

## LEADING INNOVATION FOR REAL ESTATE BUSINESS LESSONS FROM HONG KONG'S LEADING DEVELOPER

引領房地產事業創新  
香港龍頭發展商啟示

Interviewed by Dr. Hubert Chan



**Mr. Thomas Lam**  
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恒基兆業地產有限公司營業(一)部總經理林達民先生

Innovation distinguishes between a leader and a follower  
--- **Steve Jobs**

創新區分領導者和追隨者---史蒂夫·喬布斯

Henderson Land Development is a leader in putting innovative solutions to work in the more traditional industry of real estate development. As evident in its use of smart home technologies long before its competitors are belatedly following suit, and before companies like Apple and Google are building the technologies in their smartphones, Henderson already integrates home automation capabilities in its projects over 14 years ago.

What motivated Henderson to embark on a journey of innovation was a sea change in the property market, when the first-hand sales of residential units starts its long-term decline from almost 100,000 units yearly before the Year 2000 to around 10,000 units today. The combination factors in falling supply of developable land parcels and softening marketing demands have intensified competition among the developers.

What's more? Every new project, by definition, is unique from its inception; hence from the perspective of Henderson's Sales Department, every time there is a need to create something different. The sheer volume of projects Henderson has, and the fact that every project is unique in and of itself just compounds the challenge.

In the Henderson Group, the team understands that they are faced with the blessing of having many projects but also the problem of having to come up with unique design for every one of them. They have relied on creativity to overcome this problem. In other words, to remain competitive, you must innovate, innovate, and innovate.

Interview with Mr. Thomas Lam, General Manager of Sales (1) Department of Henderson Land and who has been at the forefront of these innovations, has enabled us to identify important leadership lessons learned in innovations that, if conducted properly by traditional business, such as real estate, can bring huge benefits to the business.

### **Modern innovation is more about elegant integration than invention**

You don't have to be an inventor to be innovative. You must have

恒基兆業地產有限公司在傳統房地產產業使用創新方法，是這方面的先驅。在智能家居技術方面有明顯的優勢，遠先於後來效仿的競爭者。並早於蘋果和谷歌這些公司之前，恒基已經在14年前將家居自動化性能植入它的項目中。

當初恒基踏上創新歷程是因為自2000年起房地產市場的轉變：一手住宅單位的銷售量從每年約100,000套開始持續下降到近年的約10,000套。綜合各種因素，包括可利用土地供應的減少以至市場需求疲軟，都加劇發展商之間的競爭。

除此以外，每一個新項目，必須有其獨特之處；因此從恒基營業部門的立場出發，每次都要創造出不同的元素。恒基所擁有項目數量之多和每個項目需具備各自的獨特性，是最大的挑戰。

恒基集團的團隊明白，項目數量多是一大幸事，但同時為每個專案想出獨特的設計也是必須面對的問題。創新是戰勝問題的關鍵。換句話說，要保持競爭力，你必須創新，創新，再創新。

今天有幸能為恒基的營業(一)部總經理林達民先生，進行採訪。他經常處身於創新的前端，這個訪問對領導和創新的關係有莫大啟發：

### **現代的創新更傾向優美的整合而非全新發明**

富有創新精神不一定要你成為發明家。但你必須願意主動去尋找外界的新技術和新思維，然後將這些新元素和原本業務完善地整合起來。

“我認為房地產的發展特別受到創新的驅動”。林達民指出現代香港住房，無論是分層單位或獨立屋，都是一種高度複雜、多方面的產品。“因為產品多方面的特

the willingness to proactively search for external technologies and ideas, and integrate them elegantly.

“I think real estate development is especially innovation driven,” Thomas likes to point out a modern home, be it a flat or a town house, is a highly complex, multi-faceted product. “Because there are so many aspects of product features combined to make up any real estate project, ranging from land purchase, foundation, infrastructure, superstructure, decoration, facade, layout, marketing, sales transaction, financial arrangement, all the way to the long period of after-sales services. Unlike a digital camera or simpler products, with so many inherent aspects in our product, the need for elegant integration has never been greater.”

An example of recent innovation is in designing the layout of its “Studio Flats.” This type of flats, at around 160 to 200 square

點整合組成房地產專案，從買地、地基規劃、基礎設施、上蓋構造、內部裝修、樓宇外觀、室內設計、市務推廣、銷售交易、到財務安排，以至長期的售後服務。不同於數碼相機或簡單的產品，我們的產品在很多的方面，對完善整合的需求很大。

一項創新最近的例子就是“開放式單位”的設計佈局。這類型的單位，室內面積大約為160到200多平方呎，近幾年廣受市場歡迎。但對於這款設計的普遍缺點就是，其設計不可避免包括一條入口走廊，佔據了整個房子可用面積達十分之一。參考了商務艙和豪華遊艇的內部設計，恒基的建築師把走廊空間改為廚房的一部分，並且緊密整合其他設備，例如微波爐和冰箱，騰出更多可用空間，讓買家能在整合出來的空間自在地做飯。



feet in salesable area, is gaining in popularity in recent years. But one common shortcoming for this design is that its layout often includes an unavoidable entry corridor that takes up almost a tenth of the usable areas. Taking cue from the interior design of a business class cabin or a super yacht, Henderson’s architects turn the corridor space into part of the kitchen and tightly integrate various amenities, such as microwave oven and refrigerator, into very accessible locations, thus releasing the otherwise idle space into places where the residents can comfortably prepare their meals.

### Leadership is instrumental in fostering a climate for creative thinking

Creative ideas are often high risk and run counter to tried-and-true

### 上級的領導有助於培養創新思維的風氣

創新的想法通常帶有風險，操作起來往往與行之有效的策略相反。這就難怪一個普通員工會傾向使用不夠創新，但被證明是有效的途徑。恒基採用智能家居技術正好說明了這點。高層管理人的領導打破慣性另覓新徑。在這方面，創新已經成為恒基企業文化的一部分，並且得到高層管理全心全意支持，是令人羨慕的。

另外，一個領導者懂得平衡自己的創造性思維以及下屬們的創造性想法。在創新過程中，避免過度主導，比如



strategy. It is no wonder that the rank and file of an organization, when left to their own devices, would prefer the less original but proved-to-be-effective path. Adopting home automation by Henderson is such a case in point. What is required to counteract this tendency is often leadership from top management. In this regards, Henderson is in an enviable position since innovation is part of Henderson's culture that receives wholehearted supports from top management.

Moreover, a leader knows how to balance his own creative ideas and those from his subordinates. He avoids being overly dominant in the creative process, such as when choosing a design, such that subordinates are comfortable in offering, shaping and refining their inputs.

Thomas allows a level of autonomy and freedom to accomplish tasks in ways the subordinates see fit. He said that creativity does not occur under high-pressure environment, and the team is encouraged to speak freely. To avoid "groupthink," he often withholds his thought during the initial discussion and prefers to be a facilitator during the meeting. "I do not manage with a directive leadership style and often do not attend the first few design meetings in which feature list of a project is being devised," Thomas went on. "My principle is to let my team start on the problems and do the creating first. I will come in during the middle and latter part of the process and look at the outcome from a fresh perspective. Decision to go or not is based on whether the ideas deviate from our group culture and whether it is justified from the risk management's perspective."

### Choosing what to innovate is an important leadership task

"We do not innovate for innovation's sake." Thomas would remind us repeatedly. "A balance is necessary in choosing what to innovate." The direction of innovation discovery is a frequent discussion topic during day-to-day meetings.

Some innovations are market driven while others are driven by technology breakthroughs. Henderson's leadership strives to strike the balance on how quickly to innovate with an eye on its potential impact on, among many things, the customer satisfaction and the profit and loss statement of the business.

As a specific example, Henderson adopted in recent year an innovative "top-down construction method" for the construction of very tall buildings. In the conventional process, the construction team would start with the foundation and after that move to the superstructure. The whole building will gradually go up floor by floor according to a construction plan, and one activity on the so-called "critical path" cannot start until its predecessor activity is complete. Thus, the project's completion date is constrained by this critical path, which makes dramatic reduction in construction time impossible.

In light of this restriction, the new "top-down construction method" turns the critical path on its head by quickly building out the skeleton of the superstructure while they come back to flesh out the various parts simultaneously. Once you have built the

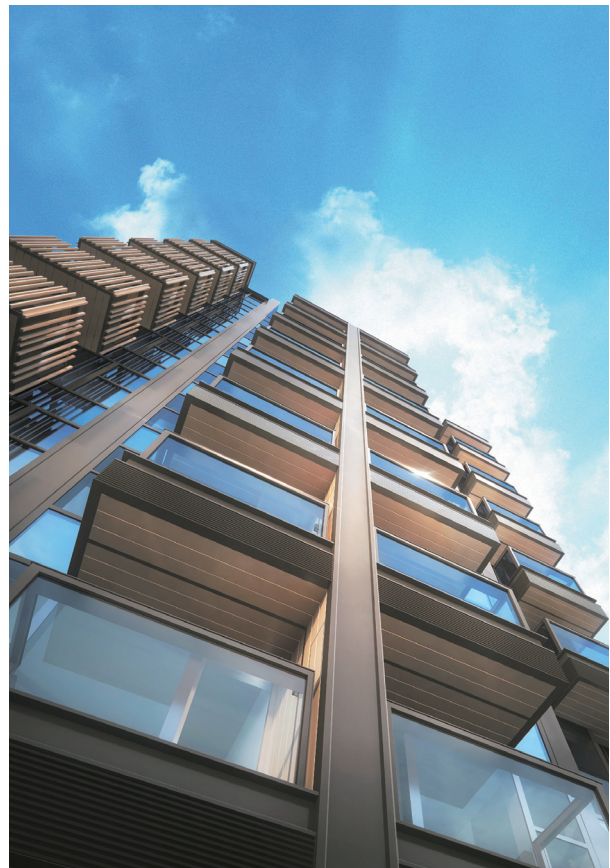
當在選擇設計的時候，讓下屬自在地提出、成形和改善方案等方面發揮。

林達民鼓勵下屬擁有一定程度上的創新自由，以他們認為合適的角度完成任務。林達民說高壓環境下沒有創造性，團隊應該自由發言。為了避免“集體思路”，他在討論的最初階段通常保留自己的想法，更喜歡在會議中充當一個引導的角色。“我不會以指導性的領導方式來管理，通常不參加前期的設計會議，那是專案成形的關鍵”。林達民繼續說。“我的原則是讓我的團隊先著手問題，開始創造。我會在中期和後期開始參與，從一個全新的角度看待整體效果。再根據該創意是否偏離企業文化、是否符合風險管理，決定是否採用。

### 選擇創新什麼是一項重要的領導任務

“我們不是為了創新而創新”。林達民一再提醒我們。“創新什麼，必須平衡選擇”。發現創新的方向就是每天會議上頻繁討論的話題。

部分創新是以市場為導向的，另一部分則是以科技突破為導向的。恒基的領導層致力平衡創新帶來的潛在影響，包括顧客滿意程度和盈虧情況。



恒基近年在一些高樓的建設中都採用一種創新的“逆築法”來建高樓，這是個很明確的例子。在傳統過程中，建築團隊從地基開始然後再到上部構造。整個建築將

framework, the developer can choose to build specific portions of the building first, without being constrained by the old construction program. The end result is you can reduce the time it takes for completing the entire project or you can complete certain parts much earlier. Compressing the project schedule by as much as one third would allow the developer to apply for “Occupancy Permit” which will let the developer to earn revenues much earlier. Any increase in construction cost with this approach is more than justified by the accelerated earning from the profit and loss perspective.

## Risk management is key to successful innovation

In essence, innovation involves risk and uncertainty. A good innovation leader knows how to manage its risks successfully. At times, the leader will have to provide explicit guidance necessary to open up a new path and accept all the uncertainty the new path entails. But more often this also means learning from failures and controlling the fallouts resulting from them.

“In the R&D business, it is not unusual to have a high failure rate, say you might fail nine out of ten times you try,” Thomas said. “But the same cannot be said for property development because a residential flat is not just an usual product; to most people, it is also a valuable investment representing lifetime savings.” It is for this reason that Henderson would take a cautious approach in evaluating innovations, tending towards practical ones that have proven merits for the homebuyers. Using an auto industry analogy, Thomas illustrates that major auto manufacturers roll out new features in the peripherals and decorative areas more frequently, while changes with safety implications, such as those relating to the engines, tend to come more slowly and cautiously. For Henderson, the same risk management strategy would apply.

## Creativity flourishes on an open and free communication platform

Communication can stimulate innovations among the team members and the leader must constantly share his vision and strategy to guide and encourage the team toward the right path and to keep them engaged and intrinsically motivated.

To foster communication among the four pre-sales teams so that any promising innovative ideas are shared quickly among the teams, Thomas would chair bi-weekly meetings with eight other presales team members, comprising of architects, surveyors and other professionals. The purpose of the meetings is to deliberate the product features going into each project, including consideration of any innovative feature in every aspect of the project from architectural design, construction methods, building technologies, marketing methods, to integration of the latest electronic and IT technologies.

## Be prepared to exert direct influences on the creative process

Innovative leaders are often seen as managers of creative minds rather than originators of creative ideas. One of the most important ways a leader has to influence Innovation is in the

按照建造計畫一層層循序漸進，如果前面的活動沒有完成，所謂的“關鍵途徑”就不能開始。因此，工程的完成期限受到限制，大幅度縮短建築時間也不可能。

鑒於這個限制，新的“逆築法”從關鍵途徑的源頭，通過快速建造出上部構造的骨架，同時回頭填補其他部分。一旦你已經建造出了框架，發展商就會選擇建築的特定部分開始施工，沒有受制於舊式的建築工程。最終，你可以減少完成整個工程的時間，或者你更早地完成特定部分。這個方法壓縮了差不多三分之一的專案時間，更快取得“佔用許可(Occupancy Permit)”，提前盈利。從盈虧的角度看，採用這個方法所增加的建築成本，遠遠低於它所帶來的利潤。

## 風險管理是成功創新的關鍵

創新存在風險和不確定性。一位優秀的創新領導人知道如何成功地管理風險。有時，領導者必須提供明確的指導，開拓新道路，接受當中所有的不確定性。但通常這也意味著從失敗中學習，控制其帶來的的後果。

“在科技研發領域，在十次嘗試中九次失敗的高失敗率是很常見的，”林達民說。“但房地產發展則不同，因為住宅不是一件普通的商品，對於大多數人來說，它是畢生的投資。”正是因為這樣，恒基採用非常謹慎的措施來評估創新，傾向於採用更實用、而且對買家有好處的方法。汽車行業也一樣，林達民說大多數汽車製造商頻繁地在外部設備和裝飾部分採用新的特色，至於安全應用，例如跟引擎有關的設備，傾向於比較緩慢和謹慎。當然恒基也採用相同的風險管理策略。

## 開放自由溝通的平台助長創造性

交流可以激發團隊成員之間的創新能力，領導層必須不斷分享他的願景和策略，來引導和鼓勵團隊朝著正確的道路前進，讓他們參與並發揮本能的積極性。

為了促進四個售前團隊的交流及快速分享任何可發展之創新理念，林達民和其八個售前策劃團隊的成員，包括建築師、測量師等的其他專業人員會召開每兩週一次的會議。會議目的是討論把產品的特色加入每個專案，包括對項目各個方面的創新特點進行思考，如工程設計、建築方法、樓房技術以及銷售管道，將它們與最新的電子器件和IT技術相結合。

## 做好準備，在創新過程中發揮直接影響

創新的領導者通常被視為創意管理者而不是創意發起人。一個領導者對創新產生影響，最重要的一個方式是在創新過程中所做的決定。正如前面提到的，林達民在創造過程的中途或後期進行參與，繼而塑造將要實現的創新思想和選擇最終投入市場的產品特色。



decision he makes during the creative process. As mentioned earlier, Thomas would prefer to step in during the middle or even the final stage of the creative process, and shape the innovation that is to emerge and choose finally what product features make their way to the market.

Another way when a leader can exert direct influences is in setting the vision and strategy for the team. In light of the steady and ample supply of redeveloped urban sites in its portfolio over the next decade, Henderson has devised an innovative marketing strategy that fits the long-term corporate strategy. By grouping together all of these smaller urban sites under a generic brand name umbrella called “The H Collection”, Henderson would be able to leverage again and again the dividends from the investment it made during the initial promotion of the The H Collection brand. Because of the economy of scale from having so many developable sites with similar characteristics, Henderson, by adopting this innovative strategy, can enjoy substantial cost savings in its efforts for brand awareness, promotion of project features, and cost of closing sales for a long time to come.

When asked about his proudest innovation, Thomas pointed to the record-breaking \$100,000-per-square-foot masterpiece, called 39 Conduit Road, on the Mid-levels that is, in his own words, a large package full of innovations ranging from layout, façade, technologies, to clubhouse amenities. Snapping up these luxury flats ranging from 2100 to 5700 sq. ft. in size, sophisticated and high-caliber buyers are casting votes of confidence in the innovations this project represents.



領導者對創新發揮直接影響的另一個方式是為他的團隊設定展望和策略。考慮到集團將在未來十年提供不少市區重建的項目，集團制定了一個新穎且適合公司長期發展的營銷策略。通過將性質相似、定位相同的小型市區重建項目聚集在一起，歸納到名為“**The H Collection**”的通用品牌下。恒基只需在最初幾個月通過一次性的大型推廣**The H Collection**品牌，而另稍後出場的**The H Collection**項目可不斷分享當初的投資紅利。恒基通過採用創新策略，有效善用資源為品牌意識的推廣、專案特色的介紹、和項目的銷售方面，節省成本。

被問及那一個是他最引以自豪的創新傑作時，林達民選擇了位於中半山干德道39號的天匯，一個達到每平方呎價100,000港幣的破記錄項目。這是一個從佈局、外觀、技術、會所設施都充滿創意的豪宅項目。購入這些平均2,100-5,700平方呎大小的豪華分層單位全屬高要求買家，足以看出這個項目展現出的創新極受高質素買家市場賞識。

