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Photos from left to right:
Greg Whittred, Dean, Faculty
of Commerce & Economics.

Students at the 2004 National
Honours Colloquium.

Gail Kelly CEO, St. George Bank,
speaker in the 2004 'Meet the
CEO' series.

Mr Geoff Dixon, CEO, Qantas
Limited. First speaker in the 2005
'Meet the CEO' series.

Industry Partnerships

Industry engagement and relevance mark our 50th Anniversary

2005 is a significant milestone for the Faculty. From humble beginnings in 1955 in a temporary hut on the sandy edge of the campus, where a single full-time Accounting Professor taught accountancy, economics and statistics for the BSc in Wool Technology, we have grown into one of Australia and Asia's leading business Faculties. We now graduate around 2,000 energetic and capable young professionals each year.

With 8 schools, 10 specialist research centres, 7,000 students, 200 full-time academic staff and over 37,000 alumni, our graduates can be found in a wide range of leadership roles both in Australia and around the world.

We have an enviable track record for producing graduates who are industry-ready and for fostering research that is both innovative and relevant. Our teachers and researchers have produced some of this region's leading entrepreneurs and business leaders.

The growth of business Faculties over the past 50 years has been unprecedented. So what singles us out from the others? There are three major points of difference – and they relate to our **unwavering focus on quality, the depth of our industry links and the internationalisation of our people and programs.**

We have the highest quality students of any business Faculty in Australia. Talented individuals from over 120 countries contribute to a learning environment characterised by diversity and

enlivened by the meeting of many cultures.

Likewise, our staff have led nationally, in competitive research grants, publications and research degree completions (three of our critical KPIs) in each of the last four years.

After many years of hard work the Faculty arguably sets the benchmark in Australia for engagement with industry. Our objective has been simple: to ensure that our teaching and research programs, graduates and staff remain relevant and at the forefront of business education and research. We believe that we should engage meaningfully so that we are not just satisfying stakeholders needs now, but anticipating and predicting the future needs of business and the community.

With the assistance of our Faculty Advisory Board, which is made up of key people from industry and business, we have launched a series of initiatives which you will read about in this issue.

Industry endorsement is critical to the on-going prosperity and reputation of the Faculty, its people and its programs. By extending and strengthening our networks with industry we plan to underwrite another fifty equally successful years.

Executive in Residence – Going to ‘Big School’

Executive in Residence – Going to ‘Big School’

In 2004 Steve Crane former CEO of ABN AMRO joined the Faculty as our inaugural Executive-in-Residence. This is an initiative of the Faculty Advisory Board (FAB). The Executive-in-Residence program has been developed as part of the Faculty’s ongoing strategy of engagement with industry.



Steve Crane and student

The Executive-in-Residence is effectively an ‘insider’, someone from industry working within the Faculty who can provide advice to staff and develop and implement a range of initiatives. Their program can range from a formal “sabbatical” of several months to a block of a few weeks or an ongoing commitment to a number of days over a given period. “It depends on each individual and what they want to get out of the experience” says Chair of the Board, Warwick Negus, CEO of Colonial First State Global Asset Management.

In developing his role Steve says “I took the view early on that it was best to concentrate on those people amongst the staff and Faculty who had identified issues where I could act as an advisor or help elicit support.” Whilst Steve initially shunned the offer of an office, it soon became clear that it was important to be on campus. He eventually settled into a routine of being in on Fridays to discuss issues and keep up-to-date on projects. He warmly referred to these days as “going to Big School” and felt that this regular personal contact helped to “develop a combined sense of purpose” and enabled enduring personal relationships to be established.

Indeed, Steve achieved a great deal during his year with the Faculty.

He has been working closely with Professor Terry Walter and Associate Professor David Gallagher (Banking and Finance) on developing the new Co-op Program in Banking and Finance.

Steve also spent time with John Piggott (Associate Dean, Research) identifying partners for linkage grants. He has provided a conduit between the Faculty and ABN AMRO (and its clients) to establish mutual research interests and possible funding with matching government support.

Steve worked closely with the External Relations team, providing advice on how to raise the Faculty’s profile and he organised a workshop on “Understanding the Business Media” for senior staff.

And he pioneered the Executive Dialogue Program and worked on the development, training and implementation of a Professional Mentoring Program for key Faculty members.

His year as Executive-in-Residence has led Steve to believe that for universities to successfully develop and nurture links with the business community there will need to

be some sort of institutionalising of the interaction between these two groups. “It is through familiarity and constant contact, both at a social and professional level, that really true enduring links occur. This is certainly the case in business, where companies court other companies and business acquaintances through regular social and business contact.”

He suggests that the business community sees a lot of “grey” when it looks at different Universities/Faculties. Consequently there needs to be a strong focus on truly differentiating yourself in what is a very crowded marketplace for business support. He feels that the Faculty is making positive progress in this area. As he says, “ programs such as ‘Meet the CEO’ are as good an interview format as I have seen. The Alumni Leaders group has excellent potential to directly involve senior business leaders. The Executive Dialogue Program (which involves CEO’s meeting with small groups of students) has been very positively received by both the students and executives. These quality interactions at the highest corporate level are what can distinguish a Faculty from the “grey”.”

Upfront and Personal – What Makes a Successful

CEO? Upfront and Personal – What Makes a Successful CEO?

Q What do Richard Branson, Roger Corbett, Terry Davis, Michael Chaney and Gail Kelly have in common?

A They have all been keynote speakers in the ‘Meet the CEO’ series.

What makes a successful CEO? What qualities single them out from the crowd? Are they worth the highly publicised pay packages we read about in the media?

‘Meet the CEO’ is a highly successful series designed by the Faculty to re-connect with its 37,000 Alumni and the business community. It is sponsored by Deloitte, with in-kind support from the Australian Financial Review’s BOSS magazine.

Our Faculty Advisory Board which comprises an external, expert and experienced group of senior industry figures, have played a key role in the development of the this popular series over the past 18 months.

Launched in December 2003, a number of the most admired CEOs in business today have now featured “in conversation” with well-known broadcaster Peter Thompson and BOSS Editor Helen Trinca.

These CEOs have spoken frankly about their lives and their work. The qualities of leadership and shareholder responsibility



A captive audience at Michael Chaney’s Meet the CEO address

have been some of the key issues that have arisen from these interviews.

Richard Branson told a sell out audience how “people, people, people” were the key to his success. Terry Davis spoke about

continued over page



Michael Hawker, CEO of IAG
(Insurance Australia Group)

the problems of keeping an “open-door” policy for 15,000 staff and Michael Chaney spoke movingly about succession planning and leaving Wesfarmers, a small organisation he built into the corporate giant it has become. Roger Corbett talked about how he enjoyed meeting his staff in Woolworths and seeing what was “in store”.

So ‘Meet The CEO’ has given those in the audience a real opportunity not only to hear the unique views of some of the most influential people in business today but also the chance to ask questions of people that they would not normally have access to.

As well, these evenings provide an opportunity for the Faculty’s Alumni to

meet up over a thought-provoking discussion and a drink with old friends and colleagues. As John Meacock, NSW Managing Partner at Deloitte says, “‘Meet the CEO’ is an excellent initiative for the graduates and alumni of UNSW. We are proud of our long and close relationship with UNSW which has been built up over the years through our alumni network and our own graduate recruitment process. Giving potential leaders of the future the opportunity to hear from today’s leaders of the Australian business community is invaluable.”

This year’s series includes Geoff Dixon (Qantas), Michael Hawker (IAG) and Richard Pratt (Visy Industries). If you are a graduate of the Faculty of Commerce

& Economics and you would like to receive information on future events please contact the: External Relations Unit
Faculty of Commerce & Economics
Ph: 02 9385 7296
Fax: 02 9385 5933
Email: amy.brooks@unsw.edu.au
Website: www.fce.unsw.edu.au

Reality Check Reality Check

Another successful initiative providing industry feedback

The role of Industry Reference Groups (IRG’s) is to assist in the development, implementation and evaluation of our specialist postgraduate programs.

IRG’s exist to: “Ensure that our programs are industry relevant” says Greg Whittred, Dean of the Faculty. “They are designed to meet market needs from both the employers’ and the students’ perspective. They provide invaluable insights to ensure that our curriculum is relevant and also assist in the delivery of the programs through the role of “adjuncts” and with the provision of “case study material.”

IRG’s are: “Another great example of mutually beneficial links with industry, providing members with an opportunity to help develop future business leaders by shaping the curriculum and delivery of programs to ensure that prospective employees are industry ready. It also gives members an opportunity to advise on the research agenda and provides them with an opportunity to share their business experiences through teaching.”

The first Industry Reference Group was founded in 2002 to oversee the development of the Master of Finance program launched in 2003. In 2004 the Tourism Industry Reference Group was established along with the Master of Information Systems IRG.

The most recent group is the Master of Marketing IRG, established in 2004 to assist with the design and launch of the 2005 Master of Marketing (MMktg) program.

The MMktg IRG is comprised of senior players from a cross-section of industry, including fast moving consumer goods, professional services, advertising agencies and market research firms. The Chair is Walter Bugno, President, Asia Pacific Division, Campbells/Arnotts who is an alumnus of the Faculty. Members include: Ian Alwill, Nestle; Sarah Brown, Sarah Brown & Associates; Nicholas Davie, Publicis MOJO; Martin James, Celsius Research; Kevin Jurd, Spencer Stuart; Robert Morgan, Clemenger BBDO; Tim Salt, Campbell’s Arnott’s; Neil Shoebridge, Australian Financial Review; Caroline Trotman-Wren, Business won.

Head of School Paul Patterson says that the Industry Reference Group provides an external “reality check” on the new program, giving it an industry perspective and acting as an independent review body. IRG members draw on their collective skills, experience, energy and professional



Walter Bugno, President, Asia Pacific
Division, Campbells/Arnott and Chair
MMktg IRG.

relationships to work with, and provide guidance and support to, the School of Marketing. There are other benefits too; the School of Marketing recently hosted an information evening about the program at the salubrious premises of Publicis MOJO in the Rocks.

The IRG’s role with the Master of Marketing is ongoing. As well as providing advice as an “external sounding board”, they offer invaluable support through the provision of high profile guest lecturers as well as marketing the program within the profession and wider business community, encouraging staff within their own organisation to participate.

Executive Dialogue Executive Dialogue

Linking Successful Business Leaders with Outstanding Students

In 2004, the Faculty launched 'Executive Dialogue', a Program that provides students with the opportunity to develop professional awareness, networking skills and build relationships with successful business executives in a half-day program.

The objectives of 'Executive Dialogue' are to provide outstanding undergraduate students with opportunities for personal and professional development while at the same time giving them information on career opportunities. This innovative program emerged from an idea to link successful students with outstanding business leaders – to learn directly from the careers and experience of current senior executives. Associate Dean, Dr David Morgan and 2004 Executive-in-Residence, Steve Crane developed the idea and two events were held in 2004.

ABN AMRO hosted the first event, where Steve Crane, Advisory Board Member and immediate past CEO, Angus James, current CEO, and Andrew Butler, Director of Learning and Development, met keen young students. Each passed on years of business

management and leadership in an informal environment of inquiry and learning for aspiring young business leaders.

Mr Mark Bouris – Executive Chairman, Australian Financial Investments Group Limited, who has recently been appointed Adjunct Professor and is an alumnus of the Faculty, Mr Gavin Buchanan, CEO, Australian Mortgage Securities Limited, and Ms Karen Newton, Head of People, Learning and Development, hosted the second event.

Mark and each of his team provided invaluable insights to students about their own career paths, entrepreneurial experiences, career development and graduate recruitment opportunities in financial services. The Program enables students to discuss, and gain insights into the real world of business, followed by lunch with the speakers.

Over 80 students from across all disciplines in the Faculty participated in 'Executive Dialogue' in 2004. Students at all levels of undergraduate programs took part, from first year through to Honours students, as well as a number of international exchange



Mr Mark Bouris, Executive Chairman, Australian Financial Investments Group Ltd with "Executive Dialogue" participants

students. The Program requires participants to complete a training program comprising professional development, personal presentation, and researching the company and industry prior to the hosted half-day event.

The Program has gained significant support from senior executives in a range of companies spanning several industries, including Coca Cola Amatil, Salmat Limited, Zip Industries, Investec, Deloitte and Citigroup.

The Faculty will run two Executive Dialogue events in 2005. The Program will continue to link successful business leaders with outstanding students and also expose students to key business themes, including women and careers in financial services.

Providing Solutions to Industry Providing Solutions to Industry

Meaningful engagement is a two-way process. Industry and government provide us with financial and intellectual resources, and in return the Faculty provides important services and support to the community – through our research and the provision of resources including consulting, working directly with corporations, government and senior executives.

One such example is the involvement of the Faculty with the Capital Markets Co-operative Research Centre (CMCRC). The CMCRC is a joint government and industry funded venture with UNSW a major participant. It was formed in 2001 to bring together the best in innovative research and technology to the capital markets domain. The CEO, Mike Aitken, is a Professor of Capital Markets in the School of Banking and Finance in the Faculty. One of the CMCRC's current projects is an Accounting Quality Research Program, an example of cutting edge research which

also provides innovative solutions to capital market participants. Professor Stephen Taylor (School of Accounting) leads this program, which in part involves two projects supported by KPMG that aim to:

- Develop measures of accounting quality for financial institutions
- Measure the impact of the switch from Australian to International Financial Reporting Standards (IFRS) (a 3 year project).

The first stage of the IFRS project has recently been completed. It examined statutory disclosures made by ASX 200 companies reporting the expected impact of the switch from Australian to IFRS accounting standards. It has highlighted which specific areas and types of transactions firms are most concerned about and what they think in broad terms the effects will be on reported profits.

Stage 2 of the project (2005) will examine the statutory requirement for these same

firms to more precisely quantify the expected effect of a switch to IFRS, while stage 3 (2006) will examine the comparative data provided by these firms under both IFRS and current Australian accounting requirements.

KPMG benefit from this research as they can potentially develop a better understanding of audit risk and client behaviour, as well as gaining specific insights as to how their clients behave relative to clients of other firms. At the same time, Professor Taylor is hopeful that the opportunity to compare firms' forecasts in 2005 of what they expect the effect to be with the need to provide comparative data using both methods in 2006 will provide new insights into factors associated with how firms manage their disclosure policies, as well as the accuracy and bias inherent in such forward-looking statements.

Goldman Sachs JBWere – Mutual benefits

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One of the Faculty's most enduring partnerships is with Goldman Sachs JBWere.

In 2001 a perpetual postgraduate scholarship "**Goldman Sachs JBWere/UNSW Postgraduate Scholarship in Commerce**" was created and awarded for the first time in 2002. Its purpose is to encourage talented students to undertake a Master of Commerce qualification.

In 2003 Goldman Sachs JBWere were a major sponsor of the Faculty's *Thought Leadership Initiative* which brought Dr Vernon L Smith, 2002 Nobel Laureate in Economics "The Father of Experimental Economics" to Sydney for a series of lectures, a gala luncheon and a seminar series with the School of Economics.

In recent months, Goldman Sachs JBWere have also provided sponsorship for the **Faculty's 50th Anniversary Luncheon** featuring guest speaker, Doug Daft.

Goldman Sachs JBWere has also agreed to sponsor the Faculty's **HonoursExcellence Program**. They will join **Salmat**,

Ernst & Young and **452 Capital** to provide major sponsorship of the National Honours Colloquium, as well as a named Honours Scholarship to be awarded each year for 3 years.

HonoursExcellence was established by the Faculty in 2003 to encourage and assist the very best students to extend their studies for an additional year and undertake the Honours program. The program also attracts some of the best Honours business students from other universities across Australasia. It comprises an integrated, year-long program of events, activities and opportunities for these talented students.

The highlight of the program is the **National Honours Colloquium**, hosted by the Faculty in August at UNSW. The Colloquium brings together over 50 Commerce and Economics students from all around Australia and New Zealand who are in their Honours year to workshop their research. Participants also have the opportunity to meet prominent industry leaders and a formal dinner is held at the



2004 National Honours Colloquium

end of the Colloquium to which Faculty sponsors are invited to meet participants. Additional Honours Scholarships have also been established with the generous support of the business community to provide vital financial support for outstanding students in their Honours year.

Engagement with industry is essential for the Faculty but it is not a one way street. It provides benefits to our industry partners as well. Through sponsorship of our activities, Goldman Sachs JBWere have access to our top graduates but in the broader sense they have the benefit of association with Australia's leading business Faculty and access to our academic staff who can provide professional advice and 'expert' opinions.

Distinguished Alumnus Douglas Daft, AC

– International Businessman honoured at home

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Faculty alumnus Douglas N Daft, the first non-American to be appointed Chair and CEO of Coca-Cola's world wide operations, has been awarded Companion (AC) in the General Division of the Order of Australia in the recent Queen's Birthday Honours list.

Earlier this year he was the Guest Speaker at the Faculty's 50th Anniversary Lunch held at the Sofitel Wentworth Hotel. The lunch was attended by over 300 guests from industry and business including a number of Alumni Leaders. The lunch raised over \$100,000 for the Faculty's Scholarships Appeal Fund including a generous donation from Mr Daft.

Doug Daft spoke to journalist Peter Thompson about how a young man from Cessnock assumed stewardship of the world's most valuable brand.

Growing up in Cessnock Doug Daft was the first in his family to attend university.

This experience has kindled in him a lifelong passion for the benefits of learning, particularly about other cultures.

For almost three decades of his career with the Coca-Cola Company he lived and worked in Asia. From Singapore to Tokyo to Beijing he learnt about different local cultures and this experience gave him a profound respect for how other people live.

Doug Daft believes that he was fortunate to have had the opportunity to lead a company that is one of the most internationally diverse organisations on earth. Coca-Cola operates in nearly 200 countries, does business in some 124 languages and employs people from over 215 different nationalities.

He also believes that working or studying abroad is essential to success in our increasingly diverse world and that students with international exposure come to understand the value of dialogue between



Douglas Daft at the 50th Anniversary Lunch

people from different cultures and points of view.

As he says, "Relationships are the foundation for meaning and success in life. They are also the foundation for strong business, especially businesses that care about creating mutual benefit."

"Regardless of the path you choose, you must pursue your goals and aspirations with a sense of purpose and passion. International education ignites a passion for understanding other people and their perspective."

Since he retired from Coca-Cola, Douglas Daft continues to be active as a board member of a number of American and international businesses, education and charitable organisations.

New Co-op Program

New Co-op Program

Leading Financial Institutions Sponsor NSW's Top Finance Students

Eight of Australia's major banks and leading international financial institutions have partnered with UNSW in providing prestigious new sponsorships to launch the Finance (Honours) UNSW Co-op Program 2005.

The UNSW Co-op Program is a scholarship program set up by industry and the University to provide money and industry training for selected undergraduate students in the disciplines of Commerce, Science and Engineering. It is now the largest internship program for talented students in Australia.

The program is open to any student who is entering first year university and provides scholars with a tax-free scholarship as well as structured industrial training (between 9 and 18 months), gaining valuable work experience with up to four different sponsors.

Since its inception in 1988 the UNSW Co-op Program has offered scholarships in a growing number of business disciplines. These include Actuarial Studies, Accounting, Information Systems and Technology Management and Marketing.

The sponsoring companies who have agreed to participate in the 2005 Finance (Honours) UNSW Co-op program are the Commonwealth Bank of Australia, ABN AMRO, Westpac, JP Morgan, UBS, Deutsche Bank, St George Bank, the Sydney Futures Exchange and The Australian Stock Exchange. This leading group of finance firms will provide thirteen Co-op scholarships over the period 2005–2008.

The quality of sponsors has been matched by the quality of the students accepting scholarships. Thirteen of the highest ranking students wishing to study Banking and Finance have accepted offers and have a median UAI score of 99.7. But scholars are elected not only for their academic qualities, but also for demonstrated



Minal Karlekar, 2005 Co-op Scholar (Finance)

leadership and personal motivation. As Professor Terry Walter, Head of the School of Banking and Finance says, "These high calibre sponsors are together providing close to three quarters of a million dollars in support for this new program. We are also pleased that these scholarships have been accepted by such talented and gifted students."

UBS Investment are providing two Co-op scholarships for the Program. "We are delighted to support the new Finance Co-op program and for UBS to have this opportunity to help cultivate Australia's future leaders" says Matthew Grounds, Co-Head of UBS Investment Banking Division.

Minal Karlekar one of the new Co-op scholars says, "When deciding what University to attend and what course to choose, I was faced with endless options, but after all my research and evaluation, I could not think of anything better than the Co-op Program at UNSW. I am proud to be a Co-op scholar as it will provide the best head-start for a successful future career in the business world."

This new program is a big step towards achieving the Faculty's goal, to have the largest industry placement program for business degrees in the country. It is hoped that the Co-op Program will expand to include Organisation & Management and Economics in the future.

If you are interested in the Co-op program, please contact: Ms Brooke Gillett
Ph: 02 9385 55219
Email: b.gillett@unsw.edu.au

Vote of Thanks

The Faculty wishes to acknowledge the generous support of the following organisations:

Qantas
Deloitte
Goldman Sachs JBWere
452 Capital
Ernst & Young
Salamat Limited
The Australian
Boss Magazine

2005 Co-op Program sponsors

ABN Amro Equities Research, American Express Australia Pty Ltd, American Express Establishment Services, Arnott's Biscuits Limited, Australian Prudential Regulation Authority, Australian Stock Exchange Bentleys MRI, British American Tobacco, Australasia Limited, Coca-Cola Amatil Limited, Colonial First State Investments Limited, Commonwealth Bank of Australia, CSC Pty Ltd, Deloitte Touche Tohmatsu, Deutsche Bank Australia, Ernst & Young, Ernst & Young ABC, HPA, IBM, Australia Limited, JP Morgan, Kimberly-Clark Australia Pty Ltd, KPMG Actuaries, Macquarie Bank Limited, Medical Benefits Fund of Australia Ltd, Merck Sharp & Dohme (Australia) Pty Ltd, MLC Limited, Nine Network Australia, P&O Ports Australia Ltd, Perpetual Trustees Australia Limited, PricewaterhouseCoopers, Promina Group Limited, QBE Insurance Group Limited, Roads and Traffic Authority, Russell Employee Benefits, SFE Corporation Limited, St George Bank Limited, Suncorp Metway Insurance Limited, Sydney Water Corporation, Taylor Fry Consulting Actuaries, Tillinghast-Towers Perrin, Transfield Services, Trowbridge Deloitte, UBS Investment Bank, Unisys Australia Pty. Limited, Volvo Australia Pty Limited, Westpac Banking Corporation, Westpac Institutional Bank, WHK Greenwoods, Zurich Financial Services Australia Limited.

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coming events

- 10 August – 6–8pm, The Scientia, UNSW, **Richard Pratt AC, Chairman and CEO, Visy Industries,**
- 15 September – 6–8pm, The Scientia, UNSW, **Michael Hawker, CEO of IAG (Insurance Australia Group)**