

unisa**business**

ISSUE TWO / APRIL 2012

A review of current thinking for today's business leaders



University of
South Australia

COMPETITION: WHY
IS IT IMPORTANT FOR
AUSTRALIAN BUSINESS?

MESSAGE ON A BOTTLE:
HOW WINE LABELS CAN
AFFECT WINE CHOICE

VIRAL VIDEO: HOW
TO GENERATE THE
RIGHT RESPONSE



THE GREAT DIVIDE?

STRATEGIES TO MANAGE A CROSS-GENERATIONAL WORKFORCE



**TO GET AHEAD
OF THE REST,
DO AN MBA THAT'S
AHEAD OF THE REST.**



The University of South Australia is one of only three Australian institutions to have held a five-star rating for its MBA program for four consecutive years, as determined by the Graduate Management Association of Australia.



Ranked 1st in the 2011-2013 survey for Customer Satisfaction, the University of South Australia's MBA is one of only six MBAs in Australia to have been included every time, in the "Top Ten" MBA rankings in Australia, since the inception of the Australia Financial Review BOSS Rankings in 2007.



UniSA's Division of Business was one of the first in Australia to be accredited by the European Quality Improvement System (EQUIS).



**University of
South Australia**

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From the Pro Vice Chancellor

Unisabusiness was always intended to be much more than a magazine that featured news about the achievements and activities of the Division of Business, University of South Australia. To genuinely engage with our diverse network of alumni, research and industry partners, we knew that *unisabusiness* had to showcase unique insights, provide access to cutting-edge research, and suggest solutions to problems shared by managers and business leaders across the globe.



21 YEARS OF LEADERSHIP IN THE DIVISION OF BUSINESS: EMERITUS PROFESSOR KEVIN O'BRIEN AND PRO VICE CHANCELLOR PROFESSOR GERRY GRIFFIN BEHIND THE SCENES OF THE 'REFLECTIONS' ARTICLE PHOTO SHOOT.

The positive feedback to the first issue of *unisabusiness* suggests that the combination of interviews, articles, analysis, tips and 'takeaways', presented in its pages was overwhelmingly valued by readers. I was delighted to learn that many of you recommended *unisabusiness* to your colleagues, and were keen to ensure that you received future issues. This fantastic response is very gratifying and I trust that this second issue of *unisabusiness* maintains the same high standard of relevance and engagement.

As a tangible measure of the impact of our first cover story on social media, an invitation was immediately

extended to Karen Nelson-Field by The Advertising Research Foundation to join a distinguished line-up of speakers at the annual Re:think Convention in New York this March. Re:think brought together over 3000 senior consumer insights executives and marketers from around the world to examine the state of advertising research.

In a follow-up report, this second issue of *unisabusiness* provides the latest social media findings, conducted by Karen and her colleagues at the Ehrenberg-Bass Institute for Marketing Science. We reveal the ingredients for creating a successful viral video, which will generate the right response from viewers, and help you understand the Facebook brand fan.

There is plenty of food for thought in our cover stories which outline strategies for managers seeking to realise the full potential of their multi-generational workforce. We decode the attitudes to work displayed by Baby Boomers through to Gen Y, and challenge the assumptions inherent in these generational stereotypes.

In a special reflections piece, my predecessor, Kevin O'Brien, charts the trajectory of the Division of Business from its infancy to its age of majority. This coming of age story is timely as the University of South Australia, in its present form, celebrates its 21st birthday in 2012. I'm sure you will agree that the Division has gone from strength to strength in a relatively short period of time, and, with your support, has a bright future ahead as a leading international business school.

I'm confident you will find a topic that will inspire you in this edition of *unisabusiness*. I encourage you to interact with our *unisabusiness* authors should you seek further insights.

Gerry Griffin

Professor Gerry Griffin
Pro Vice Chancellor
Division of Business
University of South Australia



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AUSTRALIA AND ACROSS
THE WORLD.

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Competition is the lifeblood of a well-functioning market. But if a regulator comes knocking, will your business tick all the boxes?



5-STAR MBA

2012 MBA rankings released by the Graduate Management Association of Australia and published in the Good Universities Guide have again rated UniSA's MBA as a 5-star program, making it one of only three Australian institutions to have held the rating for four consecutive years.

Professor Milé Terziovski, Head of the International Graduate School of Business, says the University's consistent 5-star rating is a result of a commitment to quality and innovation in all we do, such as in delivering a flexible and dynamic MBA, or building excellence in our research capacity.

UniSA's 5-star MBA is based in the University of South Australia's International Graduate School of Business and the program is offered on campus in Adelaide, online, and is also taught in China and Hong Kong. ■ unisa.edu.au/igsb/mba

NEW ADVISORY BOARD CHAIR

We are pleased to announce that Ian Little, Managing Director of Envestra Ltd, Australia's largest natural gas distributor and South Australia's fifth largest listed public company, has been appointed the new Chair of the Advisory Board of the Division of Business.

Ian has worked in the oil and gas industry for 30 years, initially with the Shell Group, and from 1993, in the energy utilities sector, focusing on gas transmission and distribution. His career has included management positions in Australia, United Kingdom, Indonesia and the Pacific region. In 2000, he joined Envestra as the Chief Financial Officer. He was appointed Managing Director two years later.

Ian is currently the Deputy Chairman of the Energy Supply Association of Australia, and the Australian Gas Industry Trust, a Director (and former Chairman)



of the SA Botanic Gardens and State Herbarium and the Phoenix Society. He holds a Master of Business Administration and a Bachelor of Commerce and Administration, and is a Fellow of the Institute of Chartered Accountants of Australia.

We also thank and acknowledge the outgoing Chair, Jim McDowell, who has moved to the position of Managing Director, BAE Systems Saudi Arabia.

GOVERNOR'S MULTICULTURAL AWARD FOR GLOBAL EXPERIENCE PROGRAM

UniSA's innovative Global Experience program, designed and run by the Division of Business, was awarded the Governor's Multicultural Award for 2011. These awards celebrate outstanding South Australian organisations and individuals who promote multiculturalism and increase understanding of the benefits of cultural diversity and community.

The Global Experience program received its award under the 'Youth Organisation' category for its encouragement of youth engagement in community organisations and its

IAN LITTLE, MANAGING DIRECTOR OF ENVESTRA LTD AND THE NEW CHAIR OF THE ADVISORY BOARD OF THE DIVISION OF BUSINESS.



leadership in the promotion of the positive influence of cultural diversity within the UniSA community.

With over 500 UniSA participants in 2012, Global Experience is designed to enhance students' international knowledge, while encouraging intercultural communication, networking and community engagement. Its innovative approach to volunteering provides opportunities for students to make a difference in the international community. The program has already given many students the chance to volunteer for aid and development projects overseas or to work locally on community or business development projects and initiatives. ■ unisa.edu.au/globalexperience

SOUTH AUSTRALIAN OF THE YEAR

We congratulate Adjunct Professor Robyn Layton, who was named South Australia's 2012 Australian of the Year.

A social justice advocate and former Supreme Court judge, Robyn has fought for the rights of the disadvantaged, focussing particularly on child protection and Aboriginal issues. She was chairwoman of the Child Protection in South Australia Review, and is now chair of the National Advisory Council at the Australian Centre for Child Protection at the University of South Australia, and co-chair of Reconciliation South Australia.

Admitted to the bar in 1968, Robyn launched a dynamic career. She practised privately for 10 years, mainly in the areas of industrial, criminal, civil, personal injury and family law. She was appointed Judge and Deputy President of the South Australian Industrial Court and Commission, and served from 1978-1985, before becoming Deputy President of the Commonwealth Administrative Appeals Tribunal in 1985. In 1992 she took silk, and was later appointed to the Supreme Court bench in 2005.

SA POLICE GRADUATE WITH FLYING COLOURS

A line up of a very different kind took place in March 2012, as the 7th intake of South Australian Senior Police officers graduated from the Superintendent Qualification Program (SQP). This marks 106 graduates that have completed the program since its inception in 2003.

An Australian first, the program was designed by the Division of Business, in collaboration with the South Australian Police (SAPOL). The program develops the management and leadership skills of senior police officers, to enhance the depth and capability of South Australian Police.

On successful completion, police officers are eligible to graduate from both the Superintendent Qualification Program and the Graduate Certificate in Business Administration at UniSA.

Ross Morriss, Director of Strategic Partnerships, said that the Division was very pleased to have been working with SAPOL for more than 10 years, on both the Superintendent Qualification Program and more recently, the Bachelor in Management (Policing), which enable graduates to work and develop as productive and socially responsible Police Officers in a local and global context. Both programs are great examples of two organisations working in collaboration to achieve successful outcomes.



SOUTH AUSTRALIAN COMMISSIONER OF POLICE, AND DIVISION OF BUSINESS ADVISORY BOARD MEMBER, MAL HYDE, WITH PRO VICE CHANCELLOR GERRY GRIFFIN, AT THE 2012 SQP GRADUATION.

Sarah spent the majority of her day with Kate Thiele, MBA alumnus and CEO of Guide Dogs South Australia and Northern Territory, where she not only got to experience the inside workings of the not-for-profit organisation, but also gained insight into the dedication and personal attributes that are necessary for a woman to succeed at the top.

The time spent with Kate proved invaluable to Sarah, who asked about Kate's career and the challenges she had faced. "This is the sort of experience you don't learn in books," Sarah said, "it's all about taking opportunities that come to you—and an incredible day like this is hopefully just the start."

UNISA TUTOR WINS NATIONAL EXCELLENCE AWARD

Division of Business staff member, Chris Kandunias, recently received an Open Universities Australia (OUA) Tutor Excellence Award. These awards are given to tutors who have received exceptional student feedback, and who have contributed positively towards the future of online education by participating in the OUA Tutor Support Management program. Chris is one of just four award recipients across Australia.

MENTORING AWARD FOR PASS PEER LEADER

Mentoring, networking and student-led programs are crucial to university success, says business graduate Adam Norton. Adam was named one of four winners in the 2011 Outstanding Senior Leader/Mentor category of the Australasian Peer Assisted Study Sessions Leader Awards, which recognise quality contributions to student learning. Winners demonstrate outstanding commitment, leadership and innovation towards developing a culture of peer learning.



CURRENT STUDENT, SARAH BRUCE WITH MBA ALUMNUS, KATE THIELE.

PHD STUDENT HELPING KIDS IN NEED

Colette Langos, a PhD candidate with the School of Law, has been awarded a highly competitive fellowship to participate in the 'Promoting Mental Health and Wellbeing in Children and Adolescents Early Career Researcher Training School' conducted by the Child Health Promotion Research Centre at Edith Cowan University, Western Australia. This project is part of the Collaborative Research Networks Program funded by the Australian Government Department of Innovation, Industry, Science and Research to enhance the quality of Australian research to reduce the mental health harms caused by bullying and other forms of social aggression among young people.

BANKER WINS TOP ALUMNI AWARD IN CHINA

The Division of Business congratulates Dr Chi Man Cartier Lam who was named the 2011 winner of the AustJOBS Australia China Alumni Award for Banking and Finance.

Dr Lam, Deputy Chief Executive of the Bank of East Asia (China) Ltd (BEA), was recognised for his achievements across a 22-year career in banking and finance, celebrated at a gala dinner in Beijing. Dr Lam graduated from UniSA with a Doctor of Business Administration.

Before taking up his current role, Dr Lam worked as general manager of BEA's Dalian branch and Xiamen branch and as deputy general manager for the bank in Taipei, among other senior roles across the bank. His skills and innovative approach helped guide BEA to become one of the first four foreign banks to be locally incorporated in China.

Voted by Asian Banker as 2007 Best Foreign Retail Bank, BEA now has almost 100 outlets across China and is leading the way with four consecutive years as the top foreign bank in Asia.

BUSINESS IN CHINA INTENSIVE SCHOOL

A group of 27 MBA and Masters of International Business students from Australia, Hong Kong and Singapore, journeyed to Shanghai and Beijing in April to take part in the two-week Business in China Intensive School (BICIS) program. This study program is designed to give students insight into the Chinese business environment and style of conducting business in one of the fastest growing and most dynamic economies in the world.

The students were joined by Masters students from the Chinese



SHANGHAI, CHINA AT NIGHT. OVER 4000 ASIAN STUDENTS ARE CURRENTLY ENROLLED WITH THE DIVISION OF BUSINESS.

Academy of Social Sciences (CASS), Donghua University and the Shanghai University for Science and Technology.

The 2012 program involved formal lecturers and guest speakers from a range of industries and organisations including Austrade, the Chinese Academy for Social Science, Renmin University, Tsing Hua University, Shanghai University, and Ernst and Young. Students were hosted at the Glorious Sun Business School of the Donghua University in Shanghai and at the International Centre for Chinese Studies in Beijing.

■ unisa.edu.au/igsb/internationalisation/bicis.asp

RESEARCH GRANTS

The quality of our research confirms our status as a leading business school. Our world-class research produces substantial benefits for both business and the wider community. We work in collaboration with other universities, industry, government, the professions and community groups. Some of our major successes are outlined here.

ARC Discovery grant of \$223,240 awarded to Professor Ying Zhu, Director: Centre for Asian Business, Professor John Benson, Head of School, School of Management and Professor Michael Webber, University of Melbourne, for their project, 'The reality of China's socialist market economy: The emergence of labour segmentation and inequality'.

ARC Discovery grant of \$123,818 awarded to a team headed by Dr Anthony McDonnell, Senior Lecturer, School of Management, for their project, 'Testing the integration and differentiation of national employment systems: Multinational enterprises in an international comparative context'.

TECTARRA research grant of ~\$869,000 (cash and in-kind support) was awarded to Adjunct Professor Henning Bjornlund, and a team of principal investigators, including seven researchers from the University of Lethbridge, for research on, 'Investing in the commercialization of geomatics technology solutions to develop a food security assessment system'. Partners are the National Engineering Research Center for Information Technology in Agriculture, Alberta Agriculture and Rural Development, and the Agriculture Financial Services Corporation. Adjunct Professor Henning Bjornlund will provide social science expertise to assess policy implications and socio-economic impacts.

\$180,000 in Category 1 funding from the National Climate Change Adaptation Research Facility grants scheme for 2012, awarded to Dr Sarah Wheeler, Adjunct Professor Henning Bjornlund, Professor Martin Shanahan, Dr Alec Zuo, Adam Loch, and Professor Simon Beecham, for a project titled, 'Water trade, climate change and irrigator adaptability in the Murray-Darling Basin'.

CPA Australia research grant of \$65,650 awarded to Professor Lee Parker, Professor in Accounting, School of Commerce, for a research project to be conducted in 2012-2013 with Professor Kerry Jacobs (Australian National University) on, 'Public sector performance audit: A critical review of scope and practice in the contemporary Australian context'.

PROFESSOR YING ZHU, DIRECTOR OF THE CENTRE FOR ASIAN BUSINESS.



NEW APPOINTMENTS

Since the first issue of *unisabusiness*, we have appointed 19 new staff members across the Division, including academic staff from Paris, Hong Kong and Australia. Our senior appointments include:

Christine Helliar is the new Head of the School of Commerce in the Division of Business, and will commence in June 2012. Christine has a PhD from the University of Dundee (UK) where she held the position of Professor of Treasury Management and Dean of the School of Business. Her professional career has included work as a qualified Chartered Accountant with Ernst & Young, before moving into investment banking with Morgan Stanley, Hong Kong Bank and Citigroup. She has published extensively, and throughout her career, has held a number of high profile leadership roles. She is currently the Chair of the British Accounting and Finance Association.

Roman Tomasic is the new Professor and Dean of the School of Law in the Division of Business. He was most recently the Chair in Company Law at the Durham Law School, Durham University (UK). Roman has held many senior academic roles, including Research Professor and Head of City Campus, and Dean: Faculty of Business, both with the Victoria University (AU), and as Professor of Law, College Fellow in Law and Head of the Law Department/School of Law with the University of Canberra (AU).

Karen Bubna-Litic has been appointed Associate Professor with the School of Law in the Division of Business. She was previously an Associate Professor of Law and the Director of Research (2002-05) with the University of Technology Sydney (AU). A committed environmentalist, Karen specialises in environmental law and sustainability, corporate law, and taxation law. She is currently co-chair of the Teaching and Capacity Building Committee of the World Conservation Union (IUCN) Academy of Environmental Law.

Peter MacFarlane has been appointed Associate Professor with the School of Law in the Division of Business. He was previously Professor, Head of the School of Law, and the Director of the University Community Legal Centre at the University of the South Pacific (Vanuatu). Peter has served on a number of government and non-government Boards and Commissions including as legal counsel for a Vanuatu Government Commission of Inquiry and as the Law Reform Commissioner with the Queensland Law Reform Commission.

Mastering the Boom

WRITER Carole Lydon



DAVID KNOX, CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR OF SANTOS.

There is no doubt that the energy and resources sector in Australia is booming. According to the Bureau of Resources and Energy Economics, Australia's resources and energy export earnings are forecast to reach a record \$206 billion in 2011-12. And at the end of October 2011, there were 102 projects at an advanced stage of development, with a record capital expenditure of \$231.8 billion.

With such capital investment, it is easy to overlook the fact that this enormous amount of activity requires people with expertise and vision. In short, leaders.

David Knox, CEO of Santos, and Petrina Coventry, Santos Chief Human Resources Officer, know that a strategic commitment to attracting, retaining and developing leaders is crucial to the continued success of Santos, a \$13 billion-a-year global oil and gas company.

The resources sector requires a large number of talented specialist professionals, with geoscientists and engineers, for example, becoming key personnel in the leadership pipelines. But promotion does not automatically create managers and support is needed to develop leaders with business acumen.

Coventry makes it very clear that Santos positions itself as a leading-edge employer, determined to attract the best people when recruitment is competitive. "People are at

the core of what we do. Attracting the right people is only a small part of the strategy. Our plans for retention start as soon as an employee commences with us. It is vitally important that they are given every opportunity to develop their abilities and achieve their goals."

For a company like Santos with a long history of selecting strategic partners to maintain core business and ignite transformational growth, the idea of partnering for education came naturally. "We set out to raise the bar for management education at Santos and within the sector, and we needed some flexible, contemporary education partners to work with," says Coventry.

"This is a critical investment in our organisation's future leadership pipeline."

With this clear goal in mind, Santos approached UniSA's Division of Business and University College London (UCL) to work on a collaborative model that could deliver leadership and management capability through an MBA with an energy sector specialisation. The key to its

success would be flexible delivery, allowing participants in Santos' international and remote operations the same opportunity as those in Adelaide.

Knox is confident that the MBA for the energy and resources sector will contribute to the overall Santos vision. "This is a critical investment in our organisation's future leadership pipeline. The beauty of this MBA is in the powerful combination of UniSA's programs covering management and leadership fundamentals, alongside the intensive energy research and education experience that UCL provides. The real long-term benefit will be in the quality of the program and experience for the candidates."

"Collaboration at this level is a natural result of the commitment by both the University and industry."

To Professor Milé Terziovski, Head of UniSA's International Graduate School of Business, strong industry relationships are paramount to the future of business education. "Collaboration at this very high level is a natural result of the commitment by both the University and industry to engage on issues of long-term consequence for workforce, policy and the economy." While debate over the merits of a generalist MBA compared to a specialist MBA continues, Terziovski is confident that this combination of studies allows for the development of broad managerial capabilities in a context that is acutely relevant and interesting to the candidates.

The first group of students commenced in 2011, and at this early stage, they have applauded the diversity and flexibility of the MBA. The pressure of undertaking an MBA while juggling employer expectations in a professional role, together with life commitments, should not be underestimated. The two milestones—the UCL Graduate Certificate after four subjects, then the UniSA MBA after an additional eight subjects—help to keep the enthusiasm going when the energy might be waning. One immediate and unexpected benefit for Santos has been the transnational peer networks developed between MBA candidates, cementing strong relationships between colleagues in different countries.

Now, after the pilot year of this unique MBA, selected partners such as ETSA Utilities, the primary electricity supplier in South Australia, and BHP Billiton, one of the largest diversified natural resources companies, have put forward candidates to join the program. For Santos, their business direction of 'fuels for the future' is now supported by a superior education strategy which will help to develop their leaders for the future. ■

For more information about the MBA, visit: unisa.edu.au/mba

Bronwyn See

POSITION:
Senior Commercial Advisor, Santos.

LOCATION:
Perth, Western Australia.

WHAT DOES YOUR POSITION WITH SANTOS INVOLVE?
My position involves providing senior commercial support across all aspects of the Western Australia and Northern Territory business units' assets. I work within multidisciplinary teams to develop projects including negotiating key project agreements, evaluating project and asset optimisation opportunities, as well as the marketing of oil, gas and LNG (Liquified Natural Gas).

CAN YOU COMMENT ON THE PROGRAM CONTENT AND DELIVERY?
I have enjoyed the balance, flexibility and variety that this program offers—there is some face-to-face and some online. The combination is a great way to cater for varying job and location demands, as each candidate can vary the pace to suit their needs.

WHAT HAVE BEEN THE BENEFITS OF THE MBA SO FAR?
I am almost surprised by the sense of pride and achievement I already have. While I never felt that I lacked confidence, I am enjoying an increased confidence in collaborating with colleagues and industry peers. For me, and the many other women doing the course, there is no doubt that this is a crucial platform for career development.

HOW DO YOU THINK THE MBA WILL CONTRIBUTE TO YOUR CAREER?
This MBA opens up the next level of my career. Santos is a vibrant and exciting place to work right now, with so many new projects in the pipeline. This MBA is a career-defining study choice. It allows me to combine contemporary study with my knowledge of the industry and Santos. With this qualification on my CV, I become a potential candidate for some exciting new positions. The rest is up to me.





Karen Nelson-Field and Erica Riebe are both Postdoctoral Research Fellows at the Ehrenberg-Bass Institute for Marketing Science at UniSA.

Kellie Newstead is a Project Officer and Masters by Research student at the Ehrenberg-Bass Institute for Marketing Science.

FOR MARKETERS, SUCCESSFUL VIRAL VIDEO IS ALL ABOUT GENERATING THE RIGHT RESPONSE. MAKE A VIEWER 'LAUGH OUT LOUD' AND YOU ARE WELL ON YOUR WAY TO SUCCESS.

MAKE 'EM LAUGH

WRITERS Karen Nelson-Field, Erica Riebe and Kellie Newstead

ILLUSTRATOR Andrew Ashton

In less than three years, social media has become the most common Internet based activity. It has created the 'connection generation', said to crave interaction with networks like never before. At the core of this connection is sharing by personal referral—sharing of information, photos, opinions, entertainment and news—with video being the key medium to facilitate this activity.

For marketers, such sharing provides an unparalleled opportunity to disseminate information to vast communities of potential brand buyers, and to do so quickly, without traditional mass media costs.

The rise of video sharing giants such as YouTube and Google Video has cemented the role of viral video in the marketing mix of many businesses, so it's not surprising that creating video content to promote brands is often a very attractive option for marketers. But success can be very 'hit and miss'. While some videos may be shared with tens of thousands in a few short hours, others fall very short of expectations. So, what makes a video go viral? And what are the characteristics of online video content that makes those who see it, decide to share it?

Common industry wisdom suggests that videos that are funny, inspiring, original and surprising are more sharable, but this claim is not empirically tested. Our research seeks to clarify some of these assumptions, examining the relationship between emotional responses from videos and subsequent video sharing.

Analysing over 400 pieces of user-generated (non-commercial) video, we assessed 16 emotional responses,

splitting each of the responses between high arousal emotions (strong feelings) and low arousal emotions (weaker reactions), and positive and negative arousal emotions (for example, happiness or sadness).

We found that the likelihood of a video being shared is directly related to the type and strength of emotion that its viewer feels as a result of experiencing the video—videos that make us laugh (not just smile), that make us feel exhilarated (not just happy), that make us truly inspired (not just calm) and that make us angry (not just unhappy), are more likely to trigger forwarding behaviour.

THE MAJORITY OF VIDEOS TOO OFTEN FAIL TO CREATE ENOUGH MOTIVATION FOR THE VIEWER TO FORWARD THEM ON.

This is clearly the case for most videos—they fall into the category of 'eliciting boredom'. So for marketers, the dilemma is how to create video content that brings about a strong, positive emotional reaction from its audience, and shows off their brand, all without boring the audience.

Interestingly, we found that videos that elicited strong negative feelings (such as anger and shock) were also likely to be shared. Yet translating such negative emotions into a brand-relevant video could be extraordinarily difficult, and it could run the risk of being irritating to viewers. We suspect that few advertisers would want to delve into the 'angry' space.



But what about the creative? Can creative content influence the likelihood of sharing? Well, maybe. As a second tier to our study, we revisited the 400 user-generated videos, categorising each into creative categories to test their 'shareability'. And while it seems that videos in the 'sport tricks/extreme' category are the most prevalent (both high and low arousal), this type of creative was in fact the least shared.

Similarly, while there were lots of 'singing/music' videos, they too fell short in terms of sharing. The same was observed with 'animal' videos... and celebrities.

Some creative categories are more likely to generate higher sharing, including: 'parody/comedy skit/prank', 'personal triumph', 'nature/weather', 'baby/young child' and 'dancing'. But this is not altogether surprising as most of these videos rate as 'high arousal positive' (and therefore the most shared in our primary study).

Interestingly, the prevalence of each creative category is highly similar between high and low arousal, which suggests that it's just as easy to put a cute animal in a successful video as it is in an unsuccessful video.

Marketers should try to upscale the degree of arousal they draw from their audience—if they think something is amusing, they need to get it to a point where someone will physically laugh out loud. Without driving such a response, marketers are missing the reach-expanding opportunity that social media is able to offer. ■

For more information, visit: unisa.edu.au/ehrenberg-bass

CREATIVE PREVALENCE IS NOT NECESSARILY RELATED TO SHARING. AND QUANTITY DOES NOT EQUAL QUALITY.

Results

- 1 The majority of videos elicited emotions of amusement or boredom; but these videos did not generate a significant propensity to share.
- 2 Videos that evoked high arousal emotions (strong feelings) are most likely to be shared.
- 3 Videos that evoked high arousal positive emotions are shared more than videos that evoke high arousal negative emotions.
- 4 Overall, videos that evoke positive emotions are shared more than videos that evoke negative emotions.
- 5 Success is less about the creative and more about evoking high arousal emotion.

YOU LIKE THIS

UNDERSTANDING THE FACEBOOK BRAND FAN

In issue one of *unisabusiness*, we brought you insights about social media, here we deliver cutting edge results about the value of a brand's fan base.

WRITERS

Karen Nelson-Field, Erica Riebe and Byron Sharp of the Ehrenberg-Bass Institute for Marketing Science

Facebook is the new hot medium for marketers, with fan recruitment being a key measure of apparent success. But does Facebook as an advertising medium give a brand the capacity to reach across its customer base?

The seminal work of Andrew Ehrenberg on the Negative Binomial Distribution (NBD) suggests the most effective advertising requires reach across both heavy and light buyers of the brand.

The facebook claim. Facebook would have you believe that brand fans are a prime advertising audience—an audience that has the capacity to help grow a brand. Yet, new research conducted by the Ehrenberg-Bass Institute for Marketing Science has found that these fans are in fact heavy buyers of a brand, which is the direct opposite of a typically distributed customer base.

Customer distribution. A typical customer base presents as a NBD-shaped curve (Figure 1) where the majority of sales come from light buyers and non-buyers. This distribution has been regularly validated in many repeat purchase markets, across hundreds of categories and tens of thousands of brands. But when we look at the distribution of Facebook fan bases, a very different and opposite curve is presented (Figure 2), where most buyers (or fans) are in fact heavy purchasers of the brand.

The verdict? The customer distribution of Facebook fans simply shows that fans are typically heavy users of a brand which, in the bigger picture, only equate to a small proportion of your overall customer base. This means that Facebook does not give the marketer access to sufficient numbers of light buyers to maintain communication with a substantial proportion of the customers base, particularly if the desired outcome is to grow the brand.

The value of a facebook fan. This study should challenge marketers to use perspective when investing in Facebook activities. It suggests that using Facebook as a stand-alone medium (and particularly to the detriment of other mass media vehicles) in an attempt to drive brand growth would seem ill-fated. This is not to say that the Facebook fan base is of no value at all; having direct access to heavy buyers can provide a great research and insight opportunity, and an excellent forum, to listen to the customer's (and competitor's customer's) voice. But as a rule, marketers should avoid the common mistake of over-investing in (small relative numbers of) already heavy buyers, while neglecting to reach new and light buyers who are the primary source of potential brand growth.

Perhaps Duncan Southgate, Millward Brown's Global Brand Director, sums up the purpose of this research when he suggests, "The key is maximizing the opportunity while keeping your efforts proportionate to the likely return... A passionate fan base of 25,000 can still be a very useful marketing touch point, but the budget it receives should be in line with that [number of buyers]." ■

For more information, visit: unisa.edu.au/ehrenberg-bass

Emotion Descriptor

1 POSITIVE HIGH AROUSAL	2 POSITIVE LOW AROUSAL	3 NEGATIVE HIGH AROUSAL	4 NEGATIVE LOW AROUSAL
<p>VIDEOS OF EXHILARATION ARE SHARED 4187 TIMES ON AVERAGE PER DAY.</p> <p>EXHILARATION</p>	<p>VIDEOS OF HAPPINESS ARE SHARED 3142 TIMES ON AVERAGE PER DAY.</p> <p>HAPPINESS</p>	<p>VIDEOS OF ANGER ARE SHARED 5293 TIMES ON AVERAGE PER DAY.</p> <p>ANGER</p>	<p>VIDEOS OF SADNESS ARE SHARED 4642 TIMES ON AVERAGE PER DAY.</p> <p>SADNESS</p>
<p>VIDEOS OF HILARITY ARE SHARED 6392 TIMES ON AVERAGE PER DAY.</p> <p>HILARITY</p>	<p>VIDEOS OF AMUSEMENT ARE SHARED 2038 TIMES ON AVERAGE PER DAY.</p> <p>AMUSEMENT</p>	<p>VIDEOS OF DISGUST ARE SHARED 2862 TIMES ON AVERAGE PER DAY.</p> <p>DISGUST</p>	<p>VIDEOS OF IRRITATION ARE SHARED 2800 TIMES ON AVERAGE PER DAY.</p> <p>IRRITATION</p>
<p>VIDEOS OF ASTONISHMENT ARE SHARED 2184 TIMES ON AVERAGE PER DAY.</p> <p>ASTONISHMENT</p>	<p>VIDEOS OF SUPRISE ARE SHARED 3168 TIMES ON AVERAGE PER DAY.</p> <p>SUPRISE</p>	<p>VIDEOS OF SHOCK ARE SHARED 2865 TIMES ON AVERAGE PER DAY.</p> <p>SHOCK</p>	<p>VIDEOS OF DISCOMFORT ARE SHARED 1625 TIMES ON AVERAGE PER DAY.</p> <p>DISCOMFORT</p>
<p>VIDEOS OF INSPIRATION ARE SHARED 1976 TIMES ON AVERAGE PER DAY.</p> <p>INSPIRATION</p>	<p>VIDEOS OF CALMNESS ARE SHARED 1588 TIMES ON AVERAGE PER DAY.</p> <p>CALMNESS</p>	<p>VIDEOS OF FRUSTRATION ARE SHARED 1588 TIMES ON AVERAGE PER DAY.</p> <p>FRUSTRATION</p>	<p>VIDEOS OF BOREDOM ARE SHARED 622 TIMES ON AVERAGE PER DAY.</p> <p>BOREDOM</p>
4080 VIEWS ON AVERAGE PER DAY	2581 VIEWS ON AVERAGE PER DAY	3152 VIEWS ON AVERAGE PER DAY	2422 VIEWS ON AVERAGE PER DAY

Figure 1: Buying concentration of a typical customer base

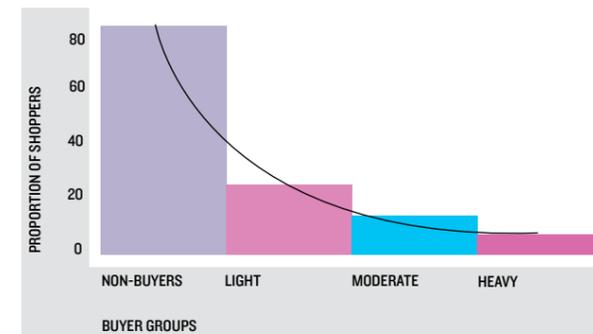


FIGURE 1: PRESENTS A TYPICAL NBD CURVE, SHOWING THE BUYING CONCENTRATION ACROSS A WHOLE CUSTOMER BASE FOR A CHOCOLATE BRAND. HEAVY BUYERS REPRESENT JUST 4% OF THE WIDER CUSTOMER BASE OF ANY BRAND IN THIS CATEGORY. NON-BUYERS AND LIGHT BUYERS REPRESENT 85% OF THE CATEGORY.

Figure 2: Buying concentration of the Facebook fan base

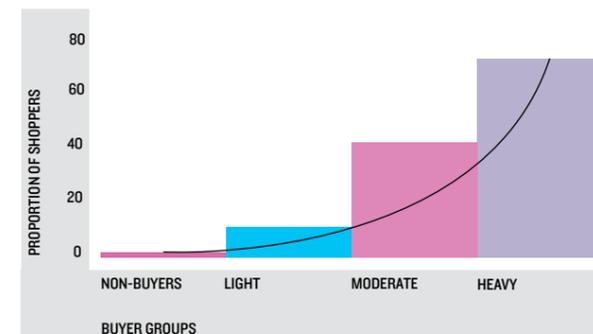


FIGURE 2: SHOWS THE BUYING CONCENTRATION OF THE FACEBOOK FAN BASE OF THE SAME CHOCOLATE BRAND, WHICH PRESENTS A VERY DIFFERENT CURVE. FANS OF THIS BRAND ARE MOSTLY HEAVY BUYERS, TRANSLATING INTO ONLY A SMALL PROPORTION OF YOUR OVERALL SALES. REPLICATION OF THIS STUDY ON A SEPARATE BRAND CATEGORY (SOFT DRINKS) PRODUCED STRIKINGLY SIMILAR RESULTS.



Hamish Baldwinson is the CEO of Vinternational and a graduate of UniSA's Bachelor of Management. Stephen Millar is Chairman of Vinternational and Director of Project Wine. He is also a graduate of UniSA's Diploma of Accountancy.

THE V-TEAM

With their young export business growing fast, a father-and-son-in-law team of UniSA graduates are ready to capitalise on the burgeoning Asian wine market.

WRITER Adam Barclay PHOTOGRAPHER Randy Larcombe



Hamish Baldwinson knows what it's like to have demanding in-laws. A decade ago when he was the international export manager at BRL Hardy (later Constellation Wines and now Accolade Wines), his chief executive and future father-in-law, Stephen Millar, was known for setting "scary" export targets. Invariably, though, Baldwinson and his colleagues achieved or exceeded these targets as they contributed to one of Australia's great wine success stories. Now, the two men—both UniSA graduates—are determined to build another success on the Australian winescape.

In 2010, Baldwinson and Millar founded Vinternational. Headquartered at Project Wine in Langhorne Creek, SA, Vinternational markets and distributes wine domestically and internationally. The company's portfolio includes established wineries, as well as its own brands, made by Project Wine, where Millar is a director. It also performs custom winemaking for clients establishing their own brand.

In early 2012, Vinternational is on track to sell around 200,000 cases of wine at home and abroad by the end of only its second full year of operation. "Steve will say we'd love to be at one million cases in five years," says Baldwinson, invoking one of those scary targets. "And if a few things fall our way and we crack some of the bigger opportunities, the bigger markets, then it's not entirely out of the question."

Outside Australia, Vinternational has established distribution channels in the UK, Europe, North America, and throughout much of Asia including China, Japan, Malaysia, Singapore, Hong Kong, Korea and Thailand, with more Asian countries targeted.

"The key Asian markets are China and Japan," says Baldwinson, who describes China as a fascinating challenge, noting that despite its phenomenal recent growth, the Chinese wine industry has yet to achieve the sophistication of more mature markets.

"Asia is not like any other wine market in the world. The place has exploded."

"When I first visited Asia in the late 90s [with BRL Hardy] there were a handful of specialist wine importers. Now, there are hundreds if not thousands, both domestic and foreign owned, attracted to China by its favourable margins. From Vinternational's perspective this presents significant challenges, particularly in determining reliable partners to buy and distribute the company's wines."

THE CHINESE WINE MARKET

Australian wine exports to China are growing rapidly. In 2007, China overtook Japan as our largest export market in Asia. In 2011, sales increased by almost a quarter to more than \$200 million. By the end of 2011 it was the third-largest market globally by value, after the US and the UK. Hamish Baldwinson describes well established wine markets as a pyramid, with price on the vertical and sales volume on the horizontal—that is, larger volumes sold at lower prices and smaller volumes at higher prices. In China, this equivalent figure would look more like an hourglass,

with a large top, a skinny waist and an even larger base. In other words, a lot of 'entry-level' wine is sold in China, as is a reasonably large amount of top-end prestige wine. The segment in the centre—which suits a lot of Australian wines—isn't there yet. This is not unusual for emerging markets in general, which tend to transform from hourglass to pyramid as they mature. Baldwinson is confident that this will happen in China, providing "a great opportunity for a lot of producers to capture that mid price point in the Chinese market—but it might take 10 to 20 years."

Millar argues that in the export business it's crucial to take a market-by-market approach. You must identify the market opportunities, he says, and then examine your own strengths and weaknesses. Success lies in recognising the ways in which your strengths allow you to take advantage of those opportunities.

"For Vinternational it's pretty simple," he explains. "We're small and we don't have a big marketing department, but we have two big competitive advantages: we don't have a position to defend and we can be exceptionally flexible."

This flexibility allows the company to deal in volumes far smaller than the bigger players will ever consider.

"If our customers want to buy just 500 cases, they can," says Millar. "The big guys won't get out of bed for less than, say, 5000 cases." Vinternational also has a third advantage in its ability to not only supply existing brands but to also give customers their own brand, from production (through Project Wine) to designing the label.

One crucial element in their early success has been expertise on the ground in China. Baldwinson says that, as well as being a cultural advisor and a translator, their Chinese partner has a profound understanding of the business of wine and a well-connected network of contacts.

While it's early days for Vinternational, its prospects look good. But does Millar really think they'll crack the magical million cases? "We'll certainly get to half a million—absolutely no doubt about that at all," he says. "In the first year, when we were establishing ourselves, we lost money. This year, the second year, I think we'll break even. That's pretty good." ■

For information about Vinternational and Project Wine, visit: vinternational.com.au and projectwine.com.au



Larry Lockshin is recognised as a world expert in wine marketing. He is the Head of the School of Marketing, Director of the Wine Marketing Group at UniSA and a Senior Research Associate with the Ehrenberg-Bass Institute for Marketing Science.

Message on a Bottle

HOW WINE LABEL INFORMATION CAN AFFECT WINE CHOICE

WRITER Larry Lockshin PHOTOGRAPHER Sam Roberts



FRONT LABEL NUMBERED BY ORDER OF IMPORTANCE

- 1 STYLE** WHETHER A WINE IS RED, WHITE OR SPARKLING IS THE FIRST CONSUMER DECISION. IT HAS MORE TO DO WITH CONSUMER PREFERENCES, THAN THE INFORMATION ON THE LABEL.
- 2 GRAPE VARIETY** CLEARLY LABELLING THE WINE VARIETY (E.G. SHIRAZ, CABERNET SAUVIGNON) WILL HELP CONSUMERS IDENTIFY SPECIFIC WINES. OMISSIONS CAN INCREASE PERCEIVED RISK AND CAN NEGATIVELY INFLUENCE CONSUMER CHOICE.
- 3 BRAND** AFTER PRICE, STYLE AND VARIETY ARE SELECTED, THE BRAND IS THE MOST IMPORTANT FACTOR INFLUENCING CONSUMER CHOICE. CONSUMERS LOOK TO BRANDS WHEN COMPARING ACCEPTABLE CHOICES. CONSISTENT AND MEMORABLE BRANDING (LABEL COLOURS, DESIGNS AND FONTS) CUE CONSUMER RECOGNITION AND ARE MORE LIKELY TO INFLUENCE CHOICE (E.G. I REMEMBER THIS WINE, THEREFORE I MUST LIKE IT) COLOUR IS NOTABLY THE MOST INFLUENTIAL FACTOR AFFECTING RECOGNITION, SUBCONSCIOUSLY DRIVING CONSUMERS TO PARTICULAR BRANDS. WINE PRODUCERS SHOULD ENSURE THEIR BRANDING IS DISTINCTIVE, NOT NECESSARILY DIFFERENT.
- 4 REGION** REGIONALITY PRODUCES A MODERATE EFFECT FOR THE TYPICAL WINE CONSUMER. IT IS MORE IMPORTANT FOR HIGHER-PRICED WINES WHERE THE REGION CAN INFLUENCE THE TASTE OF THE WINE (LIKE BAROSSA OR MARGARET RIVER). A WELL-KNOWN REGION CAN INCREASE THE PROBABILITY OF CHOICE COMPARED TO A LESS-KNOWN ONE.
- 5 VINTAGE** THE HARVEST YEAR CAN BE AN IMPORTANT FACTOR FOR WINE CONNOISSEURS, BUT IT DOES NOT PARTICULARLY INFLUENCE THE TYPICAL CONSUMER.
- 6 MEDALS & TROPHIES** AWARDS SIGNAL HIGHER QUALITY AND CAN POSITIVELY INFLUENCE CONSUMER CHOICE BY 8%. THEY ACT BY REDUCING THE LEVEL OF PERCEIVED RISK AND ARE PARTICULARLY INFLUENTIAL FOR HIGHER PRICED WINES THAT ARE CHOSEN AS GIFTS.
- 7 ALCOHOL CONTENT** HIGHER ALCOHOL LEVELS SLIGHTLY INFLUENCE CHOICE (BY 4%). THIS MAY BE RELATED TO THE HIGHER PERCEIVED BODY AND VISCOSITY OF WINES WITH HIGHER PERCENTAGES OF ALCOHOL.

Except for highly involved wine drinkers, who enjoy the search process, most wine consumers are overwhelmed by the number of wines available to them in a retail store. The everyday consumer is presented with thousands of brand names, dozens of grape varieties, a multitude of regions, and a plethora of wine labels, styles and prices from which to choose. Not surprisingly, purchasing wine can be confusing, and for most consumers, involves some degree of risk.

The general consumer approaches wine purchases with caution, examining the products' attributes as part of a risk reduction strategy. Some of a wine's attributes, such as the quality or the taste, can only be assessed during consumption, but others, such as the brand name, any awards or cellaring advice are found on the wine's front and back labels.

Wine labels play a significant role in consumer choice; they are prime 'real estate' for wine producers to promote directly to the customer. But just as all wines differ, so too do their labels. And when the average person spends just a few minutes browsing and selecting a wine in a store, there's only a small window of opportunity for a product to stand out.

So, is there an ideal mix of information? Or are customers solely driven by price? The truth of the matter is that price does matter, with the typical consumer buying within a price point. But beyond price, there is a realm of opportunity for wine producers to explore.

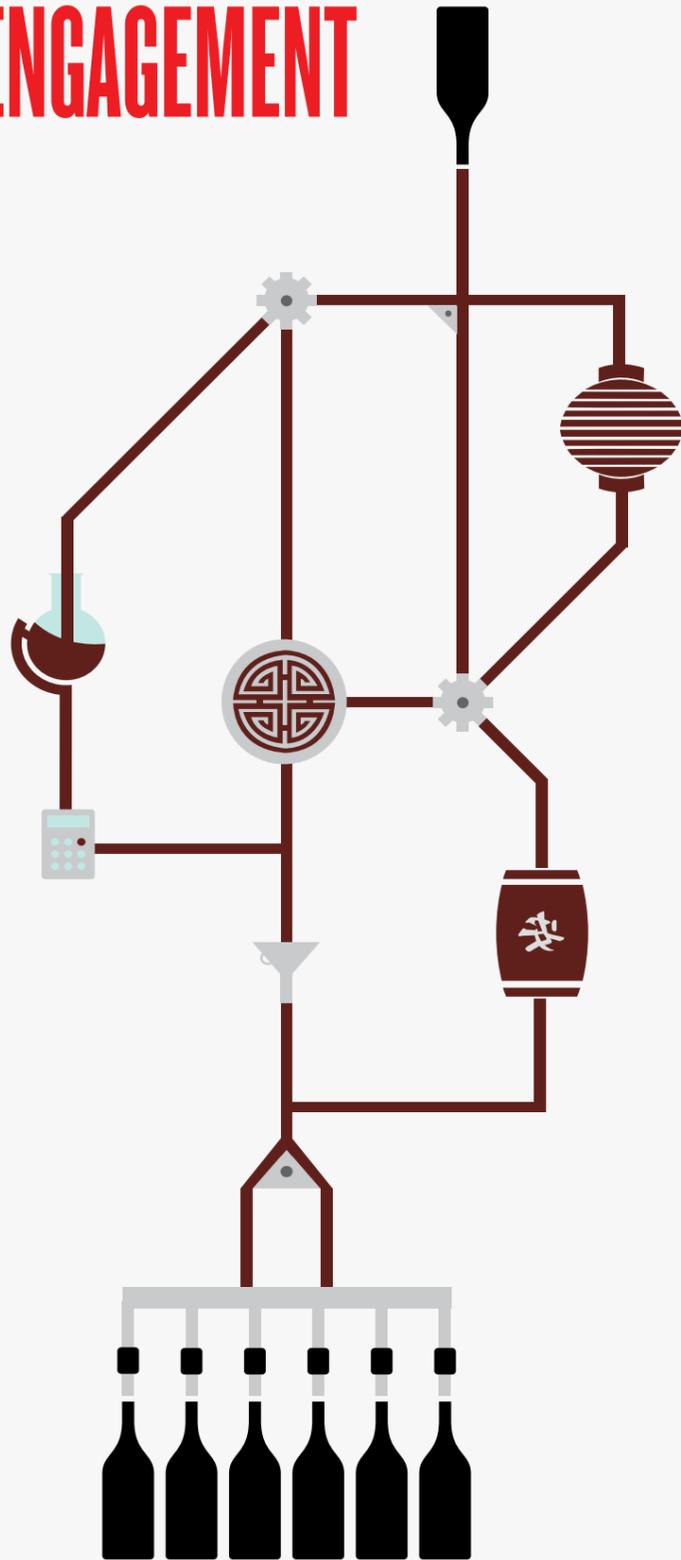
This depiction presents various wine label factors that can affect consumer choice. It is a summary of several research projects that have been conducted at UniSA. ■

For more information, visit: unisa.edu.au/ehrenberg-bass.

BACK LABEL NUMBERED BY ORDER OF IMPORTANCE

- 1 INGREDIENTS** LISTING INGREDIENTS CAN NEGATIVELY IMPACT CONSUMER CHOICE ACROSS ALL PRICE POINTS; 'WINE MYSTIQUE' IS ESPECIALLY IMPORTANT FOR BUYERS OF PREMIUM WINE WHO AVOID BOTTLES WITH LISTED INGREDIENTS.
- 2 WINE HISTORY** PURCHASERS OF LOW-MEDIUM PRICED WINES STRONGLY VALUE THE WINE'S HISTORY AS IT ACTS AS A RISK-REDUCTOR (E.G. THE BELIEF THAT A LONG-ESTABLISHED WINERY WILL PRODUCE A GOOD WINE).
- 3 PRODUCTION METHODS** DESCRIBING THE MATURATION PROCESS CAN POSITIVELY INFLUENCE THE PURCHASE OF LOW-MEDIUM PRICED WINES BY REDUCING RISK FACTORS AND REINFORCING THE PERCEIVED QUALITY OF A WINE.
- 4 TASTE DESCRIPTIONS** WINES WITH TASTE DESCRIPTORS ARE TYPICALLY CHOSEN OVER WINES WITHOUT DESCRIPTIONS AND CAN POSITIVELY INCREASE THE CHANCE OF PURCHASE BY UP TO 15%. ELABORATE WINE DESCRIPTIONS HAVE MORE INFLUENCE THAN WINES WITH MORE SIMPLE DESCRIPTIONS.
- 5 ENVIRONMENTAL FACTORS** ENVIRONMENTALLY-CONSCIOUS PROCESSES ARE SMALL INFLUENCERS FOR PURCHASERS OF LOW-MEDIUM PRICED WINES.
- 6 GRAPE SOURCE** INFORMATION ABOUT WHERE THE GRAPES ARE SOURCED, IS CONSIDERED USEFUL BY PURCHASERS OF LOW-MEDIUM PRICED WINES. IT MAY POSITIVELY AFFECT CHOICE FOR WINES IN ALL PRICE POINTS.
- 7 CONSUMPTION ADVICE** WHEN TO DRINK A WINE IS IMPORTANT FOR LOW-MEDIUM PRICED WINES, MORE SO THAN FOOD PAIRING. CONSUMPTION ADVICE IS ALSO USEFUL FOR MEDIUM-HIGH PRICED WINES, THAT ARE CHOSEN FOR GIFTS AND SPECIAL OCCASIONS.
- 8 FOOD PAIRING** SUGGESTING COMPLEMENTARY FOOD IS IMPORTANT FOR ALL WINES AND WILL POSITIVELY AFFECT CONSUMER CHOICE ACROSS ALL PRICE POINTS. FOR LOW AND MEDIUM PRICED WINES THIS INCLUSION IS MORE LIKELY TO AFFECT CHOICE.

RULES FOR ENGAGEMENT



The importance of the Chinese wine market is undeniable, yet navigating its regulations is a complex task. Here we look at some of the key labelling compliance and regulation issues to help guide you through the Chinese wine market.

WRITER Pinghui Xiao

GRAPHICS Ryan Engelhardt and Ben McPherson

With over 1.3 billion people, China is currently the world's fastest growing wine consumption market. In 2011, it was Australia's third largest destination for bottled wine exports by value, worth \$184 million, a 37% increase from the previous 12 months. Contributing to the value growth was a 28% increase in volume for bottled wines, and a 7% increase in the average value to \$6.01 per litre. Given the significance of this market, exporters need to pay attention to China's strict wine regulations.

Here are 5 key rules:

Be aware of Chinese wine standards

In China, wine standards are categorised into two groups – safety and quality. These are set respectively by the Ministry of Health (MoH) and the General Administration of Quality Supervision, Inspection and Quarantine (AQSIQ). Most standards apply nationally, although there are instances where China will allow alternative trade, local and enterprise standards. Important national standards ('GB' standards) that partially or entirely deal with wine label requirements include:

- a) **GB 15037-2006:** Wines, AQSIQ
- b) **GB 10344-2005:** General Standards for the Labelling of Prepackaged Alcoholic Beverage, AQSIQ
- c) **GB 7718-2011:** General Standards for the Labelling of Pre-packaged Food, MoH
- d) **GB 2760-2011:** Food Additive Usage Standards, MoH
- e) **GB 28050-2011:** General Standards for the Nutrition Labelling of Pre-packaged Food, MoH.



Pinghui Xiao is a PhD candidate of Food and Wine Laws with UniSA's School of Law in the Division of Business. He is also the 2011 Governor's International Student Award winner for Arts achievement and a writer for China's *Fine Wine and Liquor* magazine.

State your vintage, variety and origin

Information about your wine's vintage, variety or geographical indication is optional on your wine label. Where included, you must ensure that: the grape of the indicated vintage represents at least 80% of the wine, the variety(ies) indicated must be at least 75% of the wine, and at least 80% of the wine must be obtained from grapes grown in the region or locality to which the Geographical Indication (GI) is registered.

Be sensitive to food additives

Largely due to the 'Melamine Milk Scandal' in 2009, Chinese regulators are particularly cautious about the control of additives. All preservatives must be listed on the label. From 20 June 2011, less than 0.2g/kg of sorbic acid is allowed in wines. From the same date, in sweet wine (sugar content more than 45g/L) the residue of sulfur dioxide cannot exceed 0.4g/L. For other wines the maximum residue of sulfur dioxide is 0.25g/L.

Understand linguistic requirements

Under the Food Safety Law (2009) all pre-packaged food products imported into China must include Chinese labels. Translations can accompany the Chinese characters (except the name and address of the manufacturer of the imported food, the name and address of the overseas distributor, and the website). The foreign letters must not be larger than the corresponding Chinese characters (except for overseas registered trademarks).

Include 'shelf life' and 'nutrition' labels

Shelf life and nutrition labels must be included due to new Chinese food standards. From 20 April 2012, alcoholic beverages (including wine products with alcohol content of less than 10%) must indicate a shelf life date (appearing, for instance, as 'best before'). From 1 January 2013, alcoholic beverages (including wine with alcohol content of less than 0.5%), must include a compulsory nutrition panel with an index of the constituent elements.

TOP 7 DESTINATIONS FOR BOTTLED EXPORTS
Volume (million litres)



TOP 7 DESTINATIONS FOR BOTTLED EXPORTS
Value (million AUD)



TOP 7 DESTINATIONS FOR BOTTLED EXPORTS
Average value (AUD per litre)



TOP 7 DESTINATIONS FOR BULK EXPORTS
Average value (million litres)



SOURCE: WINE AUSTRALIA (DECEMBER 2010-DECEMBER 2011). MILLIONS HAVE BEEN ROUNDED TO WHOLE NUMBERS.

So how does this translate in the workplace?

In a survey of over 3000 employees, we found that while Boomers and GenXers were both committed to their organisation, Boomers were significantly more satisfied with their job and less likely to quit than GenXers. These differences were maintained after controlling for a range of variables, providing strong evidence of a generational effect. When we look at the specific results, we found that: both Boomers and GenXers valued *supervisor support* and *promotional opportunities* (both factors that typically influence job satisfaction and willingness to quit); *job security* and *co-worker support* influenced the job satisfaction of Boomers but not GenXers; *supervisor support* lowered Boomers' willingness to quit; and *co-worker support* lowered GenXers' willingness to quit.

These findings have important implications for the management of Boomers and GenXers, and particularly for Boomer managers relating to GenX staff. The challenge for management is to foster a climate of respect for both groups and to develop appropriate workplace policies that take these differences into account. Only then can business realise the full potential of the workforce and optimise its competitive position in an increasingly global marketplace.

■ [For more information, visit: unisa.edu.au/chrm](http://unisa.edu.au/chrm)

Tips for Managers

- 1 Recognise that generational diversity exists in the workforce. Most businesses have employees from different generations. Management should foster a climate of respect across generations.
- 2 Question commonly held stereotypes. Treat each worker as an individual, but acknowledge generational differences.
- 3 Develop employee-focused supervisors to cater to the needs of individuals, while recognising the influences of generational diversity.
- 4 Ensure promotional opportunities for all.
- 5 Understanding motivational differences allows managers to better cater to individual needs.
- 6 Inter-generational teams can encourage cooperation across generations, leading to higher job satisfaction and staff retention.
- 7 Pay is not always the answer. Pay can help retain staff, but it is not related to job satisfaction.

Working Against Type

IT'S NOT ENOUGH FOR A MANAGER TO NOT DISCRIMINATE. IN THE ABSENCE OF CLEAR SIGNALS THAT SHOW AN ORGANISATION VALUES OLDER EMPLOYEES, NEGATIVE STEREOTYPES WILL PREVAIL.

WRITER Carol Kulik

Demographic challenges are creating a new urgency around the management and retention of mature-age workers. With more mature-age workers on the job longer, the need to celebrate age diversity and deliver age-friendliness has become critical.

Nearly 4 million mature-age workers (45 years of age and older) are currently employed in Australian organisations. Over the last 10-15 years, the Australian labour force has steadily shifted towards a greater proportion of older workers and a relative scarcity of new entrants. At the same time, the economic downturn has taken a toll on the nest eggs of many mature-age workers, leading them to postpone their retirement plans. Budget constraints have also resulted in employers downsizing and cutting costs, creating pressure on employees to demonstrate their value.

These forces are raising employer awareness of the need to recruit more mature-age workers, retain the mature-age workers they already have, and encourage mature-age workers to stay on the job. But employers must also create organisational policies and practices that support and maintain age-friendly work environments.

Age-unfriendly workplaces. Unfortunately, workplaces are not always supportive of mature-age workers. Many people, young and old, hold negative

stereotypes about mature-age workers. Research suggests that these stereotypes have three components: (1) a performance component—we expect mature-age workers to be slow-thinking and less competent than their younger colleagues; (2) a dispositional component—mature-age workers are expected to be cynical, bitter, and prone to complain; and (3) an interpersonal component—mature-age workers are seen as disinterested, resistant to change and even 'retired on the job'.

What I think you think about me. Mature-age workers are well aware of the negative stereotypes that exist and often express concern that managers, co-workers, and clients may expect them to perform poorly because of their age. This concern reflects 'stereotype threat', a term used to describe the psychological experience of people who are members of a stigmatised demographic group. When mature-age workers perform in the workplace, their concerns about negative stereotypes can siphon cognitive resources away from the task at hand, disrupting their performance and ironically, confirming the very stereotypes they hoped to avoid.

So how does stereotype threat work? Imagine a 55 year-old motivated and intelligent accountant sitting down to prepare a complex report analysing sales trends and projections. His 30-something manager needs the report by the end of the day. Earlier this year, the accountant's workplace mounted a recruiting campaign for 'energetic, ambitious' staff and now the accountant is the only person over 40 in his immediate workgroup. These contextual age cues have made the accountant aware that age stereotypes might be operating in his workplace, and have evoked stress and anxiety, even if only on a subconscious level. As a result, the accountant is multi-tasking rather than giving his full attention to the report—some of his focus is processing concerns about age stereotypes. This makes him more likely to make a mistake in the final report, and when an error occurs, he is frustrated and angry about his poor performance; if too many mistakes start appearing, he begins to think seriously about retirement.

Stereotype threat predicts employee outcomes.

As part of a research project funded by the Australian Research Council we surveyed more than 1000 mature-age workers to measure stereotype threat in their workplaces. We asked the employees to agree or disagree with statements like "some people in my workplace believe I have less ability because of my age" and "my manager expects me to do poorly because of my age."

The more employees were concerned that their managers and co-workers endorsed age stereotypes, the less engaged they were with their work and the less committed they were to their employers. These employees reported lower performance evaluations and wanted to



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leave the labour force as soon as possible. In other words, mature-age workers who experienced stereotype threat on the job displayed many of the classic symptoms associated with the mature-age stereotype—they were dissatisfied, grumpy, and had lost interest in their work. But, in workplaces that did not evoke stereotype threat, older employees expressed more satisfaction and engagement than their younger counterparts, and they were more interested in staying on the job longer. And, importantly, in contexts where mature-age workers did not experience stereotype threat, there were no age differences in performance evaluations.

Context matters. These early findings suggest that mature-age workers will be more successful and productive in contexts that don't evoke stereotype threat. Although many organisations have taken steps to reduce discrimination against mature-age workers, few are actively promoting age diversity and supporting mature-age workers. In the absence of strong unambiguous signals that their employer values them, mature-age workers assume that age stereotypes are operating—and experience the negative consequences of stereotype threat. ■

[For more information, visit: unisa.edu.au/chrm](http://unisa.edu.au/chrm)

Creating an Age-Friendly Workplace

To send clear and effective signals that an organisation values mature-age workers, managers can:

- 1 Present visible opportunities for mature-age workers to take on challenging and meaningful work roles.
- 2 Provide opportunities for mature-aged workers to train and mentor other employees.
- 3 Proactively recruit mature-age applicants to fill job openings (and avoid using age-related words or images in recruiting materials).
- 4 Provide training for mature-age workers to upgrade and maintain their skills.
- 5 Actively encourage mature-age employees to work past the traditional retirement age.



WHAT DO YOU MOVE OVER OLDER WORKERS, HERE COMES GEN Y THINK OF ME?

WRITER Christina Scott-Young

The largest generation since the Baby Boomers, Generation Y makes up more than 20% of Australian workers. Most Gen Ys are still in school, but when all 4.2 million of them are in the workplace, they will be a force to be reckoned with. Ready or not... here come Gen Y!

From a young age, Generation Y has been told that they can have it all—they strive for the best and believe they deserve it. But high expectations and unequivocal ambition does not necessarily equate to a harmonious workplace, especially when most managers are juggling up to four generations of workers. So who are Gen Y and how should we manage this generation of 'Millennials'.

Gen Y defined. Born between the early 1980s and early 2000s, Gen Y grew up in one of the most turbulent periods in history, marked by global terror threats,

corporate downsizing, global warming, the Global Financial Crisis and huge technological advances, such as 24/7 Internet access, mobile phones and gaming technologies.

Gen Y was raised differently from older generations. Their childhood saw a radical shift in childrearing philosophies, at a time when the 'self-esteem movement' and child-centred education was at its height. Children of this generation were at the centre of their parents' universe. They were demand-fed as babies, hot-housed through structured activities (like ballet, mini-league sports, music lessons, swimming classes and play dates), pampered by helicopter parents and applauded by teachers who praised their every effort. They won trophies for participation and were told they could achieve anything they wanted. And it was this unique set of childhood experiences that created a new breed of workers.

The Gen Y stereotype. Growing up in such an esteem-building environment, it's not surprising that

Gen Ys have a self-important outlook on life. They have been given many labels: Millennials, the Net Generation, Digital Natives, Trophy Kids, the Me Generation, the Restless Generation, the Entitlement Generation, Generation Why and Generation Whine. Other generations have labelled them as upstarts—self-absorbed, over-entitled, impatient for promotion, restless and disloyal.

Most managers have a horror story of a rude, demanding, ear-budded, texting, Facebook-obsessed Gen Y worker. Common negative descriptions of Gen Y include: easily bored, lazy, materialistic, impatient, self-deserving, self-focussed, unwilling, and disinterested. But just how much of this unflattering image is myth or reality?

Certainly, Gen Y consultants like Mark McCrindle and Michael McQueen, have built successful careers advising perplexed executives on how to manage this new generation. Researchers, like Jean Twenge (author of *Generation Me*), have produced damning statistics that show Gen Ys are the most narcissistic generation of all time. However, so far there is limited research to confirm or disprove this negative stereotype. Gen Ys themselves will tell you they are not like the stereotype, but they all know some Gen Ys who are.

So, what are Gen Y workers really like? Most of what we know of Gen Y is drawn from anecdotal stories and the popular press. Our research is currently testing the truth of the popular conceptions, which say that Gen Y is:

- 1. Confident and optimistic.** Raised with the message that they can achieve anything, they seek responsibility early.
- 2. Entrepreneurial.** They are born to start-up: think Mark Zuckerberg of Facebook.
- 3. More mobile, widely travelled.** They are open to global experience and value diversity.
- 4. Driven and crave self-development.** They enjoy new challenges and dislike humdrum tasks.
- 5. Will not automatically respect age, authority or title.** You must earn their respect.
- 6. Technologically savvy.** They enjoy being digitally connected 24/7.
- 7. Used to instant feedback.** They want supervisor input so they can continuously improve.
- 8. Work faster, smarter and more efficiently.** Higher expectations of self drive them to achieve.
- 9. Crave work/life balance.** They can work anytime, anywhere. But enjoy flexibility during the week.
- 10. Change jobs more frequently.** They seek new challenges after two years (the Australian average is four years).

How do we manage Gen Y? A US study by Deloitte dubs Gen Y the "powerhouse of the global economy", but acknowledges that its restlessness presents both a "challenge and a huge opportunity". Harnessing Gen Y's confidence, energy and entrepreneurial talent requires sensitivity to their unique needs. And as Gen Y is less



Christina Scott-Young is a Lecturer with the School of Management at UniSA.

likely than others to tolerate bad management, retention is the greatest challenge.

Gen Ys like to change jobs every few years—it's not that Gen Y is unreliable or unable to hold down a job, it's more about the need for variety and constant change. Savvy managers are learning to embrace Gen Ys quirks with various initiatives in place to help with retention. Accepting that some Gen Ys want to travel and seek new opportunities, some organisations keep an 'open door' for Gen Ys to return, bringing back broadened horizons and new skills. Others offer virtual assignments that give Gen Ys the work flexibility they crave, or steep challenges to keep Gen Y interested. The nature of Gen Y makes them great candidates for projects, contract work, or for fast paced industries that experience a high rate of change.

You could argue that this young "generation in a rush" is spear-heading the sweeping changes that businesses need to survive in our volatile, uncertain world. But perhaps Gen Ys demands for a more responsive workplace will bring improved working conditions for all generations. Now, that would be a welcome innovation. ■

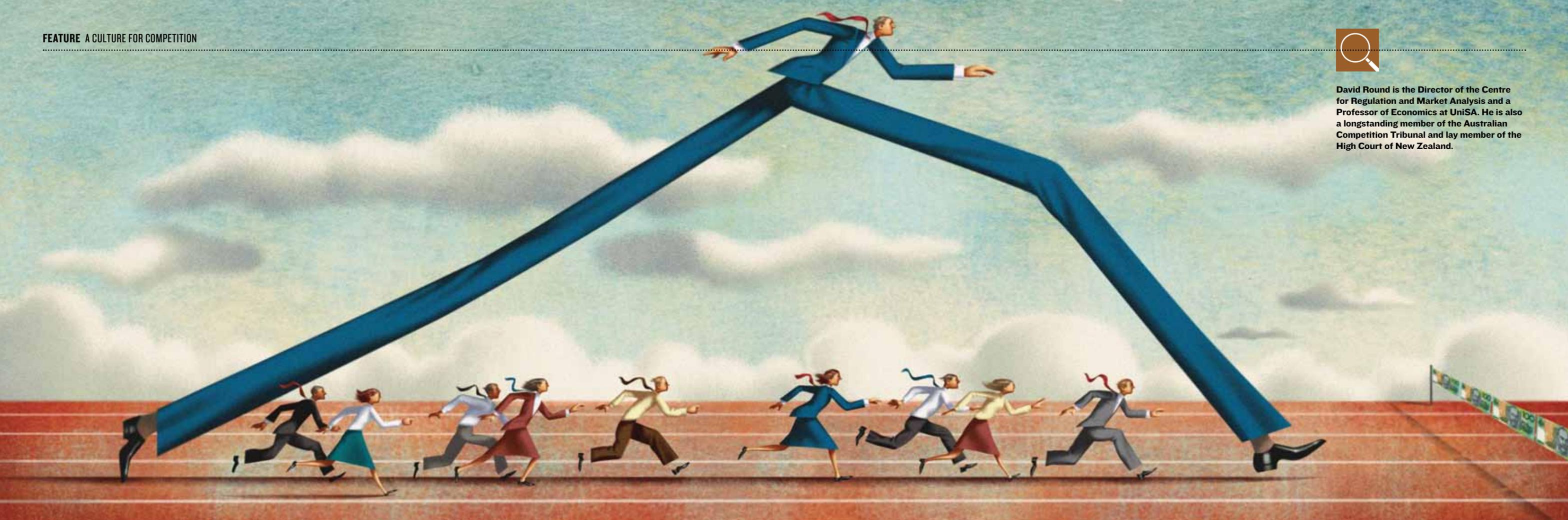
For more information, visit: unisa.edu.au/chrm

Top 10 tips for Managing Gen Y

- 1** Value them. Tell them often how you appreciate their work. They thrive on affirmation.
- 2** Encourage intrapreneurism. Harness their creativity, optimism and self-belief to produce innovation.
- 3** Encourage diverse teams. Gen Y enjoy collaborating and appreciate different viewpoints.
- 4** Give them responsibility for challenging tasks. They enjoy being stretched and want to learn new skills.
- 5** Structure their work. Set clear targets and expectations on the deliverables, then stand out of the way.
- 6** Mentor and coach them. They are keen to learn from your experience. Ask them to mentor you on issues like technology or social media.
- 7** Give regular feedback. They are eager to stay on track, improve and to please you.
- 8** Reward them. Use fun treats like the 'Red Balloon' reward program, time off or Facebook time.
- 9** Provide flexible working hours. Trust them to work off-site. Focus on deliverables, not face-time.
- 10** Develop their career path. Provide regular developmental opportunities to pave a future with your organisation.



David Round is the Director of the Centre for Regulation and Market Analysis and a Professor of Economics at UniSA. He is also a longstanding member of the Australian Competition Tribunal and lay member of the High Court of New Zealand.



A CULTURE FOR COMPETITION: WHY IS IT IMPORTANT FOR AUSTRALIAN BUSINESS?

Competition should be like Goldilocks' porridge—not too hot and not too cold. And on that issue reasonable minds can greatly differ.

WRITER David Round ILLUSTRATOR Jim Tsinganos

Shortly after he began as Chair of the Australian Competition and Consumer Commission (ACCC), Rod Sims said that he would be “aggressive” in taking cases to court under the *Competition and Consumer Act 2010* (CCA) in order to test the limits of his regulatory powers. This caused consternation in the business community. Why? Did it mean executives feared being taken to court for having acted anti-competitively? Or did this threat simply raise additional concerns about a potentially new regulatory enforcement environment?

While the ACCC's assertive stance is motivated by the right intentions, its effect might not be in tune with the true nature of competition—especially if it results in businesses being overly cautious with their competitive strategies. Instead, what the ACCC should encourage is market conduct that is independent, innovative and responsive to consumer demands. And regulatory intervention should seek to foster this, not dampen it.

Why is competition so important, socially speaking?

Since 1974, when Australia entered the modern competition law age with the *Trade Practices Act 1974* (the forerunner to the CCA), we have gradually built up a culture for competition, where the benefits of acting

independently and striving to do better than rivals are recognised as being socially optimal.

Competition leads to keen pricing, efficiency, innovation, readily available product supplies and choice for consumers. It is the lifeblood of a socially well-functioning market. Firms have to satisfy the market that their products are worth buying and that consumers can buy them with confidence. If a market is not characterised by new strategic initiatives that compel responses from rivals, then it is unlikely to show signs of the competitive

process being at work. And market power may be the inevitable consequence.

What is a competitive market?

There is no bright light, no line in the sand that unambiguously distinguishes a competitive market from one that is not. Like beauty, competition often lies in the eye of the beholder. Take the current controversy over the Australian supermarket chains, Coles and Woolworths—many smaller retailers and suppliers would say these two market giants have far too much market power, constantly

CHARACTERISTICS OF A COMPETITIVE MARKET

For a market to be regarded as competitive, it generally displays at least some of the following characteristics—the more, the better. It's important to note that what is seen as 'competitive' in a market today, can easily change tomorrow, in line with institutional and policy environments.

FLEXIBLE PRICES

Prices respond to demand and supply conditions.

INDEPENDENT DECISIONS

Sellers make pricing and output choices independently of rivals.

CONSUMER INDIFFERENCE

Brand preferences are not heavily entrenched among buyers.

FEW BARRIERS TO ENTRY

New players can enter the market and constrain incumbent firms.

LEGITIMATE ADVERTISING

Ads are informative, not misleading.

NO ARTIFICIAL RESTRICTIONS

Market supplies are not withheld in order to drive prices up.

LACK OF DOMINANCE

No single firm has a very large share of the market.

FREE FLOWING INFORMATION

Consumers are well-informed.

INNOVATIVE AND EFFICIENT

Firms seek to maximise productivity and be up to date with the latest technologies.

CHOICE

Consumers can choose between rival sellers.

Above Board Tactics

Firms that face an investigation by the Australian Competition and Consumer Commission (ACCC) into a competition issue, or by the Australian Energy Regulator into the determination of a regulated rate of return, must be able to convince these bodies that their conduct is above board.

- 1 Display a track record of rapport with customers and suppliers, and of sharing efficiency gains.
- 2 Improve the data provided to regulators (and the speed with which it is provided).
- 3 Carefully identify where the data came from, and any assumptions used to create it. Data must be credible, cogent and correct.
- 4 Develop rapport and mutual respect with regulators, and seek frequent and robust, yet flexible, exchanges of perspectives.
- 5 Refrain from making outrageous claims to regulators. Submissions should be made carefully and candidly.
- 6 Most importantly, do not stridently criticise the regulator in public.

driving prices downwards. On the other hand, customers have never had it so good, as prices are being cut to levels not seen for years.

How can we regulate for competition?

The phrase 'regulating for competition' might seem like an oxymoron. To many people, regulation happens when all hope that the market will behave itself is lost. In Australia, a statute like the CCA is enough to keep most firms 'honest'—especially when the alternative can lead to investigation, unfavourable publicity and steep financial penalties if found in breach. Yet, there are some circumstances where market failure is likely to be such a realistic outcome that a 'hands-off' approach will not work.

This is most often found in situations characterised by what economists call a 'natural monopoly', where there is room for only one firm to operate efficiently due to a combination of market size and the underlying technology and scale needed to produce the product. Good examples include natural gas pipelines, ports, electricity transmission grids, railway tracks, and airports, where there is usually only room for one efficient operator. Here, a more direct, 'hands-on' form of regulation will be in the best interests of society. In such circumstances, a regulatory body (like the

THE ADVENT OF COMPETITION IN CHINA

China has been late in recognising the need for a culture of competition. Despite having finally embraced the notion of a market economy in 1992, it was only in 2008 that China finally entered the modern antitrust era. This was when the Anti-Monopoly Law (AML) came into effect after a long gestation period of 13 years of heavy and contentious debate. Prior to this, only lip service at most was paid to competitive ideals.

China is the second largest and the fastest developing economy. Given the huge influence that China has on the global economy, the advent of the AML raises many questions for concern: Will China fully embrace the competitive process? Given the ever-present state-owned enterprises and administrative monopolies, will favours still be granted to these organisations that wield considerable

market power? Will competition policy and enforcement play second fiddle to industry policy and the protection of national champions? Will conflict exist between China's three designated competition authorities? How much capacity building will be needed? Will the AML be used to discriminate against foreign firms that seek to merge with Chinese firms?

With few court cases having been decided at this stage, there is no clear picture as to how the competitive process will be encouraged in China. So for firms doing business with China, an extra layer of uncertainty must be factored into their decision making. Given the unique 'Chinese characteristics' of the AML, it is safe to conclude that the competitive process and its achievements will be rebadged to conform with China's vastly different history and institutional environment.

Independent Pricing and Regulatory Tribunal (IPART) in New South Wales or the Essential Services Commission of South Australia (ESCOSA) in South Australia) can be given a legislated mandate to set the rates of return that companies operating in these industries can earn.

This process rarely runs smoothly and appeals on the regulators' decisions are commonplace, set in train not only by the producers, but often by their customers or by state governments. There are many assumptions involved in determining the 'best' rate of return, and so it should come as no surprise to learn that appeals are lodged frequently.

Regulatory etiquette

Firms are sometimes their own worst enemies when a regulator comes knocking. Some firms have been known to deliberately withhold relevant or accurate information from a regulator, or to drip feed or delay information until just before the statutory time limit for the regulator to issue its decision. Others engage in endless email correspondence that wastes everyone's time. As regulation can only work efficiently when the regulator has accurate and timely information, such tactics are not smart thinking. ■

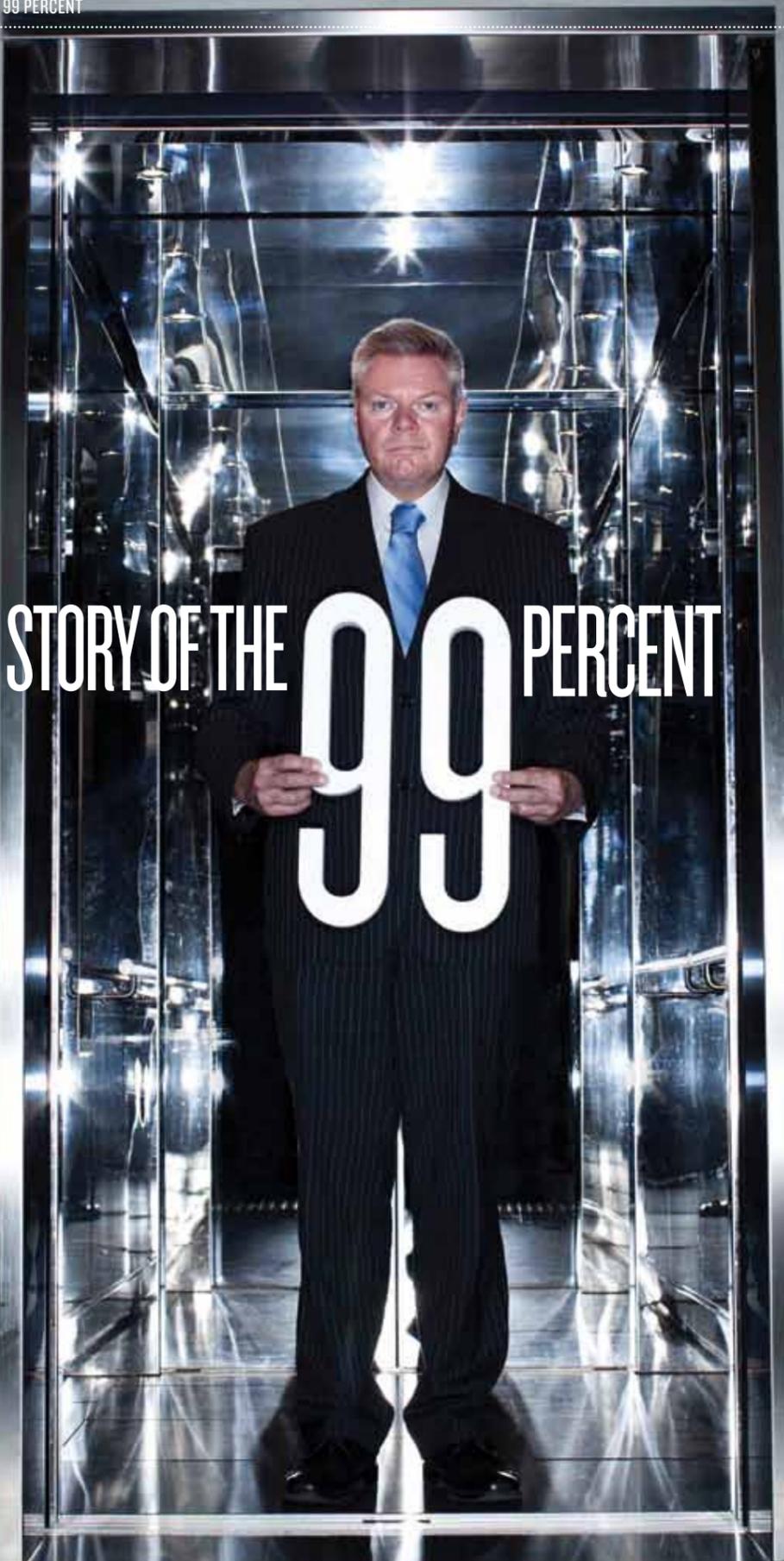
For further information about competition and market regulation, visit: unisa.edu.au/crma

CENTRO: THE STORY OF THE 99 PERCENT

WITH THE COLLAPSE OF THE CENTRO PROPERTIES GROUP, MANY INVESTORS LOST OVER 99% OF THEIR NEST EGGS WHILE THE CEO GOT TO KEEP OVER 99% OF HIS PAYOUT. HOW CAN THIS HAPPEN AND WHAT CAN INVESTORS DO TO BETTER PROTECT THEMSELVES IN FUTURE?

WRITER
David Parker

PHOTOGRAPHER
Randy Larcombe





David Parker is Professor of Property with the School of Commerce and an internationally recognised authority on real estate investment trusts. He is also an Acting Commissioner of the New South Wales Land and Environment Court, specialising in the resolution of property valuation and compensation matters.

The Centro Properties Group (ASX code: CNP) was one of the fastest rising stars in the listed property trust or real estate investment trust firmament in the mid 2000s. From a unit price of around \$3.50 in late 2001, CNP soared to around \$10 by early 2007 following the acquisition of the MCS funds management business in mid-2003 and a \$4.3 billion US acquisition in late 2006.

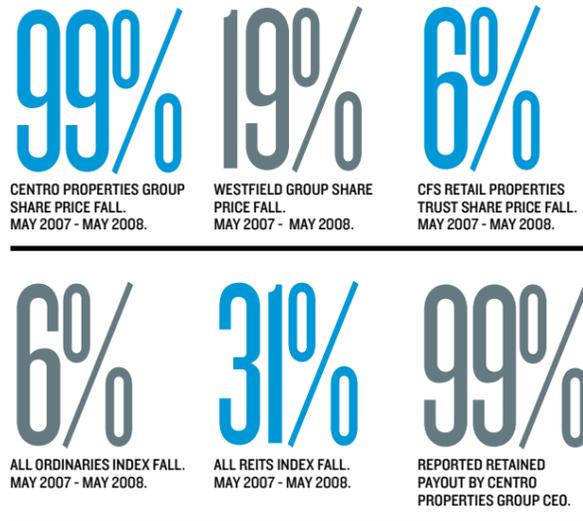
CNP was hot! Everybody wanted a piece of the action and nobody wanted to admit at a weekend BBQ that they had not got in early and enjoyed massive returns. The stock regularly topped investment recommendations and usually featured in the lists of best performing stocks published by investment magazines and TV money shows.

The more CNP rose, the more investors wanted, often selling out of other stocks to buy more CNP as the share price peaked at \$10.06 in May 2007. The stock had a dream run and the Centro Board, management and CEO were considered business legends.

Then everything started to unravel. Following some simple questions about borrowings at an investor briefing in December 2007, CNP started to falter. Within twelve months, the unit price had fallen from \$10.00 to \$0.30 and continued down to \$0.02 by September 2011—a staggering collapse of over 99% since early 2007.

WHEN MARKETS ARE RISING OR FALLING RAPIDLY, STEP BACK AND ASK YOURSELF, "DO I WANT TO BE HERE OR AM I JUST GOING WITH THE FLOW?"

Investors were devastated with many small investors losing their entire life savings. Following the well-established pattern of public inquiries and court cases following corporate collapses, the Australian Securities and Investments Commission (ASIC) took action against the Board and management of CNP for misallocating \$2.0 billion in liabilities and not disclosing \$1.75 billion in guarantees in the 2006/07 accounts. While the judge found in favour of ASIC, directors and management were only given a declaration of wrongdoing without fine or ban (the judicial equivalent of a 'slap on



the wrist') with only CEO, Andrew Scott, receiving a fine of \$30,000—he got to keep 99% of his reported \$3 million termination payment.

So how could this happen? How can small investors lose 99% of their life savings and the CEO walk away with 99% of his termination payment?

What really happened?

While it is cold comfort for those who have lost almost everything, the CNP story is a classic example of behavioural finance theory at work. As the CNP share price sped ever upwards, logical and rational decision-making was subject to a wide range of well recognised investor biases including:

- 1. Self-attribution bias**, where investors attribute good outcomes to their own skill rather than to the market.
- 2. Over-confidence**, where investors consider themselves to be superior in making investment decisions.
- 3. Herding**, where investors are more comfortable following others, rather than being the odd one out.
- 4. Confirmation bias**, where investors subconsciously emphasise information that reinforces their decision and downplays any contradictory information.

What was particularly interesting about the CNP story, from a property finance research perspective, was the extent to which investors, financial advisers, commentators, journalists and TV presenters got caught up in the investor bias juggernaut with nobody sounding alarm bells. Usually in retrospect, someone will say that the impending collapse of CNP was easy to see—but not this time.

IN PROPERTY INVESTMENT, SELF-AWARENESS IS OFTEN ONE OF THE MOST CRITICAL BUT UNDER-RECOGNISED INVESTOR SKILLS.

What can we learn?

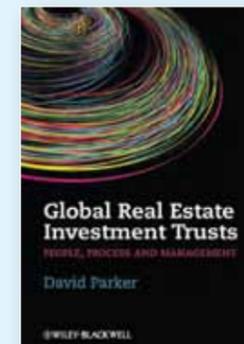
Property finance research suggests several key lessons for investors from the tragedy of the CNP story:

- 1. Self-discipline**, follow your trading rules and don't get diverted by greed or fear. If your trading rule is to sell when the unit price rises by 10%, then sell and reconsider your investment strategy, but don't hold in anticipation of another price rise.
- 2. Markets overreact**, real estate investment trusts combine the overreaction of both the direct property market and the share market, so when prices go down they often go down way too far and so provide opportunities for the well-researched investor.
- 3. Always diversify**, modern portfolio theory provides the numbers that support the age-old maxim of 'don't put all your eggs in the one basket', which applies to property as well as to all other investments.

As ever, the biggest threats to rational investment are greed and fear—for CNP on the upward trajectory, greed may have overtaken rational logic for investors; fear can have the same effect in the other direction.

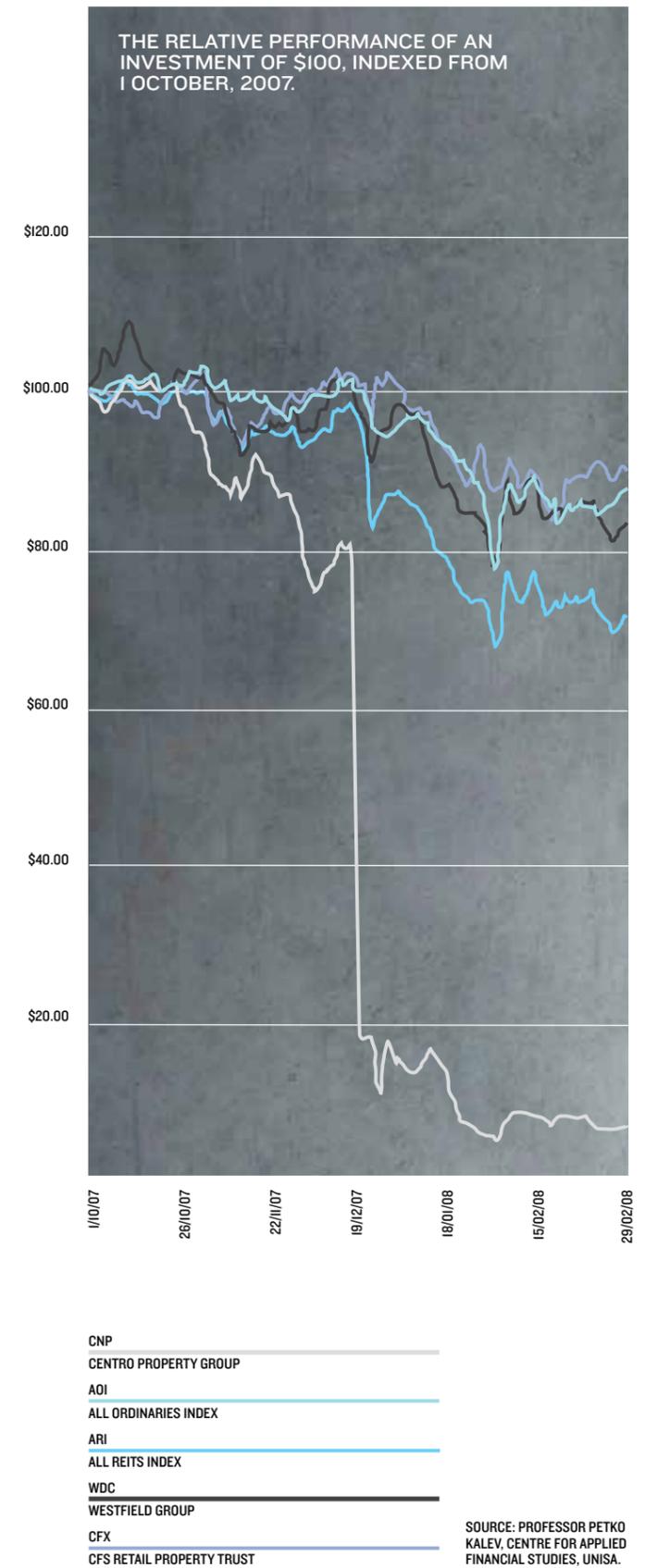
In property investment, as in other forms of investment, self-awareness is often one of the most critical but under-recognised investor skills. While self-awareness won't bring back any of the money lost by investors caught up in the collapse of CNP, it may help to save other losses in the future. ■

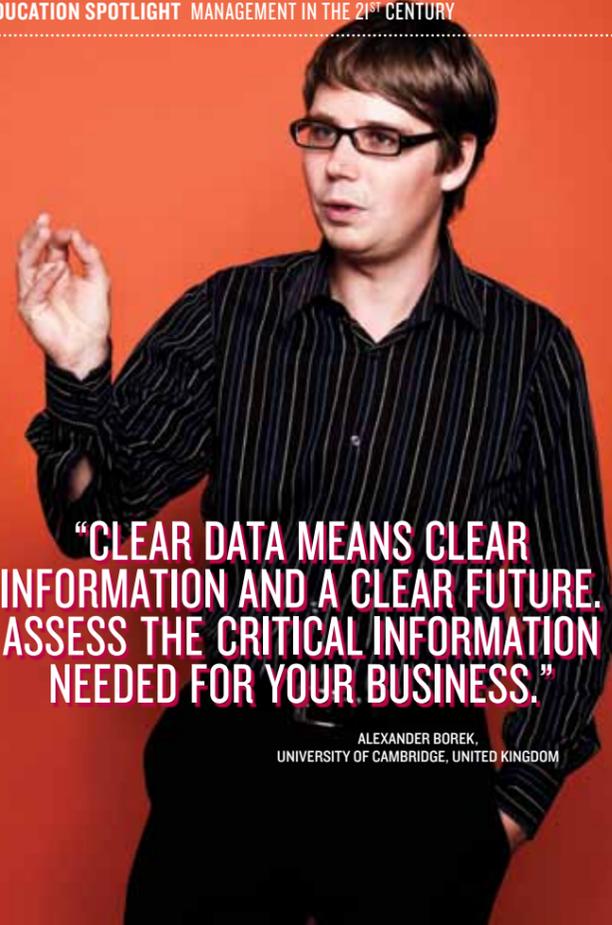
For information about property investment courses at UniSA, visit: unisa.edu.au/commerce/study/property.asp



Global Real Estate Investment Trusts is a new book written by David Parker.

Addressing Real Estate Investment Trusts (REITs) as a business enterprise, and REIT property investment decision making as an holistic and cyclical process, this book is essential for REIT managers and practising professionals in the REIT industry, including: property practitioners, researchers, lawyers, accountants, bankers and directors around the world.





“CLEAR DATA MEANS CLEAR INFORMATION AND A CLEAR FUTURE. ASSESS THE CRITICAL INFORMATION NEEDED FOR YOUR BUSINESS.”

ALEXANDER BOREK,
UNIVERSITY OF CAMBRIDGE, UNITED KINGDOM

Management in the 21st Century

WRITERS Tina Morganello and Annabel Mansfield
PHOTOGRAPHER Randy Larcombe

They are the leaders of tomorrow—the bright minds of today that are seeking business solutions for the future. These young thinkers represent the next generation of business leaders. So what challenges do they see for management in the 21st century?

This was the question posed by the School of Management in its inaugural PhD competition. The challenge sparked the interest of over 100 international PhD candidates, with 12 exceptional students travelling to Adelaide, South Australia, to share their vision of management for the future. Here we present some of their ideas, from their ongoing research, and discover synergies, not only across management, but also across nationalities, ethnicities and industries.

Ethics and Corporate Social Responsibility (CSR).

Jonathan Bundy (University of Georgia, USA) explores the implications of economic and environmental disasters, advising companies to avoid deflective and defensive communications strategies that can irreversibly damage their brand. Offering a similar perspective on CSR, Diana Bustani (Technologico de Monterrey, Mexico) asks whether the Global Financial Crisis was caused by careless attitudes to risk, or by the nature of capitalism. She proposes compensation plans based on performance and regulatory reforms to make Directors non-exempt from liability.

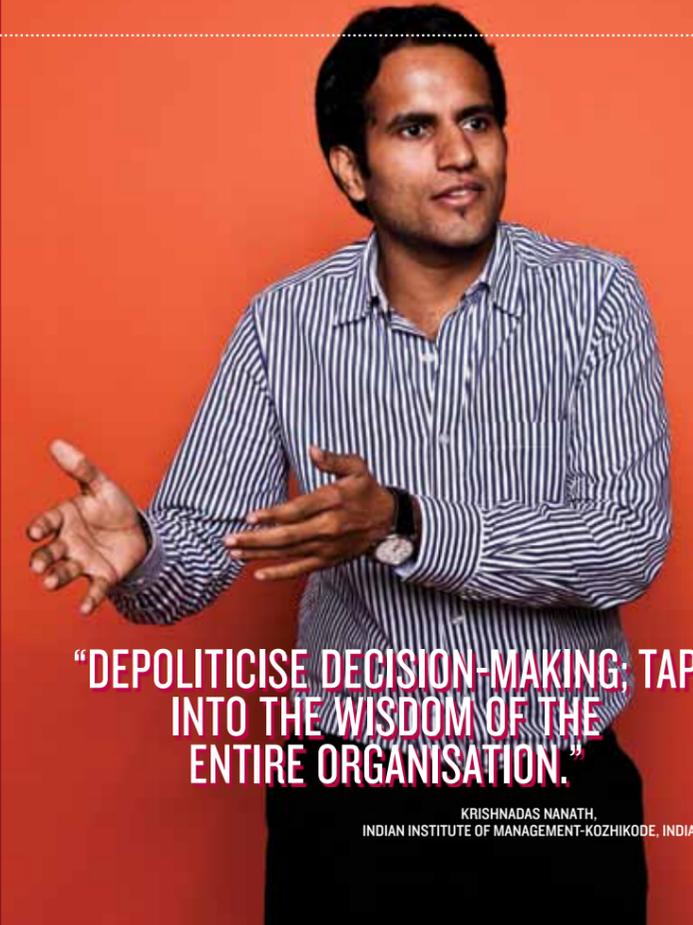
Presenting a formula that shows which measures of CSR can lead to value creation, Christopher Wickert (University of Lausanne, Switzerland) suggests it's possible for organisations to be both profitable and responsible—and says that leaders should strive for an ethics-case for business, rather than a business-case for ethics. Sanjukta Choudhury Kaul (Monash University, Malaysia) agrees, stressing that corporations must encourage an inclusive, barrier-free and rights-based society. She advocates an innovate approach to disabled workers, who currently represent the world's largest minority group.

Leading in the Information Age. Alexander Borek (University of Cambridge, UK) claims that knowledge and information are the only remaining differentiators in a world where everything can be outsourced. He questions whether future leaders will be able to manage the increasing amount



“THE RATIONAL ORGANISATION IS OBSOLETE. EMOTION MANAGEMENT WILL LEAD TO BETTER LEADERSHIP.”

JENNY WEGGEN,
UNIVERSITY OF HAMBURG, GERMANY



“DEPOLITICISE DECISION-MAKING; TAP INTO THE WISDOM OF THE ENTIRE ORGANISATION.”

KRISHNADAS NANATH,
INDIAN INSTITUTE OF MANAGEMENT-KOZHIKODE, INDIA



“WE MUST PUT THE SPOTLIGHT BACK ON THE HUMAN AND SOCIAL ELEMENT OF CORPORATE SOCIAL RESPONSIBILITY.”

SANJUKTA CHOUDHURY KAUL,
MONASH UNIVERSITY, MALAYSIA



“HOW CAN KNOWLEDGE-INTENSIVE SERVICES BE EFFECTIVELY OUTSOURCED OFFSHORE?”

KRISTIN BRANDL,
UNIVERSITY OF WARWICK, UNITED KINGDOM



“OPAQUE, OVERLY OPTIMISTIC, OR DEFENSIVE CORPORATE COMMUNICATIONS STRATEGIES WILL IRREVERSIBLY DAMAGE YOUR BRAND.”

JONATHAN BUNDY,
UNIVERSITY OF GEORGIA, UNITED STATES OF AMERICA



“FAIR AND SUSTAINABLE SUPPLY CHAINS MUST CONSIDER OUR CARBON FOOTPRINT.”

NATHAN KUNZ,
UNIVERSITY OF NEUCHÂTEL, SWITZERLAND



“EVERYONE SEES CSR AS THE HOLY GRAIL. BUT IS IT ETHICAL TO ACT RESPONSIBLY WITH THE MINDSET OF INCREASED PROFITABILITY?”

CHRISTOPHER WICKERT,
UNIVERSITE DE LAUSANNE, SWITZERLAND

of information and warns that as the value of information increases, so too does its risk. He advises managers to consider using advanced data analytics to ensure better decision-making in the workplace.

Kristin Brandle (University of Warwick, UK) is equally cautious about knowledge management. She argues that while it makes economic sense to extend offshoring to services such as research and development, companies must also learn to overcome language challenges, cultural barriers and quality control issues, particularly if they fail to communicate tacit knowledge about their core competencies.

Logistics. Nathan Kunz (University of Neuchâtel, Switzerland) explains that logistics today is a complex process, encompassing a range of sustainable, ethical and multinational issues. He says that organisations must consider additional performance indicators (other than those based on customer satisfaction and shareholder value) to fundamentally benefit society and the environment.

Supply chain challenges are also affecting the ocean transport industry, as Samsul Islam (University of Auckland, NZ) points out. He addresses the increasing demand for container port use and the increasing congestion created by the explosion in sea trade. He proposes improved facilities and better port/rail connections to ease increasing costs.

Innovation. Krishnadas Nanath (Indian Institute of Management-Kozhikode, India) discusses the need to depoliticise decision-making to tap into the collective wisdom of an entire organisation. He says that successful management in the 21st century should entail a move from ‘great leaders’ to ‘great groups’, and that this fundamental shift will ultimately benefit the organisation as a whole.

Human resources. The widening talent gap is analysed by Sharmaine Sakthi Anathan (University of Hull, UK) who highlights a lack of confidence in the next generation of potential leaders. She says that getting the right person for a leadership role will require innovative thinking, particularly around capacity and competency issues.

Engaging and inspiring employees is central to a harmonious and productive work environment, notes Krista Hoffmeister (Colorado State University, USA). She says that strategic leaders must engage employees to generate positive values and boost employee confidence, as both are empirically related to positive work behaviours and job performance. The role of emotional management is also addressed by Jenny Weggen (University of Hamburg, Germany), who explains that behaviour and decision-making are always intertwined with people’s emotions and that management strategies must systematically include emotion work.

The ideas presented by these students certainly identify common themes for management in the 21st century, but they also show a group of young leaders who share a genuine passion for improving the world. There’s no doubt that future leaders must learn to harness a multitude of management issues. They will need to inspire, enthuse, adapt and regenerate. But most importantly, these leaders will need to be resilient, innovative and entrepreneurial in order to thrive. ■

For more information, visit: unisa.edu.au/management/phd_competition



“A SUPERB LEADER CAN COORDINATE AN ENTIRE COMPANY INTO A BEAUTIFULLY ORCHESTRATED SYMPHONY OF SYNERGY.”

KRISTA HOFFMEISTER,
COLORADO STATE UNIVERSITY, UNITED STATES OF AMERICA



“WE MUST EMBRACE GENERATIONAL AND CULTURAL DIFFERENCES TO CREATE NEW LEADERSHIP COMPETENCIES FOR THE FUTURE.”

SHARMAINE SAKTHI ANATHAN,
UNIVERSITY OF HULL, UNITED KINGDOM



“REGULATORY REFORMS WITHOUT ETHICS ARE NOT ENOUGH.”

DIANA BUSTANI,
TECNOLOGICO DE MONTERREY, MEXICO



“THE TRADE EXPLOSION HAS LED TO CAPACITY SHORTAGES AT SEAPORTS – WE MUST DEVELOP STRUCTURAL MECHANISMS TO EASE THE CONGESTION.”

SAMSUL ISLAM,
UNIVERSITY OF AUCKLAND, NEW ZEALAND



Janek Ratnatunga is a Professor of Commerce and a member of the Centre for Applied Financial Studies at UniSA. Stewart Jones is a Professor of Accounting with the University of Sydney.

5-STAR REPORTING INDEX™

Rating the quality and comprehensiveness of Australian company reports.

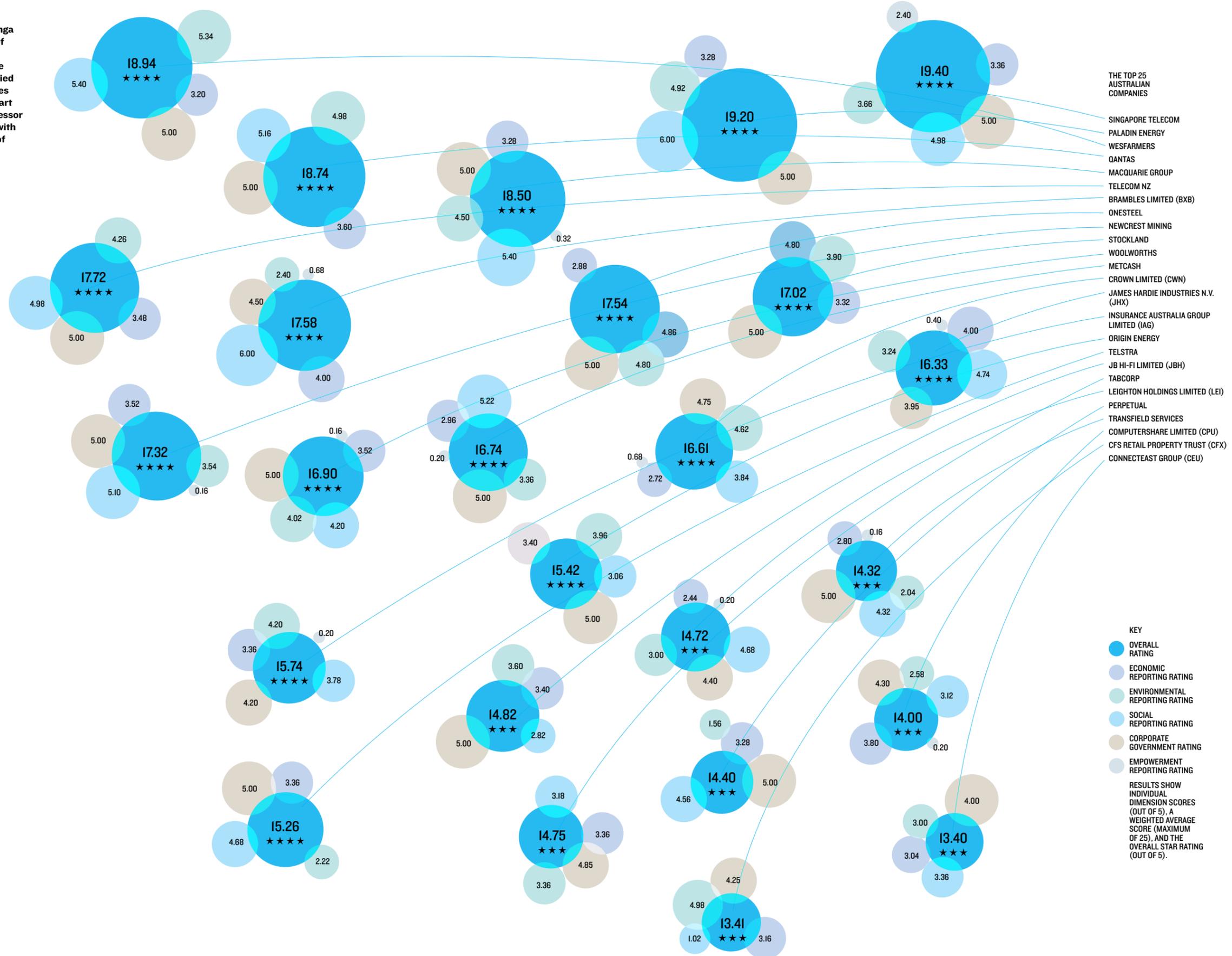
WRITERS Janek Ratnatunga and Stewart Jones

A strong corporate reputation can be a valuable company asset, increasing corporate worth and providing a competitive advantage. Yet measuring reputation based on reported performance can be a tricky business. Professors Janek Ratnatunga and Stewart Jones add up all the 'bottom lines' and present a new formula for comparing corporate performance indicators.

The maintenance and enhancement of an organisation's reputation can be a powerful force driving 'voluntary' certifications ranked on perceptual and factual data. Airlines, universities, hotels and automotive companies pay attention to these 'rankings' and spend significant resources to improve their relative rankings vis-à-vis their competitors.

In the modern corporate world 'being ranked' by an index of some sort can be seen as a value-enhancing proposition. Ranking metrics such as *RepuTex* (ranking reputation); *JD Power* (ranking quality); *EVA*® (ranking economic value creation); and *Columbia-Yale rankings* (ranking environmental sustainability) are much sought after. Most ranking metrics rely heavily upon financial statements and public data gathered through annual reports—and this is generally accepted as being accurate.

Recently, organisations have extended their reporting beyond the financial/economic values provided in conventional financial statements, to include multiple performance indicators in their annual reports and media releases. These multiple dimensions are not, however, combined in any meaningful way to provide an integrated and holistic view of the quality of an



- THE TOP 25 AUSTRALIAN COMPANIES
- SINGAPORE TELECOM
 - PALADIN ENERGY
 - WESFARMERS
 - QANTAS
 - MACQUARIE GROUP
 - TELECOM NZ
 - BRAMBLES LIMITED (BxB)
 - ONESTEEL
 - NEWCREST MINING
 - STOCKLAND
 - WOOLWORTHS
 - METCASH
 - CROWN LIMITED (CWN)
 - JAMES HARDIE INDUSTRIES N.V. (JHX)
 - INSURANCE AUSTRALIA GROUP LIMITED (IAG)
 - ORIGIN ENERGY
 - TELSTRA
 - JB HI-FI LIMITED (JBH)
 - TABCORP
 - LEIGHTON HOLDINGS LIMITED (LEI)
 - PERPETUAL
 - TRANSFIELD SERVICES
 - COMPUTERSHARE LIMITED (CPU)
 - CFS RETAIL PROPERTY TRUST (CFX)
 - CONNECTEAST GROUP (CEU)

KEY

- OVERALL RATING
- ECONOMIC REPORTING RATING
- ENVIRONMENTAL REPORTING RATING
- SOCIAL REPORTING RATING
- CORPORATE GOVERNMENT RATING
- EMPOWERMENT REPORTING RATING

RESULTS SHOW INDIVIDUAL DIMENSION SCORES (OUT OF 5), A WEIGHTED AVERAGE SCORE (MAXIMUM OF 25), AND THE OVERALL STAR RATING (OUT OF 5).

organisation's communication with its stakeholders. This lack of integration ultimately limits the effectiveness and usefulness of the information to users.

Sponsored by the Institute for the Advancement of Corporate Reporting and Assurance (IACRA), our research addresses this issue, presenting a process and the required metrics for achieving an integrated approach to rating the quality of a company's publicly available information. It combines the separate reports generated by the economic, environmental, social, governance and empowerment frameworks within a 5-Star Reporting Index™ and rates the quality and comprehensiveness of reports of 100 publicly listed Australian companies, giving each a single star-rating relative to the reporting quality of the other companies in the study. Here we present findings for the top 25 Australian companies, as ranked by the new 5-Star Reporting Index™.

So why do companies report on various types of performance? For listed companies, reporting on economic performance to shareholders through financial reports is mandatory. Even if an entity is not subject to strict criteria for economic reporting, financial performance needs to be measured for other mandatory reasons such as taxation, and to obtain external finance, such as bank loans. Similar mandatory requirements exist for governance and transparency issues (e.g. SOX¹ security compliance in the USA and CLERP 9² corporate disclosure in Australia).

In the last decade, issues such as climate change and social responsibility have also arisen on political agendas, with stakeholders demanding that reports not only include the economic performance of the firm, but also the impact of its actions on society in general, and on the environment in particular. Such issues are now well integrated in many organisations' annual reports.

More recently, companies have recognised that financial and non-financial information on its own is not enough to motivate knowledge workers to achieve the

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1. THE SARBANES-OXLEY ACT 2002
2. THE CORPORATE LAW ECONOMIC REFORM PROGRAM (AUDIT REFORM AND CORPORATE DISCLOSURE) ACT 2004

strategic objectives of the organisation. Consequently, the empowerment of knowledge workers (how well companies provide workers with all the necessary information and resources to steer their organisation successfully) is also emerging as a reporting dimension. Thus, the literature on organisational reporting indicates that five reporting dimensions are now required in modern organisations: (1) economic; (2) environmental; (3) social; (4) governance; and (5) empowerment.

Ideally, organisations should report performance against all bottom lines, with each being appropriately attested and certified. The 5-Star Reporting Index™ provides a new framework to analyse the contents of a company's annual report in terms of its comparability and effectiveness, thereby providing accurate and relevant information to all end users. ■

For the full results, contact Professor Janek Ratnatunga through the Centre for Accounting Governance and Sustainability: unisa.edu.au/cags/member_profiles.asp.

5 STEPS TO A BETTER RANKING:

- 1 Higher weighting is given for voluntary disclosure of environmental, social, governance and empowerment data (economic disclosures are mostly mandatory).
- 2 Higher weighting is given for implementing activities, rather than stating planned activities.
- 3 Providing quantitative measures to show progress and results is highly rated.
- 4 Good news and bad news disclosures are treated equally (what is important is the disclosure).
- 5 Providing separate reporting sections for the five bottom lines makes for greater transparency and simpler data collection.

Using the annual reports of 100 Australian public companies, data was classified and rated against the following control framework:

- 1 PRIMARY STAKEHOLDER EXPECTATIONS: An enumeration of the long-term expectations of the corporation's stakeholders, in terms of each of the bottom lines, and the corporation's response.
- 2 OBJECTIVES: A statement of the corporate objectives, in terms of each of the bottom lines for the reporting period, and what it will strive to accomplish, including what priority it places on various activities.
- 3 STRATEGIES: A description of the activities the corporation will embark on, in terms of each of the bottom lines, in striving to achieve the given objectives.
- 4 IMPLEMENTATION: Reports and statements indicating the resources committed to achieve objectives and goals, in terms of each of the bottom lines.
- 5 RESULTS: A statement of the accomplishments and/or progress made in achieving each objective and each goal.

The Number One Formula

PHOTOGRAPHER Randy Larcombe

Inspired by a "no one said we couldn't" attitude, Sydney engineer and businessman, Michael Myers OAM, founded Re-Engineering Australia, a not-for profit organisation created to encourage, equip and mentor young people for careers in engineering and manufacturing. Its most popular initiative is the Formula I Technology Challenge, a worldwide competition where high school students design, analyse, test, manufacture and race miniature, 80km/h Formula I race cars. This action-based initiative motivates students to learn—and why not?

When they're using the same technologies as NASA, Toyota and Airbus, are connected with industry leaders, and may even race in the worldwide arena, the appeal is obvious. The program has attracted tens of thousands of students, as well as the interest of real Formula I teams, seeking newly developed technologies and star pupils as their new recruits. Most recently, Myers, a graduate of the Doctor of Business Administration at UniSA, was awarded the Order of Australia Medal in recognition of his exceptional contribution to the sector.



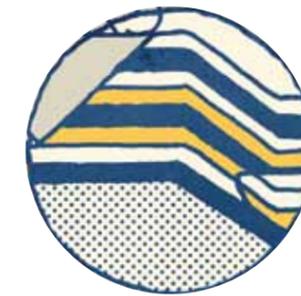


Julia Davis is an Associate Professor in Law with UniSA's School of Law in the Division of Business. Her research expertise encompasses the theoretical, practical and psychological aspects of sentencing, the philosophy of the criminal law, and the concept of justice.



Inside the Jury: Perceptions of White-Collar Crime

WRITER Julia Davis ILLUSTRATOR Joel van der Knaap



Trial by judge and jury is one of the defining features of our criminal justice system. But while juries are frequently featured in films and television fiction, the work of jury members in Australia is shrouded in secrecy.

Because Australian jurors are forbidden to discuss their deliberations, it is difficult for researchers to find out how ordinary members of the public respond when they carry out the onerous civil duty of deciding the fate of another human being. By contrast, the work of judges is often criticized by the media, who routinely portray them as being 'too soft on criminals' and out of touch with the community. And while judges must give reasons for their decisions and verdicts, the silent work of juries is not normally open to scrutiny.

Now, a ground-breaking study provides a rare opportunity to delve into the minds of jurors—to learn about their perceptions of the offenders that they had convicted, and about the judges who had presided over the trials and sentenced the offenders.

Funded by the Criminology Research Council of Australia, I and my research colleagues at the University of Tasmania undertook the first reported Australian study using jurors in real trials to gauge public opinion about sentences and sentencing.

The study considered the opinions of 698 jurors from 138 criminal trials. Jurors who returned a guilty verdict were asked:

1. **At Stage One** – to suggest a sentence for the offender that they had convicted.
2. **At Stage Two** – to assess the appropriateness of the sentence given by the judge.
3. **At Stage Three** – to explain their responses to the case and the performance of the judge (for a select group of 50 jurors).

Informed members of the jury overwhelmingly approve of the sentences given by judges.

The results were surprising. Not only did the study show that a majority of jurors at Stage One selected a more lenient sentence than the one imposed by the judge, but it also revealed at Stage Two that 90% of jurors, who had read the judge's reasons for the sentence, agreed that the sentence was appropriate. Likewise, a substantial majority of 93% also thought that the judges were in touch with public opinion at Stage Two.

These findings contrast sharply with other more general surveys, which routinely find that 70-80% of less informed members of the public believe that sentences are too lenient. It also casts doubt on the frequent claims that the public want judges to impose harsher sentences.

White-collar crime is particularly appetising to the media, who quickly swarm to cases that involve high-profile players such as Alan Bond, Christopher Skase, or Rene Rivkin. But white-collar crime is not just limited to the 'big players', with fraudsters infiltrating all levels of an organisation. And while the main motivators for fraud appear to be individual greed and lifestyle, the impact of fraud can affect the entire community.

Just as 90% of jurors thought that judges' sentences were appropriate, 93% also thought that judges were in touch with public opinion.

White-collar crime has always posed a difficult sentencing dilemma. As a non-violent crime, it encompasses acts of commercial fraud, embezzlement and insider trading—all for illegal monetary gain. So, although those who commit white-collar crime might not always match our perceptions of a 'real criminal' (as compared

to violent offenders), they are still abusing their positions of trust, often committing multiple crimes over a long period of time. Such sustained criminality seems to warrant significant punishment and retribution.

White collar crime: a case study.

To gain a better understanding of the inside workings of the jury, we interviewed 50 jurors about the sentencing process. One interview related to a fraud case, where the jury had convicted an accountant of 19 counts of computer-related fraud, committed over more than three years. The accountant, who had been highly regarded by his employer, took \$1.2 million from his employer's accounts. He was 33 years old and married, with a child aged three. The judge sentenced him to imprisonment for seven years, with three years suspended on condition of good behaviour for a period of two years.

The juror in this interview approved of the judge's sentence, but explained that her view of this offender differed greatly from several others on the jury, who, by chance, happened to be accountants themselves.

The juror described the accountant's crime as "just pressing a few keys on a computer over a couple of years" and explained that this type of crime didn't make her feel passionately annoyed one way or another. "I didn't see him as an evil bad person... I felt sorry for him... it was a victimless crime. It could have been a crime of opportunity that turned into an addiction of some kind. It wasn't a Skase type thing—or Alan Bond."



The Cost of Fraud

FRAUD COSTS ARE INCREASING:
\$345.4 million was lost to fraud in 2010, an increase of 13% over two years. It is believed that only a third of total losses are detected.

THE VALUE PER FRAUD IS INCREASING:
The average fraud has doubled, from \$1.5 million in 2008 to \$3 million in 2010.

WHO DID IT:
65% of major frauds are 'inside jobs'. The main motivator for fraud is typically greed and lifestyle.

SOURCE: KPMG'S FRAUD AND MISCONDUCT SURVEY 2010

TABLE I: DOES THE PUNISHMENT FIT THE CRIME?
Jurors' views of judges' sentences (%)

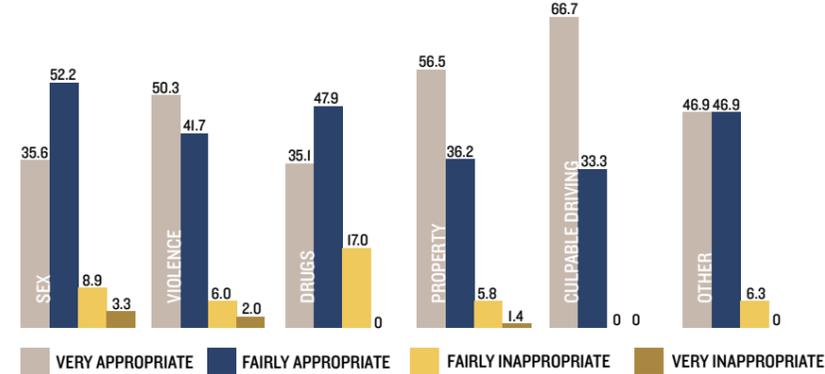


TABLE I: THE STUDY SHOWED A HIGH OVERALL LEVEL OF SATISFACTION WITH JUDICIAL SENTENCING AMONG JURORS, WITH SOME VARIATION ACROSS CRIME TYPES.

WIN, WIN, WIN.

ACCESS TO LEGAL ADVICE FOR THOSE MOST IN NEED.

WRITER Carole Lydon

Final year law student, Susan

There are some new faces down at the Port Adelaide Magistrates Court, and they are helping to calm the usual air of nervous tension.

For most people, attending court is a nerve-wracking experience. Just think, if you are ineligible for legal aid and don't have the money for a private lawyer, you'll have to manage the entire process on your own. And, regardless of your level of education, or understanding of English, you'll be expected to fill out every form, keep track of every date and attend court without even knowing where to stand.

Imagine the difference it would make if someone was there to guide you through the legal process and help you manage your own case.

Tapping into the enormous demand for community legal services, UniSA's School of Law has developed an experiential learning model—the Legal Advice Clinic—that not only provides legal advice to those people most in need, but also develops student capability in a way the classroom can't match.

Final year law student, Susan

Rutherford, is participating in the clinic as part of her Legal Professional and Community Experience Course. She feels that the Clinic has really helped her transition from the theory-intensive nature of legal study. "Applying my knowledge to real cases has been invaluable. But it's not just about that—it's also about helping those in need."

"OUR AIM IS THAT UNISA LAW GRADUATES WILL HAVE A STRONG ETHICAL BASE AND A SENSE OF SOCIAL JUSTICE."

Rachel Spencer agrees. As the Director of Professional Programs with the School of Law, she is passionate about producing well-rounded graduates. "No matter where they choose to practise, our aim is that UniSA law graduates will have a strong ethical base and a sense of social justice which underpins their professional and personal choices."

"People go to lawyers with problems that need to be fixed. These are often problems that impact on other areas of their lives. Students who have completed this elective course, graduate with a real understanding of the complexities of giving legal advice and where that advice sits within the context of a client's circumstances."

The Legal Advice Clinic provides free, confidential legal advice to members of the community. It operates from both the City West campus and the Port Adelaide Magistrates Court.

"At the Magistrates Court clients are often quite nervous and the general air is more on-edge. Here, the reality of the client situation is real and pressing," says Matthew Atkinson, Managing Solicitor of the Clinic. "The City West campus has a less urgent feel, but in both situations, students come away with a clear sense of the outcomes that legal advice can create."

At the core of the clinic model is the capacity to empower students and for clients to solve their own problems. The clinic cannot act or appear in court on behalf of a client—instead,

together with the Managing Solicitor, students work with the client to define the problem, determine a path of action and guide the client through the steps. All advice is first approved by the Managing Solicitor. For many clients, the development of their own skills and confidence is a welcome by-product of this process.

And the benefits flow through to the court room. Magistrate Melanie Little has begun to notice the difference, with people who have attended the clinic representing themselves with more structured and complete cases. She notes that for many people attending the Port Adelaide Magistrate's Court, it is the first time they have ever been to court and it can become an incredibly overwhelming experience.

"Students from the Legal Advice Clinic are able to help structure their case, check that they have all the correct documents, confirm dates and times, and let them know how a court operates. The result is that the court is able to find out everything about a case before making a decision. When

The accountants on the jury were more hostile towards the offender because they felt he had brought their profession into disrepute. The juror noted, "They were annoyed at him and angry—and almost angry at me for feeling sorry for him." She contrasted his white-collar crime with that of an aggressive crime such as rape. "It's far more [the] violent crimes that worry me more... the invasion of somebody's liberty in that way as opposed to just financially seems much more serious to me."

The fact that this jury contained qualified accountants was unusual. Yet this serendipitous jury composition perhaps highlighted a gap in the system. "There were a lot of financial people in the jury... a few accountants. They were cross-referencing all of the claims and that was great because they had the mind to make sure that all the numbers were crunched... which I found reassuring because that's not my mindset."

The juror's reflections of her jury experience of a white-collar crime, suggest that there is merit in the recent calls for specialist juries to sit on cases involving technical knowledge, and where the ability to understand complex evidence in lengthy trials involving corporate and finance related crimes would be highly valued. And while this study confirmed that jurors do carry out their task conscientiously, it also suggested that jurors do not always feel qualified to judge matters that require technical knowledge and professional expertise. ■

For more information about public judgement on sentencing, visit: unisa.edu.au/law/news/insidejury.asp

someone has to appear in court, regardless of their socio-economic or cultural background, it is important that they have their best possible day."

With passion and commitment, corporate community investment can achieve truly extraordinary things. And although operating only one year, the UniSA Law team says they look forward to the time when their experienced law alumni return to volunteer their time as additional clinic supervisors in a larger and more diverse clinic.

UniSA Legal Advice Clinic.
Providing confidential, free legal advice to members of the community.

Appointment times:
Monday-Thursday,
Law Building, George Street,
UniSA City West campus, Adelaide.
Call +61 8302 7436 for appointments.

Drop-in service on Fridays at the Port Adelaide Magistrates Court.

For more information, visit: unisa.edu.au/law/clinic



Emeritus Professor Kevin O'Brien was the first Dean of the Faculty of Business and Management. In 2004 he retired as the Pro Vice Chancellor, Division of Business and Enterprise and as a member of the University's Senior Management Group.

REFLECTIONS OF THE WAY WE USED TO BE

WRITER Kevin O'Brien PHOTOGRAPHER Sam Noonan

1991 A NEW UNIVERSITY THE UNIVERSITY OF SOUTH AUSTRALIA (UNISA) IS FOUNDED IN JANUARY 1991 THROUGH THE AMALGAMATION OF THE SOUTH AUSTRALIAN INSTITUTE OF TECHNOLOGY (SAIT), AND THE MAGILL, SALISBURY AND UNDERDALE CAMPUSES OF THE SOUTH AUSTRALIAN COLLEGE OF ADVANCED EDUCATION, THEREBY BRINGING TOGETHER 150 YEARS OF ACADEMIC EXCELLENCE.

1992 OUR FOUNDATION DEAN PROFESSOR KEVIN O'BRIEN IS APPOINTED THE INAUGURAL DEAN OF THE FACULTY OF BUSINESS AND MANAGEMENT. THE EARLY YEARS OF ESTABLISHMENT ARE CHALLENGING BUT THROUGH KEVIN'S VISION, INNOVATION AND ENTREPRENEURSHIP, THE FACULTY THRIVES. IN 1998, HE WAS APPOINTED THE PRO VICE CHANCELLOR OF THE DIVISION OF BUSINESS AND ENTERPRISE.

1993 INTERNATIONALISATION IN 1993 WE PIONEER TRANSNATIONAL EDUCATION, COMMENCING WITH THE INTERNATIONAL MBA IN SINGAPORE. OVER THE NEXT 10-15 YEARS OUR OFFSHORE TEACHING SKYROCKETS, EXTENDING ACROSS MOST OF ASIA AND PARTS OF EUROPE. WE BECOME THE LEADING PROVIDER FOR OFFSHORE TEACHING WITHIN UNISA AND ARE AWARDED THE BUSINESS SA EXPORT AWARD FOR EDUCATION IN 1999 (AND ALSO IN 2000, 2001, 2004 AND 2006).

1997 OUR ALUMNI IN 1997, OUR FIRST OFFSHORE ALUMNI CHAPTERS ARE ESTABLISHED IN SINGAPORE, MALAYSIA AND HONG KONG. TODAY WE HAVE THOUSANDS OF GRADUATES LIVING ACROSS ASIA.

2004 INTERNATIONAL ACCREDITATION IN 2004 WE BECAME THE SECOND BUSINESS SCHOOL IN AUSTRALIA TO RECEIVE EUROPEAN QUALITY IMPROVEMENT SYSTEM (EQUIS) ACCREDITATION, THE MOST PRESTIGIOUS INTERNATIONAL ACCREDITATION FOR BUSINESS SCHOOLS. EQUIS ACCREDITATION DEMONSTRATES HIGH QUALITY IN ALL OUR ACTIVITIES, INCLUDING RESEARCH, TEACHING, STUDENT SERVICES, INTERNATIONALISATION AND CONNECTIONS WITH THE CORPORATE WORLD. WE ARE NOW ONE OF ONLY EIGHT AUSTRALIAN BUSINESS SCHOOLS ACCREDITED BY EQUIS.

2007 TEACHING EXCELLENCE IN 2007 OUR MBA ACHIEVES A TOP 10 RESULT IN THE AUSTRALIAN FINANCIAL REVIEW SURVEY OF MBA ALUMNI, A RANKING WE MAINTAIN TO THE CURRENT DAY. IN 2009 AND EVERY YEAR SINCE, OUR MBA RECEIVES THE MAXIMUM 5-STAR RATING FROM THE GRADUATE MANAGEMENT ASSOCIATION OF AUSTRALIA, MAKING UNISA ONE OF ONLY THREE INSTITUTIONS IN AUSTRALIA TO RECEIVE THIS HONOUR.

2008 A NEW LAW SCHOOL IN 2008, WE OPEN OUR NEW LAW SCHOOL, WITH 75 STUDENTS ENROLLING. IN 2011, OUR FIRST COHORT OF LAW STUDENTS GRADUATE.

2010 TOURISM HALL OF FAME IN 2010 OUR SCHOOL OF MANAGEMENT WINS THE SA TOURISM AWARD FOR TOURISM EDUCATION AND TRAINING FOR THE THIRD CONSECUTIVE YEAR, AND THE SCHOOL IS INDUCTED INTO THE 'SA TOURISM HALL OF FAME'.

2011 RESEARCH EXCELLENCE IN 2011, THE FEDERAL GOVERNMENT'S INAUGURAL EXCELLENCE IN RESEARCH AUSTRALIA RANKINGS (ERA) RANK OUR RESEARCH AS 'WORLD-CLASS' IN THE CORE AREAS OF BUSINESS AND MANAGEMENT, ACCOUNTING, AUDITING AND ACCOUNTABILITY, LAW, AND TOURISM. THE OUTCOME CONFIRMS BOTH THE DIVISION'S STATUS AS A LEADING RESEARCH BUSINESS SCHOOL AND THE INTERNATIONAL REACH OF ITS RESEARCH PROGRAMS.

2012 GLOBAL EXPERIENCE IN 2012 OUR GLOBAL EXPERIENCE PROGRAM WINS THE GOVERNOR'S MULTICULTURAL AWARD FOR YOUTH, FOR OUTSTANDING ENGAGEMENT WITH MULTICULTURAL COMMUNITIES AND PROMOTION OF CULTURAL DIVERSITY.

2012 A NEW CITY CAMPUS THE 'CITY WEST' CAMPUS OPENS IN 1997, BECOMING THE NEW HOME OF THE DIVISION OF BUSINESS. LOCATED IN THE HEART OF THE CENTRAL BUSINESS DISTRICT, THE CAMPUS FLOURISHES. BY 2005 TWO NEW BUILDINGS (KAURMA AND DORRIT BLACK) ARE COMPLETED, FOLLOWED BY THE ICONIC HAWKE BUILDING IN 2007, MARKING THE COMPLETION OF A \$135 MILLION CAPITAL INVESTMENT ACROSS UNISA.

2004 OUR NEW PRO VICE CHANCELLOR PROFESSOR GERRY GRIFFIN IS APPOINTED THE PRO VICE CHANCELLOR AND VICE PRESIDENT OF THE DIVISION OF BUSINESS IN 2004. THIS ERA BUILDS ON OUR FOUNDATIONS AND MARKS OUR ASCENT AS A LEADING, QUALITY-DRIVEN BUSINESS SCHOOL. UNDER GERRY'S LEADERSHIP WE ACHIEVE WORLD-CLASS RESEARCH RANKINGS, INTERNATIONAL ACCREDITATION, FOSTER QUALITY INTERNATIONAL PARTNERSHIPS, AND ACHIEVE EXCELLENT TEACHING OUTCOMES.

2007 A NEW CITY CAMPUS THE 'CITY WEST' CAMPUS OPENS IN 1997, BECOMING THE NEW HOME OF THE DIVISION OF BUSINESS. LOCATED IN THE HEART OF THE CENTRAL BUSINESS DISTRICT, THE CAMPUS FLOURISHES. BY 2005 TWO NEW BUILDINGS (KAURMA AND DORRIT BLACK) ARE COMPLETED, FOLLOWED BY THE ICONIC HAWKE BUILDING IN 2007, MARKING THE COMPLETION OF A \$135 MILLION CAPITAL INVESTMENT ACROSS UNISA.

In 2012, UniSA celebrates its 21st birthday. This not only marks a milestone achievement, but also signifies a coming of age for the Division as a quality business school.

The University of South Australia (UniSA) was founded in 1991 after the merger of the South Australian Institute of Technology and most of the South Australian College of Advanced Education. Both had long histories and together they formed the third and largest university in the State. It was a period of change for the education sector in Australia, with many amalgamations leading to existing universities expanding and new universities being created. As with other emerging universities, UniSA had to urgently make many decisions which would have a great impact on its future success—including its academic structure and leadership team.

The newly formed University initially had nine faculties and I was appointed the Dean of the Faculty of Business and Management. Our faculty was consolidated at the City East campus for a brief time before moving to the new City West campus in 1997.

Since 1991, the physical location of UniSA has changed considerably. The courageous development of the City West campus in the mid 1990s was one of the most significant changes, particularly given the financial environment when the government of the day was making cuts to the entire university sector. In the early days, moving to the western end of the city had its moments—not the least being that we were located among some of the more interesting street businesses. Responsible for the City West campus, it was not surprising that I got to know the police authorities very well. And today, it's hard to imagine how we would have achieved our current standing without a major CBD campus.

From day one, the Division was very active in international education, having the largest number of international students in the University and a rapidly expanding transnational education program. We conducted classes in a number of Asian countries and even extended our reach to places as far as Switzerland. It was this rapid growth that resulted in the Division having more students enrolled in its programs than the total number of students in some Australian universities by the late 1990s.

In 1998, a new academic structure was introduced, with the original nine UniSA faculties being merged into the four Divisions we have today. I was then appointed as the Pro Vice Chancellor of the Division of Business and Enterprise. At this time, the Division was redirecting its resources to build its research base and these factors led to a deliberate scaling back of the more marginal transnational projects after 2000. There were many challenging times in the management of the transnational programs, but these were offset by the development of strong ongoing relationships in important markets such as China. Today, these relationships have developed into a strong network of international alumni and partners around the world.

Developing the research capacity of the Division was an early objective. In 1991 we only had a couple of research centres that were securing grants and external contracts, and the proportion of our academic staff with a doctoral qualification was low. Strategies to improve our research performance included seed-funding for new centres, recruiting research leaders, and assisting staff who were completing their doctorates. One of my personal commitments was to buy champagne for each successful candidate and over time there were quite a few bottles consumed. I am pleased to say that the significant majority of academic staff now holds a doctorate.

Today, the Division has developed into one of Australia's leading business schools. It has secured the highly valued international EQUIS accreditation, which is only awarded to quality business schools, and is now the longest-standing holder of this accreditation of the eight Australian business schools currently recognised. It provides high-quality education and a successful research program; it has established and nurtured strong international linkages, and has a large, influential alumni body in Australia and overseas.

The Division continues to be a significant part of what has become a highly regarded Australian university. The efforts of the many staff who have worked in the Division over the past 21 years have brought about its status as a leading business school. Looking back, this is not a bad achievement for a new kid on the block in 1991! ■

For information about the Division of Business, visit: unisa.edu.au/business

Directory

SCHOOLS

The School of Commerce is a leading provider of accounting and finance education in Australasia with disciplines in accounting, economics, property, international business, finance and trade. It hosts three research centres, one research group and five prestigious international research journals. The school was recently recognised by the federal government's research rankings as producing internationally recognised world-class research.

■ unisa.edu.au/commerce

The International Graduate School of Business is a major provider of postgraduate management qualifications in Australia and around the world. Our programs are designed in close consultation with industry and business to ensure that our students graduate with skills and knowledge they can immediately apply in the real world. With over 30 years of experience in delivering postgraduate business programs to Australian and overseas business people, our school is recognised as one of Australia's leading graduate business schools.

■ unisa.edu.au/igsb

The School of Law is a premier law school with its research recognised by the federal government's research rankings as 'world-class'. Established in 2007, we produce professional graduates who are ready to address the challenges of an evolving world. The school offers single and double degrees in law, with our double degrees enabling cross-disciplinary studies with disciplines like psychology, journalism or commerce. The school also offers a range of services and events for the legal profession and wider community including our free Legal Advice Clinic and our research seminar series.

■ unisa.edu.au/law

The School of Management is committed to teaching ethical management philosophies and instilling graduates with a strong sense of social responsibility. Our teaching is innovative and relevant, and is informed through our research and links with industry. We offer a wide range of specialisations including: management, administrative management, logistics, integrated supply chain, arts and cultural management, human resources, tourism and events, sport and recreation management, and innovation and entrepreneurship.

■ unisa.edu.au/management

The School of Marketing has long been one of Australia's leading centres for marketing education and research. We offer a broad range of undergraduate and postgraduate programs with a focus on providing leading-edge marketing knowledge and real industry experience. We offer exciting practical experiences including industry placements, overseas exchange programs, vacation research scholarships and masterclasses.

■ unisa.edu.au/marketing

RESEARCH INSTITUTE AND CENTRES

The Ehrenberg-Bass Institute for Marketing Science has been making exciting discoveries about how brands grow and buyers behave, and for over a decade has been sharing these insights with marketing executives around the world. We provide cutting-edge research in the field of marketing, including: advertising; brand image and health; consumer behaviour; customer loyalty; marketing metrics; media monitoring; pricing; service quality; sustainable marketing; and wine marketing.

■ unisa.edu.au/ehrenberg-bass

The Centre for Accounting, Governance and Sustainability provides leading-edge research expertise on accounting and its impacts. Its major aim is to promote, conduct and encourage research with an emphasis on contemporary research issues in accounting and reporting, sustainability accounting, integrated reporting, social and environmental accounting, accounting education and governance.

■ unisa.edu.au/cags

The Centre for Applied Financial Studies merges financial theory and practice to facilitate international research collaborations. Our expertise includes behavioural finance, banking systems in emerging economies, capital markets carbon finance, corporate governance, financial planning, forecasting and reporting, Islamic banking and investment, market microstructure, mathematical finance, public-private partnerships, wealth management, and venture capital.

■ unisa.edu.au/cafs

The Centre for Asian Business is dedicated to producing high-quality research about Asian business, and broadening the Australian understanding of Asian business practices. It aims to serve both academic and industry needs by providing high-quality, in-depth research into Asian business practices and environments. It also facilitates a range of networking and educational events in order to encourage the development of collaborative partnerships between Australian and Asian businesses and institutions.

■ unisa.edu.au/asianbusiness

The Centre for Comparative Water Policies and Laws undertakes major sociolegal research on sustainable development law and policy for corporations, as well as national and international organisations. It evaluates organisational structures, policy transitions and makes law reform suggestions on freshwater sources such as ground, surface, storm and recycled water and conjunctive use arrangements between these sources in Australia.

■ unisa.edu.au/waterpolicylaw

The Centre for Human Resource Management conducts research that improves organisational effectiveness through better human resource management practice, creating positive employee outcomes and enhancing organisational performance. It currently has six research streams: international human resource management, employment relations, diversity management, psychological contracts in the employer-employee relationship, strategic HRM and change management, and talent recruitment, retention and development.

■ unisa.edu.au/chrm

The Centre for Regulation and Market Analysis researches regulatory and other applied microeconomic and macroeconomic topics in Australia, New Zealand, Asia, Europe and Canada. It conducts policy-oriented research about competition and market regulation, water markets, consumer protection, health economics, business history, and the legislation that shapes and influences market outcomes.

■ unisa.edu.au/crma

The Centre for Tourism and Management conducts research in tourism, hospitality, events, sport and leisure management. It examines contemporary issues which include the development of tourism and hospitality in China, managerial capabilities in the business event sector, customer satisfaction with sports and leisure facilities, impacts of festivals, and global trends in wellness tourism.

■ unisa.edu.au/tourismleisure

Our Business School means business.



unisa.edu.au/business

UniSA's heritage-listed law building, established in 1941 and originally occupied by the South Australian Brewing Company.

PHOTOGRAPH: SAM ANDRIAN



Further information:

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