

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

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# Underlying papers and projects

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- Koschatzky, K., Hufnagl, M., Kroll, H., Daimer, S., Dornbusch, F. and Schulze, N. (2013): Relevanz regionaler Aktivitäten für Hochschulen und das Wissenschaftssystem. In: Grande, E., Jansen, D., Rip, A., Schimank, U. and Weingart, P. (Eds.): *Neue Governance der Wissenschaft - Wissenschaftspolitik, Re-Organisation des Wissenschaftssystems und ihre Medialisierung*. Bielefeld: transcript Verlag (forthcoming)
- Koschatzky, K. and Stahlecker, T. (2010): New forms of strategic research collaboration between firms and universities in the German research system, *International Journal of Technology Transfer and Commercialization* 9, 94-110
- Koschatzky, K. (2013): *Heterogene Kooperationen im deutschen Forschungs- und Innovationssystem*. Stuttgart: Fraunhofer Verlag (in press)
- 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)

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# Regional and regionalized innovation policy

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- 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

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# Another trend

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- 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.

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# Consequence: Increasing needs for policy coordination

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- **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)

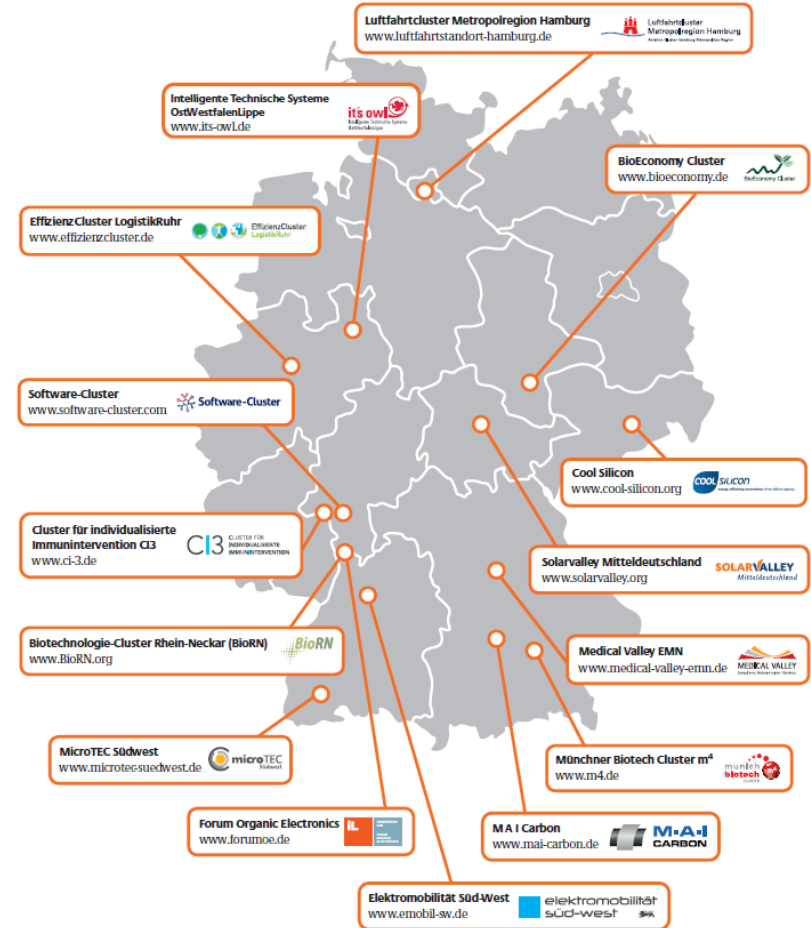
Different sources from Fraunhofer ISI (2012)

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# 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)



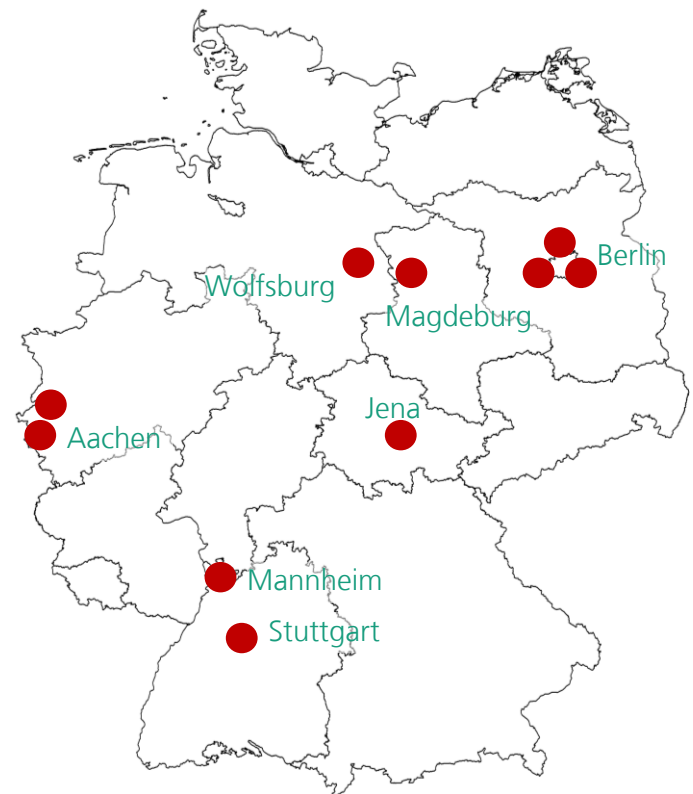
# Germany: ResearchCampus (High-Tech Strategy)

## 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.





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# (Regional) universities as object of (national) innovation policy

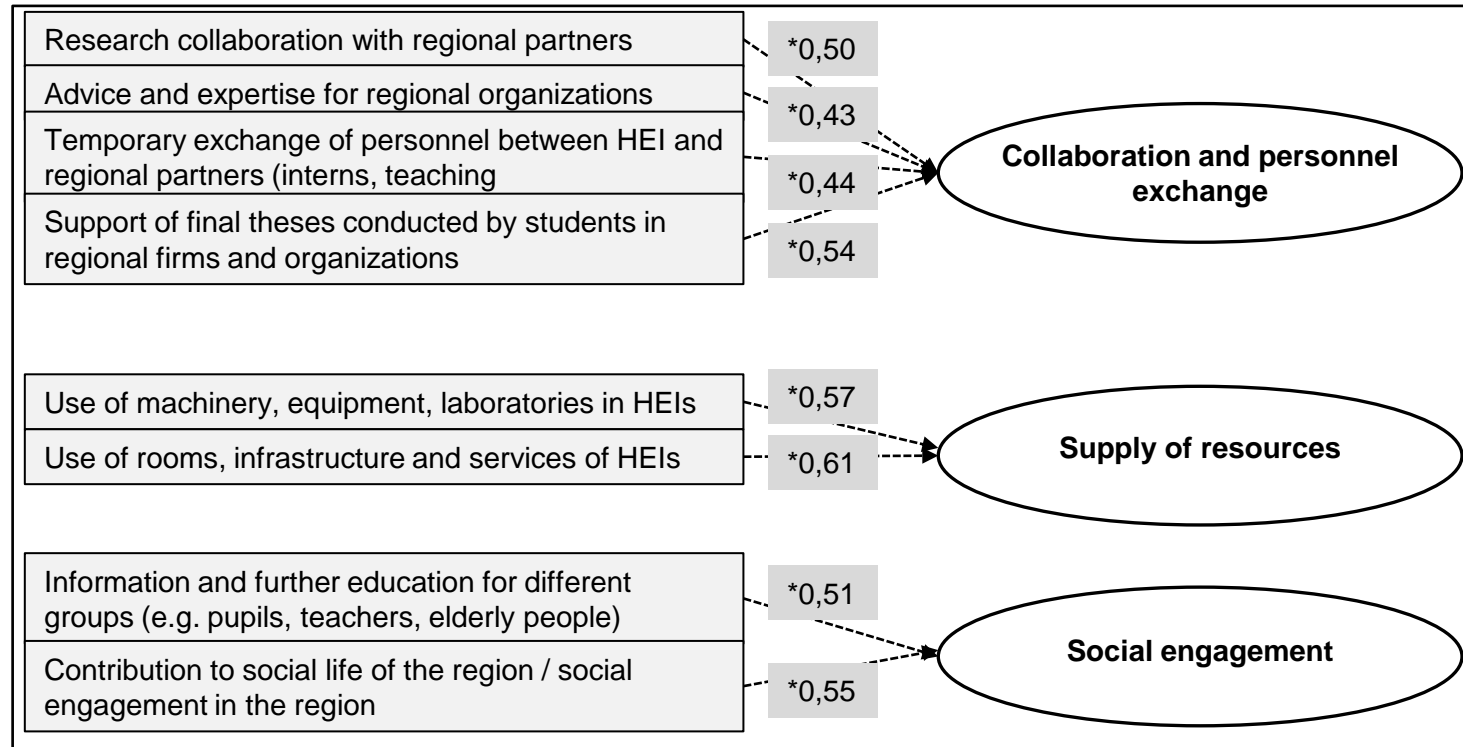
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- Universities became a **focal actor** not only in explicit regional policy measures ("knowledge-based regional development"), but also in regionalized innovation policy.

## 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



N = 1441

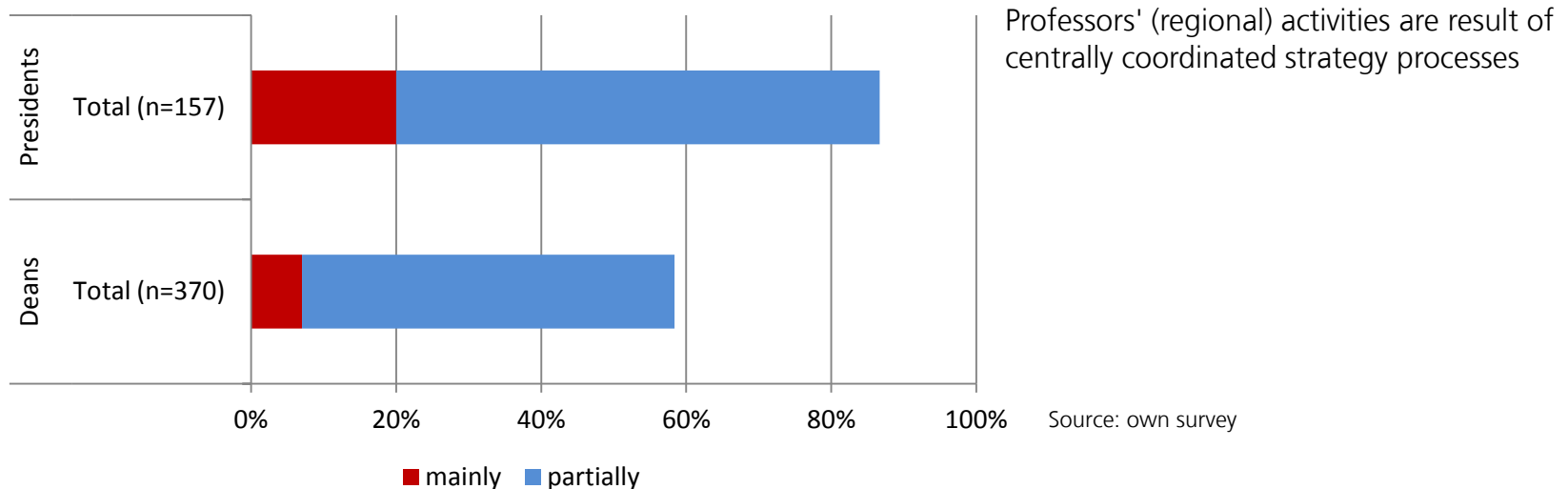
= Indicator     
 ----- \*0,57 -----> = estimated factor loading     
  = latent variable

\* 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

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# Conclusions

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- **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.

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# Thank you for your attention!

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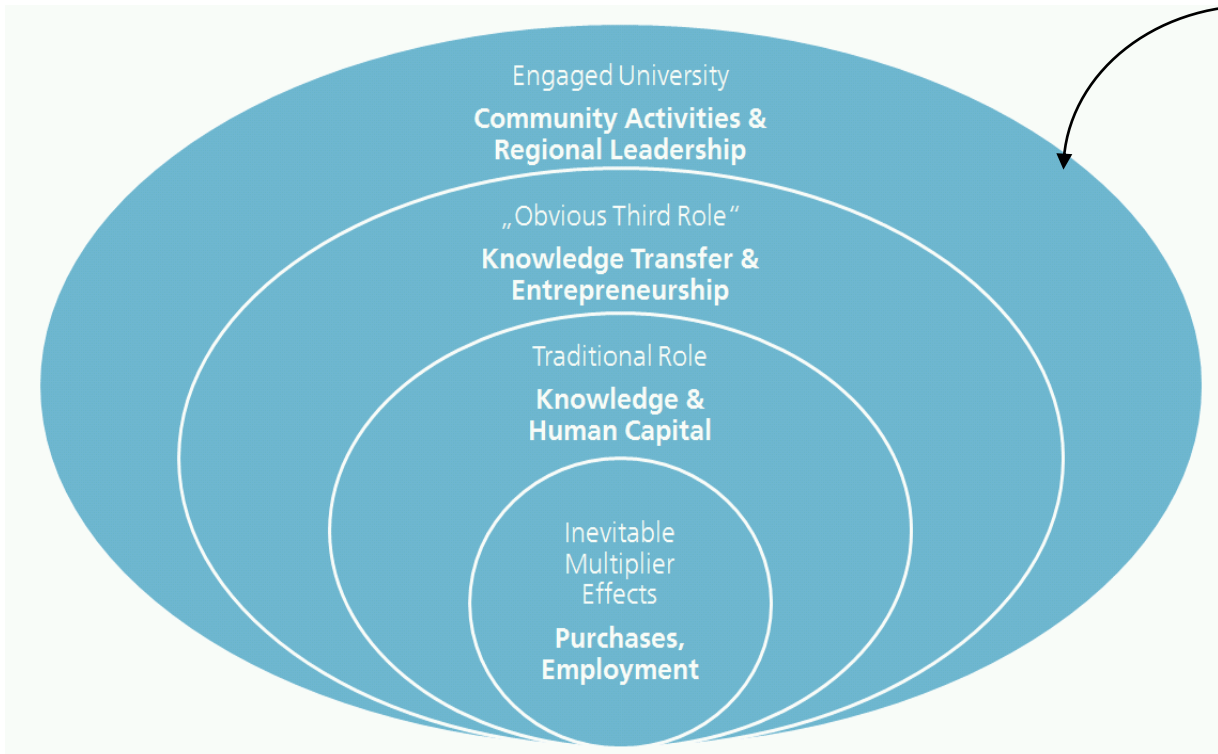
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# Back-up slides

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# Different forms of regional university engagement



- 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

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# Research issues

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



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# Possible types of (regional) university engagement

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- **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)

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# Results

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- **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.