

**AUT**

A FUTURE IN  
**ECONOMICS**





## WHAT IS A CAREER IN ECONOMICS LIKE?

Economics provides valuable insights into how the world is shaped by choices and human behaviour. Accordingly, it is a social science as well as a business discipline. If you are inquisitive about people, organisations and world affairs, then economics offers a range of rewarding career paths, whether you are passionate about running your own business or being a social entrepreneur, or want a career in the private, public or the NGO sector.

The discipline of economics is founded on three fundamental bodies of knowledge: microeconomics, macroeconomics and econometrics.

These three areas help provide answers to some of the most pressing problems facing the world, such as increasing inequality, climate change, and the social challenges of big data. Governments and NGOs employ economists to address these critical issues.

**Microeconomics** analyses the behaviour of individuals, households and companies. Microeconomists are employed to undertake market analysis, to develop pricing policies, to advise on the most efficient design of organisations and production processes, or on business strategy. In the public sector, local and central government agencies employ microeconomists to design and administer market and other regulations, or to develop public policy.

**Macroeconomics** examines the economy as a whole, from a national or international viewpoint. Financial institutions and large corporates employ macroeconomists to analyse or forecast the behaviour of economic indicators, such as inflation, interest rates, employment and business confidence, and to study their impact on business conditions. Exporters employ trade economists to identify new market opportunities and to manage exchange rate risk.

**Econometrics** provides the tools for analysing economic and social data. Econometricians use mathematical modelling and empirical analysis to inform the decision-making of firms and government agencies. Such skills are in high demand across a range of sectors. The ability to visualise and process data is essential to many jobs performed by economists.

Are you logical, analytical and fascinated by human behaviour? Do you love finding patterns in data or grappling with complex public policy issues? If so, then a career in economics could be just what you're looking for.

## KEY CONCEPTS AND TRENDS

### The rise of data analytics

Data analytics (DA) is the practice of examining complex data with the purpose of drawing conclusions about that information. Data analytics is used by firms and governmental organisations to make better business decisions. With more organisations collecting big data, economics professionals need the skills to evaluate and provide meaningful conclusions (Data Analytics for Business is a strong minor alongside economics in this area).

### Harnessing behavioural insights

Increasingly, insights from psychology are being used to enrich the economic models used by firms and governments. It is important for businesses to understand how emotions and cognitive biases shape behaviour in markets. Government agencies are also seeking this broader perspective from economists designing or implementing public policy (a blend of economics, psychology and marketing papers would be useful for these roles.)

### Raising the bar on impact evaluation

How will an increase in the minimum wage affect average incomes and employment? What will happen to sales volumes and revenue as a result of introducing a price-matching guarantee? Public and private organisations need to evaluate, as accurately as possible, the impact of their own policy innovations and/or various shocks to their market. Modern 'policy evaluation' uses sophisticated statistical techniques implemented through a variety of software packages. These techniques allow economists to distinguish causal from coincidental effects, and to quantify the magnitude of policy impact.

### Technological change and future workplaces

The pace of technological change has accelerated over recent decades. This has potential implications for how businesses will function in the future, and how workers will need to adapt to changing workplace environments. Government policies will need to deal with the wide array of consequences of technological change in future workplaces. Economics provides the conceptual lens through which these changes and their implications can be anticipated and understood (Entrepreneurship and Innovation would be a strong minor alongside economics in this area).

## WORK SETTINGS

Economics offers an extraordinary variety of career paths!

Economists may work:

- For themselves as business owners or social entrepreneurs
- For financial institutions, eg banks and insurance companies
- For large corporates, including telecom companies, pharmaceutical companies and large retailers, eg The Warehouse Group
- For public sector organisations such as councils, hospitals, the Reserve Bank, and other government ministries
- For economic consulting firms
- For non-profits, NGOs and other social enterprises.

## CAREER ROLE EXAMPLES

**Economic consultant** – develops solutions for organisations seeking new economic opportunities, assesses the economic viability of new investments, or addresses organisational problems. Clients include industry, finance, healthcare, the government etc.

**Business operations and strategy** – examines demand and competition in markets, identifies market trends and opportunities. Helps optimise pricing and production strategies. Manages business logistics, eg stock flows, inventories. Could be in a large firm, a financial institution or a consultancy.

**Data analyst** – uses econometrics to analyse data to support business decision-making. Forecasts market variables for a business, a government agency or a financial institution.

**Credit analyst** – conducts microeconomic analyses of prospective clients to assess the risks involved with loaning funds to those people or businesses. This might be within any number of financial institutions.

**Business journalist** – uses oral and written communication skills and a solid knowledge of economics to explain complex concepts in plain language to make the world of economics and commerce understandable to the average person.

**Policy and regulation advisor** – advises on legislative change, regulation design and other government interventions to address social problems or advance public policy goals. Works for government regulators, including councils, to design and manage market regulations, or regulated industries, such as the energy and pharmaceutical sectors to lobby government and develop business strategies.

## SKILLS AND KNOWLEDGE

### Job relevant skills

- Economic perspective on environmental, ethical, social issues
- Demonstrate strong data analysis skills for decision-making
- Ability to provide optimal pricing strategies
- Strong analytical thinking and problem solving skills
- Strengths in strategy-making for business and social enterprise

### Job relevant knowledge of:

- How markets work and government operates
- The impact of global affairs, personally and economically
- Data processing and presentations
- The macroeconomic environment
- The regulatory environment
- Consumer behaviour and pricing

## PERSONAL QUALITIES

- Inquisitive about people
- Strong written and verbal communication skills
- Ability to collaborate with a wide range of people and organisations on world affairs
- Enjoy working with data
- Want to make a difference



## SALARY GUIDE

	Salary (per year)
Data analyst	Graduate: \$45,000–\$57,812 2–3 years: \$70,000–\$110,000
Economics consultant	Graduate: \$40,000–\$65,000 2–3 years: \$84,000–\$135,000
Market risk analyst	2–3 years: \$80,000–\$120,000
Policy analyst	Graduate: \$47,000–\$57,000 Senior: \$85,000–\$150,000

Sources: Robert Walters Salary Guide 2018–2019, MBIE, Payscale.com, Careers NZ, Hudson 2019.

Salary range is indicative of the New Zealand job market at the time of publication (mid-2019) and should only be seen as a guideline.

## THE AUT APPROACH

All AUT economics students take part in workplace experience in their final year of study.

This is usually a supervised work placement in an organisation of the student's choice, eg a commercial business, not-for-profit organisation, or entrepreneurial venture. Some students do a supervised research project instead. Workplace experience can be done in New Zealand or overseas.

Recent placements include Auckland Council, Vodafone, Spark, ASB, Market Economics Consulting, and The Warehouse Group.

The Economics major is offered through the Bachelor of Business and the Bachelor of Arts.

## FURTHER STUDY OPTIONS

Postgraduate options in economics include postgraduate certificate and diploma, honours, and PhD programmes.

BBus students who are planning to continue to postgraduate study are encouraged to consider the Capstone Project to meet level 7 core requirements. For the summer intake, the School of Economics runs a team-based version of this project, with students working together on a common research theme. Supplementary workshops and guest lectures on research-related skills are part of this paper.

Research specialisations include microeconomics, macroeconomics, econometrics, industrial organisation, international trade, economic history, environmental economics and natural resources, development economics, public economics, health economics, labour economics and public policy.



## GABRIELLE WYMER

Planning Support Specialist, The Warehouse Group

Bachelor of Business in Economics and International Business

"I chose to major in economics at university because I felt it would give me lifelong skills that would transfer to a great number of careers. I developed a passion for it during high school when I realised economic theories enabled me to better understand behaviours of individuals, and organisations.

As a planning support specialist for the footwear team at The Warehouse Group, my role consists of supporting the category planner and buyer to achieve company targets and objectives. My main responsibilities include report creation and analysis, order tracking and logistics, liaising with stores and suppliers, stock allocation and replenishment, and supporting the planner in maintaining budgets and financial planning.

I enjoy seeing the real life application of the quintessential theories I've studied throughout my degree, such as supply and demand, and seeing the contrasts between how markets behave in real life compared to a text book.

It was challenging at the start, as I had no idea what retail planning was prior to my co-operative education placement, so the learning curve has been extremely steep and fast. I am now over a year into my role at The Warehouse and I still struggle to understand the retail jargon that is used every day!

In the future I would like to continue my career in retail, and potentially explore using my second major International Business more, by moving into the buying side of The Warehouse business, as The Warehouse Group is the country's single biggest importer of goods."

## EMPLOYER COMMENT

"As New Zealand's largest retailer, The Warehouse attracts business graduates wanting to apply their skills in a fun, demanding and fast paced retail environment. We look for people with a can do attitude and strong communication, analytical and problem solving skills, who get excited about the fact that they can play a part in making desirable products affordable for New Zealanders.

Gabrielle brings a fresh perspective and eagerness to learn to the role. This has proven to be extremely valuable as she has created and implemented a new reporting process to give better insights to our buyers."

**Selina Maguire**

Planner - Footwear, The Warehouse Group

## USEFUL WEBSITES

**New Zealand Association of Economists (NZAE)**

[www.nzae.org.nz](http://www.nzae.org.nz)

**National Association for Business Economics (NABE)**

[www.nabe.com](http://www.nabe.com)

**Financial Services Institute of Australasia (FINSIA)**

[www.finsia.com](http://www.finsia.com)

**New Zealand Institute of Economic Research (NZIER)**

[www.nzier.org.nz](http://www.nzier.org.nz)

**Centre for Social Data Analytics (CSDA)**

[www.csd.auct.ac.nz](http://www.csd.auct.ac.nz)

**Financial Services Institute of Australasia (FINSIA)**

[www.finsia.com](http://www.finsia.com)

**New Zealand Bankers Association (NZBA)**


[www.nzba.org.nz](http://www.nzba.org.nz)

For the most up-to-date information on economics and the Bachelor of Business, visit [www.auct.ac.nz/economics](http://www.auct.ac.nz/economics)

### FUTURE STUDENTS

Contact the Future Student Advisory team for more information: [www.auct.ac.nz/enquire](http://www.auct.ac.nz/enquire)

[futurestudents@auct.ac.nz](mailto:futurestudents@auct.ac.nz)

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### CURRENT AUT STUDENTS

Contact the Student Hub Advisors team for more information:

0800 AUT UNI (0800 288 864)

[www.auct.ac.nz/enquire](http://www.auct.ac.nz/enquire)

[studenthub@auct.ac.nz](mailto:studenthub@auct.ac.nz)

 @AUTEmployabilityandCareers

### EMPLOYABILITY & CAREERS

For other Future Career Sheets visit:

[www.auct.ac.nz/careersheets](http://www.auct.ac.nz/careersheets)


For employability and career support, AUT students can book an appointment through

<https://elab.auct.ac.nz/>

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The information contained in this career sheet is correct at time of printing, August 2019.

