Miss Wendy Au, Assistant Secretary, Communications and Technology Branch, Commerce, Industry and Technology Bureau, The Government of the HKSAR.

16 December 2003

Dear Miss Au,

Subject: Public Consultation Paper on 2004 Digital 21 Strategy

In response to the Government's invitation for comments on the subject, I am pleased to submit my suggestions.

Should you require further information, please do not hesitate to contact me.

Let's work together to build a better HKSAR.

Yours faithfully,

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Overview

I am supportive of CTB's periodic review and revision of the Digital 21 Strategy to ensure its relevance to the dynamic changes of political and business environment of Hong Kong (HK) as well as to benefit from technological innovation and cost effectiveness of more recent IT infrastructure, IT services and IT products. In fact, I actively participated in the study of the first version of Digital 21 Strategy in 1998 as well as in the IT Manpower and Training Requirements Study by EMB in 1999.

I expect the 2004 Digital 21 Strategy should provide more specific themes and visionary goals for using IT to support and enhance HK's positioning/differentiation strategy as a leading business city in Asia and a global city within China. The 2004 Digital 21 Strategy should also cater for the medium/long term development of IT in HK together with special emphasis in promoting e-Government and the rapid development of our local IT Industry.

Government Leadership

(Paragraph 14)

Continued enhancement of the IT outsourcing programme

I support the proposed new target in the outsourcing of the computer centre operations in ITSD, which should lead to significant cost reduction.

Sustainable e-Government Programme

(Paragraph 15)

Review of e-government strategy

While implementing e-Government in HK has consumed very significant resources, the utilization of e-Government by average citizens or small and medium enterprises in HK seems to be relatively lower than our counterparts in Korea, Australia, Singapore or Japan. Hence, appropriate strategies in the promotion and offer of incentives to encourage the general public to use e-Government services, should be considered as a priority.

Furthermore, the evolution of e-Government development tends to shift from infrastructure to application services and integration of systems within government departments and also with governments in other countries/cities. Perhaps, further alignment or re-alignment of e-Government strategy with government strategy will ensure that they will continue to support and enhance each other.

A vibrant IT industry

(Paragraph 28)

The IT market in HK is relatively small. Hence, IT firms should plan to serve the whole business/industry sector (instead of each individual firm) with requirements defined by respective trade associations and subsequent usage by their member organizations in HK and possibly in several Mainland provinces. The sector-wide approach in systems development will substantially lower the unit cost of systems and will make more sophisticated application systems financially viable to small and medium firms.

Pearl River Delta (PRD)

Apart from the strong business network between HK and the PRD, IT firms in HK can also leverage on the abundant supply of IT scientists and computer programmers in the PRD, see sub-section (c) under Paragraph 31.

Human Resources in a Knowledge Economy

(Paragraph 31)

Tertiary education and vocational training

(a) Funding Policy

The government aims at transforming HK towards a Knowledge Economy, which will be highly dependent on the tertiary education sector in leading innovation and knowledge transfer. These aims can be achieved by universities through providing quality education to our young men and women as well as in conducting relevant applied research and consulting.

Our Chief Executive, Mr. C. H. Tung has stressed that funding for education is a long-term investment for the development of HKSAR. However, the significant funding cut on the tertiary education sector as well as EMB's intention to have further funding cuts in the next triennium (2005-2008) are not consistent with the government's direction in transforming HK towards a Knowledge Economy. Hence, I suggest that (i) funding cut on the tertiary education sector should not be greater than the government's overall budget cut, (ii) additional funding be provided to support education programmes or applied research projects which are well-aligned with the strategic direction of HK.

(b) Demand for Graduates with Interdisciplinary Knowledge

In transforming HK towards a Knowledge Economy, I anticipate that there is a strong demand for graduates with interdisciplinary knowledge who can play an integral role in supporting high-value added applications across different functional areas or across various business sectors.

For example, after several years of working experience in application systems design and development, the business systems graduates will become proficient Business Systems Analysts. They can plan, design and select appropriate application systems for supporting/enhancing HK's strategic service sectors such as Finance, Tourism, Logistics/Trade and Business & Professional Services (e.g. e-banking, e-logistics, e-ticketing, e-marketing, IT audit, and legal informatics, etc.)

(c) Complementing the Strengths of Business Systems Analysts in HK with the Leverage of Abundant Supply of IT Scientists and Computer Programmers in the PRD

I think we should build on the strengths of our Business Systems Analysts in terms of their awareness of HK's prudent regulatory frameworks and importance of business ethics, good business knowledge with a global perspective, adequate communication skills, effective use of business English, soft computing skills and IT project management.

After the Business Systems Analyst has specified sector-wide business systems requirements, he/she can manage a team of IT scientists and computer programmers in the Pearl River Delta (PRD) to design, develop or customize and implement systems.

Consequently, IT firms in HK should be able to offer more cost effective and competitive IT application systems and services for specific business and industry sectors in the China and global markets.

Qualifications Frameworks

The establishment of relevant Qualifications Frameworks in the IT industry by the government (e.g. IT professional accreditations, CMM, SQA, and PMI, etc.) will ensure that IT firms and IT professionals in HK will keep abreast with professional practice and standards in leading countries and that they will remain "qualified" in bidding for or working with large IT projects within and outside HK.