

# UNIVERSITY- ENTERPRISE COOPERATION : BUILDING ON NEW CHALLENGES FROM PAST EXPERIENCES

## Setting the scene

### Key issues from a Socrates Project Accompanying Measure project N°130023-AM-06-EMC

#### The context

The project has been run by DAAD (the German Academic Exchange Service <http://eu.daad.de>) in a consortium made of ESMU (European Centre for Strategic Management of Universities [www.esmu.be](http://www.esmu.be)), nine National Socrates Agencies and a number of European experts. Its aim is to analyze the place of University<sup>1</sup>-Enterprise<sup>2</sup> cooperation in EU education and training policies, to assess how universities have integrated this dimension in their strategic developments and activities, and to formulate recommendations on how the University-Enterprise dimension can be further stimulated.

The EU context (Lisbon Agenda, Bologna Process, Hampton Court Council) and recent EC communications<sup>3</sup> all point out to areas which deserve special attention in order to transform the European Union in a dynamic knowledge-based economy. The new Lifelong Learning Programme 2007-2013 (Erasmus strand) has a specific line for projects on University-Enterprise cooperation.

Universities are urged to take the lead in developing sustainable partnerships with enterprises, which requires modernizing their governance and mode of operation in order to respond to the needs of society and transfer their knowledge. By producing fully employable students (Bologna Process), promoting entrepreneurship, contributing to the lifelong learning agenda (in retraining the workforce) and transferring their research results, universities can be strong players in the Lisbon Agenda and contribute to economic development.

It is clear that both universities and enterprises both benefit from closer cooperation; however many universities still lack an entrepreneurial spirit, are too academically

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<sup>1</sup> The term "University" is used to refer to all types of HEIs

<sup>2</sup> The term "Enterprise" is taken in the broad sense to refer to any entity engaged in an economic activity, irrespective of its legal form, and includes third sector organizations (NGOs)

<sup>3</sup> "The role of universities in the Europe of Knowledge" (2003); "Mobilizing the brainpower of Europe : enabling universities to make their full contribution to the Lisbon Strategy" (2005); "Delivering on the modernization agenda for universities : education, research and innovation (2006) and "Improving knowledge transfer between research institutions and industry across Europe : embracing open innovation – Implementing the Lisbon Agenda" (2007)

oriented and do not make relevance of their programmes to the needs of the labour market a sufficiently high priority. The recommendations which will be part of the final dissemination report will seek to address these issues.

## **Our project's approach**

Our project "University-Enterprise cooperation : Building on new challenges from past experiences" started with an **online survey** carried out from the end of January to early April 2007. The **aim of the online survey** was to present a snapshot of the state-of-the-art of University-Enterprise cooperation in Europe, with a view to identifying key areas which deserve particular attention and future actions. Various types of University-Enterprise cooperation activities were investigated and an assessment made of progress in the last few years.

Based on the findings of the survey, eleven institutions were selected for further analysis and in-depth interviews. The outcomes of these interviews will be compiled in **eleven case studies**.

The findings of the online survey and some of the case studies will be presented in a **European Conference** of all stakeholders in Bonn on 18-19 June 2007. These and key issues raised at the conference will be compiled in a set of **recommendations** made to Higher Education Institutions and the European Commission, with a view to further progress with the important dimension of University-Enterprise cooperation as one of the key elements of the Lisbon Agenda.

Three **types of "actors"** were contacted for the online survey, i.e.

- **Socrates and Leonardo projects** with a University-Enterprise cooperation dimension
- **Universities** active in University-Enterprise cooperation including in European networks
- **Former "UETPs"** (i.e. "University-Enterprise Training Partnerships" as set up under the EU COMETT programme, 1987-1995)<sup>4</sup>

Out of the 3 500 organisations/projects contacted, 403 responses (11.5 %) were received from 34 countries, i.e. 360 universities (including 37 UETPs) which represents 91 % of the respondents, 19 responses from education and training organizations (i.e. 13 UETPs which operate as separate structures and 6 from other structures) and 30 responses from ministries of education, social partners and enterprises.

Responding universities were comprehensive research universities (31.8 %), comprehensive professional Higher Education Institutions (33 %) and specialised

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- <sup>4</sup> 69 UETPs were identified, including several created in new EU countries after the end of the COMETT programme. Most are located inside universities and develop similar activities to those initiated under COMETT, i.e. technology transfer, transnational mobility, consultancy, joint training, curriculum design; many are active in Socrates and Leonardo projects.

research universities (13.6 %). Eighty per cent were publicly-funded HEIs; 1/3 of responding universities were of small size (less than 5 000 students), 1/3 had from 5000 to 20 000 students.

In these universities, the questionnaires were answered by staff with an administrative function (41 %), staff indicating a decision-making position (29 %); 2/3 of the respondents came from the central level.

## The results

### ***The online survey reveals that respondents have the following perceptions about University-Enterprise cooperation :***

- University-Enterprise cooperation is perceived as a **key area** which must be further developed (80 % of respondents)
- There is a perceived **increase of activities** in the field of University-Enterprise cooperation. A perceived high increase was felt for the following activities :
  - o European student placement (46.2 %)
  - o European placement of graduates (28.5 %)
  - o Mobility at national level (35.5 %)
  - o Training needs'analysis (27.3 %)
  - o Analysis of skills deficit (18.6 %)
  - o Training activities (47.6 %)
  - o Transfer of innovation (41.4 %)
  - o R&D (46.4 %)
  - o Curriculum design (45.4 %)
  - o Guidance (37.7 %)
  - o Student integration in the labour market (43.4 %).
- University-Enterprise cooperation is recognized as having a **positive impact** on universities (34 % of respondents). Respondents fully agreed that it does :
  - o Improve university management (19.6 %)
  - o Improve entrepreneurial behaviours (34.5%)
  - o Increase international attractiveness (40.7%)
  - o Support the development of specialized programmes (41.7%)
  - o Support the development of continuing education programmes (42.2 %)
  - o Stimulate Knowledge transfer (51.4 %)
  - o Enable Joint research (35.2 %)
  - o Promote an innovative culture (38.7 %).
- Universities are thought to have a **University-Enterprise strategy** (2/3 of university respondents, although further questions confirm that this is by far not the case; respondents seem to misunderstand issues linked to activities and strategy)

- University-Enterprise cooperation is felt to have an impact on the **professionalisation of university management**, dealing with research and knowledge management, technology transfer, continuing education
- 29 % of respondents perceive a **lack of resources in universities** (both financial and human) to further promote University-Enterprise cooperation. Strategy and resources are not always matched.

***An analysis of the results of the survey leads to the following findings:***

University-Enterprise cooperation takes place at **all levels**, i.e. regional, national, European and international levels. 78 % of respondents view the European dimension as key in their institutional strategy.

- ***Areas of cooperation***

- o ***Student mobility (industrial placements)*** is key in University-Enterprise cooperation. Placements should not remain an isolated activity but be fully integrated in an overall strategy (employability)
- o An increase in ***staff mobility*** would help improve mutual understanding between universities and enterprises, but it does so far only happen on a very limited scale

- ***Strategy and activities***

- o There is a need for ***structures*** and ***adequate platforms*** to promote an ***on-going dialogue*** and ***better understanding*** between universities and enterprises. This should lead to the development of knowledge/innovative regions with clear strategies involving all stakeholders.
- o Although respondents point to the existence of a ***University-Enterprise strategy***, further questions clearly demonstrate that a strategy does not exist and is not translated into strategic plans, objectives, financial and human resource policies (incentives, recognition, differentiation of tasks,...) made available to promote University-Enterprise cooperation. Many ***activities*** exist (joint training programmes, curriculum development, mobility, R&D, knowledge transfer) but these are not always developed in the context of a strategic framework. Instead, they take place at various levels and various units inside universities (i.e. faculties, departments, central administration)
- o There is a need for further ***professionalisation*** of higher education management including the University-Enterprise cooperation dimension (i.e. how to manage intellectual property, pricing and costing policies, overheads, staff management, customizing services – research/continuing education, etc...). This is also linked to the modernization agenda for universities

- **Obstacles**

There is a **lack of trust** between Universities and Enterprises. They operate with different objectives, different timetables (universities focus on the long term; enterprises on short term results, looking for quick solutions which universities are not always in a position to provide); they have different cultures and expectations.

- **Critical success factors**

Universities must become a lot more **responsive** to their **external environment** by transferring their knowledge to society through education and training (contributing to the lifelong learning agenda), research and innovation (thus contributing to Europe's competitiveness and economic growth).

Involving stakeholders in the university governance provides an additional link to the external environment; administrative staff need to be trained to adopt a more client-oriented approach; academic staff trained to work with external partners.

Key is to combine individual initiatives of academics with institutional strategic approaches, working both top down and bottom up in order to establish lasting partnerships.

## Conclusion

The project will produce a number of **recommendations** for Higher Education Institutions and the European Commission, with a view to further progress with the important dimension of University-Enterprise cooperation as one of the key elements to enhance Europe's competitiveness and contribute to EU policy and activities in this area<sup>5</sup>. These recommendations will be based on the findings of the online survey, the case studies and the discussions between all stakeholders at the European Conference in Bonn on 18-19 June 2007.

The recommendations will among others focus on the following key areas:

- Sharing good practices through **networks of exchanges**
  - Reforming the curriculum (updating course content, responding to the needs of the labour market, addressing the employability issue, promoting entrepreneurship)
  - Giving a strategic dimension to industrial placements
  - Increasing knowledge transfer
  - Giving lifelong learning initiatives a strategic dimension
- Identifying **critical success factors** (mutual interests, synergies, joint outcomes, ownership, change of mentality, risk management)

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<sup>5</sup> Lisbon Agenda, Bologna Process, Hampton Court Council and EU Communications

- Combining **individual initiatives with strong strategic partnerships** built on close links to the private sector
- Focusing on **leadership and professionalisation** of university management to support strategic developments. Further management training is needed in the following areas for both academic and administrative staff :
  - Running professional career services for students
  - Managing interface structures/liaison offices for enterprises (responding to needs, directing demands to appropriate units with expertise; first contact point)
  - Managing the curriculum :
    - Initial education - responding to the concern for employability
    - Continuing education – customized provision and delivery to respond to needs
  - Efficient management of student mobility and industrial placements (student preparation, clear objectives, monitoring)
  - Commercializing research results; managing intellectual property; creation of spin-offs
  - Project/partnership management
  - Staff Management (incentives, career development, coaching entrepreneurs)
  - Financial Management (Funding and pricing collaborative research, managing seed capital).

The recommendations will also draw on previous work carried out in this field, i.e.

- The approach of innovative universities as outlined in Burton Clark’s book “Creating entrepreneurial universities” (1998) offers many successful examples of universities having adapted their governance and management to provide effective interaction mechanisms with their environment. Key features of entrepreneurial universities are (1) a strong academic and administrative leadership at all levels in their organisations, (2) mechanisms for collaboration with external partners and customers around core academic areas, (3) a priority given to high academic quality in all activities and (4) a diversified funding base.
- The major project carried out by OECD-IMHE “Supporting the contribution of Higher Education Institutions to regional development” in 2006-2007 ([www.oecd.org/edu/higher/regionaldevelopment](http://www.oecd.org/edu/higher/regionaldevelopment)) also provides valuable lessons to support regional capacity building and strategic approaches which stimulate dialogue between stakeholders and strengthen regional innovation and economic growth.
- ESMU ([www.esmu.be](http://www.esmu.be)) produced a report (1996) and a handbook (1997) on University-Enterprise cooperation for TEMPUS (TEMPUS TOP report and handbooks on university-enterprise cooperation in TEMPUS PHARE countries). [http://ec.europa.eu/education/programmes/tempus/doc/univ97\\_en.pdf](http://ec.europa.eu/education/programmes/tempus/doc/univ97_en.pdf)

- In cooperation with UNESCO-IIEP<sup>6</sup> <http://www.unesco.org/iiep/>, ESMU organised several distance course on university-enterprise co-operation in the East Mediterranean region (2000), Central and Eastern Europe (2001), Asia (2002 & 2004) and English speaking Africa (Spring 2003) on the strategic management of university-enterprise relations, the management of interfaces, finances and staff. Examples of good practices have been compiled in several UNESCO-IIEP publications.
- In 2005 a new study on University-Enterprise cooperation in TEMPUS partner countries <http://ec.europa.eu/education/programmes/tempus/doc/studyexe06.pdf> was commissioned by DGEAC of the European Commission to the European Training Foundation. The results of this Study were presented at a Conference in Amman (Jordan) in April 2006.

The project's recommendations will be compiled in a **final dissemination report** which will also highlight how University-Enterprise cooperation can be best promoted in a European perspective by the new Lifelong Learning Programme and other complementary policy and programme initiatives. The report will be widely disseminated to Higher Education Institutions in Europe and all relevant stakeholders in the area of University-Enterprise cooperation.

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(On behalf of project team)

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<sup>6</sup> International Institute for Educational Planning