

**Policy on Offering Consultancy Services by UCP
Faculty and Staff to Industries**



**Office of Research, Innovation, and
Commercialization (ORIC)**

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1. Background

Universities are reservoirs of value-added human capital, whose engagement with the industry is extremely important to promote innovation and make societal impact. University faculty members (FMs) / staff providing expert advice to external clients is a prominent form of 'third mission' activity, in which higher education institutions promote and support productive contact with the industry. Offering expert advice, advising on technological challenges, and addressing problems for industries are all examples of consultancy services. Consultancy services aid in penetrating into the industry, leading to the advancement of University-Industry Linkages in areas such as research, training, and internships. Because these services are provided on a fee-for-service or gratis basis, therefore, policy guidelines are required to allow FMs and staff to actively market their skills to the sector. As a result, the following policy guidelines are being proposed to address the void currently being felt.

2. Objectives

To delineate the contours of policy guidelines facilitating UCP FMs and staff to engage in consultancy services with industries and external clients on commercial terms.

3. Definition

The University's definition of consultancy is "work undertaken which relies on a FMs's / staff's academic expertise such as advice to industry." Consultancy does not include work undertaken which forms part of the wider academic endeavor

such as external examining, journal editing, peer review, committee work, lectures or presentations for funding bodies or other universities and academic conferences. Neither does it include work which does not depend on the FM's or staff's academic or administrative expertise such as membership of a governing body. All sectors including public, private, non-profit organizations, can be provided consultancies.

4. **Benefits and Risks**

Risks and benefits in this section are identified for those who are involved in taking any consultancy work. It will be their prime responsibility to mitigate them while being engaged.

4.1. **Benefits for the FMs / staff and the institution**

Consultancy can provide a range of benefits to the FMs / staff, the institutions and the clients for whom the consultancy project is executed. From the point of view of institutions, the main benefits include:

4.1.1. **Enriching intellectual activity**

Consultancy provides external stimulus that is helpful for teaching and training, and is essential in many subjects (e.g., clinical, and performance-based subjects, and industry-focused subjects such as those related to science and engineering).

4.1.2. **Extending the research and knowledge base of the institution**

Consultancy often leads towards other forms of partnerships including research projects.

4.1.3. **Marketing benefits**

Consultancy helps in the development of useful contacts, marketing opportunities and improved reputation of the institutions in the eyes of the external stakeholders.

4.1.4. **Financial benefits**

Consultancy provides revenue, and diversifies sources of income for the institution.

4.1.5. **Staff benefits**

Consultancy not only generates income for the institution but also gives opportunity to FMs and academic staff to gain financially. It also helps in their personal development and creates new professional opportunities for them. It can, therefore, act as a useful incentive to attract and retain qualified and professional staff.

4.2. **Risks for the institution**

4.2.1. **Commercial risks**

Consultancy can bring commercial risks, e.g., the loss of institutional intellectual property or resources consumed without adequate return (which may have a knock-on damaging effect on other institutional activities, including student learning).

4.2.2. **Academic risks**

Consultancy can also bring academic risks, e.g., stress and negative spillovers on FMs / staff, diversion of staff time and effort or other resources away from teaching and research at the institution.

4.2.3. **Accountability and Financial Risks**

Consultancy also brings accountability and financial risks e.g., public funds for teaching and research being used inappropriately, exposure to audit or other investigation, unplanned tax liabilities.

4.2.4. **Reputational Risks**

Poorly managed or delivered consultancy can have an adverse impact on the reputation or income of the institution

4.2.5. **Legal Risks**

Legal liabilities can also result from consultancy e.g., arising in an unforeseen way from the activities of FMs / staff.

4.3. **Risks for the FMs / staff**

4.3.1. **Becoming Over-Stretched**

Embedding consultancy work within academic work can enhance the burden level for the consultant and thus increases the risk of compromise on quality of output.

4.3.2. **Professional Risks**

Consultancy being an additional financial source may introduce lack of basic professional commitments towards students and research as demanded by the University.

4.3.3. **Exposure to legal liabilities (such as professional liability)**

With a surge in financial assets (gained from consultancy work) FMs / staff may subject themselves to legal liabilities.

4.3.4. **Exposure to tax liabilities**

Inclusion of additional income to tax slabs may appear as a complexity and if not filed properly can result in FBR notices.

4.3.5. **Conflicts of interest with the University or research collaborator**

Having a fixed income from university coupled with variable external income may lead to conflict on interest and partial interest of the FMs / staff for collaborative research projects.

4.4. **Policy Guidelines**

- a. FMs and staff interested in offering consultancy services will take prior permission from their respective Dean. After permission case will be forwarded to ORIC for codal formalities.
- b. Annual appraisals and student feedback will be considered before assignment of consultancy work to a faculty member. This will be done through the respective Dean.
- c. Academic work shall not be compromised while taking a consultancy work. An individual faculty member may take consultancy related tasks by ensuring that no teaching assignments are compromised. This will be ensured by the respective Dean.
- d. Those who fail to declare any consultancy work will be subject to the HR policies on taking additional work without prior approval
- e. Permission may be withdrawn if FMs / staff performance at UCP gets affected due to consultancy services. UCP commitments would be foremost for him / her to meet.
- f. Faculty needs to declare any existing consultancy work at the time of induction.
- g. The applicant will indemnify UCP against all damages, loss, or injury, caused, by committing any default or delay in performance of the

contractual obligations towards the hiring party / client. The applicant shall be precluded to file any legal proceedings, at any forum whatsoever, against UCP, that may result in consequence of breach of contractual obligations between the applicant and the hiring party. Subsequent to the receipt of approval from the HR, FMs / staff will complete the consultancy formalities (submission of bids / interest etc.).

- h. Upon the award of consultancy, FMs / staff will submit details to ORIC about its duration, scope, income, hiring of resource persons etc., i.e., complete details. This shall also be communicated to HR and Finance departments.
- i. Consultancy revenues will be deposited in UCP account and disbursed as per the consultancy details provided by the concerned FMs / staff.
- j. Consultancy services could be offered individually or as a group of FMs staff, depending upon the opportunity / nature and scope of work. The final distribution of revenue will be subject to deduction of the running cost.
- k. Any expenditure related to consultancy work shall be covered from within the consultancy amount. University will not bear any costs incurred.
- l. Formal contract signing upon award of a consultancy work will be taken care by ORIC.
- m. After meeting all the expenditures incurred in the consultancy services, the balance amount will be distributed as per the following formula with the approval of the Pro-Rector:

Taking Consultancy Work while being part of UCP

(1) FM(s) / staff - 80% (distribution formula amongst the team members, if applicable, is to be given by the PI and endorsed by Dean)

(2) UCP - 20%

Continuing an existing Consultancy Work at the time of Induction

Those who want to continue an existing consultancy work at the time of induction will have the following formula of shares:

(1) FM(s) / staff - 90%

(2) UCP - 10%

- n. Timely completion as per the agreed terms of consultancy services will be the sole responsibility of PI. In case of any default, the FMs / staff will be barred from undertaking further consultancies for 2 years.