Green shoots in rocky ground
Editor's welcome

Some of you will know me through my involvement in alumni relations for LUMS over the last three years, working with Susan Lucas, who retired in December 2008. I am pleased to take on the full-time role of Alumni Officer for the School, and look forward to being engaged with you as our alumni community develops.

Rebecca Heron has moved to focus full-time on Marketing for the School, and we welcome back from maternity leave Maggie Willan, LUMS Development Manager.

In this issue, Ambassador brings you School and Alumni news, features, and also a selection of current thinking and activities from across the School related to topical issues. We hope you enjoy reading about these, and welcome feedback on the magazine as well as your suggestions for future editions.

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This edition of Ambassador is sent to you from a new-look LUMS Alumni Office – in terms of personnel and also quite literally as our office, part of the Dean’s Suite on LUMS D Floor, has been subject to a colourful refurbishment recently!
Dean’s update

I would like to wish all of our alumni a very warm welcome to the 2009 edition of Ambassador. This is undoubtedly a challenging year with the financial crisis impacting on us all. The need for strong business leaders has never been greater and I am confident that our alumni not only have the necessary knowledge but also the skills to drive their organisations and communities forward when the recovery occurs.

We are also mindful that we need to be concentrating on the development of the next generation of business leaders and it may seem ironic that recessions often lead to an increase in student applications. As a consequence we are planning to grow student numbers – increasing the ‘LUMS family’ of highly skilled, responsible, and entrepreneurial business men and women worldwide.

I am sure you will want to join me in applauding the School’s excellent performance in the latest rankings which currently place us 27th globally and 4th in the UK for our MBA, 23rd in the world for our MSc in Management, 5th globally for our doctoral programme, and in the top 10 across a range of undergraduate rankings. The recent Research Assessment Exercise places us in the top 5 in the UK and confirms our continued and sustained excellence in world leading and internationally recognised research.

We carry on looking at new opportunities for development to ensure LUMS remains a world-leading Business School. Current initiatives include an exciting new international partnership with the GD Goenka Educational Trust in Delhi which will see the delivery of high quality LUMS courses in India.

Finally we welcome further expansion on the Lancaster campus with a second adjacent Management School building due for completion in August 2010 to support our continued growth.

Despite the difficult economic climate we hear many good news stories from our alumni, and positive ‘green shoots’ for the future can be seen throughout this edition of Ambassador. We hope you find the articles both interesting and informative.

All my best wishes

Professor Sue Cox, Dean

LUMS Leavers Ball

On 1st May the School held its first Leavers Ball: an opportunity for final year students to celebrate their achievements at LUMS before entering the world of work. The event was organised by the team of LUMS student Ambassadors, with generous support from staff members including from Professor Sue Cox.

The event was held at the Lancaster House Hotel with a ‘Royal Ascot’ dress code. Guests were greeted with a piano reception and complimentary drink upon arrival, which was followed by a buffet meal and an evening of dancing. There was even an award for ‘Best Dressed’, which was won by BBA Management student Anna Roberts. The event was considered a great success and will hopefully become an annual fixture in LUMS’ social calendar.
Global recession: lessons to be learnt

The challenges of the global recession are undeniable. Of great importance are the lessons that can be learnt from what led to the current situation, and the actions that can be taken to help recovery and future security. The following is a snapshot of recession-related insights and activities, including a high profile alumni event and also contributions from LUMS academics who share their views on some of the key areas under the spotlight in these uncertain economic times.

Alchemy’s Moulton offers compelling summary of state of the economy

In the first Lancaster University Management School Chief Financial Officer lecture on 23rd March, Jon Moulton, Managing Partner of private equity firm Alchemy, delivered a compelling summary of the recent economic turbulence and offered a grim vision of the future.

More than 140 senior delegates from the finance sector and academia joined partners and directors of Ernst & Young at their offices in London to hear “Reasons to be Cheerful: a short speech”, in which Moulton gave a stark but honest critique of the financial crisis and its possible outcomes.

Guests included senior alumni of Lancaster University, many of whom have followed careers in the finance professions.
A crisis of change and confidence

Several areas of our financial system have come under scrutiny and have been apportioned blame in relation to the current economic downturn. Distinguished Professor of Accounting, Ken Peasnell, looks at where and why the banking regulatory system failed.

It has become evident that although banks were being tightly regulated, this regulation applied to traditional areas of operation. The system was too narrow to cope with a changed banking climate, in which banks tapping into the recent growth in international money markets and ever more complex lending resulted in a shadow banking system. Dealing in this way was used to step around the existing regulations, and meant that a lot of banking was undertaken outside banks; escaping the net but ultimately becoming victims of over-reaching such as in the case of Iceland.

This leads to the question: how much responsibility should rest with the regulators, and how much with the banks themselves and the forces driving an unbalanced incentive-based pay and profit focus? Although not solely to blame for the current crisis, regulating bodies have a long way to go to be effective again in a changed world, and to fulfill one of their key purposes which is to maintain confidence in our banks.

Global problem, global solution?

The phenomenon of a global recession, according to Professor Geraint Johnes, is a new one, partly because of the current degree of global integration and interdependency of economies. In response to the question of whether or not globalisation is a bad thing, when we see the problem exacerbated as lots of countries have gone into recession together, Professor Johnes believes that the solution is not to throw globalisation into reverse as the overall efficiency of the global economy is enhanced as a result of globalisation. He comments here on the impact of the G20 summit.

Hailed as a great triumph, it was really more notable for what was not agreed than what was. Hopes for a co-ordinated fiscal stimulus were frustrated. This left countries with very open economies – such as the UK – in a position where the benefits of any further stimulus could well leak out of the domestic economy.

Better co-ordination of effort on a global scale would have lessened the severity of the recession, though there is hope in the fact that major players such as the USA, with its $800 billion fiscal stimulus, are acting in a way which should have a significant impact.

A new Media Gallery has been created on the LUMS website, giving visual insights into the School’s latest research, department and student activities. This includes videos of presentations by Professor Peasnell and Professor Johnes:

www.lums.lancs.ac.uk/media
A viable alternative

Islamic finance can provide a viable alternative which can serve as an antidote to future global financial crises, as there are no ‘bulls’ and ‘bears’ in the Islamic financial architecture!

The current global financial crisis has exposed the fragility of the conventional financial system based on interest rates and un-backed security instruments. As is now known, such a complex system of securitisation and financial transactions can unleash contagion in the financial system as there are no discernible ways of identifying the ultimate risk bearers.

In contrast, the Islamic financial system is grounded in principles that abhor interest bearing and speculative transactions, and as a consequence it does not permit debt to be traded, discounted or securitised. Islamic banking therefore prohibits transactions that are based on so-called innovative instruments, such as derivatives, short selling, credit default swaps, and collateralized debt obligations which are at the heart of the present financial and economic mess.

It is therefore not surprising that Islamic finance institutions have come out of the sub-prime crisis in a better shape than their conventional counterparts.

The principle of assets-backed transactions serves three important purposes in Islamic finance. First, since each financial transaction is tied to a tangible identifiable underlying asset, it tends to eliminate excessive debt obligations and debt burdens caused by interest service payments. Secondly, it allows for project financing without fear of default as it is largely backed by assets. Third, assets-back instruments link credit expansion to the real economy and can serve to promote economic growth.

Dr Marwan Izzeldin, Lecturer in Economics & Econometrics, is Executive Director of the Gulf One Lancaster Centre for Economic Research (GOLCER), the main purpose of which is to conduct empirical research focused on key economic and financial developments in the Middle East and North Africa (MENA) region, with special emphasis on the Gulf region. GOLCER was established in May 2008 by Lancaster University Management School and Gulf One Investment Bank.

Time to innovate…

Professor Cary Cooper CBE is an advocate of the need to stay focused on the positive and remain optimistic through a recession. We asked him to share his thoughts on where there is opportunity in the world of business.

Although the recession has meant substantial job loss for many, and a feeling of job insecurity for those surviving redundancies, it provides businesses with an opportunity to think afresh about their future. It can also be a time of innovation and constructive change, as organisations must consider new markets and new strategies to compete in a grossly different business climate.

For individuals, it is a time to reconsider what they should be doing or would like to do. For those made redundant it is a scary and insecure time, but it can also be a time for refocusing their career goals. Recessions and downturns also breed new and very innovative businesses, as more people leave the big corporates and create their own niche markets. We cannot survive on ‘doom and gloom’ but on our capacity to cope with change by being more innovative in what we do and what we offer.
Strategy in a recession and beyond

Professor Gerry Johnson and Professor David Pettifer, Lancaster Centre for Strategic Management, share their views on managing strategy in a recession.

Recessions can mask deeper structural changes that are more fundamental than cyclical corrections. Realignments in economic power, restructuring of global financial markets and credit availability and costs will have important long-term strategic implications for many businesses and whole industries. Predicting the outturn is impossible but we can be certain business dynamics will be significantly different coming out of this recession than coming in, and maintaining strategic flexibility will be important.

When it comes to balancing management action to deal with recessionary conditions with longer term strategic needs, there are several points to consider.

Cutting costs is an inevitable aspect of working through a downturn, but strategy-makers need to be cautious about the basis on which they are made: identifying the costs which are least important in delivering what customers, particularly major customers really value. This needs to be based not only on a deep understanding of the needs of customers but also drilling back to re-evaluate which business activities really deliver what customers value and, crucially, which don’t. This isn’t just a short-term exercise in identifying unnecessary costs: it can also have long-term benefits in identifying which activities really deliver the bases of competitive advantage. It also makes sure that costs cut now do not harm the future potential of the business.

Strategy in a recession is also about building and maintaining as much flexibility as possible, readying the organisation both for a post recession situation and to deal with unforeseen events. This is especially important when considering major expenditure, such as capital investment, only initiating development where there is the option for extension rather than an immediate commitment to major and long-term spend. Strategic alliances and partnerships might be a more appropriate flexible option than a merger or acquisition for example.

Good financial directors will be focusing on cash flow, keeping working capital under control and ensuring all the major expenses are focused on creating value. This is the time to target strategy to getting the most from the organisation’s product and customer portfolios. The standard guide is that roughly 80% of profit comes from 20% of products and customers, meaning there are usually some customers and products which don’t contribute, or even destroy profit. Now is the time to get rid of the tail.

Even during a downturn the best managers will still be mobile. So how do you retain and nurture your best people when management development costs are likely to be under pressure? This is a leadership challenge. Talent development has to come in-house so focus on selected senior managers to develop their capabilities to coach and mentor others. If so, quite likely one place that HR spend cannot be reduced is in the support and development of these senior people themselves.

The bottom line in managing strategy in a recession is not to sacrifice long-term competitive advantage in the search for short-term cost savings.

Article first published in Accountancy Age, 12th March 2009
Constrained economic times could offer more incentive to take action for sustainability, given the potential mutual benefits that can be realised.

Judi Marshall, Professor of Leadership and Learning, joined LUMS in 2008. Well-known for her research and teaching in leadership and sustainability, Professor Marshall offers an insight into how people can take leadership of some kind in the areas of sustainability and corporate responsibility in order to influence change and challenge the paradigms we are working with.

Many people in their diverse ways, from the corporate responsibility manager to the concerned consumer, are taking leadership for sustainability. They act in complex, interactive systems, which are often highly resilient. I am interested in what ideas and practices people need to do this effectively.

From my work in this field, five areas of attention and practice seem valuable for people to track, simultaneously.

1. Taking an action research approach, so that we treat what we do and what effects this appears to have as inquiry, aspiring to learn in real time, collaboratively with others.

2. Systemic thinking, tailoring action to contexts, especially appreciating the natural limits we live with.

3. Considering issues of power, in its multiple forms, is important as current patterns of activity and thinking are often held in place by patterns of power.

4. Considering the models of change we use. Much planned and directed change is ineffectual or has ‘unforeseen’ consequences, for example people find ways to meet targets without making envisaged systemic improvements. Notions of change that are emergent and process-based offer more resources.

5. We can each be aware of issues of identity, of where we are coming from, for example how to draw on our current role and the life resources we bring.

If you are already convinced of the need to develop a more sustainable society and are taking, or are seeking to take, leadership of some kind to contribute to this change, the MA in Leadership for Sustainability is designed with you in mind.

This new LUMS MA is a part-time, 24 month programme starting in November 2009.

For more information, visit the LUMS website at www.lums.lancs.ac.uk/masters/ma-leadership-sustainability.

CSR seminar
Dr Martin Brigham, Organisation, Work and Technology, has secured a place for Lancaster in an ESRC funded seminar series: ‘Corporate Social Responsibility (CSR): When Worlds Collide: Contested Paradigms of Corporate Responsibility’.

The series began in autumn 2008 at the British Library, London and will run for eighteen months, with further seminars at York, St Andrews, the ICAEW and Cass. Its aim is to bring academics and the business community together to tackle some of the big challenges in corporate responsibility.
Is China’s development sustainable?

This question was central to a major international conference held from 16th-17th April 2009 in Shanghai, as David Brown, Professor of Strategy and Information Systems, and Director of the Lancaster China Management Centre, describes.

The conference was hosted by Fudan University and organised by the Fudan University School of Management, the Lancaster China Management Centre (LCMC) and the Centre for Corporate Finance and Governance of Brunel University. It was the first time that Fudan, one of China’s elite universities, had collaborated with two British universities on such a high profile event and topic. The aim of the conference was to explore the long-term prospects for China’s industrial sectors in international markets, in the context of environmental sustainability and welfare in China and the rest of the world.

The conference was opened by Professor Xiongwen Lu, Dean of the Fudan School of Management, and attended by scholars from China, the US, Europe and the UK. High quality contributions underpinned the design of the conference and there were over forty papers given.

On the first day, four broad but interacting themes framed the contributions: industrial development and sustainability, competition, international trade and the environmental industries. From the LCMC, Professor Alasdair MacBean gave a plenary address on China’s environmental industries, which explored some key environmental policies and their likely impact within China and on the rest of the world. Included was an analysis of the prospects for China’s renewable energy industries.

Taking a different perspective, Professor David Brown examined sustainability in terms of small and medium sized enterprises and their ability to continue to act as a catalyst for growth as has been the case for the last three decades. The particular focus of this input was on China’s efforts to raise information technology competences in China’s SMEs, which is seen by the government to be critical to growth and innovation.

The second day of the conference was unusual and was centred on the Shanghai Zhangjiang High-Technology Park. A visit to the park was hosted by the Wison Energy Group, one of China’s fastest growing energy equipment companies, and provided an opportunity to link some of the conference themes in the context of the current economy. A special journal and book are planned to capture the output of the conference.

The event ended with dinner at the Lang Yi Fang, overlooking Shanghai’s Pudong skyline, and coffee at the astonishing Jin Mao Tower. It was the weekend of the F1 Grand Prix and this was the McLaren team hotel – a useful reminder that the debate on sustainable energy still has some way to go!
Family firms are the most prevalent form of business organisation throughout the world and account for approximately half of the economic activity and private employment, but they are often overlooked in management theory. Many family businesses have been around for hundreds of years – the oldest recorded one that still survives today was founded in 718AD.

LUMS is at the forefront of research on family businesses and has a strong international presence in the family business community. The new Lancaster University Centre for Family Business, directed by Professor Carole Howorth, is the largest grouping of family business researchers in the UK. A recent study of who’s who in family business research ranked Professor Howorth as second in Europe.

Professor Howorth says “Family businesses are particularly interesting because they legitimately combine the social values of families with the performance values of business. Their diversity and behaviour make them an important and naturally multidisciplinary field of study. Understanding family businesses requires the analysis of the complex interaction of family and firm, the forces underlying family values and the way these shape the business culture, behaviour, and capabilities of firms.

What we learn from family businesses who successfully manage competing objectives can also be applied in other contexts, as other types of business and organisations also have to balance social values with performance objectives.”

The Centre for Family Business is based in the Institute for Entrepreneurship and Enterprise Development (IEED) and will continue to adopt the successful IEED model of combining research, teaching and engagement with businesses. Members of the Centre for Family Business tend to come from family businesses themselves. Faculty members, Carole Howorth, Ellie Hamilton and Allan Discua Cruz have all owned and managed family businesses, an excellent basis for their research.

Recently appointed lecturer, Allan Discua Cruz, is excited about the new opportunities. “My PhD research looked at entrepreneurship in family business groups and was based in Honduras. Now I’m getting involved in the STEP project which is a global research programme that looks at how business families sustain and transfer entrepreneurship across generations. It’s really exciting and involves researchers from all over the world.”

The Centre is developing international research perspectives on family firms of all ages and sizes. Current research interests include the performance of family businesses; balancing competing objectives; intergenerational learning in family businesses; leadership succession; business culture in family firms; mentoring, and entrepreneurial dynamics of business families.

The Centre for Family Business will host the 2010 International Family Enterprise Research Academy (IFERA) Conference, a prestigious annual event that brings together international academics, researchers and family business stakeholders in order to advance family business research, theory and practice.

The Centre draws upon close partnerships with businesses to make sure that research has impact and is grounded in reality. They are therefore interested in developing further ties with local and international family businesses. If you would like to know more and think your organisation could benefit from the work of the Centre, please email familybusiness@lancaster.ac.uk
Entrepreneur in Residence

LUMS has strengthened its ties with North West business by appointing an Entrepreneur in Residence. Ian Gordon, a successful local business owner and entrepreneur, was appointed to the Economic and Social Research Council (ESRC) funded role this year, in the aim of developing how the School works with the business community. As Ian is involved with teaching and developing business links in the area whilst continuing to run his own business, this fresh perspective helps to forge ever closer links between the business community, academics and students.

MBA alumnus, 1999, Alan Heywood and Kirstine Whiteley, PG Cert in Marketing Management, 2000 won the Lancashire Excellence in Tourism Skills award, ‘Dedication to Learning’ at the end of 2008 for work done through The Tourism Centre at Lancaster University to promote skills within the visitor economy across Lancashire.

The award was for the development and delivery of the Centre’s leadership programme, ALIVE (Aspiring Leaders in the Visitor Economy) and their contribution to the development of marketing skills and knowledge within Lancashire’s tourism SMEs. It is especially important as it recognises the contribution of the University to the regeneration of this important sector of Lancashire’s economy.

Best New Northwest Business

The “Best New Northwest Business” 2008 award, as judged by The Morgan Foundation, was won by Andy Cumming, EMBA 2007, for his business Curiosity Research. Curiosity work with companies such as More Than, Zurich and Sainsbury’s and have recently expanded into social marketing with their new venture ‘Engage2Change’.

LEAD

An innovative programme for developing leadership in SMEs

LEAD is a ten month programme specifically designed for owner-managers of small to medium sized businesses. Developed and piloted by LUMS, in conjunction with the Northwest Regional Development Agency (NWDA), LEAD concentrates on two areas: the business itself and the personal development of the owner-manager, providing a framework to increase profitability, diversity and growth.

To date LEAD has worked with 150 companies and 90% of these have seen an increase in sales turnover, employment, productivity and profits. On average LEAD participants increase their turnover by £200,000.

Based on the success LEAD has had in the Lancashire area, the programme is to be rolled out across the North West through other Higher Education institutions and Further Education colleges as providers of LEAD. This is a £10m initiative funded by the NWDA, and the LEAD team at LUMS are responsible for training all the new providers, so that over the next two years 2000 small businesses can go through LEAD.
Positive destinations for LUMS graduates

The latest Destination of Leavers in Higher Education (DLHE) survey has just been completed and reports an 82% positive destination for LUMS students who graduated in 2008, a 10% increase on the previous year.

Ambassador decided to take a look at some of the stories behind these statistics and find out how students have found the transition to graduate employment.

The DLHE Survey
- Every university in the UK has a statutory duty to report the destination of 80% of UK domiciled, full-time students and 70% of EU students.
- It provides a snapshot of these graduates’ activities six months after they have graduated.
- Graduate level jobs and graduate level study are classed as positive destinations.

The co-operative

My search for a job, and ultimately a career, began halfway through my final year at LUMS. After trawling through websites and information booklets from a large number of employers, I came across The Co-operative’s graduate scheme.

This scheme appeared challenging, dynamic, performance driven and flexible enough to allow experience of a wide variety of roles and businesses (The Co-operative currently has 16 businesses within the group including Food, Travel and Pharmacy).

Applying for a graduate scheme that allowed me to spend time within different roles, departments and businesses appealed to me immediately. The ethical stance The Co-operative takes in aiming to be ‘good for everyone’ matched perfectly with my ambition to work in an organisation that is not solely about making a profit, but also puts social responsibility high on its agenda.

The Co-operative’s graduate scheme has been both challenging and inspiring. I have been greatly surprised by the level of exposure and responsibility graduates are given. Working on high profile projects gives the opportunity to liaise with top level managers and executive members. This exposure within the businesses allows graduates to develop key business skills on a day-to-day basis. I have, to date, managed projects in both the Travel and Food businesses, each requiring me to take high levels of responsibility and lead innovative projects.

Rebecca Oliver, BA Management & Entrepreneurship, Project Officer, The Co-operative Group

The recession had started at the same time as my job search, and firms were recruiting fewer and fewer candidates.

Constantly applying, completing tests and not getting interviews can be very frustrating but perseverance and commitment kept me going.

Finally, I got the opportunity to interview for a food ingredients trading company. They were looking for someone to come into the firm and take responsibility straight away. Having done internships with Nestlé and Ranbaxy (Indian pharmaceutical firm) during my second year, and doing consultancy work with two local businesses during my final year of study helped a lot and gave me the experience to understand what a business would look for in a prospective employee.

Working in a SME can be very rewarding as you have a lot of responsibility, which helps your personal development.

Gopal Kapoor, BSc Operations Management, Assistant Manager, Lehmann Food Ingredients
I’m a trainee accountant studying towards Chartered status. My time is split between training for my qualification and auditing clients’ accounts.

The work is extremely varied, I usually enter new businesses every week and once I’m qualified I will be able to work within any business sector.

I chose my job because it provides the opportunity to study for a professional qualification and my role is related to the degree I studied at Lancaster.

My degree was focused on small businesses and the department I work within provides professional services to small businesses.

The only real surprise I’ve had in making the transition between being a student and becoming an employee is how easy the transition actually was. My year out during the third year may have helped to make the adjustment easier, however, I still think I would have been fine. One more thing surprised me: it’s amazing how much you can achieve in a day if you don’t wake up at 1 o’clock.

James Westbrook, BA Management & Entrepreneurship, Associate within Entrepreneurial Business

I will be joining the NHS General Management Graduate Scheme on 1st September 2009.

When I start the scheme I will undertake a forty day orientation period whereby I spend a day with different hospital employees to gain an insight into the jobs they hold.

Following this I will do three placements (nine month, two month and ten month). Whilst working, I will also be completing a fully funded part-time PgDip in Health and Public Leadership.

I am looking forward to learning new processes and ways of doing things. I think there’s a lot of scope in the NHS because it’s such a vast organisation, so I will be able to gain a wealth of experience.

James Tubman, MSc Management, NHS General Management Graduate Scheme

After completing a year’s industry experience in Software Sales at IBM, I decided to start applying for jobs as soon as applications opened because I realised that good jobs were hard to find.

I applied to a few technology companies and decided to accept a Technology Consultant job offer from Hewlett Packard (HP), as I enjoyed their assessment centre.

My first role within HP was as a Process Technology Consultant working with Unilever on the global deployment of an application. I am now working in my second role, as a Project Manager at Barclays.

What surprised me most about the world of work is how much of a routine I now have, and how much I appreciated the ad-hoc elements of student life. Each day brings with it new challenges and obstacles but currently I am enjoying these new opportunities.

Smita Patel, BBA Management, Technology Consultant, Hewlett Packard

Following my Masters degree I felt more confident in the graduate labour market, and began looking at job opportunities.

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Rick Lacaille, BSc Management Science (Operational Research) 1984, is Global Chief Investment Officer for State Street Global Advisors. We asked him some questions about his working life and memories of Lancaster.

What’s a typical day for you?
I spend about half my time in the UK, the remainder visiting our investment teams and clients in other parts of the world. A typical day in London starts at 7am and ends at about 6pm, including time spent with investment team members discussing current performance, our research agenda. I also spend time with clients explaining our views, performance and perspective on current developments. We manage money from eleven locations around the world and have clients from many more places, so I spend a good deal of time outside the UK.

What has been the career path to your current position?
I started with a small management consulting firm for two years after graduation, then joined County NatWest Investment Management where I worked for thirteen years in a variety of quantitative research and portfolio management positions. I joined SSgA in May 2000 as Head of Structured Equities, was appointed European CIO in 2003, and after a spell as Global Head of Active Equities in 2008 was appointed global CIO in October 2008 with responsibility for all of our investment activities. We manage approximately $1.4trn.

How did studying at Lancaster University Management School help you to achieve your career success?
A degree in Operational Research gives a good grounding in a wide variety of business related disciplines with a focus on analytical approaches.

Although analytical, there is a good deal of flexibility and a pragmatic philosophy which enables you to tackle challenges with confidence. It opened the door to a position at a management consulting firm which offered a good deal of variety; since I was unsure exactly what I wanted in my career this was ideal at the time.

What are your memories of your college, social life, sports and societies?
I was an enthusiastic member of the Karate team and can remember a number of competitions against York and other local clubs in the North West. In terms of social activities, there was something of a transition taking place from the Morecambe Pier to the more sophisticated world of Brooks and the Sugarhouse. The Pier sticks in my mind more than anything else, especially the talent night on Monday - surely a precursor of Britain’s Got Talent.

Describe your continuing link with academics from LUMS, through Inquire
The quantitative investment community draws heavily on the finance academic world for staff and ideas, and as such I have retained contact with LUMS over the years.

We have hired from Lancaster and currently two out of eight of our London based quantitative research team have a Lancaster finance postgraduate background. I am Chairman of Inquire UK, a not for profit organisation dedicated to furthering the link between the academic world and quantitative investment professionals; we rely heavily on Professor Peter Pope of Lancaster’s Accounting & Finance Department, as our academic advisor and co-ordinator.

What advice would you give to students wishing to pursue a career in the financial sector?
My experience is in the wholesale end of finance - investment management, investment banking etc. The fallow period will not last forever, although the oversupply of some types of people may persist for some time. If you want to work
in the front end of the business, there are broadly speaking four types of people/activities:

- trading; for which you will need the right type of personality, and in some cases a very high technical ability
- sales/relationship management and investment activities which have a substantial personal contact component
- research; which can be either traditional or quant
- portfolio management and related investment activities

The second of these is perhaps most associated with the traditional city in terms of the background of the people and the emphasis on both brains and social skills.

The first tends to be populated partly by people who have started in basic back office type jobs, but increasingly from quant or research related staff who have an intellectual edge which can be monetised. The most obvious route is through research, where financial institutions consume many of the world’s brightest PhDs.

The story of Rick’s link to Lancaster is also somewhat of a family affair.

His brother, Mike Lacaille graduated in 1978 with a BA Accounting & Finance; his wife, Sarah Lacaille (née Hester) graduated in the same year as Rick, with a BA Geography degree; and most recently his niece, Vicky Lacaille graduated with a BSc Marketing in 2006.

‘Next generation’

Vicky Lacaille shares her experiences of Lancaster and beyond

When I was looking at universities, I was actually a bit apprehensive about the idea of studying at Lancaster because of the fact that three members of my family had already been there. I wanted to venture to somewhere new.

However, spurred on by what the business school had to offer, I decided to visit the university. I instantly fell in love with it and knew that it was where I wanted to study. My three years at Lancaster were very memorable and I had a brilliant time.

As well as the strong academic offering, the collegiate system built a real sense of university and college spirit. I was an active member of Pendle College, and I forged a number of close friendships whilst there. A number of my friends were in the female darts team with me, which always made for a fun Tuesday night. I also followed in the footsteps of my family and enjoyed many nights out at the Carleton and Sugarhouse!

Since graduating from LUMS, I have been working for Nestlé UK Ltd. I started in the Confectionery division as a Business Development Executive (a field-based Sales role in which I was responsible for building relationships with store managers, and then working with them to maximise sales). In 2007, I moved to the Nestlé head office and my current role as Customer Activation Manager in the Food and Beverages department. I work within the Morrisons Customer Business Team as the store-specific marketing specialist, working with brands such as Nescafé, Herta, Carnation and Nesquik.

Vicky Lacaille
LUMS alumnus appointed to the IASB

MA Accounting & Finance graduate, 1998, Amaro Luiz de Oliveira Gomes has been appointed as one of the fourteen integral members of the prestigious International Accounting Standards Board (IASB). The IASB’s mission to develop a single set of high-quality international financial reporting standards makes it an important contributor to financial regulation around the world.

Amaro, who is currently Head of the Financial System Regulation Department of the Central Bank of Brazil, and who has played a leading role in the adoption of International Financial Reporting Standards (IFRSs) in Brazil, will join the IASB as a full-time member in July 2009 for a five-year term. In advance of joining the IASB, he will resign from his current position at the Central Bank of Brazil.

New LUMS Bursary Fund

We are delighted to announce the establishment of the LUMS Bursary Fund, launched this academic year thanks to a generous anonymous donation. The scheme’s purpose is to assist any LUMS student enduring financial hardship, thus enabling them to complete their studies.

Many students find themselves facing stiffer financial obstacles at university than they originally anticipated. Those particularly affected include mature students, students on placements, and those whose circumstances change during their time at Lancaster. We hope that no student is forced to abandon their studies for financial reasons, and with the help of the LUMS Bursary Fund more students will be able to graduate in their chosen degree subject and go on to pursue their career.

The original donor requested that the fund remain open so that others can contribute. The fund has already attracted further donations, from graduates wanting to support current students in this way.

This is a really important resource for our students. Relieving unnecessary pressures and distractions like this can make a significant difference to the lives of the fund’s recipients, both in the short term and beyond. For more information or to add your support, please contact Maggie Willan, Development Manager (LUMS) m.willan@lancaster.ac.uk or +44 (0)1524 594605.

Valuable volunteers

Thanks to the efforts of Lisa Deng (MBA, 2004), Ye Qiong (MBA, 2000) and the re-launched Beijing Alumni Group, the April “Melody of Spring” alumni event in Beijing was one of our biggest ever - with around 100 attendees!

Spring 2009 also saw successful reunions in Seoul, organised by Charlie Lee (MSc Advanced Marketing Management, 2005), in Shanghai, organised by Katty Zhao (MSc Management, 2002), and in Taipei.

Alumni groups and volunteers are key to the growth and impact of our active alumni community. We welcome new ideas and enthusiasm to expand LUMS Alumni activities around the world - LUMS alumni@lancaster.ac.uk
Celebrating 10 years of MSc Management

To mark the programme's 10th Anniversary and growing success, MSc Management alumni are invited to a special event.

The black-tie dinner dance will take place on Saturday 5th September 2009 from 7pm in the Power Hall, Museum of Science & Industry, Manchester. Note the date for your diary!

The MSc in Management's first cohort began in October 1999 with approximately forty students registered. There have been many changes to the programme since then, including the introduction of specialist variants in Marketing and Law, allowing the programme to go from strength to strength. As a result, the programme has grown considerably and with the combined variants over 100 students registered for the current cohort last October. In addition, the programme now enjoys full AMBA accreditation and a very strong position as one of the top Masters in Management programmes in the Financial Times ranking tables.

Past and present members of the programme team hope that MSc Management graduates will be able to join fellow alumni and teaching staff from across the programme's ten years for this special anniversary celebration.

To register your interest in attending this event, please email Catherine Henderson, Programme Manager: c.henderson@lancaster.ac.uk.

Have your say!

Complete our survey and let us know your views on LUMS Alumni services and activities. Your input is important as a guide to our efforts on your behalf and an insight into how you would like the LUMS Alumni community to develop.

The survey should only take around ten minutes, and at the end there’s also the opportunity to be entered into a prize draw for amazon gift vouchers!

Visit our alumni homepage at www.lums.lancs.ac.uk/alumni to access the survey.

We want to hear from you!

Do you have some interesting news to share? Have you got an exciting new job, started a new business venture, been noted for your involvement in an activity that relates to a topical issue...if so, then contact the LUMS Alumni Office with details and we’ll help to spread the word!
Dr Kwok Tong Soo and Dr Caroline Elliott, Department of Economics, are currently working on a research project exploring the factors determining overseas students’ decisions to apply for an undergraduate degree at a UK university.

It is hoped that an understanding of these determinants may enable both universities and policymakers to make better decisions in expanding the overseas market for UK higher education.

Overseas Business Studies students are found to be influenced by quality indicators such as university and subject specific guide rankings. It is also found that any relationship between fees and application decisions is nonlinear.

Dr Wendy Beekes, Accounting and Finance, has been awarded a research grant of £91,245 from the Leverhulme Trust for a project entitled “Corporate Governance, Disclosure Policies and the Timeliness of Price Discovery”.

Corporate governance has been central to investor concerns in recent times and many countries have established guidelines on what constitutes good practice. However, benefits of improved corporate governance so far have been difficult to document. This study will offer new insights into the impact of corporate governance using unique data and research methods. The results will have major implications for capital market efficiency and the allocation of resources in the economy.

Professor Geraint Johnes, Department of Economics, recently published a short paper in the Economics Bulletin examining changes in the distribution of skills amongst two cohorts of young people in the UK: those who were in their teens in the mid-1980s and those who are in their late teens now. Professor Johnes’ findings were that at most points of the distribution, skills have increased by about 7%. But for those in the bottom 20% of the skills distribution the picture is not so rosy; indeed amongst this group skills have increased little if at all. This has implications for how we might expect the distribution of income to change over the next couple of decades, since a widening distribution of skills is expected to lead to a widening distribution of income.

Dr Katy Mason, Department of Marketing, has been awarded a £191,500 AIM fellowship to research “Making Markets: The Practice of Business Models”.

To be internationally competitive, organisations envision and evolve competitive strategies for existing and new markets. The press is replete with stories suggesting that the way firms develop business models (that interact with and shape markets) is likely to affect their ability to compete.

The aim of this research is to explore and identify promising practices that enable managers to make markets through the development and adaptation of business models.
World-ranked Executive, Professional and Leadership Development at Lancaster

LUMS has built a world class reputation for crafting relevant and high impact development solutions for organisations. We have a unique approach to integrating individual and organisational development, maximising benefits to both within a single, integrated design.

Examples include the Executive MBA, International Masters in Practising Management, MA in Management Learning and Leadership, MA in Leadership for Sustainability, and a suite of coaching programmes.

www.lums.lancs.ac.uk/executive