ASIAN Management Insights

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SMU SINGAPORE MANAGEMENT UNIVERSITY

CELEBRATING MEANINGFUL IMPACT 25 YEARS AND BEYOND

FORGING THE FUTURE

How AI is rewriting the rules of knowledge, expertise, and practice



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An interview with Dr Andrew Hamilton, President Emeritus of New York University

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Cities can lead on services, resources, and partnerships



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– Dr Andrew Hamilton, President Emeritus of New York University and former Vice-Chancellor of Oxford University

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As global complexity continues to reshape our world, it is clear that thoughtful leadership will be the compass that steers education, enterprise, and society towards a more resilient and inclusive future.

– Havovi Joshi, Editor-in-Chief, Asian Management Insights



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FROM THE EDITOR

Strategy and stewardship in an uncertain world

This issue, as we continue to celebrate Singapore Management University's (SMU) 25th anniversary, we explore leadership in higher education, the rise of artificial intelligence (AI), ethical stewardship, and other challenges, highlighting how they intersect in our increasingly complex, fast-changing world.

During China's 2025 college entrance examinations in June, the country's biggest tech companies disabled certain AI features to prevent cheating. From Tencent's Yuanbao to Moonshot's Kimi, all image-recognition capabilities had been turned off to ensure fairness in the high-stakes exam. The irony: China has been promoting AI adoption in schools, mandating at least eight hours of AI instruction per year starting from primary school.

Educators worldwide are also using AI when crafting lessons, illustrating the profound change that AI and large language models (LLMs) have wrought on the creation and transmission of knowledge. How should pedagogy be adjusted to address the changing ways students learn? What should universities do to maximise AI's potential while upholding academic integrity? And how should leaders beyond academia think about AI output when it is increasingly viewed as authoritative truth? Kenneth Benoit, Dean of SMU's School of Social Sciences, answers those questions.

AI is just one of many challenges currently facing university leadership. Andrew Hamilton, President Emeritus of New York University (NYU) and former Vice-Chancellor of Oxford University, casts an eye on the globalisation of higher education, the important yet limited role of rankings, and the need to create meaningful impact. Above all, university leaders must remain steadfast in their commitment to the core mission of creating and disseminating knowledge.

How can embracing religious literacy, ethical traditions, cultural humility, and relational thinking help universities and society at large navigate today's complex global challenges? SMU Provost Alan Chan believes that by understanding our faith and culture and those of other people, we would learn how to listen with an open mind, thereby creating genuine insights that improve the human condition.

Storytelling forms much of the scaffolding of religion and culture, holding large groups of humans together. It is also an under-utilised tool in translating strategy into practice, says Tanvi Gautam. By inviting middle managers and frontline staff to articulate the strategy in their own words, storytelling translates mission into meaningful execution. Crucially, it creates clarity and bridges the strategy gap.

Effective strategy execution will make a significant difference in global sustainability efforts, particularly in building urban resilience. Winston Chow points out five key areas to address: affordable housing, reliable municipal services, collaborative governance, equitable energy transitions, and resilient water management. Knowledge-sharing and collective action will be key, but mayors and city leaders play a crucial role in delivering an inclusive, equitable, and resilient urban future.

Care for the planet is part of what Shai Ganu calls the five Ps of corporate stewardship: Purpose, People, Planet, Protection, and Performance. Beyond the traditional focus on compliance and risk mitigation, corporate boards must now adopt a stewardship mindset for long-term value creation and ethical leadership. In essence, it is about striking a balance between profit and purpose.

Profit might be the purpose of private equity (PE) firms, but what is PE really about? Yin Wang and Steve Balaban lay out the reality behind the glamour epitomised by *Shark Tank* and spell out how PE firms create value. PE has evolved into an established pillar in the global financial arena, and while it offers high returns through value creation at various stages of a company's lifecycle, wielding it well requires deep expertise and rigorous due diligence.

SoftBank is one of the world's biggest PE firms, and its most successful investment is Alibaba. Jack Ma's venture became an e-commerce behemoth by being China's foremost online marketplace, but with it came the issue of counterfeit listings. In this issue's Case in Point, Liang Chen, Cheah Sin Mei, Can Huang, and Guoqiao Liu show how Alibaba harnessed the power of AI to take down counterfeit listings before they can generate any sales.

While Jack Ma is *the* personification of the classic rags-to-riches story, Roshni Mahtani Cheung went from riches to rags and back again. The founder and CEO of theAsianparent and The Parentinc shares in The Entrepreneur's Corner her lessons of resilience learnt the hard way, as she grew a parenting website into a multimillion-dollar business while raising a family, and signed term sheets while in the labour room. What would she say to her hard-charging younger self? "You have to give yourself grace."

With US import tariffs causing global uncertainty, multinational enterprises (MNEs) are rethinking where to manufacture their products. What happens to local businesses when an MNE leaves a location? How can policymakers determine whether the benefits of an MNE staying would exceed the costs of concessions to make it stay? Chang Pao Li's latest research attempts to answer those questions in the Singapore context.

Should companies be issuing Return to the Office (RTO) orders now that Work from Home (WFH) is no longer a necessity in the post-pandemic world? Vineeta Dwivedi and Snehal Shah propose a WFH personae framework that takes into consideration an organisation's operational and cultural flexibility to craft effective hybrid work policies. When executed well, it aligns employee needs with operational goals.

As global complexity continues to reshape our world, it is clear that thoughtful leadership will be the compass that steers education, enterprise, and society towards a more resilient and inclusive future.



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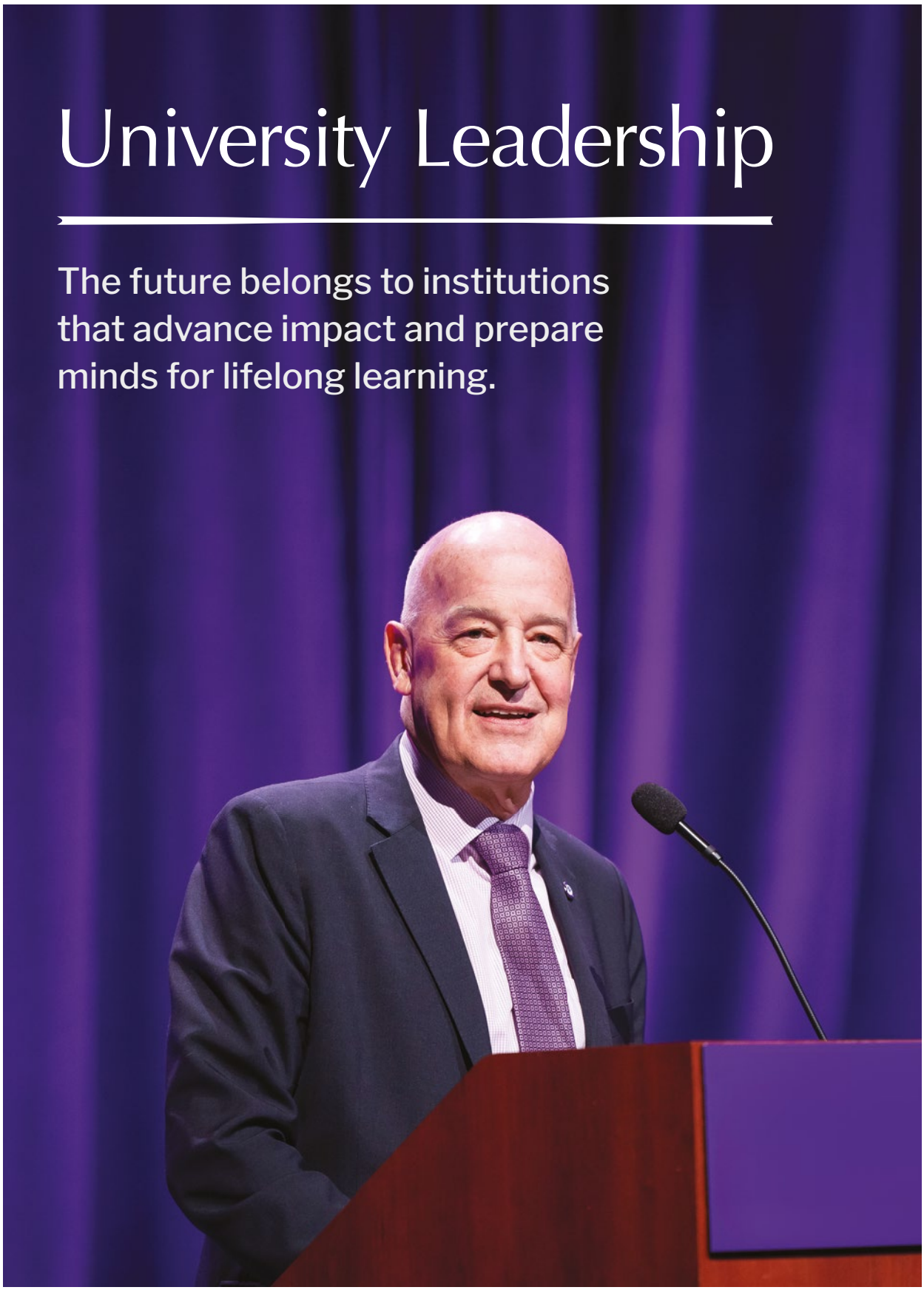
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University Leadership

The future belongs to institutions that advance impact and prepare minds for lifelong learning.



In a time of global uncertainty, shifting geopolitical dynamics, and rising scrutiny of academia, university leadership is under renewed pressure to define institutional purpose with clarity and conviction. As higher education expands across borders, the challenge lies not only in maintaining academic excellence but also demonstrating meaningful impact beyond just rankings and reputational metrics. Dr Andrew Hamilton, President Emeritus of New York University (NYU) and former Vice-Chancellor of Oxford University, reflects on the responsibilities of modern academic leadership: to steward global engagement, safeguard intellectual integrity, and equip learners for a future defined by complexity and change.

How beneficial has the globalisation of higher education been, especially the growing partnerships between Western and Asian universities?

There has indeed been an increasing level of engagement between universities in the West and their counterparts in other regions. That, of course, takes many different forms and each university approaches these things in different ways, considering its cultural setting and history, as well as its academic strengths and weaknesses. Such collaborations are an extremely good thing that is very important for the future, as it gives students the opportunity to travel and learn about different cultures and countries, while academics have the opportunity to collaborate with colleagues who have a different perspective.

Now when we address issues like the globalisation of higher education, it is important to put things in perspective, to put it in the long-term frame. If I look at my own career, I had the privilege to be the Vice-Chancellor of Oxford University. Oxford was founded in the 11th century, so it is almost 900 years old. So while I was the 16th president of NYU, I was the 262nd Vice-Chancellor of Oxford! I have seen first-hand that different universities approach things in different ways. Oxford, for example, does not have an overseas campus of any kind, but there are few universities in the world that are more international than Oxford. It is just that in the case of Oxford, international engagement tends to take the form of intense research collaborations. For instance, Oxford has a number of major research institutes dotted around the world in Thailand, Vietnam, Kenya and so on, which are focused on research around tropical diseases such as malaria. So Oxford took one approach, which is to focus on important research issues that arguably can only be studied in depth in those environments when one's looking at drug-resistant malaria.

NYU has taken a different approach, which is one that reflects its history, culture, and experience, and that has been to establish a physical presence in different countries around the world. Some of those are relatively small but others are quite large like NYU Shanghai and NYU Abu Dhabi. Those are full-fledged campuses that confer four-year degrees, offering a full range of academic subjects, with their own standing faculty focused on teaching and research. NYU Shanghai has been in existence for nearly 15 years and, I would say, it has been a great success.

We are now living in a period where, particularly in the US, some of these global initiatives are receiving increased scrutiny. For example, people question whether we should be involved so deeply in China. To that I say, surely you are not suggesting that we should have fewer people who can speak Mandarin, that we should have fewer people who are familiar with Chinese culture, economics, and politics. Because that is what NYU Shanghai, and indeed the other NYU sites in their respective countries are doing – contributing to a better understanding across borders and cultures.

People do also often worry that there is an excessive Western influence in these examples of campuses that have been created. And again, I can speak of NYU Shanghai. It is a very specific type of institution. It is not an American institution; it is a Sino-American university. It is deliberately constructed to be a joint academic institution constitutionally in terms of not only its governance, but also educationally in terms of courses and the exposure to different cultures that students receive. Of the students, particularly the undergraduate students who are there, half come from China and the remaining half are from overseas. When the first-year students arrive, we always try to ensure that they have double rooms, and a Chinese student will have an international student as a roommate. All international students are required to study Mandarin, and all Chinese students need to study English. In such a manner, we are seeking to create a truly multicultural environment where there is deep engagement between the cultures, not the imposition of one culture on another.

How should universities measure their success in making an impact? To what extent have university rankings captured such assessments? How should stakeholders such as students and policymakers approach rankings?

This is a perennial question, and one that leads me to reflect on why universities exist. I believe one of the key reasons for their existence is to ensure that those who study at a university become comfortable with complexity. The world is complex, science and the humanities are complex, and we engage with different parts of our world in complex ways. That means that we are very often forced to keep two sometimes contradictory views in our head at the same time. In that vein, I am going to make two statements – one, that rankings don't matter, and the other, that rankings do matter – and both of those statements are correct.

Rankings should not determine the key strategic priorities of a university. Many of the rankings are the creation of newspapers and magazines whose sole purpose is to sell copies or clicks on their website. And it is in their interest to create drama, so they are constantly changing criteria in order to shuffle the rankings. Now, that being said, rankings are a part of the information stream used by students to determine which university to attend, and for parents to help guide their children in their choice. Faculty and the members of the board of trustees of a university also pay attention to rankings, so one cannot ignore them. In other words, I am trying to frame my response to state that yes, they matter, but they also shouldn't matter too much!

Now coming to the question about impact. While rankings from different sources use different criteria, impact is the one I find particularly interesting. For 30 years, the UK has done a very detailed assessment of the quality of research in British universities every seven years. It was called the REF, or the Research Excellence Framework, and when I was the Vice-Chancellor of Oxford, the REF of 2014 brought in impact for the first time as a criterion. Of course, it led to an intense debate among British academics. While impact in engineering, or say even the social sciences' immediate consequences in wider society, can be measured easily, how does one measure the impact of, say, philosophy, ancient history or even pure mathematics? It was a fascinating debate, and I am not sure that rankings can capture that.

But when looking for measures of impact, one needs a wide variety of inputs on the metrics involved. Are we talking about the university's impact on its city, or on the country, region, or world? Are we talking about immediate impact, or impact in 200 years' time? All of these factors are relevant when seeking to define the significance and impact of a particular piece of academic work.

If you had to create a checklist for what constitutes an effective impact agenda for a university, what would be the top three priorities?

To begin with, there will be no impact without academic excellence, academic productivity, and academic achievement. And so a university should not deviate from seeking to have the highest quality of academic work both in research and in teaching being carried out within its walls. That is the starting point – it should be seeking to achieve academic excellence, but that is quite intangible and extremely hard to define. Just as with all issues in university life, it is complex, and has different nuances and perspectives.

Now, within that framework, a strong argument can be made that in order to enhance impact, the university should not spread itself too thin. It should have clusters of academic excellence focused on specific areas, whatever those may be. So rather than having every field covered, strategic concentration ought to be the way to go.

Another extremely important criterion for enhancing impact is maximising engagement with the larger community – the educational ecosystem, as well as the world of business, economics, politics, architecture, social causes, and others. Because it is only through that engagement that academics and universities can truly understand the issues that society is wrestling with, and where a difference can be made in the short or long term. Hence committing to deep engagement with the community at every level to truly understand where the problems lie is a must for creating impact.

Having good storytellers is a must, because ultimately there will be no appreciation for the impact made outside or inside the university if the ability to tell the story of that impact is not there in the first place.

The third recommendation I have is to develop a very strong communications team that can effectively tell the story of impact and where the university's research is going to make a difference. Having good storytellers is a must, because ultimately there will be no appreciation for the impact made outside or inside the university if the ability to tell the story of that impact is not there in the first place.

How do the challenges faced by university leaders today compare to those you've encountered in the past? What advice would you offer to current university leadership navigating these tough times?

We're experiencing tough times today, but there have been many such instances in the past too. COVID-19 particularly was very difficult for a university like NYU. We have 65,000 students in the very crowded and dense city of New York, so the issue of disease transmission was highly pertinent. The decision to close the university campus was easy, but the tougher decision was choosing when to reopen it, which we did in the fall of 2020 when many universities still kept their campuses closed. We felt it was important not only for the health of the university community, but also for the welfare of our students and faculty to have at least the option of in-person research and education going on. Going back even further, it couldn't have been easy being a president of an American university at the height of the Vietnam War with demonstrations and violence far worse than anything we've seen in recent years. In fact, look at the history of Oxford; in the 14th century, when there was something called the St. Scholastica Day Riot, in which more than 60 students were killed. My point is that universities have existed over long periods. And so while I am not seeking to trivialise the tough times we are going through, we can look back and see

that each era has its own crises, and university leaders do not get to choose their crisis. In fact, each crisis is unique and presents often unprecedented issues.

What I do think is important is that, whatever the crisis, universities need to remain constant in their commitment to their core mission. But is that happening? No, we do see universities being asked by their students, their faculty, and their host governments to play different roles, and promote different views or social perspectives. But universities are not vehicles of advocacy. At their heart, they exist to create knowledge through their research, to disseminate knowledge through their teaching, and to preserve knowledge for future generations through their libraries, museums and the like. So when things get bumpy, holding firm to those core principles of creation, dissemination, and preservation of knowledge, and of why we exist, is an important anchor for any university. We are going through a difficult phase right now, but we need to hold fast to our commitment to those core principles and the associated foundations that underlie them like academic freedom and freedom of speech.

You have held leadership roles at prestigious universities. How would you define that role and how has your leadership style as an academic leader evolved over time?

I like to think I have a collaborative, consultative style. Universities, particularly those like Oxford, NYU, and Yale, have quite long histories. They tend to have built engagement into the way they function. At Oxford, it is called shared governance among the leadership, the faculty, and the community. When decisions are made, they are done in consultation and with input from a wide range of constituencies – but, of course, that tends to be slow. I have found that the older the university, the slower it tends to be. Its governance structure is such that consultation and debate are built into the process and decision-making is slower. But in times of crisis, say during the pandemic, we had to be flexible. Consultation could not be conducted through the normal slow and measured process. It had to be very fast, but still demonstrating to people that consultation had been sought, and inputs had come from a wide range of people. Adjusting the speed of decision-making depending on the circumstances is hence an important part of leadership.

One of my favourite T-shirts reads, "Academic leadership is the art of letting other people have your way"! And so being a university leader to me is the art of having a clear idea of where you want to get to and what the university needs, and then taking the people there along with you. It is in recognising that universities are wonderfully traditional – we wear gowns that originated from the Middle Ages for graduation ceremonies – but that they are also boldly innovative by doing things that have never been done before. So this idea of having conflicting ideas in our head at the same time is, to me, what university leadership is about.

It has never been more important that we have the tools, the skills, and the education to enhance whatever impact AI is having on our chosen field. So don't listen to those who argue that college education is no longer necessary; they could not be more wrong.

Given the current geopolitical climate, what advice would you give to students, whether youth or adults, navigating their education and career paths?

While these may appear to be platitudes, they also happen to be true just like many cliches.

Be bold. Also, be careful what you listen to. For instance, a lot of people are saying today that a university education doesn't matter anymore. We have people like [PayPal co-founder] Peter Thiel arguing that people should drop out of universities. I will point out that Thiel himself has a degree from Stanford that has served him extremely well. In my view, it has never mattered more than now that you have an advanced education. I would even argue that in this global marketplace, it is especially important to get an education that makes you distinctive and helps you stand out. So I would say: don't listen to those who would argue otherwise.

And quite frankly, the world has become more complex. As the impact of technology on all of our lives has become greater and we begin to see artificial intelligence (AI) changing the world of business, science, and education, it has never been more important that we have the tools, the skills, and the education to enhance whatever impact AI is having on our chosen field. So don't listen to those who argue that college education is no longer necessary; they could not be more wrong.

I have always believed strongly that universities have a responsibility to prepare students for their first job and the world of work. But at the same time, universities also have a responsibility to prepare them for their fifth or sixth job, which may not actually happen for another 20 years, in an environment that we can't possibly predict. And so, while being focussed on employability and skills that are immediately transferable to the workplace is important, as universities we have a responsibility to cultivate other skills that are harder to define, such as those of critical thinking, creativity, effective expression, and teamworking that will be relevant 20 years from now. The vast majority of our students graduating today will hopefully have very long lives ahead of them. And so, just instilling in young people that lifelong love of learning is also a responsibility of the universities they attend. AMI

by
Kenneth Benoit



FORGING THE FUTURE

How AI is rewriting the rules of knowledge, expertise, and practice.



AI is reshaping how humans create knowledge and learn. While it can accelerate understanding, bypassing the need to internalise facts could result in the erosion of critical thinking, originality, and deep engagement.

Large Language Models (LLMs) cannot create output beyond the data on which they are trained. Effective use of AI depends on asking the right questions based on contextual awareness, ethical judgement, and intellectual curiosity.

Universities should redesign curricula for thoughtful AI use and reshape assessments to value dimensions that resist automation – originality, justification, and interpretation.

Artificial Intelligence (AI) is not just automating tasks — it is transforming how we learn, how we create knowledge, and how we make decisions. The implications are especially profound for the social sciences, which lie at the intersection of data, behaviour, and meaning. For leaders in business, government, and education, understanding this transformation is no longer optional. It is essential.

Imagine a university student beginning a term paper or a faculty member starting a research article. They launch ChatGPT to "just get started", and within seconds, a structured essay or draft appears. What once required hours of reading and thinking is now made possible in minutes. But what is being lost when the machine thinks before they do? This quiet shift — from human synthesis to machine prompting — is emblematic of a much broader change now underway across society.

We find ourselves at an inflection point. The rise of AI, particularly generative tools like LLMs, compels us to rethink the foundations of knowledge transmission, research, and application. This is a pivotal moment for all of us as social scientists, experts, and managers navigating a future shaped by intelligent machines.

AI is reshaping how we teach, learn, generate knowledge, and make decisions. In education, it challenges traditional pedagogy by offering tools that can explain concepts, summarise arguments, and even draft essays — changing not just what students do, but how they think. In research, AI accelerates tasks such as literature reviews and data analysis, but also raises concerns about bias, transparency, and over-reliance on machine judgement. Beyond academia, AI is now being widely adopted in sectors such as business, law, and public policy, where it is used to generate reports, forecast outcomes, and support complex decisions, often without fully appreciating the human purpose or social context. While AI excels at aggregation and prediction, the human ability to ask new questions, interpret meaning in context, and challenge assumptions remains essential for real insight.

AI'S DUAL ROLE IN LEARNING: CATALYST AND CRUTCH

For generations, education has centred on the transmission of curated knowledge and the cultivation of judgement. Professors lecture, students analyse, and learning occurs through synthesis and debate. Generative AI (or genAI) is transforming this classroom arrangement — not by replacing it, but by reshaping how students engage with knowledge. With genAI tools, students can now ask complex questions and receive instant answers, draft essays from a single prompt, and summarise dense readings in seconds. This introduces a new dynamic in education: AI can accelerate learning, but also bypass the very processes through which deep understanding is traditionally developed.

Take prompting, for example. In the context of genAI, prompting refers to the act of crafting instructions or queries that guide the model's response. More than a technical input, prompting is becoming a cognitive skill in its own right. Well-constructed prompts — those that specify goals, provide context, and impose constraints — tend to produce outputs that are more accurate, nuanced, and relevant. In this way, effective prompting encourages students to clarify their intent, which can deepen their reasoning and reflection. Recent studies suggest that students trained in prompt engineering show higher engagement and comprehension when using AI tools.[1] Yet this also presents a pedagogical dilemma: when prompting replaces writing, are students still learning to build an argument, or merely outsourcing it?

One of the most immediate effects of AI on learning is a shift from recall to recognition. Students no longer need to internalise facts in order to access them. Whether this shift is harmful or beneficial depends on what kind of learning we value. Some cognitive scientists argue that freeing learners from rote memorisation can allow for more conceptual and applied learning. But others caution that the loss of foundational knowledge weakens long-term retention and critical synthesis. Without internal scaffolding, students may find it harder to judge the quality of what an AI prompt returns, making them more vulnerable to plausible-sounding errors or hallucinations.

Similarly, when students rely on AI to produce polished outputs, the emphasis may move from process to product. Learning becomes transactional, focussing on achieving a desired outcome, such as an essay, a summary, or a solution, rather than grappling with ambiguity or constructing understanding through effort. In the short term, this may appear efficient. But over time, it risks eroding the intellectual qualities that education is meant to cultivate — curiosity, perseverance, and the ability to tolerate complexity.

Educators must therefore recalibrate not just their assessments but their entire pedagogical approach. Rather than retaining their traditional roles as gatekeepers of knowledge, teachers are becoming guides to its navigation. This means designing assignments that resist automation: those that ask students to justify, reflect, or apply concepts in novel settings. It means teaching students to evaluate AI outputs critically, cross-check sources, and revise generative responses, rather than submit them wholesale. For instance, Columbia University's 'University Writing' course has integrated ChatGPT into the curriculum to enhance students' metacognitive skills.[2] Students engage with AI-generated content, analysing and reflecting on the outputs to deepen their understanding of both the subject matter, and the capabilities and limitations of AI tools. Such approaches embrace the opportunity that AI provides to teach meta-cognition — not just *what* to learn, but *how* to think in a world where information is abundant but understanding is scarce.

WHO CREATES KNOWLEDGE NOW?

AI is rapidly reshaping the academic research landscape. In fields from economics to linguistics, researchers are using AI to search literature, summarise content, analyse text, and even generate hypotheses. A Stanford University study published in 2024 found that the number of peer-reviewed publications engaging with AI across 20 scientific disciplines, including political science and psychology, quadrupled between 2020 and 2022.[3] This growth reflects AI's power not only to accelerate traditional workflows, but also to enhance the precision of analytical methods and uncover patterns at scale that were previously invisible to researchers.

One clear benefit is in predictive analytics. AI models, especially LLMs and transformer-based architectures, can ingest vast quantities of data and generate forecasts, identify latent structures, and refine classification models. In my own field of computational social science, tools like quanteda, a library of open-source software for the "quantitative analysis of textual data" that I have spent over a decade developing, have enabled large-scale text analysis in political science, marketing, communication, and law.[4] While quanteda predates the rise of genAI, it shares with these newer tools the capacity to automate formerly labour-intensive tasks such as content coding, sentiment analysis, and topic modelling. In many ways, genAI has now moved the state of the art well beyond what quanteda's earlier generation of machine learning techniques could accomplish. But it is also enabling further innovation; we now use AI-powered coding assistants to accelerate the development of quanteda itself. In this way, AI is not only transforming research workflows but also helping to address the technical challenges it has created.

However, not all research domains are equally affected or enhanced by AI. In more quantitative and model-driven disciplines like economics, AI tends to be an evolutionary tool. It speeds up simulation, improves estimation, and reduces the time taken from idea to result. The same is true in computational political science, where algorithmic approaches

AI can synthesise information, but it cannot provide original insight, positional critique, or ethical interpretation.



already dominate parts of the methodological toolkit.

By contrast, in more interpretative fields such as anthropology, history, or critical sociology, the role of AI can feel more disruptive. These disciplines emphasise reflexivity, meaning-making, and cultural context. When AI tools are used to summarise ethnographies or simulate theoretical arguments, they risk bypassing the deeply situated reasoning processes that are central to qualitative research. Rather than enhancing existing workflows, they may impose a logic of fluency and efficiency that runs counter to the epistemic values of the discipline itself.

This divergence raises a broader question about what constitutes legitimate knowledge production. AI can synthesise information, but it cannot provide original insight, positional critique, or ethical interpretation. For social scientists, this is not just a technical concern; it also goes to the heart of how we understand truth, meaning, and scholarly contribution.

IS AI IMITATING LIFE, OR IS LIFE IMITATING AI?

Now that AI can generate text that appears indistinguishable from that written by experts, it raises the question: If the machine can synthesise existing knowledge faster and more fluently than we can, what value remains in human scholarship and leadership?

The answer lies in what AI cannot do.

Social scientists — and, by extension, informed leaders — derive value from three capacities: deep expertise, critical thinking, and originality. While AI can replicate the outputs associated with these capacities, it lacks the ability to carry out the underlying processes that make them meaningful. As authors McKendrick and Thurai argue in a recent *Harvard Business Review* article, AI's limitations in capturing intangible human factors underscore the necessity for human judgement in real-life decisions.[5] These limitations become especially evident when we consider the context in which judgement is exercised, which is through the ability to ask original questions and interpret information within its proper context.

Asking the right questions

AI is trained to answer questions, but it cannot ask them — not in the way that humans can. True progress in science, policy, or business comes not from generating faster answers, but from asking better, more original questions. Consider this: a model like DALL-E might generate a visually compelling image if asked to "paint a 16th-century European woman in the style of Leonardo da Vinci", but would it ever decide to invent the Mona Lisa? genAI can imitate, extrapolate, and remix existing styles, but it cannot originate the kind of cultural moment that reframes how the world is seen. Originality lies in perspective, that is, the ability to frame familiar phenomena in unfamiliar ways, and that depends on context, dissent, and the willingness to challenge dominant narratives.

This is precisely where the limitations of AI are most visible. Because it learns from the past, it tends to reinforce it. LLMs are trained on vast archives of existing content, meaning that their outputs reflect historical consensus, not emergent insight. This conservatism risks crowding out minority perspectives and stifling innovation. In research, policymaking, and even art, the ability to ask questions that break away from inherited assumptions remains fundamentally human.

Understanding meaning in context

Clifford Geertz, one of the 20th century's most influential anthropologists, famously distinguished between a wink and a twitch: both are physically identical movements, but only one carries intentional meaning.[6] The distinction, drawn from philosopher Gilbert Ryle, lies in the unobservable yet essential layer of social intention.[7] A wink signals, implies, and invites interpretation; a twitch does not. As Sidnell and Enfield note, this difference hinges on social accountability: a wink can be misread or challenged, while a twitch simply happens.[8] Meaning, in this sense, arises from context: cultural, interpersonal, and interpretative. For Geertz, this was the essence of "thick description" — not just recording behaviour, but understanding why it matters. This idea underpins much of qualitative research: insights are embedded in context that resist reduction. AI, in contrast, can mimic the surface of expression but cannot access its depth. It produces what might be

called thin description or fluent summaries without the capacity to interpret significance.

This leads to a deeper concern: if AI can mimic the outward expression of human thinking, what becomes of the intellectual space once claimed as uniquely human? Jean-Paul Sartre, in his 1944 existentialist play *No Exit*, explored the unsettling idea of selfhood as mediated through the gaze of others, where hell is not a place of torment, but is being constantly seen and defined by someone else. Today, that gaze is machinic. When a language model replicates our tone, structure, or style, it reflects a version of thought stripped of context, intent, and doubt. The machine exhibits fluency without understanding, yet its output can appear authoritative, even insightful.

For leaders and educators, this poses a unique risk — mistaking imitation for comprehension, or worse, allowing it to shape decisions without human interrogation. We trained the AI on our thinking, but through over-reliance and what some call intellectual deskilling, we now risk training future generations on AI. The way to break this circle is not to reject AI, but to clearly understand its limitations.

WHAT CAN UNIVERSITIES DO?

Universities face a significant challenge of adapting institutional policies and pedagogical practices to a technology that is evolving faster than most curricula, assessment regimes, or academic codes of conduct. genAI is not a passing trend but a foundational shift in how we access, apply, and even construct knowledge. This means rethinking curriculum design, assessment methods, and academic policies to ensure that the core objectives of higher education, such as critical thinking, intellectual integrity, and the pursuit of understanding, are not only preserved, but strengthened. Courses should be updated to explicitly teach students how to work with AI systems thoughtfully — how to craft prompts, assess the reliability of outputs, and understand the limitations of models.



Academic integrity frameworks must evolve to reflect the fact that it is not only students who are using AI; faculty are as well.

At the same time, assignments and assessments should be redesigned to value originality, justification, and interpretation — dimensions of student work that resist automation. Universities must continue to train students not only to use AI, but to think around it, with the same creativity, scepticism, and contextual awareness that makes human inquiry indispensable.

Universities are beginning to grapple with these tensions. Some are integrating AI literacy into research training programmes, while others are revising ethical guidelines to address questions of transparency, accountability, and authorship. Research integrity offices and funding agencies are now issuing guidance on how AI can — and cannot — be used in scholarly work, signalling that the norms of knowledge production are being actively renegotiated.

Academic integrity frameworks must evolve to reflect the fact that it is not only students who are using AI; faculty are as well. Instructors increasingly turn to generative tools for drafting lecture slides, writing recommendation letters, preparing course materials, providing feedback or grading, and increasingly, conducting and writing up research. A growing industry of AI-powered tools now caters to academics under intensifying pressure to produce and publish. Whether these tools serve as a catalyst for scholarly productivity or a crutch that undermines critical engagement depends on how institutions guide their use.

Mustafa Suleyman, AI policy thinker and co-founder of DeepMind, argues that transformative technologies like AI pass through three phases: they become inevitable, then ubiquitous, and eventually invisible.[9] Precisely because AI will operate beneath the surface of our systems and decisions, it is critical that students and educators that train them develop the skills to use it well, and cultivate the ethical awareness to question how it is being deployed around them.

This makes it essential for universities to establish clear and consistent standards of appropriate use for everyone involved in education and research. Integrity guidelines should not merely police student misconduct, but foster a shared culture of transparency and responsible engagement with AI across the academic community. That means supporting faculty not only with technical training, but also with opportunities to reflect on how AI intersects with their pedagogical values and scholarly responsibilities.

At a broader level, universities must model responsible innovation. This includes supporting interdisciplinary research on AI's societal impacts, experimenting with AI-enhanced pedagogy, and collaborating with industry and policymakers to help shape ethical standards. But it also means preparing students, educators, and researchers to live and work in a world where AI will be deeply embedded in economic and institutional life.

Beyond academia, the age of AI confronts other sectors with parallel challenges.

WHAT CAN THE WORLD OF PRACTICE DO?

AI is no longer confined to research labs or tech start-ups; it is being rapidly adopted in corporate boardrooms, government agencies, media organisations, and others. Yet many leaders outside academia misunderstand what AI systems actually do. There is a risk that AI-generated outputs are treated as authoritative or insightful, when in fact such systems are simply predicting future outcomes based on patterns in past data. This misperception risks delegating strategic decisions to tools that possess no judgement of their own.

Consider a policymaker using AI to score funding applications. If the system is trained on past decisions, it may favour familiar formats and conventional topics, inadvertently penalising novel or dissenting ideas. Or take a company screening job candidates using an AI model shaped by prior hiring patterns — it might efficiently reproduce old biases while appearing objective. In both cases, AI is not offering insight. It is extrapolating from precedent, thereby reinforcing the status quo rather than challenging it.

Used responsibly, however, AI can augment a skilled workforce. It can accelerate research, support strategic decision-making, and make complex analysis more accessible. But it must not become a substitute for human judgement. Over-reliance risks producing a 'deskilled' workforce that defers to fluent machine outputs without understanding their provenance or limitations. The role of leadership is

not simply to adopt AI, but to ensure it enhances insight without replacing thoughtful decision-making.

Singapore offers a compelling case study on how this can be done. With its strong institutions, culture of anticipatory governance, and emphasis on education and innovation, Singapore is well-positioned to model how AI can be integrated responsibly into public and economic life. Already, AI is being applied in areas such as urban planning, public health, and financial regulation. What distinguishes Singapore's approach is not just the pace of adoption, but the emphasis on aligning technology with societal goals — through public engagement, regulatory clarity, and cross-sector collaboration.

Initiatives like the Model AI Governance Framework for Generative AI, developed by the Infocomm Media Development Authority (IMDA) and the AI Verify Foundation, offer one example of how national policy can help guide the responsible deployment of AI at scale.[10] Singapore's approach reflects an understanding of how a society can harness AI not only to boost productivity and efficiency, but also to deepen trust, empower citizens, and expand access to opportunity. That requires strong public institutions, a commitment to ethics and inclusion, and a clear understanding that AI is not an end in itself. It is a tool, and as with any technology applied to public life, its application must be guided and held accountable by human judgement and anchored in democratic values.

THE WAY FORWARD: AI AS CRUTCH OR CATALYST?

The decades to come will be defined not just by the spread of AI, but by how we respond to it. Will we treat AI as a crutch, relying on it for abilities we no longer cultivate, or as a catalyst for greater productivity and a tool for deeper insight? Will we prioritise speed and scale, or context and care?

Two emerging frontiers underscore the urgency of these questions. First, advances in hardware, especially specialised chips and the potential of quantum computing, promise to vastly increase the power of AI. This raises profound questions about control, access, and governance. Second, as AI systems grow more fluent and interactive, they increasingly raise philosophical and ethical questions once confined to science fiction: Can machines be sentient? Should they have moral standing? What obligations do we have to entities that appear to think, feel, or reason?

These are no longer abstract inquiries. They demand the insights of philosophers, ethicists, and social scientists who can explore not only what AI can do, but what it should do, and how it redefines what it means to be human.

As thought leaders and stewards of educational and institutional systems that shape both the present and future generations, we have an opportunity to lead by example. This means investing in research that bridges disciplines, education that fosters critical thinking, and policies that guide the development of AI responsibly.

The future of knowledge is being rewritten. The question is: Who holds the pen?

In a world increasingly shaped by machines, the answer must still be: humans, who are curious, creative, and courageous enough to ask, lead, and imagine what no machine ever could. AMI



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Bridging Worlds

How philosophy, culture, and ethics shape leadership and learning.

What can ancient Chinese philosophy teach us about modern leadership, education, and societal transformation? Professor Alan K.L. Chan, Provost of Singapore Management University (SMU), discusses how ethical traditions, cultural humility, and relational thinking can help universities and society at large navigate today's complex global challenges.

Your academic roots lie in religious studies. What sparked your interest in this field, and in what ways has your scholarly training in religion and philosophy influenced your career path and your personal worldview?

I have always been interested in history and culture, and religion plays a vital role in all cultures. I am particularly interested in the history of ideas, so philosophy also came into the picture. As a young person migrating from Hong Kong to Canada, I wanted to understand Western culture, so I took several courses in literature, philosophy, religion and related subjects – and they cohered. Eventually, I got accepted to do a PhD in religious studies and never looked back. But I guess the important point to note is that religion is not really something that stands apart from everything else; rather, it is always integrated with the larger canvas of one's culture.

Canada was a very warm and welcoming country, and I got to meet very different people with diverse backgrounds. They were very open to understanding Chinese culture and traditions, and at the time, I knew very little about it. So I thought that I really should understand a bit more about my own culture. And that is how it started – from the study of Western culture, philosophy, and traditions to returning, as it were, to my cultural roots. Eventually, the comparative dimension has become a key part of my own intellectual work.

The study of cultures makes one realise how important it is to always remain open and develop a sense of humility. You appreciate that there are good people all over the world who have something to share, and that process of learning and understanding changes the kind of person you are. That is why I feel it is so important that we include world cultures as a part of the undergraduate curriculum because it does make an impact on how young people view the world.

How has your research in Chinese philosophy, particularly its ethical and metaphysical dimensions, informed your leadership style and approach to decision-making?

It is true for all cultures; the more you dive into one, the more you realise how rich it is. It is not just about any -ism, but about ideas – how they permeate culture, how they shape individuals, and how they enable people to develop a strong sense of identity. These are important elements that will emerge as you study philosophy in any culture. And that study and understanding will impact your own personal development as long as you remain open, humble, and curious. It has a certain feedback effect on your own development as a person, and impacts the way you work and interact with others.

I often reflect on an oft-quoted African proverb: "If you want to go fast, go alone, but if you want to go far, go together." Given my academic leadership roles, I understand that for any enterprise to flourish, it takes the whole village. That is something I have learnt from my intellectual pursuits of the past.

My leadership style has evolved along the way, especially when I came to work with engineers and scientists. Witnessing the way they think opened me up to other possibilities. Even in philosophy, there are different approaches to understanding problems. When I first joined the National University of Singapore, I got to work with analytic philosophers more closely, and learnt a lot from the way they approached concepts, ideas, and problems, which was quite different from someone who primarily has an interest in the history of ideas. When I went to Nanyang Technological University, I worked with engineers, scientists, and medical doctors, and there was a certain sharpness to their approach, a kind of pragmatism that has also greatly influenced me.

What is some of the enduring wisdom offered by ancient Chinese philosophies like Confucianism and Taoism? How might they help societies reflect on and respond to today's global challenges?

One could approach this question from the perspective of an ethical core, which is basically in all traditions, but I have now come to see it in a slightly different light. I believe the key lies in managing and transforming complexities, especially in Confucian thought and philosophy, where the individual always stands in a web of relationships. Some have come to contrast that with a kind of individualistic outlook in other traditions, but I do not want to overemphasise or overstate that divide, because every culture has this similar concern about managing and transforming complexities.

Think of oneself as being in a web of relationships. You play different roles, and with each role comes its own obligations and responsibilities. You deal with different people – parents, siblings, kin, friends, workers, and so on – every day. Relationships do not function on autopilot. Relationships always need to be cultivated, even with those you are closest to. There will always be complexities. One's reaction to another person will have impact on many others. There is a ripple effect – an angry look or outburst will cause a reaction – and the impact does not stop between the two individuals concerned, but it will have wider implications.

So how do you manage such relational complexities? From the Confucian perspective, the idea is not only to manage them, but also to transform them. You can be obedient to your elders and fulfil all your roles and duties, but it will not lead to the kind of results you want to see if it's not done with some ethical principles in mind. So this idea of moving from management to transformation, and transforming relationships from biological or social relationships to ethical ones is the key to understanding Confucian philosophy.

And what is an ethical relationship? It has to do with how we understand traditions. Every tradition has a set of core values, often called virtues. Consider the word 'virtue'. It is a mass noun; it can also be a countable noun. When looking at virtues as conceptually distinct ethical principles, we can name a whole list. In the Confucian tradition, these would include filial piety, humaneness, and rules of propriety, among others. There are particular Chinese terms attached to each and every one of them. But to understand these conceptually distinct virtues, we have to understand how they work and recognise that they do not stand alone. Each is influenced by its interaction with the others. For instance, filial piety is always shaped by a deep sense of humaneness, justice, and rightness. That is how virtues come to cohere as virtue in the singular.

Sometimes, I use the analogy of cooking to describe these things. Chicken soup is common in all cultures, but it does not follow that all chicken soups are the same. In other words, these virtues have a certain universality to them, and yet at the same time, there is also cultural specificity. And that kind of cultural specificity is precisely defined by how one ethical principle or conceptually distinct virtue works with the others. How they cohere, integrate, and then shape culture as a whole becomes pervasive and shapes individuals. That is why I believe understanding culture and the ancient Chinese philosophies has a global significance.



What are your views on the role of religious literacy in tertiary education today?

For a multicultural society like Singapore, it is especially important that we understand the faiths of our neighbours, friends, and fellow residents. This does not mean that one has to give up one's beliefs. Rather, there is much to be gained if we could remain open, suspend our beliefs for a moment, and just listen to what others have to share. When we listen without preconceived biases, 'magic' can sometimes happen, as new insights emerge, perhaps even weaving themselves into our intellectual fabric, enriching us in the process. This is in any case a requirement for genuine dialogue; without such openness and willingness to listen, a dialogue can easily become a shouting match. If we cannot even go beyond that, we will be in serious difficulty.

I believe that religious literacy is not simply about learning particular doctrines. Rather, it is about inculcating a certain set of core values that will enable the individual to flourish. But at the same time, a more holistic education would also enable the student to learn about other things. Especially in today's context, where technology is fast reshaping the way we work, learn, play, and live, a high degree of digital literacy will become ever more important. But at the same time, the need for critical thinking, understanding, and discernment does not diminish. In fact, it increases. So what we want to do is see how we can integrate digital literacy with essential life skills in every course we offer to our students, and not treat them as separate components in a siloed approach to learning.

And finally, appreciating diversity is very important. To draw an analogy, biodiversity is crucial to the health of the planet – and it is the same with social and cultural diversity. It enriches the human condition and that is why it has intrinsic value. Diversity requires inclusiveness to yield optimal value, otherwise, conflicts may dictate relationships. Once you recognise the value of diversity – when you are willing to be drawn into the world of another tradition without imposing your own prejudices and preconceived ideas about what is good and what is best, as well as attempting to change others – then you begin to understand how much they, in turn, have to give to you. And in that process, your willingness to be inclusive and their willingness to accept you become the basis for the kind of ethical transformation I have been talking about.

What are some of the key initiatives that SMU is embracing in its aspiration to become a leading university in Asia and globally?

SMU is investing in an interesting and important experiment to see if a university can make meaningful impact beyond research output. That is a fundamental philosophy in SMU. I would say that research is a necessary but not a sufficient condition for making meaningful change. How we can turn research into impact is the challenge we willingly embrace and hopefully we will make some headway in this endeavour as SMU continues to develop and grow.

And how do you make that transformation? Most of all, I think it is important to be open, and to work with different stakeholders including government and industry. All universities would agree that we can no longer afford to be like an ivory tower, and at SMU, we ought to spare no effort in reaching out proactively to understand the questions, problems, and challenges which industry, government, and society are facing, and see how our research can contribute to resolving them.

This means we cannot treat impact as an afterthought. Some may consider impact as a very nice icing on the cake, but first they need to write those papers, that is, bake the cake first! What we want to see though is the integration and embedding of impact at the very beginning of one's research. This would mean redesigning our research questions, and convening teams of collaborators and experts in addressing especially the larger problems and challenges we face. What we need to make sure of is that we do not have academic silos, because when good people come together with their own backgrounds, training, and expertise, good things happen.

Another point I would like to add is that I hope SMU will remain a fully internationalised university, because the involvement of collaborators from different traditions and learning environments will only add to and enrich what

we do here. For that, the whole ecosystem, meaning the whole learning environment in SMU, has to be open, welcoming, and humble.

And SMU has a certain locational advantage by being at the centre of the city, close to major corporations and companies. Our location is also the cultural heart of Singapore with so much history in this part of the city. So we do have certain advantages and hopefully we will continue to grow and attract local and international students at both the undergraduate and postgraduate levels, and that is how you build a vibrant learning ecosystem.

Looking ahead, what are the top two to three priorities that you wish to focus on at SMU?

First, I need to learn all the SMU acronyms! And sometimes I still break out in Cantonese! It is also interesting that some colleagues are already bringing their complaints to me, which is good in the sense that they feel comfortable enough to share.

In terms of the larger initiatives though, I think faculty recruitment and development would be very high on my to-do list. The idea is not only to bring in the best, but also to bring out the best in our people. I will see how best we can develop our colleagues here and provide an environment that is conducive to their flourishing, as well as the support they need. I would also try to find ways to open up more possibilities and opportunities for faculty members and staff to come together and work together as 'One SMU'.

When we listen without preconceived biases, 'magic' can sometimes happen, as new insights emerge, perhaps even weaving themselves into our intellectual fabric, enriching us in the process.

In terms of undergraduate education, it is probably timely to review our core curriculum, which I view as foundational to cultivating sound habits and discipline of mind, a prerequisite for a successful future. With the advent of artificial intelligence (AI) and other technologies, it is timely that we do that, and a task force has already been formed to look into this. As I shared in a recent conference, AI can significantly enhance learning, but we need to guard against over-reliance and passive consumption of knowledge. Management and the social sciences, broadly defined, have a lot to offer to the design of AI tools that integrate critical thinking and discernment from the ground up.

Our postgraduate education is also a very important piece. Our research postgraduate student community is still a bit small, and I am hoping that we can gather more scholarship support in order to attract really talented PhD students, because you do need good young people coming together. They have fresh ideas, they challenge you, they keep you honest!

The postgraduate professional programmes, or PGPP as we refer to them, also serve a very important social function. As the workplace continues to evolve at a much faster pace than before, we want to make sure that working adults have the opportunities to upskill, and in some cases, retool altogether. That is really what PGPP is for. And of course, it will also enable us to attract more international students, and in so doing, contribute to the development not only of Singapore, but also the region and beyond when they return to their home countries.

Finally, I would say SMU has achieved remarkable successes in just the first 25 years of its existence. Since I'm still relatively new, I can say that with some degree of objectivity. SMU does enjoy a fine reputation both locally and internationally. While we must continue to scale new heights, we should also pause and congratulate Team SMU for the excellent work done! AMI

by
Winston Chow

BUILDING URBAN RESILIENCE

Cities can lead on services, resources, and partnerships.

Cities are on the frontline of climate and urban challenges, and must lead efforts to build resilience in housing, services, and infrastructure in the wake of growing climate risks and post-pandemic vulnerabilities.

Five key areas for action – affordable housing, reliable municipal services, collaborative governance, equitable energy transitions, and resilient water management – have been identified, with real-life examples of solutions offered.

Urban resilience depends on inclusive policies, local innovation, and global partnerships. By sharing knowledge and acting collectively, cities can drive sustainable change and build a more equitable and climate-resilient future.

Cities have been the beating hearts of human civilisation over the past 5,000 years; today, they stand at the forefront of complex, interconnected challenges. With over half of the world's population now living in urban areas, a figure projected to rise to nearly 70 percent by 2050,[1] the urgency for transformative action in cities has never been clearer, especially given the complex dynamics between the natural and human systems, as well as the process of urbanisation. The challenges embedded in urban environments are further exacerbated by the worsening socioeconomic vulnerabilities in communities that are still grappling with the worst aftereffects of COVID-19.



Having observed the collision of climate change and urbanisation, I have argued that cities are on the front lines of dramatic climate impacts, and are uniquely positioned to lead adaptation efforts.[2] In fact, mayors and city leaders across both developed and developing countries continue to face rising expectations to deliver affordable housing, reliable municipal services, collaborative governance, a just energy transition, and resilient water management, all while navigating fiscal constraints and social inequities in addition to climate risks.

There is thus a need to develop urban resilience – the property of 'bouncing back better' from shocks to our urban systems that are becoming more common today. In my view, there are five critical areas for action in building urban resilience, which are drawn from scientific literature and case studies across Asia. This essay highlights how cities can reimagine their futures together, supported by policy frameworks, local innovation, and global collaboration. It concludes with a message of hope: cities, as hubs of human ingenuity and collective action, are uniquely positioned to lead the transition to a more resilient, inclusive, and sustainable world.

AFFORDABLE HOUSING: A FOUNDATION FOR INCLUSIVE URBAN FUTURES

Housing is more than shelter; it is a cornerstone of human dignity, social stability, and economic opportunity. Yet housing affordability remains a persistent challenge in cities worldwide. In Asia, this is acutely visible in megacities such as Mumbai, Manila, and Jakarta, where rapid urbanisation and informal settlements often outpace infrastructure and housing provision.[3]

Thankfully, innovative solutions are emerging. For example, Singapore's national public housing authority, the Housing & Development Board (HDB), has built a long-term and successful model of state-supported, high-density, and affordable housing that integrates green spaces, public services, and community facilities. Over 80 percent of Singapore's residents live in HDB flats, showcasing how government-led planning and financing can deliver quality, affordable housing at scale. In Thailand, the Baan Mankong programme empowers low-income communities to design, finance, and build their own housing through participatory planning and pooled resources, supported by a Thai public agency called the Community Organizations Development Institute (CODI).[4]

Key policy strategies for cities include:

- *Reforming zoning laws to enable mixed-use, higher-density developments, which reduces land costs.*[5] Such developments also cut carbon footprint per capita because residents can live closer to jobs, services, and amenities, which leads to lower dependency on transport, including cars.
- *Investing in modular and prefabricated housing technologies, which can cut costs and carbon emissions.*[6] This approach can be found in several Asian cities, from Tokyo, Osaka, and Shanghai to Kuala Lumpur, Surabaya, and Singapore. In the Philippines, 53 two-storey row houses and one two-storey duplex house were built on a four-hectare land area (about the size of 7.5 soccer fields) in Cavite Province, providing quality and affordable housing.[7] The structures are also built to withstand typhoons and earthquakes – extreme events common to the area – up to a certain degree.
- *Repurposing underutilised public land for social housing, ensuring equitable access to central urban areas.*[8] This includes parking lots that have been mandated due to a regulatory requirement on a minimum number of parking lots for new developments. This often leads to underused parking in struggling downtown areas, thus limiting the space that can be used for other purposes, such as transit stations and even housing.

Affordable housing is not a luxury; it is an essential building block for equitable, resilient cities. Access to affordable and safe housing that stands up to extreme weather events, and which facilitates the delivery of essential services, is critical. Climate resilience is not a nice-to-have; it is a necessity in the strategy to build sustainable and climate-resilient cities.

RELIABLE AND EFFICIENT MUNICIPAL SERVICES: THE BACKBONE OF URBAN LIFE

Urban resilience depends on the delivery of basic services: waste management, public transport, energy, sanitation and sewerage, and emergency response. Yet many cities, particularly those in the Global South and Least

Developed Countries (LDCs), struggle with fragmented systems, ageing infrastructure, and budgetary constraints. Disruptions in municipal services can exacerbate inequality, erode trust, and undermine resilience; in other words, the non-maintenance of physical infrastructure can have ramifications for social infrastructure.

Asian cities are demonstrating innovation in this arena. In Seoul, the "Smart Seoul Data of Things" initiative by the Seoul Metropolitan Government uses Internet of Things (IoT) sensors to monitor and analyse urban phenomena such as particulate matter and noise and light intensity, enabling responsive and efficient service delivery.[9] In Surabaya, Indonesia, a community-driven waste management programme offers free bus rides in exchange for plastic bottles, encouraging recycling while addressing mobility needs.[10] In fact, 60 percent of bus passengers preferred to pay with the plastic waste, leading to the city collecting 39 tonnes of plastic bottles in the first 10 months since its April 2018 inception. These examples highlight the potential of digital technologies and community engagement to improve urban services.



Cities, as hubs of human ingenuity and collective action, are uniquely positioned to lead the transition to a more resilient, inclusive, and sustainable world.

Critical actions for cities include:

- *Investing in digital platforms and sensor networks to monitor and optimise service delivery*.[11] This is illustrated by the implementation of smart water management in the city of Busan, South Korea. The city government put in place sensors such as smart water meters and other features that enabled automated detection and drainage of pollutants, as well as water reuse.
- *Empowering communities through co-production models, especially in informal settlements*.[12] For example, residents in Orangi Town, Karachi, worked with technical experts to address the acute lack of sanitation services. Specifically, in the absence of government-led efforts, they organised themselves at the small street level into committees to discuss and manage their sanitation needs. In turn, technical experts provided technical guidance, including the design of low-cost sanitation systems that could be constructed and maintained by the Orangi residents themselves.
- *Building capacity in municipal workforces to ensure that digitalisation complements, rather than replaces, human expertise*. Bangkok's Traffy Fondue platform routes the complaints of local issues by residents through the LINE messaging app to the appropriate municipal departments. This move has compressed resolution time from a month to just two days.[13] "Traffy" is a Thai shorthand for "traffic", while "fondue" is a clever play on the Thai word "fongdu", which means "to report".[14] This digital initiative has enhanced responsiveness in public services by empowering citizens. It has been recognised internationally as a model for innovation in climate-adaptive and citizen-centric urban governance.[15]



Urban systems are deeply interconnected; disruptions in essential services can cascade across sectors, amplifying vulnerabilities and undermining resilience. Reliable services are therefore the lifeblood of liveable cities; their operational effectiveness underpins public health, economic productivity, and social well-being.

COLLABORATIVE CITIES IN ACTION: LEARNING AND LEADING TOGETHER

Urban challenges are global in nature, yet solutions must be localised. Collaboration among cities fosters knowledge exchange, policy innovation, and collective advocacy. City networks such as C40 Cities Climate Leadership Group, ICLEI (Local Governments for Sustainability), and the Global Covenant of Mayors for Climate & Energy have demonstrated the power of collaborative governance in driving climate action and resilience.[16]

Asian cities are also increasingly active in these networks, which are a channel to access funding and technical expertise. Membership of these networks thus enables these cities to address local climate vulnerabilities and align their actions with global commitments like the Paris Agreement. The Asian Cities Climate Change Resilience Network (ACCCRN) initiated by The Rockefeller Foundation has facilitated peer learning among cities in India, Indonesia, Vietnam, and the Philippines, leading to locally adapted climate resilience strategies.[17] In Bandar Lampung, Indonesia, ACCCRN supported the local government to implement a solid waste management system that helped reduce waste-induced flooding and its related health risks. This initiative was part of a broader effort to raise climate awareness, provide training, and create income-generating opportunities for vulnerable communities.[18] Collaborative procurement, such as pooled solar energy purchasing, has unlocked economies of scale and accelerated clean energy adoption.[19]

To strengthen collaboration, cities can:

- *Share best practices and policy tools through peer-to-peer learning platforms*. For example, apart from networks such as C40 and ACCCRN, municipalities could join companies that are part of the Urban Resilience Technology Approval Group (UR TAG) and collaborate on addressing infrastructure resilience challenges, especially in the use of technology for climate change adaptation. Cities such as Helsinki, Milan, and Antwerp have tapped UR TAG to learn from its members' experience in managing floods and water scarcity issues. They have also shared findings from their pilot projects, accelerating the adoption of proven, scalable interventions.[20,21]
- *Form joint procurement alliances for clean technologies and infrastructure*. Take for instance the Clean Power Alliance (CPA), a coalition of 35 US cities that collaboratively procure clean energy resources. Since 2022, the California-based CPA has issued multiple Requests for Proposals (RFPs) for projects such as solar and battery storage installations, electric vehicle (EV) charging infrastructure, and building electrification services.[22,23]
- *Advocate collectively for supportive national and international frameworks*. COP28 (Conference of the Parties) in 2023 proved to be the launchpad for several of such efforts. The Coalition for High Ambition Multilevel Partnerships (CHAMP) comprises 75 national governments that have articulated their commitment to collaborating with cities, countries, and regions to develop and implement ambitious climate strategies.[24]



Cities do not need to solve challenges alone; together, they can amplify impact, accelerate innovation, and shape global policy agendas. By sharing knowledge gained through real-life successes and setbacks, cities can build collective climate resilience without repeating each other's missteps. This spirit of collaboration not only improves on-the-ground conditions for local communities but also delivers macro-level changes needed for a more sustainable and equitable urban future.



Urban systems are deeply interconnected; disruptions in essential services can cascade across sectors, amplifying vulnerabilities and undermining resilience.

RETHINKING THE URBAN ENERGY TRANSITION: FROM INFRASTRUCTURE TO JUSTICE

Cities account for over 70 percent of global energy-related carbon dioxide emissions.[25] The urgency of the energy transition is clear, but so is the need for an equitable approach that ensures no one is left behind.

In Asia, cities are leading diverse energy transitions. Tokyo's cap-and-trade system, introduced in 2010, has reduced building emissions while encouraging investment in energy efficiency.[26] In particular, the scheme succeeded in doing so by setting emissions caps that motivated firms to adopt energy-saving practices and technologies that achieved both environmental and financial targets. In India, Ahmedabad's "cool roof" programme generates heat mitigation and energy savings in low-income areas by subsidising reflective roof coatings.[27] Such initiatives demonstrate that energy transition policies can also advance social equity and climate adaptation.

Key actions for cities include:

- *Developing district energy systems powered by renewables or waste heat, as seen in Seoul's district heating networks*.[28] To highlight, the city's resource recovery facilities process approximately 2,850 metric tonnes of solid waste daily, converting it into energy that supplies heating to around 518,000 households. This has led to a reduction of over 60,000 metric tonnes of greenhouse gas emissions annually by replacing liquefied natural gas with energy generated from waste incineration.[29]
- *Installing solar photovoltaics on public buildings such as schools, markets, and community centres to lower bills and model sustainability*.

- *Implementing subsidy reforms and targeted financing to ensure that low-income communities are not excluded from clean energy benefits, such as New York City's "One City: Built to Last" initiative.*[30] While it was a major retrofitting exercise aimed at improving the energy efficiency of the city's ageing infrastructure and cutting emissions, it also restructured energy subsidies and made energy more affordable for low-income residents. In Singapore, the Financing Asia's Transition Partnership (FAST-P) is offering US$500 million in concessional funding to drive clean energy projects across Asia. The Monetary Authority of Singapore (MAS)-backed project is aiming to mobilise some US$5 billion via private-sector investments focussing on renewable energy, energy efficiency, and decarbonisation projects. Like the New York City effort, it is hoped that clean and affordable energy will be made available to lower-income and high-risk communities.

Energy systems must be reimagined not only as technical infrastructure, but also as instruments of social and environmental justice. Marginalised communities rely on ready access to clean and affordable energy to improve livelihoods. Decision-makers who actively seek participation from such communities can ensure a more equitable distribution of decarbonisation's benefits, which helps individuals shape their own sustainable futures while safeguarding both people and the planet.

URBAN WATER RESILIENCE: MANAGING THE FLOW OF RISK

Urban water challenges, whether floods, droughts, or contamination, are intensifying due to climate change, with Asian cities facing some of the greatest risks.[31] Bangkok is one such city, with rising sea levels and land subsidence threatening to inundate vast areas by 2050.[32] Conversely, Chennai's 2019 water crisis, when reservoirs ran dry, underscored the vulnerability of many Indian and other Asian cities to drought.[33]

Resilient water management requires an integrated approach:

- *Nature-based solutions such as green roofs, permeable pavements, and urban wetlands can reduce flood risk while enhancing biodiversity.* Singapore's ABC (Active, Beautiful, Clean) Waters Programme is a leading example, transforming drains and canals into vibrant public spaces that improve water quality and flood resilience.[34]



- *Rainwater harvesting and decentralised water reuse, such as greywater recycling, can ease demand on centralised systems*. Greywater refers to waste water generated from domestic activities such as bathing, washing clothes, and cleaning. It does not include sewage from toilets. According to a case study on Bangalore's apartment complexes, greywater recycling was treated onsite, reusing it for non-potable purposes, such as toilet flushing and gardening.[35] By recycling and reusing greywater within the apartment premises, these complexes can significantly reduce their reliance on centralised water supply and sewage systems, thereby easing the pressure on municipal infrastructure and conserving scarce groundwater resources.
- *Reducing non-revenue water through leak detection and repair is critical, as up to 30 percent of urban water is lost through inefficient distribution*.[36] Non-revenue water refers to water that is produced but not billed due to infrastructural flaws (e.g., pipe leaks), commercial losses (e.g., inaccuracies in records and water theft), and unbilled authorised uses, such as for firefighting. While never fully addressed, high levels of such water reflect a waste of valuable resources and reduce the reliability of water supply systems.

Water is both a source of life and a vector of risk. Managing water wisely is essential for urban resilience and long-term sustainability.



CONCLUSION: A FUTURE OF HOPE, LED BY CITIES

Cities are often portrayed as the problem in global sustainability debates, yet they hold the greatest potential as drivers of decisive change. With bold leadership, collaborative action, and evidence-based policies, cities can build futures that are inclusive, equitable, and resilient. They can become beacons of innovation in affordable housing, stewards of efficient municipal services, champions of clean energy, protectors of water, and collaborators in the global sustainability journey.

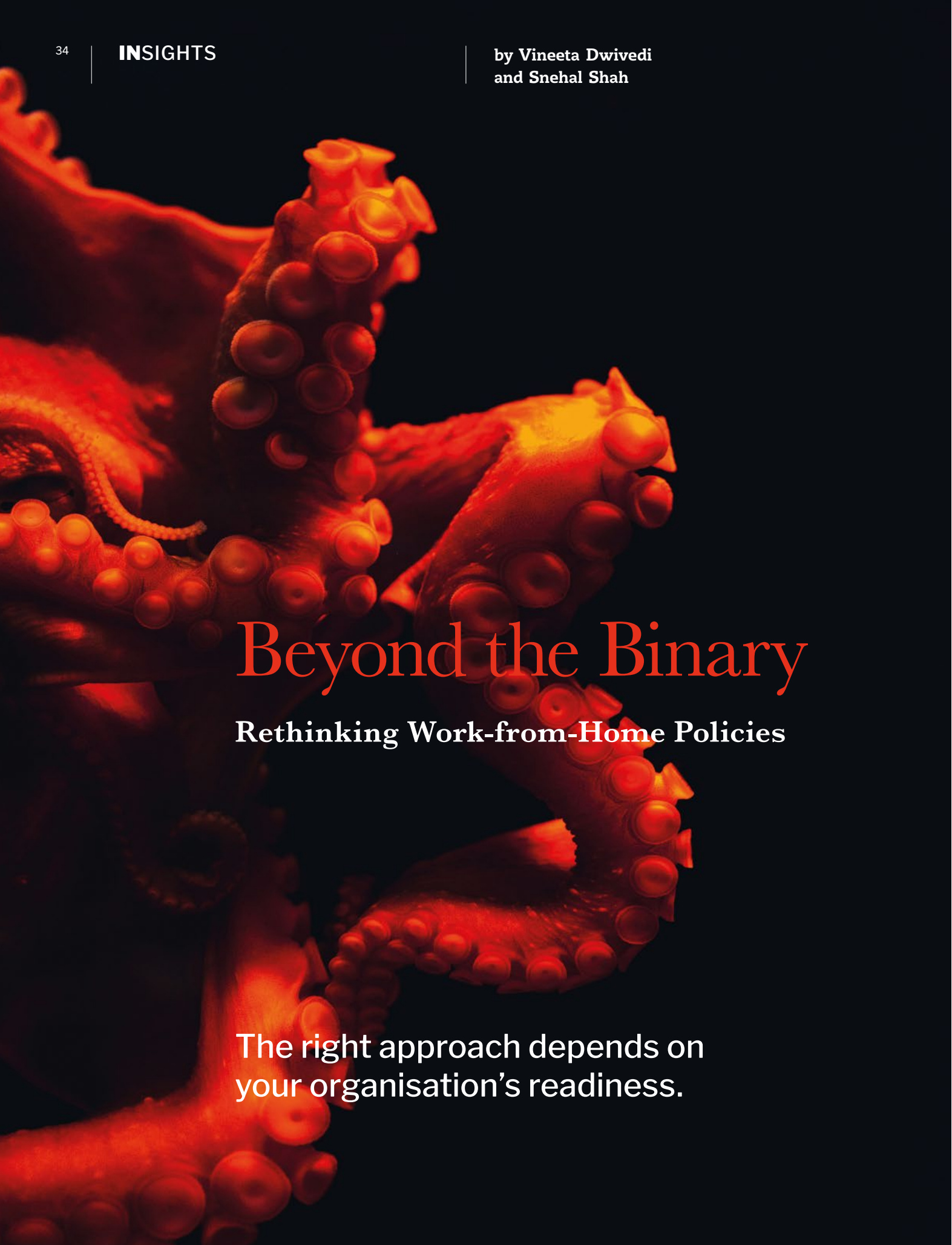
The challenges may be formidable but the opportunities are even greater. Mayors and city leaders hold the keys to unlocking these opportunities, and courage, creativity, and commitment will be needed to shape not only the future of cities, but also the future of humanity itself.

The road ahead is challenging but it is also full of hope. Let us move forward together with conviction, compassion, and the knowledge that every step we take builds a better world for generations to come. AMI

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by Vineeta Dwivedi
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Beyond the Binary

Rethinking Work-from-Home Policies

The right approach depends on your organisation's readiness.

○ **Despite research supporting remote and hybrid work, many organisations, particularly those in Asia, are mandating a return to the office.**

○○ **To navigate this shift, we propose a persona-based hybrid work framework that aligns employee needs with operational goals.**

○○○ **Our diagnostic model helps assess Work From Home (WFH) readiness, improve policy communication, and pilot context-specific strategies.**

The COVID-19 pandemic offered many lessons for humankind, chief among them was that work never stops. Despite being holed up in their homes, people continued to do their jobs. Meanwhile, WFH entered the workplace lexicon and has since become a topic of debate for corporate policymakers.

The prevalence of WFH has increased dramatically, rising nearly fivefold between 2019 and 2023,[1] with approximately 40 percent of US employees working remotely at least one day per week.[2] Recruiters in India note that over half of job applicants ask about remote work opportunities early in the hiring process.[3] The need for totally remote or hybrid positions is evidently still increasing.

Research has shown that WFH has a clear upside.[4] One of the leading experts on WFH policies, economist Nicholas Bloom of Stanford University, found that employees who work from home two days a week are just as productive as their fully office-based counterparts.[5] A six-month study at a Chinese company, which is among the biggest online travel agencies in the world, found that its hybrid WFH policy enhanced job satisfaction and reduced quit rates by one-third, and performance evaluations over two subsequent years showed no negative impact.[6] Writing about the advantages of remote work, Raj Choudhury, an associate professor at Harvard Business School, says work from anywhere boosts talent, productivity, and innovation.[7] Employees like it too. The State of Remote Work report by social media management platform Buffer highlights key insights from 3,000 remote workers globally – 98 percent of respondents want to work remotely for the rest of their careers, and 91 percent report a positive experience working remotely.[8] The top benefits are flexibility in time management, and the ability to choose one's living and work locations.

However, despite substantive changes in information technology (IT) and remote working technology today, there has been a clear shift in employers' preference back to working in the office. From Amazon and JP Morgan Chase to Grab and Wipro, companies across multiple industries have asked employees to Return to the Office (RTO),[9] arguing that productivity suffers otherwise. This seems more prevalent in Asia – over 90 percent of firms in Hong Kong are urging their workers to increase their office presence, surpassing the global average of 56 percent.[10] A recent University of Pittsburgh study on Standard & Poor's (S&P) 500 corporations found that many managers have adopted RTO regulations to regain control over their workforce and make employees' preference for WFH a scapegoat for bad firm performance.[11]

In this article, we examine how remote and hybrid work have become flashpoints in recent debates about productivity, culture, and control. First, we highlight the conflicting narratives around WFH in Asia, particularly the tension between employee preferences and leadership mandates. Then we introduce a two-axis framework, based on cultural flexibility and operational flexibility, that maps four organisational personae. This framework helps leaders assess where their organisations stand and how to modify their hybrid work strategies with greater intentionality.

THE EMPLOYEE-EMPLOYER PERCEPTION GAP: WHAT GIVES?

There is a notable divergence between employee and employer perspectives on remote work. While many employees report maintaining or increasing productivity when working from home, many employers remain sceptical. For instance, a survey by Microsoft revealed that 87 percent of employees felt they were as productive or more so when working remotely. However, 80 percent of managers disagreed, expressing concerns about decreased productivity in remote settings.[12] If WFH is a win-win, why is there still a pushback from employers? More pertinently, should it even be a binary decision?

Employers' reservations about remote work often centre on communication, collaboration, and organisational culture challenges. They are concerned about reduced supervision, and the potential decline in creativity and teamwork in remote work settings.[13] Emerging evidence suggests that productivity outcomes also vary significantly according to the mode of working. While fully remote work is generally associated with a productivity decline of around 10 percent compared to entirely in-person work, hybrid models appear to maintain comparable productivity levels.[14]

The growing divergence between employee support for remote work and employer scepticism can be attributed to a few key reasons.

First, a significant perception gap exists between how employees and employers assess productivity. Employees tend to evaluate their performance based on task completion and efficiency gains from reduced commuting and fewer workplace interruptions. In contrast, managers often assess productivity through observable behaviours and process adherence – factors that are more difficult to monitor in remote settings. This gap has led to what Microsoft termed 'productivity paranoia', where 87 percent of remote employees reported being productive, yet only 12 percent of managers expressed confidence in that espoused productivity.[15]

Second, the erosion of managerial control in remote contexts contributes to organisational hesitancy. Traditional management practices are often rooted in direct oversight and face-to-face interaction, which are diminished in a virtual work environment. The lack of informal mentoring, spontaneous collaboration, and unstructured learning opportunities in fully remote settings has further fuelled concerns among employers.[16]

Third, remote work raises challenges for organisational culture and team cohesion. Research suggests in-person interaction is vital for cultivating shared norms, reinforcing organisational identity, and fostering trust among team members.[17]

Fourth, cognitive biases may influence employer attitudes. The status quo bias (a preference for established practices) and the availability heuristic (where isolated negative experiences in remote work are overemphasised) can skew managerial judgement.

Finally, a misalignment in performance evaluation metrics further explains this divergence. While employees often focus on task-level outputs, employers may emphasise broader key performance indicators (KPIs) such as innovation, cross-functional collaboration, and strategic alignment – dimensions perceived to suffer in remote environments due to limited informal interaction and collaborative spontaneity.[18]

HYBRID WFH PERSONAE FRAMEWORK

Interestingly, the largest percentage of people working from home is found in English-speaking nations, according to an April 2025 global survey of working arrangements carried out by the Stanford Institute for Economic Policy Research (SIEPR).[19] Another research report based on data from 34 countries corroborates these findings, reporting higher WFH rates in English-speaking countries (1.4 days) compared to Asia (0.7 days).[20] In fact, the SIEPR report shows that Asian employees are more likely to work from home for half a day, whereas workers in Latin America and Africa typically log in at home once a week. That said, there may be notable differences within Asia. Countries like India and Singapore show a strong desire for remote work, whereas economies like China, South Korea, and Taiwan exhibit a more moderate preference.[21] Culture is the one element that truly stands out. While Japan and the UK are comparable in terms of development, density, industrial mix, and lockdown duration, Japan had

much lower levels of WFH than the UK during the COVID-19 pandemic.

These differences have therefore sparked people's widespread interest in trying to understand the dynamics of policymaking related to remote work. As firms adapt to post-pandemic realities, reconciling these divergent perspectives will be essential for designing sustainable and effective work arrangements. Various frameworks have emerged to help organisations navigate hybrid work transitions. These models typically fall into two broad categories: structural and employee-centric models. Structural models define hybrid work in terms of schedules and physical presence. An example is GitLab's "Stages of Remote", which outlines a progression from co-located to fully remote organisations, thereby emphasising operational maturity and cultural preparedness.[22] In contrast, employee-centric models segment workers by preferences, behaviours, or life stages. For instance, Argyll's hybrid personae (e.g., "Wellness Seekers" and "Maximisers") categorise workers according to their motivational drivers, thus helping leaders to tailor office experiences.[23]

These models could lead to possibilities like a hybrid WFH policy, a logistical exercise, or a workforce preference map, whereas earlier models addressed different aspects of employer and employee criteria in isolation. Meanwhile, the framework below provides a comprehensive lens that serves as a diagnostic tool for policymaking at an organisational level.



INTRODUCING THE PERSONAE-BASED ORGANISATIONAL FRAMEWORK

Since 2020, when we first introduced the WFH personae framework in the article titled "Solving the Work-From-Home Conundrum" published in *Asian Management Insights*,[24] the landscape of remote work has undergone a significant transformation. Initially, our framework aimed to assist organisations in developing actionable WFH policies that balanced employee well-being with productivity by categorising employees into distinct personae based on various dimensions.

In the years that followed, the rise of hybrid work models and the growing collection of empirical data have yielded deeper insights into the effectiveness of remote work arrangements. These developments have underscored the necessity to refine our framework to better align with contemporary organisational structures and employee expectations. Consequently, we have revised our original framework to incorporate new parameters such as organisational flexibility and operational flexibility. This updated model offers a more nuanced understanding of how companies can tailor their hybrid work strategies to accommodate diverse employee needs while maintaining operational effectiveness. The following sections will explore these enhancements, offering a thorough guide for organisations aiming to optimise their hybrid work policies in today's dynamic work environment.

Our framework introduces a new lens that sees the organisation itself as a 'person'. The parameters for this hybrid work personae framework have been chosen based on a synthesis of academic research and industry best practices that identify the key enablers and barriers of effective flexible work models (refer to Figure 1).

Working out the hybrid WFH personae framework

On the Cultural Flexibility axis, factors such as autonomy, location policy, and cultural attachment to the office reflect core findings in organisational behaviour literature, which emphasise the role of decentralised decision-making and employee control over work modalities in driving engagement and performance.[25] Leadership style and scheduling norms further highlight how the extent of hybrid work success is influenced by policy, managerial interpretation, and cultural signals.[26] This axis would measure how rigid or adaptive an organisation's structures, policies, and leadership norms are regarding where and how work happens. Low Flexibility would imply top-down

THE HYBRID WFH PERSONAE FRAMEWORK

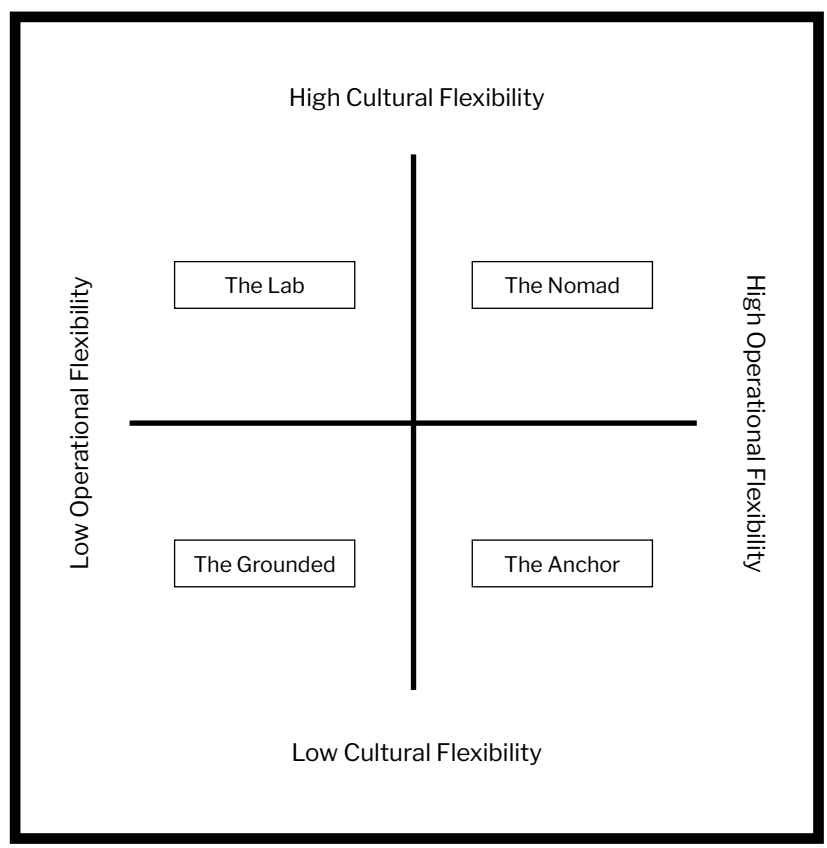


FIGURE 1



Our framework for evaluating the effectiveness of remote work arrangements introduces a new lens that sees the organisation itself as a 'person'.

mandates, fixed schedules, and presence-focused culture, while High Flexibility would include factors such as role- or team-based autonomy, flexible scheduling, and trust-led norms.

The Operational Flexibility axis focuses on operational readiness for distributed work. It discusses how equipped an organisation is — technologically, operationally, and organisationally — for successful remote or hybrid work. Parameters like asynchronous capability, digital tooling, and remote onboarding practices are grounded in studies by Microsoft's Work Trend Index,[27] GitLab's Remote Work Report,[28] and research from Harvard Business School,[29] all of which stress the importance of intentional systems and documentation for remote collaboration. Remote leadership capability and employee experience beyond the office, which are issues raised in Deloitte[30] and McKinsey & Company[31] reports, highlight the need to upskill leaders and build inclusive digital cultures as key differentiators for sustainable hybrid organisations. Low Enablement would be reflected by limited tooling, in-person default, and manager discomfort, while High Enablement would encompass factors such as asynchronous workflows, strong digital infrastructure, and distributed onboarding.

Unlike static scheduling models or individual worker taxonomies, this approach acknowledges that hybrid work is not just a policy but a strategic identity that is capable of evolving. It allows for blended personae, experimentation, and alignment between structure and strategy. Based on the above parameters, the four strategic archetypes are: The Grounded, The Anchor, The Lab, and The Nomad.

1. The Grounded: This is an organisation that values physical presence and structured environments, which is often driven by traditional leadership styles and legacy culture. It shows low cultural flexibility and limited maturity in supporting remote or hybrid models. The workplace is central to productivity, learning, and organisational control.

2. The Anchor: This is a technically mature organisation that possesses the tools and infrastructure for remote work but chooses to centralise work policies. It emphasises consistency, control, and standardisation over individual flexibility, and prioritises company-wide mandates over team-level autonomy.

3. The Lab: This is a transitional organisation experimenting with hybrid models. It is on the path to flexibility but is still navigating structural and cultural shifts. It exhibits moderate to high remote enablement maturity but has uneven adoption and variable support systems across teams or functions.

4. The Nomad: This is a remote-native or fully decentralised organisation with high flexibility and digital maturity. It thrives on asynchronous work, trust-based management, and fluid structures. It embraces employee autonomy and invests deeply in systems that enable distributed collaboration and belonging.

ORGANISATIONS CAN SCORE THEMSELVES ACCORDING TO THIS FRAMEWORK TO ASCERTAIN THEIR PERSONA. MORE DETAILS BELOW.

Cultural Flexibility (Score: 5–25)

Parameter	Description	Score (1–5)
Location Policy Rigidity	How fixed are expectations about employee location (e.g., 'three days in office')?	
Leadership Style	Are managers empowered to localise flexibility, or is policy uniform and top-down?	
Autonomy in Team Operations	Can teams self-determine work practices (e.g., meetings, hours, days)?	
Scheduling Flexibility	How much variance is allowed in individual schedules or team norms?	
Cultural Attachment to Office	How central is physical presence to trust, visibility, or performance culture?	

Operational Flexibility (Score: 5–25)

Parameter	Description	Score (1–5)
Digital Tool Maturity	Are tools like Slack, Zoom, Notion, etc., integrated into everyday workflows?	
Asynchronous Communication Capability	Can decisions and collaboration happen without real-time meetings?	
Onboarding and Documentation Practices	Can new hires integrate fully without being in person?	
Remote Leadership Capability	Are managers trained or experienced in leading remote/hybrid teams?	
Employee Experience beyond the Office	Are culture, inclusion, and feedback accessible from outside the office?	

Mapping Results to Persona

Cultural Flexibility	Operational Flexibility	Organisation's Persona
Low (5–12)	Low (5–12)	The Grounded
Low (5–12)	High (13–25)	The Anchor
High (13–25)	Low (5–12)	The Lab
High (13–25)	High (13–25)	The Nomad

Personifying this framework

To further explain the use of this framework, examples of companies that fit into the grid are given below based on their cultural and operational policies.

1. The Grounded

Goldman Sachs exemplifies the Grounded persona as it is an office-centric organisation that is culturally attached to physical presence. Despite having the technological ability to support remote work, the leadership at Goldman Sachs strongly advocates for RTO, emphasising the importance of in-person collaboration, mentorship, and organisational cohesion.[32] The firm's insistence on a traditional workplace environment reflects low cultural flexibility and relatively low technical or operational maturity. This persona suits companies prioritising legacy culture, control, and visibility over flexibility.

2. The Anchor

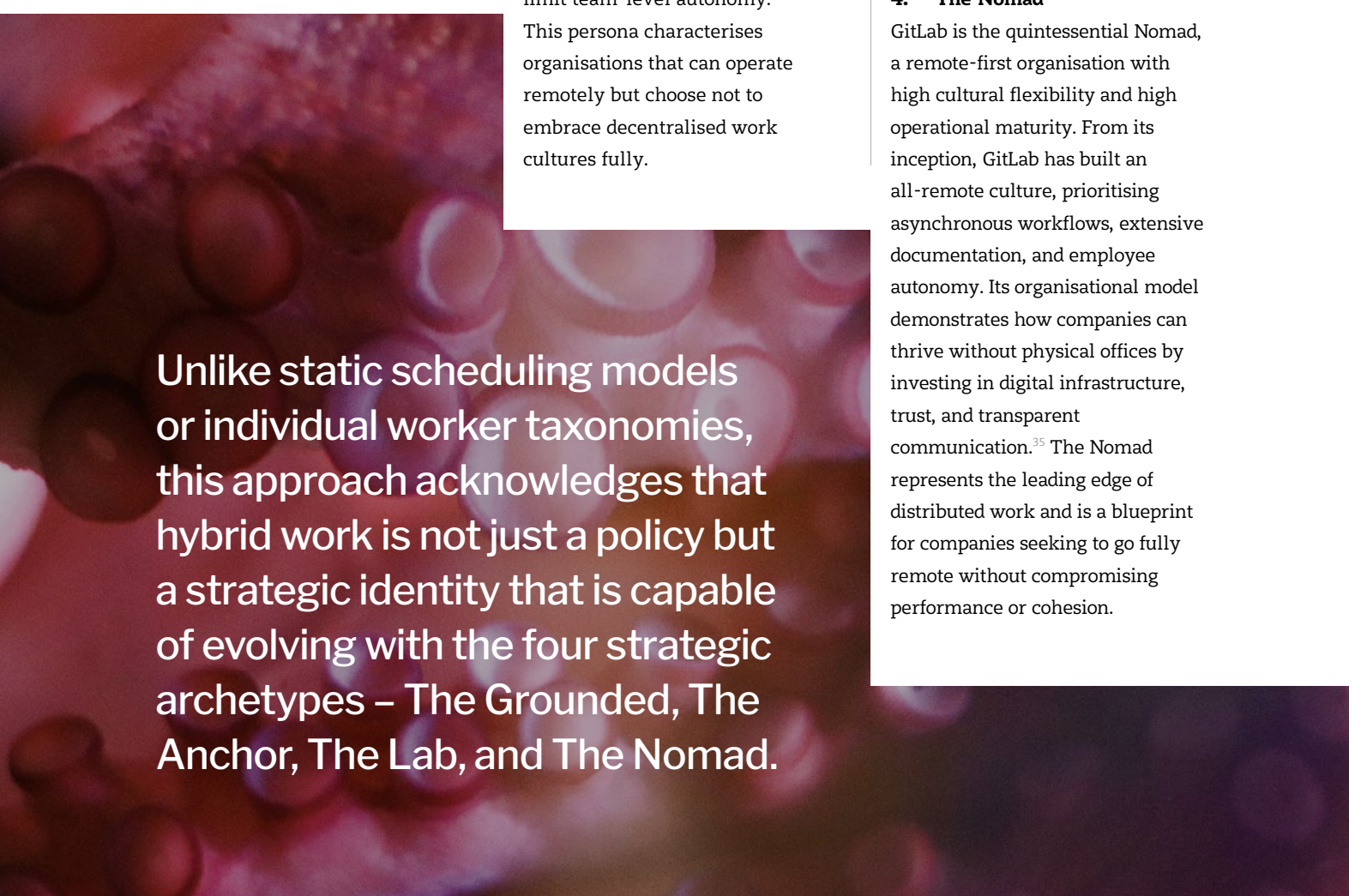
IBM represents the Anchor – a company with high operational maturity but relatively low or rigid cultural flexibility. Although IBM was once a forerunner in remote work, it has reversed course and recalled many employees to the office.[33] It retains robust digital infrastructure and systems that support remote collaboration, but its top-down policies and structured leadership approach limit team-level autonomy. This persona characterises organisations that can operate remotely but choose not to embrace decentralised work cultures fully.

3. The Lab

Tata Consultancy Services (TCS) is a strong example of the Lab persona. This archetype includes companies that are transitioning towards hybrid work with an experimental mindset. TCS' vision of only 25 percent of its workforce needing to work from the office by 2025 reflects its ambition to embrace flexibility.[34] However, it remains anchored in hierarchical structures and evolving cultural norms, resulting in uneven implementation across teams. The Lab persona is characterised by adaptability, pilot initiatives, and a willingness to learn and iterate, though it is not yet optimised for fully remote work.

4. The Nomad

GitLab is the quintessential Nomad, a remote-first organisation with high cultural flexibility and high operational maturity. From its inception, GitLab has built an all-remote culture, prioritising asynchronous workflows, extensive documentation, and employee autonomy. Its organisational model demonstrates how companies can thrive without physical offices by investing in digital infrastructure, trust, and transparent communication.[35] The Nomad represents the leading edge of distributed work and is a blueprint for companies seeking to go fully remote without compromising performance or cohesion.



APPLYING THE FRAMEWORK

Employers can adopt this framework to aid effective WFH policymaking. This can help organisations communicate WFH policies more transparently to employees, reducing confusion and perceptions of unfairness. It also fosters leadership alignment across departments by creating a common language and decision-making framework. Such categorisation can also be used for experimentation, allowing employers to pilot one model in selected teams or functions, collect feedback systematically, and refine the approach before a full-scale rollout. To address these tensions, emerging organisational strategies should include adopting hybrid work models, investing in managerial training for remote leadership, and developing new productivity metrics better suited for distributed work.

Artificial intelligence (AI)-powered tools can further enhance this process by enabling real-time feedback collection, personalised communication at scale, and data-driven insights into employee engagement and productivity across different models. For example, AI chatbots can answer policy questions consistently, while natural language processing can help analyse employee sentiment from surveys or internal platforms, ensuring that both communication and policy adjustments are agile, inclusive, and responsive.

Remote arrangements offer compelling advantages, including substantial cost savings through reduced physical space requirements and access to a broader global talent pool. Hybrid work, in particular, has dual benefits – maintaining performance while enhancing employee recruitment and retention. As investment in technologies to improve virtual collaboration continues to grow, the WFH trend is expected to expand further, reflecting both a pandemic-induced inflection point and a sustained organisational culture and operational transformation in the world of work. This new framework will help managers make a more informed decision rather than adopt an all-or-nothing approach for WFH policies. AMI

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by
Chang Pao Li



LOCAL INSIGHTS INTO GLOBAL VALUE CHAINS

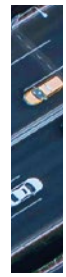
Leveraging firm-level data to inform anticipatory economic policy decisions.



Singapore Management University (SMU) research seeks to establish firm-level data infrastructure to paint a representative picture of the Singapore economy by tracking how firms interact through goods, services, and knowledge flows.

Effects of global shocks such as trade wars can propagate through supply chains, manifesting themselves through labour demand, productivity, and innovation of firms with ties to the global value chain (GVC).

Research results can be used to build structural models to run 'what-if' counterfactual analyses, enabling proactive decisions on economic policy, trade strategy, and workforce development.



n May 2025, Hon Hai Precision Industry (Hon Hai), the main manufacturer of Apple's iPhone which is the world's market-leading mobile phone, announced a US$1.5-billion investment into its operations in southern India.[1] This follows a nearly 60-percent increase in the number of iPhones assembled in India over the past 12 months to March 2025, amounting to US$22 billion in value.[2]

The main reason Hon Hai – better known as Foxconn internationally – is shifting its production away from China is the US import tariffs on Chinese-produced goods. While the Trump administration has announced, suspended, and negotiated tariff rates for various countries, the uncertainty generated by the US-China tariff tit-for-tat and the possibility of a reinstatement of the 125-percent additional tax on Chinese imports are forcing companies to rethink where to make their products.

Zhengzhou, the capital city of Henan Province, China, where Hon Hai assembles some 70 percent of all iPhones,[3] is dubbed 'iPhone City'. Hon Hai's iPhone factory employs an estimated 200,000 workers during peak periods,[4] and has developed into a hub around which over 300 electrical and electronics suppliers have congregated, which further attracts other phone makers such as ZTE and OPPO.[5] These companies form links with one another, serving as both customers and suppliers in a vast network of related industries that have grown in tandem and reportedly account for about a quarter of Henan's gross domestic product (GDP).[6]

The effects of multinational enterprises (MNEs) such as Hon Hai ramping up production in India, and possibly scaling back operations in Zhengzhou, are instructive for understanding the mechanisms through which global shocks (such as trade wars and supply chain disruptions) propagate across firms' linkages. In establishing and analysing datasets on transactions among businesses, my research programme with several SMU and international collaborators will help us understand how shocks, both external and internal, affect the Singapore economy. We do so by examining the impact of the supplier-buyer network – or firm-to-firm input-output linkages – on firm-level outcomes, such as their productivity, labour demand, and innovation activities.

In this article, I describe how the research programme will establish the information infrastructure to collect and compile these firm-to-firm interactions in terms of goods, services, and knowledge flows across firms in the Singapore economy. My article will also explain how the macroeconomic trade environment affects forward and backward linkages in the GVC, and what policymakers and business leaders can learn from the insights of our research.

BY THE NUMBERS

In economics literature, researchers typically use value-added tax (VAT) transaction information to compile data on firm-to-firm goods and services flow. VAT systems require firms to report every transaction with other firms, which includes both the buyer and seller identifiers. This data captures virtually all business-to-business (B2B) transactions subject to VAT, creating a detailed map of the real economy.

In Singapore, there is no infrastructure in the public sector that systematically digitises the VAT data between business entities,[7] while what is available is understandably restricted. The research programme aims to use Singapore's Government Technology Agency (GovTech) enTRUST platform to merge datasets from multiple sources while ensuring data privacy is upheld. The country's Ministry of Trade and Industry (MTI) will help facilitate access to data from various government agencies, including firm-level financial statements and trade data, and employer-employee matched data.

We have also obtained agreement in principle from a large Singapore-based bank to share data on the banking flows of its account holders that are business entities. Banking outflows/inflows between two business entities are a reasonable proxy for the purchases or sales of goods and services between firms. The bank, which has a 70-percent market share of the local banking industry, offers the best available option to map firm-to-firm linkages in the Singapore economy.

SMU will also contribute data on patent creation and citation compiled from sources such as the United States Patent and Trademark Office (USPTO), which will be merged with the Singapore firm-level data. Among other objectives, this part of the research programme will help determine the elasticity of idea flows to goods/services flow, i.e., how much patent filing and citation is linked to firm-level trade flow. This will help serve as input in quantifying the effects of global shocks on innovation.

THE GLOBAL VALUE CHAIN AND SINGAPORE

With the firm-to-firm dataset in place, we will be able to embark on interrelated research projects to study the effects of trade shocks on Singapore's economy. A big part of the research will focus on the firm-level GVC structure of the local economy, which will piece together the local firm-to-firm input-output linkages, the local firm-level imports and exports, and the global inter-country input-output (ICIO) tables, such as the Organisation for Economic Co-operation and Development (OECD) ICIO and World Input-Output Database (WIOD), which trace the goods and services flows at the country-sector level.

The GVC research studies will help us better understand the Singapore firms' participation and position in the GVC via direct participation in imports and exports, but also indirectly via the local production network. The end product of this project is what economists call a gross-export decomposition framework, which breaks down a firm's gross exports into value-added by sources and destinations of final demand. The framework will help measure entities such as a firm's backward and forward linkages in the GVC, as well as its GVC position (e.g.,



Research has shown that MNEs in a local market could increase the local wage level because of the compositional change in demand for higher value jobs, and the payment of a premium to their direct hires.



upstream or downstream) in the world's production network.

Suppose a one-dollar piece of plastic is exported by Singapore, and it includes 20 cents of Chinese value added and five cents of Malaysian value added. These foreign contents would be considered backward linkages in Singapore's exports. Forward linkages, on the other hand, capture the Singapore value added that is exported and further embedded in other countries' production of exports. For example, if the one-dollar piece of plastic consists of 20 cents of Singapore value added and is exported to Taiwan, which then uses the piece of plastic in its production of exports to the US, this 20 cents would be considered part of the forward linkages in Singapore's gross exports.

These backward and forward linkages constitute the GVC-related trade. This decomposition framework will be extended to the firm level for the local economy in the research project, given the data compiled. A firm is positioned relatively upstream if its GVC-related exports consist of a larger fraction of forward linkages than backward linkages. An example will be raw materials producers. In contrast, those in a downstream GVC position have relatively more backward linkages than forward ones.

With the firm-level GVC measure, it would be possible to paint a granular view of backward/forward linkages and how they are connected with the firm-level productivity, labour demand, and innovation activities.

EFFECT OF GVC LINKS AND TRADE SHOCKS

With firm-level data on the linkages, we aim to analyse the effect of trade shocks, such as the US tariffs that the Trump administration has slapped on all imports into America in



April 2025. The programme will look at their effects on three firm-level performance measures: productivity, labour demand, and innovation activities.

Productivity

For productivity, the project brings together information about firms' financial data such as their revenue and assets with data on who they buy from and sell to. This helps us understand how a firm's local production network and its position in global supply chains affect the efficiency of its operations. For example, firms that are well-connected may be more productive because they have better access to materials, ideas, and business opportunities.

To illustrate, imagine Firm A, which is a supplier to Firm B and a customer of Firm C. Firm A also sources intermediate goods from overseas suppliers and exports to foreign markets. By integrating this network information with Firm A's financial data, we can examine how shifts in its network position affect its productivity. For instance, an increase in Firm A's productivity may correlate with expanding its buyer/supplier network and deepening integration into the GVC.

Let us further assume the majority of Firm A's imported intermediate goods are sourced from the US, with backward linkages in China. The US import tariffs on Chinese goods would increase the cost of inputs that Firm A relies on for production. The indirect reliance of Firm A on Chinese contents routed via the US could result in weakened price competitiveness, which in turn could show up in terms of revenues and knock-on effects on Firms B and C.

Detailed knowledge of its supplier network, e.g., knowing which components come from China and their tariff exposure, enables Firm A to evaluate strategic responses such as diversifying sourcing to reduce tariff exposures. By embedding this granular understanding of its GVC position and tariff impact, Firm A can develop targeted strategies to sustain competitiveness despite heightened trade barriers, turning a potential vulnerability into an opportunity for adaptive growth.

Labour demand

When firms integrate into the GVC, they often require different skills, occupations, and workforce sizes. Firms in high-tech industries such as semiconductors may demand more skilled labour to handle complex assembly or management tasks. Similarly, exporting firms exposed to foreign demand might expand production, increasing overall labour demand or shifting towards higher-value activities that require more skilled workers.

Research has shown that MNEs in a local market could increase the local wage level because of the compositional change in demand for higher value jobs, and the payment of a premium to their direct hires.[8] In the example of Hon Hai, its presence in a new location would not only create vacancies for high-paying jobs such as electronic engineers and skilled machine operators, but could also give workers leverage to negotiate for better pay at their existing companies. Because of costs associated with hiring new workers, companies would rather pay more to keep existing workers who now have better employer options in the form of MNEs.

By studying how trade shocks such as tariffs could increase the cost of imports or lower demand for exports, we can understand how the resulting cutbacks in production or research and development (R&D) investment are reflected in labour demand both within the firm and across its supply network.

Innovation

As mentioned, SMU will cull data from the USPTO. Its data on patent creation serves as a proxy for a firm's innovation output, and we can track patent citations for the flow of knowledge and ideas among firms in the local network. By linking USPTO patent data to firm-level data, the programme can piece together a more sophisticated picture on whether and how being connected to innovative firms might lead to more innovation (as measured by increased patent filings) by domestic firms.

The programme will also look at the knowledge spillover from firms having links with MNEs. Local firms supplying to MNEs might be required to raise technical standards, more so by being exposed to technical specifications and technology that MNEs have developed with bigger R&D budgets. If a local firm starts filing patents after working with an MNE, it suggests some form of knowledge spillover. Even if firms do not

work directly with MNEs, they can observe and imitate competitors who do, and thereby raise standards.

Returning to the Hon Hai example, local suppliers would be exposed to technology and product specifications pertaining to market-leading products such as the iPhone. Hon Hai relocating some of its operations to India could open up more opportunities for local firms to tap into their technology ecosystem. For the firms in Zhengzhou, there might be fewer contracts to go around, which might reduce their exposure to the innovations that Hon Hai's R&D budget makes possible.

COUNTERFACTUALS AND THE REAL-WORLD IMPACT

With firm-level data and the information infrastructure in place, the project can then build structural models to conduct counterfactual analyses of 'what-if' scenarios. For example, this would allow the cost-benefit analysis of offering tax credits to MNEs, by simulating the expected benefits in local firms' productivity, potential gains in labour demand (especially for higher-skilled roles), and innovation/knowledge spillover effects, taking into account the firm-to-firm input-output linkages. Conversely, decision-makers can run the model to simulate the effects of an MNE relocating out of Singapore, and make plans in anticipation to plug resulting gaps in labour demand and business revenue.

The model could also be used to simulate alternative trade policy scenarios that would inform trade negotiations. For example, if Singapore negotiated an expanded free trade agreement with the European Union that removed tariffs for electronic parts, the model could simulate gains in export volumes and the associated employment gains. It could also identify firms, via their GVC-connectedness, that would benefit from the increased demand.

This approach is especially useful and relevant for open economies such as Singapore, which are closely tied to global trade and the GVC. External shocks such as the ongoing US tariff situation can manifest through the local economy in the form of decreased revenue and consequent job losses. By identifying vulnerable business clusters and sectors, policymakers can design targeted policies to incentivise R&D investments or upskilling efforts to enhance resilience.

Business leaders can also use our model to optimise performance and manage risks. The firm-to-firm linkage maps identify the channels through which shocks propagate through the economy, providing executives with markers of the degree of vulnerability in different local/global supply chains and their firms' reliance on each of these supply chains. Firms can also use the GVC insights to identify cross-border linkages beyond the immediate suppliers or customers, and formulate their best response to potential regime shifts such as the threat of the US reciprocal tariffs.

CONCLUSION

As global trade dynamics continue to shift, economies like Singapore must equip themselves with sharper tools to navigate uncertainty. By building a robust, comprehensive, and data-driven understanding of how firms are connected through local supply chains and knowledge flows, this research programme provides a foundation for more informed, forward-looking policy. Rather than reacting to crises after they happen, Singapore can use the insights from the research programme to anticipate disruption, strengthen its competitive edge, and shape resilient growth strategies. In doing so, the country moves towards a model of anticipatory governance – one that is better prepared for the next global shock, not just the last. AMI

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CELEBRATING MEANINGFUL IMPACT
25 YEARS AND BEYOND

by Yin Wang
and Steve Balaban

UNLOCKING PRIVATE EQUITY INVESTING A PRIMER



Private equity might provide higher returns, but investors should be aware of the associated risks.

1 **We provide a primer for investors and professionals exploring the possibility of tapping PE by tracing the evolution of this complex asset class from a niche investment strategy to a cornerstone of global finance.**

2 **There are three stages of PE funding, specifically early-stage, expansion, and maturity stages. PE firms create value at each stage through strategic guidance, operational improvements, and financial restructuring of portfolio companies.**

3 **We also look into PE fund structures, performance metrics, and the J-curve, noting that while PE can offer attractive long-term returns and portfolio diversification, achieving success requires a deep understanding of its complexities and careful due diligence before investing is carried out.**



rivate equity (PE) often evokes images of high-stakes deals or legendary figures. Some associate it with the reality television show *Shark Tank*, where entrepreneurs have to convince investors ('sharks') of their business ideas. Others may remember *The New York Times* bestseller *Barbarians at the Gate*, which chronicles global investment firm KKR's leveraged buyout (LBO) of the US conglomerate RJR Nabisco. In 1988, KKR executed what was then the largest LBO in history to take over the tobacco and food giant, which was valued at US$25 billion. The story was later adapted into a Hollywood film in 1993.

Over the decades, PE has evolved from a niche strategy to a cornerstone of global finance. It is not surprising that it has become one of the most significant alternative investment asset classes, attracting both seasoned investors and newcomers. By 2029, PE is projected to remain the largest private capital asset class, with assets under management (AUM) reaching approximately US$12 trillion.[1]

While media portrayals often highlight the glamour and excess of PE, the industry's inner workings remain obscure to many. Beyond its mystique, this asset class plays a crucial role in driving economic growth and innovation, particularly in Asia where rapid development has created compelling opportunities in emerging markets.

Our article aims to unpack the complex world of PE, exploring its economic contributions, investment structures, performance metrics, and key differences from public markets.

WHAT IS PRIVATE EQUITY?

PE refers to investments in privately-held companies, i.e., firms not listed on public exchanges. Investors can acquire ownership stakes of these firms either directly or through PE funds. These investments are typically associated with higher return potential but involve trade-offs such as reduced liquidity, limited transparency, greater risk, and weaker regulatory oversight. What counts as PE can vary by region. In Europe, PE includes a broad range of privately financed equity investments, such as angel investments and venture capital (VC) in the early stage, growth capital in the expansion stage, and buyouts in the mature stage. In North America, however, PE more commonly refers to buyouts of mature private companies.

Compared to PE, public equity markets are accessible and transparent to both institutional and retail investors. Publicly traded companies are subject to stricter

regulatory oversight, including mandatory and frequent financial disclosures. This ensures investors have access to timely and detailed financial information, protecting the interests of the broader investing public. PE, however, operates with fewer reporting requirements, offering less transparency to investors but greater flexibility for portfolio companies, i.e., companies owned by PE funds. Public equity markets benefit from receiving regular public disclosures, and having many market participants and intermediaries (e.g., traders and analysts), thereby allowing for efficient price discovery. In contrast, PE investors typically face limited access to information since private firms are not subject to the same disclosure requirements and information environment. Moreover, while public shares can be sold on exchanges, PE exit strategies or ways through which investors can convert ownership to cash are more restricted. PE exits are typically through sales to strategic buyers via mergers and acquisitions (M&A), to financial buyers, to another PE fund in secondary buyouts, or through initial public offerings (IPOs). These exits are not only less frequent, but also take longer to execute.

While the lack of liquidity and transparency poses challenges, these same characteristics also enable private firms to operate free from the pressure of short-term market expectations. With fewer reporting obligations, they can prioritise long-term strategy and value creation over short-term market demands or volatility, a key factor behind the growing appeal of PE. For risk-tolerant investors, this trade-off – accepting reduced liquidity and transparency in exchange for potentially higher returns – is at the heart of PE's appeal (refer to Table 1 for the differences between public and private equity).

KEY DIFFERENCES BETWEEN PUBLIC AND PRIVATE EQUITY

Aspect	Public Equity	Private Equity
Accessibility	Open to institutional and retail investors	Primarily limited to accredited and institutional investors
Transparency	High, with mandatory disclosures	Low, with minimal reporting requirements
Liquidity	Highly liquid via public exchanges	Low; typical holding periods of 5-10 years; some liquidity via secondary markets and semi-liquid/evergreen vehicles
Regulatory Oversight	Strict, with comprehensive rules and disclosure requirements	Limited and jurisdiction-specific; allows for more operational flexibility
Access to Capital	Easier to raise funds via public markets	Limited to private capital sources, such as institutional investors, high-net-worth individuals (HNWIs), and family offices
Valuation	Market-based and transparent, but volatile	Appraised periodically; less transparent; difficult to mark to market due to illiquidity
Exit Strategies	Immediate sale via exchanges	Less frequent; time-consuming (through M&A, IPO, secondary sale)
Returns Potential	Moderate	Higher, but with greater risk and illiquidity

TABLE 1

The aforementioned regulatory freedom, along with the potential for higher returns, has made PE increasingly attractive among certain types of investors. It has also contributed to a trend of companies remaining private for longer, or avoiding public listings entirely.[2] Since the early 2000s, this shift is evident in the declining number of publicly listed companies in markets like the US and the UK. For example, the US saw a 43-percent decline in the number of public companies between 1996 and 2022, while listings on the London Stock Exchange (LSE) have declined by 42 percent from 2008 to 2023.[3,4,5] This is because many firms have pursued take-private transactions or chosen not to go public, preferring the advantages of private capital. The appeal of PE is further supported by performance data. Bain & Company's *Asia-Pacific Private Equity Report 2024* found that PE outperformed public markets by four percent to six percent over 5-, 10-, and 20-year periods.[6] The strength of these returns illustrates why PE has gained favour, particularly in Asia, where emerging market growth has created compelling investment opportunities.

Although there is no guarantee that PE will continue to outperform public markets, the number of private capital firms and the total AUM in private capital have steadily increased. The 2002 Sarbanes-Oxley Act (SOX) in the US, enacted after the Enron and WorldCom scandals, also increased the relative attractiveness of PE over public equity. While SOX aimed to protect investors from fraudulent reporting by enhancing corporate governance, it inadvertently introduced significant compliance, audit, and reporting costs for publicly traded companies. These additional burdens encouraged many companies to go – or stay – private, contributing to a rise in take-private transactions, where a consortium of PE investors acquires a publicly listed company via a direct or leveraged buyout. These deals are especially popular during periods of low interest rates, which reduce borrowing costs.

Still, SOX is only one of the many factors behind the growing appeal of private markets. The broader surge in take-private activity over the past two decades has been driven by a confluence of factors including low interest rates, abundant private capital, and increased institutional investor interest in PE. This privatisation trend accelerated in the 2010s and early 2020s, as cheap debt financing enabled PE firms to fund large buyouts.

THE STAGES OF PE FUNDING

PE firms target different market segments and leverage specialised expertise to support the growth of their portfolio companies. Depending on the PE firm's strategy, the focus may be on a specific industry, geographic region, or stage in a company's lifecycle. The funding journey typically progresses through three key stages – early stage, expansion stage, and maturity stage – with each involving different types of investors.

Early-stage funding

At this early stage, small and emerging businesses (often start-ups leveraging new technologies) are typically unprofitable, lack established financial track records, and face a higher risk of failure. Consequently, they rarely rely on traditional debt financing, since lenders are generally more risk-averse than equity investors, especially when funding unproven ventures. Instead, founders with innovative ideas seek external capital to bring their concepts to market. With limited track records or inexperienced management teams, these entrepreneurs often begin by tapping into personal savings and raising informal funds from "family, friends, and fools" (FFF).

Angel and seed investors, as well as early-stage VCs, also play a key role during this phase. They provide funding by taking minority equity stakes and limiting the size of their investments to manage risk. Although these investments are inherently risky, they offer the potential for high returns and significant upside if the business succeeds.

Expansion stage

Once a business proves its viability, it may attract funding from late-stage VC and/or growth capital investors to scale operations and capture more market share. This marks the expansion stage, where companies seek capital to drive the next phase of growth.

A notable example of a successful VC-backed expansion is Grab Holdings. Initially launched as a ride-hailing platform connecting taxi drivers and passengers, Grab evolved into a super app offering services such as food delivery

With fewer reporting obligations, private firms can prioritise long-term strategy and value creation over short-term market demands or volatility, a key factor behind the growing appeal of PE.



and digital payments.[7] Over multiple funding rounds, VC and PE firms, including SoftBank's Vision Fund and Vertex Venture Holdings, provided capital and strategic support to fuel Grab's regional expansion and service diversification.[8,9] In 2021, Grab was valued at approximately US$40 billion following its merger with Altimeter Growth Corp., a special purpose acquisition company (SPAC) formed to take high-growth firms public through M&A.[10]

Maturity stage buyouts

Established and profitable companies often turn to PE buyout funds for capital to expand operations, improve efficiency, or enter new markets. These businesses, with proven business models and stable cash flows, typically carry lower risk than early-stage ventures.

Buyout funds usually acquire a controlling stake or full ownership, enabling them to improve efficiency and drive value creation through strategic, operational, and financial restructuring. These funds ultimately exit their investments through direct sales to strategic buyers via M&A, or financial buyers, IPOs, secondary buyouts, or recapitalisations.

A prominent Singapore example is the 2017 acquisition of Global Logistic Properties (GLP) by a consortium led by Hopu Investment and Hillhouse Capital in a US$11.6-billion deal. GLP, a Singapore-based logistics provider, managed a portfolio spanning 55 million square metres of space across major markets in China, Japan, the US, and Brazil. The acquisition strengthened the consortium's leading position in the global supply chain infrastructure.[11]

VALUE CREATION

The PE industry plays a vital role in the economy by driving business growth, fostering innovation, and enhancing company performance. Through deep sector expertise and extensive networks, PE firms provide portfolio companies with strategic guidance, industry connections, business development support, and access to top-tier executive talent — factors that often strengthen management teams and operational execution.

Additionally, PE firms can stabilise distressed businesses by injecting capital and offering strategic oversight. However, employment outcomes following an acquisition may vary. Some firms experience growth and operational improvement, while others may undergo workforce reductions during restructuring. A 2019 study found that employment declined by 12 percent within two years of PE buyouts of publicly listed firms but increased by 15 percent following PE buyouts of privately held firms.[12] These mixed outcomes reflect the balancing act that needs to be struck between operational efficiency and growth.

After acquiring control, PE firms typically focus on reducing inefficiencies and enhancing profitability. Leveraging deep industry expertise, they apply operational improvements, adopt advanced technologies, and integrate best practices to improve productivity. Financial restructuring may also occur, which may include refinancing debt under better terms, optimising working capital, and divesting non-core assets to sharpen strategic focus. While these actions can strengthen financial performance, they may also lead to job cuts, particularly in LBOs, where cost-cutting and asset stripping are more common.

Nevertheless, PE buyouts can accelerate 'creative destruction', a process where older jobs may disappear more rapidly but new roles emerge at a faster pace, ultimately leading to increased productivity. This dynamic highlights PE firms' role in catalysing necessary economic adjustments, fostering innovation, and enhancing overall efficiency.[13]

Beyond financial and operational enhancements, PE firms play a crucial role in shaping competitive strategy. They may reposition companies to better align with evolving market opportunities, invest in new product development, and pursue innovation-driven growth.[14] Once value creation initiatives are in place, PE firms aim to exit their investments under favourable market conditions. However, the success of these exits hinges on both market timing and the effectiveness of value creation efforts during the holding period. Market conditions, macroeconomic factors, and the firm's ability to execute operational improvements all influence the final outcome.[15]

TRADITIONAL PE FUND INVESTMENT STRUCTURE

Large PE firms such as Blackstone, KKR, Carlyle, CVC, EQT, and Apollo

manage large-scale transactions that demand substantial capital commitments. These investments support portfolio companies in scaling operations, entering new markets, developing innovative products, and enhancing strategic control.

To pursue diverse investment opportunities, PE firms launch multiple funds over time, each often targeting different geographies, sectors, or strategies. Finding good investment deals, also known as deal origination, is a critical capability. Leading PE firms maintain proprietary deal flow and cultivate strong networks with entrepreneurs, management teams, lawyers, investment bankers, and M&A advisors to ensure a steady pipeline of high-quality opportunities keep coming their way. Direct access to the entrepreneurs and senior management of target companies is a key success factor – one that provides a competitive edge in securing and winning deals.

Limited partnership structure

Most PE funds are structured as Limited Partnerships that are governed by a Limited Partnership Agreement (LPA). The General Partner (GP), also called the managing partner in some jurisdictions, acts as the fund manager, responsible for sourcing deals and managing investments. Limited Partners (LPs) are passive investors who provide the capital but do not engage in daily management. This model enables efficient allocation of capital, expertise, resources, and risks between fund managers and investors. The GP has full discretion over operational, financial, and strategic decisions for portfolio companies.

GPs typically raise capital through roadshows and private placements, pitching strategies to prospective LPs. Investors include institutional LPs like pension funds, sovereign wealth funds, endowments, foundations, funds of funds, and insurance companies, as well as accredited HNWIs and family offices. Due to



the complexity and illiquidity of PE, individuals must meet strict qualifications to invest (e.g., Singapore's Accredited Investor regime or Hong Kong's Professional Investor criteria). Minimum individual commitments often start at US$250,000.[16]

Fee structure and incentive alignment

The classic principal-agent problem is present in many investment settings, including PE, where the GPs (agent) manage capital on behalf of the LPs (principal). There is a risk that GPs may not always act in the best interests of LPs, leading to potential misalignment of incentives and conflict of interests. To align interests and motivate long-term value creation, two primary fees are commonly charged by GPs.

The first is management fee. Typically fixed at around two percent per annum of committed capital, this fee supports the fund's operating expenses, including staffing, administration, legal support, and sourcing. It is generally charged regardless of capital deployment, ensuring the fund's continuous operation and deal execution capabilities. Some funds, however, base this fee on invested (rather than committed) capital, especially in later years.

The second kind of fee is performance fee, also known as 'carried interest' or 'carry'. It is usually pegged at around 20 percent of profits exceeding a pre-agreed hurdle rate, which serves as a benchmark return considered acceptable for investors. The standard hurdle rate is typically around eight percent Internal Rate of Return (IRR), though it may range from seven to nine percent. (IRR is a time-weighted return that incorporates the timing and size of all cash flows. While widely used to compare investments, the IRR can be distorted by early large returns or short durations.) This ensures GPs are rewarded with performance fees only when investors earn above a hurdle rate, motivating GPs to prioritise long-term value creation over short-term gains and protecting LPs from paying fees on subpar returns. In many countries, particularly the US, carried interest is taxed as capital gains rather than ordinary income, thus allowing investors to benefit from lower tax rates. This preferential tax treatment is intended to encourage entrepreneurship and long-term risk-taking.

To further align their interests with LPs, GPs typically invest their own capital into the fund, usually holding a stake of between one and 10 percent – a practice known as having 'skin in the game'. This commitment signals the GP's confidence in the fund's success.

Investment evaluation and performance metrics

Beyond leveraging connections, GPs actively source and evaluate deals through market research and conduct rigorous due diligence before making investment decisions. This process usually involves assessing the following aspects of the target company: business model and revenue drivers, the quality and track record of its management team, financial health and historical performance, industry outlook and market size, legal or regulatory risks, and alignment with fund strategy and time horizon.

Due to the varied nature of PE investments, assessing performance requires more than simple return calculations, and common metrics include IRR, as well as Multiple on Invested Capital (MOIC) and Distributions to Paid-In Capital (DPI). MOIC represents the total value (realised and unrealised) divided by total invested capital, and gives a straightforward sense of capital growth – though it does not account for time. DPI measures how much cash has been returned to LPs relative to the amount they have paid into the fund (net of fees). A high DPI signals strong realised outcomes.

Together, these metrics offer a more complete picture of a fund's efficiency, timing, and overall value delivery.

Fund lifecycle and the J-curve

Most traditional PE funds have a 10-year lifespan, often with two optional one-year extensions to allow flexibility in exiting investments under favourable conditions. They are structured as closed-end funds, meaning no new capital can be accepted once fundraising concludes. Investors commit a fixed capital amount upfront, which the GP calls upon in tranches as needed to fund acquisitions and operations of portfolio companies.

Capital calls or requests for committed funds from investors occur at irregular intervals, depending on deal flow. Uncalled capital – or 'dry powder' – remains

THE J-CURVE OF A PE FUND

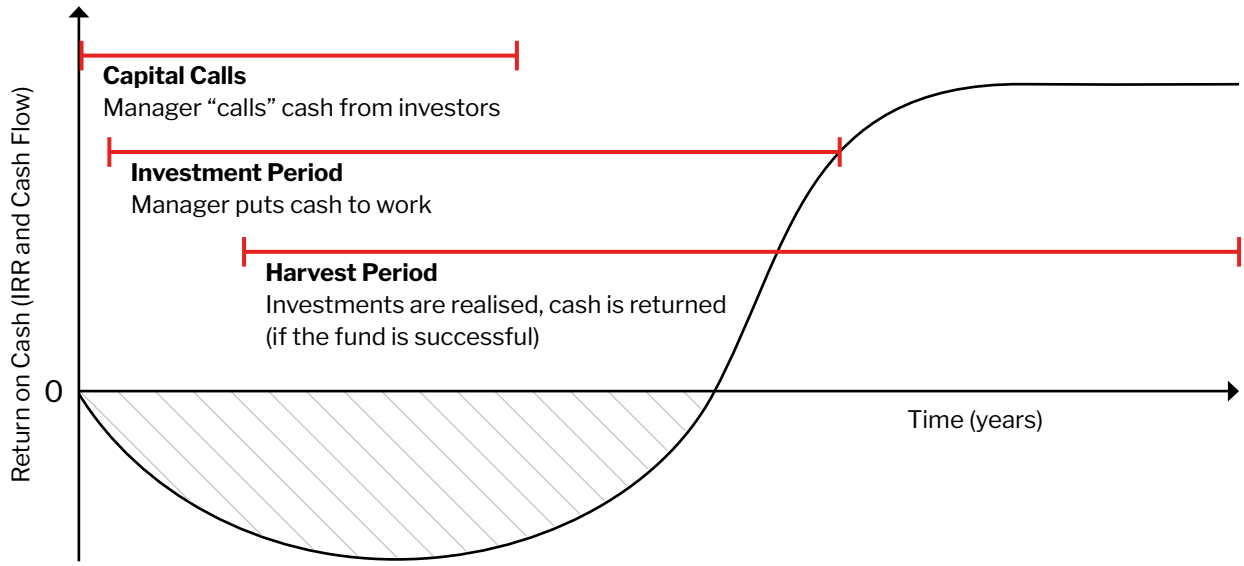


FIGURE 1 Adapted from: Blackstone Securities Partners L.P. , "The Life Cycle of Private Equity", March 2021.

committed but not yet invested. LPs must manage their liquidity carefully to meet capital calls that may arise with short notice. In the meantime, LPs often park uncalled capital in short-term, low-risk instruments to optimise returns until the funds are drawn down.

PE fund performance typically follows a J-curve trajectory (refer to Figure 1). In the early years, IRR and net cash flows are often negative due to fees, early-stage investments, and lack of exits. However, as portfolio companies mature, grow in value, and begin to be exited, cash flow distributions increase, and fund performance improves – often accelerating sharply in later years. The J-curve effect highlights the long-term nature of PE, and the patience required from investors seeking meaningful returns.

FINAL THOUGHTS

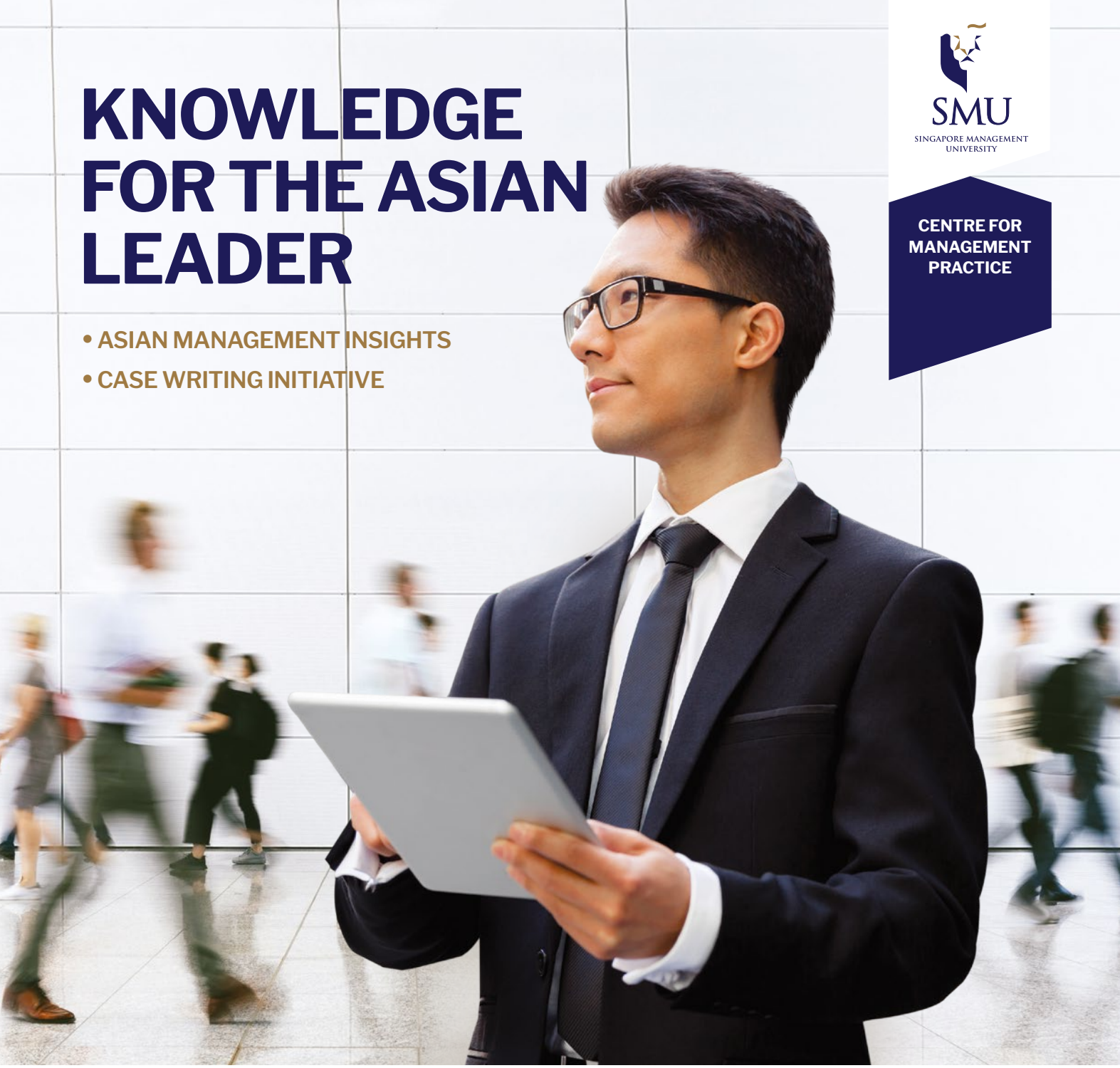
PE investments could offer the potential for attractive long-term returns and a meaningful source of portfolio diversification. But these benefits come with added complexity, opacity, and illiquidity. To succeed, investors must understand PE fund structures, valuation methodologies, fee arrangements, exit strategies, and market dynamics.

Those who invest the time to build knowledge and conduct thorough due diligence will be better equipped to assess whether PE aligns with their objectives. With a thoughtful and informed approach, PE can serve as a valuable addition to a diversified investment portfolio while managing its unique challenges. AMI

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Growing through Grit and Grace

How Roshni Mahtani Cheung scaled up theAsianparent and The Parentinc with resilience and a 'community-first' approach.

With a presence in six markets, theAsianparent grew from being a parenting blog run by a then-not-yet-parent Roshni Mahtani Cheung into The Parentinc, an omnichannel baby and mother products company. With some 250 employees and US$49 million raised in funding, The Parentinc has expanded through recent acquisitions, as well as organic growth. Now a mother to an eight-year-old, Mahtani Cheung reflects on how hard times during her youth helped forge resilience, and the importance of giving oneself grace.

Your family went through a sharp downturn in fortune during the 1997 Asian Financial Crisis. How has that experience shaped you both as a person and entrepreneur?

I grew up in an upper-middle class family in Singapore and, for a long time, I didn't think about money. That all changed during the 1997 Asian Financial Crisis when I was about 15. My family practically lost everything overnight, which forced me to grow up quickly. I started working while still in school, from tutoring to giving out flyers and pamphlets at Mass Rapid Transit (MRT) stations. It was a huge shift going from having everything to just learning how to survive and adapt.

But that period in my life has taught me some of the most important lessons in life, the biggest of which is resilience: You can lose everything, but you can always rebuild. You can adapt, push forward, and find new ways.

Secondly, it also instilled in me the overriding need for resourcefulness. When you don't have much, you become creative about how things get done, and that mindset shaped how I approached the building of theAsianparent.

The experience made me smart about money and taught me the importance of managing it wisely, planning for uncertainty, and investing thoughtfully. I became much more conscious of how to stretch a dollar. It meant rolling up my sleeves and doing everything, including designing the logo and uploading the code for theAsianparent website.

Losing everything in my early days taught me not to take anything for granted. More importantly, it taught me that success isn't about where you start but how you respond. That's a perspective I have carried into both my life and leadership.

How did you come to establish theAsianparent, and then The Parentinc?

The idea behind theAsianparent emerged when I noticed a significant gap in parenting resources that reflected the unique needs and culture of Asian families. Most available resources were very Western-centric, and I saw an opportunity to create something more relevant for parents in our region.

I bought a domain name for US$10 and coded my own personal blog where I shared articles and wrote parenting tips, hoping to connect with other mums. The irony? I was only 25 years old and not even a mum yet. As theAsianparent grew, it became very clear to me, and by then I had gotten married and become a mum, that content was just one small piece of the puzzle. Parents needed much more than just advice. They needed safe, affordable, and high-quality products for



themselves and their children. That insight steered us to evolve from being solely a media company to the consumer goods company we are today. We started developing our own products.

That led me to the final step of the equation. I now have a community online of 20 million mums a month from across Southeast Asia who use our platform and order our products. The next step for us is to build up our offline community, which is where our newly-acquired premium mother and baby products retailer, motherswork, comes in.[1] We have successfully gone beyond digital, and created a physical space that brings people and communities together, to host workshops with the mums, and simply meet them and get feedback on our products.

Looking back, was there any non-obvious decision that turned out to have an outsized impact on your entrepreneurship journey?

One of the most non-obvious decisions that had a huge impact was my choice to focus deeply on Southeast Asia. When we first started out, we were thinking, "Let's go after the world." We launched in India, Taiwan, Hong Kong, and Japan, and built platforms for Nigeria and Kenya. We even considered entering Australia and Canada. At that time, it just felt like a natural move — grow fast, enter as many markets as possible, and establish a good global footprint.

Over time, especially during the pandemic, we realised this wide expansion just wasn't sustainable. More importantly, you can't actually serve a market of that scale with the depth and relevance needed to be highly successful. So I made the obvious and conscious decision to pull back and double down on Southeast Asia. That turned out to be one of the most transformative decisions that we've made as a company.

When we look at our FMCG (fast moving consumer goods) products under Mama's Choice, which is our brand of skincare products for babies and pregnant women, we experienced success in Southeast Asia. We initially tried to sell through Amazon, believing that our products should resonate with mums globally, but they didn't perform as well as we expected. Our strongest product fit was really right here in Southeast Asia where we understood the mums' preferences, needs, and price sensitivity. We were a right fit for this region, and that was reinforced by our experience.

My belief is that having a local focus drives much stronger and more meaningful growth. People often say that the Singapore market is just too small. But choosing which markets to expand into is really crucial. Singapore's culture is closer to Southeast Asia's, and cultural relevance always comes first. We cannot run away from that.

How do you choose which companies to acquire? Or, in the words of Sharon Wong at motherswork, with whom should you "dance"?

I love what Sharon said because it really captures the spirit of how we work together. Choosing whom to dance with comes down to shared values and mutual respect; it's not just about numbers and market opportunity.

When my team and I first started talking to Sharon about motherswork, what really stood out to me was not only her passion for quality, but also her long-term vision. She wasn't just building a retail business. She never referred to motherswork as just a retailer, but more as an offline community. She has created a legacy that's deeply personal and meaningful, and that has really resonated with me because that's exactly how I felt when I was building The Parentinc, theAsianparent, and Mama's Choice. So I look for partners who are founder-led, and who care about the communities that they serve, and would still be in this domain even if they aren't being paid. It's really important that you can truly collaborate with your partners.

On the flip side, I've said no to many partnerships and acquisition opportunities where my values just didn't align with those of the other founders or businesses. It felt purely transactional. If you can't build something meaningful together, it's simply not the right fit.

You have identified a market gap and developed a successful business model to address the needs of Asian parents. Given the changing macro environment, what are the main concerns you have right now?

The first one is declining birth rates. Each year, the number of people who need our services decreases. However, parents now generally have more disposable income to spend. For example, China's birth rate has nearly halved over the last 10 to 15 years, but revenue at motherswork stores in China hasn't declined. In fact, people are willing to spend more when you offer products that are more relevant to them. You might not be able to sell two diaper rash creams, but you can sell a diaper

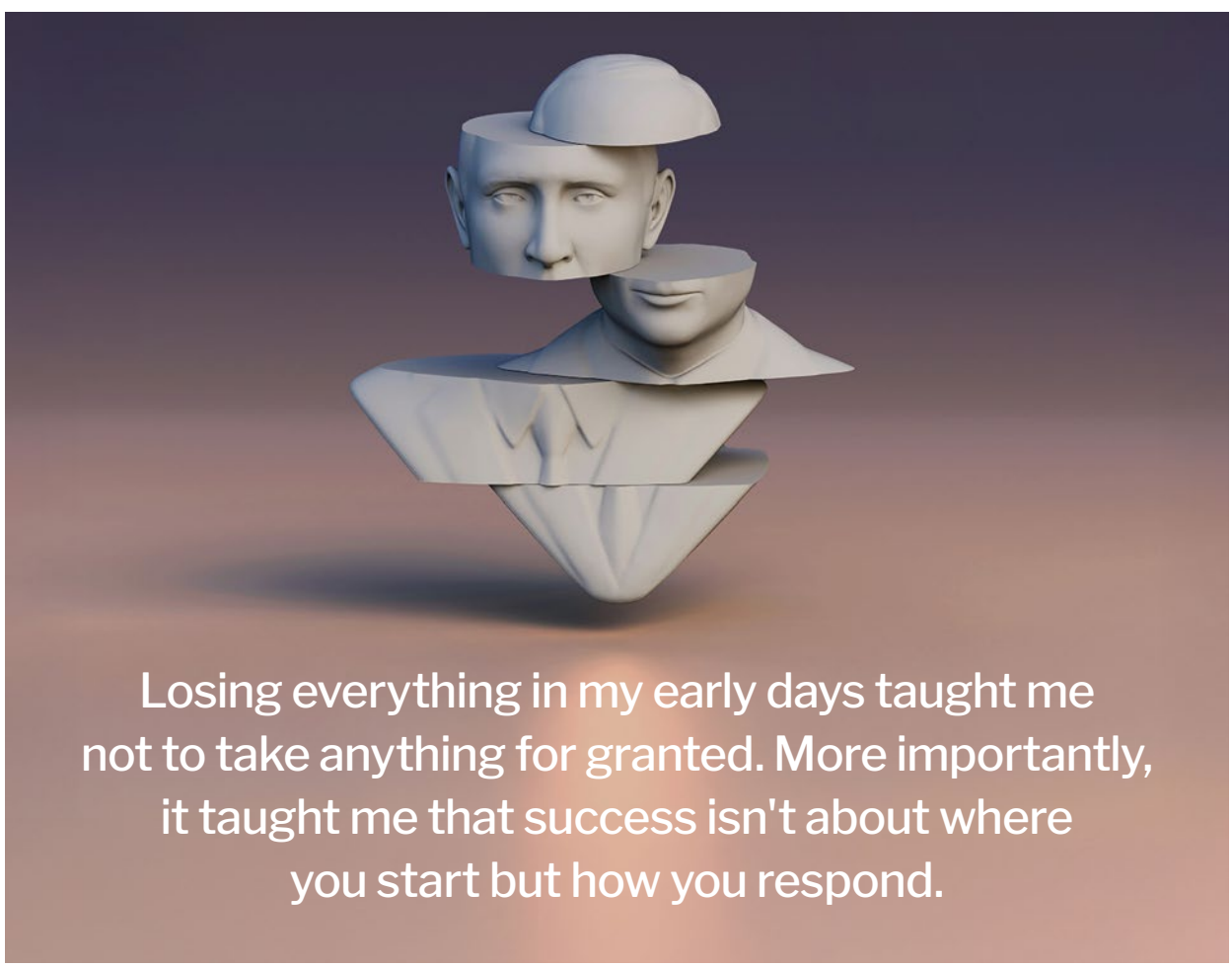
rash cream along with a hair vitamin lotion for the baby's hair. Ten years ago, parents wouldn't have bought that hair vitamin lotion because it was considered a nice-to-have. But today, with more spending power, parents are willing to buy such nice-to-haves for their children. As a result, while the share of wallet doesn't decrease, the extent of services you need to provide for that same wallet has increased.

The second concern is online platforms. As an omnichannel business, we can capture sales whether people choose to buy online or in physical stores. But when you sell online, you are heavily reliant on third-party platforms. Content publishers on social media are subject to the whims of those controlling these platforms. It's the same for e-commerce. It's not your own shopfront. You cannot lock in your rental fee for the next 10 years or go shorter for three years, or decide to buy that property. Your business model can collapse quickly if the platform decides to implement significant changes. This is something that we are very conscious of as a company, which is why we maintain an omnichannel approach and encourage customers to buy directly from us.

What role does data play in scaling theAsianparent and the rest of the business?

Data has been absolutely critical to scaling theAsianparent and the entire business. In the early days, we didn't have fancy tools, but we closely monitored what mums were reading, what they were asking, and what kind of content resonated with them. This instinctive 'community-first' approach laid the groundwork for everything that followed.

But as we grew, we knew we had to formalise our approach with data. Today, data drives nearly every decision that we make, from the content we produce to how we improve the application to the products we develop. We even created an in-house market research team to conduct surveys and conduct focus group discussions in all our markets in Southeast Asia. We get instant insights from thousands of



mums who use the poll feature on theAsianparent app to weigh in on any topic in real time and help us truly connect with their evolving needs.

Their insights helped us when we developed and launched our nipple cream. Our surveys found that most nipple creams in the market were not halal-certified. Islam is the dominant religion in Southeast Asia in terms of numbers, as well as the fastest growing religion, particularly due to the high birth rate within the Muslim community. Since nipple cream is applied during breastfeeding and can be ingested by the baby, it was surprising that no halal-certified option was available in the market. Many Muslim women were just using normal creams, which did not serve the same purpose as a nipple cream. Thanks to this insight from our mums' community, we knew we had to make ours halal-certified.

Data has also allowed us to scale our products rapidly. We now have about 20 to 25 products that are number one on Shopee and TikTok, outperforming some of our competitors that have been selling the same product for the last 30 years. This is a tangible example of how much data has played a part in scaling everything that we do. We use it to optimise everything from ad performance to conversion rates and app engagement. Data isn't just part of the business – it is the backbone of it.

Does artificial intelligence (AI) feature in decision-making at The Parentinc? To what extent does it feature in your operations and situation analysis? And how do you measure the return on investment (ROI) for AI?

We have adopted AI as a core principle in the company: everyone is allowed to subscribe to an AI service of their choice at the company's expense. We use a variety of AI services in the company, such as Beautiful.ai for slides, Claude for writing, and ChatGPT for deep research. We also use Manus to create internal games and quizzes. Every month, we organise Q&As and engagement sessions for the whole team. Some months, they're themed around *Lord of the Rings* or *Harry Potter* while other weeks, we host contests and competitions on product knowledge or changing trends. We send out the link, and everyone answers their questions and tracks the winners via leaderboards.

We don't have any official ROI key performance indicators to track AI spending, but I notice an important thing: my team doesn't have to work overtime. They get to go home, spend time with family, and put their kids to sleep. They have more hours for themselves because the same tasks that once took longer can now be completed more easily with the help of an AI companion. That's a very tangible outcome.

How has your leadership style developed from theAsianparent to The Parentinc?

In the beginning, I was a 20-something-year-old founder of a Singapore-only company, involved in everything from writing articles, managing partnerships, to offering customer support. It was all about doing the work and being in the trenches with the team.

I realised that in order for my company to grow, I needed to scale and focus on decisions that were the most important for me to still have a grip on things. So moving from a founder to a Chief Executive Officer (CEO) mindset meant that I had to learn to trust my team and empower them. I had to evolve from being the one who made all the decisions to someone who set the vision, guided the culture, and enabled others to lead. That was my biggest transformation.

What has stayed the same is that I still believe in transparency and accessibility. I came to realise that leading with openness, and sharing not just my wins but also the challenges I face, helps my team see that, 'Hey, the CEO's human too.' It allows me to explain the 'why' behind some of the decisions that we make and allows people to be genuinely heard. That hasn't changed and will not change, no matter how big we grow.

I've always cared deeply about purpose. It still drives me today, and it's something that I try to instil throughout the organisation. For instance, I realised that one of our teams in a particular country lacked genuine understanding of parenting because there were no parents on that team! I told them they had to do two things. First, hire parents. Second, anyone who didn't have children should babysit someone else's kid. If you have never experienced what it's like to hold a crying toddler throwing a tantrum, you cannot empathise with a parent. Fostering empathy like this has become a cornerstone of our team culture, helping us better understand and serve the needs of our community.

If you could 'coach' your younger founder self on Day One, what advice would you give yourself?

My first piece of advice would be, "You have to give yourself grace." When I started, I thought I could control every outcome if I just worked hard enough. But I've come to realise that life, especially as a woman and a mother, doesn't always

I came to realise that leading with openness, and sharing not just my wins but also the challenges I face, helps my team see that, 'Hey, the CEO's human too.'

go according to plan. I've experienced the heartbreak of miscarriages and break-ups. Those moments remind you that some things are simply out of your hands. So if I could coach my younger self, I would say to her, "You're stronger than you think, and you don't have to carry everything alone. It's okay to feel, it's okay to heal, and it's okay to ask for support. There's no shame in being vulnerable, and it's okay to forgive yourself."

The second piece of advice would be, "You don't have to choose between being a great founder or CEO and being a great mum; you can be both." I've learned that it's about finding balance, and not having to take everything on all at once and all at full throttle. When I was pregnant, I barely gave myself any time to slow down. I signed a term sheet in the labour room. After giving birth, I was back at work after three days. I'm possibly the first person ever who was fired by the postnatal care lady, someone who helps mothers heal after childbirth, because I wouldn't rest. I even breastfed during board meetings.

These stories make great anecdotes that communicate, "Look at me! I'm a superwoman!" — but it shouldn't be that way. Women shouldn't feel like they have to do that. I feel deeply saddened and horrified that I did not take that much-needed downtime to look after myself and Shan, my daughter, because I felt this pressure to be the best founder/CEO/superwoman. If I could go back, I would tell myself, "You don't have to prove anything to anyone. It's okay to slow down while pregnant or breastfeeding because it's not a short sprint; it's a long journey. Taking a step back to focus on what matters most doesn't mean you've abandoned your ambitions. It gives you the opportunity to return with renewed focus and strength." If I had received this advice from someone back then, I would have felt less guilt and more comfort, and found greater confidence in balancing my roles as both a CEO and a mum.

As co-founder of the Female Founders Network, you are an active mentor to younger women. Besides sharing your experiences for the benefit of new founders, what lessons have you learnt from being a mentor?

There are about 2,000 young women who are in early-stage start-ups at the Female Founders Network. We set up meetings for them with more established founders.

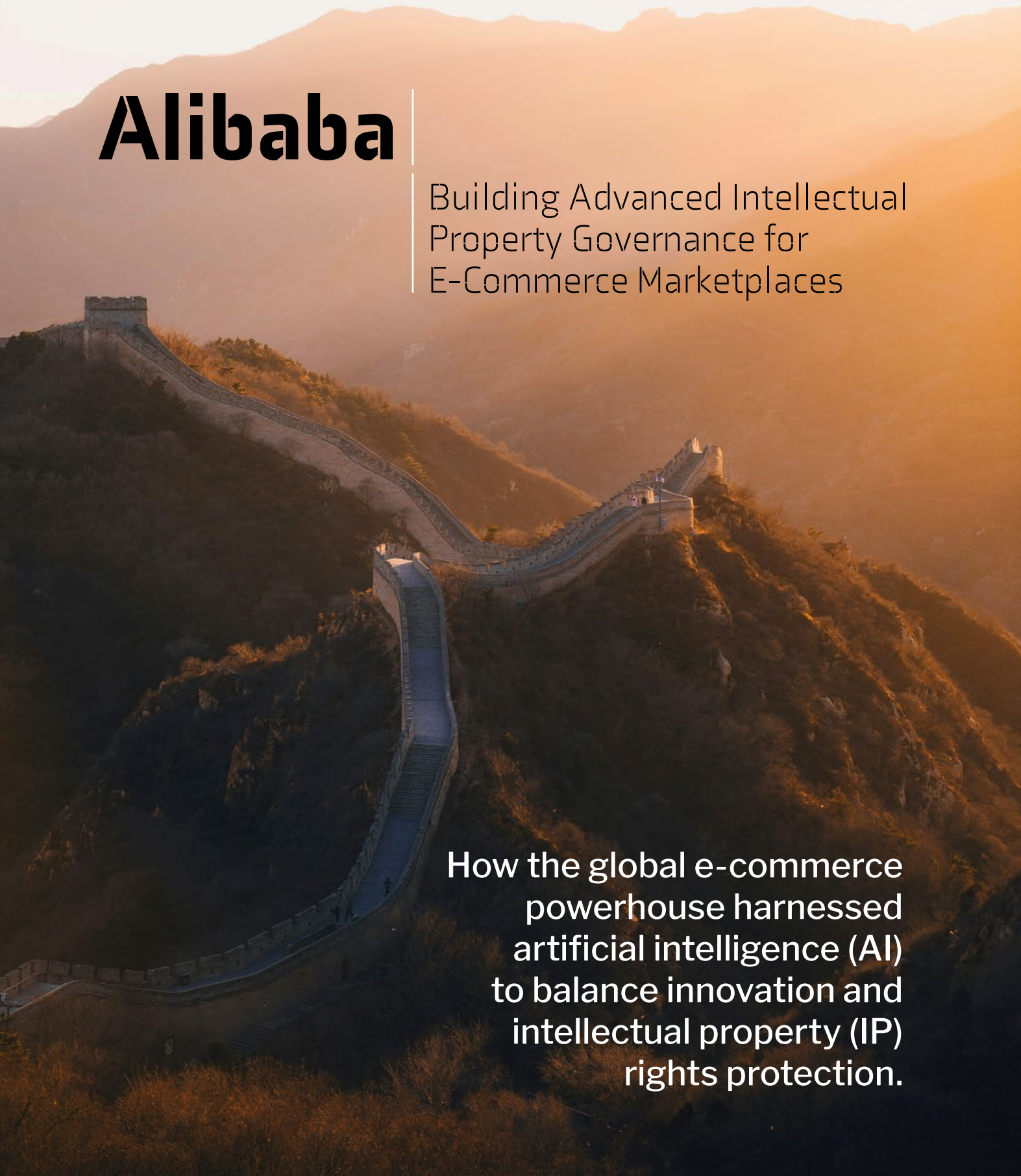
I also have this other group of around 50 women who are at leadership levels. They are C-suite figures in publicly listed companies, regional general managers, and more. They helped me to realise that there's a subset of female founders and professionals who require special support, guidance, and knowledge. That's why these days I spend more time with slightly older leaders because their challenges are real, urgent, and often overlooked. They face unique pressures that younger women don't. For example, they have to deal with the responsibility of caring for ageing parents while confronting societal expectations and professional biases against women in their 50s. Age is often equated with being outdated, and there's a pervasive belief that as women get older, they're less capable or relevant. They might be going through menopause, which affects 100 percent of women, but this issue is rarely talked about. For a female leader in her 50s, how does she transition through these physical and emotional changes? She needs the right support and resources to navigate this complex journey. AMI

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by Liang Chen, Cheah Sin Mei, Can Huang, and Guoqiao Liu

Alibaba

Building Advanced Intellectual Property Governance for E-Commerce Marketplaces



How the global e-commerce powerhouse harnessed artificial intelligence (AI) to balance innovation and intellectual property (IP) rights protection.

Alibaba, founded in 1999 by Jack Ma and his partners in Hangzhou, China, began as a business-to-business wholesale platform connecting local sellers to buyers abroad. That same year, it launched 1688.com, which became China's largest domestic wholesale marketplace. Online shopping gained popularity rapidly during those dot-com boom days. In 2003, Alibaba introduced Taobao, a consumer-to-consumer platform, to counter eBay's entry into China. After successfully overtaking eBay – dubbed the "shark in the ocean" by Ma – Alibaba expanded into other platform models. It launched Tmall, a business-to-consumer (B2C) marketplace in 2008, followed by AliExpress, a B2C platform for global buyers in 2010, and Tmall Global for international brands in 2014. In 2022, Alibaba had not only become a powerhouse in China's digital economy but also the world's largest e-commerce business in terms of gross merchandise value (GMV), which stood at an impressive US$1.3 trillion.[1] The scale of the behemoth's operations was a staggering 120 million active buyers with more than two billion products on its shopping platforms as of 2023.[2]

Over two decades, Alibaba has evolved into a multifaceted digital ecosystem beyond e-commerce, spanning logistics (Cainiao), cloud computing (Alibaba Cloud), digital media and entertainment (Youku), and other businesses such as healthcare and grocery retail. Its e-marketplaces offer convenience, global reach, and seamless trading, hence fuelling entrepreneurship in China while facilitating cross-border trade. However, this massive scale of millions of businesses and consumers across the globe also presents a double-edged sword. While e-marketplaces like Alibaba attract legitimate businesses, they also face challenges such as an influx of counterfeit goods from illegitimate sellers.

Globally, counterfeiting is a billion-dollar problem with counterfeit goods trading valued at US$467 billion in 2021.[3] For international brands, counterfeiting undermines brand equity and leads to revenue loss. For consumers, it exposes them to low-quality or unsafe products, particularly pharmaceuticals and home electronics. For marketplaces like Alibaba, it erodes consumer trust, which is a cornerstone in e-commerce.

As the leading player in global e-commerce, Alibaba's approach to the threat of counterfeiting is critical. Since formally establishing an IP protection mechanism in 2002, the company has faced pressures from domestic regulators, international brands, and consumers to do even more. Beginning from the mid-2010s, Alibaba started to move its IP governance approach from reactive enforcement to proactive IP rights protection by using AI-driven systems, brand and law enforcer partnerships, and institutional policy innovations. As of today, Alibaba's IP governance model offers lessons for addressing some of the most complex challenges in counterfeiting by effectively leveraging technology, collaboration, and regulatory alignment.

EVOLUTION OF ALIBABA'S IP STRATEGY

Alibaba had been fighting an arduous battle against counterfeiting while implementing its IP protection regime. As a third-party marketplace, its lack of authority to validate sellers or authenticate products meant it had to depend on brand owners and consumers to report infringements, and rely on these parties to cooperate with law enforcers for IP dispute resolution. What made it more challenging was that some rights

owners had refused to help during investigations, further complicating enforcement action.

Several key events would have prompted Alibaba to re-examine its IP strategy. Domestically, Alibaba had come under pressure from China's former State Administration for Industry and Commerce (SAIC). In 2015, SAIC, the country's regulatory and enforcement authority, had released a white paper detailing widespread violations on Alibaba's platforms but retracted it subsequently.

Internationally, foreign brands had accused Alibaba of not doing enough to stop the flooding of counterfeits on its platforms. Several frustrated American companies escalated complaints to the US government. That led to Taobao's inclusion on the US Trade Representative's Notorious Markets List in 2011, and again from 2016 to 2024. Alibaba responded by alleging that the inclusion was politically motivated and viewed itself as the scapegoat of US-China trade tensions.[4]

Legal battles followed. In 2015, Kering Group – the French owner of luxury brands Gucci and Yves Saint Laurent – sued Alibaba for facilitating the sale of counterfeit goods, citing US$2 fake Gucci bags on the latter's platforms.[5] Alibaba dismissed the claims, stating they were baseless. However, after two years of negotiations, Alibaba and Kering jointly announced a new partnership to combat counterfeiting. Intensified scrutiny at home and abroad threatened Alibaba's global reputation and would have escalated pressures to shift towards a more comprehensive and sophisticated IP governance approach.

In the early years of IP governance, Alibaba relied heavily on rights holders to report infringements, followed by a manually tedious process of verifying and taking the offending listings down. Launched in 2002, its first IP complaint system handled take-down requests via email. Dedicated platforms like AliProtect and TaoProtect were set up in 2008 and 2011 respectively, allowing brand owners to register their IP rights, submit complaints online, and await Alibaba's final decision on the removal of counterfeit product listings.

Building on earlier initiatives, Alibaba's governance model gradually matured into a multi-pronged framework comprising integrated governance via the IP Protection Platform, proactive governance enabled by cutting-edge technologies, ecosystem co-governance through online-offline collaboration, and governance at the source in the form of crackdowns. Three main pillars – institutional innovation, technology empowerment, and multi-party co-governance – drove these creative governance measures.

ALIBABA'S IP GOVERNANCE MODEL

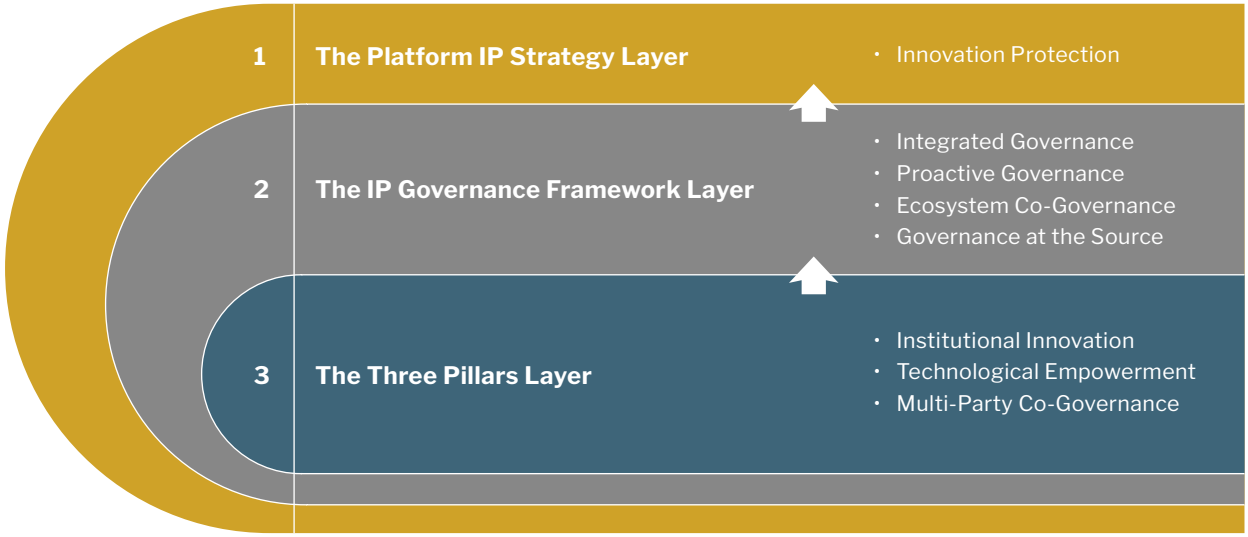
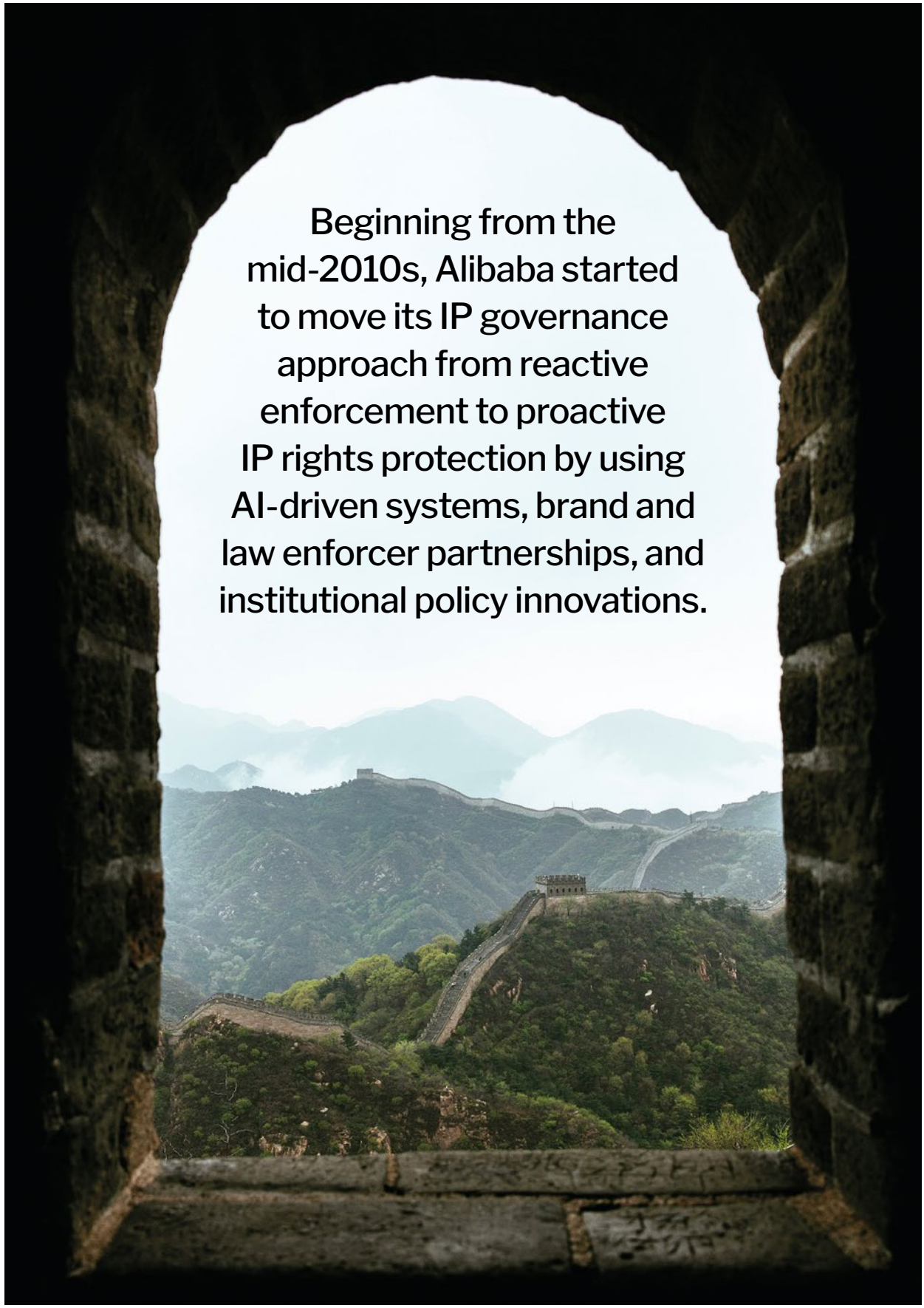


FIGURE 1

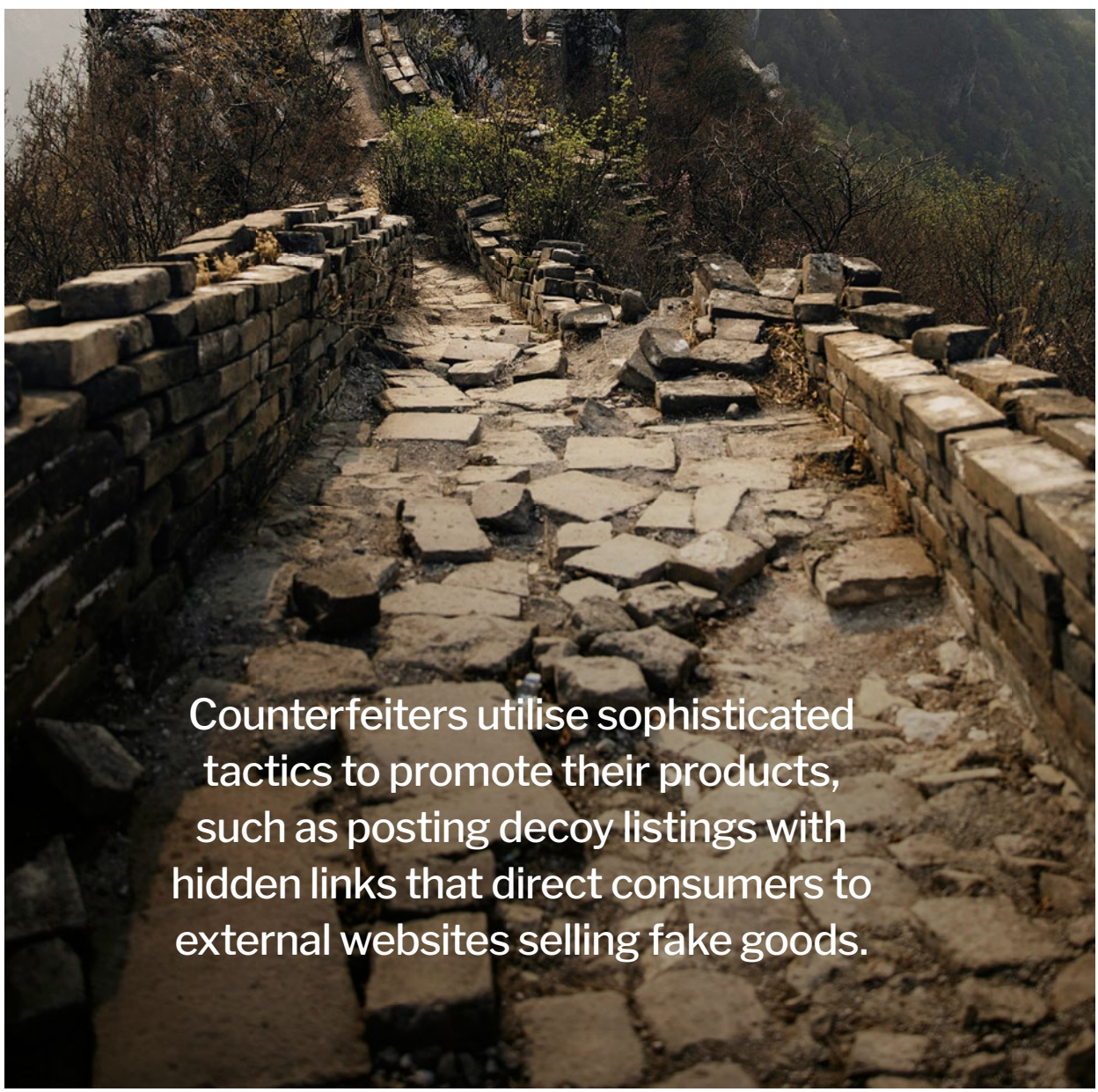
Source: Authors


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INSTITUTIONAL INNOVATION

In late 2015, Alibaba set up its Platform Governance Department. The internal watchdog unit was tasked not only with enforcing IP-related rules across its online shopping platforms, but also safeguarding IP rights and setting standards for product safety and quality. As a result of institutionalising this responsibility, Alibaba made clear how it was committed to making IP protection a key component of its platform governance and business strategy.

Next, Alibaba launched measures to build a culture of greater accountability by rewarding responsible merchants while disciplining repeat offenders. The same year, Alibaba initiated the Good Faith Program to spur continual responsible engagement from brand owners with a proven track record of correct counterfeit reporting. Alibaba would speed up the review and takedown process for these rights holders by shortening the time needed from six to two working days. Simultaneously, Alibaba implemented the



"Three Strikes and You're Out" penalty system to prevent errant sellers from breaking the rules. A warning would be given after the first breach (or 'strike'), followed by a one-week listing interruption after the second, and finally, account closure after the third.

In the beginning, Alibaba's IP protection measures concentrated on important brands with registered patents, copyrights, and trademarks. In 2018, the company expanded the coverage to include small business owners that had introduced their novel products on Taobao or Tmall. Under the Original Design Protection Program, small-scale innovators enjoyed similar protection to that of right-holders of major brands without undergoing expensive and time-consuming IP registration procedures. Large enterprises also benefitted from this programme, often leveraging it together with formal IP rights to strengthen the protection of their innovations. This initiative marked a milestone in Alibaba's efforts to protect start-up entrepreneurs who faced challenges from counterfeiters replicating and selling imitations of original designs.

An example of such an entrepreneur was Shen Wenjiao, a China-based designer of the award-winning NUDE coat stand. Despite holding the design patent of the hugely popular coat stand, which took over two years to conceptualise, his company could not secure judicial protection to safeguard the innovation. Widespread counterfeiting and dismal sales eventually led the company to chalk up heavy debts and declare bankruptcy in 2017. Shen's case led Alibaba's Platform Governance Department to establish the Original Design Protection Program – an initiative that helps small businesses fight against counterfeiting and earn a fair profit from their innovations.

TECHNOLOGICAL ENABLEMENT

To enable brand owners to better manage their IP rights, Alibaba merged AliProtect and TaoProtect into a single portal named the IP Protection (IPP) Platform in 2016. In addition, participating brands were assigned a dedicated account manager to help them resolve complex disputes. In the following year, the launch of Express IPP further empowered brands through advanced data modelling for quick processing and takedown of reported counterfeit listings within 24 hours.

While the IPP Platform served its purposes, manual enforcement became unsustainable due to the rapid expansion of e-commerce and along with it, the growing scale of counterfeiting. From 2013 to 2014, Alibaba invested US$161 million in state-of-the-art technologies to address counterfeiting.[6] This move signalled a shift towards a proactive approach to IP governance, in which pre-empting IP violations, rather than reacting to them, was key.

Underpinning Alibaba's proactive governance was the deployment of cutting-edge technologies. At the heart of the IPP Platform is the powerful "IP Rights Protection Tech Brain" – a suite of proprietary and patented technologies comprising AI-powered tools built on deep learning capabilities, data mining, blockchain, biometric technology, image recognition and semantic recognition algorithms, as well as cloud computing. Leveraging a combination of the above technologies, the IPP Platform can automatically scan millions of product listings, recognise subtle differences in images, identify unusual keyword patterns, detect abnormal seller behaviour, and remove potential IP rights infringement – all in real time.

By comparing suspected logos with a mega database containing over a million trademarks from 500 luxury brands and billions of sample product images, the system can determine authenticity in under 50 milliseconds, nearly twice as fast as the blinking of an eye.[7] With a high degree of accuracy, 96 percent of suspicious products can be promptly identified, intercepted, and removed the moment they are listed and before they are even sold to consumers.[8]

Predictive algorithms are also utilised in the detection and reduction of 'false negative' complaints filed by companies making false allegations against legitimate stores. These sabotaging complaints account for nearly one-quarter of all IP complaints, affecting around one million brands and causing them to incur an estimated loss of US$16 million in 2016 alone.[9]

Alibaba's technological empowerment approach entails embedding AI, big data, and other cutting-edge technologies into almost every layer of its enforcement infrastructure.

MULTI-PARTY CO-GOVERNANCE

Recognising that no single company could win the war against counterfeiting alone, Alibaba built a robust IP regime based on the collaborative effort of multiple stakeholders, including industry coalitions and law enforcement agencies.

Deciding that it was crucial to demolish counterfeit production at its source, Alibaba set up an anti-counterfeiting task force dedicated to combatting offline IP infringements in 2016. Alibaba also established the Cloud Sword Alliance, collaborating with local provincial law enforcement agencies to identify counterfeit manufacturing facilities and assist them in conducting timely crackdowns. As an added deterrence, Alibaba also initiated lawsuits against counterfeiters, including China's first e-commerce civil litigation against sellers of counterfeit Swarovski watches in 2017, as well as joint lawsuits with brands such as Kweichow Moutai, Erdos Cashmere Group, and Peacebird Fashion International.

Separately, in 2017, Alibaba launched the Alibaba Anti-Counterfeiting Alliance (AACA), a network of law enforcement agencies, rights holders, and industry players that jointly committed to IP governance. The AACA comprised over 220 organisation members from Europe, North America, Asia Pacific, and China, representing more than 1,100 brands such as Apple, Chanel, and 3M as of 2022.[10] In its 2022 IP protection report, Alibaba stated that it had used laws and regulations from around the world as a benchmark to develop sound, transparent, and fair IP rules for its platforms.[11]

The following year, AACA introduced the Queqiao Project, a programme to monitor the infringement of IP rights. The name "Queqiao" means "magpie bridge" in Chinese, symbolising the mythical bridge that connects brands with Alibaba's platforms in the fight against counterfeiting. Through Queqiao, members cooperate on counterfeit discovery, with the help of Alibaba's sophisticated tools like a digital dashboard that helps them to spot copyright infringements cost-effectively and begin one-click take-downs effortlessly.

To augment its ability to uncover rights violations, Alibaba tapped machine learning algorithms to arm Queqiao with sophisticated infringement detection tools. Among them were invisible watermarks embedded in images and documents that demonstrate brand ownership, user behaviour analysis to mark questionable activities, and optical character recognition to digitise printed text, which would make document scanning easier.

Besides enforcement, AACA also offered IP protection education to rights holders and the public by holding IP law seminars. Such training tackled issues like IP violations, trademark misappropriation, and copyright abuse, hence building a stronger awareness and understanding of the importance of why IP protection is crucial.

Additionally, Alibaba worked to enhance its global trustworthiness by becoming a member of the International Anti-Counterfeiting Coalition (IACC) in 2016, and was the first e-commerce platform to join this body. While this move initially drew criticism leading to a suspension, Alibaba upheld its dedication to fight counterfeiting, showing that 110,000 fake listings had been taken down from its platforms and US$125.5 million worth of counterfeit goods were seized in 2015 alone.[12] The success of these efforts had hugely surpassed that of the previous three decades combined.

THE ROAD AHEAD

Since formally implementing its first IP protection mechanism two decades ago, Alibaba has made big strides in executing its multi-pronged IP strategy and delivered considerable results. The Chinese e-commerce giant has positioned itself as the leader in IP governance in the global digital marketplace and set the precedent for other platforms struggling with anti-counterfeiting challenges. Alibaba has redefined the role of an e-commerce platform – from a passive intermediary taking down counterfeit listings to a proactive platform maintaining oversight of product quality and consumer trust.

By 2024, its challenges have nevertheless persisted. Counterfeiters have become increasingly adept at circumventing automated detection systems. They utilise sophisticated tactics to promote their products, such as posting decoy listings with hidden

links that direct consumers to external websites selling fake goods. Alibaba also had to confront the competing priorities of major brands and small-time sellers on its platforms. While the company has tightened enforcement for the benefit of international brands and consumers, at the same time, it has served millions of small businesses domestically on Taobao and Tmall, which contributed to more than two-thirds of the company's total revenue.

While Alibaba's IP protection system is robust, its effectiveness is limited to its ecosystem and cannot address cross-platform infringements such as counterfeiters reselling imitation goods on other platforms. Addressing this limitation would require collaboration among multiple e-commerce platforms, which remains challenging due to different IP strategies and policies adopted by each platform.

The road ahead for Alibaba lies not only in significantly reducing the prevalence of counterfeits in its e-marketplaces, since completely eradicating counterfeiting appears impossible, but also in writing the next chapter on global IP protection. As its e-marketplaces continue to grow in scale and complexity, the long-term imperative would be to build a safer, more transparent ecosystem, not only in China, but worldwide. AMI

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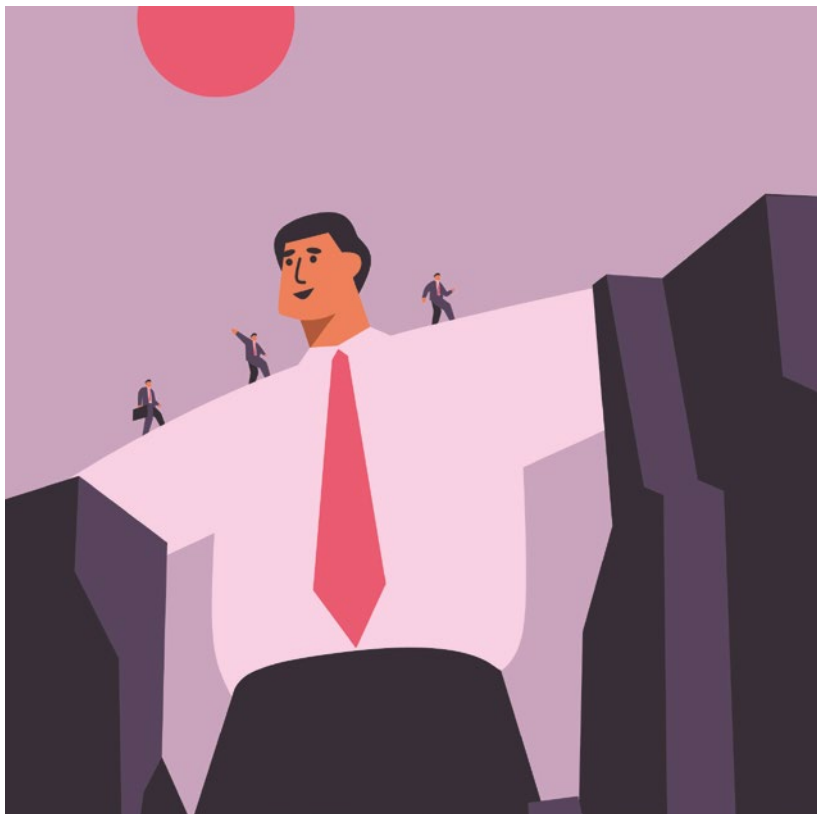
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For a list of references to this article, please visit https://smu.sg/SMUAMIJuly2025 or scan the QR code below.

by Shai Ganu



Steering the Future

Embracing the emergence of corporate stewardship.

Corporate boards, faced with increasing global unpredictability and volatility, recognise that the call for a stronger philosophical model for stewardship is growing louder than ever. No longer will the traditional governance frameworks that they relied on, which were focussed primarily on compliance and risk mitigation, be expected to successfully manage the complex and multifaceted challenges and opportunities of the day. Instead, there is a need for stewardship – one that emphasises long-term value creation, ethical leadership, and sustainable impact.

As effective corporate stewards, board members are expected to preserve, protect, and increase value over time. They need a model that would enable them to make decisions that best balance the diverse interests of multiple stakeholders, including shareholders, employees, customers, and society at large. One such model is WTW's global stewardship model, which incorporates the following five Ps: Purpose, People, Planet, Protection, Performance. The principles underpinning each of these elements can serve as foundational pillars, guiding organisations towards responsible decision-making and long-term value creation.

PURPOSE

Purpose is the very reason an organisation exists. A clearly defined and activated purpose provides a moral compass; it is the North Star that guides each and every member of the organisation towards responsible and ethical operations. By aligning purpose with all critical functions throughout the organisation, boards have the opportunity to act in the best interests of all stakeholders.

Some of the most successful Asian companies have long held a purpose-driven business ethos. We can draw inspiration from Jamshedji Tata, the founder of India's Tata Group: "In a free enterprise, the community is not just another stakeholder in business, but is in fact the very purpose of its existence."[1] In crafting a long-term strategic agenda, boards must keep purpose front and centre, ensuring that all organisational efforts are consistent with the company's core values and objectives.

PEOPLE

People are the lifeblood of any organisation. A highly engaged, healthy, and motivated workforce not only performs better but also drives significant value creation. Engaging deeply with the workforce involves understanding and enhancing the

employee experience, evaluating leadership based on human capital management, and ensuring safety and well-being at both physical and psychological levels.

Not only must boards work to ensure the above, but they are also required to foster diverse, inclusive, and equitable environments. At the same time, given the rapid changes in the future of work, upskilling and reskilling employees are essential to build a resilient talent pool.

Studies by WTW reveal that companies that perform well on key human capital metrics consistently outperform their peers on financial and stock measures. For example, take the JPX/S&P CAPEX & Human Capital Index in Japan, whose constituents are selected for their progressive investments and people practices. The index consistently outperforms the broad market, underscoring the importance of progressive people priorities.

PLANET

Boards have a duty to assess, measure, and manage the risks and opportunities arising from climate change, transition to net zero, and other environmental challenges. Not only do they need to ensure compliance with regulatory requirements, but they must also safeguard against greenwashing. Additionally, they must ensure that environmental metrics are aligned with incentives across the organisation, so that action-based rewards can be balanced with sustainability outcomes.

Policymakers in Asia have recognised the importance of board members needing to be at least climate-literate; for instance, stock exchanges in Malaysia and Singapore have made it mandatory for all directors of listed companies to complete sustainability training. This elevates boardroom discussions so that directors can ask the right questions and guide management's actions.

Performance cannot simply mean delivering strong commercial returns; it must include many other factors such as the promotion of sustainability, societal impact, and the alignment of organisational values.

PROTECTION

In an increasingly volatile world, an increased significance has been attached to protection from risk. Boards need to be cognisant that reducing uncertainty and safeguarding against potential losses, whether these arise from direct or systemic risks, are critical to the success of their organisation. They must develop a comprehensive understanding of their organisation's risk portfolio and employ the most efficient means to mitigate them. Strong boards that act as good stewards recognise that managing a portfolio of risks is more effective than treating each one separately.

With many severe risks being under-quantified and underinsured, the role of advanced analytics becomes pivotal in providing foresight and clarity. Take the example of a leading company in the Philippines that suffered significant losses in revenue due to typhoons causing plant shutdowns. It took out a special parametric insurance where the claim is contingent on certain parameters being triggered – in its case, wind speeds above a certain level, and proximity of the storms within a certain radius of its facilities.

PERFORMANCE

While appearing as the last of the five elements in the list, performance can in fact be considered the most important of all. Performance is the critical keystone within the five Ps, as without strong operational and financial performance, it would be impossible to sustain the organisation in the long term.

What is to be noted though is that performance cannot simply mean delivering strong commercial returns; it must include many other factors such as the promotion of sustainability, societal impact, and the alignment of organisational values. It is about developing and nurturing talent, fostering innovation and transformation, and building a workplace that enables every member of the organisation to realise their potential.

Boards of such companies appreciate that purpose and profits are not at odds with each other, but are inextricably linked. The charter of Temasek, a global investment company headquartered in Singapore, states this well: "Operating on commercial principles, we deliver sustainable returns over the long term. As stewards of our assets, we engage our portfolio companies to enhance shareholder value and advocate good governance practices. Together, we contribute to the uplifting of the communities in which we operate. We invest in human potential, build with courage, and catalyse solutions, with sustainability at the core of what we do. In all these, we seek to Do Well, Do Right, and Do Good."[2]

CHARTING THE PATH FORWARD

As corporate stewards, board members are constantly sailing on the seas against a background where societal assumptions and environmental directives are in flux. They must therefore take on extensive commitments in the face of the intertwined character of financial, social, and environmental dictates. This will entail not only reconceptualised performance measurement standards to encompass sustainability, but also making sure governance habits from human capital to climate change deliberations are in agreement. Boards need to also be aware that ethical governance should be a moral duty to a planet that requires oversight, not just a crucial directive.

To conclude, boards ought to foster an attitude concentrating on the future, thus they should expect problems and grab chances to pioneer new ideas. And when organisations decide on aggressive multiyear objectives, they can make their activities successful even when the situation changes. This would enable their duties to be in line with stewardship requirements, thereby arriving at a balanced mix of profit and purpose. AMI

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CELEBRATING MEANINGFUL IMPACT
25 YEARS AND BEYOND

by
Tanvi Gautam

LEADING WITH NARRATIVE

Storytelling as a catalyst for strategy execution.

- **Storytelling translates strategy into meaning and execution, especially in high-context regions such as Asia.**
- **Narrative provides context, and helps bridge the strategy gap via relatable and actionable meaning.**
- **Inviting teams to interpret the strategy and retell it results in clarity, trust, and momentum for strategy execution.**

"I don't understand how we can be so aligned at the top and so misaligned everywhere else."

This was the frustration voiced – half in resignation, half in exasperation – by a regional Chief Executive Officer (CEO) in Asia. His company's transformation strategy had been crafted with precision in Europe, reviewed exhaustively by the board, and signed off at the group leadership offsite. But as the change initiative rolled out across Southeast Asia, momentum stalled. Meetings were held. Town halls delivered. Slick internal videos with carefully chosen employee footage had been released. Yet frontline engagement lagged, middle management seemed overwhelmed, and whispers of "another foreign idea" began to surface.

This scenario is familiar to many leaders operating in Asia. Strategies are increasingly globally conceived but locally executed. The leadership teams tasked with execution are often multicultural composites – comprising expatriates, regional experts, and returnees – working within organisations that may still carry deep-rooted traditions concerning hierarchy, implicit communication norms, and linguistic gaps.

In such environments, strategy isn't just a matter of rollout. It's a matter of resonance. Strategy must not only be understood; it must be felt, carried, and enacted at every level of the system. And for that to happen, the transmission mechanism needs to change. The inability to communicate strategy has been noted as one of the top three reasons for failure of strategy execution.[1]



THREE LAYERS, THREE REALITIES

To execute strategy effectively, leaders must acknowledge three fundamentally different realities within their organisations.

The C-suite sees strategy as direction, vision, and future readiness. Their world is shaped by long-term shifts in markets, macrotrends, technology, and stakeholder expectations – both from global headquarters and the boardroom. Senior leadership teams leave offsites energised, aligned, and excited about transformation. But that clarity does not always travel.

Middle managers experience strategy as a tangle of new key performance indicators or KPIs layered on top of already stretched responsibilities. They are the operational glue of the organisation, expected to implement strategy while keeping the business running. Often, they're in firefighting mode. As one said, "We're not resisting strategy; we're firefighting. We're trying to keep the ship up and running and the shiny new thing from the top does not always align for us to do that."

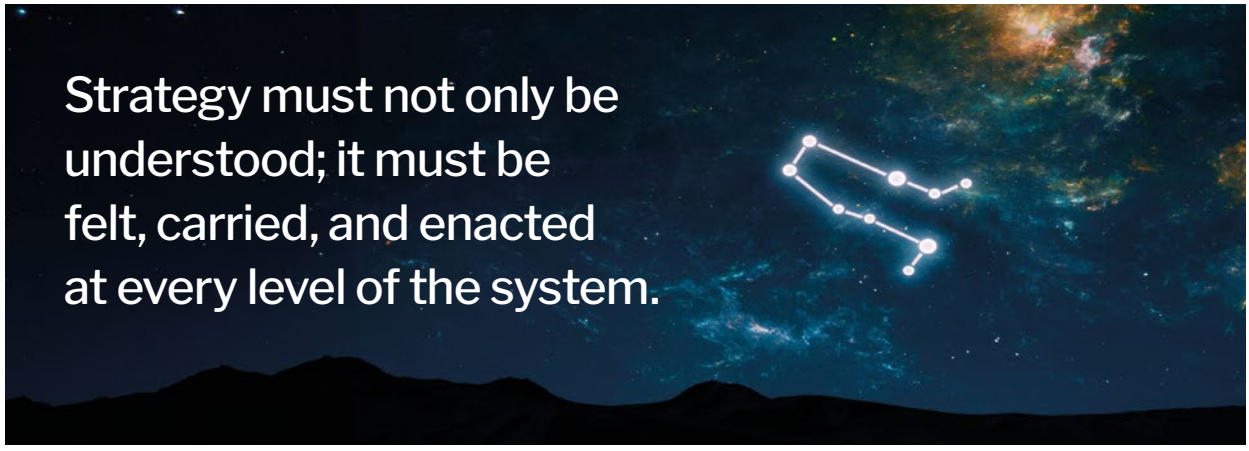
Frontline employees, especially in factory or service environments, receive new procedures and directives without the broader story. The connection to strategic intent is almost always missing. What they perceive is more work, not more meaning. "We were told to change our processes, but no one explained why. It just felt like more work. I am paid per hour, I need to just get the job done," noted a factory supervisor.

WHY STORY WORKS – THE NEUROSCIENCE OF NARRATIVE

Storytelling can act as a powerful tool to bridge the gap between strategy creation and strategy translation, which finally impacts strategy execution. It all has to do with the powerful research on the neuroscience of narrative.

When we hear a compelling story, our brains light up differently than when we hear raw information. Neuroscience shows that storytelling triggers the release of three key chemicals. The first is oxytocin, which builds trust and empathy, and is essential for aligning teams emotionally. Second is dopamine, which increases focus and memory, and is critical for recall under stress. And third is cortisol, which is generated by tension in a story, and heightens attention and urgency.

These aren't just interesting facts. They explain why people act on a well-told story but forget a dry, fact-laden email. Story engages language, emotion, and sensory processing simultaneously. It breaks through scepticism and taps into meaning-making. In high-context, high-power-distance environments like Asia, this emotional engagement is often the bridge that logic alone cannot build. Strategy explained using this powerful tool has the power to resonate, and realign the effort and motivation needed for execution. It can overcome the impersonal publicity campaign that strategy translation can sometimes end up becoming. Moreover, many collectivist cultures of Asia are steeped in the storytelling tradition, both oral and written, that has worked as a glue to keep their values and culture aligned. Hence it is also a tool that has local resonance.



CASE STUDY: STRATEGY RETOLD IN VIETNAM

A European-headquartered manufacturing company operating in Vietnam was mid-way through a multi-year transformation effort. Yet, halfway through the rollout, it became clear that the message was not sticking. Middle managers were disengaged. The front line was following new procedures but didn't understand their purpose. The strategy had been explained, but it had not been translated in an emotionally resonant way for the person responsible for implementing it.

The company partnered with external facilitators to use narrative as a tool – not to communicate the strategy, but to help people internalise it.

The intervention unfolded in the following three stages.

1. Leadership narrative co-creation

In a two-day offsite, the C-suite and regional leaders were challenged to articulate the transformation story without PowerPoints. At first, the C-suite team approached the storytelling intervention with visible scepticism. Several executives were used to communicating through metrics and timelines, not metaphors and emotion. One remarked, "We're not here to write novels; we're here to deliver transformation." But as the session unfolded, the group began to recognise how their individually compelling slides lacked a shared emotional throughline. As they explored deeper the reasons behind the strategy – and heard each other frame the journey in their own words – resistance began to shift. What emerged wasn't just a story, but a collective understanding. By the end of the session, one executive admitted, "This is the first time I've heard us describe the strategy in a way that I'd actually want to repeat." The story became not just a tool, but a turning point. Through facilitated exercises, metaphors emerged organically. One leader said, "It's like rebuilding the engine while still flying." Another replied, "We're laying tracks while the train is moving." These metaphors became anchors that reflected both urgency and continuity.

2. Middle management reframing

Middle managers were not handed a script. They were invited to shape the story themselves by bringing in their functional expertise, the realities they were navigating, and the language their teams would actually respond to. In facilitated workshops, they worked with the core metaphor – "laying a new track while the train is moving" – but translated it into their world.

In procurement, this meant telling the story of transformation not as a cost-cutting mandate, but as a shift in how the company partners with suppliers for long-term resilience. In supply chain, the story became one of evolving from reactive firefighting to anticipatory planning, even while delivering under existing constraints.

"We couldn't stop to explain strategy in every meeting," one manager said, "but once we had the story, we could weave it into the way we made decisions. It gave us a common thread to guide our trade-offs."

By shaping the story in their own voice, managers began to engage their teams not with slogans, but with *strategic context*, explaining not just *what* was changing, but *why* it mattered and *how* their team's work fit into the bigger picture. Storytelling helped them move from *compliance to conviction*.

3. Frontline embedding

At the factory level, storytelling was to be moved out of the posters and into the pulse of the day. Morning huddles would become a space not just to review safety metrics and shift goals, but to connect small wins to the larger transformation story. Supervisors were to begin calling out everyday moments where the strategy came to life – moments that might otherwise have gone unnoticed.

One technician, for example, redesigned a routine maintenance step that reduced machine downtime by several hours a week. Instead of just being acknowledged for efficiency, the supervisor framed his action in the larger narrative: "This is what stabilising the bridge looks like; you're helping us keep things running while the rest of the system changes."

That framing helps change the energy in the room. Workers began offering ideas more freely, not just for improvement but in service of the bigger picture. The strategy no longer felt like something handed down from above. It felt like something *being built from where they stood*. Storytelling didn't make the work easier; however, it made the *purpose clearer* and strengthened the connection to strategy translation.

A ROCKET LAUNCH REFRAMES A ROLLOUT

In another example, a company was expanding its CAPEX (capital expenditure) investment, and the transformation was framed using a shared metaphor: the rocket launch.

- The C-suite became Mission Control, monitoring indicators and adjusting flight plans.
- Engineering and operations were the Launch Crew, executing ignition and system coordination.
- Finance and HR (human resources) became Ground Systems, ensuring readiness, a steady fuel supply, and staffing.
- Frontline teams secured the launch pad and supported astronaut boarding, and were the final lift-off team.

The metaphor was not decorative. Instead, it provided a common language, helped align role clarity, and created momentum.

FROM STORY TO STRATEGIC OWNERSHIP

What changed was not the message, but the process of shaping it. Leaders stopped delivering strategy like a memo. They started inviting teams to interpret and retell it. The act of translation created emotional alignment and practical engagement. This created clarity, and middle managers reported fewer misunderstandings around goals. It also energised the employees, who offered more bottom-up ideas aligned with transformation. And it built trust: teams began quoting the shared metaphors in cross-team interactions.

The strategy had not changed. But now, people felt a part of it.

WHERE SHOULD YOU BEGIN? A STRATEGIC STORYTELLING CHECKLIST

Embedding narrative into your strategy execution is essential if you want your strategy to travel beyond decks, townhalls, and posters. It requires intentional choices at every layer. Use the questions below to assess where your organisation stands – and where to start.

1. Have you co-created a strategic narrative that names the tension, not just the targets?

Most strategies talk about the destination. Few acknowledge the discomfort of the journey. A compelling narrative doesn't just celebrate growth; it explains what's at stake, what must change, and why now. If your story only outlines ambition without naming the real frictions people are feeling, it won't gain traction.

2. Have you equipped middle managers to adapt that story using their own language and metrics?

Middle managers are the translators of strategy. But too often, we expect them to cascade what they didn't help shape. A story becomes powerful when managers can localise it by tying it to operational decisions, resource trade-offs, and leadership conversations they're already having. Have you given them permission, training, and trust to tell the story using their own voice?

3. Do your frontline teams hear and see the strategy in ways that feel relevant and recent?

Frontline teams are bombarded with instructions. Unless the story shows up in what's recognised, what's rewarded, and what's explained, it gets tuned out. When was the last time a shop floor success was framed as a strategic win, not just an operational one? Storytelling bridges the gap between daily effort and broader purpose.

4. Is the story embedded in recurring rituals, not just in slides?

A narrative survives not through one great presentation, but through consistent reinforcement in the rhythms of work. Is the story part of onboarding? Does it show up in town halls and team huddles? Is it referenced in how you celebrate wins, share learnings, or review performance?

When a story becomes part of the culture's muscle memory, strategy becomes more than a plan; it becomes practice.

5. Are your leaders modelling the story, not just messaging it?

Strategy storytelling is not just about what is said; it's about what is seen. If leaders communicate one narrative but behave in ways that contradict it, the story collapses. Are senior leaders using the language of the strategy in their decisions, their recognition, and their trade-offs? Are they open to feedback when the narrative drifts from reality? When leaders embody the story, it becomes credible. When they don't, it becomes noise.



CONCLUSION: STRATEGY TRAVELS AT THE SPEED OF STORY

In Asia's multicultural, multilingual, and multi-layered organisations, strategy doesn't cascade; it diffuses. The form it takes at the front line often has little resemblance to what was crafted at the top. To fix that, we don't just need better planning. We need better transmission. Storytelling provides the emotional scaffolding that allows people to carry strategy across contexts.

When leaders use story – not as a slogan but as a structure – they don't just communicate a plan. They build the meaning that makes movement possible.

Because ultimately, people don't follow PowerPoints. They follow purpose. And a story is how we make purpose speak. AMI

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