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Letter

From the Consulting Editor

Managing a business successfully revolves around balancing the immediate demands of the market place with the emerging trends that force strategic change. It's been said that any fool can manage for the short term or for the long term. But it takes real skill to manage for both.

We all know the deal. A price cutting strategy may get us the volume of sales the business needs to pump up this year's figures. But in doing so, the ability to drive up price in the out years and build long term value is destroyed.

Yet in this tension, the short term usually wins out. It's only natural. Dealing with immediate issues fills a manager's time, leaving a sense of accomplishment (perhaps false) at the end of each day. Moreover, as competition intensifies in our now global markets, the need for continuously improving performance biases decision making to immediate outcomes.

This is why many of our companies are obsessed with process and cost cutting. Cost reduction can bring immediate bottom line benefits with limited perceived risk. There is nothing inherently wrong with this. Efficiency is the responsibility of any good manager.

But too often little time is devoted to creative and strategic thinking. Ultimately the longer term health of any organisation is based on its ability to understand the big economic and market trends and make innovative, often risky, decisions to take advantage of emerging opportunities or meet threats.

If an organisation does not understand the full context in which it is operating, the risk of longer term failure is real.

The *Monash Business Review* (MBR) is designed to be a vehicle to help such deliberations. Amidst the hurly burley of business life, MBR will stand back from the fray and provide context and insight.

The publication will not shy from addressing and analysing cost reduction and process issues. These will always be a crucial element of good management practice. But our central intention is to identify the big trends impacting on Australian business and how they will shape our competitive environment.

At present, globalisation, the emergence of China and the challenges of managing and attracting a skilled workforce stand out as key trends.

In this, our first issue, we provide readers with a unique insight into the demographics of the China market. We all know that the extraordinary growth of

China will impact on our economy and businesses. But we have few insights into the structural detail of the emerging powerhouse.

C.R Laurent's article on the geography of incomes in China reveals the demographic, geographic and economic peculiarities of this giant, providing enterprises with a key to product marketing strategies.

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We examine the changing face of the workforce from the privacy issues emerging from surveillance methods, an examination of the effectiveness of employee share ownership schemes, issues around the management of contract employees and organisational change from an employee perspective.

Globalisation has never been and never will be a simple matter of outsourcing services offshore. In our initial case study we examine how and why Coles Myer outsourced its call centre to India and then retreated.

These articles are just the beginning of a commitment to uncover issues of importance and interest to the business community.

But while the MBR is published out of Monash University, in no way is its content a closed shop. The MBR is devoted to publishing quality work from around the world, from all institutions, from individuals and teams with insights from our ever changing world.

Feel free to submit your work.

Gregory Hywood is a former publisher and editor in chief of the *Australian Financial Review*, the *Sydney Morning Herald* and *The Age*. He is currently Executive Director, Strategic Policy in the Victorian Department of Premier and Cabinet.

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