



Mobilising higher education for cities and regions:

OECD reviews of HE in Regional
and City Development

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With globalisation, the **competitive advantage** of cities and regions that create the best conditions for growth and development is increasing.

...High technology companies, once tied to their locations, can now move their production to anywhere in the world.

... **but to stay competitive, key parts of their operations need to be based in knowledge and innovation-intensive places.....**



Growth and innovation concentrate on cities and regions with skilled and creative workforce, research and infrastructure for innovation.

To Be Globally Competitive Countries and Regions Need to **Invest in their Innovation Systems and Human Capital Development**

OECD's vehicle
to mobilise Higher Education
for Economic, Social and Cultural Development
of their Cities and Regions and to enhance
regional partnership building:

... **the Reviews of Higher Education in
Regional and City Development**

OECD Regions under review 2005-2007

OECD COUNTRIES

- Australia: Sunshine-Fraser Coast
- Canada: Atlantic Canada
- Denmark: Jutland-Funen
- Denmark-Sweden: Öresund
- Finland: Jyväskylä region
- Korea: Busan
- Mexico: State of Nuevo León
- Netherlands: Twente
- Norway: Trøndelag, Mid-Norway
- Spain : Autonomous regions of Valencia and Canary Islands
- Sweden: Värmland
- UK: The North East of England

NON-MEMBER ECONOMY

- Brazil: Northern Paraná



14 regions in 12 countries, incl .one cross-border region.

9 out of 14 reviews in Europe
5 in the Nordic countries



Regions under review 2008-2010

OECD COUNTRIES

- Australia: State of Victoria
- Germany: Berlin
- Italy: Lombardy
- Mexico: States of Sonora and Veracruz
- Netherlands: Amsterdam and Rotterdam
- Spain: Catalonia and Andalusia
- US: Southern Arizona
- US-Mexico: Paso del Norte

NON-MEMBER ECONOMIES

- Brazil: State of Paraná
- Chile: Bío-Bío Region
- Israel: the Galilee
- Malaysia: Penang



15 regions and city regions in G8 countries and emerging economies

What is being reviewed?

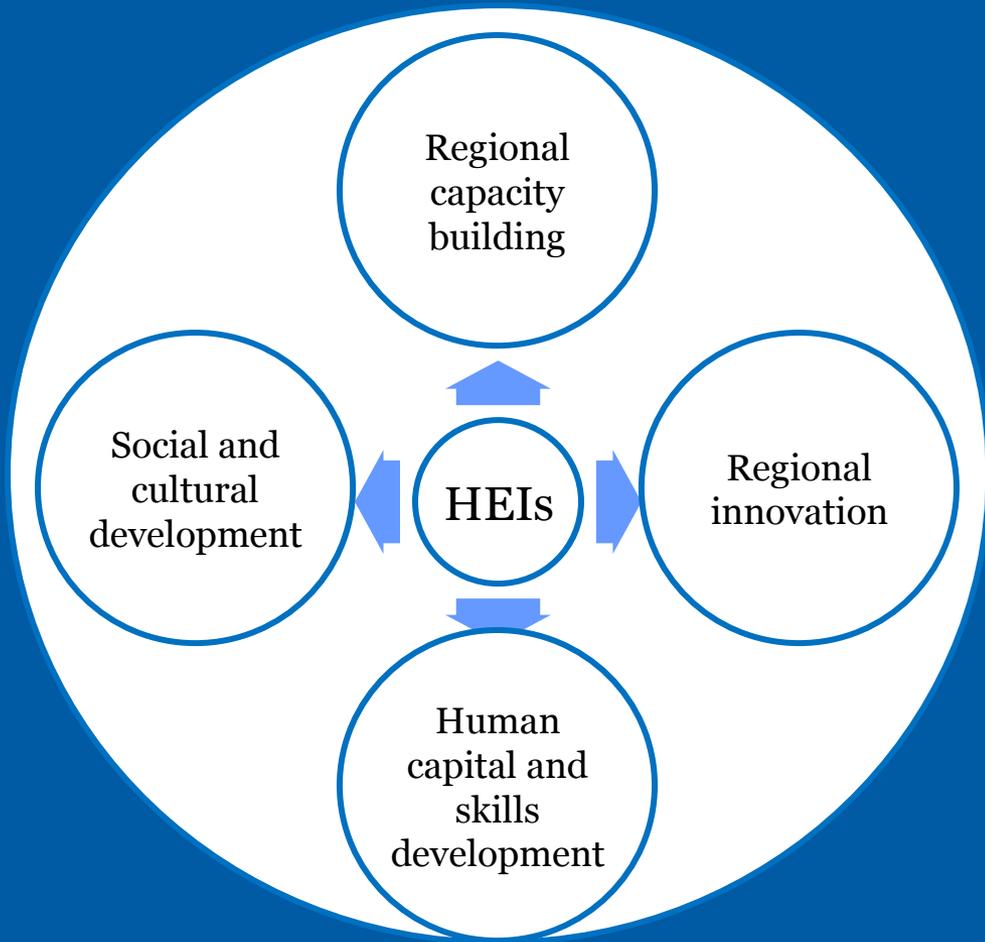
National and regional context

Partnership building

The reviews draw together HEIs and public and private agencies to identify strategic goals and to work towards them.

Importance of context

The reviews take account of different national and regional contexts within which the HEIs operate.



Focus of analysis of the OECD review

How are the reviews done?

- **Regional Self-evaluation** report lead and owned by the regional Steering Committee using OECD guidelines
 - Visit by the OECD-led international expert team
 - **OECD Review** Report tailored for the region
 - Analysis and synthesis by OECD
 - Dissemination of outcomes

Good practice and activity... but

- **No systematic processes** and short term funding; Inadequate incentive and accountability structures; **Limited co-operation** among HEIs and btw HEIs and stakeholders
 - Policy focus on **few high tech fields** and research based innovation
- Low tech fields innovate too. 70% of OECD workforce is in the service sector. Cultural industries are becoming a major driver globally, accounting for 7% of GDP and growing at 10% annually.
 - Only few HEIs have gained income through commercialisation: **Open science** reduces the costs of knowledge transfer and **enhances innovation**
- **Human capital development** ignored. Need to appreciate the students' role

Innovation-led Growth: 4 Pathways (MIT)

Endogenous
creation of
new
industry



Create
new
industry

Exogeneous
creation of
new
industry



Import
new
industry to
the region

Diversification
of existing
industry into
new



**Use the core
technologies**
of an existing
industry

Upgrading
existing
mature
industry



Enhance
products,
services or
production
technologies

Building on competitive advantages: Ceramics Industry in Castellón, Autonomous Region of Valencia, Spain

Universidad Jaume I is recognised as a world leader in R&D in the tile industry.

The university's ceramic research institute has contributed to the restructuring of the region's traditional ceramic-tile production, which comprises **500 SMEs** employing **36 000 people**.

The growth is built on technology transfer, spin-offs and upgrading of existing technologies.

Today, Valencia is a global leader in the tiles and ceramics industry.

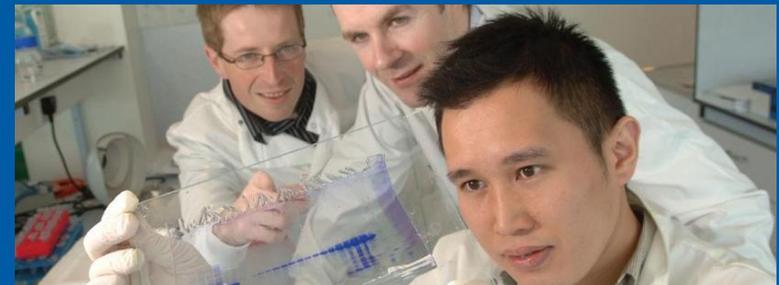


Creating a one-stop-shop for industry contacts: Knowledge House, NE of England, UK

In the **North East of England**, 5 universities have set up **Knowledge House** to offer expert solutions for developing ideas and solving problems through collaboration, consultancy, training and R&D.

In 2007 it generated **GBP 4.7 million** for the participating universities by delivering 364 completed projects from over 800 business enquiries. Business growth is 25%.

An increasing number of HE staff across the region's universities are becoming engaged with the Knowledge House activities.



Engaging students into knowledge transfer Problem-based learning in Aalborg, DK

In Aalborg University, Denmark, **up to 50% of the study work consists of problem-oriented project work**: students work in teams to solve problems which have been identified in co-operation with firms, public organisations and other institutions.

At any one time there are **2000-3000 ongoing projects** that ensure the university's engagement with the surrounding society.



Barriers to engagement

National

Uncoordinated HE, S&T and territorial policy

Limits to HEIs' autonomy

Limited incentives to HEIs

Regional

Fragmented local govts, weak leadership

Intra-regional and inter-institutional competition

HEIs not part of strategy work and implementation

Institutional HEI-level

Weak management, lack of entrepreneurial culture

Tensions between regional engagement & academic excellence

Lack of incentives to individuals

Pointers for governments

- Make regional engagement explicit in **HE legislation**
- Strengthen **institutional autonomy** (human, financial and estate resources), provide **incentives** and strengthen **accountability** (indicators to monitor outcomes)
- Require **HEI governance** to involve regional stakeholders; Encourage the participation of HEIs in regional governance
- Support **collaboration between HEIs** and mobilise resources for joint regional and urban strategies
- Provide a more supportive environment for **university-enterprise co-operation**
 - Focus on **human capital development**

Pointers for regional authorities

- Establish a **permanent partnership structure** of key stakeholders from local and regional authorities, business and industry, the community and higher education
- Mobilise the resources of HEIs in the **preparation and implementation of regional and urban strategies**
- **Invest jointly with HEIs** in programmes which bring benefit to regional business and community

Pointers for HEIs

- Map external links; Carry out a **self-evaluation** of HEIs' capacity to respond to regional needs
- Revisit institutional **mission** to adopt a wide agenda of regional engagement; Deliver **regional engagement through teaching and research**
 - monitor results
- Develop senior **management** teams, Establish a structure to mainstream the regional agenda; Develop facilitators; Establish modern administration with HR and financial resources management systems: Review **HR** systems: recruitment, hiring and reward systems.
- Establish **partnership organisations between HEIs**

Thank you
for
your attention!

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 www.oecd.org/edu/imhe/regionaldevelopment