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Welcome to Office of the Dean for 2006

The Faculty of Commerce and Economics (FCE) prides itself on being a leader in business education in the region. Over the next period, we are planning to consolidate this position, and the position of the university in general, in business education and research, by integrating FCE and the Australian Graduate School of Management (AGSM).

I am sure you will have read about this proposal in the press already. I would like to briefly take this opportunity here to tell you a little more about it.

Recently, the Vice-Chancellor, Professor Mark Wainwright and the Vice-Chancellor Designate, Professor Fred Hilmer met with staff of the Faculty and the AGSM following recommendations from a Working Party set up early this year. The Working Party considered the question of the future relationship between FCE and AGSM.

The Working Party comprised the Deputy Vice-Chancellor (Resources and Infrastructure), Professor Alec Cameron, the former Dean of the Faculty, Professor Greg Whittred, Dean of the AGSM, Professor Rob McLean, and myself.

We consider that this is a very exciting opportunity to bring together business education and research at UNSW. It is perhaps the most important innovation in our business programs since the establishment of the AGSM some 30 years ago.

Of course, there is much to discuss and many issues to consider for all our friends, partners and alumni, as well as our staff and students. I will undertake to keep you all advised as the process unfolds.

In the meantime, it is 'business as usual' at the FCE. All alumni programs and activities, such as the popular Meet the CEO series, will continue and I look forward to seeing you at a Faculty event this year. Our Capital Campaign, Connection Point, is well underway and collaboration with the AGSM provides an opportunity to explore partnerships on many key initiatives.

Please visit our website where you will find more information. If you have any questions, please don't hesitate to contact me on j.piggott@unsw.edu.au



Professor John Piggot, Acting Dean

UNSW takes a Leadership Role in Business Education and Research

The University of New South Wales is moving to strengthen its position as the leading provider of business education and research in the Asia Pacific region, and enhance its international standing in this area, by proposing to integrate the Australian Graduate School of Management (AGSM) and its Faculty of Commerce and Economics (FCE).

The creation of the new combined Faculty would see the integration and co-location of academic staff from both institutions. AGSM would continue to offer postgraduate and executive programs.

“The merger would position UNSW as a world-class centre of excellence in business education and research in the Asia Pacific region”, said Professor Fred Hilmer, Vice-Chancellor Designate.

As well, the merger would create scale and depth, providing the opportunity to enhance undergraduate, postgraduate, research programs and executive development and gain competitive edge internationally.

It will enhance both FCE’s leading position as a provider of business education and the AGSM premium brand in the postgraduate market and the ability to attract and retain world-class academics.

There will be the added advantage of complementary strengths, enhancing the quality of both teaching and research by combining two strong academic faculties.

It will enable UNSW to inter-connect levels of business education at all stages of the learning cycle: undergraduate, postgraduate and executive and expand options for program delivery.

The new Faculty will ensure a more co-ordinated approach to building partnerships with the business community and give UNSW a leading edge in attracting research funding by integrating research strengths.

In 2007, we move into a new building on campus which will enable AGSM and FCE staff to be co-located. This will bring new synergies and opportunities for cooperation.

“UNSW is blessed by having Australia’s leading business and management Faculties. It is possibly the most important supplier of business education to the Australian and regional business communities. By pooling the resources of the two entities I believe UNSW will cement this position of prominence for years to come and permanently raise the standard of business education at both the undergraduate and post-graduate levels. This signals a bold and exciting move by the University.”

Warwick Negus, Chair of the Faculty of Commerce and Economics Advisory Board. Mr Negus is CEO of Colonial First State Global Asset Management and an alumnus of the FCE.

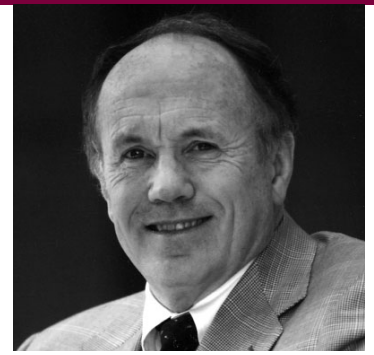
“The Advisory Council of the AGSM welcomes the integration of the AGSM with the Faculty of Commerce and Economics as it provides the opportunity to build world-class faculty for both under-graduate and graduate students. Together we can provide leadership in business education, not only here in Australia but in the Asia/Pacific region.”

Tony Berg, Chair of the AGSM Advisory Council. Mr Berg is Chairman of ING Australia Limited and Grange Securities Limited.



Our new home

Professor Edward C Prescott – An Economic Revolutionary



Professor Edward Prescott, Nobel Laureate for Economics 2004

The Faculty of Commerce and Economics' annual *International Thought Leadership Initiative*, now in its 3rd year, is a connection point for new ideas and insights, bringing leading international academic and business leaders to the Faculty to address contemporary business issues and stimulate debate and discussion. Our distinguished Visiting Professor for 2006 is Professor Edward C Prescott.

Professor Prescott is one of the world's most respected macroeconomists. He received "the Nobel Prize for Economics in 2004 (jointly with Finn E Kydland) for his contributions to dynamic macroeconomics: the time consistency of economic policy and the driving forces behind business cycles".

He is the W.P.Carey Professor at Arizona State University and the Senior Monetary Advisor for the Federal Reserve Bank of Minneapolis. He is described by the ASU President Michael M Crow as "a man of great intellect, drive and commitment and most deserving of this highly prestigious honour."

He has published numerous books and research papers and has held professorships in many universities in the USA. His 2000 book "Barriers to Riches" argues that barriers to technology adoption are the dominant cause of the large difference in standards of living across countries. The book has been translated into Italian, French and Chinese."

Prescott is known for his work on the "new macroeconomics" and monetary policy that has replaced the Keynesian orthodoxy. It is based on what is known as "neoclassical growth theory" and some of his most important work addresses the issue of the "time inconsistency" of optimal monetary and fiscal policies.

His work with Rajnish Mehra on the "equity premium puzzle" has been fundamental in reappraising the foundations of the discipline of finance. There is still no fully satisfactory explanation for why the return of equity (stocks and shares) has massively outperformed the return on other investments such as bonds in Australia and elsewhere over the last 100 years. He is one of a small circle of scholars who have altered the course of macroeconomic and financial thinking in the past three decades.

His work on business cycles has recast the way economists think about economic fluctuations arguing that they represent the optimal response of the economy to various shocks.

The span of his research includes seminal work in business cycles, economic development, general equilibrium theory, and finance, and has addressed some of the most important long-standing questions in economics.

His insights have had profound implications for the conduct of fiscal and monetary policy and even bank regulatory issues."

Within the discipline Prescott is also known for his impact on students. His doctoral students are rising stars at universities across the country, and he is also known for his work with talented undergraduate students.

"Many in the world do not understand that economics underlies the rise and fall of countries, businesses, governments and standards of living," said Robert Mittelstaedt, Dean of the W. P. Carey School.

"Ed Prescott's research and teaching have enlightened students, business people, government officials, and other academics. In the process he has opened our eyes to the realisation that economic results are rarely random, but the result of policies and actions that need considered judgment. While his research is widely read, he also has a huge impact on individual students, helping them learn from the master on a personal basis."



Snapshot

A RECORD SWAG OF UNIVERSITY MEDALS FOR THE FACULTY

Last year the Faculty broke all its records, with six students winning prestigious University Medals. University Medals are awarded by a special UNSW Committee to exceptional undergraduates who have shown highly distinguished merit in their course.

"This is a tremendous achievement and shows the extraordinarily high calibre of academic talent within the Faculty", said Acting Dean, Professor John Piggott.

Congratulations to our Medallists – Cameron Barnsely (Accounting), Rochelle Belkar, (Business Economics), Waranya (Pim) Chanthapun, Yosuke Hall, (Banking and Finance), Roland Howlett (Human Resource Management) and Matthew Reggers, (Information Systems).



Rochelle Belkar one of the Faculty's University Medalists

New Appointments

Associate Professor Lucy Taksa has been appointed Associate Dean (Education) for the Faculty. She will relinquish the Headship of the School of Organisation and Management where her current research interest is in management theory and practice along with industrial relations, equal employment opportunities and the management of diversity.

As she says about her research, "Diversity management and equal employment opportunity (EEO) are the modern-day watchwords of business. Managers play an important role in preventing sexual harassment and gender discrimination. Indeed most people believe gender and cultural differences lead to better organizational performance. My research examines how employees respond to the adoption of such policies."

Acting Dean, John Piggott says "I would like to take this opportunity to express my appreciation for Associate Professor Taksa's term as Head of School over the last several years. Her contribution has been outstanding. I look forward to working with her in her new role."

Professor Stephen Taylor, from the School of Accounting, has been appointed Acting Associate Dean of Research. Stephen is strongly committed to the Faculty's research program and reputation. He is a prolific publisher, and his research regularly appears in the leading international journals. He has twice been awarded the best paper prize from the Accounting and Finance Association of Australia and New Zealand, and has won many large ARC Grants (Discovery and Linkage), most recently with Dr Andrew Ferguson of the School of Accounting (2006-2008).



Associate Professor Lucy Taksa

Associate Professor Prem Ramburuth has been appointed Head of the School of Organisations and Management. Prem has a distinguished teaching and research career and won the prestigious Vice-Chancellor's Teaching Award in 2002. Her research is in areas of cross-cultural and diversity management; communicating across cultures and international assignments such as expatriation and repatriation adjustment).

Marketing Excellence

the Australian and New Zealand Marketing Academy (ANZMAC) has recently honoured two members of the School of Marketing. Professor Ian Wilkinson has been awarded a top honour for sustained excellence in marketing research. He was named Distinguished Researcher of the Year (2005).

"ANZMAC is delighted to recognise Ian's numerous achievements over a long and distinguished career," said ANZMAC President Professor Rob Lawson. "He has been recognised internationally for his research and it is fitting that ANZMAC celebrate his many contributions to marketing theory and research methodology.

ANZMAC has also honoured Professor Mark Uncles with a Fellowship of the Academy. Only one of three to be awarded this year, the ANZMAC Fellowships acknowledge members who are held in high esteem by their peers. Professor Mark Uncles is widely acknowledged to be one of the leading and most prolific researchers in buyer behaviour and brand management. In particular, his work on consumer loyalty has resulted in major publications that have been extensively cited by other researchers.



Professor Mark Uncles

Richard Carleton 1943–2006, Alumni Leader, Class of '68

We are sad to report that one of our most distinguished Alumni Leaders, Richard Carleton has passed away. Richard gained a BCom, majoring in Economics, and graduated in 1968. He was a member of the ABC's team for This Day Tonight and, at 22, he was the program's Canberra political correspondent and presented State of the Nation, the first television series to deal exclusively with Australian politics. After a brief stint with Radio 2GB in Sydney and the BBC in London, he produced two films, one on Indonesia, the other the Middle East before returning to the ABC to co-host the Carleton-Walsh Report.

But it has been since he joined Channel Nine's 60 Minutes in 1987 that Richard Carleton became a national identity. From the fall of communism in Europe, to the rise of Thatcherism in Britain, to the end of apartheid in South Africa and implosions of

democracies elsewhere on that Continent, Richard Carleton has been Australia's man-on-the-spot. The Gulf War, the Bosnian War, the sectarian war in Northern Ireland, the internecine wars of the Middle East, the guerrilla wars of Central America – he reported all of them and always with great distinction.

With his unique understanding of Australian politics it has been Richard Carleton who has brought meaning and insight to many of the great affairs and issues of Australia.

Our deepest sympathies go to Richard's wife and family.

SILVER SURFERS ON THE NET

Melissa Raptis, Co-Op Scholar and Honours graduate, has just been presented with two awards by the prestigious Association for Information Systems (AIS) for her study of computers, the internet and seniors at a ceremony held in Las Vegas.

This study of elderly people's interaction with computers and internet technologies is titled, "The Rise of the Silver Surfer: a Preliminary Study of Computers and the Internet as Providers of Information and Communications to Seniors". The paper was based on a pilot study conducted for

her research project as part of her Honours thesis and was co-authored with her supervisor, Dr Geoff Dick, from the School of Information Systems and Technology Management.

The findings indicate that seniors' primary use of the Internet is for e-mail. It is apparent from the study that seniors value the communication capability that e-mail provides.

Melissa graduated in March with 1st Class Honours. She now works for PricewaterhouseCoopers as a consultant in their Business Assurance team.



Melissa Raptis with Dr Geoff Dick

HONOURS COLLOQUIUM SHOWS RESULTS

Now in its 4th successful year, this event provides an opportunity for students from universities all over Australasia to meet with fellow Honours students and receive valuable feedback in a stimulating and supportive environment. 76% of students who attended last year's Colloquium achieved First Class Honours and 2 were awarded medals. Over 50 students are selected to participate each year and competition is keen.

The Honours Colloquium is generously sponsored by Ernst & Young, Salmat, Goldman Sachs JBWere and The Australian newspaper.

Taking a Risk

UNSW's Actuarial Studies program in the Faculty of Commerce and Economics is one of the founding members of an international quantitative risk management initiative which aims to promote research and accredit postgraduate programs in the field.

The organisation, which is known as Enterprise Risk Management Institute International Ltd (ERM-II), has been founded by a group of international universities also involved in quantitative risk management, including Carnegie Mellon University, Columbia University, Georgia State University, Heriot-Watt University and the University of Waterloo. Industry is also involved. The Casualty Actuarial Society and the Institute of Actuaries of Australia are founding members.

"A number of recent large-scale financial disasters, such as HIH and Enron, along with significant losses in the financial services and business sectors have highlighted the need for understanding, quantifying and managing risks at an enterprise level," said UNSW Professor Mike Sherris, Head of the ERM-II University Accreditation Committee.

"International changes to regulations for banks under Basel II have also brought it to the forefront," said Associate Professor John Evans, who is also involved in the organisation. For more information please go to our website: www.fce.unsw.edu.au



MAJOR TEACHING AWARD

Associate Professor John Lodewijks has won the prestigious Vice-Chancellor's Teaching Award.

The Vice-Chancellor's Awards are given for Teaching Excellence. These highly prestigious awards recognise and encourage sustained excellence in learning and teaching and in postgraduate research supervision over a period of time.

"Giving a really inspirational lecture is like a consumption good," says Associate Professor John Lodewijks, ever the economist. "With teaching you feel really good when it's over and the students are really happy but you're only as good as your next lecture. This teaching award is a more permanent recognition."

Professor Lodewijks has been at UNSW for over 20 years and has lost none of his original enthusiasm for economics. "I think there's a real nexus between research and teaching," he said. "I am active in both areas. If you're in the middle of a research project and you go and lecture on that, the students sense your enthusiasm. Students feel included as part of the enterprise because they hear about the research and the literature. It's the circle of life. You're constantly learning as well."

Building a bright future for business education and research at UNSW

Recently Capital Campaign Chairman Warwick Negus opened his home for the official launch of the Faculty's new Capital Campaign: Connection Point. Professor Fred Hilmer (Vice-Chancellor Designate) and UNSW Chancellor David Gonski, joined forces for the evening. They stressed the importance of bringing the Faculty and the University closer to the business world. Their audience – made up of over seventy of Australia's most influential business and government leaders – strongly agreed.



Professor Fred Hilmer (Vice-Chancellor Designate), Warwick Negus, Chair of the Faculty's Advisory Board and Capital Campaign Cabinet and Mr David Gonski, Chancellor UNSW

Warwick Negus, CEO of Colonial State Global Asset Management and Chair of the Faculty's Advisory Board has drawn together a Campaign Cabinet made up of some of Australia's most highly respected business men and women. All Cabinet Members have strong links with the Faculty and are all UNSW graduates or, as in the case of Professor John Niland AC, a former Dean and Vice-Chancellor of UNSW.

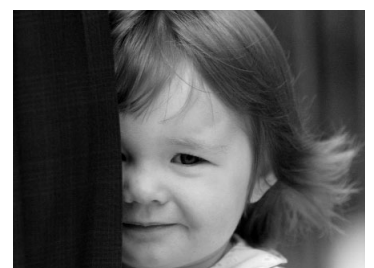
Paul Cave is well known as the founder and CEO of Bridgelymb; Bob Mansfield AO is probably best known for his role as the Chairman of Telstra. Peter Mattick is the power behind Salmat, (the direct mail and data distribution giant). Other members are Peter Mason (Chair of AMP), Albert Wong (a highly successful investment banker), Dieter Adamsas (Deputy CEO of Leighton Holdings), Simon Poidevin OAM (Managing Director of Citigroup) and Faculty Advisory Board Member and Company Director Vickki McFadden.

As Warwick Negus says, "the Faculty is fortunate to be able to draw on people of this calibre. This extraordinary group of highly motivated people are giving their time because they believe in the Faculty and they wish to contribute. They understand what the best business education and research can provide, both personally and for the greater good and they believe that the Faculty has a major role to play in Australia and the region."

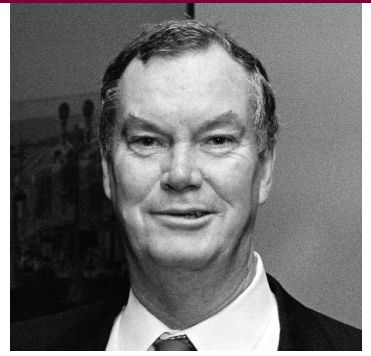
Connection Point aims to position the Faculty as a vital point of connection – a hub around which relevant business communities in the region can connect, develop and exchange new ideas.

To discuss investment opportunities, please contact:

Jane Westbrook, Director, External Relations on 02 9385 6228 or jane.westbrook@unsw.edu.au



Qantas Supports Tourism Research



Professor Larry Dwyer Qantas Chair of Travel and Tourism

Qantas has renewed its sponsorship of the Chair of Travel and Tourism Economics for a further three years.

Professor Larry Dwyer, in the School of Economics, has held the position of Foundation Qantas Chair of Travel and Tourism since its establishment in 2003.

Qantas Group General Manager Sales and Distribution Rob Gurney said Qantas was a major supporter of Australian tourism initiatives.

“The research being undertaken by Professor Larry Dwyer and his team is making a valuable contribution to the Australian tourism industry and the wider economy. We are pleased to be able to continue our support of this research which has provided insights into tourism economics and tourism policy.”

The Qantas Chair plays a major role in contributing to the Sustainable Tourism Cooperative Research Centre. This centre

brings together 17 member universities across Australia involved in the tourism industry, as well as a number of major industry associations and firms, to promote tourism research responsive to industry needs.

Professor Dwyer says: “Through its links with the Sustainable Tourism CRC, the School of Economics provides national leadership and coordination in developing a research agenda for Australia in the areas of tourism economics, modelling and policy assessment”.

“We are delighted that Qantas is continuing to support this Chair. In doing so, it demonstrates a strong commitment to research on the strategic management of Australia’s tourism industry, which can result in a substantial competitive advantage internationally.”

Past research has demonstrated the long-term trends affecting Australian tourism. Recent research has included the impact

of the SARS crisis on the tourism industry, the development of a Tourism Satellite Account for New South Wales, the inter-industry effects of tourism growth, and the development of measures of tourism ‘yield’.

Qantas is a major sponsor of the Faculty and also provides generous scholarships for Indigenous students and the Co-op Program.



The Writing is on the wall – surroundings to inspire, inform, connect, transform, communicate, excel, investigate, reach, plan, transform and network

Progress on the construction of the new home for business education and research at UNSW is powering ahead. The building is designed to bring faculty together in their own purpose-built home which is due to open in mid-2007. At present, the construction site is surrounded by vibrant hoardings. The space is being used as an opportunity to build excitement about the Faculty and its vision.

Adrian Leppard of Strategy Design says, “The hoardings on the new building presented us with an opportunity to both ‘inform’ and to ‘inspire’ with words and images that sum up the future direction of the Faculty and its leading position in the region”.



The inspirational hoardings around the new building

Meet Two Entrepreneurs with SAVVY

SAVVY : Understanding the Entrepreneur is the book published to celebrate the Faculty's 50th Anniversary. It profiles 16 outstanding entrepreneurs who are graduates of the Faculty. SAVVY was launched in March at Ernst & Young (who fittingly sponsor the "Entrepreneur of the Year" Awards) by Tim Pethick of Nudie and Cathy Rossi Harris, of Harris Farm Markets, who are both featured in the book.

Although many people who appear in SAVVY are well known in the business world, what may not be so well known is that the authors Peter Switzer and Maureen Jordan are highly entrepreneurial alumni themselves.

Peter is a well known financial journalist and commentator and can also be heard when flying Qantas on his highly popular business channel. Maureen Jordan is responsible for a number of key journals for financial institutions such as the Institute of Chartered Accountants.

As Maureen Jordan says, "We both hold the Faculty and UNSW in high esteem, having taught and studied there. We were delighted to find so many high flying alumni. I hope SAVVY captures the real drama of being an entrepreneur – the highs and the lows. We certainly enjoyed writing this book enormously."

The Faculty thanks James Millar of Ernst & Young for his support and enthusiasm in launching SAVVY.

To order a copy of SAVVY, please call 02 9327 4366 or email: info@switzer.com.au



Maureen Jordan and Peter Switzer, Mathew Reggers (University Medalist and speaker on the night) and Paul Cave of Bridgeclimb



Distinguished alumnus James Millar, CEO of Ernst & Young welcomes guests



Tony Abrahams, whose inspiring story is featured in SAVVY, talks to Professor Greg Whittred

Calendar Dates

ANOTHER EXCITING ALUMNI SERIES OF 'MEET THE CEO'

With the help of sponsors Deloitte and the Australian Financial Review's BOSS magazine, you can hear just what makes some of the most influential CEO's tick!

This fascinating series has captivated our alumni, students and staff. What drives and challenges some of Australia's best known business men and women? Join over 600 of our alumni to hear this year's line-up of speakers talking frankly to Boss Editor, Helen Trinca.

Don't miss this year's program. You can hear three major forces in Australian business today:

- Monday, May 29** Steven Lowy, Group Managing Director, Westfield Holdings
- Tuesday, July 11** David Morgan, CEO, Westpac Banking Corporation
- Thursday, October 5** Peter Shergold, Secretary, Department of Prime Minister and Cabinet

As Giam Swieger, CEO, Deloitte says, "We have been involved with *Meet the CEO* since its inception and we have seen it grow into a tremendously popular event. It delivers a unique opportunity to hear first-hand from some of the real movers and shakers from the business world. All the evenings have been memorable and have certainly provided food for thought."

If you are an alumnus of the FCE and would like to attend any of the above evenings please see our website: www.fce.unsw.edu.au



Helen Trinca, BOSS Editor and Moderator for Meet the CEO

office of the dean

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