

NEXT STEPS

By the third quarter of 1999, BizLand, Inc., was continuing its pattern of fast growth. The company had well over 50,000 members, and was growing its database by over 500 per day. The capital markets were also in the midst of their own economic expansion, with the Dow Jones Industrial Average at the 11,000 mark, and the NASDAQ index squarely above its psychologically important value of 2,500.

Online business ideas ranging from vitamins (mothernature.com), to pet supplies (pets.com), were being funded *en masse* by the venture capital community. In order to stay in the game, rival firms were regularly out-bidding one another to secure equity in the most promising companies. Non-e-businesses were also in vogue, even in such staid industries as dry cleaning (ZOOTs), and flowers (KaBloom).

At the same time, well-funded competition continued to enter the market, all aimed at servicing small business needs. Ravi knew it would only be a matter of time before some of them became large enough to potentially impact BizLand, Inc.

1½ months had elapsed since the CEO search with John first began. While Ravi certainly didn't want to rush the process, he knew he couldn't keep up his intense work pace forever. Among the different projects he was working on, in addition to running the day-to-day operations of the company:

1. *Senior executive staffing:* Vice-Presidents in Business Development, Marketing, and Member Support had to be hired, in order to truly capitalize on the growth being experienced by BizLand, Inc.
2. *Office space expansion:* The company was beginning to run out of office space, as the employee base had grown to over 10 people. Today alone, there were three phone calls from commercial leasing brokers responding to Ravi's requests.
3. *Equity fund raising:* More equity had to be raised. Based on BizLand, Inc.'s greater-than-anticipated rate of actual expansion, and projected marketing spending, the \$1.3 million risked being utilized far more quickly than anyone had originally anticipated.

While Ravi and John were pleased with the quality of the four candidates, many questions still remained in their minds:

1. Had they compiled an exhaustive list of criteria for their "must haves"? Had some important qualities

been omitted? Were all of the items really necessary? If he and John did make changes, how would the four candidates measure up to the revised list?

2. Did the four candidates offer any *real* possibilities? Should they invite any of them for an interview with the entire Board of Directors? Or, even though it would further elongate the process, should Ravi and John begin considering other candidates not previously screened or interviewed?
3. If Ravi had to make a decision today, which of the four candidates should he choose, and why?

TOP HUMAN TECHNOLOGY LIMITED

Top Human Technology Limited (Top Human), an international organization offering diversified services in the development of human capital, is also the first professional company promoting Coaching in Asia. "Realizing Potential, Inspiring Talent" is the mission statement of the company. Top Human believes that individual employees are the most important resource in an organization and (that) management should fully optimize the potential in human capital by maximizing each employee's individual qualities. Doing this enhances organizational productivity and improves corporate culture.

Founded by Eva Wong, Lawrence Leung, and others in 1995, Top Human, headquartered in Canada, has offices in Hong Kong, Macau, Guangzhou, Shenzhen, Shanghai, and Beijing. A pioneer of corporate coaching in Asia, Top Human created a unique business model based on "Training plus Coaching" and successfully expanded in various parts of China.

CORPORATE COACHING

Origin

Coaching originally was a methodology used to train sports talent. Corporate Coaching uses various tools and techniques to transfer the concept of sport coaching to the field of corporate management. In the 1970s, retired U.S. Navy veteran Tim Gallway developed an idea from playing tennis—the Art of Focus. He announced that he needed only 20 minutes to teach anyone who could not play tennis to be able to play a basic game. In a test in a televised demonstration, he taught a heavyweight woman, who had never played tennis before, to focus her attention on the tennis ball and when the ball bounced up, shout

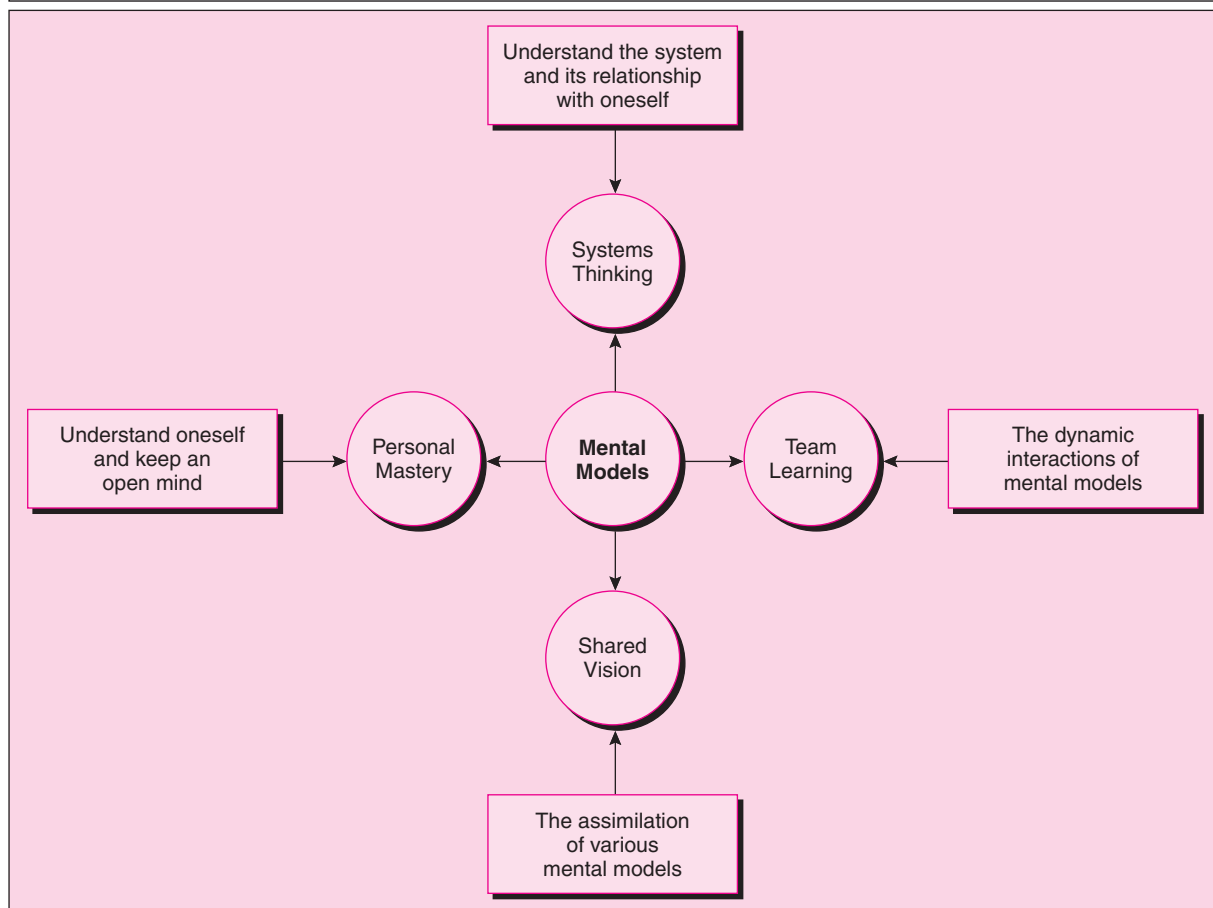
“hit” and just wave the racket. Surprisingly, in 20 minutes, this heavyweight woman could hit the ball with ease. Tim Gallway explained he did not teach her anything about the techniques in tennis but rather, he helped her overcome her existing attitude of: “I cannot play.” AT&T invited Tim Gallway to lecture its managers, which brought his concept of tennis coaching to the field of corporate management. Coaching was born. With the use of Coaching by such companies as Coca-Cola, ExxonMobil, IBM, Ford, BP, and Honda, Coaching occurred throughout Europe and America. One study indicated that while training alone increased productivity by 22.4 percent, training plus coaching increased productivity by 88 percent.

What Is Corporate Coaching?

According to Top Human, “Corporate Coaching is a management skill that facilitates the realization of an

individual’s full potential and enhances performance via improving mental models.” Mental models refer to the set of beliefs and assumptions that influence the way people perceive the surrounding world and the actions they take. These beliefs and assumptions are often embedded deep in the minds of people; it can be invisible, be a subtle awareness, or be one’s beliefs and principles in life. Regardless of whether people are conscious of their mental models, the mental models are like mirrors: people intake information to conform with their mental models. They overlook or simply ignore other information, or use various means to deny or distort it. As such, mental models heavily influence an individual’s cognition and behavior as well as his/her organizational environment and corporate culture. Furthermore, the concept of mental models plays a very important role in the theory of learning organizations, as is indicated in Exhibit 1.

EXHIBIT 1 Mental Models and Their Relationship with the Other Four Essential Factors



Distinction of Coaching versus Other Forms of Training

The main distinction between Coaching and other forms of training is that training mainly deals with the improvement of the ability of an individual or a group on a technical basis, such as personal skills training or management skills training. Coaching covers both the individual and organizational ability on a macro-societal level. Often the technical factors, which reflect the individual's ability and are the basis of organizational competitiveness, are not a match for the societal factors in the surrounding environment.

The essence of Corporate Coaching is to expand the corporation through respecting the individual's choice and facilitating the individual's development, similar to the concept of motivation. The traditional concept of motivation assumes that the goals of the corporation and its members are not the same, requiring that various management methods be used to help the members support the goals of the corporation. The traditional concept of motivation differentiates between the main subject and the objective targets, with the main subject being the investors or shareholders and the objects being the employees of the corporation. In Corporate Coaching, the main subject and the objects are the same. Corporate Coaching is committed to helping every single member align his or her personal goals with those of the corporation, and through this process the corporation develops. Employees are no

longer "worker bees" directed by management; they are "corporate citizens" with rights and opportunities.

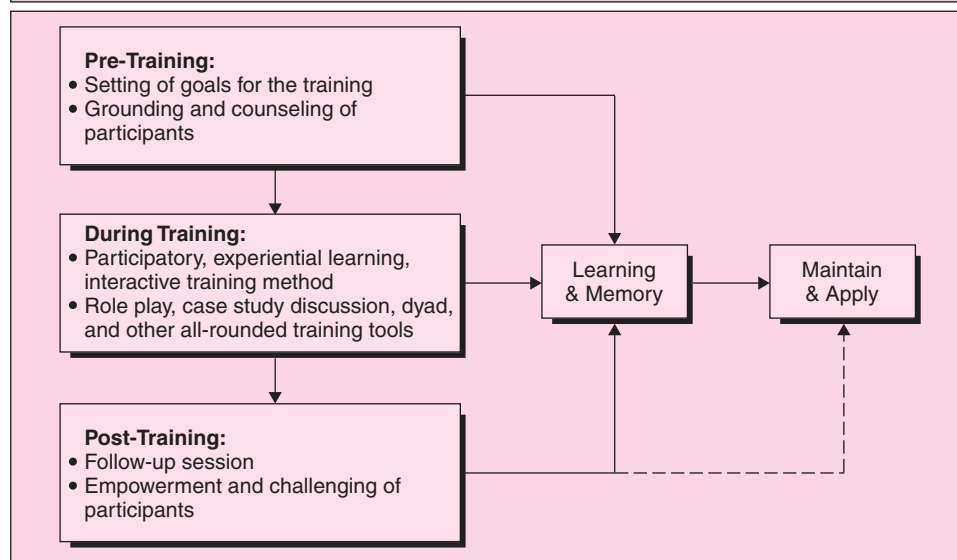
Coaching Tools and Techniques and Experiential Learning

In recent years, the coaching tools and techniques developed by Top Human have increased and now include: Enneagram, Core Values, 360° Feedback, Cultural Differences, Body Consciousness and Tai Chi, Emotional Intelligence, and Meditation. Top Human uses the "4 Step Coaching"™ process (clarifying goals, reflecting truth, shifting paradigms, and planning actions) and the "4 Coaching Abilities"™ (profound listening, precise questioning, perceptive distinction, and powerful feedback). Insight into body language, emotions, and language is also included.

As indicated in Exhibit 2, Top Human uses pre-training counseling, interactive and experiential learning in its training, and post-training follow-up and empowerment to achieve the final objective of behavioral change and enhancement of corporate performance; this is different from traditional training.

The emergence of Corporate Coaching reflects modern society shifting toward the development of human beings and the continual evolvement of organizations; it seeks to cover the socio-cultural factors that technical skills training fails to cover. Coaching Technology,® based on mental models as an entry point, facilitates

EXHIBIT 2 Top Human Process of Coaching Technology Training



the realization of one's potential and builds a corporate environment conducive for learning. Training plus Coaching are complementary and their synthesis helps harmonize the technical and societal factors in both individual and corporate ability.

THE DOMESTIC CHINESE MARKET FOR COACHING TECHNOLOGY

The reform of China and the opening of its economy allowed the creation of a large number of private enterprises. By the end of the 20th century, these enterprises were responsible for a substantial portion of the country's economic output. In the early days of the developing economy, many small and medium-sized enterprise owners relied on their spirit of risk-taking and hard work. The initial success of their companies was achieved through their personal perseverance and work; when their companies reached a certain size, problems started to occur.

At start-up, the entrepreneurs recruited their own relatives or friends. There was little staff and the team knew each other well so it was easy to coordinate and manage. As the number of employees grew, the company had to recruit and employ individuals beyond its personal relationship network; after 50 employees a company is beyond the ability of a single person. Doing everything oneself or refusing (or not knowing how) to delegate authority exhausts the entrepreneur and creates minimal return. As one entrepreneur stated: "In my corporation, I am the only, and also the most powerful, worker as I have to solve everything myself. The bigger my company becomes, the more tired I get. It is not that I am content with my present assets, but there is no point dying of exhaustion." Another entrepreneur stated: "In the corporation, my management style is to scold; I expect a lot from the staff but they always make mistakes. After attending Top Human training, I realize that the mediocre performance of my staff is largely my responsibility because the caliber of my staff is a reflection of my own caliber." One of Top Human's first clients, the owner of a handicraft company in Zhejiang, said, "I don't consider my company a small one as making several millions annually is very easy. I am the top entrepreneur in my district but all along I have been very fatigued, I do not know what I want to do after earning the money, I have no clue at all."

White-Collar Stratum

The white-collar stratum, which started about the same time as private enterprises in China, is sensitive to its own

surroundings and conditions. The rules and regulations in China's society are not at the level of people's expectations, yet the developmental changes in the Chinese society more often than not exceed their expectations. At the same time, each individual's development is also changing, making it difficult to maintain a balance in one's attitude; the uncertainty in change and choices usually leaves people in a state of feeling lost and helpless. The dramatic change in one's material life with a contrastingly blank spiritual life has brought about confusion and maladjustment.

Strangely, for such a large market with such vast potential, no entity filled the void. In the early 1990s in China, the training and consultancy organizations did not provide training that focused on shifting employees' attitudes. During the mid-1990s, the training inside China centered on knowledge and skills. Before the arrival of the 21st century, most of these training and consultancy organizations were one-person organizations. There were few large training and consultancy organizations. The entry of American and European consultancy and training firms into China significantly impacted the individual one-person organizations; these new entrants still needed a period of time to adjust to the domestic needs and the Chinese culture and values. This was the large untapped market with vast potential that existed when Top Human's business model of "Training plus Coaching" appeared; the entrance of the company indeed came at the right time.

ESTABLISHING THE COMPANY

Training plus Coaching

In 1991, Eva Wong left the Canadian Embassy in China where she had worked for six years as a commercial officer. One of the reasons for her departure was her exposure to a lot of training courses in her work and her passion to become a trainer. Eva Wong graduated from Hong Kong Polytechnic University and holds a degree in management. Before her career at the Embassy, she had worked in accounting and administration. After leaving the Embassy, she worked as a trainer at several training companies in Hong Kong and as a professional trainer in the United States. After facilitating training in Hong Kong for several years, she found that there were some problems in the training content and organizational management of the companies. Eva Wong began to think about solving these problems by starting her own company.

For a newly created training company to succeed, develop, and grow, it needs to have a unique training product. In the initial period, Eva Wong and her then-

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boyfriend and present husband, Lawrence Leung, and other like-minded friends met frequently to brainstorm various aspects of the training industry and discuss various options for establishing a company. This process of thorough planning and joint contributions, exploring all the possibilities and developing a strategy before taking actions, has become the practice in Top Human. This working style is closely related to the personality of Eva and Lawrence. Eva Wong has an open and straightforward personality and is willing to communicate and share her ideas with others. Her strength lies in her sound listening skills and being able to express her ideas clearly. Lawrence Leung is one who prefers to keep a low profile and is humorous and direct and has keen insight. He is able to inspire others and is a very approachable person. Both Eva Wong and Lawrence Leung have worked for a long time in Hong Kong—the junction of Eastern and Western cultures—and both have a broad international view. They also understand Chinese culture and manners and the domestic market.

It was at this time Eva Wong and the others came into contact with Coaching on the international scene. They discovered that Coaching can effectively adjust people's attitudes and empower and support people to success. In addition, the beliefs underlying Coaching closely fit the Chinese traditional philosophy of Buddhism, Taoism, and Confucianism. It also is similar to the content of modern corporate management. They began to introduce Coaching into Asia. Since there was no unified standard in the world for Coaching, Eva Wong, Lawrence Leung, and others, together with a Russian friend, started to design Coaching Technology[®] and its related training. They adopted the basic theories of international Coaching and infused these with the Chinese culture, creating the unique "Training plus Coaching" approach which later became Top Human's main product and service. According to Lawrence Leung, "In the past when China tried to connect with the world in various areas, it always had to adapt to overseas standards, but Coaching was a new profession and industry; there was room to play. In the future, everyone can be on equal footing and define the rules of the game together."

At the heart of the unique Coaching Technology[®], principally created by Eva Wong and Lawrence Leung, is building an environment—a special atmosphere where participants can see themselves clearly and their links with their surroundings, and in the process uncover their own potential. For example, during a rope-course challenge training, there are individuals who discover their weaknesses in the process of climbing the pole while

others discover their strengths. To individuals who succeed through personal endeavors, the team events at the Outdoor Challenge Center allow them to realize that teamwork can achieve things that are not attainable by individual endeavors. "It is not about teaching them what to do, but rather having them discover and decide for themselves what to do. Coaching only enables them [to] see a clear reflection of themselves." In the entire course of training, Eva Wong regards herself as a mirror. She feels that modern corporations need more mirrors and that managers need to let their subordinates see their weaknesses and their potential.

The Establishment

In July 1995, Eva Wong, Lawrence Leung, and two other partners jointly invested HKD 750,000 to set up Top Human Technology Limited, with headquarters in Vancouver, Canada. The vision of Top Human was to re-engineer the talent of people and enhance the quality of life through "Training plus Coaching."

When Top Human started in Hong Kong, there was only Eva Wong, a girl who handled the odd jobs, and other friends who frequently came to help Top Human on a voluntary basis. Due to personal interests, one of the partners withdrew from the company. The initial development of the company in Hong Kong was smooth and at the end of 1995, the company had three employees; there were seven employees at the end of 1996 and the company's revenue was more than HKD 7 million. By mid-1997, the company staff reached 12 and that year, the revenue reached HKD 11.5 million, mainly from Hong Kong. Top Human still had the goal to develop the China Mainland market. Although there is a large population in China, the market positioning of Top Human was based on the breadth of the training market as well as Eva Wong's personal experience and understanding of China. While Eva Wong considered herself as a Hongkonger, after many experiences, she realized that she was actually a Chinese. Following her deep understanding of China, she felt a fervent sense of responsibility to the land where she belonged and hoped to contribute something back to the country.

First Site—Guangzhou

In March 1996, Top Human started in the Chinese market in Guangzhou. Guangzhou is not far from Hong Kong and is a large city with most of the people speaking Cantonese, not Mandarin. In addition, a member of the Top Human

team, Catherine Ng, who used to be the operating manager for an American shipping company in the province of Guangdong, knew many people in Guangzhou.

Top Human priced its Performance Technology courses in Guangzhou in line with the prices charged in Hong Kong (about RMB 20,000). In the beginning, not many people in Guangzhou understood Top Human's Coaching Technology.® Finally, Top Human had its first course in Guangzhou with only one of the participants being local Chinese. The presence of Hong Kong's participants in these Guangzhou courses played a vital role in the development of the market in Guangzhou. One of Top Human's sales strategies was to find successful people who are usually more comfortable with risk-taking and have a higher probability of having development problems. These successful people were usually at the heart of some network and their sharing of their experience helped Top Human create a market. For example, after one person from the advertising industry became Top Human's client, many in the industry followed. In addition, people who came in contact with these advertising individuals were generally from the management of their company, which further increased the development. This greatly shortened the market development time. By mid-1998, Top Human had four full-time staff in Guangzhou; at the end of 1998, this increased to six.

Some companies, such as Robust Group and TCL Computers, became clients and a few incorporated Coaching into the management of their companies. For example, Fu Jie of Guangzhou Jiu Yi Advertising Ltd. applied Corporate Coaching in leading his team to create a television commercial themed, "The world is but a little place, after all" for China Mobile. This advertisement won a First Place Mobius Statuette in the Television Commercial Category in the 30th Mobius Advertising Awards held in Chicago.

Expansion to Shenzhen

Top Human's business in Guangzhou continued to expand and people from around the vicinity came to Guangzhou for training. There were some Guangzhou-trained participants who volunteered to attract other participants and arranged training venues in places around Guangzhou such as Shenzhen. To adapt to Shenzhen, where Mandarin is the main language, Top Human requested all its staff learn Mandarin and changed the language used in training to Mandarin. Top Human soon discovered not only was Shenzhen a substantial market for Coaching, it also had influence throughout China. Shenzhen has new industry,

more high technology companies, and most companies having a short history and rapid development. The population is young, highly educated, with contemporary ideas and a strong learning ability.

The development of business in Shenzhen shifted the emphasis of the company from Hong Kong to Shenzhen. To handle the business development in Shenzhen, Top Human transferred some key personnel to Shenzhen. In mid-1999, Top Human staff in Shenzhen reached six people, [the] same as Guangzhou. At the end of 1999, the staff was 12, exceeding the 8 people in Guangzhou. Top Human's number of employees in Shenzhen and Guangzhou (20 people) exceeded the number in the Hong Kong office (19 people). In mid-2001, half the company manpower was located in Shenzhen, as was the management for the entire company. Hong Kong stayed the company's technical development base and Guangzhou became a local market office.

Moving into Shanghai

In Shenzhen, Top Human wanted to develop a market with a vast area of geographical coverage. The early market exploration outside Shenzhen and Guangzhou was initiated by the clients. Top Human tried to start a Coaching service in Kunming and Taiyuan, but the result was not good because the standard of economic development in the mid-western region was too low.

The coastal economic development zones consist of the Pearl River Delta, the Yangtze River Delta, and the Bohai Bay area. The interior of the Pearl River Delta region is closely linked, is accessible, and has a similar culture; the Shenzhen and Guangzhou branch offices can cover that entire region. Top Human began to consider entering Shanghai—the hub of the Yangtze River Delta region. To Zhejiang and others along the Yangtze River, Shanghai had a strong growing influence. Some people in Top Human felt that the company was not familiar with the culture of Eastern China and should stay and build its present base to avoid spreading the manpower and resources too thin. Eva Wong and Lawrence Leung thought that the sooner they entered Shanghai, the better able Top Human would be to become a nationwide brand name. Eva Wong also had personal ties with Shanghai. Top Human entered Shanghai in the beginning of 2001. "Since I was young under the influence of my mother, I've always had an indescribable yearning for my hometown Shanghai," Eva Wong stated. Eva finds the people in Shanghai more diplomatic, more careful, and take a long time to build trust.

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The first step that Top Human took when it went into Shanghai was to employ six local people and send them to Shenzhen for comprehensive Coaching training and to assimilate into the company's culture. Second, the company modified its existing Coaching case studies as the Coaching examples that appeal to the people in Southern China would not be of interest to people in Shanghai. Third, when Top Human applied for a business license in Shanghai, it found that the business scope of human capital development had no precedence in the past. After going through a lot of effort, Top Human finally got the first foreign enterprise business license for human capital development in Shanghai.

The brand name of Top Human, very well known in Southern China, did not enjoy the same degree of recognition in Eastern China. To propel Top Human into a brand name in China, the company organized the Inaugural Coaching Forum in China. Top Human also got involved with various forums and seminars, such as the seminar "The Winning Way," jointly organized with Yang Cheng Wan Bao "Jobs Classified" in June 2000. After the Shanghai Forum, organizing large forums became a new area of company business.

Establishing the Corporate Technology Department and Its Restructuring

In 1998, the Hong Kong telecommunication industry did not have favorable sales and China Motion was forced to adjust employees' salaries to cut costs; simultaneously the company introduced the "CM Concept" to meet the growing popularity of mobile phones. China Motion wanted to expand its retail arm, from simply retailing pagers to selling an entire series of telecommunication products. The company was afraid that the change from a system of fixed salary to an adjustable salary would decrease the company morale and result in a major loss of staff. China Motion decided to use training to increase staff morale and help in the repositioning.

Even though there were many domestic and overseas training companies taking part in the bidding, China Motion selected Top Human. Top Human conducted a workshop, "Service from the Heart," for China Motion employees and sent three coaches to coach China Motion's over 20 retail supervisors, with the support of two other senior coaches. Top Human senior coaches interacted with the senior management of China Motion every month. Top Human coaches also held meetings with China Motion staff on a regular basis. The close-knit cooperation between the two parties resulted in the

successful repositioning of China Motion, and the "CM Concept" has been introduced in many cities inside China. The managing director for China Motion then, Mr. Xiao Weidan, said: "The sales figures have increased twofold in a short period of three months. At the same time, our company supervisors have shown considerable improvement in their leadership ability and the warmth displayed by our customer relations officers towards the clients has also greatly improved. . . ."

The use of Coaching for customized corporate training in the case of China Motion was a huge success, and Top Human set up a Corporate Technology Department that was independent of the Performance Technology Department. Manpower was arranged in Hong Kong, Guangzhou, and Shenzhen to develop the business in corporate management. However there was limited success in the Corporate Technology Department. By March 2000, the staff in the department went from eight to six people.

In the same year, Top Human restructured the Corporate Technology Department and put a full-time professional in charge. Second, the company had the department run the newly constructed Outdoor Challenge Center. Third, the staff in the department was increased to 20 people. Finally the department would actively coordinate with the Performance Technology Department to make full use of the client network to develop its market. In a short period of time, the Top Human Corporate Technology Department had a big improvement and increased its customized workshop topics, including such new ones as: Team Dynamics, Leadership Skills, Communication Skills, Sales Mastery, Creativity, and Innovation.

THE COMPANY CULTURE

A lot of people who come into contact with Top Human are very surprised that the company has been progressing rapidly and aggressively through exploring new activities and has not yet met any major hurdles. Why is it that with such a heavy workload, Top Human employees still maintain their high morale and commit to their job with passion?

Top Human's steady and rapid development and soaring morale are largely due to its use of Coaching in its own company management. At the same time that Top Human is helping other companies become learning organizations through Coaching, it is striving to ensure that Top Human itself has in place the various mechanisms needed to become a real learning organization (shared

vision, equal partners, insightful discussion, and the ability to focus inwards).

Shared Vision

Vision is the collective manifestation of the cultural values, interests, and ambitions of the members in the organization. Top Human uses vision in hiring its company employees. However, Top Human's vision is neither the vision of its top management nor one formed from a strategy. Rather through Top Human associates expressing their dreams and listening to other people's dreams, the vision is the result of the true opinions and knowledge and the belief that faith generates from this exchange process. Eva Wong and Lawrence Leung are willing to communicate their thoughts and ideas with the staff, and seek their understanding and support while listening and absorbing their views.

Not only is Top Human good at using vision to enroll and empower its employees, it also places emphasis on breaking the vision down into qualitative goals and measurable targets to guide the effectiveness of the company's operations. The feedback mechanism linking such a corporate vision, quantification of goals, and actual means of operations allows the fine-tuning process to continuously occur.

The Atmosphere for Learning

The core of Top Human's Coaching Technology is to create an atmosphere where the participants can develop their own mental models to equip themselves and to adjust their attitudes. Top Human has been consciously developing an environment for learning inside its own organization. It expects every department manager to be able to take up the role of a coach and adjust the attitude of his or her department staff, to allow everyone to face their work with the correct attitude and to see the opportunities in their daily work where they can improve their own qualities and abilities. One of the primary roles of a manager is to be a coach for subordinates, with the responsibility of using coaching tools and techniques to help others improve their effectiveness, making the role of Top Human management more of a supporter than a controller. Correspondingly, the role of staff members has also switched from one of taking orders to taking responsibility.

Apart from focusing its attention on forming some integral mechanisms, Top Human took other measures to strengthen this relationship of equal partners. For example, people address each other by their English

names, even top management. For instance, Eva Wong is "Eva" and Lawrence Leung is "Lawrence." The office layout of Top Human is based on an open concept. Eva Wong and Lawrence Leung did not give themselves extremely luxurious offices but rather go around to interact with other staff. To eliminate the boss-related complex and culture that are present in most companies, Eva Wong and Lawrence Leung started early to convert the ownership of Top Human into a shareholders' system, and to lower themselves from the position of "bosses" to the position of company shareholders and management. Important decisions are made by the board of directors. The employees of Top Human have the opportunity to become company shareholders, and this greatly strengthens their sense of belonging. In company meetings, Eva Wong and Lawrence Leung seldom persist with their ideas or defend their position, but carefully regulate the atmosphere of discussion, ensuring that the discussions end in more fruitful results.

Focusing Inward

Shared vision, equal partners, insightful discussion, and other such components of a learning organization established a solid groundwork where members of the organization have the ability and attitude to focus inwards, self-reflect, and self-improve. The management of Top Human, who are really concerned for the members in their organization, let the employees realize the difficulties encountered, actively ponder and find a solution, and make a difficult situation an opportunity for the employees to self-reflect, develop their abilities, and achieve personal growth. In a newly developed market, Eva Wong will personally interview prospective employees. During the interview, she looks for their ability to be molded, to express and to be distinct, their sense of mission towards their career, and their academic qualifications. Eva Wong also frequently uses her own experience to coach the staff in overcoming their own limitations. After her divorce, Eva Wong spent one year by herself traveling across Europe and the Middle East; the trip allowed her to see the world outside her original narrow social circle as a traditional career woman. She went through a very difficult adjustment process. Leaving behind her comfortable job as a commercial officer at the Canadian Embassy and stepping into the training line, Eva Wong similarly experienced a long period of adjustment and exploration in her mind before she successfully established and developed Top Human.

Common Societal Model

Top Human's shared vision, equal partners, insightful discussions, and the use of other such mechanisms is not just restricted to its employees. Top Human extends the use of such mechanisms to its clients and other relevant bodies such as its franchise partners.

One unique feature in Top Human is its associate coaches, who are essential to the entire operations of Top Human. Top Human's associate coaches are all clients who have taken part in Top Human's training; the associate coaches dedicate their service and support to help new participants get into form faster. In this way, associate coaches can apply and practice their newly learned coaching techniques and tools and improve the core of their coaching ability—the ability to enroll and convince.

Top Human is also very concerned about the maintenance of the network among clients. For example, Top Human specially opened up chat rooms on the company's Web site to promote communication between the company and the participants and among the participants themselves. Top Human diligently monitors the progress of the client's development and continuously seeks to expand the number of case studies from the successful individuals among its clients. Publicizing these successful figures and their success stories through

various forms of media is a living testament to the effects of Coaching Technology.

Ever since Top Human entered the China market, it has not done any advertising to promote its business. Eva Wong thinks that Coaching is a concept that can only be understood through personal experience, making it hard to accurately portray the essence of Coaching through advertisements. The dissemination by word-of-mouth from loyal, satisfied participants has become the main method of advertising for Top Human.

Organizational Design

The organizational development of Top Human has gone through three stages. The first stage was before the expansion of business in Shenzhen, where Top Human's organizational structure centered around the development of the training business and the structure of the company was like a training department. The second stage was after Top Human set up its subsidiary company in Shenzhen and the company started to build a corporate management structure and the corresponding departments (see Exhibit 3). The third stage followed the company's expansion to various regions. Top Human implemented a series of adjustments which resulted in the organizational structure indicated in Exhibit 4.

EXHIBIT 3 Top Human Organizational Structure (June 2001)

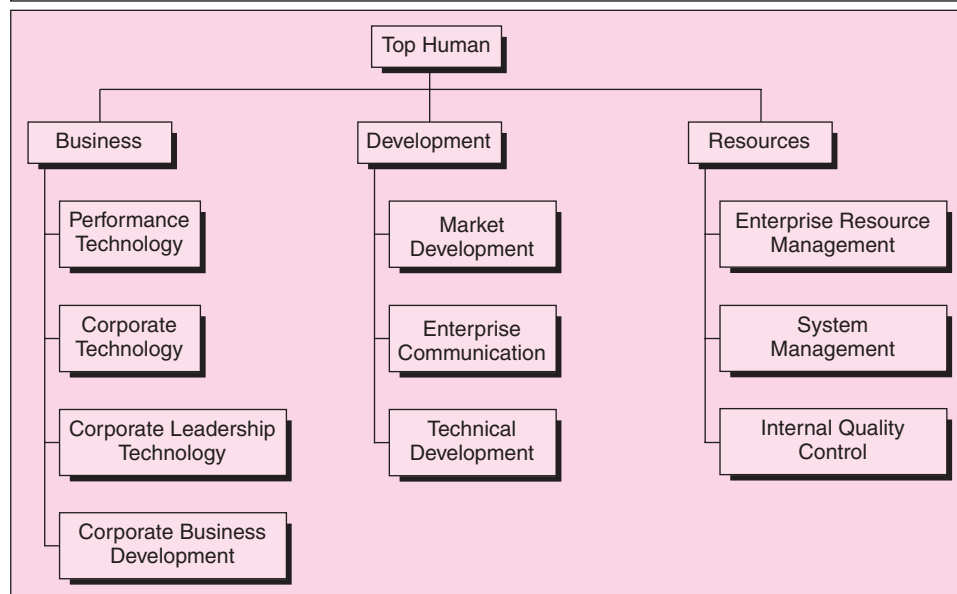
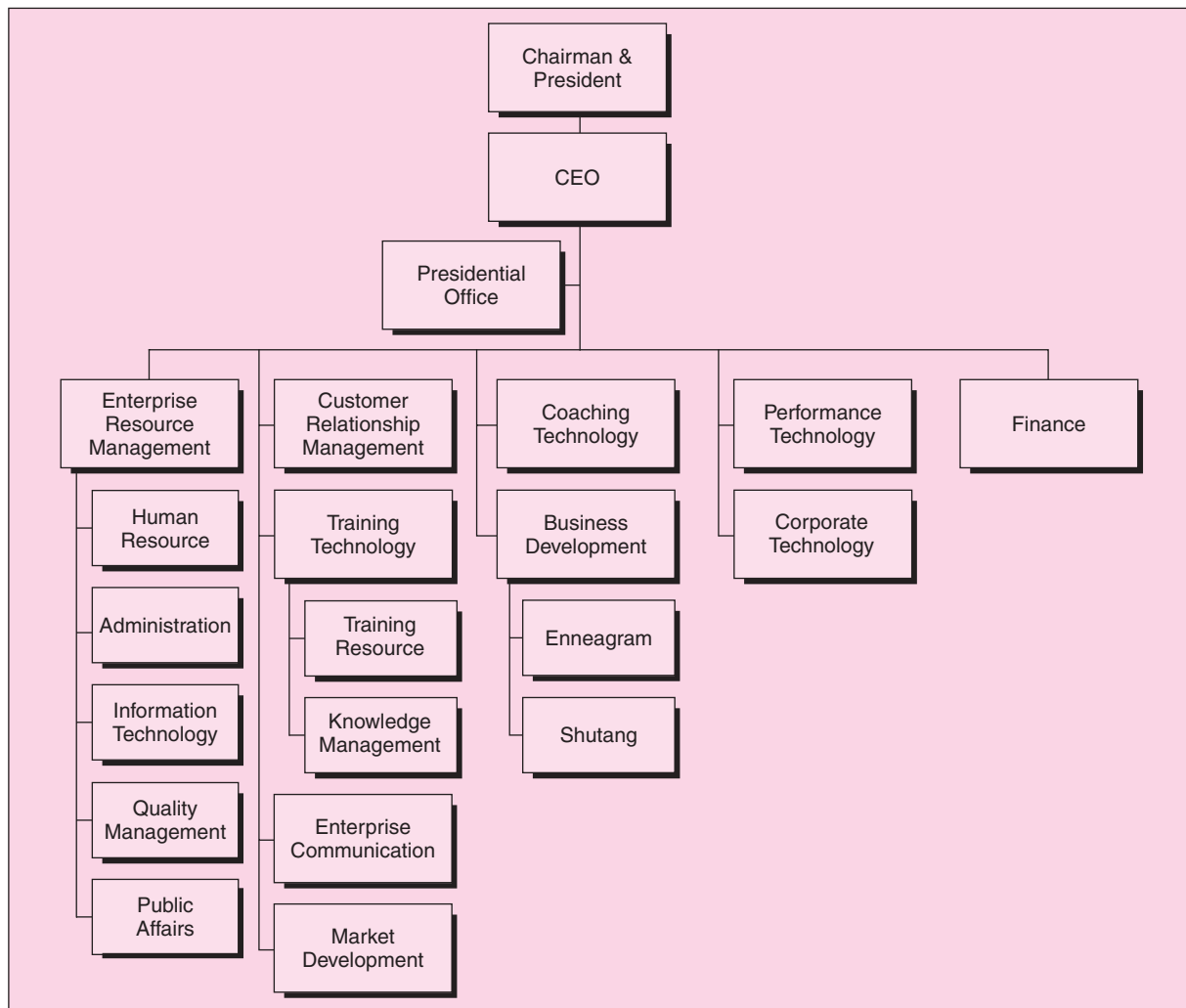


EXHIBIT 4 Top Human Organizational Structure (January 2002) (excluding regional framework)

Establishing the Knowledge Management Department

Along with the gradual acceptance of the new concept of Coaching Technology by the market, some past participants started to enter the corporate coaching market. Two coaching companies emerged in Guangzhou. Top Human was concerned that these competitors might not be able to provide a high quality of service, which would affect the image of Coaching and negatively impact the healthy development of the Coaching industry.

Top Human felt that a fundamental strategy to ensure the company's competitive edge and to establish a good reputation for the Coaching industry was to constantly

innovate, making it difficult for competitors to copy. Top Human set up a knowledge management and product development department in Hong Kong and started planning for the establishment of the Coaching Technology Research Institute. The main objective of this technical development department was to innovate in the training content, to manage the flow of internal knowledge, and to develop new services for the company. The department was also responsible for training company employees to ensure that the standards of the company trainers were the highest in the industry. New services were developed, tested, and adjusted in the mature market of Hong Kong before being introduced in the mainland market.

The company also wants to establish the Coaching Technology Research Institute, the first one in the world, by partnering with reputable institutions in the country. The Institute would sponsor relevant scholastic research and nurture master's- and doctorate-level researchers.

Establishing Specialized Departments

To increase the image and business of Top Human, the company established an Enterprise Communication Department. The mission of Top Human's Enterprise Communication Department is to promote Top Human's image and make Coaching Technology better known through such things as: organizing the international forum related to Coaching Technology; having "The Human Resource Journey" exhibition; and publishing Coaching-related books.

Although the coaching business is still in the growth stage, Top Human will need to have new services and businesses if the company wants to grow in the future. To accomplish this, Top Human established the Strategic Market Development Department to develop the company's overall strategy and find new areas of business for the company.

Top Human also established the Enterprise Resource Management Department to control the use of funds and resources. Investment plans are carefully formulated before being presented to the board of directors, and the company is planning to become listed on a stock exchange, perhaps in the United States.

The Presidential Office

Eva Wong and Lawrence Leung are coaches as well as company managers, and the growth of the company has significantly increased their workload. The initial objective of setting up the Presidential Office was to lighten this workload and enhance the communication inside and outside the company. However, the Presidential Office has become an incubator for training and new business development. Eva Wong and Lawrence Leung started to train some staff in the Presidential Office and share their management ideals and development goals.

DEVELOPMENT OF THE BRAND AND IMAGE

The brand name of Top Human has been developed through: the Enterprise Communication Department, the choice of office locations, through the organization

of various charitable activities, and by doing community work. Top Human continually establishes the "Coaching Brand" and portrays the company as the pioneer and the industry leader for corporate coaching in Asia. In March 2001, Top Human and the Zhongshan University MBA Centre signed a memorandum of understanding to train the university's MBAs and introduce Coaching Technology into the university system in China.

The company also introduced the Coaching Competency Certification Program (CCCP) to train corporate coaches. At the start of 1998, Top Human's board of directors decided to start the implementation of the ISO 9002 Quality Management System to improve its service quality to make the company's operations more systematic and scientific.

In February 2000, Top Human opened its newly constructed Outdoor Challenge Center at Shenzhen Xili Lake Holiday Resort, the first in the country that conformed to international standards. The obstacles at the challenge center include the Pamper Pole, Dangle Duo, Climbing Wall, and Cat Walk among the 10 high elements, and its 17 low element activities include TP Shuffle, Amazon River, Electric Fence, and Initiative Wall. At present, the center is one of the largest outdoor challenge centers in China with comprehensive facilities.

Outdoor challenge training allows the participants to participate in a series of interesting and challenging low and high elements in the outdoor environment, in order to gain a deeper self-understanding, discover one's potential, break through one's existing thinking model, and learn to deal with fear. Outdoor challenge training is a form of experiential learning through interaction.

Sales and Employees

Top Human has steadily grown since 2001. In 2004 Top Human had turnover at HKD 66 million with an additional HKD 12 million coming from franchisees. While the turnover was about the same for 2005, the revenue from franchisees increased to HKD 15 million (see Table 1). The number of employees increased from 3 people in 1995 to 91 employees by 2001 (see Table 2).

As is indicated in Table 3, in a short span of five years, Top Human has trained tens of thousands of people from such companies as: Guangzhou Materials Group, Konka Group, Robust Group, China Motion Concept Limited, Legend Computers, TCL Computer Technology Co. Ltd., Cathay Pacific Airways, Shenzhen Party School of the Chinese Communist Party, Guangzhou Zhongshan University MBA Centre, American International Assurance Company, Conlia Limited, and Sun Microsystems.

TABLE 1 Top Human Annual Income (000 RMB)

Branches					
RMB' 000	2001	2002	2003	2004	2005
Coaching Technology 1	¥17,577	¥10,445	¥13,397	¥25,150	¥21,858
Coaching Technology 2	¥13,528	¥ 8,581	¥11,106	¥17,867	¥14,810
Technology in Action	¥ 4,404	¥ 2,480	¥ 4,314	¥ 7,727	¥ 7,989
Coaching Principal	¥ 3,949	¥ 4,960	¥ 5,309	¥11,031	¥12,453
Corporate Technology			¥ 5,190	¥ 4,529	¥ 9,373
Total	¥39,457	¥26,465	¥39,316	¥66,305	¥66,483
Franchisees					
RMB' 000	2001	2002	2003	2004	2005
Coaching Technology 1				¥ 4,405	¥ 5,314
Coaching Technology 2				¥ 3,528	¥ 4,025
Technology in Action				¥ 1,608	¥ 2,104
Coaching Principal				¥ 2,373	¥ 3,807
Total				¥11,914	¥15,250

TABLE 2 Top Human Employee Distribution by Geographical Region

	Total	Hong Kong	%	Guangzhou	%	Shenzhen	%	Shanghai	%	Beijing	%
Dec 1995	3	3	100.0%	0	0.0%	0	0.0%	0	0.0%		
Jun 1996	5	5	100.0%	0	0.0%	0	0.0%	0	0.0%		
Dec 1996	7	7	100.0%	0	0.0%	0	0.0%	0	0.0%		
Jun 1997	12	12	100.0%	0	0.0%	0	0.0%	0	0.0%		
Dec 1997	13	13	100.0%	0	0.0%	0	0.0%	0	0.0%		
Jun 1998	21	17	81.0%	4	19.0%	0	0.0%	0	0.0%		
Dec 1998	20	14	70.0%	6	30.0%	0	0.0%	0	0.0%		
Jun 1999	28	16	57.1%	6	21.4%	6	21.4%	0	0.0%		
Dec 1999	39	19	48.7%	8	20.5%	12	30.8%	0	0.0%		
Jun 2000	62	26	41.9%	14	22.6%	22	35.5%	0	0.0%		
Dec 2000	83	27	32.5%	15	18.1%	35	42.2%	6	7.2%		
Jun 2001	91	16	17.6%	19	20.9%	48	52.7%	9	9.9%		
Dec 2001	109	14	12.8%	20	18.3%	56	51.4%	19	17.4%		
Jun 2002	107	16	15.0%	21	19.6%	48	44.9%	22	20.6%		
Dec 2002	115	20	17.4%	21	18.3%	45	39.1%	29	25.2%		
Jun 2003	133	21	15.8%	20	15.0%	59	44.4%	33	24.8%		
Dec 2003	147	3	2.0%	20	13.6%	78	53.1%	35	23.8%	11	7.5%
Jun 2004	172	2	1.2%	19	11.0%	82	47.7%	49	28.5%	20	11.6%
Dec 2004	212	2	0.9%	30	14.2%	88	41.5%	63	29.7%	29	13.7%
Jun 2005	282	2	0.7%	29	10.3%	121	42.9%	88	31.2%	42	14.9%
Nov 2005	285	2	0.7%	33	11.6%	121	42.5%	85	29.8%	44	15.4%

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TABLE 3 Number of People Attending Top Human Training

Main Branches	2001	2002	2003	2004	2005
Coaching Technology 1	3,988	3,452	3,233	5,461	4,747
Coaching Technology 2	1,628	1,499	1,423	2,131	1,764
Technology in Action	1,099	951	889	1,337	1,258
Coaching Principal	512	816	726	1,389	1,473
Corporate Technology					
Total	7,227	6,718	6,271	10,318	9,242
Satellite Offices	2001	2002	2003	2004	2005
Coaching Technology 1				1,127	1,217
Coaching Technology 2				459	516
Technology in Action				329	348
Corporate Technology				338	481
Total				2,253	2,562