Brian Schmidt wants more PhDs in the top ranks of business

Australian National University vice-chancellor Brian Schmidt wants to inject more PhDs into the top ranks of corporate Australia to help break down the barriers to commercialising innovative ideas coming out of universities.

He says he wants to make ANU the national leader in breaking down the walls between academia, government, industry and civil society with a commitment that the university’s staff can move in and out of business and government.
"People with PhDs bring different ways of seeing the world and approaching problems. Having more people with PhDs in business, in policy-making institutions and in non-government organisations, will benefit us all," Professor Schmidt, a Nobel Prize winning physicist, told the Crawford Australian Leadership Forum (CALF) dinner on Sunday night.

"One of the distinctive features of innovative nations is the embedding of research capacity in business. In the United States, Korea and Japan about 80 per cent of PhDs are employed in business. In most European countries it is about 60 per cent. In Australia it is 30 per cent. It isn’t an overwhelming challenge to change that," he said.

"I can help by making it easy for our researchers to move into other sectors for periods of time. And you can help by recognising the value of bringing into your organisations people with research skills," he told the conference of senior figures from business, government and academia, which is co-sponsored by The Australian Financial Review.

Professor Schmidt cited the work of ANU economist Bruce Chapman in developing the income contingent tertiary loans scheme during the Hawke government as an example of what academic work could bring to business and government. The scheme is now used in New Zealand, Ethiopia, England, Hungary, South Africa and South Korea.

This week ANU’s Fenner School will release the first set of economic and environmental accounts for the central highlands forest region of Victoria which will provide new perspectives for making decisions on how to best manage those assets for economic and environmental benefits. Professor Schmidt said the school would extend this work into the agriculture sector.

"For research and innovation to be a real driver of our economy in the future, we have to be a knowledge creator. Innovation isn’t about turning what we already know into new things, it’s about seeking to understand what we don’t yet know, to explore and discover. We need a culture and policy settings that encourages risk-taking and new ways of doing things together," he said.

"We need bipartisan support to provide a stable policy environment for research and innovation, to quit underfunding research and make sure we have the right incentives for universities to provide high-quality education to our next generation, regardless of social economic background.

"We need to provide the incentives and capacity for universities, business, government and civil society to take risks. If we don’t take risks and bet on..."
ideas that we can’t imagine where they will lead us, we end up being simply a consumer of knowledge, rather than a creator,” Professor Schmidt said.