

Researchers would make smarter cuts than management accountants

August 7 2015, by Athene Donald



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When the government <u>published</u> its long-awaited science and innovation strategy with some fanfare last year it contained largely predictable (if laudable) enthusiastic platitudes. What was new was the announcement of the <u>Nurse Review of the Research Councils</u>.

This was to many minds surprising if not alarming, because the last standard triennial review of the Research Councils had only recently



been completed. So that surprise and alarm is greatly increased now that, with no fanfare whatsoever and indeed a slightly under-the-counter feel about it, the government has declared there will be <u>yet another review</u> of Research Council funding. Conducted by the <u>Department for Business</u>, <u>Innovation and Skills</u> (BIS), this new review is expected to report back by September 2015 – potentially several months before that of Sir Paul Nurse.

Clash of the reviews

According to Research Fortnight this review, due to be carried out by McKinsey and Company, is part of a wider review commissioned by BIS aimed at identifying £450m in cuts the chancellor George Osborne has imposed on the department. Efficiency savings are the name of the game. Or in other words, short-term gain regardless of long-term cost.

It is too easy for a management consultant, unfamiliar with the world of science and research, to look at the existence of seven Research Councils and see a quick saving by cutting their numbers. Those in the UK research system are unlikely to see that as a good solution. The recent triennial review concluded that the number of research councils was right. The fact that money is tight doesn't itself change the validity of that conclusion.

I doubt anyone involved with the Research Councils would presume to say there are absolutely no savings to be made. However, if someone has to decide where the axe should fall, I'm sure all would prefer it to be a respectable bunch of researchers – such as the panel Paul Nurse, the President of the Royal Society, has convened – than high-powered individuals unfamiliar with their world. Objective outsiders challenged to save money may not appreciate the vital parts of the funding ecosystem that they are destroying in the interests of streamlining.



Where does this leave the Nurse review?

Many questions are raised by the McKinsey review. What happens if the resulting report wants drastic changes? Will these be implemented before Sir Paul's ink is even dry on his own report? Should he and his panel resign straight away? This is a very curious situation for a government-convened panel to find itself in, even if both the government and the relevant secretary of state have changed since it was created.

It could be argued that the two reviews serve different purposes. The remit of the Nurse Review covers many more things than merely <u>efficiency savings</u>, and in fact this is not mentioned in its terms of reference. The McKinsey review is intended to look across the whole of BIS's work rather than focus on the Research Council structure. Nevertheless, the more recent McKinsey review will undoubtedly impact on the former.

Streamlining in the interests of saving money could, for example, totally scupper any plans to improve interdisciplinary working. What happens if Sir Paul suggests costly new mechanisms to support research that crosses disciplinary boundaries? Is this a non-starter before the ideas are on the table? In summary, is the whole Nurse <u>review</u> turned into a lame duck overnight?

The damage posed by short term cost-cutting

Finally let me return to the point of short-termism. For the long-term growth of our economy, BIS should worry first about how to deliver the productivity and innovation that Osborne's speeches have highlighted. As is well documented by the Science Campaign and in Mariana Mazzucato's book The Entrepreneurial State, the UK's research base is



vital in enabling industry to deliver the productivity and innovation the government desires. University research, funded in large part by the Research Councils, needs long term stability to deliver.

Paul Nurse was challenged to "examine and produce recommendations on how Research Councils can evolve to support research in the most effective ways ... that best contribute to sustainable growth". He has consulted widely, and his work has the potential to produce well-informed decisions that will encourage growth in the UK economy. It may, as it now turns out, be pointless.

So let me make my own recommendation for an efficiency saving. If Osborne, as is claimed, "gets" the importance of research, why doesn't he suggest that the secretary of state saves money by scrapping the McKinsey Review and sticking with the one already underway? I'm not holding my breath.

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