking, KMB provides different kinds special courses, like Customer Services, Leadership, Communication Skills, Putonghua, Occupational Safety, First Aid courses to their employees.

In response to the continuous customer service expectation in society, KMB started a programme namely "Service from the Heart" in late 2009. The Company invited customer services training experts to deliver quality customer services training to their current employees. Over 50 seminars and 300 workshops were organized for over 10,000 staff. It proved that KMB attaches great importance to staff training and development.

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#### **Follow-up Training and Support**

In recent years, BCTS provides immediate support for their new bus captain recruits. Mr. WONG shared with us that, some feedback were collected by the training school telephone hotline or from the employee portal, so BCTS instructors could then fine tune the training courses based on the feedback. In addition, BCTS instructors also conduct on-the-route coaching to new bus captain recruits in their first-month job, and provide instructions on their driving behaviour. This support truly gives strong confidence to the new recruits.

In order to strengthen bus captains' computer knowledge, the BCTS tries to make use of computer self-learning programme by setting some induction course assessment questions on the employee portal. By this, it could actually help bus captains to learn more about information technology, rather than just learn driving skills.

# Advanced Technology – Driving Cab Simulators

Apart from on-the-route training, advanced bus driving cab simulators become a key tool in assisting bus captain training programmes in recent years. The driving cab simulator system was lanuched in January 2008 and the whole system was being imported from the United States. Some materials and contents were designed by current BCTS instructors, including Hong Kong urban street elements, said Mr. WONG and his colleagues. There are totally 4 driving cab simulators inside the BCTS Simulator Studio at Shatin Depot. A trainer can set different scenarios (different weather, different types of road), bus fleets, emergency situations through the control panel, to test a trainee's real time reactions and achieve "Defensive Driving" skills. Advanced computer technology could replay the whole driving process, to assist both the trainer and trainee to discuss more about the driving problems right after the course.

# The Top Two Priorities of Training – Safety and Quality

Besides using advanced technology in training, safety is one of the greatest concerns in public transport service industry. KMB and BCTS always remind their employees to put safety and quality services as their top priority.

BCTS offers different kinds of training courses and has produced intranet videos to bus captains, aiming at the daily problem solving skills, for example, how to use Autotoll toll lanes and tunnel emergency duties. For general grade and front line staff, the Employee Relations & Communication Section takes charge of producing staff videos, bringing some modern customer services handling ideas to their employees.

These methods could truly provide another means of communication and knowledge throughout the online platform, to continuous improve quality services. In addition, KMB frontline staff regularly share their working experiences within the industry. Like other bus companies in South-east Asia region, the Road Safety Council, and the Hong Kong Police Force usually give seminars on emergency situation handling and driving skills to KMB employees too.

In 2001, KMB Shatin Depot got an ISO 14001 certification in its management and a HKQAA Service Award for the bus service. The quality service provided by KMB has been recognised by the public and proved that their long term work is not just efficient, but also effective.

By this visit, the editor knew much more about the KMB current bus captain training and human resources management issues. It is noted that the role of BCTS does not just focus on training, but the School also targets achieving good performance, such as with safe driving behavior, enhancing customer services and achieve continuous improvement. Besides, the Company has adopted CBI as a screening method to select the right person to fit for the right position.





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# Company Interview

### **Looking Forward**

Looking forward, the KMB's target is to become one of the most successful public transport operators in the industry. There is no doubt that by effective human resources management and training, this could help in achieving this vision.

### **Tips for Young Members**

Young members who are interested in the public transport service industry, may also consider joining KMB as-:

### Inspector -

Responsible for front-line management, managing bus captains, terminus supervisors and assistant terminus supervisors; handling contingency issue and customer enquiries.

### Insurance Officer -

Handle third parties claims and recoveries, administer insurance policies in both motor claims and public liability.

### **Operations Officer –**

Manage bus operations, monitor the performance of bus operations team.

Besides, during the interview, Mr. LO, Mr. WONG and Miss YIM gave some valuable job-hunting tips for the young members, especially for fresh-graduates -:

### **Special Tips for Fresh-grad Job Hunters**

- Use your resume to demonstrate a match to the job
- Always be well prepared before every job interview.
- Look clean, tidy & attractive, to give a good image to the interviewer.
- Know about the organizational culture.
- Know about the job duties, and always ask yourself how you are fit for the job.
- Provide truthful details of your working experience, with examples to support your argument.



Special thanks for the great arrangement from Mr. Ivan LO, Mr. Wilson WONG, Miss Wing YIM; and we would also like to thank for the kind assistance from our Council Members.

<sup>\*</sup> Acknowledgement: The Kowloon Motor Bus Company (1933) Ltd. (Website: www.kmb.hk)

# Supply Chain Stream – Issues and challenges of Information Technology deployment in Supply Chain Management

by Mr. CHAN Xin, Stephen

### Introduction

In the globalization and outsourcing era, firms face a multitude of forces that pertain to growth and enhancement in supply chain response and coordination in fierce market competition and expansion in the dynamic business environment. Catalysts, such as rising customer expectations on better-valued total solutions, continuous and growing pressure from stronger competitor capabilities and greater demand for information and knowledge transparency, intensify a firms' need to develop information system strategies to overcome global business complexities and to achieve competitive edges, such as lower total operating costs, accelerated time-to-market, inventory and productivity improvement, stronger strategic partnership relationships Having been greatly and better customer services. influencing globalization in recent years, deployment of information technology could be one of the best choices and of strategic importance nowadays to increase the capability and productivity through different levels of process refinement, optimization and automation along supply chain operations.

Looking back into the worsening global economy brought by the financial tsunami in the past few years, it is inevitable to notice the impact on IT budgeting and expansion for various businesses. The apparently-solid economic recovery has not encouraged firms from withdrawing their strategic priority for launching more effective cost reduction programs. In this regard, the IT budget has been given considerable pressure due to profile declination. Firms are to confront the uncertainties ahead which make decisions perilous in a rigorous and fact-based way instead. Hence, rationalization and strategic mapping for IT projects are often being called for under these uncertain times. Yet, many firms are maintaining a high priority on IT investments while most firms are reviewing and reducing their IT expenditures and budgets. For the above reasons, more realistic approaches are required to evaluate potential strategies and investments on IT projects.

Information technology strategies have been developed and evolved as one of the most critical solutions to overcome complexities in business and supply chain operations in this highly dynamic and competitive global market. Implementation and integration of a new generation of information systems and technologies are now being considered as the foundation of the strategy. This has

become a favorite of service organizations that strive to achieve operational goals and benefits in terms of competitive process performance by means of integrating different functional areas in order to improve internal efficiency with justified time and capital investment. However, in dealing with the strategy, which is a plan with a dynamic nature, should make explicit the concepts, visions and guidelines in order to support the long-term objectives of the organization and determine the strategic role of that particular strategy. It is also suggested that in addition to the determinants of success that have been mentioned, defining valid measurement instruments is as well an essence to the success of the strategy. However, the main obstacles are subject to low management commitment, insufficient resources and capabilities, as well as lack of both internal and external trainings and communication.

### **Business values of information technology deployment**

Information technology deployment as a strategic investment has a great deal of potential in business automation and such process automation rectifies inefficiencies in workflow and so creates a competitive advantage. In addition, IT deployment creates competitiveness for enterprises, by realizing supply chain innovation and efficiencies, and internal information tracking and coordination.

Leveraging IT to improve firm performance in global operations can achieve potential savings such as on labor requirement reduction and real-time track-and-trace visibility. Information technologies can also help on optimization of supply chain processes since it improves distribution or retail channels operations from forecasting demand to production or service operations planning, managing inventory, and distribution as well as improving order planning processes, delivery links, customer service and satisfaction, supply chain and logistics costs.

More importantly, information technologies can make physical assets become more intelligent and processes automatic. Popular technologies for logistics, such as Radio Frequency Identification (RFID) and Enterprise Resources Planning (ERP), can deliver value-added applications related to the tracking and intelligent management of physical assets which opens a room for further enhancement on efficiency, visibility, responsiveness and cost reduction of collecting data on front-line for future analysis on consumer behaviors.

### Issues and practical steps for successful IT deployment

IT deployment does not only replace physical technical equipment, it also affects processes, products and services. Therefore, in order to have successful deployment and implementation of information technology, the first step is to define the scope and landscape of the project strategy, stating clearly where the company is and where they are heading. Firms are then required to assess capabilities and budgets on whether sufficient physical and human resources are available for deployment and disposal across different project stages ranging from planning, trials, and implementation to continuous improvements. It is crucial for companies to create a deeper understanding of possible business potentials of the deployment project, identify the technical requirement and critical characteristics of the desired state and outcomes contributed by the technology, as well as to extend further on elaboration of Critical Success Factors (CSFs) of the project based on the set of corporate strategic goals.

Second, it is essential to assess, evaluate and select available peripheral technologies that are feasible to assist the core technology deployment. From a supply chain perspective, concrete and actual contributions of a particular technology or system as a whole should be understood with regard to Identifying causal links and individual processes. relationships between supply chain processes and the technology is also important in order to achieve maximum possible synergies. Therefore, it is required to construct the desired design, re-design and re-engineering of the process at all stages in the supply chain and value chain where the technology is applied. The necessity to implement innovative business process re-engineering on the fundamental processes of supply chain activities before technology implementation is ultimately to achieve greater overall operational synergy, both internally and externally.

More realistic approaches thus should be called for modeling information technology implementation at the design and planning stage in order not to abuse the scenario-based modeling technique and assumptions that may potentially cause a wide gap between expectations and results. This could help firms to decide on which level or levels of the technology should be deployed in terms of cooperation, managerial and operational perspectives. Planning and implantation of trial-runs can help to illustrate and estimate on the overall improvement on total project cycle time, system variations against expectations and investment returns.

Last but not least, lack of measurements will undoubtedly hinder both the implementation and improvement stages. Understanding measurement and establish measurement systems on both physical assets performance and individual contributions are keys to the project success, continuous improvement and motivation. Thus, concerns and emphases on evaluations and benchmarking are worth being considered throughout all stages.

### Challenges

There are many challenges, but not limited to, the following for both economically and operationally viable information technology deployment and implementation. importance of understanding the actual contribution of an information technology regarding each individual activity and process along the entire supply chain is generally being ignored in many cases of failure. As discussed and mentioned in the previous sections, information technology deployment, especially complex ones such as RFID system that unlike barcode systems, requires to dovetail with considerable size of process redesign in terms of the supply chain or even value chain context nowadays. The value and management of the IT application depend on the alignment between IT itself and the operational circumstances. Therefore, innovative business process re-engineering (BPR) is necessary to be implemented in order to achieve greater synergy. This confirms that how firms handle and overcome and resolve their system and process complexities would influence to a great extent, on their future operational performance, and ultimately, financial ones.

Meanwhile, firm environment specific factors such as organization size and level of management support, supply chain structure, deployable resources and firm's experience with certain supply chain practices and the existence of inter-organizational information systems are crucial to be identified as they differ across enterprises. Hence, backend integration and managerial skills on knowledge accumulation become significant to the success of IT value creation. With more mature technology, wide adoption by market competitors would easily erode the competitive edge of market leaders ("the first-mover advantage") in investing, managing and owning it.

In addition, establishing incentives to encourage information and asset sharing are as well another key challenge for better coordination of "high-tech" supply chains and integration of supply chain partners. The level and performance of information sharing could be significant in mitigating uncertainties on forecast accuracy for demand, production capacity and lead time (bull-whip effect). On another hand, sharing assets such as inventory hubs and logistics systems could simplify, consolidate and integrate the supply chain network across the partners by eliminating redundant facilities and interactions and reducing waste that may increase risks, complexity and costs. All in all, these potential

benefits that could leverage business and operations management in a synergistic manner should be ranked in priority to internal goals.

More importantly, lack of commitment and the perception of risk by cooperative decision-makers will eventually hinder the overall progress and possibility of success of technology implementation in which failures will lead to financial and resources losses, as well as the loss of best timing for getting advantages from it. These obstacles are claimed in scholarly literature to come from the fact that profitability analyses are problematic since such investments cannot be easily quantified as traditional and standard economic investment. Therefore, in addition to the determinants of successful IT deployment, defining valid measurement instruments is as well an essence to its success. Collective benchmarking, such as Total Cost of Ownership (TCO) and Balanced Scorecard (BSC), allows firms to justify investments company-specific framework and indicators, in terms of monetary terms, user satisfaction and learning outcome for further evaluation and continuous improvement on IT-enabled business processes.

### **Conclusions**

To conclude, rising customer expectations and the uncertain global economic recovery creates a more dynamic and unpredictable, but yet fiercely competitive, business environment. These driving forces have put pressure on firms to include more information technology investments to achieve synergies across operational efficiency and cost effectiveness, but at the same time maintain service quality. Solid and disciplined IT projects with rationalized and consolidated infrastructure will substantially improve the sustainability supply chain functions and procedures. There is no success-assured solution for IT deployment and implementation at the lowest possible cost. However, hints confront the fundamental issues and challenges and more importantly, keep the mentality of "cut cost, but not performance and revenue".

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# **Logistics Stream - Green Shipping Logistics With ISO 14000**

by Mr. CHAN Ka Ho, Davin

### Introduction

Increasing of international trading needs big volume of marine service and such demand is increasing rapidly each year. However, one of the key external costs of increased local, regional and international shipping volumes is air and water pollution, which are perhaps the most serious environmental problem.

### Law & Regulations on Water Pollution from Ships

### USA - California

The requirements for Ballast Water Management in the State of California are described in different regulations and legislations. One of them is Article 4.6 of California Code titled Ballast Water Regulations for Vessels Arriving at California Ports or Places after Departing from Ports or Places within the Pacific Coast Region.

Article 4.6 applies to all vessels arriving at a California port or place carrying ballast water from another port or place within or outside the Pacific Coast Region, which is defined as "all coastal waters (within 200 nm of land) on the Pacific Coast of North America east of 154 degrees W longitude and north of 25 degrees N latitude, excluding the Gulf of California".

### International Convention for the Control and Management of Ships' Ballast Water and Sediments, 2004 (BWM 2004)

In recognition of the importance of preventing, minimizing and eliminating the risks of ballast water to the aquatic environments and human activities, BWM 2004 was adopted by International Maritime Organization (IMO) in 2004, which requires ratification by 30 states representing at least 35% of world merchant fleet tonnage to enter into force.

BMW 2004 covers an array of articles and annex covering general obligations of different stake-holding parties, requirements of reception facilities, survey and certification, inspection, standards of exchanging, performance and reviewing etc.

### Article 7 & 9: Survey & Certification; Inspection of Ships

In these two articles, they stipulate the duty of flag state control and port state control of ships in exercising their authority of conducting regular and proper survey and certification. In Article 9, inspection of ship is specified to ensure that the requirements of Annex of BWM 2004 are complied with on validity of certificate, record-keeping and sampling.

### Section B: Management and Control Requirements for Ships

In Regulation B-3 of this section, the deadlines of different years of ships constructed to meet ballast water performance standards required by BWM 2004 are stated. Now that the Convention has yet to be enforced without sufficient ratifying countries, it is highly possible that the deadlines of 2012 proposed are being reviewed by Marine Environment Protection Committee (MEPC) of IMO when enacted by different states.

### Section D: Standards for Ballast Water Management

In this Section, it consists of standards on ballast water exchanging, performance measurements, the use of Active Substances, technologies used and review of the standards.

### **Law & Regulations on Air Pollution from Ships**

### North American Emission Control Area

In 2010, IMO amended the International Convention for the Prevention of Pollution from Ships (MARPOL), designating specific portions of U.S., Canadian and French waters as an Emission Control Area (ECA), which will be enforceable in August 2012. The area of the North American ECA includes waters adjacent to the Pacific coast, the Atlantic/Gulf coast and the eight main Hawaiian Islands. It extends up to 200 nautical miles from coasts of the United States, Canada and the French territories.

### **European Union Sulphur Emission Control Area (SECA)**

Prevention of air pollution includes ozone-depleting substances, nitrogen oxides (NOx), sulphur oxides (SOx) and volatile organic compounds (VOC). It also contains restrictions against combustion of ship generated of waste onboard ships in respective EU territorial waters. Also, the Area addresses the maximum sulphur content in ship's fuel is allowed to be 1.50 percent by mass.

### MARPOL Annex VI

Emission Gases from ships are, i.e., Nitrogen Oxides, Sulphur Oxides, Carbon Dioxide, Carbon Monoxide, Hydrocarbons. The concentration of the differing exhaust gases is variable according to the engine type, engine settings and fuel type.

MARPOL 73/78 Annex VI regulations are ratified by 15 signature States to MARPOL with a combined tonnage of 50% of World tonnage. The Protocol was fully ratified in accordance with this requirement in 2004 and has entered into force in 2005. There are 19 regulations but the following regulations will impact vessel operations for all vessels above 400 GRT.

### ISO 14000

### **Concepts**

ISO 14000 first came into light since introduction of ISO 14001 in 1996, which is central to the series by specifying the requirements for an Environmental Management System (EMS) and certification by a third party.

Recognized as "a framework for identifying and managing performance criteria that are set by organizations implementing the standard", ISO 14001 allows companies to overhaul all business activities, identifying the environmental aspects to be taken into account while formulating policies, objectives, targets, systems monitoring and measurements in EMS.

# **Environmental Protection & Implementation of ISO** 14000

In a bid to implement the principles of environmental protection and ISO 14000 into a logistics or shipping-related company, due to word limits, several standard procedures are outlined on three inter-dependent processes of "Policy, Objectives & Targets", "Environment Aspects" and "Monitoring, Evaluation & Enhancement".

### **Policy, Objectives & Targets**

**Purpose:** To define and specify the control principles of compiling, revising, promulgating and implementing the policy, objectives, targets of ISO 14000.

**Responsibility & Procedure:** Compiling, revision, approving, enacting, propagandizing and reviewing of policy, objectives and targets.

### Factors to be considered

- · Law, regulation, relevant standard and requirements;
- · Policy, objectives and targets of relevant subsidiaries and partners;
- · Operation and management situation;
- · Risk and Environment factors;
- · Requirements of the parties concerned.

### **Assessment of Environment Aspects**

### **Principles of assessing Environment Aspects:**

- · Scale and continual time of impact on the environment;
- · Extent of severity and status of impact on the environment;
- · Probability and possibility of Accidents and emergency situations;
- · Environment legal rules and regulations;
- · Technical difficulties in modifying the influence to environment;
- · Environmental interest of parties concerned;
- · Public image of the company;
- · Company's risks caused by environmental problem.

### Characteristics to be recognized as "Major Environment Aspects":

- · Conflicting with the laws, codes and regulations;
- · Specified control items of company's potential/emergency accident;
- Specified control items of chemicals packaging, consumption, transportation, and the disposal of dangerous waste;
- Severely impact company's important discharge index;
- · Result in exhausting important energy resources.

### Monitoring, Evaluation & Enhancement

**Purpose:** To standardize the principle to monitor, measure and analyze the key characteristics of QSEMS operations that can have a significant impact to the quality, environment and safety on a regular basis, so as to ensure QSEMS to be improved continually.

### **Responsibility & Procedure**

### **Activities & results monitoring**

- 1. Top Management shall, according to the policy, project, target and management needs
- 2. Organize to compile / revise the Company's Key Points of Monitoring regularly, control the relevant process and activity.
- 3. Set up the post of surveillance like internal inspector, auditor, marine superintendent, QSEMS superintendent, engineering superintendent and bill auditor, etc.

### **Measurement of result**

- Each department should make the corresponding qualitative or quantitative observation / measure method or tool in accordance with the Company's Key Points of Monitoring, and keep observing / measuring and recording continuously.
- 2. The post personnel of external/internal individual department should carry out the observation / measure according to his duty, and check, test, and maintaining of specific observation/measure tools and facility.

### Conclusion

Being an international intermediary of goods, shipping industry has an indispensable responsibility to contribute on regulatory and economic concerns. Thus it is crucial to survival for practitioners of the shipping and logistics industries to recognize and adapt to an environmentally-friendly approach in business activities.

This article introduces ISO 14000 into overhauling the environmental standards and performances of company activities, which will not only benefit the environment, but also achieving win-win between business objectives, stakeholders and our society.

Thank you for the following contributors to this article: Mr. Ng Yun Chiu, Miss Rhoda Mok, Miss Hidy Li and Cap, Han Zhenbo.

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# Transport Stream – High-speed Rail Brings Development Opportunities to both the Mainland and Hong Kong

by Mr. CHA Kai-tung, Leo

In the last two decades, the Chinese Government has planned and built high-speed rail (HSR) networks over the country, in order to catch up with the economic growth and increase the passenger flow. The first HSR feasibility study started in the early 1990s by the Ministry of Railways (MOR), which analyzed the new rail line connecting the two major cities of China-Beijing and Shanghai. However, this passenger railway was not built until 2008. After the long term debate about the pros and cons of building the HSR, construction work of the first HSR systems in China, Qinshen Passenger Designated Line (PDL) (秦沈客運專線) started in 1999, and commenced service in 2003. From that time, railway development in China entered the high-speed rail era. Other than this development, more and more passenger rail undertakings were endorsed and built, especially in the past 5 years.

In this article, we will briefly discuss the rail development in China, and find out how Hong Kong can catch the multitude of opportunities within the HSR development.

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(Original map quoted from Hong Kong Legislative Council Paper)

### **Introduction of Current Railway Development in China**

In early 2010, China already had the longest length of HSR in the world. According to the MOR's figure announced at the end of 2010, there were 91,000 km of rail networks in operation, including 8,600 km of HSR systems. It was noted that railway development is one of the current important development agendas of the state, especially highlighted in the National 11th and 12th Five Year Plans (details will be discussed below). In total, the state invested over US\$300 billion to expand the current rail network. It is expected the total HSR and rail network will reach 16,000 km and 120,000 km in 2020 respectively.

The expanding railway system brings up economic and development opportunities to those regions along the track, however, some people have argued that the extensive construction of HSR might bring financial burden to the state. Actually speaking, by expanding the rail network, it could create other opportunities to the new development areas. According to the "Mid-to-Long Term Railway Network Plan (revised in 2008)"[中長期鐵路網規劃 (2008年調整)] released by the Ministry of Transport, the state planned to develop rail route according to the population distribution, to separate passenger and freight flows, to build an environmental friendly means of transport system and to connect with Western China in order to speed up the development, so as to cover over 90% of the total population in China. Under the plan, a National High-speed Rail Grid (4+4) undertaking has been set. 8 high speed PDLs, 4 in north-south and 4 in east-west directions will be built before 2020.

### Railway bottle-neck and its connectivity

Although the state continues to invest in railway development in recent years, it is noted the state still suffers in handling the large volume of passengers — especially during the Spring Festival transportation (春運) every year. Readers may remember the heavy snow fall before the Chinese New Year holiday in 2008, where the railway capacity in South China region reached its limit, and caused thousands of workers delays in heading home. Actually, the existing rail networks do not only have great pressure before and after the Chinese New Year period, but the tracks have to also handle goods and raw materials transportation in normal days. As such, bottlenecks in rail infrastructure might cause an obstacle in development if the state does not invest for future.

The new Chinese Government, established for over 60 years, saw the population increase from 594 million in 1952 to over 1.3 billion now. Comparing the figures, the level of passenger and freight volume keeps increasing, and it was noted that current railway capacity is insufficient for the economic development. Before the economic reform, policies even restricted citizens to purchase their train tickets under the strict "Hukou System" (戶口制度), but workers mobilization after the economic reform brought a new era in urban development, road and rail transportation suffered most. According to the data collected from the National Bureau of Statistics in China, speed in new railway constructions were at low levels until the last 5 years, and the ratio of railway passengers was just over 5% in total passenger traffic volume in 2008 (see annex). In addition, the development of Western

China was quite slow until the "Go-West Policy" started in the 21st century. By building of Qinghai-Tibet Railway, the level of accessibility to Western part of China has been improved, enhancing city development and urbanization.

It was noted that in the past 2-3 years, some major HSR and PDL links were completed and started operation, such as Wuhan-Guangzhou High-speed Railway (武廣高鐵) and Beijing-Tinjian Intercity Railway (京津城際鐵路). These railways effectively resolve railroad bottlenecks, and brought new development opportunities to these regions.

### **Quality of Life and Immediate Benefits**

By developing the HSR and expanding the current rail network in China, it could gradually resolve the bottleneck problem in the whole transport system. Besides, it could also increase the linear development and the quality of life of the public. From the 11th Five Year Plan, it is noted that the State Council planned to speed up the rail transport development, in order to provide a convenient, unobstructed, highly efficient and safe transportation system in the state, and also to reduce the traveling time among major cities by Intercity rail systems. In the 12th Five Year Plan, the state plans to continue to develop HSR network, together with clean power resources. The state already noted that mass transportation could effectively solve the bottleneck problems, and keep the state growth on a sustainable track, compared with road traffic.

Reducing traveling time is the immediate benefit to passengers, such examples can be found in the Wuhan-Guangzhou High-speed Railway in 2010 and the Beijing-Shanghai High-speed Railway (京滬高鐵) this year. Both links could help passengers save over half the traveling time, compared with the fastest original train services. Wuhan-Guangzhou HSR also stimulated cross-province tourism industry within Guangdong, Hunan and Hubei provinces within 2 months from the grand opening on 26 December 2009; and will also resolved the railway pressure on the Jinguang Railway (京廣鐵路) during Spring Festival transportation in 2010. Furthermore, new city cores will be developed along those new HSR stations, it generate new development opportunities for the region, further enhancing the competitiveness among cities.

# What can Hong Kong learnt from China HSR Development?

In the previous paragraphs, the brief background and current HSR development in China have been noted. Under the HSR construction progress in the Pearl River Delta (PRD) region, the mainland section of the Guangzhou-Shenzhen-Hongkong Express Rail Link (XRL) will soon be put into service from the middle of this year (to Shenzhen North, Longhua) to 2012-13 (to Futian), based on the construction phases. The Hong Kong section is now under construction, and is expected to commence service in 2015.

According to the Planning Department Survey conducted in November 2009, Individual Visit Scheme (IVS, 個人遊) tourists contributed 10.3% of the total cross-boundary passenger trips. Also, 46.3% (364,400 trips) and 3.2% (25,300 trips) of the mainland tourist trips used Cross-boundary trains and through trains respectively (Northbound Southbound 2009). Around 85% IVS tourists came from PRD cities. Also, the data provided by the Transport and Housing Bureau mentioned that the daily cross boundary train passenger volume could reach around 394,000 persons for each round of services, bringing HK \$87 billion of revenue in 50 years time. Although Hong Kong has already steps behind the whole PRD economic integration development, it is found that Hong Kong still has some points for cooperation with the mainland, or can learn from the state HSR development.

Under discussion of the XRL project before the endorsement in Legislative Council, some people argued that the level of public engagement provided by the Government was not sufficient. The position of the XRL should not just focus on construction cost, design and alignment. The new policies set by both Hong Kong and the state could strengthen the utilization rate of the XRL. For example, how to attract Pan-Pearl River Delta "9+2" Region tourists to come to Hong Kong and PRD, to release the visa validation for more IVS applicants, and how to streamline the immigration process inside the West Kowloon Terminus. These are the things that Hong Kong citizens, legislative councilors and the Central Government should consider in coming future.

Besides, Hong Kong can make use of XRL for a PRD 1-hour activity zone, strengthening the advantage of reduced traveling time, and create more opportunities. The XRL operator could consider putting more resources into short-haul rail services if train headways were available (current example like Guangzhou-Zhuhai Mass Rapid Transit services). This could mobilize PRD passenger flows, for business classes or tourism uses. Besides, long-haul services could attract more opportunities from the northern China (estimated train schedule in the next page is for reference, which quoted from Zhou, 2009).

However, the fare setting should be attractive, and lower than the existing flight services. With the competitive advantage of travel time, fare prices and policies support, Hong Kong and the mainland could both enjoy more opportunities.

Other than infrastructure, software development should also be considered. The development of XRL brings more opportunities for both Hong Kong, the MOR and the Central Government, to conduct information and HSR operational experiences sharing (such as maintenance and operation works) in the coming years. These could provide opportunities for new generations to develop their career paths in the HSR industry. It is noted that strong cooperation between different places is unavoidable, but practically speaking, it is also difficult for both Governments deal with operational sharing because of long term ideological, culture, working standard differences between Hong Kong and mainland when managing actual HSR operation.

### Estimated Train Frequencies (Daily each bound) of the West Kowloon Terminus

Train Type	Destination	Route via	Journey Time	Short Term (in 2020)	Long Term (in 2030)
Intercity	Futian – West Kowloon	Direct	14 min	45	54
Intercity	Longhua (Shenzhen N) – West Kowloon	Direct	23 min	45	54
HSR	Humen – West Kowloon	Direct	33 min	5	7
HSR	Guangzhou South – West Kowloon	Direct	48 min	11	14
HSR	Guangzhou South – West Kowloon	via Longhua, Humen	< 1 hr	8	11
HSR	Changsha – West Kowloon	Direct	3 hr	1	1
HSR	Wuchang – West Kowloon	via Changsha	4 hr	1	2
HSR	Beijing West – West Kowloon	Direct	8 hr	4	5
HSR	Xi'an – West Kowloon	Direct	7 hr	1	1
HSR	Hangzhou – West Kowloon	Direct	5.5 hr	2	2
HSR	Shanghai – West Kowloon	via Hangzhou	6 hr	2	3
HSR	Nancheng – West Kowloon	Direct	4.5 hr	1	1
HSR	Zhengzhou – West Kowloon	Direct	6 hr	-	1
HSR	Nanning – West Kowloon	Direct	3.5 hr	1	2
HSR	Kunming – West Kowloon	via Kunming	7 hr	=	1
HSR	Chengdu – West Kowloon	Direct	11.5 hr	1	1
HSR	Chongqing – West Kowloon	Direct	9.5 hr	-	1
HSR	Shanghai – West Kowloon	via Fujian	10 hr	3	3
HSR	Shantou – West Kowloon	Direct	2 hr	2	3
HSR	Xiamen – West Kowloon	Direct	3.5 hr	4	3
HSR	Fuzhou – West Kowloon	via Xiamen	5 hr	2	2
HSR	Nanjing – West Kowloon	Direct	10.5 hr	-	1

(Information quoted from Zhou, 2009)

### **Conclusion**

It was noted the railway development in China was not sufficient for her high speed economic growth in the past few decades. However, the Chinese Government was keen to invest in HSR systems, and planned continuous development to solve many problems. The XRL project could increase the accessibility between Hong Kong and mainland cities upon completion in 2015, and bring more opportunities to both regions. In short, Hong Kong can be more active in learning and cooperating with the state, and to develop a basket of full, clear, convenient policies before the XRL comes into service. Hong Kong people may try to use our management wisdom to deal with those practical problems caused by long term ideological, culture, working standard differences between Hong Kong and mainland. If this becomes possible, Hong Kong can actually catch the multitude of opportunities within the HSR development.

# (Special thanks for the kind assistance and valuable comments from Dr. Isaac NG)

### **General Information**

General Information of the Railway Development in China – Available at the website of the Ministry of Railways of the People's Republic of China (www.china-mor.gov.cn)

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# Annex - Statistical Figures for the Length of Railway, Electrified Railway, High-speed Railway, Passenger Traffic Volume & Population in China (1952 – 2010)

Year	Length of Railways in Operation (in 10,000 km)	Length of Electrified Railways (in 10,000 km)	Length of High-speed Rail (in 1,000 km) <sup>(4)</sup>	Passenger Traffic (Railway) (in million persons)	Passenger Traffic (Total) (in million persons) (8)	Population (in million) (8)
1952	2.29	=	=	=	<del>-</del>	594.35
1957	2.67	<del>-</del>	-	-	-	-
1962	3.46	-	-	-	-	-
1965	3.64	<del>-</del>	-	-	-	694.58
1970	4.10	=	=	=	<del>-</del>	-
1975	4.60	-	-	-	-	919.70
1978 (1)	5.17	0.10	=	814.91	2539.93	962.59
1985	5.52	0.41	*	1121.10	6202.06	1058.51
1990	5.79	0.69	=	957.12	7726.82	1143.33
1992	5.81	0.84	*	996.93	8608.55	1171.71
1996	6.49	1.01	=	947.97	12453.57	1223.89
2000	6.87	1.49	*	1050.73	14785.73	1267.43
2001	7.01	1.69	=	1051.55	15341.22	1276.27
2002	7.19	1.74	0.40 (5)	1056.06	16081.50	1284.53
2003	7.30	1.81	=	972.60	15874.97	1292.27
2004	7.44	1.86	1.96 (6)	1117.64	17674.53	1299.88
2005	7.54	1.94	-	1155.83	18470.18	1307.56
2006	7.71	2.34	-	1256.56	20241.58	1314.48
2007	7.80	2.40	6.84 (7)	1356.70	22271.61	1321.29
2008	7.97	2.50	-	1461.93	28678.92	1328.02
2009 (2)	8.60	3.60	-	1524.51	<del>-</del>	-
2010 (3)	9.10	-	8.36	1680.00	-	-

### Note:

- (1) Open Door Policy started in 1978.
- (2) Tentative Figure from China Railway Statistical Report 2009.
- (3) Tentative Figure as at end of 2010 from Chinese Government & cross reference from the trend released at Ministry of Railways. Ministry of Railways of People's Republic of China, 2010. 2010 nian 1 11 yue quan guo tie lu zhu yao zhi biao wan cheng qing kuang (2010年1-11月全國鐵路主要指標完成情況), Available at: <a href="http://www.gov.cn/jrzg/2011-01/04/content\_1778082.htm">http://www.gov.cn/jrzg/2011-01/04/content\_1778082.htm</a>. [Accessed 4 Jan 2011]
- $(4) \quad \text{Definition of high-speed rail from Int'l Union of Railways (UIC): Over 200 km/h in normal operating speed}$
- (5) Construction of the first high-speed railway in China, Qinshen Passenger Railway, was completed in 2002.
- (6) Data quoted from 5th "Speed-up" Campaign in 2004
- (7) Data quoted from 6th "Speed-up" Campaign in 2007
- (8) There was no finalized information for the total number of passenger volume and exact amount of population for 2009 & 2010. Population sizes in 1952 & 1965 are based on 1st & 2nd Population Census conducted by Chinese Government respectively.



# YMC Forthcoming Events (2010/12)

### **Mentorship Programme**

YMC Mentorship Programme is one of the focus points every year. Established for several years and since 2010, the Programme has attracted more participation and supports from experienced industry seniors as mentors while tertiary students as mentees, facilitating sharing and stewardship for personal developments through a range of activities in the Programme.

### **Site Visits**

YMC organizes a variety of site visits covering from logistics to transport-related facilities – waste oil recycling at Dunwell, ship-repairing at HUD, Ngong Ping 360, railway operations at MTRC etc – broadening horizon of young members and participants through real-life exposures.

### Young Professional Seminars & Workshops

Through experience sharing by industry seniors and peers, participants could obtain more insights and perspectives about logistics and transport industries for career development.

### **Student Scholarship Programme**

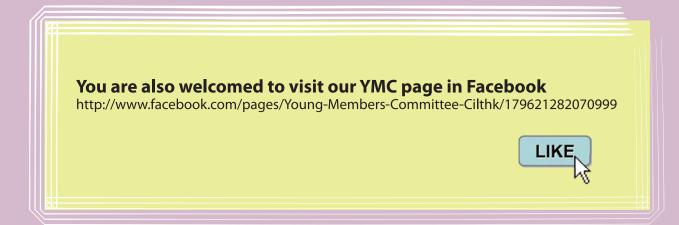
CILTHK Student Scholarship Programme, supported by Janel Group as sponsor in 2011, will select several awardees from tertiary institutes through submissions of theme writings related to logistics and transport fields.

### **Annual Dinner**

This is an annual gathering organized by YMC with friends and participants from tertiary institutes and young members, as a platform of re-union filled with entertainments and fun.

### **Professional Training Scheme**

This Scheme provides internship opportunities to students to apply theories into practices, in logistics and transport-related companies every year.





# **Member Lists of Young Members Committee**

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<sup>\*</sup> The above information is correct at the time of print.



# **Acknowledgements**

On behalf of the editorial board, we would like to thank all those who participated in this publication, and the valuable ideas proposed are important to us.

Besides, we would like to express our heartfelt appreciation to CILT, the CILTHK Council and Committees, and the supporting organisations listed below. YMC events had been successfully held in the past few years with your kind support.

We hope that you will continue your generous support to YMC, and we will continue to hold numerous interesting and valuable events for young members.

### **Supporting Organisations (listed in alphabetical order):**

- · Asia Container Terminals Limited
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- · Guangdong Industrial Technology College
- HKCC of the Hong Kong Polytechnic University
- HKU SPACE Community College
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- · Modern Terminals Limited
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- Ngong Ping 360 Limited
- · Northumbria University in collaboration with PolyU SPEED
- · NWS Transport Services Limited (Citybus and New World First Bus Services)
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- The Hong Kong University of Science and Technology
- · The Janel Group Hong Kong Limited
- · The Kowloon Motor Bus Company (1933) Limited
- · The University of Hong Kong
- · Western Harbour Tunnel Company Limited
- WinSports Holding Limited

### **Special Acknowledgement:**

- Mr. Maric CHENG, IATA Dangerous Goods Instructor
- · Mr. William CHONG, Senior Director of SDV Hong Kong Limited
- · Dr. Issac NG, Lecturer of City University of Hong Kong
- · Mr. Simon TU, General Manager of KMB (China) Holdings Limited

Also thanks to all contributors and sources to this Journal.

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