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### Oral History Interview with Sim Teow Hong: Growing SMU

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**Singapore Management University**

**Li Ka Shing Library**

**Conceptualising SMU: The People and Ideas behind the SMU Story**

Interviewee: Sim Teow Hong

Interviewer: Patricia Meyer

Date: 08 May 2013

Location: Singapore Management University, Li Ka Shing Library Recording Studio

*Note to Reader:*

*This is an abridged version of the original interview. Please contact Li Ka Shing Library at [libIR@smu.edu.sg](mailto:libIR@smu.edu.sg) for access to the full version of the transcript and/or audio recording.*

*Users of this oral history memoir should bear in mind that this is a verbatim transcript of the spoken word and reflects the informal, conversational style that is inherent in such historical sources. SMU does not exercise editorial control on the contents of the interview. We advise users to refer to the audio recording for the accurate/ authorised version of the interview.*

Patricia Meyer:	<p>I'm Pat Meyer and today is Wednesday, the 8th of May 2013. As part of the Conceptualising SMU Oral History Project, I'll be speaking today with Sim Teow Hong. We're meeting in the Li Ka Shing Library Recording Studio at Singapore Management University. The subject of the recording is your recollections and perspectives on the early days of SMU and your role in the early days as head of the Department of Finance or CFO [chief financial officer] and up to your role today as senior vice president of finance and administration. I'd like to just start by asking you to step back to the mid-1990s and tell us about your career before you joined SMU.</p>
Sim Teow Hong:	<p>Ok. I spent a big part in the '80s and up to the mid-'90s, working with the same bank for twenty years as the Chief Financial Officer. So, in that role, there is the need to help the businesses understand their financial performance, their financial results, their financial planning.</p> <p>Subsequently, I was headhunted to join a real estate company as their CFO. It's a family-owned company that has a portfolio of properties. They are basically developers. They own a portfolio of real, top quality properties from hotels to condominiums to shopping malls, the whole range.</p> <p>I was with them for three and a half years when I got a call again that there's this start-up university that is looking for finance person, would I be interested. So, in the sense, in terms of my own journey in my career, it fitted in because when I started out, my wish was that, ultimately, I would like to end up working for a Singaporean entity—either it's family, or a local company. So that kind of fitted in quite well and at that time—now this is just before 2000—these were the days of the start-ups. Everybody was talking about starting up something. And the Internet world was just growing, so that was something interesting to me. A few things appealed to me—one was the start-up, secondly was it's a university. Two, the other thing, is that it is something that impacts the next generation, alright. So I say, "Fantastic, it appeals to my own career goal." So, I responded and I met up with Janice [Janice Bellace] in the interview and I got a job as Director of Finance.</p>
Patricia Meyer:	<p>So how did you make that transition, what was that like?</p>
Sim Teow Hong:	<p>In the case for SMU at that time, it was really a start-up. The planning team in SMU was still negotiating with MOE [Ministry of Education] on the start-up funding just to get it going. And the negotiation was just going on, and but meanwhile, there were people on the payroll. So fortunately they had some funding from the original institution that was supposed to create SMU and that kept it going for few months, in fact, nearly a year. That sustained it until subsequently, when the start-up funding was agreed with MOE [Ministry of Education]—that's when I have already joined—the first thing I did was to cut a cheque and paid off the other one and we are completely on our own. So that was the first phase of the funding and that's how we started recruiting our initial set of faculty and staff to get the university ready for the launch.</p>
Patricia Meyer:	<p>And coming in as a CFO or Head of Finance, are there differences between the role of CFO in a university and in the private sector?</p>
Sim Teow Hong:	<p>Whether you are a business or you are a not-for-profit business, the only way to sustain it is financial resources. Without financial resources, you can't do anything, so that is fundamental to all entities. And, like I say for businesses, it's in the sense different to the extent that they have the ability to offer services and products that the marketplace is willing to pay, and therefore, that's where they make their money. But in the case of a university—and the model that we run here it is subsidised business and that's quite typical of most publicly funded universities, they are heavily subsidised—so you are heavily dependent on the Government to sustain it and what you can charge the students is only a portion of the cost of teaching them. So, how do you balance</p>

	<p>that? Now the Government doesn't write you a blank check. So, the need to again balance the needs of the university with the financial resources to keep it is the same as any other business, so it's the same. In fact, more challenging. I'd say our ability to generate revenue, like other businesses do, is more limited because of that subsidy component. We cannot charge as we please because there's a public service aspect to it. And so it's a fine, limited capacity that we can use to bring in the extra resources. So really, we got to run the university as a very tight ship and make sure that we don't go off-course financially.</p>
<p>Patricia Meyer:</p>	<p>You've talked about the financial journey of SMU. When you came in, in Nov '99, what was your first step on that journey, what was the first thing you saw that needed to be done?</p>
<p>Sim Teow Hong:</p>	<p>Everything. From system to money, these two were the major things. They were running the books on a spreadsheet, and we were recruiting people. The payroll was building up, all kinds of costs were building up. To maintain that on a spreadsheet is going to be not sustainable. So we have to look at building the system. That's where we embarked on implementing the SAP [business management software] system to take care of the administration of the university. So that was one.</p> <p>The other big problem like I shared earlier is MOE funding. They gave us a start-up but that is only to last for a couple of years. So how do we meet that need was another stage that we had to plan. And that's where we started looking at the long-term need of the university, not just at the start-up phase. Having started, how are we going to grow this institution? What kind of resources must we bring to bear to keep that growth? So we embarked on looking at five, ten, even twenty years. And given the model that we were embracing, the US-style of business education, it was a model that it was, in the sense, [The funding] was beyond what was needed to fund the other two universities, NUS and NTU. So we realised that there will be a gap going forward and that's where we started the discussion with MOE in terms of what we really need to sustain SMU long term. That was the other challenge.</p> <p>So we [MOE] recognize that, so we are prepared to give you what we call premium funding compared to the other two universities for a few years to let you ramp up the university." So, to a large extent, MOE was very supportive and I would also say been very generous in giving SMU the kind of financial support that we needed. So we had a head start of about eight years with that extra funding to keep us going.</p>
<p>Patricia Meyer:</p>	<p>That fits into the next question. SMU is noted for its different approach to education. Compared to the other two universities in Singapore at that time, were some of the things that the finance group did, were they also different from the other two universities?</p>
<p>Sim Teow Hong:</p>	<p>But when I created the accounting system and the planning system, at the back of my mind was to make it such that it helps us understand the business dynamics of SMU, more so than just trying to say this is the money we have, how do we spread it. It must be looked upon from a business perspective, so all the things that I set up was similar to a business model with revenue streams, with cost and what is the bottom line, alright. So, and how do we balance the budget? Again, not just as one entity, but with all its subcomponents because we have different schools. Different schools have different needs. Different schools have different dynamics, alright. So, again we have to be able to look at things that way. So I, in a sense, set up the system all to enable us to look at it—and not just as one university and one pot of money to spread around. So, I guess, that's where I wanted to look at it very differently and so that's where I want to be different, alright. "I created a [cost] centre, responsible for running the services that you are set up for and responsible for managing the financial resources</p>

	<p>that we are allocating to you to offer those services.”</p> <p>That created a bit of apprehension for many because they were never held that way, to be accountable for not just what you are doing, but to manage the resources that I allocate to you. So that was quite a bit of change for many. They were very apprehensive. I guess for the obvious fact that, what if I don't have enough money to do the things that I need to do. I say, “No, you are responsible, so you manage.” Of course, you have to justify your needs every year, based on what is expected of you, and we will allocate what we think we can allocate to you. So, that was one part of the journey that we went through. But after a couple of years, people got comfortable, and it worked wonderfully later on because then truly accountability and responsibility are now aligned.</p> <p>Different schools have different capabilities in terms of the ability to offer programs that they can use to generate additional income to support the school. From business school, to say social sciences, they are all very different. And if we look at our portfolio of programs today, clearly business school can offer a lot more, alright. And, therefore, they have that ability to use those programs to bring in additional revenue to support the school. But I would say if we look at social science today, alright, that capability is much less compared to business school.</p> <p>That difference will have impact in terms of the financial outcome of each school, alright. Some may end up generating surplus within the school. Some may always be in a perpetual deficit situation and we recognise that. But we cannot say—that let's get rid of the loss leaders because in the way we have structured it, they are all interdependent.</p>
Patricia Meyer:	<p>In the very early days, how were you involved in some of the decision making about the type of university that SMU would become?</p>
Sim Teow Hong:	<p>We want to be a world-class research university. We want to be distinguished in our education. So those are very broad, but at which level do we want to be benchmarking ourselves was the thing that will determine the kind of financial commitment that you need. So, earlier on, we were aspiring to be the top private US universities, the Harvards and the Whartons or whatever. It requires a different level of financial commitment.</p> <p>And truly when we looked at it and we say, “Wow, it's a very expensive proposition,” for which, when we turned back to MOE, they say, “No, we will not give you that kind of resources to sustain that.” So we had to make adjustments to our aspiration. We would still want to be amongst the top, but we want to be amongst the top public US universities who are no less eminent.</p> <p>We have a lot of help from our own management, the president—I mean in terms of Janice, Ron Frank [Ronald Frank]—they are very experienced academics. They have seen different models of university in the US. They come from well-known research universities. They know what kind of resources are needed, so they played a big part in helping to shape that.</p> <p>We also brought in a couple of consultants who are very experienced university planners from the US to help us look at all these as well. And one particular one actually helped us build this model, this financial model. Professor Bill Massy [William F Massy] who was formerly a chief financial officer of Stanford University, alright. He came and helped me build that model and together with the president. And we also engaged the board in that whole planning, because in the board we also had academics, alright, who gave their insights and all that. And that's how we shaped the whole thing and say, yes, this is a reasonable model for us to adopt and these are the</p>

	projected financial commitments. So that's how we did it.
Patricia Meyer:	Can you talk about some of the challenges that you might face when you're trying to find agreement between the ministry, the board, the university administration, the needs of the university. How do you bring all that together? What are your challenges?
Sim Teow Hong:	<p>The first challenge is ourselves. How do we convince our own stakeholders, the schools and all that, to first embrace a common strategy, alright, and for them to articulate their own respective plans that is in line with their strategy, alright. So that's the first challenge. Each school has to articulate what they want to do and we have to make sure that these are all in line with the total university strategy. That's one.</p> <p>Next thing, of course, is to convince the board that this strategy that we are embarking on would achieve the kind of goal and vision that they want for SMU, alright. So that's the other part of the engagement that is very active. And we are very fortunate to have a very active board that really help us shape all these things and they truly actively gave their advice and their input in terms of where we should be going. So that's the other one.</p> <p>In terms of MOE, they decided to come up with a different funding model for the university which actually resulted in just them coming up with a total, what they call a 'block' budget to give to each university—without having to go into all the details of why are you spending so much on this, why are you spending so much on that, they don't have to do that anymore.</p>
Patricia Meyer:	Can you tell us about another area of the university, how you assist in decisions for tuition?
Sim Teow Hong:	<p>Ok. First, was to help management and the board decide how should we manage tuition fee. When we look at the long-term financial need of the university, we only recognize there's a gap. And therefore, tuition fee is one of the sources to fill the gap. So we had to look at it, how do we manage tuition fee over time as a resource to provide our financial need? So, with the long-term projection, projecting the gap, the board was engaged in terms of looking at what kind of increase should we be looking at over time to bring in the resources? So, that was one, the long-term outlook. Then, of course, each year when we look at the tuition fee for each year, what should the real increase be, alright, is the other discussion. But, of course, that discussion is not just let's increase it ten percent as you like, because there is market and public consideration. So there are other information that you need to understand, while from a financial perspective you know that you need to go at a certain rate, but there is market reality that you must consider. So all these have to come into play to decide how do we want to manage tuition fee.</p> <p>The other thing that we had to do was this—how do you make tuition fee increase as painless as possible? Ten years ago, the board was engaged in a discussion and I presented a paper, how should we package our tuition fee? Because in the past, tuition fee [increase] is a yearly thing. Your fee is only valid for this year. A student, sign up for U [university] for four years and they [only] know this year I pay so much, they have no clue what, in subsequent years, they are going to be paying. So there will be anxiety, both on their part and the parent's part.</p> <p>And that's when we looked at what we call a fixed-fee model? Meaning when you come to SMU, you know precisely how much you have to pay from the day you join to the day you graduate. So that removes uncertainty and that helps them to plan what kind of commitment to make. So that's how we started the fixed-fee model a few years back. And each year when we say the fee is so much, the student know that they will</p>

	<p>only pay this fee for the whole duration they are in. And that actually was very much welcomed by parents and students, alright. And to a large extent, because we did it, the other two, the other institutions are all doing the same thing. Yes. And I think it's fair. I mean, if I'm buying something, I want to know the actual price and not a price that is subject to change, alright, so it's a fair model.</p>
Patricia Meyer:	<p>I'd also want to ask you about the endowment. In the early days, how was that endowment set up and managed and what was the purpose of the endowment? How is it used?</p>
Sim Teow Hong:	<p>Universities are not-for-profit and for public service and also subsidised so, like I say, you need various sources of funding to come in. Tuition fee, government funding is one. Of course, quite typically I think in most universities, maybe the US universities are pioneers in this, created something called the endowment which basically is a kind of capital that the university raises, but from private donors, alright. And they are there for the university as a financial resource not to spend, but to invest and from there, generate income to support the university. So that's the whole concept of the endowment.</p> <p>And when SMU was started, the Government was the first party to contribute to the endowment. They gave us a seed grant, fifty million dollars, so that was the first check we got. And at that time to help us build that endowment, they also committed a three dollar-to-one match, which is very generous. So if a donor gives a dollar, they match three dollars and that's how we built up our endowment to what it is today. So it is also good in the sense that for the fact that you can't spend the money. The university has to first manage it. Secondly, be very disciplined about not spending it, alright. So it also builds financial responsibility on the university part. You cannot spend that money away. You are supposed to invest it so you earn and you are also not supposed to, hopefully, lose it away to your investments, so that's the discipline that it puts on us. So with that we have this now another resource that we can use to generate funding for the university and it is a wonderful good for the university.</p>
Patricia Meyer:	<p>You mentioned the 2008 financial crisis earlier. Did that have an impact?</p>
Sim Teow Hong:	<p>Yes, it impacted two ways. It impacted donors. They became more careful about giving because their own financial positions are also affected. It impacted us in terms of our investment portfolio. Of course, global stock markets, financial markets were all going down, so our portfolio was negatively impacted like everybody else.</p> <p>We want to thank our investment committee for their wisdom and their perseverance. They believe that what we have invested are the right things. Let's just hang in there and ride through this big storm. And true enough, one year after that, the market turned and we got back everything, literally everything that we lost. So it was a wise thing to do. Had we cashed out, we would have missed the rise, so we must thank the investment committee for that wisdom.</p>
Patricia Meyer:	<p>I want to also ask you about the idea of using bonded indebtedness to finance capital projects. I guess you've told me earlier, NUS does that. SMU, can you comment a little bit on that?</p>
Sim Teow Hong:	<p>So traditionally most institutions will go to a bank and arrange a bilateral loan. Another way for institutions to tap financing is to basically go to the marketplace and issue a bond. We invited the bankers in to look at our financial statements and they found that we are strong enough to access the market, alright. And that there is enough interest in the marketplace for people to want to invest in bonds issued by a university as long as it pays a reasonable yield. We talked to the bankers and they say, sure if you go out, there will be interest.</p>

Patricia Meyer:	That feeds into next question I want to ask you about. As SMU grew, your responsibilities increased as well. You are now Senior Vice President for Finance and Administration and at the Offices of Campus Development and Facilities Management. What are some of the issues that those offices are faced with today?
Sim Teow Hong:	<p>Yes, I was managing finance and along the way came many things else. In one sense, that role turned more from finance to administration. All the facilities-related things, whether new one or running existing ones, all came to me. As in all organisations, there are basically in today's term, four key resources—money, humans, facilities, IT, alright.</p> <p>The other parts of my portfolio, investment side is basically looking after the endowment fund, so that is directly impacted by the financial markets.</p> <p>Ok, that again is another stage of the SMU journey. Having been around for thirteen, fourteen years, we have been very busy building. We are just building to meet the growing need. Therefore, comes as a time now for us to take a look at ourselves. Are there areas that we need to improve? Are there areas that we need to innovate? So that's the reason for establishing this capability—Business Productivity Improvement. But it is not just about process improvement, it's also about innovation, alright, because competition is getting more intense. What SMU has created, alright, is fast being adopted by our competitors and you can't stand still because they will soon catch up and they may surpass it. So we have to continue to innovate to stay ahead and that's what we always wanted SMU to do, to stay ahead and not be always catching up. So the innovation part is also the intent of this journey.</p> <p>So the improvement part is, ok, how can we improve so that our services are more pleasant, more desirable from our customers' point of view, our students, our faculty, our other stakeholders? So how to sharpen that? How can we do things more efficiently, more cost effectively so that, like I said, in one sense, we can cut waste and redeploy those resources for other purposes, so that's the other intent as well. And, like I say, because we embark on responsibility centre accounting, people are saying, "It cost me too much to buy your services. Is there a better way for you to deliver your services?" So business process improvement is one way to help all the heads of departments and schools look at their services and say where can I improve? So that I can provide a better service, a faster service at a cheaper cost. So, those are all the intent. So, in one sense, it is also right time for us to do some housekeeping and say, how can we do better and cut some of the waste. How can we improve our services, how can we offer new things? As a result of eliminating waste, we can have capacity to do new things, alright. So that's the other intent of this part.</p>
Patricia Meyer:	Any comments about the ideas that have floated around sometimes about student hostels? Is there anything going there?
Sim Teow Hong:	Yes, that part we recognized the need for student housing. But not just for housing per se, but student housing as another way to integrate learning and training. So we are discussing with MOE about our need for student housing to enable us to integrate what we call training the students in living, learning and leading, alright. Providing the facility for us to do this, that when students come together and stay together, there are different ways of learning how to live together, how to learn together and how from there to learn to lead. We've already come up with this concept. We are now engaging the MOE. They understand what we are trying to do. The other part that we are engaging are the government agencies to look for the place, the land for us to build this, alright. So that's all in discussion. We have some feedback from MOE. They want



	<p>us to sharpen our vision for this housing in terms of making sure that the educational aspect of it is, in a sense, more firmly established so that it is not too much student activity oriented but really the academic and the learning content is there, so we are looking at that as well. So that's in the planning stage. We hope ultimately, we will have something, and a facility that enable us to have a different way of teaching our students how to live, learn and lead.</p>
Patricia Meyer:	<p>While working at the university, what opportunities have you had to meet and work with students or the student association?</p>
Sim Teow Hong:	<p>In my early days, I worked with them because I taught them for a while when I was just running finance and the dean of accountancy say, "Hey, we need people to help teach this particular subject which you are doing as part of your job." So, I had some time then, I say, "Ok, sure, let me help." But, I also wanted to experience what it is like to be in the class interacting with students, something that we say we are very proud of, so I wanted that experience. And, of course, personally I enjoy teaching. So, I did it for three years, teaching in accountancy school. That was my first part of interaction and gave me an understanding of the class dynamics and what goes on inside there and the needs and all that.</p> <p>The other part is because most of the things that I run impact students; the facilities side in particular impact them because they are the users of facility—from classroom to group study room to space for CCA [co-curricular activities] to car parks, alright. These are all areas that impact them and we get constant feedback from them. There are two ways you can manage them. You can just shoo them away and say, you know, "Live with whatever is there," which is not a very good thing. Or you can engage them because they are all members of the community. And if you put yourself in the service perspective, we are here and the facilities are here to serve them as they study here. So, what is a more constructive approach if we engage them. So, all these, in the last few years, we embarked on a journey where we treat them as partners in the SMU way of using facilities. So they are our source of feedback where we need to improve.</p> <p>And where we need to change, we also want to engage them so that the change is not a surprise, worst thing is a shock, and the change is accepted by them, it's adopted by them. So, we rather have it that way. Again, you also find that it is not practical to engage six, seven thousand students. So we say a more sensible way to approach is that they have student representative, which is basically the student association. These are their elected leaders. So we will engage them and say, you, as their elected leaders are their mouthpiece. But we also want you to be our mouthpiece, to engage the students for feedback on any changes that we want to do, to communicate new policies, new changes to the student body, so that everybody is aware of what's going on and we can work together.</p>
Patricia Meyer:	<p>Can you tell us about the impact of SMU's education on one particular student, your daughter?</p>
Sim Teow Hong:	<p>My daughter was the first child of a staff to enrol in the school and it was in its third year. From what I heard and saw in her first one, two years, I say the system of education that SMU provides is different. Of course, my daughter went through the normal twelve years in our normal school, which is basically one way of learning. So, understanding my daughter and the way she learns, I'd say I think SMU will suit her learning style. Despite the fact that it's new, I say for that I'm prepared to enrol her here and so she came,</p>

	<p>True enough, the way we teach—the interactive environment, the way we train them to express their views, to be ready to engage in class discussions, to exercise initiative in managing their projects, to pick up enough courage to stand up in a class and do their presentations and speak up—all these things are so much more relevant to just taking in that knowledge, alright, And because of these other ways of learning in her case, she has found it to be so much more helpful and less restrictive and all that. It suited her so well and we've seen her change from a frustrated student to a student that was aspiring to do well, and in one sense, did much better than we expected, alright. In the final term, she was on the dean's list and that built up her whole confidence, which is something that she was struggling with for years when she was in school, struggling through the school system, so that changed everything. Today, she's a different person. Yes, we are very proud of her.</p> <p>It made me more convinced about the way we teach our students here. The way we do it allows different students of different capabilities, learning styles, learning abilities, to apply themselves in the learning process. It's not a one-way—learn, intake, spit it out in exam, alright. So our way of learning, there are so many ways for them to use their own talent, their own skills and all that to excel in their own learning journey. So, I think that's something I am very convinced that the way we do it is correct. And, of course, all these other things—who are going for overseas exchange—open up a completely different world to them, it's not just Singapore. Now they see something else, they see another place, they see how they do things, they see the environment, how they operate. It's opened up a completely new world, you know. That's the other thing that our system helps our students.</p>
<p>Patricia Meyer:</p>	<p>Returning to the idea of a financial journey, where do you see the university now on its financial journey?</p>
<p>Sim Teow Hong:</p>	<p>I like to believe that we are financially strong where we are now, in terms of what we have generated and built up over the years. So today, in fact on the 15<sup>th</sup> of April, we were able to report to the investment committee that the endowment fund and the invested surplus crossed the billion dollar mark. It's more than a billion dollar Singapore now on April 15<sup>th</sup>, alright. After thirteen years, we are quite happy with that outcome. It's a valuable resource, we need to watch it carefully, manage it properly. And I think if we continue to do that we'll be in a financially strong position to be able to do the things that we need to do to build up the university.</p>
<p>Patricia Meyer:</p>	<p>To just look at the role of a CFO in a university, any comments on how that's changed over the past say ten, fifteen years and how it might change for the future?</p>
<p>Sim Teow Hong:</p>	<p>I guess the role of CFO has changed, not just for university but in general. Primarily also because of the changes in the marketplace. Traditionally, many CFOs are very much keeping the books, the financial books. But now, given what goes on in the marketplace—the need to compete, the need to survive, the need to respond to negative market changes—the CFO has to step up and help the business heads stay ahead of the curve. You have to stay ahead of the curve, to look out for what are the bad things that may come. So the CFO is one of the key people to do that because he has his hand on the financial pulse of the institution. You know, you don't want the institution to die from bleeding financially or to die from a heart attack because it can't take a market shock, alright. So the CFO is very key.</p> <p>So now the CFO, apart from balancing the books, he's also a key risk manager for the</p>

	<p>institution, managing the business risk to make sure that we don't undertake businesses that have high financial commitment and high financial risks, alright. And also to make sure that, financially, the institution is kept on a sustainable path, that we don't over commit beyond our ability to sustain. So all these are incumbent upon the CFO's role nowadays. That you can no longer just sit back and account for the numbers. Now those numbers represents information to you. You should be interpreting those numbers and say what are those numbers telling you about the institution, about the financial health of the institution and therefore, how do we keep it going. That's the role of the CFO.</p> <p>And also, on top of that, with all—I mean needs are always changing and growing—how do I plan to meet those needs, sometimes with resources that you don't have? So you got to plan ahead. How am I going to find financing and funding to meet those needs as well? So, you are, in a sense, a key player in bringing in a key financial resource to keep the institution going. So it's a very vital role now.</p>
Patricia Meyer:	<p>Could you just give us a couple of examples about, specific to SMU, about risk management that areas that you might be looking at here, just some examples?</p>
Sim Teow Hong:	<p>So the reputational risk of a university is important. Therefore, from a CFO's perspective, it's to make sure that any new thing that we embark on—whether it is a new program, a new degree, a new school, a new research centre that we undertake—we are able to deliver something of quality and that the financial commitment is sustainable, alright. That we don't end up going bankrupt because we start something that is, you know, going to drain, so that's one part. Of course, reputational risk as well, to make sure that programs don't suddenly go into financial trouble, you know. Or we have grants or gifts from donors to start a research centre, we don't run the research centre into financial trouble .</p>
Patricia Meyer:	<p>Looking back over your time since you joined SMU, how do you see the university today compared with what you thought was possible?</p>
Sim Teow Hong:	<p>Yes, when we first started, of course, we had nothing and we only have an aspiration to teach in a certain way and hope to produce students that the marketplace want. So, it was an aspiration. But when our first batch of graduates hit the marketplace, and from the feedback that we started to get about our graduates, it was in a sense, the first reading that we are in the right direction. We are doing something right. To this day, I think our graduates continue to give us that good feedback from the marketplace. Of course, there are some areas that we need to improve, but generally, the marketplace like what we produce for them. So, to be able to do that within such a short time is, in one sense, beyond my expectation, to build a university's reputation in a short time like this. I mean, it's something very pleasant to know. I expected it to take longer, but our students have done us proud to a large extent. So, looking back, it has been satisfying. Looking back that we were at one stage a nomad, moving from place to place, now we are right smack in the most valuable part of town, alright. We are the envy of many. It is fantastic and to see the place running smoothly. So that is also very, very satisfying. Also the other part is that to see the university set up to run in the sense smoothly, you know, to meet all the operating needs is also very satisfying.</p> <p>Some of the things that we created which is quite different from the other universities. For example, to see how we have created services like career placement. That is something quite unique to Singapore, perhaps overseas less so. But overseas I heard that is more done for graduate students than for undergraduates, but we are doing it for undergraduates. That is something quite special and we are known for that. So some of these things are things to be proud of, but things that we cannot take for</p>

	granted, we must continue to improve.
Patricia Meyer:	What were one or two of the biggest challenges that you faced at SMU?
Sim Teow Hong:	<p>Yes, in the sense if you look back, it is easier to be a growing up kid. Now, you are a teenager, alright. From my perspective, challenges of course, financial, because we are out of the early, premium funding years. We are now same level as the others, alright, and we still have a gap. So that's one big, constant challenge. Space-wise, alright, we have outgrown our first stage in a crunch. The footprint in terms of what has been set aside for us is also fixed. So, if we want to grow more, that will be a big challenge. Ok, so that's one. Facilities, land-wise, looking forward will be a challenge as well.</p> <p>The other challenge, of course, from my perspective is succession, succeeding leadership, alright. To have people groomed to take over and make sure that things run smoothly. My aim has always been that I should be able to step out without the institution missing anything. If I don't, I failed my job. So, at the back of my mind is always grooming enough leaders to take over and make sure this place continues to improve. So that's the other. Leadership to me is a key challenge.</p>
Patricia Meyer:	Two last questions. This experience with SMU, what has it meant for you personally?
Sim Teow Hong:	<p>Personally, has been a wonderful, learning journey. But also, it's a place where, if I look back, I have basically through my whole career, I have gone through three industries, from banking to real estate, now education. But I see SMU as a place where all these skills are brought to bear. None has been wasted. My years in the bank taught me about financing and financial management. My years in the real estate company taught me about property development, property management. So that is very, very, very valuable. And now seeing all that being put into use here is something that I would say is beyond my own imagination. It has been fun to me, and satisfying to see myself being able to use all that skills in my job here. That's been satisfying. Of course, to see what is being created is also satisfying. To see that the university is in good financial health is also satisfying. But, like I say, not to be taken for granted. So this all and to see that I'm building an institution, that it's not just for today, that will impact the lives for the future and for perpetuity is also very satisfying. To train the next generation and to be a part of this is satisfying.</p>
Patricia Meyer:	The last question. Do you have any advice for SMU students going forward?
Sim Teow Hong:	<p>When I look at our students and our graduates, what concerns me is many of them are focused on, I guess primarily, career and money, alright. But to me, life is more than that. Life has to do with also first knowing yourself and your values, alright. Career and money is just a means to that end. If those are your end in itself, I would say you are in trouble, because money is never enough. If you are a billionaire, there's always the next billion to make, so it's never enough. But I think ultimately for students, for anyone, to me it's your personal sense of happiness and satisfaction, not just from a career perspective but from your personal life, family and from what you are able to contribute to society at large. I think to me, those are key.</p> <p>I wish that on the day I die, I will not say, "I wish I could have spent less time in the office and more time with my family." I think I can consciously say that I have strike a good balance between family, personal life and work. I think that is key. I think we need to keep all that in balance and not tilt it to the other way. So if I may have a chance to tell students, is think carefully about all these as well. It's not about the more pay and all that. It is ultimately your own journey and your own satisfaction in relation to all these things, contributing to family, contributing to the society. You can chase money, money can fail you. You can chase career, career can kill you. You know because I</p>

	always tell, even my children, I say, high pay is not for free. It comes with responsibility. It comes with stress. So nothing is for free. So key thing is balance. Strike a balance in your life between your personal values and what you want to accomplish. That to me is more important.
Patricia Meyer:	Thank you very much.

## Acronyms List

<b>Acronym</b>	<b>Definition</b>
CCA	Co-curricular activities
CFO	Chief Financial Officer
EVP	Executive Vice President
Harvard	Harvard University
HR	Human Resources
MIT	Massachusetts Institute of Technology
MOE	Ministry of Education
NTU	Nanyang Technological University
NUS	National University of Singapore
NYU	New York University
SAP	Business management software
SMU	Singapore Management University
Wharton	The Wharton School of the University of Pennsylvania