



AUT
UNIVERSITY

BUSINESS
AND LAW

RESEARCH
PROFILE
2011-2012



World-class and Relevant



AUT University's Faculty of Business and Law is home to one of New Zealand's largest business schools and newest law school. Reflecting its size and aspirations, the Faculty boasts an increasingly strong cadre of researchers across all key disciplines: accounting, economics, finance, business information systems, international business, management and employment relations, marketing, and law.

The Faculty has invested substantially in developing research capability. Recruitment of leading researchers, including 34 professorial staff, and the development of the research capabilities of existing staff are yielding significant returns in research performance. In the 2006 government-initiated Performance-Based Research Fund (PBRF) audit of research activities in all New Zealand universities, AUT University Business School's rankings confirmed it as a world class research institution. Research connections in business and law continue to grow.

As part of AUT – The University for the Changing World - the Faculty is committed to research that is relevant for business, professions and the community. We are also strongly committed to innovative and research-led teaching, ensuring the best possible learning environment for our students.

PICTURED:
DR GEOFF PERRY
PRO VICE-CHANCELLOR AND DEAN
FACULTY OF BUSINESS AND LAW

Research that Matters



For the vast majority of academics in the Faculty of Business and Law, research is part of who we are and what we do. The challenge for us, is to do research that matters, not just to score points in the national research evaluation round but to make a positive difference in our region and in the changing world.

Research in the Faculty of Business and Law not only covers the kinds of research our competitor universities do, but it seeks increasingly to bridge the theory-practice divide. Our researchers publish in leading academic journals, publish books, host meetings and present their research at prestigious international conferences. They share their work with each other and engage with communities outside the university, including through the media. We support our researchers' efforts and we celebrate their successes.

The New Zealand Work & Labour Market Institute is a strong focal point for researchers throughout AUT University to connect and work together on projects of significance. The focus is on productivity and workplace performance, employee participation and unionism, labour force planning, occupational health and safety and employee well-being, as well as business and labour history researchers working together to provide multidisciplinary perspectives on the all-important employment relationship, and issues of national and international significance. A high level industry advisory board representing key stakeholders is vitally involved in work-plans and project development.

The above is just one research focus. Do read on to see what interesting projects some of our many researchers are doing. Connect with them. If you represent a government ministry, SOE, professional body business/law firm or NGO, maybe there is a research project we or our students could be part of. If you are a postgraduate student seeking research supervision, we have excellent research leaders to help you engage with exciting and interesting research – and we encourage you too to embrace our Faculty value of 'research that matters'.

PICTURED:
PROFESSOR KATE KEARINS
ASSOCIATE DEAN
RESEARCH



New Zealand Work & Labour Market Institute / Overview

Perhaps the biggest issue confronting the New Zealand economy is the country's stubbornly low rate of labour productivity. It's a puzzle the New Zealand Work & Labour Market Institute at AUT University is determined to help solve as part of a consortium of New Zealand universities, the Department of Labour, Heathrose Research and the New Zealand Employment Relations Society. The steering group is chaired by Institute Director Professor Ray Markey on behalf of AIRAANZ (the Association of Industrial relations Academics of Australia and New Zealand) and the Institute provides the secretariat.

Professor Markey says New Zealand's productivity rate has resisted the efforts of both National and Labour-led governments to bring about an improvement. That has prompted a proposal by the institute to lead a comprehensive Workplace Dynamics Survey, for which funding will be sought.

"We start from the fact that workplaces are the site in which productivity and value are created. We have a big concern with productivity in this country because New Zealand has not performed well for a long time."

Treasury figures in 2006 place New Zealand labour productivity 30 per cent behind Australia, 44 per cent behind the US and 25 per cent below the OECD average.

"The rate has been stagnant for about 15 years," says Professor Markey.

Economists speculate that lifting skills might make a difference and others suggest improving the partnership between managers and workers would help.

"The problem is what people are doing is looking at inputs into workplaces and outputs in terms of productivity, but they are not looking at what happens in the black box, which is the workplace itself."

The institute and consortium are proposing to survey as many as 3000 workplaces and interview up to 20,000 managers and workers.

"We would be looking at the relationship between management and labour, the interaction across a range of spheres, to see what it is in the sets of relationships that makes a productive work-place."

Professor Markey envisages the survey and analysis taking up to three years and sees it as an extension of the institute's practice of undertaking research that contributes to formulation of public policy.

"Our core disciplines are employment relations, human resource management and labour market economics and they're all policy-oriented disciplines, so I think it's critical for us that we follow and extend that tradition."

The institute incorporates the Centre for Occupational Health and Safety Research, Business and Labour History Group and Employment Law Forum. It brings together more than 60 researchers in eight disciplines from three university faculties.

It's the largest concentration of such expertise in the country and second-largest in the Asia Pacific region. In 2010 the institute's researchers produced 200 publications, a 25 per cent increase on the previous year, with articles appearing in such journals as the *British Journal of Industrial Relations*, the *International Journal of Human Resource Management*, the *Journal of Business Ethics*, the *International Journal of Social Economics* and the *Australian Journal of Political Science*.

Institute researchers contribute as editors, editorial board members and reviewers to various leading publications. A key event of 2010 was the launch of the New Zealand Employment Relations Society, whose foundation chair is Professor Markey. The institute also sponsored the launch of the New Zealand Labour Law Society, with patron Coral Shaw, judge of the UN Disputes Tribunal.

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Business and Labour History Group / Overview



When philosopher George Santayana said those who cannot remember the past are condemned to repeat it, it's a safe bet he wasn't thinking of bankers. Yet it's a saying as relevant to business as any other part of society.

While we depend on social historians to remind us of the causes of war, researchers in business history offer valuable insights on events that shape the economy.

Helping get across the lessons learned is the motivation for regular symposia staged by AUT University's Business and Labour History Group, including one in May 2010 that turned the spotlight on finance, banking and accounting.

"We run symposia to highlight how we can inform current business practice and policy through a better understanding of the past," says Associate Professor Simon Mowatt, the co-ordinator of the group, which comes within the university's Work & Labour Market Institute.

An example of how history repeats itself was provided in a paper entitled "Telling Tales about Bankers, c. 1910-2010", presented at the May symposium by Dr John Singleton.

"He started by quoting from Franklin Delano Roosevelt on the problems of excess within the banking industry, the problems of lack of regulation leading to risky decisions, and how this was of detriment to the economy in general," Associate Professor Mowatt says.

President Barack Obama's contemporary criticisms of bankers are strikingly reminiscent of his Depression-era counterpart's attacks on the sector.

"Everything we heard is straight out of what Obama has been saying recently. There are clearly lessons that can still be learned — not only from this time around, but lessons we didn't learn from the past."

Research into how magazine publishing has adapted to change is also instructive. Associate Professor Mowatt has been spending time in the archive of Vogue publisher Conde Nast, in New York, studying how the business has responded to successive technology challenges.

Conde Nast is a good model, he says, being first to produce a glossy, high-value magazine whose main source of revenue was expensive advertising rather than the cover price. The company was also an early mover in the use of photographs in place of artistic renderings to illustrate its pages, and in switching to colour printing.

Associate Professor Mowatt's research is putting the challenge today's publishers face from game-changing devices like Apple's iPad in the context of historical changes.

"Threat is nothing new to the magazine publishing industry," he says.

Being able to remind publishers of how their industry has survived past shakeups fits squarely within the group's mandate.

"We're committed to the development of historical perspectives of long term trends in business practices and ideology, and in labour relations, as a contribution to understanding where we are today, and why," Associate Professor Mowatt says.



Centre for Occupational Health and Safety Research / Overview

As we enter the second decade of the third millennium, it's reasonable to assume workplace health and safety is steadily improving. But economic conditions and changes in patterns of employment mean that isn't the case.

"Health and safety rates internationally haven't gone down substantially in the past two or three decades," says Associate Professor Felicity Lamm, Co-Director of the Centre for Occupational Health and Safety Research at AUT University.

New Zealand's workplace death rate recorded by the Department of Labour remains static at about 60 to 70 a year, although it spiked dramatically with the Pike River Mine tragedy, in which 29 workers were killed and the workers who died in the February 2011 Christchurch earthquake. Rates of illness resulting from exposure to chemicals, asbestos and other workplace hazards, meanwhile, can only be guessed at.

"We have virtually no knowledge of people who die of work-related illnesses," says Associate Professor Lamm.

"Work conditions haven't improved. We're working harder and longer. People are often in precarious employment — the nine to five job you could count on for 20 to 30 years doesn't exist for most people."

Casualisation of labour has been spreading from industries such as hospitality to retail, construction and the health sector, and now includes occupational groups such as management and clerical staff.

One consequence is that workers, who might be employed on fixed-term contracts, have little opportunity or motivation to be involved with workplace health and safety committees, contributing to an erosion of conditions.

And when a worker who moves frequently from job to job suffers an injury, it can be difficult to establish where and when it occurred, which has implications for ACC coverage.

"A lot of industries — like coal, like transport — are operating under tighter and tighter margins, and they're unable to deliver the dividends demanded by shareholders unless they cut corners," Associate Professor Lamm says. "Health and safety is often one of the easiest things to cut corners with."

The Centre for Occupational Health and Safety Research was established in 2008 from a sense that Auckland desperately needed a centre of excellence for teaching and researching occupational health and safety. Its research focus extends throughout New Zealand and the world.

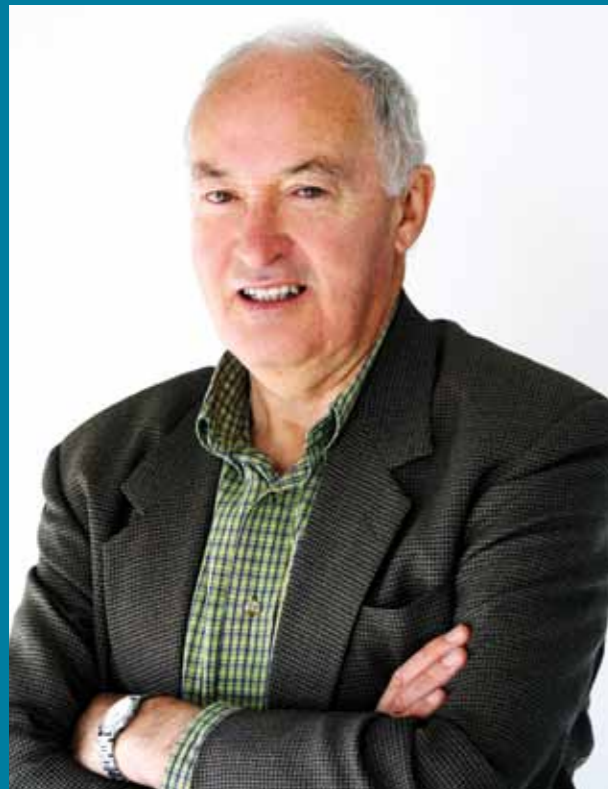
The centre's two-dozen researchers and research fellows are involved in projects ranging from a study of occupational stress and fatigue in the New Zealand farming sector to issues affecting migrant, youth and older workers as far afield as Kuwait, the UK and Canada.

A key aim of the centre is to encourage employers, employees, government agencies and NGOs to work together to lift occupational health and safety practices.

That way, says Associate Professor Lamm, it's hoped to put an end to the kinds of scenarios played out on television's *Undercover Boss*, in which the CEO is horrified to discover the conditions under which workers labour.

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Accounting / Overview



To an outsider, the world of accounting might seem unchanging from one year to the next. To those immersed in it at an academic level, however, a great deal is happening.

As can probably be said of most parts of AUT University, the trends seen in the wider community are being reflected in research and teaching taking place in the Accounting discipline.

Accounting Department Chair Professor Keith Hooper says what's hot in accounting is globalisation, or the spread of Anglo-Saxon-based international financial reporting standards.

"The world is trying to get to one system of accounting so everyone knows what everyone else is doing," Professor Hooper says.

The trend is an extension of market globalisation. For countries to be prepared to trade with each other, and to attract investment, they need to be able to understand and trust each other's accounting methods.

To New Zealand's great advantage, our accounting standards, along with those of the UK, Australia, Canada and the United States, follow the Anglo-Saxon model. That means we're not only immune to the transformation of accounting practices a country like China is undergoing, but accounting departments such as AUT's are attractive to students from countries playing catch-up.

"We're fortunate that we're getting a flow of students from all over the world, but particularly Asia, who want to learn Anglo-Saxon international accounting standards."

Equally, Professor Hooper says, the Department's 28 staff are becoming more international and publishing widely in a range of journals.

The essence of accounting is recognition, measurement and disclosure. Not all countries have the same willingness to disclose financial information, making Professor Hooper somewhat pessimistic about the extent to which international standards will be adopted.

Increasingly, accounting's precepts are being applied in new realms. That opens up fresh research and job opportunities. For example, New Zealand can be expected to follow the lead of Scandinavian countries in accounting for environmental factors when calculating costs of farm production.

Similarly, public sector accounting is becoming more rigorous.

"In the whole of the public sector there's much more accountability and nowadays you have armies of accountants trying to measure cost-efficiencies." The Department's Professor Deryl Northcott is an expert in this area.

Where the trends are taking us, researchers are also going. Doctoral student Hedy Huang is looking at the entry of Western accounting professional bodies into China.

Staff member Rowena Sinclair, meanwhile, has done her PhD thesis on accountability of charities, important and original research on a significant sector of the economy, Professor Hooper says.

"Wherever accountants apply their skills they are opening windows into financial affairs", Professor Hooper says.

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Accounting / When Markets Behave Badly



Dr Ahsan Habib learnt an important lesson about investing long before becoming an Associate Professor in AUT University's Business School.

In the mid-1990s, Dr Habib joined the rush to buy shares in Singer, the sewing machine and consumer durables company that was rocketing away on the Dhaka Stock Exchange (DSE) in Bangladesh, his home country, where he gained Bachelor and Master of Commerce degrees.

Friends were investing, so he thought he'd try his luck. Unfortunately, it proved to be a case of what former US Federal Reserve Board chairman Alan Greenspan famously called irrational exuberance.

"The market was such at that time that we never considered the downside," says Dr Habib.

"The stock was rising without any correspondence to the fundamentals. But in that sort of irrational market you have to be rational."

In the event, a market crash in 1996 saw the DSE lose about 80 per cent of its value.

"That taught me you shouldn't put all your eggs in one basket. Also, the market that you invest in needs to be fair and has to have a good monitoring mechanism."

It's doubtful he would make the same mistake again. For one thing, he has decided investing isn't really for him, and for another, he has gone on to specialise in financial statement analysis, a subject he researches and teaches to postgraduate students.

"The whole point of that course is that, if you're an investor, you need to be able to assess the quality of financial statements."

Although companies are subject to mandatory reporting requirements, not all financial statements are created equal, says Dr Habib. While giving general guidance, they can emphasise or gloss over parts of company performance at their discretion.

A classic case of tailoring the message to suit what investors might want to hear followed the Exxon Valdez oil tanker disaster in Alaska in 1989. In the aftermath, it became fashionable for oil companies to play up their environmental credentials, Dr Habib says.

"They can play with financial numbers without violating accounting principles. That makes our job as researchers really challenging, yet fascinating, to identify the incentives, occurrences and consequences of accounting manipulation."

Being able to cut through financial report window-dressing is the skill Dr Habib imparts to students, and is an area of ongoing research.

"We probe a lot deeper and end up with stock valuation that incorporates variations in financial reporting quality," he says.

His research domain is financial reporting quality, in the context of corporate governance, focusing on external audit and ownership concentration.

"The major question in governance is what drives what. It's very difficult to say that governance drives good reporting; it could be the other way around."

Dr Habib and a colleague, Dr Haiyan Jiang, are researching New Zealand governance structures with reference to concentration of ownership, linking that to accounting statement quality.

Dr Habib, who undertook his PhD at Hitotsubashi University in Tokyo, loves the corporate world, but wouldn't want to be a company officer.

"I like to view it from within academia, using academic resources to explain or predict what is happening in the real world. That's quite challenging ... but the focus is on how data speaks."

PICTURED:
ASSOCIATE PROFESSOR AHSAN HABIB
ACCOUNTING

Accounting / International Financial Reporting Standards in China

After a few years in an accounting job, doctoral student Gina Xu realised the academic life was what she preferred.

So in 2009 she enrolled for a PhD at AUT University, having graduated with a Bachelor of Business with honours in accounting in 2006.

"I went to work as an accountant and found it wasn't what I expected," Xu says. When the opportunity arose to come to AUT and combine six hours' a week teaching with doctoral studies, she leapt at it.

Her PhD is on the adoption of international financial reporting standards in China. After a year spent reviewing the relevant literature, she is now under way with interviewing accounting practitioners.

They are a mix of foreign accountants with experience of working in China, and Chinese accountants.

"I enjoy that interaction with people. The way you do your research depends purely on yourself so it's more creative than practical accounting work," Xu says.

Her topic is highly relevant as market globalisation drives a worldwide trend of adoption of Anglo-Saxon accounting principles.

In the course of her PhD, which will hopefully be completed in 2012, Xu has not only had her first baby, but has delivered papers at several international conferences, and had articles published in The Chartered Accountants Journal.



PICTURED:
GINA XU
PHD STUDENT IN ACCOUNTING

Business School / Teaching and Learning



The uncharitable view of educators is that they roll up to the classroom each year and pour out the same old stuff.

If that was ever the case, it certainly doesn't work in today's world, where the sum total of knowledge is forever expanding, teaching tools are changing, students expect value for money and internationalisation is a growing trend.

It falls to researchers in the field of pedagogy — defined as the method and practice of teaching — to ensure institutions use appropriate and proven ways to help students fill their heads.

AUT University's Business School is home to several such researchers, including Business Information Systems Professor Felix Tan, Associate Professor of Economics Don Webber, Associate Professor of International Business Romie Littrell and Associate Professor of Management Dr Edwina Pio.

Several PhD candidates are also active pedagogical researchers. Samuel Ekundayo is investigating the use of ICT

to improve business education in developing countries. Noel Spanier is examining the theory and practice of competent and incompetent training. And Rouxelle de Villiers is looking at the development of contextual intelligence through soft skill competency training.

"Our Faculty places a lot of emphasis on teaching and learning so we do value research that underpins and informs teaching and learning inside the classroom and beyond," says Dr Pio, who teaches papers in training and development to Bachelor of Business and Master of Business students.

She sees teaching as both art and science.

"I would hope that we both broaden the spectrum of understanding and broaden the horizons of students with whom we come in contact," says Dr Pio, originally from India.

That needs to happen in the context of a New Zealand population that is ageing and becoming browner, and occupying a spot on the edge of an increasingly internationalised world. She questions whether changes in teaching methods are keeping pace.

"When we look at our little country, and the importance of the Asia-Pacific Rim, I think it's really important that we internationalise more. New Zealand does need to pull up its socks with reference to internationalisation."

Part of that is giving "credence and credibility to the values that stem from the tangata whenua. I believe that is very important — that we bring more of such knowledge and pedagogies into the classroom."

One way that is happening is through the inclusion of Maori organisations as business case studies. Another technique, which Dr Pio uses, is parable pedagogy, which gives students a way to weave stories from their experiences that can then be discussed.

"I found that to be a less threatening way for students to deal with difficult issues."

Associate Dean Research, Professor Kate Kearins, says pedagogical research is central to what the Faculty of Business and Law does.

"It's really important for us to be doing research around teaching and learning," Professor Kearins says. "It's a core part of our business."

PICTURED:
ASSOCIATE PROFESSOR EDWINA PIO
MANAGEMENT

Business Information Systems / Overview



When former Harvard Business Review editor Nicholas Carr wrote a book in 2004 entitled *Does IT Matter?*, it was considered heresy by much of the computer industry. Confronted with the same question today, Business Information Systems (BIS) Professor Felix Tan is unequivocal.

"Information technology [IT] as a function may matter less as the trend towards shared services and cloud computing continues to grow, but IT should be embedded throughout the organisation in every function," says Professor Tan, who heads a department of six.

Yet questioning IT's role is still important, as organisations strive to get the best return for their capital spending. Dr Harminder Singh, a Senior Lecturer in the Department, is well qualified to provide guidance in this regard.

Before completing a doctorate in the Accounting and Information Systems Department at Michigan State

University, he was a financial accountant and auditor in Singapore. At AUT University, he is researching the organisational value of information technology, along with IT governance and IT portfolio management.

IT is not only central to how many organisations operate, but is also increasingly important in society generally. Dr Antonio Diaz Andrade, another of the Department's Senior Lecturers, and a Certified Project Management Professional, is doing research on the use of IT in less-developed countries.

Joining the Department in 2011 is Dr Angsana Techatassanasoontorn, who completed a PhD in Information Systems at the University of Minnesota's Carlson School of Management, regarded as one of the top PhD programmes in information systems in the US and the home of MIS Quarterly, the discipline's top ranked journal.

Her research is concerned with theory building and empirical analysis of IT-enabled social innovations, IT use and quality of life, the adoption and diffusion of technology, technology policy and technology-mediated learning.

Professor Tan's research interests are broadly in two streams: management of the IT function — "issues relating to business-IT alignment, project management, managing the IT professional and pre- and post-system adoption"; and IT user behaviour — "looking at how people are impacted by and how they use various technologies, from mobiles to the internet to social networking tools".

An aspect that cuts across both research streams is how culture influences IT management and use. With a collaborator in the United States, he has been working on an article for the *Communications of the Association for Computing Machinery* that considers the cultural dynamics involved in global "virtual" software development teams.

"They might approach project management in a different way; for instance, the concept of time in Egypt is a lot more fluid than it is in Germany."

In a global economy in which IT is everywhere, Professor Tan hopes the Department will produce "hybrid" graduates who might qualify as "super-users" — accountants or marketing professionals, for instance, who can advise on how IT can be applied to those functions anywhere in the world.

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Business Information Systems / The Well-Oiled Supply Chain



Few of us will have much idea of the ins and outs of supply chain management. But when links between an organisation and its suppliers are broken, customers gain a sudden insight into the importance of a well-oiled supply chain.

Business Information Systems Associate Professor William Wang knows all about it from another angle. He has been researching the subject for the best part of a decade, looking at how information systems can ensure a smooth-running supply chain.

"A major portion of an organisation's operational costs can reside in supply chain management, associated with planning, procurement, production or service preparation and delivery," says Associate Professor Wang, who did his doctoral studies at the University of South Australia, in Adelaide.

He likes to bring the message home for students with the example of a typical retail product — a teddy bear found

on the shelves of any toy shop. "The manufacturing cost may be only \$5, but the retail price could be more than \$20." The difference is made up of operational costs, including distribution, which, if kept lean, will boost the manufacturer's bottom line.

"If you can control your supply chain well, you can increase your profit margin."

It's easy to see, therefore, that supply chain management is big business, helping the likes of Fonterra, the country's biggest exporter, and the Auckland Council, its largest local authority, run themselves.

Associate Professor Wang teaches an introductory course in the use of supply chain management software from one of the major suppliers, SAP. He points out that supply chain management is not just a preoccupation of big organisations.

"It applies to all organisations because all have a procurement department, or at least a procurement role, someone who needs to be in charge of planning utilities and resources. And even non-profit organisations have clients who form the customer end of the supply chain."

The very largest organisations, such as Hong Kong-based trading company Li & Fung, might have thousands of links in their supply chain. And those with the smoothest running supply chains, such as computer manufacturer Dell, are able to hold products in inventory for just a matter of hours before shipping them to customers.

Supply chain management is a very fluid discipline. When an organisation's supply chain meshes with numerous others, a change within any of them can filter down.

"If an organisation doesn't understand its position in the supply chains, it could lose its competitive advantage," says Associate Professor Wang.

Even more disruptive, and the subject of his ongoing research, is the impact of business changes on existing supply chains, such as during mergers and acquisitions. If top executives at two companies attempt to get together without giving a thought to supply chain integration, they could soon be hearing from their customers, Associate Professor Wang says.

PICTURED:
ASSOCIATE PROFESSOR WILLIAM WANG
BUSINESS INFORMATION SYSTEMS

Business Information Systems / Computing-Based Online Communities



While many people belong to a social or professional online community, little formal research has been done to understand the interactions that take place.

Business Information Systems doctoral student Kamarul Hashim is attempting to plug the knowledge gap by focusing on computing-based online communities.

"I'm trying to understand the motivational and social factors that influence individual knowledge-seeking behaviour in the Microsoft and Linux online communities," Hashim says.

Computing-based online communities are the oldest form of what has become a pervasive phenomenon. Long before people with similar interests began congregating in online forums and on websites, the specialists who built the internet had been using the medium to exchange technical know-how.

Although the research falls under the knowledge-management literature, little study has been undertaken on knowledge-seeking behaviour, Hashim says.

His data will come from a web survey that he hopes will draw about 250 international responses, and the basis of his research model will be the theory of planned behaviour. Integrated with that will be ideas from the theory of uses and gratifications and social capital theory.

Hashim should have a good idea of what makes the Microsoft and Linux online communities tick by the middle of 2012.

One notable — and predictable — difference between the two is that the Microsoft forum tends to be more heavily moderated than the Linux one.

"Most of the Linux people, who are from the open source community, seem to be freelance, so the moderation is not too strong compared to Microsoft."

He hopes that might lead to discernible differences in the kinds of interactions between members of the two communities.

PICTURED:
KUMARUL HASHIM
PHD STUDENT IN BUSINESS INFORMATION SYSTEMS



Economics / Overview

With a population the equivalent of a moderate-size overseas city, and an economy to match, New Zealand might seem the perfect place to experiment with economic policy.

That wasn't the platform on which the 1984 Labour Government was elected, but the sweeping changes wrought by Finance Minister Roger Douglas made fascinating viewing from afar.

"There was a lot of interest in the US in the New Zealand experiment of the 1980s in a number of different areas, such as central bank policy," says AUT University Economics Department Chair Professor Tim Maloney.

"New Zealand has a narrow inflation band target, whereas central banks in a lot of other countries have a much more diverse set of goals. In the US, for example, it's not just about maintaining relatively low, stable inflation but also about maintaining economic growth, low inflation and exchange rate stability."

Professor Maloney speaks with the authority of having taught at the University of Missouri and Bowdoin College, after obtaining a PhD at the University of Wisconsin – Madison. His areas of research expertise are labour economics, econometrics and public policy.

"I arrived here in June 1991, about a month after the Employment Contracts Act was enacted, and did some early work for Treasury on the possible effects of this change in the industrial relations system on unionisation rates, earnings, employment and productivity."

Professor Maloney has headed AUT's Economics Department since the start of 2010. The radical reforms the New Zealand economy has gone through provide the Department's nine staff with ample research material, he says.

"It's one of the reasons I came to New Zealand. I was very interested in the experimentation that was going on, particularly the labour market reforms. It's a great opportunity for people to do basic research."

The Department is the "home base" for the teaching of economic concepts, theories and models that underpin much of commerce, Professor Maloney says.

"There are a lot of disciplines that borrow things from economics and we borrow things from disciplines like statistics, mathematics and political science, for example. Part of economics is rooted in basic philosophy.

"The first economists, Adam Smith and Thomas Malthus, were known as the worldly philosophers."

The upshot of the changes introduced by the 1984 Lange Government is a competitive, flexible economy exposed to overseas market forces, says Professor Maloney. Whether the outcome is positive or negative is open to interpretation.

"I think that's a good thing because you learn a lot by going through that interpretation process. As the debate goes on you can rule certain things out, such as whether it's a problem with the data.

"In the end, I think the profession begins to narrow things down to, not necessarily a consensus, but a much smaller range of possible outcomes than when you first looked at the issue."

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Economics / Putting Economics on the Map



Associate Professor of Economics Don Webber is fortunate to be able to combine an interest in geography with his academic work in economics. He does so through his specialisation in regional economics.

"I investigate how things perform and how this evolves across space," says Associate Professor Webber, who studied at the University of Kent School of Economics in the UK.

"Kent is where I became really interested in the intersection between economics and geography. But it goes all the way back to school, when I had to decide whether to take economics or geography at a higher level. I chose economics, but I've always been interested in geography."

The two disciplines have a logical fit, giving rise to research into questions as varied as how regional economies perform and how political party spending in different localities affects voting patterns.

The 2008 Nobel economics prize-winner, Paul Krugman, is counted in some quarters as a regional economist, although Associate Professor Webber isn't so sure.

"He is more an international trade economist who appreciates some geographical issues, rather than an economic geographer, I would suggest."

Associate Professor Webber's work has found its way into a number of leading journals, including Applied Economics and World Economy. A number of papers of which he is an author have been published in Regional Studies, including one based on research into the outcome of UK general elections.

"I'm doing work on voting patterns at present, and how political parties spend their money to increase their vote share. I've used quite a lot of UK data, because that is where I come from."

In the UK, the Conservatives tend to prosper among rural voters, Labour does well in urban centres and the Liberal Democrats don't have a firm constituency. Associate Professor Webber makes sense of the data by colouring a map of the country in the respective blue, red and yellow livery of the party holding a particular parliamentary seat.

"Our research shows that when the Lib Dems get into power in one area, they concentrate campaign spending in neighbouring constituencies. They're effectively spending their way to power."

"It's an area of the academic literature that is not investigated in depth. Our recent publications have gone down very well ... it's quite a hot topic at the moment."

Not all his research has a spatial component. Other work he has been doing investigates how and why students choose particular courses — "a hugely economic question", Associate Professor Webber says.

"I'm interested in individual people, how they react to things, quality of life, unemployment ... these type of issues, rather than profit-maximisation."

Associate Professor Webber, who arrived in New Zealand in early 2009, retains strong links with the UK.

He is an approved researcher at the UK's Office for National Statistics, associate researcher at the UK's Countryside and Community Research Institute, external research fellow at the UK's Policy Research Institute, affiliated scientist at the Internationales Institut für Management (University of Flensburg, Germany) and a member of the AUT based New Zealand Work & Labour Market Institute.

PICTURED:
ASSOCIATE PROFESSOR DON WEBBER
ECONOMICS

Economics / Demand for Money and Monetary Policy



Whenever the Reserve Bank Governor raises or drops the official cash rate, it's with the intention of nudging bank interest rates up or down. But it never fails to spoil someone's day: those with term deposits, if rates fall, and everyone with a mortgage, if rates rise.

Quite apart from the effect on his own personal finances, doctoral student Saten Kumar has a keen academic interest in the actions of the central bank. Kumar's PhD in Economics looks at the relationship between demand for money and monetary policy.

"This has implications for the way central banks operate," says Kumar.

Although New Zealand has adopted a policy of using interest rates to control inflation, there are other instruments governments can use.

"It's a controversial issue. There's a lot of debate in the literature as to whether it should be money supply or interest rates or other broader measures and tools."

Kumar, who has been published in journals such as Applied Economics, Economic Modelling, The World Economy, Applied Economics Letters and Economic Systems, is examining the issue with reference to countries in the OECD, Africa, the Pacific, Asia and Latin America, using time series and panel data analysis techniques. His sources include the World Bank and International Monetary Fund.

The economic turmoil of the past couple of years is too recent for Kumar's PhD, but data from that period could find its way into a subsequent book.

"My next project will be turning my PhD into a book on the stability of money demand, but I will extend it to include the impact of the financial crisis," Kumar says.

PICTURED:
SATEN KUMAR
PHD STUDENT IN ECONOMICS

Finance / Overview



If anyone doubts finance is a fast-moving field of academic endeavour, events will soon convince them otherwise.

"It's a dynamic world in which things change very quickly," says Finance Department Chair Professor Alireza Tourani-Rad, speaking the same day Singapore Exchange launched a bid to take over the Australian Securities Exchange.

"The text books almost, in a manner of speaking, need to be rewritten from one day to the next."

AUT University's Finance Department, which has gone from having about 40 fulltime-equivalent students to 240 in the space of five years, sets out to prepare them for careers in banking and other financial institutions, corporate finance and share-broking. The department has 12 staff, all engaged in research.

The courses students take in corporate and international finance, risk and portfolio management, financial market forecasting and research methods will equip them to understand the implications of events in international financial markets such as stock exchange mergers.

Such seismic shifts are the way of the world of finance today, says Professor Tourani-Rad, giving rise to interesting new research areas. The overall trend is one of globalisation, which opens up questions about cultural influences on decision-making, for instance.

"One of the areas we are investigating is the interaction of culture and finance. People react differently, and make decisions differently, based on their behavioural traits, including cultural background."

A manager from a risk-averse environment may take a company on a different course from one where high-stakes gambles are the norm.

Another research hot-spot is the influence of corporate governance on a company's ability to raise finance. This is an extension of work by Senior Lecturer Dr Hardjo Koerniadi, which found that well-governed companies are a less risky investment.

The risk for New Zealand's sharemarket from a Singapore-Australia exchange merger is that the bigger a market is, the easier the process of information discovery is, making it easier to attract investment.

"Countries are like companies — they are fighting for investment," Professor Tourani-Rad says.

Another consequence of market globalisation is that although New Zealand is a minor player in international terms, studying its institutions and companies is still relevant, he says.

"The positive side is that what we teach in New Zealand can be applied anywhere. New Zealand is a very open environment."

The Finance Discipline's recent rapid growth is reflected in greater research activity and publication in leading journals. In an assessment of finance research output in Asia-Pacific academic institutions from 1999 to 2008 by Kam Chan, Carl Chen and Tan Lee, AUT University — despite its young age — was ranked 30th of more than 240 finance departments.

All members of the Finance Department are active researchers and regularly publish in top international journals. Staff with multiple papers featured in the *Journal of Banking and Finance*, *Journal of Futures Markets* and *Energy Economics* in 2010 include Professor Tourani-Rad, Professor Ming Hua Liu, Associate Professor Bart Frijns and Dr Aaron Gilbert.

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Finance / Taking the Risk Out of Investing



In uncertain times investors are eager for any information that reduces risk.

Senior Lecturer in Finance Dr Hardjo Koerniadi, along with AUT Finance Professor Alireza Tourani-Rad and Professor Chandrasekhar Krishnamurti of the University of Southern Queensland, has conducted original research that could help investors sleep better at night.

The trio have for the first time in New Zealand looked in detail at the relationship between corporate governance and investment risk.

"We believe investors should not only be concerned with firm performance, but also about variability in performance," Dr Koerniadi says.

Perhaps unsurprisingly, the researchers have discovered that well-governed New Zealand firms expose investors to less risk.

"We believe these results have implications for other OECD countries with similar jurisdictions," says Dr Koerniadi.

What sets their work apart, says Dr Koerniadi, is its focus on several factors that contribute to corporate governance, as opposed to just looking at company directors, an approach taken by another author.

"Our results indicate that corporate governance aspects such as board composition, shareholder rights and disclosure practices are associated with lower levels of risk," he says.

"A company can reduce its risk by structuring a better board, increasing its shareholder rights and complying with [the NZX] best-practice corporate governance code."

Companies whose boards have a higher proportion of independent directors scored better in a good-governance index developed by Dr Koerniadi. The index takes account of board makeup, shareholding and compensation policies, shareholder rights and policies and disclosure policies.

Independent directors, who must not be executives of the company, are considered to keep a closer eye on management. If company policy also requires directors to have shares in the business, that is also considered to be positive, since it gives them an incentive to make decisions that increase investor returns.

Dr Koerniadi says the research looks at more than 80 publicly listed New Zealand companies over four years, from 2004 to 2008. Happily, as subsequent events have played out, the study was confined to non-finance companies.

NZX, which manages the New Zealand stock exchange, and is itself a listed company, has a non-compulsory best-practice code. Dr Koerniadi says it is at companies' discretion whether they comply, and most NZX-listed companies do.

"That good governance leads to lower risk was what we expected. But our contribution was that so far the literature is quiet about this and we hope to explore it further."

And his advice to investors: pay attention to how firms are run before sinking money into them.

PICTURED:
DR HARDJO KOERNIADI
SENIOR LECTURER IN FINANCE

Finance / Behavioural Finance

When share prices go through the roof, what comes first, a genuine increase in value, or a surge in investor sentiment?

That's the question Finance postgraduate student Jin Yu (Chris) Zhou is setting out to answer in a PhD under the supervision of Professor Alireza Tourani-Rad and Associate Professor Bart Frijns.

The traditional view of financial markets is that they are rational and always price assets at an appropriate level. But if that was so, Zhou says, the asset bubbles that inflate and burst with monotonous regularity wouldn't occur.

His thesis fits into a new school of thought, behavioural finance, which attempts to explain why markets sometimes go haywire.

"There has been very limited study of the role of sentiment in financial markets," Zhou says, and most of what has been done has been at a local level. He is looking at sentiment's influence from a global perspective.

"Sentiment can flow over the world. For example, if the US has a financial crisis, everywhere else has a financial crisis." Technology is the key, enabling both market news and money to flash around the globe in an instant.

Zhou is seeking to show the link between investor mood and share prices by constructing a global investor sentiment index, based on consumer confidence surveys, and correlating that with major market indexes.

"First we need to identify the relationship and then we need to explain it," he says, which will take comprehensive studies using sophisticated econometric methodologies.



PICTURED:
JIN YU (CHRIS) ZHOU
PHD STUDENT IN FINANCE

Gender and Diversity Research Group / Overview

What was the most popular career choice of Year 11 girls in 2010? The surprise answer, despite decades of effort to advance the cause of gender equality, is hairdressing.

It's not exactly a body blow to the AUT University Gender and Diversity Research Group, says co-ordinator and Professor of Organisation Studies Judith Pringle, but it does indicate that researchers have plenty of work still to do.

"When I talk about this people just fall about and go this is unbelievable," says Professor Pringle.

The finding came from a survey carried out by Gender and Diversity Research Group researchers for the Ministry of Women's Affairs. In 1979, 1995 and 2010, Year 11 boys and girls in the same group of schools were asked to rank 60 male- and 60 female-dominated occupations.

"What we observed was a huge change between 1979 and 1995, with girls shifting from female-dominated occupations to male-dominated occupations, but not across the board," Professor Pringle says.

Girls' interest in the professions had lifted, but the traditional male domains of motor mechanic and butcher, for instance, remained unappealing.

"Between 1995 and 2010 there were few changes."

Hairdresser was the most popular choice and, as it had been since the first survey, air hostess was among girls' top four choices. What interests Professor Pringle is the influences that have made such occupations so attractive to the 15- and 16-year-olds surveyed.

"It's their beliefs, but how do they form those beliefs? What influences are important on them, what are the schools doing around career advice – we're looking at all those things."

Sex roles in the workplace are just one preoccupation of the group, which was established in 2007 to create a network of researchers in the areas of gender, diversity and inequality.

"What we try to do is create a community for gender and diversity scholars and postgraduate students," says Professor Pringle, "to support and encourage them and disseminate information."

A major focus has been the staging of the fourth international Equality, Diversity and Inclusion conference in February 2011,



held over two days following Waitangi Day. Past conferences have been staged in England, Turkey and Austria.

Appropriately, given New Zealand's geographic location, the theme of the Auckland conference was "views from the edge".

Overseas attendees had the option of an overnight visit to Waitangi, organised to give them a sense of the significance of the occasion, which for Professor Pringle symbolises "a rallying point for conversation" about the Treaty.

Along with broadening the career horizons of young women, such diversity debates mean the Gender and Diversity Research Group's 14 researchers have plenty to be going on with.

"There is a lot of work and the group is in excellent heart," says Professor Pringle.

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International Business / Overview

Aspiring business people eager for the challenges of working in complex and dynamic settings should be thinking of careers in international business. Domestic business has nothing on the international variety in terms of coming up with new ways of dealing with many markets, says Professor Peter Enderwick, head of AUT University's International Business Department.

"International businesses tend to be much larger than domestic ones, with more staff and more complex arrangements," says Professor Enderwick.

The Department has three academic staff and a graduate assistant. It is deliberately small, says Professor Enderwick, because International Business tends to be a second major for most Business Studies students.

"It's been an area that has grown strongly. Students accept that international business is a fact of life and global business a reality."

American retailer Walmart, the world's biggest, illustrates the point: it has more than 2 million employees, annual sales of more than US\$400 billion and more than 8000 stores in 15 countries.

Walmart's vital statistics are dramatic enough, but Professor Enderwick says international businesses often operate in many times the number of markets Walmart does.

"They're often trading in 120 or more countries, with all the complexity that involves, as well as often being multi-product and multi-division. And because you're dealing with different cultures, different political systems and different competitive structures, all of those things add to the complexity."

Another feature of international business is that it tends to be very dynamic.

"The leading-edge changes in business practice occur at that level, not in small domestic businesses, in most cases. They're occurring in the most competitive markets in the world, such as Brazil, India and China."

With one or two exceptions, New Zealand company names aren't to be heard in a roll call of big international businesses, Professor Enderwick says. That's reflected in the overwhelming proportion of overseas postgraduate students versus Kiwis enrolled in the Department.



Although it's not necessary to be a Fonterra-scale enterprise to have international ambitions, breaking through the export barrier can be a challenge for smaller firms, according to research by Dr Sabina Jaeger, a Lecturer in the Department.

Dr Jaeger's doctoral thesis looked at the export barriers faced by New Zealand firms, and found distance from international markets and financial and human resource constraints make things hard for them.

A question for the country is whether exporting is the only option for doing international business, Professor Enderwick says, and whether more international collaboration might not be an alternative.

Associate Professor Romie Littrell, who is researching leadership, management and organisational behaviour across cultures, may come up with some helpful answers. His focus on under-researched cultures is taking him to a number of African countries, where he is carrying out field work.

International Business / Criminally Good Management

International criminals can be accused of many things but ignoring established business practices may not be one of them.

Transnational criminal groups are one phenomenon being studied by AUT International Business Professor Peter Enderwick, as he collaborates on a book on globalisation's dark side.

"One of the interesting things is these crime syndicates are basically following the sorts of practices that international companies have pioneered," says Professor Enderwick.

"So they might be multi-divisional, they might have collaborative arrangements, they might devolve authority to outsiders — they're doing the same things companies find add to efficiency."

Through trading in such things as illicit drugs, they're also making piles of money. "That's a vast industry — much bigger than our dairy industry," says Professor Enderwick.

The research, which is being undertaken with Professor Peter Buckley, head of the International Business Division of Leeds University in the UK, has given rise to a paper in *Critical Perspectives on International Business* that got an "interesting reaction". Fortunately for the researchers, that doesn't include threats to their lives.

"We're just collecting secondary data, not doing any interviews — no thank you," says Professor Enderwick.

Other aspects of the study include looking at failed states — Somalia and Afghanistan stand out on this unhappy list — and whether they're better off in or out of the global economy; and whether globalisation contributes to inequality.

Another of Professor Enderwick's research projects has been examining the so-called China-plus-one strategy of companies that are hedging their bets when doing business with China.

"These are firms that are going into China or are already there and they're concerned either about rising costs, or making themselves vulnerable by being over-dependent on that market.

"They're looking to spread the risk, so they move into China and somewhere else, like Cambodia, Vietnam, Laos, or elsewhere. China is now far from being the cheapest market to enter — it's about two-and-a-half times more expensive than Vietnam or Cambodia."

China-plus-one is an approach being taken by firms worldwide, Professor Enderwick says.

"They may have initially gone into China for manufacturing and now perhaps they find it is too expensive or too competitive and they want to go somewhere else. But they don't want to lose the Chinese market."

Offsetting the lower costs of other markets, however, is that they're not as large, and the logistics necessary for trading with them are less well established.

"That's why it's China-plus-one, not goodbye China, hello Vietnam — they're trying to get the best of both worlds."

China is the letter C in BRIC, the acronym coined by Goldman Sachs global economic research head Jim O'Neill to focus attention on the emerging economies of Brazil, Russia, India and China. Professor Enderwick's research also involves looking at China's BRIC brethren.

His academic interest in international business spans more than 20 years during which he has written seven books and had papers published in such journals as *International Business Review*, *Asia Pacific Journal of Management*, *Journal of Asian Business*, *Transnational Corporations and Asian Business and Management*.



International Business / NZ Engineering Firms in Emerging Markets

Exporting the fruits of the land remains New Zealand's economic mainstay. However, International Business doctoral student Swati Nagar's PhD research might help shift the export emphasis to the fruits of our brains.

"My research looks at the potential for the New Zealand engineering sector in emerging markets, focusing on India and China, among other Asian economies," says Nagar.

There would seem to be plenty: in the coming decade, Time reports, China will spend US\$700 billion on rail projects alone.

"My area of focus is infrastructure development, spanning energy, telecommunications, road development and construction."

Nagar's PhD thesis follows on from research she did for her Master of Philosophy, which studied the opportunities and challenges for New Zealand businesses in India. The aim of her PhD is to learn from companies already operating how to extend and deepen ties to Asia.

New Zealand is a small player in world terms, but the pie is large. We have internationally marketable expertise in several fields, including geothermal, clean technology and earthquake engineering, Nagar says.

"The number of New Zealand companies is small when you compare it to the world scale, but that is not to suggest we're not capable of exporting our technology or services.

"At the end of my PhD I want to be able to propose ways of getting into these markets either through public-private partnerships, through strategic alliances or by piggybacking with a partner in a third country."



Legal research needs to be able to both shape the future direction of the law and respond quickly to those changes once made. This can sometimes cut across government's responses to a perceived problem.

A case in point would be the Major Events Management Act 2007, passed with events like the 2011 Rugby World Cup in mind.

"It bypasses current intellectual property laws and confers enormous rights on the organisers of these events," says the Dean of AUT University's Law School, Professor Ian Eagles. "It tries to prevent ambush marketing but the rules it sets up are draconian and overdone."

"The legislation was rushed through without much thought and analysis. It is the role of a law school," says Professor Eagles, "to provide that thought and analysis and several of my colleagues are doing just that in relation to this particular piece of legislation."

Technology change is another pressure on the law, directly affecting areas such as copyright, patents, trade secrets and competition law. This requires academics both to stay up to date with the technology and understand its implications for established ways of doing business.

"You're not out there looking at the technology for the technology's sake. You have to come to an understanding of it to the same extent, say, that the judge would, but the judge is not an expert either. The aim is to predict and influence the law's response to technological change."

AUT Law School began teaching its LLB degree in 2009. Its teaching staff are also active researchers in tax law, corporate and financial law, competition and regulation, resource management and intellectual property, among other topics.

"Our goal is to publish research that is relevant to New Zealand but has international acceptance," says Professor Eagles.

"Sometimes the New Zealand legal environment has lessons to teach others, but they might be lessons about what not to do as much as what to do."

Law School staff have published in a wide range of refereed journals with international reach and reputation. They include the *Max Planck International Review of Intellectual Property and Competition Law*, the *Cambridge Law Journal*, *Company Lawyer*, the *University of New South Wales Law Journal*, *Statute Law Review*, *Oxford Journal of Legal Studies* and the *European Intellectual Property Law Review*.

It's not just domestic concerns that shape New Zealand law, says Professor Eagles. Taking our place in an increasingly global market can require us to align our laws with overseas jurisdictions.

"Often we end up adopting their laws, particularly in the case of Australia," he says.

As the country moves towards a free trade agreement with the United States, researchers are getting to grips with the legal implications.

"When the Australians signed their free trade agreement with the US they found they had to amend all their intellectual property laws to reflect the balance of pressure groups within the United States legislature. If we ever sign a free trade agreement with the US similar demands will be made of us."

That means when researching subjects like parallel importing, one of many areas Law School staff are active in, it's impossible to ignore the international dimension, Professor Eagles says.

Law / Advancing Legal Theory and Practice

Dr Matt Barber's law career has two distinct strands, one practical, the other theoretical. On the one hand he lectures and researches in contract law and, on the other, his PhD immersed him in jurisprudence, or legal theory and philosophy.

"My thesis was on recent liberal theories of justice, so not really based on any particular law, but on ideas of law, ideas of justice," Dr Barber says. His starting point was the seminal 1971 work by American John Rawls, *A Theory of Justice*.

"Those sorts of theories deal with how society can be organised so it is just and fair. My criticism of them is that none of them turn out to be universal theories. All of them have some value, but it's not an absolute or universal value."

It's an area, by his own admission, that is difficult to relate to concrete legal issues. Not so the teaching and research in commercial aspects of the law that he has been doing since joining AUT University's Law School in 2009.

Fallout from the recent economic times is providing him with new ground to research. He is looking into the effect of "entire agreement" clauses, an increasingly common feature of sale and supply contracts that potentially provide an escape route when commercial arrangements go bad.

"It's quite relevant at the moment because there are quite a few cases coming up where the effect of the clause is being challenged in the courts, and that probably stems from the recession.

"Commercial parties and private individuals become unable to meet contractual obligations they assumed in more favourable circumstances. At that point, they search for some justification for their breach, to counter a claim for damages."

An entire agreement clause says the written document is the whole of the agreement, so anything that may have been said during negotiations, but isn't in the document, is unenforceable.

"It's a question of what the clause's effect actually is and how far it can be challenged in the courts," says Dr Barber, who is particularly interested in the Fair Trading Act implications.

Another research focus is the law surrounding "shadow directors", individuals who are not directors of a company, but who pull the strings from beyond the reach of the Companies Act. A UK precedent suggests merely giving advice might deem someone a shadow director, prompting Dr Barber's investigation of whether the test is too low.

Dr Barber can see the two strands of his career intersecting as the Law School, which in 2011 is in its third year of existence, produces senior students ready to tackle theoretical subjects. In 2011 he is teaching a new course in the economic analysis of law, the subject of his Master's thesis.

"It's quite complementary to be interested in legal philosophy, while also teaching and researching in a black letter law subject such as contract law."



Management / Overview



AUT's University's Management Department can lay claim to the title of one of the biggest disciplinary groups within the Faculty of Business and Law, according to department chair Professor Erling Rasmussen.

"We have 30 staff, all of them PhD-qualified," says Professor Rasmussen. Many Management staff undertake applied research, working with businesses and government departments in evaluation and public policy development roles.

Another claim to fame is the Department's large PhD student roll of 25 students, "These people are very important in terms of research because they often do new, funky, ground-breaking stuff. They bring in totally new perspectives."

Whereas PhDs used typically to be full-time efforts, many of Management's doctoral candidates combine study with employment.

"What we do here is a lot of relevant research, research which is able to be put into the classroom, and which we go out and talk to people about."

That means, for example, that Department staff have written textbooks in use in many institutions, and they do consulting work with employers and unions.

Professor Rasmussen left his home country, Denmark, about 30 years ago, leaving a country that has a much higher per capita income than New Zealand. Our comparatively low productivity gets much of the blame, which he attributes in turn to lack of investment and lack of scale.

"One of the problems I think we have is we don't have enough big companies and big production units, because if you want to invest in skills, technology and so on, you need to be able to spread those costs.

"The celebrated do-it-yourself mentality is not very efficient," says Professor Rasmussen, who advocates putting effort into entrepreneurial, high-tech ventures and, in particular, education and vocational training.

Research being undertaken within the Department stands to benefit the country in several areas. Staff are doing work on occupational safety and health issues; the issues of ethnicity, gender and ageing in the labour market; innovation, entrepreneurship and sustainability; and supply chain and operations management.

"The types of jobs we're doing, the way we're doing them and where we're doing them are all changing, and we have people writing about all those issues."

Another notion to get used to is that our working lives might end up being longer than we'd bargained for. But that needn't be a bad thing if workplaces, and the people within them, function well.

Professor Rasmussen says the Management Department tries to "walk the talk" by being a good place to work, and through research that sheds light on sound management practices.

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Management / HR Management Under the Microscope



Is human resource management science or art? Management researcher Dr Marcus Ho would probably say it's a bit of both.

Dr Ho, who has a BSc and MSc majoring in psychology, and a PhD that looked at how fledgling New Zealand biotechnology companies set about recruiting and managing staff, has found a research niche in which to apply his love of science to the art of management.

"I've always been fascinated by science, and the commercialisation of science," says Dr Ho, whose BSc includes courses in biology, zoology and biochemistry.

After completing his master's degree, and deciding clinical psychology wasn't for him, he worked for HR consulting firms as an organisational psychologist. But the conviction that he wanted a research career saw him return to university to do a PhD.

"Combining my practical skills in human resource management with my research interest in technology, I looked at employment within high-technology firms," he says. "It was a fascinating field to be in."

He focused on firms that were spun out of New Zealand universities, and how they accumulated their "human capital".

"I've always been at that nexus of human resource management and entrepreneurship, looking at employment and employment systems in small firms."

From New Zealand, he has lifted his sights to somewhere more distant. With collaborator Shaohui Chen at the China Europe International Business School in Shanghai, AUT University Professor of Work and Employment Erling Rasmussen and Professor Marie Wilson of Queensland's Griffith University, he is studying HR management in China.

As China has established itself as a major economic force, it has become fertile ground for management research. That, says Dr Ho, is helping dispel commonly held Western myths, such as the belief that worker exploitation is widespread.

"Don't get me wrong, there are companies that do that. But bad press in the West has led the Chinese government to bring in standardised employment protection, and a lot of firms are doing good."

There is a long tradition of looking after worker welfare through provision of cafeterias and housing, and sustainable business practices are taking hold. Over the past couple of decades the country has also been willing to borrow the West's management ideas.

"What we're looking at is how HR management — recruitment, selection, performance management, training and development — how all these practices are evolving," Dr Ho says.

The study is comparing HR practices in private, state-owned and Western joint-venture companies. Dr Ho says early findings were presented to the Chinese Economic Association at Oxford University in July 2010.

"For us as researchers it's a very good time to be studying what is happening in China, which is changing so much. But the underlying elements of evolution of human resource management will be relevant for organisations everywhere."

And for Dr Ho, the work is a return to his research beginnings.

"I've always had one foot in the human resource management area so studying how organisations decide what kinds of practices to adopt is kind of returning to my roots. It ties into my central research themes of decision-making and perception."

PICTURED:
DR MARCUS HO
SENIOR LECTURER IN MANAGEMENT



Management / Workplace Conflict and Employment in Schools

An education sector wracked by a secondary teacher pay dispute and resistance to the introduction of national achievement standards in primary schools is not a cause for glee for Gaye Greenwood.

Nevertheless, for the Management doctoral candidate whose PhD is on workplace conflict and employment relationships in schools, such ructions add interest.

"It is very interesting, from a policy perspective, to be studying employment relationships in the context of the current changes," says Greenwood, a Senior Lecturer, mediator and former teacher.

"I'm interested in finding out about the typology of conflict in schools, who the parties might be, how conflict is transformed, resolved and under what circumstances it escalates."

A spur to looking at the education sector was a comment by Employment Court Chief Judge Graeme Colgan in 2010 that two recent cases illustrated how dealings between parties to teaching employment relationships could become "unduly legalistic".

Greenwood says the aim of her qualitative study, which involves expert interviews, case studies and a survey of teachers' experience of workplace conflict, is to "explore effective processes for transformation and resolution".

"Mediation aims for early resolution of conflict," she says, as was the intent of the 2000 Employment Relations Act that established the Mediation Service, with its goal of being free, fast and fair.

She is interested to explore whether her observations of processes for conflict transformation and early resolution of employment relationship problems in schools are applicable to business.

"Many businesses run self-organising teams within a similar hierarchy to schools, and schools are increasingly expected to operate like businesses.

"Processes for effective communication and the negotiation of workplace relationships underpin efficiency, equity and ultimately productivity," Greenwood says.

Marketing / Overview

Multidisciplinary research might be a new concept for some institutions but in the Marketing Department of AUT University's Business School it's second nature.

"We're not just marketing," says Associate Professor Andrew Parsons, the Department Chair, "we're marketing, advertising, retailing and sales, so we're four disciplines within one group." Around thirty staff are carrying out research in the Department.

"One of the key things for us, and it's also globally one of the hot things to be doing, is to be acting in a multidisciplinary way."

So, for instance, the Department has people doing research that crosses over between retailing and marketing, advertising and sales, and retailing and sales. "We don't tend to act in quite the silo manner that has traditionally been the case."

It's a safe bet that talking points in the wider community will also be the focus of Marketing Department research. That means issues around food and alcohol branding, marketing and buying are hot topics, as is general shopper decision-making in the present environment.

It's not just a question of the prevailing economic conditions, but also of trends such as sustainability, says Associate Professor Parsons, a preoccupation for much of business today.

"The notion of sustainability is coming through in many areas."

Retailing attracts strong postgraduate student numbers and last year the university's first PhD in the subject went to a student who studied Sunday trading, and has since joined the University's staff.

Marketing communications, the crossover between marketing and advertising, is another area that has been developing within the Department, Associate Professor Parsons says.

International journal articles document Marketing Department researchers' recent work: the European Journal of Marketing is publishing an article by Associate Professor Mark Glynn that looks at the value to retailers of manufacturers' brands (where a clothing maker, say,

extends its brand to cosmetics or jewellery); the Journal of Marketing Management is running an article by Associate Professor Parsons and Helene Wilkinson on use of private labels by retailers; and the International Journal of Retail & Distribution Management dedicated a recent issue, edited by Associate Professor Parsons, to retailing down under.

Being "down under" means New Zealand researchers suffer a little from isolation. Associate Professor Parsons, who took over as Department Chair in late 2010, will be countering that by strengthening local and overseas links.

"One of my thrusts over the next few years will be developing closer relationships with New Zealand universities, and with Australian universities, so then we can hook more into international networks."

But underpinning the Marketing Department is its research focus, which Associate Professor Parsons sees having two strands.

"One is to ask what is our contribution to New Zealand society through research ... and the second is to ensure our research feeds into our teaching, so our teaching is even more research-informed."

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Marketing / Let's Go Shopping

When Dr Ann-Marie Kennedy tells colleagues she's heading out to do some research, she could well be off to the shops.

The Senior Lecturer in Retailing is leading a study on shop window displays, a perfect cover for her trips to city malls and high streets. But Dr Kennedy's intent is serious.

She wants to know what elements of a window display work in drawing shoppers through the door, a question that occurred to her after an encounter with some strange mannequins.

"I was walking down the street one day and I saw some mannequins in a store window with carton-style heads. They looked very bizarre."

She thought they looked horrible and was disinclined to go into the shop. But there was no denying the mannequins' eye-catching quality.

"If that turned me away from the store, what other things have that effect? That's basically where this research started," Dr Kennedy says.

She knew she was on to a good thing when a literature review turned up little on the subject.

"It was interesting that there is not much literature on window displays."

That makes it a rich area to mine, which Dr Kennedy has launched into by comparing window displays in different settings.

"The project we are doing to begin with is looking at the effect of the environment of which the window is a part — high-street shopping versus malls."

The mall environment is typically homogeneous, with each shop among many others, as opposed to the traffic, street furniture, litter and variety of people that high-street shops are set among. Despite the differences, chain stores such as Glassons will have the same window display in Auckland's Queen St as in the Westfield St Lukes mall.

"We want to know whether that affects perceptions of the windows," Dr Kennedy says.

To find out, postgraduate students have been haunting Hurstmere Rd and the Westfield Shore City mall in Takapuna, where the target was to question 200 shoppers in each location.

Data gathering is also justification for field work a little further from home. With the notable exception of Smith & Caughey in



Auckland, few New Zealand shops have the budget to dress their windows as lavishly as stores on the other side of the Tasman, making shopping trips to Sydney and Melbourne a necessary evil.

"I like going to Australia for the store windows at Christmas time. I can't quite get myself to America, especially to New York, where they have some amazing window displays."

To travel companions, Dr Kennedy is "the annoying person who, when I go overseas, has to visit the supermarket", to see the range of products and how they're laid out.

Her retail preoccupation has a serious point, needless to say. Mall and city planners will glean valuable information from the comparison of shop windows in each environment.

And publication, in journals such as the *Journal of Retailing* and the *International Journal of Retail and Distribution Management*, is an important goal.

PICTURED:
DR ANN-MARIE KENNEDY
SENIOR LECTURER RETAILING

Marketing / The Influence of Cultural Values on Consumer Behaviour

Serious number-crunching is under way in the office of Marketing Lecturer and PhD student Sandy Hsu.

Hsu is analysing visitor data for travellers to Australia and the United States for her dissertation, whose topic is the influence of cultural values on consumer behaviour.

She is comparing large datasets from the two countries, the American data, which is from 2009, covering 55 million visitors.

Hsu is at AUT University on the recommendation of Adjunct Professor Arch Woodside, her PhD supervisor and Professor of Marketing at Boston College. He is also a frequent visitor at Asia University in Taiwan, from where Hsu, a Lecturer in Leisure and Recreation Management, is on sabbatical.

"I was interested in differences between people from different countries," says Hsu, who has been published in numerous journals, including *Tourism Management* and *Journal of Business Research*. Although her results are only preliminary, they bear out the thesis that those from Eastern and Western cultures don't behave the same when travelling.

"People from Europe tend to stay longer, don't like to join group tours and spend less money than people from Eastern cultures like Japan, Taiwan and Hong Kong."

When her dissertation is complete around the end of 2011, it is set to shed new light on the debate about the validity and reliability of competing theories of cultural value assessment.



PICTURED:
SANDY HSU
PHD STUDENT IN MARKETING

Sustainability Research Cluster / Overview

Sustainability as a legal and ethical principle has been embedded in New Zealand environmental legislation for over twenty years. Businesses are increasingly embracing the concept in vision and mission statements, responding not only to regulation, but also to rising consumer expectations for environmental credentials.

But scratch beneath the surface and more often than not, the traditional drivers for decision-making – jostling for position in competitive markets and the annual profit and loss statement are seen to dominate, says Vernon Rive, co-convenor of the Sustainability Research Cluster.

"As a nation, we're rightly proud of innovation and leadership in environmental regulation and policy – New Zealand was one of the first countries to build its main planning and environmental management statute on the cornerstone of sustainability. However the flexibility of the principle is also its biggest weakness. Sustainability means different things to different people, whether judges or CEOs. And so the scope for balancing environmental values against short term economic interests is not only high, but the expected outcome in all but the rarest of situations."

Governmental climate change talks are another setting where environmental credentials are put to the test. "What do you get when you put everyone with their own agendas in the same room? You typically get small changes, watered-down compromise."

The Sustainability Research Cluster is one vehicle for coming up with answers to these vexed questions. It is an interdisciplinary group of researchers across AUT University that includes researchers with business, law, health, environmental sciences, design and engineering expertise. "It provides opportunities for people to both network and present their work," says Dr Helen Tregidga, who along with Vernon Rive now leads the Sustainability Research Cluster. That's especially important in an area that is so fast-moving.

"Sustainability related issues are complex and diffuse and it's important that academics can do some sense-making around what's relevant and bring new ideas into their research. The cluster is both a focal point and helps accelerate dissemination of knowledge around sustainability"



Dr Tregidga, who joined AUT in 2007, has a Marsden grant to investigate participation strategies in environmental contests. She has particular expertise in the area of social and environmental reporting. She is a judge for the Sustainable Business Network National Awards.



Vernon Rive has a particular interest in climate change law, having practised in that area before he joined AUT Law School in 2009. He is the author of three chapters of a new textbook *Climate Change Law and Policy in New Zealand* to be published in July 2011.



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