

People Development

Human capital is the most valuable asset of Sa Sa, contributing significantly to our success. Sa Sa's growth underscores our firm belief in the development of our people. As a result, we place utmost emphasis on people development and training. We assess our strength and needs now and in the future, and foster an environment that helps people to realise their full potential.

As at 31st March 2007, the Group had a total of 2,636 employees. Staff costs for the year under review were HK\$483.3 million. To ensure that the Group is able to attract and retain staff with good performance, remuneration packages are reviewed on a regular basis, and performance bonus and share options are offered to qualified employees. A performance-based element is included in the annual discretionary bonus for all staff and in share options for supervisory and managerial staff. During the year, we continued initiatives to attract, retain, motivate and develop the best people. Various staff development initiatives were implemented through in-house and external training programmes, as well as the provision of financial subsidies for staff's further studies.

Attracting People

We know that our success tomorrow depends on the people that we recruit today. We plan and coordinate recruitment activities to ensure that our business development is well supported by a motivated

workforce. During the year, various employer branding initiatives such as participation in Career Expos and publicity about staff development were undertaken to build a desirable employer image. A five-day-work week was introduced to provide staff with a work-life balance and to increase competitiveness for recruitment in the market.

Retaining People

To ensure that the Group is able to retain people with good performance, emphasis is placed on performance management, differentiated rewards, succession planning, learning and development. The Group has restructured the performance management system to ensure effective communication between supervisors and subordinates. This initiative is intended to improve not only individual performance, but also the performance of the Group as a whole.

We know that differentiated rewards are key to recognising talented people. Our remuneration packages are reviewed on a regular basis in the context of individual and business performance, as well as current market practice. In addition, performance bonus and share options are offered to qualified employees as a further incentive. To maintain our competitiveness and ensure that future people requirements will be met, Sa Sa has launched a Management Trainee Programme to develop potential leaders of the Group throughout the region. This Programme includes formal classroom training as well as attachments to our retail shops and supporting departments.





Motivating and Enhancing People

Sa Sa acknowledges and rewards achievers and promotes from within. Through careful career planning, coaching and counselling, we identify people who are ready to take on bigger challenges. The Group has launched an "Education Aid Plan" to encourage our people to continue learning for self-improvement and career development.

Our success relies on blending our individual talents through team building, mutual trust and respect. As an open and caring company, Sa Sa ranks consistent and transparent communication high on our list of core values. Information related to the Group's business direction and strategies is conveyed to staff via various channels, including staff newsletters, all-staff e-mail communication and training programmes. Employees are also encouraged to contribute their ideas through our Work Improvement Programme (集思會) and brain-storming sessions. A series of staff activities such as boat cruises, barbecues and staff gatherings were organised to provide our people with opportunities to interact outside work and to promote a healthy work-life balance as well as team-building. These activities also help cultivate a strong sense of belonging and camaraderie among staff.

Sharing and Caring Organisation

In the spirit of a sharing and caring organisation, our office staff show support to front-line staff by voluntarily working in Sa Sa shops during peak shopping periods. In the same spirit of caring, Life Balance Talks on work pressure and health are offered to staff on a regular basis.

Training and Development

Excellence of training and career development lie at the heart of the high quality of products and service that Sa Sa offers. During the year, the Group provided a total of

5.6 training days per staff on average. A Training Channel has been established in all stores in Hong Kong and Macau to broadcast latest product information and sales training information to all front-line staff. Service and selling enhancement programme by a professional management consultancy was conducted to enable a big leap in the service and selling skills. We continued with our 150-hours Junior Beauty Trainee training programme for new staff, provided more field coaching for staff in order to assist the transfer of learning, and arranged attitude training for frontline staff to motivate them to be more positive and proactive. Other initiatives included breakfast meetings, whose purpose was to strengthen teamwork at Sa Sa shops, to enhance communication between management and shops, and to nourish the caring culture of the Group through senior management participation.

Sa Sa continued to participate in various industry competitions with the aim of enhancing overall service quality and benchmarking to industry standards: for example, the Hong Kong Retail Management Association's "Service & Courtesy Awards" (five staff members entered the final interview), the Mystery Shoppers Programme 2006 (La Colline Shop was the Service Retailer of the Year and won the Service Retailer for Beauty Products/Cosmetics Category) and the Hong Kong Management Association's Distinguished Salesperson Award 2007 (all five enrollees received the award).

In terms of staff development, we launched Leadership Skills training for shop supervisors, strengthened the mentor programme for the increasing number of new staff at Sa Sa shops, and established a Train-the-Trainer programme for coaching new leaders at shops. As part of our overall IT infrastructure upgrading, which includes the crucial adoption of the SAP system, training was provided to all users in the Group.