

Cover story

How to become distinctive in the global marketplace

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PwC Australia sponsors guide dog

The Australian firm is sponsoring its first ever guide dog. The dog — a black Labrador — is named after 1896 Olympic champion and former Price Waterhouse partner, Edwin Flack, who we wrote about in the June 2004 issue of Link*.

Puppy Flack was born in May this year, along with his four brothers and two sisters. The pups are a welcome boost to PwC charity partner Guide Dogs Queensland's

family of dogs in training. Guide Dogs Queensland invests \$25,000 to train each puppy to become the eyes of a blind or vision impaired person. There are currently nine people on the waiting list for a guide dog in Queensland.

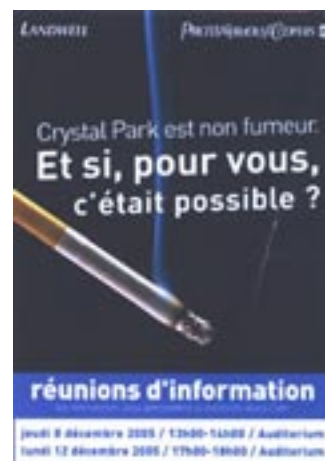
To follow Flack's progress in becoming a fully fledged guide dog and to see photos of him as a puppy and taking his first steps, [CLICK HERE](#).

PwC France helps its people to stop smoking

PwC France's Paris office is helping its people to give up smoking by offering seminars run by stop-smoking organisation Allen Carr. Its Easyway method focuses on taking away the desire to smoke by showing that the perceived benefits are in fact illusions.

More than 80 PwC France employees have already completed the programme, 55% of whom have successfully quit. Says participant Isabelle Meunier: "I was impressed by the rationality of the method, which is one of the best in my opinion. For it to work, I need to regularly repeat some of the messages, which is why I attended a second session. I think it's easier to stop smoking in a work environment because there is a sense

of solidarity among the participants who you bump into on a daily basis." Following the success of the initiative, PwC Luxembourg has launched a similar programme with the same provider. And there are also plans to introduce the programme in offices across France. For more information, contact Philippe Hardy or visit <http://www.theeasywaytostopsmoking.com>.



Ground-breaking report on sustainable investment



Financing conservation projects with capital from institutional investors is going to gain importance in the coming years. And the market for ethical – particularly ecologically

sustainable – investments is growing, despite the increasing difficulty in identifying suitable projects.

These are two conclusions of a special study conducted by PwC Germany on behalf of the World Wide Fund for Nature (WWF), Germany. The ground-breaking study was presented to the public at a joint PwC Germany/WWF event in Berlin in June – with the project's patron

being former German Chancellor Dr. Helmut Kohl.

PwC Germany's study puts forward the concept of a "Sustainability Investment Holding"; the idea being that environmental organisations – such as WWF – act as initiators of a holding that bundles economically profitable conservation projects and collects the necessary capital to implement them. Operational

affiliates actually carry out the projects, while the environmental organisation controls the holdings and ensures the affiliates comply with ecological principles.

For more information, contact Kristina Jahn (Kristina Jahn/DE/EXEC/PwC@EMEA-DE@INTL) or call her on +49 30 2636 1382.

Fast lane



Eduardo Quiroga, left, and Javier Iriarte, right

PwC Bolivia climbs to the top

On August 19, directors Eduardo Quiroga and Javier Iriarte from PwC Bolivia succeeded in climbing one of the highest mountains in Bolivia — and planted a PwC flag on the top. Called “Huayna Potosí,” the mountain is 6088 metres high (19,974 feet) and is located not far from Bolivia’s capital, La Paz.

Eduardo and Javier decided to climb the mountain because they thought it would be an interesting challenge. “It definitely was!” they commented. “We had a previous experience climbing the ‘Illimani,’ the most famous mountain in Bolivia, when we discovered how truly satisfying it is to be near the top of such an amazing natural marvel. From there, you can see the whole route that you have to climb to reach the top and the beautiful

landscape from a completely new perspective – so we decided to try again and climb another mountain.

“Climbing ‘Huayna Potosí’ was a fantastic experience, despite all the physical and mental pain we had to suffer en route. When you are climbing at night, you really don’t know exactly where you are, but when the sun rises you see the wonderful landscape you have travelled through. Our first impression was to feel so insignificant in the middle of such a natural wonder. We enjoyed it so much that we will repeat the experience next year and we will try to reach 6500 metres (21,326 feet) and plant another PwC flag there. If you have the chance to do it, don’t miss it because it’s something that you won’t ever forget!”

Exploring Africa



The integration of PwC firms in Africa has prompted development of a common pwc.com/Africa web site enabling users to find information about PwC firms’ presence on the continent, easily navigate to territory-specific sites for contact information, and explore the Africa network on an interactive map [HERE](#).

With 57 offices in 29 African countries, PwC has the largest “footprint” of all the professional services firms on the African continent. For more information, contact: Vandi Hill/KE/M&C/PwC.

Update on developments in Japan

Japan’s Financial Services Agency, which has regulatory oversight of the accounting profession, announced sanctions in May against ChuoAoyama PricewaterhouseCoopers for its failure to detect the management-orchestrated fraud at a domestic audit client, Kanebo. Since then, ChuoAoyama has been working intensively on its reform programme, while the PwC global network has helped set up a new firm in the country. Here’s the latest from Japan.

- **ChuoAoyama** changed its name to **Misuzu Audit Corporation** on 1 September. The purpose of the name change is to signify a new beginning. The firm, which was prohibited from performing audit work under Japanese law for a two-month period that began 1 July 2006, utilised the sanction period to enhance its training programme for partners and staff.
- **PricewaterhouseCoopers Aarata** — a new and separate firm established in July which has been admitted to the PwC global network — announced its leadership team on 1 September. The team includes Hideo Takaura, Chief Executive Officer, Akira Yamate, Chief Operating Officer, Koji Hatsukawa, Chief Quality

Officer and Katsunoir Sasayama, Chief Financial Officer. The firm has also created a Partner Review Board to oversee management and to provide policy guidance.

PricewaterhouseCoopers Aarata — which means “new and fresh” in Japanese — employs over 900 people, including 94 partners, and has established offices in Tokyo, Nagoya and Osaka. Aarata’s mission is to provide an unrivalled level of service and to contribute to the healthy growth of the economy in Japan through the execution of vigorous, fair and high quality auditing. In order to fulfill its mission, the firm is committed to integrity, intelligence and innovation as its core operating principles.

Says Sam DiPiazza: “We face a number of significant challenges in Japan but I am confident that the strategy that we have developed, supporting the establishment of PricewaterhouseCoopers Aarata and continuing to work with Misuzu on its reform programme, will be the best way of improving audit quality and serving all of our clients both internationally and in Japan.”



Adrian Perillo

Producing a movie is not the most common reason for taking time out of work, but Advisory manager Adrian Perillo did just that. He is one of the

eQuilibrium programme helps achieve goals

many to benefit from PwC Australia's eQuilibrium programme. Launched in 2004, eQuilibrium consists of a range of policies and procedures aimed at helping people achieve their personal, as well as their career goals. Last year, over 1,000 people accessed eQuilibrium's flexible working options, including working part-time and "purchasing" additional annual leave.

Says Adrian: "I took some

time out to pursue my passion. The support from the partners was fantastic. I was able to work casually for nine months and now I'm back full-time."

A large focus of the programme is on family care. eQuilibrium offers employees support ranging from a 24-hour a day free helpline for advice on family care issues to special career rooms in offices around the country where parents can tend to

the needs of their children while visiting the office. Fun family events are also regularly organised throughout Australia to encourage interaction between the Australian firm, its employees and their families. Activities include horse riding, playing baseball, creating works of art and face painting.

For more information, [CLICK HERE](#) and click on People > eQuilibrium.

PwC Malaysia's Chew Shee Ghee sets standard

Setting world-class academic records has become something of a habit for PwC Malaysia's Chew Shee Ghee. The 26-year-old took first place out of the 1,135 who passed the most recent International Chartered Accountants of England and Wales (ICAEW) Professional Stage Taxation paper. This follows the first place Shee Ghee took in the previous year's Audit and Assurance paper.

The modest assurance senior associate is a graduate of the London School of Economics, where she achieved a first-class honours degree in Accounting and Finance, and Cambridge University, where she gained her Masters in Philosophy in Management Studies.

"I really enjoy meeting the challenges posed by my academic studies," says Shee Ghee, who is based in Kuala Lumpur. "But the real professional satisfaction comes from the increasing part I can play in working with my PwC colleagues to bring business solutions to our clients."



Chew Shee Ghee with her diploma in front of the London skyline

The 2006 SOACAT Partners meeting

The 2006 SOACAT Partners meeting – held in Chile in May of this year – attracted some 380 participants from across the region. The theme of the



Luis Frisoni

meeting was Relationships, at all levels — with clients, with the market, within our network, across the globe and with each other.

Participants included Sam DiPiazza, who provided a global overview of the network, and a number of other members of the Global Leadership Team. Three external speakers were invited to share their views about relationships, including

renowned US author and speaker Richard Whiteley ("It's about showing the client that you care") and retired UK partner Robert Sandry ("It's about two years and one mouth – how to really listen to your clients"). The meeting was wrapped up with a panel discussion led by senior partners and with contributions from Sam DiPiazza and Kieran Poynter, senior partner of

the UK firm.

Says Luis Frisoni, SOACAT Senior Partner: "Relationships are at the core of everything that we do. We are very pleased with the results of this meeting, in which we shared best practices on how to better develop and maintain quality relationships that benefit our clients, our network and our organisation."

Sam DiPiazza Global CEO

Excerpts from the keynote address at Summit*06 Athens Senior Partners meeting

I really want to talk to you about our successes, what we've accomplished together over a number of years. More importantly — I want to talk to you about our future, our challenges, and our ambitions — we have to be both dominant and distinctive.

Understanding how our brand can make us distinctive

Our brand is the sum of experiences. It's not a tagline — Connected Thinking is not our brand. Our brand is the way people view us. It's how they associate us, our behaviour, our culture, the experience we give them. For our clients, it's how they interact with us that defines our brand. It's really all about experience.

We have just conducted a project ... nearly 4,000 interviews led by brand research, to help us understand what the perspectives were. The headlines tell us some good things, and they tell us some things that aren't so good. What's the current brand status? We're well known. We're a respected name — distanced from our nearest competitor.

In Channel 1, in our Audit space, we're always on the top of the list as an alternative. In Channel 2, people aren't exactly sure that we play in the game. Peoples' experience with us? This may be a generalisation: outstanding technically — not always easy to work with, not the least bit warm in a lot of cases. Our expertise: we are leaders technically — but in many of our territories we're an audit firm, and we do a few other things. We're not viewed as distinctive in most of our markets — we're in a pack. That's not the way we're going to need to be five, ten years from now.

How do we build an experience that's based in quality, based in integrity, based in service, that defines us consistently around the world? How do we “engage and inspire” — Tony Harrington's great words from Australia — our clients the same way we do our people? How do we get the basics right? And one of the most important basics is quality. How do we get our quality right?

Quality, sustainable growth, and our people

We have to measure our long-term sustainability against how we're performing on our key strategies. We've made, in my view, very good progress as we've focused consistently on the issues of quality, sustainable growth, and our people. Let's talk about each one for a minute.

Quality. We've moved our focus in a very hard way toward improving our methodologies. Setting standards at a higher level. Understanding what it means to operate in a very difficult regulated environment.

Leadership is not about size. Leadership is about quality. Leadership is about being the best. But I believe deeply that in most industry sectors, the leader is the best. But in most sectors, the leader is also the largest, because the market recognises in the chosen sectors that they play, that they are the dominant player.

Sustainable growth. We've grown our revenue consistently above the levels of our competitors', and maybe more importantly, consistently above the economies in which we operate. These great results are not isolated in a handful of territories. It's almost across the board in our network, and particularly impressive in the emerging markets that will define our future five, ten years from now.

It's hard to operate across so many borders — but if we're going to be distinctive as an organisation — local firms, local partnerships, global organisation — we're going to do it on the backs of a global network. We're seeing significant progress across both of our channels. Momentum in Tax and Advisory at very significant levels. There is alignment of our businesses across the network, and it's beginning to create a distinction for us in the very early days.

I do believe Channel 2 is critical to us, because it rebalances our portfolio. It puts us in the position to win across all the commercial markets where clearly we lead in both scale and in brand. Today we audit 32 percent of the global *Fortune 500*. More importantly, we are the number one in audit share in 11 of our top 14 marketplaces. We're in the lead position in each of the BRIC countries — Brazil, Russia, India and China. We have dominant positions in China and Brazil, and we're moving that direction in Central and Eastern Europe. Dominant in Australia. Dominant in the UK. We have clearly positioned ourselves with a sustainable Channel 2 business.



“How do we build an experience that’s based in quality, based in integrity, based in service—that defines us consistently around the world? How do we engage and inspire...our clients the same way we do our people? How do we get the basics right? And one of the most important basics is *quality*—how do we get our quality right?”
—Sam DiPiazza

► [Watch the video \(07:52\)](#)

► [Audio only](#)

Our people and how they make us distinctive

We’re going to talk about what it truly means to be distinctive in a diverse world of people. We have to do that for 130,000 people around the world, and you’re the link to every one of those people. I think success relies on our ability to create an opportunity for development of our people to their highest potential in every place around the world. That’s the job we have. We have to connect with them. We have to coach them. We have to mentor them. That’s what we have to be with our people.

We’re making progress, and we’ve received recognition for being a “Great Place to Work” in Canada, the US, Portugal, Russia, the UK, Switzerland and China. External organisations rate PwC firms as being one of the best places in the world to work. It’s reflected in our market for talent as we go out and recruit people. Our firms are recognised as the leading employer: ranked number one or two in markets like the US, the UK, and Switzerland.

This is a race. It’s a race that we’re into now, and it’s a race to win. It’s a long race. It’s not a sprint, it’s a marathon. It’s not only a test of speed, but of endurance. We’re on a long journey.

Defining what PwC stands for Paul Boorman

In the goal of defining the global PwC brand, one undeniable fact needs to be emphasised. “Our greatest, and only, asset remains our people and their knowledge,” states Paul Boorman, the network’s Global Managing Partner for Markets and Operations, based at the UK firm’s London headquarters. “Connecting people and knowledge is *what* we do for our clients. However, the way we service clients, *how* we do what we do, is what will define the PwC brand and make us distinctive in the marketplace.”

The term “brand,” so popular in consumer-product marketing, conjures up images of advertising, promotions, and related collateral materials. “The point here, though, is that the brand is a living thing, the sum of the perceptions of what everybody else thinks of what we are or what we do,” says Paul, who, until his appointment last December, served as the Global Tax Leader and before that as the UK Managing Partner. The philosophy behind Connected Thinking, he adds, has been a major step toward the current branding efforts to create a consistent, global culture around client service. “That’s really the transformational shift. It’s that final push. And we’re well on the way. We’re not debating the philosophy of the PwC brand, we’re just arguing about the reality.”

To help identify the core of the brand and what the PwC network stands for, Paul refers to four critically important elements and how they need to be addressed in the future:

- 1) *Identity* – how we present ourselves. We need to be much more consistent in our look and feel.
- 2) *Capabilities* – what we are good at. Our future distinctiveness here lies in our ability to link our technical excellence with our clients’ priorities and emphasise those issues.
- 3) *Culture* – how we behave. We now need to build on this strength and decide how we can be truly distinctive and “instinctively collective.”
- 4) *Experience* – what it’s like for our clients to work with us. This is where everything comes together. Our client experience approach drives consistency and quality, the way it feels for clients drives distinctiveness.

The recent Leadership Summit in Athens, attended by the Territory Senior Partners, was key towards globally



“If we adopt consistent attitudes, culture, and methodology right from the top clients in the PwC 300, these will flow all the way through to a more regional and territory focus. That’s the way we connect.”
—Paul Boorman

connecting and aligning the network’s people and services. “If we adopt consistent attitudes, culture, and methodology right from the top clients in the PwC 300,” Paul says, “these will flow all the way through to a more regional and territory focus. That’s the way we connect.”

The major challenge over the next few years, Paul says, comes back to people. “We have to put the right people in the right places early enough, and have them connected and aligned in accordance with all the programmes we’ve developed. The rest will follow. We have to act as one to get this done.”

How others see us Ian Duncan

Last year, the PwC network of firms commissioned an independent research company to conduct a blind survey to measure marketplace perceptions of professional service providers. Nearly 4,000 clients and prospective clients in 17 territories offered their opinions on a wide range of topics relating to their relationships with the Big Four and other competing service providers.

While the results are being used to assist in the network's current efforts to distinguish its brand, the bottom line is, there is a lot that PwC people can be happy about, according to Ian Duncan, the network's Director of Global Brand Strategy and Integration. "The PwC network of firms has good credentials around trust, quality, and building long-term relationships," reports Ian, who oversaw the survey. "The research gave us a much clearer picture about what the market wants, what matters to clients and prospects, how we're perceived among the competition, and where the opportunities are to be distinctive going forward."

The survey measured various aspects of what the market wants from its relationships with professional services providers, such as helping them become more successful in their jobs, helping them manage risk, and anticipate change. It looked at how clients want to experience working with firms in areas like implementing solutions, tailoring solutions to their needs, reacting quickly to their requests, listening to their point of view, and being flexible and adaptable. It also gauged the credentials and quality of the network, considering such attributes as integrity, independence and objectivity, delivering quality work, leadership characteristics, and added value.

"What all this tells us, in a nutshell," Ian says, "is that when you look across the Big Four, they all do a better job of meeting the basic expectations — trust, quality, and having a network. Where they do not perform as well is in helping the client, and delivering beyond expectations. The flip side of that is the opportunity for the firm that can deliver against those and become distinctive."

Specifically for the PwC network of firms, the survey provides a guide to prioritising areas to focus on in becoming that distinctive firm and building sustainable



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—Ian Duncan

relationships with clients. Think of the survey as a PwC scorecard, Ian suggests. "On the positive side, across the 17 territories, we are the leading brand in terms of brand equity, and we seem to be better in deepening relationships." What requires work, he adds, is demonstrating to clients how they can benefit from the services provided to them. "We have to change the market's perception of our relevance to its needs."

Armed with the valuable research findings, Ian's group is now working with global leaders to identify the longer-term opportunities to leverage the PwC brand. "We must become more aligned with what's most important to the marketplace," he says. "The competitors aren't there either, so the opportunity remains for us to become the first to be the most client-centric."

Creating a distinctive audit

Rob Ward

It's no secret that the auditing profession in which the PwC global network of firms operates has experienced profound changes during the past five years. Auditing and accounting standards are now set by regulators, and the once-limited number of stakeholders has grown as their approaches have converged. This new reality, however, has also created an unprecedented opportunity.

"The challenge for us now in this new environment, as we chart our future strategic direction, is to make our audit offering distinctive," says Rob Ward, the network's Global Managing Partner for Assurance, based in New York City. "We have to address the interests of all the stakeholders. For example, if we spend all our time just meeting the needs of the regulators, we will not succeed."

In discussing this vital topic, Rob points to two major requirements: building trust amongst clients and the public, and the need to enhance value for clients. "The two," he emphasises, "are not mutually exclusive. To be distinctive, we have to bring all of the PwC network to all of our clients all of the time."

In building trust, Rob explains, the audit service should always be technically reliable and consistent, should build an environment of consultation and teamwork, and should be led by the partners. "But from the clients' perspective," he adds, "we must ensure that our service is right the first time every time, is insightful, is timely, and is highly valued. We can — and must — add value in today's regulated market."

Rob admits that perhaps there has been an inordinate focus, even a distraction, in recent years on meeting regulatory responsibility, which has sometimes shifted the balance away from clients' needs. "Returning to that balance is where we need to be heading," he states.

The ingredients necessary to meet that challenge are greater than ever, Rob contends, in terms of the enormous depth of knowledge and skills at the core of PwC culture. Yet as other professional services firms also focus on fulfilling regulations, the opportunity to create a differentiation in the marketplace is here and now. "The firm that gets this right will get a jump on the competition," he says.



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At the same time, clients are going through a related transition, modifying the way they develop relationships with their auditors. "If you go back a few years, clients just dealt with one firm, and the dialogue was relatively immature," Rob says. "That's just not true anymore. Now the relationship between companies and their auditors is maturing. I think the pendulum is swinging back from their perspective, as well."

During the recent Leadership Summit in Athens, the Territory Senior Partners were nearly unanimous in voicing their opinion that, at the moment, the PwC network has become difficult for clients to deal with. They also agreed, though, that the best way to turn that around is to build a distinctive audit practice. To achieve that crucial goal, Rob and his core team — including Assurance partners from major territories and input from the Leadership Team and Board — have begun to develop the Future of Assurance workstream, which is a central component of the entire PwC network's Agenda of the Future.

In the coming months, initiatives will address a number of strategic priority areas, such as: improving audit quality; redefining and expanding the client value proposition; leading in attractive markets; reducing cost of delivery; and having the best people.

Now is the time to seize the opportunity to distinguish the PwC network, Rob says, and that there's a true sense of excitement in that prospect. "We have a good story to tell and pride in our track record," he states. "But we also know that those who don't change don't survive. So we're going to take this opportunity, in a very focused, determined, and enthusiastic way, to be the distinctive firm."

Driving change in Tax and Advisory Gene Donnelly

When Gene Donnelly assumed his new role as Global Managing Partner for Tax and Advisory last December, he knew that he faced a major challenge. A Partner for 17 years and most recently the Vice Chairman of the US firm, based in New York City, Gene was assuming his first role in the Tax practice. “I’m not trying to become a tax technician,” he admits. “I’m trying to understand the strengths and weaknesses of our Tax and Advisory businesses and what the collective leadership believes would help make them distinctive.”

Gene, and the PwC network, have taken steps towards that goal following the recent Athens Leadership Summit. There, he discussed with TSPs the key aspirations necessary to foster change and build alignment across the different territories. Those aspirations, based on experience and the views of clients, include: the need to achieve a greater focus on client issues; consistency in the methodology, look, and feel of services; the need to be world-class; and the need to be relationship-driven, not product-driven.

“We left Athens with broad support for our aspirations,” Gene says. “What we’re all about now is translating that into action. Recognising that each of these businesses is in different stages of evolution in different territories, we’re encouraging partners to identify specific actions to begin to make those aspirations a reality in their territories.”

That drive for alignment and change, Gene says, is essential in the general strategy of expanding an organisation. “And in the Tax and Advisory businesses generally, we’re under-penetrated in our key geographies, so there’s tremendous room to grow in the foreseeable future.”

This is about transformational change, Gene believes. There is a competitive need to transform the Tax and Advisory outstanding technicians to become more experienced in relationship-building and ownership. The way to achieve that, he says, “is to focus on a handful of business issues that are top-of-mind among our clients. We need to help our partners in Advisory and Tax become comfortable in having conversations with the clients about those issues.

“What will make us distinctive in the marketplace is



“What will make us distinctive in the marketplace is leveraging those strong functional and technical skills that we have today, by positioning them around the issues that are keeping our clients awake at night...”
—Gene Donnelly

leveraging those strong functional and technical skills that we have today, by positioning them around the issues that are keeping our clients awake at night and helping them personally and organisationally deal with them successfully.”

This transformation goes back to Responsible Leadership, Gene claims. “Responsible Leadership is the common thread that can apply to all that we do in Tax and Advisory. We have a responsibility to make a client’s business better than when we found it, in both the short term and the long term.”

Since Athens, Gene and his core leadership team around the world have been talking more than ever, agreeing on steps to take toward transforming Tax and Advisory and aligning priorities. In fact, he recently launched an internal blog. “Blogs can be a very effective tool to help share with partners and staff our strategies and actions, and to invite their comment and debate,” Gene says. “If this is transformational change, to get there we have to have broad and deep alignment and people have to feel accountable for making it happen.”

An outside perspective Charles Wright, Wolff Olins

Branding can mean different things to different groups. So the challenge is for PwC to seek to define its global network of firms as a distinct brand in the minds of its various stakeholders, including clients, prospects, regulators, employees, recruits, investors, and the public at large. To lend an expert hand, a team at Wolff Olins, a London-based consultancy that specialises in branding, has been retained.

“One of the helpful things we’ve been doing is to clarify what we mean by branding,” says Charles Wright, who heads up the Wolff Olins team. “What we’ve hit on is that the brand is what people think the PwC network of firms stands for.” Those people are the different stakeholders, and the brand has to work differently for each group. “With clients, for instance, we want to persuade them to remain loyal. For prospects, we want to persuade them to consider the PwC network if they need some advice or help.”

However, Charles warns, there’s danger in simply telling any one of these stakeholders how many offices and employees the organisation has around the world or about how good it is at providing a range of professional services. “It’s very hard to come up with a succinct description of how the PwC network of firms adds value, because we say that it exists to build trust and enhance value,” Charles says. “One of the questions we try to answer is: what does enhance value mean? And how does the organisation enhance value, and for whom?”

Answering those important questions was part of the reason for commissioning the brand survey last year to find out what clients and prospects around the world think of the PwC network of firms compared to other professional services firms (refer to “How others see us,” on page 9). “The research suggests that the general reputation of the organisation has a certain importance,” says Charles, who is using the survey’s results in his branding efforts, “but deciding whether to choose the firm or not comes down to what it’s like to deal with the partners and the team behind them.” Those relationships are a much more powerful way of projecting the organisation’s image than any marketing campaign.

Branding programmes being developed by Wolff Olins, aimed at making the PwC network of firms distinctive in



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the marketplace, revolve around a model that combines four interconnected aspects: identity, experience, culture, and capabilities. “The point is that how the organisation presents itself — its identity — must be in synch with the experience of working with its people,” Charles explains. “That client experience must be reinforced by the culture of the organisation, and all of that must be supported by people’s capabilities.”

Charles believes that the PwC network of firms will become distinctive in the long term “by being consistent in the way it looks and talks,” he says. “But the key is to be more relevant. The way you’re more relevant is by having things to say that are interesting in regard to the client’s specific needs, rather than just looking good. It’s oriented to action, not just words.”



PwC World Cup 2006
Connecting on the pitch





PwC World Cup 2006

This just in: the Dutch have defeated the English in the World Cup final match.

No, this is not a cruel football joke, nor a time-twisting trick on reality meant to confuse any fans from either Italy or France. Actually, we're not even talking about *that* World Cup — the one that so dramatically concluded with the Italians prevailing over the French. Sorry for any confusion, distress, anger, joy, or other emotion.

This is, in fact, the result of the second-ever PwC World Cup — and the event was quite real, not only for the Dutch men's squad that defeated the one from Manchester, 3-1, on penalty kicks, but for all those involved from around PwC's global network of firms. "Everything went incredibly well," says Scott Fawcett, the primary organiser of the 21-team football (a.k.a. soccer in Canada and the US) tournament, which was held in Canada's west coast city of Vancouver, British Columbia, August 19 and 20.

Scott, a Manager in Audit and Assurance, was nearly halfway through a two-year secondment in Vancouver, from the UK firm's office in Leeds, when the notion of championing the matches came to him last September. "I had found out about the first PwC World Cup, which had also been held in Vancouver, in 1999," he recalls. An amateur footballer and keen fan back home, Scott learned that John Webster, the British Columbia Region Practice Leader, harbours similar passions. "I just needed his approval, but I had a good feeling he'd be behind it," Scott confesses.

It also didn't hurt that Global CEO Sam DiPiazza lent his interest and support to the event via an e-mail mention to partners worldwide early this year. By March, 16 men's and five women's teams had signed up (see full list and results on page 18) and playing fields and accommodation were being reserved at the University of British Columbia in Vancouver (which, in the spirit of full disclosure, is a client of PwC Canada's Vancouver office).

Beyond the competition itself, "I envisioned this as a global networking event," Scott says. "With interest in this year's actual FIFA World Cup, it seemed like a great opportunity to get PwC people with similar interests from all around the world in one place." It might serve as an excellent recruiting and promotional tool for participating offices, as well, he figured. As for his personal goals, says Scott, "I will never play in the real World Cup, so this is as good as it gets."



And it got real good. Counting more than 320 spirited footballers, along with spouses and various friends and family, more than 450 people enjoyed a weekend mixture of rousing matches, beautiful Pacific Northwest weather, fine food and drink, and mostly each other's company. "The games were more competitive than I expected," says Scott, who two days later was still nursing a nasty sunburn earned from 48 hours of running around — including six games as a member of the Vancouver team—without sunscreen. "A personal highlight was beating Toronto in the semifinal," he adds, feeling no pain.

Despite the hard charging on the pitches, camaraderie ruled the two days of matches and evening festivities. "There were handshakes all around after each game, and all the teams were mixing together at night," Scott reports. "There was lots of networking going on among the different offices, too."

For example, the Northern England team comprised members from five different offices, many who didn't know each other beforehand. Same with the winning Dutch team, which recruited players from several of its offices in the Netherlands. Plus, teams ranged from partners to staff and represented all lines of service.

PwC Brazil, for instance, fielded a squad including eight partners. "More important is that we work in Assurance, Advisory, and Tax," says Felipe Ayoub, a Partner in Assurance, based in the firm's Salvador office. "We also come from São Paulo, Rio de Janeiro, Brasília, Curitiba, and Campinas. Our team is a perfect example of Connected Thinking." Says Simon Kent, a Partner from PwC Canada's Halifax office and whose team captain was a Senior Associate: "He works for me in the firm, but I worked for him on the field."

Jacqueline Schmidt found her experience on the Vancouver office's women's team a great way to become more familiar with her co-workers. "I just started with PwC Canada last November, and this helped me make a lot of new friends, some from different departments," says Jacqueline, an associate in Audit. It didn't hurt, either, that she was a star player, who had attended the nearby University College of the Fraser Valley on a soccer scholarship.

Ultimately, Jacqueline and her 11 teammates finished the tournament in fourth place (Hungary defeated New York in the final, 3-2), but that hardly diminished their enthusiasm. "Our biggest goal was to have fun, and

we certainly did," she says. "This was also a wonderful opportunity to meet PwC people from other countries and cultures. Soccer is a great way to bring people together."

Demonstrating the ongoing global-level support for the tournament, begun by Sam, Willem Bröcker, the Global Managing Partner, Regions, based in the Amsterdam office, travelled to Vancouver. "He gave a nice speech at the dinner on Saturday night and presided over the trophy presentation on Sunday," Scott says.

"This entire experience has made me appreciate that anything is possible within the PwC network of firms," he says. "People have always said that to me, and I never doubted it, but the support we received and the feedback I've already gotten from those who participated has more than convinced me that it's true."

Scott is back in Leeds now and the Dutch team is surely still rejoicing its victory — though hopefully preparing for revenge from 15 other men's squads at the next PwC World Cup. "We all agreed that whoever won would host the next one." See you in Amsterdam!

Special thanks to Laurent Acharian (PwC France), Benedikt Jonas (PwC Luxembourg), Thomas Matthews (PwC UK) and Ana Portugal (PwC Portugal), who are on secondment in the US working for the PwC Global Brand Team, for the outstanding reporting from the tournament.

PwC World Cup 2006 Vancouver, BC August 18–19

Men's Teams

Brazil
Croatia
Czech Republic
Halifax
Hamilton/Mississauga
Holland
Japan
London
Moscow
New York
Northern England
San Jose

Scotland
Toronto
Vancouver
West Coast US
(Los Angeles &
San Francisco)

Women's Teams

Hungary
Vancouver
Toronto
San Jose

PwC World Cup 2006 Results

Round Robin

GROUP A					Points	W	L	D	F	A	GD
Hamilton	1	Brazil	0	London	7	2	0	1	6	1	5
London	2	Croatia	0	Hamilton	6	2	1	0	2	3	-1
Hamilton	0	London	3	Brazil	4	1	1	1	2	2	0
Brazil	1	Croatia	0	Croatia	0	0	3	0	0	4	-4
Brazil	1	London	1								
Hamilton	1	Croatia	0								

GROUP B				Points	W	L	D	F	A	GD	
Vancouver	2	LA / San Fran	0	Scotland	7	2	0	1	12	0	12
Scotland	0	Czech Republic	0	Czech Republic	7	2	0	1	9	1	8
Vancouver	0	Scotland	1	Vancouver	3	1	2	0	3	3	0
LA/San Fran	0	Czech Republic	7	LA/San Fran	0	0	3	0	0	20	-20
Vancouver	1	Czech Republic	2								
Scotland	11	LA / San Fran	0								

GROUP C				Points	W	L	D	F	A	GD	
Halifax	3	New York	2	Holland	9	3	0	0	8	2	6
Manchester	0	Holland	1	Manchester	6	2	1	0	4	1	3
Halifax	0	Manchester	1	Halifax	3	1	2	0	4	8	-4
New York	1	Holland	2	New York	0	0	3	0	3	8	-5
Halifax	1	Holland	5								
New York	0	Manchester	3								

GROUP D					Points	W	L	D	F	A	GD
Toronto	1	Japan	0	San Jose	4	2	0	1	8	3	5
Moscow	1	San Jose	1	Moscow	4	2	0	1	6	1	5
Toronto	0	Moscow	1	Toronto	3	1	2	0	2	6	-4
Japan	1	San Jose	2	Japan	0	0	3	0	1	7	-6
Toronto	1	San Jose	5								
Japan	0	Moscow	4								

WOMENS					Points	Played	W	L	D	F	A	GD
San Jose	6	Vancouver	3	Hungary	12	4	4	0	0	17	2	15
Hungary	2	New York	1	New York	8	4	2	1	1	19	5	14
Toronto	0	San Jose	6	San Jose	6	4	2	2	0	14	12	2
Vancouver	0	Hungary	5	Vancouver	4	4	1	2	1	11	13	-2
New York	11	Toronto	0	Toronto	0	4	0	4	0	0	29	-29
San Jose	1	Hungary	4									
San Jose	1	New York	5									
Vancouver	6	Toronto	0									
Vancouver	2	New York	2									
Hungary	6	Toronto	0									

Top Scorers: Men

HAMILTON		BRAZIL		LONDON		SCOTLAND		VANCOUVER		CZECH REPUBLIC	
Piotrowski	1	Marsatti	5	Armit	1	Tosh	2	mullen	1	Hajey	3
Rafal	1	Rogante	1	Beasley	3	Cummings	5	Corea	1	P. Vasek	2
		Lucas	2	Tudor	2	O'connor	5	Booth	1	L. Vasak	1
		Linares	1	Morley	2	Blin	1	Herendes	1	Puchacek	1
		Teles	2			Walker	1	Courier	1	Hafic	1
		Andrea	1							Havek	1
		Martochi	2								

HALIFAX		NEW YORK		MOSCOW		MANCHESTER		HOLLAND		TORONTO	
Aunexx	2	Bertrand	1	Kurtchenko	1	Finlay	3	Silyven	1	Kaak	1
Webb	1	Vandervime	1	Gulyaev	1	Porter	2	Dorrestein	3	Artigues	1
Aune	3	Garber	1	Raikevich	2	Fowler	1	Schueller	2		
George	2			Kurotocheko	2	Richmond	1	Deflaun	1		
				Elsweir	1	Thomas	1	Savenye	5		
						Kerridge	1	Thomas	1		
								De Haam	1		

JAPAN		SAN JOSE	
Peakall	1	Weatherly	4
Wilson	1	Wisst	1
		Jackson	1
		Kierans	1
		Wiestt	1

Top Scorers: Women

SAN JOSE		VANCOUVER		HUNGARY		NEW YORK	
Jackson	3	Schmidt	2	Kaszta	4	Rimmer	11
Spink	8	Ordring	6	Timar	2	Vermeer	1
Martinez	1	Fransham	1	Kocziha	4	Killian	4
Dunlap	1	Beggs	1	Kornuves	9	Neches	1
White	1	Ma	1			Kent	1
		Cheung	1			Lubozynski	3
						Howard	2

TOP SCORERS: MEN		
NAME	TEAM	GOALS
O'Connor	Scotland	5
Cumming	Scotland	5
Marsatti	Brazil	5
Savenye	Holland	5

TOP SCORERS: WOMEN		
NAME	TEAM	GOALS
Rimmer	New York	11
Komives	Hungary	9
Spink	San Jose	8
Ordring	Vancouver	6

PwC World Cup Semi Final and Final

London	2	Czech Republic	0
Holland	1	Moscow	1
Holland win on penalties 4-2			
Scotland	1	Hamilton	0
San Jose	0	North Eng / Manchester	2

SEMI FINAL			
Scotland	1	Manchester	3
Holland	5	London	0

FINAL			
Holland	0	Manchester	0
Holland win on penalties 3-1			

Plate

Brazil	5	La / San Fran	0
Halifax	2	Japan	1
Vancouver	1	Croatia	0
Toronto	0	New York	0
(Toronto win 3-2 on penalties)			

SEMI FINAL			
Brazil	4	Halifax	2
Vancouver	1	Toronto	1

FINAL			
Brazil	3	Vancouver	0
Brazil Win			

Women's Glory

CONSOLATION MATCH			
Vancouver	3	Toronto	0

SEMI FINAL			
New York	3	San Jose	0

FINAL			
Hungary	3	New York	2
Hungary Win			

What it's like working in... Russia

Opportunities abound in this fast-growing emerging market

When Mike Kubena arrived from America to the Moscow headquarters of PwC Russia in 1992, as a tax manager to build up the practice of Oil & Gas companies — just a year after the demise of the Soviet Union — only about 15 people worked in the then-fledgling firm. “They had opened a small office in 1989 in a dilapidated building that was about to fall down around us,” he recalls. Today, PwC Russia is the nation’s No. 1 professional services firm, employing more than 1,600 people, most located in a modern office building in downtown Moscow. The firm,



Mike and Carolyn Kubena at one of PwC Russia’s charity events

still growing at a tremendous pace, also maintains offices in St. Petersburg, Yuzhno-Sakhalinsk, and Togliatti.

And Mike remains in Moscow as the head of the Russian firm. “We have a fantastic team in Russia,” he says. “The quality of the professionals is fantastic.

That has been what’s made this experience so rewarding for me, and one of the reasons why I’m still here.”

During those 14 years, Russia’s emerging economy has boomed, rising up from the former government-run system to become a diverse showpiece of capitalism, where both domestic and multinational companies thrive. PwC Russia’s stake in it grew up around the country’s wealth of natural resources — especially oil and gas and metals — which remains a core strength. “Over the last few years, though, there has been tremendous growth in virtually every sector of the economy, including heavy and light manufacturing, the various service industries, consumer goods, media and entertainment, etcetera,” Mike explains. “That’s produced a much more balanced practice than we had even five years ago, which creates a lot of optimism about our future.”

The future looks very bright in Russia. A recent PricewaterhouseCoopers report¹ predicts that the country will have one of the world’s fastest growing economies in the years running up to 2050, along with fellow members of the so-called BRIC countries — Brazil, India, and China. In fact, the report predicts that by 2050 the Russian economy will overtake that of Canada, Spain,

“Over the last few years, though, there has been tremendous growth in virtually every sector of the economy...That’s produced a much more balanced practice than we had even five years ago, which creates a lot of optimism about our future.” —Mike Kubena

and Italy, to rank alongside France and only just behind Germany and the UK.

Or course, the future of all the PwC firms — whether in Russia or anywhere else in the world — hinges upon their people. Recruiting, hiring, training, and retaining the best and the brightest has been an ongoing challenge for PwC Russia as its tremendous growth continues. The old USSR had its own auditing and accounting systems, though significantly different from those in western countries. Therefore, a massive transition to establish international standards is still underway, which has created an enormous need and demand for qualified accountants, auditors, and tax specialists. There also has been rapid growth in Advisory as a result of the many international listings, business restructurings, and need for performance improvement.

Because this rapid transition and growth have occurred in such a relatively short period of time, PwC Russia has had to import skilled people — like Mike — from across the PwC network of firms. “In fact, 36 of the 60 Russian firm’s partners are from outside Russia,” says Janelle Hanson, PwC Russia’s Senior Manager, Expatriate & Partner Affairs.

Steve Shpilsky’s decision to accept a three-year secondment in Moscow, as a Dispute Analysis & Investigations Manager, was made a bit easier by the fact that he was born in the Ukraine. Steve’s family moved to the US when he was just a year old, but he learned to speak Russian. “My interest started when I began my career with the US firm in the fall of 2000,” Steve, 28, says. “My home office in San Jose, California, had many secondees, which exposed me to our global reach. Then, last year, Advisory — especially DA&I — had a strong push to globalise our practice — particularly in emerging nations. An opportunity arose in Moscow towards the end of last year, requiring a Russian speaker with DA&I experience.

“It has been a perfect fit for me,” Steve continues. “Helping the group grow five-fold over the past year has been a rewarding experience, particularly working with local staff to develop core DA&I skills. PwC Russia’s staff is very motivated and eager to learn.”

At the same time, the Russian firm has been diligent in hiring and developing its abundant homegrown talent.

¹ To see the full report, *The World in 2050: How big will the emerging market economies get and how can the OECD compete?*, [CLICK HERE](#).



Grigory Fedorishin

to Advisory after three years,” Grigory says. “I was looking for a different kind of job, and I definitely found one.”

Grigory works with about 15 other people in a fast-growing business restructuring group. “We deal with companies in crisis situations and with healthy companies, helping them improve their finances,” he says. “I’m focused on domestic and foreign companies in metals, airports, and publishing. Each project is new, with lots of brainstorming within the group and with clients.”



Irina Im

main reasons I chose PwC was that there is consistent learning here while working with clients and getting experience,” Irina says. “It’s like a second university, where each day you learn by dealing with different issues.”

Irina, whose clients include multinational corporations in the automotive and beverage sectors, also enjoys the opportunity to connect with people from other countries. “This gives me a broader view of things happening around the world.” Gaining that international perspective has been helpful, too, as her domestic clients follow the trend among many Russian companies that have expanded their businesses abroad.

The type of ongoing development experienced by Grigory and Irina is perhaps the most critical internal challenge

facing PwC Russia as it continues its rapid growth. At the same time, that’s precisely the reason why it’s considered such a great place to work. No one can address this duality better than Yana Melnikova, who was hired two years ago as head of the Russian firm’s Learning and Development department. She had a good job with a major telecommunications company, and struggled in deciding whether or not to leave. Finally, two factors swayed her decision.



Yana Melnikova

“One was the interesting goals and challenges of the job itself,” Yana says. “The other was the people I met through my interviews. I thought that working with the best people would have a positive impact on me and that I could grow in such an environment.” Indeed, Yana greatly values the professional freedom, creativity, and experience that the position has granted her.

The blend of a robust economy that is generating unprecedented business growth, with dedicated and hard-working people, has led to a unique culture within PwC Russia. “Our internal culture is very open and friendly,” says Elena Morozova, Internal Communications manager. “Partners communicate with junior people, work on team building, and other activities. Partners sit in open rooms where everyone can see them and meet with them if necessary. We have a programme that encourages people to share their viewpoints, and management really cares about what people think. Teamwork is not just a slogan here.”



Elena Morozova

The head of the Russian firm’s Tax and Legal Practice, Steven Snaith, goes to lunch with a group of eight to ten junior people in his department every few weeks, Elena says. “He asks them about what they like and dislike, advantages and disadvantages of working for the firm, and what can be improved. He answers all their questions. I call them afterwards to get feedback, and they tell me that it has a very positive psychological effect on them, that a partner cares about what they think.”

There are aspects of life in Russia that will always be different from anywhere else, Mike says, adding that he continues to have a fantastic experience working and living so far from his American home in San Antonio, Texas. “It wouldn’t be the same if not for the quality of the people,” he states. “That’s something I can’t overemphasise. It’s also been fascinating to help build a business in this market. This year we’ll be a firm of around \$200 million, and we think that in about five years time we’ll be at more than \$500 million. Our reputation now is that we are the quality firm, and that’s something we want to maintain.”



Top left: We have a cheerleading team that supports our footballers.

Top right: PwC Russia recently hosted the PwC CEE Football Cup, which the PwC Moscow men's team won!

Middle left: The auction raised \$4,700, which PwC Russia matched and bought a minivan for the children of the orphanage.

Middle right: As a part of the "Charity Instead of Business Gifts" initiative PwC Russia hosted a party for children from 11 Moscow orphanages.

Bottom left: Saint Valentine's Day has become Day of Recognition at PwC Russia. Three of our employee-angels are shown here hand delivering one of more than 1,000 valentines.



The Denelcor IMG4017
Rooivalk helicopter
Photo: Fanie Kleynhans

Anatomy of a win Denelcor of South Africa

A good offence

PwC South Africa wins the battle for the internal audit contract with a major defence contractor

Sometimes, it really is *who* you know that makes the difference between winning and losing. That certainly was the case earlier this year when PwC South Africa turned its relationships — both internal and external — into a major win. The South African firm's proposal team came out on top against Deloitte to become the internal auditor for Denelcor, a state-owned defence industry contractor.

"Relationships proved to be absolutely critical in this win," says Akhter Moosa, the Engagement Lead Partner for Denelcor, who is based in PwC South Africa's Pretoria office. "Technical capabilities alone don't win jobs. You really have to secure relationships." In this instance, building upon prior relationships with executives at Denelcor was key. Just as important, however, was the ability to tap into the PwC network's global Aerospace and Defence sector for its industry expertise.

Denelcor (www.denelcor.co.za) is South Africa's sole manufacturer of military land systems and aerospace equipment marketed to the global defence industry. The company has been restructured by the government in recent years, with a new CEO and other top executives appointed in 2005. That coincidentally precipitated a chain of events that culminated in the win.

The first link was a guest-speakers forum hosted by the Gordon Institute of Business Science in Johannesburg last November, shortly before Denelcor issued a Request for Proposal (RFP), to PwC South Africa and Deloitte, to take over its internal audit business. The speaker was Alec Erwin, South Africa's public enterprises minister, who had been invited to talk about the role of state-owned enterprises — including Denelcor. In attendance were Akhter and Carmen le Grange, a Partner in the PwC Sunninghill, Johannesburg office who works in Advisory Services, Governance, Risk, and Compliance (GR&C).

"Later that evening, a group of us went to dinner with the minister to get his views on where he saw Denelcor going and an overview of state owned enterprises generally," recalls Carmen, an integral member of the South African firm's proposal team. "We used that opportunity to better understand the client, where it was going to position itself in the future strategically with the government, and to establish a relationship with the minister, who, we learned, had personally appointed Shaun Liebenberg as CEO of Denelcor."

Next, the proposal team attended, along with Deloitte's representatives, a fact-finding meeting with Denelcor's then head of internal audit. "We discussed the terms and conditions of the RFP, so we could better understand their specific requirements and ask questions about things like budget and Denelcor's organisation," Carmen says.

Then the team took a "it's who you know" advantage. As it happens, Jacques Louw, a Partner and leader of PwC's South African Performance Improvement practice, had a previous relationship with Liebenberg. "We used that relationship to set up a breakfast meeting with Liebenberg," Carmen reports. She, Akhter, and Anton van Wyk, PwC's Relationship Partner at Denelcor and the Global Internal Audit Leader, and manager Alexandra Fotinakis, huddled with the CEO. As it happened, he brought along the entire new management team, which proved to be an invaluable coincidence.

Continuing along the relationship-building tack, the team set up another critical meeting, this one with the chairperson of Denelcor's audit committee — who, it turns out, has a good relationship with Stanley Subramoney, PwC South Africa's Deputy CEO. "We wanted to get to know her, to better understand what her issues were, and what she was grappling with in her oversight responsibilities, as well as to explain to her how PwC handles internal audit work," Anton explains.

From left: Richard Chambers, Akhter Moosa, Anton van Wyk, Carmen le Grange.



At the same time, the team was looking inward for assistance. “We pulled together a cross-functional team of specialists from around our GR&C unit in South Africa,” Carmen says, including Risk Management, Performance Improvement, and Systems Advisory.

The search for expertise went far and wide. Through their mutual affiliation with the Institute of Internal Auditors in the US, Anton had met an American specialist, Richard Chambers, who came to work for PwC US two years ago after spending 25 years with the US federal government. For the majority of that time, he served as the civilian internal auditor for the Department of Defence (DOD). “Having worked throughout the DOD and with my knowledge of weapon-systems costing and other things that this group would be involved in, I felt I could be of assistance in the proposal process,” says Richard, who is based in the US firm’s Orlando, Florida office. “There are a lot of opportunities for Denel in this industry, but it’s also a tough one for a newcomer to crack into. We helped them identify the risks they face, so we could build an internal audit plan focused on those risks.”

To lend expert knowledge in aeronautics, the team turned to PwC UK’s London office, where Richard Hooke was the Global Aerospace and Defence leader. Richard had spent 20 years in the industry before joining PwC. Unfortunately, Anton says, he’s left the company, “but he was active in making sure that we got the right information into the proposal.”

Carmen served as the chief writer of the final proposal document, which not only succinctly laid out PwC’s capabilities, its understanding of Denel’s particular goals and needs, and global team that would expertly execute the internal audit, but itself made a bold statement about PwC’s overall quality. “We packaged each copy of the document inside an impressive black box, lined with fancy tissue paper, and personally delivered them to the Denel reviewers,” Carmen says. Adds Akhter: “Our marketing department did a brilliant job.”

Ultimately, all the relationship-building and team building paid off, with a substantial new piece of business. “What ensured us winning this proposal,” Anton surmises, “was that it was industry-relevant and showed them a globally connected delivery team that was on call as they required.”

They demonstrated that right away by bringing both Richard Hooke and Richard Chambers to Denel headquarters for face-to-face meetings. “They were pleased that we actually came to the table,” says Chambers, who remains with the team as a “sounding board and a recurring subject-matter expert whenever I might be able to add value to the engagement.”

Looking back on the keys to the win, members of the team all point to relationships. “We got in front of the right people,” Anton insists, “and made sure it was visible contact, not by e-mail or telephone. We put ourselves in a position of a strategic partner with them. We also showed that our reach is truly global and connected, and not just by the fact that we have offices around the globe.”

Akhter provides proof that the client is already satisfied with its new relationship with the PwC network, and also that it’s an ongoing one. “The Denel staff is grateful that we’re onboard,” he says. “The challenge now will be to not let them down, by ensuring that we sustain quality delivery on the job.”

Anton — whose role now is to continue building his relationships with Denel’s CEO, the chairperson of the audit committee, and other important executives — echoes Akhter’s sentiments. “We have to make sure that our delivery is as good as, if not better than, what we proposed.”

Responsible leadership

29k/30: The power of PwC people

Responsible leadership is a term that captures the essence of what so many individuals seek during their careers within the PwC global network of firms. They want not only to become competent, capable, client-centric professionals in their line of service, but also socially conscious citizens in their communities. To help them achieve those dual aspirations, PwC is dedicated to developing world-class job expertise, as well as providing wide opportunities for personal growth and community involvement. LINK* has reported on many outstanding charitable and relief efforts made by PwC people under our “In the community” banner. Now, to better communicate a wider range of topics, interests, and bright ideas, we are changing the name of this column to “Responsible leadership.” Our aim is to reflect a sharper, more holistic approach to becoming a true leader.



Miami and Ft. Lauderdale, Florida

During the month of June, nearly 13,000 employees from throughout the PwC US firm took part in an extraordinary series of different community service projects across the country. Called “29k/30,” the campaign’s goal was to unleash the collective power of the US firm’s approximately 29,000 employees during the 30 days of June within the dozens of individual communities where they live and work.

In April of this year, Dennis Nally, the US firm’s Chairman and Senior Partner, implored everyone—partners, managers, staff — to lend their individual “time, creativity,



Los Angeles, California



Atlanta, Georgia

energy, and compassion...to make a meaningful and significant difference for those who need our help.”

Of course, this didn’t just happen out of the blue. Individuals in PwC offices in the US — as well as other countries in which individual PwC firms operate — have always made tremendous contributions to community service projects, both physically and financially. “The PwC network of firms has a long history of engagement and giving,” says John Oleniczak, a partner in the US firm’s Chicago office, who works with office managing partners on both strategic people and client matters. As

examples, he cites PwC's worldwide outpouring of relief efforts following the 2004 Indian Ocean tsunami and last summer's Hurricane Katrina in the US. "But we wanted to find a way to take all the great things our people in the US have done and focus them on one special programme," John explains.

Last fall, after considering a range of initiatives, the US firm's leadership agreed on the 29k/30 idea. Then, working with several national charitable organisations — in particular the Hands on Network (HON) and its local affiliates — coordinators in almost every PwC US office identified dozens of community projects, lined up thousands of volunteers, and synchronised myriad logistics to make it all happen.

Dennis was part of a PwC US team drawn from the New York and New Jersey offices that spent a day in late June renovating the Rise Academy Charter School in Newark, NJ. In an internal communication afterward, he listed just some of the vast array of other projects around the country: "Our people painted and repaired houses for the elderly...landscaped yards and planted gardens... helped renovate an abandoned school building for a new charter school...raised money for the American Cancer Society...prepared food boxes for distribution to the needy...helped frame up a new house...completely cleaned a Ronald McDonald House...revitalised a public park...made a school ground bright and attractive...taught students about earning and saving money...cleaned up a zoo...removed debris from a waterfront area...cleared paths and painted cabins at a summer camp...restored a playground..." The list could go on and on.

To help get a better sense of what some of the projects entailed at the ground level, LINK* spoke with three individuals who were integrally involved with their offices' efforts. Here, in their own words, are their stories:

Atlanta, Georgia

Joe Cronk, Business Development Leader

"The Atlanta office of the US firm, which employs about 1,100 people, has a strong culture around community relations. On a very hot June 1, 600 PwC volunteers spent the day cleaning and repairing the homes of 40 lower-income elderly Atlanta residents. These homes were in various stages of disrepair — some even condemned — and many of the residents faced fines, jail time, or even eviction due to the condition of their homes. Finances and/or age kept them from being able to make

the necessary repairs to their homes. Our efforts included scraping, painting, removing debris, landscaping ... you name it. As a fifth-generation Atlanta native, giving back to individuals in the Atlanta community in this way was one of the proudest days I've had with the firm.

"We assembled at a government-run fort for a kick-off ceremony, then piled into 55 12-passenger vans, driven by PwC employees, that delivered us to our work sites; watching the vans maneuver through the Atlanta streets made it seem like there was literally an army of PwC people at work." We partnered with two groups, Hands On Atlanta and Building Owners and Managers of Atlanta. Julie Goosman, an Atlanta based partner, orchestrated the whole thing. She and her committee worked tirelessly. It took tremendous organisation, planning, and logistics to get the vans, supplies, and people to the right locations at the right times.

"I worked on the Callahan House, which was our largest project. The house had been condemned by the city, and our 50 PwC volunteers worked tirelessly so that Mrs. Callahan could move back in. Everybody was busy the entire time. I personally hauled debris, scraped old paint, applied new paint, and landscaped. I haven't worked that hard in my own home in years.

"I worked with our managing partner on one side of me and a brand new staff person on the other side. It just broke down all the barriers. I had the opportunity to visit a number of the different projects later in the day, and it was the same at every house. Teams of people from different walks of PwC life, arm in arm, partnering on a common goal of making total strangers' lives much better. It was beautiful. I'll never forget it.

"Then we all met back at the fort at the end of the day for a celebration. The range of emotions was incredible: exhilaration, exhaustion, camaraderie, pride, responsibility, having an impact, working as a team on non-traditional projects.

"This was a living, breathing example of Responsible Leadership. I imagine it will have a very strong ripple effect. We're definitely doing it again next year, only bigger and better."

Los Angeles, California

Ferrell Marshall, Associate Director, Community Relations

The US firm is preparing a special book that will summarise the US firm's community service throughout 2006. While it will focus largely on the 29k/30 efforts that took place in June, it will also credit the full year of efforts conducted by the US firm, demonstrating its ongoing dedication to community service.

"We wanted to focus our Community Service Day on children and education. We brought in L.A. Works, the local affiliate of HON, and Junior Achievement (JA), a worldwide organisation dedicated to teaching young people about business and economics, as our community partners. Our goal was to fulfill the wish of the principal at a school, Fifty Second Street Elementary School, located approximately six miles from our downtown office in south L.A. She had reached out to L.A.Works asking for help in creating a cheerful atmosphere for the 975 students attending the school and we were delighted to accept this as our project."

"On Monday, June 26, a group of 525 PwC volunteers—including 73 interns—arrived and were ready to transform the campus. Approximately 80 percent of our project involved painting murals around the campus, plus we planted rose bushes and an education garden. We also taught JA lessons in all the classrooms, ranging from first to fifth grades. A highlight of the day was working with the thirty five fifth graders that joined us as volunteer Co-Captains.

"A lot of creativity and teamwork came out that day. For example, a team in the library wanted to paint a mural of the solar system on the wall, but needed some resources. They used the library computer to find an image of the solar system on the Internet and printed it out. An Advisory partner climbed up a ladder and drew a free-hand outline, and then the team joined her in painting the planets."

"We far exceeded our goal that day. It was joyful to hear the children's gasps of delight and laughter when they saw their beautiful campus. Everybody was so excited and proud of their work. To have so many people of like mind and spirit, focused, impassioned and working side by side to reach a common goal, truly is the 'wow factor' of volunteerism.

"We can't wait till next year's community project. Our staff continually demonstrates how passionate they are in helping to make a difference and this project allows them to do that in a big way. As one volunteer in the office later wrote to me: 'I am so proud to work for a company that truly cares about the well being of others and sincerely strives to make the world a better place.'"

Miami and Ft. Lauderdale, Florida
Elizabeth Schwietzer, Manager, Assurance

"Our planning committee had decided that spending a

day with children in our community would have the most long-lasting impact — on the kids and us. So we teamed up with two Boys & Girls Clubs, one in Miami-Dade County and one in Broward County, for two simultaneous events on Monday, June 26. Nearly 200 PwC people — from our three south Florida offices, in Miami, Ft. Lauderdale, and West Palm Beach — participated in a day of fun activities with nearly 400 children, ages 7-11.

"The PwC people arrived on chartered busses. We assigned 12 teams to each location, each comprised of 10 PwC people and 15 children. Each team wore a different-colored bandana, along with a green or white PwC t-shirt. Teams gave themselves names — ours was the 'Smashers' — and developed cheers that they performed for everyone. Then the activities commenced, including dodge ball, sack races, pool, and Foosball.

"Between events, we sat and talked with the kids and got to know them. It was a great way to connect and laugh. Everybody had such a positive attitude. It was overwhelming at times. One little girl said, 'I wish every day was PwC day.' The amount of affection and joy in their eyes really gave me joy. If they could feel a fraction of what I felt at the end of that day, it was a success. "I think all the PwC people enjoyed connecting with the kids. It was a great way to enable a cross-section of people to make a great impact and increase their awareness of the needs in our community. Community service is something we can do to demonstrate Responsible Leadership, that we are more than just accountants. It's important to get people within the firm together outside of the work/life situation and let them see your personal side. At the same time, you're benefiting somebody else who doesn't have the same opportunities and good fortune that we may have."

An effort well worth while

Dennis, who himself had rolled a bright, new coat of paint onto a dingy classroom wall at the Rise Academy, sums up the essence of the 29k/30 programme. "Many of us at the US firm have had tremendous opportunities presented to us in terms of what we do from a professional standpoint," he says, "and this is a chance for all of us to give back to our communities and give others an opportunity that they might not otherwise have.

"I am extremely proud of how we made a difference in the lives of so many people and demonstrated that PwC really does stand for People Who Care."

PwC Canada funds leadership development

PwC Canada has given its people a loud and clear voice in deciding how to help fellow citizens in their local communities. And they've put their money where their mouths are.

In July, the Canadian firm announced that individuals in nearly 100 charities across Canada have received up to \$2,500 each as part of its Leadership Grants Program. The firm took a novel approach in choosing the recipients by polling all 4,300 of its people, inviting them to rank the top three community causes that matter most to them. As a result of this direct staff input, most of the grants have gone to leaders of organisations focused on children and youth, poverty, and education.

One of the recipients is David Demers, the Program Director of Toronto Youth Development (TYD), an organisation that provides the city's underprivileged youth with academic and athletic support. David will use his \$2,500 grant to take courses in leadership and fund-raising and will visit the South Bronx Educational Foundation, in New York City, a charity that offers educational skill development and parenting programmes.

The Leadership Grants Program "provides charity leaders with funding to use in advancing their own leadership and professional development. By supporting these individuals as they build their skills, we hope to contribute to their growth and development and, in turn, to the sustainability and success of their charities," says Chris Clark, Canadian Senior Partner and CEO. With the Leadership Grants Program, the Canadian Foundation has been able to address a critical, but underfunded need in the charitable sector.

This is one of four programmes developed by the PwC Canada Foundation, which aims to make a positive, lasting change in Canadian communities by sharing time, expertise, and resources. The Leadership Grants Program not only demonstrates commitment to local communities but also encourages and supports the involvement of PwC Canada's partners and staff.

"Our people want to be part of a socially responsible organisation," says Robin Berholz, National Senior Manager, PwC Canada Foundation, "and the Leadership Grants Program is one way we can be an employer of choice to our people."



David Demers (2nd from left) with youth from one of the educational programmes

Others receiving \$2,500 Leadership Grants include:

- Heather Burnett, Regional Coordinator of Starlight Starbright Children's Foundation BC, will use the grant to complete the Associate Certificate programme in Nonprofit Leadership at British Columbia Institute of Technology. She will also travel to Toronto to apprentice with the Executive Director of Starlight Canada. Starlight is an organisation dedicated to brightening the lives of seriously ill children and their families.
- Janet Burstall, Coordinator of Community Leadership Development at Volunteer Calgary, will participate in a 10-month programme called Leadership Calgary. The concepts will be directly applicable to her role in Community Leadership Development and to Volunteer Calgary's goal of providing leadership to other organisations in the nonprofit sector.
- Candace Harrington, who oversees fund-raising and communications for Family and Children's Services Foundation in Kitchener, Ontario, will attend the International Association of Business Communicators conference. She will take workshops on Change Management, Communication Leadership, Public Relations, and Employee Communication.



Candace Harrington at a family center workshop



Heather Burnett at the Starlight event

Tools for staying connected



2006 Global Forest, Paper & Packaging Industry Survey

The survey summarises the 2005 year-over-year financial information of the PwC Top 100 — the 100 largest forest and paper companies in the world with publicly available data. This year's survey found that 2005 was a challenging year for the global forest and paper industry as return on capital employed, a key measure of performance in this capital-intensive industry, fell to an average of 4.5% in 2005 from 5.3% in 2004. This is far from the target of 10-12%. For more survey findings, [CLICK HERE](#).



Technology Insights

Insights provides an overview of global M&A in the technology sector during 2005 with analysis and comment on the market's principal trends, driving forces and outlook for 2006. Technology “mega-deals” were a key feature of the market during 2005; but though blockbuster deals tend to grab the headlines, away from the limelight, the middle-market still accounts for the bulk of technology transactions — no less than 95% of deals last year were valued at less than €500m. For more information, take a look [HERE](#).



Insights – food for thought

Food Insights 2006 is an annual review of M&A activity and key trends within the European food manufacturing sector by PricewaterhouseCoopers Corporate Finance. This year's edition includes a special focus on ethical supply chain management, an issue of growing importance for today's food manufacturers. For more information, contact Neil Sutton +44 (0) 20 7213 1075, or take a look [HERE](#).



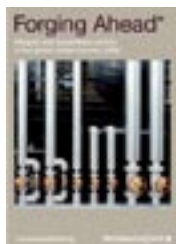
InfoComm Review is trailblazer

The theme of this issue of InfoComm Review is trailblazing. Telcos are entering uncharted territory as they move into execution mode for launching the converged “on demand” mass-market services talked about for years. The publication looks at three areas — lifestyle media, fraud, and M&A — where telcos need to find and apply fresh thinking. For more information on this thought leadership initiative, please contact Shelly Ramsay/US/M&C/ PwC@Americas-US; +1-646-471-1437, or take a look [HERE](#).



Global Entertainment and Media Outlook

This is the seventh annual edition of the PricewaterhouseCoopers Global E&M practice's flagship publication the Global Entertainment and Media Outlook: 2006-2010. This market-leading entertainment and media industry forecast, known as “the industry bible”, includes in-depth analyses and 5-year growth projections for 14 industry segments, and is the only major E&M forecast to cover every global region: US, Europe, Middle East, Africa, Asia-Pacific, Latin America and Canada. For more information, take a look [HERE](#).



Forging Ahead – the metals industry

The metals industry continued to consolidate in 2005, as the leading producers sought to control the rising cost of raw materials by purchasing their suppliers outright. Forging Ahead: Mergers and Acquisitions Activity in the Global Metals Industry 2005, says that further M&A activity in the sector is likely, and that China will be a significant source of M&As over the next few years as it continues to produce and consume steel at a record pace. Take a look [HERE](#).



Breaking down walls

This publication takes a look at how an open business model is now the convergence imperative. It defines four open business model attributes for companies to consider as a way to produce shareholder value beyond the limits of what we know today. Capital Markets — employing the disciplines of the market; Customer relationships — personalising the customer relationship; Content — leveraging the potential of content; Culture — developing a culture of change and innovation. For more information or to order copies, contact Denise Barbaro (Denise Barbaro/US/ABAS/PwC@Americas-US).



Mining review

mine* — let the good times roll is PricewaterhouseCoopers' third annual review of global trends in the mining industry, providing an aggregated view of the global mining industry as represented by 40 of the world's largest mining companies. This comprehensive market report shows that the mining sector has delivered another spectacular increase in profits during 2005, on the back of further strengthening in commodity prices. The results also demonstrate that investor confidence in the mining industry and its prospects have continued to strengthen. Take a look [HERE](#).



Economic Outlook July 2006

The latest issue of this regular publication can be found at <http://www.pwc.com/uk/economicoutlook/>. As well as a detailed analysis of UK economic trends and prospects, the publication contains a special article summarising new PwC research on European M&A deals, looking at how these have affected subsequent shareholder performance relative to the market and the factors that have influenced post-deal performance; and a summary of global economic trends and prospects. This publication also includes an insight into current international research — including coverage of the economic prospects for 38 countries around the world. For more information, contact Yael Selfin (Yael Selfin/UK/CFR/PwC@EMEA-UK).

We're interested in your feedback, questions, and contributions for future issues. Contact us here: link@pwc.com. This publication is for internal distribution only.

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