

# THE VALUES THAT MAKE A DIFFERENCE

*Cheung Kong's Victor Li tells students graduating from the University of Western Ontario about the importance of traditional values in business*



**Dr Victor Li (centre) pictured here with Dr Fred Longstaffe, Acting Chancellor of University of Western Ontario (centre left) and Professor Kathleen Slaughter, Dean of Richard Ivey School of Business – Asia, University of Western Ontario (centre right).**

THE 24TH OF MAY was a memorable day for Mr Victor Li, the Managing Director and Deputy Chairman of Cheung Kong (Holdings) Limited. First, he received an honorary degree, Doctor of Laws, from the University of Western Ontario and then he gave the address at the university's annual Hong Kong convocation in which he offered students advice about business values.

Mr Li and his family have strong links with Canada. He became a Canadian citizen in 1987. While working in Toronto, he oversaw other family investments in the country. The Cheung Kong

Group is one of the largest foreign investors in Canada and Mr Li is also co-Chairman of Husky Energy Inc, among the country's largest energy companies, in which Hutchison and the Li family own a majority stake.

"Victor has shown himself to be a prudent and straightforward business leader with a strong business sense that he's honed from a very young age," said Carol Stephenson, Dean of the university's Richard Ivey School of Business. "He also has a long-standing commitment of giving back. We are privileged to be awarding him this honour."



## EXTRACT FROM DR VICTOR LI'S CONVOCATION ADDRESS

"FROM THE TIME I started working in the Cheung Kong Group to now, I have witnessed growth which many commentators have described as exponential. The Group has grown from a local property development company in the early 70s to a multinational with operations spanning property development, retail, infrastructure, energy, telecommunications, ports and life sciences in 54 countries, with more than 240,000 staff.

Currently, we are developing well over 200 million square feet of property worldwide; our terminals look after 13 per cent of global container throughput; and our health and beauty stores make us the largest retailer of this industry in the world. We are also one of the largest foreign investors in Canada, the United Kingdom, Australia and Italy . . . the list goes on, but I won't bore you with any further details.

For many years, magazines and newspapers love to ask us whether there is a formula for the success of the Cheung Kong Group. To this question, my answer is: I would be crazy to even pretend that there is a single formula. However, I do know several things that would reduce the chances of success. As an engineer, I like to express my answers in point form:

### Point 1

It is very difficult to improve yourself or your company if you consider yourself very successful already. We tend to stop learning when we are too satisfied with ourselves. I have a favourite Chinese saying from Confucius: 「三人行，必有我師焉：擇其善者而從之，其不善者而改之。」 Roughly translated, when three people walk together, one of them has something he/she can teach you. There are always lessons to be learnt from the people around you – learn what to do and what not to do from their virtues and their vices. As long as you do not consider yourself successful, the learning process never stops – never stop walking the path of knowledge.

### Point 2

It is difficult to succeed or to maintain your fruits of success if you do not look long term. Do not get me wrong – be it long or short term, profit is always good. But short-term profit is almost too much fun, too many people like it – as a result, the scene is usually crowded and competition is keen. On the other hand, long-term investment needs patience and hard work. The process involves several up and down cycles and is usually less exciting. As a result, most people do not enjoy it as much and the competition scene is less crowded – wonderful news for those who prefer the longer process. Unfortunately, today a lot of public companies have to do quarterly reports. Analysts focus on short-term profit so they can advise clients who prefer short-term gains. If the boards of these companies do not have the backing of one or two major long-term shareholders, the senior management of these companies may have no choice other than to focus on short-term profit. This is even better news for those who have the luxury of focusing on long-term projects.

### Point 3

It is difficult to succeed if you forget what your grandparents/parents taught you when you were a little kid: honour, responsibility, integrity, honesty and sincerity – all the traditional values. Today, when we talk about the "global village", most people concentrate on the word "global"; I tend to focus on the word "village". In the small corporate village we live in today, when almost all the key players practically know each other, reputation becomes more important than ever. When one villager acts irresponsibly or not honorably, his partners, shareholders, colleagues and customers will remember for a long time. A successful villager must be a good villager at the same time, or else his good fortune will be short lived. The Cheung Kong Group operates in 54 countries. I do not pretend to know all their local customs. Sincerity is my door-opener to friends and partners around the world. I certainly would not leave home without it.

So there it is, I do not have any single formula for success; but if you do not consider yourself successful, focus on the long-term, and remember what your grandparents teach you about honour, integrity, responsibility and sincerity, your chances of success will be better, and you will be a more reputable villager in this global village."



**Dr Victor Li gave his Convocation Address, entitled "Traditional Values in Business".**