

Is there an association between the levels and changes in Vice Chancellors' and Chief Executive Officers' compensation and the performance of Australian universities and Government Business Enterprises?

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Certificate of Authorship / Originality

I certify that the work in this thesis has not previously been submitted for a degree nor has it been submitted as part of requirements for a degree except as part of the collaborative doctoral degree and/or fully acknowledged within the text.

I also certify that the thesis has been written by me. Any help that I have received in my research work and the preparation of the thesis itself has been acknowledged. In addition, I certify that all information sources and literature used are indicated in the thesis.

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Abstract:

Universities and Government Business Enterprises (GBEs) are economically significant and form part of the Australian public sector. Over the last thirty years both Universities and GBEs have gone through significant regulatory changes with respect to enhancing their efficiency and effectiveness. These changes have led to, amongst other things, explicit and implicit performance requirements for these entities coupled with the deregulation of University Vice Chancellor (VC) and Chief Executive Officer (CEO) of GBEs compensation. This thesis investigates the question of:

“Is there an association between the levels and changes in VCs’ and CEOs’ compensation and the performance of Australian universities and GBEs?”

The key findings are: (i) there is no association between external University rankings and levels of and changes in VC compensation, (ii) there is no association between financial performance measures of GBEs and levels of and changes in CEO compensation even after controlling for their community service obligations. The only explanatory variable that is associated with both VCs’ and CEOs’ compensation is size. Both sets of results are robust with respect to alternative econometric specifications, alternative variable specifications and other sensitivity tests.