

*By the end of the nineteenth century we had achieved near universal primary education. In the latter half of the twentieth century we have achieved near universal secondary education. My government is leading the way to ensure that all Australians have the opportunity to complete tertiary education in the twenty-first century.*

## LEADERSHIP: Taking Australia's Tertiary Education Sector into the Twenty-First Century

I am pleased to have this opportunity to contribute to the Business/Higher Education Round Table newsletter on the topic of leadership.

Australia's future economic and social prosperity will depend on its broadly tertiary educated population. My government's main goals are to improve the access which Australians have to tertiary education, to increase the higher education sector's quality and responsiveness and to expand opportunities for lifelong learning. These reforms will help Australia meet the challenge of an increasingly internationalised economy and the demands this makes on Australians to remain competitive.

### A more responsive higher education sector

To be successful, the higher education sector must become more responsive to the needs of students and the needs of other education users. Only by being flexible and adapting to the changing conditions can this sector position itself to take advantage of the opportunities offered by new technologies and globalisation.

We are working towards a more decentralised system of higher education. The new system encourages universities to make the most of the opportunities offered by deregulated postgraduate study and offers new opportunities in undergraduate education. By subsidising over-enrolments we give universities more flexibility in determining their student numbers, so that they can create more student places when they have spare capacity. These deregulatory reforms were set in train in the 1996 Higher Education Budget Statement, leading to over 17,000 more domestic student places today than there were in 1996.

Universities are now being funded according to the actual numbers of students they attract and retain, with operating grants adjusted by the minimum up-front HECS payment for undergraduate enrolments above or

below their profile target. Policy development is focussed on increasing differentiation and innovation from universities.

### A more flexible higher education sector

Differentiation between institutions and student access are being assisted by improvements in the flexible delivery of education associated with the development of information and communication technologies. Flexible delivery via the Internet means that both the boundaries of geography and time, which have in the past restricted student access and caused a duplication of courses are no longer so strong.



The Hon

**JOHN HOWARD, MP**

Prime Minister of Australia

Online flexible delivery offers improvements over traditional distance education techniques which mean that students can engage in study at a time of their own choosing, as well as have more responsive interaction with fellow students and the course lecturer via email or online discussion forums. It also means that low enrolment courses are no longer dependent on the number of students at any one campus. Higher education institutions can offer flexibly delivered units for their students from other institutions which have decided to specialise in a particular subject area.

These improvements in the opportunities offered by the flexible delivery of education are also associated with developments in lifelong learning. The need for people to change careers a number of times in a lifetime means that lifelong learning opportunities need to expand to meet the increasing demands of this workplace flexibility.

While traditionally there has been a focus on providing education to school leavers and other young people, lifelong learning can offer re-skilling opportunities to those with many years experience in the workforce, or to those who have been out of the workforce for some time. Flexible delivery of re-skilling education allows people who are working full time to learn at times that suit them.

The changing patterns of learning and variety of education options has meant that it is important for better links between university, TAFE and private providers. This means that it is very important that clear articulation pathways are offered across the various levels of qualifications. Increasingly policy will need to be considered in a wider post-secondary framework.

### A more accountable higher education sector

My government believes that its leadership role in higher education should be about creating an environment in which institutions can respond innovatively to changes in the domestic and international environment. We are committed to institutions which are more flexible and devolved, whilst remaining accountable to students, industry and the community.

In order to promote accountability by providing relevant information to students, industry and the wide community, the Department of Education, Training and Youth Affairs (DETYA) now regularly publishes, for universities, a set of comparative institution-level indicators on the Internet. In addition, universities are required to provide DETYA with a Quality Assurance and Improvement Plan with their annual strategic plan, including details of their annual Graduate Destinations Survey, the annual graduate satisfaction survey and

details of employer satisfaction with graduates. These plans will provide evidence that universities are applying quality management practices and will be published annually in a form that allows universities to be easily compared.

My government is also concerned to ensure the international competitiveness of Australia's higher education sector. In order to help measure our international competitiveness, we will invite a number of universities to re-develop the American Graduate Record Exam for Australian conditions so we can establish that our graduates are internationally competitive. A qualitative survey is also being developed to measure the quality of the supervision of research students, and to pinpoint areas of supervision that can be improved.

### A greater focus on teaching quality

Whilst rewards for university staff have by tradition focused more on research than teaching, every year over 200,000 new students rely on universities to deliver high quality teaching. Higher education institutions need to devote more attention to delivering quality teaching to students and to rewarding their staff for providing this teaching of a high standard. In 1997 the government initiated the Australian Awards for University

Teaching as a way of highlighting the importance of excellence in university teaching for the benefit of students and the community at large. My government is committed to the continuation of these Awards.

### A greater emphasis on collaboration with industry in research

My government has increased the available funding for university research to over \$450 million, more than \$50 million more than was available to universities in 1996. We have also announced a number of important initiatives in research policy. These initiatives include giving higher priority to collaboration between the universities and industry, improving Australia's research infrastructure, and improving Australia's high performance computing capabilities.

Greater collaboration between industry and the universities is being achieved through the strategic partnerships - Industry Research and Training (SPIRT) scheme. The scheme gives support to projects involving collaboration between the university and industry sectors and encourages research and training developments through awards and fellowships. Both the government and industry provide equal grants as part of the SPIRT scheme. My government has announced that we will increase our contribution to the scheme by \$58.1 million over the next three years.

In order to improve Australia's research infrastructure and high performance computing capabilities, my government has also announced additional funding of \$90.5 million over the next three years for research infrastructure. This initiative will increase the research infrastructure funding to thirty cents for every dollar spent on direct research funding, double what was provided in 1995.

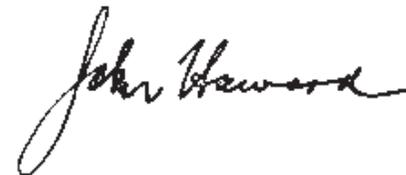
Over \$19 million will be spent on establishing a unified national high performance computing infrastructure, through the new Australian Partnership for Advanced Computing. This new body will include representatives from both industry and the universities and will work to establish Australia as one of the top ten users of high performance computing technology in the world.

### A challenging environment for education managers

The new opportunities offered by the more decentralised higher education system, and the changing environment on which it operates, also means that managers in institutions are confronted with new challenges. Students, who have to contribute to the cost of their education, are now increasingly demanding better quality teaching and facilities. In order to grow and prosper, they must now take on responsibilities that were absent or easier in the past. Managers are called on to make strategic decisions on how to allocate their resources and how to position their university in order to attract the best students.

As managers, in order to respond rapidly to changes in student demand, they will have to take full advantage of the flexibilities offered both by new technologies and by enterprise bargaining using the Government's Workplace Relations Act.

My government sees its leadership role in higher education as true partnership with the sector. By establishing the broad strategic directions for a higher education and removing regulatory impediments, institutions are in a much stronger position to respond flexibly and innovatively to Australia's education needs in the new millennium.



**JOHN HOWARD**  
Prime Minister of Australia

...managers in institutions are confronted with new challenges...

# LEADERSHIP - a business perspective



Dr. Roland Williams,  
President BHERT & Chairman/Chief Executive Officer,  
Shell Australia

incentives under which they operate by more actively seeking out private sector funding and collaboration opportunities. Businesses too are more actively seeking out competitive advantage in all aspects of operations, including training and recruitment. And many students, faced with an increasingly competitive job market, are looking for more opportunities to interact with business through their years of tertiary study.

For business, this closer relationship brings with it responsibility. Business must play a more active role in helping to shape future directions in higher education. This means, at the macro level, contributing to policy development for the sector. At the micro level, it means being prepared to commit time and resources to ensure that we do our part to promote a vibrant, responsive, world-class higher education system in Australia.

The growing momentum of the Business/Higher Education Round Table, I believe, reflects a wider recognition of this responsibility. In 1998 we increased corporate membership significantly, expanded our range of activities and established a stronger profile as the focal point for co-operation between the business and university sectors. This culminated in the successful staging of the Inaugural Awards Dinner for Outstanding Achievement in Collaborative Research and

## PRESIDENT'S MESSAGE

Big business has been criticised as being overly concerned with profit and failing to take its broader responsibilities seriously. Such accusations reflect a shift in what society expects of business. Increasingly, we are recognising that to survive and prosper, business must look beyond short term profit considerations. We must look to deliver against the 'triple bottom line' of profit, corporate citizenship and environmental performance.

This raises difficult questions about exactly what is - and is not - expected of business. Should it play a bigger role in society, by participating more actively in policy development and in the delivery of social services and infrastructure? How far should business go in pursuing these broader roles if they are at the expense of returns to shareholders in the short term?

How we respond to society's changing expectations is the major leadership challenge facing business as we enter the new millennium. It will require business leadership of a different kind. It will require business to actively engage with a wider, more diverse, group of stakeholders. And it will require a greater willingness to listen, to understand and to discuss social and community issues, often with people who have very different points of view.

Higher education is an important case study of how business leaders are attempting to respond to the challenges, and how much more remains to be done.

In Australia, the relationship between big business and higher education has not always been as close as it might have been. This is changing, for several reasons. Universities are responding to the changing financial

Development and Education and Training in November. [Further details in this edition of BHERT News].

Looking to the year ahead, we have an active and challenging program. We will continue to expand our recognition of 'best practice' collaboration between universities and business through our Awards. We will seek to further develop links between the sectors at the regional level through the establishment of State Chapters. And we will continue to promote leadership skills in research through the provision of training courses in conjunction with CSIRO. Of course, our continued success will depend upon maintaining the level of commitment and participation from business as well as university leaders.

A particular challenge for the year ahead will be increasing our level of contribution to policy development in higher education, particularly in the areas of research and the interface between business and higher education. Building on our work in 1998, we aim to actively participate in debate about the future of Cooperative Research Centres, about research in universities more generally, and about the scope for greater collaboration between business and higher education in research and education.

Leadership is about listening, engaging, learning, encouraging others and acting decisively to achieve goals. I believe that this is a useful guide for us in the Business/Higher Education Round Table. By building on earlier success, and with an emphasis on the practical and achievable rather than the grand but undo-able, BHERT is gaining strength as the focal point for co-operation between business and university sectors.

# WHAT THE WORLD NEEDS NOW - Leadership

## Leadership - the ubiquitous *cri de coeur*

In Australia we see and hear constantly in the media, in speeches, in a miscellany of reports, constant cries for "leadership". The context may be politics, business, morality, education, science, religion, sport, government, a profession, a city, the nation, or a thousand and one other areas and activities. But the plaintive plea is always the same - "leadership", "better leadership", "more leadership" - just give us "leadership".

There is no doubt that the fate of nations and of corporations is often in the hands of a leader or group of leaders. History is replete with examples of such instances.

We long ago discarded the concept of leadership being something exercised by only a few at the apex of organisations, and replaced it with the understanding that leadership can be and is exercised at all levels in an organisation.

Leadership is not a position, it is not a role, it is not just one individual. It is a process, which flows from the interaction of the leader with his followers in the context of a particular situation. But it is a process that can spell the difference between success and failure. And hence the constant focus on leadership as the missing ingredient in the pursuit of our goals.

In this issue of BHERT NEWS we are fortunate in having the views of a number of prominent Australians on the topic of leadership in a variety of contexts.

In reading these contributions one is struck by the constant recognition that this intangible ingredient is an essential part of whatever we want to achieve in life. And an essential part of that ingredient is a vision for the future.

One thing which distinguishes leaders from the rest is that they invariably possess a powerful vision of exactly where

they want their organisation, nation or whatever to be well into the future. They are also articulate and passionate advocates for their vision, as they must be if they are to convince their followers to become committed to the same vision. Leaders inspire others to follow.

Where would we be without the Henry Ford's, the Walt Disney's, the Mikhail Gorbachev's, the Ghandi's, the John Monash's, and the Mandela's of this world?

And success is not dependent on that over valued and much sought after magic elixir - "charisma". What is required is the courage and commitment, and the faith in one's own ability, to pursue goals that are seen by lesser mortals to be unachievable.

Nor is success dependent on "testing the wind". Leaders do not need focus groups to determine what needs to be done.

What we need are men and women of vision who will challenge us both as individuals and as a nation to put in that little extra effort to reach those goals that make the difference between winning and losing, between success and failure.

## Leadership is not a position, it is not a role, it is not just one individual. It is a process...

And there is a difference between leadership and management, and it is a difference that can spell success rather than failure.

This is not to say that managers cannot be leaders, or that leaders cannot manage. We just have to realise that the skills are different, and not everybody necessarily possesses either of them, let alone both.

Leadership cannot be taught, but it can be learned. And the more we learn about leadership, the more we are likely to succeed at it. We learn to read; it doesn't make us Shakespeare, but it does let us live a full and useful life.

Leaders initiate change, they challenge the status quo, they constantly question and seek new answers. Leaders are the driving force for change, and without them we wither and die. Leaders keep society focussed on the fundamentals of the common good, on the values inherent in a civil society.

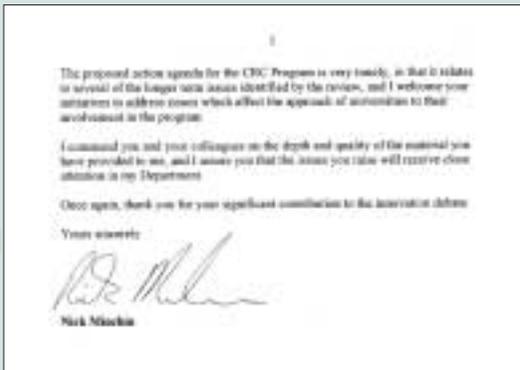
The question has to be asked therefore whether we do have in all walks of life in this country the quality of leadership that will deliver the sort of society, the sort of country, the sort of life in all its aspects, that we want to bequeath to our children and their children.

Ask yourself the question. What is your answer?  
And what are you going to do about it?



PROFESSOR  
ASHLEY  
GOLDSWORTHY  
AO,  
OBE,  
FTSE,  
FCIE  
Executive Director

## BHERT attracts strong Ministerial Support



“...the CRC program is breaking new ground in many ways in developing a more entrepreneurial and user focussed approach...”

## “LEADERSHIP AND EDUCATION”

It is tempting to think that the contemporary call for ‘leadership’ across so many aspects of Australian life is somehow a new phenomenon – a product of millennial anxiety perhaps, or the pressures of economic globalisation and social change.

As someone deeply fascinated by Australia’s history, I know that need for leadership has of course been a constant throughout our life as a nation.

What is new is the kind of leadership today’s challenges demand.

Today, I believe we face a future – and a world around us – which demands leadership that creates opportunities for all Australians to pursue and fulfil their own goals.

Education policy – which I know is close to the heart of those who read this newsletter – provides one of the best tests of this kind of leadership today.

During the recent election I said that if I became Prime Minister I would want to be remembered as the education Prime Minister. I said this because I believe education is an area where real leadership is vital. Education lies at the centre of creating opportunity in our community – and opportunity all can share.

As we approach the new millennium there are many issues demanding the attention of our community and its leaders. Unemployment and future jobs growth is the most urgent. But there are many others including: the future of our industries; of regional Australia; the shape of our economy; the stresses on families; the services available to older Australians; and access to health services.

In all these issues, education plays a role, as it does in all aspects of life.

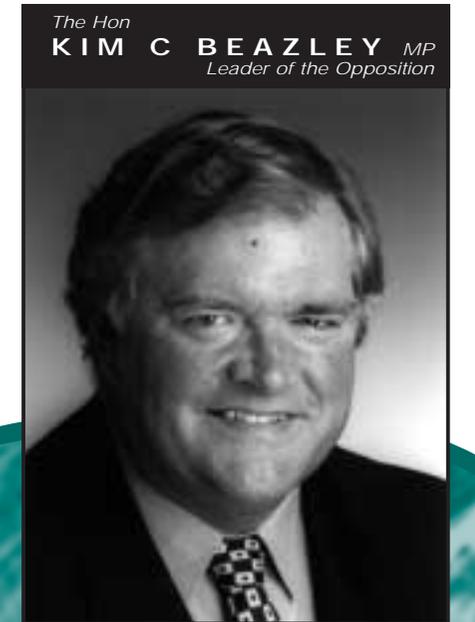
Australia is, and must remain, a decent civilised democracy. We are, and we must remain a skilled and successful economy. Whether or not we meet these twin objectives will, I believe, depend centrally on the quality of our education system. Our success will be determined by whether or not the system will be open to all Australians, whatever their status, whatever their income, wherever they live, and whatever are their aims in life.

Education’s minimum purpose is to develop people’s basic living skills; literacy and numeracy. But education’s real obligation, on behalf of the community, is to provide the opportunity for every student to go as far through the education system as they are able. That is why accessibility and affordability are so important. They must not be barriers to education. If they are, both the individual and the community suffer.

It is vital that students are able to reach their full academic and skills potential. Education systems must be designed and must operate to achieve that goal. This is especially so with higher education, and other post compulsory forms of education. If capable students are prevented from completing higher education because of cost or access barriers, the community suffers.

But there is also a practical reason why education, and especially higher education, is so important. And it is why governments must see expenditure on the provision of higher education as a long-term investment, rather than a cost.

The forces of economic globalisation are changing everything. They have moved against nations relying



heavily on exporting minerals and farm products, and in favour of those producing sophisticated goods and services. They have moved against economies depending on machine power, and in favour of those harnessing brainpower. They have moved in favour of people with high skills, and against people with low or no skills.

Australia will be internationally competitive only if education policy focuses on developing human capital. Our future will depend more on the accumulation of human capital than on the accumulation of physical capital and the exploitation of natural resources. As a March 1998 CEDA report observed:

*"Australia should seek to be a 'clever nation' with high average levels of human capital relative to its trading partners."*

It is this challenge of developing our nation's human capital as a key competitive strategy for the future which demands that our education system take on a broader and more dynamic role in our economy and society.

As we look to build a significant and competitive presence in such dynamic and growing new global industries as telecommunications, information

**"Our future will depend more on the accumulation of human capital than on the accumulation of physical capital and the exploitation of natural resources."**

technology, bio-technology (and, importantly, education itself as an increasingly globalised service industry) we inevitably look to our education system to provide the highly skilled people who must be our standard-bearers.

Challenges such as these place new pressures on our education system – needs it was not always designed to fulfil. This is why I have argued over the last few years for a comprehensive review of the Australian education system from early childhood education, through schools, technical education, universities and mature-age education and training. I still believe this review to be necessary.

With this challenge in mind, we must also steer a path through the education funding debate, which I see as having two main trends at present:

The first is that education is a source of private benefit to an individual, in the form of better jobs, greater participation in society, and higher income. The logic is that individuals should meet the majority of the costs of the provision of these education services which deliver these advantages to individuals.

The other trend emerges from consideration of strategies for national competitiveness. Such analysis identifies education as an important resource for nations and their competitiveness in today's globalised economy, and therefore as a public good for which there is a compelling logic for public provision.

It is tempting to see these two trends as conflicting, which, indeed, they are in places. But the overriding question must be practical, not ideological. We accept both public and private provision in education today, and we will continue to do so in future. The question must always be one of balance.

That balance must recognise that private investment in education flows according to the expected private benefit from education. It cannot therefore be expected to provide adequately for the public benefits which flow from education. Put simply, an over-reliance on private provision and private sources of funding for education will produce an inadequate level of investment in education for our future as a nation.

Achieving a balance means focusing on the total national investment in education, including the important distributional effects – educational, social, and economic. My argument is that education is not simply a matter of social justice and equity. It is also, fundamentally, a matter of national competitiveness.

Recognising this, and recognising therefore the responsibility for adequate public provision of education is centrally a task for national leadership – indeed, a test of the capacity to lead Australia to a better future.

Real leadership is not just leading for this generation, but for future generations as well – educating and enabling those who will be the leaders of tomorrow.

It is this demand for national leadership which lies behind the Australian Labor Party's focus on education. I commit Labor to the ongoing task of devising better education policies for all Australians – policies that are innovative, effective, and will deliver the national investment in education we need to be competitive in the future, and to produce the next generation of leaders who will keep us there.

## WOMEN IN LEADERSHIP

The successes and achievements of Australian women in all facets of business and the community have never been better and opportunities never greater. Wherever you look – in politics, in business, in the classroom or in the home, women are now able to exercise a range of choices our grandmothers could only have dreamt about.

Australian women are actively pursuing careers in professions previously dominated by men and are being more successful than ever. They are among internationally recognised scientists, doctors, researchers, business leaders, sporting personalities, acclaimed authors, educators and advocates for a range of issues.

Women now represent almost half of Australia's workforce, a workforce which also happens to be among the most culturally and linguistically diverse of any in the world.

Women comprise over 55% of higher education students in Australia – 46% of medicine students and 51% of law and legal studies students.

They represent one third of small business operators and farm managers, a proportion which is increasing at a much faster rate than for men.

But while the Australian workplace and workforce continue to change as a result of new and advancing technologies, pressures from international markets and the global economy, the high degree of diversity in the workforce is not reflected in the characteristics and experience of executives and leaders in Australia where women are so often absent or only present in small numbers.

The qualities of leadership are gender blind. Intelligence, initiative, confidence, power and ambition, vision and decisiveness, inspiration and boldness and openness to new ideas. These are qualities of an individual, not of a sex.

Despite this, the conventional concept of leadership is often closely associated with men and masculinity, physical power and emotional toughness, often a preoccupation with sport, extraordinarily long working hours and the sacrifice of personal and family time.



### PRU GOWARD

*is the First Assistant Secretary, Office of the Status of Women (OSW) in the Department of Prime Minister and Cabinet. OSW is the principal policy advising body to the Prime Minister and the Minister Assisting the Prime Minister for the Status of Women on issues affecting women in Australia.*

The result is that on many occasions, women are not considered contenders for leadership and managerial positions.

Leadership is not an 'elite' issue. Leadership is necessary in all walks of life. Women have a great contribution to make and there are sound economic reasons for encouraging and supporting their greater involvement in the decision-making processes which affect and shape our nation. If women are not participants in all public and private sector decisions concerning Australia's future, the outcomes will not reflect the hopes, aspirations and experiences of all of its citizens.

Historically, women have not participated equally in decision making in Australia's political life in all three levels of government and they remain under-represented in Australian parliaments. Women make up 25% of the Commonwealth parliament, approximately 15% of state parliaments and a quarter of local government elected representatives.

Women are also poorly represented on decision making bodies such as boards and committees in both the public and private sectors comprising 30% of Commonwealth board appointments but only 7.6% in the private sector.

Last year, the Affirmative Action Agency reported that since 1995, the number of women in senior management has increased by just 1 per cent to 11 per cent.

Inequality in decision making denies many women realising their full potential in relevant fields and making their best possible contribution to this country.

Lack of female role models in the higher echelons of management and on company boards also affects the hopes and aspirations of our younger generations who like to see themselves, or women whose lives are like theirs, among those representing the community.

The business case for including more women is supported by research which now speaks the language of the business world. That is, for a business bottom line the effective use of diversity pays and discrimination costs.

Encouraging diversity is not just making sure that the head count of women is higher than it was. It also involves employers understanding that their employees are more than just workers. They are wives, mothers, sisters, carers – even husbands, fathers and brothers.

Family-friendly work arrangements, as they are now described, take into consideration the dual role of parents, not just women. They offer part-time or flexible hours, or work from home. Encouraging more flexible work arrangements can allow employers to attract and keep employees from the widest possible pool of qualified and experienced people. Not having these arrangements costs business an extraordinary amount of money each year through loss of staff, training costs and simply dropping out and starting up their own businesses.

Varied experiences and different perspectives can have a real impact on the bottom line of a business. New ideas and ways of doing things produce more innovative ideas and services that reflect the needs of a broader customer base.

The more rapidly Australia changes, the more necessary it is to have a leadership diverse enough to respond to these changes.

We also need to address the drop out rate among women from corporate life which, in some professions, is alarmingly high.

We know some of the reasons people leave big corporations – they want to start their own business, take up further studies or start a family. I am also told that, for so many, it is an issue of balance and a choice of trading unreasonably long hours to opt for a balanced life instead.

There is still a dominant work culture that says success can only come from total commitment to work, seven days a week, fifteen hours a day. Outcomes, rather than hours at the desk, should be the most important measures of performance.

The most important element to changing workplace culture, encouraging diversity and breaking the glass ceiling is commitment from top management including responsibility for action. CEOs must show leadership in valuing people with different backgrounds, different family status and different interests. Without such a commitment from the top, change for the better can be frustratingly slow – one woman on a large board, does not mean diversity nor does it mean that the glass ceiling has been broken.

The Minister Assisting the Prime Minister for the Status of Women, Jocelyn Newman, believes that leadership is not about a small group of elite women

doing even better. As far as the Government is concerned, ensuring more women take leadership roles is ensuring Australia is doing its best for all its people.

If we simply just sit around and wait for change, at the current rate it will take almost two centuries to achieve gender equality in Australian management and boardrooms.

With this in mind, the government has developed and implemented various initiatives as part of a broad strategy to increase the number of women appointed on merit to the highest levels in both the public and private sectors.

Two of these, the Executive Search Pilot Programme and Early Warning System, are directly aimed at increasing the number of women appointed to Commonwealth boards and bodies.

In an effort to encourage change in the private sector, the federal Office of the Status of Women (OSW) has provided funding to the Australian Council of Businesswomen for the National Women's Leadership Project involving the selection and training of suitable women candidates for possible appointment to private sector boards.

OSW has also assisted with the development of a seminar series for women who want to learn more about Commonwealth boards. The series, beginning in March in Canberra, will provide an opportunity for women to develop leadership skills and gain from the experience of others.

Federal government funding has also been provided towards a series of training films focusing on women in leadership. The film series will cover issues such as managing differences and the business case for diversity, leadership constructs and capabilities, new skills for new times, teamwork and meetings.

But changing embedded cultures takes time. While it is still too early to judge the success, there have been some very positive lessons learnt from these initiatives, particularly the heightened awareness among the public and private sectors of the importance of including women in their top jobs.

Practical strategies, designed to make a real difference, will continue to be implemented so that women can achieve their goals and aspirations.

Leadership, like entrepreneurship, calls for courage, risk taking, vision and a sense of the community. Australian women are prepared for this and it is time to use them in the service of our country.

The more rapidly Australia changes, the more necessary it is to have a leadership diverse enough to respond to these changes.

As organisations prepare to meet the challenges of a rapidly changing society and as they equip themselves for life in the new millennium, the issue of leadership always emerges as the key issue. In this respect the churches are no exception.

My own experience within the Anglican Diocese of Brisbane has been essentially the same as that of all other people in business and the community in general. Having endeavoured to improve our structures of management, the primary question comes back to the issue of leadership and how that spirit of leadership can be fostered in every part of the diocese, its parishes, institutions and other ministries.

Like many other dioceses and comparable structures in other denominations, we have put in place a ministry planning process, the aim of which is to help the church become more effective in its mission and service and, in particular, how to foster the idea of servant leadership among our clergy and laity.

The gradual acceptance of the importance of leadership in the modern organisational context probably goes back to the work of Robert K Greenleaf in his seminal essay on the idea of Leader-As-Servant in 1970, which finally drew the attention it deserved in his book entitled *Servant Leadership* in 1977.

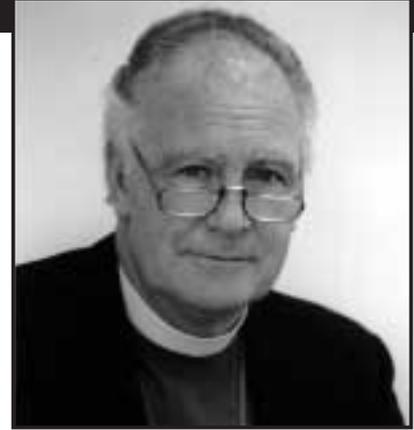
distinction drawn between 'leadership' and 'management'.

John Kotter<sup>iii</sup> identified outstanding managers as people who were disciplined at planning and budgeting, and systematic about maintaining organisations that can accomplish plans. Managers make hierarchies function, and one of their key objectives is organisational efficiency.

Leaders were identified as people who helped create a vision for the future and then developed strategies to achieve that vision. They also communicate direction in such a way that relevant parties understand and believe the message. Good leaders have strong motivational skills and are capable of producing change in organisations. Leadership is a critical factor in providing direction, mobilising staff, and bringing about organisational change.

- Kouzes and Posner<sup>iii</sup> identify leaders as people who:**
- Challenge the existing processes
  - Inspire and share a vision
  - Enable others to act
  - Model the way
  - Encourage the heart

**THE MOST REVEREND PETER HOLLINGWORTH**  
AO OBE MA  
Archbishop of Brisbane



Effective leadership in any organisation is thus an active process which generates a desire to make something happen by changing the way things are or creating something new. Good leaders also recognise that they cannot change things on their own and so they surround themselves with good people. Subordinates judge leaders by assessing whether they actually practice what they preach. At the core of effective leadership is the ability to encourage others and to keep everyone consistently focussed upon and committed to the central goals of the organisation.

There is no doubt that leadership styles have changed dramatically over the past decade, and it is also clear that there is no single formula that can achieve good leadership.

Good leaders, however, must all have the capacity to do three things. Firstly, to articulate clearly what the organisation needs to achieve in relation to its vision, mission and goals. Secondly, to convince people why these objectives must be pursued through motivation and persuasion. Thirdly, to set out the goals to be achieved by selecting the right strategies at the right time, and then to put in place planning and management processes.

Some people have a greater natural inclination on these directions than others, but researchers generally agree that leadership consists of an observable, learnable set of practices in most instances. There is, however,

The Robert K Greenleaf Centre in Indianapolis has subsequently promoted lively discussion across the world on issues of leadership as it seeks to advance the notion that true leadership emerges from those whose primary desire is to serve others.

The theme has been taken up by many others in various countries, including Australia, with the result that there has been an explosion in publications about leadership and, with it, an increasing recognition of its central importance for an organisation's vitality and viability. In some of this literature there has also been a clear

divergence of opinion on what makes the difference between an outstanding leader and a competent one.

Research over the past ten years has indicated two main models of leadership – transformational leadership and transactional leadership. There is an important distinction between the two in that transactional leaders have a relationship with their followers, where they exchange one thing for another, such as increased pay for improved performance. They also tend to lead or manage by exception – taking action only where there is evidence of something not going according to plan. Australian managers have typically relied on transactional approaches to achieve organisational change, perhaps because of our bargaining based industrial traditions and our anti-authoritarian culture which regards formal leadership with a measure of scepticism.

Transformational leaders, on the other hand, recognise the needs of their followers and attempt to motivate them by raising their expectations of their own needs and their performance. They have the capacity to inspire their followers through intellectual stimulation or close knowledge of individuals. They are also very good at turning followers into leaders.

Sashkin and Rosenbach<sup>®</sup> suggest that transformational leaders empower their people to achieve beyond expectations, due to their ability to inspire followers and influence them to use a wider range of methods to solve problems. This takes place through:

- Inspiration – inspiring their people to set high expectations, express important purposes in simple ways, and communicate a vision to everyone.
- Caring about individuals – giving personal attention to followers, building relationships with each individual, focussing on that person's needs. They help followers learn and develop by encouraging personal responsibility, exhibiting trust and respect for followers which is returned in kind.
- Intellectual stimulation – providing a flow of new ideas, challenging people to rethink old ways and stimulating people to develop new approaches to solving problems.

How then, does good leadership influence and change behaviour? According to Sashkin's 'Visionary Leadership Theory', this occurs through the development of a clear, simple value-based philosophy, a statement of purpose that everyone understands, which involves an assessment of the organisational context, environment and key factors in the environment, as well as incorporating the thoughts, values and beliefs of others into that vision. Others are then empowered to develop organisational policies and develop programs that revolve around the philosophy and demonstrate their values and beliefs through their own personal behaviour.

One of the initial challenges we had to face in the diocese was to help clergy in particular to see that these new models of leadership bore direct relationship to the

traditional doctrines and teachings of the church itself. This is perhaps not the place to develop these connections, but it is worth saying that the Scriptures have countless examples of team words and team concepts, and indeed Jesus' own practice of leadership was one of servanthood rather than hierarchy. The idea of the church as "the body" again highlights the inherent notion of a team of people with a diverse range of skills working together in a common mission involving the transformation of lives and the transformation of community.

To conclude, there is a quiet leadership revolution under way, and at the heart of it is the need for senior executives in organisations to help middle managers develop a new mindset about themselves and their roles, moving from reactive paradigms of administration, procedure, approval or disapproval to pro-active paradigms which are entrepreneurial, broad in scope, and focussed upon the business at hand. They also need to think through the roles of their organisation in the context of the goals of their unit; rethinking their unit's contribution to the whole organisation and how to express that contribution in terms of a mission; how to teach that mission to the people working in the unit, aligning resources appropriately and then measuring and evaluating the quality of the outcomes. Followers thus become partners and leaders can help people to embrace change and have confidence in seeing themselves as a valued resource.

Leadership is thus not an exhibition of individual charisma, but the development of a culture applicable at all levels of the organisation which can be taught, transmitted, mentored and supported.

If these kinds of values, attitudes and practices can be introduced throughout an organisation, its future will be assured. Meanwhile, it needs to be added with a measure of humility, that most of us in positions of leadership have quite a long way to go!

### Acknowledgments

This paper is heavily indebted to a discussion paper, *Leadership Teams and Team Leadership* prepared by Mike Nelson.

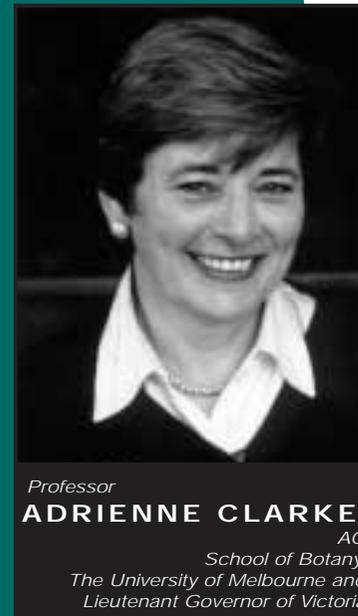
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My comments apply to leadership in science – science in the broadest sense, including engineering and technology. There are similar principles in leading any enterprise, but some special twists to leading a group of very creative people. The nub of the task of leadership is to define what you want to do, then persuade a group of people that this is a worthy goal and lead them to achieve it.

The work leading to the goal must be world class to have a real impact. 'World class' means that the work will be recognised by a group of global peers as being of the highest standard and will make a contribution to the building of new knowledge.

Science is probably the one truly global culture. Scientists in a field all speak the same technical language and they all speak English. They all know more or less what is going on in other laboratories around the world. They meet in large groups and smaller specialist groups throughout the world regularly. They have global associations that serve the interests and govern the activities of the different disciplines. They are constantly exchanging people – students, post-doctoral fellows, sabbatical scholars, visiting scientists, etc. are common in all major laboratories. They have worked out pragmatic ways of dealing with the apparent conflict between free exchange of information and protection of proprietary intellectual property. They monitor the quality of work published through a well established system of international peer review. They come together to influence policy makers globally on such issues as global warming, ozone layer depletion and loss of biodiversity. So in short, it is a truly global enterprise. While others worry about globalisation, scientists are comfortable; science has always been a global enterprise, limited in the past only by the possibilities of communication.

## LEADERSHIP IN AN R&D ORGANISATION



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Lieutenant Governor of Victoria

Today, in Australia, we contribute overall about 2% of the world's new knowledge. If we want to have early access to the other 98%, we need to be contributing our 2% at a very high level. When our contribution is recognised as being significant and important then we become members of "the invisible club". The privileges of this club are access to information and knowledge and the price of entry is consistent contribution of significant new knowledge.

### R&D Leadership Challenge 1 – Set the Goals

To be really world class you need to define a question for your research which is answerable with the tools of the time and which will have a broad impact when you answer it. It is relatively easy to do the "me too" research or the "mopping-up" research. It will get you papers (but not in the highest impact journals); it may be good enough to allow you to make links with the rest of the world. But to really make a mark, to have your work written into the text books, you need to be able to think outside the ordinary. You need to take a risk.

*This is one of the common themes of leadership – the capacity to assess and take risks.*

### R&D Leadership Challenge 2 – Assemble the Resources

The money and the people are the most important parts of any outfit.

You need to secure your budgets. It is difficult and the sources vary for each circumstance. You will need to be able to communicate your goals compellingly to whoever controls the purse strings, and excellent communications skills is one of the hallmarks of leaders.

Assembling your team, that is choosing your people is a critical task. Go for excellence, surround yourself with people who are truly outstanding and really know their discipline. Avoid “yes people”. You need people who are capable intellectually of challenging your own ideas and who can make innovative contributions to the group. However, beware of the very talented person who has a difficult, fractious personality. His/her contribution to attaining the goals should be balanced against the time you may have to spend managing his/her other interactions with other members of the group. You need to look at your mix of people, the “wild ideas” person needs to be aligned with the careful, methodical organiser of data. You should try to appoint people who themselves are good judges of people. The people you appoint should themselves be capable of appointing excellent people and developing their abilities.

*This is one of the common themes of leadership – to be a good judge of people and to develop their abilities.*

### **R&D Leadership Challenge 3 – Inspire and Guide the Team to Work Towards the Goals**

Leadership in guiding the team has many hallmarks of managing the interactions of a family. Generally the family pulls together, but sometimes they squabble and “tell on” each other and sometimes there are cries of “its not fair”. Just like the children. Leadership involves parenting.

New members of the team need special care and support until they are well settled in and look comfortable. Give the members of the team the general direction and delegate with confidence. You should assume that they will do their best, and when things go wrong, as they inevitably do from time to time, don't lose confidence. This is where leadership is especially called on, to sit with the team and work your way together to a new direction.

Young people have special needs. They must make mistakes and sometimes they do really silly things. They have to learn judgement from making mistakes and working their way out of them. Sometimes you need “not to see” certain things. It's a “they know that you know” – an unspoken thing that gives them some breathing space to get back on track again.

People are imperfect; the trick is to build on their skills and to coach them through the areas of their weaknesses. With a creative team, ordering the way forward doesn't work. It's best to make suggestions. You may need to make the same suggestion several times. Sometimes if you make the suggestion and then let it rest for a while, they will come back with the same suggestion as the way forward. The important thing is that it is now their idea and they will make it work. You need to have sufficient confidence in yourself to resist any temptation to say “told you so”; the creative way forward is to say “what an excellent idea”. After all, their success is your success. Acknowledging success and celebrating success is

important to building confidence. Theirs is the glory for success and yours is the responsibility for failure. “Success has many fathers but failure's a bastard”. The leader needs to have sufficient self confidence to go forward without continuous recognition.

*This is one of the themes of leadership – to be able to bring the best out of individuals to contribute to the common goals.*

### **R&D Leadership Challenge 4 – Create the Environment and Culture from Which Excellent R&D can Emerge**

The culture of an organisation is hard to define – it's really the way that things are done, the way that problems are approached, the way that conflicts are resolved and the way that people are treated. It's about ideals and attitudes.

**Leadership in  
guiding the team  
has many hallmarks  
of managing the  
interactions of a family.**

For an R&D organisation (and indeed any organisation), the culture is set at the top. It can be embodied in a vision statement or a statement of core values. These are useful but somewhat sterile. What translates them into reality, is the way that the top people behave. What they do, not what they say.

**Standards of excellence.** The leader sets, by example, the standards by which the group will be known. The leader sets the way science is done in the group. Of course this is the well known scientific method based on rigorous experimentation, interpretation, criticism and testing of hypotheses. The leader sets the standards of excellence of the work that is done by the group and also the standards of public presentation of work that comes out of the group. This may be done by setting up a system of internal critical review before any work is submitted for publication. It may be that any public presentation by any member of the group is practised until it reaches the internal standards.

**Standards of honesty and integrity.** This includes intellectual honesty as well as honesty in everyday dealings with people. What you say is one thing, but what you do is far more powerful in sending messages.

**Attitudes to dealing with people.** This includes being supportive and encouraging to the people in the team, recognising that it is more productive for the whole

team to recognise and use individuals' strengths, rather than moaning and sniping about their weaknesses. This requires care in constructing teams to tackle specific problems.

**Attitudes to working through problems.** Although the leader can and must be decisive, it is better for the group to work through problems and come to the solution, which may well have been obvious to the leader from the start. It takes time, but the outcome is that everyone is committed to making the solution work. The attitude filters all the way through the ranks. This helps instil a feeling of “that's the way we do things here. We don't allocate blame, we try to find a solution.”

**Attitudes of open communication of information and data.** Having a free information flow and exchange of skills and knowledge is essential for the groups' success. This is fostered in all sorts of ways. By lab meetings, journal clubs, informal contact. At all these types of meetings, recognition of individual contributions is very important. An idea put forward can be discussed and examined, with frequent and public reference to the person who put it forward. Praise and celebration of small achievements is a way of building appreciation of effort of groups or individuals and confidence in their own growing skills and judgement.

Another important attitude to foster is that no idea or question put forward, however simplistic, will be treated with anything but respect. To treat an idea with scorn or derision will destroy the atmosphere of free transfer of ideas you want to create. Furthermore, even the most way out or seemingly naive idea may well have merit if examined dispassionately.

*This is one of the themes of leadership – to create a culture appropriate to achieving the goals.*

### **R&D Leadership Challenge 5 – Build Communication Channels and Networks at all Levels**

This is at the heart of any organisation and when things go wrong it is often because of breakdowns in communication. You need to have good sources of accurate and timely ‘information in’ and an efficient and effective way of getting ‘information out’. There are several levels at which this two way flow needs to happen.

**Upwards.** To the bureaucracy – there is a higher duty than to the research group and that is to advance the aims of the organisation, and to help the other people who serve the organisation.

**Outwards.** For example, selling your skills to users. The difficulties of doing this effectively is the topic of a lecture itself. However, the experience with the Co-operative Research Centres is starting to yield useful lessons both in what works and what does not work.

**Outwards to the rest of the scientific world, both within Australia and to the rest of the world.** For this there are two key skills, firstly to be able to write simple concise English and secondly to be a master of public speaking. When you publish a paper you reach a few people, when you deliver a plenary lecture at a major international congress you reach thousands of people. These people go away with an impression of you, an impression of the work of the group, an impression of the standards of your institution, and an impression of the standing of science in Australia. You are an ambassador.

**Inwards.** I have mentioned the importance of maintaining clear and open communication channels with the group. Building strong alliances with other scientific groups is also important. For these to be effective you must build on mutual respect. The scientists really need to like each other and enjoy each others' company. They cannot be forced to work together, they must have the will to do it, but they can be lead. Alliances with other groups such as key members of the community and the bureaucracy are also important. Build alliances at all levels.

*This is one of the themes of leadership – the ability to communicate the direction of your organisation effectively at all levels.*

### **R&D Leadership Challenge 6 – The Organisation Takes on the Personality of the Leader**

Whether you like it or not, people watch you and listen intently to what you say. They often act and react. So you must set an example. You must be consistent and fair and even tempered and pleasant, even when you are beleaguered. “Grace under pressure” is important.

Indeed the character “Mrs-Do-As-You-Would-Be-Done-By” from Charles Dickens, “The Water Babies” said many of these things in words of another era. In the end, it is many of those rather Victorian virtues of honesty, compassion, self-control and persistence which are needed for success as a leader of R&D. This, in combination with excellence as a scientist.

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## VIEWS ON LEADERSHIP



The Hon  
**JEFF KENNETT** MP  
Premier of Victoria

*Leadership is all about taking people where they have never been before, for the right reasons, and to prepare the community to seize the opportunities that are produced from an ever changing society.*

To look at Victoria today is to see one of the great success stories of the 1990s. A pattern has emerged from six years of sweeping policy reforms, credits are steadily building up and it is possible to see real progress toward the Government's longer term objectives.

In the Victoria of tomorrow, we will continue providing the leadership which has underpinned this progress and reinstated pride and confidence in its people.

Leadership and strategic direction have been important factors in the revival of Victoria's fortunes. The Government has adhered to a set of five leadership principles which has seen results in the change in the culture in Victoria - the transformation into an economy and society of the modern world that can measure up to the challenges of the world of the 21st century.

### *The five principles that define good leadership are:*

- An understanding of what you want to achieve and the setting out of clear goals
- Development of a strategy to achieve these goals
- Consistency of policy
- The effective management of people
- The ability to communicate clearly to people what your aim, goals and strategies are.

I believe that these five principles are fundamental to good leadership across the corporate, education, public and community service sectors.

When the Coalition came to power in 1992 we clearly identified where we wanted Victoria to be in the short term, to 2001, and in the medium term to 2050. We set ourselves a clearly defined program of activity that we have been working towards.

These goals were sound economic management and business stimulation, education and health management, investment in major capital works projects and a recommitment to the importance of the agricultural industry to the State.

Strong leadership requires a conviction to stick to necessary, yet sometimes unpopular, decisions. In Victoria, we have not wavered from our goals. At times, of course, we have slightly refined the program, when others have been able to point us to ways in which we can do our task better.

It hasn't been easy and our agenda hasn't always been communicated as well as it should have. Of course there will always be opposition from some quarters. But the Government has never failed to accept responsibility for the leadership that it has delivered to the people of Victoria.

As a result of the collective efforts, Victoria is posting faster economic growth and growth in private sector investment, and buoyant construction activity and retail sales. These measures all reflect confidence in the future of the State and are positive signs for new employment opportunities. They underlie what we have termed our holistic approach to Government and that no matter what we do it has one primary objective. The economic and financial agendas have not been pursued as ends in themselves. By implementing reform and new management systems we have been able to pay off debt

and provide quality services more efficiently.

We can, therefore, direct our resources to the ultimate goals of building Victoria's social capital to create a better quality of life for all Victorians and to provide our children with a better start to life and the opportunity to secure the future.

As we approach the new millennium, Australia faces new challenges and new possibilities for the community, the corporate sector and across all governments.

Victoria has made a contribution by example and leadership towards the re-engineering of Australia's economic and social culture and the development of a more global outlook among Australians.

Australia will need to continually re-invest its goals, practices and activities to remain relevant and to grow socially and economically.

The State Government has started to prepare its agenda for the next ten years of Victoria's development from the year 2001 to 2011. The challenge is to identify and promote industries of the 21st century that will continue to create wealth for Victoria and bring jobs to the community.

Hand-in-hand with maintaining employment growth and creating new business opportunities is the education of young people and the upgrading of skills of older Victorians to help them better their employment opportunities and lead more fulfilling lives.

The challenges of the future will be achieved with leadership, vision and adherence to principles. They are challenges that require us to respond to what we as individuals, business and political leaders are doing to make the future today.





## LEADERSHIP FOR UNIVERSITIES

*At its core, leadership in universities is a high wire act balancing two ideas about how universities should be managed.*

Leadership in universities has always embodied the notion of an academic and intellectual dimension. Primarily, this is built around the capacity to inspire and to give direction to our students in their undergraduate and postgraduate education, and to our academic staff in their scholarly work. But there is also the historically significant role university academics have played as public intellectuals, leading society debates on fundamental questions and showing the way in scientific and technological innovation. (Which explains, incidentally, the preference among many academics for new Vice-Chancellors to be recent Nobel laureates who, in advancing the university's interests, combine Cicero's advocacy skills and Alexander's strategic virtuosity, with a Socratic delight for endless debate!)

I suspect that had Vice-Chancellors of an earlier generation been asked to contribute their thoughts on leadership, they would probably have conceived of university leadership almost entirely in these intellectual terms. For that matter, some would also have considered it sufficient to portray the university itself as the community of civilised scholars idealised by John Henry Newman from his Oxford days.

But the world has moved on and with it the demands of university life, if not entirely yet its culture.

As a consequence of that global shift, the other idea of leadership which has gained increasing importance is that which requires university managers, particularly Vice-Chancellors, to instill confidence in and provide direction to staff - academic and non-academic - as they traverse a seemingly endless minefield of changes - challenges brought on by cuts to government funding, the technological revolution, shifting public perceptions of what a university should be all about and global competition, not only for traditional universities but also from a wave of new corporate 'universities'.

Inevitably, at the edges, the balance of the two ideas of leadership creates uncomfortable tensions.

The academic tradition often characterises university managers and their efforts to provide corporate leadership as fundamentally flawed, at odds with the principles of *Academe*. In this view, the role of the university corporate leader - actually, leaders of the *corpus*, to be more correct - is seen in essentially political terms, and our attempts to provide vision and direction in straightened circumstances as little more than doing the bidding of the Government or the donor or the strategic investor.

Conversely, it is often a frustration to those charged with corporate strategy and planning that academic freedom is made to serve more than its true high purpose of free expression and protecting the iconoclast to pursue ideas in their academic field. This is especially the case for senior managers who come to universities from other industries, where collegiality generally implies collective effort around organisational goals. Too often in universities it seems that the collegiate tradition implies opposition to corporate goals as a matter of principle! One test of a Vice-Chancellor's leadership is the ability to lift the academics' identification from the discipline or department to the wider plane of the University itself. Another is to get closure in reasonable time on critical issues - to shift the culture away from a sense that all decisions are appealable when the next committee meets, if not when the Committee next meets!

Although these two notions of leadership in universities are conceptually distinct and often in conflict, of necessity they are in constant dialogue and it is the management of this dialogue to achieve improvements - or just not falling into the abyss - which is the true measure of modern university leadership.

Neither of these counterweights, which we caricaturise as academic collegiality and managerialism, can provide lasting solutions for the challenges universities face. Each, if pursued alone, offers only short term fixes: the one an unsustainable defence of the status quo ante, and the other an endless exercise in tail-chasing after ever narrowing penny packets of tied income, with the wider purpose of the income forgotten.

On the one hand, academics would be right to lambast the short-sightedness of governments which are failing future generations of Australians by focussing exclusively on the financial bottom-line, and the managerialist logic which underpins this otherwise inexplicable absence of vision.

On the other, the revolution of globalism and the demands society has placed - and continues to place - upon universities, requiring radical re-alignments of university resources, could not have been (and will not be) effectively managed by relying solely on the intellectual integrity of the college. For universities adjusting to the changes about them, erecting impregnable barriers to the outside world has not really been an option for at least a generation.

Our success in traversing the middle way - the key test of leadership in our universities - should not be judged next week, next month, or next year. At a minimum, we can not expect these judgements to be in under ten years and longer. This is why I feel that our jury on this is just entering kindergarten now, and they will be cold eyed in their assessment of how well we have done.

Universities are today highly responsive to the needs of the Australian community and a vastly expanded cross-section of our citizens now understand what universities do and aspire to a university experience themselves.

Over the last decade as federal governments have cut ever deeper into the sinews of university funding, university people have responded with dramatic changes in terms of course content, modes of delivery, collaboration with industry and with an explosion in the internationalisation of our campuses to the point where higher education now ranks as one of the nation's major export industries. Universities are today highly responsive to the needs of the Australian community and a vastly expanded cross-section of our citizens now understand what universities do and aspire to a university experience themselves.

These are all achievements which could not have been made without successful balancing by university leaders of the counterweights of tradition and change.

It is said that Vice-Chancellors need to get our parliamentarians as passionate about the future of our universities as they are about the fortunes of the national cricket team. Unfortunately, and notwithstanding our best efforts, such an achievement in this country would not be so much a demonstration of university leadership, as a revelation of the miraculous. So, while we live in hope, as leaders we will need to set our goals for universities closer to what is realistically achievable. This much the struggles of the past few years have taught us.

In the short term this adjustment to reality has us striving simply for Government supplementation for the coming enterprise bargaining round, and for targeted increases in key areas of teaching and research. In the longer term, however, such useful gestures as we hope to see come of this are likely to be insufficient, of themselves, to allow us to retain a university sector of world rank.

For Vice-Chancellors, maintaining the right balance on the high wire between tradition and change is bound to be ever more precarious. Certainly, there can be no guarantees in the coming decades that even our most venerable institutions will escape serious challenges to their basic structures and their cultures, perhaps even their existence. Like the fate of our universities, the judgement on our leadership of them will be unsentimental - expressions of passion for our universities will be treated with scant regard if not matched by tangible evidence of our effectiveness.

And it will not be a judgement which we in universities face alone. The implications of the fate of our universities are so momentous for the nation that it is right and inevitable that the Federal Government, as the critical funder of our universities, will also be called to account for its leadership performance.

As things stand, community judgement is likely to be harsh, with the opportunities for reversing the verdict diminishing fast.

In the argot of the Prime Minister's passion, we are 6 for 98 in the 38th over chasing the English total of 185 (or, in the less arcane language of non-cricketing society, we are at a critical juncture and things are not looking too bright). It is now beyond common sense to simply wait for the steady recovery. We must see bold stroke play from the Government with strong support from Australia's Vice-Chancellors.

So in the end, the sporting metaphor also illuminates the need for not just leadership but teamwork between government and universities and for that matter from business and the community. It is a game we must win.

Professor  
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## A BUSINESS PERSPECTIVE ON LEADERSHIP

Leadership is important because it gives a common purpose. It binds, despite diversity. It focuses attention on what is possible and provides the strategic direction to achieve what is desirable.

Australia faces huge challenges over the coming decades if we are to secure our place in a rapidly evolving new economic world order.

Globalisation, together with increasingly sophisticated communications and technology is paving the way for ever more mobile investment, trade and commerce opportunities. Countries which are unable to compete effectively in this changing world will, quite simply, be bypassed. The consequences of such competitive disadvantage would be felt firstly in job losses, but quite rapidly thereafter would reduce the nation's ability to fund the level of health, education and social services that the community has come to expect in a modern society.

The resulting social discord would, by any measure, be unacceptable. The only way to avoid such social discord is for the community to position itself to meet the challenges of globalisation. This will not just happen - it requires leadership.

It is not surprising therefore, that we should be increasingly focused on the quality of leadership in Australia.

Leadership is important because it gives a common purpose. It binds, despite diversity. It focuses attention on what is possible and provides the strategic direction to achieve what is desirable.

From a business perspective, the main challenges facing Australian society is how we can:

- achieve the right settings for a strong economy on which we can secure our future prosperity, as a basis for a fair and caring society while, at the same time,
- manage the impacts of continually, modernising our economy in a way that minimises social discord, yet identifies and maximises the opportunities that can be provided to the community from the new world order.

What are the characteristics we will require from our leadership into the next century? The answer is as diverse as the range of skills needed?

### **Broad based and representative leadership**

First of all, modern leadership must be broad based and



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emphasises what we have in common, not what sets us apart. We need to concentrate on what we can agree as common ground.

### **The process of leadership**

The process of involving the community in meaningful debate on substantive and important issues should be our common purpose. How we get there is just as important as reaching the end point. Effective leaders are able to secure the commitment of others to make the effort to meet the challenge of such a future.

The value of something that binds is hugely important to any organisation or society. There are few characteristics which so clearly set aside a leader from the pack than the ability to provide a focus on common purpose, while reducing the divisiveness of difference.

To have leadership, one must have a leader. But there is another prerequisite for effective leadership - a community responsive to leadership - one prepared to consider new ways, and to be responsive to change.

This issue is arguably the most important and the most difficult to address. If Australia is to meet the challenges of the future, the community must place its trust and confidence in our leaders. In effect, all sections of the community must work towards putting aside private agenda if the overall outcome is to be in the greatest good for Australia as a whole.

In the past, if there was a more unquestioning trust by the community, it was because of limited education or understanding of the issues. This is clearly no longer the case. We must ensure that the benefits that have been achieved through education are not offset through a failure to find the common ground between often competing interpretations of the issues. One result of a wider understanding of issues is inevitably an interest in the number of ways in which individuals believe they should be addressed. We must be willing to accept some compromise on these views if we are to go forward.

Effective leadership requires a leader who has special qualities but it also requires a community willing to accept and cooperate in support of that leader. Without this, we may fall victim to the adage "if you don't know where you are going, that is precisely where you will end up" and squander the many advantages that exist in Australian society today.

representative. Historically, with the only real exception being at times of war, Australians have viewed leadership almost exclusively as being the province of governments. We have looked to government to define the problems, to put forward the choices and to provide the direction. But the social and economic problems that arise in our increasingly complex and diverse society require each part of the community to provide a share of the answer.

All aspects of our society, from the churches to business, community groups and educators, must take on the responsibilities of leadership. The importance of inclusive leadership is underlined by the complexity and diversity of our modern society. We cannot hope to tackle complex and seemingly intractable problems, such as unemployment, if we draw only on a narrow range of perspectives. Successful approaches will only be found by bringing together as many perspectives, new ideas and approaches as we can muster from the community as a whole.

### **Inclusive Dialogue**

The adversarial style of negotiation and debate that has characterised Australian politics, work place relations and environment debates, to name but a few issues, will not yield the results we need as a community to move forward. We need to find a new language, that

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# DEVELOPING LEADERS: Learning to Lead Differently

One of the continuing challenges for Australia's social and economic future is to achieve a significant improvement in the quality of leadership and performance of Australian management. The 1995 report of the Industry Task Force on Leadership and Management Skills (the Karpin Report) rated Australian managers as deficient in such essential leadership qualities as vision, decisiveness, team work and self-confidence. The problem of finding and nurturing a pool of talent to lead innovative, responsible and profitable organisations has now become a pressing problem for Australian Industry.

Interestingly, at much the same time as the Karpin Task Force was drawing a picture of the strengths and weaknesses of Australian managers, two BHERT Task Forces were reporting on deficiencies in the number and quality of technical leaders in R&D organisations. The Schapper Task Force Report (1992) emphasised the need for broader training for scientists and engineers to prepare them for leadership in industrial R&D. The Leadership Task Force Report (Mann, Mayer, Hutton & Cupper, 1994) identified narrow training, poor management skills and lack of commercial focus as a problem in many University graduates moving into

## A Research Study: Success Factors in R&D Leadership:

The first initiative is an ambitious longitudinal study of the leadership skills and performance of a group of 60 project leaders (comprising thirty new leaders, thirty experienced leaders) who head R&D project teams in four major Australian organisations – CSIRO, DSTO, BHP and Orica (formerly ICI). The aim of the study is to trace and compare the performance of the new leaders and the experienced leaders for a period of two years as they manage their teams through the life cycle of R&D project activity. The study is being conducted at Melbourne Business School, University of Melbourne with Australian Research Council funding and support from the four participating organisations. It involves meeting and interviewing each of the 60 leaders (and frequently their teams), obtaining ratings and evaluations from the senior managers who know the leaders, as well as the customers and other stakeholders who have a vital interest in the project deliverables and outcomes. Many of the projects are complex and challenging and require considerable technical expertise and ingenuity to produce a commercially sound, innovative concept, product or process. The project teams range in size from as few as 3 team members to over 25 team members drawn from laboratories across Australia. Team members often come from different functions in the organisation and from different disciplines, posing a further challenge to the leadership skills of the team leader. The projects range from development of a hard wearing paint with all the characteristics of a water-based paint, to development of a new coating compound to enhance the durability of steel. The 60 leaders, their teams and their projects are indeed impressive, so that our leadership study is not a comparison of good and poor leaders, but rather a study of an impressive group to discover some of the factors that underpin effective leadership. The study is yielding many interesting findings about leaders and teams and there is a great deal to report. I will touch briefly on four findings.

**Leader roles:** The 60 leaders were measured on how well they perform a set of leadership roles ranging from the traditional, task-focused roles of coordinator, producer, monitor, technical advisor and feedback provider, to the more 'people' - oriented roles of boundary spanner, negotiator, mentor and facilitator. Interestingly, the leadership roles with the strongest links to good team performance were 'mentoring' (providing guidance and support to team member's career aspirations, delegating some leadership tasks to team members) and 'producing' (motivating the team to do the work, ensuring that project milestones and deadlines are met).

We found that the best leaders are excellent across all roles, that is, they are proficient in the traditional skills of controlling and producing and in the skills of team building and people-management. The leaders who



when teams and their leaders are open to new ideas and approaches, are willing to experiment and take risks, are flexible and are quick to adapt and respond. Interviews with the 60 leaders and assessments made about them by others revealed that leaders who report they have learned a great deal from their current work and experience are more likely to have the most highly regarded teams and projects. Morgan McCall in an essay 'Developing leadership' refers to strong self-awareness and constant learning and adaptation as two of the six basic characteristics of effective leadership that have emerged across a number of studies (the other characteristics are an ability to translate direction and mission into reality; as ability to align people with the chosen direction; integrity and the ability to develop trust; and comfort with uncertainty).

Of course, it can be argued that the best teams and most interesting projects are assigned to leaders who are most receptive to new experience and learning or that leaders stand to learn more from leading an outstanding team than from leading a mediocre or pedestrian team. Our evidence suggests this is not the explanation. Rather, leaders who are 'learners' tend to introduce a healthy climate for team decision-making characterised by open discussion, constructive problem solving and considerable reflection about the project and how the team is working together. In turn, this decision-making climate is conducive to excellent project work and performance.

**New and experienced:** As expected, experienced leaders as a whole are seen as performing better than their newer, younger counterparts. But the difference is not great. The best of the new leaders are as impressive as the best of the experienced leaders in the way they lead and in the success of their projects. We found that some new leaders are still finding their way and do not match experienced leaders in capability and performance. But they are learning, and with experience and encouragement will succeed.

In general, we are finding that the best leaders are open-minded and open to learning, have a transformational leadership style, build trust and are trusted by their team members. They are well organised and motivate their teams to complete projects on time and within budget. They are well regarded by project customers, indicative of the time

excelled in all roles had the best performing teams and, usually, the most successful projects. It is important to recognise that the link between good leaders and good teams can go in both directions. While it is true that good leaders can help create good teams, it is also true that good teams can manage without designated leaders and that good teams can make the leader look good by covering their mistakes and providing the space and support for a novice leader to learn how to lead effectively.

**Transformational Leadership:** The best performing leaders display a style called transformational leadership. Transformational leaders elicit trust and respect from their team members and motivate them to perform at their best. They achieve this by making team members more aware of the importance and value of the work they perform, by stimulating their interest in and excitement about the work and by influencing them to act in the interest of the team and organisation rather than in their own self-interest.

In our study, the 60 project leaders were rated on the following statements characteristic of transformational leadership: "communicates a vision of the project's possibilities", "ensures the team understands the importance of the project", "stimulates the team's interest in the project", "instils pride and respect in the team". Transformational leadership was somewhat more evident among the experienced leaders than among the new. The most interesting finding is that leaders who were rated strongly on transformational leadership were independently evaluated by key stakeholders, such as project customers, as having the best performing teams and the best quality projects. Also of interest, is the finding that transformational leadership was most strongly linked to the excellence of basic/applied research projects, in which new ideas and innovative products and processes are the main objectives. Transformational leadership was also significantly, but less strongly, linked to the quality of technical/development projects, in which application of existing knowledge is the main objective. This finding is important, as it demonstrates that leaders who 'transform' the way they lead and work together with their team, by challenging, stimulating, encouraging and empowering team members, have a significant and beneficial effect on team functioning and performance.

**Learning from experience:** Advances in Research and Development and excellence in innovation occur only

While it is true that good leaders can help create good teams, it is also true that good teams can manage without designated leaders

careers in Industry. The Leadership Task Force recommended the establishment of a national centre for R&D leadership and a pilot leadership development program. In the short time since Karpin, Schapper, Mann and others commented on leadership at different levels of Australian organisations, the call for more and better leadership has grown.

In this brief article I will describe two initiatives in the area of leadership research, training and development which followed publication of the BHERT reports. The two initiatives I describe are ones in which I have been involved. It is important to point out however, that there are many initiatives in leadership development and leadership research underway in Australia at present, an encouraging sign that the call for more and better leadership is being heard.

Professor  
**LEON MANN**  
Pratt Family  
Professor of  
Leadership &  
Decision Making,  
Melbourne  
Business School

### A Leadership Development Program Achievement through Teams:

A second initiative of great interest and importance is the CSIRO - BHERT leadership development program "Achievement through Teams". The program is aimed at building the leadership awareness, skills and capabilities of managers who lead research and innovation projects in the public, private and University sectors. The program, introduced in 1996, takes approximately 20 participants in each course. It is now in its seventh intake. Much has been written about this highly innovative program in BHERT News and Annual Reports. My reason for describing this initiative is to discuss how this kind of program fits into a culture of leadership in forward looking organisations.

The basic strategies for developing leadership abilities are well known (McCall 1993). They include challenging job assignments, exposure to exceptional people as role models, learning how to overcome obstacles, learning how to deal with failures and mistakes and of course, learning from rich educational experiences. Whether or not people who attend leadership development programs gain significant positive benefits for themselves and for their organisations, depends, to a great extent, on the follow up support and how the new skills and abilities learned are used (or ignored) in the organisation. One of the main characteristics of what has been termed "the learning organisation", is a commitment to lifelong education at all levels of the organisation. This includes formal leadership programs as well as pervasive support of any kind of developmental experience and a sense that learning, practising and improving are never finished. In such organisations, the "graduates" of training and leadership development programs are encouraged to apply their newly acquired skills and knowledge in challenging tasks and opportunities provided by the organisation. An example of a learning organisation in the U.S. is Motorola, which has a policy that every employee has some educational experience every year.

John Kotter of Harvard Business School (Kotter 1990), describes how some of the world's best companies create a "culture of leadership", another feature of learning organisations. The task begins with efforts by senior managers to spot young people with leadership potential early in their careers and identify what will be needed to stretch and develop them. Companies such as Johnson & Johnson, 3M, Hewlett Packard and General Electric, develop leadership by creating challenging opportunities for young employees. They are placed in positions of leadership of small project teams and small business units. Senior managers who successfully spot and develop potential leaders are recognised and rewarded. Organisations with a strong culture of leadership maintain a clear focus on leadership development and succession. F.H. Faulding, a diversified pharmaceutical and healthcare company, is an example of an Australian business with a strong culture of leadership. Beginning in 1994, Faulding redesigned its training programs to focus on leadership, team skills, problem solving, decision making, customer awareness and performance enhancement. Faulding

recognised the need for a broad-based leadership program for its managers. As Faulding's Dr Julian Clark observed in the October 1998 issue of BHERT News, leadership of R&D activities and achievement through teams are critical to the success of modern, complex organisations. Clark emphasised the importance of a set of key leadership skills for working effectively in companies where teamwork and collaboration within and between organisations are essential. He commented also on the value of intensive, experiential based learning as a stimulus for "break-through" personal and organisational change.

Faulding chose the CSIRO - BHERT leadership program "Achievement through Teams" to help develop the leadership capabilities of managers selected from different parts of the company. Faulding has sent 15 of its managers to the leadership program since the first intake in 1996, creating a cadre of leaders who have helped introduce significant organisational change and improved business performance.

In 1998, I met with three Faulding "graduates" of the CSIRO-BHERT program. They credited the program with providing the knowledge and expertise to help build communication, trust and better decision-making at Faulding. Early this year, Dr Bob Frater, Deputy CEO of CSIRO, met half of the graduates and was deeply impressed by their accounts of how the program had led to major changes in their style of leading and working with others, and most importantly, building and extending networks based on trust throughout the organisation.

The lessons from Faulding's involvement in the "Achievement through Teams" program include: The value of experiential learning which produces strong self-awareness (see McCall's list of the basic characteristics of effective leadership); the importance of studying and experiencing the interpersonal dynamics of groups and teams which can be applied directly to working relationships in the company; the advantage of building a cohort of program "graduates" to provide support to each other and to help spearhead change initiatives in the organisation; and the benefits of learning about the challenges of managing people and teams alongside managers from other organisations with different cultures.

#### REFERENCES

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## Results of the 1998 Inaugural Awards



Professor Leon Mann, Panel Chairman, Pratt Family Chair in Leadership and Decision Making, Melbourne Business School.

Applications were sought in May 1998 and over 50 submissions were received. These were judged by a panel of judges under the chairmanship of Professor Leon Mann, Pratt Family Chair in Leadership and Decision Making, Melbourne Business School, and included:

**Dr Jane Munro**,  
Principal & Chief Executive Officer,  
Firbank Anglican School for Girls'

**Dr Ian Paterson, AM**,  
Headmaster,  
Knox Grammar School (Sydney)

**Professor Vicki Sara**,  
Chairman,  
Australian Research Council

**Dr Peter Scaife**,  
Director, Centre for Sustainable Technology,  
The University of Newcastle

The criteria for evaluation included:

1. Innovativeness
2. Strength of the relationship between collaborating partners
3. Outreach inclusion (e.g. overseas - to other groups, companies)
4. National benefits
5. Cultural impact on the partner/organisation.

for  
**Outstanding  
Achievement in  
Collaborative R&D**  
and for  
**Outstanding  
Achievement in  
Collaboration in  
Education  
and Training**

To be eligible at least one of the participants in the project or program had to be a member of BHERT.

The quality and standard was very impressive and the panel had a challenging, but an interesting task.

The Business/Higher Education Round Table wishes to acknowledge the generous support of the following organisations:

**The Australian National University**  
**Central Queensland University**  
**Edith Cowan University**  
**Flinders University of South Australia**  
**Griffith University**  
**Mobil Oil Australia Limited**  
**Philip Morris (Australia) Limited**  
**P&O Australia Limited**  
**Queensland University of Technology**  
**RMIT University**  
**Shell Australia Limited**  
**The University of Sydney**

The Awards were presented by the Hon Jeff Kennett, MP, Premier of Victoria, at a dinner on Tuesday, 10 November 1998, at the Sheraton Towers Southgate, Melbourne. Extracts from the Premier's address prior to the announcement of the winning entries can be found on pages 26 - 29.



Professor Michael Miller,  
ITR, University of SA

**Turnover *less* than \$50m per annum and  
Project/Program *less* than 3 years in train:**

**Winner:** DSpace Pty Ltd  
Institute of Telecommunications Research (ITR) at the  
University of SA

**Title:** **High Speed Data Modems for International Satellite  
Organisations (INMARSAT)**

**Sponsor:** The Australian National University

This program involves the development of new techniques to double the capacity of existing mobile satellite communication systems. The new technique, known as Turbo Coding, has the potential to achieve large savings because the system can support twice as many users at the same time. This impressive collaboration draws on the complementary skills of the industry and university partners.

**Turnover *less* than \$50m per annum and  
Project/Program *more* than 3 years in train:**

**Winner:** Energy Conservation and Renewable Energy Group  
Dept of Mechanical and Manufacturing Engineering,  
RMIT University  
Crossle McKee Pty Ltd

**Title:** **Innovative Cost-Effective Technology for Recovering  
Waste Heat in Industry**

**Sponsor:** Central Queensland University

This program involves the development, demonstration and commercialisation of a new design for heat pipe heat exchanger systems. The exchanger recovers waste heat and reuses it in other processes which operate at lower temperatures. The program has the potential to achieve large savings in industrial fuel expenditure and a net reduction in usage of fossil fuels. This highly innovative program is a significant example of collaboration between business and higher education research.

**Turnover *more* than \$50m per annum and  
Project/Program *less* than 3 years in train:**

**Winner:** Australian Logging Council  
ANU Forestry Dept  
CSIRO Forestry and Forest Products  
University of Melbourne's School of Forestry

**Title:** **Forest Technology Program**

**Sponsor:** Edith Cowan University

This program brings together many small businesses in the logging industry to improve the commercial viability, environmental impact and social acceptance of forest operations. Among the many innovations are the use of satellite based navigation technology to track the movement of logging machines and their impact, the introduction of excavator or 'shovel' logging to reduce impact on forests and a device for spacing young regrowth forest. This is an excellent program of great national benefit. It brings together major organisations to change industry attitudes, leading to more sustainable forestry and logging practices.

Professor Peter Vinden, Dept of Forestry,  
The University of Melbourne

**Turnover *more* than \$50m per annum and  
Project/Program *more* than 3 years in train:**

**Winner:** Dept of Biochemistry  
at the University of Adelaide  
BresaGen Ltd  
GroPep Pty Ltd  
Bresatec Pty Ltd

**Title:** **Establishment of Biotechnology industry**

**Sponsor:** RMIT University

This is a very impressive example of a model partnership between university and industry. In 1982 the Department of Biochemistry in the University of Adelaide initiated a program of R&D activities which in time led to the establishment of three highly successful biotechnology companies:

1. BresaGen - for Animal Growth Hormones - Animal transgenesis
2. GroPep - for Insulin-like Growth Factor Proteins
3. Bresatec - for molecular biologicals

The University had pioneered a biotechnology industry for Australia, which in turn trains and employs university students and graduates.

**Honourable Mentions:**

1. The Centre for Design at RMIT with Southcorp Appliances, Schiavello Commercial Furniture, Email, MEC Kambrook, NIDA, Imaging Technologies, Caroma and Blackmores

**Title: The EcoReDesign Program**

In 1993, the EcoReDesign Program based in the Centre for Design at RMIT set out to develop a new environmental design process suited to the new requirements of product development in Australian manufacturing industry. Operating in design development teams, staff from the Centre for Design at RMIT University and staff from the partner company work together to make efficient innovative designs. The aim is to redesign products so as to improve their life cycle environmental performance. This collaboration had an impact on the cultures of the participating companies and is a program of clear national benefit.

2. Co-operative Research Centre for Eye Research and Technology with CIBA Vision/Novartis

**Title: The See3 Project - new extended wear contact lenses  
providing hassle-free vision correction**

An impressive collaboration between CIBA Vision/Novartis and the CRC for Eye Research and Technology, this project involves the development of an oxygen permeable soft contact lens, which can be worn without having an adverse effect on the eyes. The lens has considerable commercial and export potential.

3. The University of Sydney with Nippon Sheet Glass Company Limited

**Title: Vacuum Glazing**

This project involves the development and refinement of the vacuum glazing concept to produce highly insulating window glass. The product can be used in buildings throughout the world to achieve energy efficiency and environmental benefits. The collaboration, involving international partnership and outreach, is of considerable commercial interest.



Professor Peter Rathjen,  
Dept of Biochemistry,  
The University of Adelaide

# FOR OUTSTANDING ACHIEVEMENT IN COLLABORATION IN EDUCATION AND TRAINING

**Turnover less than \$50m per annum and Project/Program less than 3 years in train:**

**No eligible winning entry**

**Sponsor:** Philip Morris Limited

**Turnover less than \$50m per annum and Project/Program more than 3 years in train:**

**Winner:** GroPep Pty Ltd  
CRC for Tissue Growth and Repair  
Flinders University of South Australia

**Title:** **Training Graduates for Commercial Careers in Biotechnology-Based Industries**

**Sponsor:** Griffith University

This comprehensive training program has been developed to meet the staff and training needs of Australia's growing biotechnology industry. The partnership, between GroPep Pty Ltd, the CRC for Tissue Growth and Flinders University of SA, involves the design and delivery of a set of articulated training programs at many levels from undergraduate students to senior scientists and potential CEOs.

**Turnover more than \$50m per annum and Project/Program less than 3 years in train:**

**Winner:** Faculty of Education at The University of Newcastle  
BHP Rod Bar and Wire  
NSW Dept of Education and Training

**Title:** **Retraining to become a school teacher following industry shutdown Announcement - a win-win for all Parties**

**Sponsor:** Queensland University of Technology

This novel program involves the retraining of staff in BHP's Rod Bar and Wire Division to become secondary school teachers. The program is being offered while the BHP staff are still employed in preparation for the closure of the Division in 1999. This is an exemplary project which deals creatively with some of the major problems caused by industrial restructuring.

**Honourable Mention:**

**1** Myer Stores Ltd and RMIT Training Pty Ltd

**Title:** **Computer Training and Internet Cafe**

The Myer RMIT Computer Learning Centre, located in Myer Stores, Melbourne, is a computer training and Internet Centre. The Centre offers inexpensive packages to the general public in an attractive retail environment. The collaboration is impressive for its outreach and for the partnership between a retail store and a university with entrepreneurial initiative.

Dr John Ballard  
GroPep Pty Ltd

Ms Sandra Sirasch  
The University of Newcastle

**Turnover more than \$50m per annum and Project/Program more than 3 years in train:**

**Winner:** Central Queensland University  
BHP Australia Coal  
Qld Alumina Ltd  
Boyne Smelters Ltd  
Gladstone Port Authority

**Title:** **Gladstone Engineering Development**

**Sponsors:** Shell Australia Limited/P&O Australia Limited

This is an important initiative taken in Gladstone, Queensland to develop a world-class engineering education and research facility at Central Queensland University to support Gladstone's major industries. All of Gladstone's major industries worked together with the University to conceptualise, design, fund and implement the Engineering Management School and the Centre for Environmental Management and their Graduate Certificate and Diploma programs. An exceptional example of Industry and University working together to address local regional needs.

**Honourable Mention:**

**1** University of Adelaide,  
American Chamber of Commerce Australia  
and Ernst & Young Entrepreneurial Services Group

**Title:** **Business Initiatives from Graduates (BIG)**

The Business Initiatives from Graduates program is a highly innovative program for developing entrepreneurial and commercially successful graduates. Graduates with an innovative product, process or service idea are enrolled in a Graduate Diploma in Business Enterprise at the University of Adelaide, provided with scholarship support, office accommodation and other resources to assist them to develop their ideas into a business.

**BHERT is delighted to announce that**

**Dr Bob Frater, AO,**

**Deputy Chief Executive, CSIRO and**

**Ms Moira Scollay,**

**Chief Executive Officer,**

**Australian National Training Authority**

**have agreed to join the**

**1999 Awards judging panel.**



Mr Eric Laakso  
Central Queensland University

## NOTE YOUR DIARY:

Applications for this year's Awards will be called in April.

Additional categories will include:

- Outstanding Achievement in International Collaborative R&D

**Sponsored by**  
The University of Sydney

- Outstanding Achievement in Collaborative R&D involving a Cooperative Research Centre

**Sponsored by**  
Mobil Oil Australia Limited



*The following are extracts  
from the address by the  
Hon. Jeff Kennett, MP,  
Premier of Victoria, given on the  
occasion of the announcement  
of the Inaugural Awards for  
Outstanding Achievement in  
Collaborative R&D and  
Outstanding Achievement in  
Collaboration in Education/  
Training, on Tuesday,  
10 November 1998,  
at the Sheraton Towers  
Southgate, Melbourne.*

**T**hank you for the invitation to address members of the Business/Higher Education Round Table. Welcome to Victoria to all interstate visitors.

May I firstly congratulate this group on your commitment to a better Australian society through the development of closer links between businesses and higher education.

I know that your individual commitments are numerous so your continued effort in this area is appreciated by the Victorian Government.

The shrinking globe means that our universities must produce graduates with the skills, knowledge and attributes which our businesses need to be internationally competitive.

This is not to say that universities should focus 100% on the market place at the expense of the admirable pursuit of knowledge for knowledge's sake.

However, Australia's international success and prosperity in the next millennium rests, to a large degree, with the business and academic sectors working in tandem.

Businesses should not see themselves as simply the recipient of the universities' output.

The business sector needs to be involved at all stages of the education process - providing input into the structure and content of courses, resulting in appropriately skilled and qualified graduates, and by providing active support for research.

The challenges which face both the business and higher education sectors also face governments.

One of the biggest challenges we all face is how to cope with the speed of change itself.

A second challenge is that, collectively, we need to identify and promote those industries which will create wealth, provide long term stability and growth, and most importantly, employ our people.

This means identifying our strengths, not just compared with other Australian States, but compared with the world's best.

Victoria's economy is focussed on industries and opportunities of the 21st century - a mix of traditional and new industries which offer the greatest potential to add value to Victoria's future.

We have identified our export competitive strengths in health and medical research, agriculture and food technology, engineering and automotive industries, multi-media and information technology, and in the delivery of services - namely health, education and environmental expertise.

Whilst governments can encourage new investment and facilitate business development in these key industries, the close collaboration between universities and business is the key to ultimate success.

#### **Information Technology**

Take, for example, the development of the IT industry in Australia. In Victoria, our goal is to become the Asia-Pacific capital for information technology, multimedia and communications services.

To facilitate this goal I have established a Multimedia Taskforce to coordinate and improve linkages between the education and business communities and the Government.

Among other things, this Taskforce has highlighted the asymmetry between the employment needs of industry and the supply of skilled and relevant graduates.

It has been estimated that at present there are around 30,000 job vacancies in the IT industry in Australia. However the industry is concerned that universities are not producing the volume nor the type of IT graduates to meet current demands.

Just as important as the number of graduates are the relevancy of their skills. In an industry which is developing so rapidly, training undertaken only three years ago may rapidly become outdated.

Businesses and the higher education sector need to work more closely to develop the best education and training for this industry. And to ensure the desired outcome, business needs greater involvement at the input level.

#### **Research and Development**

Victoria has an unabashed focus on the long term. A critical part of this is the continuing strong pursuit of research and development.

Already, Victoria has by far the highest level of R&D expenditure per head of population of all the States.

In 1996-97, gross expenditure on R&D by business, government, higher education and private non-profit organisations was \$2.5 billion - 43% higher in real terms than six years earlier.

Business R&D spending in Victoria is more than 40% of the national total.

Our priority over the next decade is in the area of commercialisation of our research. The opportunity for synergies between business and the higher education sector in this field are enormous.

The Government's strategy document *Creating Our Future* and the work of the Science, Engineering and Technology Taskforce have identified a number of directions for future action and investment.

While Australia and Victoria have a number of advantages in global high technology markets, we also face particular difficulties. These include the small size of our local markets, and our distance from major population centres in Europe, North America and East Asia.

Further, the fields on which we see our future prosperity depending are precisely those which our major competitors have also identified.

To succeed will require major effort and effective co-operation between all sectors.

For example, the numbers of graduates in the sciences and in engineering need to increase. Industry has a real role in helping governments and educational institutions to promote career paths in these areas.

#### **Export Education**

A third example of Australia's competitive strength is in the field of education itself.

The education export market is the sixth largest earner of export dollars for Australia, contributing \$3.2 billion a year to the Australian economy and \$750 million to Victoria alone.

Despite the downturn in the Asian economies we are still attracting increasing numbers of students to our universities, with a 13.7% increase in the past 12 months alone.

Victoria's total proportion of Australia's international students is 36%.

The presence of so many overseas students in Victoria and across Australia is testimony to the exceptional quality of education we have to offer.

It also has an importance far beyond any immediate dollar value.

Synergies and alliances have been established with our alumni overseas and there is no doubt that these will become increasingly important in years to come. Today's overseas students will be tomorrow's government and business leaders in key trading countries.

Interestingly, the past twelve months has seen a shift in the pattern of enrolments of overseas students. The biggest increase has occurred in the number of students studying off-shore. This is the result of moves by Australian universities to establish campuses and offer more courses in other countries.

This heralds a new direction in Australia's future in the export of education.

As these neighbouring countries progress, Australian universities are working to develop a different kind of relationship with them.

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and prosperity in the next  
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sectors working in tandem.**

Increasingly these countries will be looking to educate and train their students at home. Australian universities have to look at developing new products and adapting course delivery to suit this new demand.

In the longer term export education will involve the selling of our education expertise to other countries, more two-way international exchanges, and closer research collaboration.

#### **Concluding Remarks**

I hope that these comments and thoughts on strengthening the links between business and education provide some input to your consideration of these important issues.

May I commend the Business/Higher Education Round Table for their work in bringing the business and education communities together.

The inaugural awards which are being presented tonight are indicative of your commitment to achieving a productive relationship for us all.

## LEADERSHIP IN INNOVATION COURSE

One of the most exciting initiatives BHERT is involved in is the unique Leadership in Innovation program.

The program is an intensive three-module live-in training course for prospective R&D managers developed by the CSIRO and the Business/Higher Education Round Table (a forum of business leaders and university vice-chancellors) with significant input into the program from BHP, F H Faulding, and the University of Melbourne.

The Achievement Through Teams - Leadership in Innovation program involves three residential periods of five days duration (commencing on a Sunday afternoon and finishing Friday lunch time). Module 1 is about Self-Management; Module 2, Team Building and Module 3, Organisation Culture and the Future of R&D.

The residential courses are held at small, quality conference centres close to capital cities.

The course design is specific to the needs of R&D technical project leaders; brings together participants from across organisations and functions; encourages integration of professional behaviour with personal goals; and encourages leadership through trust, respect for others and generating enthusiasm for a project.

The program is highly responsive to individual and group needs and provides an environment where participants form a strong learning community and ongoing networks.

The cost of the course is \$10,000, which includes accommodation and meals, all training, course materials and coaching between modules.

The Minister for Education, Training and Youth Affairs has provided a 50% subsidy for 24 university participants to attend the program this financial year. There is also a subsidy available from the CRC Secretariat for CRC Directors to attend the program.

Dates for Achievement Through Teams Courses for 1999 are as follows:

### Achievement Through Teams 8

Module 1	28 February - 5 March 1999
Module 2	11 - 16 April 1999
Module 3	23 - 28 May 1999

### Achievement Through Teams 9

Module 1	4 - 9 July 1999
Module 2	8 - 13 August 1999
Module 3	12 - 17 September 1999

### Achievement Through Teams 10

Module 1	26 September - 1 October 1999
Module 2	31 October - 5 November 1999
Module 3	5 - 10 December 1999

Information: Margaret Redford, Ph: 02 6276 6265 or email: Margaret.Redford@lctd.csiro.au

## Distinguished

*In 1998 BHERT introduced a Distinguished Speaker series of addresses each year featuring eminent "thought leaders" speaking on topics of interest to both the business community and academe.*

*We are delighted to announce our Distinguished Speakers for 1999, as follows:*

**Professor Peter Doherty, AC, BVSc, MVSc, PhD, FAA, FRSc** will deliver a luncheon address entitled, "Entering the first science-based millennium" on Friday, 6 August in Melbourne at the Hotel Sofitel.

Professor Doherty, is Chairman of the Dept of Immunology at St Jude Children's Research Hospital in Memphis, Tennessee. He is a winner of the Nobel Prize for Medicine (1996) and was Australian of the Year in 1997.

**Dr Raymond Ch'ien, CBE, JP**, will deliver a luncheon address on Friday, 17 September in Sydney, at the Hotel Inter-Continental.

Dr Ch'ien, is Chairman of Inchcape Pacific Ltd, a US\$1billion diversified distribution company active in the automotive, industrial products, consumer products, office equipment and logistics services sectors.

He is Chairman of HSBC Private Equity Management Limited, with US\$1billion under management. He is on the Boards of HSBC Holdings plc and The Hongkong and Shanghai Banking Corporation. He is the Founder and Co-Chairman of Beijing CAST Information System Technology Co. - and a Director of China Internet Corporation Ltd.

He is a member of the first Executive Council of the Hong Kong Special Administrative Region of the People's Republic of China; Chairman of the Industry & Technology Development Council; the Hong Kong Industrial Technology Centre Corporation; and the Hong Kong/Japan Business Co-operation Committee. He is also a Board member of the Mass Transit Railway Corporation.

He serves on the Council of the Hong Kong University of Science and Technology. In mainland China, he is a Board member of the China Center for Economic Research at Peking University, honorary adviser to the China Aerospace Corporation, and honorary professor at Nanjing University. He is a director of Kader Holdings Co. Ltd; Hsin Chong Construction Group Ltd; and Tianjin Development Holdings Limited.

He has a Ph.D in Economics from the University of Pennsylvania.

**Members are asked to note these dates in their diaries. Further information on all functions will be given in due course.**

## Speaker Series

*The following are extracts from an address by Professor Bryan Gould, Vice-Chancellor of the University of Waikato, New Zealand, and Chairman of the New Zealand Vice-Chancellors' Committee, given at a Distinguished Speaker Luncheon on Tuesday, 6 October 1998, at the Hilton Hotel, Sydney.*

It is almost a necessary condition of tertiary institutions around the world that they should be perennially and continuously subject to review. We've had a green paper, and we are currently expecting a white paper. The green paper painted a picture of New Zealand universities as private sector companies, run by boards of directors comprising of business people, appointed by the sole shareholder (the government), required to trade at a profit by selling its product into a competitive market place to individual students armed with vouchers.

We've already had a first and major instalment of that agenda through the funding regime which we have now encountered. Over the whole of the 1990s New Zealand universities have faced very substantial annual cuts. My university, and this is true of all New Zealand universities, is now funded as to less than 50% by the government grant. The balance is made up of tuition fees paid by students, overseas students paying fees, research income, trading income, and so on.

The government had originally accepted, back in 1994, that it would pay 75% of the tuition fee, leaving the balance to the students. This year (1998), in the first budget that was delivered in May or June, that point was adhered to; the government had reached 75% and had stuck there. Within 2 months the cry had gone up that a further \$300 million worth of savings were required. And guess where they looked. They looked to us, and we're back on track again for next year with even more severe cuts than we've endured in any year this decade. And worse than that, the 75% barrier has now been well and truly breached - there is now no obvious stopping point.

New Zealand universities are currently funded at about 65% of the rate of funding of Australian universities, per student. An Australian graduate has lavished upon him or her about 50% more resources than would be true in a New Zealand university. That is very worrying in the longer term, because I can't believe that level of additional spending will go unnoticed. It will reflect itself in the longer term, in better quality and that will be very bad news for New Zealand.

The White Paper will clearly go on pushing the universities into a more and more competitive market-based context. We no longer bid for approved numbers to be funded by the government. We can enrol as many students as we wish, we will compete with each other for those students. The consequences will be fairly predictable. There will be, as you would expect in any



Professor Bryan Gould,

comparable private sector part of the market, an increasing concern with market share.

We will see one means of market share obtaining prominence. For example, takeovers and mergers, or consortia of various sorts. That is already a very marked aspect of the New Zealand tertiary sector. We will see much more importance attached to producing new products and to product development. There will be greater differentiation and specialisation. The days of the comprehensive university might well be numbered, as universities are forced to specialise in the things that they believe - and the market believes - that they do best. Our students will increasingly see themselves as our customers - there is already a marked rise in the litigiousness of students, of their propensity to complain about the quality of service that is delivered to them.

We will have to improve the friendliness of our processes; the old systems, under which students were required to queue up for hours on end in order to enrol, will go. Indeed they have largely gone. The universities themselves will find it increasingly difficult to co-operate with each other.

**The days of the comprehensive university might well be numbered ...**

Historically the New Zealand universities, which had their common origin in the University of New Zealand, have worked together very closely. I can't see that lasting for much longer. For all of those reasons I think competitive pressures are going to be increasingly the most important driving forces in New Zealand tertiary education. I say that, not because I wish to issue dire warnings, because I actually believe that it is not all bad, that there are some very important advantages to be gained from subjecting New Zealand universities to a greater exposure to market forces. I think we will find much greater innovation. We are already looking at the new techniques of delivering courses and programs, we're looking at that whole new range of academic studies. Innovation is clearly one of the pluses one can expect

from the market place. We can expect a much greater sensitivity to our customers needs. The days when students were told they were lucky to get in in the first place, and you take it or leave it – those days have gone. A student who is not happy will make a fuss, will complain, will go to the press, and will in the end take his or her custom elsewhere. All of that will subject New Zealand universities to much greater market based disciplines. And the pressure will be on to be more efficient in the use of our resources, to satisfy the tax payer that our universities are well run, efficiently run, that the tax payer is getting value for money.



Roland Williams, Bryan Gould and Ashley Goldsworthy

None of this is bad news. Much of it is good news, much of it is what we should be doing anyway, if we are to fulfil our proper role in society. What I've constantly encountered, in discussion with private sector leaders, is how familiar are the problems which they face and how familiar they are to us, as we also try to run large institutions, and get the best out of them. But, this is not an argument for not doing any of this, it is an argument for being a little cautious.

First, we are being pushed into a sort of transition where it is assumed that painlessly, without damage to us or to tertiary education, we are going to be able to move from an essentially publicly funded model - towards one where the private sector increasingly picks up the bill. In most respects I have no difficulty with that, provided it works, provided it happens, provided it really is a transition. The one thing we know is that public funding is being cut. The question mark is over the capacity or willingness of the private sector to pick up the slack. And like Australia, New Zealand is a country which has no tradition of major giving for philanthropic purposes. New Zealand universities do not have the comfort of major resources of their own, built up over the generations. For all of those reasons we are taking a real risk in New Zealand, and if the same arguments apply in Australia, in Australia as well.

Perhaps to a greater degree than would be true of other comparable countries we are increasingly forced to rely on our ability to operate in the market place. The willingness of the private individual customer to hand over money for tertiary education is increasingly the determinant of whether we succeed or fail. As I have said, there are some good features in that. But it does mean that if we are to succeed then we have to be much more sensitive, much more responsive, to the short term

vagaries of the market place than has ever been true of universities in the past. Throughout history, universities have succeeded and survived not because they have followed every short term fashion, but because they have certainly been responsive to longer term social changes, but have also been a force for continuity, stability, even permanence. And if we are required, as a condition of survival, to put on a course next year in whatever it might be, Bee Keeping because that's the latest fashion, and then to drop the course and all the staff and the support staff in the following year because the fashion has changed. If we are required to do that, then we cease to be a university. We may be something else very efficient and valuable, but we won't be a university.

And there is a further worry – if we follow that model, we are in danger of avoiding the obvious threat to academic independence which is direct government intervention, but perhaps falling foul of another threat. If we are all slaves to the market, what then is left of academic independence? If the customer is king, what freedom do we have to say, "No, we would like to research or teach in these areas". If there is no one to buy those services, that teaching or that research, then it won't get done. And a lot of the worth of universities historically is their ability to move into

uncharted territory, not because somebody says, "I want to get to X", but because people say, "I wonder where X is, or what it is". If all of that changes, then again we have lost something very important about the role and value of universities.

There will come a day, and we are almost there now, when students will come along and say, "Look I've paid you \$10K this year, for my courses, and I've failed. I didn't pay to fail – I paid for something of value, a piece of paper, a qualification, a pass. And the fact that I have failed shows that you have failed me, you did not teach me properly. And further more, you have failed to do that because you didn't apply all of my \$10K to my education. I want to know what happened to that \$10K." And there is a peculiarity with the New Zealand legislation which says that one of the functions of universities is to be the critic and conscience of society. What I want to know is, is it very likely that students are going to pitch up and say, "Here's my \$10K for my course – and here is another \$500 so that you can be a critic and conscience of society". I don't think that will happen.

And there is another worry I have, and that is that one of the great strengths of the market is that it allows for failure. Indeed it is the very possibility of failure which encourages enterprise and efficiency. I'm not sure too many of our students at University of Waikato, would be all that thrilled to discover their hard-won degree had been earned at, as they subsequently find out a year or two later, an institution which was in the process of failing, which had gone out of business. Failure is not something easily contemplated at a university, or in the university sector.

There are limits to the extent to which we can ask the market to deliver the right answers for the provision of

university education. And I say that is my view, but I'm encouraged in holding that view by the fact that it is also the view of the New Zealand government. You may be surprised to hear that - I'm sure the New Zealand government would be surprised to hear it, as well. But it is nevertheless the case, if one looks at what they are doing, as opposed to what they say. The New Zealand government is very well aware of the deficiencies of market provision. It knows that whatever it may feel on ideological grounds may be the right answer, that the students and their parents who pay the bills will be just a little concerned about the propensity of the market place to encourage the provision of less than total quality at times, or indeed about the possibility that a market provider may fall over. And for that reason, it is very much part of the New Zealand government's stance that it sees the need to supplement the market and its deficiencies by doing two things.

First, it intends to put in place a statutory-based mechanism for assuring everybody that the courses and programs delivered by New Zealand universities will be properly certificated and up to standard. Now, there are systems where that is perfectly acceptable, but in a system such as ours, and which I believe is also probably true in Australia, where it is very difficult to be a university and you have to meet all sorts of very limited and restrictive criteria, the gatekeeper is very fierce. Once you get into the corral and you can say you are a university, it seems extraordinary that you should then be called to account to a statutory body and made to say whether your procedures for ensuring quality are up to scratch or not. And yet that is what is being proposed.

Secondly, the New Zealand government professes to be frightened that some tertiary institutions might actually fail in financial terms. It is certainly true that the more we go for market based competition, the greater is the possibility of that failure. Therefore the government finds it necessary to put in place some pretty rigorous monitoring, which I don't object to, but also some pretty careful supervision through its own appointees on what we used to call the Councils of the University, but which might in the future be called the Boards of Directors.

If we see a university sector that exhibits those two characteristics, a statutory body which will supervise quality, and a mechanism whereby the minister can be assured that the university is going to be properly run in financial terms and can intervene where he feels that may not be the case, I think that we may be in danger of gravely weakening the concept of the university.

Not because there is anything wrong intrinsically with the market as a discipline, but because we may have allowed the market to take too dominant a position. So what is to be done. I don't think there is any turning the clock back – indeed in my own particular situation I find myself in a dilemma. On the one hand I'm inclined to warn and argue as I have just done, about the difficulties in proceeding in the direction we are going. But on the other hand



## The private sector has in the universities a resource of immense value.

A vote of thanks by Rob Stewart, National Managing Partner, Minter Ellison

I know very well that if I am to do my job properly as Chief Executive of my institution then I am going to get out there and adapt to that market place quicker than anyone else, because I want to see my institution succeed.

There is a synthesis to be achieved, between the growing pressure of market forces and the need to keep in place because of their value, the traditional virtues of the university. My fear is that even in market terms, if we go too far and unthinkingly down the road to market based provision we actually lose the one great plus we have in the market place – that is, that we are universities. If we can no longer be distinguished from institutes and polytechnics of various sorts, then we have needlessly wantonly thrown away our major market advantage.

Now one of the strategies that we should adopt in New Zealand - and one of the things you are achieving in BHERT is what we should be doing in New Zealand – is gaining friends and supporters from the private sector by virtue of the value which we can deliver. The universities have very few friends, politically or otherwise, and yet the contribution which they are required to make is of immense importance to our national futures. It is to everybody's advantage if, particularly in the field of research, the universities and the private sector can work more closely together. The private sector has in the universities a resource of immense value. The universities have in the private sector an ally, a partner, a market of equal value. It is certainly true in New Zealand that we suffer greatly from the fact that we hardly speak to each other, or speak far too little. I would like to see that remedied. I would like to see the universities, without sacrificing their independence, their traditional role, I would like to see them playing a more direct and important part in the research on which our economic futures will depend.

Professor Gould, BA, LL.M (Auck.), MA, BCL(Oxon), who since graduating from Law with First Class Honours in the early 1960s in New Zealand, and attending Oxford as a Rhodes Scholar, has found his career has taken him into both the private and public sectors spanning the legal, media, academic and parliamentary arenas in both the northern and southern hemispheres. In 1992 he was a candidate for Labour Party leadership in the United Kingdom. He served for seven years as a Member of the House of Commons.

## STATE CHAPTERS

The objectives for and rationale behind the formation of State Chapters are:

- it will give existing BHERT members an opportunity to involve people from their organisations on a State by State basis;
- it will increase the activities in which existing members from Western Australia, South Australia and Queensland can be involved;
- to encourage greater staff mobility between business and universities through publicising methods which have worked and establishing a framework for exchanges etc;
- to encourage universities to produce graduates with outstanding generic skills/key competencies;
- to find ways to give graduates more industry experience;
- to lobby state government for policies favourable to the development of high technology industries, spin-off companies;
- to provide a potential source of additional funding to finance BHERT research projects and lobbying activities;
- to increase the interaction between the private sector and the tertiary education sector – so they can better understand each others needs;
- to give BHERT greater clout as a lobbying organisation; and
- to focus on State based issues affecting the tertiary education sector.

The activities of the State Chapter do not need to be numerous. They do need to be relevant and focussed.

### Membership and Fee Structure

The objective is to attract and involve in the BHERT State Chapters:

- significant business organisations based in only one State;
- medium sized private sector organisations who recruit significant number of graduates;
- the branch offices of existing BHERT members.

All BHERT national members with operations in a State would be entitled to membership of a State Chapter as of right. No additional membership fee would be paid.

A limited number of State-based organisations who are significant employers of graduates (for example, hospitals, the power industry, Statutory Authorities, significant private employers) would be invited to also join the State Chapter. Membership would be limited so that overall numbers do not become too great.

The fee for State Chapter members will be in the order of \$1000 pa. State Chapter members would be invited to send representatives to all BHERT dinners and lunches.

### Structure

Each year the State Chapter would establish a small number of working groups to focus on specific

In today's environment there is a certain tension which universities and their staff feel in attempting to maintain the traditions of high quality research, scholarship and teaching.

Increasingly, reducing resources, coupled with a greater emphasis on revenue raising and entrepreneurial activities as well as inter-institutional competition, both domestic and international, have led universities and their staff to question their capacity to maintain the quality of the learning experience that they provide and the values of the research they undertake.

BHERT has identified the necessary key features of the higher education sector in this country - the prerequisites for Australian universities to compete effectively at the highest international levels.

### Position Paper No. 2 (October 1998) – The Development of Cooperative Research Centres

CRCs were established in Australia in 1991 to foster ties between universities, industry and government departments and research organisations, in order to bring research closer to commercial realities and provide education and training opportunities. The program was established to address a number of specific issues, among which were:

The need to ensure that advances in science and technology were linked to applications in various sectors of the economy.

Related to this was the need to improve international competitiveness. The need to ensure that Australia's undergraduate and graduate programs in science and technology were of world class; specifically involving researchers from outside the higher education sector to ensure better quality and performance.

The CRC Program was to play an important role in ensuring that Australia benefited from the strength of its science and technology resources. Specifically, it would help ensure that Australian research and research training remained at the forefront in those areas of specific importance to the country as a whole.

There are 67 Centres currently operating in six industrial areas:

- manufacturing technology;
- information and communication technology;
- mining and energy;
- agriculture and rural based manufacturing;
- environment; and
- medical science and technology.

Overall the program has resulted in a strongly positive effect on Australian spending on research and development by government departments, universities, CSIRO and other public R&D agencies and industry.

*As a unique group of leaders in Australian business, research and higher education, the Business/Higher Education Round Table (BHERT) sees as part of its responsibility the need to articulate its views on matters of importance germane to its Mission. In recent times it has issued two Policy Statements – copies of which are available from the BHERT Secretariat.*

## BHERT Policy Statements

### Position Paper No. 1 (July 1998) – Higher Education in Australia: The Global Imperative

The Business/Higher Education Round Table (BHERT) comprises the chief executives of many of Australia's major corporations and the vice-chancellors of Australia's universities, with the mission of advancing the goals and improving the performance of both business and higher education for the benefit of Australian society.

Education and training is a key ingredient in growing and developing the Australian economy. The industries of tomorrow are going to be increasingly knowledge-based. Higher education therefore is critical to the future of this country; in creating a "learning society" in which all Australians, of whatever social, cultural and economic background, have access to a post-secondary education of excellent value.

Without a national vision and sufficient investment in our higher education system, Australia and today's young Australians are likely to be marginalised as the region moves towards higher welfare standards and more advanced social and political structures. Our goal is that Australia must develop the expertise of its human resources so that it is a significant regional leader in professional, service, education and technological fields.

- objectives. It is planned that two be established in 1999:
- An Innovation working group - focussed on assisting the commercialisation of research. The Universities in the State should place the most appropriate person from their organisation on that committee.
  - A Human Resources working group - which would seek ways to facilitate exchange of staff between University and business, and to help universities produce more employable graduates.

Ad hoc working groups would be established from time to time to deal with specific issues.

All members of the State Chapter would have the right to nominate the appropriate person to join each working group. A convenor would be appointed for each working group.

The State Chapter would be chaired by an appointee of the BHERT Board.

The State Chapter as a whole may only meet twice a year (for example over lunchtime with a specific topic for discussion or presentation).

At the initiative of Professor Roy Webb, Vice-Chancellor, Griffith University, a lunch and afternoon seminar was held in Brisbane on 27 November 1998 to generate interest in a State Chapter (refer program below). It was a very successful function drawing (despite the festive season) some 230 to the lunch and about 40 to the seminar. Follow-up discussions are being held to crystallise some opportunities canvassed at the meeting.

## Interactive Leaders' Forum

### Higher Education, Business and the Future – the Role of Universities

*Ivory Towers or Business Incubators?  
Ostrich Position or Digital Communities?  
Chasm or Collaboration?*

Keynote Address, **Hon Dr Barry Jones, AO**  
"Insights on Australia's Digital Future"

Testimonials by  
**Professor Ian Lowe** and **Dr Dale Spender, AO**  
Introduction to Forum, **Mr John Humphreys, General Manager, TECHQUAD** and introduction of **Professor Ashley Goldsworthy, AO, OBE**

Objectives of the Business/Higher Education Round Table, **Professor Ashley Goldsworthy, Executive Director, BHERT**

Comments by **Professor Ian Lowe, Griffith University** and introduction of **Dr Dale Spender, AO**

**Dr Dale Spender** to speak on issues raised by **Hon Dr Barry Jones, AO**

Keynote Address, **Mr David Little, Managing Director, Watpac Ltd**

Interactive Panel Session facilitated by, **Mr John Humphreys**

Panel – **Mr David Little, Professor Ian Lowe, Dr Dale Spender, Mr Allan Gillespie, Professor Ashley Goldsworthy**

"Web Cam" demonstration – Vision of Gold Coast – **Mr David Keane**

Closing comments – **Professor Ashley Goldsworthy**

## WORKING GROUPS

### **Education, Science and Technology Working Group**

**Members:** **Mr Alan Seale**,  
Orica Limited (Chairman)

**Professor Tony Blake**,  
University of Technology, Sydney

**Professor Trevor Cairney**,  
University of Western Sydney

**Mr Ric Charlton, AM**

**Professor Ashley Goldsworthy**,  
BHERT

**Professor Frank Larkins**,  
The University of Melbourne

**Professor Dennis Lincoln**,  
Griffith University

**Professor Leon Mann**,  
Melbourne Business School

**Professor Jane Marceau**,  
University of Western Sydney, Macarthur

**Ms Edwina Menzies**,  
Minter Ellison

**Professor Mary O'Kane**,  
The University of Adelaide

**Professor Kerry Pratt**,  
Swinburne University of Technology

**Professor John Richards**,  
Australian National University

**Professor Peter Swannell**,  
University of Southern Queensland

**Dr Mark Toner**,  
Kvaerner

The Group has chosen for its main activity to undertake a targeted lobbying of government to demonstrate the negative impact the current mix of policies is having on industrial R&D in Australia.

At the most recent meeting of BHERT, because of the importance of this topic, it was decided to fund a survey of members and preparation of a report to government on the benefits of government programs in support of R&D innovation.

The objective is to influence government ministers, their key advisors and senior policy officials that government support for research and development is beneficial for business.

The survey and report is being done by Mr Dick Davies, Chief Executive Officer, Australian Mineral Industries Research Association, in consultation with a sub-committee of the Working Group.

Mr Dick Davies was recently heavily involved in the preparation of a somewhat similar report which focussed on the minerals industry and hence comes to the task with some very useful and appropriate background.

### **Future of Work, Training and Lifelong Education Working Group**

**Members:** **Professor Chris Duke**,  
University of Western Sydney (Chairman)

**Professor Jocelyn Calvert**,  
Deakin University

**Professor Ian Chubb**,  
Flinders University of SA

**Mr Daryll Hadfield**,  
BHP

**Professor Marilyn McMeniman**,  
Griffith University

**Professor Helen Praetz**,  
RMIT University

**Dr Gregor Ramsey**,  
TASA International

**Professor Robin Stanton**,  
Australian National University

**Mr Rob Stewart**,  
Minter Ellison

**Mr John Trott**,  
P&O

The Future of Work, Training and Lifelong Education Group is undertaking an analysis of forces affecting the nature of work, the implications of higher education of these developments and how higher education is addressing the needs of workers and the workplaces of the future. In the last few years there have been several publications in Australia on the future of work which have emphasised economic and social factors with limited reference to the role of education and educational institutions in these changing circumstances. In the same period, the higher education community has been examining how universities will help address society's needs in the contemporary world.

The Working Group wishes to draw together the discussions surrounding the future of work and the future of higher education. As a starting point, a questionnaire has been developed to canvass the views of leaders in higher education and business on trends and issues. The questionnaire contains assertions adapted from a variety of sources concerning a number of subjects: the employers of graduates, employment prospects, the nature of work, links between employers and higher education, lifelong learning, the higher education curriculum, the attributes of graduates and investment in learning. Analysis of responses to the questionnaire will contribute to a discussion paper prepared for BHERT.

## MEMBERS OF THE BOARD

*Chairman*  
**Dr Roland Williams**  
Chairman and Chief Executive  
Shell Australia Limited

**Professor David Beanland**  
Vice-Chancellor  
RMIT University

**Professor Tony Blake**  
Vice-Chancellor  
University of Technology, Sydney

**Professor Gavin Brown**  
Vice-Chancellor  
The University of Sydney

**Mr Richard Hein**  
Managing Director  
P&O Australia Limited

**Professor Michael Osborne**  
Vice-Chancellor  
La Trobe University

**Mr Richard Pratt, AC**  
Chairman  
Visy Industries

**Professor Janice Reid, AM**  
Vice-Chancellor  
University of Western Sydney

**Professor Deryck Schreuder**  
Vice-Chancellor  
University of Western Australia

**Mr Rob Stewart**  
National Managing Partner  
Minter Ellison

**Professor Iain Wallace**  
Vice-Chancellor  
Swinburne University  
of Technology

**Professor Roy Webb**  
Vice-Chancellor  
Griffith University

*Executive Director:*  
**Professor  
Ashley Goldsworthy**,  
AO, OBE, FTSE, FCIE

*Executive Assistant:*  
**Anne Munday**

*The purpose of the Business/Higher Education Round Table (BHERT) is to pursue jointly initiatives that will advance the goals and improve the performance of both business and higher education for the benefit of Australian society.*

*It is a forum where leaders of Australia's business and academic communities can jointly examine important issues of mutual interest, to improve the interaction between Australian business and higher education institutions, and to guide the future directions of higher education.*

## Mission Statement

*In pursuing this mission BHERT aims to influence public opinion and both government and non-government policy on selected issues of importance.*

*BHERT believes that a prerequisite for a more prosperous and equitable society in Australia is a more highly-educated community. In material terms it fosters economic growth and improved living standards - through improved productivity and competitiveness with other countries. In terms of equity, individual Australians should have the opportunity to realise their full social, cultural, political and economic potential.*

*The membership of BHERT comprises, by invitation, the chief executives of major Australian corporations and research organisations, and the vice-chancellors of Australian universities.*

*BHERT pursues a number of activities through its Working Groups, State Chapters and active alliances with relevant organisations both domestically and internationally. It publishes a regular newsletter (BHERT NEWS), reporting on its activities and current issues of concern relevant to its Mission.*

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**BHERT  
MEETING  
DATES  
FOR  
1999**

**PLEASE NOTE THE FOLLOWING DATES FOR 1999 BHERT MEETINGS:**

**Wednesday, 24 March 1999**

Sydney - ANA Hotel - 4pm - 7pm

*(followed by dinner, at which Ms Wendy McCarthy, AO, Executive Director, McCarthy Management & Chancellor, University of Canberra, will be the after-dinner speaker)*

**Thursday, 15 July 1999**

Melbourne - Sheraton Towers Southgate - 4pm - 7pm

*(followed by a dinner)*

**Thursday, 18 November 1999**

Sydney - Hotel Inter-Continental - 2.30pm - 5pm

*inclusive of Annual General Meeting (followed by Awards dinner)*

# Executive Search

Slade & Partners is an Australian owned Executive Search Firm with a distinguished record in the private and public sectors.

It has recently established a division, "Higher Education Search", which will provide innovative educational executive search on favourable terms to BHERT members.

**SLADE & PARTNERS**  
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*Len is a former member of Academic Staff and University Council with an ongoing interest in alumni affairs.*

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*Lionel is a former long-serving member of University General Staff.*