



# LEADER Project Annual Report 2011

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MBA Executive Director 2011



<b>History of the LEADER Project</b>	<b>3</b>
<b>LEADER Program Details</b>	<b>5</b>
<b>Recruiting and Team Members</b>	<b>6</b>
<b>Students</b>	<b>7</b>
<b>LEADER Site Partnerships</b>	<b>7</b>
<b>Committees: 2011 and Beyond</b>	<b>10</b>
<b>Advisory Board</b>	<b>17</b>
<b>Other New Initiatives in 2011</b>	<b>19</b>
<b>Sources and Uses of Funds</b>	<b>20</b>
<b>Special Thanks to Our Partners</b>	<b>23</b>
<b>Appendix I: Contact Information</b>	<b>24</b>
<b>Appendix II: Participants and Committee Roles 2011</b>	<b>26</b>
<b>Appendix III: LEADER Income Statement 2011</b>	<b>28</b>

# Executive's Message

Initiatives in fundraising, cost-cutting and site partnerships are just a few items that made the 20<sup>th</sup> anniversary of LEADER a great success. This year, the annual Alumni Event was an exclusive gathering at Steam Whistle Brewery. Though it brought in the expected \$5,000 in profit, it generated about \$15,000 in revenue between LEADER and CTP, something unheard of in recent years. This has set the groundwork for future years to use this type of exclusive event as a tool to increase alumni engagement. Next, several initiatives were taken to remove costs from flight booking, visa application and printing. Savings were only about \$2,700 due to learning curve struggles but lessons learned should allow future years to save an additional \$3,000. However, the most exciting aspect of the 2011 LEADER project was the relationship that was built with the India Institute of Management Bangalore (IIMB). The initial contact and framework was set so that 4 LEADERites can teach in India in 2012 for the first time in LEADER's history. Finally, regular operations went smoothly, as 27 LEADERites and 1 Aeroplan employee taught at seven sites in Russia, Ukraine, Macedonia and Moldova, resulting in a cash surplus exceeding \$10,000.

Mike Forcht

MBA Executive Director 2011

## History of the LEADER Project

May 1991 marked the beginning of the LEADER Project. Scott Helloffs and Paul Fitzgerald, two graduating MBA students at the Western Business School (now the Richard Ivey School of Business) recognized that the new market economy emerging under Gorbachev's Perestroika in the former USSR would require fresh managerial skill. These two graduates responded by organizing a group of 27 volunteers from the MBA program, creating Project USSR. These volunteer instructors, paying their own way, taught the basic skills of finance, accounting, marketing, and general management to selected Soviet officials and entrepreneurs at various institutions in Moscow and Leningrad.

A year later much had changed. The Soviet Union had dissolved, and Project USSR (renamed the LEADER Project: Leading Education in Eastern Europe) sent 51 Western MBAs to teach business in former Soviet republics. The Canadian Department of External Affairs provided two full years of funding that allowed the Project to grow rapidly. By 1993, there were 61 Canadian participants, including instructors and case-writers, and the number of students being taught exceeded 600. The scope of the Project had expanded to include cities in Russia, Ukraine, Belarus, Lithuania and Latvia. An extension of the Project took several LEADER instructors to Mongolia to deliver a similar course with support from the World Bank.

When a change in government policy eliminated full funding in 1994, the LEADER Project returned to a more modest size of 44 participants, while maintaining a number of the partnerships established in the previous year. In subsequent years, the Project has maintained a similar size and scope, each year sending teaching teams to approximately eight to ten partner sites. In 1998, LEADER officially changed its name to 'Leading Education and Development in Emerging Regions' and developed a working draft of its Constitution. In 1999, the first LEADER Constitution was officially ratified.

In 2000, the LEADER Project celebrated its 10th Anniversary. A dinner was held in the Lithuanian Community Hall in Bloor West Village in Toronto. This dinner brought LEADER alumni from the past ten years together with the current participants. Memories and stories were recounted and all had a good time. Mr. Mykhail Lyssenko, Minister Councilor of the Russian Embassy in Ottawa, was the keynote speaker. In his speech, Mr. Lyssenko commented on the state of Canadian-Russian business relations, and commended

LEADER on the impact it has had in its first 10 years of existence. He urged past and present LEADER participants to build on the ties established by the Project in order to further Canada-Russia business relations.

The beginning of the new millennium brought a broadening of LEADER's scope in content and geography. In 2002, LEADER left Eastern Europe for the first time since our visit to Mongolia. Cuba was the new destination, with pilot projects run in Las Tunas, Holguin and Bayamo. In 2003, LEADER began the Entrepreneurial course, as a seven-day intensive course in Ukraine at the Agro-Soyuz development farm in co-operation with the International Finance Corporation. On an exciting note, CIDA rejoined the LEADER project as a partner in 2003, beginning a three-year commitment to help fund operations. These many new initiatives kept the LEADER Project invigorated and were aided by the establishment in 2003 of a LEADER Advisory Board. The Advisory Board consists of members of the broader LEADER community, including past participants and people with strong experience in the visited regions.

In 2006, with the shift to a one-year MBA program at the Richard Ivey School of Business, the LEADER Project involved HBA students with a permanent intention for the first time. During this time, the Advisory Board took an active strategic role in ensuring that the Project would continue to thrive. The LEADER Project also shifted its curriculum focus to an entrepreneurship model, which it currently maintains. This shift in focus has been strengthened by a key partnership with the Pierre L. Morrissette Institute for Entrepreneurship at Ivey. While the Project continues to teach the basic fundamentals of business in a case-based atmosphere, the newly developed curriculum module fully integrates the tools of entrepreneurship. This has enabled LEADER to better meet the current needs of the developing economies in which we teach. It has also included the introduction of local, young entrepreneurs to the classroom in addition to our traditional university students.

The LEADER Project completed its shift to the one year MBA program in 2008. In a year that was earmarked for transition the Project accomplished many key milestones instead. The Project expanded to Skopje, Macedonia to create its first site to host entirely local entrepreneurs. LEADER also expanded to officially include PhD students into the Project and broadened the scope of the annual LEADER Alumni event to include all Ivey Alumni mem-

bers. The LEADER Project marked the end of its 17th year of existence by the creation of the LEADER Endowment fund with a beginning balance of \$50,000 to cap a very successful year for the Project and an open the door to an even brighter future.

In 2010, the LEADER project made great progress in developing a strategic relationship with Aeroplan. One Aeroplan employee traveled to and taught in Skopje Macedonia in 2010, and in exchange Aeroplan donated 1 million Aeroplan MILES to the project. This happened again in 2011 (this time the employee traveled to Nizhny Tagil, Russia) and both parties plan on continuing this relationship in the foreseeable future.

Now in 2011, LEADER has laid the foundation to make an impact in India in 2012. It boasts an Ivey alumni base in excess of 750 “LEADERites” and a collective student alumnus that exceeds 7,500.

## **LEADER Program Details**

### **Curriculum**

The LEADER Project is modeled on the Richard Ivey School of Business’ case-study method, which places emphasis on effective action-oriented business practices and decision-making. Learning occurs through interactive discussion of real business problems derived from North American and Eastern European experiences. The target audience and focus of the curriculum is on young entrepreneurs. In addition, the curriculum teaches the principals of finance, marketing, general management and Cross-Enterprise Leadership. Each day consists of a lecture and case discussion. Additionally, each student is asked to complete a comprehensive business plan about an existing business or business idea, as an individual or as a group. Teachers spend the afternoon of each day consulting with the students on their business plans, more appropriately termed business plan coaching. The Project culminates by having the students present their business plans to their classmates and a panel of judges composed of the teachers. In most cases, the business plans are also submitted for feedback. The course, traditionally conducted over 2-weeks in the month of May, was conducted over three weeks (except for Skopje, Macedonia) in 2011 in order to give the students more time to take advantage of coaching sessions and to develop their business plans.

The 2011 operating year marked the fifth year that the entrepreneurship focus was implemented across all LEADER sites. The curriculum was composed of twelve cases with lectures focused on business plan creation and business fundamentals. Case learning was supplemented with in-class exercises and the mandatory preparation of business plans.

### **Recruiting and Team Members**

LEADER instructors are drawn primarily from Ivey's MBA and HBA programs. Instructors are carefully selected through a rigorous application and interview process. Throughout the school year, LEADER participants typically spend four to ten hours per week on Project preparations. All aspects of the Project are student-initiated, developed, and executed. Upon arrival at their sites, instructors spend six to eight hours per day on teaching duties and preparation for the following day's classes. Instructors are not paid for their work with the LEADER Project and ultimately forego a month's earnings in order to participate. Furthermore, the instructors pay any costs not covered by sponsorship.

LEADER has traditionally been an MBA-led Project; however, the challenges of a one-year MBA Program model at Ivey called for the introduction of significant HBA involvement beginning in 2006. Fiscal 2008 marked the end of the transition period for the Project as it was the first year of the Project that HBA students were the only returning members. Fiscal 2008 also marked the first year that the Project committees were also led by returning HBA students and an HBA Executive Director.

In 2008, the Project opened recruiting to the PhD program for the first time in several years. One PhD student was recruited for the Curriculum Committee and became a valuable contributor to the Project. PhD involvement has been a key part of LEADER since and will continue to be in the future. This is because sites such as Macedonia and India feature students with very developed business acumen and require LEADERites with more experience in order to gain value from the LEADER experience.

2011 marked the first year where all MBA students started at the same time. Since the switch to the 1-year MBA, the Ivey MBA class was made up of two intakes: one in May and one in September. This allowed the September intake of MBAs to participate in the preparation of the next year's project. However, as seen with the 2011 class, all MBAs will now start in May – effectively eliminating the aforementioned crossover. In order to combat

the challenges presented by this issue, the 2011 LEADER team has updated manuals and created new succession documents.

In 2011, the Project's instructors were comprised of 11 MBAs, 1 JD/MBA, 7 HBA2s, 7 HBA1s, 1 PhD student and 1 Aeroplan employee.

## **Students**

The students LEADER teaches are diverse in terms of age and experience. Students have ranged from 18 to 65 years of age. Most are undergraduate students, young local entrepreneurs or managers of former state enterprises, with a variety of educational backgrounds including engineering, economics and business administration.

LEADER classrooms at each site are ideally split into two groups of no more than 30 students per group. LEADER taught a total of approximately 300 students and entrepreneurs across seven sites in 2011 bringing the total number of student alumni to approximately 7,800 students.

## **LEADER Site Partnerships**

The LEADER Project is conducted in partnership with business associations and academic institutions in Eastern Europe. These partnerships typically cover the cost of meals and accommodation for LEADER instructors and also recruit students. LEADER's Executive Directors work with the site partners throughout the entire year to make arrangements for the now three-week teaching period. In 2011, the LEADER Project had seven sites in four countries. The sites remained unchanged since the addition of Skopje, Macedonia in 2008.

## **Macedonia**

### **Skopje**

2011 was an exciting year for LEADER in Skopje. Many of the Macedonian participants were seasoned entrepreneurs who attended the program to network and develop new skills to grow their businesses. The Skopje LEADERites modified the standard LEADER curriculum to meet the needs of the site's sophisticated participants. The modified curriculum involved seminars on public speaking, leadership skills and international

business practices. The LEADERites were treated extremely well by the Macedonian Chambers of Commerce as well as program participants.

## **Moldova**

### **Chisinau**

This year LEADER traveled once again to the Academii Di Studii Economice in Chisinau, Moldova. There were 20 students, mostly second year undergraduates, who received the LEADER certificate even though there was greater demand for the course than were able to attend. This highlights the key issue facing the expansion to a three week program – the third week conflicts with the students' exam schedule. However, the LEADERites who taught in Chisinau felt that students who were able to attend valued the more comprehensive curriculum as well as the time spent after class connecting with the teachers. Two students leveraged what they learnt from the curriculum and coaching sessions to take their entrepreneurial ventures to the next level with one executing a successful official launch at the end of the course. Overall, the course was executed well on all fronts and has already made a measurable benefit in the community there.

Scott Innes, Junior HBA Executive Director, taught at this site.

## **Ukraine**

### **Dnepropetrovsk**

In 2011, LEADER returned to the National Mining University in Dnepropetrovsk for the fourth time. The LEADERites taught 23 students, including 4 Polish students from Wyzsza Szkola Bankowa University in Wroclaw, Poland. The students were smart and ambitious. They had great in-class discussions about corruption, obstacles faced by entrepreneurs, successful marketing campaigns, slotting fees and distribution channels. The students presented stellar business plans on their creative start-up opportunities. One group intends to develop and distribute mattresses with an alarm clock. The LEADER Project receives very strong support from the administration and staff at National Mining University. Many former students participated in student-teacher social activities throughout the three-week program. Going forward, the school administration hopes to get Ukrainian entrepreneurs involved to the Project to enrich and facilitate class discussions.

Neha Bhasin, MBA Executive Director, taught at this site.

## **Russia**

### **Irkutsk**

LEADER completed its seventh year in Irkutsk's prestigious Baikal State University of Economics and Law. Two classes were taught, one in Russian with the help of two interpreters alternating every other day, and another one in English. These classes consisted mainly of third-year undergraduate students from the faculties of Entrepreneurial Economics and International Economics. Since this site is considered as one of the more advanced sites, LEADER ensured to send the only instructor who was a PhD student. Our main site contact, Yekaterina (Kate) Bobrova, the Foreign Languages Chair was a great help in answering questions prior to the trip, taking care of logistics during the stay, and organizing some weekend activities with students. Most students heard about the program through word-of-mouth. The partner should be encouraged to better market the LEADER program to its students.

### **Nizhny-Tagil**

In 2011, LEADER marked its twelfth year in partnership with Urals State Technical University, Nizhny-Tagil Campus. Two classes were taught, one in English and one through a Russian translator. The classes consisted of approximately 25 undergraduate students in the disciplines of engineering and business, as well as business professionals desiring entrepreneurial training. LEADERites were well taken care of and participated in a variety of activities including a Russian Bania, television and newspaper interviews, and visited local high schools to name a few. This year, LEADER made initial contact with an Institute for Entrepreneurship in Nizhny-Tagil. In future years, LEADER wants to create a partnership with the Institute to work with local entrepreneurs. As well, LEADER teachers acted as consultants for two small businesses in Nizhny-Tagil and helped them formulate strategies to grow their companies.

Melanie Thomas, HBA Executive Director, taught here.

### **Togliatti**

The Togliatti Academy of Management has continued their history of being one of LEADER's strongest entrepreneurial hosts in 2011. LEADER led a week-long investor pitch

workshop for graduate students and a few eager undergraduates totaling 25 students. The final two weeks were spent on regular LEADER curriculum with 15 undergraduate students, taught in English, and two night classes consisting of 15 English graduates and 25 Russian graduates. LEADER also guest lectured in the Academy's high school, a Business English undergraduate class and visited their elementary school. LEADER continues to be a strongly supported program in Togliatti.

Mike Forcht, MBA Executive Director, taught here.

## **Yekaterinburg**

In 2011, LEADER traveled to Yekaterinburg, Russia to teach at the Ural Federal University. They combined two classes into one, with about 25 fourth year students, and had great discussions as a result. Students were engaged, excited and extremely bright. As teachers we were very pleased with the business plans presented on the last day of the course, which included an ad agency that specializes in interactive mirrors and a recycling firm capitalizing on new interest in the environment. The business faculty also invited LEADER to participate in their annual conference held in December, participation of which the 2012 executive team will decide on.

## **Committees: 2011 and Beyond**

### **Curriculum**

**2011** LEADER continued with the entrepreneurial curriculum format from 2009. Based on feedback from students, the course was extended to 3-weeks for every site except for Macedonia. This allowed the students to spend more time on their business plan during LEADER and to have a better opportunity to take advantage of the coaching sessions. As such, the available cases needed to be expanded to fill the extra days in class. 6 new cases and several new lectures were added to expand on current business plan topics (such as marketing and finance) and to cover areas not previously discussed (such as operations). 8 technical readings were also added to the curriculum to add depth for the more advanced sites, but these were not widely used.

Moreover, training sessions for LEADERites continued to take place in a weekly format in the spring semester. Attendance was good at all sessions, reinforcing the effectiveness of the weekly format. Based on feedback from previous years and the increase in the number

of available cases, training days were increased to 7 sessions. The final session was used to discuss the different challenges that could be seen in the classroom overseas. Yves Ploudre taught a case that he wrote based on his personal experience in Irkustk of how to deal with difficult students.

A coaching training session (separate from the 7 teaching training sessions) was done this year for the first time. It was led by 3 members of the Advisory Board and held in Toronto in late April. This session was very effective in preparing LEADERites for the coaching aspect of LEADER as well as giving them a chance to interact with Advisory Board members that they would normally never meet.

Finally, several initiatives were done to save money and add convenience to printing materials. The Ivey IT team allowed MBA LEADERites to print, free of charge, at the Spencer Leadership Center. Furthermore, 4 of the 7 sites claimed that they had the capability to print onsite – reducing the load on LEADERites to carry material overseas. Unfortunately, the material that was printed onsite was more expensive than anticipated and essentially negated the savings provided by the donation from the Spencer IT team.

**Future** The first thing that needs to be looked at is the impact the 3-week session had on each site. For example, the 3-week program gave those in Ukraine more time to work on their business plans but the time commitment deterred several would-be students from taking the program. Each site must be evaluated by future Executive Directors to determine if a 3-week program is right for that site.

Next, an adjustment should be made with the timing and structure of the training sessions. 7 sessions were held last year, all late in the year with the intention of keeping the material fresh. However, the weekly commitment over the last weeks leading up to LEADER became strenuous on some LEADERites. It is thus recommended that the 7 sessions be spread out throughout the year. Also, the best part about the training sessions was the teacher feedback. More time should be given for this during each session.

In addition to the 7 training sessions, the coaching session should also be continued. However, attendance was low (10/27) due to the time of year. In future years it should be held before March and, preferably, in London to boost attendance. Also, the session should focus on 1 framework and more practice as opposed to multiple frameworks.

Next, an adjustment needs to be made to how printing of materials is done for the project. Printing at site turned out to be an unexpected cost burden and should be avoided despite convenience for the LEADERites. All printing should be done by MBAs through their unlimited printing quotas. However the disadvantage of this is the time the MBAs must dedicate to get all this printing and organizing done. Ideally, a printing based sponsorship package (Xerox, Staples, etc) is found which will take care of both cost and hassle.

Finally, an adjustment needs to be made to the curriculum for advanced sites such as Macedonia and, likely, India. It is suggested that the technical readings (which contain advanced topics such as DCFs and global entrepreneurship) are reviewed and turned into lecture slides to be used instead of the traditional lectures (which contain basic concepts such as the 4Ps).

### **Logistics**

**2011** Once again, Aeroplan was a huge contributor to the LEADER project. They donated 1.2M MILES which sent 20 LEADERites to hub locations in Europe. In exchange, 1 Aeroplan employee, Ted Vozzella, travelled to Nizhny Tagil for 1.5 weeks. Despite Ted's paperwork being sent out in February, his LOI arrived in late April. This plus technical delays at the consulate forced Ted to arrive 1 week late. Regardless, Ted had a great time and is now a big supporter of the LEADER project.

The logistics team created a spreadsheet this year that told each LEADERite the maximum amount they would be reimbursed before non-Aeroplan flight bookings were made. This helped provide cost certainty for the flight budget in most cases. However, there were some cases where exceptions to this spreadsheet had to be made. The most frequent cause of these exceptions was that flights booked on Aeroplan would not land at a hub with enough time to catch the cheapest connecting flight. Extra allowances were given to LEADERites in this scenario.

Finally, an attempt was made to cut down on the mailing costs during the visa application process. Instead of mailing the applications with a prepaid envelope for each LEADERite, they were mailed with 1 prepaid envelope to be returned to Ivey. The ED collected and distributed the completed visas once they were returned.

Overall, the above cost saving initiatives removed \$2,700 from the flight budget.

**Future** The cost improvements that were done this year came with a large learning curve, and there is room for vast improvement for future years. The easiest place to draw savings from is the Aeroplan hub selections. In 2011, LEADER used 3 hubs – London, Frankfurt and Paris. Each hub costs the same amount of Aeroplan MILES, but each has a different implication for the taxes that LEADER must cover. By balancing these taxes with cost of the hub to site flight, LEADER should be able to realize savings.

The next improvement that can be made is to reduce the amount of exceptions made to the flight budget spreadsheet. One way to do this is to have Aeroplan hub selection and hub-site flights booked within the same week. In 2011 they were booked 1 month apart. This put the hub-site booking out of mind for some LEADERites who did not make sure that the Aeroplan flight they got would allow them to connect to the cheapest hub-site flight. By booking Aeroplan flights (and being very clear in communication), it reduces the probability that this will happen again. It also helps if the Aeroplan flights land as early in the day as possible.

Finally, there should be some steps made to prevent an Aeroplan participant from having visa issues in the future. The most obvious solution to this issue is to not send the Aeroplan employee to a site that requires a visa. However, Nizhny Tagil provided the 2011 Aeroplan participant with a lot of teaching time and an experience at a site that is still developing and extracts high value from the LEADER team – something that is not always present at some sites. Therefore, it is recommended that the Aeroplan employee is recruited before the New Year. This will allow flexibility as to whether to send him or her to a visa site or not.

## **Fundraising**

### **Annual Toronto Alumni Event**

**2011** LEADER held its annual Alumni Reunion Event at the Steam Whistle Brewery in downtown Toronto in March. This year, LEADER and the China Teaching Project (CTP) teamed up to organize the event and together sold approximately 250 tickets. The event raised a net profit of \$5,550 for LEADER, most of which came from the silent auction items (\$8,000). This is a big win over last year's event, which did not draw a significant portion of revenue from the silent auction items. The largest contributor to the increase in revenue from silent auction items was the fact that the event was exclusive this year. This allowed 2

things with regard to silent auction items: 1<sup>st</sup>, the event was allowed to run much later (allowing more time for bids) and 2<sup>nd</sup>, it allowed the 2 MCs to constantly direct the crowd's attention to specific items in the silent auction. The exclusivity also added to the overall enjoyment of the alumni, which is very important to keep alumni engagement up from year to year (more discussion on this in the Advisory Board section). Finally, the added attendance that the exclusivity hopes to bring in future years adds to the likelihood that this event can draw a corporate sponsor which is something that may be necessary in future years due to the high cost of the venue. The 2011 event cost LEADER approximately \$6,500 whereas a non-exclusive venue is often free.

**Future** The 2011 Alumni Event showed that it is possible to turn a healthy profit in an exclusive setting despite the cost. Though it raised slightly less than the non-exclusive event of 2010 (\$5,900), the exclusivity contributed to alumni engagement. However, this success was also due in part to the hard work that the 2011 LEADER did in securing and promoting good quality silent auction items. Therefore, it is important to secure a corporate sponsor for the Alumni Event in order to keep it exclusive. The vision is that one day these exclusive events will evolve into a sit-down dinner and dance. This will further increase the alumni enjoyment factor and maintain/increase alumni engagement. The 2011 LEADER team documented the Steam Whistle event with lots of pictures. These should be used to create an Alumni Event specific sponsorship package and garner support from corporations for the event.

#### **Fundraising Results**

**2011** In addition to the funds raised by the fundraising committee, the Project was somewhat successful in raising funds through the solicitation efforts of Project members. They were encouraged to raise \$250 each from family and friends. At first glance, this strategy seemed to not work as well as in previous years and the team only fundraised \$3,390 compared to \$4,340 in 2010 and \$5,545 in 2009. However, the 2011 number is deceptive as this year the project team was given the choice of raising \$250 or submitting a silent auction item for the Alumni Event. Without these silent auction items, it would have been a very poor performance for the Alumni Event due to the cost of the exclusive venue.

The Executive Team and select members of the Project worked tirelessly to manage all external relationships during the year. Most important were institutional supporters at Ivey, who have continued to support the Project for many years. Our relationships with the Dean's Office, MBAA Student Association, HBAA Student Association, Aeroplan, Ivey Publishing, Ivey Advancement, and the Institute for Entrepreneurship continued to strengthen in 2011. The Dean's Office continued to support the Project with a donation of \$10,000. As well, the Ian O. Ihnatowycz Institute for Leadership (formerly Cross-Enterprise Leadership) re-engaged itself with LEADER by donating \$5,000 in exchange for 2 leadership based blogs, a research paper based on Eastern European leadership and interviews with 3 past LEADERites, 2 of whom are now in executive positions. LEADER hopes to continue working with the Ihnatowycz Institute in future years.

**Future** The Project must continue to focus on a two-tiered fundraising strategy. Most revenues come from long-established institutional supporters at the Richard Ivey School of Business. These relationships must continue to be a priority for Executive Directors. Particular attention should be paid to the unique requirements and requests of each group.

The LEADER team should continue to be given the option to raise \$250 or provide a silent auction item for the Alumni Event of an equivalent amount. Though it seems to decrease the amount brought in by personal fundraising, it gives LEADERites without a large personal or professional network the ability to contribute. These LEADERites then have the option to call corporations and request donated products and services, which often yields better results than asking for cash. Furthermore the Alumni Event featured several big-ticket auction items, such as flights, hockey tickets and adventure spots; all were a direct result of giving LEADERites this fundraising option. These types of items were the greatest financial contributor to the Alumni Event's success.

### **Technology**

**2011** Though technology was not a main focus of 2011, there were some contributions made in this area. First, the intranet became widely used throughout the 2011 LEADER team. Though the intranet was developed in 2010, it was not until 2011 when all committees of LEADER used it. Now that the whole team is using the intranet, communication and succession have become much easier and more efficient.

**Future** The most important thing for future LEADERites to do is to continue to promote and use the intranet. This way the many succession challenges ahead (MBA's switching to 1 intake as opposed to 2) become less daunting.

It is also important to methodically update the website to ensure it looks professional (currently it does not have a constant font, it is tough to navigate, etc). However, this should not be a focus of funds as the website was revamped by a professional in recent years. Once the website formatting is fixed, it is important to create a website standards document and to create a template for future teams to use. This way, it is less likely that work done this year will be negated by future teams.

### **Recruiting**

**2011** This year was the first time that Ivey only had 1 intake of MBAs in the 1-year MBA model. This created several challenges surrounding succession (discussed above). In order to combat this, the intranet was heavily used throughout 2011 so that the 2012 team can use it for reference. Furthermore, each committee completed succession documents, outlining tasks that must be completed in the short term as team members ramp up. Also, most committees have manuals (accessible on the intranet) which outline responsibilities of member of the committee (most were updated). Finally, the new LEADERites can always rely on the returning HBA2s to help bring the new team members up to speed.

**Future** In future, the team must evaluate this approach to succession and adjust accordingly.

### **Alumni Relations**

**2011** Alumni relations is about to become a key part of LEADER going forward (discussed below) in order to maintain and/or increase alumni engagement. The 2011 team got off to a good start via an exclusive Alumni Event (discussed above) and by starting a new Facebook page. The page documented the experiences on each site via a weekly post.

**Future** It is important for the Alumni Relations team to continue to engage alumni through various avenues. The Facebook page must be kept up to date with the activities of the new team and the team must make sure that alumni subscription is up. It would also be

great if alumni could start posting their experiences on the wall. The Advisory Board is a good place to go to ask alumni to post their memories to get the ball rolling.

Another initiative that should be done is the implementation of year captains to raise Aero-plan MILES. This was something that was done in the past and raised closed to the 1 million MILES that we currently receive from Aeroplan. The idea is to recruit 1 captain from each year to solicit donations of Aeroplan MILES and create a competition between years.

## Advisory Board

The LEADER Advisory Board is designed to provide continuity and strategic direction for the Project. Because LEADER is a student-run organization, initiatives are often started in one year, and not continued in the next due to changes in leadership. The Advisory Board helps ensure that initiatives with potential remain on the Project's agenda until they are complete. The Advisory Board was comprised of the following individuals in 2011:

Name	Relation	Position
Chris Sturby	2002 LEADER Alumnus, HBA Professor at Ivey	Audit Committee
Lisa Dymond	2006 LEADER Alumnus	Fundraising Committee
David Sharp	Director for Center for International Business Studies at Ivey	Advisor
Erin Konkle	2009 Executive Director	Operations Committee
Anton Tchajkov	2010 Executive Director	Operations Committee
Michael Brosseau	2010 Executive Director	Operations Committee
Jon Shell	2003 Executive Director	Executive Chairman
Mike Hornby-Smith	2008 Executive Director	Operations Committee
Paul Fleming	1996 LEADER Alumnus	Fundraising Committee
David Bassin	2006 LEADER Alumnus	Fundraising Committee
Robert Davis	2008 Executive Director	Vice Chairman

Name	Relation	Position
Mike Forcht	2011 Executive Director	Current Executive
Stewart Thornhill	Director of Institute for Entrepreneurship at Ivey	Advisor
Neha Bhasin	2011 Executive Director	Current Executive
Scott Iness	2011 Executive Director	Current Executive
Melanie Thomas	2011 Executive Director	Current Executive

**2011**

The Advisory Board’s discussions this year focused on 2 things: site expansion and alumni engagement. With regards to site expansion, it was decided that 2012 would be a trial year for the new site (India) bringing the site total to 8. However, following the trial year, 1 of the sites will be cut to bring the site total back down to 7. The decision to cut a site will be made based on which site the board feels LEADER is adding the least value – that is, the site has developed to a point where the students have access to higher education and treat the course as nothing more than a tool to practice English.

The second topic of conversation was alumni engagement. Alumni add value to the project in 3 key ways: funds, skills and forums for engagement (1 alumnus speaking to another). An objective for the future is to increase alumni engagement in order to extra value from these 3 avenues. In order to do this, future LEADER teams will engage alumni through social media (namely Facebook) and through year captains. It will be the responsibility of the year captains (discussed above) to ensure that most of their year is a member of the Facebook group and adding content to it (photos from when they went, stories, etc).

Regrettably, one key member ended their tenure with the Advisory Board: Trevor Smith. He contributed a great amount to the LEADER Project and the current team is very grateful for his generous assistance. Also, 2011 marks Jon Shell’s final year as Chairman of the LEADER Advisory Board. His dedication and service to the Project has been instrumental in the Project’s growth. But, LEADER is pleased that Jon will continue working on the Advisory Board in the future. LEADER is excited to announce that in 2012,

Robert Davis and Mike Hornby-Smith will co-chair the Advisory Board. 2011 also welcomed the addition of 2 new board members: Lisa Dymond and David Bassin. With regard to the usual tenure of former Executive Directors, Mike Forcht (MBA Executive Director 2011), Neha Bhasin (MBA Executive Director 2011) and Melanie Thomas (HBA Executive Director 2011) will join the Advisory Board to guide the 2012 project.

### **Future**

Site expansion will continue to be a major challenge and opportunity. The Advisory Board must continue to evaluate potential opportunities around the globe that align with LEADER's objectives and where LEADER can add value. Simultaneously, the board must also evaluate which of LEADER's current sites have lost relevance to LEADER's mission.

## **Other New Initiatives in 2011**

### **India**

The 2011 LEADER team worked very hard to ensure that 2012 would be the first time that LEADER entered India. Through collaboration with Ariff Kachra (Ivey professor), LEADER was able to partner with the Indian Institute of Management Bangalore (IIMB). IIMB will recruit 10-15 entrepreneurs (preferably recipients of micro finance) to participate in LEADER in 2012.

### **Revamped Student Metrics**

The student metrics were redone for two reasons. First, the old version had questions that were not mutually exclusive – making it difficult to gather all the necessary information in a short survey and sometimes LEADER received conflicting answers from the same participant. Second, the old version only captured the feelings and impact on a participant immediately following the program. It is difficult to understand the impact LEADER has on its participants (and their business ideas) in such a short time frame. Only in the months following the program will a participant be able to properly evaluate the value of LEADER – after the individual has been given time to apply the skills that he or she had learned.

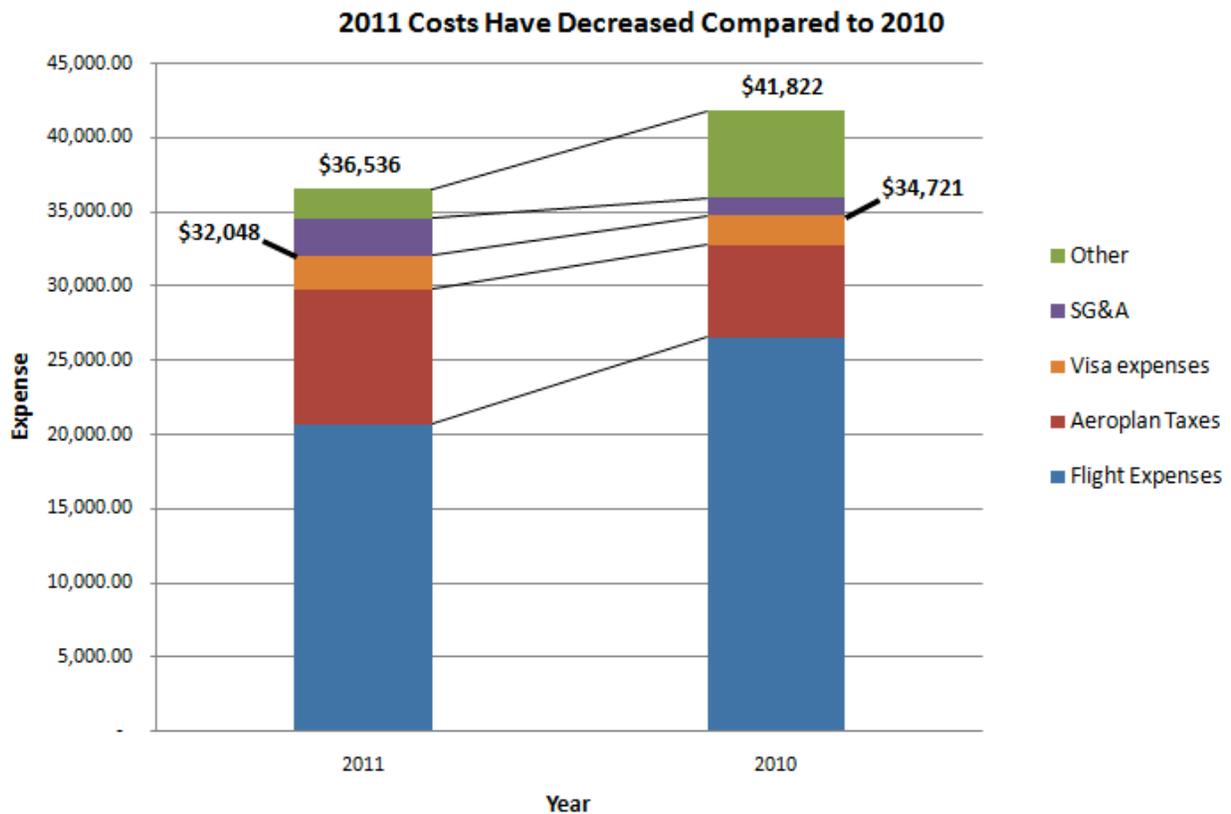
In order to combat these problems, two things were done. First, the surveys were redesigned to ask questions that are mutually exclusive (to be done immediately following the program). Second, the students will be contacted 6 months following the program in

order to get an idea of any tangible impacts LEADER has made on the lives and business ideas of its participants.

## Sources and Uses of Funds

*For detailed information, please refer to Appendix III.*

The LEADER Project’s fiscal year begins on September 1st of each year and ends on August 31st of the following year. For fiscal 2011, the Project had total expenditures of \$36,536 compared to \$41,822 in 2010 as shown below.



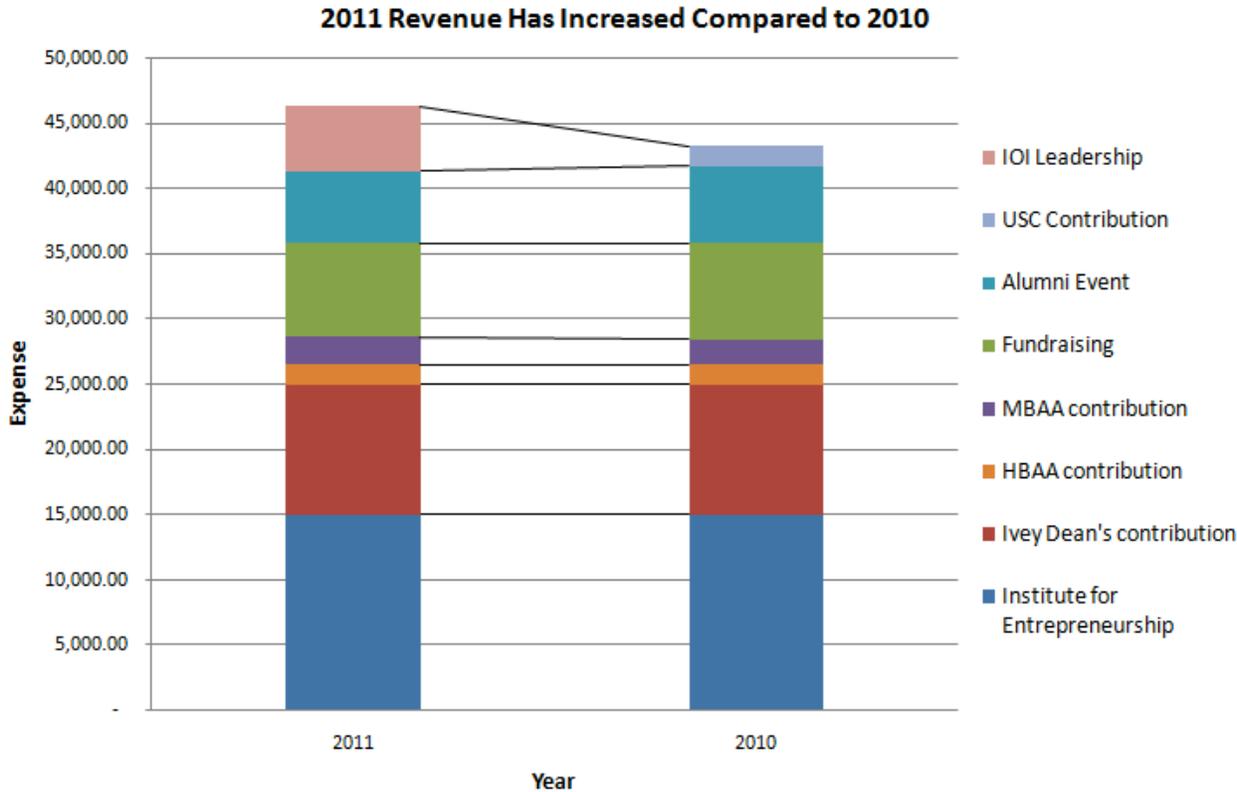
The large discrepancy can mainly be attributed to the 2011 travel cost saving initiatives (2010 travel expenses were \$34,721 compared to \$32,048 in 2011 – a cost savings of about \$2,700) as well as the volcano issues that inflated the 2010 flight expenditures (included in other). This gap would have been even greater had it not been for the inflated 2011 SG&A costs. This account was high due to the costs of expanding the curriculum (translation, extra printing, etc) and the costs of meeting the commitments LEADER made

LEADER Project Annual Report 2011

to the Ian O. Ihnatowycz Institute for Leadership (making the video, etc). One final observation is that the Aeroplan taxes actually increased in 2011 over 2010. This is due to the 200,000 extra MILES that Aeroplan donated to LEADER in 2011.

On the revenue side, the LEADER Project has traditionally been funded by corporate sponsors, institutional sponsors, fundraising initiatives, and by Project members. In fiscal 2011, the Project continued to receive financial sponsorship from Aeroplan in the form of a 1.2M MILE donation. Several Ivey institutions also supported the project this year including the Pierre L. Morrissette Institute for Entrepreneurship, the Dean’s Office, the MBAA, the HBAA and the addition of the Ian O. Ihnatowycz Institute for Leadership.

The chart below details LEADER’s financial sources in 2011:



The 2011 LEADER project performed almost identical to the project of 2010. The only material difference was loss of USC support (\$1,500) and the gain of the Ian O. Ihnatowycz Institute for Leadership (\$5,000). Overall, revenue was up in 2011, at \$46,829 compared to \$43,740 in 2010.

Overall, the cost savings, combined with the increase in revenue, resulted a cash surplus of \$10,277 for the 2011 LEADER project.

## **Special Thanks to Our Partners**

### **Macedonia 2025**

<http://www.macedonia2025.com>

### **Aeroplan**

<http://www.aeroplan.com>

### **Pierre L. Morrissette Institute for Entrepreneurship**

<http://www.ivey.uwo.ca/entrepreneurship>

### **Richard Ivey School of Business**

<http://www.ivey.uwo.ca>

### **Ivey Publishing**

<http://cases.ivey.uwo.ca>

### **Ivey Advancement**

<http://www.ivey.uwo.ca/alumni>

### **The University Students' Council of the University of Western Ontario**

<http://www.usc.uwo.ca>

### **HBA Program Office at the Richard Ivey School of Business**

<http://www.ivey.uwo.ca/hba/>

### **Ian O. Ichnatowycz Institute for Leadership**

<http://www.ivey.uwo.ca/research/leadership/>

## **Appendix I: Contact Information**

If you any questions, or require further information please contact the LEADER Project at:

LEADER Project, Room 2R28  
Richard Ivey School of Business  
The University of Western Ontario  
London, Ontario, Canada  
N6A 3K7

Email: [leaderproject@ivey.ca](mailto:leaderproject@ivey.ca)

Website: [www.leaderproject.com](http://www.leaderproject.com)

If your questions or comments are specific to the LEADER Advisory Board, please contact:

Email: [advisoryboard@leaderproject.com](mailto:advisoryboard@leaderproject.com)



## Appendix II: Participants and Committee Roles 2011

Name	Program Details	Site	Committee Position
Scott Innes	HBA 2012	Chisinau, Moldova	HBA Jr. Executive Director
Madiha Khan	MBA 2011	Chisinau, Moldova	Alumni Relations
Amy Shuh	HBA 2012	Chisinau, Moldova	Technology
Hugh Underwood	HBA 2011	Chisinau, Moldova	Logistics
Neha Bhasin	MBA 2011	Dnepropetrovsk, Ukraine	MBA Executive Director
Sukhbir Grewal	HBA 2011	Dnepropetrovsk, Ukraine	Alumni Relations
Natasha Petersen	HBA 2012	Dnepropetrovsk, Ukraine	Curriculum/Recruiting
Cyrus Zahedi	MBA 2011	Dnepropetrovsk, Ukraine	Fundraising
Karime Abdel-hay	MBA 2011	Irkutsk, Russia	Fundraising
Imran Khan	MBA 2011	Irkutsk, Russia	Logistics
Amrita Kochhar	HBA 2012	Irkutsk, Russia	Logistics
Meredith Woodwark	PhD	Irkutsk, Russia	Curriculum
Dave Budd	MBA 2011	Nizhny Tagil, Russia	Curriculum
Chris Smith	HBA 2012	Nizhny Tagil, Russia	Fundraising
Melanie Thomas	HBA 2011	Nizhny Tagil, Russia	HBA Executive Director
Ted Vozzella	Aeroplan Participant	Nizhny Tagil, Russia	
Razy Farook	MBA 2011	Skopje, Macedonia	Recruiting
Neha Khera	MBA 2011	Skopje, Macedonia	Fundraising
Leah Noble	JD/HBA 2012	Skopje, Macedonia	Logistics

Name	Program Details	Site	Committee Position
Jimmy Vaiopolous	HBA 2011 (Engineering Comb. Degree)	Skopje, Macedonia	Fundraising
Sylvia Broschinski	HBA 2011 (Engineering Comb. Degree)	Togliatti, Russia	Recruiting
Bernice Cheung	MBA 2011	Togliatti, Russia	Curriculum
Mike Forcht	MBA 2011	Togliatti, Russia	MBA Executive Director
Alan Neal	HBA 2012 (Biology Comb. Degree)	Togliatti, Russia	Alumni Relations
Kristina Lucas	HBA 2011 (Actuarial Sci. Comb. Degree)	Yekaterinburg, Russia	Treasury
Joelle Nakhle	MBA 2011	Yekaterinburg, Russia	Fundraising
Randy Newman	MBA 2011	Yekaterinburg, Russia	Technology
Jordan Wotten	HBA 2012	Yekaterinburg, Russia	Fundraising

## Appendix III: LEADER Income Statement 2011

LEADER Income Statement 2011					
For the Year Ending August 31					
\$ Canadian	Actual	2011 Budget	% of Costs	2011 Budget Assumption	2010
<b>Revenue</b>					
<i>Fundraising Campaign</i>					
Individual donations	3,390.00	4,500.00	96.21%	Assume \$250 per person but not all will reach qc	4,340.00
Collective donations	3,330.00	2,000.00	75.00%		2,725.00
<b>Subtotal Fundraising</b>	<b>6,720.00</b>	<b>7,500.00</b>	<b>85.63%</b>		<b>7,065.00</b>
<i>Fundraising Events</i>					
Alumni reunion event	5,548.69	5,900.00	96.59%	Same as last year	5,900.00
HBA Section Keqs	-	-	0.00%		75.00
Taphouse event	410.00	-	0.00%		250.00
Other initiatives	-	2,500.00	55.56%		-
<b>Subtotal Events</b>	<b>6,008.69</b>	<b>8,400.00</b>	<b>71.88%</b>		<b>6,225.00</b>
<i>Executive Director Internal Campaign</i>					
MBAA contribution	2,100.00	1,950.00	92.86%	Same as last year	1,950.00
HBAA contribution	1,500.00	1,500.00	100.00%	Same as last year	1,500.00
USC contribution	-	-	0.00%		1,500.00
Cross-Enterprise Leadership Centre	5,000.00	2,500.00	50.00%	Need to write research proposal	-
HBA Program Office	-	2,000.00	0.00%	Funding in jeopardy	-
MBA Program Office	-	2,000.00	0.00%	Funding in jeopardy	-
Ivey Dean's contribution	10,000.00	2,500.00	25.00%		10,000.00
Institute for Entrepreneurship	15,000.00	15,000.00	100.00%	Same as last year	15,000.00
<b>Subtotal ED</b>	<b>33,600.00</b>	<b>27,450.00</b>	<b>81.73%</b>		<b>29,950.00</b>
<i>Other Revenue</i>					
Interest revenue	-	-	0.00%		-
Deposit forfeiture	500.00	-	0.00%		500.00
Deposit donation	-	-	0.00%		-
<b>Subtotal Other</b>	<b>500.00</b>	<b>-</b>	<b>0.00%</b>		<b>500.00</b>
<b>Total Revenue</b>	<b>46,828.69</b>	<b>43,350.00</b>	<b>92.35%</b>		<b>43,740.00</b>
<b>Expenditures</b>					
<i>General &amp; Administrative Expenses</i>					
Banking fees	40.00	73.50	182.50%	Same as last year	73.50
Mailing & postage	20.00	-	0.00%	Same as last year	-
Meeting expenses	301.54	150.39	50.04%	Same as last year	150.39
Office supplies	-	-	0.00%	Same as last year	-
Printing expenses	621.60	1,054.56	170.00%	Increase by 50% for extra week of teaching	703.04
Promotion	400.00	-	0.00%	Same as last year	-
Telephone & utilities	-	16.50	0.00%	Same as last year	16.50
Website fees	-	128.39	0.00%	Same as last year	128.39
Case Translation	615.00	-	0.00%		-
Gifts	240.96	-	0.00%		-
Other expenses	268.81	146.16	54.37%	Same as last year	146.16
<b>Subtotal G&amp;A</b>	<b>2,507.91</b>	<b>1,569.50</b>	<b>62.61%</b>		<b>1,217.98</b>
<i>Flight &amp; Logistics Expenses</i>					
Flight expenses	28,608.45	43,000.00	149.99%	Similar cash costs as last year	26,568.07
Aeroplane savings	-	(10,000.00)	-75.00%	1MM points pledged	-
Aeroplane taxes & fees	9,087.56	-	0.00%		6,191.82
Overweight Baggage Fees	340.98	-	0.00%		-
Travel insurance	100.00	325.00	325.00%	\$25 per MBA	251.26
Travel allowance	139.70	2,800.00	2004.30%	\$100 per person	-
Visa expenses	2,280.00	2,000.00	87.73%	Same as last year	1,961.28
<b>Subtotal Travel</b>	<b>33,208.70</b>	<b>38,125.00</b>	<b>114.81%</b>		<b>34,972.43</b>
<i>Miscellaneous expenses</i>					
	835.56	2,406.25	288.00%	Contingency at 5%	5,631.56
<b>Total Expenditures</b>	<b>36,552.17</b>	<b>42,100.75</b>	<b>115.18%</b>		<b>41,821.97</b>
<b>Surplus/(Deficit)</b>	<b>10,276.52</b>	<b>1,249.25</b>	<b>12.16%</b>		<b>1,918.03</b>
<b>Per LEADERite</b>	<b>380.61</b>	<b>44.62</b>	<b>11.72%</b>		<b>68.50</b>
Students traveling	27	21			28

Prepared by Jordan Wotten.