



Institute for  
Business Research

*Te Pūtahi Rangahau Umanga*

THE UNIVERSITY OF WAIKATO



TE PŪTAHI RANGAHAU UMANGA



# HOW WE CAN WORK WITH YOU

The Institute for Business Research offers research, advisory and consultancy services to a range of end-users, commercial, public sector and not-for-profit organisations. The IBR is also home to the Management Research Centre, which specialises in financial benchmarking and business performance studies.

We can work with you across a broad range of areas through:

- **Contract research**
- **Collaborative research programmes**
- **Consultancy services**



TIME	DESTINATION
12:00	COPENHAGEN
12:15	PARIS
12:25	LONDON
13:20	FRANKFURT
13:45	ZURICH
14:35	BRUSSELS



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SINGAPORE	S\$D	1.2500
HONG KONG	HKD	0.7000
NEW ZEALAND	NZD	0.6500
MALAYSIA	MYR	1.3500
ENGLAND	GBP	0.6000





Our business is adding value to your business. At the Institute for Business Research, our people have a wealth of expertise in areas ranging from innovation to economic impact analysis. We work with industry, government agencies and other organisations to enhance productivity and contribute to sustainable business.

## ABOUT US

The Institute for Business Research draws on the research excellence of New Zealand's top research business school and nearly three decades of leading-edge business consultancy.

### Business relevance

The Institute is home to the Management Research Centre, Waikato Management School's commercial consultancy arm.

For nearly 30 years in conjunction with the New Zealand Institute of Chartered Accountants (NZICA), the Centre has compiled the annual New Zealand Business Benchmarking Survey which today covers more than 5,000 small businesses.

In addition, the Centre produces business performance comparison surveys for industry sectors, economic impact reports, expert witness statements, and regular practice comparisons for accounting and law firms.

### Quality research from a world-class business school

Waikato Management School is one of a very small group of elite business schools across the world to have achieved triple-crown accreditation (AACSB, AMBA, EQUIS). It is ranked the number one business school in the country for research quality.

This academic rigour underpins all the research undertaken by the Institute.

Sustainability lies at the heart of the School's research and teaching, and the Institute has a unique focus on how sustainability strategy and practices can contribute to enhanced profit, productivity and performance.

### Our expertise

The Institute offers significant expertise in economic impact analysis, agribusiness, financial benchmarking, supply chain management and tourism research. It also has research strengths in business performance, innovation and the business of health.

The Institute's four main areas of activity are:

- **Business Performance and Leadership**
- **Agribusiness and Innovation**
- **Business in the Service Sector**
- **Business in Society**





## OUR STRUCTURE

Located within the University of Waikato Management School, the Institute for Business Research goes into 2011 with a four-member Interim Management Committee:

- IBR Director, Associate Professor Stuart Locke
- Dean of Management, Professor Frank Scrimgeour
- Associate Dean Research Professor Delwyn Clark
- MRC manager Mr Mike Artinian

This committee will be expanded to create an eight-member Advisory Board representing agencies, organisations, interest groups or individuals that have a strong interest in the Institute's commercial agenda.



## KEY PEOPLE



Associate Professor Stuart Locke  
DIRECTOR IBR  
BEc (Hons) ANU, PhD Tasmania

Associate Professor Stuart Locke has a background in finance, economics, valuation and chartered accountancy, and is Chairperson of the Department of Finance. His current research interests are in corporate governance, agribusiness finance, small business finance and personal financial planning, and he is a frequent media commentator on these topics.

Stuart oversees the Management Research Centre, the commercial consultancy arm of the School which is now part of the IBR. The MRC produces financial benchmarking and business performance studies in conjunction with the New Zealand Institute of Chartered Accountants (NZICA). Stuart has been on the Board of the Waikato Chamber of Commerce and is actively involved with NZICA facilitating professional accountancy school programmes.



DEAN OF MANAGEMENT

Professor Frank Scrimgeour  
DEAN OF MANAGEMENT  
BAGSci (Hons) Lincoln College, PhD Hawaii, BD Melbourne

Professor Frank Scrimgeour is Dean of the University of Waikato Management School. A leading environmental economist, he has contributed to regional, Māori and national policymaking on issues ranging from carbon taxes to resource valuation. He is immediate past president of the New Zealand Association of Economists, and a former president of the New Zealand Agricultural and Resource Economics Society.

Frank has participated in World Bank panels on agriculture and natural resources, and is currently working with New Zealand's kiwifruit and dairy industries on determinants of future success. He is also on the board of Katolyst, the Waikato regional development agency.



Professor Delwyn Clark  
ASSOCIATE DEAN RESEARCH  
BSc Auckland, BMS DPhil Waikato

Professor Delwyn Clark is the Associate Dean Research and a Professor of Strategic Management at Waikato Management School. She is responsible for the School's research strategy, policies and plans, and her own current research interests focus on strategy models, innovation processes and micro-enterprises.

Delwyn is past president of the Australian and New Zealand Academy of Management (ANZAM) and was awarded life membership of ANZAM in 2009. In addition, she has served five years on the executive of the Independent Business Foundation, is a member of the Institute of Directors, and an expert adviser with the international consulting firm LECC.



## KEY PEOPLE

### Accounting Research Group



Professor Howard Davey  
BA BBS MBA (Hons) Massey, PhD Waikato



Associate Professor Grant Samkin  
BCompt DCompt South Africa, MComm (cum laude) Durban-Westville

### Agribusiness Research Group



Professor Riccardo Scarpa  
Laurea (BSc) Tuscia, MSc UCWales, MA PhD Wisconsin-Madison



Associate Professor Stuart Locke  
BEc (Hons) ANU, PhD Tasmania

### Human Resource Management Research Group



Professor Mark Harcourt  
BComm Queens, MIndRel Toronto, PhD Alberta

### Innovation Research Group



Professor Jim Corner  
BS Virginia, MBA Wyoming, PhD Arizona State



Professor Delwyn Clark  
BSc Auckland, BMS DPhil Waikato

### Leadership Research Group



Professor Clive Gilson  
BA Middlesex, MA PhD Warwick



Associate Professor Jarrod Haar  
BMS PGDipStratMgt PGDipOrgBeh (Dist) MMS (Dist) PhD Waikato

### Supply Chain Research Group



Associate Professor Paul Childerhouse  
BSc Lancaster, PhD Wales

## Tourism Research Group



Professor Chris Ryan  
BSc (Econ) (Hons) London, PGCE Leicester, MEd Nottingham,  
MPhil Nottingham Trent, PhD Aston

## Health Services Research Group



Professor Ted Zorn  
BA Charleston, MA PhD Kentucky

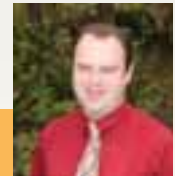


Professor Stewart Lawrence  
BEcon (Hons) UCL, MMBS Warwick, PhD Waikato

## Regional Development Research Group



Professor Frank Scrimgeour  
BAgSci (Hons) Lincoln College, PhD Hawaii, BD Melbourne



Dr Michael Cameron  
BMS (Hons) PhD Waikato

## Sustainability Research Group



Professor Juliet Roper  
BA Otago, Dip Tch NZED, Dip Tch Otago, MMS PhD Waikato



Dr Eva Collins  
BS (Hons) Portland State, MA Essex, PhD George Washington

## Management Research Centre



Mike Artinian  
Manager

# RESEARCH CONNECTIONS

## Our national & international links

**In New Zealand, the Institute for Business Research undertakes work in collaboration with:**

- Business NZ
- Carter Holt Harvey
- Chambers of Commerce
- District Health Boards
- Fonterra
- Hotel chains
- ICANZ
- Leadership NZ
- Ministry of Environment
- Ministry of Tourism
- NZ Business Council for Sustainable Development
- NZTE
- PHOs
- PricewaterhouseCoopers
- Priority One
- Road Transport Forum
- Sustainable Business Network
- Tainui
- University of Otago, School of Business
- Waikato Airport
- Waikato Innovation Park
- WaikatoLink
- Zespri

**Internationally, the Institute of Business Research has links with:**

- Copenhagen Business School
- European Academy of Business in Society
- Griffith University
- Haas School, University of California Berkeley
- North Carolina State University
- Procter & Gamble
- Unilever
- University of Hawaii
- University of Queensland
- University of Technology Sydney (UTS)
- World Trade Organisation



# ENDORSEMENTS

"Carter Holt Harvey (CHH) has used Waikato Management School's regional economic modelling services since the mid 1990s. The input/output model, now available through the IBR, provides an assessment of the direct and indirect economic impact of activities and spillover effects for the location, the region and the national economy. For CHH this type of information has been very important in assessing the economic benefits and cost impact of its Pulp Mill at Kawerau, and expert witness testimony based on this modelling and analysis has been favourably received by the Environment Court."

**Wu Khoo**  
Mill Manager, CHH Tasman Mill

"Asia is the single most important market for the Tatua Cooperative Dairy Company, comprising around 75% of our sales. It includes the most sophisticated and demanding food markets in the world, and any research that can help us position our product at the top end of that market is of potential benefit to Tatua. IBR research into the integrity of food chains into Asia is something we are very interested in, and we support further research into this increasingly important aspect for New Zealand's international trading reputation."

**Paul McGilvary**  
CEO Tatua Cooperative Dairy Company

"When the Road Transport Forum wants an authoritative, comprehensive survey of trucking business operating costs for its members, it goes to Waikato Management School for a regular update. The School has consistently shown a thorough understanding of the survey's purpose and, crucially, the absolute need for confidentiality. The result is a practical, informative cost comparison guide for operators across the road transport spectrum."

**Kerry Arnold**  
Technical Manager  
Road Transport Forum

"The Sustainable Business Network provides advice and support to help business succeed through becoming more sustainable. The SBN has been a partner in Waikato Management School's surveys of business sustainability in New Zealand since 2004. The surveys have provided us with relevant and up-to-date information that we can use to talk to business and to government about why sustainability matters. We look forward to working closely with the Institute for Business Research to develop more resources for businesses as we move towards a more sustainable future."

**Rachel Brown**  
CEO Sustainable Business Network  
Research connections:



# RESEARCH THEMES

The Institute for Business Research has identified ten key areas of focus, organised into four core themes:

## Business Performance and Leadership

### Accounting:

- Improving SME performance: What can we learn from financial benchmarking?
- Improving New Zealand's credit markets
- Use and abuse of KPI in business reporting by New Zealand institutions

### Leadership:

- Case studies of successful New Zealand leaders
- Public sector NGO leadership and governance
- Leading cross-Tasman companies

### Human Resource Management:

- Opportunities to improve employment contracting
- Effective management of human resources across national borders
- Enhancing clinical leadership in health care organisations

## Agribusiness and Innovation

### Agribusiness:

- Analysing capital structures of New Zealand rural cooperatives
- Opportunities to improve quota management systems (QMS)
- Economic independence and synergies in the equine industries

### Innovation:

- Opportunities for leveraging public sector investment in innovation
- Enhanced innovative capacity of New Zealand food companies
- Effective capture of global benefits from New Zealand ICT investment

### Supply Chain Management:

- Opportunities to enhance New Zealand dairy supply chains in Asia
- Sustaining the integrity of China-NZ supply chains
- New generation IT and the future of supply chain support





## Business in the Service Sector

### Health Services:

- Enhancing the productivity of New Zealand health providers
- Improved information systems for health care management and governance
- Optimal location of health services

### Tourism:

- The future of tourism in the South Pacific
- Optimising New Zealand airport infrastructure to facilitate inbound tourism
- Property development and growing tourism businesses: managing the risks

## Business in Society

### Accounting:

- Financial information for sustainable performance audit and stakeholder confidence
- Sustainability reporting and the bottom line

### Regional Development:

- Evaluating the economic significance of major New Zealand businesses/sectors
- Pricing access to natural resources
- Enhancing human resource capabilities in the regions

### Sustainability:

- Business response to climate change
- Enhancing indigenous business success
- Reducing the costs of business failure: economic, environmental, social and cultural

# RESEARCH THAT MAKES A DIFFERENCE

## DRIVING FIRM PERFORMANCE

Business Performance and Leadership



When the Road Transport Forum NZ wanted hard evidence on the impact of rising costs on trucking companies across the country, it turned to Waikato Management School's Management Research Centre for a benchmarking survey. MRC analysts surveyed more than 200 member firms, looking at operator performance by business activity, fleet size and geographic area, and found that many small trucking firms were on a financial knife-edge. That gave the RTFNZ the information it needed to justify its members raising charge-out rates across the industry, ensuring the smaller trucking companies didn't go to the wall. The organisation is now about to repeat the exercise in conjunction with accounting firm Grant Thornton. It's a great example of

how the MRC can add value, says the School's Professor of Professional Accounting Howard Davey. "If you don't benchmark you don't know what you're achieving," he says. "It's particularly a problem for small businesses. Typically small firms operate in isolation, and that's why accountants turn to the MRC for generating industry KPIs." The MRC's clients include major banks, government agencies, associations and industry groups, as well as companies such as Mitre 10 and PricewaterhouseCoopers.

[www.management.ac.nz/mrc](http://www.management.ac.nz/mrc)

# "CLEAN AND GREEN" UNDER THREAT?

Business in Society



A sustainability divide is emerging among New Zealand businesses, and small firms are the most likely to abandon efforts to be “clean and green” when the economy takes a dive. However, a survey on business sustainability practices, conducted by Waikato Management School researchers, also shows a small but significant group of firms have actually increased practices such as recycling, reducing energy and water use, and environmental awareness.

The report covering more than 700 firms was sponsored by the UK-based Chartered Institute of Management Accountants and co-authored by Dr Eva Collins, Professor Stewart Lawrence, Professor Juliet Roper and Associate Professor Jarrod Haar. It’s the third in a series of reports, making it one of the first studies in the world to track the impact of recession on sustainability practices with longitudinal data.

The study is supported by long-term partner the Sustainable Business Network and a new partner, the New Zealand Business Council for Sustainable Development (NZBCSD).

Dr Collins and Professor Roper are also working on a major research initiative backed by the Marsden Fund to identify threats to New Zealand’s “clean, green” image. The project is looking at innovative approaches to environmental management around Lake Taupo, and also at how sustainability issues are communicated in New Zealand’s wine industry and at local government level.

“Business Sustainability Practices During the Recession: The Growing Sustainability Divide” is available at [www.management.ac.nz/sustainabilitydivide](http://www.management.ac.nz/sustainabilitydivide)

# RESPECT BRINGS BETTER PERFORMANCE

## Business in Society



With one-quarter of New Zealand's population now born overseas, the country's labour force is more diverse than ever. That raises challenges and opportunities for employers seeking to raise productivity and firm performance. New Marsden-funded research out of Waikato Management School indicates that employers who support cultural diversity in the workplace are winners all round. Associate Professor Jarrod Haar has found that support for an employee's culture makes workers more productive – and less likely to leave the organisation. Dr Haar surveyed 550 skilled Māori employees in the public, private and not-for-profit sectors in the first empirical study in New Zealand of perceptions of organisational and cultural support. Overall,

his findings show that support for cultural values and beliefs in the New Zealand workplace is likely to have a positive indirect effect on Māori employee outcomes. Further research into the experiences of Asian and Pasifika workers mirrors these findings. "There's little or no cost to a firm to support an employee's culture," says Dr Haar. "It might involve respecting a request for tangi leave or rearranging meetings to avoid clashes with prayer times for Muslim employees. And the pay-off can be very worthwhile in terms of improved firm performance."

# COMPANY HEALTH CHECK TOOL PROVES HIT WITH BUSINESS

Business Performance and Leadership



An effective supply chain can save you money, increase your profits and delight your customers. But it doesn't happen often. Dr Paul Childerhouse of Waikato Management School has looked at the reality of supply chain interaction in the workplace and found most companies still struggle with internal integration, never mind external suppliers and customers. Based on his 30-company, seven-year study, he's led the development of a diagnostic tool, Quick Scan, which can be used to give companies a thorough 'health check' on their supply chain systems. Dr Childerhouse has firsthand industrial experience of

the automotive, construction and aerospace industries in the UK, and has used Quick Scan in New Zealand in sectors ranging from mining to manufacturing to healthcare. The uptake of the tool has begun to gain traction thanks to positive feedback from Heinz Wattie's, Carter Holt Harvey and the Waikato District Health Board among others. "Quick Scan is not a one-size-fits-all solution," says Dr Childerhouse. "You have to look at the size of the company, its needs and what it can afford."

# GETTING WIRED UP FOR E-HEALTH

## Business in the Service Sector



New Zealand has joined countries across the world in the move towards a single nationwide format for patient records. Several District Health Boards are seeking tenders for computerised patient record systems, and the government plans to consolidate 'back office' functions across all the DHBs and Primary Health Organisations to cut costs and increase efficiency. Currently, many GPs are wired up to bespoke practice management systems but when it comes to referring patients to hospital, in many cases the different systems can't talk to each other, resulting in errors and delays. A survey of more than 100 GPs by Waikato Management School's Dr Jenny Gibb, commissioned by the Waikato DHB, found that doctors believed more accurate

communication with the DHBs through better ICT integration would lead to the greatest improvements in the quality of practice outputs and efficient use of public funds. But Professor Ted Zorn says many community health organisations face multiple obstacles in taking advantage of ICTs. His surveys tracking changes in ICT uses among not-for-profit organisations found that even though more organisations today are using sophisticated ICTs, most perceive an ever greater need for technical support to make the most of the tools available.

[www.management.ac.nz/ict](http://www.management.ac.nz/ict)

# MONITOR AIDS KIWIFRUIT INDUSTRY

## Agribusiness and Innovation



Threats to biosecurity in the kiwifruit industry have raised concerns about the economic impact on one of New Zealand's top agribusiness success stories. The input-output model developed by IBR researchers is being used to monitor the economic impact of disease and other issues on production levels in the industry. IBR researchers are also key contributors to the Agribusiness Research and Education Network. AREN has produced a series of reports on the key elements of success and failure in New Zealand's dairy, kiwifruit, sheep meat and venison industries, funded by AGMARDT, the Agricultural Marketing and Development Trust. The report on the kiwifruit industry, authored by Professor Frank Scrimgeour and Dr Mark Kilgour of Waikato Management School and Eva Zellman of Lincoln University, identified key success factors in the industry. These included

innovation, economies of scale and market power and value chain developments. With the emergence of China as a major player in the global kiwifruit industry, key challenges identified by industry participants in the report are: developing future leadership capabilities, continually updating marketing strategies, sustaining government support, and ensuring effective business and scientific research and development activity. The IBR is currently preparing a scoping study for TechNZ on a privately developed training initiative for workers in the kiwifruit industry, focusing on grafting and propagation.

<http://www.aren.org.nz/docs/kiwifruit-technical-report.pdf>

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

# KAI FROM THE GEOTHERMAL GREENHOUSE

## Agribusiness and Innovation



Geothermally-heated greenhouses and hangi pies with a rugby theme are some of the ideas being explored in a feasibility study for TechNZ in Rotorua. The Institute for Business Research is currently evaluating these and other proposals to create a new legacy of sustainable opportunities for a local Māori village community. The idea is to add value through improved technology investment. The study will determine whether the village's geothermal assets can be used to grow organic vegetables sustainably in glass houses, and fuel further processing of traditional kai to feed the community and generate an ongoing surplus of commercial scale. The hangi pies concept builds on an

existing pilot scheme, and it's expected the 2011 Rugby World Cup will provide a unique opportunity to attract premium prices for suitable products, while the geothermal asset can be used to leverage a brand identity. The full study necessarily draws on a range of disciplines. Management issues include finance, marketing, strategy, systems and others. The technology issues require inputs from engineering, horticultural, nutritional and food science specialists. The IBR's role is to assemble the team and manage the project evaluation through to completion of the feasibility study.

# DOING BUSINESS THE HALAL WAY

## Business in the Service Sector



Most people have heard of Halal meat but it's less well known that for Muslims all financial products also need to be Halal. Halal means conforming to Islamic religious law. Most people have to take on debt at some point in their lives, such as a mortgage, and this is acceptable under Islamic law. A problem arises when the debt has interest associated with it. The adding of interest to repayments of a loan, known as *riba*, is banned.

IBR researchers Associate Professor Stuart Locke and Dr Sazali Abidin, who spent 16 years in corporate finance in Malaysia, have been researching these matters so they can help New Zealand companies develop appropriate products for Muslim clients. Muslims are the most rapidly growing religious group in New Zealand with the population increasing six-fold between 1991 and 2006.

The issue of Halal has implications for a whole range of consumer finance products, including investments, loans and mortgages, says Dr Locke. "More than 36,000 people identified as Muslim in the last census," he says. "In our recent work with financial planners it's become very apparent that a whole range of wealth-creation and risk-management tools are just not applicable in a Halal context.

"Superannuation, for example Kiwisaver, becomes problematic when part of the portfolio is invested in fixed interest securities. We would be hard pushed in New Zealand to find any PIE that does not have a cash component, which will include interest. That presents a real challenge to mainstream financial institutions in New Zealand given the growing numbers of Muslim New Zealanders."



The Institute for Business Research draws on the research excellence of New Zealand's top research business school and nearly three decades of leading-edge business consultancy.

