

Harvard Business School Alumni Club of Malaysia

NEWSLETTER

VOLUME 2 NO. 8
AUGUST 1989

7th Gold Medal Award 1989

Wong Mau Lin, The 1989 Recipient of the HBSACM Gold Medal Award was born in Sabah. She obtained a First Class Honours in Business Administration from the University of Malaya in the 1987/88 session. While in the University, she was an active participant in her college (1st college), sports and social activities.

Her ambition is to reach the top of the Corporate Ladder and is now working with HRM Consultancy Services.

COMMITTEE AND SELECTION PANEL

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Y.B. Dato Wan Abdullah
bin Mohamad

Ministry of Education representative

Dr. Abdul Rahman bin Mat

Member

Tuan Hj. Abu Bakar bin
Sulaiman

Member

En. Ghazali Kamal Baharein



Ms Wong Mau Lin receiving her award from Professor Dr. Syed Hussein Alatas

3 Best Candidates Shortlisted for Interview

Name	University
1. Miss Wong Mau Lin	University Malaya (Winner)
2. Miss Peggy Khoo Suan Kim	University Utara Malaysia
3. En. Ab. Rahman bin Ismail	University Pertanian Malaysia

Ted Levitt's Smorgasbord

"INNOVATION IN MARKETING" page 3

25TH AUGUST 1989

From the PRESIDENT'S DESK



Datuk Alladin Hashim

I am sure many of us agree that Prof. Dr. Syed Hussein Alatas, the Vice Chancellor, University of Malaya provided an interesting insight to the subject of 'business' when he was with us at the Gold Medal Award Dinner recently. It was certainly food for thought.

You would not like to miss the opportunity of meeting and listening to the 'Guru' himself, when he flies in from Boston for a date with Club members on August 25. The editor of the Harvard Business Review and author of the 'Marketing Myopia' and the 'Marketing Imagination', HBS Prof. Theodore Levitt would conduct a talk cum discussion during a dinner menu of 'Ted Levitt's Smorgasbord'. Tables are still available for this important business meeting.

For those interested in 'Quality Management' be sure not to miss the 'Total Quality Management' Seminar scheduled for September 19. The Seminar is jointly organised by the Club together with the National Productivity Centre. YB Dato' Lim Ah Lek, the newly appointed Labour Minister, will be the Guest Speaker.

A new Club program entitled 'Corporate Leadership and Management Styles' is about to kick off with a luncheon talk by a very prominent

Chief Executive of a quasi Government body. This would take place in early part of September, and we will let you know of the date and venue.

If you are planning for your year-end vacation, make sure you consider a 3-day business cum leisure outing at Phuket. A Regional Meeting with the Hong Kong HBS Alumni and others is scheduled for December 2 - 5. Vice President Abdullah Mat Zaid is working on a special airfare by MAS.

Before I sign off, may I remind you of our Tripartite Golf with HBS Alumni Singapore and Thailand on September 2 to be played at the Kelab Rahman Putra. So there is enough time for everyone to have a few more practice rounds to sharpen your game.

We need your continuing support.

See you at our next Club function.

(A. HASHIM)

COMING ATTRACTIONS

EVENT	DATE	VENUE
Ted Levitts Smorgasbord	25 August	Shangri-la Hotel
Golf Asean	2 September	Rahman Putra Golf Club
Luncheon Talk by	9 September	Park Royal Hotel
Dato Mohd. Ali, JSEDC	19 September	PJ Hilton
Total Quality Management		



Ted Levitt's Smorgasbord – 25th August 1989

Theodore Levitt, Lecturer at the Harvard Business School Boston Massachusetts and editor of the Harvard Business Review, the mahaguru of Marketing and author of several marketing greats will be in Kuala Lumpur on the 25th August 1989 on the invitation of the HBSACM to present "TED LEVITT'S SMORGASBORD". Here are some quotes taken from Ted Levitt's book "Innovation in Marketing" which derive some of its ingredient from other sources written by him such as:-

- "Marketing Myopia"
- "Growth and Profit through planned Marketing Innovation"
- "Thinking ahead about the business future"
- "Blue-Skies Approach to Tomorrow's Marketing"
- "Management versus the Failure of Commercial Research"
- "M-R Snake Dance"

On Business

"The primary business of every business is to stay business."

On Growth And Business

"In truth, I believe, there is no such thing as a growth industry. There are only companies organised and operated to create and capitalise on growth opportunities. Industries that assume themselves to be riding some automatic growth escalator invariably descend into stagnation."

On Change And Business Strategy

"The question that constantly need to be asked about the outside environment are as follows: How will the changes effect our company's survival power? But to be able to ask yourself these questions you have to be able to sensitise yourselves first to seeing the facts in the world so that you can be in a position to evaluate their possible impact on you."

"The first step in becoming sensitive is to recognise the importance of being sensitive."

On Sales And Marketing

"Selling focuses on the needs of the seller, marketing on the needs of the buyer."

"Selling is preoccupied with the sellers needs to convert his product into cash, marketing with the idea of satisfying the needs of the customer by means of the product and the whole cluster of things associated with creating, delivering and finally consuming it."

".....marketing is a fairly abstract operation."

On Management And Growth – The Management Myopia

"In every cause the reason growth is threatened, slowed, or stopped is not because the market is saturated. It is because there has been a failure of management."

"Failure is at the top. The executives responsible for it, in the last analysis, are those who deal with broad aims and policies."

On Railroads And Growth

No organisation can achieve greatness without a vigorous leader who is driven onward by his own pulsating will to succeed. He has to have a vision of grandeur, a vision that can produce eager followers in vast numbers.

"They (the railroads) let others take customers away from them because they assumed themselves to be in the railroad business rather than in the transportation business."

On Hollywood And Growth

"As with the railroads Hollywood defined its business incorrectly. It thought it was in the movie business when it was actually in the entertainment business."

On Management And Marketing – The Marketing Myopia

"Du Pont has succeeded not primarily because of its product or research orientation but because it has been customer-oriented also."

"In short, the organisation must learn to think of itself not as producing goods or services but as buying customers, as doing the things that will make people want to do business with it."

"The view that an industry is a customer-satisfying process, not a goods-producing process, is vital for all businessmen to understand."

"If the rules of scientific management require that action be preceded by study, and if "study" is interpreted to mean statistical facts and surveys, then anything which cannot be easily measured before the fact will not get done."

"But in marketing, a new idea is an entirely different matter. It is stubbornly abstract. While it is easy enough to describe a new way to sell a product or service. You cannot prove it will work unless it is actually tried."

On Peoples Values And Dieting

"People have been dieting almost compulsively. Actually there is a question of whether they diet because of cholesterol or because of sex."

Coronary Heart Disease: It can be Prevented

Coronary artery disease incidence — up in Asia, down in the West

The pattern of coronary artery disease (CAD) incidence in Asia is beginning to resemble that of the West. In Hong Kong for example the mortality from ischaemic heart disease has risen from 15.5 per 100,000 in 1969 to 44 per 100,000 in 1985 due mainly to dietary changes, according to figures from the Chinese University.

While increases in dyslipidaemia have been seen in Asia, the incidence of this condition in Europe and the USA has started to decline. The reasons for the decline are increased public awareness of the problem, and the availability of pharmacological agents to combat the disease.

The Helsinki Heart Study

Raising high density lipoprotein (HDL) levels with the lipid-profile-modifying agent, gemfibrozil, can prevent CAD, according to the Helsinki Heart Study, a major focus of attention during the lecture tour. The study was conducted to the gold standard of clinical methodology, the randomized, double-blind, placebo-controlled trial, and can be described as a landmark in progress in the fight against the disease. Some 4081 asymptomatic dyslipidaemic middle-aged men were enrolled in the trial. Finland was chosen as the site for the study because the mean level of total serum cholesterol is 260 mg/dl — the highest in the world. If the current guideline were to be strictly applied (maximum level 200 mg/dl), this would mean that over 50% of the Finnish nation should be receiving some form of treatment.

Framingham Data

Although the Framingham study is observational only, and does not attempt to intervene in the treatment of patients, it has accumulated a vast number of data on the risk factors which may lead to the development of CAD. These include non-modifiable factor, like being male and middle aged, and modifiable ones, such as HDL level. Some 2% of patients take lipid-profile-modifying agents, although probably 25% of patients are in need of some of lipid regulation.

He stressed the importance of diet, exercise, and weight loss, particularly in relation to younger subjects. An improvement in dietary counselling methods on the part of general practitioners in the USA was also suggested.

HDL A Risk Factor?

Framingham data published recently showed that, even in people with low total cholesterol levels, low HDL values led to

elevated rates of coronary disease. No matter what form of analysis is used, the people with the most favourable profile are the vegetarians and runners.

This has led to a reconsideration of the risk factors.

Previously there was great concern about high triglyceride values, but this parameter now seems to be losing its impact when taken in conjunction with others that may be present, particularly for men. Even the importance of total cholesterol has waned since the emergence of the HDL value.

Exercise that causes subjects to be slightly out of breath is particularly associated with an increase in the HDL level, even running just 3 km/week can make a significant difference. Other causes of increase may include oestrogens in women before and after the menopause (although the effect may be mitigated when combined preparations are taken), and alcohol.

Other Risk Factors

The current view is that systolic, rather than diastolic, hypertension is more important as a risk factor for developing cardiovascular disease, particularly stroke. This is contrary to the training of many clinicians in the USA. Smoking cigarettes seems to be particularly associated with increased coronary disease, whereas pipe and cigar smoking does not seem to have the same impact. A person who stops smoking can attain the same risk as a non-smoker in about 3-4 years. Diabetes

mellitus patients have coronary or cardiovascular causes of death on their death certificates in some 80% of cases. Obesity is more difficult to correlate; in the Framingham Study it took more than eight years for a man and 16 years for a woman to show a significant risk.

"Gemfibrozil Increases The Synthesis Of HDL-Cholesterol And Decreases LDL-Cholesterol Levels."

These were the conclusions drawn by Dr Moti L. Kashyap during his address in Hong Kong and Taiwan.

Dr Kashyap noted that in the treatment of hypercholesterolaemia plus hypertriglyceridaemia, gemfibrozil is used as the first line drug. Gemfibrozil increases the synthesis of HDL-cholesterol and decrease LDL-cholesterol levels. Other drugs which merely prevent the breakdown of HDL-cholesterol may not be as effective, as the HDL may not be functionally as efficient in cholesterol transport.

Pointers For Further Action

In Dr Kashyap's view, "we must take appropriate measures to deal with it, as was done for diseases like tuberculosis in the past." These measures should include public information, stressing only certain kinds of cholesterol are dangerous. "Everyone over the age of 20 years should have their total cholesterol measured," Dr Kashyap said. "Screen, diagnose, and control where necessary, should be the message."

Cholesterol content of some foods

Food	Cholesterol (mg/100 g)	Food	Cholesterol (mg/100 g)
Meat		Dairy produce	
Brains	2300	Egg yolk	2000
Kidney	390	Egg white	0
Liver	365	Egg whole	430
Ham	100	Cheddar cheese	7-49
Beef	95	Cream	7-49
Pork	90	Ice cream	7-49
Mutton	84	Milk, whole	18
Veal	78	Butter	115
Duck	70	Others	
Chicken	65	Fruit	0
Seafood		Vegetables (incl rice)	0
Anchovies	383	Soft drinks	0
Prawns	142	Sugar	0
Crab	132	Lup cheong (sausage)	56
Sardines (canned)	50-100	Indian mee goreng	159
Salmon	85	Satay	55
Mackerel	50	Chinese fried rice	48
Cockles	35	Mutton curry	47
Sea cucumber	less than 5	Cantonese fried mee	14
Cuttlefish	120	Chicken rice	16
		Nasi lemak	7



"Brilliant job on the Aldridge Account, R.T., and, if I may say so, blue's your color."



"I'm afraid Mr. Kellogg had to be sent upstate for a while. Merger madness, you know."



"It turned out to be a very friendly takeover."



"It is user friendly. We just have to adjust the candor control."

Programme Highlights

Regional Meeting in Phuket Island

Dear Members,

The Harvard Business School Association of Hong Kong has cordially invited our Club members to participate in their Regional Social Event this coming December.

The objective is to promote intra-region networking amongst Alumni and to foster fellowship amongst members.

Programme

An interesting programme has been lined up which includes a golf match and social activities in and outside the hotel resort that will promote better acquaintance and stimulate friendship.

Participants from each country will also nominate one or two speakers to lead discussions on topics of interest such as their country's economy, politics, business opportunities, etc.

Invitations Open To All

The Executive Committee of the HBSACM wish to invite all members to participate in the above event. It would be a good opportunity to get to know Alumni members from other countries and to cultivate mutual interests and matters of potential.

Essential Details

Date : December 2nd - 5th 1989
(Saturday - Tuesday)

Venue : Dusit Loguna Hotel

Cost : Single Room US\$56 p/nite
Double Room US\$65 p/nite

Register Now

Please send in your participation slip to the:-

Director of Activities
Sdra. Othman Yusoff
c/o PERBADANAN KHIDMAT
KOMPUTER FELDA
1st Floor, Block C
Kompleks Perbadanan Felda
Jalan Maktab
54000 Kuala Lumpur.

HBSACM plans to give talks to FMM members

HBSACM has agreed to give 2 hour lectures to FMM members once every 2 months on Operations Management, Quality Control, Marketing & Financial Management.

The lectures are held in a forum style to facilitate interchange of ideas catering to the needs of small and medium scale industries. The objective is to increase the business acumen of the small scale industries in this country. It represents HBSACM's contribution towards the nation's business development efforts.

Excellence Through Total Quality

In line with the National Productivity centre's effort to promote Total Quality Control in Malaysia, the Harvard Alumni will donate \$10,000 towards promoting TQ activities.

This will be in the form of bringing in Dr Lennart Sandholm, a Total Quality expert, to Malaysia to conduct two programmes on Total Quality Control. Dr Sandholm's emphasis will be on Export Oriented Total Quality.

The two programmes organized are:-

Excellence through Total Quality
for Top Executives
(A one day seminar)
19th September 1989

Excellence through Total Quality
for Managers
(A three day course)
20th - 22nd September 1989

Membership Drive

HBSACM requests the help of all members to recruit new members into the Club.

Being a non-profit making organization, HBSACM needs a large membership to achieve our objectives and pursuit of excellence. Membership is open to all HBS & SMDP participants.

HBSACM is pleased to announce that the Alumni Fraternity will be enlarged on a regional basis with efforts to establish linkage with brother clubs in the Asean region. An Asean Alumni Directory will be a prelude to the formalization of an Asean HBS Alumni Association.

"Corporate Leadership and Management Styles"

Series of Luncheon Talks

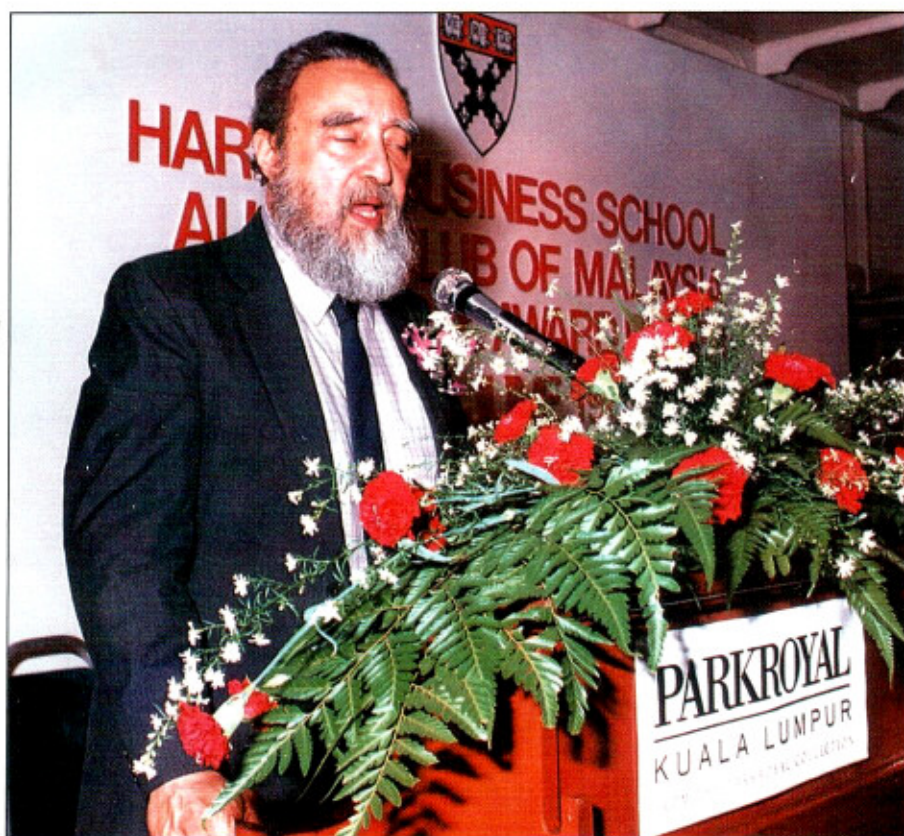
The Club has initiated a series of luncheon talks under the "Corporate Leadership and Management Style" program and will be inviting Captains of the Malaysian business community to speak.

The 1st in the series will be a talk followed by discussion given by Y.B. Dato Mohd Ali bin Hj. Hashim the CEO of the Johore State Economic Development Board (JSED), on the 9th of September 1989. Members are welcome to bring their guests on these occasions.

**SENIOR
MANAGEMENT
PROGRAMME
will be held at the
Melaka Village
Resort in 1990**

Business & Human Progress – Prof. Syed Hussein Alatas

Following is a transcript of the speech by Prof Syed Hussein Alatas at the Gold Medal Award dinner of the Harvard Business School Alumni Club of Malaysia.



Professor Dr. Syed Hussein Alatas delivering his speech at the HBSACM Gold Medal Award Dinner.

“Business & human progress will be preserved and achieved only in a moral society cherishing moral values.”

As Ted Levitt had infamously noted, “The primary business of every business is to stay in business”, in the context of business & human progress, Prof. Alatas sees the relationship as being a sociological connection.

In a social context, business & human progress are inexplicably intertwined. Business cannot stand alone – it cannot grow by itself. Any business activity takes place within a social context not in isolation from society. Hence, a businessman cannot plan a business in a corrupt society without thinking of the elements of blackmail, fraud, extortion.

In any business, the Prof. said the businessman has to appraise the context of operation in which his business exists the links with suppliers, buyers, governing bodies, transportation facilities etc. Only after appraising the context of operation can the businessman make the purely business decisions:- size of product, cost & price, demand of product, advertising and profits.

The Prof. explained that in a healthy social context, a business will function and grow. In an unhealthy context, only criminal business will flourish – Criminal business based on greed, exploitation, manipulation. No human progress will be attainable if business is allowed to grow wildly, unguided by ethics. Business & human progress will be preserved and achieved only in a moral society cherishing moral values.

HBSCAM Annual Golf

The HBSCAM Annual Golf meet was held at the Rahman Putra Golf and Country Club on the 17 of June 1989.

The winner En. Foo Swee Leng scored an incredible 49 stableford points – a possible world record! His first nine points was 24 points (higher than the lowest 18 holescore of 21) and his 2nd nine score was 25 points.

En. Abdullah Mat Zaid, as usual won the 1st Runner up while the President Dato Alladin Hashim 2nd Runner up.

The golf meet, was an outright success and 30 members turned out for the competition which was played on the 3rd and the first nine of the Rahman Putra Course.

The Club hopes that the Golf meet will continue to have the good support of member.

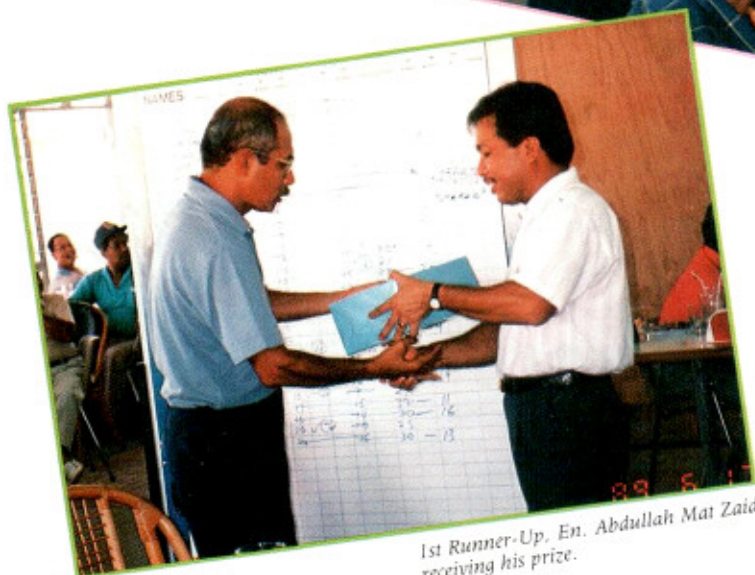
Those who wish to play for the ASEAN GOLF game with the HBS-Alumnis from Asean countries on the 2nd September 1989 should contact the Director of Activities as soon as possible.



Some of the members relaxing after the game.



Winner, En. Foo Swee Leng (right), receiving his trophy from Dato Alladin



1st Runner-Up, En. Abdullah Mat Zaid, receiving his prize.