THE REGIONAL AND THE LOCAL - THE ACCENTUATION OF SPATIAL PROXIMITY IN NATIONAL INNOVATION POLICY

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Underlying papers and projects


- Regional network participation and their implications on the internal governance of universities (BMBF 2010-2013)

- Research Campus pro active - Exchange of experiences and integration: Accompanying research to the Research Campus programme (BMBF 2012-2016)
Regional and regionalized innovation policy

- Using **regional/local strengths as starting point in policy-making** - and not supporting regional development in the first place - became a popular policy paradigm in recent years (national cluster programmes, innovation support in structural funding etc.)

→ **Accentuation of the regional and the local** in national innovation policy

- **Why?** National priorities/objectives, expectation of trickling down effects (NEG: Economic concentration contributes to development in the periphery)
- **Research question:** Consequences for policy coordination, possible impacts on focal actors of such policy, namely universities
Another trend

- Integration of **innovation objectives** in European structural policy since the 7th Framework Programme
- Differentiation between Convergence Regions and Regional Growth and Employment Regions, the latter with a higher innovation focus
- Approach questions the objective of cohesion and the reduction of regional disparities with the EU
- **Smart Specialization** stresses the importance of bottom-up priority setting
- It is a kind of **reappraisal of the convergence principle** in the way that weaker regions should develop their strengths by applying technologies and not supporting own RTD developments.
Consequence: Increasing needs for policy coordination

- **Multi-level governance** (in innovation policy) demands coordination (recent example: coordination processes in the formulation of smart specialization strategies)

- Important to understand that **advantages of coordination and collaboration** are larger than possible disadvantages (*culture of exchange*)

- Implementation of **New Public Management principles** (mainly for improvement of vertical coordination)

- **Discursive and participatory processes** (reflexive governance, transition management) and use of strategic intelligence through foresight, technology assessment, evaluation, benchmarking

- Establishment of **bridging organizations** to improve coordination capacities

- **Organizational mergers** (within ministries or public organizations)

- **Political leadership** (support from high levels of politics)

Different sources from Fraunhofer ISI (2012)
Germany: Leading-edge clusters (High-Tech Strategy)

- National programme, competition-based, three rounds, five clusters each, 40 mill. Euro per cluster for max. 5 years
- **Objective:** generation of innovations in future technologies by establishment of strategic partnerships between science and industry
- **Starting point:** spatial proximity between already excellent partners (picking the winners strategy)
Three distinct characteristics:

- **Proximity** – the bundling of research activities and competencies at one location, as possible on a university or public research campus (laboratory)
- The medium- to long-term adaptation of a specific research topic, ideally in the frame of a research programme,
- A mandatory public-private partnership.

Preparation and main phases will be supported up to altogether 15 years with a maximal amount of 2 mill. Euro per year.

In September 2012, ten ResearchCampus projects were selected.
(Regional) universities as object of (national) innovation policy

- Universities became a **focal actor** not only in explicit regional policy measures ("knowledge-based regional development"), but also in regionalized innovation policy.

**Why?**

- Universities often show a strong **orientation towards their regional environment** (Bleaney et al. 1992; Cooke 2002; Gunasekara 2006a; Keane und Allison 1999; Kitagawa 2004; Thanki 1999).
- Many universities use this orientation **in a strategic manner** (Krücken et al. 2009; Krücken and Meier 2006; Nickel 2004).
- "**Entrepreneurial universities**" (Clark 1998, Gibbs 2001) and the "**boundary-spanning roles**" of new university units (Youtie and Shapira 2008) are 'object of desire' in the eyes of policy makers.
- Therefore, the **expectations of policy makers** towards universities to engage in regional/local networks, clusters and other initiatives have significantly **increased** (Fritsch et al. 2007).
Different forms of regional engagement of universities in Germany

Source: Koschatzky et al. (2013)

- Research collaboration with regional partners
- Advice and expertise for regional organizations
- Temporary exchange of personnel between HEI and regional partners (interns, teaching)
- Support of final theses conducted by students in regional firms and organizations
- Use of machinery, equipment, laboratories in HEIs
- Use of rooms, infrastructure and services of HEIs
- Information and further education for different groups (e.g. pupils, teachers, elderly people)
- Contribution to social life of the region / social engagement in the region

Collaboration and personnel exchange

Supply of resources

Social engagement

N = 1441

= Indicator

= estimated factor loading

= latent variable

* The highest of the respective factor loadings are shown;
  Fitting of the sample according to Kaiser-Meyer-Olkin criterion = 0.78

Source: Koschatzky et al. (2013)
**Coordination**

- Increasing political "pressure" affects classical decentral mechanisms of governance and control (role of faculties / deans < -- > role of presidents / rectors)
- Stronger role of central coordination (via agenda setting, moderation, incentives)

New funding schemes create *new organizational units beyond the traditional organizational structures* with new degrees of freedom for the involved personnel.
Conclusions

- The regional and the local became more and more attractive to national policy-makers.
- All recent big national innovation support programmes make use of the region or the local environment for networking and strategic research collaboration.
- Universities play a prominent role in this kind of national policy.
- Universities have to react to this policy shift by actively exploiting these new opportunities.
- There are strong indications for a "third role" of German universities (different forms of regional engagement.
- New organizational units and related decision powers have impact on the classical decision hierarchies within the university.
- A win-win situation is possible when the new political expectations can be used for defining new roles of universities in innovation support and regional / societal engagement.
Thank you for your attention!

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Back-up slides
Regional governments try to engage universities in joint strategic undertakings of the industry, the science and the public sectors in a region.

Such initiatives can relate to the initiation of large scale cluster projects, to the formation of public-private-partnerships, as to urban development activities.

Source: Kroll et al. (2012) based on Goldstein/Mayer/Luger (1995), Uyarra (2010) and others
Research issues

- Most prominent forms of regional engagement of German universities
- Implications of strong innovation policy focus for universities regarding internal coordination and governance
Possible types of (regional) university engagement

- **Research:** Collaborative research projects, contract research

- **Knowledge sharing:** Consultancy, competence building at regional actors, participation at public dialogue and media discourses

- **Services:** Making university assets and services accessible, intellectual expert contributions, contribution to civic life of the region

- **Teaching:** Practical education for citizenship, public lectures and seminars, further education, lifelong learning

Source: adapted according to Benneworth et al. (2009)
Results

- **Research collaborations, consulting activities** and **exchange of human capital** via students, graduates and business people are important forms of regional engagement in which spatial and cultural proximity are of high relevance.

- Also important is the **supply of resources** (infrastructure and services).

- **Social engagement** (contribution to social life, further education) plays also a role.

- **Conclusion:** The "third role" of German universities is a strong starting point for policy measures.