



# Carlson Tong:

Close connections,  
career advice,  
communities

**Former China  
chairman Carlson  
Tong shares his  
career highlights,  
leadership tips and  
the importance of  
giving back to the  
community**

*In a recent interview, former KPMG China Chairman Carlson Tong revealed how an alumni event in London more than 30 years ago led to a journey back to Hong Kong where he grew up, and a long and accomplished professional services career with KPMG.*

Carlson's professional services career started in the early 1970s when he worked as a trainee at an accountancy firm in Hong Kong. He relocated to Cardiff to pursue a Business Studies diploma before joining Peat, Marwick, Mitchell & Co. (PMM) Cardiff in 1980. After transferring to the Hong Kong office in 1982, he returned to Cardiff a year later to take charge of one of its two audit departments.

"Work used to be very different back in the days without computers (1970s-1980s)," he recalls. "We were using typewriters and making edits with correction fluid. There weren't any fax machines, so messages were sent via telex."

Carlson's KPMG career then took another turn during an alumni cocktail party in London in 1984 when he was offered a chance to return to Hong Kong. He accepted the opportunity and went on to become an audit partner in 1989, human resources partner in 1996, joint chairman of KPMG China alongside John Harrison in 2007, before becoming sole chairman in 2009.

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One of his key career highlights was to be appointed the first Chinese HR partner for the firm. “I am proud of some of the policy changes I introduced, including equalising the expatriate and local pay packages. I also streamlined the grading structure (A, B, C, D, E), so that there would be a clear definition of roles, responsibilities and timeframes,” he explains.

Among Carlson’s most memorable experiences during his time with the firm was working with Dominic Ho (former joint KPMG China Chairman from 2003-2007) on the first mainland Chinese company listing in Hong Kong during the early 1990s. KPMG worked with a leading state-owned conglomerate to restructure its maritime paint subsidiary and float it on the Hong Kong Stock Exchange – the first for a mainland Chinese company. The landmark transaction laid the foundations for Hong Kong to eventually become a ‘super-connector’ between mainland China and the rest of the world.

Carlson believes this unique positioning will continue to be a critical driver of Hong Kong’s financial markets, as seen by the success of recent cross-border investment initiatives such as the Shanghai-Hong Kong Stock Connect and Shenzhen Connect.

“I think the future of Hong Kong will hinge on its ability to become the hub for foreign institutions to manage their investments in mainland China and for mainland investors to invest overseas,” he points out. “International players place huge emphasis on the integrity, openness and transparency of the Hong Kong capital markets, and so do the Chinese investors and regulators. It is important for us to protect and maintain these qualities. These are qualities that we can rely on to add value to the mainland’s development of its own capital markets.”





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## Leadership skills

Carlson highlights his four-year tenure (2007-2011) as Chairman of KPMG China as one of the most important phases of his career, having navigated the firm through the global financial crisis during that time.

When asked about his management style, he describes it as being engaging and inclusive, with a focus on building consensus. In his eyes, a good leader must have vision, determination, integrity and good management skills, and must be willing to share credit with his staff. “You don’t need to grab all the glory to show you’re a good leader,” he notes. “A company or a team’s performance is already a reflection of a leader’s abilities.”

In addition to personal attributes, Carlson believes it is essential for a leader to surround himself with a capable team. “A strong leader is important to the success of any organisation, but he’ll still need the support of a strong and capable team,” he says. “It’s all about team effort, and I had a very strong team of experienced partners helping me during my term as the chairman.”

His advice to the younger generation is to be open to advice, and even criticism. Moreover, it is important to establish a clear set of career objectives and goals, together with a proper strategy on how to reach their targets.

One area which Carlson feels can really help a professional grow is the secondment system. He believes it is important for professionals to experience working in a different country, culture and system as it pushes them to be more adaptable and flexible.

“It’s all about broadening your horizons,” he says. “I’ve always believed that success is not only about the technical aspects of the job, but also the ability to converse well with clients. To do that, you need to be knowledgeable.”

Last but not least, he thinks it is important to not be afraid of admitting to mistakes, as it is only through setbacks that a person can learn and grow. “Everyone makes mistakes. The key is to not be easily disheartened, and to try and learn from the setbacks,” he explains.





## Giving back to the community

Carlson is currently the Chairman of the Securities and Futures Commission (SFC), Chairman of the University Grants Committee (UGC) and a board member of the Airport Authority Hong Kong. He was also previously the Chairman of the Hong Kong Sports Institute, Chairman of the English Schools Foundation, and Vice President of the Hong Kong Institute of Certified Public Accountants and Hong Kong Chinese Orchestra.

When asked about his commitment to various community and industry bodies, Carlson explains it is about giving back to a city that has given him so much throughout his career. "I'm fortunate to have been involved in some very meaningful organisations, involving education, sports and cultural activities which I should thank Marvin Cheung (former China Chairman from 1996-2003) for, as it was through his introductions I got involved with the Sports Institute and the Hong Kong Chinese Orchestra," he says.

He shares his experiences, which he points out can be quite different to a corporate setting. "At KPMG, the people I worked with had similar backgrounds, values and goals," he says. "The board of a community body, on the other hand, consists of people with completely different cultures and occupations." Consequently, board members would tend to look at the same topic with a different approach and angle. It is therefore important for members to keep an open mind and focus on building a consensus.

In order to contribute meaningfully to the discussions, Carlson stresses the importance of being knowledgeable across different industries, sectors and cultures. "It is important to cultivate a consistent reading habit because that is how you can keep yourself updated with the latest economic, social and industry trends," he says. "For example, it is important to understand China's transformation from what was once the world's factory to becoming a global leader in high-tech manufacturing, IT, innovation and e-commerce."

"As financial services professionals, we need to grow with the market."

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