

Research Assessment Exercise 2020
Impact Overview Statement

University: City University of Hong Kong |

Unit of Assessment (UoA): 20-Accountancy |

Total number of eligible staff of the university in the UoA: 19 |

(1) Context

CityU UoA makes research impact and contributions to increase the sustainability of social enterprises in Hong Kong and the sustainability of the Hong Kong accounting profession.

It is typically more difficult to run a social enterprise than a small to medium-sized enterprise because social enterprises (SEs) have to fulfil social missions that benefit society while remaining economically sustainable as business enterprises. The sustainability of SEs is a growing concern of the government, the third sector, and commercial enterprises in Hong Kong. Our faculty Dr. Sidney Leung and Professor Phyllis Mo have received research grants from the UGC Knowledge Transfer Earmarked Fund and carried out research to identify the key factors affecting the profitability and sustainability of SEs. This led to the publication of a research paper titled “Enhancing the competitiveness and sustainability of social enterprises in Hong Kong: A three-dimensional analysis” and a research report with policy recommendations. Our second line of impactful research was to study the sustainability and social mobility of the Hong Kong accounting profession. This was particularly important given the changing operating environments of the profession (i.e., technology, business opportunities and socio-political considerations) and the opportunities and challenges related to the Belt & Road Initiative.

To sharpen the impact of our research, the UOA has been actively and strategically disseminating the research findings and recommendations through seminars/workshops and meetings with major stakeholders, senior government officials and policy makers. The individual case studies submitted for RAE 2020 demonstrate the reach, significance, and impact of our research. |

(2) Approach to impact

First, our approach was to conduct interviews and surveys to collect data for empirical analysis. We carried out our SE research based on in-depth interviews (the interviews included 43 questions) with the key managers of a sample of current SEs in Hong Kong. Based on the analysis of data on (a) ownership, funding sources, governance structure, and profitability, (b) financial management practices, (c) business planning and operations, and (d) employment, we provided empirical evidence on the effects of investment objectives, major funding sources, and governance structure on the profitability, business planning, and management of SEs. Based on the research findings, we formulated recommendations for enhancing the competitiveness and sustainability of the SEs in Hong Kong for SEs, policy makers, and other major stakeholders in the social enterprise sector.

In understanding the sustainability and social mobility in the Hong Kong accounting profession, we took action research methods to maximize impact on agency reflection and behavioral change of stakeholders. The research findings rang an alarm bell in the profession and call for a more proactive strategy and vision for sustainable social-economic development.

Second, we developed a strong collaborative partnership in the dissemination of research findings and recommendations. For example, in the SE research, we worked closely with the Hong Kong Council of Social Services and Social Enterprise Business Centre (SEBC). We also formed extended partnerships with KPMG (a Big4 accounting firm) and Davis Polk Wardwell (an international law firm) to promote our research recommendations, particularly in regard to strengthening the corporate governance of SEs by encouraging them to establish advisory committees. |

(3) Strategy and plans

|With regard to the reach of our research, in addition to compiling a full research report detailing the research processes, findings, and recommendations in English, we produced a brief (summary) report in both English and Chinese for the social enterprise research. We sent copies of the summary reports to **all** of the SEs registered in the Social Enterprise Directory administered by SEBC, which was established by the Hong Kong Council of Social Service in 2007 to advance social entrepreneurship and enhance social innovation. We also discussed our research findings at several seminars/workshops between October 2018 and July 2019 and encouraged the SE participants to adopt the recommended practices to enhance their competitiveness and sustainability. To increase the impact of our research and its influence on policy, we met with senior government officials in charge of the administration of different key government funding schemes and exchanged views on the policies needed to strengthen the sustainability of the SEs in Hong Kong.

We also developed multiple channels to enhance the impact of our research on the sustainability and social mobility in the accounting profession. We organized industry sharing forum. The research findings and sharing forum were widely reported in newspapers and attracted enquires from Financial Reporting Council and Trade Development Council. Our researcher was invited as speakers by the elected Legislative Councillor, Mr. Kenneth Leung and the Hong Kong General Chamber of Commerce to speak on the research findings and recommendations. |

(4) Relationship to case studies

|Our approach to impact and strategy and our plans for supporting impact have provided channels for maximizing the reach and significance of our research as stated in the two submitted case studies and the evidence we collected on the impact of our research. |