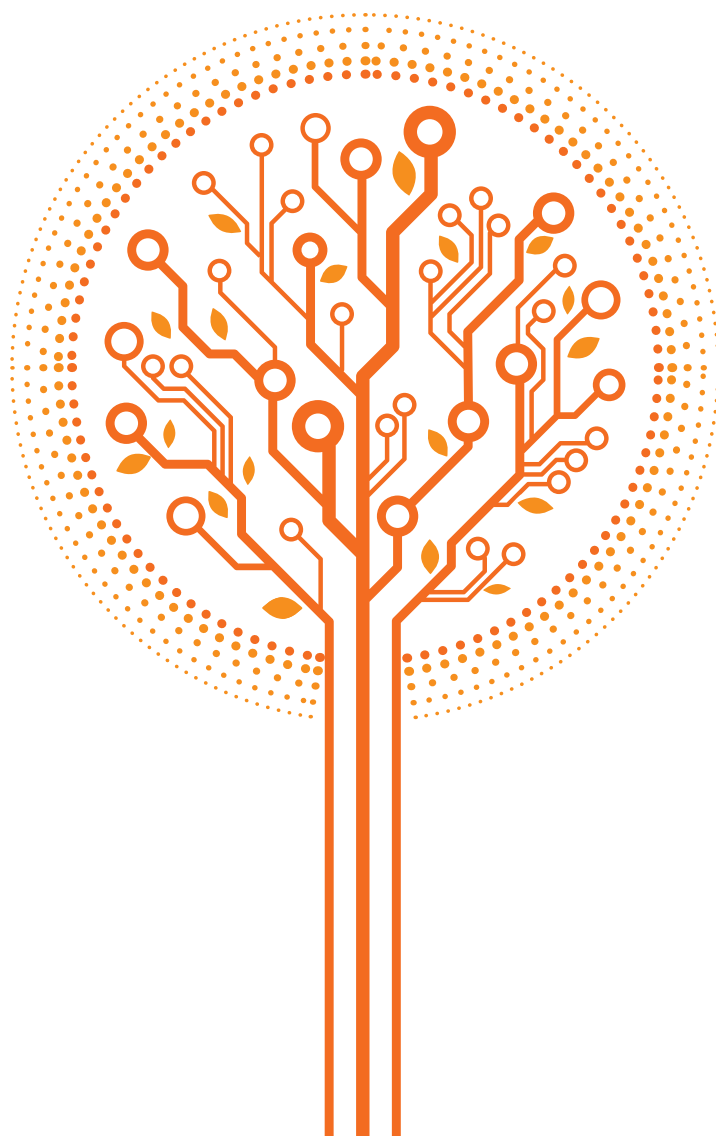


# *Building from strength, leading our future together*

PwC China-Hong Kong Strategy 2025

December 2015



# 1. Introduction and overview

***PwC China-Hong Kong is strong and growing – but to remain the dominant firm, we need to think bigger and challenge ourselves.***

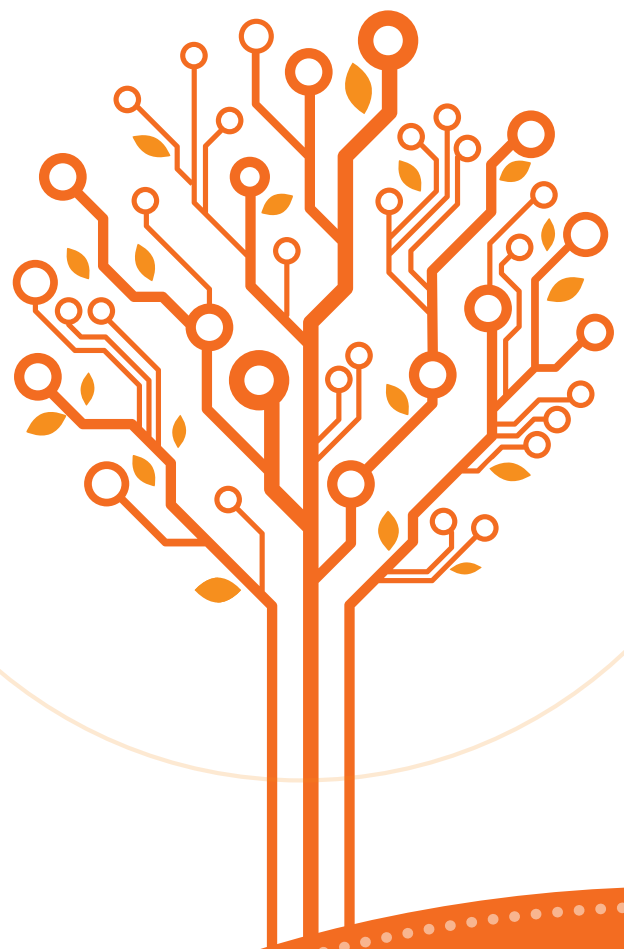
We are the leading firm in our market, with a great brand, the best people, an excellent track record and a long list of market-leading clients.

We want to be more than that, however, and in order to achieve our goals we need to think bigger, better and broader.

We must accelerate our ambitions and build a firm for the future that is an integral part of China's growth story. Through our actions, we will move our entire profession forward in China, making a difference to the country with our people and clients.

We want all of our people to be part of this journey: to be on the forefront of change, to develop yourselves into greater professionals, and to feel that each one of you has made a contribution to this exciting growth story.

It's easily within our grasp: all we have to do is capitalise on our strengths to further differentiate ourselves as the undisputed leader. Together, we will create a new era of success by aligning our vision and behaviours around a common set of strategic goals and our strategy – **Building from strength, leading our future together.**



*“Insanity is doing the same thing over and over again and expecting different results.”*



### ***We are building from strength***

#### ***We have***

- The best and most highly engaged people in the profession – giving us a competitive advantage with your superior skill sets and capabilities and our collective willingness to go above and beyond
- A great brand in the market – giving us a rich client base and opening new opportunities for us all of the time
- Record-high revenue – giving us the opportunity to invest more in our people, in technology and in new and exciting areas of business



### ***We can lead the future***

We want to build a firm for the future fuelled by the smartest people in the business, working on the most dynamic market issues, using the latest technologies and creating cutting edge solutions that shape the world.

We want our people to be invited to sit at all the most important boardroom tables and be part of the most interesting discussions, able to translate insight into solutions as strategic business advisors. At the same time, we will be delivering trust to the markets, raising quality and capability standards, and all the while contributing to China's future growth and success.



### ***Our ambition is bold***

Our aspiration will only be realised through our bold ambition and vision – and you are an important player in our future success.

We can only realise our ambition if we consistently deliver a distinctive PwC Experience and create value for our people and clients.

For you, our people, we want to provide more than just a job. We want to give you all the opportunities you need to create a meaningful, exciting and rewarding career – to work with the best and brightest talent, to discover your strengths and potential, and to become well-rounded professionals and strategic business advisors. We want you to be proud of who you are, what you do and being part of PwC.

## ***We are leaders in a critical market***

Our China-Hong Kong strategy is aligned with **Vision 2020**, a Global Network framework to guide and enable our growth plans. At its centre is our distinctive purpose-led, values-driven culture and our exceptional talent.

As part of Vision 2020, China has been recognised as one of the 'critical markets' in our Network. This means we play a central role in driving our Network's future growth, alongside our own.

China is responsible for 15% of the world's economic output. Our PwC China-Hong Kong Strategy 2025 provides a framework within which we can all flourish in this exciting and dynamic market and build rewarding careers.

China's  
economy/  
**US\$26  
trillion**

RMB:  
A major  
reserve  
currency

Home to  
**120** of  
the Global  
Fortune 500

Home to  
leading global  
brands

GDP/person:  
**↑110%**  
of world average

### ***Our Purpose***

Building trust in society and solving important problems.  
By using our Purpose as a guide, we will deliver value to clients, the capital markets, the investment community and other stakeholders.

### ***Our Vision***

We want to be the #1 professional services firm, leading in talent, quality, brand, revenue and profitability.

### ***Our Ambition***

We want to deliver growth and enhance profitability.

We want to be the distinctive #1 firm in the market by evolving our core and expanding beyond.

We want to create an opportunity of a lifetime for our talent with an exciting and rewarding career.

***“My work helps maintain trust in society in terms of reducing the chances for financial crime and fraud. Financial audits help investors trust the companies that they invest in.”***

Senior Associate, Assurance

***“Our clients often come to us with problems that they don’t have the resources (e.g. manpower, knowledge) to solve themselves. The projects that I work on not only help the clients solve their problems, but also impact the clients’ customers and improve their experience.”***

Associate, Consulting



***“Through helping clients with their taxes, I was able to identify improvement areas in the current tax regulation system – which led to discussions and ultimately amendments in the regulations by respective tax authorities. I feel proud to have played a role in such improvements for my country.”***

Senior Manager, Tax

***“In carrying out due diligence processes, we help buyers understand the target companies and make an informed decision before buying. We may also help sellers present accurate and reliable sell-side information. My work helps clear up the common misconception that sellers take advantage of buyers through mis-selling, and helps build trust between the two parties.”***

Manager, Deals

## 2. An exciting and complex new world

*Three major forces are shaping the way we operate.*



### **Impact of the megatrends**

Operating in the most exciting part of the world – China – we feel the impact of the megatrends here more than anywhere else. This creates both challenges and opportunities for us.

*Are we playing a leadership role as the country continues to develop? Are we actively positioning ourselves and our clients for growth as China grows?*

*Are our people equipped with the necessary skill sets to deal with the challenges and capture the opportunities?*



### **Sophisticated clients in complex markets**

Our clients' markets are becoming increasingly complex, like our own. We all have to adapt to stay relevant. Alibaba, for example, has changed ecommerce in China and has now extended into banking.

*Are we moving fast enough to keep up with our clients and help them solve their important problems in the new world? Are we providing the right insight and advice to help them navigate new trends?*



### **Competitors – Traditional and new**

Competition in China amongst the professional services firms is fierce and it is coming from not only our traditional competitors but also from completely new players in the game who are enabled by rapidly changing technology.

*Are we ready for this kind of competition? Are we prepared for new and unimaginable competitors?*

***“The world is changing very fast. Big will not beat small anymore. It will be the fast beating the slow.”***

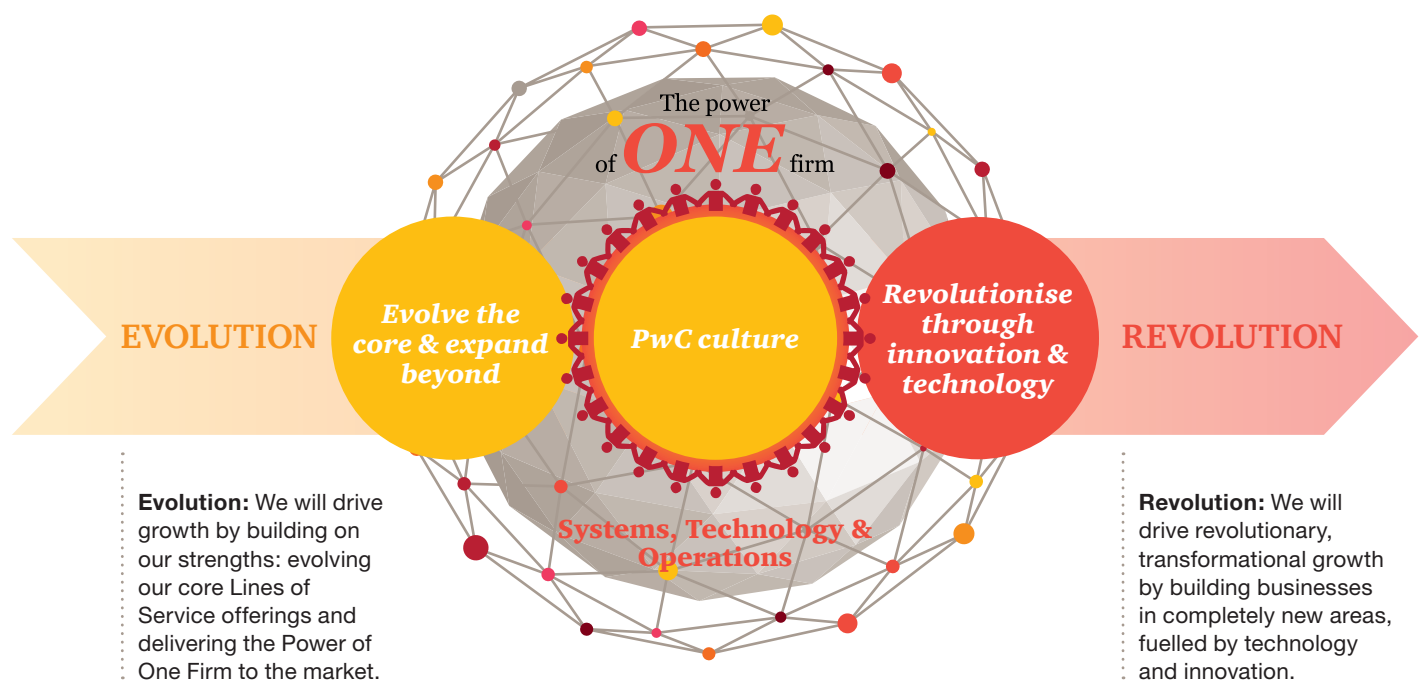
Rupert Murdoch,  
Founder, News Corp

Our success depends on how we respond – by turning the challenges into opportunities through aligning all our people around a common strategic direction for the next 10 years. We will then be able to continue leading the market with new ways of doing business that are right for our people, right for our clients, and right for our times.

### 3. Our China-Hong Kong Strategy 2025

*As the leading professional services firm, we can't just embrace change, we have to create it. We must plan ahead and be proactive in writing our story. We must build today to create our future success as the distinctive #1 player in China and Hong Kong, providing the most rewarding careers and best experiences for our people.*

*Our Strategy 2025 comprises two themes and four strategic priorities for growth. All are inter-related and inter-dependent.*



#### Four Strategic Priorities

##### *The Power of One Firm*

- Key Industry Programme
- Priority Accounts
- China Outbound Development Fund

##### *Evolve the core and expand beyond*

- Future of Tax
- Leading the Future of Assurance
- Advisory – “strategy through execution”

##### *Revolutionise through innovation and technology*

- Priority Services
- China Centre of Excellence
- A fresh and innovative people model

##### *PwC culture*

- Purpose led
- Values driven



## ***i. The Power of One Firm***

***Guided by our Purpose, we will broaden the strength of our brand by delivering the entire firm to the market and creating a distinctive value proposition in the market and for our people.***

Our Lines of Service are strong and all enjoy excellent reputations. If, however, we want to really set ourselves apart – truly differentiate and leave our competitors behind – we have to go to market in a different way. We have to go beyond our current xLoS approach and take a Purpose-led, markets-driven approach by delivering end-to-end solutions, from strategy through execution. By doing so, the firm will create opportunities for you to develop a broad range of skills, knowledge and capabilities and become more rounded strategic business advisors to industry-leading clients.

Key components of delivering the Power of One Firm include:

### ***Key Industry Programme***

We will elevate our Industry Programme and focus on selected key industries that are central to China's future growth. We will build unique and differentiated value propositions for the industries that will make a real difference for our clients and the market, helping fuel growth and innovation.

### ***Priority Accounts***

A bespoke programme that drives exceptional client experiences for key iconic clients, based on deep client relationships and real industry insights. Engagement teams will be well equipped to focus on delivering the PwC Experience to our clients. Our local engagement teams and lead partners will be paired with experienced partners from other territories to leverage on their experience and value across the PwC Global Network.



## **China Outbound Development Fund**

With the increasing number of Chinese companies expanding their businesses substantially outside of China, we will establish a Network fund to ensure these important clients get the best support from PwC, no matter which territory they are doing business in, including the right level of quality, talent, responsiveness and management focus.



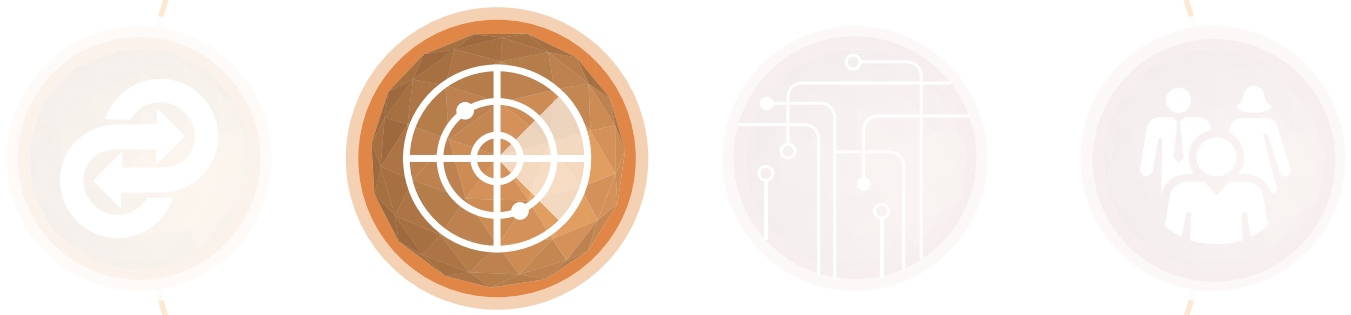
### ***What are the opportunities for you?***

- Ability to develop yourself into a strategic business advisor through creating smarter, more holistic solutions for our clients
- The opportunity to work on exciting market-defining projects for clients from fast growing industries
- More exposure to work with talent with different expertise and from different backgrounds and culture, with a focus on delivering insights and end-to-end solutions to clients
- Establish your professional network through building strong and long term relationships with people in leading client companies
- The unique opportunity to play a role in co-creating global winners through working with clients on their global strategies



### ***How can you contribute to the success?***

- Be proactive – build connections with people across the firm to understand what they're doing in other Lines of Service/ Business Units and solutions outside your core practice
- Take the initiative – build deep client relationships by truly understanding their underlying needs and focusing on adding value. Take a broader view of issues and see how you can contribute to the bigger picture beyond delivering the products and solutions you know
- Deliver a distinctive PwC Experience in every interaction with your clients and team. Embed the 3 Client Principles into your daily work – agree on expectations of value, receive periodic feedback, and engage around the value delivered



## **ii. Evolve the core and expand beyond**

***Building on our strengths, we will create client centric, market relevant solutions that capture additional value in existing services.***

Starting with a firmwide focus on what the market wants and using our PwC Purpose to guide our decisions, our Lines of Service are critical in delivering our future growth and value for our clients by investing in the core and then extending our brand and market footprint to stay relevant and ahead of the game. This will ensure our people continue to grow and develop as professionals in a dynamic way.

To prioritise the opportunities that will lead to our success, each LoS will focus on the following areas in order to achieve our ambition:

### ***The Future of Tax***

Tax is becoming an increasingly important item on any boardroom agenda and our clients are looking to us to partner with them through these changes. To stay relevant and competitive we will:

- Evolve our core service offerings by adapting our consulting services towards more business integrated tax planning and solutions approach consulting
- Develop high growth areas, e.g. Tax Controversy Services, Outbound, Indirect Tax (B2V), US Consulting and Accounting & Payroll Outsourcing amongst others by going to the market as One Firm
- Nurture our new investments with growth potential, including our legal services, Hong Kong company secretarial, R&D credits and High Potential Cities amongst others
- Continue our transformation initiatives around industry specialisation, account management and domestic market initiatives

### ***Leading the Future of Assurance***

Relentlessly continue the Assurance Transformation journey centred around three key themes – Approach, People and Technology. We will:

- Continue to grow Other Assurance Services (OAS)
- Evolve our Capital Market strategy by focusing on winning in the China domestic capital market (A-share market) and in serving the Foreign Private Issuer (FPI) market
- Evolve our reporting model to be broader, more forward looking and more integrated
- Deliver Data Assurance and Analytics through Halo to increase standardisation and automation of the audit process
- Transform our audit delivery through tools and technology for more efficiency and innovation

### Deals

With the growing complexity of the China deals market, we will broaden our service offering and embed our sector expertise to remain differentiated. Our strategic focus areas include:

- An integrated deals approach to go to market by sector, industry and propositions
- Investing in the right talent and capabilities especially around Deal Strategy, Deal Value, Deal Sourcing, CP&I, Financial Services, BRS/China distressed, M&A Tax and value-adding industry specialisms
- Accelerate innovation through investing in new services and propositions

### Consulting

With the full integration of Strategy& and our new integrated Consulting business which combines the strength of China, the US and Japan, we can now capitalise on the opportunities in our market. Our strategic focus areas include:

- Deepen industry sector and priority account programme including connecting into new growth areas such as Digital, Analytics and Customer.
- Fully integrate Strategy&
- Focus on larger transformational projects demonstrating strategy through execution capabilities, involving multi-disciplinary/x-LoS and x-territory teams.
- Focus on regionalisation and developing closer relationships across the region, building our technology centres of excellence (COEs) and maximising inbound MNC opportunities
- Invest to fill priority capability gaps in particular for Technology, Propositions (Digital, Analytics and Customer), Financial Services, Energy, Utilities & Mining and Healthcare.



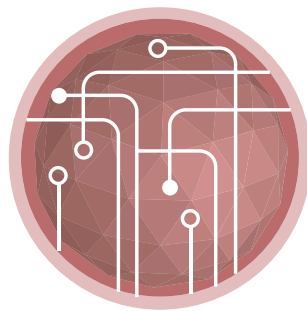
### What are the opportunities for you?

- Grow and develop your career in PwC with a distinctive brand name in the market and massive investment in talent especially in critical priority and high growth China market
- Increasing opportunities to work with talent with different expertise and move around different parts of our business in order to develop as more rounded PwC Professionals
- Develop valuable skill sets and cutting-edge capabilities such as identifying opportunities through strong client relationship and business acumen, data analytics capabilities beyond technical proficiencies
- Able to work in a much smarter way leveraging on the latest technology and SDC to enable deeper focus on value-added activities with improved work-life style



### How can you contribute to the success?

- Have a conversation with the partners of your Business Unit/Line of Service to understand further details of the LoS plans and your role in bringing the strategy to life
- Develop yourself with the attributes of the PwC Professional framework – whole leadership, business acumen, technical capabilities, global acumen, relationships – to become a strategic business advisor
- Build your professional network and introduce PwC to potential talent who can drive our new and growth areas
- Be ready to seize agility/mobility opportunities to work in a practice area out of your comfort zone
- Always challenge ourselves and identify opportunities to drive further effectiveness and efficiency in particularly through innovation and the use of technology and SDC



### **iii. Revolutionise our firm through innovation and technology**

*We must imagine our firm in ten years' time and then build today to achieve our goals. The future starts now.*

In addition to driving the Power of One Firm and evolving our core, a large portion of our future growth will come from building new businesses for the future. Innovation-led, technology-enabled growth is critical to realise our ambition of being the distinctive professional services firm for the future. This will create tremendous opportunities for our people to unleash their potential and grow with the firm.

To prioritise the opportunities that will lead to our success, each LoS will focus on the following areas in order to achieve our ambition:

#### **Priority Services**

What's important for China is important for us and we will build new businesses – our Priority Services – in industries and sectors that we believe will grow as China develops. We will go to market bringing the full breadth and depth of our capability to bear in future growth areas, enabled by new operating models, new capabilities and new value propositions which transcend LoS and markets.

Our initial focus areas in China-Hong Kong will likely include Food Supply and Integrity Services (FSIS), Capital Projects & Infrastructure (CP&I) and Urbanisation.

#### **The China Centre of Excellence**

We will build a China Centre of Excellence (CCOE) to drive deeper market insights for our Network and for our China clients, and to further develop our capabilities to enable growth in China. We will build:

- **A Research & Thought Leadership Academy** to develop unique PwC perspectives and insight about China (phase 1)
- **An Innovation Centre** to build new non-traditional businesses with potential incubation for the new businesses (phase 1)
- **A PwC University** that focuses on business education for our people and potentially for our clients to truly differentiate our brand (phase 2)



### ***What are the opportunities for you?***

- Accelerate your capability advancement and achieve your career aspiration through being part of the ambitious growth of the firm
- Develop cutting-edge and forward-thinking capabilities critical for your immediate and longer term success
- A unique opportunity to be instrumental in China's future growth story
- Be part of teams that work on market-leading projects that have never been done before and make an impact
- Focus on creating value-add activities through technology and innovation with enhanced efficiency and effectiveness
- A distinctive experience through working in an entrepreneurial culture and environment



### ***How can you contribute to the success?***

- Be bold and courageous and participate in new businesses with the firm's full support
- Develop cultural acumen of working with Chinese and global clients, and share your experience and insights with other colleagues
- Make use of the latest technology and new approaches to bring innovation to everyday work

## ***A fresh and innovative People Model***

Our ability to deliver our strategy depends entirely on our people – you. You are the catalyst of our strategy and realising our ambition.

With this in mind, we are reinvigorating our people model and approach to ensure each of you can perform to the best of your ability. This includes:



Introducing a new **recruitment model** to attract and identify the right talent in order to enable both our core business competencies and new growth areas and reflecting broader skill sets; science, technology, engineering and mathematics (i.e. STEM)

Accelerating our **learning and development** approach with more innovative and exciting approaches beyond compliance

Transforming our **performance and talent management approach** for a more transparent, timely and technology-enabled practice centred around the PwC Professional framework supported by a strong coaching culture

Turbo charging **cycles of experience** throughout the firm with vigour and agility to enable our professionals to develop into more rounded strategic business advisors

Creating the **Workforce of the Future** to offer a series of different value propositions for our people and enable more flexibility and agility, as well as enhancing our contingent workforce approach (including Talent Development Programme) in order to make our people's lives better during the busier periods and build future talent pipeline

***We will also introduce a completely new Base Camp approach for our best and brightest talent to enable them to work transcending the traditional Lines of Services and Business Units. They will rotate across our businesses and major industry groups during their first few years in PwC to help broaden their perspectives and distinguish us in the market.***

We want each of you to feel inspired and engaged working at PwC. You'll have the opportunity to work with the best talent with diverse backgrounds and expertise. You'll work in fantastic teams on market-leading clients, with the opportunity to be your best. You'll gain a wide variety of experiences to grow your skill sets and capabilities, and to broaden your horizons on both a professional and a personal level. You'll enjoy an optimal work-life style with flexibility supported by the leading edge technology.

You'll find a career, not just a job, here at PwC. We want this to be a great place to work and for you to feel proud of working at PwC.

#### iv. PwC culture

*Our success will be delivered by our unique purpose-led, values-driven culture.*

Our PwC culture is unique. It defines us, drives us and ultimately differentiates us in the market. It is our DNA and is core to everything we do.

Our culture is defined by what we believe (our Values), our behaviours (PwC Experience), and our competencies (PwC Professional). These are and will continue to be the drivers that set us apart from our competitors. Our culture will enable us to deliver our strategy and achieve our ambition more quickly by encouraging everyone to move forward together.

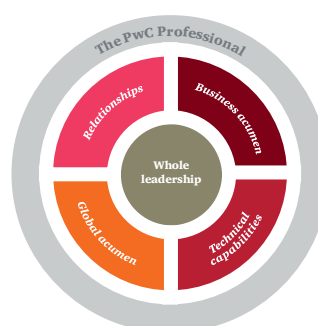
##### **PwC Experience**

*Driving people engagement and client relationships*



##### **PwC Professional**

*Skills & development to support our strategy*



We want our culture to be defined by collaboration, insight and teamwork. A place where everyone has a seat at the table, from the newest intern to the most experienced partner. We want our culture to be built on trust and integrity, a firm where we support each other and know we can rely on each other. We want it to be inclusive and to celebrate diversity in all of its different aspects – diversity of perspective, experience, culture, gender and age. We want our firm to be a place where personal ambitions can be fulfilled and where we focus on delivering excellence, all of the time.

Our culture is our key to success. Each one of us plays a critical role in shaping our future. You will have the opportunity to provide your input and co-create our values-driven culture on an on-going basis.

#### **Our infrastructure will enable our strategy**

Our ambitious strategy will be accelerated and supported by our infrastructure – our systems, technology, and operations.

**Systems** – Improve the integrity of our internal data to help capture opportunities and make better business decisions, based on the foundation laid by Project Vision

**Technology** – Bring fast, secure, reliable, relevant, mobile-enabled, current technology-enabled solutions to our people and clients

**Operations** – More streamlined, flexible and future-oriented approaches to enable better efficiency and effectiveness

By streamlining, automating and introducing flexibility in every process, our people will be able to focus on creating value and delivering the growth strategy.



## 4. What success looks like

By delivering services and solutions that are aligned to our PwC Purpose and our Strategy 2025, and by using the PwC Experience to drive a unique culture of collaboration and support, we will be able to maintain our long-term vision of being the world's distinctive #1 professional services firm in Talent, Quality, Brand, Profitability and Revenue.

### *In 2025 we will be recognised...*

... as an aspirational place to build a career

... as a global thought leader, known for utilising our knowledge and insight to make a difference in business and society

... as a first mover, bringing innovative, client-centric solutions to the market

... as the adviser of choice across our priority segments, services, sectors and industries – truly multi-disciplinary

... for our mobile, flexible, technology-enabled practitioners – best in class

... for our uncompromising quality and integrity

### *Success in 2025:*

The most attractive place to develop an exciting career in

A culture we are proud of

Distinctive #1 brand in the market

One Firm, delivering end-to-end solutions

Technology fully leveraged

### *What does this mean for you?*

You play a key role in driving the success of our firm and realising our ambitions.

The leadership is committed to investing in our people and investing in our strategic priorities to ensure we have the best chance of success. By working together, we will create an excellent platform for our firm's growth but more importantly, for you to flourish at PwC.

We will create fantastic new opportunities for all of our people to learn and grow. There will be new businesses to develop and new operating models and processes to plan. We will be nurturing a culture of innovation and looking to expand our services into new areas; and we will be focusing on broadening all of our skill sets to meet the future needs of the market.

You'll find an opportunity of a lifetime at PwC – and be proud of being part of the journey.





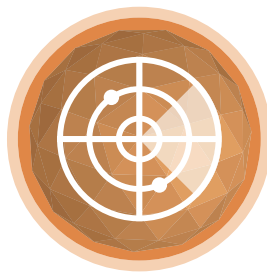
## *Success depends on all of us, leading our future together*

We have a great firm, a strong brand and premier clients. Our future success, however, depends on you. Without your energy, enthusiasm, skills and insights we will never be able to achieve our bold ambitions. We want everyone to be a part of this exciting growth story – when we work together with commitment and passion, we are unbeatable.

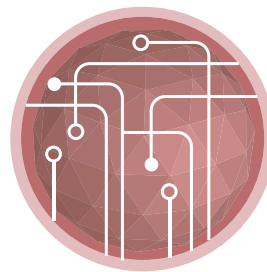
*The best strategy can be copied, but executing with  
unity and conviction will differentiate us.*



**Deliver the Power  
of One Firm**



**Evolve the core and  
expand beyond**



**Revolutionise  
through innovation  
and technology**



**Embrace our  
unique PwC culture**



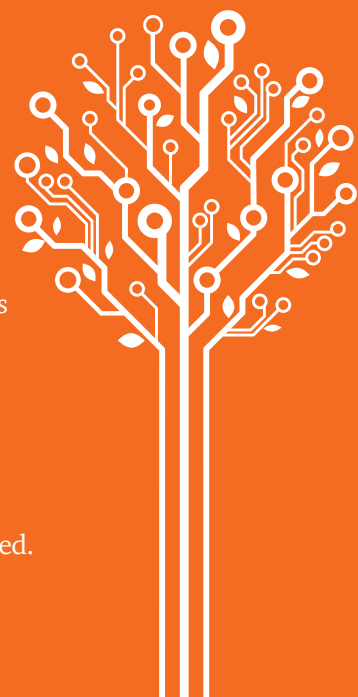
### *How can you be a part of this exciting journey into the future?*

Our success depends on how we execute our strategy. We all have an important role to play to shape our future.

- **Engage** with our strategy by understanding our common goals through dialogue with partners and colleagues
- **Inspire** each other by sharing your views and taking responsibility to drive successes
- **Empower** each other by bringing the strategy to life through your daily work with innovation and by constantly challenging ourselves

There will be many opportunities for you to engage with our leadership in the coming months around the strategy – please take every opportunity to get involved and be engaged.

It is important for us to start building today to ensure our sustained success in the future. We are proud to have you be part of the journey to realise our ambition together.





***“The best way to predict  
your future is to create it.”***

Abraham Lincoln

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