

## **The Business of Impact**

A great brain and a big heart are not enough to change the world

*This piece is for all those university researchers and high-potential academics who wonder if there might be a life outside the academy for them that would allow them to unfold their unused potential. The good news is: Yes, there is, and it does not even take money to get there. The bad news is: It takes a different mindset that requires academics to accept the fact that their focus on thinking and publishing is only one very narrow way of seeing the world. If this learning occurs, impact can follow.*

### **Stuck brains**

Recently I keep getting more and more requests from people who think about starting a business to turn their knowledge into money. Most of these people share with me that they have a university research background in the humanities and/or arts. Many of them are decorated with prestigious research awards and fellowships. Some of them are also artists or activists but never earned a single penny for the energy they invested into their “side” projects. What they usually say when it comes to the issue of money is: “No, I never asked for money, I do this because I want to help people, I want to have impact, and a sense of purpose.”

Well, if that is true, why do they at some point end up thinking about starting a business? The simple answer is: Because they need money, sometimes very desperately. I understand that because I have been in the same situation for a while. So, I start blogging to share some best practices and the first insight I want to share today is: Business success requires business thinking. And in order to get there, especially highly intellectual overachievers in the academy and the arts need to work on their mindsets first. If that

does not sound like what you wanted to read – stop reading right here.

## **Impact**

There is one thing that connects most people working in academia, especially in the humanities. I will concentrate on this group because it is the environment that I know best. I also share a passion for the arts because my business model, after all, is based on my creative skills. However, I do not familiarize very much with the arts community, simply because I do not know many artists. So, what people in the academy usually have is almost unlimited intrinsic motivation and, in many cases at least, great intellectual capacity. Instead of using this great combination to become successful – in financial *and* other individual terms – they stay in academia because it gives them a sense of purpose. Some see that purpose in research and writing papers. Many others see it in teaching, i.e., the shaping of young people's lives and career perspectives.

If both of these aspects suffice for one's individual definition of impact, people are usually happy with their academic existence. The problem only emerges if they cannot continue working in the academy because there are no positions (I will get into this issue in a separate post). Or they simply feel like they are selling themselves under price. There is a very illuminating article by Alexandre Afonso, a Comparative Politics lecturer at King's College London, on "How Academia Resembles a Drug Gang" that I recommend in this context: <https://blogs.lse.ac.uk/impactofsocialsciences/2013/12/11/how-academia-resembles-a-drug-gang/#author>.

*"Yet, gangs have no real difficulty in recruiting new members. The reason for this is that the prospect of future wealth, rather than*

*current income and working conditions, is the main driver for people to stay in the business...” (Afonso)*

The example also brings up the question of impact again. Writing articles that are only read by a total of ten people on this planet and educating students who do not even have to be present in class at many universities anymore very often destroys the vision of impact, even of the most intrinsically motivated academics. They slowly get the feeling that there is a world outside the university walls where impact is happening on a daily level, be it in the form of politics, social initiatives, media, or *business*. Still, they have no idea how the world out there actually works because they never took part in it – at least not in professional terms. The average academic with a PhD or even one or more completed postdoc projects in the humanities never gained any practical experience in the world of business, except maybe for some student job in high school or the well-known waitress job at a bar. Unfortunately, there are no figures on this but everyone who has ever participated in an academic appointment commission will probably agree that no professional experience from outside the university plays a role in the process. Hence, there is no incentive for out-of-the-box job experience.

*“According to one estimate, only 20 per cent of papers cited have actually been read. We estimate that an average paper in a peer-reviewed journal is read completely by no more than 10 people.”*  
*(Biswas and Kirchherr, Prof no one is reading you*  
<https://www.straitstimes.com/opinion/prof-no-one-is-reading-you>)

As soon as this curiosity about “a world out there” arises, however, the lack of self-confidence, often paired with academic narcissism or arrogance, kicks in. On the one hand, humanities folks are very aware that they have no clue about creating practical impact in the world beyond what they think is practical in the academy. On the other hand, the university environment and the public status of the academy assure them that they have every right to ignore the world

of business practice because, after all, they are thinkers and thus able to grasp the world better than most others because secluded thinking still counts as the superb Western practice since Descartes – especially, if this thinking is done by brains that are decorated with a long list of academic achievements. Does that mindset solve their money issue?

## **Business**

There is a clip in which the US entrepreneur and investor Reid Hoffman talks about his education path. Hoffman studied philosophy and was at the verge of starting an academic career. Then, while studying in Oxford, a striking insight hit him. He noticed that his work as an academic would merely have academic impact while his vision was to create large-scale impact as a public intellectual. As he states in the video: “I wanted to have a much broader campus” (<https://www.straitstimes.com/opinion/prof-no-one-is-reading-you>). So, just to recapitulate for those readers who cannot get the two points together: Hoffman is someone who has an Ivy League *academic* foundation in philosophy and science and decided to work in *business* because it allows for broader impact. For me personally, there is nothing difficult to understand about this but I know that for most people in the academy, this already causes an eruption of their world view. Business is about money and money is dirty. That is the logic that especially leftist academics (universities around the world mostly are ‘leftist,’ whatever that means in detail), live by. What the example of Hoffman shows you, however, is a very different approach. For Hoffman, just like for myself, business is simply a means of creating impact on a large scale. It is a tool, not an end in itself. And it does not have to cause an either/or decision but a both/and – i.e., working in business while still doing research.

The problem and the blessing of business at the same time is that business relies on making money. This is the definition of business that the online Business Dictionary gives you for the term “business”: “An organization or economic system where goods and services are exchanged for one another or for money” (<http://www.businessdictionary.com/definition/business.html>). So, in order to get there, you need to figure out a business model. In contrast to technology businesses or manufacturing, humanists usually have intangible resources as the basis of their business. Their brains are their treasure boxes. That, and I cannot stress this enough, will always be a great asset and the importance of knowledge, real knowledge acquired the hard way in traditional universities, will be of growing value in the digital age, not of less importance, as some very short-sighted minds tend to suggest these days!!!

The problem is, brain and the big heart that make one want to create impact in the social world do not suffice as working business models. The same, by the way, applies to the numerous startup endeavors that spring up like mushrooms everywhere. Having a desk in a co-working space and a colorful website do not make up for a missing business model. Therefore, what I am saying is that you need to come up with a business model that really creates value for potential customers. This also means: You have to figure out one crucial thing at the very beginning: What is the product you can offer? And product does not equal “I have a PhD and a long list of publications. This qualifies for my consulting service and huge honorariums.” No! Sit down, F.

## **Product**

When talking about products, people today mostly think of apps. In a world that is moving towards a 50:50 human-machine division combined with artificial intelligence, it is not bad to think digital.

Still, especially for academics and humanists, thinking digital first is not the way to go. It is even harmful because humanists need to first understand that the most valuable resource they have is their “humanism,” in a very holistic sense. They are trained to see and explore things which have no labels, data, or Excel formulas. This is not a flaw, this is actually great! Still, what needs to happen first is to transfer all the brain power into something that can easily be understood by people outside the ivory tower. And when I write easily, I mean easily. Simplicity is the one and only criterion that drives business success today, even society. Indeed, the world feels a lot more complex with all the digital communication and processes surrounding us. Nevertheless, people are slowly find out that all of this is a lot less complex than they think because the problems that digital technology is solving are as old as the first industrial age. But there is an increased need to filter the overload of information and simplicity makes it easier for us to achieve this. Check out a great post by Joerg Esser on the topic: <https://www.linkedin.com/pulse/making-simple-wrapped-up-elegance-joerg-esser/>).

So, for academics who want to offer something on the market, they have to figure out how to explain what it is they can offer in words that are easily understood. This is why science communication is such an important thing that, unfortunately, gets shifted to professionals and journalists, instead of being practiced by academics themselves. Furthermore, it takes business thinking to turn an idea and knowledge into a product that people buy. To demonstrate the difference: A) Anne approaches potential business clients by telling them that she has knowledge about interpersonal skills, intercultural communication, and creative writing. B) Anne posts a 1-page info sheet on her website that describes a half-day workshop consisting of interpersonal skills exercises, an intercultural communication toolkit, and a creative writing exercise for 900,- EUR per person, tailor-made for marketing trainees in international corporations in their onboarding phase. Dou you see

the difference? The latter one is a “product” (at least a prototype), namely a workshop, that potential customers can say yes or no to. Regarding the first one, people will probably say: “Oh, yes, interesting, these skills are very important. Let me think about where we might need this.” This will most likely be the last time that Anne has heard from the contact.

This example is quite simple and people with experience in business might not even see the point. For people in the academy, at least from my experience, this is a quantum leap to move from a holistic competence-oriented mindset to hands-on product thinking. Now, to make this clear, offering a workshop is not something that will ensure business success in the end and it does not suffice for an innovative business model that can potentially be scaled! Still, it is a beginning and allows newcomers to win their first customers. As soon as they make this step, they are at least in the field and can gain first-hand experience on what impact in business feels like. And EXPERIENCE is way more holistic learning than just THINKING! Many times, this leads to feedback like: “Wow, for the first time in my life, I feel like I have really accomplished something at the end of the day. 15 years I worked in academia and there was not a single day when I did not have the feeling that I had not done enough while at the same time knowing that more work would not make a visible difference.” Or, here is another one: “I really feel appreciated now. Before, I always thought business people just do stuff to get money. But money really shows you that what you are doing has value. And it is a reward that gives me freedom; the freedom to really use my strengths after living on 1500 EUR per month with a PhD and 60 hour work week.”

Overall, these thoughts seek to bring a little more down-to-earth thinking to those potential entrepreneurs who are great thinkers and full of passion to bring good to humanity. Hopefully, my point has come across that I highly emphasize the importance of both

aspects. Yet for those who really want to turn these resources into value for others and money for themselves, there needs to be a mind shift towards embracing social and economic reality. Academics without any business experience will hardly manage to develop a business model of their own without some guidance. Consequently, this means that the first step leads to seeking help and counseling from experienced business mentors. And whoever makes this step needs to be ready to shift from learning is “thinking” towards learning means “doing.” Only experience brings about the milestones that will enable academic entrepreneurs to turn their brains into money. On a larger scale, this might even liberate the sleeping potential of a substantial chunk of mid-level university scholars who are struggling with bore-out without even knowing it. It is true, the world needs your brains more than ever! So, get ready to face these challenges by learning how to turn your thoughts into value.