

Spirit
of management

BELGIQUE-BELGIE

LIEGE X

P.P.

9/555

INNOVATION
EXCELLENCE
STRATEGY

HEC **ULg**

Management School - University of Liege



NOMAWOOD pose un nouveau jalon qui révolutionne
l'univers attrayant de la réalisation de terrasses
avec des produits modernes et novateurs.

NOMAWOOD associe l'esthétique à la fonctionnalité
et tient ses promesses, durant des décennies.

we will succeed together

NMC sa
Gert-Noël-Straße - B-4731 Eynatten - Belgium
Tel.: +32 87 85 85 00 - Fax: +32 87 85 85 11
info@nmc.eu - www.nmc.eu



Starting a new decade together in 2010

HEC-ULg, as a 'community' of stakeholders, is a wide-ranging network of high profiles, academics and expert practitioners, who generate knowledge, turn it into expertise and share it via publications and courses.

In addition, this community gathers young students, alumni and seasoned practitioners embarking on continuous learning, further study and interaction, with a view to applying such knowledge and expertise to the unpredictable circumstances of a complex and "undetermined" - albeit fast-approaching - future.

Thus, whether as professor, student or partner within the University of Liege, our people altogether *belong* to a community, sharing among them knowledge, expertise and practice.

Concretely, we are speaking of 15,000 alumni, 2,500 students and 250 collaborators, all of whom - over the next years and along with the numerous public and private School's partners - are committed to bringing about greater socio-economic welfare.

Courage to cross borders and innovate

We have opted for peaks of excellence allowing for deep and ongoing entrenchment in our real-life economic context. Indeed, our greatest challenge lies in our ability to correlate, on one hand, academic excellence in research and tuition; and on the other, a strong commitment to our economic life.

Viewing our mission in light of this correlation naturally leads us to cross a number of conventional borders:

- Academic and scientific rigour aimed at concrete implementation and embedded in real life;
- Practically-oriented academic research that constantly enriches teaching and training in multiple core competences;
- An interdisciplinary and synergetic approach to the main challenges of this decade;
- Entreprises and organisations participating actively to our School's life, partnerships with great added-value collaborating to long-term projects.

Reaching European excellence along with our University

Within this perspective, HEC-ULg, with the support of its almost 200-year-old university, is working towards the ambitious goal of becoming recognised at top-European level by 2013 (under the label Arpege).

Such excellence is pursued via a selection of six academic "peaks of excellence" whereby the University of Liege is ambitioning international recognition for contributing to innovations in the fields of economic regulations and governance, decision-making, organisation and management systems.



Thomas Froehlicher

DIRECTOR GENERAL
AND DEAN

Fully aware of the pace of the innovations to come, the School makes a clear choice for networking competences through introducing "open platforms" on such challenges as innovation and entrepreneurship, creativity geared to new technological uses (ID_Campus), ongoing experimenting in didactical methods (Learning Factory) and the integration of digitalization in all communication and learning activities (Lol@).


These original ambitions will be carried out through a portfolio of teaching programmes. These programmes, offered at Bachelor, Master and PhD levels within HEC Liege Executive School :

- Master's English so as to facilitate transnational diversity, proficient and systematic study of several national and foreign languages, added-value partnerships with numerous universities throughout the world, for multiple international immersion opportunities;

- A wide range of choices extended to students specialising in business and economics, to avail themselves of the School's leading research, international academic partner networks and the contributions of its established business partners;
- Attention given to developing personal skills, career-training and personal development through teaching geared to openness and the promotion of multiple personal commitments;
- A didactic option for project-based learning, especially in the field of business venturing with HEC-Entrepreneur and HEC-Intrapreneur;
- A learner-oriented didactic approach effected through ongoing student supervision and advising by numerous faculty, supported by a technologically-advanced environment and Belgium's leading e-learning tools.

The HEC-ULg community, open to the world, stands by your side in 2010 - beginning a decade of creative and innovative reconstruction.



A black and white photograph of Bernard Rentier, President of the University of Liege, standing on a balcony. He is wearing a dark suit and has a beard. The balcony has a metal railing, and in the background, there are several multi-story brick buildings, likely in an urban setting. The text 'THE ARPEGE SCHEME : a Polyphonic Piece of Music' is overlaid on the left side of the image.

THE ARPEGE SCHEME : *a Polyphonic Piece of Music*

Bernard RENTIER, President of the University of Liege, evokes ARPEGE, the ambitious scheme meant to support HEC-ULg's development.

“ It all started with the School's wish to highlight and promote its peaks of excellence, insists the President. Such a project was perfectly in line with the institutional policy of the University of Liege; developing highly-specialised and buoyant research platforms is critically important in our situation, while highlighting our competitive positioning and reinforcing our appeal.

Analysis and consideration of various criteria have led us to agree to make a particular effort within a structured scheme. Thus we have approved a budget of EUR 2,600,000 to be spread over 4 years on the basis of an instalment plan starting in 2016, and in accordance with a classical management principle – not totally unknown to HEC!

This financial support aims to contribute not only to developing research at HEC, but also to creating an incentive; some momentum so as to gather all the School's resources at this key point in its evolution.

We are providing the means for fuelling synergy.

The University of Liege has high ambitions for its School of Management. Claiming a name in a series of fields displaying core competences, standing one's ground overtly and proudly, gathering strength around peaks of excellence – this is in keeping with the grounding principles of our university institution; we are heading together in the same direction. Thus we are prepared to play our part in this symphony and will do so in harmony. ARPEGE, to us, sounds 'win-win' – a masterpiece. ”

s u m m a r y

February 2010 - n° 8



p.5 | **The Arpege Scheme:
a Polyphonic Piece of Music**

p.10 | **Asset and
Risk Management**

p.14 | **The KBL Chair
in Fund Industry**



p.23 | **Gambit Financial
Solutions, a spin-off
company**

p.26 | **Social Enterprises
and the Social Economy**

p.34 | **Economic
Analysis & Public
Governance**



p.62 | **Events & News**

p.64 | **ID_Campus**

Partner
companies :



SPECIAL ISSUE

“The Spirit of the Art of Management” - Peaks of Excellence & ID_Campus



p.17 | The Ethias
Chair in Asset & Risk
Management



p.19 | The Deloitte
Professorship in
Financial Management



p.21 | The PriceWater-
houseCoopers
Trading Room



p.38 | Supply Chain
Management &
Quantitative Methods



p.46 | Tax
Institute



p.54 | Human Resources
Management and
Organizational Change

Founder
partners :



SPiRiT of Management
Magazine published by
HEC Management School
University of Liege
rue Louvrex 14, B - 4000 Liege

www.hec.ulg.ac.be

PUBLISHED BY:
Thomas Froehlicher,
Director General and Dean
rue Louvrex 14, B - 4000 Liege

CHIEF EDITOR:
Nathalie Hosay
Head of External Relations
and Communication
Phone : + 32 4 232 72 30
F : + 32 4 232 72 40
nathalie.hosay@ulg.ac.be

**INVOLVED IN PREPARING THE
ARTICLES FOR THIS ISSUE :**
Lionel Artige, Laurent Bodson,
Annie Cornet, Yves Crama,
Jacques Defourny, Thomas
Froehlicher, Nathalie Hosay,
Georges Hübner, Sybille Mertens,
Aline Muller, François Pichault,
Julien Poncelet, Isabelle Richelle,
Danielle Sougné, Bernard
Surlemont

ENGLISH ADAPTATION
www.companywriters.be
Isabelle Peere

GRAPHICS :
www.annetryers-design.be
with the assistance of Marie Freres

PRINTED BY :
Imprimerie Fortemps

PHOTOGRAPHS :
Tilt-Photographie
Marianne Snakers
Jean-Louis Wertz



Member of the Periodical
Press Publishers' Union

ILLUSTRATION : Pierre Kroll

Issued in October - February - June
Print run : 10,000 copies
All translation, and reproduction rights
reserved for all countries.

SPiRiT of Management SPECIAL ISSUE



Nathalie HOSAY

Head of External Relations
and Communication
HEC Management School
- University of Liege
Nathalie.hosay@
ulg.ac.be

Positioning, differentiation, competitiveness: familiar words in today's Business Schools. We'd like to lend a special sonority to these words so that they rhyme with creativity, innovation, excellence and skills.

The piece that we've been composing for several months is a collective effort, where each note contributes its own new sound to enrich the work as a whole.

The chords roll forward, displaying individual characteristics in service of a common goal and the desire to reach out to the entire audience listening to and supporting us, giving us its trust; this enthusiastic impetus and the values in which we've invested ourselves through this ambitious project. With the University of Liege, we'll now be able to orchestrate our score.

This issue of SPiRiT of Management is the coming together of many sources of energy, the product of commitment, inspiration, the will to continuously and tirelessly pursue the road towards excellence. This is a journey fraught with passions, reflections and personal investments that are often much larger than the narrow working framework. All parties involved - renowned academics, partners, companies and alumni alike - enthusiastically took part in the creation of this issue and enriched it with their viewpoints and countless original approaches to produce a sonority that will again ensure the success of SPiRiT.

The score is composed of two movements: the exposition of 6 peaks of excellence identified within the HEC-ULg - strong points of convergence between teaching and research activities, company services and the outside world; and variations on the themes of creativity and innovation at the heart of ID_Campus - a sort of laboratory or melting pot brimming over with new ideas.

In the next issue (June 2010), we will present you a new modulation in the area of programs and expected skills for our graduates.

Getting into the Spirit of the Art of Management

Nathalie HOSAY, Chief Editor of the SPiRiT of Management

Meet all the teams belonging to the various peaks of excellence and ID_Campus as well as their scientific publications on <http://www.hec.ulg.ac.be/FR/spirit/spirit-of-management.php>



10	ASSET AND RISK MANAGEMENT
26	SOCIAL ENTERPRISES AND THE SOCIAL ECONOMY
34	ECONOMIC ANALYSIS & PUBLIC GOVERNANCE
38	SUPPLY CHAIN MANAGEMENT & QUANTITATIVE METHODS
46	TAX INSTITUTE
54	HRM AND ORGANIZATIONAL CHANGE

FINANCE



Prof. Dr Franz PALM
Head of Econometrics
Professor of Econometrics
Maastricht University
Doctor honoris causa
Universität Freiburg (Switzerland)

“ In its mission HEC-ULg stresses three major objectives: to make original and applicable contributions to knowledge; to educate students and young professionals; to serve to the regional community. The Centre for Asset and Risk Management (CARM) at HEC-ULg pursues all three objectives.

To achieve these goals it has adopted a well-designed niche strategy focused on excelling in asset and risk management. While asset and portfolio management has always been a central area in modern finance, the importance of risk management has once again been demonstrated by the severity of the recent financial crisis.

The members of CARM are very active in theory-based, empirical research in asset and risk management that is relevant for practice.

They are well connected in the international academic community and their research is published in outstanding international journals, such as the Journal of Banking and Finance and the Journal of Multinational Financial Management. They have contributed to the proliferation and application of insights from research, by writing in specialised textbooks and chapters of handbooks.

Master's and PhD students participate in the centre's research. They have impressed me with their profound knowledge of research tools and their capacity to develop new ideas into knowledge that is useful in practice. Thanks to a partnership with the financial industry, students and staff have at their disposal a modern trading room allowing them to experience the practice of trading. As holders of endowed chairs funded by financial institutions, senior members of the centre are well connected to the financial sector and informed about its needs.

I am impressed by the potential and achievements of CARM in research, education and involvement with the community. This admiration is shared by other members of COSCI (International Scientific Committee). ”



Asset and Risk Management

Building on the close connection with state-of-the-art practices in portfolio management and financial risk management, the Finance Department of HEC-ULg has created the Centre for Asset and Risk Management (CARM). This pursues an agenda of applied research with a strong focus on practical applications for education and business.

The cornerstone of the Centre's approach is the cross-fertilisation of research agenda drawing on scientific research and an awareness of the needs of the financial sector. Thus, research teams combine a solid academic background and ongoing involvement in leading international networks with close and sustained interaction with the banking and asset management community in Belgium, but also in Canada, the United Kingdom, the Netherlands, France and Luxembourg. In particular, each of the full-time senior faculty members of CARM holds a chair or professorship - the **KBL Chair in Fund Industry**, the **Ethias Chair in Asset & Risk Management**, and the **Deloitte Professorship of Financial Management** - which eminently caters for interconnection with the business community. Such proximity enables each member or associate of CARM to contribute actively to development of solutions to meet the needs expressed or anticipated by their partners in the financial world.

HEC-ULg's tradition of excellence in education and leading role in regional development also includes a commitment to excellence in research, namely through CARM's contribution. As regards education and training, CARM has promoted the creation of a virtual trading room operating under the scientific responsibility of the Centre's members. The **PriceWaterhouseCoopers Trading Room**, as yet unmatched in the French-speaking region of Belgium, serves as a basis for education in market-based finance.

CARM's contribution to the region's business life takes many forms. The academic members of the Centre are all involved in various continuous education programmes in the fields of asset and risk management, either in-house or in the context of professional certifications (CFA, CAIA, FRM...). The flagship of this involvement is represented by the creation and development of **Gambit Financial Solutions**, a spin-off company of HEC-ULg active in the fields of investor profiling, portfolio optimisation and risk management.

CARM's major activities

THE KBL CHAIR IN FUND INDUSTRY

THE ETHIAS CHAIR IN ASSET & RISK MANAGEMENT

THE DELOITTE PROFESSORSHIP IN FINANCIAL MANAGEMENT

THE PRICEWATERHOUSECOOPERS TRADING ROOM

GAMBIT FINANCIAL SOLUTIONS, A SPIN-OFF COMPANY

Activities sponsored by CARM

Applied research

The CARM team coordinates a large number of long-term international development cooperation projects. In partnership with the CUD and the IMF, Prof. Muller actively participates in the management of several research and expertise sharing programmes with African Universities and African Ministries. Prof. Muller also contributes his expertise to various development economics projects and organisations.

Continuous Education

CARM members regularly provide training sessions on executive and postgraduate programs. These include CAIA (Alternative Investments), FARM (Actuarial Society) and FRM (Risk Management). In addition, the Trading Room serves as a base for a variety of seminars and training sessions, from the basics of market finance to advanced special topics for experts on securities trading and risk management.

Seminar and Conference Organisation

CARM members regularly serve on scientific committees for leading finance conferences, including EFA (European Finance Association), EFMA (European Financial Management Association) and AFFI (Association Française de Finance)

Consulting and Expertise

Prof. Hübner served as one of the four experts appointed by the Parliamentary Commission on the Financial Crisis in 2009. Five junior members of CARM (Alperovych, Bodson, Cavenaile, Sibille, Soupmo Badjio) were also appointed as associate co-authors on the same report.

Profs. Hübner and Muller, (along with Cedric Heuchenne and Frank Lutgens) designed a methodological framework for Coface so as to ensure robust figures for IBNR provisions satisfying internal and external audit requirements.

To assist Arcelor Mittal's strategy-oriented decision-making, Prof. Muller - along with Xavier Mouchette, junior member - designed a new and unique financial valuation procedure to determine the value of R&D breakthrough processes using a real option approach.



Xavier MOUCHETTE
PhD student in Finance at HEC-ULg
Assistant to Prof. Aline Muller
HEC-ULg graduate
xavier.mouchette@ulg.ac.be



Xavier Mouchette has just been awarded a prestigious three-year research scholarship by CIM (Inter-university Management Sciences College). The various competition tests undertaken to qualify for the grant covered several months and only three PhD candidates from the French-speaking region of Belgium were selected. Before setting off for McGill University (Montreal), he spoke about his progress and the research theme of his thesis.

“ I started working on my thesis in September 2008 after completing my doctoral studies. My research theme relates to international finance: I investigated the subject of cross-listing, where a company listed on the stock exchange in its home country seeks to acquire the same stock exchange status abroad. Cross-listing is used to overcome international investment barriers, as part of an enhanced corporate risk diversification process. The procedure also offers a means of overcoming certain weaknesses, such as security illiquidity on the home market and invisibility in relation to investors.

My investigation focuses on how cross-listing affects the costs of a firm’s capital as well as its trigger factors. My research aims to consider the impact this may have on peer companies remaining on the home market, currently unknown”.

Xavier Mouchette’s supervisor within the highly specialised International Finance team at McGill University is Professor Francesca Carrieri, with whom collaboration projects, such as the publication of papers and co-authoring, are already on the cards.

“PhD candidates are increasingly required to have international experience”, stresses Xavier Mouchette, “something which is understood very well by HEC-ULg, as it offers us the opportunity and the flexibility to address this requirement. Several fellow PhD students have undertaken or are going to undertake a period of research study abroad (in the context of finance alone, Yan Alperovich is set to spend four months at Nottingham University from January 2010, while Jean-Roch Sibille and Laurent Bodson undertook study periods of 12 months and three months respectively at HEC-Montreal). In return, several external PhD students are spending study periods with HEC-ULg (UER Finance and Compta) this year. It is most stimulating ! ”

FINANCE

The KBL



Danielle SOUGNÉ PhD

Head of the Finance and
Law Department

Professor in the Finance
Dept

Holder of the KBL Chair
danielle.sougne@
ulg.ac.be

As holder of the KBL Chair in Fund Industry, Prof. Danielle Sougné carries out research on fund management and administration in an international context, as Luxembourg is one of the world's leading places in this field.

Prof. Sougné's current research focuses on the determinants of credit spreads and on the technology of fund administration. The Chair plans to offer a new elective course entitled "Fund Industry" starting in the 2010-2011 academic year for HEC and Law students registered in the 2nd year of their MA programme. The course will cover all legal, accounting and financial problems relating to investment funds. As a part of her teaching, Prof. D. Sougné will appeal to various eminent practitioners.

Luxembourg is the second world centre for fund industry after the United States, the largest European centre for captive insurance companies and the first centre for private banking in the euro-zone. Today,

the financial sector – the keystone of the Grand Duchy' economy – ranks among the top ten largest financial hubs in the world.

We talked to Rafik Fischer, Managing Director, Head of Global Investor Services, KBL European Private Bankers about the relevance of the KBL – HEC-ULg partnership, the reasons for the bank's interest in creating a Chair in Fund Industry and the added-value of this project for students and researchers.

What are the reasons which led KBL to create a chair in fund industry at HEC-ULg?

Luxembourg as a financial centre is the undisputed leader in investment funds in Europe while KBL European Private Bankers is in the frontline of this industry.

Looking to its future, our financial place as a whole as well as KBL European Private Bankers realise the need for highly academically educated collaborators equipped with multidisciplinary competences. Thus we saw the benefit of seeking a partnership with a School of Management as well as a renowned university, situated within easy distance of Luxembourg, to launch a training program involving all the competences necessary for the operational management of investment funds, i.e.



Chair in Fund Industry

law, economics, taxation, accounting and financial engineering. We liked the idea of creating a chair especially devoted to this concern. We also liked the project which HEC-ULg submitted to us, as this was in perfect resonance with our expectations.

What is the purpose of the KBL - HEC-ULg partnership ?

The KBL European Private Bankers - HEC-ULg partnership aims to offer top-class courses specialising in the above mentioned fields and to propose these to students interested in making a career in fund industry. Besides our contribution to the course content, KBL European Private Bankers will provide the chair and its holder, Prof. Danielle Sougné, with the possibility of calling on bank experts to contribute in hands-on competences to courses, lectures or seminars.

This partnership thus implies close collaboration between the bank and the university with a view to offering state-of-the-art expertise in fund industry to students in Liege.

What are the assets of Luxembourg as a financial centre ?

Luxembourg is the second world centre for fund industry after the United States, the largest European centre for captive insurance companies and the first centre for private banking in the euro-zone. Thus, today, the financial sector - the keystone of the Grand Duchy's economy - ranks among the top ten largest financial hubs in the world.

Luxembourg's modern legal and regulatory framework along with its openness to the world have attracted banks, insurance companies, investment fund managers and worldwide providers of specialised services.



Placed under competent and proactive supervision authorities, the Luxembourg centre has developed a strong investor protection culture and applies strict rules regarding capital laundering. Over the years its multicultural and multilingual expert teams have acquired high financial expertise as well as acute awareness of the needs and demands of international custom for sophisticated products and services aligned with their expectations.

The Luxembourg financial sector now gathers some 150 credit institutions of 24 different countries and over 11,000 investment funds managing some € 1,800 bn. The financial centre employs over 44,000 people in the Grand Duchy, amounting to 12% of the nation's workforce and to 33% of GDP. Over two thirds of these jobs are held by foreigners, among whom Belgians, whether as residents or cross-border workers, make up the majority.

The Chair also provides for a course on fund industry. Can you tell us a bit about the course's main objectives and core content? Are you going to call upon guest lecturers? Which students is the course aimed at?

As collective investment management plays a prominent role within the Luxembourg financial sector, we thought it important to promote this significant activity sector among academics and students. The approach is definitely practice-oriented and aims at equipping students with a good overview of the investment fund industry, one encompassing its basic principles and underlying philosophy as well as its various careers, stakeholders and specific aspects. We also mean to give this course a multidimensional, possibly multidisciplinary angle, and hope to attract students coming from a legal as much as an economic or business background.

The course is subdivided into various modules, each dealing with a specific and rigorously-defined theme and we take great pride in collaborating with high-profile lecturers. These are all recognised experts willing to bring in their expertise and work experience as extra practical and pragmatic input next to papers and discussions, which, I hope, will be interactive and enriching for all. Thus I am very pleased to have convinced partners from the major Luxembourg law offices, the managing partner of one of the largest auditing companies in the Grand Duchy, the Luxembourg Stock Exchange and numerous other banking colleagues along with other experts in the local financial sector, to join us for this venture. They are all recognized specialists – some of them eminent KBL colleagues – with attested competences. They are all keen on the project and look forward to sharing their knowledge and enthusiasm with a new generation.

This course is aimed above all at students close to graduating and embarking on their career. It will provide them with a good overview of the ins and outs of collective fund management in general, and particularly in the Grand Duchy of Luxembourg where it accounts for 20,000 jobs and continues to offer job opportunities for well-educated young graduates. This training, I am sure, will ease their way into the job world.

Research is yet another objective of the Chair. What are KBL's fields of interest as far as research goes?

While it is true that we have sought to give a more pragmatic and practical approach to the course curriculum, it is as true that the many areas concerned with the investment fund industry call for further investigation via academic research. There is no shortage of possible research topics. These range from the macroeconomic contribution and wealth creation of the Collective Investment Schemes in general (via all topics relating to management per se and that of risks in particular) to investor – or more generally – saver behaviour analysis. Such topics thus concern purely financial though also macroeconomic, psychological, even legal analyses, considering for instance research on the responsibility of the various stakeholders, whether they be managers, dealers or savings banks. Research topics truly abound; they are equally fascinating and cater for every taste. We will gladly meet and discuss them with those interested so as to find the best matches to our ambitions as a bank as well the students' personal interests.

The Ethias Chair in Asset & Risk Management



**Benoît
VERWILGHEN**
Chief Financial Officer
Ethias sa
Member of the
Management Committee
Ethias sa

“ The Ethias chair is the ideal way to link theory with practice. In our every day business we are confronted with a permanent changing situation and evolution of the financial markets. These changes provide an opportunity for researchers of the chair to study and

interpret new phenomena and to try to put them into models which are useful for portfolio managers. Ethias is proud to cooperate and sustain the research work and to give students the occasion to discover the real world during their studies. It is a way of preparing them for their future working life and of discovering how financial markets really work. We are also pleased with the many initiatives which are taken by the university in these matters.

”

FINNA



Aline MULLER PhD
Professor of Finance at
HEC-ULg, Professor with
Maastricht University's
Faculty of Economics &
BA
Holder of the Ethias
Chair in Asset and Risk
Management
aline.muller@
ulg.ac.be

Now that the influence of the recent financial crisis is still felt throughout the economy and with a recovery still uncertain, a question among others springs to mind: why were the models used by the economists unable to predict perturbations on such a large scale? One possible explanation arises from the fact that commonly used models do not allow for efficient crisis forecasting because they fail to completely take into account the complexity of the financial systems.

In this context, the approach from behavioural finance, and more precisely, agent-based modelling, presents a convincing alternative. An agent-based model is a computerised simulation of the behaviour of agents - whether individuals (consumers, finance professionals, policymakers) or institutions (governments, banks), who act according to certain predefined rules. Unlike most models used to depict the economy, an agent-based model does not rely on simplifications to produce results, as the state of the system at any given time is determined by the result of the previous interactions of the agents.

The project launched by Aline Muller and Francesca Pancotto within the Ethias Chair at HEC-ULg is set in this logic. Its aims are twofold : on the one hand, to rely on the expertise in empirical finance developed within the scientific team; and on the other hand, to

use the agent-based model approach by establishing a dialogue between these two aspects, around the notions of risk perception and expectation formation.

The objective of the research project is first, to analyse the way agents develop various risk perceptions frameworks, which accordingly lead to different investment decisions. To do this, an experimental experience is conceived in which participants are asked to provide forecasts concerning the future price of an asset. These forecasts are influenced by the characteristics of the market, which are defined by the experimenters. Results obtained in this controlled environment can afterwards be compared with empirical data from financial markets.

A similar bidirectional approach can be applied to investigate other areas of interest regarding investors' behaviour. For instance, we can look at the influence of past experience on future investment making decisions: how do the moods of the investors affect their market behaviour? Is it easier to develop a pessimistic rather than an optimistic attitude regarding the evolution of the market? How much information, positive or negative, do investors require before changing their expectations? Again, results obtained from controlled experiments can be confronted to trends and patterns identified in actual data from financial markets.

Agent-based models present a new approach and a real challenge to standard economic models. They do not rely on simplifications or voluntary omissions to produce results. They do, however, require correct specification of the parameters determining the agent's behaviour. Research work done at HEC-ULg will help to provide this, by helping to understand factors that influence risk perception and expectation formation among investors.

A correctly specified agent-based model will provide a new way to model the evolution of the financial markets. Now that everyone has been reminded the consequences unforeseen events can have, such an approach is more needed than ever.

The Deloitte Professorship of Financial Management

Since 2001, the partnership between Deloitte and the School of Management of the University of Liege, which became HEC-ULg after the merger, has been a steady source of mutual benefits.

From its very origin, the relationship between the sponsor and the service of financial management, which is run by Prof. Georges Hübner, has been conceived and articulated around the three missions of an academic faculty member: teaching, research, and citizenship. In keeping with this philosophy, the development of a long-term commitment based on trust and excellence has led to outstanding achievements.



Georges HÜBNER PhD, INSEAD

Deloitte Professor of Financial Management at HEC-ULg
Affiliate Professor at EDHEC (Lille/Nice)
Co-Founder and Scientific Director of Gambit Financial Solutions SA
g.hubner@ulg.ac.be

The cooperation between HEC-ULg and Deloitte on educational aspects has resulted in the yearly organisation of the Deloitte Seminar of Market Finance, which every year since 2001 has provided students with the opportunity to benefit from the experience of prominent top executives including a.o. Jean-Paul Servais, President, CBFA; Bruno Colmant, Deputy CEO, Fortis Holdings; André Vanden Camp, CIO, Dexia Group, etc. Face-to-face meetings between students and professionals have led to the opening of career opportunities for several brilliant students. Deloitte has also shared its expertise with HEC-ULg through attributing graduate courses *in Advanced Studies in Banking* to Benoit Schaus, Guest Professor and Partner at Deloitte Luxembourg in charge of relations with HEC-ULg, and *in Financial Risk Management* to Jean-Philippe Peters and Xavier Zaegel, Guest Lecturers.

FINANCE

FINANCE

“With more than 60 alumni and a large representation in executive positions, Deloitte Luxembourg has always betted, not only on the quality of teaching but also on the excellent personal profiles of HEC-ULg graduates. The success of the business school is our best asset over time. Our support for the professorship along with our recognition of its mutual benefits is the best evidence of this.”

Yves FRANCIS
Managing Partner Deloitte
Luxembourg
& HEC-ULg Alumni



These courses benefit from the input and regular contributions of top experts from Deloitte Luxembourg in the fields of banking and risk management.

The research agenda of the cooperation has been especially productive. It has been crowned with the production of top international scientific output in the field of operational risk measurement and management, with a book and several articles published in international scientific journals. The reputation of both Deloitte Luxembourg and the research team of HEC-ULg in this area is now recognised worldwide, and has been rewarded by the prestigious *Operational Risk & Compliance Achievement Award*. The collaboration has also led to doctoral research. Early 2010, Jean-Philippe Peters will obtain a PhD degree in Management. As a member of staff, his research has been sponsored by Deloitte. This rare opportunity – given that research activities do not naturally figure among the priorities of commercial organisations – has turned into a significant competitive advantage for the firm.

Being partners for a long time creates a mutual feeling of trust. This logically leads to shared and sustained initiatives. Quite often, the cross-fertilisation of academic ideas with practical experience leads to strong opinion papers, speeches or workshops, such as in the fields of notional interests, operational risk or securities dematerialisation, to name but a few. Deloitte can count on the scientific contribution of the HEC-ULg finance team to prepare and deliver high value-added services. This has led, for instance, to the setting up of a pioneering comprehensive operational risk management system in a large financial institution. On the other hand, being exposed to new and acute demands from the financial industry orientates academic research, with the help of Deloitte's expertise, which improves the quality of teaching and research output on the university side.

The PriceWaterhouseCoopers Trading Room

HEC-ULg Trading Room

Thanks to a partnership signed with PricewaterhouseCoopers, HEC-ULg Management School has equipped a room with 25 working stations connected to real-time national and international market prices. HEC-ULg trading room has a continuous access to financial data from *Bloomberg*, *E-Signal* and *Datastream*. The School has also acquired a full licence for the financial simulation modules of the *Financial Trading System* software.



Laurent BODSON PhD
 Head of Asset Management
 Solutions - GAMBIT Financial
 Solutions
 KBL Assistant Professor in
 Finance - HEC-ULg
laurent.bodson@ulg.ac.be

The HEC-ULg trading room offers companies a practical way of learning about financial markets through real cases and applications. Thereby, companies can use it as a learning, seminar and research laboratory. Companies have access to a vast array of financial and economic data; they can apply analytical methods, conduct interactive trading simulations, and develop contemporary financial models. Furthermore, HEC-ULg proposes a large variety of executive education classes and connects companies with its academic staff of professors specialised in most areas of finance.

This state-of-the-art facility ensures our partners gain experience and knowledge using professional tools and a real-world replicating environment, and gives them an invaluable advantage in obtaining highly qualified staff. HEC-ULg trading room is unique in the French-speaking community and benefits from all the information and infrastructure necessary to improve theoretical and practical knowledge of the different financial fields.



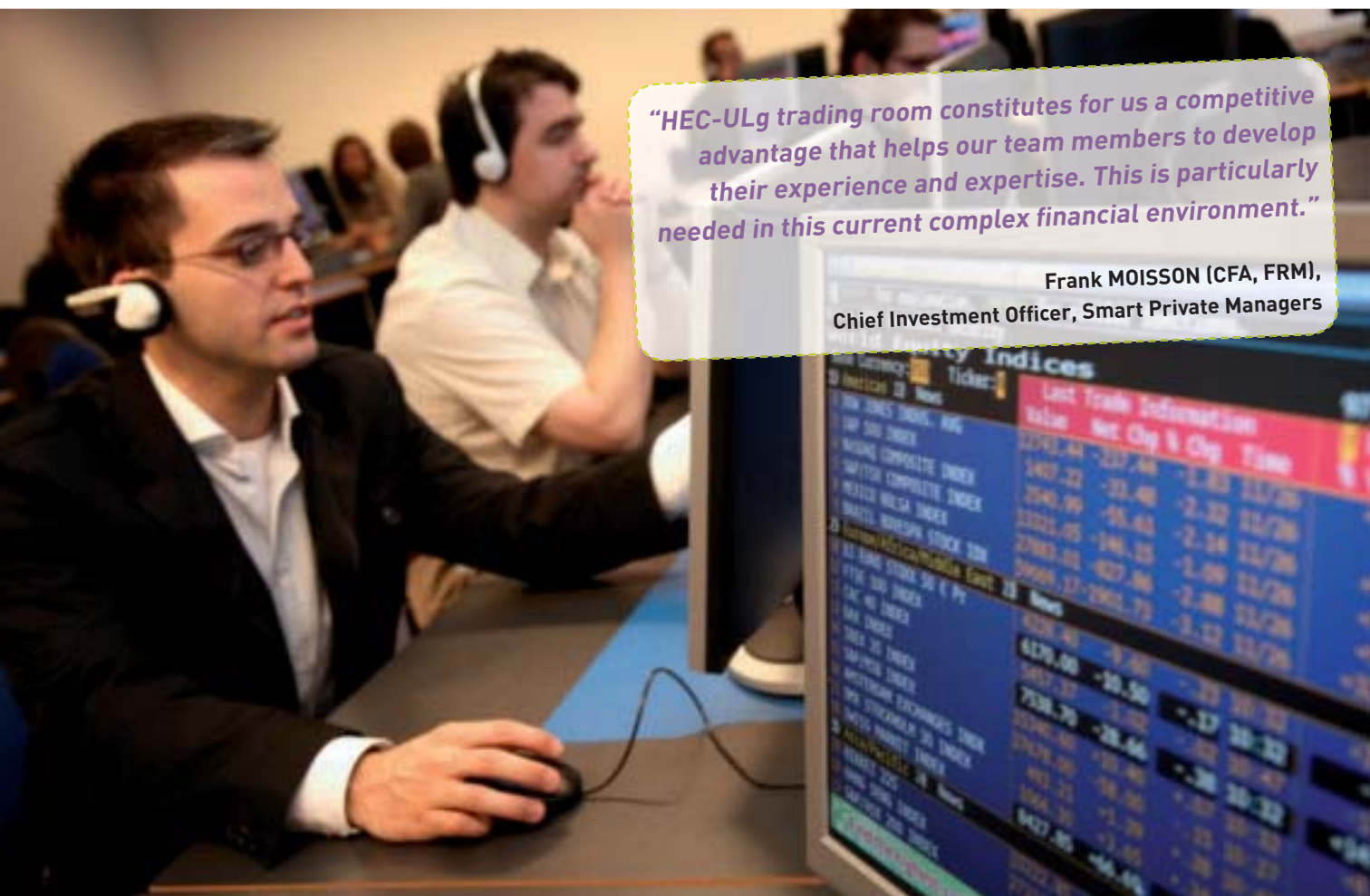
Xavier CORIN-MICK
HEC-ULg graduate
(1997)
Hedge Fund Manager
Finisterre Capital LLP

“ It might seem odd to promote a Trading Room for a Business School at a time when market activities are heavily criticised. Financial markets focus on “Price” of assets at a time when “Value” matters, and the current banking crisis can be partially blamed on the obsession of mathematically-trained “Quants” to put a price on esoteric assets without fully thinking about the systemic risks associated with those assets. However, financial markets will continue to play a major role in our economies, allowing corporations to finance themselves through the bond market, hedging currency risks and allowing investors to fund public deficits through liquid securities. The markets will also continue to play a role

in equity raising and offer a way for pension funds to try and offset the consequence of an ageing population on future pension claims through active investments.

A trading room is an opportunity to see how supply and demand factors affect the value of currencies, rates and equities, but also to see how those dynamics operate. An exchange is just an accelerated version of what drives the price of all goods in an economy and understanding this is vital for everyone. Another key takeaway for students should be the assessment of risk, from mortgage risk to the credit risk of your supplier; understanding all aspects of risk is key for “managers in the making”.

The availability of the trading room for HEC-ULg should be seen as a unique opportunity for students, and not only for Wall Street “wanabees” but for any future business manager. One key lesson of the crisis is that the lack of basic financial knowledge in the population (oversized mortgages, non diversified equity investments in the financial sector, bank deposits with troubled financial institutions) amplified the negative consequences of the crisis even among the most educated people in our society. Thus it is a duty of HEC-ULg to be at the forefront and the trading room is an amazing tool to do so. ”



“HEC-ULg trading room constitutes for us a competitive advantage that helps our team members to develop their experience and expertise. This is particularly needed in this current complex financial environment.”

**Frank MOISSON (CFA, FRM),
Chief Investment Officer, Smart Private Managers**



Gambit Financial Solutions, a spin-off company

INTERVIEW

Gambit Financial Solutions SA is the first spin-off in financial services issued from HEC-ULg. The “gambit” is a well-known manoeuvre in mindsports such as chess or checkers. How do you translate this principle in the finance world? What is the concept underlying Gambit?



Geoffroy de SCHREVEL

CEO of Gambit Financial
Solutions

www.gambit-finance.com



The gambit is a manoeuvre that sacrifices a piece in order to gain a decisive advantage in the medium term. The analogy with the finance world, at least in my mind, is that we need to be very careful to look beyond short-term appearances in order to capture medium-term reality. The finance world is a mixture of, on the one hand, intangible judgments, baseless forecasts, personal emotions and gregarious behaviour and, on the other, rigorous analysis and rational decisions. This is not meant to be a criticism or anything of the kind. It is simply the environment in which every investor is both a contributor and a spectator. The biggest risk is myopic greed. So all investors, from the modest saver to the wealthy financier, should be given the tools to better define what they would like their savings to look like at one point in the future, the risk they are ready to take to reach that point and the tools to navigate towards this objective without being too destabilised by the short-term illusions. If it means sacrificing a short-term lucky draw for a medium-term gain, you have a gambit.

Gambit is a company whose origin comes from academic research. What is the participation of students, both graduates and postgraduates, in the corporate activities? Is it a key factor of success?

Too many university spin-offs are one-man shows. A very bright academic comes up with a very bright idea that makes eminent scientific sense and is greeted with enthusiasm by colleagues and friends. But confrontation with reality is often violent. One of the best ways to avoid this is to build research as teamwork. One of the key elements that contributed to the current success of Gambit, is that there has been a long, patient and rigorous research effort undertaken by academics as well as students at various stages in their curriculum.

It is teamwork over several years with the concrete help of the brightest students and graduates who contributed to this R&D effort. You can't beat that ! Of course it takes a consistent team leader to make it happen. And HEC-ULg provided this resource !

What kind of added-value does such a spin-off bring to the finance department of a management school like HEC-ULg?

In the short term, it is probably not immediately perceptible. I do not believe that a spin-off like Gambit will directly attract any additional student or academic publication to the School. In all modesty, though, I believe that Gambit brings a sense of purpose and extra enthusiasm to HEC-ULg. Our business mission at Gambit is to help give each and every saver, irrespective of the amount of his or her investment, the right to be correctly understood by the financial advisor, the right to ask the manager of his or her investment to actually do the best possible job, and the right to be accurately informed of the evolution of his or her savings. That is how you make finance benefit people ! This gives a sense of purpose. Indeed, there is great enthusiasm around Gambit because we innovate, because we are part of the next generation of enterprises, because we contribute to what is called the knowledge economy; and, surely not least, because we provide job opportunities in direct connection with the HEC-ULg program. Finally, as Gambit becomes mature and makes further progress into the global business world, we are extremely proud of and grateful for our roots, HEC-ULg.

Who are your partners? And your clients? Does the proximity with HEC-ULg have an impact on your relations with them?

We serve the financial community at large. Our constituency is global. So it makes geographical localisation pretty irrelevant. On the other hand, the financial world is very innovation-driven. This is where our proximity with HEC-ULg plays a very important role. Our innovation is deeply rooted in scientific research. We want to stay at the leading edge of development in fields such as investors profiling, risk and performance management, optimisation of asset allocation and compliance. This is fuelled by our constant interaction with HEC-ULg. However, Gambit is not a research centre. We are a commercial company. This means that our innovations must make business sense. I believe this is where our proximity with HEC brings value. Our contribution is to help maintain a dynamic link between academic research and the finance market. It is a win-win proximity.

What has been the impact of the financial crisis on your activities? In Gambit's view, is this a threat to be faced up to or an opportunity for development?

For us, the crisis has revealed two important elements: first, that when innovation and engineering go out of control (in the sense that they are understood but by a small group of technicians), they can backfire violently; second, that investors, retail and institutions need better service from the financial community. This is where we believe we can contribute because better service means better dialogue and mutual understanding between investors and their financial institutions, better efficiency in managing their money and more transparency in the communication of investment performance and risk.

The crisis has been a wake-up call for investors and for the institutions managing their investments. Trust needs restoring; this is exactly where we want to contribute.



Claude HIRTZIG
HEC-ULg graduate (1997)
Deputy Director
Lux-Investment Advisors
c.hirtzig@lia-asset
management.lu
www.lia-assetmanagement.lu

“ During my studies at the University of Liege, my internship in the trading room of Banque et Caisse d'Epargne de l'Etat, Luxembourg (BCEE) definitely confirmed my interest in financial markets and helped me to make up my mind about working in that area.

After university, I started in the private banking department of BCEE and subsequently joined the asset management department's equities team. At that time I was basically in charge of covering the healthcare and chemicals sectors. I am still convinced that without the dedicated and specific finance program I would not have had the opportunity to start working straight away in the fund management sector. In 2006 when BCEE spun-off the fund management department, I joined Lux-Investment Advisors s.a. (LIA) and became vice-president in charge of the equities team. In the meantime I had completed the Chartered Financial Analyst Program, the world's most popular self-study programme in the finance sector. In 2008 I started teaching at the University of Luxembourg, but I also had the opportunity to take an active part in finance lectures at the University of Metz (France) and at HEC-ULg. This activity still represents for me a unique opportunity to bring my daily experience as an investment manager face to face with the demanding environment of the academic community and the intellectual curiosity of graduate students.

It was this kind of melting pot that I already appreciated when I myself was studying at ULg. As a result of the mix of illustrious scholars and professionals from various areas of the financial industry, HEC-ULg has always been open to the world and to the challenges of financial innovation. This allows future graduates to combine their sound academic education in finance - covering portfolio management, financial markets and corporate finance - with an extensive knowledge of the day-to-day challenges and constraints of capital markets. I would also like to stress the importance of the quantitative background of the study course at HEC-ULg, as this helps to shape the analytical reflexes practitioners need to solve today's and tomorrow's problems.

In this respect I fully support HEC-ULg's approach of fostering financial theory research while continuing to take into account the needs, regulatory framework and ethical responsibility of the financial community. The decision to combine the topics of international finance and risk management clearly reflects an approach that is fortunately coming more and more to the fore in the asset management industry. The launch of Gambit shows how research at business schools can help financial institutions to adapt themselves to regulatory requirements while using tools that support the decision-making and risk management process, thus exceeding the initial aims of the legislators.

Analysts and portfolio managers at Lux-Investment Advisors work in a small team, analysing the different market segments they are assigned to and managing institutional investment portfolios and mutual funds. When we are recruiting in these areas, we look for young graduates that are able to understand the financial fundamentals of asset classes without forgetting the importance of equilibrium forces and the behavioural aspects of financial markets. Above all, they should have a firm interest in the geopolitical and economical environment and the drivers affecting the different market sectors they cover. They should be fluent in French and English and ideally more languages. While previous work experience in private banking, auditing or any industrial activity might be useful, it is not necessarily required as we put more emphasis on the analytical skills and the open-mindedness of candidates. ”

SOCIAL ECONOMY



**Corinne
GENDRON**

Holder of the Chair in Social
Responsibility and
Sustainable Development
Senior professor, School of
Management Sciences, UQAM
www.crsdd.uqam.ca

“ Over recent years, the economic marketplace has been besieged by a number of new players aiming to more directly exploit the system for social aims. Thus, an economic sector has progressively taken shape alongside the government and traditional companies and has become a genuine breeding ground, teeming with scores of organisations with a social aim, economic activities and sometimes even political demands. These novel structures call for new analyses and open up original research possibilities as their economic experience is a social phenomenon. On one hand, such organisations imbedded in the social economy represent a range of incarnations of a productive company at the margins of the traditional model.

These new forms call for a renewed look at organisational principles in an era where the economy and social themes interact and are more intertwined than in juxtaposition as impermeable universes. This evolution has led to a genuine renewal of the economic world and productive activities are now no longer perceived solely as a separate sphere with separate principles, but as social activities in their own right that retain their truly social principles, symbols and dynamics despite the rationalising impulses governed by demands for productive efficacy. ”

Social Enterprises and the Social Economy

Social mission and market economy

Recent years have witnessed social cohesion in the industrialised countries, a widening gap between rich and poor nations and unprecedented environmental degradation. In this context, the current crisis is questioning, among others, the functioning of our economic system. The question is the following: could we better integrate entrepreneurial freedom and respect for people and the environment in the context of the market economy?

In the search for a middle way, between sole reliance on the market and sole reliance on the state, social economy appears as a promising and increasingly experience-based solution. Organisations operating in the context of social economy can be labelled "social enterprises". They can be defined as not-for-profit private productive organisations providing goods and services that aim to achieve social goals in a sustainable way. These enterprises may take different forms: non-profit organisations, NGOs, cooperatives, or conventional companies choosing a social mission as priority. They can be found in various fields: recycling, fair trade, ethical finance, green energy, work integration, organic food and farming, education, culture, development aid, social and personal services, etc.

Despite its lack of visibility for most policymakers, business leaders and even for many people within the sector itself, social economy is in fact a major economic force. In Belgium, it accounts for a significant share of employment (15%) and GDP (10%). This sector also attracts a considerable amount of volunteer effort (more than 1 million volunteers).



Sybille MERTENS

PhD in Economics
Holder of the Cera Chair in
Social Entrepreneurship
Professor at HEC-ULg in
Management of Social
Enterprises
Member of the Centre for
Social Economy
smertens@ulg.ac.be

HEC-ULg Expertise

For more than 20 years, the University of Liège has developed significant expertise in this field. In the Centre for Social Economy (Centre d'économie sociale, CES), which is part of HEC-ULg, Prof. Jacques Defourny and his multi-disciplinary team have developed research activities on social economy and social enterprises at the local, national, European and international levels. The main objective of the CES is threefold: to enhance awareness of this sector, to enrich its theoretical understanding and to provide a rigorous basis for both public and private relevant action.



Jacques DEFOURNY PhD

*Professor - Department of Economics
Director of the Centre for Social Economy, HEC-ULg
President (2002-2010) of the EMES European Research Network on social enterprise
j.defourny@ulg.ac.be*

This research centre has significantly contributed to major advances in the study of this field: statistics on social economy and the implementation of a "nonprofit satellite account" (in cooperation with the UN Statistical Office and the National Bank of Belgium); comparative analysis of public policies and legislation promoting social enterprises in Europe, North America and Eastern Asia; study of specific sub-fields of social entrepreneurship (fair trade, microfinance, childcare, work integration, etc.); study of the socioeconomic performance of social enterprises in quasi-markets; and more recently application of the main disciplines of management to the specific features of social enterprises. The CES is also one of the co-founders of the EMES European Research Network (EMES) together with 11 leading university research centres on social economy and social enterprises across Europe. Since its inception EMES has been hosted by the CES and thus based at HEC-ULg.

The international reputation of HEC-ULg in this field is also enhanced by the presence of Ciriec International (International Centre of Research and Information on Public, Social and Cooperative Economy), which hosts one of the best European documentation centres on the social economy. In order to develop international contacts, the Centre for Social Economy will welcome

this year Hyung Sik Eum (Hallym University – Korea) and Millán Díaz (University of Zaragoza – Spain) for doctoral research while Benjamin Huybrechts (HEC-ULg) will spend a few months at the Skoll Centre for Social Entrepreneurship (Saïd Business School, University of Oxford) in a post-doctoral position.

“Management of Social Enterprises”, a specific orientation within the master program

Because they serve a social purpose through their economic activity, social enterprises face important management challenges. Their characteristics make their management complex and prevent the use of traditional business practices. The two major barriers hindering growth in this sector seem to be the lack of management and entrepreneurial skills of social managers, and the relative ignorance of business schools and their students about this special type of enterprises. Putting social economy and social enterprises on the mental map of students could at least solve one part of the problem. For this reason, the management of social enterprises, sometimes apprehended through the broader notion of “social entrepreneurship”, has become a key topic in an increasing number of universities around the world, and particularly in management schools. Some of these institutions include the Harvard Business School (Social Enterprise Initiative), the Oxford-Saïd Business School (Skoll Centre for Social Entrepreneurship), the Cambridge-Judge Business School (Master of Studies in Social Enterprise), the Duke-Fuqua Business School (Center for the Advancement of Social Entrepreneurship), HEC-Paris (Majeure en Management Alter), and ESSEC (Chaire d'Entrepreneuriat Social).

In Belgium, it clearly appears that there is a lack of academic programs explicitly focused on the management of social enterprises. HEC-ULg is convinced that its research activities could serve as a basis for specific courses within its Master's Program. Moreover, through the personal involvement of many of its researchers and professors, HEC Management School has long-standing experience of dialogue and collaboration with the field of social enterprises. Such a set of circumstances gives HEC-ULg the ability and the legitimacy to propose, as early as September 2010, a Master's in Management with a specific orientation in the management of social enterprises (i.e. a two-year program including 6 specific courses related to this topic, covering various content,

such as: social business planning; societal trends and challenges; social economy legal environment; social marketing, fundraising; human resources management and governance in social enterprises, etc.)



According to Prof. J. Defourny and Prof. S. Mertens, "our experience suggests that students' interest in such a program is likely to be high. This specific orientation will meet the requirements of professionalization faced by social enterprises. At the same time, it will also offer students the opportunity to obtain a university degree in management while satisfying their concerns as citizens: interest in the North-South relations, environmental and ethical questions, etc." Their ambition is clearly to train future managers, entrepreneurs and experts for this exciting but complex sector.

The Cera Chair in "Social Entrepreneurship"

The Cera Chair in "Social Entrepreneurship" was founded in 2000; it results from a partnership between HEC-ULg and the co-operative financial group Cera. Coordinated by Prof. Sybille Mertens, the Cera Chair pursues the mission of including and developing support for entrepreneurship and management in the social economy within HEC-ULg. The Cera Chair achieves this mission through three fundamental activities: by offering high-quality training in the management of social enterprises (the Cera Chair supports the specific orientation in the Master Program); by improving general and scientific awareness of the social economy sector and supporting social entrepreneurship; by developing executive education programs and an advisory role to social enterprises.

2010₂

**Cette année encore,
nous donnons une bouffée
d'oxygène à votre entreprise.**

**Contactez maintenant votre conseiller
ING ou surfez sur www.ing.be**

Indépendant ou entreprise, ING est depuis toujours à vos côtés. En 2009, nous avons octroyé plus de 4 milliards d'euros de nouveaux crédits. Et en 2010, nous mettrons encore 1 milliard d'euros* à votre disposition dans

les 2 prochains mois. Nous souhaitons investir dans la croissance de votre entreprise, comme partenaire à part entière. Besoin d'oxygène ? Contactez maintenant votre conseiller ING ou surfez sur ing.be

www.ing.be





Dr Alex NICHOLLS MBA

Lecturer in Social Entrepreneurship
Fellow of Harris Manchester College
Skoll Centre for Social Entrepreneurship
Saïd Business School
University of Oxford

An International Expert's Viewpoint

Why do social enterprises need to work in partnership with universities, academic education and research ?

Firstly, there is a strong and growing student demand for teaching and associated research in social entrepreneurship. We have seen the number of MBAs taking social entrepreneurship at Oxford more than double over the last five years. Second, then topic is ripe for new research and has huge potential to be a new multi-disciplinary field of study. Whilst there are many challenges to research – not least the absence of good quantitative data on the field – there are also huge research opportunities for scholars in business, economics, politics, international development and sociology.

Why, in your opinion, does HEC Management School best qualify for such a partnership ? What are our comparative advantages?

HEC has an excellent group of talented academics working in social entrepreneurship from a variety of theoretical perspectives. It also has a long standing research interest in the social economy upon which to draw. The critical mass of such scholars working on the field at HEC is a major competitive advantage as are its strong links with EMES and the University Network of Social Entrepreneurship.

How do you see the future of social entrepreneurship?

Social enterprises will play a growing role in society, both as providers of public services with government and as private sector organisations challenging the logic of mainstream business. I see a resurgence of mutual societies and cooperatives as being indicative of this latter trend. I also predict a significant development in the range and quality of scholarly research on the subject in the next five years. Two indicators of this are the interest from top academic journals in social entrepreneurship (for example the special editions of the Journal of World Business and Entrepreneurship Theory and Practice dedicated to SE) and the increase in the number of doctoral students studying the subject.

What are the links between Saïd Business School and HEC-ULg in the field of social entrepreneurship?

We have formed good links with HEC via EMES, particularly with Prof Defourny. It has been an important objective of ours to bring together the continental European and American traditions of social enterprise research and Prof Defourny has played a vital role in helping us achieve this, for example by presenting at our annual Colloquium on Social Entrepreneurship. We also look forward to welcoming a post-doctoral student from HEC to Oxford this term – Ben Huybrechts. Building links with such students is also valuable for us.



www.ces.ulg.ac.be
www.emes.net
www.fairness.fr
www.fairnessuk.ning.com



Benjamin HUYBRECHTS
 PhD
 Member of the Centre for Social Economy
 HEC-ULg
b.huybrechts@ulg.ac.be

“ I have just finished a PhD thesis on the topic of “Organisational Diversity in Fair Trade Social Enterprises”. Drawing on field research carried out in four European countries (Belgium, France, Italy and the United Kingdom), this proposes a typology covering different types of organisational forms adopted by social enterprises in the Fair Trade sector. I use several “institutional” theoretical ap-

proaches to account for such rich diversity, which also seems to be the case in other areas of social entrepreneurship (work integration, alternative finance, recycling, etc.).

In February, I will embark on postdoctoral research at the Skoll Centre for Social Entrepreneurship, Saïd Business School, University of Oxford. This is an opportunity for me to get further into understanding social enterprises, and more particularly how they interact with the “mainstream” business world in the British context. My stay in Oxford will also provide me with a chance to develop the HEC Management School - Saïd Business School partnership, particularly through the EMES European Research Network on Social Enterprise (hosted by HEC). I also mean to make further contact with the wide array of British academics studying social enterprise and social entrepreneurship. These contacts and collaborations will concern both research and teaching with a view to developing a Master’s Program focusing on the management of social enterprises, to be offered at HEC Liege (starting in September 2010).”

SOCIAL



Jean-Pascal LABILLE in a Nutshell

Secretary-General of UNMS (top organization of Belgium's French-speaking socialist mutual companies) (since 2010)
Secretary-General of Solidaris (2001-2009)
Auditor and senior auditor and associate of Renouprez, Labille and Co (1991-2001)

Chairman, SRIW (Walloon Investment Company for the private sector)
Chairman, FOREM (Walloon employment agency)
Visiting Professor at HEC-ULg since 1993

Jean-Pascal LABILLE, HEC-ULg graduate (1985) heads an organisation which stands for the values of solidarity, social justice and equity. We asked him how he views his occupation and what he thinks of our idea of creating a course program especially devoted to “the management of social enterprises” at HEC-ULg.

“ The idea of creating a study program of this kind is a good thing. In the wake of the present financial crisis resulting in one of the deepest downturns since WWII, you see ever more young workers turning to organisations like ours. Their goal is no longer to make money rapidly, but to create more wealth for their fellow citizens, and to share values with other people. We produce services, not things and our job is to secure people’s dignity if the event of an accident or illness during their career”.

Our goal is not to generate even greater profits but to extend high-quality health services as widely as possible. So, sharing values comes as a first priority for someone working in an organisation like mine; another is to develop our services and demonstrate that our health care management is better than the private for-profit system (like in the US system).

What would be your recommendations for courses relevant to your sector ?

I would recommend a set of courses on the real costs and benefits related to the production of services. For example, if you take the health-insurance industry, a comparison of the various providers would be very instructive. In Belgium, we are facing ever more competition from ‘private profit-oriented’ insurance companies, who are set on good insurance plans for ‘good risks’ but let ‘bad’ risks to the care of ‘bad hospitals’; the European Commission is also in favour of more competitiveness in our sector. If we do not take into account real costs and benefits, this evolution would be to the detriment of the underprivileged.

As a "social enterprise", our main goal is to ensure the largest possible access to health services for the greatest number; this means that we have to develop accessibility and services promoting good health. We like to think of 'holistic services', i.e. something working like "you take care of me and my family from birth to death", if I may say.

How many HEC-ULg alumni work with Solidaris? What knowledge and know-how do you expect from your young graduates?

Besides myself, six of our staff out of a total of 500, graduated from HEC-ULg : three are on the management board of the organization (the new Secretary-general, who took over from me (Sept. 2001-Dec. 2009), the Head of Department and the Project Manager).The other three work in finance or hold jobs closely related to figures.

On the whole, it is people with qualifications in finance we look for, but we are particularly keen on the ability to understand the way their organisation works. We are an enterprise, though not in the 'traditional' sense: we do not make profits or guarantee revenues to shareholders); our profits go into ensuring more services for our members – at a lower cost.

Generally speaking, we need people who can create new concepts. So, rather than any specific qualifications, we especially look for workers with an ability to understand the kind of organisation they work for, i.e. one based on social values, and above all, on solidarity. ””

ECONOMIC ANALYSIS



**Arnaud
VANBELLINGEN**
HEC-ULg graduate
(1996)
Risk Manager
First Climate Group
www.firstclimate.com

“ I am Risk Manager with First Climate Asset Management, the asset management company of the First Climate Group.

First Climate is among the leading European companies in carbon asset management. With its ten years of market experience and presence on five continents, it is one of the rare intermediaries to cover the entire value chain of carbon credits. First Climate designs, finances and carries out projects involving the clean development mechanism, the joint implementation mechanism and certified emissions reduction programs, purchases the resulting carbon credits and proposes transaction solutions to companies subject to the system of emission exchange quotas of the European Union. As a consulting

company for several institutional investors, First Climate builds and develops carbon funds and related products. Within my team, I am responsible for development of the management model for various market risks specific to this type of investment, day-to-day management of these risks by strategic hedging, identification and evaluation of the financial risks of our investment projects and the ensuing optimal structuring, constant monitoring of the market and support for any new project where my expertise provides added value. In such a young and constantly changing environment as the carbon assets market, it's crucial to remain flexible and not view one's job with blinders on.

My working environment is at the crossroads of finance and public policies; a financial market created to reach an environmental goal. Success requires a financial profile. However, a full understanding also requires training in how to analyse underlying public objectives. This is all the more important in the current context of negotiation of the post-Kyoto system.

Through its excellence in “Economic Analysis and Public Governance”, and particularly in the analysis of “Public-private partnerships”, the HEC-ULg has allowed me to achieve full success in this fascinating up-and-coming carbon market. ”



Economic Analysis and Public Governance

Economic Analysis and Public Governance (EAPG) is one of the six fields of excellence in research, teaching and professional expertise at HEC-ULg. This field brings together academic economists from HEC-ULg, most of whom are members of the CREPP (Centre of Research in Public Economics and Population Economics) one of the research centres in economics at HEC-ULg.



Lionel ARTIGE PhD
Professor in Economics
HEC-ULg
Manager of the Master's in
Economics at HEC-ULg
lionel.artige@ulg.ac.be

The objectives of EAPG are to contribute to the scientific debate in economics and economic policy; provide high-level expertise to international and national institutions; offer all HEC-ULg students up-to-date training in economics, and first-rate skills and knowledge to those who want to become economists. The recent financial crisis has stressed the importance of providing students with a deeper understanding of our globalised economic system. HEC is committed in the years to come to reinforcing the training in economics and its effects on governance of our would-be economists, business and financial managers.

EAPG intends to develop scientific research and applied expertise in three main areas for which it has acquired international recognition:

Innovation and growth. EAPG is building a database including quantitative and qualitative information on firms in Belgium and in a few other European countries. The objective is to identify determinants of innovation and evaluate the impact on economic growth. Herstal Group, GRE-Liege, Meusinvest and Prayon are the main partners of the project.

ECONOMIC ANALYSIS

Public-private partnerships. A few public services have been delegated to private enterprises in Belgium and in Europe in the recent past. EAPG has taken the lead in Belgium to study issues involved in public-private partnerships such as pricing, contracts and regulation. Postal services, public transport, energy distribution and prisons are among the activities where private governance must be closely regulated by public institutions.

Public economics. Taxation, social security, pension systems and public finance have been the original areas of the expertise of the economists in Liege, for which they have acquired recognition beyond the academic community. EAPG builds on this legacy and strives to develop the applications of public

governance in other areas such as incentive design to innovation, international trade policy, regional policy and market regulation. Since its creation EPAG has been the base centre of the SHARE survey (Survey on Health, Ageing and Retirement in Europe) in the Belgian French Community. This is an international and multidisciplinary project on health and socio-economic issues associated with ageing.

The economists of EAPG will keep on providing expertise for the public and for international institutions such as the International Monetary Fund, the World Bank, the US Chamber of Representatives, the Belgian Parliament, the Conseil Supérieur des Finances and the institutions of the Région wallonne....



“ During the current economic crisis, the discipline of economics has been put into question : economic analysis would have been unable to predict the crisis or to show how to avoid it. This judgment is misplaced.

The fact that some (even if very few) economists, on the basis of economic theory and observation of economic developments, warned of the danger of a big crisis shows that this crisis highlights the failure of all other economists, not of economics per se. Furthermore, economic research on previous major crises has allowed public authorities to take appropriate measures (in fiscal and monetary policy) and to prevent the current crisis from turning into a major depression.

The major lesson to be drawn by economists from this crisis is that there exists a too rigid compartmentalization between the different fields of economics, in this case between financial economics and macroeconomics. The present global crisis has thus reinforced the need for increasingly accurate economic analysis which decision-makers can benefit from; and the need for well-trained economists who have the courage to make known the conclusions of their works, even though these may go against the mainstream.



Didier PAQUOT
Director of economic affairs,
Union Wallonne des
entreprises (Walloon
Business Federation)
www.uwe.be

Another false idea running throughout political and intellectual circles is that the economy is highly deregulated, or only regulated by the law of the jungle! Let us turn to the reality. Around 50% of GDP is levied by public authorities to be reallocated. Day-to-day enterprises have to comply with a huge number of administrative provisions, resulting from numerous international agreements/ European directives/ national laws/ regional decrees.

The public authorities' grasp on the economy will certainly not fade in the coming years. On the contrary; the climate challenge, the financing of pensions and, more broadly, the ageing population and the increasing demand for health goods and services are some of the issues that will result in an even more active role for all types of public government in citizens' lives.

Public decision-making has, therefore, and will increasingly have a decisive influence on economic development (level and growth of activity, unemployment, prices...). Unfortunately, public decisions are too often taken without an appropriate and thorough assessment of their own efficiency or of their impact on the economy as a whole.

No need to go further. The HEC's choice of "Economic Analysis and Public Governance" as one of their fields of excellence meets a key societal need. We can no longer afford inefficient public choice and public governance. It is the role of academics to explore new areas of theory, to scrutinise economic developments in the light of theory, and to make conclusions and recommendations which are sufficiently clear and convincing to be endorsed and applied by decision makers. ”



SUPPLY CHAIN



The Power of Quantitative Methods

“ As a young student of business management, I had a fairly naïve idea of the actual relevance of quantitative methods to economics. This was essentially due to the fact that I massively underestimated the mathematical complexity of many problems arising in industrial contexts. For example, I had no idea that such mundane tasks as scheduling production batches, creating transportation routes or choosing investment locations, are still mostly carried out manually by dedicated human resources, and essentially based on personal experience rather than on quantitative and objective criteria. Fortunately, since the start of my studies, I have changed my mind...

During and after my academic studies, I took special training in quantitative methods. First, I worked as a research scientist under the supervision of Yves Crama. Later, I worked at N-Side, a consultancy company specialising in operational research, quantitative methods and decision-making tools based on mathematical

technologies. At present, I lead the Research and Development activities of Belpex, the Belgian power exchange, a subsidiary of ELIA (Belgian Electricity Transmission System Operator), where we optimise the added value created in organising the electricity market by defining mathematical models and algorithms to compute the most appropriate prices for electricity on the basis of the bids submitted by our participants.

Firstly, while I think that quantitative methods can be very effective – if sometimes hard to implement technically – companies mostly underestimate their need for them. Our first task, therefore, is to enhance awareness of such techniques among future managers – including those who are not very interested in quantitative techniques for solving complex mathematical problems – to identify opportunities for improvement through such methods. Secondly, I am convinced that in those cases where quantitative methods are the most productive, it is best to leave it to specialists in the field to implement the most advanced techniques. Thirdly, mathematical techniques still need to be improved through fundamental research.

I would like to conclude that QuantOM meets all three of these requirements. ”



Supply Chain Management & Quantitative Methods

“Supply Chain Management and Quantitative Methods” (SCM & QM) have been identified among the fields of excellence at HEC-ULg. This recognition is based on the existence of a significant research output in these fields, on its important role in the education of students enrolled in the bachelor’s and master’s programs at the School, and in continued education programs, as well as on continued interactions and collaborations with the industry.



Yves CRAMA PhD
Professor
QuantOM, Research Centre
in Quantitative Methods and
Operations Management
HEC-ULg
Holder of the Belgian
Francqui Chair (2009/10)
yves.crama@ulg.ac.be

Of course, SCM and QM are conceptually distinct fields. In an organisation, SCM refers to the managerial activities aiming at the efficient integration of units, so as to ensure that goods and services are produced and distributed in the right quantities, at the right locations, and at the right time. On the other hand, QM refer to methodologies such as operations research and statistics, that can be applied by a variety of departments and in a variety of situations in order to analyse available data and to support complex decision making processes, frequently in conjunction with specialised management information systems.

In terms of scientific research, SCM is a field of investigation which gives rise to qualitative as well as quantitative studies, whereas quantitative methods are used by every scientific discipline, inside and outside of management science and economics (SCM, finance, marketing, industrial economics, engineering, sociology, psychology, etc).

S U P P L Y

In spite of these differences, however, it remains a fact that SCM is a major field of application of QM, and that these fields are very frequently associated within business school departments.

At HEC-ULg, activities in the fields of SCM and QM are mostly hosted in the QuantOM (Quantitative methods and Operations Management) research centre. QuantOM involves about 20 academic members, researchers and doctoral students, who share a common objective of stimulating and promoting the activities conducted at HEC-ULg (or more broadly, within the ULg) in the fields of quantitative methods in management, operations management, and logistics. In these areas, the members of QuantOM carry out teaching and research, and they put their expertise at the service of companies' specific needs.

Research in SCM and QM at HEC-ULg

The main areas of expertise and activity in SCM and QM at HEC-ULg are in *Production planning and scheduling*; *in Design and coordination of supply chains*; *in Transport management and transport economics*; *in Financial modelling*; *in Mathematical optimization and in Statistical modeling*.

Members of HEC-ULg regularly publish scientific papers in all these areas. They also interact with numerous national and international scientific networks or research centres, among which: HEC Montreal (Canada), Rutgers University (USA), Open University (UK), University of Oxford (UK), Maastricht University (Netherlands), University of Grenoble (France), Rhur Universität (Germany), Universidad de Santiago (Spain), Universidad de Vigo (Spain), Bilkent University (Turkey), Kyoto University (Japan), etc.

The Katholieke Universiteit Leuven has recently awarded a Belgian FRANCQUI Chair 2009-2010 to Professor Yves Crama.

Teaching Activities in SCM and QM

The fields of SCM and QM are largely present in the academic programs offered by HEC-ULg. In particular, students who take the Master's degree program in Business Engineering are offered a specialisation track in "Supply Chain Management". This specialised track aims to provide them with the required knowledge and skills to manage complex production, distribution, and freight transportation systems in global supply chains. It ideally prepares its graduates for careers in industrial companies and service organizations facing complex production and logistical processes – that is, in most existing companies!

Typical career paths include: supply chain manager in manufacturing companies or in the service industry; operations manager for logistical service providers; consultant, researcher or business developer for developers of ERP and other specialised information systems; researcher or analyst for private consulting companies, for public administrations and organisations, for university research centres.

Academic members also participate in executive education programs like the **Online Executive Master in Management** (<http://www.campusvirtuel.be>), the **Executive Master in International Supply Chain Management** (<http://www.supplychainmaster.eu>), or the **Executive Master in Transportation Management** (<http://www.ciem.be>), and they contribute to the **FNRS Doctoral School in Management Sciences** that is jointly set up by ULg (HEC-ULg), ULB (Solvay Business School), and UMH (Warocqué Faculty).





Applied research and links with the economic environment

The SCM domain being identified as one of the HEC-ULg fields of excellence is perfectly in line with the strategic importance of the transport and logistics sector in the Walloon Region. One of the objectives of HEC-ULg is to be a player in the future developments of this sector. According to this objective, the QuantOM research centre makes it a priority to build and maintain collaborations with private companies, research centres, academic institutions, and organisations like Logistics in Wallonia.

Beyond the fields of transport and logistics, members of HEC-ULg regularly collaborate on applied **research projects** with companies like Arcelor-Mittal, CMI, Jost Group, Magotteaux, Corman, Akers Yards (Chantiers de l'Atlantique), and with local public authorities (townships, regions,...). In the recent past, such collaborative projects have led to industrial applications, to doctoral research, and to academic publications.

These activities have also given rise to a close partnership with **N-Side**, a joint spinoff company of HEC-ULg and of the Catholic University of Louvain since 2006. N-Side (www.n-side.be) employs about 15 people and carries out operations research projects for large companies, both in Belgium and internationally (Brazil, France, Germany, Slovenia, USA, etc.).



Anabelle Kinet
HEC-ULg graduate (1995)
Sales & Marketing Manager
PFSweb Europe
www.pfswebeuropa.com

Standing out by Defining one's own Field of Excellence

After gaining valuable experience in sales and marketing with BEA, a Liège family-owned business and a world benchmark in the automatic door opening and safety sector, in 2003, Anabelle Kinet joined PFSweb Europe, a branch of the Texan PFSweb Inc. group, located since 1999 within a stone's throw of Liège airport, in the "Liège Logistics" industrial park.

“ Our location in the Logistics Industrial Park, chosen by the American head-quarters, enables us to extend all over Europe, as well as in the EMEA zone thanks to a centralised distribution model”, insists Annabelle Kinet. “PFSweb, at the time of its setting-up in Europe, was meant to function as a centralised distribution platform for American companies wishing to have a 'base' in Europe. Indeed, for years, these were the company's only customers. The main services PFSweb provided were logistics, distribution and all services relating to finance, with a view to enabling non-European (mostly American) based companies to solve issues relating to distribution yet also to the rather more complex financial and fiscal aspects applying on our continent.

Hired first as a 'Business Development Manager', my mission was to develop the function towards a new target: European companies. While our setting in Liège benefits from an optimal geographical location in terms of logistics, it quickly appeared to us that the comparative advantage we had with American companies no longer worked as a cutting edge to attract European businesses. As I then got promoted to 'Sales and Marketing Manager Europe', PFSweb Europe set out on a long repositioning process to recover a competitive edge in logistics. Thus we built a full range of totally new services (including logistics) dedicated to businesses with a wish to embark

into online international sales projects on a B2B and B2C basis. Thus, what we did, in a way, was graft a core competence to our basic logistic offer to make it innovative and unique at an international level.

My conclusion as a "marketer" is that, no matter what your business, you must be able to stand out by defining your area of excellence, to give yourself the best chance at a leading position on the market. Today we can proudly say that we have built a niche in logistics ... and which we're out to make stronger every day!

To take a stake in this area of excellence, PFS naturally engages the services of the best profiles. Several among them were educated at HEC-ULg and work in departments as diverse as Finance, IT or Sales and Marketing. ”

Our HEC-ULg alumni now with PFSweb Europe :

FINANCE DEPARTMENT :

Noël DEDOYARD (graduated in 1993),
Finance Manager – Europe

Muriel MILET (graduated in 2002),
Credit and Controlling Manager

Katia VANDELDELDE (graduated in 2006),
Business Analyst

IT & IMPLEMENTATION DEPARTMENT :

Noëlle CLOSON (graduated in 2009),
Implementation & Q&A Analyst

SALES & MARKETING DEPARTMENT :

Anabelle KINET (graduated in 1995),
Sales & Marketing Manager - Europe

Sandrine SLEGGERS (graduated in 2003),
Sales & Marketing Executive.



Jean-Christophe Botteman,
HEC-ULg graduate (1998),
Complementary training at the
ESCP and Duke University
Operational Supply Chain
Manager
ArcelorMittal Liege
www.arcelormittal.com

After having worked with Professor Crama in operational research, Jean-Christophe Botteman joined the Usinor group in 1999 (Arcelor Mittal since 2006). Over the past 10 years, he has gained an understanding of the various facets of the company from various angles as he successively held 5 positions in three fields: Supply Chain Management, sales and information systems.

How do you define Supply Chain Management (SCM)?

The Supply chain is the spinal column of the company. It links and coordinates the flows from supplies until delivery to the customer, via the sequence of each manufacturing machine. In Supply Chain, our main goal is to ensure Just-In-Time, delivery to customers at the lowest cost in production-lean conditions, meaning in general the least amount of stock and the fewest queues possible in the production sector.

At ArcelorMittal Liege, the Operational Supply Chain covers the following activities:

- Customer Service: responsible for contacts with the customers, spread out over several continents;
- Stock Management;
- Supplies;
- Midterm production and commercial planning;
- Line/workshop scheduling;
- Transport and customer deliveries: managing the physical flow and customer deliveries.

How do you view your job? Has the crisis experienced over the past year and its repercussions which are still being felt now changed the situation and led to new requirements?

Supply Chain Management is an ever-changing field due to the need to meet ever-increasing customer requirements in terms of flexibility and reactivity.

The crisis accelerated this evolution, first following a lack of trust on the part of companies with respect to the market. Orders are made later and later and vary widely within very short deadlines depending on finished product stocks and consumption. SCM must make a company flexible so that it can rapidly react to accelerations or a slowdown in the market.

Secondly, technical constraints should be lifted to be able to offer increasingly short lead times. In these times where the order is often given to the supplier who can offer the shortest turnaround, the challenge involves being able to produce all types of products every day. These efforts to achieve flexibility constitute a challenge for any company. In order to be effective SCM must get everyone within the company involved, from the process to the quality teams, not only in the Supply Chain Department.

On this point, hasn't the crisis also increased "financial" burden in companies?

You're exactly right. In industry, where the Working Capital and, in particular, stocks have great value in the balance sheet, the financial pressures exerted on the Supply Chain are large. Increasing complex computer tools and operational research models are used to achieve a production-lean model, meaning with low or even non-existent stocks.

In the current context, SCM issues take on a heightened meaning. Put simply, the goal is to produce the right material at the right time in an industrial environment under great technical constraints.

“The amount of steel shipped every day in Liege is equivalent to all the steel used to build the Eiffel Tower. These transport activities involve hundreds of lorries, several vessels and entire trains”.

What are the prospects for HEC-ULg graduates? Do you have specific expectations regarding their profile?

As the processes managed by Supply Chain and the associated constraints become increasingly complex and the Information Systems used are more and more state-of-the-art, it's clear that companies will call upon more and more managers trained in the fields such production management, logistics and operational research.

Although today, in many industries, the managers of Supply Chain Departments are often people with a technical background, I think that people trained in Supply Chain Management will take on an increasingly prominent role.

With the advantage of their highly polyvalent training in Business Management, HEC-ULg graduates occupy other types of managerial positions at ArcelorMittal. In Liege for example, Philippe Bertrand has led several Industrial Departments, and Olivier Leruth, who graduated in the same class as me, is in the Central Controlling Department.

In general, in companies with large numbers of employees, the human resources and team management facets of HEC-ULg studies are an additional strength. In Operational Supply Chain for example, the young managers at the head of the Production Management or Shipping and Dispatch Departments lead teams of 20 to 30 individuals. In addition to their Supply Chain Management skills, we expect them to have advanced organisational and managerial skills.

If we include the possibilities for international development in large industrial companies in the steel, automobile, electrical goods sectors. I think that there are countless opportunities for HEC-ULg graduates in this sector.





Gilbert LAPORTE

PhD in Operations Research,
London School of Economics
Professor of Operations Research
at HEC Montréal,
Holder of the Canada Research
Chair in Distribution Management
www.hec.ca

HEC MONTRÉAL

Supply Chain Management research in Liege and in Montreal

“ Logistics is crucial to the modern economy. Originally associated with military applications, it is now much broader and applies to the organisation and movement of goods and people in large systems. It is estimated that logistics now accounts for approximately 11% of the United States gross domestic product. Similar figures apply to most industrialised countries. Supply chains are complex logistics systems in which raw materials are converted into finished products, which are then distributed to users. They connect suppliers, manufacturing centres, warehouses, distribution centres, and retail outlets. In parallel, an increasing number of companies trade through the Internet, and this has led to the development of e-logistics. Decision support methods applicable to the field of supply chain management include benchmarking, simulation, optimisation, and continuous approximation methods. In recent years, technological advances in the fields of electronic data interchange, geographic information systems and global positioning systems have been integrated within solution methodologies.

With the increasing globalisation of the economy, supply chain management has gained importance both from a practical and economic standpoint, and as an academic research field. Engineering and business schools throughout the world offer academic programs and carry out research activities in the field of supply chain management. This is the case of my home business school, HEC Montréal, which hosts two major research chairs in logistics: the Canada Research Chair in Distribution Management (Gilbert Laporte), and the Canada Research Chair in Logistics and Transportation (Jean-François Cordeau). The first of these two chairs conducts research mainly in vehicle routing, location, districting, scheduling, and arc routing (which applies to operations such as snow removal, mail delivery, garbage collection, etc.). The second chair deals mostly with network design, vehicle routing, terminal management, inventory control, and revenue management. Over the past years, these chairs have completed projects in the fields of trucking, rail, aviation, shipping and port management. Both chairs are located within the Interuniversity Research Centre on Enterprise Networks, Logistics and Transportation (CIRRELT).

In 2007, I accepted to become a member of the PRISME Scientific Committee of HEC-ULg, which I now visit on a regular basis. Partly as a result of its strategic geographical location in Europe, Liege is bound to play an increasingly important role in the field of supply chain management. This is reflected by the research activities of some of its faculty members, namely in vehicle loading and routing, shipper-carrier cooperation, and shipyard management. I can only hope that the common research interests of HEC-Montreal and HEC Management School – University of Liege will give rise to fruitful collaborations. ”

TAX INSTITUTE



Didier REYNDERS
Deputy Prime Minister
Minister of Finance

“ The news about the decision to set up the Tax Institute, as part of a joint initiative between the HEC-School of Management and the Liege University Faculty of Law, can only be warmly welcomed.

It is crucial to make people aware of the part taxation plays in modern economic activities.

Taxes are more than a system for raising some of the financial resources the authorities need to pay for the public services they provide or offer. Taxation can and must be a tool forged to enhance economic activities and boost the opportunities for job creation. It can and must be carefully thought out as a long-term strategy for exerting an influence on virtuous patterns of behaviour by citizens (for the environment), by savers (for risk capital) by companies (for research and development), etc. while discouraging those who are less or not at all virtuous.

In a nutshell, when taxation is used wisely as a cohesive framework incorporating incentives, it may be wielded as a powerful tool for promoting development and growth, for the purpose of enhancing general well-being.

Rather than being developed lightly, such programs call for a root-and-branch debate, thus continuing to constitute a key research issue.

Centres offering opportunities for this debate are thin on the ground in Belgium. There is definitely a short supply of fora bringing together professors, lawyers, tax advisors, tax administration officials, magistrates, researchers and assistants, combining field expertise with fundamental research. Such an initiative even has to be regarded as quite exceptional.

The responsibility it is called upon to bear is all the greater.

As well as acting as a powerful tool for appraising the relevance of the existing systems, while casting a discerning yet welcoming glance at the policies we expect such an ambitious project to deploy, this initiative may also - perhaps more importantly - offer the ability to make proposals for the whole range of current tax and financial issues of concern to citizens and companies. ”



The Tax Institute of the University of Liege is a joint initiative of HEC Management School and the Faculty of Law. Originally, HEC and the Faculty of Law started off their collaboration with a view to rationalising the course curriculum for the advanced degree in taxation, which they each offered prior to HEC-ULg merging into the University of Liège.



Alain JOUSTEN PhD MIT
Professor of Economics at HEC-ULg
IZA and NETSPAR research fellow
alain.jousten@ulg.ac.be

The Institute is going to gather taxation experts from both Faculties. These expert will include full-time expert lecturers and researchers, along with practitioners, including barristers, judges, taxation consultants and taxation officers. The confluence of each side – one academic and the other practical – naturally produces a rich pool of experience. Many of them already regularly take part in research projects, publications, conferences, and seminars in Belgium and abroad. Such a breeding ground is certainly worth developing through systematisation of certain projects or research.

The Institute's main objective is to stimulate and promote research in all areas concerning taxation : corporate tax, family and individual patrimony tax, international and European tax (including those aspects relating to Human Rights), indirect taxation (VAT, registration, inheritance), not to forget environmental tax, public finance tax, along with their political and sociological aspects, etc.

Thus, one of the major goals will be to develop some multidisciplinary research involving lawyers and economists as well as all other experts likely to be concerned by taxation. One such example could be criminologists



Isabelle RICHELLE PhD
 Professor on Taxation HEC-ULg
 Lawyer - The Liedekerke
 Association
 Member of the International
 Fiscal Association and of the
 European Association of Tax
 Law Professors
 CFE Expert
 isabelle.richelle@ulg.ac.be

interested in analysing relevant criminal behaviours or mechanisms. Other disciplines might be involved as well. For instance, environmental taxation, as a newcomer, raises innumerable questions: how to act; what economic, fiscal or other tools to use; incentive or coercive measures, etc. It takes scientific experts, likely to devise material solutions, to decide on the efficiency and relevance of such choices, yet also lawyers and economists in collaboration with taxpayers including businesses as field actors. In this context, a comparison with what is being done in other countries is naturally of the essence. Relations with external, whether Belgian or foreign, partners will naturally have to be reinforced.

It is well-known that HEC keeps close, interactive contact with the business world, and this largely accounts for its resourcefulness. The Tax Institute will gladly draw on this experience, both for training and research projects.

The Institute will be headed by Isabelle Richelle and Marc Bourgeois, both professors and PhDs in Law, the former at HEC-School of Management and the latter in the Faculty of Law; they will also be able to rely on the faculties of both institutions. The Institute, moreover, will be assisted by an administrative team, which will be in charge of fundraising (sponsors and subsidies) and of its day-to-day running.

The Institute organised its first event on 28 May. Profs. Richelle and Traversa (Faculty of Law of UCL) jointly organised an afternoon colloquium gathering some thirty of the best Belgian tax lawyers as well as members of Parliament and representatives of the national tax office for an exchange on "What international tax policy for Belgium?". Following a keynote talk by M. Didier Reynders, Minister of Finance, who honoured the event by his presence, participants examined the political stakes and the actors of international taxation, as well

as fundamental technical aspects such as the choice between the exemption and the imposition method as a means of abolishing double international taxation. These issues are to be seen in a particular institutional context, since, in accordance with the Constitution, it is the King who negotiates the preventive conventions as to double taxation while this very Constitution relies on the lawfulness of taxation; or, to put it differently, taxation is a matter of law. What comes out is the little attention given by the Federal Parliament to these choices as to taxation policy along with the likely insufficient attention paid to the case of businesses operating internationally and thus first concerned by the impact of these choices. This colloquium will be followed up by an event to be organized in May 2010 for taxation practitioners.



Marc BOURGEOIS PhD
 Professor of Tax Law and Public
 Finance Law - Faculty of Law - University
 of Liège (ULg) - Director of the Advanced
 Master in Tax Law (ULg) - Of Counsel
 at Firket Brandenburg Crahay
 Pichault & Partners - Member of the
 International Fiscal Association and
 of the European Association of Tax
 Law Professors
 marc.bourgeois@ulg.ac.be

We also hope to attract PhD students by offering them a first-rate research environment, PhD courses and a network of international contacts so as to broaden the scope of their research. We are already considering various research projects, which will allow us to develop or initiate contacts with external institutions.

This is not to forget competition in our field. For several years, and thanks to sponsoring from big businesses, the University of Vienna has been developing an advanced programme in international and European taxation and attracted carefully selected students worldwide. It quite regularly organises international conferences. The KUL, in partnership with the University of Leiden also organizes such an advanced programme.



André KILESE

HEC-ULg graduate
(1977), Chairman
of BDO Belgium,
Vice-President of the
European Federation of
Accountants (FEE)

“ Taxation is getting ever more crucial in ever more critical economical decisions while, on the other hand, in a globalized economy, geographical and cultural boundaries are no longer relevant. The decision to set up a new company or subsidiary is driven by new criteria, such as e.g. political

stability, incentives offered to investors, anti-pollution requirements ... and the fiscal and legal framework applying, not only to the company, but to employees and shareholders.

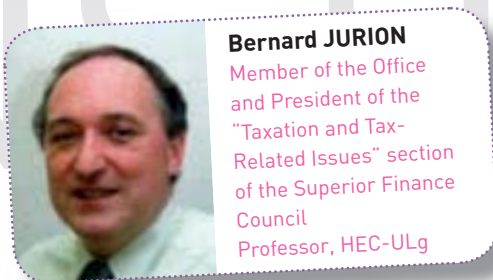
The local tax framework and the need for European harmonization are delicate and crucial elements, not only in European but also international political arenas. More and more observers call for better tax harmonization (tax havens are an amazing example) in order to improve financial regulation and pressure against money laundering, yet few of our political decision-makers agree to adapt local tax rules or facilities.

I strongly welcome the decision of the HEC-ULg Board to highlight tax issues and to offer our future graduates the opportunity to specialize in the subject.

As Chairman of a mid-tier audit firm, I am fully convinced that appropriate training in tax issues gives added value to young talents interested in joining audit firms. As FEE Vice-President, I attend many meetings at the European Commission where we realize the need to harmonize the tax framework of the different member states; lack of harmonization impedes the development of the single market.

Regarding the discussions at European level, I would like to underline the need to promote research and the role of academics to explore new possible developments. I am confident that the new institute will play a significant and influential role in our region. ”

TAX INSTITUTE



“ The Superior Finance Council studies fundamental problems involving the budget, finance or taxation and makes proposals for adaptation and reform, especially on fiscal policy.

The council is composed of two sections and one research committee on ageing.

In particular, the "Taxation and tax-related issues" is competent to provide opinions on all problems concerning taxation and tax-related issues.

The members of the section are appointed by the governments at the various power levels. They are expert economists and tax consultants from the university, administration or professional organisations interested in taxation issues from an academic or professional standpoint.

The list of Opinions drafted over recent years is a good illustration of the wide variety of topics discussed: the possible scenarios for reform of company taxes, the feasibility of possible creation of a "Tobin" tax, tax deductions (tax expenses) for natural persons, the taxation of work and its consequences for employment and competitiveness, fiscal policy and the environment.

Each year, the section also issues an Opinion on the

transfer to local authorities of taxes collected on their behalf by the federal administration.

After around ten years of presence (and presidency) in the section, I'd like to express a few personal impressions.

- evolution of the economic role of taxes. Though long considered by public authorities as the means to finance their activities, there is now an increasing incentive effect designed to influence the behaviour of economic agents in the desired direction. Fiscal spending in the area of taxes from natural persons or even environmental taxation are just a few examples.

- the absence of reliable methods to measure the backlash effect of fiscal policies. In my opinion, we too often minimise the positive effects of a tax cut on economic activity ... and, indirectly on the revenues of public authorities;

- the great awareness of public opinion and thus of the media as well on tax issues. One need only remember the multitude of questions... and criticisms voiced following the presentation of certain opinions.

One closing regret. That of judging fiscal and tax-related policies independently of a thorough examination of the timeliness and efficacy of public spending. ”



Jacques GOMBEER
Head Auditor General
International Income
Tax at the Fiscal Affairs
Administration
Federal Public Service
Finance

“ In this ever-changing world, the announcement of the creation of the University of Liege’s Institute of Taxation is an excellent piece of news. This new structure, interested in all the aspects of taxation and including all tax-related disciplines within its activities, appears to be quite ambitious. So much the better! Taxation should never be confined to technical aspects alone, as it too often is.

Rather, it should be open to the real world, pay attention to the taxpayer and endeavour to examine how taxes could be fairly levied without hampering human and economic activities. It is obvious that the design of a tax system is of crucial importance.

This is especially true in our country, which needs to be attractive not only to foreign investors but also to local investors and workers who could otherwise decide to take one of the four freedoms provided for by the European Treaty and simply walk away. The close connection between taxation and society should be maintained as it results in constant adaptations of the tax system. In this respect, I feel confident that Isabelle Richelle, Marc Bourgeois and their supporting team will make the Institute of Taxation an important voice in the world of taxation. ”

It's not where you started, it's
where you're going that matters.
Just another day at the office
for a high performer.

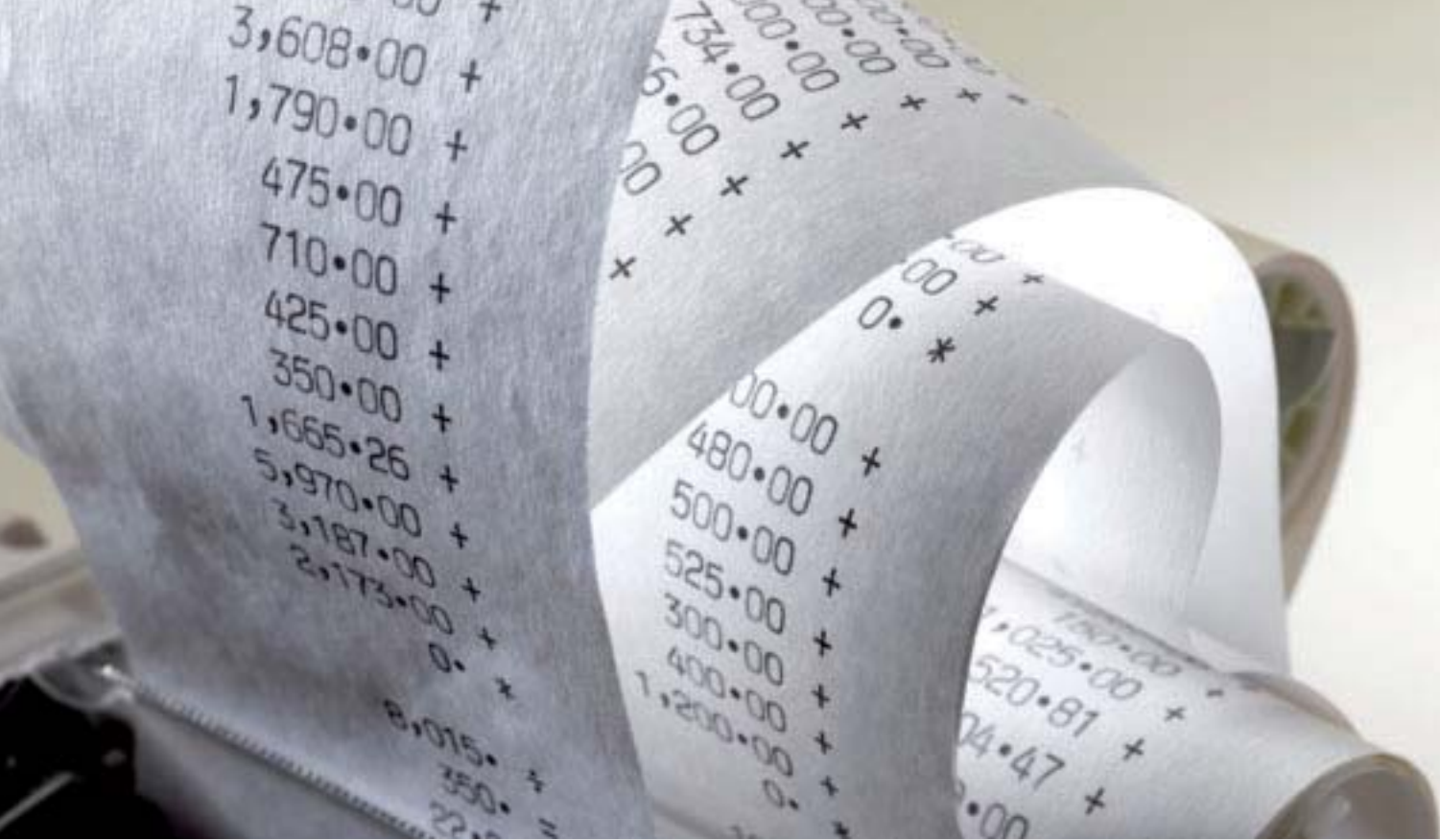
Choose Accenture for a career where the variety of opportunities and challenges allows you to make a difference every day. A place where you can develop your potential and grow professionally, working alongside talented colleagues. The only place where you can learn from our unrivalled experience, while helping our global clients achieve high performance.

If this is your idea of a typical working day, then Accenture is the place to be.

Visit experience.accenture.be

• Consulting • Technology • Outsourcing


accenture
High performance. Delivered.



You are one of more than 15.000 successful Alumni of HEC Management School - University of Liege.

No matter where you are, we're here to keep you connected with our institution and all the Alumni community. It is our goal to inform and involve you both in HEC Management School and its Alumni activities.

Your annual contribution allows us to fulfil this goal !

As a member of our association, you will benefit from discounts on the various activities we organize throughout the year as well as reductions over newspaper subscriptions.

You want to join the HEC-ULg Alumni Association or learn more about its benefits ? Just contact Anne Gillet (Anne.Gillet@ulg.ac.be or +32 4 232 72 13).

Let's stay in touch !

TAX INSTITUTE



Jean-Marc DAMRY
HEC-ULg graduate,
Analysis & control 1987,
Taxation 1988
Author for Trends-Tendances
Assistant Professor at Saint
Mary's Institute (HELMo) -
Administrator of the HELMo

“ Accounting cannot be separated from taxes, just like Devos and Lemmens for mayonnaise!” It’s this touch of wit that I often use to explain why, years ago, I chose to extend my studies at the HEC with a complementary degree in taxation. At that time, though our curriculum included many classes on accounting and related subjects (general accounting, analytical accounting, business accounting, account analysis, internal auditing, external auditing, ...), we only had one class on taxation: that given by the equally fantastic and unforgettable Jean-Pierre Bours. I spoke of this gap with the Director, but I never dreamt that this confession would one day lead to the creation of a complementary diploma in taxation in its own right and... that I would be among the first guinea pigs! Because we were only a select few who signed up initially and as we (the young graduates) were mixed with bachelor’s students and then with “external” students, the classes were extremely interactive and lively, such as the seminars given by Isabelle Richelle, André Killesse and Jean-Pierre Bours in particular. We really went into the subject matter in great detail. All of the professors took great pains at all times to fit their teaching into the real-life context in the professional world.

With hindsight, I think that these complementary classes in taxation were of a great benefit to me. Not only in terms of pure knowledge, but also, not to say especially, on how to deal with problems that come up. At any rate, it was during that year that I truly got used to working with codes of all types in my immediate surroundings, to regularly consulting the Official Journal, to reading great quantities of professional literature as well; in short, to keeping my eyes open at all times to current events in these areas that are stimulating to me both professionally and intellectually.

I personally believe that this curriculum is especially designed for HEC graduates, but not only for them! Over time, I’ve also realised that this programme is also very appreciated by law graduates. I also know that several attorneys – and not only in the field in Liege – have added this specialised diploma in taxation to their own list of skills... ”

HUMAN RESSOURCES



“ HRM and Organizational Change is one of the major challenges for the survival and development of organisations in the 2010s. General managements rightly esteem that their future performance relies on the quality of their human resources management in keeping with their organisation’s strategy. Attract, develop, build loyalty and capitalise on diverse talents and key skills is a well-known priority. Companies are on the look-out for well-trained managers that are prepared to meet this challenge. The professional success of young graduates will increasingly depend on their ability to live with and lead change, to develop their talents and those of their employees, to meet the challenges associated with diversity and translate them into wealth.

Today, the HEC-ULg is internationally renowned as a pole of excellence in the field of human resources management, implementation of change and diversity management with close ties between academic research and teaching. Presentations at international congresses and articles and works published by its research professors ensure the HEC-ULg’s reputation thought out the academic world and professional world alike. The list of classes offered meets current requirements by companies who want graduates with solid theoretical training about organisations, human resources management, implementation of change and diversity management. ”



HRM and Organizational Change

People at the heart of the organisation

Several professors and research centres specialized in human resource management and change management are active in HEC-ULg. These teams are studying the policies and practices implemented to mobilise and develop human resources for greater effectiveness and efficiency of organisations in support of the strategy. All dimensions of HRM are taken into account with centres of expertise in change management, knowledge management, industrial relations, management of technological innovation and new forms of work and organisation, gender and diversity management, expatriate management and intercultural management. Many professors are also specialists in organisation theory.

This expertise is reflected in the offering of diversified courses, research work, continuing education and missions of organisation interventions.

1. The education offering in HRM and organizational change

The courses focus on HRM and organization theory with general lessons as well as specialised courses and seminars on certain issues such as:

- Social relations
- Diversity management
- Management of executives in an international and/or intercultural context
- Role of managers
- Organizational change
- Competency management
- Management of technological innovation
- New forms of organization and network organizations
- HR strategies and their relationship with organizational functioning

HRM AND ORGANIZATIONAL CHANGE

2. The research activity

The research units of this centre are specialised in diverse dimensions of HRM and change management:

- EGID, managed by Pr Annie Cornet, is a centre specialised in diversity management and professional equality policy; it has an interest in corporate social responsibility, including the stakeholders' involvement. EGID also specialises in female entrepreneurship and has an internationally recognised expertise in gender mainstreaming and genderbudgeting (integrated approach to gender equality).
- The Skills Management Cell, managed by Pr Jean-Marie Dujardin, specialises in competency management, in the competency development of managers and in leadership, career management, competency validation as well as in education and continuing management education didactics.
- The LENTIC, managed by pr François Pichault, is a centre specialised in organizational diagnosis, HRM and change management. The LENTIC conducts for over 20 years research and actions focused on the human and social dimensions of change and innovation processes. Its activities cover three main areas: information and communication technologies; evolution of organizations and HRM; transformation of the labour market. In recent years, it has developed expertise in the field of network organizations management and in the monitoring of innovative initiatives in terms of professional transition on the labour market.

These various studies cover both the private, for-profit and non-profit, sector and the public sector.

Many studies are subsidised by the Belgian Science Policy, but also by the national and regional authorities, as well as by Europe (EQUAL, ESF, Framework Programme, Interreg, etc.)



Annie CORNET PhD

Professor, HEC-ULg
Research Unit EGID (Studies
on Gender and Diversity in
Management)
annie.cornet@ulg.ac.be
Web: <http://www.egid.hec-ulg.ac.be/>
Blog: <http://diversitegrh.canalblog.com/>

Other activities are more research-based interventions and action research: they are then financed directly by public or private sponsors. They generally aim to make diagnoses, to identify the different components of an organizational or HRM problem, to propose courses of action, and to accompany the implementation of changes. Such activities provide the academic staff and researchers with a direct link with the daily realities of organizations, both in private and public sectors and ensure that their work is rooted in the business world.



© Marianne Snakers

While remaining open to various theoretical approaches, research conducted at HEC-ULg in the field of organizations and HRM is based on knowledge coming from the observation and analysis of concrete empirical situations:

- Emphasis on the consistency of managerial choices with the internal and external context. In HRM, this approach leads to study the consistency of the different HRM variables and the relationships between HRM policies, forms of work organization, organizational culture and strategic directions. Attention is also paid to the coherence with the external context factors such as laws and regulations, socio-economic context, institutional context, labour market characteristics, national and regional cultures.
- Taking into account the divergence of interest between the diverse stakeholders. The divergence of interest is seen as a basis for the understanding of any organization functioning. The aim is therefore to identify the different actors in a given situation and to study -or even anticipate- their strengths, their alliance abilities and their reactions to HRM policies and change projects affecting them. This implies taking into account and confronting the perceptions of multiple stakeholders inside and outside the organization.
- Attention paid to the process that is to the dynamics of any organizational project (strategies of the actors, diverse temporalities, "translation" between conflicting objectives, resistances but also opportunities, etc.)



Pichault FRANÇOIS PhD
Professor and Research Director, HEC-ULg
Affiliated Professor at ESCP-Europe, Paris
Chairman of LENTIC
F.Pichault@ulg.ac.be
www.lentic.be

HRM AND ORGANIZATIONAL CHANGE



“ The world is undergoing a change, employees-cum-citizens are eager for equal treatment, one that is no longer based on a failure to make distinctions but on acknowledging people with utmost respect for their individuality.

Higher education establishments training the managers of tomorrow must be able to provide them with support in unravelling this constantly changing environment, to help them discover a meaning in their projects as with all the knowledge they build up during their training. Managing diversity is a subject

of crucial importance that cannot be backed away from and does not lend itself to speculation: what is involved, we have to recognise, is a defining long-term change.

In common with the related questions, this theme is progressively being investigated, and a community of researchers from various scientific disciplines (philosophy, psychology, history, law, the economy, management ...) is gradually taking shape with a view to unravelling the developments underway and lending support to organisations and individuals in coping with the changes that have to be made. An intercultural approach to these issues obviously enhances the quality of the outcomes. Action-oriented research or intervention research in organisations is designed to produce transparent knowledge for managers that can be operationally defined.

The Strasbourg School of Management and the CESAG have a team of researchers that are part of this diversity management approach, in partnership with the French Diversity Managers Association, as well as several laboratories and institutions operating on an international scale.

HEC-ULg is a key partner institution in the context of these research programmes: examples are shared teaching activities, symposiums, research seminars and doctorate tutoring. ”

Well-trained minds with a heart and soul rather than encyclopedic robots

“ People often ask me what key criteria I apply when I am called upon to appoint a young university graduate. I always come up with exactly the same answer: I need at least 10 minutes to size the person up, and my main concern is to discover whether those I interview actually have an “existence”.

They obviously do exist but do they exist apart from what is usually regarded as the conventions. Do they exude originality, enthusiasm, centres of interest? Do they have aims in life other than those commendable yet time-honoured goals expressed in terms such as “having a challenging job” and “having responsibilities and a handsome salary”

Are the tonnes of syllabi our students are expected to complete during their time at university designed to produce specialists as soon as they qualify? Obviously not!

A primary school is supposed to teach children the three Rs, a secondary school is expected to stimulate their minds, make them aware of the many issues, interests and options life has in store for them, and a university is designed to “teach them how to learn”.

Our young graduates have to learn quickly that as soon as they enter the world of work they will not know anything at all or not a great deal, and their learning experience will kick in on the first day they start work

and continue for the rest of their working life.

And this is where those genuinely seeking sensations, experiences and achievements will be able to excel themselves so as to attain their objectives, while offering the companies lucky enough to take them on board the opportunity to develop their skills.

In the case of ArcelorMittal, we pinpointed eight key skills we seek and foster amongst our executive staff:



- **Change management:** the ability to adapt to increasingly uncertain circumstances: to develop hypotheses and scenarios
- **Decision making:** the ability to accept responsibilities and take quick decisions while sizing up the risks
- **Result orientation:** the ability to focus on the results to be achieved
- **Strategic thinking:** I would translate this as a “systems approach”: the ability to contend with the links between the various constituents for developing a strategy, including the short, medium and long-term time-dependent dimensions
- **Teamwork:** the ability to put together winning teams and exploit all the rich resources created by the complementary relationship and differences between their members
- **Stakeholder orientation:** the ability to identify all the partners for developing and rolling out a strategy, while factoring in the role and impact of each one of them
- **Effective communication:** the ability to convince, reword, provide feedback and get ideas across clearly
- **Learning and Development:** a person’s willingness to engage in self-examination at regular intervals, continuing to learn and being able to incite the team to do the same.

These skills obviously have to be developed in an environment where diversity is promoted: over 60 nationalities are represented within our group and all these men and women, this intermixing of ethnic groups and cultures, provide a rich endowment that is second to none. ”



Benoît VAN GRIEKEN
Partnerships engineering
manager,
Randstad Belgium
www.randstad.be

From ROI (Return On Invest) to ROV (Return On Values)

“A company (comprising men and women) is influenced by the surrounding world but the company in turn is duty-bound to exert an influence on the surrounding world’. These famous words by Randstad’s founder express the importance of corporate social responsibility. Economic, social and environmental performances do have to be boosted unflaggingly but just as crucial is the need to operate in an ethical and transparent fashion.

Accordingly, diversity has gained prominence in the midst of this rapidly changing world.

Just consider the following examples:

- in an ever-more global perspective, radical changes are being created in terms of human beings, mobility and flexibility
- intercultural relations are a fact of life such that intercultural penetration is higher than 35%-55% in some major European cities
- the ageing population is presenting us with fresh challenges
- conversely, the widespread social exclusion among young people is a cause for concern
- in spite of the higher female rate of participation on all the labour markets, they need to enjoy greater access in all areas.

HRM AND ORGANIZATIONAL CHANGE

Diversity is set to be a major asset of the organisations and companies of the future, whether they be private or public. Diversity is defined as making the best possible use of different levels of skills. Skills take the form of generic skills (attitude), know-how (aptitudes) and knowledge (expertise). The difference originates in the cross-linkages of people and the human treasure of a “diverse” organisation. Making the best possible use implies not only the shared asset but also the complementary relationships between all stakeholders.

Hence we at Randstad believe diversity is a key component of a corporate strategy.

This has been given tangible expression in various ways over the years:

- the acquisition of the SA 8000, the social label and the equality diversity label (for which we are routinely audited)
- the signature of the regional diversity charter
- the creation of the Randstad Diversity division, including myriad partnerships.

And as professor Dolan rightly said, *‘It’s time to change our traditional ROI (Return On Invest) to the ROV (Return On Values)’, including People as the key factor in our Business Results.* ”



From left to right:

Maria-Teresa DEL VAL NÚÑEZ,
Head of International Relations,
University of Alcalá (Spain)

Bernhard SCHIPP, Professor,
Technische Universität Dresden,
Faculty of Business and Economics

Hans J. TÜMMERS, Professor, Managing
Director, Universität Hohenheim -
Hohenheim Management School

HEC 2010 Spirit of the Future

Symposium
“Towards
International
Excellence”
November 12-13,
2009 - Liege



Aline MULLER, Professor at HEC-ULg and Visiting
Professor of Finance, Faculty of Economics, Erasmus
University of Rotterdam, coordinating the workshop
devoted to North-South Academic Relations



Michel FORET, Governor of the Province of Liege, plays host to the partner
university delegates and international speakers in the Provincial Palace



From left to right: **Maurice OLIVIER**, President of HEC-ULg Governance
Board, **Thomas FROELICHER**, Director General of HEC-ULg,
Thomas LEYSEN, FEB President and **Bernard RENTIER**, President of ULg



Daniel FALQUE, President of the Management Board of CBC Bank
and Insurance, hands out the CBC awards to **Anne GOCHÉL**, stu-
dent HEC-ULg (left) and to **Manal EL ABBOUBI**, PhD researcher

**Lecture held at HEC-ULg, January 13, 2010, given by Thomas
Leyesen, FEB President and Umicore Board Director,
first “sponsor” of the 2009-2010 student class**

HEC 2010 Spirit of the Future

A Lecture by **Didier Reynders**,
Philippe Maystadt and **Guy Quaden**
November 30, 2009
Brussels (Cercle Royal Gaulois)

“ Innovation and Finance :
Which capitalism for tomorrow ? ”
- sponsord by Deloitte



The three speakers of the evening: **Didier REYNDERS**, Minister of Finance and Deputy Prime Minister, **Philippe MAYSTADT**, President of the European Investment Bank and **Guy QUADEN**, Governor of Belgium's National Bank

From left to right:
Yves FRANCIS, Partner Deloitte Luxembourg,
Laurent WEERTS, Partner Deloitte Belgium,
Thomas FROELICHER, General Director and Dean of
HEC-ULg and **Raymond KRAWCZYKOWSKI**,
Partner Tax Deloitte Luxembourg



From left to right: **Georges HÜBNER**, Deloitte Professor of Financial Management HEC-ULg, **Didier REYNDERS**, **Luc BERTRAND**, CEO Ackermans & van Haaren Group et **Guy QUADEN**

From left to right: **Michel GENET**, Director of Greenpeace Belgium, **Thierry MERTENS**, Managing Director of Delen and de Schaetzen Bank, **Yves NOEL**, President of NMC and **Fernand DE DONNEA**, Managing Director of CBC Bank and Insurance



Thierry BODSON, General Secretary of FGTB Wallonia, **Jean-Pierre DELWART**, President of UWE and **Rodolphe COLLINET**, CEO Carmeuse

From left to right: **Eddy CAEKELBERGHS**, RTBF journalist and panel moderator, **Léon VIVIER**, Communication Department – BEI, **Melchior WATHELET SR**, State Minister and President of HEC 2010 Advisory Board, **Cédric GRUTMAN**, President of HEC-ULg Alumni

ID_Campus



A contribution of HEC-ULg to mobilize youth and enterprise creativity to imagine new uses for a sustainable society

Where is our world heading? Nobody knows! But everyone tends to agree that it will change dramatically in the near future. The recent systemic financial crisis, the immense challenge that global warming is bringing into the picture and the revolutionary applications that new technologies are providing suggest that the coming changes are not anecdotal. Our world will have to be reinvented! New needs and uses will have to be identified, new products and services invented and, most likely, new business models built up.



THE INGREDIENTS TO COPE WITH THESE PARADIGMATIC CHANGES INCLUDE:

- Brains with high creativity, able to think out of the box and imagine, apparently, most crazy things.
- Engines with high entrepreneurial drives that are dedicated to making things happen. The core of these drives is our youth, a generation that HEC-ULg will train and teach over the coming decades. These people will indeed be a key agent for change.

It is with that ambition in sight that HEC-ULg plans to build up an open platform involving the coming generation of entrepreneurs to invent new concepts, products, services, uses and business models in close collaboration with companies and research laboratories.

This platform will associate profiles of students coming from different horizons and disciplines. These students will be trained, coached and involved in real life projects and challenges to help private companies and public actors inventing our future, whether in business, social or art. This requires the use of methods that spur creativity



Bernard SURLEMONT
PhD INSEAD
Professor of entrepreneurial skills HEC-ULg
Leader of the HEC-ULg entrepreneur programme
b.surlemont@ulg.ac.be

and induce participants to invent new concepts that are beyond the current frontiers of our business reality but inside the moving reality that new technologies are extending every day.

These students will work closely with companies, researchers and coaches in order to challenge why things that do not yet exist, could become reality in the near future. In practice, we plan to articulate such ambitious projects with four main drivers:

1

To create new teaching and learning initiatives for students (new courses, programmes, missions, master or doctoral theses, in company projects, ...) always in an interdisciplinary approach involving profiles as diverse as business students, engineers, designers, artists, sociologists,.... This obviously requires a close collaboration not only with our colleagues from other faculties but also with outside institutions.

3

A close collaboration with companies and existing actors involved in the sphere of creativity and new business identification (for example: Wallonie Design, Cide-Socran, ASE, AST, SPI+,...).

2

The acquisition and the development of innovative and accurate methods, databases and tools to favour creativity and generation of ideas.

4

To develop partnerships with initiatives in the world that pursue the same kind of objectives such as, for instance, Aalto University in Helsinki, London Design, IDEA in Denmark, ID_Lab in Grenoble or Mosaic in HEC-Montreal.

IN ORDER TO IMPLEMENT THAT INNOVATIVE PROJECT, WE PLAN TO WORK STEP BY STEP

- 2010 will be devoted to a large and deep feasibility study that should validate, among other things, the motivation and interest of each prospective partner and the practical aspects of the project that involves the participation of students.
- We plan to build up an ID_Campus chair to finance research, international expertise, methodology development, events and conferences and an entrepreneur in residence to manage the whole project.
- To solicit public and private support in order to seed finance the project.
- Our objective is to officially launch the platform in the second semester of 2010, the precise timeframe during which Belgium will be in charge of the EU presidency. 2010 being the official year in EU for... innovation!

ID_Campus is, in our view, the perfect upstream complement (idea generation) of the initiatives taken by HEC-ULg to spur entrepreneurship (idea implementation), namely the now well-established HEC-ULg entrepreneurs programme and the coming programme dedicated to training future intrapreneurs within larger companies.

NEEDLESS TO SAY, SUCH AN INNOVATIVE PROGRAMME WILL HAVE TO BE ADAPTED AS WE IMPLEMENT IT. WE MUST BE FLEXIBLE. THE VISION THAT IS DESCRIBED HERE ABOVE WILL HAVE TO BE FINE-TUNED WITH THE FEEDBACK FROM THE ENVIRONMENT. IF ANYTHING IT DEMONSTRATES :

- The commitment of HEC-ULg to address the crucial challenges that our society is currently facing;
- Its commitment to be an entrepreneurial actor that takes a key role in shaping our future;
- Its strong conviction in the value of our youth and its potential as change agent to reinvent our world;
- The strong belief that creativity and innovation are key driving forces to fuel our regional economic recovery.

This ambitious project is definitely not a one-(wo)man show project. It must involve all actors within the school and its partners. It requires the full commitment and support of the school leaders. It calls for a mindset in line with an open environment practising cooperation and partnership.

INNOVATION



BNP Paribas Fortis, partenaire de vos projets

Un groupe solide

Nous faisons aujourd'hui partie d'un grand groupe européen et commercialisons en Belgique un éventail complet de services financiers auprès **des particuliers, indépendants, titulaires de professions libérales, petites et moyennes entreprises.**

Nous proposons également des solutions personnalisées **aux particuliers fortunés, aux grandes entreprises et aux institutions publiques et financières**, en nous appuyant sur le réseau international de BNP Paribas.

Un partenaire proche de vous

Notre appartenance à un groupe d'envergure mondiale se conjugue à un fort ancrage local et à une connaissance approfondie des marchés et des secteurs belges. Nous possédons par ailleurs le plus vaste réseau d'agences et de conseillers en Belgique. Ceci nous permet de nous positionner comme l'interlocuteur privilégié des entreprises et des investisseurs et de contribuer au **développement économique de votre région.**

Une équipe spécialisée

BNP Paribas Fortis encourage l'esprit d'entreprise. Votre conseiller, aidé par des équipes professionnelles et expérimentées dans tous les domaines, veille à vous offrir des services réellement **sur mesure.**



Bernard Jouan
Directeur Retail et Private Banking
Zone de Liège

Pour plus d'informations, n'hésitez pas à prendre contact avec un conseiller de votre région.

NOS AGENCES

Surfez sur www.fortisbanking.be pour connaître l'agence la plus proche de chez vous ou appelez le 0800/12345 pour un rendez-vous.

RETAIL & PRIVATE BANKING LIÈGE

Bernard Jouan
Place Xavier Neujean, 8
B-4000 Liège
Tél. : +32(0)4/220 49 02
GSM : 0496/19 09 35
bernard.jouan@fortis.com

À la recherche d'un stage ou d'un emploi ? Envoyez-nous votre C.V. et votre demande.

Surfez sur www.fortisbanking.be pour connaître la procédure de sélection complète et consulter nos offres d'emploi.



**BNP PARIBAS
FORTIS**

CBC Banque Privée, un service très exclusif



Banque
Privée

www.cbc.be/banqueprivée

BRUXELLES • GENVAL • LIÈGE • CHARLEROI • NAMUR • MONS • TOURNAI