

ONE MINUTE WITH



Shane Attwell

Position: **Managing director**
 Organisation: **ISS Group**

ISS Group develops software for the energy and mining sectors.

Who are your clients?

BHP Billiton, Woodside, Shell Canada, BP Indonesia, Saudi Aramco, BG International [formerly British Gas]. The Asia team has just won a \$4 million contract with Kuala Lumpur-based Petronas Carigali. It's the single largest contract won by ISS.

What is it like doing business with so many countries?

We've really only tickled the oil and gas market overseas. Overseas markets will overtake Australia as the dominant revenue source. Asia is our biggest market at the moment. We can service Asia quite well from Perth – it's the same time zone. I see Europe as our biggest growth market.

You started ISS in 1995 and listed in 2004. How much of ISS do you still own?

About 30 per cent. That gives me more control. I can ignore the short-term mentality of the market and I can run the business on a three-to-five-year plan. I favour nice, solid, steady growth using cash. I don't like debt. We have no debt.

Was listing the right move for ISS?

It was definitely a smart move. We wouldn't have got the big contracts if we were still 100 per cent privately owned. Compliance is probably the most annoying thing about being a listed company. It's annoying, it's expensive – but it's also fair and reasonable if we're going to ask people to put their money into the company.
 Leo D'Angelo Fisher

MANAGEMENT UPDATE

BACK TO THE FUTURE

Decision-makers should not let immediate issues disturb their long-term vision. **Report: Robert Burke**

● Strategic planning is often conducted as a defence mechanism against anxiety, a false belief that business as usual is the best option. However, by applying "futures thinking" to strategy development, leaders can identify the gaps in thinking about their strategy and how to enhance their organisation's capacity to survive and thrive. This is aided by relevant data that identifies potential issues or trends they have not considered in the past.

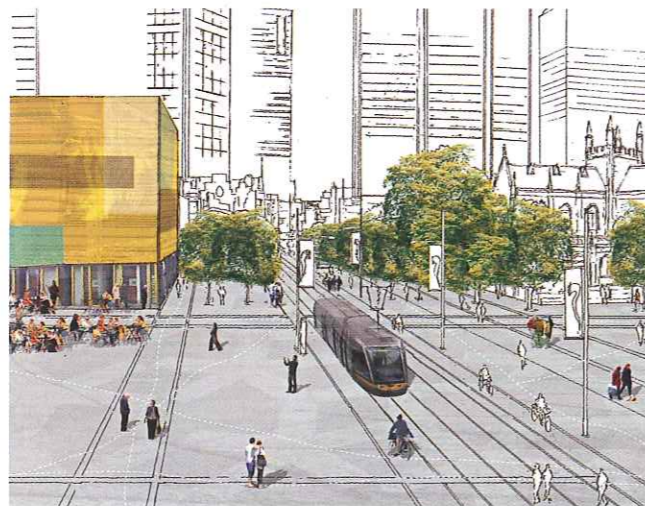
The problem most leaders experience is the burden of short-term thinking linked to their next quarterly results. This is a particular problem for leaders of publicly listed companies who are often in denial about the changes that are occurring, or too fearful to acknowledge them for fear of a shareholder backlash.

This is one of the great paradoxes of exercising leadership effectively: it can be dangerous and often requires leaders to say things that people do not want to hear.

Take, for example, global warming and global sustainability and how strong the denials about these critical issues were, and probably still are, by people in positions of power. For the people who are in control, the desire for short-term benefits usually overwhelms the desire to solve long-term problems.



**Foresight preferred:
 A 2030 vision for
 Sydney's George St**



Solutions exist to the most serious problems faced today – or will be faced in the decades ahead – providing the best brains are not saturated with immediate issues that become ever more complex, rather than reflecting on why this is being done and what the long-term consequences will be.

Futures thinking enables this process to happen effectively, but how is this accomplished?

First, use the concept of strategic foresight, which provides the "what". This is asking the question: what is the preferred future?

Foresight has a multi-disciplinary dimension because it is not only about an organisation's future but also the role an organisation plays in broader society. And it should include thinking about the kind of world it wants for future generations.

Foresight is about creating images of the future – vision. Of course, there are competing images, not the least of which is the tension between images of the future built on growth (the current paradigm) versus images of the future that propose limits to growth (emerging paradigm) to ensure humanity's long-term survival.

From foresight comes hindsight, which provides the "why".

Why have the decisions made been made in the first place? What are the histories, patterns and themes that continue to repeat themselves and dominate much of strategic planning? How can the undesirable patterns and themes from the past be differentiated in order to replace them with more appropriate themes and patterns for a preferred future?

Futures thinking provides the tools to address these questions.

From foresight – what – and hindsight – why – there are new insights – how.

The "how" includes methodologies for reconceiving in order to create a preferred future.

This is the real value of futures thinking: to create a sustainable future that enhances not only an organisation's profitability, but also society's wellbeing and happiness. **BRW**

Dr Robert Burke is Program Director, Mt Eliza executive education, part of Melbourne Business School.



TECHNOLOGY

TESTED BY TURBULENCE

Airbus might be behind in sales, but Boeing's announcement of a delay in the production of its Dreamliner could work to the Europeans' benefit. **Report: Carol Matlack**

● Sometimes it pays to be in second place. Airbus has watched rival Boeing rack up nearly 900 orders for the fuel-efficient 787 Dreamliner over the past four years while repeatedly stumbling in its own effort to launch a competing aircraft, the A350.

However, Boeing acknowledged on April 9 that the Dreamliner's launch has fallen at least 14 months behind schedule to late 2009. While the A350 isn't likely to enter service until 2013, the lag might be a blessing if Airbus can learn from its competitor's mistakes.

"We're obviously keeping a close eye on the problems Boeing is having," Airbus chief executive Thomas Enders says.

Airbus cannot afford to get it wrong. It has already taken a \$US6 billion profit hit from problems with its most recent aircraft, the double-decker A380. And the A350, which has won 371 orders from airlines, helps Airbus to counter its most urgent financial problem, the rise of the euro against the US dollar.

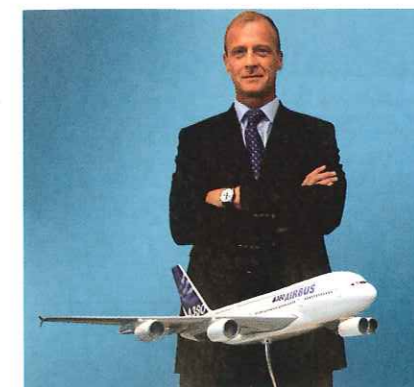
While it has built aircraft mostly in Europe, Airbus expects to outsource production of substantial segments

of the A350 to places as far-flung as China and Russia.

This sounds logical, but it is what got Boeing into trouble with the 787, a new wide-body aircraft that promises a 20 per cent boost in fuel economy. The United States giant outsourced 70 per cent of the aircraft's construction to contractors but some were overwhelmed by the task.

Essential parts ran low and quality suffered. The 787's groundbreaking design led to further missteps. In March, when the aircraft was already on the assembly line, engineers had to redesign a critical part that attaches the wings to the fuselage.

Airbus could face similar troubles. Like the 787, the A350 will contain about 50 per cent lightweight composites, and roughly half of its production will be outsourced. Because only a few suppliers worldwide can work with such materials, it is likely that Airbus will rely



High fliers: Artist's impression of the Boeing Dreamliner, above, and Airbus chief executive Thomas Enders with a model of the A380

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