Sydney Business Connect

Why young Australians must ‘toil with hearts and hands’ 20

The future of business education – Abercrombie Building unveiled 05
Deloitte CEO Cindy Hook – delivering today, building for tomorrow 11
Why our leadership is lagging on diversity and inclusion 16
The social side of e-commerce: rural China teaches the world a lesson 23
Building a ‘business not as usual’ culture

The University of Sydney Business School seeks to challenge notions of business as usual, the things taken for granted because they are the norm. We think it is important to question the status quo, not necessarily always to reject it but to be sure that we have not overlooked a superior alternative – a better way of doing things.

Let me cite two examples where change is urgent and where the school is making a positive difference. This year we will have more than 11,000 students. A clear majority of them are women. The disturbing truth is that most – if not all – of our female students will experience some form of discrimination. In a business not as usual world the gender pay gap, which begins upon graduation and worsens the more senior women become, has disappeared and cultural competence and inclusive leadership is practised. This leadership is all about ensuring we listen to diverse voices, seek diverse perspectives and foster diverse talent. We are building awareness of the importance of inclusion and diversity through our research and by designing a curriculum which demonstrates that diversity makes us smarter.

A second example is the strong and surging interest of our students in entrepreneurship. This is testimony to the fact that they have the confidence and skills to make a positive difference, for the essence of entrepreneurship involves a departure from business as usual. Entrepreneurs see opportunities that others do not or are too risk averse to try. They think creatively about ways to meet unmet needs. They want to make things better and are frustrated with the inadequate performance or lack of availability of existing products.

Whatever the sector or scale of the organisation, challenging the status quo is something we must commit to.

Professor Greg Whitwell, Dean, The University of Sydney Business School
02 Business briefs
Two guys, a van and a mobile washing machine. Nic Marchesi and Lucas Patchett are changing the world, one spin cycle at a time.

04 On the run with Margaret Zhang
Writer, stylist, photographer and creative director Margaret Zhang shares some thoughts on what it takes to break through and stay there.

05 The future of business education – Abercrombie is unveiled
On 6 July we celebrated the official opening of the Abercrombie Building. Catch up on the event and find out more about our new home.

08 Making disruption a master stroke
Professor Suresh Cuganesan explores the challenges modern organisations face to run their existing businesses well, while instigating bold new moves for long-term success.

10 Working in a beautiful mess
Why we should embrace the mess in a world where busyness is commonplace and emails never stop.

11 Delivering today, building for tomorrow
Deloitte Australia chief executive Cindy Hook discusses leadership in a highly dynamic business world and reveals her key attributes for success.

14 The craft of business innovation
We explore the factors that too frequently prevent innovation work from becoming managerial routine.

16 Our leaders don’t reflect who we are
Australia is often described as a multicultural success story. But in the ranks of leadership in our society are we making the most of our talents?

18 How is Australia faring in the global innovation race?
Academic and consultant Gaia Grant considers measures of innovation, our potential as a nation and the critical conditions needed for Australia to be a leading innovator.

20 Let’s strive together
Alumnus Gideon Silverman implores young Australians to embrace the diversity of our global population and strive for a brighter future.

23 Rural China teaches the world a lesson on e-commerce
Dr Barney Tan explores how China’s online revolution is improving lives and setting an example for the rest of the world.

25 Australia offers refuge for rhinos
More than 5000 rhinos have been poached in South Africa since 2010. By 2024 rhinos will be extinct in the wild if we do not act now.

28 The temptation of the panic button
Why considering long-term challenges is more valuable than pushing the panic button during a current crisis.

31 Understanding Chinese social media
With nearly 700 million internet users in China and the rise of social media, Australian businesses cannot afford to ignore Chinese online platforms. What are the secrets to success?

32 Where are they now?
Around the world and close to home, our students and alumni exemplify the University’s dedication to knowledge and innovation. Find out where their journeys have taken them.
Roadside assistance reinvented

“It all started with the crazy idea that we could put a washing machine in a van.” Nic Marchesi and Lucas Patchett, 2016 Young Australians of the Year, have found a way to treat others the way they want to be treated by restoring respect, raising health standards and reducing the strain on resources.

Written by Melissa Clarke

Nic Marchesi and Lucas Patchett built a free mobile laundry service in an old van to help the homeless. Since the start of Orange Sky Laundry in Brisbane in September 2014, the world-first idea has rapidly expanded to 10 vans in 10 metro areas around the nation, and they have washed more than 216,219 kg of laundry.

Best mates throughout school, Patchett says he and Marchesi are very different yet have always been connected by two things — helping people and doing things differently. “We were very involved in outreach programs for the homeless in high school,” says Patchett. “We found it really rewarding, fun and an awesome way to give back to the community. We left school and wanted to provide a similar platform.

“We sat on the laundry idea for a little while and thought, if not now, then never. So we started googling ‘how to put a washing machine into a van’, and realised no one else around the world was doing this.”

Patchett says the biggest hurdle was getting people on board with the vision. “We faced a lot of scepticism early on, and so many people saying it’s not going to work; that machines aren’t designed to go in the back of a van; people won’t use it; and so on.

“We had to figure it out along the way. There was no form to fill out with the local council about washing clothes in a park; no step-by-step guide. But we really believed in what we were doing and weren’t going to let anything stand in the way. We fought really hard for someone to believe in us, for the first ‘yes’, and it was a representative from a company that owned and leased thousands of washing machines around Australia who was willing to make an initial
investment – two washing machines and two dryers.

“Once we had that first ‘yes’ and were able to turn the idea into a concept people could see, it was amazing to see others come on board, and support pour in, with donations coming from around the world.”

Orange Sky Laundry started with one key aim – to improve the hygiene standards of the homeless – but it quickly evolved into much more, says Patchett. The real impact of the service is what happens in the hour it takes to wash and dry clothes.

Patchett says ultimately it’s a catalyst for bringing people of all walks of life together, facilitating countless hours of conversations each week.

“I’ll never forget the first gentleman we ever washed clothes for – his name was Jordan,” recalls Patchett. “He was probably in his mid-20s, and as we got talking, I found out he went to school just up the road from me, that we went to the same uni and even studied the same degree. He had worked in the industry as an engineer for four or five years. A few things didn’t go his way. He lost his job, made a few poor decisions and found himself sleeping on the streets.

“It was a real eye-opener for me. First, to the power of conversation and the impact it can have both ways. Secondly, to the fact that we weren’t that different. He was about five years down the track from where I was, and it only took a few things to change his life direction.”

Today, more than 600 volunteers work with Orange Sky Laundry, washing nearly 6.4 tonnes of laundry and engaging in about 1300 hours of positive and genuine conversations every week. In the two years since its launch, this has translated to 55,800 hours of conversation and lasting relationships, both with individuals and other service providers within the local communities.

Patchett says their vision is to expand their reach to include recovery from disasters such as cyclones and bushfires, which they’ve begun on a local basis.

The duo recently announced they’re trialling a shower van in Brisbane, giving homeless people daily access to a free hot shower. They are also looking to further develop commercial opportunities for the people who use the services.

In Brisbane Orange Sky Laundry already has three contracts with local businesses for laundry services. “We are training and employing the people using our services to cater to the local businesses, and we are excited about the opportunity for growth,” says Patchett.

The third area in focus for the future is about connecting people in real time. Orange Sky Laundry is run entirely on donations and funding from partners. “It costs $6 for each load of laundry,” explains Patchett. “In the future, we want to be able to connect donations with the people and community they’re helping so in a very real and personal sense, donors can see where their money is going and who it is helping.”

When asked about his advice for other young people with a big idea, Patchett says it’s all about “giving it a crack”.

“If you don’t get in there and give it a go, it’s not going to happen. We had this idea to put washing machines into a van, and over the course of six weeks, we made it happen.

“Every day, I’m blown away by what we are learning. What started as a fun project in a garage in Brisbane has turned into over 600 volunteers out almost every day, all day, across the country. And it’s the conversations that are making a difference.

“The first thing we all do in the morning is put a fresh set of clean clothes on, and we think everyone should have that basic human right.”

BOSS Emerging Leaders Program
Nic Marchesi and Lucas Patchett spoke at an AFR BOSS Magazine and University of Sydney Business School Emerging Leaders panel event on 9 August 2016.

Find out more
– orangeskylaundry.com.au
– bossemergingleaders.com.au
We sat down with Zhang during a gap in her busy schedule to get an insight into her career journey, day-to-day life and top tips for other young entrepreneurs.

What do you think was the secret to your early success?
There is no secret, just hard, hard work and not enough sleep – all the usual things!

How do you stay innovative and relevant in a competitive, global market that is constantly changing?
It’s really important to stay abreast of market news – both financial/corporate and creative – to keep in touch with both sides. Many emerging innovators’ biggest mistake is resting on their laurels after being on the cutting edge for a year or two, and not evolving to meet the shifting demands of consumers.

What is your advice for someone looking to break into the creative industries or launch a new business idea?
Do extensive research before you even think about starting. Do as much as you can on your own, for as long as possible, so you can be very clear on what you personally are not good at, and the kind of experts you need on your team.

How do you stay focused and balanced with so many competing priorities?
Break multiple, large tasks into smaller, itemised to-do lists. Then go!

If you weren’t Margaret Zhang – writer, stylist, photographer, and creative director – what would you be doing?
Honestly, regardless of which path I might have taken, I would have ended up here in one form or another.
The future of business education – Abercrombie Building unveiled

Photographer: Trevor Mein, 2016
“I see this building as a physical manifestation of the Business School’s desire to be something different; to do something different; to effect a departure from business as usual. I see this building – all 33,000 square metres – as a place which will allow us to shape the next generation of business leaders in a way that encourages them to challenge the status quo, and enables us to find new ways to make people’s lives better.”

Professor Greg Whitwell
Dean, The University of Sydney Business School

With these words echoing through the auditorium on 6 July 2016, Professor Greg Whitwell, Dean of the Business School, opened the door to a new era in the school’s history.

From its inception the Abercrombie Building has been emblematic of our commitment to transformational education. Designed as a place to connect, collaborate and exchange disruptive ideas, we believe that students who study in this building and graduate from the Business School will have a profound impact on the business environment across the Asia-Pacific region and globally, in the years and decades to come.

We invite you to join us on the journey and explore our new home.
sydney.edu.au/business/abercrombie
“We’re in an age now where business can’t be done as usual, and to put that stake in the ground I think is a magnificent starting point of a very big and rich future for the Business School.”

Jo Burston
Chief Executive and Founder, Rare Birds; Member, Board of Advice, The University of Sydney Business School

“Our strategy for the next five years is quite simple: to create a place where the best researchers and the most promising students, regardless of background or culture, can achieve their full potential. And that is what this building is all about.”

Belinda Hutchinson AM
Chancellor, The University of Sydney

“I applaud the leadership of the Business School for having the vision, capacity and ability to implement a project of this scale. It already has an unmatchable buzz, and I know great things and great concepts are going to be developed right within these walls.”

The Hon. Gladys Berejiklian MP
Treasurer of NSW, Minister for Industrial Relations and Deputy Liberal Leader

At a glance
177 individual offices, 203 bike racks, 550-seat lecture theatre, 3 x 300-seat lecture theatres, 8 x 100-seat case study lecture theatres, 35 seminar rooms, 118 steps on the spiral staircase, 15 student lounges, 3 learning hubs, 7 learning studios, 4032-seat capacity across all 54 teaching spaces, a dedicated careers counter and the Abercrombie Terrace Café.

Take a virtual tour
sydney.edu.au/business/abercrombie
How to turn disruption from within into a master stroke

Modern organisations face enormous challenges running their existing businesses, while also needing to instigate the bold new moves required to achieve long-term success.

Written by Professor Suresh Cuganesan, Deputy CEO of the John Grill Centre for Project Leadership at the University of Sydney

The corporate landscape is littered with the corpses of many organisations that have failed to transform and adapt to a changing environment. Blockbuster Video, Kodak and Sun Microsystems are just a few that come to mind – organisations that at their peak were leaders in their fields.

But it is not just business-to-consumer companies or those you might think of as “technology companies” that are at risk of disruption. The disruption imperative applies not just to organisations, but entire business models and sectors – media, banking, higher education – where the primary advantage is control of the supply chain and economies of scale.

Disruption is shifting power, placing it firmly in the hands of the consumer.

In response, large incumbent organisations are trying desperately to get their head around “disruption” – trying their utmost to be the disruptor rather than the disrupted. Design thinking, lean start-up, innovation labs and hack-a- thons are increasingly prevalent in the large incumbent – but these valuable initiatives are often insufficient.

Mindsets that seek predictable return on investments over uncertainty, decision-making that privileges business expertise over the customer’s perspective, and executives wedded to preserving cash-cow businesses (rather than searching out their weak points and being the first to cannibalise them) are challenges that the large incumbent must overcome if it is to disrupt from within.

At a recent AFR BOSS Magazine and University of Sydney Business School Emerging Leaders masterclass, we explored the challenges organisations face when creating transformative change and the skills the leaders of tomorrow need to succeed in disrupting their own organisations.

I was joined by Kevin McCann AM, previous chairman of Macquarie Group; Rob Sharp, Chief Executive at TigerAir Australia; and Anita Oh, Principal at Boston Consulting Group, to discuss what mature organisations do to become better disruptors, including:

How should board members ensure disruption within their organisations?

Kevin McCann noted the disruption challenge in financial services due to the absence of “IP [intellectual property]-driven” competitive advantage and the consequent need to always be a “first mover”.

Drawing on his experience at Macquarie Group, McCann spoke about the importance of opening
up the strategy conversation and balancing centrally led strategy with divisional-level identification of strategic opportunities. He also stressed the importance of “asking divisional managers regularly about disruption opportunities to understand how actively the organisation is pursuing new courses of action. Disruption needs to be part of the culture – a positive influence rather than a threat to teams or individuals”.

As CEO, how do you create the right environment among your management team and operating environment to create success through disruption?

Sharp emphasised the importance of creating purpose in organisations and adopting the right operating style as a leader, given both the organisation context and culture. “It is important to have the hard conversations with your leadership team and have them early when seeking to embark on transformation initiatives and creating a disruption culture,” he said.

TigerAir Australia’s recent entry into the Value Alliance exemplifies the role that technology plays in allowing disruptive opportunities – individual carriers in the alliance benefit from being part of the collective while maintaining their brand and positioning. This outward focus is essential to being part of disruptive movements that occur at the level of a network or ecosystem rather than an individual organisation.

Why do large organisations fail in creating and managing disruption?

Oh, Principal at Boston Consulting Group, highlighted the challenges that large organisations face in disconnecting themselves from the status quo of doing business. Many companies had failed, she said, because they “think that the future is what has been in the past”. Oh believes businesses are operating in an exponential world and this is “an important mindset shift to have”.

Another important element is to have the right governance over disruption initiatives – sometimes separation from existing businesses provides the space and time for these to flounder, learn and adapt.

Oh also spoke about the ways in which BCG and its clients have built disruptive businesses. This included looking at ways of working, and forward thinking in terms of “job families that don’t currently exist”.

It is easy to ignore the disruption challenge when all your performance indicators appear favourable. A large incumbent that does so risks sowing the seeds of their own disruption.

For more information:
- sydney.edu.au/business/staff/sureshc
- sydney.edu.au/john-grill-centre
Working in my beautiful mess

IF YOU WANT SOMETHING DONE, ASK A BUSY PERSON. WE’VE ALL HEARD THAT PHRASE. COINED BY ONE OF AMERICA’S FOUNDING FATHERS, THE NOTION HAS BEEN IN EXISTENCE FOR LONGER THAN WE’VE BEEN ALIVE.

Written by Georgia Knox (MBA ’16)
Director, Business Affairs, Audible

With the fast pace and complexity of contemporary life, being busy has become standard. We are all busy. As such, the modern interpretation of the phrase could be “If you want something done, ask anyone” (and I can’t see that lasting the test of time).

So being busy is no longer a differentiator. It’s what you do about it.

My MBA colleagues are some of the most time-stretched people I know. Yet each of us is making our way through the whirlwind of classes, study, networking events, assignments, exams, group assignments and social occasions while still keeping-up with LAU (life as usual). So how do we do it?

The truth is, I don’t have a comprehensive answer. I can’t package up *Seven Habits of Highly Effective People* or a four-hour work week for you. However, I can share that doing an MBA has made me realise that my way of managing in this crazy world is just fine and that I should not be intimidated by the noise around me. Some may have itemised spreadsheets, others a preference for tasks from which they only derive financial benefit — but if those methods of organisation are not true to who you are then they are never going to work.

Thank goodness for this. Because I work in a mess. It is an interesting, challenging and exciting one … but gosh it is a big mess. And I am OK with that. You may work in a mess too. There is an onslaught of emails, calls, texts, meetings, travel, documents, readings, social events, and when something new comes along you say “of course I would love to be involved” and figure out how you will make it all work later.

Every morning I write myself a “to do” list. It even has little tick boxes next to each task so that I can get a real kick out of the flick of the pen. Yet every afternoon I look at my list and think about how useless it was and how few items I have ticked. UFDs (unanticipated flying distractions) take place such as new tasks, impromptu discussions, technological breakdowns or good old simple tiredness that prevented me from having a nicely completed list.

But I still feel as satisfied as if that page were full of ticks. Because I reprioritised according to the needs of the day — and did not keep myself restricted to a specific plan. Plans rarely hold stable in our personal lives, so how can we expect more from them in our professional ones? And, since doing the MBA, I trust myself with the decisions that I make every day to manage this accordingly. This realisation is an emancipating one. So I am not just OK with my big, beautiful mess. I am proud of it.
Delivering today, building for tomorrow

Deloitte Australia chief executive Cindy Hook addresses emails to “Team Deloitte”. The subject matter varies but the message is clear and consistent – it’s no longer business as usual for the Australian subsidiary of one of the world’s largest accounting firms.

Written by Trevor Watson

“I believe in the power of teams, and I don’t believe there is any leader who can be successful, certainly not in this day and age, without a great team around them,” Cindy Hook says. “If you can’t build a team around you, or you are just going to do everything, you’re not going to be a leader, you’re going to be a sole contributor.”

The CEO of Deloitte Australia was speaking to a gathering of the nation’s best and brightest, members of the BOSS Emerging Leaders Program, an AFR BOSS Magazine and University of Sydney Business School joint initiative.

The topic was one of her favourites – leadership in a highly dynamic business world. One by one she listed the required attributes: be yourself; work hard; be loyal to your organisation; gain global experience; and be ready for the future.

“Know the person that you are and understand what’s really important to you,” she urged her young audience. “If you can bring yourself and your personal values into your leadership, it’s going to come across as more authentic, real and genuine.”
Hook apologised for point two. “Sorry, you probably don’t want hear this, but I don’t believe there is any substitute for hard work,” she said. “Now you might be sitting there interpreting that as ‘I just gotta put a bunch of hours in’. But it’s not just about the hours – you actually have to deliver results.”

Next came loyalty, a virtue that seems to have lost its currency among those who believe that the pathway to career advancement is littered with employers treated not unlike stepping stones.

“I think there’s a belief, or maybe a myth, particularly among the younger generation, that in order to get broad experience, you have to change jobs very regularly,” observes Hook. “I think you have to look at where you work and what’s available within the organisation you have.”

She points out that the average female CEO of a Fortune 500 company in the United States has been employed by the same firm for 23 years. The average for men is 15 years.

While on the subject of broad experience, Hook highlights the importance of global knowhow. “I would not have put this on my list five or 10 years ago, but the world is becoming increasingly global,” she said. “Ten years ago it was really the big multinationals that were working across borders. Today, all businesses big and small are going outside and the value of understanding different cultures and different people makes for an incredibly valuable experience.

“I think there’s a belief, or maybe a myth, particularly among the younger generation, that in order to get broad experience, you have to change jobs very regularly.”

“[When] I was considering moving to Australia, I had most of my mentors and colleagues in the US say ‘Oh Cindy, you have such a great career here, why would you go over there? That’s a bad career move, don’t do it’. I luckily ignored all of them. Part of it was just with my gut. I knew I was going to get something different and I made the move and obviously it’s turned out quite well,” she says.

Hook moves on to her final, and what she clearly regards as the most important, requirement for a young leader: “make yourself future proof.” Organisations today are looking for “leaders who are different, who are agile,
who are open minded, and who can drive change that can transform business”.

“You still have to have some technical skills, but the decisions around leaders aren’t going to be based solely on technical skills,” she says. “They’re going to be based on what broader capability you bring. The other thing I would say, as young leaders, I think you have a leg up on some of the older folks who are less open to change and new ideas.”

A willingness, indeed, determination to future-proof Deloitte by constantly challenging the status quo has become Hook’s hallmark in the 12 months or so since her appointment to the top job. Primarily, future-proofing means creating a company that has a purpose beyond profit.

Hook says she wants to “work for an organisation that is making an impact that matters, not just to its clients, not just for its people but also for the community in which we work and live”. She says she is particularly concerned about the nation’s ageing population, domestic violence and mental health issues.

As she sees it, the key to making a social difference and serving the needs of her company’s clients is diversity.

“In order to solve complex problems, you have to bring diverse ideas, creative solutions and the best solutions come when you have diversity of thinking,” Hook says. “Deloitte as an organisation is more diverse than the Australian population.”

But diversity, she adds, isn’t enough without inclusion. which she describes as an “environment of fairness, equality and respect, where people can share their ideas, where they collaborate well and where everybody’s opinion is valued”.

A willingness, indeed, determination to future-proof Deloitte by constantly challenging the status quo has become Hook’s hallmark in the 12 months or so since her appointment to the top job. Primarily, future-proofing means creating a company that has a purpose beyond profit.

Deloitte’s hiring record stands at 50/50 men and women and Hook is now turning her attention to minority groups in the community, including ethnic minorities, people with disabilities and the LGBTI community.

One other great challenge, she adds, comes in trying to “deliver the financial result of today while transforming your business and finding the wherewithal to invest in the business models of the future”.

Frankly, she concludes, “that’s a harder balance to get right than the balance of delivering a financial return to shareholders while contributing to society. Those line up better than delivering today and building for tomorrow.”
The art and craft of business innovation

Peter Drucker, probably the most prolific management guru of the past century, identified innovation as key to corporate longevity and success. In his 1985 book, *Innovation and Entrepreneurship*, he argued that innovation had to become a normal function of any business or organisation.

Written by Associate Professor Stefan Meisiek
Director of Educational Innovation in Business
Drucker attempted to strip the word innovation of its mystery and lore to make it a routine management activity. In his view managers should measure and control a process that seems to depend on fortuitous accidents, ad hoc insights, discontinuous jumps, lone inventors and hidden customer needs.

Drucker’s idea is still timely. Few would question that today’s companies need to innovate to survive in times of global markets, rapid technological development, hyperconnectivity, sustainability concerns and shifting consumer preferences.

But there seems to be a knowing-doing gap. While innovation, creativity and disruption have become part and parcel of the public, political, and business discourse, most companies, large and small, are still over-reliant on past successes, and they often fail at turning creative endeavours into substantial competitive advantages. Something continuously prevents innovation work from becoming managerial routine. Could it be that business innovation requires more than good management? A common misconception provides us with a lead. Innovation, as commonly understood, is about novel products and services. Yet any novel product or service can easily be copied, hence preventing the innovator from gaining any strategic advantage.

Things change, if we expand the notion of innovation to include the business as a whole. Business innovation means positive change across a number of elements: business model, processes, organisational forms, human resources, products, services, bundles, experiences, branding and customer engagement. And none of these elements can be dealt with in isolation. Any change in one place leads to repercussions in the entire system. If business innovation is such a broad, underspecified endeavour, then it’s unlikely ever to become routine, and we can identify it as a leadership task.

Leaders can invite, enable and facilitate the forces of innovation across the organisation, either by leading with a vision from the front, or leading from the side weaving the strands of innovation activity together. They can make innovation a top priority and inspire employees to experiment and to make a difference.

Leaders shape the context for innovation to happen. For example, the President of Pixar and Disney Animation Studios, Ed Catmul, talks about creating stages for experts to perform on. This metaphor signals that leading for creativity and leading creative groups means to open carefully curated spaces for innovation work. The nature of work and organisation moves over to the community style indicative of Pixar.

The role of management that Drucker imagined for innovation work then centres on a well-defined innovation process: idea generation, recognising opportunities, moving innovation to market. Combining leadership (that creates the context of innovation), and innovation management techniques is what has allowed successful companies to innovate repeatedly, and in a seemingly easy fashion.

For more information:
– sydney.edu.au/business/staff/stefanm
Last year, I brought together the University of Sydney Business School, Westpac, PwC and Telstra to investigate the cultural diversity of Australia’s senior leaders in business, politics, government and civil society.

For the first time, a picture of the cultural composition of Australian leadership can be formed. We have collated data on whether chief executives and equivalents can be classified as having Anglo-Celtic, European, non-European or Indigenous backgrounds.

Our findings make for a bleak story for cultural diversity. While an estimated 32 percent of the general Australian population has a background other than Anglo-Celtic, this was not proportionately represented among leaders anywhere.

In corporate Australia the ranks of senior leaders remain overwhelmingly dominated by those of Anglo-Celtic and European backgrounds. Among the 201 chief executives of ASX 200 companies, 77 percent have an Anglo-Celtic background and 18 percent have a European background. Only 10 chief executives – or 5 percent – have non-European backgrounds. None of the 201 chief executives has an Indigenous background.

Similar patterns prevail elsewhere. In the last federal Parliament, 79 percent of the 226 elected members in the House of Representatives and the Senate had an Anglo-Celtic background; and 16 percent had a European background. Those who had a non-European background make up less than 4 percent of the total, while those who had an Indigenous background comprised just under 2 percent.

In the Australian public service, diversity is also dramatically underrepresented. Of the 124 heads of federal and state departments, it is notable that there are only two who have a non-European background (less than 2 percent) and one who has an Indigenous background (less than 1 percent). Eighty-two percent of departmental heads have an Anglo-Celtic background, with 15 percent having a European background.

Among Australia’s universities, all of the 40 vice-chancellors either have an Anglo-Celtic background (85 percent) or a European background (15 percent). There is not one vice-chancellor who has either an Indigenous or non-European background.

Do such patterns represent a problem? If Australian society were to work along genuinely meritocratic lines, diversity shouldn’t be so underrepresented. We certainly don’t see a lack of diversity when it comes to our highest achieving high school students or our leading university graduates.

Australia is often described as a multicultural success story. Yet our cultural diversity isn’t yet reflected in the ranks of leadership within society. The ethnic and cultural default of leadership in Australia remains Anglo-Celtic. Unfortunately, we might not be making the most of our talents.

Written by Tim Soutphommasane
Race Discrimination Commissioner, Australian Human Rights Commission
Member, Board of Advice, The University of Sydney Business School

Innovation and culture
Cultural assumptions linger about what leadership must look and sound like. Professionals from particular cultural backgrounds can be stereotyped as being more suited to technical or back-office roles, and not appropriate for leadership. From personal experience, there have been numerous occasions when people who, when told that I work at the Australian Human Rights Commission, assume that I work in the finance or IT sections.

The case for change is twofold. Achieving diversity is both the right thing and the smart thing to do. Having more cultural diversity in leadership can make for better decision-making and performance.

Analysis conducted by McKinsey, for example, has shown a positive relationship between cultural diversity and financial performance. In an international study of 366 companies, McKinsey found that companies in the top quartile of cultural diversity were 35 percent more likely to have financial returns above the national industry median. It found, in fact, that the benefits of cultural diversity may be even greater than those generated by gender diversity.

Getting change on cultural diversity requires a shift in mindset. Culture remains a poorer cousin in the diversity family. There is still a widespread view that organisations can do only one kind of diversity at a time – that there isn’t enough bandwidth to deal with cultural diversity.

With such a multicultural workforce, though, cultural diversity cannot be left on hold indefinitely.

In practical terms, taking action means the following: it means senior leaders having some skin in the game on culture, as they are starting to have on gender; there is also a need to collect better data, set targets, counter bias, and nurture culturally diverse talent.

Talking about cultural diversity isn’t always straightforward. Too often, we lapse into easy celebration – thinking that cultural diversity is all about food and festivals. It’s time to think more seriously about the substance of our multiculturalism. Valuing diversity must also mean leaving room for it not only in the lobby or lunchroom, but also in the corridors of power.

For more information, visit: humanrights.gov.au/our-work/race-discrimination

The original version of this article by Tim Soutphommasane, ‘Our leaders don’t reflect who we are’, was published in the Sydney Morning Herald on 28 July 2016.

This work has been licensed by Copyright Agency Limited (CAL). Except as permitted by the Copyright Act, you must not reuse this work without the permission of the copyright owner or CAL.
How is Australia faring in the global innovation race?

We expect to see Australia sprinting to the forefront of the ‘innovation race’ in the wake of the launch of the ‘innovation agenda’ and ‘the ideas boom’. Yet if you look at some of the global innovation measures that were released last year, Australia hasn’t ranked too highly.

Written by Gaia Grant
Higher Degree Researcher and Guest Lecturer, The University of Sydney Business School
Founder and Executive Managing Director, Tirian International Consultancy

In the 2015 Bloomberg Innovation Index, which focuses on the number of patents registered, Australia comes out at number 13, and in the 2015 Global Innovation Index (which considers a few more factors), Australia is number 17.

Are these the best ways of measuring innovation potential? If we were to measure innovation in companies (not just countries) by patents alone, IBM and Samsung would come out on top, and Facebook wouldn’t even make it to the top 40!

Innovative companies are not simply coming out with a lot of ideas. They may be coming up with fewer ideas, but they are often better ideas. Australia, similarly, appears to have a huge amount of potential if different measures are used. Australia comes out in the number one innovation position out of 139 countries in the 2015 Global Creativity Index. This index was developed by urban studies theorist Richard Florida from the Rotman School of Management at the University of Toronto as an alternative to innovation measures that focus on patents.

Florida has found that creative thinking and innovation flourish in cities where there is a focus on developing what he calls the three ‘T’s: where there is the development of talent, where there is a tolerance for diversity, and where there is the access to the appropriate technologies. Australia was found to do particularly well in the areas of talent development (for example, education systems), and a focus on building tolerance (for example, multiculturalism).

There appears to be a disconnect, though, between our potential and the reality. The 2015 Australian Innovation Systems Report found that only 16 percent of Australian businesses are high performing in innovation (compared to 44 percent of the top global 100), and 39 percent do not recognise the importance of innovation.
Our geographic isolation may have made it challenging for us to compete on the global stage in the past, considering that areas such as Europe and Silicon Valley have traditionally developed as highly connected communities where creative ideas can naturally collide. However, the transition to interconnected global communities through the rapid rise of the internet gives us our turn to shine.

Yet simply talking about innovation, throwing out grants, holding hack-a-thons or putting innovation in company mission statements is not necessarily going to lead to improved results. We need to develop better innovation processes, and we need to create positive innovation cultures that will adequately support this shift. Perhaps, even more importantly, we also need to consider the purpose behind innovation to better connect with the identified need for millennials to feel committed and connected to what they do.

Once these critical conditions are in place, Australia may really be able to contribute to the global challenge as a leading innovator.

For more information:
*The Innovation Race: How to change a culture to change the game* (August 2016, Wiley), written by Gaia Grant with co-author Andrew Grant, takes readers on a lively global adventure to explore the state of innovation and to investigate why some countries, cultures and companies race ahead while others struggle. The book outlines how it is possible to navigate the key paradoxical challenges that can either frustrate or fuel innovation – and how to develop a sustainable purpose-driven innovation culture to change the game.

For more information:
– the-innovation-race.com
– sydney.edu.au/business/staff/gaia.grant
Let’s strive together

Over the past two decades, Australia has undergone a fundamental shift. Today, we truly are an island nation with a global population. The onus is on young graduates to strive together to build a positive and inclusive future.

Written by Gideon Silverman (Bachelor of Commerce/Bachelor of Laws ’09)
AUSTRALIANS ARE RENOWNED ACROSS THE WORLD FOR OUR VALUES OF HONEST WORK AND ENTREPRENEURIALISM. I THINK THIS IS WHAT THE PHRASE “TOIL WITH HEARTS AND HANDS” IN OUR NATIONAL ANTHEM ALLUDES TO. IT’S IMPORTANT TO ALL OF US, AND TO OUR FUTURE, THAT THIS TOIL CONTINUE.

While it is true that Australia “abounds in nature’s gifts of beauty rich and rare”, I believe that today the onus is on us, young Australians, more than ever, to strive for a better future for ourselves and our community. As an Aussie abroad, here are a few things I’ve learned since I moved to the United States in 2014.

Truth 1: we are diverse and that’s a really good thing. Almost one in three Australians was born overseas. The number of student visas issued by the Australian Government has grown by about 7 percent per year since 1995, and international students make up about 25 percent of all university students in Australia today. In 1970, for every 100 women who graduated from university, 269 men graduated. Today, there are 100 female graduates for every 80 males!

I recently completed an MBA at Stanford, and the most important thing I learned is the value of listening to someone whose perspective is orthogonal to my own. Due to a range of human biases, people who are like us are much more likely to consistently agree with us (or, at worst, politely disagree). On the other hand, people who are fundamentally different are more likely to engage in debate or disagree with us.

And there’s magic in respectful debate between very different people. It takes openness and humility to change our own perspective on what is right. There is considerable evidence that collaborative solutions stick: they are more durable and more persistent. For these reasons, it is critical that classroom environments in Australia’s leading universities reflect the breadth of perspective in the consumer marketplace. This enables young graduates to learn collaborative ingenuity to build the global solutions we need today.

Truth 2: we need to strive harder than ever to achieve financial independence. The average University of Sydney graduate has about $30,000 in private debt at age 22. Housing affordability is a major challenge. Many graduates take a mortgage averaging $540,000 (in NSW) during the first 10 years after graduation. The average starting salary of a Sydney graduate is $55,000. This may sound like a lot, but with 10 percent annual income growth and $570,000 of total debt at 5 percent interest, more than 50 percent of a young person’s income will be consumed by interest payments initially, down to about 20 percent after 10 years (by the age of 32).

If we young people want to come out from under this debt overhang, we cannot live greedily in the short term. We must heed best practices in financial discipline that we learned in our economics and finance classes to achieve financial independence. So dip those teabags twice. Our grandparents know this, but we must learn too.

Truth 3: young graduates are entering a global marketplace. Deregulation and globalisation have created unprecedented access to global products and markets that we young Australians enjoy. Australia has become a testbed for new tech products because we
are a developed, educated and a tech-savvy market close to Asia. There is great demand for Aussie “hearts and hands” overseas. Many University of Sydney graduates choose to take a professional ‘gap year’ to hone their skills: lawyers go to London; financiers to New York; and investors and technologists to San Francisco or Tel Aviv.

Great Aussie companies have found support in overseas markets, too. Atlassian listed on the New York Stock Exchange, and promising start-ups such as BigCommerce, Canva, Kaggle and others have raised money in Silicon Valley. The federal government is building a National Innovation and Science Agenda in Australia that aims to ensure we import and export innovation at the same pace.

Young Sydney graduates are well equipped to strive to be more diverse, more independent, and more global individuals. Yet we must not become individualistic and lose sight of the stark injustice that remains in our society. In addition to the personal imperatives outlined above, young Australians have a cultural imperative to build a fair, just and equal community. Aboriginal and Torres Strait Islander Australians make up less than 5 percent of the population but account for almost 30 percent of the prison population. Forty-five percent of all Australians with disabilities live below the poverty line. Same-sex couples still do not have the legal right to marry. Income inequality in Australia is in the bottom third of countries in the Organisation for Economic Cooperation and Development. Last but not least, the number of Australians older than 85 is projected to grow at more than 3 percent per year over the next 40 years while the working population will not grow at all. Without solving these issues, some young Australians may become better people, but we will not collectively become a better nation.

Today more than ever, University of Sydney graduates need to collectively hone our skills, knowledge and ingenuity to succeed. Beyond smarts, it will require toil. Striving. Hard yakka. Innovation. Self examination. Problem solving. Thinking big. All skills the University of Sydney taught us. We know the challenge ahead. Let’s work together to overcome it!

**Gideon is a proud University of Sydney alumnus who graduated with Bachelor of Commerce (First Class Honours) and Bachelor of Laws (Honours) in 2009. He is now a Product Manager at Google, based in San Francisco. He has an MBA from the Stanford Graduate School of Business, was the founder of two start-ups, a consultant at McKinsey & Company and an investment associate at LeapFrog Investments. All views expressed in this article are his own.**
Rural China gives the world an e-commerce lesson

In rural China the new boom industry is e-commerce, as local entrepreneurs tap into technology to improve lives in the communities around them.

Written by Dr Barney Tan
Senior Lecturer, Discipline of Business Information Systems

Every year, for the foreseeable future, another 30 million Chinese people will go online to shop, according to a recent Boston Consulting Group report. Pushed by a government-subsidised rollout of internet — and poor bricks-and-mortar retailers — China could become the world’s biggest e-commerce market within a few years.

And while you’d imagine the online revolution taking hold largely in China’s eastern metropolises, it is also in some of the remotest locations, such as several villages and counties in the Zhejiang Province, that e-commerce is being used to enhance the lives of the most digitally excluded segments of society.

E-commerce goes rural
At Suichang County, the local government has established an outfit known as 51ganjie (“I want to bring my products to market” in Mandarin), which has established service stations connected to a web portal in five remote farming villages to date. The service stations are an attempt to help villagers — typically illiterate and without access to the internet — buy daily necessities, electronics, clothing and farming supplies online. And plans are in motion to expand the services to allow the local farmers to sell their produce online.
Initiatives such as 51ganjie are helping rural villagers benefit from the product variety and competitive pricing offered by internet retailers. While it wasn’t previously economically viable to deliver products to these remote locations, these programs make last-mile delivery possible through integrated logistics and the consolidation of orders.

The distribution channel for farm produce that will be established with the development of 51ganjie would also generate additional revenue for the local farmers, meaning a higher standard of living overall.

**Wardrobes from Songyang**

In the town of Songyang, a significant number of members of the local community have become electronic merchants on Taobao.com, China’s largest (and highly popular) consumer-based e-commerce site. The most unique aspect of their participation in e-commerce is that most of them are selling the same product — modular wardrobes. This phenomenon is particularly curious because there are no local advantages associated with the production of these wardrobes.

Most of the materials required for the construction of the wardrobes are imported from outside Songyang, and the wardrobes do not require the locals to have any specialised skills to assemble them.

Taobao.com is being used by communities, including Songyang, to sell products around the country. In fact, interviews with the community members reveal that many of them got into the business only because “their neighbours seem to be doing well”.

Despite the organic, almost haphazard, nature of this development, the benefits are clear. Songyang, as a whole, began to acquire a reputation for modular wardrobes on Taobao.com, which turned into higher sales for the villagers involved.

The sharing of production and business expertise also flowed freely, raising the quality of the products and the efficiency of business operations. There were also reports that some electronic merchants, facing a glut of online orders they were unable to fulfil, passed on those orders to their neighbours.

More importantly, the viability of the trade has helped Songyang stem the ‘brain drain’ associated with urban migration. Becoming an electronic merchant has become a viable career option for the youths of Songyang, and they no longer have to move to the larger cities in search of employment.

**Car accessories in Jinyun**

In Jinyun County, the local community went online in a decidedly different way. It began with the establishment of a county-wide association of aspiring online sellers, spearheaded by two merchants who were already highly successful on the Taobao platform.

One of them was selling their own brand of outdoor equipment, while the other was a supplier of car accessories. The association was meant as a platform for sharing e-commerce experiences. But an unexpected development occurred when a substantial proportion of the members, attracted by the success of the association leaders, started to become licensed distributors for the two electronic merchants.

This development has translated into a number of benefits for the electronic merchants involved. For the two leading electronic merchants, the growing number of distributors for their products enabled economies of scale and wider market reach, which helped their businesses grow at a faster rate than ever before.

Aspiring electronic merchants were able to take already-established brands and tap into an entrenched customer base, which helped them enter the e-commerce arena.

These e-commerce success stories in the rural counties and towns in China provide a glimpse of the potential social benefits of e-commerce.

Perhaps it would be possible to replicate the way e-commerce was used in these cases within the rural communities of Australia to help them with greater access to supplies, new means of generating revenue and a higher standard of living overall.

The original version of this article was published in **THE CONVERSATION**

View the original article at – theconversation.com/the-social-side-of-e-commerce-lessons-from-rural-china-19964

For more information:
– sydney.edu.au/business/staff/barneyt
“I want you to imagine that you’re a rhino. A grandma rhino. And you’ve lived in Africa your entire life and you can remember the times when rhinos could roam freely across the continent. But you also know that things have changed.”

Written by Trevor Watson
With those few scene-setting words, Sydney businessman Ray Dearlove makes it clear that his TEDx talk will be a confronting one for members of his Australian audience with little first-hand knowledge of the slaughter underway in Asia and Africa.

An estimated 4000 rhinos have been killed by poachers over the past four years in what Dearlove describes as an “unprecedented attack” on the highly endangered species. Indeed, rhino numbers are now so depleted that international criminal syndicates are preparing to cash in on the animal’s extinction.

“These are the same syndicates that move people around ... drugs around ... [and] weapons around. It’s the same people, doing all the same things. And they say that there are 15 international crime syndicates operating in [South Africa’s] Kruger National Park every day,” Dearlove adds.

“There’s an expression which is being touted by these crime syndicates. It’s called ‘banking on extinction’. These people are holding onto the horns in the belief that rhinos will become extinct and the price will soar. There’s one fellow who is on record as saying he wants to own the last rhino horn.

“Sadly, because of increased affluence in Vietnam and China, more and more people are able to afford to buy rhino horn, which is now fetching $75,000 a kilogram on the black market, or twice the price of gold.”

Early in the TEDx talk an image of an orphaned rhino flashes up on a screen. Dearlove poses a question: “How do rhinos become orphans?” The answer comes with the help of a disturbing audio-visual aid.

“The noises you are hearing – the squeaking noises, are of this one-month-old little baby,” the South African game ranger says as he gestures towards the screen. “It’s very traumatic for this calf. Traumatic in the sense that there’s no response from its mum. By now his mum is already cold. She’s been butchered. And for this calf he or she doesn’t really understand quite what’s going on.”

Of course, while international crime syndicates have been lured to the trade by record high prices for rhino horn, it’s not the leaders of these syndicates who kill, butcher and risk their own lives in pursuit of this increasingly rare commodity.

It’s often the poor locals who do the dirty work. Dearlove sets the scene. “Tonight’s a good night because it’s almost full moon and it’s almost like daylight.

“The poachers will run or walk across the Kruger National Park through the bush. There’ll be elephants, lions, leopards, snakes and rangers looking for them too. They will go to a spot where they would probably have had a tip-off to say the rhinos are here. They’ll go and shoot a rhino. Generally the one with the biggest horn because of the return in investment, then they’ll scurry back across the border into Mozambique.” It’s a risky business.

“Clearly it’s risky because of the amount of people trying to prevent the poachers getting to the rhinos,” he continues. “So they’re prepared to risk their lives
– these poachers – to make sure that they get this money. And the money that they would get for a night’s work could be the equivalent of two or three years’ salary to these guys. “But the risk is great, and some of them won’t make it through the night.”

So, what is it that Dearlove wants from his TEDx audience in return for his harrowing insights into the plight of the rhino? The answer is support – moral, financial, in-kind support – for his Australian Rhino Project established with fellow conservationist Allan Davis in 2013.

The highly ambitious project is seeking to save the rhino by establishing a breeding herd of up to 80 animals in Australia over a period of four years.

Dearlove says the areas where the rhinos will be located, including the Western Plains Zoo near the New South Wales city of Dubbo, are very similar to the animal’s natural habitat in Southern Africa. “In terms of the safety of the animals, Australia is protected by ocean, it has strict biosecurity regulations and is free of the poverty that drives poaching and the corruption that allows the slaughter to happen,” he says. “I really do believe that if one rhino were poached in this country, all hell would break loose. I think that Australians would find that unacceptable.”

Dearlove freely admits that rhinos belong in Africa. “There’s no question about that at all,” he says. But he goes on to explain that he is proposing a “custodial agreement” that will “look after them until they sort the problem out and then they can go back into Africa”.

The Australian Rhino Project has the in-principle support of both Australian and South African governments and Dearlove says he is now looking for a donor or sponsor who is prepared to assist with the considerable transport costs.

The initiative also has the backing of the University of Sydney Business School. “The project is a perfect fit with our ‘business not as usual’ vision,” says Deputy Dean, Professor John Shields.

Students enrolled in the Business School’s work placement and business project programs have been working with the not-for-profit Rhino Project on the development and implementation of awareness raising programs. The school has also participated in fundraising activities.

“The school believes very strongly in business as a force for good,” says Professor Shields. “This means that we have a responsibility to help preserve the wild rhino by creating a safe haven for species regeneration and countering the criminality, poverty and quackery that characterises the global supply chain in powdered rhino horn. Business academics care about the planet’s future and we want business – enlightened, sustainability-focused business – to be part of the solution, not the cause of the problem.”

For more information:
– theaustralianrhinoproject.org
The temptation of the panic button

Written by Jeremy Ghez, Affiliate Professor of Economics and International Affairs at HEC Paris and Co-Director of the HEC Paris Center for Geopolitics

Meet any manager’s best friend: the panic button. It is what you hit in a time like ours – deep stress or in the context of a broader crisis – when ‘business as usual’ cannot possibly continue. By hitting it, you get a chance, as a manager, to prove your ability in crisis management and leadership to the rest of your colleagues, your shareholders and society.

No one will blame you for acting this way: after all, worrying about the burning issues of the present as the world seems to crumble seems rather logical and reasonable and unlikely to attract blame from anyone. And, in a favourable environment, you can simply ignore the panic button until the next crisis. This sounds as good as any other business model, in particular in an ever-changing and complex business landscape. But here is the catch, managers: while you focus on the burning issues of the day, who keeps an eye on what may come up next, on what could become tomorrow’s defining battles?

Managers generally do not need to be convinced that the future holds a wide range of threats they need to hedge against. Moreover, the past decade – with its political instability and revolutions, natural (and nuclear) disasters and tectonic economic shifts – will not contradict them.

Building awareness about what the future holds is about understanding how your value proposition is changing over time and the transformation efforts required to remain relevant over time – not just about fighting off existential threats.

What seemed to be solid assumptions about how the world worked and how stable it was are continuously challenged by predictable and unpredictable events that can unfold very quickly.
Greater awareness about what the future holds can therefore be invaluable. But you should not merely limit the reasoning on the value of forward thinking to threats. Too many managers believe they will also be able to seize any opportunity that comes their way when the time comes – but they may not be able to do so if their organisation does not have the right infrastructure or the necessary monitoring abilities to seize such opportunities.

Building awareness about what the future holds is therefore also about understanding how your value proposition is changing over time and the transformation efforts required to remain relevant over time – and not just fighting off existential threats.

This modern-day form of creative destruction is a far more powerful form of leadership. It is perhaps what makes the GAFAs (Google, Apple, Facebook, Amazon) so powerful – and paradoxically, also, so vulnerable today. On the one hand, their ability not only to differentiate but also to continuously adapt to new global realities makes them rule-makers on global markets.

On the other hand, by doing so, they set the bar higher each time and could undermine their ability to continue doing so in the future. Their efforts in terms of research and development are all the more crucial as a result.

**The purpose of anticipation**

Thus, instead of relying on a ‘panic button’ approach – focusing on the most current items of the inbox and hoping for the best in the future – managers can alternatively look to broaden their horizons by considering a longer time horizon and a wider array of trends in their decision-making. Contrary to what they might believe, growing global complexity and uncertainty do not mean that decision-makers should not think about exogenous trends that they presume they cannot influence.

Rather, these factors should be an invitation to greater curiosity, to thinking about how it would be possible to harness a wider array of trends than businesses and policymakers have traditionally and usually been interested in doing. To be sure, not everyone can be Steve Jobs. But managers must know, at the very least, who their Steve Jobs is within or beyond their activity.

In practice, anticipating what the future holds and what will define your next battle is not about prediction, divination or any other form of “witchcraft”. It is about the ability of a manager to be mindful of the different trajectories that could materialise in the future and of how vulnerable his or her activity can be to unexpected events.

It is about the ability of a manager to act upon that anticipation and determine the redefinition and reinvention efforts required today to make sure you are as fit as possible to meet tomorrow’s challenges. This is by no means an easy exercise – especially since it is more like an art, a state of mind, rather than a science. In practice it takes time and resources. Issues pertaining to the future are rather uncertain and complex and the cost of considering these could seem huge for the shortsighted, but might pay off for the more persistent. It takes patience: you may need to try this more than once before you get it exactly right.

In addition, it requires the ability to transform the results of imagination and curiosity into actionable information that can shape an organisation’s current roadmap and strategy. This transformation can be a challenge, because it will require the manager to pay attention to a set of trends that go beyond the usual and traditional concerns of the firm, such as societal or geopolitical shifts.

The more short-sighted managers have no choice but to concentrate on the crises of the day and to mobilise and commit their resources and energy to solving them – leaving little time to explore the deeper structural trends that are nevertheless more likely to affect business opportunities and tomorrow’s landscape.

Ultimately what makes this exercise significantly more challenging is that it requires a lot of courage on the part of the manager. Peering into the future and considering the mind-boggling number of alternative
Growing global complexity and uncertainty should be an invitation to greater curiosity, to thinking about how it would be possible to harness a wider array of trends than businesses and policymakers have traditionally and usually been interested in doing.

Uncertainty will require them to be nimble and to maintain an ability to adapt over time and to be resilient – to maintain an ability to constantly reinvent their other identities in order to better match the new realities of the landscape. General Electric – the only firm that has been present in the Dow Jones index since its creation but which has profoundly evolved since – is a good illustration of a company that is both nimble and resilient.

The third step lies in transforming your analysis of the future into an actionable plan. Being impressed by complexity and fatalistic about what will happen – as is often the case, it seems, among decision-makers and executives – will rarely help.

The real challenge lies in identifying levers of actions – the channels through which you could twist dynamics to your own advantage and bring about better outcomes. In other words, after carrying out the analysis, you need to be the game-changer!

A true leader has to recognise that, in an ever-changing landscape, thinking about the future isn’t a luxury or a form of heresy. It is, instead, what will allow organisations to persist, regardless of future twists and turns.

CEMS: the Global Alliance in Management Education
CEMS is a strategic alliance of leading business schools and multinational companies. Its mission is to set a global standard of excellence for pre-experience master’s degrees in management.

Thirty academic institutions, including the University of Sydney Business School and HEC Paris, collaborate with more than 75 corporate partners and four non-profit organisations to offer international postgraduate students a unique blend of high-quality education and professional experience.

This article was originally written and published on Knowledge@HEC - HEC Paris.

For more information, visit:
- hec.edu/Knowledge
- coursera.org/learn/anticipate
- cems.org
- sydney.edu.au/business/mmgt/cems

Growing global complexity and uncertainty are perhaps the most famous illustration of this scenario-based approach, though many other companies increasingly rely on this type of analysis.

The second step lies in understanding the implications of uncertainty. As optimistic as managers can be about the accuracy of the scenarios they expect from the future, they will necessarily need to recognise that nothing is predetermined nor fixed and that disruptive moments and strategic surprises will rock the boat of the most naïve.

In the end, there seems to be no perfect moment to undertake it. The true leader will need to be legitimate and to own this analytical and anticipation effort strongly enough to impose it on their organisation.

Anticipation in practice
Again, since it is more an art and a state of mind than a science, there cannot be a one-size-fits-all approach to anticipation. However, some basic steps can help initiate your anticipation effort. The first step lies in mapping out what you can possibly and/or reasonably expect.

This means understanding the exogenous forces that shape the future, the ways these forces could interact with each other and the various outcomes (or scenarios) they could bring about. By doing this, you will be better able to imagine the different doors that will be presented to you and think about how prepared you are to face each of these prospects. The Shell scenarios – developed by the global oil major – are perhaps the most famous illustration of this scenario-based approach, though many other companies increasingly rely on this type of analysis.

options can often be a humbling and time-consuming exercise. It is not one that leaders necessarily want to undertake in times of crisis, when the house seems to be burning down (or has already burnt down).
“What should I do this weekend?” asked one of my friends, just before I sat down to write these words.

I decided to take the question to WeChat and post it on my own account. In less than five minutes I received more than 30 responses and successfully recommended a premium concert down the road.

If you asked me to explain WeChat, I would say it is a combination of Facebook, Twitter and maybe Tinder. In a nutshell, it is a cross-platform, all-in-one messaging service, including text messaging, voice messaging, broadcast messaging, video conferencing, video games, photo and video sharing, and location sharing.

According to WeChat, the total number of users of the platform is estimated to be about 500 million – and rising rapidly.

In Australia and New Zealand, users exceed 1.3 million, of which 0.7 million are people of Chinese cultural background.

It is well understood that many Australian firms do not have adequate resources to develop a presence on Chinese social media platforms, due to limited knowledge and capabilities. Often they also have a lack of understanding of the importance of Chinese social media and its potential in facilitating effective digital marketing.

Recognising this opportunity, I quit my last job as a project manager and set up Fancy Media Group. Our mission is simple: we assist firms looking to enter or increase their activity in the domestic and international Asian market by helping them develop their social media presence in this growing space.

As WeChat and other platforms, such as China’s microblogging site, Weibo, continue to expand, more and more Chinese consumers are relying on these platforms for information about products, services and trends. For companies looking to launch their own accounts, there is no quick answer or easy step-by-step guide.

Businesses need to invest time and resources into understanding the market, consumers and the difference between platforms – in the same way Facebook as a channel necessitates a unique strategy and tailored messaging than, say, Twitter or Whatsapp.

Additionally, choosing and setting up the most effective platforms can be complex without the right background knowledge. To establish an effective, long-term impact, an ongoing content strategy that is genuine, user-focused and responsive to new trends and culture needs to be in place. There is a lot of nuance in Chinese social media that can easily be lost without authentic insight.

I strongly suggest firms make the investment in people – the right people who will understand not just the rules of applicable platforms, but also have the cultural awareness to be relevant and create trust and loyalty.
Where are they now?

GRADUATES OF THE BUSINESS SCHOOL JOIN A COMMUNITY OF MORE THAN 300,000 UNIVERSITY OF SYDNEY ALUMNI WORLDWIDE. OUR ALUMNI CAN BE FOUND IN MANY PROFESSIONS IN AUSTRALIA AND OVERSEAS – THEIR STRONG ENGAGEMENT WITH THE UNIVERSITY LINKS US TO THE GLOBAL STAGE.

Around the world and close to home, University of Sydney students and alumni demonstrate inspiring and progressive leadership as they make a positive and lasting impact in their communities.

Find out where some of their journeys have taken them, and share your stories with us.

business.alumni@sydney.edu.au

Keep up to date

Follow the latest conversations on LinkedIn, and find out what our students, academics and alumni are regularly up to on our blogs:

LinkedIn
sydney.edu.au/business/linkedin

MBA blog
sydneymbablog.com

Big Opportunity blog
the-big-opportunity.blogspot.com.au

Marketing Matters
mktg-matters.blogspot.com.au

Classnotes

Allie Way was part of the first graduating cohort of the University of Sydney Business School’s MBA program in 2015. Her career started with telecommunications company Hutchison 3G, better known as ‘3’, after completing an undergraduate degree in arts. She also has a master’s degree in journalism and mass communication, and spent six years working for Vodafone Hutchison Australia in various roles across corporate affairs, marketing and human resources.

Now based in Brisbane, Allie recently joined the Commonwealth Bank Group, advising on corporate affairs matters about technology and operations.

“I chose to study at the Business School because of its global network and its investment in understanding the needs of the future workforce and the sorts of skills leaders of tomorrow need for organisations today.

“I was privileged to spend my time with a brilliant and passionate cohort of people who played a significant role in shaping my experience, and who continue to play a big part of my growth since graduation.

“The course enabled me to become more self aware, and in doing so broadened my understanding of industry, business and the world around us. I see my career as still in its infancy and I’m very optimistic about the next chapter.”

Allie Way
Master of Business Administration 2015
Corporate Affairs Adviser, Enterprise Services,
Commonwealth Bank of Australia
au.linkedin.com/in/allieway
Marian Schole has lived in Germany, Canada, Australia, Switzerland and Russia. He first studied at the Business School on exchange during his undergraduate degree, and later returned for postgraduate studies.

An entrepreneur, Marian recently left his corporate job to launch leather accessories brand Anna King with his wife, Stephanie King. “We are hands-on in all business processes, from design, logistics, cutting of leather, as well as marketing and sales,” says Marian. “Our company is set up globally and I have benefited immensely from the international business studies I took at the University of Sydney.”

The online store was launched in November 2015 with great success so far in Australia as well as overseas, and plans are underway to grow the business through boutique stores.

“The CEMS program was an amazing experience for me. I made friends from all over the world and built a strong global network. The program allowed me to spend two semesters overseas (Russia and Switzerland), which broadened my horizons immensely.”

Marian is also an accomplished athlete, and played for the Canadian national hockey team at the Beijing Olympics in 2008.

Marian Schole  
Master of Management (CEMS) 2013  
Managing Director, Anna King  
au.linkedin.com/in/marianschole  
annaking.com

In the news

Sailing to silver in Rio  
Bachelor of Commerce graduate and current Master of Management student Will Ryan sailed his way to a silver medal at the 2016 Rio Games. Making his debut as an Olympian, Will and his sailing partner Mat Belcher were strong competition throughout the Men’s 470 class races.

The University of Sydney goes to Rio  
The University of Sydney saw 27 students and alumni across more than 20 disciplines compete against the world’s best in Rio. Will’s success added to the University medal tally of one gold, three silver and one bronze. If the University of Sydney were a country, we would be ranked 45 in the world.

Fifth fastest Australian across 100m  
Josh Clarke, current Bachelor of Commerce student, posted a time of 10.15 seconds at the 2016 ACT Championships, becoming the fifth fastest Australian across 100m. After qualifying for the Rio Games, a hamstring injury forced Josh to withdraw to ensure a complete recovery for future meets.

Read more:  
Can you achieve the future you’ve imagined?

Influence can.

A Global Executive MBA from the University of Sydney Business School will give you a range of experiences across the world, in different countries and organisations, from Silicon Valley to Bangalore. Because to influence the world, you need to be inspired by it.

sydney.edu.au/globalEMBA