



The future is ours to make

**Faculty of Business and Economics
Research Strategy 2021–2022**



The future is ours to make

In case anyone was in any doubt, COVID-19 has shown that the economy is not separate from life.

A lot of what we took for granted is now uncertain. Our institutions and systems have been tested. The basis of our prosperity is in question. The way we work, and whether we *have* work, is up for grabs.

But we've also been reminded that fundamental research focussed on human wellbeing produces good things. And we've (re)discovered that there are some goods that individuals experience that they can only have if we secure public goods through collective efforts.

Our future will deliver more events as disruptive as COVID-19. Some of those events will be sudden, others will produce slow-burning change over generations.

Whether or not we prosper through these events depends on decisions we make. Some of those decisions we need to make now.

Those decisions will mean we have to think about *what* we value and *how much* we value it. We have to ask what risks we are prepared to take. We need to ask how much we are prepared to pay, who will pay, and what we are willing to give up, so that we, individually or collectively, can have what we want and need.

How we answer those questions is, fundamentally, a social and political matter. Research in economics and business can *inform* us as we work together to answer those questions, both now and in the future.

We believe that *our* research can help governments and organisations in public, private and community sectors make those decisions.

The future we have is a choice our research can help you make

In this document we set out our strategic directions for the next 18 months as we steer through what is still a volatile situation for us and the wider world.

It is a short-term strategy designed to consolidate our position and examine how our research can help prospective partners make decisions and plan for the future.

The world we live in

The kind of economic activity we engage in depends on the kinds of social interactions we participate in. Our societies, in turn, depend on what is going on in our natural environment.

We can illustrate this point with climate change. This complex event is changing our economies already.

To reduce emissions and adapt, we'll need to make some decisions about what kinds of economic activity is possible, desirable and even insurable. Every part of our economy is touched. If we don't make these decisions, they will be made for us, and to our cost.

Some of that cost will be recorded in standard economic measures, such as productivity and the employment market. But a lot of it will be harder to calculate and won't be apparent in markets.

Social costs for example. We know that family violence and poor health are implicated in economic inequality and hardship—and that women and Indigenous Australians are hit harder. The modern slavery that blights our supply chains also emerges when people have no economic options. Regional economies live and die with the industries and agriculture they depend on. And every one of us knows that meaningful work is crucial for mental health.

Other costs will be transferred to the environment, which all economic activity depends on, and will manifest in depleted and polluted water, soils and air, and damaged ecologies and biodiversity.

These costs can't be absorbed any more. Nor can we continue transferring them to governments, the community sector and future generations.

Why? Part of the answer is in terms of business and economics. The way we have done business and managed our economies is no longer sustainable.

It's more than that though. It's about justice and fairness—both in the world we live in now and the world of future generations.

We see corporations taking responsibility. They are recognising what their production and productivity ultimately depends on. They are investing in research and development, departing markets for unsustainable products and watching for signs of new demand.

Even more important, we see that consumers, the source of that demand, expect change. They are aware of the power of their choice and have the means to make it. They are choosing businesses that work with a broader concept of value. They are also choosing to work for organisations that create and protect value, rather than extract it and walk away. From a practical point of view this could lead to markets becoming less profitable and labour shortages in critical industries.

That is the world that we live in. The better we understand it and how it affects what matters to us, the better equipped we are to make decisions about the world we *want* to live in.



The impact we want to have in that world

Our decisions now make a difference to how the world is in the future.

That difference is impact.

The impact could be good or bad, depending on the decisions we make—or the decisions we avoid making.

We know that our research can make a difference. It will give you reliable information about the social and economic dimensions of the environment you're operating in. You can use it to understand possible scenarios, assess risks and weigh up the costs and benefits of decisions. It can help you improve services, deliver policy outcomes, and nudge consumers towards behaviours better for themselves and their communities. It will help you evaluate the impact of your interventions.

To make it clear what kinds of impacts our research can have, we've framed it in terms of the United Nations Sustainable Development Goals — <https://sdgs.un.org/goals>.

More than 80 per cent of our research output over the past ten years is aligned to the United Nations Sustainable Development Goals*

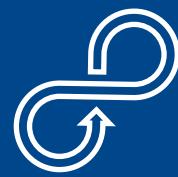
Why these goals?

Every one of the sustainable development goals is obviously a pressing matter for governments, corporations and communities. This way our partners know it is relevant and applicable to real-world problems.

It also makes our ambition as researchers clear. When we say 'our ambition' we really mean us—the economists, actuarial analysts, specialists in finance and accounting, and experts in marketing, consumer behaviour, management, change and employment that you will find at The University of Melbourne. We want our research to produce change. Not just any change, but change that gets us closer, as a society, to those goals.

The sustainable development goals have other virtues. We think they identify the sources and causes of value and wellbeing—so we don't need to reinvent that wheel. They are also well suited to the period of economic and social transition we are in now.

Finally, they are ideal in a world where unilateral action is not going to achieve many of the goods that matter to us. We need partnerships that span public, private and community sectors and from all industries and social domains. The goals bring alignment and consistency even when partners are acting independently.



* Based on 10 years of published research outcomes as validated by Clarivate, December 2020.

So, what sort of impact can our research have?

Here are five exemplar areas where our researchers are producing knowledge that can help our partners steer towards the sustainable development goals.

We prosper on sustainable sources of energy and sustainable levels of energy consumption

We can no longer use fossil fuels as the source of energy for our lives and livelihoods. Research and development by our colleagues in science and engineering have produced the technologies we need. The question now is how to transition quickly without leaving anyone behind.

What policies will be effective? What are some of the unintended consequences we should look out for? Who experiences those consequences? And how can we nudge consumers towards choices that reduce electricity consumption?

These are some of the questions our researchers are investigating.

People are free from prejudice in employment markets

COVID-19 has eroded the gains in gender equality and made it more difficult for many women to obtain decent work and improve their economic situation.

The wage gap in particular has increased¹ and job losses have been worse in sectors where women make up a disproportionate part of the workforce. Our researchers are analysing labour and spatial data sets to better understand the mechanisms driving those changes. Others are investigating the correlation between diversity and performance and also modelling how health and wellbeing is affected by inequality.

All of this is vital for governments and corporations designing policy to effectively reduce inequality, grow economies and ensure people have decent work.

Indigenous Australians achieve economic equality and wellbeing

Governments, corporations, and non-profit organisations would like to procure more services from Indigenous-led businesses. The Australian Government's Indigenous Procurement Policy, administered by the National Indigenous Australians Agency, also sets out targets for the next decade to increase procurement from Indigenous-led businesses.

Until recently, though, we have not known the number of businesses that are Indigenous-led. Researchers in our faculty, in partnership with the National Indigenous Australians Agency, are working on a new dataset of these businesses—the first of its kind.

This is vital research for organisations in all sectors seeking to be responsible consumers and play their part in reducing inequalities in Australian society. From an Indigenous perspective, entrepreneurship and business development is crucial for self-determination.

Consumers are confident that what they buy is not corrupted by modern slavery

There are more slaves today than at any time in history. They are making our clothes, mining raw minerals for our computers and phones, and working on farms that produce food for our tables. Some of them are children.

The complexity of international trade and efforts to hide it mean that it is not easy to trace in our supply chains. Three of our academics are researching how modern slavery has infiltrated the products and services we all consume and use every day.

This knowledge will help governments regulate effectively, producers eliminate it from their supply chains, and consumers to make informed choices when they buy.

We minimise the insurable risks associated with climate change

Disastrous events like heatwaves, bushfires and floods are becoming more severe and more frequent, making them more expensive to insure. In some places, certain activities and assets may become uninsurable, if they aren't already.

Researchers in our faculty are collaborating with atmospheric scientists and other experts in mathematical finance to ensure that the financial and actuarial models that insurers rely on have a sound scientific foundation.

Without understanding these relationships, insurers cannot accurately price their products, which means that they either have to charge more to cover a wide range of potential risks or avoid insuring an activity completely. This has consequences for governments that act as insurer for public assets and activities as well as consumers.

¹ Reported on 19 August by the Workplace Gender Equality Agency, <https://www.wgea.gov.au/newsroom/equal-pay-day-media-release>; accessed on 22 November 2021

How we'll make it happen

Over the course of 2021 to 2022, we'll pursue five strategic directions designed to help get us closer as a society to the sustainable development goals.

Each of them will be pursued through a number of initiatives.

Those initiatives will set us up to work effectively with our partners in public, private and community sectors on research that has a positive impact on the world.

**Fundamental
research**

**Research
impact**

Partnerships

Collaboration

**Ethics,
responsibility
and
sustainability**

Fundamental research

Our faculty is home to world-renowned researchers with expertise across disciplines in economics, accounting, finance, actuarial studies, management, employment, marketing and consumer behaviour.

Our researchers are rigorous, innovative and willing to take risks. Many of them lead their fields in the international research community.

We will build their capability, recognise excellence and make sure they can progress in their careers in spite of the disruptions produced by COVID-19.

Researchers developing projects and programs of research that are strategically important for economic and social recovery over the coming years will be able to access internal funds over the course of 2021 and 2022.

We will also invest strategically in our research centres so that they can carry out socially engaged research in a way that is sustainable in the long term.

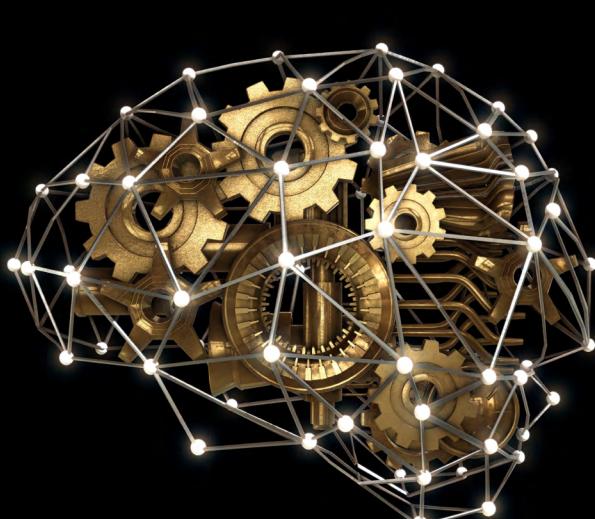
Spaces, precincts and experimental labs—such as the Brain, Minds and Markets Laboratory—will be adapted so that researchers can continue to use them effectively in a post-COVID world.

We will ensure our researchers have access to high performance computing (HPC) so they can address a wider range of research questions with greater accuracy.

These initiatives will give our researchers confidence and the means to continue doing outstanding research that can make an impact.

Our Brain, Mind and Markets Laboratory is an interdisciplinary research group investigating human and machine decision-making. In an increasingly complex world, understanding how complexity affects people decisions is of great importance.

This fundamental research leads to outcomes ensuring that financial decisions people have to make as part of their everyday lives are within their capabilities – an important step towards increasing financial wellbeing and avoiding financial harm.



Impact

Our research will have had impact if it helps us, as a society, get closer to the sustainable development goals.

How will we position our research to do that?

We start from a good place. Recent analysis of investigator-led research outputs showed that 80 per cent of our work over the past ten years aligns with the sustainable development goals.*

Getting closer, as a society, will take more than our researchers producing knowledge that is aligned to the goals though.

The wider world needs to know about the work we've done. We want our insights to become part of the knowledge base of decision makers in the public, corporate and community sectors. We will engage our audiences through communication campaigns. We'll also support our researchers in their own communications with non-academic audiences.

We also want our research to be used. This is where we need our partnerships with governments, corporations and community organisations.

We will engage with our partners and stakeholders to better understand the scenarios they're planning for and the pathways they're seeking out of the current disruption and towards the sustainable development goals.

This way we can align investigator-led research to the goals of our partners and identify new lines of research in cooperation with them.



Established by the Melbourne Institute in the wake of the pandemic, Taking the Pulse of the Nation (TTPN) surveys Australians bi-weekly to capture information about their financial position, job security, attitudes towards government policy and experiences dealing with the COVID-19 pandemic.

Since 2020, Melbourne Institute developed over 50 reports, interactive data visualisations, and provided real time insights on the economic and social wellbeing of Australians to inform Commonwealth, state, and local governments on how the pandemic is affecting individuals, families, and communities.

* Based on 10 years of published research outcomes as validated by Clarivate, December 2020.

Partnerships

Doing research with the potential for real impact involves risk. Universities have been built to cope with that risk, honing research norms and techniques that ensure that we produce reliable data, information and knowledge, in spite of the challenges.

At the university we have a depth and breadth of expertise unequalled by other research providers and thought leaders. We can apply that expertise to the complexity you face rather than cut and paste our ‘solution’.

We are also independent. Our researchers care about getting us, as a society, closer to those sustainable development goals. The only way we’re going to do it is with knowledge presented in a form that is meaningful.

This makes us an ideal partner for organisations that need to make decisions based on evidence. It’s especially valuable in times of social and economic disruption and transition, which call out for risk-taking change.

Some research is not possible without our partners in industry, government and community. The value that is produced only in partnership needs to become obvious to them as well as to us. The costs and pricings of our research experience and skill needs to be more transparent. Our contract processes need to be smoother.

We also need to make it easier for prospective partners to reach us and tell us about the pressing problems they’re trying to deal with in their worlds.

Our appetite for working with our partners will be backed by governance that facilitates co-design, ensures accountability and makes it easy to do business together.

We will increase our engagement with current and prospective partners on these questions.



Researchers from our Centre for Market Design partnered with California Institute of Technology and the Victorian Department of Education and Training – which manages student travel services on behalf of the National Disability Insurance Scheme.

Economic design techniques have been deployed to improve the quality of disability services, without increasing costs. First to benefit, with a school bus travel time cut by half are students from the Northern School for Autism in Victoria.

Collaboration

Most research is collaborative. It is simply *how* our researchers solve problems and make discoveries that lead to world-changing innovations.

We know that, by collaborating with our colleagues in engineering, law, medicine and disciplines across the humanities, we will be able to provide insights in health, climate change, market behaviours and the economy that otherwise might not be possible.

We will analyse our current academic collaborations for new lines of investment in research that contributes to achieving the sustainable development goals.

We'll also strengthen our relationships within the faculty, within our university and with researchers in other faculties and institutions —again, with the sustainable development goals in mind.

We will continue to nurture our global networks and increase awareness about our research in our region and around the world.

In all this, the international character of our workforce means that we can draw on global knowledge and networks for local problems.



Our Accounting researchers are working in partnership with university Forestry and Agriculture academics and the Central Victorian Regenerative Farmers Inc (CVRF).

Bringing together expertise on assessing farm and tree production and ecosystem services with carbon accounting and impact investing, the team aims to design new investment models for regenerative agriculture - a system of farming principles and practices that increases biodiversity, enriches soils, improves watersheds, and enhances ecosystem services. Project outcomes will include models for scaling up investment in regenerative agriculture.

Ethics, Responsibility and Sustainability

We have adopted the sustainable development goals so that decision makers can see how our research can help them address complex social problems.

With this strategic direction we are looking at how we, as an organisation and part of a university culture, do our work.

In many respects, this is not new. Research, like any other activity, carries ethical weight, both in how it is conducted and its impact on the world. We know, through thought and experience, that anything produced in unethical and unsustainable way causes harm and destroys value. We take our responsibilities to act ethically, as well as produce high-quality research, seriously.

No long-standing commitment should be taken for granted though, which is why we have set ourselves this strategic direction. Our partners also need to know what sort of organisation we are and how we do our research.

Our Ethics, Responsibility and Sustainability Strategy 2018-2022 states our commitment to do research that influences business practice and public policy to deliver better outcomes for society.

Our Divisional Indigenous Development Plan 2019-2022 sets out how we will support Indigenous economic prosperity. We will also work to improve the cultural competency of our researchers and revise our ethical frameworks for research activities.

Our EQUIS and AACSB accreditation, and membership to the Principles for Responsible Management Education (PRME), tests and validates how we are meeting our responsibilities in our research, teaching and operations.

Researchers in our Dilin Duwa Centre for Indigenous Business Leadership have established an annual Indigenous Business Sector Snapshot Series, leading to a better understanding of sector breadth, diversity, and impact.

Using an Indigenous dataset, the ABS's Business Longitudinal Analysis Data Environment (BLADE), has resulted in the creation of major national data infrastructure which can support further political, economic, and social outcomes.



Who we are

Research Disciplines (Areas of Research Expertise)

We conduct our research in the areas of Accounting, Actuarial Studies, Finance, Economics, and Management and Marketing.

We produce contributions to the field of Business Education research.

Our research expertise can be explored on our [Find an Expert](#) researcher profiles

Research Centres

Our Research Centres and Institutes include:

- Melbourne Institute of Applied Economic and Social Research
- Centre for Market Design
- Brain, Mind and Markets Laboratory
- Centre for Accounting and Industry Partnerships
- Centre for Asian Business and Economics
- Centre for Business Analytics
- Dilin Duwa Centre for Indigenous Business Leadership
- Centre for Workplace Leadership
- International Centre for Research in Organizational Discourse, Strategy and Change

International Networks

Our staff are internationally diverse, with 42 nationalities represented. The Faculty of Business and Economics and Melbourne Business School have over 60,000 alumni in over 100 countries. We co-publish with academics and industry around the globe.

External Partnerships

We establish partnerships that help us to produce impactful research, with 90+ current active research partners and projects.

Our Research Funding comes from diverse sources including competitive grants from the ARC and NHMRC, and a wide range of government and industry partners.

Infrastructure and Platforms

We are located at the heart of the Melbourne business district, and biomedical precinct and have excellent access to facilities that enable high quality collaborative research. We manage our own Experimental Research Facilities and house robust data environments. The Melbourne Institute Data Lab (MIDL), complies with Australian Government security conditions, including the Attorney-General's Protective Security Policy Framework (PSPF) and the Australian Signals Directorate's Information Security Manual (ISM). Our Melbourne Institute specialises in Longitudinal data and access including Household, Income and Labour Dynamics in Australia (HILDA) Survey, Journeys Home Survey, and The Medicine in Australia: Balancing Employment and Life (MABEL). See <https://melbourneinstitute.unimelb.edu.au/research> for more.

Global Rankings

We are consistently placed at the top of independently published world rankings in business and economics research

RANKED #1
IN AUSTRALIA AND
#33 GLOBALLY*

RANKED #1
IN AUSTRALIA,
#18 GLOBALLY
FOR ACCOUNTING
AND FINANCE^A

RANKED #1
IN AUSTRALIA,
#30 GLOBALLY
FOR ECONOMICS
AND
ECONOMETRICS^A

RANKED #1
IN AUSTRALIA,
#26 GLOBALLY
FOR BUSINESS
AND MANAGEMENT
STUDIES^A

Sources:

* [Times Higher Education World University Rankings 2022](#)

^A [QS World University Subject Rankings 2021](#)

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