



Business Research: engaging regional and national communities

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Thesis of paper:

- Regional university engagement and research is important for the success of small towns and the regions
- Regional research is presently undervalued by both Universities and Government
- It is argued in this paper that regional business research adds significant value to not only the communities where it is conducted but also to national debates on a variety of issues of importance
- The paper contends that a new approach is needed to recognising, valuing and rewarding regional research



Approach of presentation:

- A brief review of the university engagement literature
- A narrative case study approach exploring the research activities of the *Regional Business Futures Research Group*
- A discussion of the response received to regional research



Albury Wodonga

- Regional centre
 - Cross-border community
 - National Growth Centre
 - Unique problems (One City push)
 - CSU Predecessor Higher Education institution commenced in Albury Wodonga 30 years ago.
- Albury Wodonga as a ‘Conduit City’ (Salt 2001)
 - Attracts growth
 - Adds significant capacity to surrounding small towns
 - Provides services and employment and, increasingly, new residents
 - More than 20 small towns have been identified as communities of interest to Albury Wodonga



School of Business

- Faculty of Commerce
 - 1 of 5 Schools in the Faculty
 - Multi-disciplinary school
 - Albury Wodonga campus
- Regional Business Futures Research Group
 - Staff of the School of Business
 - Research group aimed specifically at conducting applied and theoretical research in the Albury Wodonga region
 - First meeting July 2001



Regional Business Futures Research Group

- Aims and Objectives
 - Genuine commitment of involved staff to Albury Wodonga and surrounding communities and interest in regional issues
 - Perceived change of focus towards regional engagement within the University



Regional Business Futures Research Group

- Research Projects
 - Research into the perceived impact of the GST on Regional Small Businesses
 - Research into existence and impact of Australian Workplace Agreements (AWAs) on Regional Small Businesses
 - Market Research Report into Residential Housing Preferences for the Albury Wodonga Development Corporation (AWDC) \$25,000
 - Research into regional small business perceptions on the impact of Unfair Dismissal legislation
 - Albury Wodonga Business (AWB) Annual Employment Survey \$38,000
 - Market Research Report into Residential Housing Preferences: a Qualitative Reassessment AWDC \$16,500



Regional Engagement Literature

- Universities have an important role to play in regional development by providing education and research that is specific regional economic and social objectives (OECD 1999; Garlick & Prior 2002; Thomas 2003)
- Universities are expected to contribute to economic and social development within their regions with research that that is undertaken in a context of application
- Pressure to recognise this regional engagement as a legitimate third role for Universities, of equal importance to teaching and research (OECD 1999)



Regional Engagement Literature

- Big ticket top-down partnership initiatives are relatively easy to identify
- In terms of measuring community engagement Duke (2003) contends that: *“What matters most is often uncountable. What can be counted is often not worth counting”*.
- *“More tangible and sensible are ‘below the line’ products of partnership ...(including)... consultancy contracts and income, research commissions and outputs”* Duke (2003)
- Success best measured by longevity of partnerships or repeat business (Duke 2003)



Regional Engagement Literature

- Regional engagement is 1 of 4 pillars that underpin the mission of Charles Sturt University
- The question of what is regional engagement is difficult
- Thomas (2003) identified critical regional development roles for universities as:
 - provision of locally relevant knowledge production facilities
 - being a local portal for global technological changes
 - developing a flexible and adaptive local workforce
 - providing leadership in local governance issues
- These roles are fulfilled by the CSU School of Business and contribute to the social and economic health of Albury Wodonga and the surrounding small towns



Regional Engagement Literature

- *Higher education institutions need to be responsive to the social, economic, and cultural needs of the communities in which they are located and foster a more active engagement with these communities (Nelson 2002, p.23)*
- This pressure has made regional engagement the new climatic imperative for Australian universities

...but is climate change upon us?



Change in the University Sector

- Is the rhetoric of ‘regional engagement’ wearing off?
- ‘Regional’ no longer so attractive for many larger universities
- Rationalisation and specialisation of the sector is ongoing
- ‘Teaching only’ universities seem inevitable
- despite the recognised importance of place-based and contextual research, how many of the so-called ‘research’ universities will be based in the regions?



The importance of regional research

- Regionally engaged universities should undertake research that is...*heterarchical, transient, transdisciplinary, socially accountable and reflexive and undertaken in a context of application (OECD 1999, p.81).*
- Value of such research is immediately obvious to the communities in which it is undertaken
- Despite the rhetoric of engagement by Government and Universities regional research remains undervalued

....we argue this should not be the case



The importance of regional research

- Regionally based and conducted research is vitally important for rural and regional policy
- Regional research can provide insight into issues of national importance
- Research issues which are not by nature exclusively regional in character may be more effectively conducted in a regional context
 - Sampling issues removed by using statistical populations
 - Response rates improved through transparency and access to local media
 - Project management and methodology simpler



Regional Business Futures Research Group

- 4 Research projects conducted by RBFGRG in Albury Wodonga and surrounding communities
 - (1) GST and Regional Business
 - (2) AWAs and Small Regional Business
 - (3) Unfair Dismissal Law and Small Regional Business
 - (4) Business Issues facing firms in the Albury Wodonga region
- Each project is directed at national issues
- Regional research can engage directly with a specific regional community while at the same time produce findings that are of national significance.



(1) GST and Regional Business

- July 1, 2000 the GST was introduced as part of the New Tax System
- Government promised rewards of improved management, improved cash flow, and simplified tax compliance procedures
- Telephone survey of 1904 small businesses in Albury Wodonga
- 664 respondents (35%)
- Owners were asked to estimate additional professional fees paid, additional wages paid, and additional time spent by owners



(1) GST and Regional Business

- Results confirmed the international literature and were later confirmed by other Australian studies
- Average extra cost for those who incurred costs for
 - Professional advisers \$3,646
 - Extra staff costs \$6,807
 - Owners time 171hours (3.3 per week)
- This remains the largest study conducted in Australia into the compliance costs of the GST (Petzke & Murphy 2002)
- Enormous print and electronic media coverage in the region
- Argument made that results could not be extrapolated because of the regional nature of the research, yet smaller studies were
- Also heterogenous nature of small business and their owners and the place-based nature of small business make this an area where many issues are similar despite location



(2) AWAs and Regional Business

- Key feature of the *Workplace Relations Act 1996* was the introduction of the Australian Workplace Agreement (AWA)
- Government believed that AWAs would provide flexibility and individuality
- AWAs should be attractive for small business as unionism and traditions of award are less entrenched (van Barneveld 1999)
- Research aimed at measuring penetration of AWAs into sector and the explanation of any trends



(2) AWAs and Regional Business

- Short, highly focused telephone questionnaire of the population of small business
- 680 responses (36%)
- At the time the largest survey conducted
- Results broadly comparable to similar surveys conducted in metropolitan settings (van Barneveld & Waring 2003)
- Again, at academic level, findings met with some scepticism regarding their relevance to a broader region than our area
- Other much smaller surveys more broadly accepted



(3) Unfair Dismissal Law and Small Regional Business

- An area of considerable national political attention and speculation
- Relatively speaking an area of little academic attention
- No attempt to study the impact of unfair dismissal legislation
- Survey of the population of Albury Wodonga small business owners (2700 approximately)
- 594 responses (22% response rate)



(3) Unfair Dismissal Law and Small Regional Business

- Survey measured impact and experience of Unfair Dismissal Legislation on small business (Robbins & Voll 2004)
- Respondent knowledge of legislation was High
- Incidence of claims below 3%
- Process not overly complex
- Majority who underwent claims described outcomes as satisfactory
- 64% stated the key reason for hiring or not hiring staff were economic or workload issues



(3) Unfair Dismissal Law and Small Regional Business

- Only 5.5% of small business owners stated that unfair dismissal legislation unfavourably influenced their decision to hire staff (Robbins & Voll 2004)
- Confirmed a smaller CPA study which found that 5% of businesses were influenced against hiring by the unfair dismissal legislation
- National issue that regional data can contribute significantly to the debate



(4) Business Issues facing Regional Business

- Details findings of a part of a larger study involving a survey of the population of all businesses in the Albury Wodonga Statistical District
- Database identified 7760 businesses (7153 active)
- 1,757 responses (25% response rate)
- Overall project was to measure the distribution of the regional workforce by industry, size of business, and location within the wider regional community
- *What is the biggest issue confronting your organisation?*



(4) Business Issues facing Regional Business

- *What is the biggest issue confronting your organisation?*
- 1,354 responses – the largest single survey of regional business perceptions of operating issues
- The responses were analysed and categorised
- The major areas of concern identified were *business operating issues (27%), regulation by government (22%), staffing (22%)*.
- Of the 1354 respondents – none mentioned unfair dismissal legislation



Response to Regional Research

- *Higher education institutions need to be responsive to the social, economic, and cultural needs of the communities in which they are located and foster a more active engagement with these communities (Nelson 2002, p.23).*
- Despite the rhetoric DEST points and international journal publications drive the recognition/reward structure in universities
- However, if regional engagement really is about capacity building and knowledge transfer then exoteric rather than esoteric dissemination models should be valued
- Regional engagement implies a changed mode of knowledge production



Response to Regional Research

- Continued university focus on ‘international’ journals
- Increasing use of journal impact factors
- Simplistic view of regional Australia as largely empty of people and industry
- International studies are conducted in a manner in which the differences between countries are highly appreciated
 - This level of sensitivity is rarely applied when understanding national trends and experiences



Conclusion

- Community engagement by regional universities is of vital importance to small towns and regional communities lucky enough to have a regional campus
- This importance must be recognised by universities and government to ensure that engaged research continues
- Staff will remain involved and be rewarded
- The rhetoric of engagement will be realised
 - Capacity building
 - Knowledge transfer
 - Healthy communities