

(Unclassified version with commercially sensitive or confidential information and Members' names removed)

S.C. 5/2012

**Minutes of the 41<sup>st</sup> Meeting of the  
Staffing Committee held at 2:30p.m.  
on Tuesday, 6 March 2012 in the Board Room,  
2<sup>nd</sup> floor, HKPC Building, 78 Tat Chee Avenue, Yau Yat Chuen, Kowloon**

**Present** : Chairman - Dr. Elizabeth Shing Shiu-ching, BBS, JP

Members - Mr. Davey Chung  
Miss Lam Kam-yi  
Mr. Leung Yam-shing  
Mrs. Agnes Mak Tang Pik-yee, MH, JP  
Mr. Andrew Mak Yip-shing  
Prof. Helen Meng Mei-ling  
Mrs. Katherine Ngan Ng Yu-ying, JP  
Mr. Sin Kai-ming, MH  
Ms. Marilyn Tang Yin-lee

**In Attendance:** HKPC Chairman - Mr. Clement Chen, BBS, JP

**In Attendance from HKPC:**

Mr. Tony Lam	Director, Corporate Services
Mr. Jonathan Ho	General Manager, Corporate Communications
Mr. Dennis Wu	General Manager, Corporate Human Resources & Administration
Mr. Alfonso Tam	Chief Manager, Council Secretariat
Ms. Miranda Yeap	Senior Manager, Council Secretariat

**Welcome**

The Chairman welcomed Miss Lam Kam-yi, Mrs. Katherine Ngan Ng Yu-ying and Mr. Sin Kai-ming who attended the meeting for the first time.

**Vote of Appreciation**

The Chairman suggested, and Members agreed, to record a vote of appreciation to Mr. Choi Kam-wah, Dr. Fan Cheuk-hung and Mr. Poon Siu-ping for their contributions during their tenure as Members.

## **Confirmation of Minutes (S.C. 20/2011 Revised)**

The Revised Minutes of the 40<sup>th</sup> Staffing Committee Meeting held on 26 October 2011 had been circulated to Members and there were no further requests for amendments. The Minutes were taken as read, confirmed and signed by the Chairman.

### **I. Staffing Position of HKPC (S.C. 1/2012)**

1. Invited by the Chairman to report, introduced the paper and said that, as at 31 January 2012, the number of staff in post was 630 against the total approved establishment of 711. This represented a reduction of 1.9% in the total number of staff when compared with 642 a year ago. An average staff turnover rate of 8.9% was recorded for the period April 2011 to January 2012. According to the exit interviews, most leavers (57%) quoted “remuneration / career advancement” as their reason for departure.

2. also reported that Members had earlier approved by circulation of papers the following Directorate grade staff appointments via open recruitment:

- (a) Mr. Derek Louie Chi-hang, who had over 19 years of experience in HKPC, as General Manager, Automation Service on 1 January 2012 following the retirement of Mr. Li Li-man;
- (b) Mr. Thomas Lee Kwok-keung, who had served HKPC for over 19 years, as General Manager, Materials & Manufacturing Technology as from 1 March 2012 following the retirement of Dr. Yeung Lee-kin; and
- (c) Mr. Leo Lam Kwong-shing, an external candidate, who was selected to fill the position of Director, Business Innovation following the early retirement of Mr. Edmund Sung Shiu-lun. Mr. Lam had solid experience of over 20 years in managing IT consulting service and he was an all-round executive with comprehensive competencies in business consulting, innovation, entrepreneurship, corporate management and governance as well as cultural agility. Mr. Lam would report duty in May 2012.

Separately, reported that to enhance risk management and the internal audit function, Ms. Helen Chan Hoi-yee, an external candidate had been recruited as the Chief Internal Auditor at the Principal Consultant rank. Ms. Chan had reported duty on 1 March 2012.

3. In reply to \_\_\_\_\_, \_\_\_\_\_ said that the higher turnover rate of consultant grade staff necessarily meant that the approved manning for this grade were less likely to be fully utilized at a given point of time. \_\_\_\_\_ assured Members that a robust recruitment process was ongoing to identify suitable replacement candidates to meet operational needs. As regards project officers, the practice was to appoint them at the entry ranks generally to allow room for their growth and career advancement. Over utilization of the manning at the entry ranks were always balanced by unused manning at the higher ranks of the grade to ensure that HKPC's total staff strength would not exceed the approved establishment.

4. \_\_\_\_\_ said that traditionally the consultant grade staff were more mobile than the other professional grade staff as these young professionals were at a stage where they were seeking to identify the most suitable career path for themselves. But more importantly, HKPC was not as flexible as the private sector in offering additional incentives for the retention of these young professionals.

5. In reply to \_\_\_\_\_, \_\_\_\_\_ said that as a guiding principle, a vacant position was not filled automatically. Staff replacement must be justified by a clear need to retain the job vis-à-vis the business condition and level of work load in the recruiting division. In this connection, the Management was focused on ensuring that the size of HKPC's annual staff establishment should closely reflect both the current work load and future business potential of the divisions.

6. Members noted the staffing position of HKPC as at 31 January 2012.

## **II. Report on the Performance of Service Providers of HKPC's ORSO and MPF Schemes (S.C. 2/2012)**

7. Invited by the Chairman to report, \_\_\_\_\_ said that the Advisory Committee on HKPC Retirement Benefit Schemes was established in 1993 and members were responsible for representing their divisions at the annual meetings, monitoring the fund performance, communicating the investment information to colleagues and advising the Management on staff members' views of the ORSO and MPF Schemes. The Management would then make decisions about the Schemes and service providers on the basis of the Advisory Committee's recommendations wherever appropriate.

8.                    said that for the ORSO Scheme,                    was the service provider and its fund performance was measured against the established Mechanism for Reviewing the Performance of Service Providers of HKPC's ORSO Scheme with five measurements on a quarterly basis:

- (a) absolute fund performance;
- (b) comparison with benchmarks;
- (c) comparison with peer medians;
- (d) comparison of HKPC's fund portfolio with adjusted benchmarks in terms of annualized risk and return; and
- (e) benchmark for Capital Guarantee Fund (CGF).

As regard the MPF Scheme,                    was the service provider and its fund performance was measured against the established Mechanism for Reviewing the Performance of Service Providers of HKPC's MPF Scheme with seven measurements on a quarterly basis:

- (a) absolute fund performance;
- (b) comparison with market medians;
- (c) comparison with adjusted benchmarks;
- (d) ranking of individual funds;
- (e) comparison of HKPC's fund portfolio with adjusted benchmarks in terms of annualized risk and return;
- (f) benchmark with NGOs; and
- (g) comparison with Fund Expense Ratio (FER) published by MPFA.

9.                    said that the Advisory Committee held its 28<sup>th</sup> meeting on 14 December 2011 and considered that despite the recent economic downturn and undesirable performance of certain funds in the third quarter of 2011, a larger number of performance indicators of HKPC's ORSO and MPF Schemes had been on a par with or above market in the past year. The Advisory Committee therefore recommended that                    and                    should continue to be the service providers of HKPC's ORSO and MPF Schemes in 2012. Having considered the recommendation of the Advisory Committee, the Management agreed that                    and                    should continue to be the service providers of HKPC's ORSO and MPF Schemes in 2012.

10. Members noted the performance of                    and                    for HKPC's ORSO and MPF Schemes and supported the Management's decision for their continued engagement as the service providers for the two retirement benefit schemes.

### **III. 11<sup>th</sup> One-Minute Staff Morale Index (S.C. 3/2012)**

11. introduced the paper and said that the 11<sup>th</sup> survey of the One-minute Staff Morale Index was conducted in February 2012. Among the four surveyed areas, the satisfaction level of “Work Aspects” was the highest, and it was also record high since the launch of the survey in 2007. Staff generally considered that the jobs enabled them to bring into full play their expertise and competencies. The level of satisfaction with the “Management” showed a significant surge and staff considered that the Management persevered in driving the Council forward to achieve our VMV, and appreciated the top Management’s understanding and consideration of staffing issues. The level of satisfaction with “Teamwork & Cooperation” was also a record high since the launch of the survey in 2007. Staff considered that the team building programmes held in end 2011 had very well reminded them of the importance of showing appreciation to and understanding of colleagues. As regards the area of “Supervisors”, the satisfaction level recorded a slight increase. Staff generally appreciated their supervisors’ strive for integration of services across the units and divisions to provide total solutions to the clients, as well as their efforts in sharing the management directions and rationale of corporate initiatives and policy changes.

12. said that the Management was encouraged by the results of the latest survey, in particular the fact that more staff had made written suggestions on areas of improvements which was a clear indication of increased staff confidence and trust in the survey. The Management would continue to ensure staff understanding of important corporate issues through open communication, for example, briefing for all staff on the enhanced performance appraisal system, coffee with ED sessions, table for ten and communication with the JCC.

13. Members noted the results and analysis of the 11<sup>th</sup> survey of the One-minute Staff Morale Index conducted in February 2012.

### **IV. Any Other Business**

#### **(A) Attendance Record of SC Members**

14. Members noted their attendance record in 2011 tabled at the meeting.

**(B) 力創驕陽**

15. In cooperation with \_\_\_\_\_, HKPC had made use of the creative comics media to connect with the younger population on Hong Kong's industrial development over the past forty-plus years, the role and contributions of HKPC as an industry support organization, and the challenges to, and future direction for, Hong Kong's industries. The publication, titled “力創驕陽” (tabled at the meeting), was the first manufacturing themed comics in Hong Kong, produced by local comic veteran \_\_\_\_\_. It was hoped that the comics would initiate students to the world of industry and manufacturing as both an academic and career opportunity. Members would contact the Secretary if they required more copies for distribution.

**V. Date of Next Meeting**

16. It was agreed that the next meeting would be held on 10 July 2012 at 2:30pm.

17. There being no other business, the Chairman thanked Members for their attendance and the meeting was adjourned at 3:20p.m.