

RSM Outlook

WINTER 2008

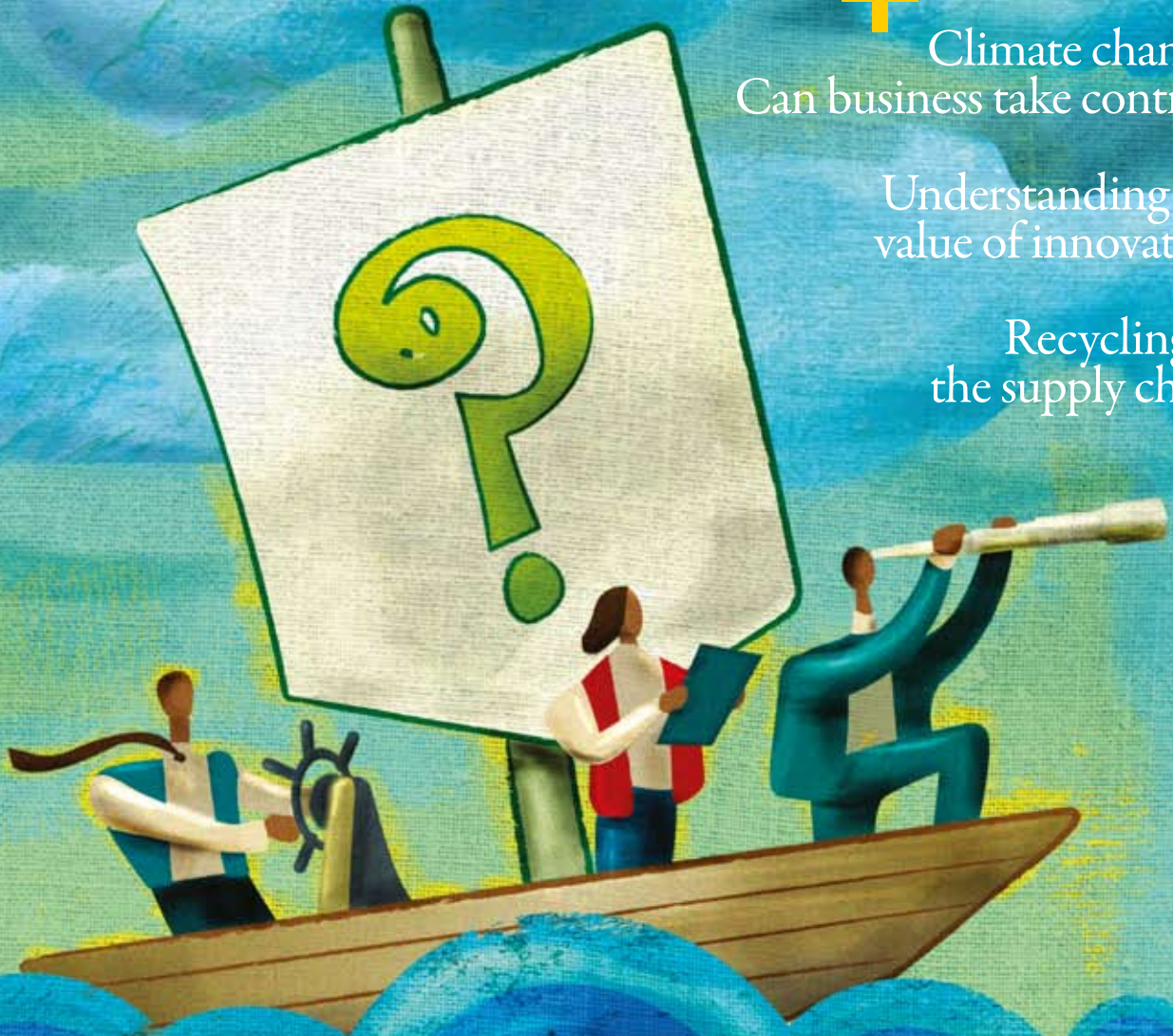
Rotterdam School of Management, Erasmus University



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Understanding the
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Recycling in
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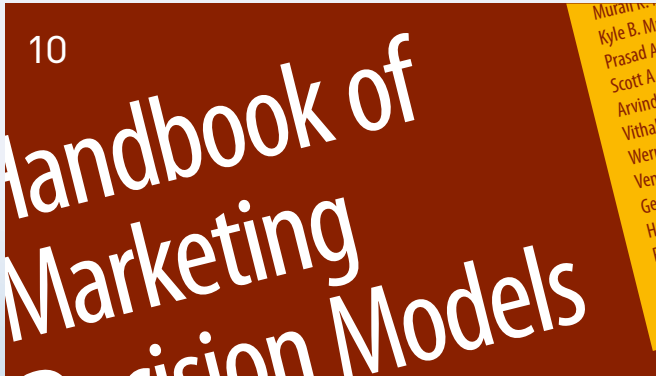
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RSM OUTLOOK

Winter 2008

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Soon to step down as head of the Frankfurt Alumni Chapter, Hermann Frühstück, possibly one of the most active members of RSM's extensive alumni network, is going to be missed.

Letter from the Dean

Internally and externally, Autumn 2008 has been a busy period. Personally, I have continued to travel extensively, meeting with companies and alumni, giving lectures, attending conferences and speaking at MBA recruitment events. This has resulted in significant media exposure, and an increase in the number of high-quality applicants to the MBA programmes. It has also been particularly fruitful in terms of recruitment agreements with several major consultancy companies, who will recruit our MBA talent for a variety of international positions. The participants in all of our programmes are truly able to work with anyone, anywhere – and it is rapidly becoming clear that just as this is a hallmark of our school, it is one of the new demands of globalised business.



The participants in all of our programmes are truly able to work with anyone, anywhere – and it is rapidly becoming clear that just as this is a hallmark of our school, it is one of the new demands of globalised business.

It has been gratifying to see our MScBA programmes ascend in the Financial Times' Masters in Management rankings. Our MScBA was ranked eighth by the FT, up from 10th place in 2007 – particularly good news, as this is for the first time a global and not strictly European ranking. Professor Eric Waarts, the dean of these programmes, deserves recognition for his ongoing and concerted efforts in raising both the quality and the profile of our MScBA.

I'm very happy to welcome Connie Tai back to RSM in the newly-created position of Director of Corporate and Alumni Relations. Many of you will remember her tireless quest, as a former Director of Marketing and Communications, to build the RSM brand. It is hard to imagine anyone as well-equipped to communicate the importance, both to alumni and our key external stakeholders, of the necessity and mutual advantage of supporting the School.

Much has been happening in the area of world finance. Continuing uncertainty seems the one thing we can be

certain of; business leaders are increasingly being asked to 'plan for the un-plannable,' and are seeking strategies to survive, and to sustain their stakeholders. For this issue of RSM OUTLOOK, a variety of experts from within and without RSM weigh in on how they've survived tough times in business, and provide well-grounded advice and examples of how to adjust to, and live through, a downturn.

For now, I wish all of our alumni a joyous holiday period, and much good fortune and prosperity in the coming year.

George Yip
Dean

Rotterdam School of Management
Erasmus University

ROUND UP

RSM MASTERS CLIMBS FT GLOBAL RANKINGS

For the fourth consecutive year, RSM has improved its position in the Financial Times Masters in Management rankings, having climbed from 10th position in 2007 to 8th this year. In 2005 RSM was ranked 20th and rose to 13th the following year.

Unlike previous rankings, which focused solely on European schools, the 2008 rankings are international. According to the 2008 evaluation, RSM's MScBA programme is again among Europe's top five for international experience. It has one of the most diverse faculty and student bodies, and offers excellent employment prospects with 100 percent of participants finding a job within three months of graduating.

The programme also received positive reviews for its value for money and the career status of alumni. "We have been investing to ensure that the MSc programme combines first-class academic learning with more scope for personal leadership development," says Professor Eric Waarts, dean of the MSc Programmes. "This means more international experiences, internships, exchange opportunities and sub-courses in presenting and other 'soft' skills. Not only do we want our students to be sharp thinkers, but also adept at dealing with people in international business."

DR. WENDY VAN DER VALK RECEIVES EMERALD / EFMD HIGHLY COMMENDED AWARD

Wendy van der Valk's doctoral dissertation, entitled 'Buyer-Seller Interaction in Ongoing Service Exchange' has been selected for a Highly Commended Award in the category Operations Management by the European Federation of Management Development (EFMD), an international organisation that

provides a unique forum for information, research, networking and debate on innovation and best practice in management development. In her dissertation, Van der Valk states that in business-to-business services, customers and suppliers must discuss what is needed and make the necessary adjustments on an ongoing basis.

INAUGURAL LECTURES

Beyond the regulatory model: authority and legitimacy in corporate governance



Hans van Oosterhout (right), Extraordinary Professor of Corporate Governance & Responsibility, gave his inaugural address at RSM on September 12th. His chair is endowed by the Erasmus University's Trust Fund. In his address, Van Oosterhout argued that research into corporate governance should be broadened in three areas: executive decision making; corporate governance in businesses other than listed companies, and on the legitimate interests of stakeholders other than shareholders.

Organisation Theory: bright prospects for a permanently failing field

Purseij Heugens (above left), Professor of Organisation Theory, Development and Change at the Department of Organisation and Personnel Management at RSM also delivered his inaugural lecture on September 12th. In his lecture he argued that the field of organisation theory is locked into a state of permanent failure. Heugens also outlined three research strategies that might end this stalemate by increasing the integration, relevance and realism of our current theories of organisation.

Organising Innovation



Jan van den Ende, Professor of Management of Technology and Innovation at the RSM, delivered his inaugural address on September 18th. His chair is endowed the Erasmus University's Trust Fund. In his inaugural address, Van den Ende showed what the innovation process entails; provided examples of successful innovations and discussed current issues and trends in this field. Van den Ende's research is focused on management of innovation processes and organisation of system innovation.

ROUND UP

NWO-VENI GRANT FOR ANARCHY RESEARCH



A NWO-VENI grant has been awarded to Wilco van den Heuvel, assistant professor at the Econometric Institute, for his project 'Reducing the Price of Anarchy in Supply Chains'. Wilco receives the sum of 208,000 euros. According to Van Den Heuvel's research, systems often perform suboptimally because of the selfish behaviour of the players in the system. A decentralised supply chain, where the players have different objectives, is an example of such a system. If a supply chain is controlled by a single player, a so-called centralised supply chain, then the system cost can be optimised. The difference between the system cost under a decentralised system and a centralised system is called the price of anarchy.

NWO-VIDI GRANT ON 'LIQUIDITY BLACK HOLES' FOR MATHIJS VAN DIJK



Mathijs van Dijk, Associate Professor of Finance, Rotterdam School of Management, Erasmus University has received a NWO-VIDI grant for his project entitled 'Liquidity Black Holes'. Van Dijk will receive a sum of up to 600,000 euros and this allows him to develop his research and appoint one or more researchers for five years.

Liquidity black holes arise when financial market liquidity suddenly dries up. Trading financial assets becomes prohibitively expensive and asset prices tank. Examples of liquidity black holes are the 1997 Asian crisis, the 1998 Russian debt / LTCM crisis, and the August 2007 subprime mortgage crisis.

ERRATUM



In the Summer issue of RSM OUTLOOK, we mistakenly mixed up the photo's and captions of Rein Breeman, CEO, Vecom Group and Eric Claassen, Co-Founder and CEO, Vironovative BV (p39: Special Report – Entrepreneurship). Here they are again, but the right way around with Rein Breeman on the left, and Eric Claassen on the right. The guilty person has been suitably chastised.

MSCBA SNAPSHOT

- MSCBA external intake is up by over 25 percent this year.

MSCBA - General Management

- Number of applicants up by 57 percent.
- Intake up by 39 percent.
- Average GMAT is 629.

RSM PRESENTS DSM CASE AT CEEMAN EXECUTIVE EDUCATION FORUM

At the first Central and Eastern European Management Development Association (CEEMAN) ExecEd Forum, held in Moscow, Anna Pehar, business director executive education, explained the RSM approach to partnership in executive education to an audience of delegates from 18 countries. She also presented the RSM/DSM case, whereby RSM Executive Education has been the partner of the DSM Business Academy for over 20 years, and develops tailored management programmes for DSM employees worldwide. Her interactive presentation was very well received and resulted in a lively discussion. Her presentation can be found at the CEEMAN website: www.ceeman.org.

MBA TEAM CONSULTING WEEKEND SPRING, 2009

RSM has joined forces with McKinsey & Company to create a unique opportunity for RSM MBA students to experience management consulting up close. The MBA consulting experience, scheduled for spring 2009, will see five participants spend a three-day weekend having fun and getting a taste of what it would be like to work for McKinsey. Working with a McKinsey partner and a project manager, the participants, who will be taking on real-life cases for genuine McKinsey clients in the non-profit sector, will interview the client, create solutions and present these according to McKinsey's standard practices.

PERSONNEL

NEW ACADEMIC DIRECTOR OF MSCBA GENERAL MANAGEMENT



Irma Bogenrieder has succeeded Peter van Baalen as Academic Director of the MScBA General Management Programme.

This two-year General Management Programme started in 2006 to meet a growing demand for pre-experience graduate business education for non-business bachelors. Being one of the first of its kind in Europe, it started with a cohort of 35 highly qualified students. This year the programme will run with approximately 50 students and further expansion is scheduled for the future.

NEW DIRECTOR OF OPERATIONS APPOINTED



Dominique Campman has been appointed as Director of Operations for RSM.

The Director of Operations is the highest administrative officer within the School, reporting directly to the dean. He will be a member of the Management Team and will also serve as secretary general of the board of the school. As such, he heads the Dean's office, which encompasses the secretariat, the legal office, the accreditation office, and the registry.

PROFESSOR JAAP SPRONK APPOINTED ACADEMIC DEAN OF RSM MBA PROGRAMMES



Jaap Spronk comes to RSM from the Erasmus University Faculty of Economics, where he has served in a variety of different positions.

Said Dean Yip, "Beyond Jaap's many obvious talents, it is very important to me that in addition to his decision-oriented research, his heart remains close to teaching – which shows both in his teaching methods and in his involvement with students."

Jaap Spronk said, "I am really happy to join RSM as I see this as the natural place to be for the development of the business leaders of the future. I see it as my role to offer our post-graduate students the skills and abilities that will help them to recognise, structure and solve the management issues that they will face. I intend to do so by building bridges and developing further the levels of interaction between RSM, corporate partners, academia and the city of Rotterdam."

PETER ROOSENBOOM APPOINTED PROFESSOR OF ENTREPRENEURIAL FINANCE AND PRIVATE EQUITY

Professor Peter Roosenboom has been appointed to an endowed chair of Entrepreneurial Finance and Private Equity at the Rotterdam School of Management, Erasmus University. Roosenboom took his doctoral degree cum laude in 2002 at the Tilburg Center for Economic Research.

Roosenboom's current research topics are initial public offerings, private equity and corporate governance.

Commenting on his nomination, Professor Roosenboom states, "I am happy to take up this new challenge and to develop further a research agenda on private equity. There is a growing need among policymakers to better understand private equity. I hope to provide more insight into the macro-economic effects of private equity on employment, firm creation and innovation."

NEW BUSINESS DIRECTOR FOR EXECUTIVE EDUCATION

Andreas ter Woort has been appointed as Business Director for Executive Education. He will work alongside Anna Pehar and Klaas Wassens to further grow the Executive Education portfolio. His main focus in the team of three business directors will be on account management and development of a major part of the current client portfolio of tailored programmes. Andreas has an extensive background in the international corporate world, mainly in the areas of sales, marketing and management consultancy.

AWARDS

STANFORD PROFESSOR AWARDED HONORARY DOCTORATE

In recognition of the enormous achievements made in the areas of global supply chains and supply chain management, RSM has, on the occasion of its 95th Dies Natalis – the anniversary of the founding of Erasmus University – and the 38th anniversary of RSM, awarded an honorary doctorate to Professor Hau Lee.

A world leader in supply chain management, Professor Lee has been central to the development of many new innovations and initiatives in his specialist fields. He has been published widely, is one of the most cited scientists in these areas and is also

one of the top 50 most cited authors in the areas of business and economic sciences.

In 2004, his 1997 co-authored paper "Information Distortion in a Supply Chain: The Bullwhip Effect" was voted as one of the ten most influential articles published in the history of the journal *Management Science*.

Further, his research will be used in the European Commission's FP7-funded INTEGRITY project, which will investigate and seek to improve the transparency in global supply chains between the Far East and Europe, and in which Erasmus University is the lead research partner.

C.A.P VAN STOLK PRIZE WINNER

This year's C.A.P van Stolk Prize has been awarded to Jan Aalberts, President and CEO, Aalberts Industries NV.

The prize recognises his successes in achieving consistent and sustainable growth within the company over a number of years. Further, it acknowledges his commitment to issues of corporate governance.

"In awarding him with this prize, we recognise that Jan Aalberts fits the criteria of the C.A.P. van Stolk prize very well. Those criteria are based on the values of RSM and the characteristics of Mr. C.A.P. van Stolk, who was courageous, socially responsible, innovative, internationally oriented, and a successful and inspiring leader." said Floris Maljers, president of the selection committee. "Jan Aalberts has shown respectful leadership over a considerable timeframe. I congratulate him on this well-deserved prize and we wish him continued success."

Headquartered in Langbroek, the Netherlands, Aalbert Industries core activities are in industrial services and flow control. In 2007, its revenues increased by 18 percent to 1.7bn euros. The C.A.P van Stolk Prize is awarded annually by a committee comprising RSM; its student organisation, STAR; Erasmus University, and Vereniging Trustfonds Erasmus Universiteit Rotterdam.

ILAN OSHRI AWARDED JSIS BEST PAPER AWARD



The article "Global software development: Exploring Socialisation and Face-to-Face Meetings in Distributed Strategic Projects", published by Ilan Oshri, Associate Professor of Strategic Management at the Rotterdam School of Management, Erasmus University, in the *Journal of Strategic Information Systems* (volume 16 nr. 1) has been selected as Best Paper 2007.

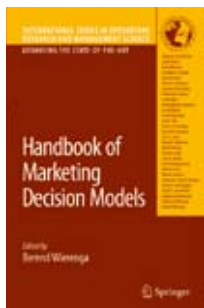
RSM CHARITY WINS TEAMMBA AWARD

RSM recently won the TeamMBA Award at the annual conference of the Graduate Management Admissions Council in Chicago. The award for Outstanding Community Service is presented annually to a school that exemplifies the highest ideals of giving back through community service and cause-related activities by its students. RSM competed with 25 other business schools and was the only European school to be nominat-

ed. The award recognises the efforts of the class of 2008 students, who established the RSM International Charity Foundation. The primary benefactor of the charity, the Peduli Anak Foundation in Indonesia, focuses on the education and shelter of 'street' children. The RSM International Charity Foundation's efforts have thus far raised an impressive 140,000 euros.

More information can be found at www.rsmcharity.nl

BOOK REVIEWS



Handbook of Marketing Decision Models

(ISBN: 978-0-387-78212-6.

Springer.)

Berend Wierenga – Editor

This handbook presents completely new breeds of marketing models (models for customer value, for customer relationship management-CRM, and for electronic commerce), but also reports recent progress in other marketing decision models, such as marketing mix models (advertising, sales promotions, sales management), competition models, return on marketing models and marketing management support systems.

Altogether, the handbook contains 17 chapters, from 28 contributing authors in 630 pages.

Not only are the most recent models discussed, but the book also pays attention to the implementation of marketing models in companies and to applications in specific industries.

The book's editor, Berend Wierenga, was invited to undertake this volume when he was a visiting professor at the Wharton School in 2004. Using his international network, he was able to recruit for each subject the top experts in the world.

Using his international network, he was able to recruit for each subject the top expert(s) in the world. Two-thirds of the contributors come from North-America (including authors from Wharton, Columbia, Harvard, UCLA, Cornell, Penn State, and UBC), the others from Europe and Australia/N.Z. There are three contributing authors from Erasmus University, besides Berend Wierenga, these are Philip Hans Franses and Gerrit Van Bruggen.

Commenting on the book, Wierenga said, "With a group of distinguished contributors, we have been able to put together a high quality book that will serve as an authoritative reference and that will help researchers, marketing students, and marketing practitioners to get the full benefit from marketing decision models in the years to come".

Berend Wierenga is professor of marketing at RSM.



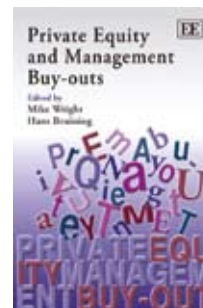
The Network Experience: New Value From Smart Business Networks

(ISBN 978-3-540-85580-4.

Springer.)

Smart Business Networks (SBNs) enable individual organisations to compete more effectively and to respond better to a changing world. This idea attracted a diverse group of academic scholars and business professionals to Beijing in May of this year, at the third Smart Business Networks conference, hosted by Tsinghua University. This book presents the results of that intense and energising event which resulted in new theoretical foundations and practical insights.

The book was officially launched on September 30th and the first copy was presented by RSM's dean, George Yip, to Jan Baan, CEO of Cordys. To find out more information about Smart Business Networks, visit the website: www.sbnweb.org.



Private Equity and Management Buy-outs

(ISBN: 9781847207258.

Edward Elgar Publishing Ltd.)

This careful and objective analysis of the presence of private equity in buy-out firms reviews the effects of this ownership transfer in terms of firm performance and survival, thus placing private equity in a broader context of implications for value creation. It provides an overview of international trends in private equity and develops a conceptual framework for understanding the heterogeneity of private equity deals.

Edited by Mike Wright, Professor of Financial Studies and Director, Centre for Management Buy-out Research, Nottingham University Business School; Visiting Professor, Erasmus University, and Editor, Journal of Management Studies, and Hans Bruining, Associate Professor, Department of Strategy and Business, Rotterdam School of Management, Erasmus University.



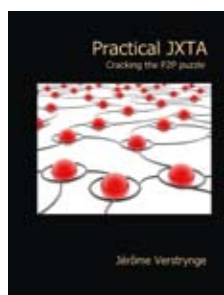
Outsourcing Global Services Knowledge, Innovation and Social Capital

(ISBN: 9780230206670. Palgrave Macmillan.) Ilan Oshri, Julia Kotlarsky and Leslie Willcocks

This book provides in-depth insights into the practices that lead to success in outsourcing global services including IT outsourcing, business process outsourcing and netsourcing. Examples of insights are: Offshore middlemen – transnational intermediation in technology sourcing; Integrated collaboration across distributed sites – the perils of process and the promise of practice; Managing dispersed expertise in IT offshoring – lessons from Tata Consultancy services.

Ilan Oshri is an associate professor of strategic management at RSM. Leslie Willcocks is professor of technology work and globalisation at London School of

Economics. Julia Kotlarsky is an associate professor of information systems at the Information Systems and Management Group, at Warwick Business School.



Practical JXTA – Cracking the P2P puzzle

(ISBN: 978-1-4092-1564-6. LuLu Enterprises) Jérôme Verstryngne

Practical JXTA – Cracking the P2P puzzle explains how to use the latest version of the JXTA technology in software applications. This book fills a gap in existing documentation and helps readers understand what Peer-to-Peer networking (P2P), JXTA technology and its Java implementation (JXSE), is all about.

Practical JXTA is written by Jérôme Verstryngne, who has a Bachelor of Sciences in computer science, a Masters in human resource management and an MBA from the Rotterdam School of Management.

It is available for sale online at: www.lulu.com/content/2896026



Luxembourg

(ISBN: 978 1 84162 257 6. Bradt Travel Guides) Tim Skelton

The first edition of Luxembourg has liberated Europe's smallest country from a state of semi-occupation at the back of a greater European guide, to deserved independence in its own dedicated title.

As Tim Skelton, a regular contributor to RSM OUTLOOK, points out, "This cute landlocked microstate is crammed with heritage, hills and castles, and it has more Michelin-starred restaurants per capita than anywhere in the world. Furthermore, the nation's wines – which rate amongst Europe's best-kept secrets – are rather good to say the least..." Full of practical information, the book also lists accommodation – from camp sites to five star hotels.

The book can be ordered online at: www.bradt-travelguides.com





Q&A WITH CARIEN VAN DER LAAN

Her CV is impressive: an early career as a corporate attorney, an MBA from Harvard Business School, and subsequent management positions for such companies as McKinsey, KPN and Versatel. It's clear that Carien van der Laan has succeeded in what might be termed 'a man's world', giving her substantial insight into the frustrations and opportunities of being a woman in business. In 2004 Van der Laan and her partner Bercan Günel founded Woman Capital, an agency that pairs experienced female executives with top-level management positions. Text Lesa Sawahata

The Woman Capital website says that 'promoting women in leadership positions is not a moral or social issue' – that gender diversity is a good organisational strategy. Why is that?

Basically, there are two things. One is that without gender diversity, you're neglecting a lot of talent. You're not accessing all the talent that's available and you're not sure that any of the issues in your company are looked at from different sides. The second is that there is so much evidence that companies embracing diversity, not just of gender but also ethnic and age diversity, tend to be more open, more creative, more innovative, and do better financially.

So what's the problem? Why aren't companies seeking out women leaders?

It is this silly acceptance that the way we have built business – and actually government and church and every institution out of the home – is the way it has to be. And that construct has basically come down from the time when men worked outside the home and women worked inside the home. We've accepted that this is the system – and now we're trying to fit women into a system that doesn't work for them. It's the square peg in the round

hole. We should rethink the way business is designed. And not just to accommodate women – to see what the rational, best way of working is. There's this idea that you've got to work 60 or 80 hours a week to get ahead. How relevant and how true is that? Is it really necessary and productive to work 80 hours each week? Maybe all of us would be better off having more things in our lives than that.

Tell me about RSM's mentoring scheme for MBAs – you've been instrumental in bringing women business leaders into contact with the MBAs, right?

We started that up because Dianne Bevelander, the Associate Dean for the MBA programmes, talked to me about the challenges MBA participants were having in their work teams. The team members are not self-selecting; they are assigned to small working groups that are designed for maximum diversity. The idea of going in to understand group dynamics is an extremely useful exercise.

Of course some conflicts do arise in the teams. It's good to take the time to think about the process, and the idea was that these groups should have a mentor they could discuss the ▶



“ Is it really necessary and productive to work 80 hours each week? Maybe all of us would be better off having more things in our lives than that. ”

process with. Dianne asked if I could find 12 mentors for 20 groups – and I asked “Do you mind if they’re all women?”

The idea of having women, all of whom are very successful in business, mentoring in an MBA programme is a great model: it demonstrates that it’s very possible to be a successful woman business leader.

The ‘Servant Leader’ has been suggested as the most desirable contemporary model of leadership. Are women inherently better suited to this model?

There’s a wonderful book by Margaret Heffernan called *How She Does It*. Heffernan talks about women entrepreneurs, and she says that it is exactly the qualities that prevent women from getting ahead in corporate life that make them great entrepreneurs. Women understand how to be of service to a client, and they are fair to clients, and they are honest – and basically the servant leader model is what women do naturally, because for the most part they are not hierarchically driven. There is nothing in them saying “I want to be the boss.” That is in a man’s DNA, however, which is why all of our institutions conform to the need for hierarchy.

To be fair, men are also trapped by this hierarchical system, aren’t they?

I was once giving a talk to a group from a large bank. And I told them that the system has been created by men, and it’s slanted to the way men see the world and their points of departure. And one of the young men stood up and said, “That’s not true! It just is the way it is.” He had no idea. Men don’t realise

that this excluding mindset, and the way they think about women, is a problem. And yes, men do suffer in this system too.

At a certain level in an organisation, high enough so that everyone is doing their job pretty well, advancement may have nothing to do with performance – it has to do with networks and politics. Men also become victims; there are some terrible things that happen when a new boss comes in and wants to surround himself with his buddies. People are put out to pasture and a lot of valuable expertise leaves the company.

On the other hand, particularly in northern Europe, women get time off and other support when they have children. This contributes to their lives, but does it detract from their careers?

Remember the old double standard – men were free to ‘sow their wild oats’ but wanted to marry a virgin? Well, this is the new double standard. Our society tells us “We’re greying; we need women to have more children.” And business says, “But not the women who work for me, because I don’t want to cope without them.” This comes on top of the other complications. When you’re a mother already you feel enormous responsibility and then if you saddle a woman with guilt feelings about not working, or working and not being home, it’s even tougher. There have been very successful women who have worked less than five days a week for a certain period of time when their children are small, and then have gone back to working longer hours when they can. This all goes back to rethinking how business is designed.



So what would a good, inclusive business system look like? What steps can be taken to move in that direction?

There was very nearly the idea of a quota system introduced recently in the Netherlands. Of course it's bad for government to force this issue on business, but it might work. There's also been a charter signed by 45 companies in the Netherlands who will take steps to promote women in top management.

There are some overall changes that would encourage gender diversity in business. One would be to have far more flexibility in how we look at the time people spend in the office. There should be more flexibility in the work week; maybe there would be some years where you work less or not at all without being labelled as lacking in ambition.

Two: I think it should be required that every course of study includes a class that explains to men and women their different points of departure. Students today think they're all the same, and they don't necessarily want to hear anything about gender diversity, which sounds like old hat to them.

Basically there are different ways the genders think about things; that doesn't seem to be our nurture, but out nature. It would be good to understand where the other person is coming from.

And three: appoint more women to top positions because only if they are in top management can they make a difference. That's where I'm trying to do my bit. And the success of Woman Capital indicates that the time for change is now. ■

Q&A WITH GAIL WHITEMAN



Professor Gail Whiteman has said she doesn't want to be the 'poster child' for sustainability at RSM. Sadly it's too late. Gail is perhaps the most visible, and one of the most voluble, faculty members on issues related to the environment. **Text** Lesa Sawahata

As Associate Professor in Business-Society Management, Gail has brought issues of CO₂ reduction, corporate social responsibility, and sustainability to the forefront of business studies. She was key in helping launch Greening the Campus, the university-wide carbon reduction programme currently taking root at Erasmus University. And as Director of the Sustainability and Climate Research Centre (SCR), Gail is tackling the complexities of finding management solutions to climate change.

What is the Sustainability and Climate Research Centre?

It's one of ERIM's collaborative Centres of Expertise. If you look at the website, the broad objectives are to 'reach a clearer understanding of the challenges posed by climate change and search for credible solutions to achieving global sustainability.' The SCR officially launched in December 2007.

We're starting to look at how companies actually engage on climate issues, especially in local urban areas. I'm an academic, but I'm also a practical person. We need to get inside the management box in a real, concrete way.

How are you approaching research?

First, we want to explore how managers are dealing with climate change issues

already; secondly, how we can help them identify and address the management challenges that arise from climate change. There's been a study at KPMG, in which they interviewed companies on how they view climate change. Eighty percent said that climate was 'very important' or 'fairly important' to them, but there is a large performance gap in how to deal with the issues.

We can go day-to-day without having to deal with it; thus it's a slow-moving phenomenon. It doesn't happen to move super-fast unless you're in the way of the next hurricane.

What's your ideal scenario for the SCR within a year?

My goal for the SCR is that within a year it is a viable centre – but what's more important is to get inside firms, and show them how to manage in a climate challenged world as a business. We're seeking to engage business directly, also – the idea is to have six to ten companies from non-competing sectors as members of an Advisory Board, along with other stakeholders. This is important for long-term results. When multinationals become aware of their CO₂ footprint, they tend to do something to mitigate it – for example, greening their supply chain. They can reduce their own CO₂ emissions and at the same time help the urban areas in which they are located.



How does your own life, your work as a teacher, and the SCR fit together?

Let me say: I'm not an expert in climate change, I'm a business management theorist. I recognise that business is a force that is very important. Because I've got kids, I believe I have to do something to make a change. And because I started out in the private sector - in marketing - I've asked myself where my skills can be most useful.

As a first step, I decided that I could influence my students. Climate change is now our critical theme in the Business-Society Management (B-SM) introductory course in the BSc in International Business Administration (IBA) programme, as well as in a masters elective that I teach. This has really been eye-opening for programme participants; even my sustainability-focused students had no idea of the scale or scope of the problem. When this term finishes, about 1,000 will have graduated from the BSc IBA. About 25 students each year do the masters elective in companies and ecologies, with climate as a critical theme. And then I supervise research with a number of CEMS students on their Master thesis. [The MSc in International Management/CEMS is a challenging joint-degree management programme within Europe]. This year, my research theme is: what is the role that companies play in climate change within urban areas?

Why would CEMS students choose to do their research on this?

It's because large cities are mobilising to reduce emissions. These large urban areas contribute directly and indirectly to about 75 percent of CO₂ emissions, so if we can make reductions at this mega-city level, we have gone a long way to tackling the climate issue. The CEMS students can examine the role of multinationals, plus small and medium businesses, in Rotterdam or another major city.

It's important to note that Rotterdam is the only Dutch city affiliated with the Clinton Climate Initiative C40. I have eight students currently working on this topic – seven from CEMS and one from our own B-SM department.

What sort of research is going on at the SCR?

Some of my research is on systems theory, and we're hoping to involve the dean in some of his work on corporate sustainability, values, and implementation. Professor Muel Kaptein is working with KPMG on the key issues facing Dutch business. We also have Luca Berchicci looking at green entrepreneurship – he's affiliated with the SCR, and he's an Assistant Professor of Entrepreneurship and New Business Venturing. And there are other RSM experts doing their own work on issues like reverse logistics and green supply chains, which is additional to the work we are doing at the SCR.

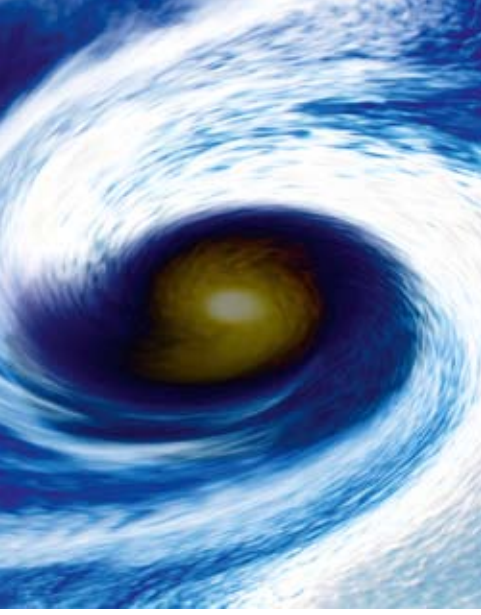
Quite a number of scientists say that devastating climate change is now irreversible. So what gives you hope?

Yes, I think there is irreversible change on its way. I think some of it can be mitigated and I think there is a lot of hope in how we adapt to it. Humans are very innovative.

I'm writing a book and starting a blog on Generation C – 'generation climate' – because all the kids born in the past five years and in the next 15 will have to face climate change mitigation and adaptations. What gives me hope is that I'm active, I have energy and intelligence and emotional commitment to making a change. My students give me hope – although I occasionally get the 'go home hippie' response, I see that for the most part they are learning. And I'm sharing information.

This is about more than the future of business – it's about our future as a whole. ■



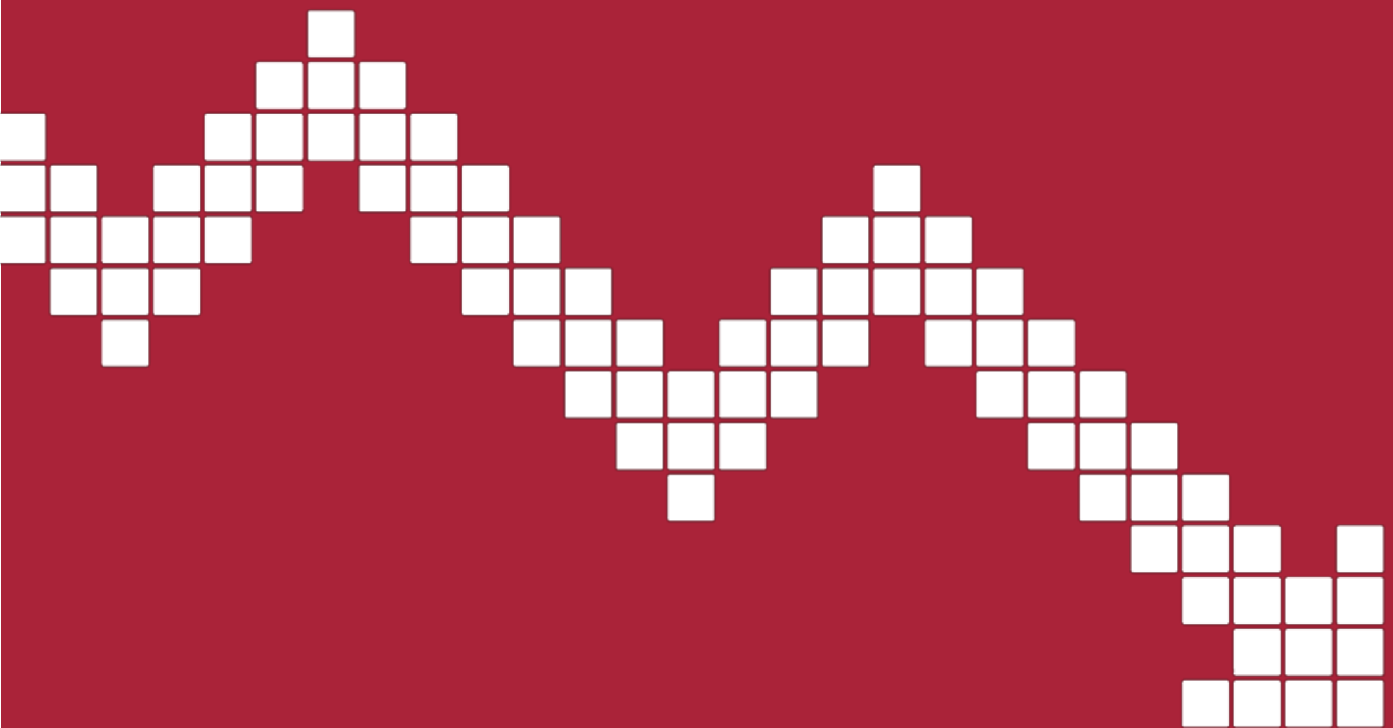


STRATEGY



Managing a company in a fast-moving global marketplace is necessarily fraught with uncertainty. But it would be hard to imagine conditions more uncertain than the current ones. It's normal for managers to face one or two tricky 'macro' issues, but look at the present slate of potential banana skins: financial crises, global economic slowdown, high and volatile commodity prices across the board, food shortages, climate change... The list goes on. It's difficult to conceive of a recent period when the outlook – while hardly being resoundingly negative – has been harder for managers to predict and plan for.





STRATEGIES FOR TURBULENT TIMES

A key question for managers facing such an unpredictable business and economic environment is how to strategise for the future? To help find the answer we sought the expertise and opinion of leaders from both business and academia. Senior executives from four world-class organisations give their perspectives as do Professor George Yip, dean of RSM and an authority on global strategy, and Professor Henk Volberda, RSM's strategic management and business policy expert.

Is now the time to batten down the hatches, cut back on risky spending on new products and new markets, and wait till the storm passes? Or, is now precisely the time to take risks, just as competitors are sleeping, and the opportunities for growth in new products and new markets – particularly China and India – appear so abundant?

We put this question to Henk Volberda, professor of strategic management and business policy at RSM, as uncertainty – or rather how companies cope with uncertainty – is precisely his speciality. Volberda says the typical response of companies to uncertain conditions is, paradoxically, to do more of the same: that is, to exploit those products and markets that are already established for them. “What we see is that most firms in uncertain environments choose what I would call exploitation strategies, which means actually more of the same

but in the end find it’s not profitable,” Volberda says.

The challenge for companies, therefore, is to try and find a happy medium between holding tight and moving on, exploiting what they have and exploring what might be around the corner. “Successful organisations are able to move in more than one direction at a time,” says Volberda. “In the crisis we are facing now, I think high-performance firms are those firms that are superior explorers but, on the other hand, are also superior exploiters.”

This ability to do two things at once – what Volberda describes as ‘ambidexterity’ – is only possible once managers consider the flexibility of their organisations in coping with change. Volberda notes that, when facing uncertainty, most companies will invest in ‘operational flexibility’, but not in ‘structural flexibility’ (where organisations are flat and project teams can



“...strategic flexibility is the estimator of high performance for organisations in highly turbulent environments.” *Professor Henk Volberda*

‘try-harder’ approaches, doing things better, and increasing efficiency,” he says.

Companies also like to know that, whatever strategy they are following, they are not alone. “When companies face uncertainty, the easiest response is to copy your competitor, to go for herd behaviour. When companies face uncertainty they tend to prefer short-term benefits instead of long-term goals,” Volberda adds.

The problem for such firms, says Volberda, is that “their core competencies in the end become their core rigidities”. By focusing on exploiting what they have, instead of innovating for the future, they get caught out when the music changes and the competition has moved on to something else.

Another group of companies may have the opposite reaction to uncertainty. “They try to innovate but overreact and so they try all kinds of innovations, new products and service,

be assembled and disassembled quickly) or ‘strategic flexibility’, which is the ability of organisations to change their goals. “Most firms want to preserve their goals, but sometimes you have to change them. Strategic flexibility is the highest level of flexibility. In our research on these areas, strategic flexibility is the estimator of high performance for organisations in highly turbulent environments,” Volberda says.

The uncertainties facing business managers – not just as a result of the current downturn, but more generally – means that traditional ‘deliberate planning’ strategies may no longer be either possible, or particularly useful. The same might also be true for more flexible ‘scenario planning’, Volberda believes. “In the end, if you’re facing very high uncertainties, it means that planning is impossible. But, if you invest in planning, not only is it very costly, but it doesn’t make any sense. The best thing you can do is develop some slack in



your organisation – in your structure and in your technology – in order to be able to deal with multiple contingencies,” says Volberda.

The irony is that, during turbulent periods, when it is difficult to plan and forecast the future, many organisations redouble their efforts in these areas. They believe, incorrectly, that what is needed is more focus on planning and predicting, rather than a fundamental change in approach. “What we see in the planned organisation is that it starts to do more planning. This type of organisation says, ‘actually we need to have an extra layer of management, we need better planning control systems’.”

Of course, not all organisations face chaotic marketplaces,

and for those with relatively settled environments, a rigid, planned organisation may be the best option. However, the number of companies with this luxury is dwindling; increasingly, uncertainty is the norm. With an economic downturn on the way, turbulence is only likely to become even more common.

Disturbingly, what is clear from Professor Volberda, is that many firms simply aren’t ready for what is ahead. “From our studies, we see that 65 percent of companies are still operating within a rigid and planned mode. They are actually in the denial range. What we should have is more firms in the flexible mode, and even some firms in a more chaotic mode. This is a big challenge for management.” **Text Ben Schiller ■**

STRATEGY AND SURVIVAL Q&A QUESTIONS POSED BY RUSSELL GILBERT

GODEFROY MOTTE

EASTMAN CHEMICALS



Godefroy A. Motte is president EMEA, Eastman Chemicals B.V., and is a member of the RSM Advisory Board.

How is your organisation responding to these uncertain times and the challenges they present?

No one will argue that margins are getting squeezed in a variety of different businesses. Some businesses are holding on to the promise of a return to more profitable times, but the wiser few have accepted that things are not going to improve in the long-term. We must face reality - the world is changing, and we must and will change, too.

Eastman believes that you can improve margins in two ways. First, by concentrating on the denominator, or efficiency, you can take costs out. And, secondly, you can work on the numerator and focus on the creation of new business.

Taking costs out is actually an organisational maturity test. You need to keep doing what is needed for your long-term strategy, but you need to be flexible in what and when you are doing things. It is a balancing act, which requires a good understanding of that long-term strategy.

Creating new business is about 'transforming' your collaboration with your customers, distributors and suppliers by making a 'material difference' in their products. It is also about thriving in new markets and emerging geographies.

With the future so unpredictable, how do you create long-term corporate strategies and what are the most important areas of focus for your organisation?

Many companies are struggling with the current dynamics of business. We see these uncertainties as opportunities where we can take unconventional approaches to

succeed. We have developed a number of 'transforming' initiatives, which do more than simply respond to the challenges. Our long-term strategy focuses the two areas of industrial gasification and growth in our existing businesses. One of our growth opportunities was to 'Go East' and expand in central and eastern Europe. The region offers features that make it attractive, for example:

- Movement of our customers' customers.
- Market size.
- Strong economic growth.
- Consumer spending levels.

In seeking growth opportunities, companies are tempted to follow the trend to rush to Asia. But in my opinion, it is not a question of China or central Europe. We need to go after both - it is not a 'zero sum game'.

In turbulent times, how important is innovation, both within the organisation and in competitive markets?

For Eastman, innovation is about working in new ways that focus on being greener, smarter and more costs efficient. Innovation is at the core of our value creation, and our formula is simple: Technology = People. Our scientists, engineers and business teams are tremendously successful in creating intellectual property with commercial applications. We have more than 800 active patents in the U.S. and another 1,500 around the world.

One of my favourite books regarding innovation is *Leading the Revolution* by Gary Hamel. Hamel claims that companies fail to create the future, not because they fail to predict it, but because they fail to imagine it.



“...innovation is about working in new ways that focus on being greener, smarter and more costs efficient.”

Based on an approach described in Hamel's book, Eastman has implemented the 'Stage Gate' system. This is a unique, innovative system that uses disciplined decision-making to identify and prioritise opportunities that lead to profitable and sustainable top-line growth.

Based on your own experiences, does the importance and value of leadership increase in turbulent times, and if so, in what ways?

Leadership is essential at all times, but it's especially important when facing challenges. Convincing people in an organisation that it is reasonable to strive for 'unreasonable goals' compared to your industry is tricky. It takes more than just telling people what you want them to do.

Leaders have to demonstrate that it is actually possible to dramatically outperform the average – and we have to do this with real examples. Otherwise, the aspiration has no credibility.

For example, three years ago, we launched our growth initiative to 'Go East'. Our goal was to double our sales in six years. The first year, we increase sales by 30 percent, the second year by 25 percent. I'm proud to say, we will probably reach our goal in four years instead of the six.

As a leader, you must be able to develop the vision and communicate it to your entire organisation. For example, stating that we want to 'Go East' means that HR needs to recruit, Sales needs to deploy people and distributors, and the Supply Chain needs to establish logistics, etc. Then as the conductor of an orchestra, the leader needs to ensure

that each instrument plays its part at the right time.

For organisations of all sizes, both technology and environmental concerns are drivers of enforced change. How is your organisation responding to these challenges?

The chemical industry as a whole must improve its image. We must prove that we are part of the environmental solution and not part of the problem. I am chairing the Build Trust Programme at the European Chemical Council (Cefic), where our goal is to foster dialogue with all stakeholders. We want to establish sustainable relationships of trust between our industry and the consumers, the residents, and local authorities wherever we do business.

For instance, in Brussels, on June 24th of this year, we launched a stakeholder dialogue on nanotechnologies. Four member companies agreed to show clear examples of nanomaterials and the way they produce and handle them.

There was good participation from regulators and academia and together we managed to create the right conditions to start a process of stakeholder engagement.

In addressing everything from climate change and energy costs to borderless businesses and environmental stewardship, we, particularly at Eastman, are addressing new ways to become 'greener, smarter and more costs efficient'. I am proud to say that we have moved beyond just meeting those challenges; we are creating competitive advantages. ■

STRATEGY AND SURVIVAL Q&A

PETER GERBER

DEUTSCHE LUFTHANSA



Peter Gerber is senior vice-president, Deutsche Lufthansa Aktiengesellschaft, and is a member of the RSM Advisory Board.

How is your organisation responding to these uncertain times and the challenges they present?

The aviation industry is a volatile business and unlike many other sectors, it is very much dependant on external factors. Certainly there are various short-term measures, for example, employment restrictions, with which it can respond to uncertain economic times.

Regarding a long-term strategy, our goal is industry leadership; to always be one step ahead of the competition, especially in these uncertain times. To reach this goal, we have to reduce our costs and enhance our efficiency. That's the reason why we started the initiative *Upgrade to Industry Leadership*, which will help to establish and maintain Lufthansa's position as the leading European airline.

The upgrade programme includes the implementation of numerous projects across all our business segments, each representing a further step towards industry leadership. There will also be a variety of separate projects involving several business segments.

One example: the Lufthansa Group purchases goods and services of around 10 billion euros per annum. That's reason enough to take a closer look at the potential for improvements that exists in this area.

But the initiative is not just a cost reduction programme; after all, far greater things are at stake. We want to continually assess all our business segments to reaffirm that our services and our products meet the standards required for industry leadership.

Additionally, the consolidation in the

international aviation market is very important. Lufthansa will play an active role in any consolidation, as long as there are economic and strategic advantages. For example, Lufthansa was the first European airline to react to the open-skies-agreement, buying shares of the US-airline Jet Blue.

With the future so unpredictable, how do you create long-term corporate strategies and what are the most important areas of focus for your organisation?

Lufthansa's corporate strategy is geared towards generating profitable growth, whereby profitability is more important than size. We are committed to creating shareholder value. By this I mean sustainable value creation. All business segments rely on the brand values of quality, reliability and innovation. From this we defined five key factors for success:

- The customer is central to our business activities. We address customer requirements and offer products to meet those needs.
- Our core skills determine our activities. Those skills encompass the management of flight networks, nurturing partnerships, operating processes on the ground and in the air, and the provision and maintenance of infrastructural and production factors.
- We further develop our system integration in order to extend our competitive lead over other locations, airlines and alliances. We cooperate closely with all of our major partners, suppliers and infrastructure providers in order to integrate and optimise our core processes.
- Lufthansa offers an attractive working



“Regarding a long-term strategy, our goal is industry leadership; to always be one step ahead of the competition.”

environment. Our employees are integral to our success. We offer them good working conditions, commensurate incentives for personal development and an energising, international corporate culture. That makes us an attractive employer for qualified, highly-motivated and service-minded personnel.

- Lufthansa is committed to keeping a balance between business and social prerogatives. Environmental protection and sustainable development are prime objectives of corporate policy. Active engagement in social projects is ingrained in our corporate culture.

In turbulent times, how important is innovation, both within the organisation and in competitive markets?

Our success depends on the satisfaction of our customers. In my opinion, the key question is: how can we succeed in consistently developing innovative products, offering the best service, and opening up new markets?

As a service provider, our permanent focus must be on the wishes of our customers and our potential customers. Only improved products that offer greater innovation and create added value will enable us to succeed against the competition. The aim must be to target the exact requirements of the customers with modular offers. If customers recognise a true added value in our products, then they will also be willing to pay for it. This is how we will create perspectives; for the Lufthansa Group and its employees.

Another important fact is that we must rethink our role in the industry, and the role of the aviation industry within the world economy. What can we learn from other industries? Where, for example, are the automotive and the chemical industries better than the aviation industry?

The Star Alliance and the integration of SWISS have already shown how successful the consolidation of our strengths can be. In the future, we must continue to find new ways to utilise the potential offered by working with partners.

In the last few years, Lufthansa has developed a range of innovations that clearly underline our positioning as a quality brand. These include sleeper seats in business class

on longhaul flights; a free middle-seat and more storage room in business class on continental flights; WLAN hotspots in the lounges; a special terminal and exclusive lounges for first class customers and HON Circle members, as well as the Private Jet offer. Also our First Class Lounges lead the way in international standards.

Based on your own experiences, does the importance and value of leadership increase in such times, and if so, in what ways?

Especially in times like these, where constant change and competition are part of our every-day business, leadership becomes more and more important. Leaders are multipliers of new concepts and ideas. They are responsible for making their employees understand and support the necessary changes required for success.

For organisations of all sizes, both technology and environmental concerns are drivers of enforced change. How is your organisation responding to these challenges?

Both technology and environmental concerns are drivers of enforced change for Lufthansa. In light of growing demand for mobility, the aviation industry must respond to new environmental policy challenges, with the focus on further reducing greenhouse gas emissions, noise pollution and energy consumption. One of our guiding principles is the balance between economic interests and environmental responsibility. This is well illustrated by the enormous sums we are investing in a fuel-efficient fleet – one of the best means of environmental protection.

Lufthansa is working effectively with airports, air traffic control services and policy makers to ensure sustainable mobility. Under the Strategic Environmental Programme, which serves as a basis, Lufthansa has established 15 guiding principles (e. g. reducing carbon emissions, cutting nitrous oxide emissions, modernising fleet, promoting alternative fuels) that point the way to continually achieving further crucial progress by 2020. ■

STRATEGY AND SURVIVAL Q&A

AD RUTTEN

EXECUTIVE VICE PRESIDENT & COO SCHIPHOL GROUP



Ad Rutten is executive vice-president & COO, Schiphol Group, and is a member of the RSM Advisory Board.

How is your organisation responding strategically to these uncertain times and the challenges they present?

We are keeping a close eye on these developments and are tracking our costs and investments with even greater care than usual. One major issue for us is the fact that airport investments tend to be long-term. Even if it were possible to just pull out of these investments because of a perceived downturn in air traffic, it would not be worthwhile as eventually their value will rise again.

Also, pulling out of such ventures creates a risk of financial loss. That is true, for example, of the considerable investments made in the new baggage system that we are currently implementing.

Apart from all the widely reported business and economic scenarios with which all organisations, including airports, must cope, Amsterdam Airport Schiphol has two additional problems to contend with. Firstly, there are ever-increasing security costs, which, in our case, are entirely the responsibility of the airport and therefore have to be passed onto the passenger; secondly, the introduction, on July 1st 2008, of the Air Passenger Tax.

Given that European aviation will participate in the Emissions Trading Scheme (ETS) starting in 2012, which will mean further rises in costs, we have petitioned the government to terminate the tax in 2012. We have also requested government funding for certain security measures, which, after all, are geared towards the safety of the public-at-large.

With the future so unpredictable, how do you create long-term corporate strategies and what are the most important areas of focus for your organisation?

Our current strategy is one that has been in place for several years and consists of three core parts:

- To maintain and strengthen Amsterdam Airport Schiphol's competitive position as a mainport (Mainports are the major sea/air ports in a network of connections).
- To increase Schiphol Group's revenues from non-aviation activities.
- To spread the risks by selectively developing commercial activities at other national and international airports.

This strategy has helped ensure our continued growth as an enterprise, even in times of economic downturn and uncertainty – for example, during the period after the 9/11 terrorist attacks on the U.S.

The first part of our strategy is the most important and hinges upon our ability to continue offering sufficient capacity and quality to airport users on the one hand, and competitive rates on the other. As regards the latter requirement, there is currently, as I have just explained, a great deal of market pressure. It is to here that we are now focusing our attention.

In turbulent times, how important is innovation, both within the organisation and in competitive markets?

Very important – but the same is true when times are less turbulent. Innovation has to be a constant process if you hope to distinguish yourself from the competition, especially in



“More is expected from leaders during difficult times because the choices that need to be made become more difficult.”

highly competitive markets like aviation. During turbulent periods innovations will yield additional profits in the form of efficiency benefits.

At Amsterdam Airport Schiphol we are working constantly on innovation. In fact, we are obligated, as we are not a natural hub or mainport in the way that London, Paris and Frankfurt are, for example. Each of these has far more surrounding countryside and thus scope for future development. We are in fact an artificial hub with a relatively large number of transfer passengers. If we want to maintain this position then we have to be more efficient and better than the competition. Innovation will allow us to do this.

Based on your own experiences, does the importance and value of leadership increase in such times, and if so, in what ways?

More is expected from leaders during difficult times because the choices that need to be made become more difficult. One of the ever-present issues in aviation – this being a growth industry with a highly cyclical nature – is whether the airport as an infrastructure provider should be led by long-term growth prognoses or by the short, cyclical scenarios of its customers – the airlines. Management must decide the course of action here.

For organisations of all sizes, both technology and environmental concerns are drivers of enforced change. How is your organisation responding to these challenges?

Given the nature of our business, environmental factors have been a key area of concern at Amsterdam Airport Schiphol for years. We invest a great deal of money and manpower into limiting as much as possible the negative impact our presence has on residents in the surrounding area, and into facilitating discussion with our neighbours and with authorities at local, provincial and national levels. The climate debate that erupted following the release of the film *An Inconvenient Truth* has given these efforts an additional impetus.

To give an example: we have set ourselves the goal of making all our own airport operations CO₂ neutral by 2012. This is a very ambitious goal and it will require a lot of work. We have also set up an international competition to find an innovative solution for the ground noise problem caused by the Polder runway in Hoofddorp-Noord. We are also working with TNO (Netherlands Organisation for Applied Scientific Research) and TU Delft (Delft University of Technology), amongst others, on various solutions including an anti-noise system. In short, the environment represents an important driver for change. ■



CAPGEMINI CONSULTING GROUP

HOW A CONSULTA

Major multinational consultancy firms are the very organisations charged with helping other businesses renew, transform, and survive in challenging times. So how do consultancies manage to maintain their 'top of the game' stance during difficult periods? Jurgen Wasser, COO of Capgemini Consulting, Continental Europe and Apac, says that transformation is the new strategy.

Text Lesa Sawahata

Wasser has a longstanding consulting and management background within the Capgemini Group, dating back to 1989. Primarily involved in the areas of strategic consulting in oil, IT, gas and chemicals, and as a specialist in merger integration and business turnaround, he's worked with numerous companies in what he terms 'transformation management'. What has experience taught him? "Companies tend to forget that in the good times, you need to organise for the bad times," he says. "Have early indicators in place, understand your business, and know where you need to adapt it in case a bad downturn happens."

While Capgemini managed splendidly throughout a rather startling 2008, it has felt the sting of the unexpected in the past: notably, when the dot.com bubble burst. Used to growth of 15 to 20 percent per year, the company's market shrank by 10 percent. "That was a 30 percent difference from one year to another," he says. "That's very hard to be prepared for."

Not wishing to feel that sort of pinch again anytime soon, Capgemini has assessed the new challenges in the world of consultancy in order to adjust for its future. Increasing internationalisation, the talent shortage, and tighter budgets are demanding transformation in the way consultancy firms work.

"Clients are pretty sophisticated now – they know how to use consultants," says Wasser. While clients now understand how to identify their own potential and strategies, they expect

consultancies to help them in implementing changes, and there is a new immediacy to their demands. "We interviewed 200 CEO's last year, and they concluded that they are always in transformation, that the average company has three or four transformations each year. In the past you had one every couple of years. So the pace of change has accelerated."

To cope with the swifter and more demanding realm of consulting, Capgemini has reframed and renewed its own strategy with a programme called I³, which launched in 2006. "That's the big transformation we have going on in Capgemini Group," says Wasser.

I³ stands for Innovation, Intimacy, and Industrialisation. What does this mean to a multinational consultancy firm? What, for example, does 'Innovation' look like? "It's about innovating our services," says Wasser. "For Capgemini, innovation is looking very sharply at our best practices within the group. We have mechanisms in place to identify, then to copy these practices and adapt them into markets around the world very quickly."

What about 'Intimacy'? It is, says Wasser, about getting more connected to the client. "There is a clear trend to concentration in the market; the trend is that clients are reducing the number of suppliers. Instead of ten, they may have three or four favourite consulting groups, so the battle is about getting a larger share of the client's wallet," he says. To differentiate in this highly competitive scenario, Capgemini approaches its client relationships as full-service collaborations. "We're not doing generic consulting now –

NCY GIANT PREPARES



“We interviewed 200 CEO’s last year, and they concluded that they are always in transformation, that the average company has three or four transformations each year. In the past you had one every couple of years.”

we’re very precise about what we can deliver to the client. And if you deliver, the client’s expectation is that you commit yourself to the results more and more.” he says. “So you do common research, you develop annual programmes, and get different models of engagement with the client.”

‘Industrialisation’ is about the supply chain – providing the best product for the best price. “Our version of industrialisation includes access to well-educated, but low-cost resources across the world, and not just in IT,” says Wasser. As an example, Capgemini Consulting has a group of 150 people in Mumbai who are doing strategic analysis as part of a major strategic ‘transformation’ assignment. “This allows us to create low-cost components in our own supply chain, so we can deliver a more attractive value proposition to our clients.”

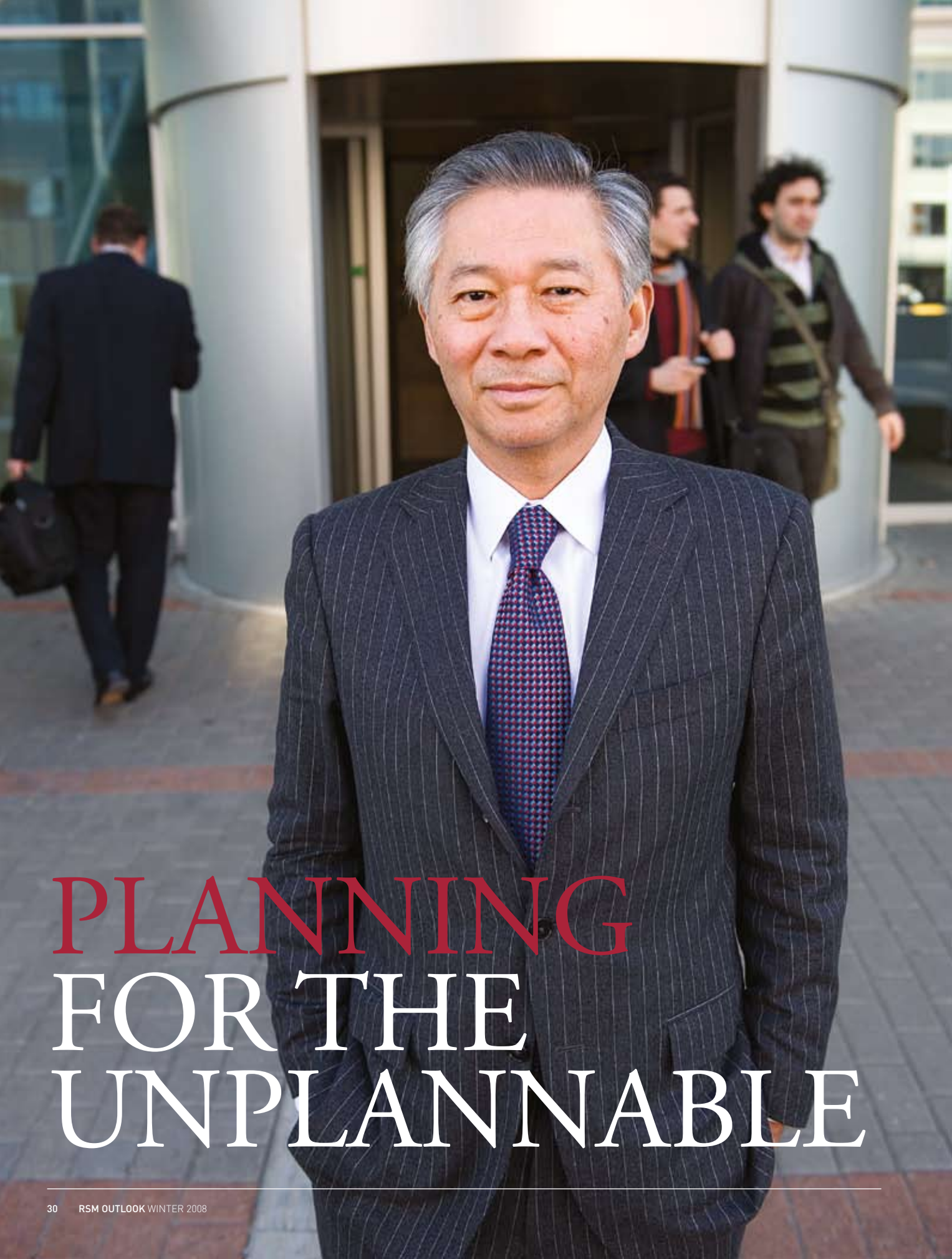
Expanding upon I³, several other dimensions are recognised as essential to allowing Capgemini to remain flexible, retain clients and talent, and build business during uncertain times in consultancy.

“One dimension is that we’ve worked on improving our international collaboration,” says Wasser. “We’re coming from a more regional or country-based set-up for consulting; we do this through specific sector or industry-oriented initiatives, so we connect the sector teams into an international group.” This allows for consistency and agility across the globe. “If our Swedish market is a little less than anticipated, we move our consultants into Germany. International consistency gives us resilience.”

An interrelated – and essential – dimension is people. “Our industry is a people business; our growth at this moment is limited by the access to talent. We cannot grow faster because we cannot recruit enough people,” says Wasser. “It’s a very interesting phenomenon, because we expect the market to go down – but at the same time, there is a war for talent.” In a downturn, he says, survival strategies are not just about smarter financial moves such as reducing expenses. “You’ve got to take care of your people and reward your best talent; that’s a special challenge, and requires special leadership skills.”

To retain its own talent and encourage global cross-fertilisation of ideas with clients, Capgemini has implemented its own corporate university. Located in Les Fontaines, an 18th-century chateau 30 km north of Paris, Capgemini University is an international executive training facility that can accommodate a mix of 400-500 employees and clients. “They create an international network,” says Wasser. Capgemini University helps the consultancy to remain responsive by ensuring that its talent shares the same competencies across the globe. “The idea is that a senior consultant in Country A has the same capabilities as a senior consultant in Country B.”

As the lifecycle of products and services becomes progressively shorter, downturns in any business are inevitable, according to Wasser. “The most important message is to anticipate the downturn,” he says. “Don’t wait for it, and do be prepared to act if it does occur.” ■



PLANNING FOR THE UNPLANNABLE

One thing the experts – whether in the trenches of business, or in the halls of academe – agree upon is this: we’re living in times of economic uncertainty. The second thing the experts agree upon: “Be prepared”. We spoke to George Yip, whose current position as Dean of Rotterdam School of Management was predated by years of consultancy. Here he offers his vision and experience on how business can navigate – and not run aground – in tough times.

Text Lesa Sawahata

You’ve recently said that strategy is a “planned, thought-out, perhaps indirect way of achieving an objective” and that you believe in having firm strategies in place. How does this work during crisis periods?

To some extent, once the uncertain times have arrived, it’s too late to make the fundamental changes that will help you. Basically, you have to take into account the likely variation in revenues, and plan accordingly. Crisis doesn’t mean that you can’t plan at all; it means that there is less certainty in the plans. You need to design a business model in the first place, one that will help you to survive. And because each element in a business model contains a certain amount of risk, if every element is risky you’re going to have much more difficulty surviving tough times.

That sounds obvious, but can you give an example?

For example, how you finance your company is relatively independent to the rest of the elements in a business model. So if your revenues are very sensitive to economic conditions - meaning you can expect a lot of downturn in bad times - you’ll need to plan a more conservative strategy. You’re in trouble if you’re highly leveraged financially, and you have revenues that are very sensitive to economic cycles, and your costs are not favourable. If you’re a fashion house, for example, you won’t want a lot of debt; if you’re a utility you can take debt because you’re relatively stable.

And after a downturn hits?

Basically, you want to survive while not killing off your future prospects for growth, innovation and so on. You have to assess: what is the minimum we must do in order to survive? Alternatively, you need to assess the minimum cost-cutting needed for survival – since that is the overriding priority.

To design a flexible business model, think about (1) planning short- and longer- term actions; and (2) operational and strategic actions. Crisis management falls into the ‘operational,

short-term management’ box; you’re making sure you survive the crisis that you hope is temporary.

What about innovation during these times?

It’s important to continue to innovate, although once again you may want to focus on nearer-term payoffs, rather than longer-term. Innovate for product improvements rather than a radical new product that you may have the luxury of investing in during better times.

What is the best model of leadership for tough periods?

The role of leadership is even more important in bad times because the organisation will be going through painful adjustments. This is very much a time when top managers have to lead from the front – and also by example, such as by sacrificing pay increases and bonuses for themselves.

Can good things happen to companies during crisis periods?

Often a crisis can give you an excuse, or stimulus, to make long-needed changes that might have been resisted by an organisation. This is your chance to change long-held practices that are no longer optimal.

There are other positive aspects to a crisis, because other companies can be in trouble. There may be real opportunities in terms of bargain hunting, or acquiring customers or new distribution partners, from companies in worse shape than your own.

Lastly, you can take a long term strategic view and perhaps make some strategic investment such as expanding into new markets and new countries. ■

George Yip is a best-selling author, and one of the world’s leading authorities on global strategy and marketing, managing global customers, and internationalisation.

INTERVIEW THEO BACKX



BRIDGING



On meeting Theo Backx for the first time, what instantly comes across is that he is a man with an abundance of energy, enthusiasm and dynamism. Indeed, 'dynamism', 'enthusiasm' and 'energy' - and their synonyms - are words that feature frequently in his conversations. It is exactly these qualities and more that he brings to RSM in the role of Executive in Residence. But, just what is an 'Executive in Residence', and what does one do? **Text** Russell Gilbert

“That’s very difficult to define.” Theo explains. “Sometimes it’s a bit like being a jack-of-all-trades. Sometimes it involves giving lectures to students – about my experiences in business - or just offering a helping hand wherever it’s needed. If I can help out anywhere, I will. The core of what I do is in providing advice to the dean on both internal and external matters, and to help bridge the academic and corporate divides – for the benefit of both parties.” This third aspect, Theo believes, is the most crucial. “It is,” he says, “essential that RSM is connected to the corporate world. My role here is to provide guidance in helping RSM understand how businesses think; what their needs and priorities are in respect to external partnerships, and give insight on how to go about making contact and interacting with corporate organisations. This can be at a practical level, or in the board room.”

Theo Backx has much experience of the corporate world to offer, particularly the complexities of international business, as up until 2002 he served as chairman of the operating board of Sony Europa. He has seen technology change the world. As a young man he was involved in the introduction to the Netherlands of the cassette-playing Sony Walkman; a

feat of engineering that completely transformed the way we thought about and interacted with music. Some years later he was directly responsible for replacing it in Europe with the new CD and CD player technologies.

“The Japanese way of business is by consensus,” he advises. “At Sony I was used to communicating with parties on a local and international basis – everyone was involved. In a Japanese organisation you must understand that the company is a 3-dimensional matrix, so you have to appreciate that there are many factors, departments and people involved. I try to take a similar approach in my role here at RSM.”

So how did he get involved with RSM? “I was invited to do a guest lecture and things escalated from there. The theme of my lecture was internationalisation and organisational communication. Later, the dean approached me to find out if I would be willing to take on a role here. Sony is a very dynamic organisation and so is RSM, and it was very much this dynamism that appealed to me, so I agreed.”

When communicating with senior executives of world-class companies for the first time, Theo is proud to boast that, “the names of RSM and Erasmus University are like magic keys in the Netherlands - they open doors! Executives are



THE DIVIDE...

very aware of the international reputation of the faculties here and have the greatest respect for what they consider to be the best university in the Netherlands. More than that, they have peers who studied at RSM, and the learning and experience that they have gained from here is highly respected by other business leaders.

In opening discussions with organisations, RSM seeks to develop a partnership. Like all good partnerships both parties must be able to take something from the relationship and these needs vary from company to company. “In this way RSM needs to be flexible in what it can offer,” he explains. “Each relationship is tailor-made. It can be focused on raising or changing the profile of the organisation amongst students for recruitment purposes, for example, or it can involve the fields of research. Academia and business represent two differing cultures, each have differing priorities, and my job is to bridge that divide.”

In his time with RSM, Theo feels that he has achieved quite a lot. “We have a number of new relationships with world-class organisations,” he says. “Also, we have cemented existing relationships, which helps further develop understanding and trust between our organisations.”

Expounding on the work that goes into these partnerships, he observes that, “Relationships bloom over time and this is particularly true for multinationals working with academia, especially if the organisation has never sought such a relationship before. Once organisations realise what benefits they can get from their partnership with RSM as a whole, rather than with just one or two departments, MBA or MSc typically, relationships grow closer. “Companies tell me that we are unique in the Netherlands in that we offer such integrated relationships, and indeed, they usually confess

that we are the only ones they would want to develop such relationships with.”

The setting up of the Advisory Board is his most useful achievement, he believes. The purpose of the board is to bring external expertise and experiences to RSM. These perspectives will help to guide and shape the school further so that it can meet the demands of the marketplaces it serves and continue to move upwards. “In setting this up, I wanted as many perspectives available as possible: this included ensuring that women were fairly represented. Similarly, I wanted to ensure that we could hear the voices of governmental organisations and NGOs – not just those from business.”

In terms of job satisfaction, Theo states that it is, “Being able to cross the divide I mentioned earlier – and being able to see when people in academia start to get to grips with the needs of a corporate partner. It is eye opening and immensely satisfying. Also, working with the younger generations makes me very much richer as a person. The lack of restrictions or boundaries in their thinking is inspirational.

“Also, working here I get to hear, see and be involved with people and businesses actively engaged in issues such as Innovation, Sustainability and Accountability. Seeing such things in action offers so much hope and promise for the future and is very satisfying.”

And what of the challenges that lie ahead? “I really believe that with everyone’s support RSM is very well placed to move on and meet any challenge successfully. The key ones from my perspective are the levels of communication and cooperation between business and academia. The more these can be developed the greater the rewards will be – for everyone involved. And, from what I’m experiencing day-by-day, RSM’s successes are guaranteed!” ■

FIVE MINUTES WITH PROFESSOR DIRK BROUNEN



In April, Professor Dirk Brounen was appointed to the property chair at RSM, a joint research venture created in partnership with PricewaterhouseCoopers. As a young property economist building a growing reputation in this field, Brounen was an obvious choice. **Text** Tim Skelton

The RSM Real Estate Team

works on international research projects that expand our knowledge on real estate related themes. They have a special focus on research relating to international office markets, housing issues, real estate investment strategies and international real estate stocks. All these issues are incorporated into RSM's educational programmes.

“I studied financial economics at Maastricht,” he explains. “My focus was on macroeconomics, and this is very useful for understanding the property market. I’ve also always been fascinated by financial markets, and know how these affect real estate. So when I did a PhD at the University of Amsterdam, I chose to specialise in this area.”

For Professor Brounen however, reaching the top in academia was never going to be straightforward. He suffers from dyslexia, although he points out this has simply made him more determined. “Being dyslexic, you train yourself to work long hours on a regular basis. This actually had a beneficial effect as it helped me to study.”

What then, does he think the main focus of his work will be at RSM? “A lot of the fundamental issues of property economics still need to be looked at,” says Brounen. “Other areas of economics have been studied in depth for many years, but real estate matters have only been investigated for the last two decades.” He and his team will look into several different areas, including price

risks in the housing market, tax structures operated by property funds, and the growing importance of health care property.

Professor Brounen was offered the chair at RSM while still finishing his PhD. He accepted because he was looking for a change of environment. “In Amsterdam the department was only part-time, and I am the first full-time person in this post. It enables me to interact more with people who have the same interests.” The position is split between research and teaching, and he enjoys both elements of this, teaching four courses (three in real estate economics, one in corporate finance) between research obligations. “When the semester begins I like to get into teaching, and when it ends I enjoy going back to research. It’s good to have a balance,” he says.

“People sometimes ask me why I work in academia when I could make far more money from working in business, but I enjoy what I do,” he adds. So what does the future hold? “If I can still maintain my enthusiasm and enjoy my job as much in five years as I do now, then I will be happy.” ■

LEARNING CHINESE BUSINESS ETIQUETTE WITH A NEW MSCBA



As China's star continues to rise unabated, it is timely that a new MSc course should provide the lead for those seeking to develop an understanding of Chinese business practices and culture. **Text** Tim Skelton

There's no doubting the Chinese are currently big news. The nation's economy dominates the headlines, and it is set to become the leading global economic superpower for the decades to come. The recent Beijing Olympics sent a strong message to the world: that China has arrived, and is here to stay.

In modern times, foreign businesses have been flocking to China for twenty years or more, but now Chinese companies are coming the other way, arriving in Europe to float firms on European stock exchanges, and investing in local companies. This has generated a new need for European graduates who know and understand Chinese business practices and culture, and who can combine this with sound business know-how of their own. RSM's new MSc in Chinese Economy and Business has been established to address precisely this need.

These days the Chinese are coming to do business in Europe whether we go there or not," explains Professor Barbara Krug. Krug has been studying Chinese business for more than three decades, and is the ideal person

to be the course's new Academic Director. The first course kicks off in September 2009, as a unique collaboration between RSM, Erasmus University, and Leiden University's Chinese Department. Combining the experience of both these institutions, it will be taught by some of Europe's leading experts in the field.

Although it has received virtually no publicity, it has already proved very popular. "What I find encouraging is that people from other universities - and even from other countries - are signing up," says Professor Krug. "We have a lot of people from Germany who are realising that their normal diplomas may not be enough to do business effectively with the Chinese." And why does she think the new course has been so well received? "There's a real need for people with 'China competence' in business," she adds. "In the past there was a tendency for people to assume there was such a thing as 'universal business practice', but we have to acknowledge the institutional differences between cultures. You need to know about 'politics management', and that's what this course will be about." ■

Students in this programme can expect to experience:

- Being part of a highly diverse, ambitious and international student community.
- Interaction with Chinese and Western business leaders both in Europe and in China.
- An innovative mix of educational formats ranging from case studies and internships, to group projects and individual research.
- An enthusiastic and supportive teaching faculty from two of Europe's top universities and research institutes.

For more information go to www.rsm.nl/mscba

EUROPEAN RESEARCH CHALLENGES US DOMINANCE

US business schools have long been acknowledged to dominate the world of business research, accounting for a large slice of total output and more than their fair share of influence over current thinking. However, new and extensive research shows that European research is increasing its profile on the world stage.

Text Ben Schiller

Erasmus Research Institute of Management (ERIM) is the joint research institute of RSM and the Erasmus School of Economics (ESE). It consists of 200 senior researchers and 100 PhD students. All of RSM's research is conducted within ERIM, and two-third of ERIM researchers stem from RSM.

The research by Vincent Mangematin, professor at the Grenoble School of Management, and Charles Baden-Fuller, professor at Cass Business School in London, is based on a survey of more than 65,000 articles from over 8,000 institutions published between 1992-2005, and finds that while top US business schools remain predominant, their position is more precarious than it used to be, and other countries are catching up fast. In 1992, US schools had a total market share of 83 percent, but that had fallen to a little over 60 percent by 2005. By 2010, the authors expect the US share to fall to 50 percent.

The Mangematin/Baden-Fuller study differs from other schools rankings. Instead of basing their findings on "narrow lists" of journals, the authors weighted 149 journals on their citation impact – in other words, how frequently articles were referenced in other periodicals. Looking over a 14-year period, they were able to build up a picture of how much research schools have produced, and what impact that work has had on the academic community.

The report identifies four institutions that are catching the top US schools, which include Harvard and Wharton, fastest: London Business School, INSEAD, Erasmus University and Tilburg. Charles Baden-Fuller says each has worked to replicate the

US model, by building up large "virtual labs" of doctoral students to initiate and support research work.

"It's wrong to suggest that the US is falling behind," says Baden-Fuller. "But what has happened is that the US has had an open access system where anyone could come in and learn and then take that knowledge back to their home countries. The schools either copied it or used it in some different way. So you would expect in such an open system that the US share would decline," he says.

"The real question is whether the US share is declining faster than you would expect it to," says Baden-Fuller. "My argument is that the rich European institutions like London Business School and INSEAD have copied the US system exactly, which means they are spending equivalent sums of money to produce equivalent levels of output, on a smaller scale."

"What is also happening is that a number of European and Asian institutions are modifying the US system in trying to get more for less. Erasmus Research Institute of Management (ERIM) and Warwick are good examples here. They are spending less in absolute terms and getting more and slightly different types of research," Professor Baden-Fuller says.

Baden-Fuller, who was previously a professor at RSM, is keen to stress that the



The CWTS-study finds that ERIM is among the top three institutions in Europe in terms of the quantity of top quality management research it produces...

US schools remain in the lead: their declining position relatively is more the result of other schools mimicking their practices, rather than the schools faltering in their performance. Nonetheless, the US schools should guard against complacency.

The conclusions of the Mangematin/Baden-Fuller report, showing the growing capacity of ERIM, are reinforced by a study conducted by the Center for Science and Technology Studies of Leiden University (CWTS). Again the research looked at ERIM's output and citation impact across various journals, this time for the period 1999-2006.

The CWTS-study finds that ERIM is among the top three institutions in Europe in terms of the quantity of top quality management research it produces, just behind INSEAD and London Business School. Regarding impact, measured by citations, its influence is well above the world average. Moreover, the CWTS research finds that ERIM performs well across the five academic areas analyzed: marketing, finance, logistics, strategy, and HR management.

"The Baden-Fuller and CWTS reports show that if you analyse this

whole area in two different ways, you still get similar results," says Ale Smidts, RSM's Dean of Research and Scientific Director of ERIM. "We have a significantly above-average citation impact, which implies that we really do interesting research, and I am particularly pleased that all five fields of the school are doing quite well."

However, Smidts notes that RSM needs to work hard if it is to remain successful. For one it needs to attract and retain good academic talent. "To stay competitive we have to find ways to keep our top people here, and to attract young scholars. What we try to do is to give them more research time, in combination with an excellent research infrastructure and research support. These measures have proven a good way of attracting talented young assistant professors for a number of years. That compensates to some extent for smaller salaries," he says.

Furthermore, the school needs to increase its international collaboration efforts, try to generate extra research budgets from non-governmental sources (including from executive education), and it needs to ensure that its academics are not only producing good research, but good research that

is influential on other scholars and the outside world.

Smidts says the focus on impact is particularly important and has already changed quite a lot in recent years.

"We try to create awareness that impact is the thing that our staff should be focusing on. Five years ago no one was talking about that – impact - they were just happy that they had a good publication in a top journal. Now, there is much more awareness that you also need to look at citations," he says. "It's nowadays much easier to measure the academic impact of your work through, for example, Google Scholar. That means you have to look at with whom you are publishing; advertise your results quite early by publishing working papers; and that you find new and interesting research that's really useful to other researchers."

A final challenge is to create more awareness and practical use of the top quality research that ERIM produces for the corporate world and the general public. "We feel that we are currently underselling our in-house expertise and knowledge. Improved research communication in its broadest sense is therefore one of our key priorities for the years ahead." ■

STAYING IN THE LOOP

In years gone by, what happened to products once they had been finished with by customers was of little concern to manufacturers. Increasingly, however, driven by environmental concerns and good business sense, industry is exploring the potential benefits offered by reverse logistics and the concept of closed loop supply chains. **Text** Ben Schiller

In the last few years managers have begun to consider the ‘after-life’ of their products more carefully. In turn, this has led to a new field of management enquiry called ‘reverse logistics’ that seeks to see both how companies can reuse or recycle, and how they can optimise their operations to make those reverse processes as efficient as possible.

Jo van Nunen, a professor of logistics and information systems at RSM, has seen close-up how companies have evolved their thinking over the last few years. He says he first became involved in the field back in the early 1980s, when he was working on the logistics systems at Rank Xerox (now Xerox). “I was asked by Rank Xerox to look at their distribution structures. At that time they made huge photocopiers with values of over a million guilders and which contained gold and other expensive materials.

They saw the possibility of reusing or remanufacturing parts of those machines. We started to study those

reverse flows in a systematic way.” At the time, Xerox had a number of motives for pursuing the project, Van Nunen says. “In the first instance it was a profit-based argument: there were so many materials and parts, and the value of these was quite high. Later on, there were environmental reasons because reusing is often much more environmentally friendly than recycling,” he says. “The attraction of reverse logistics is that it potentially combines both profits and environmental benefits for society at large.”

CLOSED-LOOP SUPPLY CHAINS

Since the 1980s, Van Nunen, who is also chairman of the Department of Decision and Information Sciences at RSM, has developed the concept of “closed loop supply chains” (CLSCs), logistical systems where products, or parts of products, are reused or recycled and integrated back into a company’s operations. Together with colleagues at RSM and at other universities, he has developed a large body of work on



reverse logistics, including a 2005 book he co-edited with Simme Flapper and Luk van Wassenhove called *Managing Closed-Loop Supply Chains* (Springer). One of the case studies in the book concerns Heineken, the large Dutch brewer. A few years ago, the company decided to put microchips on some of its packing crates, so it could analyse the life cycle of beer bottles as they left the factory and entered the marketplace.



UNDERSTANDING THE VALUE OF INNOVATION

Innovation has become a byword for progress and prosperity. If you don't innovate, you stagnate – so goes the received wisdom. To help further the understanding of innovation, and how it can be used to improve the competitiveness of Dutch firms and the Dutch economy, a new research institute, INSCOPE, has been set up.

Text Catherine Walker

So how do Dutch firms stack up when it comes to innovation? 'Holding their own, but could do better' is one possible verdict from the latest World Economic Forum's Global Competitiveness Report which ranked the Netherlands in tenth place, down one place from the previous year.

The newly established INSCOPE research institute hopes to change that. INSCOPE (Social Innovation for Competitiveness, Organisational Performance and Human Excellence) has a mission to show how technological innovation is only one part of the equation. Equally vital is social innovation: new forms of organisational structure and management techniques that enable companies to innovate

on a sustainable basis and leverage the benefits of their technological knowledge.

"What matters is not only your investment in R&D but also what you put into managing the company," says Henk Volberda, the institute's Chair and Scientific Director, who is also Professor of Strategic Management and Business Policy at RSM. "Do you, for example, have horizontal teams throughout the organisation? Is your organisation flat in form, or do you have a very hierarchical structure? And what about your investment in social capital - your employees? Do you really invest in knowledge workers? Our studies have shown that investment in social innovation accounts for around 75 percent of the innovation success of Dutch firms."

It was in recognition of the need for systematic study of social innovation that the institute was set up, at the behest of the Netherlands Centre for Social Innovation (NCSI), the social partners and the Dutch Innovation Platform, which is chaired by the Prime Minister, Jan Peter Balkenende.

It was launched in June this year and is a joint venture between four of the Netherlands' top institutions: Rotterdam School of Management, Erasmus University; the University of Amsterdam; Maastricht University and TNO, the Netherlands Organisation for Applied Scientific Research.

The partnership offers exciting prospects for advancing knowledge in many complementary areas, Volberda explains. "It's a kind of national research institute which enables us to employ the Netherlands' leading experts on innovation research in a truly co-ordinated way."

Close links with practice are a key part of the mix, both for inspiring new areas of work and for sharing results. INSCOPE works closely with the NCSI, with trades unions, employer

organisational forms will be for the innovative firms of the future," Volberda explains. "Here our research is focused on how firms can be highly efficient yet at the same time be highly innovative." We call it 'flexible organisational forms', others term it 'ambidextrous organisations'. That's a difficult challenge for large companies that have not only to maximise efficiency but also need to be very agile, innovative and able to experiment."

"We're also focusing on management innovations: new techniques, tools and capabilities that can be used to speed up change and innovation."

INSCOPE's work is already giving researchers, companies and policy maker's food for thought. Earlier this year, for example, within its Innovation Monitor survey they investigated whether the practice of offshoring is benefiting Dutch firms – and revealed that only 15 percent of firms were actually able to make use of the learning gained from activities abroad. The difficulties derived partly from lack of experience, partly from

Here our research is focused on how firms can be highly efficient yet at the same time be highly innovative.

organisations and many types of companies. As a World Economic Forum partner institute, it provides data each year on the innovation performance of Dutch firms, drawing on information it has amassed through the Erasmus Innovation and Competition Monitor, an annual survey of over 10,000 Dutch companies.

Volberda acknowledges there's no shortage of innovation research, not least the many economic studies on R&D spend. But most have focused on 'invention' or technological innovation, without necessarily offering clearer insights into broader aspects of managing or improving the process.

"Our difference is that we are focusing on the more organisational forms of innovation – what might be called the 'non-technological' aspects. Within academia there's been growing recognition that we've ignored for too long the 'softer' aspects such as management style, organisational form or employee benefits programmes. These are all important dimensions of innovation."

"One of the main things we're looking at is what the

problems in establishing co-operation with local partners. Another study currently underway, for the Dutch employer organisation VNO, is examining 'corporate headquarters mobility' and the attractiveness of the Netherlands as a new corporate HQ location.

Their research findings are being published in important academic journals, and details are accessible to companies via www.inscope.nl. Annual conferences are planned, as are seminars for academics and business leaders, featuring leading innovation thinkers from around the world.

"Our ultimate goal is for the institute to become the thought leader in social innovation," declares Volberda. It's an ambitious goal, but one that they are already heading firmly towards. ■

To find out more about INSCOPE's forthcoming events and current areas of work, go to www.inscope.nl



NEW OPEN PROGRAMMES UNIT



Autumn 2008 saw the launch of a new Open Programmes Unit at RSM - a series of short workshops aimed at managers seeking to expand their knowledge base. The first two, 'International Standardisation' (Nov 25-26) and 'Open Innovation' (November 27-29), will act as pilots. **Text** Tim Skelton

Klaas Wassens, Director Executive Education at RSM, and the man behind the launch, explains the need for the new approach. "Our customised programmes are well-recognised, but we haven't offered short open programmes for individual managers. That's why we have developed this portfolio of more than ten workshops, each lasting one to four days."

Business managers are always looking to develop their skills, and short intense courses are the perfect way to help them do this. "We call them 'workshops' instead of modules," explains Wassens. "Because we want to stress our open programmes are about implementing new ideas, sharing experiences with colleagues, and solving real business issues. For RSM it is yet another way to build strong relations with the corporate world."

With this in mind, what prompted the choice of topics for the first two workshops? "Open Innovation is very relevant to managers who want to engage with their customers and suppliers to develop innovation processes that are quicker, cheaper and more profitable," explains Wassens. "And Professor Harry Barkema (who is leading the workshop) is an expert on the subject."

According to Wassens the workshop should benefit innovation managers, marketing

and supply managers, and purchasing professionals.

'Standardisation' may seem like a more unexpected subject. But each year in the Netherlands alone, 6,000 managers and professionals participate in workgroups to develop standards for products and processes. "The ability to influence the standards can be a great competitive advantage to companies," says Wassens. "And RSM is one of the few business schools with expertise in the field - Professor Henk de Vries and Professor Knut Blind will discuss the business rationale for standardisation, and how companies can implement effective strategies for influencing the process."

The plan is to expand the portfolio of workshops in 2009. New topics will range from 'Warehousing' and 'Doing Business in China', to 'Performance Management' and 'Executive Coaching'. "We choose our topics with both the market and our faculty in mind," explains Klaas Wassens. "We will also be offering a series of Business Management Essentials Workshops. There's a lot to choose from and we are sure both RSM alumni and others will be able to find a workshop that suits their own development needs."

Web: www.rsm.nl/openprogrammes

e-mail: openprogrammes@rsm.nl

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Open Programmes offer your executives the opportunity to keep up to date with the latest thinking while sharing ideas with delegates from a diverse range of companies. Coming soon at RSM are:

International Standardization 24-25 November

Open Innovation 27-29 November

Business Valuation 2 April

For more information on **open programmes** please contact Karin Westhuis: + 31 10 408 9531 or kwesthuis@rsm.nl, or visit www.openprogrammes.com

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A WIN/WIN PARTNERSHIP

THE RSM MBA CORPORATE SCHOLARSHIP PROGRAMME

There are many reasons for doing an MBA. For most participants, particularly those embarking on a full-time MBA, it provides an opportunity to change their career path. Understanding this, the RSM MBA Corporate Scholarship Programme was set up three years ago.

The programme is supported by a number of world-class organisations in the Netherlands and abroad. Supporting organisations assist RSM in choosing scholarship winners, who not only receive financial sponsorship towards their MBA tuition fees, but also get invaluable career coaching from a mentor at the sponsoring organisation.

One of RSM's most enthusiastic corporate sponsors is ING Bank, who seized upon the chance to participate in the Corporate Scholarship Programme when it arose. "Not only do we have the opportunity to market our organisation to high-potential MBA candidates," says Victoria Visser, Global Talent Manager, ING Group, HR Finance, "but the co-branding with a top business school is important, as is the access to their alumni."

When asked what ING seeks from the candidates, Victoria, herself an alumna of the RSM MBA class of 1999, echoes what many of the participating companies have shared with RSM. "We are looking for people with an appreciation for diversity; who exhibit maturity, and have the breadth of mind and experience to work in an international environment." To date, there have been two recipients of the RSM/ING

Corporate Scholarship, both of whom have been provided with excellent opportunities to connect to the organisation. Gokhan Gomec came to RSM from Turkey and graduated in 2008. "The programme helped me to develop my networks within ING during my study period. Furthermore, with the help of the RSM/ING Scholarship, I was able to understand the company's business better and that helped me secure a full-time position with them after graduation."

Eddie Guerrero Herrera from Peru, who is still studying on the full-time MBA and will graduate in 2009, says that: "The RSM/ING Corporate Scholarship is the next step in my career progression. I have the opportunity to be part of a leading financial institution and receive invaluable advice and support from them."

RSM values the support it receives for full-time MBA students through the Corporate Scholarship Programme, from ING, and other sponsoring companies, including City of Rotterdam, Cordys, Lufthansa, Eastman, Philips, Shell, Siemens, Unilever and Willis Re.

For more information contact: Hetty Brand-Boswijk, Director - Financial Aid & Development for MBA Programmes, at hboswijk@rsm.nl.

WHAT MAKES AN INTERNATIONAL MBA RELEVANT?



“Our graduates are able to work anywhere, and with anyone.”

Dean George Yip, Keynote Speaker at 2008 GMAC Annual Industry Conference

Internationalisation is perhaps the most significant characteristic of business today – and it has raised a number of management challenges. To remain creative, agile and adaptive in a competitive global arena, companies must find and recruit the very best global talent, with an emerging set of skills.

They seek people who are able to connect with others, to lead across regional and cultural differences, and to navigate, innovate, and facilitate rapid organisational change in a multi-national environment.

The MBA programmes of RSM have, since their inception, been ‘internationalised.’ Even before it was seen as an explicit advantage to business, RSM led the way in recognising and leveraging the opportunities presented by a diverse international cohort of programme participants.

Each year the highest-calibre post-experience participants in the world come to RSM to take place in our programmes, consistently ranked within the Top Ten in Europe by the Financial Times.

WHERE IN THE WORLD IS RSM?

We’re everywhere our alumni live and work... and as part of our various MBA recruitment tours, we’ll be offering MBA Information Sessions in cities around the world (including Open Days in Rotterdam).

UPCOMING PROGRAMME START DATES/APPLICATION DEADLINES:

Executive MBA

Start of programme: January 2009

Deadline for application: 8 December 2008

Global Executive OneMBA

Start of programme: September 2009

Deadline for application: 3 August 2009

International Full-time MBA

Start of programme: January 2010

Deadline for application: 5 October 2009

For further information on RSM's MBA Programmes and to find a calendar of forthcoming MBA events, go to: www.rsm.nl/home/mba.

MAKE THE MOST OF YOUR CONNECTION TO ROTTERDAM SCHOOL OF MANAGEMENT, ERASMUS UNIVERSITY



The Alumni Office at RSM is dedicated to working for you and the advancement of your career long after you graduate.

- Special Events
- Alumni Clubs
- Online Community
- Career Opportunities
- Executive Education
- Worldwide Chapter Events
- Volunteering Opportunities

CONNECT WITH YOUR LOCAL CHAPTER AT THEIR NEXT EVENT IN:

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Belgium
Brazil
Canada
China
Czech Republic
Denmark
France
Germany
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Hong Kong

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Toronto
Beijing | Shanghai
Prague
Copenhagen
Paris
Frankfurt | Munich | Rhein/Ruhr Area
Athens
Hong Kong

Iceland
Italy
Netherlands
Norway
Philippines
Singapore
Sweden
Switzerland
Taiwan
UK
USA

Reykjavik
Milan
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NO. 1 SCHOOL IN THE NETHERLANDS; TOP 10 IN EUROPE

WELCOME TO ALUMNI NEWS

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ALUMNI OFFICE ALIGNS WITH CORPORATE RELATIONS

A renewed, restructured approach to alumni relations has been introduced at RSM. Under the leadership of Connie Tai, the new Director of Corporate and Alumni Relations, the team assumes broader responsibilities and more effective coordination of the many activities and events that serve to bring alumni, students, and corporate partners together. Connie will be working closely with the Dean and the RSM Management Team to develop fundraising projects that support the objectives of the school in terms of research as well as education. We are happy to welcome Connie into our team!



The Corporate and Alumni Relations Team, from left: Marijke de Kovel, Larissa Wiltenburg, Eva Rood, Dory Grandia, Connie Tai.

ABOUT CONNIE TAI



MBA alumni will remember Connie Tai as one of their own: an alumna of RSM MBA class of 1989, after graduation Connie assumed the combined responsibilities of marketing and admissions for the RSM MBA. As Director of Marketing & Communications, Connie helped to build the reputation and ranking of the programme, elevating the RSM MBA into one of the most-respected and uniquely-positioned business qualifications in Europe.

In December 2004, Connie moved on from RSM to Denmark's Copenhagen Business School, acting as programme director for CBS' MBA programmes; she remained there for almost four years before making the decision to return to Rotterdam. She assumed the new role of Director of Corporate and Alumni Relations for RSM in September 2008.

"It's very exciting to be part of this newly-created office," says Connie. "Dean Yip has described my job as being a 'connector' – I'm here to bridge external and internal stakeholders, to create outreach to the corporate world, and to look after the interests of RSM's many alumni, who are our most important ambassadors."

In addition to her MBA, Connie has an undergraduate degree from the University of Hong Kong, and an MSc in Corporate Communications from Manchester Business School in the UK. She is a frequent speaker at public events, including the conferences given by such organisations as the Association of MBAs, the Graduate Management Admission Council (GMAC), the European Federation for Management Development (EFMD), and the Women's International Network.



The Royal Delft pottery is the Netherlands' oldest publicly listed company. And at its head is the country's youngest CEO. At just 34, RSM alumnus Patrick Grasso's business know-how and drive have allowed him to take over the reins at this Dutch national treasure. Within the short term, Grasso has turned the books from red to black, and he's been deemed 'the Delft Oracle' for his skilful restructuring of this venerable business. **Text** Tim Skelton

INTERVIEW PATRICK GRASSO

BLUE AND WHITE BUT IN THE BLACK

Royal Delft (Koninklijke Porceleyne Fleis) was founded in 1653, and is still the leading producer of the world-famous Delft Blue ceramics. Today it operates in three areas: selling its classic blue and white pottery to a global market; providing 'branded' products carrying company logos for use as corporate gifts; and accommodating the more than 140,000 visitors who come each year to look around the factory.

Patrick Grasso is a former business consultant, who was advising the Royal Delft management when he was asked to take over the ailing business. "I started out telling this company how it should restructure, but it's a lot more fun doing it yourself," he admits. Having been in operation for more than 350 years, the company is a prominent symbol of 'Dutchness', and carries the expectations of an entire nation. But Grasso is unphased by this burden of responsibility. "I'm very aware of its value, and that's why I'm keen to take it to the next level," he says. "This company's history is very well documented. I know more about it than I do about the history of my own family, which is a little bizarre. So it is a national treasure, but it also has the potential to be much bigger. I see it as both a challenge and an honour to be the one trying to achieve this."

More than a national institution, Royal Delft is practically a family business. Some employees work there for 40 years or more. Each new generation of artisans learns its trade from the older masters, and skills get handed down.

"Of course," says Grasso, "that makes restructuring harder – when people have worked here for many years, changes are tough."

Restructuring became necessary when the business began relying too heavily on its factory tours. Tourism is notoriously volatile and prone to collapse when the economy drops. "It got too touristic, and that made us vulnerable," says Grasso. "We also focused on Americans, and that became a problem with the weak dollar." His plan is to rebuild Royal Delft's more historic image as a quality brand, exporting more high-end goods so people worldwide see the Delft Blue ceramics. "I believe tourism should reflect this, not be our key business," he adds.

To get to the top requires drive, and that is something Patrick Grasso certainly isn't lacking. "Throughout my whole life, whenever I do anything – a board game or a sport – I always want to win," he says. "I see myself as entrepreneurial; I've always wanted to make everything a success." He feels his time at RSM (where he finalised his BSc Bedrijfskunde in 2007, some time after he put down his studies to pursue his entrepreneurial ambitions) played a big role in this. "Rotterdam is a very entrepreneurial city. And you see this at Erasmus University. A lot of students who go there become 'socially infected' by the drive to realise their dreams." But RSM is not all about theory, or facts learnt in a classroom. There is another aspect just as vital as the course. "The most important thing I got from RSM

was a social network," says Grasso. "This is invaluable when you are doing business."

With a wife and three young children at home, and an obviously hectic work schedule, juggling a successful career and private life must take some effort. Patrick Grasso knows all about this pressure, but has a solution to it. "It's important to prioritise," he says. "At the weekends, whenever the children are awake, I try not to work. But the more you get into your job, the more time it takes – so you have to focus to maintain a balance."

Fortunately it is not all about work. "One good thing I have is that when I go on holiday, I can block work completely out. I'm quite a relaxed guy," he adds. But he is also a relaxed guy with drive and ambition. Having already reached the top in business, where does he see the future taking him? "This is a small company, albeit with a big name. It's a big honour, but I don't really see myself as being at the top yet. This job is no comparison with the people who run bigger and more complex companies." So does he see himself as the next CEO of Shell? "That would be a great opportunity," he says with a smile. "There are a lot of companies that need help restructuring. I have the experience doing that, which is invaluable. The thing I would like in my next job is the potential to restructure, and to build a more solid company as a result." ■

You can find out more about the company, its products and history at: www.royaldelft.com



Winners of the Strategic Business Plan Awards 2008 standing from left to right: alumnus Maarten Wilton, Uhr-Kraft CFO Alfred Walden, Tobias Höring, coordinator Niels van der Weerd, Uhr-Kraft CEO Ralf Lehr, Alexander Heidt, Professor Henk Volberda. In front: Stijn van Zon and Maciej Witkowski.

ALUMNI HELPING FRESHMEN: THE STRATEGIC BUSINESS PLAN

The Strategic Business Plan is an indelible experience for anyone engaged in a bachelor programme at RSM: the opportunity for freshmen to team up and act as strategy consultants for a real-life company, with awards given to the best teams each year.

Since 2007, the Strategic Business Plan has been enriched by the inclusion of alumni acting as 'supervisory board members', who offer professional feedback to the teams, helping them to refine and finalise their SBP. In 2007, 56 alumni acted as supervisory board members. "Evaluations showed all-around satisfaction with the participation of the alumni; we will definitely maintain this element in the future," says Niels van der Weerd, Assistant Professor of Strategic Management and SBP course coordinator. "In 2008, 60 alumni contributed to the Strategic Business Plan; in 2009 we will need more alumni to participate as we have a record number of over 1,200 new students!"

2008 WINNERS

On 16 September, the annual Strategic Business Plan Award Ceremony celebrated the best teams of 2008 with a large crowd consisting of students, alumni, faculty and staff in attendance. Winning team members were Tobias Höring,

Alexander Heidt, Stijn van Zon and Maciej Witkowski, who received the first prize and 1,250 euros for their business plan, crafted for German watch maker Urh-Kraft GmbH. "I think we got a business plan which could not have been better even if a professional consulting team had done the job," says Urh-Kraft CEO Ralf Lehr. "The presentation and the performance of each member of this team was high-end professional, and we are really impressed with the whole organisation and execution of this business plan award," say Lehr, adding that, "it was really a great experience to be part of this kind of cooperation between a company and a university."

Interested in participating as a Supervisory Board member? The next opportunity will be in April 2009. Information on the business plan sessions will be published in the e-News Alumni Bedrijfskunde/ Business Administration, or interested alumni may contact Marijke de Kovel at mkovel@rsm.nl.

SMARTKID PROGRAMME LAUNCHED BY MBA ALUMNUS



The Peduli Anak Foundation, led by award-winning RSM MBA alumnus Bjorn Dudok van Heel, has launched a programme for six highly gifted children at Project Lombok, Indonesia. The children, all with an IQ over 130, are attending a local school which offers them no way to challenge or leverage their intelligence. According to Dudok van Heel, "These children can make the difference in their own country in the future, if we give them a clear and structured education path now."

To assist, the Peduli Anak Foundation has created SmartKid, a programme which will, amongst other educational goals, get these gifted children to a private school located about 30km from Project Lombok. "Besides that, the programme offers them a complete education path including career advice, tests, suitable education and exchange programmes in the future," adds Dudok van Heel. "The programme costs 1,500 - 2,000 euros per child per year and I hope we can fund this with the help of international companies and institutions. I hope we can give these kids all the chances they deserve - we are their hope" he concludes.



ALUMNI PICNIC IN THE REGENT'S PARK

On Sunday, 29 June, eighteen RSM, EUR and CEMS MIM alumni met in The Regent's Park in London for a picnic. The sun appeared as soon as the jazz band started playing, and the event proved a great opportunity to meet other alumni in the London area, with new friendships developing on the day. London-based alumni will be keeping an eye on the Alumni Agenda at www.rsm.nl as other activities are bound to follow this kick-off event. ***Are you interested in connecting with fellow alumni in your region, and in being invited to alumni events and activities? Send an e-mail to alumni@rsm.nl.***

DRAGON'S DEN SUPPORT FOR RSM ONEMBA GRADUATES

'Dragon's Den', a show on Dutch TV station KRO, gives novice entrepreneurs the opportunity to realise their dreams: to launch their idea into reality, with some financial support. Their task is to persuade five successful business people – the 'dragons' – that their entrepreneurial concept is worthy of support.

That's exactly what OneMBA graduates and business partners Arvid Perre and Pauline Schellart did. The two received buy-in from the 'Dragon's Den' investors panel, giving them 300,000 euros to proceed with C-Rose, a strictly-online shopping site that offers high-quality, reasonably priced, uniquely designed clothing for girls aged 2-9 (www.c-rose.nl).



GRADUATION OF MASTER IN HOSPITALITY MANAGEMENT PROGRAMME

On 11 September 2008, members of the Master in Hospitality Management Programme, Class of 2007-2008, graduated in a gala ceremony in the Forum Hall of the Erasmus Expo and Congress Centrum on the Erasmus campus. This programme provides participants with the unique opportunity to study with two leading institutions: the Rotterdam School of Management and the Hotelschool The Hague, thereby connecting business science with the art of hospitality leadership.

STAR GBSM CONGRESS: IS CSR A MORAL OBLIGATION?

On 1 October, STAR presented its yearly Global Business and Stakeholder Management (GBSM) Congress. This year's theme was 'Corporate Social Responsibility (CSR) – A Moral Obligation?' which built upon the discussion on the responsibility and moral and ethical obligations of companies. Introduced by Dean George Yip and moderated by Pieter van Dijk from the Institute for Societal Innovation (IMI), the panel discussion was designed to be provocative. Representatives of big business (Ahold, Shell, and Deloitte) and socially-motivated groups (Oxfam Novib, Friends of the Earth and the Rotterdam Climate Initiative), and RSM faculty members Dr. Gail Whiteman and Dr. Rob van Tulder, wrestled with the challenging questions presented by students. Their attempts to bridge the gap between conceptual CSR and the hard reality of business today, led to lively and occasionally fierce discussion.

SHELL CAMPUS AMBASSADORS AND RSM CELEBRATE RELATIONSHIP

In September, a delegation of Shell RSM alumni met with faculty members and staff to celebrate their ongoing relationship. Over the years, these strong links have resulted in numerous RSM students joining Shell.

Shell Campus Ambassadors are the face of the organisation on campus. Being RSM alumni themselves, they offer first-hand experience to current students on what it's like to work at Shell. They also work closely with faculty, the alumni office and study associations to support internships, guest lectures and knowledge exchange forums.

Yvonne van Ginkel, who graduated from RSM in 2007 and currently is a Product Manager within Shell's Commercial Road Transport business, says: "When you go on campus, you are not just turning up for a recruitment event. As a Campus Ambassador, you offer valuable insights from different parts of the Shell business that are very useful to prospective candidates. You also translate the work you do on campus into specific goals that are included in your annual appraisal. Last - but not least- it's a great way to socialise with past and current RSM students."

According to David Pappie, Shell's Global Recruitment Manager - and RSM Campus Ambassador lead: "RSM's open attitude towards companies like ours enables students to experience Shell's breadth of career opportunities, international scope, and that is not only about oil and gas engineers. So while I am pleased with the excellent stream of RSM talent making its way into Shell year after year, in disciplines such as IT, HR and Finance, RSM students are the ultimate winners."

BIRTH ANNOUNCEMENTS!

The Dutch Baby Boom continues apace at RSM. Many congratulations go out to Irene Versluijs, Manager Alumni Relations, on the birth of her daughter Merel on 20 July 2008; and to Rebecca Morris, Corporate Publicist and Editor of the RSM OUTLOOK, on the birth of her son Leonardo on 4 August 2008. We wish mothers and babies much health and happiness, and the occasional full night of sleep.





HERMANN FRÜHSTÜCK HANDS OVER FRANKFURT ALUMNI CHAPTER INSPIRING - AND RETIRING

Since 1999, Hermann Frühstück (MBA 95) has been RSM's 'dream alumnus' and Alumni Chapter Head in Frankfurt: enthusiastic, supportive, energetic, pro-active, a skilled communicator and a natural 'connector' with contacts in business and the larger European MBA community. He's helped expand the idea of what it means to be an RSM alumnus. **Text** Lesa Sawahata

When Frühstück came to RSM to start the full-time MBA in 1993, it was because he'd identified a 'clear wish' to move into business from his university position in applied research and Industry Cooperation. "While I had a very strong academic background, it wasn't a good management background," he says. "For me the MBA was a perfect doorway to the world of management." He chose RSM because he wanted a European school with a truly international outlook. "I was extremely impressed with the very international student profile of RSM, and there were other elements in place like the in-company project, which

is very practical, and an excellent exchange programme." Hermann elected to do an exchange at Michigan Business School in Ann Arbor, which opened his eyes to the impact that alumni could have on a business school. "What I'd seen in the US is how enthusiastic the alumni in top American schools are; how they work and contribute to the progress of the school - that really inspired me," he says. After receiving his MBA in 1995, Hermann launched a 12 year career at Procter and Gamble. After a few years of intensive career building, Frühstück began to remember his time in Michigan, and the enthusiasm he had glimpsed

in the alumni there. "My aspiration was always to keep in touch with RSM and to give back some of the value that I'd received during the programme," he says.

Frühstück became the Head of the Frankfurt Alumni Chapter, and also spent seven years on the board of the MBA Alumni Association, where his considerable energy went into stimulating the activity of RSM's global alumni community. "In the past six or seven years, we almost doubled the number of active alumni chapters," he says. "Sharing and exchanging experiences – what works, what doesn't work, how to motivate people to take responsibility for a chapter – I found all this very rewarding," says Frühstück.

One of the most exciting aspects of alumni events around Frankfurt was the potential to use industry contacts to build up cooperations with other schools.

a mega event – the CEO of Continental or Deutsche Bahn doesn't want to speak in front of ten people." However, these 'pooled' alumni events take care of the numbers, and "while every school needs to have its own identity, for large events it's a win-win to organise jointly." Last May, for example, RSM alumni were invited to an event at Maserati Germany in the Rhine-Main-Area which was organised by the alumni from Harvard Business School.

Having initiated so much rewarding alumni activity over the past years, why is Hermann Frühstück stepping back from his duties? A new position at Siemens IT Solutions and Services has made an impact on his time – but more importantly, his work-life balance has taken on new significance. "My wife and I married two years ago, and of course there were some practical consequences – one of them was to move to Munich, because my wife works there



"Sharing and exchanging experiences – what works, what doesn't work, how to motivate people to take responsibility for a chapter – I found all this very rewarding. In the past six or seven years, we almost doubled the number of active alumni chapters."

One example was an event organised by Frühstück and Alexandra Winterstein, who co-led the Frankfurt Alumni Chapter, in concert with RSM's Executive Education office and INSEAD's Munich Alumni Chapter. Alumni, students and staff of both RSM and INSEAD were invited to join in a strategy event conducted at the worldwide headquarters of Adidas-Salomon in Herzogenaurach in October 2004. It proved to be an excellent way for alumni of several top European schools to network with each other, with headhunters (who are well-represented amongst German B-school alumni), and with a major sporting retailer. "I think this is the future of alumni events," says Frühstück, "because even a very large school has problems arranging

and it's such a wonderful city. But we've had a long-distance marriage as I commuted to Munich every weekend, and that left less time to spend on RSM." Last May, it was also time for Hermann to give up his seat on the Alumni Advisory Board. "It was perfect timing for me, and the logical step was also to give up heading the Frankfurt Alumni Chapter when moving to Munich."

Hermann is currently in the process of passing the baton to his successor, who will be announced soon. Meanwhile, he's already been in contact with Andrea Bassermann from the Munich Alumni Chapter. "I'll be an active member of the Munich chapter, that's for sure," he says. We never doubted it. ■



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