



Liu Ji:
End of
an Era

■ By Lei Na & Zhang Yueting

In the spring of 2015, Liu Ji stepped down as Chairman of the CEIBS Education Foundation and into the role of Honorary Chairman. He passed the heavy responsibility of leading the Foundation, which had amassed a RMB100 million endowment fund with him at the helm, to the new Chinese President of CEIBS, Prof Li Mingjun.

Mr Liu shares a hefty portion of the credit for the Foundation's launch and success to date. He was a hands-on chairman who often had heart-to-heart talks with those he was asking to make a donation towards CEIBS' future. And, though China is still developing an alumni donation culture, he has

often launched public appeals during school events. "If you donate RMB1 million, we'd be grateful to you; and we won't think it's too much. We'd wish you even more success in your career and welcome more contributions in the future," he said at one event. "If you donate RMB1, we'd also be grateful to you, and won't think it's too little; because every dollar represents your absolute sincerity to CEIBS. RMB1 is equivalent to RMB1 million, because in both cases you're trying to do something good." The Foundation's original dream, he explained, was to

cultivate a group of entrepreneurs who were grateful to their country and had a spirit of thanksgiving. He believes this spirit is an indispensable element of entrepreneurship. It represents fine qualities such as good-heartedness and fraternity; it is also the embodiment of a dream held by many generations of Chinese. A respected scholar with extensive knowledge, Liu has a grand perspective of CEIBS, China and the world. A look back at the history of the school and the Foundation makes clear his selfless contributions, and helps us better understand the profound meaning of the motto he crafted, "Conscientiousness, Innovation, and Excellence".



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In May, during an exclusive interview with *TheLINK* magazine at CEIBS Shanghai Campus, Liu took us on a journey in which he explained what it took to establish and run the Foundation over the last decade. He also shared his views on entrepreneurship and how important it is to have a strong support network for alumni.

Why did you establish the CEIBS Education Foundation?

The idea of setting up the Foundation dates back to when I was CEIBS' Chinese President. As a joint venture

by the Chinese government and then European Commission (EC), the funds to build CEIBS came from the EC's aid to third world countries with matching funds provided by Shanghai municipal government. The funding from the EC was a voluntary donation. The Agreement was valid for 20 years. But I thought, what about 20 years later? Of course, we hoped to continue to have autonomy in running the school because we know that was the only way we could catch up with those who were more advanced in the international MBA education field.

The question was, if we insisted on educational autonomy, where would we get funding? We realised that to promote the development of CEIBS, we would have to expand our income channel beyond merely revenue from tuition. So in the 1990s we came up with an idea – set up a foundation so we could save when we were economically well off. This would guarantee the survival and sustainable development of the school, even without financial aid from the government. CEIBS' then Chinese President Zhang Guohua visited globally well-known business schools including Harvard Business School (HBS) to understand the approach they took to the issue of funding. When he came back, he told

me that those schools all had their own foundations: HBS had USD30 billion, and Yale had over USD20 billion. This confirmed that we were on the right track; we started to raise money for our own foundation.

What was your goal in the Foundation's early days?

At that time, our thinking was that we needed to raise at least several hundred million yuan as a source of funding for further development of the school. The plan was to leave the original endowment funds untouched, and use the income from the investment as a subsidy for teaching development. Compared with the scale of the Harvard and Yale funds, I think our initial goal was very practical. As the saying goes, "A journey of a thousand miles begins with a single step." When we began, it wasn't easy. We set up a fund and some alumni took the lead in donating money. But later, we made very little progress. So, after I stepped down as Chinese President of CEIBS, I set up the independent CEIBS Education Foundation. I was its first

Chairman and today I'm still promoting this cause.

Why was it so difficult, in the early days, to attract donations for educational purposes?

It's the lack of a donation culture. For many westerners, whether they are entrepreneurs or the average person, they make a will on their deathbed: many donate some or all of their wealth to causes or organisations that will benefit the general public, instead of leaving it to their children. This has evolved into a donation culture in western countries. The concept is that wealth comes from the society, and should be returned to it. They feel that if someone simply inherits massive wealth without having to work for it, that will not be good for the person – or for the wider society. Unfortunately, we don't have a donation culture in China. Many Chinese entrepreneurs do pioneering work, strive for success and make money, because they hope their heirs will live a better life instead of undergoing a rough time like they did. Traditionally, Chinese people strive for

their offspring. But they fail to realise that what's more important is to cultivate children's sense of responsibility for the society and the nation, not just simply leave money to them.

In fact, when I persuade others to make donations to the Foundation, I'm always reluctant to get straight to the point. As an intellectual and professor, I find it embarrassing to ask for money; and I can't get rid of the influence of traditional Chinese culture. In comparison, when students finished studying at Harvard University, they would just ask them directly whether they would like to make a donation. For Harvard, it's just the logical next step for students to show gratitude to their school after they graduate.

You must have many stories from the past 10 years. What are some of your fondest memories?

There have been many touching stories; two of them come to mind. The first is about our alumnus Huang Nubo (EMBA 1996), who was a poet



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before being assigned to the Propaganda Department of the Central Committee of the CPC. But he immersed himself in writing poetry, with no interest in politics. The question was, how could a poet make a living? Then he thought of going into business. He often talks about how grateful he is to CEIBS, because the school changed his views and taught him how to be a successful businessman. When he became rich, he also thought of giving back to our school. When he climbed to the top of Mount Everest, he planted our school flag there to show his gratitude. Thanks to Huang Nubo, CEIBS is the first (and only one to date) business school with its flag waving on the top of Mount Everest! This is the unique spirit of the CEIBS community. Later, when we contacted him, he immediately decided to sponsor a RMB10 million chair professorship. Last year, he sponsored another, taking his total donation to RMB20 million.

The second story is about Baosteel. In principle, Baosteel never donates

money because it is a state-owned enterprise, and all its money belongs to the country. But after Baosteel's leaders enrolled at CEIBS, and they saw how much the knowledge we provided helped improve their international competitiveness, they sent all their management staff from general manager level and above to study at CEIBS. Later on, our alumni from Baosteel made a unanimous decision to sponsor a chair professorship at CEIBS – the Baosteel Chair Professor of Economics which is held by the renowned Prof Wu Jinglian.

There are also a lot of other alumni worth mentioning. For instance, one couple – Mr Wang Yi (EMBA 2006) and Mrs Wen Simin (EMBA 2009) – have each donated RMB10,000 to CEIBS every year for the last five years. Though it's not a huge amount of money, it is very noble of them to think of their alma mater every year. This also represents the CEIBS community spirit. For all our alumni who have tried their best to make contributions to the school, we

do our best to express our most sincere gratitude. Every year in our annual reports, the Foundation lists the names of all our alumni who have made donations. We've also engraved their names and words of advice on many columns and below windowpanes across the campus. This is our way of showing them that we are always thinking of them, and their generosity.

How can CEIBS do more for its alumni?

As Honorary President of CEIBS Alumni Association, I often tell my colleagues how important it is to keep in touch with each alumnus. With today's advanced communication technology, we should contact and communicate with all our alumni every year, we should never lose track of them. We need to make sure that no one falls behind. Once you become our alumnus, you are a member of the CEIBS community for life; we will



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always take care of you, and support your development. Once you join our Association, it would be great if you become a famous entrepreneur. But if things are not going well, if you go bankrupt or your business fails, we will be there to help you; to offer human, financial and other resources. Only by taking care of each alumnus can we build a bond among all our alumni, one that will promote mutual development through all our efforts. Our goal is not only to become one of the top global business schools, but also to cultivate a group of famous alumni who are known worldwide for their achievements – like Bill Gates and Warren Buffett.

Apart from you, who else has made contributions to the Liu Ji Education Fund?

Successive Presidents of CEIBS, including Prof Li Jiahao, Prof Zhang Guohua, Prof Pedro Nueno,

Prof Zhu Xiaoming – along with Prof Wu Jinglian – have all made generous donations and also made great contributions to the school’s fundraising efforts. And one more thing, my special thanks to my wife and daughter for supporting my decision, because it was a decision that was jointly made by our family.

Why did I donate the money? Because at that time we had scholarships, but there were no grants. As we all know, the MBA tuition fee is very expensive and can be a heavy burden for young people who don’t have enough money. In fact, the average annual salary of our MBAs once they graduate is RMB360,000, with a minimum of RMB180,000; they will surely be able to pay off a loan if they take one from the bank. However, for those who come from modest backgrounds, they have to support their family when they graduate, and they are being counted on to improve their

family’s living standards. So it would be difficult for them to repay the loan. We hope that our students can focus on studying while they are at CEIBS, and graduate without a financial burden so they can make a contribution to the society and lead their family from poverty to wealth. So we set up the grants, helping three students every year on average. So far, we’ve helped dozens of students in total.

I’ve made some investments with the grants, and it is sustainable so far. The number of scholarships varies from five to two per year. In general, we hope that needy students will also have a chance to study here. CEIBS is open to the whole society, because we know that many talented people come from modest backgrounds. I remember a girl who once got the grant saying to me when she graduated, President Liu, I will repay the school when I can. I was touched by her gratitude. And I believe she will keep her word.



中国CEO领导力课程：领导力巅峰之旅(模块制)

领悟自身之限 导引团队之力

2015年6月开课，上海/瑞士

领导力是一门艺术，需要不断地研磨，不断地领悟，不断地修炼。具有怎样领导力的中国企业家才能带领企业永驻高峰，在世界舞台上赢得喝彩？

课程目标

本课程集结了全球最为权威的领导力学者，专家从不同的视角来帮助学员重塑、优化、提升领导力。这是一次重新认识自我，反思人生，铸建内力，释放压力，探寻领导原动力，充满感动，激情与泪水的学习之旅。

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学员对象

具备8年以上高级管理经验的首席执行官(CEO)、总裁、总经理等企业最高决策者。

课程内容

- 模块一：跨越差异，携手共赢
- 模块二：从“我”到“我们”
- 模块三：发挥积极正向领导力
- 模块四：可持续领导力
- 模块五：后CEO模块

*中欧国际工商学院同时开设MBA、EMBA和在职金融MBA课程。



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CEIBS MBA 2013 Gr
2015.04.26

Zheng Chao's Story of Gratitude



About seven years ago, when Zheng Chao graduated from Beijing Normal University's English Department, she was sure she wanted to do an MBA one day. So she looked at the next four years spent working for a foreign company as a way to prepare, and never stopped trying to get back to the classroom so she could achieve her goal. In 2013, she successfully passed the GMAT and completed the CEIBS MBA admission interview. She later moved to a city that was dear to her heart, Shanghai, and just like that she was one step closer to her dream. However, she had one final hurdle: the tuition fee. "I'm from a very ordinary family, and I'd only worked for a few years. So I didn't tell my parents I was trying to do an MBA until I received the admission letter. You can imagine the heavy economic burden I had then," she says.

Determined to seize every opportunity available to help her do an MBA, Zheng checked the CEIBS MBA website for information on possible scholarships and grants. She balanced the pros and cons, and decided to apply for a grant. "I didn't put much hope on it, because I thought other candidates might be more impressive, or need the grants more than I did. But I tried my best, and did all I could do," says Zheng. Luck was on her side. She was awarded the Liu Ji Education Fund Grant, which covered half her tuition fee. "The funds were delivered in two tranches, first at the beginning of the semester as a deduction in my tuition bill, and then at the end of the school year. When I got the grant, I was inspired to work harder than other students because one condition for applying is that you should be more excellent, and need the grant more than other candidates," she adds.

During her 18 months at CEIBS, Zheng worked hard. The courses covered during the MBA helped her to establish a comprehensive system of management knowledge, and changed her vision and mind-set. She made friends with classmates from all over the world, and learned to work alongside and get along with people from different cultural backgrounds.

Her hard work paid off. After she graduated, she got a job with British Petroleum. At home during Spring Festival, she asked her mother to suggest a

gift for the CEIBS Foundation's Liu Ji, something that would show how grateful she was for receiving financial support when she needed it most. Her mother suggested that, with Mr Liu unlikely to be in great need of anything, Zheng should think about giving back to the Foundation. Her mother thought that would be the best way to thank Mr Liu, and help others at the same time. Zheng took her advice. She decided to donate RMB2,000 and RMB1,000 on behalf of herself and her mother, respectively, for five consecutive years. The donation date would be April 26 – to mark the day she graduated from CEIBS in 2015. "We think continuous donation makes more sense," Zheng explains.

She also took the time to send a letter to the Foundation. She wrote, "Two years ago, I made the most important decision of my life, to attend CEIBS full-time MBA programme. My path in life has changed ever since then. I'll always be grateful to Mr Liu Ji for his help and the support from the Foundation in my most difficult times. This gratitude will inspire me to strive to be better, and to be an outstanding individual."

Liu Ji replied, "I'm so glad that you reached a new highpoint in your life. It is very touching for you to first think of repaying the school upon graduation. It's not a lot of money, but you have a heart of gold, which is most worthy of praise. CEIBS is proud for you. I hope you keep doing your best, and always move forward. If you have any problems, please remember that you have our support; we will continue to help you. Should you achieve any success, please also let us know; we would like to share your joy!"

For Zheng, giving back to her alma mater came naturally. "It's not something big, but it represents my gratitude towards CEIBS and Mr Liu. It's just my way of saying thanks. I'll keep doing it," she says.

