CIIER

Bankable Signature

Recently, I have been considering some aspects of the possible measurement of trust.

This thinking led to consideration of the linkages, via believability*, which is itself enhanced by reputation, which is partly created by repeated exposure, and thus "brand" recognition*, into the tendency by risk averse purchasers of consulting and research reports to place such emphasis on "bankable signature".

Bankable Signature (henceforth shown as BS), could be defined as:

"The presumption that a recognised reputable authorship adds gravitas and believability to the consulting or research report, in the mind of the recipient or reader",

(regardless of whether such believability is intrinsically justified or not).

Thus BS is primarily about the SELLING of trust, not about the buying of it.

The perceived believability of the engaged entity transfers in the mind of the recipient to the report, and thus has a more significant potential to influence policy and to change perceptions, ie <u>it makes the report more saleable.</u>

One problem, of course, is that, whilst the BS may have been legitimately derived from an excellent track record, the specific report concerned may be misguided or just poorly researched.

Forward projection of markets and economies are too often in this category, but are rarely held to the appropriate standards of scepticism, or retrospectively independently analysed to identify real levels of accuracy to justify their believability.

Another problem is where the BS has been largely created through the passage of time and inertia, and the entity concerned is simply trading on past glories, and does not actually possess the expertise or skill to perform the task, even if they used to.

This latter problem is more likely to occur within Universities, where the particular academic researcher upon whom the reputation was based, has long since departed, to a more prestigious University, or into the private sector, or simply died.

Within the major consulting practices, one tactic to deal with the loss of capacity and skill is to outsource or subcontract the difficult bits of the research, (whilst of course retaining the profitable bits).

Another tactic, very common in my experience in the ICT world, is simply to recraft a similar report developed somewhere else in the world, and to blithely assume that the equivalent situation applies in Australia. (regardless of the fundamental differences, of both ICT market and ICT industry structure, that actually apply).

Universities, and some consultants, also sometimes use a "Sir Humphrey Appleby" tactic, of addressing the subject in the title, but then redefining the problem to whatever they happen to have a convenient answer to, or simply documenting in painful detail the methodology that they used to not answer the question, thus passing the "weight test" (of number of pages of report per $1000 of fee).

Luckily, most such reports are quietly buried by their recipients, so that their contents are not relevant, however the potential negative perception of quality that might detract from reputations are thus also buried, so the BS remains untarnished

Thus a perception of trust remains, and the risk averse continue to engage, based on BS rather than on deserved trust.

Real Trust needs a real measure. "Bankable Signature" is not such a measure.

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