I have said before that one of the great feelings of the modern University is that non-academic staff are defined by who they are not - that they are non-academic. And I know of no other organisation that would relegate over 50% of its staff to a lesser status than the colleagues they work alongside.

And where the University is asked to operate in a corporate manner, it must do so effectively and efficiently and as aggressively as any corporation. But the prevailing value system in a university is more characteristic of a village, a town, a city, a community in which each member of the community is valued for what they do. And the success of the community is defined by the sum of all its parts, and it's not just by the contribution of a few.

SMARTER@HKU is about redressing that balance. It is about working more efficiently and effectively. But it's also about rewarding and recognition, rewarding and recognising our colleagues, rewarding and recognising yourselves. And this is what we are here to celebrate this afternoon.

As a member of the professional services team at HKU, you are all by definition charged with managing situations, resources, and most importantly people. In addition, even those management rules, you will be expected to exercise leadership. Even if you do not see yourself in a leadership role, others will see that in you.

I want to spend a few moments looking at the nature of management and leadership in a university context. There's an important difference between the two concepts.

Stephen Covey, *Seven Habits of Highly Effective People*, says “Management works in the system. Leadership works on the system.”

In other words, management is the ability to cope with complexity, diverse structures and systems to produce harmony and order. But leadership is the ability to cope with change to establish new directions, to get institutions and individuals to move in that direction.

And my job, your job involves both management and leadership, but the latter is more important than the former. You don't successfully run a university, a department or a section primarily by crunching numbers, reviewing organisational charts, applying the latest business school concepts and techniques.

The key function and leadership role within a university is to harness the social forces within it, to shape and guide its values, to build a management team and inspire it and others to work with the university.
Leadership is about enabling, not about controlling. The job in a guy called Warren Bennis’s phrase is to set the target that beckons. A stretched target that drives the organisation forward by forcing innovation through deliberately creating a misfit between the ambition of the organisation and the resources available to the organisation.

You set the target that beckons. And having set it, you then motivate people to hit it. So leadership is inextricably linked to change. To describe a person who merely administers the status quo without changing it is a contradiction in terms. That is not a leader.

So to lead successfully, in my view, you need to do three things. First is you need to create a sense of urgency. The second is develop an appropriate vision and strategy. And the (third) is create a supporting infrastructure.

So just a little bit about creating that sense of urgency. To begin with the obvious, universities are pluralistic institutions, with multiple, ambiguous and conflicting goals. It is a community and a lot of the conflicting goals within that community. They are professional institutions that are primarily run by the profession, by the academics often in their own interest. That's what the universities are there to do. And they are collegial institutions where management, negotiation and persuasion is likely to be much more successful than management by dictate and decree.

So change is extremely difficult in an institution with these characteristics. And in my experience, a prerequisite for change is some pressure - often a threat from outside the institution, a financial threat or some change. But HKU, there's no threat. There's no burning platform. And that's the chance only the one that we create ourselves.

But I would like to quote President Kennedy when talking about the desire to go to the moon. We choose to go to the moon not because it's easy, but because it's hard, because that goal will serve to organise and measure the best of our energies and skills, because that challenge is one that we are willing to accept, one that we are unwilling to postpone, and one which we intend to win.

So the challenge is one that we need to create ourselves. And that's about the vision and the strategy for the institution.

I mentioned earlier the chief task of the leader is to set the target that beckons. And I believe that target has to be formulated in a way that people can express it briefly.

People will march for a phrase. They will not march for a paragraph and they will not march for a page. They will much rephrase a paragraph, not a page.

And that's where HKU Asia's Global University came from. It is a stretched target. We are not HKU's Global University, but there's no reason why we cannot be HKU’s Global University.

So I don't want to bother you too long and I could. And I could talk about what are the prerequisites. I think there are four key elements.

- The managerial team
- A system of decision making
- Communications
- And a system for appraising and rewarding staff

And I just focus on the latter one for this audience.

You cannot manage by exhortation. You need to change behaviour and ultimately attitudes and values so that people who once undermined your thought, undermined you support you, the vision and the strategy.

And having appraised individuals and units, you then need to motivate by recognising and rewarding, not only by thanks, praise and status, but also by money. And hence you need to be prepared to allocate resources, scarce resources, to units and individuals on the basis that rewards performance.

I've been involved in major change initiatives at three institutions - Warwick, Aberdeen in the UK and here again at HKU. I'm not suggesting that anything that we did in those places or we did here is particularly original. In many respects, we are catching up with change that have already taken place elsewhere. The significance of what we're doing, however, lies more in the process than in the substance of change.

The three institutions I've described are not short of creativity, the ability to think up new ideas, but what they are short of is innovation, the ability to do new things.

There are plenty of ideas, but it's the ability to transfer that into action. Lots of new ideas lying around unused, not because the merits were unrecognised, but because too few people were prepared to take responsibility for converting them from words into action. And what we need to do is to create an environment in which people are prepared to take on that responsibility.

As Ralph Nader, the American consumer champion, pointed out the function of leadership is to produce more leaders, not more followers.

And culture will take time. This doesn't happen overnight. It will take several years because successful change is sustainable change. Changes do not become sustainable until they are anchored in the culture, the core values of the institution. And this will not happen until the changes have demonstrated to work and to be superior to the old approaches, to the old methods.

Culture change comes at the end of the process, not at the beginning. It comes at the end of the process. So you will not be able to create successful and sustainable change unless you see yourself as leaders, rather than managers. So that's the one message that I would give you today, to take away that sense that you are leaders.
In summary, a few bullet points to take away:

- Lead more
- Manage less
- Appoint the very best people
- Know your limitations and compensate for them
- Delegate extensively
- Be visible
- Listen and communicate
- Don't procrastinate
- Be positive and decisive
- Don't expect gratitude
- Don't expect thanks
- But don't hold grudges, it is never personal
- Take more blame and less credit
- Care and be seen to care
- Reward and recognise
- Deal with your enemies
- Seek constant improvement
- Have fun
- Don't believe your own rhetoric
- And don't stay around too long

Thank you very much.