

1970

27

THE STRUCTURE AND OBJECTIVES OF THE  
URBAN SYSTEMS CORPORATION

As many of you are already aware from informal discussions, as from January 1, 1970, we are commencing to transform Clarke, Gazzard and Partners into a more comprehensive, and we believe, more effective organisation of a more ambitious and more complex nature. We have therefore created a corporate legal and financial foundation and structure on which we plan to build through the nineteen seventies.

It is now 10 years since GC returned to Australia, with this long range objective in mind, and nine and a half years since the Clarke, Gazzard partnership was formally launched on July 1, 1960. On that date the group consisted of three people armed with nothing except determination to work to achieve a synthesis within the one group of the environmental professions of research, planning and design.

Today, the group comprises 70 people in five offices (the newest office is at Parramatta), armed with a wealth of experience in the difficulties of environmental achievement, and with a conviction that these difficulties can be progressively overcome during the 'seventies.

We have reviewed our record of successes and failures during the sixties. As a result of this review, we have redefined our group's objectives and our social role. We now define ourselves, not as professional architects, planners, engineers or researchers, but as urbanisation specialists within what the Americans call the "knowledge industry". We know that the knowledge industry is the fastest growing industry in a world in which the USA, Japan and Scandinavia are rapidly becoming "post-industrial" societies. We see urbanisation as the fastest growing phenomenon of the last thirty years of the twentieth century.

In these circumstances, we feel it is absurd to continue to think in terms of traditional professionalism, and useless to imagine that exploding environmental problems can be significantly effected by relatively small groups of architects, planners, engineers or researchers acting in isolation.

Urban environmental problems can only be effectively solved, and environmental potentialities liberated, by the large-scale co-ordinated organisation of teams of many different kinds of knowledgeable people and effective personalities.

We have therefore determined to set out to build such an organisation on a scale larger than we originally contemplated, integrating a broad range of skills than originally thought necessary.

We are planning for continuous growth, both vertically and horizontally, in terms of people and of skills, and are also planning for continuous growth in our geographic reach.

We have chosen THE URBAN SYSTEMS CORPORATION as a simple generic name for the central or holding company of the group. This indicates that urbanisation in all its forms is our subject matter, that we are concerned to approach our subject systematically, and that we have chosen a wholly corporate form of organisation. The USC now has a number of wholly owned subsidiary companies:-

Clarke, Gazzard Pty Limited : Architects  
 Clarke, Gazzard Planners Pty Limited  
 Urbsearch Pty Limited  
 Transportation Systems Pty Limited  
 Clarke, Gazzard International Pty Limited.  
*Development Implementation Pty Limited.*  
 There is also an internal service company called  
 Clarke, Gazzard Management Pty Limited.

*Could in the future*  
 There will soon also be a construction management and real estate development company, which we intend will play a gradually increasing role in implementing the group's more concrete objectives.

You will all appreciate that there is a vast amount of detailed administrative procedure to be settled in our gradual transformation from a partnership of personalities to a corporate form of organisation. Nothing very dramatic is going to happen overnight. Your patience and goodwill is sought while we gradually work out the details.

The first procedural change you will notice is that your salary cheques will henceforth be drawn on one of the new companies. Your rights and entitlements as employees will be automatically transferred to your new employer.

Your career opportunities within the USC are immediately widened. An additional superannuation-investment scheme is being prepared. The details of a sophisticated incentive scheme for participation in profits is being prepared. Over the years, we envisage the ownership of the Corporation being widely spread among its most highly skilled and effective senior personnel. The Corporation will need more and more leaders in all of the spheres of skill in each of the cities in which it will operate. A Corporation is intended to live on beyond the lifetimes of its founders, and so it must have leadership in depth, ready and able to succeed to positions of top management.

The gradual implementation of the concepts and principles outlined in this Memorandum is going to tax the patience and test the level-headedness of us all. We have a large programme of urgent jobs in hand, and satisfying our responsibilities to our clients and our jobs must of course come first. The show, as they say, must go on.

Meanwhile, we would welcome any memos, notes, ideas, and suggestions you may care to make. As we get better organised, we will be providing

more formal channels and procedures for your participation in management. So far, we have created a Corporate Planning Committee in Sydney, with GC as Chairman, DG as Deputy Chairman, and KH as Executive Secretary. This Committee met for the first time on 2.1.70, it will meet again at noon on 20.1.70, and thenceforth on every second Tuesday.

The first decision of this Committee was that all of you should be informed of the concepts and principles outlined in this memorandum, and that you should be given copies of the formal corporate objectives of the new companies. These are attached hereto.

January 1, 1970

URBAN SYSTEMS CORPORATION  
PTY LTD

The objects for which the Corporation is established are:-

1. To conduct and coordinate multi-disciplinary scientific and professional research and investigations through systematic studies of urbanisation and regional development and conservation;
2. To stimulate and contribute to the creative synthesis of an environmental science and art of human settlement;
3. To project social and economic trends affecting urbanisation and regional development and conservation, and to anticipate problems within urban and regional systems of settlement;
4. To propose, recommend, sponsor, and/or implement, as well as providing by way of service and assistance to governmental, institutional, corporate and individual clients, solutions to problems involving the physical, social, economic or other characteristics of urban systems or sub-systems, at the scales of the individual building, the neighbourhood, the town, the city, the metropolis, the urbanising region and national and international systems of urbanising regions.

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January 1, 1970

**CLARKE GAZZARD PTY LTD, ARCHITECTS**

The objects for which the Company is established are:-

1. To advance the art and science of architecture;
2. To serve and assist governments, corporations, institutions and individuals by applying the professional skills and disciplines of architecture and of design to all aspects of all types of buildings, complexes of buildings and environmental problems;
3. To implement designs by the preparation of contract documents and by supervising, arranging and organising their execution.

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January 1, 1970

CLARKE GAZZARD PLANNERS PTY LTD

The objects for which the Company is established are:-

1. To serve and assist all levels of government and all types of institutions, corporate bodies, associations and individuals, by examining, preparing, recommending and/or implementing solutions to urban problems through the practice of the professional skills and intellectual disciplines of urban and regional physical planning, and of urban design, defined as the comprehensive process of giving physical form to urban and regional development for industrial, commercial, residential, recreational and other purposes, so as to satisfy social and economic needs and aspirations.

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January 1, 1970

URBSEARCH PTY LTD

The objects for which the Company is established are:-

1. To serve and assist all levels of government, all types of institutions, corporate bodies, associations and private clients, by preparing and providing multi-disciplinary economic, social and other urban research studies and investigations concerning the location, size, arrangement, pattern and character of activities within, around and between urban and urbanising areas, including but without limiting the generality of the foregoing, economic feasibility studies, market research projections, plant location studies, pre-investment surveys, social analyses, management and organisation studies, for all types of industrial, commercial, residential and recreational and other urban developments.

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January 1, 1970

## TRANSPORTATION SYSTEMS PTY LTD

The objects for which the Company is established are:-

1. To conduct and coordinate multi-disciplinary scientific, engineering and planning research and investigations by means of the comprehensive techniques of systematic analyses and studies of movement channels, flow processes and all types of transportation networks serving urban regions, metropolitan areas, cities, towns, urban neighbourhoods and individual urban development projects.
2. To serve and assist all levels of government and all types of institutions, corporate bodies, associations and individuals by examining, preparing, recommending and/or implementing solutions to transportation problems through the practice of the professional skills of traffic and transportation engineering, systems analysis, traffic management, hydraulic, mechanical, civil and structural engineering, highway design, economic feasibility and cost-benefit analysis, kinesthetic and perceptual psychology, and all other skills appurtenant or allied thereto.

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January 1, 1970

**CLARKE GAZZARD INTERNATIONAL  
PTY LTD**

The objects for which the Company is established are:-

1. To serve and assist all levels of government and all types of institutions, corporate bodies, associations and individuals throughout the world, by examining, preparing, recommending and/or implementing solutions to urban problems through the international practice of the professional skills and intellectual disciplines of urban and regional physical planning, or urban design, of urban systems engineering, of sociology, of economics and of architecture, together comprising the comprehensive process of guiding, controlling and creating urban and regional development so as to satisfy social and economic needs and aspirations.

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## FINANCIAL OBJECTIVES

To adequately use the funds available to the corporation so as to achieve a high rate of growth of shareholders' funds, through profit and sales growth consistent with customer satisfaction and attainable market penetration.

## FINANCIAL RESPONSIBILITY

### UREAN SYSTEMS CORPORATION: PROFIT POLICY

To operate all divisions and activities of the corporation as decentralized cost and profit centres with a planned profit target for each based on the funds employed and attainable market volume.

To earn profits against the following criteria

|   |                           |                                |
|---|---------------------------|--------------------------------|
| * | Distributable Nett Profit |                                |
|   | After Tax                 | 7% to 8% of paid-up capital    |
| * | Tax Paid Provisions       | 4.5% to 10% of paid-up capital |
|   | ***                       | ***                            |
| * | Nett Operating Profit     | Minimum 12% of Sales           |
|   | After Tax                 | Optimum 18% of Sales           |
| * | Nett Operating Profit     | Minimum 20% of Sales           |
|   | Before Tax                | Optimum 30% of Sales           |
| * | Divisional Contribution   | Minimum 36% of Sales           |
|   | to General Overheads      | Optimum 64% of sales           |
|   | and Nett Profit           |                                |
|   | (to be verified)          |                                |
| * | Divisional Income         | 100% of Sales                  |
|   | ***                       | ***                            |

### a) Financial Control & Reporting

To employ a system of management reporting to permit corporate, regional and divisional control stemming from managerial action based on the comparison of actual and planned performance in the areas of sales volume, profit achievement, cost control and capital utilization based on pre-determined standards.

## Financial Responsibility

Corporate financial responsibility will rest with the Board which will set financial policy, and review operational performance.

Each division will have full authority and responsibility for financial matters within budget constraining and policy guideline.

### c) Return on investment

To establish standards of Return on investment against a minimum of 20% and an optimum of 35%.

R.O.I. will be used not only for measuring the profitability of overall use of funds but also for the day to day evaluation of capital items necessary to the functioning of the business.

7-10 short term  
20-35 long 5 yrs

### d) Budgeting

#### Short Term

A detailed plan will be prepared annually by each region, division and subsidiary companies and will be consolidated by corporate management team in alignment with current policies.

Supporting budgets will be written for all functional areas where expenses are incurred.

#### Long Term

A financial plan will be prepared by corporate management in consultation with the regions and divisions for a 5 year period laying particular stress on the evaluation of market potential, new market opportunities and product development.

### e) Accounting Methods

Accounting services will be provided by Clarke Gizzard Management Pty. Ltd. Regional systems will be standardised where economical but accounting information flows between offices will utilise one well defined system in order to ensure that corporate analysis and comparison can be quickly and efficiently effected.

#### f) Financing

To provide finance for the planned short and long term growth and development of the corporation in accordance with the policies of profitability and marketing.

Funds will be provided through appropriation and profits, borrowings, or sales of equity, whichever is at least cost to the (shareholders etc.) U.S.C. - commensurate with the risks and ownership control changes that may be involved.

#### g) Capital Appropriation

In order to take account of longer term aspects of profitability, capital appropriations will be considered on the basis of a discounted cash flow review. A minimum return on investment of 10% is required, subject to full evaluation of all realisable alternatives.

#### h) Cash utilization of Planning

A central cash pool will be used and kept at a determined level consistent with operating requirements. Cash surplus will be used to attract the optimum return from any one of

- \* investment
- \* diversification and development
- \* reducing the need for debt
- \* financing

#### i) Investment of Funds Policy

To invest any available funds at the highest rate available consistent with capital security and optimum ROI criteria.

#### j) Provisions

Provisions must be evaluated, planned, scheduled and regularly reviewed in order to fulfil corporate objectives and minimise indiscriminate interference with current operations.

k) Dividends distribution

Dividends are to be distributed to the shareholders annually or semi-annually at the discretion of the Board after

- all U.S.C. operating expenses have been paid
- provisions have been set aside
- reserves for evaluated development allocated
- incentive bonuses have been allocated to staff

l) Insurance

To provide ~~the insurance for and~~ regularly review conditions for the most economical insurance cover against loss or litigation concerning:

- \* the Corporation's assets and image
- \* its property and equipment
- \* its personnel in all aspects of their duties.

m) Banking, credit..

A central bank account will remain in overdraft, to a predetermined extent.

All regional operations should utilise the same nominated bank offering the appropriate services consistent with needs of their operation.

CREDIT POLICY

Credit

Payment discounts to reduce collection time?

To operate an effective and efficient organisation of human endeavour in the fields of urban problem solving and the management of urbanizing changes, using basic socio-scientific technologies and disciplines, to the ultimate end of profit.

a) Product Policy

To provide a comprehensive and integrated range of professional services necessary to solve, and implement the solutions to problems involving all aspects of urban change and development.

The total service and the component services should be

- \* directed to the improvement of standards of research, planning, design, construction and management of aspects of urban change
- \* compatible with profit policies and market penetration goals
- \* based on systematic and coordinated applications of the disciplines and technologies of
  - socio-economic research;
  - urban planning;
  - architecture and design;
  - transportation engineering;
  - development and project management.

To provide ancillary services to clients based on the above technologies together with aspects of real estate investment and development and communications such as are necessary to encourage client and market acceptance of the concept of employing the total range of services.

b) Growth Policy

The general growth policy is to implement the product diversification policies already envisaged in setting-up operating subsidiaries designed to provide total enquiry, planning, design and project implementation services.

Growth rates for each operating subsidiary will be set at the minimum end of the scale, by keeping pace with the overall rate of economic growth, in the geographic areas which they embrace. At the optimum, they are set by:

- \* pre-determined increases in market penetration based upon plans for the recruitment, training and development of staff with the required range of skills;
- \* pre-determined profit criteria based upon the funds required
  - \* to meet added general overhead and other operating expenses;
  - \* to finance professional research and development
  - \* to provide an economic return for shareholders after providing for reserves needed to finance expanded facilities.

Growth will be directed towards developing the Corporation so that it will become attractive to clients offering large scale and comprehensive urban assignments.

#### c) Acquisition

U.S.C. will take advantage of opportunities to expand its staff and technical resources by the acquisition of other professional and commercial practices and enterprises using compatible and complementary technologies applicable in the fields of urban endeavour.

The criteria adopted will be based on the availability of funds and an evaluation of the proposed acquisition, in line with current return on investment policy.

#### d) Diversification

To systematically seek, develop and review all diversification opportunities, which, in addition to satisfying ~~XXXXXXXXXXXX~~ ROI criteria, also provide for:

- \* the more effective use of the technological and staff resources of U.S.C.
- \* the development of product lines or systems through customer synergy .

#### e) Professional Competence

To provide organisation reviews, skills, audits, recruitment programmes and personalised training and development schedules to ensure that standards of work performance and ethics fully meet those of the relevant Professional Institutions and client expectation.

To provide incentive for all U.S.C. staff to participate in the activities of professional and technical bodies to

strengthen their ability to meet defined standards of



2f) Executive Competence

After an analysis of requirements, to budget and schedule internal and external training to improve and widen the range and quality of managerial and supervisory skills needed for the effective operation and control of U.S.C.

Executive capacity and skills will also be developed in such areas as finance, marketing and personnel to ensure optimum utilisation of professional skills and to allow predetermined standards of managerial performance to be attained.

### 3. NATURE OF MARKETS

a)

A segmented market concerned with urban, locality and building development running through the phases of

- research on socio-economic bases;
- political enquiry
- urban and locality planning
- building architecture and design
- transportation engineering
- project implementation

The major segments of the market are

- in the private sector, ranging from individual projects in retail, industrial, commercial and residential building to comprehensive development projects;
- in the public sector, ranging from multi-national, overseas, Commonwealth, State and to local government agencies and instrumentalities;
- in the institutional sector

Academic and Research Sponsors <sup>and users</sup> of pure and applied research in the areas of enquiry, planning, transportation, architectural and project management technologies and techniques.

Sub-segments under consideration for exclusion are

- \* size of architectural jobs - need to know profitability of small ones - \$10,000 or low image quality.
- \* Planning side - G.C. will come back on it by 29.1.70  
e.g. 100 acres subdivision.

b) To market direct to the members of the market segments defined, by means of

- \* personal ~~xx~~ representation by specialists capable of representing the total product range of U.S.C. and its specialised segments.
- \* providing professional, technological and sales support in those negotiations where such support is needed.
- \* conducting mailing campaigns directed to key decision-takers and all others capable of influencing decisions in relation to -

- \*\* the overall U.S.C. service concept,
- \*\* urban research;
- \*\* urban planning;
- \*\* architectural services;
- \*\* transportation engineering;
- \*\* project implementation
- \* advertising and conducting appreciation courses, orientation courses and application courses for specific strata and function of executive personnel of
  - \*\* major corporations
  - \*\* government instrumentalities;
  - \*\* government users
- \* selecting and locating regional offices structured to meet identified short-term needs as a basis for their longer-term development towards full-scale U.S.C. marketing and operating capability.
- \* Utilising Public Relations services to reach identified influences and potential users of U.S.C. services To market INDIRECTLY to the key market areas defined by means of
  - \* Conducting public appreciation seminars on the urban systems development theme;
  - \* publishing, whenever possible in a client's name, theses, articles, case studies, problem and benefit analyses related to the total concept of research, planning, architectural design and construction, or appropriate segments of the concept;
  - \* publishing market-and development- oriented books, articles, case-studies relevant to the urban systems development concept;
- \* → conducting, within priority criteria, serving the common end-of profit, applied studies as a part of the U.S.C. professional and technological R & D programme.

### 3c) Pricing Policy

to offer a range of client services priced to attain returns on investment of at least 10% per annum, consistent with market penetration objectives and sales volume targets.

- To use cost plus pricing based on work estimates in order to establish minimum and normal project prices as a guide to market price.

### 3d) Product Distribution

To establish and operate a network of geographically dispersed offices, when clearly evaluated potential for longer term profitability is identified.

- \* These offices will be distributed to provide an economical representation of U.S.C. services in the field of urban problem solving
- \* the decision as to staff allocations to each office will be taken in the light of the principle of effective service at least cost to U.S.C.

U.S.C. will endeavour to effectively serve Australian markets through dispersed offices; overseas offices will be evaluated according to the principles listed here, and after consideration of their effects on the Australian operation.

### 3e) Product Planning

To improve penetration of selected markets and product profit contribution through a product planning programme designed to

- systematically review the depth and range of product services offered.
- to satisfy client needs and solve client problems identified by market research
- to exploit product diversification within corporate policy
- to maintain and develop a more effective competitive position in the market.

### 3f) Market Research

To develop a systematic and continuous programme of market research to

- \* identify potential markets
- \* identify specific emerging customer needs
- \* identify by active follow up enquiry client post-purchase satisfaction
- \* establish the most effective outlet points
- \* estimate market share
- \* identify changing needs and problems in the urban environment
- \* establish the most effective promotional techniques and media
- \* locate markets no longer satisfying corporate policy

3g) Advertising

Within total promotional policy and budgets, and subject to the constraints of the professional ethics of the institutions to which the members of the corporation belong -

- \* to ensure maximum contact with customers and potential customers while complementary promotional and sales activities are implemented.

3h) Public Relations

Within the total promotional policy and budget to conduct an active programme to enhance the image of U.S.C., its products, and staff and the image of the fundamental technologies used by the corporation.

This will be directed towards increasing customer demand and the interest of the news media in U.S.C. its products and objectives, and to increase public and customer acceptance of its products.

3i) Sales

To operate at a planned level of sales growth while maintaining customer satisfaction.

This will be effected through an efficient, trained and competent sales staff employing planned sales techniques.

\*

Divisional and individual sales performances will be directed and controlled by reference to predetermined sales turnover targets.

#### 4a) Corporate Structure: Board Structure

To set high standards of organisational excellence and goals achievement by

- \* determining market penetration expansion and diversification policy
- \* determining minimum and desired return on investment policies
- \* reviewing progress against agreed policies and goals

To determine the dividend and bonus policies for U.S.C., and to delegate to the Managing Director full responsibility for administering agreed policies.

- \* to determine policy for professional standards of work.

#### b) Corporate-Division (Region) Relationship

To achieve corporate financial goals by a decentralization of line and staff functions. Divisional autonomy will be achieved through policy development at corporate level, and policy execution through divisional action.

To achieve co-ordination of divisional and staff efforts through integrated planning of corporate goals and the use of corporate advisory committees or teams.

#### c) Inter-regional Relationships

Formal systems will be devised to encourage professional and managerial interchanges concerning problems and common goals. Operational inter office communications will be left to the discretion of the regional managers.

#### d) Line/Staff

To provide through the central office, all staff services needed to support the managerial effort necessary to control the production and sales efforts of each regional office.

Economical and autonomous staff service groups will be developed to a stage where they can recommend policy in conjunction with corporate project and advisory committees or team. They will contribute to the development of corporate policy goals and long range planning.

e) Decentralisation

Corporate control will be exercised through policy statements with performance being measured against attainment of corporate financial, operating and development goals.

Decentralised line and staff functions will be used for the administration of corporate policy.

f) Specification of the Ideal Policy

To provide for corporate project and advisory teams drawn from cross sections and echelons of the organisation for the purpose of

- \* providing analysed data and critique in all functions of management and control against which the top management team can evaluate its conclusions;
- \* achieving knowledge of policies in depth throughout the organisation and, through this knowledge, the standardisation of policies and practices;
- \* achieving savings through the complete standardisation of systems, procedures and equipment;
- \* strengthening decentralisation and, concurrently, facilitating the use of policy as a means of controlling performance against pre-determined criteria.

DEVELOPMENT      8a) Research and Development

To carry out R & D projects where they are likely to lead to the development of new or improved marketable products, subject to their compliance with annually prepared budget allocations and an evaluation of their likely costs and benefits to U.S.C.

b) Cost Reduction and Control

To develop a systematic 'input-output' of financial data from H.Q. to the regions to maintain information sufficient to allow day-day control.

Through study of cost records of the use of corporate teams to develop new and better methods of control with the view of reducing current costs, consistent with maintaining and improving quality.

c) Operating Efficiency

Provide a framework to allow managers to systematically study and review works performed throughout U.S.C. in order to

- \* ensure that work is in accord with standards of quality quantity and economy
- \* to eliminate operating difficulties and improve the working environment
- \* to identify training needs
- \* to provide performance targets and to support staff meeting them at the personal, divisional and ultimately corporate level.

d) Product Development

To provide for investigation into existing products and services with the aim of reducing costs and improving quality to attain increasing client satisfaction and U.S.C. profitability.

Within specified and evaluated cost and measurement criteria to diversify to, products and services to gain greater acceptance within existing markets or serve new ones.



e) Market Development

To increase the range of market coverage to all segments that can contribute to the ultimate professional and profit objectives of the corporation through

- \* market research
- \* public relations
- \* sales promotion
- \* advertising
- \* sales activities
- \* Customer satisfaction

To plan the examination of emerging market segments, overseas markets and new or related markets consistent with product growth and profit objectives.

f) Operation Critique

To carry out planned and comprehensive view of the corporation, its environment, executive staff, professional staff and to regularly and formally critique the operational activities of areas within their control in the areas of

- \* corporate development
- \* operating effectiveness
- \* staff morale
- \* integration of corporate, divisional and regional objectives
- \* performance target achievements

g) Business Information

To the common end of efficiency and profit supply information to managers that allows them to function effectively in the areas of -

- \* financial planning (budgeting)
- \* cost control
- \* personal performance evaluation
- \* divisional performance evaluations
- \* development of staff
- \* product development
- \* inter-group comparisons

## 6. THE HUMAN ENVIR.

### a) Working Conditions

To provide a working environment for every member of the organisation which is consistent with:

- \* fitness for the work to be performed
- \* providing a level of comfort in line with local alternatives
- \* matching professional staff and client expectations

To provide a framework for the review and feedback of information from all staff regarding their working environment.

### b) Staff Selection

Within a longer term manpower plan, arrange the systematic recruitment of required staff, where no existing staff member is suited to the post.

To ensure the highest standards of internal selection by providing guidance and services to those responsible in the areas of

- recruitment and advertising
- job and man specifications
- conditions of employment
- Performance expectation and compensation

### c) Promotion Policy

Promotions will be based on proven excellence of performance within the corporation consistent with the minimum academic requirement of the position.

Age, status or personal expectations will be considered as of only secondary importance in promotion decisions.

### d) Compensation policy

Systematic salary administration practices will be adopted to obtain and retain staff of a necessary calibre.

Salary and total compensation will align with the upper quartile of ruling market levels.

Personal levels of compensation will

- \* be equitable within the organisation
- \* geared to personal effort
- \* move ahead at an overall rate being at least that of the cost of living component in the Australian economy.

e) Management Development

Career planning will be carried out to increase individual effectiveness and bring individuals to their full potential in the shortest possible time.

Job experience will be augmented by planned and documented educational programmes and special assignments for personnel who evidence above average managerial or professional potential.

f) Performance Target Setting

Based upon the U.S.C. policies, a hierarchy of company, regional and individual performance targets will be set as a means of assessing personal contribution to the corporation.

All goals will be directed towards attainment of corporate objectives and will be systematically reviewed to reflect changing needs and policies.

g) Performance Review and Counselling

Performance review will be regarded as a continuous duty, which supervisors, managerial and professional staff members have, to subordinates. Yearly formal appraisals will be made in respect of every member of the Corporation and the technique of counselling will be used as a means of attaining improved performance and commitment.

h) Executive and Professional Succession

All executive and key professional positions within U.S.C. will be subjected to systematic review with regard to

- \* identifying succession needs in terms of longer term organisation planning
- \* checking availability of potential successors for key positions
- \* identifying practical and theoretical training and development needs for potential successors consistent with management development, staff selection and promotion policies and acting upon this evaluation by scheduling appropriate training.

# The creation of Urban Systems Corporation

1.1.1970

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In these circumstances, we feel it is absurd to continue to think in terms of traditional professionalism, and useless to imagine that exploding environmental problems can be significantly effected by relatively small groups of architects, planners, engineers or researchers acting in isolation.

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The first procedural change you will notice is that your salary cheques will henceforth be drawn on one of the new companies. Your rights and entitlements as employees will be automatically transferred to your new employer.

Your career opportunities within the USC are immediately widened. An additional superannuation-investment scheme is being prepared. The details of a sophisticated incentive scheme for participation in profits is being prepared. Over the years, we envisage the ownership of the Corporation being widely spread among its most highly skilled and effective senior personnel. The Corporation will need more and more leaders in all of the spheres of skill in each of the cities in which it will operate. A Corporation is intended to live on beyond the lifetimes of its founders, and so it must have leadership in depth, ready and able to succeed to positions of top management.

The gradual implementation of the concepts and principles outlined in this Memorandum is going to tax the patience and test the level-headedness of us all. We have a large programme of urgent jobs in hand, and satisfying our responsibilities to our clients and our jobs must of course come first. The show, as they say, must go on.

Meanwhile, we would welcome any memos, notes, ideas, and suggestions you may care to make. As we get better organised, we will be providing

more formal channels and procedures for your participation in management. So far, we have created a Corporate Planning Committee in Sydney, with GC as Chairman, DG as Deputy Chairman, and KH as Executive Secretary. This Committee met for the first time on 2.1.70, it will meet again at noon on 20.1.70, and thenceforth on every second Tuesday.

The first decision of this Committee was that all of you should be informed of the concepts and principles outlined in this memorandum, and that you should be given copies of the formal corporate objectives of the new companies. These are attached hereto.



January 1, 1970

URBAN SYSTEMS CORPORATION  
PTY LTD

The objects for which the Corporation is established are:-

1. To conduct and coordinate multi-disciplinary scientific and professional research and investigations through systematic studies of urbanisation and regional development and conservation;
2. To stimulate and contribute to the creative synthesis of an environmental science and art of human settlement;
3. To project social and economic trends affecting urbanisation and regional development and conservation, and to anticipate problems within urban and regional systems of settlement;
4. To propose, recommend, sponsor, and/or implement, as well as providing by way of service and assistance to governmental, institutional, corporate and individual clients, solutions to problems involving the physical, social, economic or other characteristics of urban systems or sub-systems, at the scales of the individual building, the neighbourhood, the town, the city, the metropolis, the urbanising region and national and international systems of urbanising regions.

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January 1, 1970

CLARKE GAZZARD PTY LTD, ARCHITECTS

The objects for which the Company is established are:-

1. To advance the art and science of architecture;
2. To serve and assist governments, corporations, institutions and individuals by applying the professional skills and disciplines of architecture and of design to all aspects of all types of buildings, complexes of buildings and environmental problems;
3. To implement designs by the preparation of contract documents and by supervising, arranging and organising their execution.

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January 1, 1970

CLARKE GAZZARD PLANNERS PTY LTD

The objects for which the Company is established are:-

1. To serve and assist all levels of government and all types of institutions, corporate bodies, associations and individuals, by examining, preparing, recommending and/or implementing solutions to urban problems through the practice of the professional skills and intellectual disciplines of urban and regional physical planning, and of urban design, defined as the comprehensive process of giving physical form to urban and regional development for industrial, commercial, residential, recreational and other purposes, so as to satisfy social and economic needs and aspirations.

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January 1, 1970

## TRANSPORTATION SYSTEMS PTY LTD

The objects for which the Company is established are:-

1. To conduct and coordinate multi-disciplinary scientific, engineering and planning research and investigations by means of the comprehensive techniques of systematic analyses and studies of movement channels, flow processes and all types of transportation networks serving urban regions, metropolitan areas, cities, towns, urban neighbourhoods and individual urban development projects.
2. To serve and assist all levels of government and all types of institutions, corporate bodies, associations and individuals by examining, preparing, recommending and/or implementing solutions to transportation problems through the practice of the professional skills of traffic and transportation engineering, systems analysis, traffic management, hydraulic, mechanical, civil and structural engineering, highway design, economic feasibility and cost-benefit analysis, kinesthetic and perceptual psychology, and all other skills appurtenant or allied thereto.

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January 1, 1970

URBSEARCH PTY LTD

The objects for which the Company is established are:-

1. To serve and assist all levels of government, all types of institutions, corporate bodies, associations and private clients, by preparing and providing multi-disciplinary economic, social and other urban research studies and investigations concerning the location, size, arrangement, pattern and character of activities within, around and between urban and urbanising areas, including but without limiting the generality of the foregoing, economic feasibility studies, market research projections, plant location studies, pre-investment surveys, social analyses, management and organisation studies, for all types of industrial, commercial, residential and recreational and other urban developments.

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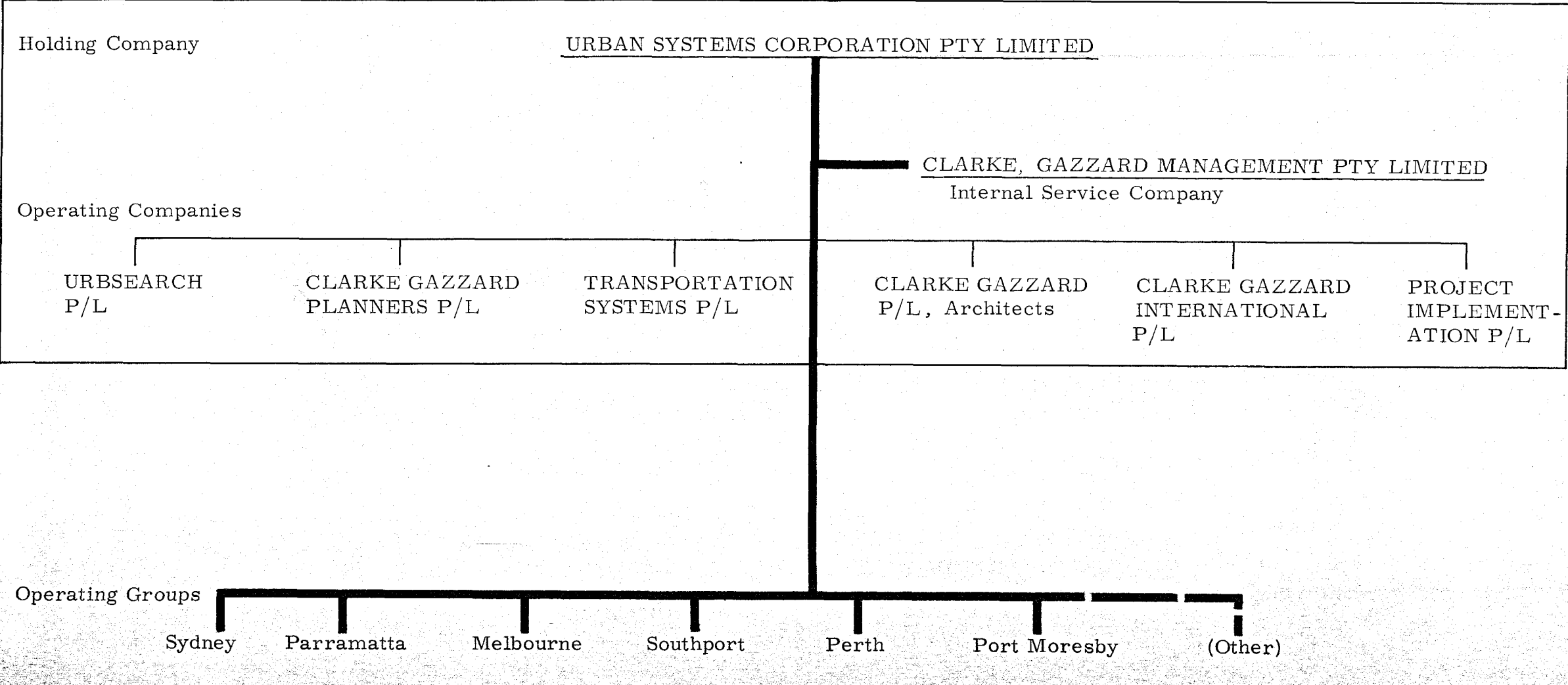
January 1, 1970

CLARKE GAZZARD INTERNATIONAL  
PTY LTD

The objects for which the Company is established  
are:-

1. To serve and assist all levels of government and all types of institutions, corporate bodies, associations and individuals throughout the world, by examining, preparing, recommending and/or implementing solutions to urban problems through the international practice of the professional skills and intellectual disciplines of urban and regional physical planning, or urban design, of urban systems engineering, of sociology, of economics and of architecture, together comprising the comprehensive process of guiding, controlling and creating urban and regional development so as to satisfy social and economic needs and aspirations.

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OPERATING STRUCTURE OF THE URBAN SYSTEMS CORPORATION PTY LIMITED

Date Issued: 1.1.70