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Konica Minolta Business Solutions (HK) Ltd.: Pioneering Corporate Social Entrepreneurship

[Kevin Au](https://iveypubs.my.salesforce.com/003A000001LUZoX) and Rebecca Chung wrote this case solely to provide material for class discussion. The authors do not intend to illustrate either effective or ineffective handling of a managerial situation. The authors may have disguised certain names and other identifying information to protect confidentiality.

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There is currently a mismatch between the social and business sectors. We are devoted to helping youths but bumped into some walls in collaborating with some NGOs. Why? I am frustrated!

Robert Ip, managing director, Konica Minolta Business Solutions (HK) Ltd.

Konica Minolta Business Solutions (HK) Ltd. (KMHK) was a subsidiary of the Japanese multinational company (MNC) Konica Minolta Inc. Robert Ip became its managing director in 2016 (see Exhibit 1). Ip guided the company to many business achievements and thought the company could experiment with social entrepreneurship as a different way to contribute to society that was perhaps better than conventional corporate social responsibility (CSR) initiatives. Combining both social and corporate motives, he convinced the company’s upper management to invest HK$2 million[[1]](#footnote-1) in setting up a business unit to launch a new revenue-generating business process outsourcing (BPO) services unit in March 2014 and to hire “hidden youths”—adolescents or young adults who deliberately lived apart or hid away from society—to help them reconnect to society and improve their lives. The new business unit quickly broke even. Investing an additional HK$5 million, KMHK opened a second site in March 2016 that was three times larger in size to seize the growth in business. Ip renamed this unit the i-Transform Station.

KMHK’s parent company in Tokyo had perceived KMHK as pioneering. KMHK was also regarded as the first MNC in Hong Kong to put the ideas of corporate social enterprise into practice (see Exhibit 2). In early 2018, while Ip was working on recuperating the company’s investment on the i-Transform Station, he pondered how to enlarge the proportion of hidden youths to 30 per cent of the unit’s workforce by March 2019. While he had experienced some initial success, Ip still found KMHK’s activity in this area to be similar to a one-man crusade for promoting corporate social entrepreneurship. He wondered how to gain more engagement from the local community and how to promote KMHK’s success to other companies.

embarking ON an unprecedented venture

In December 2012, when he first heard about the concept of social entrepreneurship, Ip found it intriguing and meaningful. However, because, at the time, incubating social ventures within large corporations was rarely done in Hong Kong, he could seek advice only from social entrepreneurs, investors, and consultants of social start-ups. These groups were passionate but lacked funding and needed resources to get new ventures going. After many discussions, Ip reflected on his learning:

Once we clarify our idea and zero in on our social mission, it is easy to implement our plan because KMHK has already got the resources. Passionate organizations actually lacked the resources. We just need to find partners from the social sector to try our idea together.

Coincidently, because of KMHK’s CSR initiatives, Ip met a member of the Junior Chamber International (JCI) Victoria. The two came up with a plan to conduct a survey on youth. Ip thought that his company could do something to help disadvantaged youths who encountered problems.

Crystallizing the Social Mission

Seeing that 9 out of 10 medium and large enterprises in Hong Kong had not digitized their records, Ip believed that there was abundant market potential. Other companies, such as Fuji Xerox Co. Ltd. and the Eastman Kodak Company, had launched similar services. Thus, he decided to set up the Business Process Outsourcing (BPO) Scanning Department to offer one-stop, tailor-made scanning services that would help clients convert paper documents, microfilms, or microfiches into digital images. If KMHK’s headquarters (HQ) approved the proposal, KMHK would be the first within the Konica Minolta group to launch such a service. Ip also thought there was an opportunity to merge social and business motives by having the new business unit employ hidden youths. “Such integration program would be like bringing in a social problem into a corporation and leveraging its resources and capabilities to come up with solutions,” explained Ip.

In general, these youths did not have good education or employment records. Because they were unemployed or underemployed, they lacked personal vision or career objectives. If they worked, they were usually confined to low-paying jobs in unpleasant working environments—for example, small barbershops on street corners. Staying idle and left out, these youths would encounter more and more obstacles in life, and even worse, they might cause problems in their families and society. On the other hand, if they turned around, regained their confidence, and realized their potential, they could become valuable for society.

Obtaining Buy-In from Up and Down

In 2018, Ip’s managing director was Yoshihisa Ishibashi, whose expatriate career with the group had endured for almost 30 years. He had worked in various countries, such as Singapore, before being assigned to KMHK in 2012. At that time, due to the global trend of digitization and heavy competitive pressures, the group had requested that its subsidiaries generate new revenue sources and innovative customer-centric ideas. Based on such inspiration from the group’s Japanese operations, Ishibashi and Ip received approval from HQ to set up a new business unit, Managed IT, to offer services such as IT Guardians, a one-stop, information-security and management service.

When Ip presented the new idea of a scanning service, Ishibashi found two points intensely interesting. First, the scope of the business model was clear and concrete. Second, hiring hidden youths for the developing business segment would make a continuous contribution to the community. As the company grew its business, it could increase this contribution to the community. Since the new services required additional space for scanning equipment and clients’ records, Ishibashi took Ip’s proposal to the top management in Tokyo right away. The executives approved the investment in a new service site and equipment.

Ishibashi reflected:

We didn’t need to explain the details to the HQ because this concept was exactly in line with their CSR concept [see Exhibit 3]—that is, to contribute to resolving social challenges by creating new values. As long as we follow that direction, how to implement it locally is left to the local management. It is important for the local management to drive the company to contribute to Hong Kong and to be regarded as needed.

Ip then had to sell the idea to Simon Hung, the new department head who had joined KMHK in 2013. Hung was a veteran salesperson of a print-and-mail service provider, and he had brought his team over after a competitor acquired his former employer. Hung asked Ip whether they really needed to hire hidden youths. Ip responded, “Have you also come across absence and lateness problems with other employees?” After some thought, Hung agreed to give it a try and took on the challenge.

Crafting a Hybrid Enterprise

KMHK chose an industrial site on the east side of Hong Kong Island, in Chai Wan, which was a 15-minute drive from KMHK’s head office in Quarry Bay. Chai Wan not only offered relatively cheap rent but also housed a community with a relatively high number of hidden youths and underprivileged children. Several large public housing estates were located in the district. KMHK’s 185-square-metre (2,000-square-foot) service centre was opened in March 2014. In April and May, with help from the Eastern District Council and non-governmental organizations (NGOs) in the area, KMHK and JCI Victoria conducted a survey on youth employment in Chai Wan. The survey indicated that young people who frequently changed jobs tended to show low job satisfaction.[[2]](#footnote-2) Believing that the reason hidden youths did not perform well or did not stay long in jobs was that they did not enjoy the jobs, and, similar to anyone, they would work on what they liked, Ip attempted to make the job attractive to them. He explained, “They will be given equal opportunities for employment and internal promotion. With working experiences at an MNC like us, they can also build a better curriculum vitae for getting other jobs in medium-sized or large-sized companies that they prefer.”

Meanwhile, KMHK contacted NGOs in Chai Wan to ask their social workers to recommend hidden youths to their new program. At a press conference on June 12, 2014, KMHK and JCI Victoria jointly announced the Business and Community Konica Minolta Enterprise (BACKME) program, which would employ five hidden youths at the BPO Service Centre, out of a total staff of 15. Ishibashi emphasized that the BPO Service Centre aimed to meet objectives related to four E’s: engage, embrace, empower, and enhance the community. Later in 2014, the BACKME program organized a youth employment forum and various activities for underprivileged children in Chai Wan. The young employees participated in these events, helping both themselves and the community grow. Ip commented,

As Hong Kong citizens, we bear social responsibilities while being business leaders. We hope that other companies will adopt this corporate social enterprising model to contribute to different local communities and society at large.

Expanding the Corporate Social Enterprise

By 2015, the new business unit was receiving more and more orders, and employees sometimes operated in three shifts, seven days a week. KMHK requested and received approval from HQ to invest an additional HK$5 million to open a second site of 743 square metres (8,000 square feet) in the same building. Ishibashi was satisfied that the BPO Service Centre was able to meet any requirements from customers, and it had engaged hidden youths. In March 2016, Ishibashi was assigned to the group’s subsidiary in Malaysia, and Ip was promoted, becoming the first local to take up the managing director position. Ip, Regional Sales Director Shun Kambara from HQ, and others inaugurated the extension of the BPO Service Centre, which was renamed the i-Transform Station and given a distinguishing logo (see Exhibit 4).

The group’s president and chief executive officer (CEO), Shoei Yamana, made a brief visit to KMHK during his pan-Asia trip at the end of 2016. In addition to reporting business results to Yamana, Ip took him to the i-Transform Station and explained its dual missions. Expressing his appreciation, Yamana directed the editor of the corporate newsletter to feature the i-Transform Station, using a photo that he took there, to its audience of over 8,000 employees in Japan. In February 2017, Ken Osuga, Yamana’s direct report in charge of all subsidiaries worldwide, also visited the i-Transform Station. The BPO services gained the attention of other subsidiaries, some of which had just launched their own services.

MANAGing BUSINESS AND hidden Youths

The i-Transform Station was positioned as a support to KMHK’s 120 geographical account managers, helping them better serve their existing clients and more effectively approach new clients. It aimed to stand out from the competition in terms of productivity, and provide clients with a comprehensive range of customized document management services—including scanning services, document storage and disposal, and the unique service of scanning X-rays for clinics. The service centre helped clients to simplify information management and accelerate information retrieval, hence reducing human errors, and to save labour and storage costs associated with conventional documentation.

When engaging a client, the responsible account manager, the focal point, would hold initial sales meetings with the client to determine the scope of the project and estimate the complexity and time required. These meetings were also attended by the manager of the i-Transform Station, a technical consultant, and sometimes the operation team leader. Every project was different and was priced accordingly. For instance, some projects, which might involve thousands of boxes of papers, would need 20 people and would take 18 months to finish. For a project that involved scanning decades-old newspapers, where articles were usually split over two or more pages, operators would need to spend extra time looking for different parts of the articles. They would also need to pay special attention to the mildewed papers and dead insects that had dried between the pages. For a project that involved scanning luxury oversized magazines, operators needed to use a huge-screen scanner and to pay special attention to the accuracy of the colour and the folded covers and pages. Sometimes, the i-Transform Station sent one or two employees to a client’s site to learn about their information-related operations before finalizing the project proposal.

Designing the Job and Working Environment

The operational tasks included categorizing, unbinding, scanning, and disposing of or repacking original documents; converting documents into microfilms and microfiches; indexing, sharing, and storing transformed digital images; and controlling quality. Some of the tasks, such as data entry, involved the use of information technologies (IT).

As new candidates were recruited, hidden youths went through the same recruitment procedures and needed to fulfill the same literary, patience, and IT skills requirements as other job applicants. The hidden youths usually started as trainees and rotated from one task to another. Scanning could be performed at the service centre or at the client’s site. Employees sometimes worked alone and sometimes in small teams of a few people. New employees usually started with a one-year contract; if their performance was satisfactory, they would be granted permanent full-time employment. Parts of their remuneration were incentives based on individual and team performance. While all employees knew about the BACKME program and its objectives, they generally could not and would not identify which employees were the hidden youths.

Decorated in a professional and environmentally friendly manner, the service centre accommodated the most technologically advanced equipment, including a heavy-duty scanner that could scan up to 550 pages or 1,100 images of documents of various sizes per minute. Numerous measures were in place to protect the confidentiality of clients’ information. For example, surveillance cameras were mounted; mobile phones were prohibited; employees were required to wear no-pocket uniforms; and visitors were required to wear logo-matching, no-pocket gowns for easy identification. To create a dynamic culture and to provide staff with a pleasant working environment, the management kept the site clean and tidy and reserved space for a break-out area and personal lockers. Supervisor Cosmo Lam said, “The atmosphere here is like a ‘school,’ which is livelier than that in the back [sales] office.”

Passing on the Corporate Vision and Values

After becoming the first local Chinese managing director of KMHK, Ip organized quarterly staff assemblies to share the group’s vision and business objectives with all employees. The staff at the i-Transform Station understood that the company was moving from simply selling and leasing equipment to providing comprehensive digital services. Moreover, KMHK management prominently displayed the group’s six core values (see Exhibit 5) in the break-out area and presented awards to employees who were outstanding in exhibiting those values.

These communications, together with the team’s culture, influenced young employees’ mind sets. For instance, Steven Lam, who had joined the i-Transform Station through the BACKME program, commented that Ip’s speeches helped him better appreciate his role within the big picture and the importance of efficiency. Hung added,

Over the years, I have seen some hidden youths rebuilding confidence. For those who establish a new social life, they smile more and talk more than before. For those who stay alone and quiet, they are more dedicated to work than before.

Dealing with Disciplinary Issues

Employing hidden youths had not caused any significant troubles, aside from an issue with one hidden youth who did not show up punctually for work for many days. Although his supervisor called him again and again, he did not come to work as promised. His supervisor also tried to contact the social worker who had recommended him, but that social worker had left the NGO. After the employee had been absent for almost a month, Hung was not inclined to extend any extra tolerance. Respecting team discipline, he wanted to issue a warning letter to the youth, just as he would with any employee. Ip supported Hung, and added,

We are a customer-oriented service provider that aims to excel in productivity. We are not a social shelter. We expect the same discipline from hidden youths and any other employees.

The hidden youth did not resume work for a few more weeks, and he finally resigned over the phone when his supervisor called him to follow up. Hung thought it would be difficult for supervisors to find the time to chase after hidden youths and social workers. However, Assistant Human Resources (HR) Manager Zoe Wong believed that it would be more effective to monitor the progress of hired hidden youths through quarterly meetings between supervisors and social workers.

Developing and Retaining Employed Hidden Youths

Hidden youths received training and promotion opportunities. Lam, who had joined the service centre at the beginning, was promoted to be an operation team leader in 2016. He had been invited to attend sales meetings with potential clients, to share his experiences publicly, and to participate in CSR activities. In addition to the career path on the operations side, the i-Transform Station encouraged operations trainees to explore other avenues—such as a technical consultant on the sales side, which required experience in various BPO operations. Technical consultants also needed to be able to interact with clients, write business proposals, and make sales presentations.

The employee turnover at the i-Transform Station was even lower than in the head office. People who stayed were content with the nature of the job and supervision. For instance, Lam expressed that he worked more and gave more because of the kind supervisors he had encountered. Supervisor Cosmo Lam explained:

For a corporate social enterprise, trust and care are especially essential. Our staff members have very different backgrounds. While profit is important, it is also critical to spend time to understand the motives and opinions of each employee.

Recruiting Additional Hidden Youths

When HR colleagues were asked to recruit hidden youths, they thought corporate social enterprise was a fresh and meaningful idea, but they underestimated the difficulties. Following a list of NGOs taken from the Hong Kong government’s Social Welfare Department, they contacted each of the youth-related organizations, even those outside the Chai Wan district. However, they were not rewarded with enthusiastic engagement. For instance, some youth-targeted NGOs replied that they were not responsible for helping youths seek jobs.

The HR team also invited social workers and hidden youths to visit the i-Transform Station. Not all the visitors found the job interesting or rewarding. Lam echoed this, noting that, although he recommended the job opportunity to his friends, most of them turned away.

In one instance, KMHK lost a candidate to a cafeteria, partly because the salary of a waiter was about HK$1,000 more and partly because the applicant’s social worker urged him to take any job before the end of his supervision order instead of waiting for a reply from the MNC. Wong agreed that, in the future, KMHK should try to make hiring decisions within a few days. However, she commented, “Still, we cannot control how social workers counsel youths on career planning.” Hung added, “We are short of people, but we cannot easily increase the salary of the entry-level staff because that would upset the rest of the pay scale. This is a capital-intensive and labour-intensive business. Labour costs are already over 70 per cent of our total costs.”

Ip personally approached the head of a youth-targeted NGO in a nearby district and invited her to visit the i-Transform Station, which was only a 15-minute commute away, but was put off. Ip asked Lorraine Chu, an HR officer dedicated to liaising with NGOs, to follow up. However, these efforts did not produce any commitments from the NGOs to refer hidden youths to them. Ip added, “Although I identified the decision maker of the NGO, we cannot get through. Sometimes I don’t really understand why they don’t act for the benefits of the youth.”

Around mid-2016, Chu noted that the Hong Kong YWCA had just set up a team to develop hidden youths. She worked with the YWCA to find an innovative way to effectively attract hidden youths. She and the YWCA staff planned a program, with a workshop and games, for 20 people. However, they had to cancel it because only a few people signed up. Knowing that inertia was a characteristic of hidden youths, Chu admitted that they needed to figure out what kinds of program would really move them.

bigger challenges AHEAD

By the end of fiscal year 2016–17, the i-Transform Station constituted around 2 per cent of KMHK’s total revenue and was expected to break even by the end of the next fiscal year, March 2018. There were fewer than 10 competitors in the market, some of them dominating specific niches such as credit card application forms for banks, which required fast and accurate completion of high volumes. The i-Transform Station was not yet in the top five service providers in Hong Kong, even though it had grown fast. With the abundant business potential, it would need more space to store clients’ documents in the processing pipeline.

While Ip directed Hung’s team to maintain clientele and utilization, he pondered how to attract more disadvantaged youths. As of March 2017, the i-Transform Station’s total staff numbers were adjusted to 38, of whom five were hidden youths (13.2 per cent), including three who had joined at the beginning (see Exhibit 6). Ip hoped to augment the proportion of hidden youths to 30.0 per cent by March 2019. Originally, Ip had planned to allocate 10 per cent of i-Transform Station’s profits to let hidden youths organize charitable initiatives for Chai Wan. However, the number of hidden youths and the profits were so small that he had not taken that step. Besides, although other subsidiaries of the group were getting into BPO services, he wondered how to influence them to adopt the corporate social enterprise model.

Furthermore, KMHK continued to be an active contributor to CSR (see Exhibit 7) while being regarded as the first MNC in Hong Kong to put the ideas of corporate social enterprise into practice. Such an endeavour was still rare in Hong Kong. Since 2015, the local government had been bringing the social concept of shared value to Hong Kong (see Exhibit 8). Still, Ip found it difficult to mobilize other MNCs to join hands on corporate social ventures. He explained:

Many CEOs worry that they might bring a bomb into the organization. They thought that such risks were typically taken by small firms run by the owners. They hesitate due to a key obstacle: their top management are located overseas. Why does a listed MNC bother to take such risks?”

Meanwhile, Ip was also frustrated by the lukewarm response of the NGOs. His social-worker friend told him that social workers were overloaded, but Ip was not convinced. He was determined to identify and overcome the obstacles so that the i-Transform Station could grow quickly, both in terms of profits and hidden youth participation.

Exhibit 1: profile of ROBERT IP

Mr. Ip Cheuk Hung, Robert joined Minolta (HK) Limited in 1990 and was responsible for managing the sales division. In 2008 and 2009, he successfully managed the firm over the financial tsunami and recorded double-digit growth in sales. In April 2012, he was appointed as the director of Marketing, Sales and Technical Service in Konica Minolta Business Solutions Hong Kong Limited (KMHK) to formulate company strategies and strategies for business transformation. In 2014, the honourable President Award from Japan headquarters was presented to KMHK to recognize its achievements. With over 20 years of management experience, Mr. Ip was appointed as the first Chinese managing director in March 2016, to lead 800+ employees in KMHK.

As KMHK was positioned as a business process improvement (BPI) company, Mr. Ip transformed the company to provide total solutions to customers to enhance their efficacy and productivity. Apart from the development of digital multifunctional systems, business solutions, IT services, and business process outsourcing services for the group, Mr. Ip also fully contributes to sustainable development of the community. He established the first multinational corporation–operated social enterprise in Hong Kong, which employs hidden youth and helps them to get back to society.

Mr. Ip completed a post-doctoral fellowship at the University of Quebec at Montreal, Canada, a master of information system from the Hong Kong University of Science and Technology, and an MBA from the Hong Kong Polytechnic University.

Mr. Ip is also a columnist for the *Hong Kong Economic Journal*. He shares management philosophy and real stories from the business world with the readers. There, Mr. Ip aims to motivate youngsters in the workplace through the column 我要做MD (“I Want to Be a Managing Director”).

Source: Company files.

Exhibit 2: Konica minolta business solutions (HK) Ltd. company background

Konica Minolta Business Solutions (HK) Ltd. (KMHK) was a subsidiary of Konica Minolta, Inc. (the group), which was founded in 1873 and headquartered in Tokyo, Japan. The core technologies of Konica Minolta were imaging, optics, materials, and nanofabrication. Listed on the Tokyo Stock Exchange, the group employed over 43,000 people and had sales and services in 150 countries.

Since 2014, the group had implemented the medium-term business plan TRANSFORM 2016 to do the following:

* Realize sustainable profit growth.
* Transform into a customer-centric company.
* Establish a strong corporate structure.

The group aimed to become a problem-solving digital company embedded in society. It had achieved the following financial results:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Fiscal Year (¥ millions)** | | |
| **FY2016** | **FY2015** | **FY2014** |
| Revenue | 962,555 | 1,031,740 | 1,002,758 |
| Operating Profit | 50,135 | 60,069 | 65,762 |
| Profit before Tax | 49,341 | 58,029 | 65,491 |

It had four business domains: business technologies, industrial, healthcare, and others. The business technologies domain had two sectors: (1) office services, and (2) commercial and industrial printing. The company was either the first or the second market leader in more than 40 countries.

KMHK was in the business technologies domain. Its revenue came mainly from the traditional business of selling and leasing printing, copying, and scanning systems. In the last decade, it had started offering related services such as information security and management services and business process re-engineering services. By March 2017 (end of fiscal 2016), the i-Transform Station contributed 1.27 per cent to KMHK’s total revenue:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Fiscal Year** | | |
| **FY2016** | **FY2015** | **FY2014** |
| Revenue (Index: FY2014 as base) | 110.4 | 102.8 | 100.0 |
| **Growth over Last Year (%)** | 7.40% | 2.78% | – |
| **% of Revenue Coming from BPO Scanning or i-Transform Station** | 1.27% | 2.29% | 1.96% |

Note: ¥ = Japanese yen; US$1.00 = ¥109.18 as of January 31, 2018; BPO = business process outsourcing.

Source: Company files.

Exhibit 3: Konica Minolta INC.’s Corporate Social Responsibility Policy

**Basic Approach**

Konica Minolta aims to establish itself as an innovative, constantly evolving company that is vital to society by putting into practice its management philosophy, “The Creation of New Value.” This is why the Group strives to contribute to the resolution of societal challenges by creating value that improves the quality of our world through its business endeavours. Konica Minolta’s CSR activities are guided by this management philosophy and are based on its Charter of Corporate Behaviour. The Konica Minolta Group Guidance for the Charter of Corporate Behaviour, which is shared globally, illustrates desirable behaviour in each of the categories included in the Charter of Corporate Behaviour as a basis for understanding and putting the Charter into practice. The Group Guidance articulates Konica Minolta’s commitment to acting in compliance with international social norms, such as the United Nations Global Compact, in which the company participates, and the Universal Declaration of Human Rights.

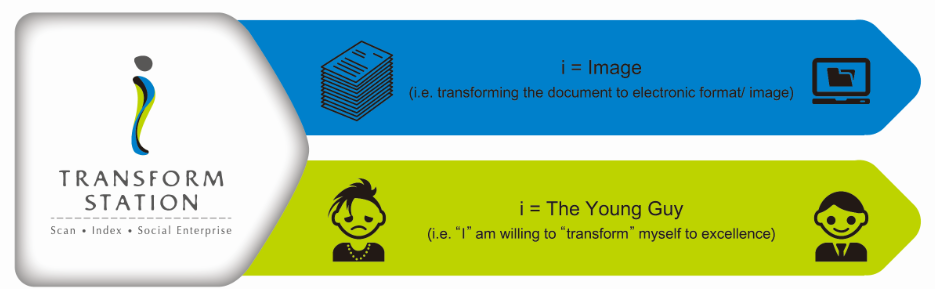
**Activity System**

1. Environment
2. Social Innovation
3. Customer Satisfaction & Product Safety
4. Responsible Supply Chain
5. Human Capital
6. Diversity

Note: CSR = corporate social responsibility

Source: “CSR Management,” Konica Minolta, accessed January 31, 2018 https://www.konicaminolta.com/about/csr/csr/vision/index.html.

Exhibit 4: i-transform station—logo and social mission

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**Social Mission**: To help hidden youths learn different skills and formulate their career objectives by providing a good working environment and appropriate career development opportunities.

Source: Company files.

Exhibit 5: Konica Minolta’s vision and values

**Corporate Vision**

* a global company that is vital to society
* an innovative company that is robust and constantly evolving

**Six Core Values**

1. open and honest
2. customer-centric
3. innovative
4. passionate
5. inclusive and collaborative
6. accountable

Source: Compiled by case authors based on “KONICA MINOLTA Philosophy,” Konica Minolta, accessed January 31, 2018, https://www.konicaminolta.com/about/corporate/vision.html.

Exhibit 6: i-transform station—Staff numbers, 2015–2017

|  |  |  |  |
| --- | --- | --- | --- |
| **Staff** | **As at** | | |
| **March 31, 2017** | **March 31, 2016** | **March 31, 2015** |
| Total Number of Employees at KMHK\* | 792 | 614 | 549 |
| Total Number of Employees at i-Transform Station | 38 | 46  (with the addition of the second site) | 15 |
| Total Number of Hidden Youths at i-Transform Station | 5 | 3 | 5 |
| Percentage of Hidden Youths at i-Transform Station | 13.2% | 6.5% | 33.3% |

Note: KMHK = Konica Minolta Business Solutions (HK) Ltd.; \*Total number of employees included full-time, part-time, and contract employees.

Source: Company information.

Exhibit 7: Konica Minolta Business solutions (HK) Ltd.’s Corporate Social Responsibility Activities—fiscal years 2015 and 2016

|  |  |  |  |
| --- | --- | --- | --- |
| **Date** | **Event Name** | **Beneficiary** | **Role of Konica Minolta** |
| May 23, 2015 | “Emerald Learning Program 2015” Series: Visiting Low-Carbon Facilities in Kowloon Bay | Children | Organizer |
| June 4, 2015 | Blood Donation Day | Red Cross | Organizer |
| August 1, 2015 | Used Book Recycling Campaign | World Vision | Volunteers |
| September 13, 2015 | MTR Hong Kong Race Walking 2015 | Hospital Authority Health InfoWorld | Fundraising and Participation |
| September 19, 2015 | Mid-Autumn Festival Elderly Home Visit | HHCKLA Buddhist Li Ka Shing Care and Attention Home for the Elderly | Organizer |
| October 3, 2015 | “Emerald Learning Program 2015” Series: Low-Carbon Eco-tour in Tung Chung River | Children | Organizer |
| October 8, 2015 | Dress Casual Day 2015 | The Community Chest | Fundraising |
| December 2, 2015 | Love Teeth Day 2015 | The Community Chest | Fundraising |
| January 9, 2016 | “Emerald Learning Program 2015” Series: DIY Workshop of Cleansing Detergent & Soap | Children | Organizer |
| February 13, 2016 | Spring Charity Barefoot Walk for Children | World Vision | Fundraising and Participation |
| March 13, 2016 | Chi Heng HK “Walk for AIDS Orphans & Carnival” 2016 | Chi Heng Foundation | Fundraising & Participation |
| June 19–20, 2016 | The Community Chest Green Day | The Community Chest | Fundraising |
| June 28, 2016 | Blood Donation Day | Red Cross | Organizer |
| July 31, 2016 | Hidden Youth Sharing Session | JCI Peninsula | Speaker at the sharing session |
| August 6, 2016 | Used Book Recycling Campaign | World Vision | Volunteers |
| September 3, 2016 | Mid-Autumn Festival Visit | The HKFTU Hong Ling Society for the Well-Being of the Elderly (Kwun Tong) | Organizer |
| October 6, 2016 | Dress Casual Day 2016 | The Community Chest | Fundraising |
| November–December 2016 | Green Concert | Silence | Organizer |
| December 7, 2016 | Love Teeth Day 2016 | The Community Chest | Fundraising |
| December 17, 2016 | “Emerald Learning Program 2016” Series: Organic Farm Visit | Secondary School students Tung Wah Group of Hospitals Kwok Yat Wai College | Organizer |
| March 11, 2017 | “Emerald Learning Program 2016” Series: Green Farming Day | Primary School students Precious Blood Primary School (Wah Fu Estate) | Organizer |
| March 17, 2017 | Skip Lunch Day | The Community Chest | Fundraising |
| March 25, 2017 | 3-Legged Charity x F.U.N. Carnival | Christian Action | Fundraising and participation |

Note: HHCKLA = Heung Hoi Ching Kok Lin Association; DIY = Do-It-Yourself; HKFTU = Hong Kong Federation of Trade Unions

Source: Company files.

Exhibit 8: shared value initiative in hong kong

The Shared Value initiative is launched to encourage businesses to implement innovative business plans that create business value and social impact at the same time.

The SIE Fund, as a catalyst for social innovation in Hong Kong, connects our community with different sectors, including businesses, NGOs, academics and philanthropies to create social impact through innovative solutions that address poverty and social exclusion.

For the business sector, social innovation involves putting to market new products, services, practices and strategies that offer solutions to meet social needs. “Shared Value” is created for both the company and the society when a company applies its assets and skills to innovative projects that bring business return while simultaneously advancing the economic, environmental and social conditions in the communities in which it operates.

The Fund encourages corporations to apply the Creating Shared Value (CSV) approach in their business strategies for addressing social needs while exploring new business opportunities.

Innovation is central to the CSV approach. To encourage and support businesses to implement innovative ideas, the SIE Fund is embarking on a “Shared Value initiative” with activities being launched in stages.

* Stage 1: Shared Value Forum (held on 9 September 2015)
* Stage 2: CSV Workshops (held from September to November 2015)
* Stage 3: Coaching for CSV Business Plan Development
* Stage 4: Finalising and Launching Initiatives

The Fund expects to have one to two CSV business plans being implemented by participating companies after stage 4.

Note: SIE Fund = Social Innovation and Entrepreneurship Development Fund; NGOs = nongovernmental organizations;

Source: “Shared Value Initiative,” Social Innovation and Enterprise Fund, accessed August 30, 2018, www.sie.gov.hk/en/what-we-do/shared-value.page.

1. HK$ = Hong Kong dollar; HK$1 = US$0.13 as of January 31, 2018; all currency amounts are in HK$ unless specified otherwise. [↑](#footnote-ref-1)
2. Researchers interviewed 437 people aged 16 to 30 to understand their employment attitudes, status, and concerns. One key finding was that, among the full-time or part-time employed youth (54.4 per cent of the sample), the 38.4 per cent who had not changed jobs in the last two years rated their job satisfaction as 46/100, whereas the 19.0 per cent who had changed jobs at least three times during the same period rated their job satisfaction as 20/100. [↑](#footnote-ref-2)