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Tung Feng

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What Happened Last Week

President Chris opened today's session with an appreciation remarks to Rt. Laurence for agreeing to make his vocational presentation on just one day notice. Rt. Laurence was replacing the original speaker who needed to be excused at the last minute. President Chris then solemnly announced that PP Andrew's father passed away on August 7, 2002, at the age of 97. Funeral service was held at the chapel of Hong Kong Funeral Home on August 16, 2002, followed by cremation service.

President Chris also mentioned that during the Board Meeting session on August 8, 2002, the board approved the nomination of PP John Kwok to be one of the Committee Members of "DG Nominating Committee for 2004-2005." Today, acting Sergeant-at-Arms, Eddy Wong, reported the presence of 18 rotarians and a handsome collection amount of HK\$960.

Then, we had our featured speaker for today, Rt. Laurence, who would dwell upon the topic of Business Process Outsourcing (BPO) - A corporate fitness strategy. As a consultant performing many professional services for various organizations in Hong Kong, Laurence shared his views and experience on the rationales, nature, services, providers and critical success factors of outsourcing.

With the downturn of the economy, Rt. Laurence mentioned that many organizations started engaging themselves in many cost-saving measures, such as, down-sizing, right-sizing and so forth. According to Rt. Laurence, the concept of outsourcing was a tool for achieving a "healthy" organization, when implemented correctly. He described that there were a few common reasons in which a company needed to seek out outsourcing as an alternative solution. First, the company might not have the expertise to implement certain function of the organization and it was often too costly to establish and maintain such expertise internally. Second, the company might not have the capacity to implement certain non-core business functions, because it had directed most of its capacity to the core business function of the organization. Thirdly, it was too often that the company needed to maximize the cost-effectiveness of its operational functions in order to stay competitive nowadays.



THE ROTARY CLUB OF HONG KONG ISLAND EAST

香港東區扶輪社週報

Club 4350

District 3450

Chartered on 6 April, 1954 by Charter President
PDG (Uncle) John Yuen

Rt. Laurence further described that BPO was comprised of different types of outsourcing, ranging from Information Service (e.g. Market Research provided by Reuters,) Data Processing Service (e.g. Facility Management, Disaster Recovery Service,) Business Process (e.g. Factoring for account receivable financing and credit management services,) Application Service (e.g. Billing and Payroll functions,) Network and Infrastructure (e.g. Web and application hosting,) Customer Services (e.g. Call centers,) and Professional Services (e.g. Consultation service.) These outsourcing services generally covered many such company functions as Logistics, Facility Management, Human Resources, Finance, Sales, Engineering, Administration, Procurement and Legal.

Rt. Laurence cited a number of vendors that provided BPO globally, namely, Computer Sciences Corporation (CSC), EDS, IBM Global Services, Accenture, Cap Gemini Ernst & Young, PriceWaterHouseCoopers, Deloitte & Touche. He then mentioned that it was important to note that an outsourcing deal typically needed to span five or more years in order for the client company to realize its benefits. Thus, an outsourcing deal's value may range from US\$100,000 to US\$1Billion, spanning a duration of five to 10 years. Among the vendor companies mentioned above, CSC, EDS and IBM attained the most prominent shares of the BPO market in 2001.

Rt. Laurence also shared a few tips to help client companies to implement BPO successfully. He also mentioned that client companies should typically be able to realize 30% to 40% of cost-reduction benefit, having implemented BPO over a long time period. The selection of appropriate vendors was an important critical success factor for the implementation of BPO, he shared the **APPLES** method as the litmus test tool, which stated that the suitable vendors should have the following characteristics:

- * **Acumen of Business** - vendors should know the client company's business well.
- * **Process of Excellence** - vendors should possess a good process of control and implementation.
- * **People's Competence** - vendors should possess the necessary talent for implementation.
- * **Legal Complacence** - vendors should be able to make commitments in service deliverables in such form as Service Level Agreements.
- * **Economy of Scale** - vendors should not only need to rely on just one or small number of clients for their business survival.
- * **Security Controls** - vendors should possess proper track records and procedures for ensuring a satisfactory level of security requirements.

In normal cases, Rt. Laurence shared that the vendors offered standard charging packages for BPO, but most of them were able to offer customized scheme whenever required by the client companies. He then concluded that BPO would help organizations to stay "healthy", while maintaining flexibility and security in their operations.

PE Henry Chan then thanked Rt. Laurence for giving such informative and enlightening speech on Business Process Outsourcing. Today's session ended with a toast to the Rotary of HK Island East.

Rotary Information

【Obituary】

The funeral service of Mr. Robert Y. T. Chen, beloved father of our PP Andrew Chen, was held at the Hong Kong Funeral Parlour, North Point, Hong Kong on the 16th August 2002.

The late Mr. Robert Chen passed away peacefully on the 7th August 2002 at the age of 97. A number of Hong Kong Island East members attended the service headed by our own PDG Peter Hall and Director John Kwok.

【Rotary Institute of Zone 4, 6 & 7】

After the successful President Conference in Asia held this month in Kuala Lumpur, Malaysia, a R.I. Institute of Zone 4, 6 & 7 will be held in Manila, Philippine on the 25 – 27 October 2002.

Those members intended to attend the Institute, please contact PDG Peter Hall for details. The following is a welcome message from R.I. President Bichai Rattakul :

"I hope that all of you will be able to attend the Zone Institute to be held in Manila on 25 – 27 October 2002 as this event will be a memorable one for Rotary in Asia. This will be a significant year in Rotary as we all strive to better our communities, our country and the world through "Service Above Self."

I am looking forward to working with all the Rotarians in Asia & around the world in 2002 –03, through our efforts, we will make a difference in our humanitarian efforts to have peace and understanding for all mankind.

Bhichai Rattakul
RI President 2002-03

NOTICE

Notice is hereby given that PP John Kwok has been nominated as a member of the nominating committee for District Governor 2004-2005 by the board, subject to the adoption by members present at our regular lunch meeting on the 21st (Wednesday) August 2002.

LAUGH FOR THE WEEK

A guy named David received a parrot for his birthday. The parrot was fully grown, with a bad attitude and worse vocabulary. Every other word was an expletive. Those that weren't expletives were, to say the least, rude. David tried hard to change the bird's attitude and was constantly saying polite words, playing soft music, anything he could think of to try and set a good example. Noting worked. He yelled at the bird and the bird yelled back. He shook the bird and the bird just got more angry and more rude. Finally, in a moment of desperation, David put the parrot in the freezer. For a few moments he heard the bird squawk and kick and scream. Then suddenly there was quiet.

Not a sound for half a minute. David was frightened that he might have hurt the bird and quickly opened the freezer door. The parrot calmly stepped out onto David's extended arm and said, "I believe I may have offended you with my rude language and actions. I will endeavor at once to correct my behavior. I really am truly sorry and beg your forgiveness." David was astonished at the bird's change in attitude and was about to ask what had made such a dramatic change when the parrot continued, "May I ask what the chicken did?"



YEAR 2002-2003

Ex-Officio IPP Stephen Liu	Vice President Rudy Law	President Elect Henry Chan	President Chris Howe	Secretary Eddy Wong	Treasurer Clark Lu	Advisor PDG Peter Hall
Directors : PP John Kwok	PP George Leung	Laurence Chan	Paul Chan	Jason Chiu	Danny Kilis	PP Council Rep PP Tim Lui

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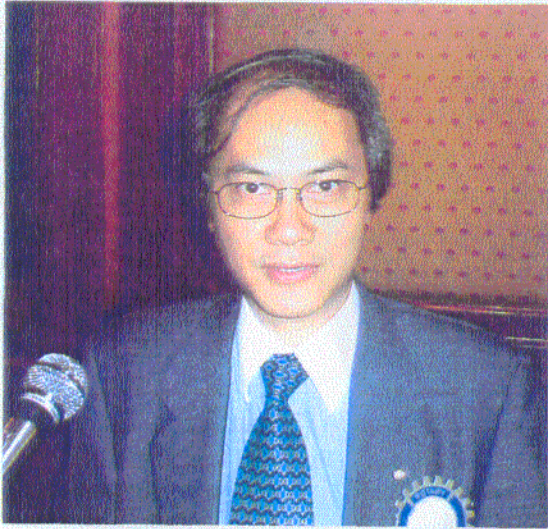
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**ROTARY CLUB OF HONG KONG ISLAND EAST MEETS EVERY WEDNESDAY, 12:30 p.m. AT
EXCELSIOR HOTEL, CAUSEWAY BAY**



The speaker of the day was none other than our own Laurence Chan who spoke on the subject of Business Process Outsourcing.



On the left side of the head table were PDG Uncle Peter, guest speaker, Laurence Chan, & Pres. Chris.



The other side of the head table were Hon. Sec. Eddy, PP Andrew, & PP George enjoying the meeting.



(clockwise) Heron, Dr. Tony, Andrew, PE Henry, Rudy, & Sam all very happy.



(clockwise) Robert, Paul, Jason, Danny & PP C.Y. all with big smiles.



We are happy to welcome Christina Waldmann from Calgary, Canada, who represented her father who is a Rotarian in the Rotary of Calgary Crowchild. Picture shows the exchange of Banners between our PDG Peter Hall, Christina with PP John Kwok looking on.



Group Photo of our members on 14th August, 2002 meeting.

Membership Development & Retention Seminar
17th August, 2002



PDG Uncle Peter sharing his experience concerning his 43 years 100% Attendance Award from DG Gloria.



Uncle Peter proudly holding his 43 years 100% Attendance Award.



DG Gloria presented to Uncle Peter his 43 years 100% attendance Plague.

Membership Development & Retention Seminar
17th August, 2002

I am proud to report that we have the following members from our Club to attend the Membership Development and Retention Seminar held on the 17th August, 2002 at the Hong Kong Academy of Medicine :

President Christopher Howe
PDG Peter Hall
Vice- President Henry Chan
Director John Kwok

During the lunch session, our PDG Peter was awarded a silver plaque by DG Gloria Chan to commemorate his many years of 100% attendance. He was invited to share his experience of being a 100% attendance Rotarian. The following is an extract of his short talk :

Recorded by John Kwok

100 Percent Attendance
by PDG Peter Hall

I am given to understand from Chairman Jerry Liu that there will be recognitions for the 100 percenters, classified into groups by the years, such as 5-years, 10-years, 15-years and 20-year etc.

With this idea, I just wish to express my view about the 100 percenters which most of you have achieved during all these years. I recalled that one of the Past Presidents of Kowloon Rotary Club, PP Kima did ask for such recognition each year during the District Conference. I am sure he will be happy to learn about restoring the old tradition.

Is a 100 percenter a perfect Rotarian? I must say that this is not necessarily the case. Sometimes, a non-100 percenter Rotarian perform better than a ten-year 100 percenter in the club.

I must stress that at least a 100 percenter shares his/her fellowship with his fellow Rotarians by attending meetings. How can a member shares fellowship with an empty chair besides him/her. Please remember that fellowship and service are both important in Rotary.

Nowadays. It is much easier to be a 100 percenter as compared in the past. Make-up attendance is 14-days before or after your last meeting. In the old days, it was only 7 days. Now, it is counted as a make-up attendance when you attend one of the following Rotary events :

- 1) Attend at least 60% of the regular meeting of another club or provisional club,
- 2) Attend a regular meeting of a Rotaract or Interact club or Rotary Community Corps,
- 3) Attend any meeting on or above district levels,
- 4) Attend a club service /project or meeting authorized by the board,
- 5) Attend a board meeting,

- 6) When a member is outside the member's country of residence for more than 14 days, the time restriction shall not be imposed so that the member may attend meeting in another country at any time during the travel period and each such attendance shall count as a valid make-up for any regular meeting missed during the member's time abroad. That is to say, you can make-up your attendance 3 times a day, such as morning meeting, lunch meeting and evening meeting. All these make-ups cover 3 meeting you may miss later during your travel.

Most Rotarians are reluctant to make-up because,

- a) too lonely by himself/herself to visit another club new to him/her.
- b) do not bother to make-up.
- c) no incentive to make-up.

With these three points in mind, I suggest that the club should do something to encourage members to attend meeting or to make-up attendance. Remember that "Fellowship" is the key to be a Rotarian

Actually, I have no special intention to maintain my 100% attendance all these years. It is just because of my usual habit to reserve Wednesday to meet my fellow members at our regular lunch meeting. I have practiced such habit even when I was in my prime days in my business.

Well, fellow Rotarians, I hope to see you more often at your weekly meetings.