



## **Business – HEI Collaboration Review**

### **GuildHE Response**

**14 November 2011**

#### **Open Innovation**

The model for Government to stimulate and support UK research and innovation and KE activity, and encourage increased access for SMEs and micro-business, has been shifting in recent years from a linear-pipeline model to a more open and broader based system. This shift in understanding and activity was clearly seen in the last Government's approach as initial investment in technology and science evolved into a more active industrial policy focused on a broad range of sectors and activities.

There is no guarantee that the Coalition Government will think and act in the same way but the arguments are compelling and the need for broad based interventions are reinforced by the desire to rebalance the economy both geographically and sectorally.

This requires changes in how HEIs act as well as in the policy framework that incentivises and catalyses such activity. At the same time of course, these shifts must take place against a backdrop of reduced public spending and slow economic growth, especially in particular areas of the country. The twin challenges of catalysing more economic activity and doing so on the most cost effective basis are clear. This is reflected both in the 'Thinkpiece' on 'Culture Change' circulated as part of this consultation on business – HEI collaboration consultation on research and innovation, with its focus on wider cultural change that 'embraces the provision of high level skills and the promotion of enterprise and entrepreneurship'<sup>1</sup> and in Prof Ian Diamond's recent report,<sup>2</sup> with its focus on achieving efficiencies in the sector by simplifying internal processes and data management, and how these play into improving and sustaining strategic partnerships and shared services.

GuildHE Member institutions possess a strong track record of generating translational research, with benefits to the complex UK research and innovation supply chain. This is particularly the case with respect to collaboration between HE and SMEs / micro-businesses; the similarities between small,

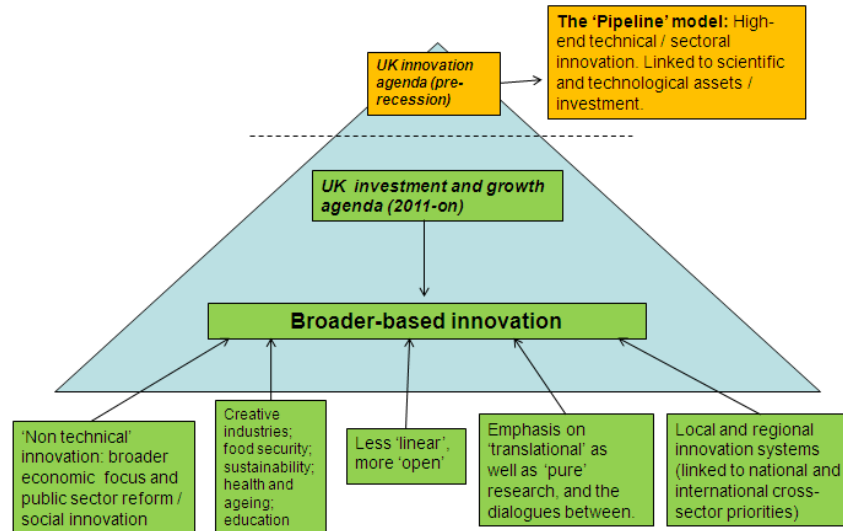
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<sup>1</sup> Prof Tim Wilson, Business-University Collaboration Review, Thinkpiece: Cultural Change (7 October 2011), p. 2.

<sup>2</sup> *Efficiency and effectiveness in higher education: A Report by the Universities UK Efficiency and Modernisation Group* (September 2011).

specialist and regional HEIs and this vital portion of business-innovation sector make them natural partners for research and skills collaborations.

## UK research and innovation



As the Coalition Government develops its Innovation and Research Strategy, its objectives to both support excellent research wherever it is found and also to ensure that all HEIs are best able to support and/or drive growth and the rebalancing of the economy are paramount. Part of this process will involve the broadening of definitions of innovation as understanding of the process and its effects continues to evolve. The diagram above demonstrates how policy is shifting from seeing innovation as an 'elite', largely technology or technically-driven process aimed at particular sectors and activities to a much broader understanding, wherein many more sectors, geographical locations and activities are important.

HEIs working with public and private partners in specialist sectors, including food security, the creative industries, health and social innovation, have a unique potential, enabled in part by new technologies, to collaborate with diverse bodies of users: students / graduates, business and providers of public services. However, with the loss of a number of stable sources of funding – in the case of GuildHE / CREST Member institutions, the loss of Higher Education Innovation Funding (HEIF 2011-15) provides the most direct cut to support for small, specialist and regional KE activity<sup>3</sup> – and the subsequent depletion of institutional resources devoted to engaging with key stakeholders, the need to consolidate capacity and identify new methods for how HEIs can work to meet the economic and social challenges facing private and public partners becomes ever more important.

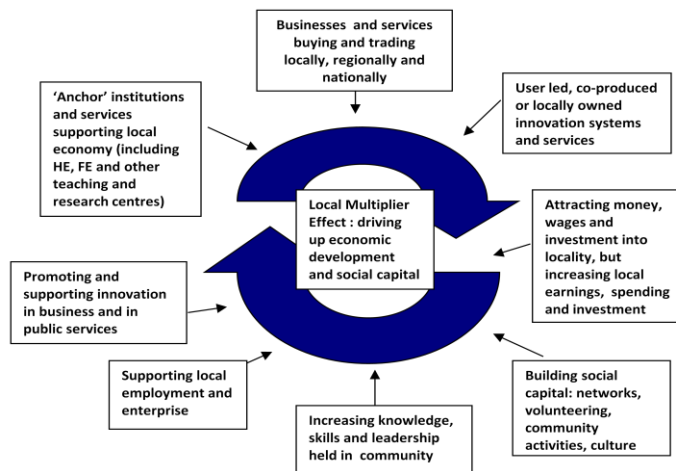
### Local Innovation Ecosystems

The regional and local dimensions of innovation ecosystems are particularly important to the issue

<sup>3</sup> See GuildHE's response to HEFCE's consultation on HEIF 2011-15 (April 2011) - [www.guildhe.ac.uk/en/about\\_guildHE/what-does-guildhe-do-home/policy--influence/consultations-page.cfm](http://www.guildhe.ac.uk/en/about_guildHE/what-does-guildhe-do-home/policy--influence/consultations-page.cfm).

of access to research and innovation across the UK. For example, Bishop Grosseteste University College was instrumental in the founding of the Sky Business Centre in Lincoln where the capacity to incubate and support start-ups was previously quite limited. In other regions or localities in the UK this business incubation hub – built with joint investment from University College reserves, HEIF, ERDF and the County Council - might not have a great deal of impact; in Lincoln it has the potential to make a real difference to local resources and growth potential, and to lock both knowledge and investment into the local economy (see the local multiplier effect below).

**Local Multiplier Effect:** *'Locking in' knowledge, finance, income, resilience, enterprise...*



Other examples of this might include institutions **'anchoring' local economic clusters:**

- Royal Agricultural College's work with local government and business in Gloucestershire to support rural enterprise in the region, including a collaborative project with South West Food and Drink Ltd looking at ways of producing an integrated strategy for the development of sustainable food supply chains, and addressing issues of waste reduction, quality and efficiency; and the innovative 'First Milk Academy', begun in 2007, which focused on providing a learning and development facility to assist members to improve their business performance.
- Norwich University College for the Arts and its work in conjunction with large and small media companies in Norwich and North Norfolk; this KE activity supports innovative communication solution and improvements to the design of interfaces, and allows local businesses access to training and resources held by the College, and also allows students at all levels to gain hands-on experience at the coal face of communication research and development.
- Harper Adams University College's commercial / research driven dairy unit with its emphasis on sustainable and environmentally aware practice, which in turn is supported by its innovative 'Open Fields' repository, providing an accessible, open-source library containing research-based information on food, farming, environment, energy and rural business.
- University of Winchester's Business Start-up Scheme, which supports students creating micro-business and SMEs within a region, Hampshire, suffering from the flight of local skilled graduates to adjacent regions, and has had a marked impact on growth in the region, building on the Universities research strengths in the performing arts and creative industries: in Eastleigh where the University of Winchester had targeted some HEIF funding

(on the Point Theatre) there has been a 36% increase in jobs in the creative industries (against a PUSH average decrease of 22% and South East average decrease of 10%); in Winchester, where the University runs a networking organization for the creative industries linked to the Business Start-up scheme, the increase has been +22%.<sup>4</sup>

- St Mary's University College Twickenham's activity on health enterprise activity, including the Centre for Bioethics and Emerging Technologies, the Endurance Performance Centre, and the Centre for Workplace Health, the latter which works with partners including the British Heart Foundation, Carphone Warehouse, Sainsbury's, Bovis Lend Lease, Age Concern, St Dominics Sixth Form College and Thompson Reuters. This high profile and successful Centre, which recently secured additional funding from public and private sources, provides a good example both as a sustainable project and KT good practice, generating income and surpluses and with significant outreach benefits by improving the effectiveness and efficiency of workforces (giving a 'multiplier' effect many times greater than the investment).

The notion of institutions anchoring local economic development and/or underpinning a broader sectoral understanding of innovation is not exclusive to GuildHE. The idea is just as relevant in other parts of the country and with a range of institutions serving particular locations and industries. From Wolverhampton to Salford and from Southampton to Carlisle, the same issues will apply.

### **Skills and Employability**

Also central to ensuring long-term innovation is allowing local business access to HE resources with the aim of increasing the employee **skills and employability** of graduates and employers working in specialist, high-growth areas. Examples within the GuildHE / CREST community include:

- York St John University's not-for-profit social enterprise, Bar Lane Studios, which provides practical support, skill development and facilities for individuals innovating in the creative industries, including a range of professional studio space, a print studio, a Mac suite, gallery, and performance space. The University's Faculty of Arts 'Creative Business' joined forces with Bar Lane Studios to deliver a professional business acceleration programme, 'Raising the Bar' in partnership with the Creative Industries Development Agency (CIDA), Huddersfield. A network event was started, 'Enterprise Tuesdays', attracting over 50 creative entrepreneurs per event and master class, inspiring creative and collaborative business thinking.
- University for the Creative Arts's partnership with architects Grieg and Stevenson, incorporating research and teaching on the Interior Architecture and Design course with the aim of enhancing digital archiving and communication models, which resulted in a 23% increase in profits for the partner SME.
- Leeds Trinity University College and its research into the benefits of undergraduate placements, working with the Business Network of local employers, with an aim to innovate the curriculum and provide students with a clear way to identify key employability skills linked to evidence of shifting requirements.
- Newman University College Birmingham's Combined Honours Programme, integrating work placement into courses designed to: encourage students to take responsibility for initiating, directing and managing their own work placement; to negotiate the relationship between academic theory and their understanding of workplace settings and their roles within those

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<sup>4</sup> See the University of Birmingham's report on 'Creative Industries in the Partnership for South Hampshire Area' (2010).

settings; to locate the role and function of their chosen subject(s) in contexts beyond academia; to reflect critically on their experiences of these related contexts and to plan in relation to future job choices. All of this is done in order to produce graduates possessing a 'complex capability set'<sup>5</sup> which will allow them to approach the ever-changing workplace with transferable and flexible skills.

- Liverpool Institute of the Performing Arts' partnership with the National Centre for Guidance in Education (NCGE), which includes translational research on the ways in which performance graduates can contribute to, for example, workforce training and mental health support programmes.
- Rose Bruford College of Theatre and Performance's project with Theatre 503, utilising digital radio as a medium and involving over 120 actors and writers, which ultimately produced 53 podcasts of performances, each centred on a station on the Piccadilly Line. Staff and students also took part in the project, learning valuable skills about digital broadcasting as well as involving communities to investigate urban living in London. The project will continue with a 'Follow the Flame' project, looking at the role of the 2012 Olympics in shaping the social landscape of the capital.

## Conclusion

The UK HE sector is diverse, and so is the UK innovation chain that depends on its ability to enrich national and local research and innovation cultures and to provide graduates at all levels with the skills necessary to consolidate and grow the UK economy. Ensuring that SMEs and micro-businesses have access to the specific support and knowledge they need, and are able to secure sufficient scale through partnerships with HEIs, is and is likely to become ever more important to the UK's innovation chain and the nation's ability to grow new ideas and new business. Locating the best models to sustain interactions and benefits to localities, and looking at ways in which existing resources might be joined up to the benefit of diverse stakeholders – for example, identifying ways to build collaborations between institutions and with new partners such as the Local Enterprise Partnerships (LEPs) – is important not only for small, specialist and regional HEIs, but to the HE sector more generally, as all institutions attempt to maximise partnerships and the transferable value of knowledge and resources.



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<sup>5</sup> George Hinchcliffe and Adriane Jolly, 'Graduate identity and employability', *British Educational Research Journal*, 37 (4): 2011, pp. 563-584.