Can Academics be Consultants?

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1. OBJECTIVES OF A CONSULTANT
    1. Get paid
    2. Get new job
    3. Get recommendations
    4. Job satisfaction

2. OBJECTIVES OF AN ACADEMIC
    1. Get published
    2. Not be criticized
    3. Be read
    4. Be cited
    5. Have work used

3. RESEARCH QUESTIONS AND CONSULTANTS
    1. The Terms of Reference is not the Research Question
    2. What action should be taken?
    3. What is the Client=s objective?
    4. So what? Clients are not interested in facts or conclusions for their own sake.
    5. Is it relevant? Clients have to justify spending money on consultants. Interesting but irrelevant work suggests that they have wasted money subsidizing airy-fairy research.

4. APPROPRIATE THEORY FOR ACADEMICS
    1. The theory need not be useful.
    2. Publishable theory is needed, while a consultant may solve a problem with very simple, but appropriate theory.
    3. >Can I get a paper out of this?= is a key question.
    4. Publish or perish puts tight reins on method, subject and style
    5. Any hypothesis that is not too obviously self evident may be used as the basis for a paper.

5. APPROPRIATE THEORY FOR CONSULTANTS
    1. Simplest that will answer question.
    2. Theory that will convince client.
    3. Intuitively understandable theory and logic wherever possible.
    4. Do not give answers to 6 decimal places when everyone knows that the data are unreliable.
    5. No welfare economics or obscure philosophy. Clients have to sell your recommendations to their boards.
    6. The limits on assumptions that can be made, on simplifications that are acceptable and on data means that consultants often have to use a higher level of theory than academics.

6. APPROPRIATE ASSUMPTIONS FOR CONSULTANTS
   1. Clients will reject your theory if it is based on unrealistic assumptions. You may get a beautiful model which is a good predictor from totally unrealistic assumptions. You will also get fired.
   2. You cannot assume away things that do not fit into your theory. Your clients know what is important.
   3. You cannot oversimplify. Your clients will believe that you did not bother to find out the true complexity of the situation.
   4. You cannot simplify for ease of calculation.Clients will think you are idle.
   5. Clients are not stupid

7. APPROPRIATE DATA FOR CONSULTANCY
   1. Clients know the meaning of data and its weaknesses.
   2. If you use inappropriate data they will jump on you.
   3. It is easy to make a mistake with technical terms confusing seed cotton and cotton seed for a 300% error, for instance.
   4. Working without data is another module for consultancy training.
   5. Working with bad data is another module for consultancy training.
   6. The industry has access to good data, and is not impressed that you have picked up some of the data in the public domain.

8. APPROPRIATE DATA FOR ACADEMICS
   1. Public data or obsolete data is ok, it is the theory that counts
   2. If no data is available on a product or market, proceed with the analysis as though the product or market doesn=t exist.
   3. Use inappropriate data if necessary, with a caveat: it is your technique you are presenting.

9. AS A CONSULTANT YOU HAVE TO PERSUADE CLIENTS
   1. That you are competent
   2. That you are unbiased
   3. That you will do a good job
   4. That you have done a good job
   5. That you have come to the right conclusions
   6. That you are in touch with reality
   7. That you preserve their self esteem
   8. That you are self evidently right

10. SOME ACADEMICS (NOT YOU)
    1. Lecture civil servants and businesspeople as though they are inferiors.
    2. Lack the humility to learn: >What I don=t know isn=t knowledge=.
    3. Think it is enough to show that they are >Sound Chaps= in the academic sense.
    4. Think it is enough to show that they are influential academics.
    5. Think that clients will accept results purely because they are expressed in complex mathematical formulae.
    6. Think that clients will accept results purely because a very high level of theory or an unusual theory is used.
    7. Think that clients will be impressed by the fact that they have read widely.
    8. Have spent too long lecturing to students who must believe them if they are to pass their exams.

11. COMMON SENSE

12. RIGOUR
    1. Consultancy is totally rigorous under one or more epistemological positions: e.g. realistic assumptions, correct logic, testable predictions.
    2. Much of academic economics is not rigorous under the epistemological positions clients recognize.

13. TIME AND CONSULTANTS

1. Do the best job possible in the time available.
2. Identify the key questions and concentrate on them.
3. Be a very efficient user of time.
4. Avoid time hungry, data hungry techniques (e.g. econometrics)
5. If analysis is not leading to decisions, drop it.

14. TIME AND ACADEMICS
    1. Academics want to get everything right before publishing, with all loose ends tidied up (Though the RAE may have changed this)

15. CONSULTANTS MUST
    1. Write persuasive reports in plain English
    2. Convince decision makers.

16. ACADEMICS ARE BELIEVED BY BUSINESS PEOPLE TO
    1. Write obscure academic papers
    2. Bluff journal referees

17. CONSULTANTS
    1. Apply theory to facts to get practical, realistic, models.

18. ACADEMICS
    1. Abstracting from reality towards theory.
    2. Have little practical experience.

19. CONSULTANTS LISTEN

20. ACADEMICS IMPART KNOWLEDGE