

OCCASIONAL ADDRESS

Mr Neil Chatfield

MBA (UTS), FCPA, FAICD, FTIA

Company Director, Chairman – Seek Ltd and Virgin Australia Holdings Ltd.

Delivered at the UTS graduation ceremony for graduates from the faculty of Business
Tuesday, 6 May, 2014

Chancellor, Vice Chancellor, Faculty Deans and Staff, Distinguished Guests, Graduates, family and friends. I would also like to acknowledge the traditional owners of this land, the Gadigal and Guring-gai people of the Eora Nation, upon whose ancestral lands the University now stands.

Let me firstly say, to you graduates, how delighted I am to be here with you today, and to be part of your well deserved graduation celebrations.

You have all reached an important milestone in your career journey. A milestone of which you should be immensely proud and one which is just reward for your efforts and personal commitment.

Some 20 years ago, I was fortunate enough to complete my Masters in Business from this university, however unlike today there were no iPhones, no iPads, no Google, no apps or no cloud, in fact the internet and emails had only barely just arrived on the scene. In those days social media consisted largely of fixed line telephone calls and notices in the newspaper. In addition, the world then was far less globalised and the impact of an emerging Asia was not yet on the radar.

In my mind you will never find a better time to graduate and embark on a career using the knowledge, skills and experiences acquired during your time with UTS.

Today's business world is more exciting than ever before and so are the opportunities available to you. We are in a truly global world now, with technology allowing rapid interaction between consumers and businesses around the world.

Let me put the settings in perspective.

Firstly Australia is uniquely positioned in Asia. A region which is destined to grow strongly over the long term and continue to demand Australia's key resources, be they mining, agriculture, education, health or financial services.

In particular, the emergence of China as Australia's major trading partner is very important. The growth of export of our mineral resources continues, whilst the future of our agricultural sector is assured due to China's growing demand for food related products.

Foreign investment from China and for that matter from throughout Asia, will also drive domestic economic growth and stimulate business activity over the long term.

Activities in education and health services are also benefiting greatly from Chinese demand and are likely to be important areas for growth going forward, as China slowly transitions to a more services based economy.

The prospect of Australia exporting human capital and establishing businesses throughout Asia is also compelling. The ability of Australian companies to grow by broadening their geographic reach into Asia is now a reality, although many more opportunities exist. It is encouraging to see iconic Australian companies such as ANZ and Seek building a successful presence in Asia and taking Australian know-how to the world's biggest economies.

The fact that technology driven Australian companies can successfully develop business models in Asia and the broader emerging markets, where populations are many multiples of Australia's and internet penetration is still growing, is a very significant indicator of future opportunities available.

Secondly, the online world will continue to enable you to increase your productivity and participation in new and developing business models.

The on-line environment is having a profound impact on business activities. Traditional businesses which cannot or will not change are being quickly replaced by organisations which imbed technology and innovation into their business.

The impact of technology and pace of change cannot be overstated, and is occurring at a much faster rate than anyone predicted. Disrupting business models can become “traditional” themselves in a relatively short time and themselves be faced with competition from new emerging disruptive models.

The influence of enabling technologies, for instance such as mobile devices, is also significant, as is the impact of new, affordable and more efficient technologies.

Imagine the impact on an organisation which 2 years ago had less than 10% of its customer contact and website access from mobile devices, but today has over 50%, and consider a bank which used to have customers check their paper based statements once a month or a quarter, who now have customers checking balances more than 3 times a day, managing their banking, superannuation and home loans in a central location and largely from mobile devices.

These are just small, but significant examples of how the business world is now more connected and open than ever.

Organisations have great opportunities (as well as threats) from the digital environment, as a consequence of the use of on-line search and advertising as well as communications from social media, in addition of course to product delivery on-line.

Businesses now have large amounts of data in relation to their customers, suppliers and competitors: Data which needs to inform business design and changes to products, services and processes, and most importantly turned into value creating strategies and responses.

All these impacts of technology also raise the risk profile of organisations, by increasing volatility and substantially shortening the lead time for action. Skills in identifying and managing risk and the financial consequences of control failures now need to be even more front and centre in the way businesses are managed.

I see tremendous alignment between the business consequences of the on-line world and your skills; as your ability to understand the value chain and measure benefits of enabling

technology and the associated risks, and bringing a financial lens to these issues, are essential inputs as business models evolve.

Thirdly, your skills will continue to be in high demand and grow in importance as enterprises and Governments strive to become more productive and improve returns on investment.

As most organisations try to do more with less, the need to design, measure and monitor the financial and business impact of operations, and new models and initiatives, becomes critically important.

It is no surprise that business and finance graduates form a major part of the community of business leaders; many have become senior Chief Financial Officers and Chief Executives. In this environment of rapid change brought by on-line capabilities and an increasing abundance of data access, as well as the breakdown of geographic barriers for businesses, I can only believe that many more graduates such as yourselves, will quickly rise to senior business leadership positions in the future

Increasingly, organisations will turn to your business skills to assist and drive change and to search for value from the changing environment.

You are indeed in an enviable position.

With such great career settings, I want to encourage you to set your sights high, take the bold decisions and don't be afraid to make changes and to make mistakes.

As future business leaders you are uniquely placed to help Australia benefit and build on its place in the global economy. Do not underestimate your influence and impact on organisations and people, and do not take the responsibility lightly, exercise your influence in a considered and positive manner. Put all you have learned to practice, but of course recognise there is still much to learn.

In this context, I would like to share my experience with you in relation to some of the factors which will influence the level of success you will enjoy from your careers.

In business there are 2 key attributes which I believe define the high performing individuals and teams.

Firstly passion; this means you strive, challenge and innovate for better outcomes, by approaching tasks with an enthusiastic and energetic mindset and questioning the status quo.

Secondly judgement; this is knowing when to think and consult, or when to get on with it. Judgement necessarily means owning your decisions and taking corrective action as needed, learning from past decisions, as well as empowering others in line with their capability.

By combining these two attributes with a strong value set embracing respect, accountability, sincerity and humility, will put you firmly on the path to a highly rewarding and satisfying career.

On your behalf today, I would like to thank all the UTS staff who have been dedicated to providing you with the best degree possible. Today, we should also reflect on the success of UTS as we acknowledge its role as a major university over the past 25 years and its high standing both in Australia and worldwide.

Finally, we should sincerely thank your family and friends for their support and encouragement, which has enabled you to be here today.

Well done graduates and my very best wishes for your future.