

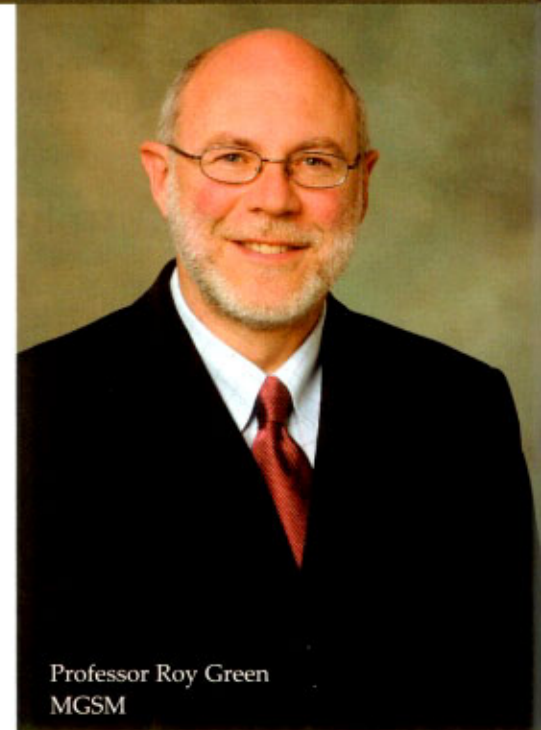
Australia needs to think beyond its commodities safety net

In January this year, Professor Roy Green assumed the position of Dean of the Macquarie Graduate School of Management, the graduate business school of Macquarie University, NSW. In this interview with David Mason-Jones, he shares some influences which have shaped his thinking and some thoughts about what Australia can learn from others.

Professor Roy Green BA LLB (Adelaide) PhD (Cambridge)

Professor Roy Green is Dean of Macquarie Graduate School of Management (MGSM). He took his undergraduate degrees at the University of Adelaide and a PhD in economics at the University of Cambridge, where he was a Research Fellow during the 1980s, and worked subsequently in universities and government in Australia, the UK and Ireland. Most recently he was Dean of the Faculty of Commerce at the National University of Ireland, Galway, where he attracted competitive funding for a national centre of excellence, the Centre for Innovation & Structural Change (CISC), and a private endowment to establish the new J E Cairnes Graduate School of Business & Public Policy.

Professor Green has published widely in the areas of innovation, industry policy, regional development and workplace analysis. He has also served on public bodies and undertaken projects with industry and organisations such as the OECD, European Commission and Enterprise Ireland. He was chair of the Irish Academy of Management, chair of the private sector panel of the National Centre for Partnership & Performance, and member of Enterprise Ireland's National Research Funding Support Board, the Irish Research Council for the Humanities & Social Sciences and the Advisory Forum of the Economic & Social Research Institute. He also joined business leaders on the Steering Group of the Atlantic Technology Corridor, a grouping of 270 ICT and medical technology companies in the west of Ireland.



Professor Roy Green
MGSM

CO Magazine: What is the outstanding experience or insight from your work in Ireland that is transferable to your new role at MGSM?

Green: The single outstanding lesson for me in Ireland has been the emphasis placed on knowledge and innovation at all levels of society. This was at the government level, the level of business and commercial organisations, and at the level of individuals themselves. The challenge in Ireland was for these organisations to re-invent themselves, expand their horizons and reap the competitive advantage gained from ingenuity.

This is an outlook and strategy organisations in Australia need to learn on a more urgent basis than they have done so to date. The deep pressure for innovation does not exist in Australia to the same extent as it exists in many other economies because of the resources boom underpinning the Australian economy. We've been saved by China and the commodities boom, as we have before on so many occasions.

But these mining booms are cyclical events and we should only regard them as something to provide us with a temporary breathing space. The danger faced here in Australia is that commodities, alone, may not be the long term solution to the need for wealth generation and national income. China, for example, is diversifying its commodities base – both domestically and internationally – and will eventually gain the upper hand in commodity negotiations. By contrast, the Irish emphasis on knowledge and ingenuity has made them masters of their

own destiny. Ireland is moving up the value chain whereas Australia faces dangers in remaining in the same position in the value chain.

CO Magazine: I notice, after Cambridge, you worked within government in Australia. In what role was this and what were the insights you gained?

Green: For a period of three years in the late 1980s I held two significant government related positions. For a time I was head of policy research for the Commonwealth Department of Industrial Relations and then I was an advisor to a Cabinet Minister.

This gave me an insight into the process of policy development at high government level. I saw, at close hand, the work of Ministers and the interplay of the Departments in policy development. I also saw the professionalism of Australia's Public Service which, at that time, had a strong ethic of providing professional, politically unbiased and independent advice to government. I gained a good bird's eye view of how government interacts with business and commerce.

In Ireland I really then witnessed the way that an economic take-off can be influenced by government policy. Since the 1970s the Irish government had been making a heavy investment in human capital to upgrade the skills of its entire workforce. This led to a position in the early 1980s where, apart from Japan, Ireland had the highest proportion of engineer and computer science graduates in the world. At that time many of those graduates left Ireland to gain work but successful government policy setting, based initially on foreign investment attraction, drew many of them back.

I saw huge parallels in the way the Irish government did it and the way that the Singapore and Finnish governments did it. They all carried out technology foresight exercises and picked winners in key growth sectors of the world economy such as ICT, medical technology and pharmaceuticals.

I was involved with these exercises through membership of the research funding board of Enterprise Ireland. This was the body that created a nexus between government policy and commercial entities, including building supply chains around the foreign investors and embedding them in the local economy. Enterprise Ireland helped turn Ireland's economic take-off of the 1990s from a policy concept into a reality.

CO Magazine: I know that management, and not philosophy, is likely to be the natural focus at a graduate school of management. But do you engage in any philosophical study at MGSM?

Green: Yes, management is the focus. We only have a short time here – 12 months for a full time MBA – and so we need to put the emphasis on management. We do, however, have some 'Foundation modules' in which the emphasis is on the concepts underpinning modern management. These

modules can be taken as part of an MBA program or a formal study course, or can be taken as stand alone study modules. We get a highly enthusiastic response from these units.

CO Magazine: Do you have a person you regard as a role model?

Green: Possibly not a role model as a person whom I would want to copy and exactly emulate. But I do have many people I greatly admire.

An example of one such person is Niall Fitzgerald, a former CEO of Unilever. He started in the west of Ireland and went on to lead an organisation with 130,000 employees worldwide. In everything he did, both in the way up and the way he led the company, he displayed a strong sense of corporate social responsibility and ethical behavior. I admire the type of person that Niall is and I admire the type of business he developed. He is now chairman of Reuters and last year opened the new graduate business school building of my former university in Ireland.

Another person I admire in the management theory arena is Peter Drucker whom many of us regard as one of the fathers of modern management theory and practice. I discovered Drucker's work in my transition from what was pure economic theory, in work leading to a book on monetary analysis, to the reality of how organisations actually work. There is inevitably a tension between economic theory, which is highly quantitative, and organisational analysis, but both have a valuable part to play in public policy and management practice.

CO Magazine: What do you do to maintain your work-life balance?

Green: I have a family life and try to maintain a good balance between my family and my work. We share a lot of common interests and activities and, with two children, it is a delight to be back in Australia re-discovering, with them, so many of the things that we associate with the Australian lifestyle.

CO Magazine: What would be the single most important piece of advice you would give a person considering an MBA – or any study – at MGSM?

Green: I'd ask them to think, 'Why am I doing this?' and 'What purpose will it serve in my life and career?'. If the answer they give is convincing, coherent and has a rationale, then I would advise them that the decision to do the course is one of the most important choices, with one of the most rewarding outcomes, that they could make. There is no such thing as too much education and, additionally, the course enhances people's standing and life chances.

If the answer is not convincing, I would advise prospective students to reconsider their options. I am concerned if people attend courses such as these, not to mention even more demanding PhD programs, with no concept whatsoever of the commitment it takes in time, effort and emotional energy. 