



MACQUARIE  
UNIVERSITY



*Faculty of*  
Business and Economics

[www.be.mq.edu.au](http://www.be.mq.edu.au)



# Dean's Message

The Faculty of Business and Economics actively partners with industry and government to help keep our research and curriculum relevant and in tune with modern needs whilst offering optimal value to our partners in terms of thought leadership and visionary analysis. It is very important to us to adapt quickly to changed market circumstances and to provide easy pathways for external partners to engage with us. To that end, we have focussed our activities into four discipline areas: Accounting and Corporate Governance, Applied Finance and Actuarial Studies, Marketing and Management, and Economics.

We take pride in our ability to reach outside the university and engage in collaborative research with external partners across a wide range of business problems and contexts, to provide our students with opportunities to engage in work placements and internships, and to fulfil our role as a thought leader through briefings, publications, and events.

The Faculty of Business and Economics has a strong global focus, achieved through international research collaborations across the globe, and a large number of international higher degree research students engaging in research around issues which impact upon Australia and its role in the region. These include the globalisation of labour and capital markets, regional economic development, the global challenge of climate change, and international trade and business.

I hope this publication provides you with a broad introduction as to our capabilities and how we might work together.

**Professor Mark Gabbott**  
Executive Dean  
Faculty of Business and Economics

# What makes Macquarie University different?

We are on track to becoming one of Australia's leading research universities. The mission of the Faculty of Business and Economics is to make a positive contribution to business and society in the Asia-Pacific region and beyond.

We do this through the production and delivery of relevant and impactful teaching and research across our disciplines, and through the provision of knowledgeable and internationally aware graduates who are in demand by employers.

Macquarie is investing heavily in research, learning and teaching, new buildings, new teaching facilities and in developing mutually beneficial relationships with industry.

Our ambition has seen a range of new initiatives such as a new library, hospital and comprehensive new education opportunities.



Macquarie is ranked in the top two per cent of universities globally. The New York Times 2011 survey said that CEOs around the world rank Macquarie in the top 5 Australian universities for their graduate recruitment. Ninety per cent of Macquarie graduates are employed within four months of completing their study and earn above the national average starting salary according to the Australian Graduate Survey 2010.

Macquarie offers academic programmes that have intellectual rigour, are firmly based on research, and are relevant to twenty-first century challenges. Our graduates will be lifelong learners, with the skills and competencies to succeed in the dynamic and changing world of work, capable of engaging in local and global communities with energy and integrity.

World-class graduates require world-class teachers and we have teachers who are among the best in their respective fields. Our academics have been recognised nationally by the Australian Learning and Teaching Council with Citations for Outstanding Contributions to Student Learning and Awards for Teaching Excellence.

Macquarie University is home to some of the world's most pre-eminent researchers who attract significant research funding to the University.

Macquarie researchers are also supported by our unique internal research funding programme which is designed to support all academic staff to develop their research skills so they can contribute to the creation of new knowledge of national and global importance. Our internal scheme includes funding for research fellowships, research development grants, Vice Chancellor's Innovation Fellowships and a Research Centres Scheme.



# Research





We collaborate with industry and government to ensure our research is relevant and in tune with modern needs whilst offering optimal value to our partners in terms of thought leadership and visionary analysis.

Research engagements are a key priority for us to remain at the cutting edge of business and economics. As such, we ensure our researchers are well funded and supported, and that they have the flexibility to be truly innovative in their approach.

The Faculty of Business and Economics is recognised as a leading industry researcher, in areas such as:

- Accounting
- Actuarial Science
- Applied Finance
- Economics
- Employment Relations and Workforce Futures
- Ethics, Governance and Public Practice
- Financial Risk
- Human Resource Management
- Marketing

Undertaking research with the Faculty of Business and Economics means:

- **Subject matter specialists:** Our researchers are senior academics, recognised as specialists in their respective fields, who possess in-depth industry knowledge and deliver unbiased and qualitative insights.
- **Relevant analysis and forecasts:** Our university research reports are not just comprehensive, they're usable in the real world. They go beyond mere statistics to include expert analysis and reliable forecasts.
- **Ongoing advice:** Organisations are supported with ongoing research, analysis and advice. Industry developments are tracked, providing information regarding trends and quantifying insights.
- **Independent results people respect:** People are becoming more and more wary of so-called 'research' performed by commercial organisations. The Faculty can provide industry research that is not only unbiased, but also backed by the reputation of a major university.
- **Cost effective expertise:** With the Faculty's wealth of knowledge and industry expertise, we can provide cost-effective industry-respected research, advice and information to meet business needs.

## Faculty Research Centres

Macquarie University places a high priority on its research activity and outcomes in order to become one of the top research intensive universities in Australia.

The Faculty has launched a bold initiative to recruit top-class researchers in key areas of research strength, and is committed to increasing the recruitment of prominent researchers, to continue to forge a highly-developed research culture with strong links to the professions and industry.



Professor  
Paul Gollan

Prof. Paul Gollan is the Associate Dean – Research and a Professor in the Department of Marketing and Management.

He is also a Visiting Professor in the Employment Relations and Organisational Behaviour Group in the Department of Management at the London School of Economics and Adjunct Professor at the Macquarie Graduate School of Management.

*“The Faculty of Business and Economics provides diverse world leading management and business research which is rigorous, innovative, informative and practical. Importantly, the research in our faculty not only informs and provides knowledge but wants to know why things occur. We are proud that our research addresses not only the needs of business, but also confronts the big questions facing Australian and world economies.”*



The Faculty of Business and Economics currently focuses its research activities around our three research centres.

## Centre for Financial Risk

The Centre for Financial Risk brings together the Faculty's researchers on uncertainty in capital markets. It addresses key financial, accounting and economic issues relating to business, regulatory and professional practice including financial risk and its management. The Centre has two strands. The first strand investigates the nature and management of financial risks faced by institutions, including banks and insurance companies, using techniques from statistics and actuarial science.

The second strand investigates the nature and management of financial risks faced by households and by the economy as a whole, using techniques from economics and econometrics.

The key research agenda for the team is to better understand, integrate, manage, price and hedge financial risk to allow its efficient and equitable distribution within our economic system.

The key research themes undertaken by the centre are:

1. **Enterprise and Insurance Risk** – main topics include: actuarial and investment risk such as modelling and forecasting mortality risk, modelling dependence in general insurance businesses and claims reserving, risk management, term structure of interest rates, pricing, hedging and reserving insurance products, survival analysis, stochastic scheduling, risk and decision analysis;
2. **Modelling of financial markets** – econometric models for financial markets, development and back testing of risk models, credit risk models and analysis, pricing, hedging and managing risk of financial derivatives, dynamic and empirical asset pricing, asset allocation, stochastic modeling in financial markets, fund management.
3. **Commodity and electricity markets** – econometric models for commodity markets, risk management in electricity markets, pricing of commodity derivatives;

4. **Catastrophic and climate change risks** – catastrophic risks from climate impacts, carbon trading, optimal insurance and adaptation strategies.
5. **Household risk** – main topics include: superannuation and financial planning: the risk of superannuation funds, optimal asset allocation, forecasting and managing macro investment risk; and
6. **Global Financial risk** – financial crises and the real economy, macroeconomic impacts on financial volatility, financial market regulation and the taxpayers' put, sovereign debt and macroeconomic risks.

The Centre for Financial Risk attracts a substantial number of external competitive research grants from government and industry and has generated many high quality research publications in leading international peer-reviewed journals. Among the diverse projects now underway is an investigation of risk management with real-time financial and business conditions. indicators.

The Centre holds an annual Financial Risk Day, bringing together leading academics and industry practitioners to exchange ideas and research findings. This event covers diverse topics, ranging from refinements to quantitative financial and actuarial risk modelling, to insurance and financial planning developments. Energy and carbon pricing, links between remuneration and risk taking within institutions and modelling for recovery of defaults of debt instruments will also be discussed.

The Centre for Financial Risk also has a program of seminars where visitors present topics on their recent research.



## International Governance and Performance (IGAP) Research Centre

IGAP provides a dynamic, outward-looking research focus that addresses contemporary issues in international governance and performance. It has established itself as a recognised interdisciplinary research hub and aims to influence the international governance agenda through impactful, independent, and applicable research. IGAP forges robust networks, and partners with business, government and professional communities, bringing the best minds together to respond to critical and emerging business issues in governance processes, financial reporting regimes and performance.

IGAP currently enjoys ongoing sponsorship by CPA Australia over the initial three year period.

Key research themes that fall under IGAP's scope include:

### Governance

- Reporting on performance and risk (financial and non-financial information)
- Role of materiality in information gathering and use
- Role of time orientation (short versus long term focus) in information gathering and use
- Use of reported information for ethical and operational decision-making
- Auditing, assurance and verification processes
- Business improvement and innovation
- Stewardship and accountability (structures, practices and stakeholder engagement)
- Environmental / social / organisational sustainability
- International governance (reporting) standards and business legal frameworks (including international and environmental taxation)

### Performance Evaluation and Appraisal

- Financial performance measurement
- Non-financial performance measurement
- Relationships between financial and non-financial performance
- Performance management (operational / behavioural etc.)
- Links between performance evaluation and action (e.g. policy / strategy)
- Risk identification, assessment and control

A number of current projects and initiatives currently being pursued by IGAP include:

- Developing a framework for assessing and accounting for work, health and safety governance in Australian organisations;
- Environmental, Social and Governance sustainability, reporting and assurance (including the GRI and the development of integrated reporting);
- Skepticism and Trust in the external audit independence context;
- Convergence of judgment in applying Accounting and Auditing Standards;
- Fraud (various projects including forensic accounting, whistleblowing, role of internal audit.

Other activities undertaken by IGAP include:

- Hosting international visitors such as Professors Ira Solomon, Michael Shaub, Dan Dhaliwal, Kari Lukka, Wolfgang Schultze, Karen Pincus, Jan Mouritsen and Stefan Schaltegger.
- Executive in Residence program.
- Housing of two academic journals: Managerial Auditing Journal and Accounting, Auditing and Accountability Journal.



## Centre for Workforce Futures

The Centre for Workforce Futures brings an innovative multidisciplinary and problem-solving approach to research relating to the workforce and workplace, with application to public policy, industry, the not-for-profit sector, government and community.

The Centre has assembled one of the largest concentrations of world class expertise in the Asia Pacific region across its core disciplines of Human Resource Management, Employment Relations, Demography and Labour Law. It also draws substantially from the Marketing discipline in areas such as employer branding.

In particular the Centre for Workforce Futures aims to conduct and support:

- timely research on workforce composition and planning, workplace practices and their connection with productivity and employee well being, diversity management, social media management and management strategy;
- A holistic research paradigm for workforce studies, including paid and unpaid work and the relationship between these spheres in individual work lives;
- Operate as a 'hub of expertise', expanding its capacity through collaborative partnerships with researchers in other institutions at national and global levels;
- Dissemination of research results widely to industry, government, the not-for-profit sector and national and international scholarly communities.

The research within the Centre focuses on and across three central 'pillars':

### 1. Workforce Planning

The Centre meets a growing demand for research and methodologies that inform workforce planning from corporate to national levels. One of our major strengths is our capacity in Demography, in which Macquarie University has the only program in New South Wales.

Our research includes such dimensions as:

- Climate change and employment,
- Demographic trends and life cycles,
- Immigration policies and settlement patterns
- skilled and student immigration,
- Changes in labour supply and demand and implications for major industries,
- Implications of environmental change for sustainability planning.

### 2. Diversity, Employment and Organisations

Research on diversity in the workplace addresses issues of how diversity can be encouraged and managed to the benefit of staff, the organisation and the community.

Areas of research include:

- Inter cultural relations in the workplace and cross-cultural management,
- Employee behavior and misbehavior, and related industrial and legal issues such as bullying, discrimination and occupational health and safety,
- Precarious employment,
- Managing employment standards in supply chains.

### 3. Management Strategy

Critical dimensions of management strategies, such as:

- Strategic business decision making,
- Communications flows within the organisation,
- Employee voice,
- Productivity and employee well being,
- Corporate reputation and employer branding,
- Linking values, ethics, performance and sustainability.