
Inside the Room

Australia C-Suite and Media Roundtable: March 2017 – Sydney

Following the expansion of Boyden's capabilities in Australia, New Zealand and across Asia-Pacific, Boyden held an exclusive roundtable with C-suite executives and the Editor of BOSS magazine, a publication of The Australian Financial Review.

Topics included discussion around education as Australia's third biggest export, the effect of talent development and education on leadership, skills development versus learning agility, collaboration between academia and industry, cross-cultural and international capabilities, and the role business and education play within innovation and entrepreneurship in Australia.

Participants:

Fiona Docherty, Vice President, International, Marketing & Communications, University of New South Wales

Susan Ferrier, Global Head of Inclusion & Diversity; National Managing Partner, People, Performance & Culture, KPMG Australia

Joanne Gray, Editor, BOSS Magazine and Leadership Editor, The Australian Financial Review

Trina Gordon, President & CEO, Boyden

Alun Parry, Managing Partner, Boyden Australia

Moderator:

Allan Marks, Managing Partner, Boyden Australia

Roundtable

Following are excerpts from the discussion.



L-R: Joanne Gray,
Fiona Docherty, Allan Marks,
Susan Ferrier

Marks: How are universities and the corporate sector aligning to develop their shared needs? Is our education system developing the best pipeline of future leaders?

Docherty: It's a great question to ask, and we must never stop asking that, because universities need to remain relevant. I think that the distinctions between universities and corporates are becoming blurred. That's a trend we'll see in the future that could become quite radical.

We have to provide the best curriculum, a curriculum that gets our grads ready for the world of work. But we can't simulate what that world is like. There have to be experiences that they can have. If we're to truly get them ready, we've got to provide opportunity for them to get stuck into projects, to have mentors, to have internships. I think that's where we sometimes hit the issue of scale. How can we open up those opportunities to the thousands of students that we have going through the university sector?

Ferrier: For us, a real opportunity as a country is to get ourselves to a completely different level of sophistication, to then create the conditions for a different kind of student to come out of university. I think our sector, the professional services sector, the academic sector, all sorts of corporations around the world – we're all being disrupted. And we all need to engage in different ways through partnerships and alliances. Innovation happens when different people and different organisations come together.

Gray: What is the gap, do you think, which exists between business and academia in terms of leadership?

Ferrier: I think we've not had the same leadership throughout academic institutions until recently. There's been a real influx of much more forward-looking, really fantastic leaders coming into Australian academic institutions who think in different ways. Business needs to step in as well and partner with academia in a new and different way. There are models of collaboration around the world where business and academia have mutually supportive and close cooperation.

Docherty: It's interesting to see the public debate on the innovation agenda not really ignite. I think, if you look at this from the perspective of other countries looking at our innovation ecosystem, other countries recognise and value the fact that we are a global financial centre. We are a safe headquarter in the region, and that's very attractive. They're seeing world-class universities. Australia punches above its weight in terms of having not just good, but very elite institutions, with the likes of UNSW. So, others are seeing Australia's potential as an innovation and talent hub.



L-R: Joanne Gray, Fiona Docherty, Allan Marks, Trina Gordon, Susan Ferrier

For example, UNSW was the first university outside of China to seriously look at bringing one of China's Torch Innovation Precincts to Australia. The concept has garnered political support from China in terms of investing in the infrastructure that's required, and it's gathered Australian government support. So, I think others are seeing our potential and looking at encouraging innovative forms of collaboration. I think that will bring renewed energy to the innovation debate and discussion here.

We can also see the opportunity for Australian businesses to connect into that global innovation ecosystem and export their ideas, so that it really becomes a two-way flow of ideas and innovation. I'm perhaps a little bit more hopeful because I think others can see our potential here and are encouraging us – that will add fuel to the fire.

Gray: If businesses are complaining about having the graduates they need, they do need to go to universities and co-design programs, and start looking at breaking up the big four-year degree into bite-sized pieces, so people can do more just-in-time learning and have more sort of on-the-job experience. Go back to university, learn the theory. Go back into the workforce, try it out. It's much more intuitive.

Marks: What are the skills sought in the leaders of tomorrow? Have we bought into subject-specific or technical skills versus broader learning agility?

Docherty: My initial reaction to the question is what are we going to be leading? Because there's a scary statistic that 60-70% of students are being educated for jobs that will not exist when they graduate in three or four years. Can we even predict what it is they're going to be leading?

My belief is that Australia, as a small country, needs to continue to think about how it's going to position its future leaders in the world. I agree that there's going to be a lot of disruption in technology. So, what is our niche? Our niche has been a strong financial sector, mining resources and other natural resources which may not be sustainable into the future.

Our intellectual capital, particularly in the region, is something that we have to really think seriously about, because other countries, like China and India, are educating their young people literally in the millions and millions. So, there is a question about keeping up and keeping ahead of that trend.

I think the skills that we should be really developing in our leaders are about financial capability, digital literacy and interpersonal skills, along with that curiosity and entrepreneurial spirit, which will certainly be required of leaders.

Ferrier: It's a few years old now, but I really like that T-shaped idea that came out of MIT, where they're saying the leaders of the future need to toggle across lots of disciplines and go deep in one or two.

You need to be this agile leader – an agile learner, and you need to be really curious. You need to be able to get to the bottom of things by asking really great questions, because you can't be



L-R: Allan Marks, Trina Gordon, Susan Ferrier

an expert across multiple disciplines, but you need to be able to connect it all and make sense of the whole. You need to be able to manage with complexity and turbulence. So, that's one of the things we've been teaching a lot of our leaders at KPMG to do. We've had a third of them go through something which helps them understand chaos and complexity, and introduces some models they might be able to use when they're faced with something that feels inscrutable and unpredictable.

Marks: Given that you're going through some of these experiences, how do you find people respond to the fact that they've actually got to change on the job, and be different to how they're used to being? How do they handle it?

Ferrier: Well, I think people respond differently. I see pockets of people who you would, on the face of it, think of as "You're not really going to cope with this well", and they just flourish when they're faced with significant challenge and turbulence.

But what I do see more of, as a generalization, is a generation of people coming into the workplace who are more oriented to change than the older generation – in terms of their career, and to change around geography, being happy to go all around the world and work wherever in the world. So, I think we've got a generation of people coming into the workplace who are wired in a different way.

Marks: Trina, from a global point of view, what are clients looking for on this topic of agility and adaptability?

Gordon: I think something that you don't necessarily have an innate ability for, but you're wired to be able to manage and to look very carefully at the factors coming in. You have to have a sense of anticipation around what's happening to you, and be able to not necessarily try and navigate it yourself as a leader, but be inclusionary about where the resources are to go forward.

It often takes a good bit of boldness to do it. Someone who has the courage to reach out and make sure they've got the right minds at work on it – sometimes counter to the prevailing sort of momentum of the organization or the momentum of your board or sometimes even your executive committee. So, it's hard. It's an art and a science, in a way.

Docherty: Most of the universities now are trying to adapt their learning in that way: fewer big lecture rooms with 500 to 600 students, and more programs trying to mirror the world of work. It's interesting because a lot of the very, very bright, intelligent young people still want to just focus on their own work and their own skill set, and go deep. And they struggle a little with that team-based working, but we're trying to build that capability much earlier, rather than wait until they graduate because this is the world they're going to be working in. There are very few roles where you can just hunker down and work on your own. I think that's where Australia, again, has a bit of a head start, if I reflect on some of the countries in our region.

We have this wonderful asset, in that we have 300,000 international students studying in our universities from 120 different countries. Young Australians are working alongside all these



L-R: Trina Gordon, Susan Ferrier

different nationalities and they're having to navigate working in that environment much earlier than they would have 10, 20 years ago.

Marks: Given the change in skills demands, is the focus on C-suites and more senior management talent development as significant as it was, versus what we might be looking at now in an organization?

Ferrier: My experience at KPMG is that we are even more oriented around supporting the executive team, either at the most senior level or up in the business unit level, to develop in a way that can hold the complexity of what we think lies ahead of us. We're spending more time understanding who are the people in these roles? Who do we appoint into these roles? How do we develop people in advance of them moving into the role? Development doesn't stop once you're in a role. So, we're having more conversations, I think, than I've experienced in my career, certainly at the board level and the executive level. It feels accelerated.

At a lower level in the organization, we're doing a lot of capability mapping. So, what's the capability that we need for the future? Where's our cyber capability? Where are our people in change capability? We're going to a whole different level of answers to understand what we've got, because we see the waves of disruption coming at us so fast that we need to be able to move people around and mobilize them in a different way. We also need to refresh people and upskill where we can. We need to identify the gaps faster than we used to.

Gordon: Mobility planning is very much a part of capability planning, which I think is a very important component of the future.

Ferrier: It's much more integrated now than what we used to do.

Gordon: Are you getting feedback from partners around insight into client organizations in terms of their capability?

Ferrier: Interestingly, a lot of knowledge sharing is happening amongst executives in a way that's almost non-competitive. It's quite interesting. Everyone feels like they need to be talking about the issue in a different way than they've talked about it before. So yes, there's a lot of what I've seen as co-creation happening with clients. There's a lot of boundary-less collaboration.

Docherty: I think universities have been notoriously bad at talent development for their leadership. In that great academic tradition, heads of school would become deans, and deans would become senior leads. But if you step back and look at the university sector, it's estimated that if you add up all of our contribution, it's equivalent to about 10% of Australia's GDP. We're training tens of thousands of young people, driving innovation, and I don't necessarily see the same attention focused on leadership development in the universities. It's one of the things that UNSW has in its new strategic plan: a commitment to absolutely focus on the development of our leaders, and try and learn some lessons from the corporate sector.



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I also hope that we would see more of our academics step into leadership roles in industry or the corporate sector. We get a lot of the corporate sector joining universities, but we're not seeing people flowing the other way in such great numbers.

Marks: Why do you think that is?

Docherty: I think it's because traditionally within the university sector, we've not given the same attention to our own leadership development structure. We've not made it easy for academics to leave.

That's an area that we're very interested in – how we develop our C-suite, our boards and provide more rounded opportunities for our leadership teams. Maybe the corporate sector also has a responsibility here. If you want universities to develop, rather than just focusing on students, maybe our corporate community could support the development of more leaders who will lead these institutions to greatness.

Gray: I am wondering if it's related to how academics are rated for their performance. It's usually about research and peer-reviewed journals. There is also an element of teaching capability, but it's not about the big world. It's not about engagement with business; it's still quite contained in the world of academia.

Docherty: Our people need to see the opportunity. They need to know that they could go out and join one of the Big Four and that they would be embraced. I think that sometimes there's a sense that, coming from academia, how relevant would it be to hire a person in a leadership role in the corporate world? When actually, universities are incredibly dynamic organizations. If you look at our turnover, our revenue, and the people we employ, we're big, big companies.

In the future if we could develop that flow back and forth, I think that would create an amazing leadership ecosystem for Australia. Hopefully for the corporate sector, it might bring some fresh thinking and fresh ideas as well.

Gordon: I think about my experience with boards, composition of public and private boards, and how few academicians are even present on a board. When they're present, it may transcend their academic background. It could be that earlier they were a brand consultant and they've moved into academia.

It would be great to be acknowledged beyond the discipline. If you think I'm part of a management board of an organization that has 55,000 students, 6,500 staff, billions of dollars of turnover, a hugely multicultural community, and an investment in young people – there are broader skills and experiences beyond the academic discipline.

Marks: Perhaps a lot of people don't think of universities as large businesses, yet most of the top universities in Australia could be some of the biggest employers in the country by a long run.



L-R: Allan Marks, Trina Gordon, Susan Ferrier



L-R: Joanne Gray, Fiona Docherty

Parry: There's an element of confidence there, to be proud of what you do as a leader in any of those environments. It's a very complex business model, running a university. With all that complexity of stakeholders and different revenue and expenditures, it's very multifaceted and I think people undersell themselves.

Marks: Given the size of the education sector in Australia, how can Australian business and academia impact the leadership and business skills that we export around the world?

Ferrier: The most obvious avenue for that is Asia, which I think is still a very underestimated and misunderstood opportunity for us. That corridor is just massive for us, and as a country we have not really grappled with it. I see my colleagues that are in KPMG across the Asian network, and they are incredibly thirsty for anything that we can do to help them accelerate. Things like their leadership capability – they pull out of our firm and just take it, run with it, and they are highly oriented around learning from others.

So, that's a massive opportunity that has really not been fully understood and capitalized on as a country. Now, I know there are all sorts of barriers to that, cultural and otherwise, but there's the international student opportunity that's coming into the country, and that train that's coming in is not going to stop. Particularly with geopolitical risk around the world at the moment, Australia is more of a safe haven for education than we were even two or three years ago.

Docherty: Australia's place in the region and the soft power that that's given us has been incredibly influential for us over the last 50 years. I'm really excited by all the young international students who are studying with us and going back home in the region. 85% of our international students come from the region, with a large proportion from China. Many of them will rise to positions of great influence within the corporate sector. So, I think we'll see another wave come – not necessarily of political influence, but of commercial weight that has got to be good for Australia. I guess the question is how do we capitalize on that? One way has been to encourage young Australians to go out and make their own connections in the region through the New Colombo Plan.



L-R: Alun Parry, Joanne Gray, Susan Docherty

Ferrier: I do think there's a capability inside the Australian context around mobility that is different to many countries around the world. We create individuals who want to see the world and can do it a different way.

Docherty: One of the areas that really is taking off at UNSW and other universities is Indian and Chinese corporates coming and looking for interns, Australian interns. And excitingly, we're starting to see Australians take that step. So, the Torch Precinct that we're looking to build on UNSW's campus, which will be the first one outside of China, will connect our students into the 55,000 Chinese companies that are situated in the Torch Precincts across China, many of which are excited about taking young Australian students into their community.

Marks: Taking the discussion in a slightly different direction – depending on your view, Australia is not seen as an entrepreneurial friendly market. Is this an issue that business and education can solve, or is it a wider societal issue? This comes back to part of the innovation debate too.



L-R: Joanne Gray, Susan Docherty, Allan Marks, Trina Gordon, Susan Ferrier

Ferrier: I feel like the winds of change are really taking us in a different direction on this. At least we had a dialogue, and maybe it hasn't gone far enough, with the Prime Minister saying that it's important. We've just got these amazing role models that I think are coming forward – you know, the Atlassian story is the Australian Apple story. You've got kids growing up now knowing about that story. Rather than talking about Steve Jobs, they're talking about those two men.

Docherty: I agree, we've got amazing entrepreneurs in Australia. We perhaps don't celebrate our successes – we are quite modest. We lead the world in solar, we lead the world in quantum computing, we're not short of people here who have got amazing ideas and capabilities. We don't often bring those people together in the same space, and I think Sydney does have an opportunity to think about this, whether it's creating a quantum harbor or silicon harbor to rival Silicon Valley.

It's a matter of actually getting behind some of our intellectual property, our cutting edge technology, and investing in that for the future, not just as academia but with business and government coming behind these ideas too.

Ferrier: I think making choices – that's missing. I don't think there's been a strategic choice: These are the five things that we're going to be world leaders at – for example ag tech, quantum computing, etc. I think there has to be much more of business coming together with academia and government to decide that.

Docherty: I'm feeling optimistic, because a recent example at UNSW is Michelle Simmons' quantum technology. The government has come in, the state government's being supportive, and we've had Commbank support. So, we're seeing that coalition coming together to try and build the first stable commercial quantum computer on the planet. I think we have the appetite, but I think it could be scaled up and it could be much more strategic.

About Boyden

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