

# Turning Faith into Competitive Advantage:

## A Purpose-driven Profitable Business

*Natalie Man Se Chan describes the development of Hong Kong Broadband Network Limited into a very profitable business with William Yeung as its CEO. William's Christian faith resulted in his sharing ownership of the company with employees, in his treating them as 'Talents' not 'Staff', providing equal healthcare benefits for all, flexible working practices, an education programme and community schemes.*

"Grow it big and cash out!" is the dream of many entrepreneurs when they grow their companies to a size and scale attractive enough to be sold. The time to pay off all the sweat and tears finally arrives. That moment came to William Yeung in 2012, when CEO of Hong Kong

Broadband Network Limited (HKBN). After a brief stint in the police force, William realised his passion lay in customer engagement and operation efficiency and started his meteoric rise in the telecom industry. When HKBN was acquired by a private equity fund in

2012, William together with a few key managers was offered an opportunity to own a sizeable share in the company through a management buyout (MBO), a standard practice to keep the key management in place for the successful running of the company.



The surprising response from William and Ni Quiaque (NiQ) Lai, then CFO, changed the entire future for HKBN. They declined the offer to be made available only to a few of the top people but proposed to extend the value creation opportunity to a much broader group of managers by diluting their own expected upside from the shares. As a result, 61 of them invested their own money to become Co-Owners of the company in 2012, with 29 more by the time HKBN went public in 2015. The broad base of Co-Ownership structure has since grown to include over 330 in 2018. No other telecom company in Hong Kong sees so many middle and senior managers voluntarily aligning their own interest with that of the company through their own savings. Significantly, this also means that at any customer contact point with HKBN, a Co-Owner of the company is likely to be within one to two layers of reach.

After the MBO, William and the management team were no longer content with the company's mission "To become the biggest broadband provider in Hong Kong by 2016". With the company playing an integral part of Hong Kong's telecom services,

they deem it their mission to "Make our Hong Kong a Better Place to Live", both through their work and by inspiring others to do likewise. With core values TREE – Trustworthy, Responsive, Entrepreneurial, Engaging – as guiding principles, they pursue both purpose and profits.

William believes that by doing what is right, profits will follow and that's what HKBN demonstrates time and again, with multiple awards and milestones culminating in a public listing in 2015. HKBN is now Hong Kong's largest provider of residential high-speed fibre broadband and a rapidly growing enterprise solutions provider. They built and own one of the most extensive fibre optic networks in Hong Kong, which covers 81% of Hong Kong's total residential units and 2,300 commercial buildings.

William grew up in a Christian family. His Chinese name Yeung Chu-Kwong literally means "Shining the Lord's light" and he does. He has a deep sense of fearing the Lord and admits the boundaries set as a result may cause some short-term disadvantages. However, they have also given him much needed bearings

in a fiercely competitive business environment. He wakes up every morning seeking to be a better person, contribute in practical ways and do God's will. Though he never publicly quotes scripture or preaches to his employees, whatever he does reflects his deep Christian faith, and his motto for business is GOD:

**Give** – It is more blessed to give than to receive

**Objective** – Listening is more important than speaking (a guard against being unduly subjective)

**Daddy** – Caring for family, as one's priority

While it's common for many big companies to say they care for their employees, few are getting anywhere close to what HKBN does. First of all, they regard people as Talents, not assets and address their 3,000 strong employees accordingly. William believes this Talent-first approach to business drives their capabilities to innovate and stay competitive. Other than the unique Co-Ownership by over 330 mentioned earlier, their commitment to Talents' learning and development is exceptional. One example is "Next Station: University", a three-year programme



With 2am kickoffs during the World Cup, employees were allowed to clock in late.

Photo: HKBN



to support aspiring Talents to fulfill their dream of earning a bachelor's degree while working. By changing the lives of 30 to 40 at a time, this has inspired and energised the entire workforce and their families.

Hong Kong is notorious for its long working hours and stressful working environment. William begs to differ and believes work is subordinate to personal health and family. "We are not a company chasing only after results but a place where our Talents are happy to stay." HKBN strives to ensure everyone can work and enjoy happy, productive lives. While others boast about work-life balance, they uphold LIFE-work priority. Their Talents enjoy shortened work hours and much greater flexibility for leisure and personal reasons, amounting to 37 extra above normal days leave per annum. While staying at the office long after work hours is a norm in Hong Kong, HKBN actively discourages anyone from doing so. William believes that with reduced working hours, people make better choices with a clearer sense of priorities.

Despite being the top decision-maker, William is a humble, unassuming, considerate and attentive leader; he repeatedly declines to be addressed as 'the boss'. He does not want to create any hierarchy or barrier in communication; for instance, HKBN has just implemented equal medical coverage across all-level Talents. A front-line technician will now enjoy the same benefits as the CEO, and this speaks volumes about their Talents' value to HKBN. Needless to say, all their benefits and entitlements are above the legal requirements, and the Talents have a real sense of being cared for.

HKBN has recently won two top Telecom Asia Awards as the Best Broadband Carrier and Best Mobile Virtual Network Operator across 14 Asia Pacific markets, in recognition of their service excellence and innovation. HKBN has always been a pioneer in offering norm breaking and top-value services, disrupting a market that is used to high tariffs and aggressive selling. They were the

first to launch a speed guarantee and double cooling-off periods and a price ceiling linked to 1% of Hong Kong's median monthly household income. They have a broader vision of serving Hong Kong than just driving sales. For instance, when confronted with the decision as to whether HKBN should continue carrying an IP-TV channel for pornography, which is very profitable, William had no hesitation in terminating it, though not without challenge from his own people. His answer was very simple, "Would carrying this channel make Hong Kong a better place to live? If the answer is no, why continue?"

Beyond customers and employees, William also has a strong sense of serving the community. HKBN puts their Core Purpose "Make our Hong Kong a Better Place to Live" into action by mobilising their Talents and company resources to generate long-term social impact for the community at large. Together with their Talent funded and independently operated HKBN Talent



### Serving the community

HKBN Talents raised HK\$1.1m for 35,000 hot meals for 100 elderly and low income families

Photo: HKBN

CSI Fund, they are committed to co-creating a stream of Corporate Social Investment (CSI) initiatives which leverage their corporate strengths and Talent expertise to develop a better future for Hong Kong, especially the young. They intentionally outsource operations like their in-house canteen and telephone enquiry service to social enterprise, and share their facilities and conference rooms for free use by NGOs during non-office hours, to name just a few of these initiatives.

In dealing with business partners and enterprise customers, HKBN always adopts a win-win mindset for mutual and sustainable growth; the approach is to co-grow and support. They are highly creative and flexible in the way they collaborate, including resources exchange and earlier payment terms to cater for their partners' needs. William does not hesitate to help business partners that are in trouble, even at times when HKBN may incur short-term losses in doing so.

Last but not least, William believes a strong financial performance and return to the shareholders is the foundation for sustaining the company and its pursuit of purpose. "Like a healthy person, profit is like life blood; we do need strong blood flow to live and thrive but we don't live for it, we live for our purposes," said William. The consistent strong financial performance has given William and HKBN much freedom to innovate and do the right thing, but the clarity of purpose and guiding values in turn give them the competitive advantage to be a force for good, impacting everyone and everything they touch in a profound way, including the entire telecom industry.


After 10 years at the helm, William stepped up to become Executive Vice-Chairman in September 2018 in order to focus on engaging key strategic partners and exploring new business opportunities. He passed the baton to NiQ Lai. This is part of a long-term succession plan for HKBN's sustainable development. William joked that he will now focus more on the purpose and NiQ more on profits. William regards his strength to be people management and a strong commitment to deliver what is promised. He has led HKBN in fighting many battles and been blessed with many victories. He endeavours to create a culture of putting the company's interest above self-interest while the Co-Owner structure is to align both.

All in all, William is very thankful for his journey. though for a period of five to six years before joining HKBN he felt a bit stuck, not sure how to move forward – except he knew he should trust the Lord. He admits how things have unfolded in HKBN are beyond his wildest dreams. He is truly in awe about God's ways though they are not without struggles or challenges. William cares deeply for his people but sometimes tough actions need to be taken, especially with senior managers who fail to grow with the company and deliver what is expected. We Christian business people are always balancing the tension between being as innocent as doves and as shrewd as snakes (Matt 10:16).

HKBN is a much-loved local brand and a desirable place to work for in Hong Kong. It has grown from strength to strength from a start-up in 1999 to now being second only to the former telecom monopoly HKT in the residential fixed line market. William's business acumen, leadership and deeply held beliefs and values are all paramount to its success. Most importantly, it demonstrates to the world how business really can be a force for good. After all, our faith is not a

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private matter; we must express it in the public space for everyone to see, no one puts their lamp under a bowl (Matt 5:15). As practical theologian Elaine Graham points out, speaking of God in a post-secular world is less about defending biblical doctrines but more about bearing witness to the grounds of one's faith and demonstrating the power of the gospel through personal integrity, which is most visibly seen through our

actions<sup>1</sup>. Though most may find it hard to live out their faith in a competitive industry like telecoms, William has, in God's grace, turned his faith into a competitive advantage, leading HKBN to make purposeful profits and proving true to the name that his parents gave him: 'Let your light shine before others, so that they may see your good deeds and glorify your Father in heaven' (Matthew 5:16). 

1 Elaine Graham, 'How to speak of God? Towards a post secular apologetics' Practical Theology, Routledge, April 2018, p.216



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