

RSM Outlook

SUMMER 2008

Rotterdam School of Management, Erasmus University



Interview with
CEO Sanoma Magazines
Eija Ailasmaa

Shareholder activism:
Force of good or evil?

Entrepreneurship: The Leap of Faith





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Letter from the Dean

In March of this year, not long after I assumed the position of dean of Rotterdam School of Management, Erasmus University, I travelled to New York to speak with our New York-based alumni. My mission was to share with our school's most important ambassadors my plans and vision. Yet by the end of the trip, the impact they had on me was possibly far greater than that which I had on them.

Worldly, open-minded global thinkers, these individuals succeeded in making a very strong impression on me. My career has spanned business schools including Harvard and Cambridge. Yet I felt immensely proud to be the dean of a school with such a legacy of international high achievers. Possibly, this can be attributed to the fact that RSM was amongst the first schools in Europe to internationalise, and today remains second to none in the extent of its student diversity. Whatever the reason, it seems there really is something to be said for the unique RSM mindset.



'This magazine is an important tool for us, not least because it engages you, our alumni and corporate partners, in our activities as a school.'

It is now six months since I was inaugurated as dean of RSM, and I continue to be enormously proud of the school as well as greatly stimulated by its challenges. RSM is now ranked amongst the top ten schools in Europe. But it is my conviction that we can do better. Within a four year time frame, I intend to take the school into the top tier of schools in Europe and the global Top 20. In order to this, I will be drawing extensively on the help of not only our invaluable RSM staff and faculty, but you – our outstanding community of alumni and corporate partners. ▶

Letter from the Dean (continued)

As part of my plans to position the school closer to business, we will be focusing more intensively on our executive education portfolio and the development of an expansive range of open programmes for professionals. We intend to strengthen the impact of our research, which, while venerated within the international academic community, can be better translated to influence companies and their performance.

I intend to further expand and develop our full-time MBA programme, and to raise our profile internationally. RSM has all the assets to excel in the international arena. We surpass our European competitors in research. We have a strong educational philosophy that combines the highest quality academic theory with extensive practical application. The Netherlands is an open, internationally-oriented country in which international companies form a significant part of the economy. And we have an outstanding profile in regards to sustainability and corporate social responsibility research and education that gives us a strong point of difference over our global competitors, particularly in the U.S. In other words, we have an inherent competitive edge internationally, and one that I intend to advocate widely.

One recent change in view of this has been the adaptation of our official school name from RSM Erasmus University to Rotterdam School of Management, Erasmus University.

The advantages of this expanded name are that it now captures our European location, our core activity, and the outstanding university with which we are affiliated. Your help in solidifying this name is greatly appreciated by us.

This magazine itself is an important tool for our school, not least because it engages you, our alumni and corporate partners, in our activities. We also hope to remind you via this publication that, through RSM, you can gain access to many invaluable resources: networking opportunities, lifelong learning, diverse talent, knowledge and applied research. And of course, your participation in the education and career development of our students is today more important than ever in helping to build RSM into a premier-league business school.

In short, I repeat my pleasure at being the new dean of this outstanding institution. I am eager to continue our movement forward, and would like to thank each and every one of you for your contribution to our success thus far.



George Yip
Dean Rotterdam School of Management
Erasmus University

Introducing George

George Yip was born in Saigon, Vietnam, and grew up in Burma and England before living for many years in the U.S. He took his MBA at Harvard and has worked at numerous business schools including Harvard, UCLA and Cambridge, as well as working as author, consultant, and manager. Most recently he was a professor of strategic

and international management at the London Business School, a position from which he took extended leave in order to be vice president and director of research and innovation at Capgemini Consulting, a consulting, technology and outsourcing services company in London.

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For more information on our programmes please contact Monique Collignon: +31 10 408 1066 or mcollignon@rsm.nl, or visit our website at www.rsm.nl/executiveeducation.

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RSM OUTLOOK

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The classroom may be the ideal incubator for certain business start-ups, according to our entrepreneurship experts.



Earlier this year, Eija Ailasmaa was voted Finland's most influential female business leader for the second-year running by Finnish business weekly *Talouselämä*. President and CEO of Sanoma Magazines and advisory board member for RSM, Ailasmaa has overseen Sanoma Magazines expansion into 13 countries, propelling it to fourth largest magazine publisher in Europe, with market leading positions in Belgium, the Czech Republic, Finland, Hungary, the Netherlands and Russia. Ailasmaa spoke to *RSM Outlook* about the challenge to magazines from new media and her role in the expansion of Sanoma Magazines. **Text:** Rebecca Morris.

Q&A WITH EIJA AILASMAA

Prior to becoming CEO in 2003, you played an important role in the creation and expansion of Sanoma Magazines. What did this involve?

In 1999, the company I had always worked for [Helsinki Media, of which Ailasmaa took over as CEO in 2000] merged with the book publisher WSOY and newspaper publisher Sanoma Corporation. Through this merger SanomaWSOY became so big in Finland that it became necessary to explore growth opportunities abroad, especially in emerging markets. I was, for my part, in charge of building and executing this growth strategy. We then got the opportunity to buy Consumer Information Group, the consumer magazine business of Dutch publishing house VNU. This step doubled our group's revenues in one move. We became a European magazine player which, in turn, required a strong focus on successful integration: getting different multinational divisions to operate as one unit. This is often where you succeed or fail.

Does successful integration require the establishment of a strong common corporate culture?

Media by nature is a very local business. Our basic approach is decentralised, because we need to be as close to the consumer in each market as possible. But you also have to look at the common issues that each country shares and that enable us to belong to the same family. We have selective issues on which we collaborate and I'm very clear on those issues. These issues add value to our business and are where we strive for common goals.

The markets within which Sanoma Magazines operates are each at different stages of development in terms of new media. How do you reflect this in your growth strategy?

It's just a question of when we take the opportunities. With broadband penetration, the markets may be different now but it is just a question of later rather than sooner. When a country is young in terms of digital development it can also provide better opportunities. If you step in early it is easier to secure your position than when you are breaking into a mature market.

The media industry is undergoing a transformation in Europe. What do you see as being the biggest changes for the future?

One of the key things influencing the media is the digital

revolution. TV channels are now distributed digitally with much more supply, creating continuous fragmentation and an entirely new environment. Then there is the internet. With Web 2.0, the internet has become much more interactive – YouTube and Facebook are good examples. This is influencing consumer behaviour. Everyone can now be part of this communication, which is changing how the media operates. But it will be more evolution than revolution. And the impact on books and magazines will be much less than on other mediums.

Why is that? There has been a lot reported about the supposed challenge presented by the internet to the newspaper and magazine industry.

Magazines have a special role in terms of expectations. They are about sitting back, taking a moment, enjoying visuals. Consumer expectations when it comes to magazines are not easily influenced by the internet.

Will Sanoma Magazines be driven more in the future by its online publications than its print?

For us they are equally important. Online growth has, in the past years, been bigger, but this growth is already flattening. We intend to continue developing both and serving both needs. For the moments that people want to sit back and relax, we will continue providing quality printed magazines. For moments when these same consumers have the need for daily fast information, communication and interactivity, we also want to meet their needs. We intend to travel both tracks. We don't plan to serve the same content on both mediums, but develop the businesses side by side.

How does a single brand such as *Marie Claire* address the needs and concerns of women in countries as diverse as Belgium and Kazakhstan?

Women have surprisingly similar needs all over the globe. Even in Siberia, looking at our titles, only the language changes. In fact, you might see that the more east you go, the glossier the brands represented. So the differences might be the opposite of what you expect. Values, however, are a little different and you have to know what the limits are. In some countries like Croatia or Serbia, for instance, they like to see their celebrities glossy and elegant like royalty – as opposed to in the UK where they enjoy seeing them acting like you or I. ▶

Q&A WITH EIJA AILASMAA (CONTINUED)

But the needs pillars are surprisingly similar. So the brand values for each title remain consistent across markets, while the addition of local content and fine-tuning ensure that the culture and values are reflected in the content.

Russia and other nearby states are major growth engines for Sanoma Magazines. Why is Russia such an important market for Sanoma Magazines?

Media grows alongside the overall economic growth of a country. Russia has been one of the world's strongest growth markets for the past few years. By 2025, Russia will be the biggest consumer country in Europe. This brings the need for media to promote and market things, and to entertain. We are the leading magazine publisher in the women's and men's lifestyle segments and intend to leverage that position into the future.

Finland has a reputation abroad for producing strong female leaders. Why is this?

It relates to the values of the country. We are a small country with few natural resources, and have a history defined by unfavourable political situations and many wars and occupa-

tions. Women have been needed to work and help carry the burden as much as men. Men and women have thus been equal in political life for a very long time – we were the second country on earth to give the voting right to women, and the legislation has been in place that has entitled women to half of all positions in the public sphere. But there is still a disparity between men and women in business life.

You invest considerably in executive education programmes. What is the value of executive education for Sanoma Magazines?

By definition media is a people business, so people are our key assets and our constant focus. It's not only about investing in management but young talent and different specialists. It speeds up learning (media requires a lot of new learning) and provides a platform for networking. It is important that all our employees feel they belong to an international community and to the Sanoma Magazine family. ■

Eija Ailasmaa is member of the RSM Advisory Board and contributes to the school's overall strategic agenda.

NEWS FROM RSM

UPDATE

FT META RANKING RSM IN EUROPE'S TOP BUSINESS SCHOOLS

In the FT meta ranking of European business schools for 2007 RSM was again ranked in Europe's Top Ten, this time in 8th place (up one position from 2006). Criteria from each of the programme rankings were used: 20 criteria from the MBA ranking, 17 from the Executive Education ranking, 16 from the European Masters in Management ranking, and 16 from the EMBA ranking.

BEYOND GREY PINSTRIPES – RSM LEADING ON SOCIAL AND ENVIRONMENTAL ISSUES

According to the Aspen Institute's 2007-2008 'Beyond Grey Pinstripes' biennial survey of business schools, RSM has demonstrated significant leadership in integrating social and environmental issues into its MBA programme. The school was ranked 15th on a list of the Global Top 100 Schools and 3rd on a list of non-US schools.

RSM BECOMES FIRST CFA PROGRAM PARTNER IN BENELUX



RSM has become the first institution in the Benelux to partner with the CFA Institute, the global association for

investment professionals. Beginning in September 2008, RSM will launch a Chartered Financial Analyst® (CFA Program®) track within its MScBA Finance and Investments programme, and MScBA Accounting and Control programme. These programmes will contain at least 70% of the CFA Program's body of knowledge within their curricula. As CFA Institute Program Partner, RSM can provide students the official first level of the CFA Program®, placing them in an advantageous position to enter a career in the investment industry.

STAFF & FACULTY

PROFESSOR DIRK BROUNEN TO HOLD PWC-SPONSORED PROPERTY CHAIR

Property economist Professor Dirk Brounen has been appointed as the holder of the newly-established PricewaterhouseCoopers property chair at RSM. RSM and PwC will devote joint attention over the coming years to surveys on themes such as the impact on return of tax structures, the risk of property investments and the growing importance of health care property. "RSM and PwC intend to gain valuable new insights within today's property market where it concerns successful and sustainable entrepreneurship," says Professor Brounen.



Through the initiative, PwC is emphasising its devotion to innovation within the world of property. Explains Eric Hartkamp, Head of PwC's Real Estate Sector: "The property sector is in a state of flux. Knowledge of the latest developments is key for the continued ability to assess property issues from a variety of angles. Our partnership with Professor Brounen and his team will enable us to vet our extensive practical experience against theoretical research."

INSCOPE

LAUNCH OF INSCOPE INSTITUTE MEANS MORE TOP-LEVEL RESEARCH INTO SOCIAL INNOVATION

The highly-anticipated INSCOPE institute was launched during the Research for Innovation Congress at Erasmus University on June 3rd, 2008. INSCOPE – an acronym for Social Innovation for Competitiveness, Organisational Performance, and Human Excellence – is a joint venture of Erasmus University, the University of Amsterdam, Maastricht University and the Netherlands Organisation for Applied Scientific Research (TNO), and will be dedicated to the study of social innovation and its effect on competitiveness, organisational performance, and human excellence.

Research has shown that social innovation explains around 50-75% of the variance in innovation performance of Dutch firms. For Europe, and in particular countries like the Netherlands, more active stimulation of social innovation will be crucial to sustaining long-term competitiveness. The institute will conduct national and international research into how Dutch companies and organisations can strengthen their capacity for innovation.

For more information visit:

WEB www.irim.nl/inscope.

EVENTS

EAA ANNUAL CONGRESS HELD AT EUR

Over 1000 international academics, accounting and auditing professionals convened at Erasmus University Rotterdam between April 23rd and 25th for the 31st Annual Congress of the European Accounting Association (EAA). Jointly organised by RSM's department of Accounting & Control and the Erasmus School of Economics, the EAA Annual Congress is one of the largest accounting congresses in the world, with visitors coming from as far as the U.S. and Australia. During the event, 11 symposia were held on current affairs and developments, and approximately 620 papers presented.

**SPORT IS BUSINESS CONFERENCE**

Another high-profile annual conference was held by STAR, the Study Association of RSM, on May 14th. Guest speakers at 'Sport is Business' included David Eades, anchorman at BBC World; Nils Vinberg, CEO of the Bjorn Borg company; Peer Swinkels, co-owner and director of marketing for Bavaria; Henning Stiegenroth, senior vice president of sports marketing at Deutsche Telekom; Frank Arnesen, technical director at Chelsea Football Club; and Winy Maas, architect of Olympic Cities.

VALEDICTORY SYMPOSIUM FOR PROFESSOR KEES KOEDIJK

Renowned German scientist Professor Michael Braungart was the highlight of a widely-attended valedictory symposium for Professor Kees Koedijk at RSM on April 4th. Professor Kees Koedijk was a professor at RSM for nine years and director of the school's Finance Department which, under his leadership, became one of the school's largest and most prolific. Koedijk has been a key figure in the development of the high-profile Global CFO Business Outlook Survey, and his research is widely respected within the academic community.

During the event, over 200 people listened attentively to Braungart's explanation of the cradle-to-cradle concept he developed in cooperation with William McDonough. Braungart, who has been a professor of Process Engineering at Universität Lüneburg (Germany) since 1994, advocates 'upcycling' not recycling so that humans can have a positive ecological footprint by redesigning systems that support life.

The symposium was chaired by Professor Cees Veerman, Tilburg and Wageningen University, and included guest



lectures by Professor Luc Van Wassenhove, director INSEAD Social Innovation Centre, Assistant Professor Jeroen Derwall, Maastricht University, and Professor Jo van Nunen, RSM.

HR BUSINESS NETWORKING EVENT

The challenges of managing an international workforce were the subject of an interactive HR Business Networking Event on March 4th at RSM. Jointly organised by RSM and the The Dutch Association for Personnel Management & Organisation Development (NVP), the event attracted high-profile HR professionals interested in discussing topical HR issues and networking with professional peers. Guest Speakers included Soili Johansson, HR manager at the European Patent Office.

For information on upcoming HR events at RSM, visit **WEB** www.rsm.nl/executiveeducation.

IN THE NEWS

FOUR STRATEGIES FOR OFFSHORE 'CAPTIVE' CENTERS – WJS

Four main strategies are pursued by multinationals when it comes to establishing captive centres in India, Ilan Oshri wrote for the *The Wall Street Journal* on May 12th. Captive centres are overseas subsidiaries set up by global corporations to serve the parent company. A large number were set up in the 1990's

as a way of farming out customer service support. Ilan Oshri, who is an associate professor of strategic management at RSM, co-wrote the article alongside fellow researcher Julia Kotlarsky, associate professor of information systems at Warwick Business School, and Chun-Ming Liew, an RSM master's student. The article was based on research that examined strategies exercised from 2000 to 2006 by Fortune Global 150 firms.

DEAN GEORGE YIP ON THE PUBLICITY TRAIL

Since his appointment as dean of RSM, George Yip has generated considerable media coverage for RSM. Interviews with Professor Yip on his vision and ambitions for the school have appeared in, amongst others, *the Financial Times* (May 12th), *The Independent* (April 17th), *FEM Business* (March 7th), *The Times Online* (February 28th and May 14th) and *Business Week Online*. In his interview for *The Times Online* he says, "My main role is to connect the school better to the business world and to raise our international profile."

OBITUARY



FORMER DEAN OF RSM PROF. DR. P.H.A.M. VERHAEGEN PASSES AWAY

It was with deep sorrow that RSM announced the passing of Former Dean Professor Paul Verhaegen on May 4th. Professor Verhaegen served as dean of RSM from 1997 to 2002 and remained a professor at the school until October 2006.

Late last year Professor Verhaegen was the recipient of one of the Netherlands' highest honours, becoming 'Officier in de Orde van Oranje Nassau' in recognition of his many contributions to science and society as a whole. Paul had an inspiring and dynamic personality. He provided strong leadership to RSM during a critical period, developing a clear vision and course of action for the school and then pursuing it with great vigour. Under his stewardship, the Erasmus Research Institute of Management (ERIM) and International Business Administration programme took shape, amongst other initiatives. During his time as dean he also served as chairman of the Community of European Management Schools (CEMS) and carried out a great deal of work within the European Foundation of Management Development (EFMD). With these and other activities, Paul helped to lay the foundation for RSM's present-day position and reputation as a top-ranked international business school.

GUEST SPEAKERS

““ We will never have peace for as long as we are spending 100 times as much on arms as we are on poverty reduction. There can be no peace while there is extreme poverty.””

Renowned American economist, global economic advisor, and former spokesman for the UN Millennium Project, *Professor Jeffrey Sachs*, to around 700 students at RSM.

““ Have the guts to go! Do it, take the risk if you believe in the cause.””

Dr. Hans Jöhr, Corporate Head of Agriculture, Nestlé, speaking to MBA students and alumni at RSM.

““ The company was built on challenging the status quo, on being anti-establishment. Today, we are the establishment. Our company philosophy is to reinvest in communities. If you look after the community, it will look after you.””

Gareth Ackerman, Chair of Pick 'n Pay Holdings Ltd, South Africa's most successful chain of grocery stores, to MBA, EMBA and OneMBA classes.

““ Come up with innovative ideas and you will gain free publicity.””

Peer Swinkels, Co-Owner and Chairman of Dutch brewery, Bavaria, at the 'Sport is Business' STAR Conference.



MICROSOFT'S COO KEVIN TURNER: "RESEARCH COLLABORATION WITH UNIVERSITIES IS A KEY PART OF HOW WE PLAN TO ACHIEVE OUR VISION."

It's not enough that one billion people around the world use Microsoft software everyday, according to Microsoft COO Kevin Turner: "The salesman in me says: 'there are six billion people in the world. How do we get the other five?'"

Turner shared his insights with around 500 students, staff, faculty and alumni at RSM, including his thoughts on the company's recent research partnership with the school and its role in supporting the company's new vision: the 'New World of Work' (NWOW). The IT mogul, along with Bill Gates, Steve Ballmer and five other senior executives, sets the overall strategy and direction for Microsoft.

Turner spoke of what he sees as four megatrends in the IT industry today: sustainability, distributed workforce, emerging markets, and a new generation of workers who have grown up with interactive communication tools such as social networking software (Microsoft recently bought a \$240 million slice of Facebook, a social networking tool now valued at \$15 billion).

To manage in this new milieu, contemporary leadership styles are needed, he said. Hard work is an essential part of leadership, he said, as was integrity, and shifting from "me" thinking to "we": "When you change from thinking about your own work and how you will implement it, to how you will get your work done through other people – that's an essential part of becoming a leader."

Turner also spoke of the actions and attitudes that have helped him reach the helm of the world's largest software

company: "I don't believe leaders are born," he said. "Great leaders are people who get up everyday and strive to improve themselves. Individual commitment to self-improvement is an important part of leadership – education does not end with college."

NWOW, the new vision of Microsoft (once famously to have a microcomputer on every desk in every home), provides a framework for understanding how new forces will impact organisations. Part of this is the development of technology that will free knowledge workers from their office workspace and fixed working hours.

Microsoft has partnered with RSM in a long-term research project that focuses on dimensions of NWOW including mobility, technology, and changes to the physical workplace.

Led by Eric van Heck, professor of information management and markets at RSM, the research project is being conducted in cooperation with De Unie, Rabobank, and Microsoft and will investigate how the dimensions of work impact innovation, flexibility, employee satisfaction, and productivity.

Turner thanked RSM for its strong research partnership with Microsoft. "Research collaboration with universities is a key part of how we plan to achieve our vision," he said.

*The NWOW research will be conducted by the Smart Business Network Initiative, a centre of expertise at RSM that aims to bring together academics and practitioners to learn collectively about business networks and thus change the way we look at business. For more information visit **WEB** www.sbnweb.org.*

AWARDS

PROFESSOR JO VAN NUNEN OF RSM RECEIVES IBM FACULTY AWARD

Jo van Nunen, professor of logistics and information systems and chairman of the Department of Decision and Information Sciences at RSM, received the IBM

Faculty Award. IBM acclaimed the outstanding work of Professor Van Nunen in the field of Services Sciences and Integrated Supply Chain Management.



RSM TEAM EXCELS IN VENTURE CAPITAL COMPETITION

Full-time MBA students from RSM recently won an Entrepreneur's Choice award at the regional finals of the global Venture Capital Investment Competition (VCIC) in London. The students competed against seven other top-ranked business schools in Europe including IESE, HEC, INSEAD and SDA Bocconi. Student teams acted as a venture capital firm and were required to perform the entire Venture Capital investment process in a condensed time period.

RSM STUDENTS WIN PEAK TIME 2008

A team of undergraduate students from RSM beat 20 finalists including teams from the Manchester Business School, the Warsaw School of Economics, and Wharton to take the coveted Peak Time 2008 first prize. The four-day event took place in Riga, Latvia on April 30th and is the biggest international business student competition in Eastern Europe, attracting participants from all over the world. Participants are required to compete in online business simulations to solve real business problems.

INNOVATION "OSCAR" AWARDED TO DUTCH RAILWAYS

Researchers from RSM have been acclaimed for their role in helping the Netherlands Railways (NS) secure the highly prestigious Edelman Award. The award, conferred in Baltimore, the U.S., was presented to the NS for the cost-saving timetable it introduced in 2006. Three researchers from Erasmus University and RSM participated in the project. *Read more on page 30.*

RSM AND EBS TEAM WINS 3RD PRIZE IN THE WHU CASE CHALLENGE

A joint team of graduates from RSM and the European Business School (EBS) won third prize in the eleventh international case study competition "WHU Case Challenge". The prestigious WHU Case Challenge is organised for students from top European business schools and supported by leading companies such as McKinsey & Company, Goldman Sachs, Deloitte, ThyssenKrupp, and Henkel.

RSM WINS SPIRIT AWARD AT MBA TOURNAMENT

RSM MBA students received the Spirit Award at the 2008 MBA Tournament (MBAT), hosted by HEC in France in May. The award is attributed to the school perceived to best embody the core values of MBAT (cooperation, fairplay, friendship and social responsibility). The event was attended by more than fifteen hundred participants from fifteen different business schools representing over seventy nationalities.

SPOTLIGHT ON

EXECUTIVE MBA CLASS OF 2009

Number of students:	80
Number of females:	20
% international students:	38 %
Number nationalities	23
Average age:	33
Average years of professional experience:	9

ACADEMIC BACKGROUND

Business & Economics:	30%
Engineering:	39%
Humanities:	6%
Law:	8%
Medicine & Sciences:	16%
Other:	1%

GEOGRAPHIC DISTRIBUTION:

Netherlands:	63%
Western Europe (outside Netherlands):	19%
Eastern Europe:	8%
North & South Asia:	6%
Latin America:	2%
North America:	1%
Australia and Oceania:	1%

WEB www.rsm.nl/emba

CURRENT PHD STUDENTS

Number of students:	100
Number of females:	32
International students:	53%
Nationalities:	25

Countries of origin:

<i>Argentina</i>	2	<i>Portugal</i>	2
<i>Belgium</i>	2	<i>Romania</i>	1
<i>Brazil</i>	1	<i>Russia</i>	3
<i>Bulgaria</i>	1	<i>Spain</i>	1
<i>China</i>	12	<i>Turkey</i>	5
<i>Croatia</i>	1	<i>U.S.</i>	3
<i>Denmark</i>	1		
<i>Finland</i>	1		
<i>Germany</i>	6		
<i>Greece</i>	1		
<i>India</i>	2		
<i>Indonesia</i>	2		
<i>Iran</i>	1		
<i>Malta</i>	1		
<i>Mexico</i>	1		
<i>Netherlands</i>	47		
<i>Pakistan</i>	1		
<i>Peru</i>	1		
<i>Poland</i>	1		



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A CALCULATED SUCCESS



A redesigned timetable contributed to a profit increase for Netherlands Railways of 40 million euros in 2007. RSM faculty member and NS logistics consultant Leo Kroon discusses the role he and his colleagues played in developing the new system, for which NS recently received the highest accolade in global operations research. **Text:** Ben Schiller

Better solutions through research

RSM has been working with NS for over 15 years and is currently involved in a number of European railway projects. While railway timetabling is a niche application of Operations Research models, such models can be applied in any planning and control environment, often leading to better solutions and shorter throughput times.

For more information, contact Leo Kroon at lkroon@rsm.nl.

Professor Leo Kroon describes the task of re-designing the Dutch railway timetable as “rather complex”. That’s surely an understatement. The project – undertaken in 2002 by the board of Netherlands Railways, the biggest Dutch passenger railway operator, and ProRail, the publicly-owned railway infrastructure organisation – required creating a system that detailed the precise movements of 5,500 daily train services, thousands of pieces of rolling stock, and all the personnel needed to run the railway network. Just like a Rubik’s Cube, moving any piece of the puzzle would have knock-on effects, requiring the problem to be tackled as a whole, not in its components. Complex indeed.

Developed in 1970, the former Netherlands Railways system was, by 2002, groaning under a passenger volume that had roughly doubled in 30 years. Netherlands

Railways opted for a full redesign – a new timetable less susceptible to delays, that would make better use of rolling stock and staff, and that would provide capacity for future development.

“The old timetable had been in use for quite a number of years,” says Kroon, a Professor of Quantitative Logistics at RSM and logistics consultant within the Logistics Department of Netherlands Railways. “In the end it was better to do a complete redesign than add even more trains to the system.”

The new timetable was developed by a design team that included timetabling experts from Netherlands Railways, ProRail, and the freight operators. During its development, the team relied heavily on a number of quantitative models and algorithms developed by a cross-institutional team of academics from RSM, Erasmus University, CWI, and Double Click.

These models captured the variables of the train system, as well as the relationships between them. Such mathematical methods are known collectively as Operational Research (OR) – a form of applied mathematics that uses algorithms and models to reach decisions that can optimise the “maxima” (for example, profit) or the “minima” (e.g. cost), and that can make a trade-off between these objectives.

The application of the models allowed the team to come up with 10 different timetables, each with a different balance of cost and service. ProRail and the board of Netherlands Railways could then choose a version that best suited their objectives.

The new timetable was introduced in December 2006 – not without teething problems. Despite the mathematical beauty of the new timetable, some journeys were longer, requiring additional modifications to be made. And new train lines due to be completed in December 2006 were delayed by four months, creating the need for a temporary timetable.

By 2007 however, the project was deemed a success by all measures. Figures confirm that passenger demand has increased by 15 percent on some lines. Passenger satisfaction, measured in regular surveys, has risen. More trains arrive on time. And Netherlands Railways makes better use of its resources. Profits rose by 40 million euros in 2007, with more profit growth expected down the line.

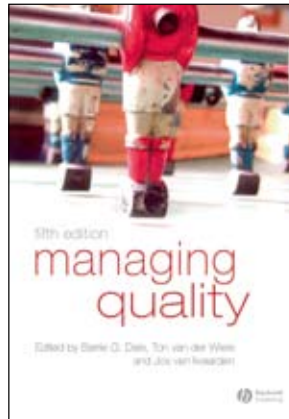
Just how successful the project has been was proven in May 2008, when Netherlands Railways was awarded the highest possible honour in operations research – the 2008 Franz Edelman Award. The global award is presented annually by the Institute for Operations Research and the Management Sciences (INFORMS) to the organisation that has most effectively integrated analytics into organisational decision-making.

Says Professor Kroon: “The cost reductions came primarily from more efficient rolling stock circulation and crew scheduling. Until recently, these were created completely manually and the whole process was based on the craftsmanship of the planners. Now, these models mean that we can create rolling stock circulations and crew schedules based on computer models.”

Professor Kroon and his colleagues are now working on new challenges in relation to European railway projects. Among them is a new system allowing managers to make better decisions in the event of network disturbances, such as broken-down trains or failing infrastructure.

Says Professor Kroon: “What one wants to know as quickly as possible is: ‘what are the most appropriate measures to take in order to uphold as much of the service as possible?’ Model-based decision support is badly needed, but currently non-existent. That’s our next challenge.” ■

BOOK RELEASES



MANAGING QUALITY, FIFTH EDITION

(Blackwell Publishing)
Barrie Dale (University of Manchester), Ton van der Wiele (RSM) and Jos van Iwaarden (RSM)

Managing Quality, Fifth Edition is an essential resource for both students and practitioners. This popular and highly successful introduction to Quality Management has been fully revised and updated to reflect recent developments in the field, including new chapters on Improvement Approaches, Six Sigma, and new challenges in Quality Management.

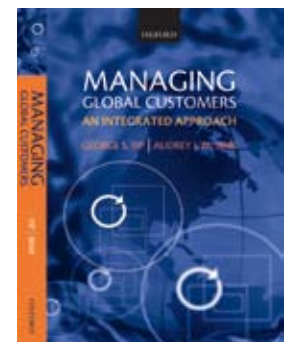
Barrie G. Dale is a Professor of Quality Management at Manchester Business School. Ton van der Wiele is Associate Professor of Quality Management and Performance Improvement at RSM. Jos van Iwaarden is Assistant Professor of Quality Management and Performance Improvement at RSM.

MANAGING GLOBAL CUSTOMERS: AN INTEGRATED APPROACH (Oxford University Press, USA)

George S. Yip, Audrey J.M. Bink

The book provides a framework for companies to manage their relationships with global customers to their full potential. George Yip and Audrey Bink present key lessons for practitioners from their research and experience in multinational company operation and strategy, including in-depth research at over 20 major U.S. and European multinational companies including BP, Bosch, Daimler-Chrysler, Hewlett-Packard, HSBC, IBM, Schlumberger, Shell, Siemens, Tesco, Unilever, Vodafone, Wal-Mart, and Xerox.

George S. Yip is a Professor of Global Strategy and Management and Dean of RSM. Audrey J.M. Bink is the head of marketing communications at Uxbridge College in London



WALKING OUR TALK: THE FIRST STEPS

Rotterdam School of Management, Erasmus University, has a reputation as a business school that highlights issues of sustainability and corporate social responsibility in its business courses. **Text:** Lesa Sawahata

RSM is, for example, highly rated in ‘Beyond Grey Pinstripes’, a biannual survey conducted by the Aspen Institute to spotlight what they call innovative ‘MBA programmes and faculty that lead the way in integrating issues of social and environmental stewardship into business school curricula and research’. RSM ranked third in Europe, and 15 out of 100 international schools in the 2007/2008 report.

The research produced by RSM and ERIM on topics ranging from closed loop supply chain to corporate social responsibility (CSR) and climate change is impressive. But several years ago, spurred by the broad availability of information on climate change and the success of Al Gore’s seminal film “An Inconvenient Truth,” a question arose amongst ecologically-minded faculty members: was RSM doing a good job of integrating its research (into such issues as climate change and carbon neutrality) into the day-to-day operations of the school? Was RSM running the risk of not ‘walking its talk’? Frank Wijen, Assistant Professor, Strategic Management Department and Chair of the Faculty Council, says, “It’s worse to embrace these principles and do nothing about them than to say ‘I don’t care.’”

The seeds of Greening the Campus were germinating.

Greening the Campus is an Erasmus-wide initiative in place since January 2008. It engages numerous members of staff, faculty and researchers drawn from RSM, ERIM and Erasmus University, as well as external organisations. The initiative is classically ‘grassroots’ in its growth: Greening the Campus (which addresses the operational greening of the entirety of Erasmus University) was predated by Greening RSM (begun by the business faculties). And Greening RSM started with a few passionate people who formed the Green Team of the Business-Society and Management Department (B-SM).

THE BEGINNING: PEOPLE, PASSION AND PILOTS

The ‘green genes’ of Greening RSM/ Greening the Campus can be traced back to three sources: Associate Professor Gail Whiteman of the B-SM Department; Ingrid de Vries, Assistant Professor in the Finance Department; and PhD candidate Romy Kraemer, who is supervised in her research by Whiteman.

De Vries (who now holds the key position of Coordinator for Greening the Campus) and Whiteman are both

on the Advisory Board for ENVIU, an NGO that seeks innovative solutions for sustainability. After a board meeting De Vries remembers approaching Whiteman and asking “Shouldn’t we do something about the ecological footprint of the University?” Whiteman was already so concerned about climate change that she’d included it as a critical theme in her B-SM classes. The first tipping point in on-campus greening may have arrived along with Romy Kraemer, who began her doctoral research in the B-SM department in October 2006. Within a month, Kraemer discovered there was a “Greening RSM initiative that was moving slowly towards action, and I wanted to join – and became the chair of the Green Team of our B-SM faculty for nearly a year.”

The B-SM Green Team was a good testing ground for pilot projects that it was hoped would become central to Greening RSM. “We tried to get small steps going within RSM and our department – like everyone using mugs instead of plastic cups,” says Kraemer. Not everything worked perfectly with the pilots: especially irksome was the pilot with recycled paper, which tended to jam in older printers. “I had people chasing me down the hallways, screaming at me because they couldn’t print.”



Greening was gaining momentum, sufficient for “Ingrid and Gail to start getting a campus-wide initiative approved by the Dean” says Kraemer.

DAY OF ‘TRUTH’

Since early 2007 RSM’s dean have been supportive of a Greening RSM initiative. It makes sense. “There’s a business case for greening,” says Frank Wijen. Assistant Professor of Strategy Management Annelies de Kleijn, who has been an active participant in Greening RSM, researched FT’s Top 20 business schools with an eye to greening. “All business schools are working on this,” she says, adding that research amongst MBA students indicates that “integrating environmental issues into their education is very important for them...there is even one business school with a ‘carbon free MBA.’” So greening is not only an inherently good idea; it’s a way of gaining a competitive advantage over other business schools.

A clear demonstration of the importance of climate change to RSM students came on March 27th 2007 - ‘An Inconvenient Day’. Conceived by student Vincent Kneefel of the B-SM department, the day-long event was introduced by Jan-Willem Oosterwijk,

Kraemer remained undaunted: She’d written her Master’s thesis on resistance to change when new ways of working are introduced. She was therefore pre-

pared for such changes to be less than easy. “You have to be a bit of a diplomat – and it helps to be a psychologist,” she laughs.

While the university’s goal is that Erasmus should be the most sustainable campus in the Netherlands by 2013, RSM’s goal is more rigorous: To become the most sustainable business school in Europe by 2010.

pared for such changes to be less than easy. “You have to be a bit of a diplomat – and it helps to be a psychologist,” she laughs.

Ultimately, the recycled paper issue was resolved (now FSC certified papers

are used throughout RSM). Members of faculty from different departments, including Strategy Management, saw the need for further involvement in the university greening process. The Faculty Council invited De Vries and Kraemer to a meeting and in listening to their vision for the school decided greening was an important component in the quality of education provided by RSM.

Chairman of the Erasmus Executive Board, and included free screenings of Gore’s award-winning “An Inconvenient Truth”. Over 600 students saw the film, many willingly accepting standing-room-only status.

(CONTINUED P.51) ▶



**RSM
ALUMNI
TELL**



WHAT IT TAKES TO BE AN ENTREPRENEUR

Starting your own business is the stuff of capitalist dreams, with multitudes leaving behind the comfort of their salaried positions each year to attempt it. These RSM alumni are lucky enough to be able to call themselves successful entrepreneurs – and to share with our readers the secrets to their success.

Text: Stephen Hoare, Rebecca Morris. **Photography:** Alice Kalis

Few occupations radiate the glamour and seduction of the successful entrepreneur. While the company executive is oft-viewed as the button-down conformist, the entrepreneur is the haloed maverick: the creative, strategic genius who spotted an opportunity and had the energy, guts and brainpower to strike out on their own and turn it into reality.

It's an image frequently maintained and fuelled (conveniently but also sincerely) by the crowd-rousing rhetoric of those who've done it. As infamous Dutch entrepreneur, Jan Baan, puts it: "You need to have that attitude: the attitude that sometimes you will give up your holiday, give up your wealth, give up your

time ... to pursue your life's dream. An entrepreneur is a person for life."

This mythic representation of entrepreneurship is two-part allure and two-part deterrent for those considering taking the leap. We interviewed a group of RSM alumni who have gone on to pursue successful ventures after leaving RSM about the reality of entrepreneurship: what they've achieved, how they achieved it, and what it demanded. With entrepreneurship coming in so many different flavours, from consultants and freelancers to company directors, their stories portray a range of diverse qualities that, in their words, paved the way for their success.



BLOOD & SWEAT

Name: Bas Verhart, MScBA

Age: 36

Company founded: Media Republic

Years as an entrepreneur: Twelve

Snapshot bio: Bas founded Media Republic, an agency that sells advertising in digital new media, in 2002. Founded with four partners and a capitalisation of 200,000 euros, Media Republic turns over 5.5 million euros, employs 44 full-time staff, and has a blue chip client base that includes Heineken, Phillips, KPN Telecom and Tommy Hilfiger.

Why start your own business? Five years ago I saw that new media was going to be a strong growth area. I wanted to develop a company that combined entertainment content with interactive technology.

What did it take to get off the ground? Blood, sweat and tears. Hard work 24/7, plus a couple of lucky breaks such as when we landed our first big client, Heineken.

Has it paid off? For me it's really exciting to build something from scratch. And the company's done really well so far.

Biggest challenge faced? Two years ago I changed the management structure and separated from my founding partners, that was challenging.

Best advice? Get the right people on the bus. Hire the best possible people. And so long as you are confident in your own abilities, you can lead a business.

No. emails answered in a day? Around 200. I try and answer them all even if it's just a one word answer like 'OK'. If you flag them and do nothing you might as well delete them.



VISION

Name: Sukhbir Jasjua, MBI (Class '98)

Age: 34

Company founded: ITpreneurs

Years as an entrepreneur: Seven

Snapshot bio: Sukhbir launched educational e-learning and software portal company ITpreneurs in 2001. He and his partner invested 120,000 euros. The business now turns over 10 million euros, employs 120 people, and has offices in twelve countries.

Why start your own business? Working in a training and development role for a multinational company I realised the model could be improved. I wanted to offer an anytime, anywhere learning experience that used quality interactive e-learning and gaming technology.

What did it take to get off the ground? Vision. But also perseverance; creativity; ownership. We had a good start-

up team with a mix of complementary skills. Despite that, it took us five years to stabilise the business model.

Has it paid off? Every moment. I have the best job I could ever want. The past seven years have been a powerful experience of self-discovery and personal growth.

Biggest challenge faced? Building and influencing company culture. As soon as a company gets too big to be overseen by one person (say, thirty staff) then company values start to play an important role.

Best advice? Avoid knee-jerk reactions in a tough situation: there will be another day tomorrow.

Air miles logged each year? This year I will log more than 150,000 air miles.

How did your RSM degree help you achieve your goals? It was the most influential learning period in my life prior to starting ITpreneurs.



PASSION

Name: Simen Schimmel & Johan van Vulpen, MScBAs (Class '02)

Ages: 33, 32

Company founded: Greetz

Years as entrepreneurs: Six

Snapshot bio: Simen and Johan founded online greetings card company Greetz in 2002 with a bank loan of 100,000 euros. Based in Rotterdam, Greetz now employs 45 staff and has sent over 4.5 million greeting cards in four years. It recently launched in the UK and has plans to expand into France, Germany, the U.S. and Japan.

Why start your own business? An enterprise we started as students at RSM demonstrated that there was a huge demand for personalised messages delivered to people's doors.

What did it take to get it off the ground? It took hard work

and enormous passion. We breathe that passion now, and with us the whole team.

Has it paid off? The business is growing at a rate of 100 per cent a year, so yes. We are really enjoying it and the energy we get from the people around us.

Biggest challenge faced? People, definitely. In a fast growing business you need to keep a balance between managing resources and growing the business. You really need the right people in place.

No. emails answered in a day? 50-70. Only some are all important with attachments that require careful reading.

Air miles logged each year? Masses. This week we are in London, then Armenia, Germany, Holland, Sweden and finally the U.S.

Most inspirational figure? Johan, my business partner. We started this together.

A man with glasses and a beard, wearing a dark suit jacket over a light blue checkered shirt, is sitting outdoors in a forest. He is smiling and looking towards the camera. His hands are clasped in his lap. The background consists of tall trees and green foliage.

EXPERIENCE

Name: Frank van Ormondt, EMBA
(Class '01)

Age: 44

Company founded: Frank van Ormondt
Advice and Education

Years as an entrepreneur: All my life

Snapshot bio: After 20 years as international business manager at Philips, Frank started his own consultancy company in 2006. Frank van Ormondt Advice and Education offers strategic advice and training workshops in developing new products, strategies and business start-ups.

Why start your own business? Enterprise is in my blood – it's my passion. I like to help clients solve complex problems.

What did it take to get it off the ground? My experience and networks. These are the basis of my company and what I bring to customers.

Has it paid off? Definitely. Running my own business has given me freedom. Part of the enjoyment comes from being able to choose my own assignments – those that I find challenging and interesting.

Biggest challenge faced? My biggest challenge lies ahead: how to grow this one-man company.

Best advice? Master the art of doing three things at once, and be good at everything. It is not enough to be good in your own narrow field, you need to be able to manage your company, run your networks of customers and suppliers, and market yourself.

How did your RSM degree help you fulfil your ambitions? My background is in engineering, so my MBA gave me the commercial skills and knowledge I needed.



BELIEF

Name: Maria van der Heijden,
Parttime Opleiding MSc/drs.
Bedrijfskunde (Class '00)

Age: 47

Company founded: Women on Wings

Years as an entrepreneur: Seven

Snapshot bio: Maria launched Women on Wings in September 2007 with 150,000 euros of her own income from a communications and change management business. Her aim is to create a million jobs for women in India and to be entirely self sustaining within a three-year period.

Why start your own business? I was inspired by an exchange programme involving experienced managers and entrepreneurs. I realised that women in the West have all the opportunities in terms of education and I wanted to share my knowledge and give Indian women and their children a better future.

What did it take to get off the ground? It's about believing in something: having a mission and a vision. You also need to be flexible in how you work with partners.

Has it paid off? Women on Wings has created 300 jobs for women in Rajasthan working in crafts. I find it incredibly rewarding.

Biggest challenge faced? Formulating a healthy long-term business model. I am setting up a company alongside Women on Wings as a vehicle for business in the West to create money for volunteers to share knowledge in India.

Best advice? Be flexible in how you achieve your goals.

How did your RSM degree help your ambitions? It inspired me to fulfil my dreams and to take chances.

PERSISTENCE

Name: Nanda Schilperoort, MScBA

Age: 38

Companies founded: NAN Holding, NAN Retail and NAN Label

Years as an entrepreneur: Seven

Snapshot bio: Nanda opened her first fashion outlet for business women in Rotterdam in 2002. NAN Label was launched in January 2007. Now the leading brand for business women, NAN Label distributes to more than 50 retail outlets in Holland.

Why start your own business? When I was working in London I saw there were a lot of stylish choices for business women that weren't available in Holland. I had worked in fashion retail and knew the market.

What did it take to get off the ground? Persistence. You have

to really believe in your idea and persevere to get things moving.

Has it paid off? It has paid dividends in terms of my personal development. Starting a new business is a steep learning curve and develops your knowledge enormously.

Biggest challenge faced? Cash flow management. As a fast-growing company we need to invest in our label, our shops, our magazine, our people and our systems.

No. emails answered in a day? Not too many. I prefer using the phone.

Air miles logged each year? I fly often to Milan and Paris for buying and inspiration. We are expanding our collection into Germany, Belgium and France.

How do you unwind? I spend time with my three children: Maartje, 6, Nicky, 4, and Bob, 2. They take my mind off things.





INSIGHT

Name: Vincent Kouwenhoven, PhD
(Class '91)

Age: 44

Company founded: eVentures Europe

Years as an entrepreneur: Ten

Snapshot bio: Vincent founded venture capital fund eVentures in 2000, just before the dotcom bubble burst. Vincent's business survived the crash and he has since been involved in ten internet-based start-ups, four of which have been exited already.

Why start your own business? I was inspired by the rapid development of the technology, business models and new ways of working connected to the internet.

What did it take to get off the ground? When I was working for telecoms firm KPN as strategy manager, I could see the technological opportunities of the web. Later, being director of Nolan, Norton & Co. (KPMG's strategy boutique), I realised the vast business opportunities in internet-based business. This combination of technological and business insight proved invaluable in starting up my own company.

Has it paid off? Being able to create your own team, set your own agenda and being accountable for your own bottom line is highly stimulating.

Biggest challenge faced? The dotcom bust hit almost as soon as we had launched, followed by the general recession post 9/11. We cut costs, sold assets, killed non-profitable activities and stabilised the business within six months.

Best advice? Set your targets high but be realistic about what you can achieve. Start-ups always take longer and cost more than you think.



mx mendix
NO CODE. JUST BUSINESS.

PEOPLE

Name: Derek Roos, MScBA (Class '06)

Age: 28

Company founded: Mendix

Years as an entrepreneur: Three

Snapshot bio: Derek and fellow RSM alumni Derckjan and Roald Kruit set up software company Mendix in 2005 while still students. Initial capitalisation came from pooling their student loans. An innovative product ensured rapid growth and a solid corporate client base. Today Mendix has 40 employees and offices in Rotterdam and Boston, the U.S.

Why start your own business? We spotted a gap in the market. There were no tools available commercially for business analysts to build their own software for automating business processes. We designed our own and started the company.

What did it take to get off the ground? A really strong belief in our core vision and customers prepared to take a risk with a new venture. And you need to partner with the right people.

Has it paid off? Yes. I get a tremendous amount of energy from working in a great team and seeing the company grow and our vision becoming a reality.

Biggest challenge faced? Managing our growth rate while continuously aligning the internal organisation is our biggest challenge. Given the fact that we are growing 300-400 per cent annually it is hard to standardise our systems.

Best advice? Stay loyal to your vision no matter what others say. If you move into the unknown, people tend to pull you back into familiar territory. ■

ENTREPRENEUR'S BOOKSHELF

When we asked each of our alumni entrepreneurs which book every entrepreneur should read, their responses were diverse – as was to be expected. What was unexpected were some of their choices. Veering from the purely practical to the sublimely spiritual, each of the books provided something special – from inspiration to entertainment – to those we interviewed.

GOOD TO GREAT BY JIM COLLINS (COLLINS, 2001)

**Recommended by Derek Roos
(MScBA alumnus)**

Excerpt: “The good-to-great leaders did not pursue an expedient ‘try a lot of people and keep who works’ model of management. Instead, they adopted the following approach: ‘Let’s take the time to make rigorous A+ selections right up front. If we get it right, we’ll do everything we can to try to keep them on board for a long time. If we make a mistake, then we’ll confront that fact so that we can get on with our work and they can get on with their lives.’”

THE DISCIPLINE OF MARKET LEADERS BY MICHAEL TREACY AND FRED WIERSMA (BASIC BOOKS, 1997)

**Recommended by Sukhbir Jasjua
(MBI alumnus)**

Excerpt: “A decade’s worth of technological advances have repriced the value of time and, in turn, reset customers’ expectations. Customers now penalise suppliers that infringe on their time,

whether through delays, mistakes, or inconveniences. People are tired of waiting around for service. They fell head over heels for the fast-food, drive-through lifestyle long ago. Now they find even that’s too sleepy. Today’s customers demand operations that are airborne, on-line, and real-time. ‘Soon’ is not the answer they want to hear when they ask ‘When?’”

ATLAS SHRUGGED BY AYN RAND (RANDOM HOUSE, 1957 - ORIGINAL DATE)

**Recommended by
Vincent Kouwenhoven (PhD alumnus)**

Excerpt: “It was a sunburst of sound, breaking out of hiding and spreading open. It had the freedom of release and the tension of purpose. It swept space clean, and left nothing but the joy of an unobstructed effort. Only a faint echo within the sounds spoke of that from which the music had escaped, but spoke in laughing astonishment at the discovery that there was no ugliness or pain, and there never had had to be. It was the song of an immense deliverance.”

THE SEVEN SPIRITUAL LAWS OF SUCCESS BY DEEPAK CHOPRA (NEW WORLD LIBRARY/AMBER-ALLEN PUBLISHING, 1994)

**Recommended by Maria van der
Heijden (PTO alumna)**

Excerpt: “Self-power, on the other hand, is permanent, because it is based on the knowledge of the Self. And there are certain characteristics of self-power. It draws people to you, and it also draws things that you want to you. It magnetises people, situations, and circumstances to support your desires. This is also called support from the laws of nature. It is the support of divinity; it is the support that comes from being in the state of grace. Your power is such that you enjoy a bond with people, and people enjoy a bond with you.”

THE POWER OF NOW BY ECKHART TOLLE (NEW WORLD LIBRARY, 1999)

**Recommended by Bas Verhart
(MScBA alumnus)**

Excerpt: “The word enlightenment conjures up the idea of some super-human accomplishment, and the ego likes



‘The attitude that you carry around makes an incredible difference in your life. It can be a powerful tool.’

to keep it that way, but it is simply your natural state of felt oneness with Being. It is a state of connectedness with something immeasurable and indestructible, something that, almost paradoxically, is essentially you and yet is much greater than you. It is finding your true nature beyond name and form.”

ATTITUDE IS EVERYTHING BY JEFF KELLER (INTERNATIONAL NETWORK TRAINING INSTITUTE, 1999)

Recommended by Simen Schimml (MScBA alumnus)

Excerpt: “For me, attitude can be defined in one word: life. The attitude that you carry around makes an incredible difference in your life. It can be a powerful tool for positive action. Or it can be a poison that cripples your ability to fulfil your potential. Your attitude

dictates whether you are living life or life is living you. Attitude determines whether you are on the way or in the way.”

INFLUENCE: THE PSYCHOLOGY OF PERSUASION BY ROBERT B. CIALDINI (WILLIAM MORROW AND COMPANY, 1984)

Recommended by Frank van Ormondt (EMBA alumnus)

Excerpt: “A well-known principle of human behaviour says that when we ask someone to do us a favour we will be more successful if we provide a reason. People simply like to have reasons for what they do. [Harvard social psychologist Ellen] Langer demonstrated this unsurprising fact by asking a small favour of people waiting in line to use a library copy machine: ‘Excuse me, I have five pages. May

I use the Xerox machine because I’m in a rush?’ The effectiveness of this request-plus-reason was nearly total.”

LOSING MY VIRGINITY BY RICHARD BRANSON (THREE RIVERS PRESS, 1999)

Recommended by Nanda Schilperoort (MScBA alumna)

Excerpt: “They say that a dying man reviews his life in the final seconds before his death. In my case this was not true. As we had hurtled down toward becoming a fireball on the Atlas Mountains and I thought that we were going to die, all I could think of was that if I escaped with my life, I would never do this again.” ■

TWICE THE ENTREPRENEUR

Lessons from Jan Baan

Whatever view pundits may take of Jan Baan, there is no denying that his career embodies the full scope of the entrepreneurial experience: from glory to bankruptcy (with his first venture, the eponymous Baan Corporation) to spectacular re-emergence (with Cordys, the company he founded five years after Baan Corp. imploded). Writer Ben Schiller visited recently to ask what lessons Jan Baan, 58, has learned from his business (ad)ventures... **Text:** Ben Schiller



The Kasteel De Vanenburg, in Putten, is a magnificent sight on a warm day in May, with the sun beaming down, and the lawns freshly cut. Down a long, straight road lined with trees, the 17th century estate has a wide moat, neat privet hedges, and grounds full of topiary and well-attended plants. It is a secluded, quiet place ideal for contemplation, and for entertaining visitors. The large

white house has 52 bedrooms, a series of reception and dining rooms, and its own 275-seat theatre, all maintained by a sizeable staff. No doubt, the original builders of the castle would be pleased with the condition of their property today.

AT HOME IN THE CASTLE

De Vanenburg's current owner is Jan Baan, one of Holland's

most successful entrepreneurs, who acquired the estate in 1996. Baan has an office in the house, and his latest company, Cordys, has another site next door – a sleek, modern, steel-and-glass building that is the polar opposite to the Kasteel's old-world splendour. Cordys personnel use the house for meetings and events, and can be seen walking the gardens during the day. Given the surroundings, they must be some of the luckiest employees anywhere.

Jan Baan is sitting upstairs on the first floor in a corner office. Placed on the walls around him are a number of fine oil portraits dating from the same era as the house, while pieces of exquisite antique furniture dot the room. Baan, a keen collector, later explains that he likes having old things around him for their sense of historical permanence – a sort of fixed point while everything else – the company, the market – is in flux.

I am here in the middle of the Dutch countryside to talk to Baan about entrepreneurship, a topic he knows from every angle. Jan Baan is famous for Baan Corporation – the company he built with his brother Paul from a backroom accountancy shop into a multi-billion dollar software giant – but also for what happened to Baan: its share price slide following misstated financial results, and its later gradual decline (investors still complain that the Baans got very rich while they got little). In a sense, Cordys, which Jan Baan founded with Theodoor van Donge in 2001, is his attempt to put things right – to start afresh where Baan Corp. disintegrated so messily (the company was eventually sold to Invenys for a fraction of its previous value).

HARD LESSONS IN SOFTWARE

I ask Baan what lessons he might have learned from the Baan Corp. experience, and whether those lessons inform the way he manages his new venture. I'm expecting him to talk in general terms about entrepreneurship. But instead he wants to talk specifically about the enterprise software market – Cordys' domain, like Baan's. For the next 20 minutes, Baan gives an extended history of business process software, from its early days in the 1980s, when companies would buy in huge, ungainly customised systems, to today's market, which is all about flexibility and Web-centric systems. He even fires up his laptop to present a bewildering array of PowerPoint flowcharts and coloured diagrams. He is clearly as passionate about remaking this space as he was 30 years ago, when

he started out. It is also possible to see how he acquired a reputation as a supreme salesman – despite not understanding a great deal of what he says, one is soon taken in by his energetic flow.

Baan's main point is to emphasise that, by starting afresh, Cordys has a blank slate to create products unencumbered by the past. Because it doesn't have to build on legacy systems, it can leapfrog to what the customer actually wants. He believes Cordys is in a far better position to innovate than Baan Corp. was before he left the company in 1998. "Every cloud has a silver lining, because I no longer have any legacy to maintain. I had all this experience after 20 years [at Baan Corp.], but after 20 years the ability to innovate seemed to be over. Maybe an innovative company can only execute for ten years. You have maybe ten years growing it underground, and another ten years execution," he says.

Companies have a natural lifecycle, Baan believes. After a certain period, they lose the ability to grow organically and must start acquiring companies if they want to continue getting bigger. That, however, brings a new set of problems. "If you are very successful, the company can live for 100 years, but only through mergers and acquisitions. The innovation is over. Even if you look at Google, it seems to be starting to struggle with big mergers and acquisitions. Their mentality is changing. It's no longer 'everyone can do what they want to do.'"

'I WAS QUITE NAÏVE'

In assessing where Baan Corp. went wrong, commentators have often said that it tried to grow too quickly after it went public in 1995. In trying to catch SAP, the world leader in enterprise software, it acquired too many companies that it couldn't integrate into the main business. It is also said that Baan lost its focus on customer service, spending too much time looking for big new corporate clients, than looking after those it already had.

Baan says that the decision to go public led to a change of mentality and perspective that was unhealthy. "One of the lessons I learned was that I became a little too greedy, focusing too much on shareholder value," he says. "Our investors were not shareholders, but share-movers. I was quite naïve. You're dealing with people who maybe see a benefit for a day or a couple of weeks, but then it could be totally the opposite."



'I like being an entrepreneur, and being an entrepreneur means you can't give up.'

He also regrets his choice of successor: Tom Tinsley, a former McKinsey consultant, who led Baan Corp. from 1998 until mid-1999. He says it would have been better if he'd stayed a little longer in the role of CEO, building up the company more gradually. "I was too much intrigued by the McKinsey vision. I was too driven by the idea of 'winner takes it all'. It would maybe have been better to be satisfied with a number two or number three position in the market. It was a mistake not understanding the difference between a top consultant and a leading manager."

FOLLOW THE (SERVANT) LEADER

The major difference between Baan and Cordys are their ownership structures. While Baan became a public company beholden to its shareholders, Cordys is owned 100 percent by a foundation set up by the Baan family. Baan says the arrangement gives the company freedom to act for the long-term, rather than be captive to the short-term interests of the market.

What hasn't changed is Baan's attitude to managing staff. At the old company, he was popular amongst coders for letting them go their own way as much as possible. And he says he continues to believe that managers should be more "servant-leaders", rather than masters of slaves. Employees who respect their bosses are more likely to follow corporate strategy and stay for the long-term, he believes.

"When do you follow the leader? When you respect him. You respect the servant-leader, when I care for you. A leader can only be a leader when he is also a servant. One moment I'm the leader, and I'm saying 'sorry, this is how it is, here we go'. The next moment, I'm the servant and helping you, guiding you, watching you."

Wanting to create a pleasant environment for his staff is one reason for basing Cordys in the countryside rather than in the centre of a city. "I learnt that being outside the city, you don't get the best people in the beginning. But what you do

get is a mentality attuned to learning. This attitude is also an important element," he says.

WHY START OVER?

Baan himself has mellowed since his mid-20s, when he would regularly work 16-hour-days, and since the days at Baan Corp in the mid-1990s when he was regularly on a plane somewhere trying to seal another deal. He is still driven and works hard, but he is more flexible than he used to be, he says. "Hard work is good, the quantity of work that you do can do a lot, but don't be stupid. I learned to try to build a bridge between being entrepreneurial and professional. Most of my work is a hobby now," he says.

That still leaves the question of why Baan bothered with Cordys, however. Why, after so many years of working, and already being fabulously wealthy, did he want to start all over again? Why not just go golfing, or off on a yacht somewhere?

"Because you go from prison to prison, from resort to resort. Yesterday I took my family on a small boat, it was 12 metres or so, and I like that very much. But if I have to go with a crew and there are 40 people taking care of you, and you're flying in with a helicopter, and seeing nothing else but water for three days, and all you do is explain to the whole world that your boat is bigger than the others – that's not what I want. I like being an entrepreneur, and being an entrepreneur means you can't give up."

He worries that some younger entrepreneurs are too concerned with getting rich. "Building a company, you do it for life. You need a little of this attitude, and that's what is missing in a lot of people. They're too greedy, clever, businessman-type bosses, who like to do the study and then have their first IPO. An entrepreneur is a person for life – you never do it just for an exit." ■

Jan Baan is an Entrepreneur in Residence at RSM.



Teaching Entrepreneurship

The university classroom, it turns out, can be the perfect incubator for the aspiring young entrepreneur.

SENZ Umbrellas, for instance, a product-design company that produces storm-proof umbrellas, was started by a student the same month he joined RSM's MScBA Entrepreneurship & New Business Venturing. He and his co-founders had the technical expertise to develop new products, but were looking for an injection of commercial know-how. Launched with the help of investors in 2005, their unique product is now sold in Europe (in around 350 outlets in Holland alone), America and, next month, Japan. The company has global ambitions, and a deal in place with the largest umbrella company in the world to bring their product to the US market should see these swiftly realised.

"It is difficult to quantify what I learnt at RSM and what I learnt in starting my own business, because I've learnt so much and both happened at the same time," says Philip

Gone is the popular notion that the university classroom is no place for the entrepreneur. Programmes like RSM's MScBA Entrepreneurship & New Business Venturing are helping to prove that, when combined with a practical emphasis, education can be a powerful tool for the entrepreneur-in-the-making. So if it can be taught, can anyone do it? **Text:** Rebecca Morris

Hess, 28, who graduated from RSM's entrepreneurship programme this year. "What I do know is that RSM has given me is a certain mentality: a mentality that anything is possible – that you can create your own world."

It would seem that gone is the conventional wisdom that running a business cannot be learned in the classroom. Most entrepreneurs today will admit that there is a logical amount you need to know in order to start a business – and that a university is as good a place as any (better in fact, when it saves you costly mistakes) to learn it.

"Knowledge is among the best predictors of opportunity recognition and venture performance," says Andreas Rauch, assistant professor of Entrepreneurship & New Business Venturing at RSM. "Entrepreneurship education helps aspiring entrepreneurs know how to evaluate the market potential of business opportunities, how to develop a start-up business ▶

‘Because rain so often comes with hard wind, most umbrellas turn inside out and are really impractical. So we thought – let’s design the ultimate umbrella.’ – RSM student Philip Hess, 28.

plan, how to raise funds, how to protect intellectual property. In short, it helps increase the feasibility of their starting a successful venture.”

Launched in 2003, RSM’s entrepreneurship programme is still the only programme in Europe specialising in global-impact, growth-oriented entrepreneurship. But while the programme provides an academic focus, it goes well beyond textbooks and lectures.

The MScBA programme starts with a theory platform, taught by scholars at RSM. This is followed by a block in which students analyse case studies under the guidance of experienced entrepreneurs or investors who challenge the quality of their judgement. In the third block, students get very close to actually starting a business themselves. Students must think through what it would take to develop a product into a growing company, an exercise that requires them to interact with inventors, potential clients, and potential partners. “This is ‘flying simulated,’” says Programme Coordinator Wynand Bodewes. “You can’t learn to fly by reading a book; you need to take flying lessons. However before you start to practice flying, you also need to learn the theory. And that’s a good analogy for how we teach entrepreneurship. Every year for some students this is the start of their first company.”

In addition to academics, students are taught and mentored by an increasing number of entrepreneurs, including several Entrepreneurs in Residence. Co-founder and CEO of ViroNovative BV, Eric Claassen, is one such entrepreneur: “I share with students the mistakes we made and the traps to look for. Of course, I can’t teach them to perform well, but I can take them by the hand through real-life examples so that they have an idea of what

it is all about and can ask themselves: ‘How important is this really for me? Do I really want to do this?’ I get instant gratification from sharing experiences with students who really want to learn.”

SO IF THE ART OF ENTREPRENEURSHIP CAN BE TAUGHT, CAN ANYONE LEARN IT?

Education cannot create entrepreneurs, it can only provide ‘sleeping’ entrepreneurs with the tools; the rest comes down to basic willpower, says Luca Berchicci, assistant professor at RSM: “There are two kinds of entrepreneurship students,” he says. “One has a gut feeling that entrepreneurship is for them and, for these students, education makes the process more efficient. The second is someone who knows there is something appealing about entrepreneurship, but they don’t know enough about it. Education gives them the knowledge and perhaps confidence to go out there and develop their ideas, or to realise that this is something they don’t want to do. But ultimately, it comes down to the dedication and drive of the individual.”

Or, as Wynand Bodewes puts it, it’s just as logical to ask if you can create an entrepreneur as it is a brilliant strategist or a marketer. “Entrepreneurs like to maintain the image that their success is due to their uniqueness not what they’ve learned. Of course, talent is always an element, but there is also a logical amount you need to learn, and only then will you succeed if you are dedicated to doing it. A better spin to put on it is: can you teach people to become good strategists or marketers? You can’t learn everything in class, but there is a great deal you can learn.”

Entrepreneurs who mentored a team of master students in a business development & venture creation course in the 2007-2008 academic year:

Willem-Peter Perquin, Yplounge (alumnus); Dick Kooij, Kooij consult (alumnus); Jeroen Nas, Managed Capital Partners (alumnus); Wenzel Heldens, Quinq Lach Productions NL (alumnus); Simon Benard, Geerlofs (alumnus); Maurice Beckand Verwee, BusinessInVentures (alumnus); Ad van Wijlen, BRW Groep (alumnus); Derek Roos, Mendix Technology BV (alumnus); Joost Kester, LETO Concepts (alumnus); Han de Groot, MetrixLab (alumnus); Ronald Nanninga, Crosslinks BV (alumnus); Felix Guttman, Canal Company; Rein Kielstra, Independent Management Consulting Professional (alumnus); René van Dijk, Van Dijk Visuele Communicatie (alumnus); Robert Huigen, Activum B.V. (alumnus); Job Nijs, YES!Delft (alumnus); Joost Mooijweer, Area 010; Steffen Kalverboer, Creator International (alumnus); Tom den Hoed, Den Hoed Van Fraayenhove Holding BV (alumnus); Oscar van Veen, Mangrove (alumnus).

Two of RSM's Entrepreneur's in Residence share their reasons for mentoring young entrepreneurs.



REIN BREEMAN, CEO, VECOM HOLDING

Rein Breeman has been an Entrepreneur in Residence at RSM for three years. He joined Vecom, a leading international supplier of products and services for professional maintenance and surface treatment, in 1982, after careers with Citibank and Vopak. From 1988, Breeman had shares in the company via one of the third management buy-outs in the Netherlands, and in 1996 bought out one of its industrial units. At the time a division of 60 people, the company today has a staff of over 300 people and an annual turnover of 34 million euros.

Of his career as an entrepreneur, Breeman says: "The most rewarding part is not the money, it's the people management. I am teaching the company constantly, putting people in positions where you see if they can learn and handle the exposure, and move up. That's very rewarding, and one of things that is nice about having your own company. It's a subject that you would like other people to know about."

Hence his love of teaching. "I enjoy it thoroughly because I see students enjoy it thoroughly," he says. "I've always had a passion for teaching and have always been involved in it alongside my regular job. When I was working in the Caribbean, it was the most effective way of finding staff for my own financing department. I'd pick them out of the class and say, 'Why don't you speak to our personnel management?'"



ERIC CLAASSEN, CO-FOUNDER AND CEO OF VIRONOVATIVE BV

Eric Claassen is 20% academic and 80% entrepreneur. An Entrepreneur in Residence at RSM since 2005, Eric started his own company, ViroNovative BV, seven years ago. He has held executive and board positions in early-stage life science companies including Dynamics BV and AM-Pharma, and consults for several biotech companies and venture funds. He recently co-founded Viroscope, a spin-out of ViroNovative BV.

Eric shares with students his experiences in RSM's MScBA Entrepreneurship and New Business Venturing programme. "I have a passion for sharing knowledge," he says. "I get instant gratification from sharing experiences with students who really want to learn. This is something unique about the RSM students – I've done my share of teaching in France, Utrecht, Amsterdam, but these students have chosen to study entrepreneurship and are the most interested in my area of expertise. They have my same phenotype. Every time I teach at RSM I energise myself. It really is a unique population."

*In collaboration with the EIM Business and Policy Research institute, ERIM recently launched an online platform for researchers, students, and organisations worldwide working on entrepreneurial issues. Designed to be a central resource for relevant publications, events, and news from the entrepreneurship arena, the platform is open to all interested (inter)national researchers, and facilitates cooperation and communication between researchers and practitioners. For more information visit **WEB** www.erim.nl/entrepreneurship.*

ENTREPRENEURSHIP: DISPELLING THE MYTHS

RSM's Professor Wynand Bodewes helps dispel some popular misconceptions about entrepreneurship, beginning with the illusion that company founders earn much more than their salaried peers. **Text:** Rebecca Morris

ENTREPRENEURSHIP IS THE ROAD TO RICHES

If you look at the statistics, the average entrepreneur makes less money than if he or she had stayed on a salary, and after a seven year period the vast majority has failed. This is because the average entrepreneur starts a company in the industry in which they have worked – one that's often not favourable to start-ups and in which anyone can easily enter.

There is, however, a sub-group of entrepreneurs who get very rich, and this is no coincidence. These are not your average entrepreneurs. These are entrepreneurs who are ambitious and looking for high growth with a base in technology, who have a strong team, and who will invest above-average amounts of money in starting up. These sorts of firms have a much higher probability of surviving and really making a difference.

What's also important to remember is that riches do not only imply the salaries you take out of your company. Your company needs to grow very fast. So in a lot of statistics, the salaries of entrepreneurs look average, but if you ask them to tell you their net value, you realise that they are very wealthy, but it's all in firm equity.

So is entrepreneurship the road to riches? In the vast majority of cases, no. But if you want to become a millionaire before you turn 40, the way to do this is by becoming an entrepreneur. It depends on the opportunities and industry you pick, who you work with, and how far you are willing to go. It must be said though, for most entrepreneurs, getting rich is not the objective at all – it's a by-product.

I CAN EXPECT TO BE MORE FULFILLED AND INDEPENDENT WORKING FOR MYSELF THAN SOMEONE ELSE

This is one of the main reasons people become entrepreneurs: they are fed up working for incapable managers (also the main reason for people switching jobs). These people don't want to

be hindered any longer. They seek independence – the pleasure of trying to accomplish something. For growth-oriented entrepreneurs, they also dream about growing large and challenging the incumbent. This is the excitement for them – starting up a new competitor of Randstad, for instance, (which itself was once started by an ambitious student-entrepreneur), and in a few years being big enough to be a real challenger. For the average entrepreneur it's only the former, and often it turns out to be a rewarding career choice. But for many others, they learn that companies have to obey their customers and this can turn out to be an even bigger burden than obeying a boss. This is why a lot of self-employed people eventually flock back to a salary-based job.

MY SUCCESS AS AN ENTREPRENEUR DEPENDS ON MY OWN TALENT

Many entrepreneurs like to maintain this myth that their success is due to the fact that they are gifted. Of course, talent will always play a role, but research suggests that success also very much depends on the industry you select, what you have learned, the people you know, whether you work alone or as a team, how much you invest. The entrepreneurs who partake in the case discussions in our classes agree that there is a logical amount you need to learn in order to become a successful entrepreneur. They indicate that smart entrepreneurs do not only learn by doing, they try to learn *before* doing. And many of the (social, communicative, and analytical) skills required to be an entrepreneur can be developed. Entrepreneurial skills are much more important than managerial skills in building a successful start-up. You'll find many entrepreneurs enjoy the start-up phase, but step-aside when there develops the need for good managers. They are two very different skills. Talented entrepreneurs know when to hire talented managers.



“Is entrepreneurship the road to riches? In the vast majority of cases, no. But if you want to become a millionaire before you turn 40, the way to do this is by becoming an entrepreneur.”

ALL I NEED IS ONE GOOD IDEA

We did a survey a few years ago of bachelor students in the Netherlands, in which we asked two interesting questions: do you want to be an entrepreneur, and do you think you'll become one. In regards to the first question, the vast majority said yes, but only a small group said yes to the second question. Lack of money was seen as a key hindrance (in fact, even growth-oriented entrepreneurs start with a relatively small amount of money, usually in the range of 30 – 60,000 euros). The other reason was the lack of a good (enough) idea.

In reality, we know that for the average entrepreneur their ideas usually emerge through interaction with potential customers, colleagues, suppliers to a market, and sometimes inventors. Often these ideas change dramatically in the process of development and research, and the entrepreneur will take a totally different direction.

In other words, you don't have to be a creative genius to find

a very good idea and to start a business. Most entrepreneurs spot opportunities, and this is a competence that you can develop. For instance, by crafting your network and talking to people, who are often surprisingly willing to share opportunities. Capitalists often say: “I'd rather put money behind a dedicated entrepreneur who has a learning attitude, than someone who has a brilliant idea but lacks that attitude.” ■

Wynand Bodewes is an assistant professor of Entrepreneurship and New Business Venturing at RSM. Along with Professor Wim Hulsink, he is one of the founding members of the Erasmus Centre for Entrepreneurship and New Business Development, and coordinates RSM's MScBA Entrepreneurship & New Business Venturing programme. For more information on the school's Centre for Entrepreneurship, visit [WEB www.rsm.nl/entrepreneurship](http://www.rsm.nl/entrepreneurship).



TRAVEL PLANS

Text: Tricia Alach

Worldwide leader in corporate travel services, Carlson Wagonlit Travel, continues to outdo its competitors through innovation and education

A journey of a thousand miles may still begin with a single step, but today's business traveller is now faced with a plethora of choice as to how and where to take that step – via an online booking tool, a travel management company, or virtually, via video or teleconferencing.

As the largest worldwide provider of corporate travel services, with annual sales volume of over US\$25 billion, Carlson Wagonlit Travel (CWT) helps companies optimise their travel programme in terms of savings, service, security and sustainability. But competition is on the rise. A flood of new substitutes including online tools from Google and Microsoft are stepping up the heat on CWT, which must continue to develop innovative new strategies, products and services to meet the changing needs of its twin customers – the companies who sign the service contract and the individual travellers who take the trip.

We sat down with Rene Latten, Director Leadership and Organisation Development EMEA, to talk about CWT's plans for the future and how RSM's co-developed customised programme, 'The Leadership Journey', will help facilitate these.

What are the biggest challenges facing Carlson Wagonlit Travel at the moment?

We're dealing with several challenges, the first of which is globalisation. As our client companies become more global,

they're demanding global products and services from us, requiring us to change the way we do business. The challenge is, of course, how to globalise our offering without losing the personal element that is so important to our local customers.

A second challenge is providing additional services that add value to the customer and result in measurable gains. These include services such as helping companies optimise their costs, defining and implementing a self-booking tool, or having our programme managers act as advisors/consultants to help clients get maximum value from their company's travel programme.

Environmental issues such as rising oil prices: how is the company responding to these challenges?

Our services must reflect all the changes in the world. We now offer a carbon calculator that travellers can use at the time of booking to measure CO2 emissions and more responsibly choose their mode of transportation. As a result, rail travel has increased considerably for journeys of three hours or less. We also provide post-trip carbon reporting that help our clients better manage their CO2 emissions.

Safety and security are other big issues. We have developed services that provide pre-trip destination information, breaking news alerts, real-time traveller tracking in the event of an emergency, and worldwide assistance when needed. For exam-

ple, when the bombs went off in London on 7th July 2005, we were able to provide status reports to all of our corporate clients who had people in the city.

We try to show our clients that we understand their needs and objectives and provide them with innovative solutions that generate measurable results. Only then can we demonstrate our added value. Our client retention rate is high, which indicates to me that we're doing a good job.

What will these changing needs demand of future leaders of Carlson Wagonlit Travel?

Leaders will need to be more adaptable and have more of a global perspective. They'll need to think more strategically, anticipate changes in the market, and ensure we are delivering what the market wants, when it wants it. We need to create better products but, at the same time, because of increased competition (especially from low-cost options like virtual technology), pay close attention to costs. And, of course, leaders everywhere can always improve their people management skills. With the labour market tightening, leaders need to be able to motivate and engage their people and retain their talent.

How does the Leadership Journey Programme help you in these efforts?

The programme brings together six of Europe's leading business schools, each with a different area of expertise that we can learn from. This gives us new ideas to think about and a whole range of tools to apply to our work. Having insights from schools based in different countries is also a way of bringing in a more international perspective and helping participants to re-think their assumptions about how we should do business.

This programme forces us to look much further into the future by using tools like Scenario Building, which help us look at factors like rising trends, changing demographics and economic forecasts, and what these might mean for our business.

This year is the fourth run of the programme and we're broadening the scope to a global audience. Two of the modules will be held outside of Europe, one in the U.S., and one in Singapore, which should give us even more insight into what's happening around the world.

The programme brings together leaders from across the company. Is this a valuable element of the programme for CWT?

Yes, it is an important element, as it creates a forum for them to share their experiences and ideas about how we should respond to the challenges we are facing. Professor Frank Go, who teaches on the programme, calls it a 'knowledge brokerage' – a chance for the company's future leaders to discuss, debate and strategise about what they can do to drive the company forward. This is especially evident in the real CWT Business Challenges, which are strategic issues identified by the Regional Management Teams and worked on by small groups of participants, who then present their recommendations. So far they've done some important work: one team looked at how we could move into the SME market, another at the Eastern European market, and another developed a new Pricing Model that provides a way to deliver customisation that doesn't increase our costs.

What about the Personal Leadership Development aspect of the programme?

This is another critical aspect for us. As I said earlier, it's essential that leaders in CWT are also good people managers. Every module has been designed to focus on this and include individual coaching sessions. We're not just teaching models of 'good leadership', but giving individuals a chance to identify their strengths and weaknesses and use the tools and support we provide to develop these strengths or mitigate these weaknesses. ■

Innovation through Education

The CWT Leadership Journey is a six-module programme taught by a consortium of Europe's leading business schools. The programme aims to develop globally-minded business leaders to move into senior roles within the company. Now in its fourth run, this year's programme includes additional modules held in the U.S. and Singapore. Over the course of its existence, the programme has evolved to reflect the changing needs of CWT. The programme focuses on delivering new insights from the market and challenging 'stuck' thinking. Participants are encouraged to identify threats from unexpected sources such

as Microsoft's 'war on travel' and the opportunities that new technology or changing demographics present.

A fundamental benefit of the programme is that it facilitates the development of an enduring international team of leaders to support the company's global strategy. The schools involved in the programme are: RSM (the Netherlands), St Gallen (Switzerland), EM Lyon (France), Bocconi (Italy), ESADE (Spain), Cranfield (United Kingdom).

If you would like to learn more about RSM's customised programmes, please contact Tricia Alach at RSM's Executive Education and Development Unit: talach@rsm.nl.

FIVE MINUTES WITH PROFESSOR BARBARA KRUG



A central portal for the research of Professor Barbara Krug and her colleagues as well as latest news, information, publications, events and videos on China can be found at **WEB** www.irim.nl/china-business.

What can Western firms expect when investing or operating in China? Professor Barbara Krug has a fair idea – she’s been researching the Chinese economy for over 30 years. **Text:** Tim Skelton

When Professor Barbara Krug first visited China as a university student in 1975, the country was still under the rule of Mao Zedong and the Chinese Communist Party. An economics student at Tübingen at the time, Professor Krug was fascinated. “I was interested in Comparative Economic Systems, a field with a long tradition in Germany,” she explains. “But I didn’t want to become another ‘expert’ on the GDR or Soviet economies. China had me intrigued. Here was a challenge to apply the theories I’d learned to explain a non-capitalist/non-democratic system.”

Professor Krug chose Chinese economic policy as the subject for her PhD, a period that included 18-months studying Mandarin in Taiwan. Later, while studying at Oxford, she received a Fellowship Award from the Institute of Advanced Studies in Princeton for her work. More than 30 years of skyward economic growth later, and she is still fascinated with all that is business in China – an interest that has earned her a covetable status (“My combination of economics, business studies, and China is very scarce,” she says) as an expert on the world’s largest emerging economy.

Professor Krug joined RSM a decade ago. Today she is a professor in the Department of Organisation and Personnel Management, a member of ERIM, research

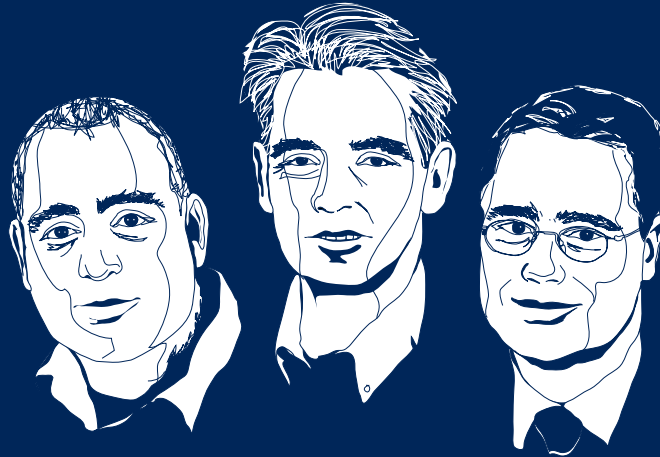
fellow at INSEAD, and visiting professor at Manchester Business School. In 2001, she co-founded the International Association for Chinese Management Research (IACMR). Her published works address everything from business behaviour in China to Chinese entrepreneurship.

According to Professor Krug, the differences between Chinese and Western business cultures run deep. Networks are elementary in China, and the interplay between formal and informal institutions greater and much more entrenched. Where Western firms see laws and government policy as ‘constraints’ to be overcome by political actions, the Chinese search for ways to align their interests.

“The differences between the governance of a firm and its socio-political environment are blurred [in China],” she says. “Local politicians, offered minority shares in companies, turn entrepreneurial, while business heads get invited to help administer local jurisdictions like the Special Development Zones.”

Because of this, textbook wisdom on entering new markets is irrelevant when it comes to China, she says. What matters more is being able to interact with local governments: “In the West we must learn not to insist on blueprints or strategies, but to invest in cooperation with government agencies, universities and firms in the same sector.” ■

RSM ECONOMIC PANEL SHAREHOLDER ACTIVISM



The public debate on the benefits versus detriments of shareholder activism continues to boil unabated. To some camps, active shareholders are nothing more than raiders and opportunists, obliterating jobs en masse in their quest for short-term returns. To others, they're drivers of significant value, not just for firms, but for stakeholders and society at large. Who is right? **Text** Wung Yip Chan

RSM Outlook recently asked three scholars from Rotterdam School of Management, Erasmus University, to weigh in on the debate. Gerard Mertens is a professor of financial analysis, Abe de Jong a professor of corporate finance and corporate governance, and Hans van Oosterhout a professor of corporate governance and responsibility.

DOES SHAREHOLDER ACTIVISM CREATE LONG-TERM VALUE FOR FIRMS?

Mertens: Activist shareholder funds can play an important role in disciplining the management of a firm. The term is broad, however, and encapsulates many actions, not all of which add value. Recent discussions on executive compensation, for instance, did not add direct value. Intervention by activist shareholders (such as private equity funds) in the strategy and operations of a firm, on the other hand, do yield long-term value. And the increasing participation of shareholders in general shareholders' meetings produces valuable dialogue.

De Jong: Shareholder activism does indeed create value for firms. Whether this is long-term or short-term is very difficult to predict. Theoretically, share prices should reflect all future cash flows, which make it difficult to make a distinction. Shareholder activism should be a pleonastic concept. As residual claimants, shareholders suffer all consequences of good as well as bad decisions, so latent shareholders are missing opportunities. It is a very logical principle.

Van Oosterhout: Empirical evidence does not show there to be a positive relationship between activism and firm value. I don't count private equity as activism, but part of the takeover market. There are some exceptions to the overall rule – private engagement by large pension funds and some hedge fund activity for instance – but most activism simply does not add value. The majority of activism in the U.S., for example, focuses on corporate governance reforms that – as of yet – have not proven to be value enhancing. If shareholder activism were a medicine, it would not yet be approved by the authorities. ▶

'If shareholder activism were a medicine, it would not yet be approved by the authorities.' – Hans Van Oosterhout

ACTIVIST SHAREHOLDERS ARE OFTEN DEPICTED AS ENRICHING THEMSELVES AT THE EXPENSE OF JOBS AND LONG-TERM WEALTH GENERATION – THUS HAVING A NEGATIVE IMPACT ON SOCIETY. WHAT IS YOUR VIEW ON THAT?

Mertens: It is difficult to measure, but the negative effects of shareholder activism are, in many cases, greatly exaggerated. In the case of Stork [a Dutch technology company], reports from labour unions of massive job losses resulting from a hedge fund pressing for reorganisation are framed unjustly. Reorganisations are market corrections induced by market efficiency and can create long-term wealth for society. There is clear evidence to support the fact that activist shareholders (such as private equity funds) help make markets more efficient. Additionally, pressure from activist shareholders on executives to focus on environmental, social and governance (ESG) topics is a positive development for society. Firms are more willing to eradicate child labour or emissions under the threat of shareholders selling their stock. So as a disciplining mechanism it serves in the best interest of all stakeholders. The notion that activist shareholders only pursue short-term returns is misplaced. Of course there are exceptions, but the discussion of stakeholder versus shareholder perspective is, in this sense, irrelevant.

Van Oosterhout: I don't think that you can say that shareholder activism is generally good or bad for society as a whole. Private equity takeovers (which, again) I do not count as activism, may have a disciplining effect on publicly-listed firms in general, but for the Netherlands it may simultaneously be bad news when another firm leaves the Amsterdam stock ex-

change on account of the professional services involved with a Dutch listing. Some shareholders are benevolent and start constructive dialogues; others take aggressive measures and unleash a struggle for voting power.

De Jong: It is true that it is unclear as to what extent the positive effects of socially-conscious investing are attributable to the activist shareholder. Consumers and the media are also doing a good job of pushing for ESG topics. But I believe it is narrow-minded to put the blame on activist shareholders for mass reorganisations. The advice from the SER [the Dutch social economic council] to curb their power is unjust because the message they deliver to underperforming firms is not different from the effects of market competition. Instead of waiting for market corrections, activist shareholders step up to demand immediate changes. Should the messenger be penalised for this?

DO YOU AGREE THAT THERE IS A SHIFT IN CONTINENTAL EUROPE TO A MORE ANGLO-SAXON, LIBERAL APPROACH TO SHAREHOLDER ACTIVISM?

Van Oosterhout: I do not think a single Anglo-Saxon Model exists. The economically very liberal British corporate governance system is very different from the American one, which happens to be very much like the more 'managerialist' Dutch system. In general, I believe that different corporate governance configurations may lead to similar outcomes. Economic and social phenomena are causally very complex. There will typically not be a single efficient solution to any organisational problem.

‘There is clear evidence that activist shareholders help make markets more efficient.’ - Abe de Jong

Mertens: What we see is not so much a shift from the Continental Model toward the Anglo-Saxon Model, but a global convergence: the European and American environments are growing towards each other. The Dutch governance code Tabaksblat, for example, is almost an exact copy of its British equivalent, supposedly an Anglo-Saxon Model. Convergence also took place when individual European countries were forming the EU. What we see is the emergence of a level playing field with increasing numbers of new players such as China and India. This convergence is a positive development.

De Jong: What we observe is indeed convergence of business environments. But there are also many forces limiting this progress. Countries with powerful blockholders [owners of a large amount of a company’s shares] who have strong ties to national politics have a stake in preserving the status quo. In many cases, authorities themselves suffer from inertia and policy changes at a sluggish pace. The process of convergence is therefore differs per country.

IN THE NETHERLANDS, THERE HAS BEEN A LOT OF PUBLIC CONCERN OVER THE PROSPECT OF DUTCH FIRMS FALLING INTO THE CONTROL OF FOREIGNERS, HENCE A CALL FOR STRICTER LEGISLATION. WHAT IS YOUR VIEW ON THIS?

Mertens: This concern is far too myopic. And the advice of the SER to transfer more power from shareholders back to workers is void. What we are seeing is the effect of globalisation and convergence. Research has shown that shareholders in the Netherlands only enjoy average legal protection, compared to the rest of the European Union.

De Jong: The current Dutch shareholder legislation is certainly not too liberal. For example, firms are still allowed to adopt defensive constructions such as priority shares. As for the Dutch sell-out, not long ago we saw Dutch companies such as Ahold and ABN Amro involved in major takeovers across the globe. Dutch institutional investors such as ABP have diversified their portfolio internationally, taking large stakes in foreign companies. Foreign institutional investors are doing the same and we observe the integration of markets. It is all part of a larger wave – and now the tide has turned and foreign companies are doing takeovers in the Netherlands. This is just a fact of life. The only important question to ask is: is the Dutch market still attractive?

Van Oosterhout: Taking public policy measures against undesirable forms of activism is a cure that is worse than the disease. Public policy will never be an appropriate answer to the role of shareholders in publicly-listed companies worldwide. In my opinion, it is best to leave setting the rules of the game to the constituencies that make up the firm and the role of the government ought to be modest. First, it should facilitate choosing the right governance structure by providing a number of feasible and credible off-the-rack governance configurations. Second, it should guard against only the most extreme cases of corporate constituency opportunism. Publicly-listed firms will function best if managers make strategic decisions and run the company on a day-to-day basis, while shareholders are largely passive and intervene only when managers are doing a poor job. I think this basic insight is mostly lost in the current corporate governance debate. ■

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For more information on your alumni community, visit your alumni site at [WEB www.rsm.nl/alumni](http://www.rsm.nl/alumni)

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WELCOME TO ALUMNI NEWS

KEEP IN TOUCH!

The Alumni Office is always curious about what is new and notable in your life and career – as your mother always told you, we want you to keep in touch!

RSM Outlook is a vehicle via which you can communicate to an incredibly diverse and broad audience of 16,000 of your fellow alumni, as well as additional RSM corporate contacts. If you have a story to tell, something you'd like to share within this community, whether it's how you started your company or a recent achievement you'd like to shout about, please email us at alumni@rsm.nl.

The Alumni Office is now also a presence on several of the most-used online community networking platforms. When you join our RSM Alumni Groups on Facebook, (*Alumni RSM*), Hyves (*Alumni Bedrijfskunde Rotterdam*), Plaxo Pulse (*RSM Alumni group*) and LinkedIn (*RSM Erasmus University Alumni*), you become part of an easy-to-update online platform exclusive to RSM Alumni. We encourage you to join, update your information, share photos, and connect with other RSM alumni – an easy way to stay up-to-date and involved with former classmates and friends.

The Alumni Office

Rotterdam School of Management, Erasmus University



From left, Marijke de Kovel, Larissa Wiltenburg, Eva Rood, Irene Versluijs.



NEW FACE IN THE ALUMNI OFFICE

We're happy to welcome Dorothy Grandia into the Alumni Office. Dory, as she is known, is an American who has been living in the Netherlands since 1997. As a teambuilding and communications consultant, she has created and taught workshops for such organisations as Robeco and the Politiebureau over the past decade; but her 'other career' – as an opera singer and vocal coach – may be even more interesting! Dory will be acting as Interim Alumni Manager for RSM's MBA alumni, temporarily taking over from Irene Versluijs who is enjoying a new chapter in her own life – motherhood.

NEW: YOUNG ALUMNI COMMITTEE

Earlier this year RSM inaugurated its "Young Alumni Committee", a group dedicated to servicing the needs and interests of young RSM alumni (all those who graduated from RSM up to ten years ago).

Many enthusiastic alumni have since applied as volunteers to assist the committee and RSM Alumni Office in organising tailored professional gatherings that focus on new developments in diverse fields of study or workshops on career skills.

The inauguration was held during a buffet dinner and drinks on February 5th organised by Alumni Relations Bedrijfskunde/BA and RSM's Dr. Dirk van Dierendonck, who recently conducted research on the career paths of graduates between the years 2000 and 2005.

His research was presented during the event followed by an interactive network skills training session by educational consultant Dr. Lyanda Vermeulen-Kestens.

Would you like to join the Young Alumni Committee? Email Larissa Wiltenburg at lwiltenburg@rsm.nl.

DEAN YIP MEETS ALUMNI WORLDWIDE



Start spreading the news: in March 2008, just weeks after assuming the position of dean of Rotterdam School of Management, Erasmus University, George Yip travelled to New York City to meet with RSM MBA alumni, potential MBA participants, and the media. His message? That Americans should consider MBA study at a top European business school such as RSM. "A 25-year-old (American) today cannot look at a 40-year career that does not involve international locations," he told BusinessWeek.com's B-school editor Phil Mintz, alluding to the international work experience built in to RSM's MBA programmes. Dean Yip has since met with alumni in Oslo and Londo; and hosted Alumni Dinners in Athens, Frankfurt, Milan and Paris.

BACKUPAGENT EARNS A SPOT ON THE RED HERRING GLOBAL 100 LIST

BackupAgent, a company co-founded by RSM MScBA alumnus Roland Sars, has made it onto the prestigious Red Herring Global 100 list. The company provides ready-made solutions for the online and local backup and recovery of company data, and can now count itself as amongst the world's most promising start-ups thanks to this latest tribute.

"We are delighted to be among the finalists of this worldwide election," said Sars, Sales and Marketing Director. "This is the crowning glory of our work during the past years. An increasing number of resellers, service providers, ISPs and enterprise users are becoming aware of the advantages that online backup has to offer. We are able to cater for this demand with our software and innovative service portfolio."

American specialist journal Red Herring rigorously reviewed 1,800 privately-held companies from around the world to select the Global 100 winners from North America, Europe, and



Asia. Evaluations were based on both quantitative and qualitative criteria such as financial performance, innovation, management, global strategy and ecosystem integration.

BackupAgent was co-founded in 2003 by Sars who, at the time, was a third-year MSc in Business Administration student at RSM.

WEB www.backupagent.com

[CONTINUED FROM P. 21]

WALKING OUR TALK: THE FIRST STEPS

'Greening is becoming institutionalised - so it will become 'business as usual'. We're setting the bar now.'

'An Inconvenient Day' helped open the door to the creation of an ERIM Research Centre: the Sustainability and Climate Research Initiative (**WEB** www.irim.eur.nl/scr), launched in July 2007. Co-led by B-SM professors Whiteman and Bettina Wittneben, SCR's objectives are to reach "a clearer understanding of the management challenges posed by climate change and search for credible solutions to achieving global sustainability," and to be a point of connection and cross-pollination for faculty, students and practitioners within the broad field of sustainability and climate research.

BUILDING GREEN DNA

Greening RSM/Greening the Campus continues to gain ground, and currently more than 30 members of faculty and staff are taking their places in five designated Greening the Campus workgroups: Mobility, Energy & Water, Catering, Communications and Materials. Project Leader Ir. Bas Takens is responsible for the now-evolving master plan for the campus; one recent 'win' is a campus-wide contract for 100%

green energy, projected for the years 2009-2010. "100% green energy was a dream two years ago, seemed impossible 6 months ago, and now it's here," says Whiteman. "Having Bas Takens and Ingrid de Vries running Greening the Campus means greening is becoming institutionalised - so it will become 'business as usual'. We're setting the bar now."

The support of Dean George Yip, described by Frank Wijen as a 'hands-on dean' adds (bio)fuel to the RSM/Erasmus greening process. Yip aims to set the bar high. While the university's goal is that Erasmus should be the most sustainable campus in the Netherlands by 2013, RSM's goal is more rigorous: To become the most sustainable business school in Europe by 2010.

Yip's strategy includes involving external partners from RSM's corporate network (this sort of support – from NUON – is what allowed TU Delft to fund research on their award-winning solar-powered automobile design). And RSM is aiming for a major reduction in greenhouse gas production beginning 2009, meaning that Greening RSM will

work in conjunction with Greening the Campus to undertake a greenhouse gas inventory and develop a general strategy for reduction.

THE FUTURE: BRIGHT GREEN

What will a carbon neutral RSM look like? Ideas that seem extraordinary at the moment – wind turbines generating energy for the T building, rooftop gardens that provide organic produce for the canteens – may become 'business as usual' sooner than we can imagine. In the meantime, faucets that have been leaking for years have to be fixed. Cleaning staff still have to be convinced of the utility of biodegradable cleaning products. Glasses and mugs will have to be consciously chosen over disposable cups.

What is needed is to encourage what Gail Whiteman calls 'deep radicalness.' As an institution, she says, RSM has to ask "What can we do to give us a cutting edge vision of sustainability?" "The momentum is there," says Frank Wijen, "and it needs to be captured and translated into concrete actions." ■

ALUMNUS RIBBINK SPEAKS AT MBA GRADUATION

“Every personal business success I’ve had, I owe to RSM,” – such was the ringing endorsement of TomTom COO and RSM alumnus Alexander Ribbink, MBA ’90, who spoke at RSM’s MBA/EMBA graduation on March 13th at the Beurs WTC in Rotterdam.

The high-profile ceremony, co-organised with the City of Rotterdam and the Beurs-WTC, was the first such event to be held off the Erasmus campus and in the financial heart of Rotterdam. 200 graduates, along with 700 honoured guests, were addressed by Dean George Yip on the subject of global strategy; and by Rotterdam Mayor Ivo Opstelten, who commented on the historical connection between the City of Rotterdam and RSM.

Describing RSM as a “generator of pioneering research that is changing the way we do business in Europe and the world,” the mayor added that the school is “an institution I am proud of. An institution that perfectly fits the character of the modern, forward-thinking and dynamic city Rotterdam is today.”



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The graphic features a vibrant blue background with various elements: a white heart containing the word 'PICNIC', several red banners with the word 'APPLAUSE', a pair of white 3D glasses, a red apple with a face, and several green and white bubbles. The overall style is playful and creative.

THE TRAVELLING MBA: EVERY COUNTRY IN THE WORLD



Patience, organisation, motivation, adaptability, resilience, risk-hardiness and a genuine interest in communicating with those from diverse backgrounds: Yes, these are amongst the traits encouraged by MBA study at RSM. And according to Harry Echt-Mitsidis, MBA Class '97, they are also the skills necessary to travel the world.

Back in 1998, Harry (who was born in London, raised in Greece and educated internationally) challenged himself to visit all the independent countries in the world; he achieved his goal in March 2008, having visited each of the world's 194 independent countries (he has also ranked the countries by his own experience; to see how your own country fared in his assessment, see his website, 'Harry Travels' at www.harrytravels.com).

Echt-Mitsidis currently lives in Serbia, naturally enough his favourite country. Wisdom gleaned from his travels? "In the end we are all more or less the same, with the same concerns, the same worries, the same hopes. And I don't think this is because of globalisation. I just think this is because we are all human."

GRAHAM KILL, MBA '93, FEATURED IN *WALL STREET JOURNAL*

RSM alumnus Graham Kill, CEO of Irdeto Access, was interviewed by a number of business publications pursuant to his move from Irdeto's Amsterdam head office to the company's Beijing office.

"We want to move away from the traditional concept of a single headquarters and be even more representative of the markets and customers we serve by changing the way we operate to be more balanced between East and West," said Kill in an Irdeto press release.

Kill, who was featured in the *Wall Street Journal* and *China Daily*, told Kate Bulkley of *The Guardian* about his move.

HELP US RECRUIT NEW STUDENTS

RSM attends student recruitment fairs all around the world from September to December. We rely on the participation of our alumni from each region to answer questions and share their experiences with interested prospective students.

We are currently looking for alumni to assist RSM in promoting the BScBA, BScIBA, MScBA and MBA programmes in the following regions:

Belgium * Bulgaria * China * Czech Republic * Denmark * France * Germany * Greece * Iceland * India * Indonesia * Italy * Latvia * Norway * Poland * Russia * Spain * Sweden * Switzerland * Taiwan * Turkey * United Kingdom * USA * Vietnam.

Is RSM coming to your country? Please email alumni@rsm.nl for more details and dates.



One of the main reasons Dave Lipp wanted to do an MBA was to alter his career path. For the previous few years, he had been working with mobile phone operators. But where he really wanted to be was in the burgeoning area of mobile content – which today means everything from movies and pictures, to games and social networking. **Text:** Ben Schiller

INTERVIEW DAVE LIPP

Since completing his RSM MBA in 2006, Lipp has moved to London to set up his own consultancy business in the mobile content area. And over the last two-plus years, he has worked with three different companies on a range of cutting edge projects. Lipp says his MBA helped him to achieve his goals in a number of different ways.

After two semesters at RSM, Lipp did his MBA internship in London with games manufacturer Electronic Arts, which was setting up a new mobile content division to distribute its games. Once he'd graduated, Lipp could have stayed at EA in a full time capacity, but he decided instead to strike out on his own.

His first project, lasting a few months, was with T-Mobile, helping the mobile operator to launch a new mobile device.

After that, Lipp took up a contract with Sony Pictures, organising distribution of marketing content for films such as Spider Man 3, Casino Royale, various TV shows, and a number of games. Lipp's role, which covered Western Europe, involved reaching agreements with both mobile network operators and mobile manufacturers like Nokia. After two extensions, Lipp's stint at Sony lasted more than 18 months.

For the last 9 months, Lipp has been working on a project with ShoZu, a start-up that allows users to access social networking sites, such MySpace, via their mobile handsets.

Originally from Toronto, Lipp says he chose RSM initially for its top-10 ranking, its diverse student body, and its internship programme. And from speaking with recruiters before applying to the RSM, it was clear from the outset that RSM had a good reputation amongst potential employers – a fact borne out once he graduated.

"Most of the senior management at Sony, for instance, are MBA graduates," Lipp says. "My MBA was very instrumental in getting that position. My immediate supervisor was a Wharton MBA grad. He said during the interview that [my MBA] had distinguished me from a couple of other people he was also looking at."

Lipp says the MBA also helped in his day-to-day work. "The MBA helped me to think a lot more completely. When I was having meetings with senior management, I was able to feel a lot more confident answering the questions they would ask me. And I was able to justify business cases a lot more effectively, covering all aspects."

Meanwhile, what he learned about advertising and marketing has proven useful for his current work at ShoZu. "Implementing this new advertising revenue model at ShoZu, I'm dealing a lot with media buying agencies and advertising agencies. Because I concentrated on marketing during the MBA, I have a lot of in-depth knowledge of the advertising and marketing world. That has helped me tremendously as I'm exposed to a lot of high-level brand owners and other marketing professionals," Lipp says.

As a demonstration of his gratitude to RSM, Lipp has been sharing his post-graduation experiences with students still doing their MBA courses. "When I finished my MBA I put together quite a good plan for developing networks and contacts. I didn't have many in London at that time," Lipp says.

"I put together a few slides about that and took it to the MBA Career Management team at RSM, thinking that other students could get value out of it. The team was pretty excited about it, so they asked if I would be open to talking to the class."

Since 2006, Lipp has returned to Rotterdam three times to talk to students about networking and looking for employment in an unfamiliar job market.

As for the future, Lipp is currently considering two full-time opportunities. But he's not precisely sure yet what he wants to do next.

"The consulting contracts can be more lucrative. But there's also something to be said for being with a company full-time, and growing with them over three, four, or five years," he says.

It's a luxurious dilemma ■



A graduate of the RSM MBA '03, Madhusudan Chakrapani first got involved with medical start-up LiverDoc during his internship: a student from the previous year's class asked around to see if anyone was interested in helping out with a new venture. **Text:** Ben Schiller

INTERVIEW MADHUSUDAN CHAKRAPANI

Chakrapani says he saw the project as a way to make good use of his IT background, which included stints with companies like Infosys back in his home city of Bangalore.

LiverDoc was the brainchild of Solko Schalm, a professor at the Erasmus Medical Centre, who had previously set up the Foundation for Liver Research at the University. His idea was to use the Internet to improve access to medical expertise about the liver, so people in remote areas could enjoy the same access to expertise as people in big cities.

Funded initially through grants, LiverDoc was designed to work by having doctors draw up a patient report that they would send to the Medical Centre. The team there would then issue advice about the complication, helping the doctor to make a good decision about treatment.

The concept was great, and by 2003, Chakrapani had helped the team to draw up the technical requirements of the system, and to look for IT suppliers. By the end of 2004, despite a host of technical and legal difficulties, and a series of delays, the system was finished.

However, the project soon ran into more practical difficulties: it was clear that some doctors weren't willing to devote the time needed to input information, crucial for building a useful product. "We had built a very nice system," says Chakrapani, "but for many doctors it was not part of the routine to spend time entering information - they were used to dictating the information" which someone else would then transcribe.

The team decided to change course. For commercial viability, they needed to find a larger pool of potential customers. And because general practitioners have a broader need for medical information than specialists do, the team began to concentrate on GPs, rather than liver specialists (and the company changed names, from LiverDoc to ExpertDoc). Moreover, the team decided to drop the idea of doctors inputting information into the system, instead offering electronic versions of guidelines that are already in the public domain, but frequently in a non-digital form.

Chakrapani says the new version of the system is currently undergoing a trial period with physicians. The team behind ExpertDoc is hopeful that they can interest insurance and healthcare companies in funding further development of the project.

While he waits for ExpertDoc to get funding Chakrapani is hedging his bets by setting up his own IT consulting company, called Parakh Technologies. Working with his wife, Chakrapani has already signed up two major clients, including Cordys, the Dutch enterprise software supplier.

Chakrapani says his time at RSM has been helpful in the different situations he has faced at both LiverDoc/ExpertDoc and at Parakh. The RSM classes on business plans and talking to investors have been particularly useful, he says.

But it is his internship at RSM that has had the most influence on his career so far. "The internship was important because it gives you the chance to experience something new. You can see whether your career can take a different turn. It gives you a feeling of safety so that you can explore." ■

UPCOMING EVENTS FOR YOUR CALENDAR

October 1st

Social Corporate Responsibility conference – “A Moral Obligation”

October 27th – 30th

STAR Management Week

November 8th

EUR Alumni day

Nov 7th – 8th

MBA Reunion weekend

November 13th

Robin J. Stalker, CFO adidas Group visits RSM.

For more details on any of these events, please contact the alumni office at alumni@rsm.nl or check our website www.rsm.nl/alumni for up-to-date information.

‘DE SMITSE’ RE-OPENS

RSM’s iconic ‘De Smitse’ bar reopened on May 22nd after a three-month refurbishment. The bar has been both re-designed and extended. Max Zeijlstra, who co-founded the first De Smitse during his study in the early 70s, spoke at the reopening. ‘De Smitse’ is named after former dean Jaap de Smit and has since moved with the school into several different buildings, but always with its signature signpost.



LOCAL CHAPTER EVENT LONDON

RSM’S DEAN GEORGE YIP ON STRATEGIC TRANSFORMATION

A successful local chapter event was held on May 8th at the Reform Club in Pall Mall, London. During the session, RSM’s Dean George Yip, author of *Managing Global Customers: An Integrated Approach*, explained why some companies were able to transform themselves strategically without having to experience the trauma of a financial crisis. In contrast, he said, most companies drift strategically until they are awoken by a drastic decline in performance – by which time it is too late for shareholders, employees, customers, and top management. His lecture was based on recent research of 215 of the largest UK public companies.

The lecture was followed by a reception during which RSM’s London contingent had the opportunity to catch up over finger food and drinks.





STAR Management Week 2008



STAR Management Week 2008

Is your company looking for new ways to connect to some of the world's brightest upcoming talent? The STAR Management Week is the highlight of the year at Rotterdam School of Management, Erasmus University. Constituting an invaluable opportunity for leaders from the private, public and not-for-profit sectors to share their views and best practices with more than 7,000 international business administration students, this week-long event is not to be missed.

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David Eades
Presenter BBC World
Chairman of the day, STAR Management Week 2007

Program STAR Management Week 2008

Thursday, October 23rd
Women in Business and Politics Seminar

Friday, October 24th
Company visits

Monday, October 27th
Entrepreneurial Seminar
Skills Workshops

Tuesday, October 28th
Corporate Clinics
Network Fair
Company Dinner

Wednesday, October 29th
Academic Conference
Network Drink

Thursday, October 30th
Corporate Clinics
Network Fair



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- A.J. Scheepbouwer - CEO Royal KPN NV
- B. Boutros-Ghali - Former Secretary-General UN
- M. de Bruijn - Co-founder of Spyker Cars
- B.J. Verwaayen - CEO British Telecom Plc.
- V. Fox Quesada - Former President of Mexico
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Interested in participating? Contact us!

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