Round Table on Engagement, Innovation and the Digital Age
Swan/Torrens Room, National Convention Centre, Canberra
Tuesday, 25 February 2014

Summary
Universities and business now operate in a global knowledge economy and this round table identified many of the opportunities and challenges confronting the way forward. The adjustments necessary to compete in this ever-changing operating environment with worldwide partners on a 24/7 timeframe depend heavily on smart thinking and innovation. Sir Richard Lambert, Chancellor of the University of Warwick, described one effective model adopted in the UK which is based on productive collaboration and partnerships between the private and education sectors as the means to tackle this new competitive landscape. Sir Richard provided ample evidence to conclude that university-business collaboration is a valuable strategy which appreciates over time and is aligned to global developments. The Presidents Conversation is a collaboration initiative about the vital importance of information exchange. Universities’ contribution in significantly shaping our new economy is the subject of the report, The Role and Relevance of Universities in the Digital Economy, which was launched at the round table by Cisco’s Vice President Ken Boal and Professor Michael Barber, Vice-Chancellor Flinders University.

Round Table Highlights
Since the Lambert Review was conducted in 2003, UK universities are now collectively much more engaged with both business and the community. This change in relationship came about to address a confluence of circumstances, notably the economic pressures facing universities and business culminating in the worst effects of the GFC. In contrast to the research intensity of the 1980’s, the 1990’s and beyond were characterised by a small handful of British business prepared to invest heavily in R&D. Nevertheless the importance of research to the economy was not abandoned, instead many companies turned to the universities to build bridges, share facilities and collaborate. Government support for this collaborative approach was picked up in the recommendations of the 2003 national review on collaboration and the subsequent 2012 Wilson review of universities working with business. These reviews presented government with a mix of policy and program recommendations designed to lead to deeper and sustainable engagement producing tangible outcomes. Some examples of initiatives introduced as a result of these reviews include:

- **The Higher Education Innovation Fund** – This Fund was created for the provision of third stream funding to encourage universities to have capacity to form relationships with industry. While the program had mixed results in its early days, many universities have now developed mature strategies on how best to develop mutually beneficial collaborations.
Technology Strategy Board – The Board was established in 2007 as the UK’s innovation agency. The goal of the TSB is to accelerate economic growth by stimulating and supporting business-led innovation. Support includes innovation vouchers for microbusinesses and small firms, direct funding for SMEs and developed programs for networking designed to enhance partnerships and accelerate business innovation. The highly successful Knowledge Transfer Partnerships initiative, for example, offers business the opportunity to work in partnership with an academic institution and at the same time exposes academics (and students) to working in a commercial environment.

Research Excellence Framework – Based on evidence from a pilot study conducted in 2010, a review of the REF resulted in the recent inclusion of impact as part of the research assessment criteria on quality.

National Centre for Universities and Business – NCUB was created to focus on strengthening the strategic partnership between universities and business with a view to driving economic growth and recovery. It is intended to become a centre of excellence with a mission that is all about fostering collaborative relationships to nurture talent, innovation and expertise that will underpin UK growth. It is funded by government until 2017 at which point it is expected to become a self-funding body1.

UK universities are better engaged with business as a result of actions taken over the last decade. With the demise of manufacturing in many industries affecting entire communities, universities have also had to become better engaged locally. Their traditional role in many cities has broadened as they have assumed, in addition to their traditional functions, the role of the major employer and key economic player in their region.

This observation resonated with Australian vice-chancellors who, as manufacturing continues to decline in this country, increasingly are being called upon for expertise and support in the transformation toward new enterprises. Universities are aware that they have a great deal to offer their local communities, particularly in working with small business. There are tremendous opportunities available in stimulating innovation through improving relationships with SMEs but this is a challenging proposition given the scale of the exercise and the characteristics of the SME sector. SMEs may want to innovate and be involved in research but have no idea about how to engage with the sector profitably. The big issues confronting universities emerged around signposting (how do you let SMEs know what’s there and what’s available) and absorption (the investment in time and effort in understanding and helping and the rate and effectiveness of the information, advice and support that can actually be absorbed and used by SMEs). This extremely important role that is now occupying many universities may become increasingly difficult to sustain without government policy and program initiatives. This is a topic worthy of further discussion as university expertise is called upon to transform and support local communities.

The challenge for universities in Australia is to speed up this process so that SMEs are enabled and connected to university activities. The difficulties in overcoming this challenge are well known in this country and hence the high interest expressed by vice-chancellors in the British government program of engagement initiatives.

Another relevant theme affecting the nation as a whole is mobility and permeability. The capacity for higher education institutions to encourage more movement in and out of the sector in order to create much livelier and relevant points of connection between the academy and the outside world is critical. The higher education sector needs to become

1 See http://www.ncub.co.uk/
more deliberately porous and engaged with the wider world and needs to offer internal incentives that are linked to building networks of learning, research and insights with the local and global leaders in the relevant field. Just as researchers involved in industry engagement should have real alternative career advancement paths, academia may need to be more creative in enticing industry engagement that goes beyond guest lectures and adjunct appointments. Industry research partners are customers who must be able to see real value arising from the collaborative exercises.

The Presidents Conversation is an experiment in a simple but effective form of boundary-crossing involving business and university engagement. Its genesis was the Australian visit by President Mo Qayoumi, San José State University, in February 2013 who valued conversations with his Australian colleagues around the transformation of the higher education sector globally. The resulting program was taken up by Cisco to encourage open collaboration and engagement and specifically targets leadership and relationships as two of the big areas of change challenging both universities and business. The inaugural meeting was held in October 2013 at San José State University. American and Australian university leaders attended a comprehensive program dealing with the disruptions affecting the work and life of the university covering teaching, learning, student experience, administration and operations and relationships with industry, government and the not-for-profit sector. The report, The Role and Relevance of Universities in the Digital Economy, records this first conversation and was launched by Ken Boal, Vice President Cisco Australia and New Zealand and Professor Michael Barber, Vice-Chancellor Flinders University. Based on the success of the first conversation, the program is looking to expand participation and hold a second event, possibly in Australia in 2015.

Conclusions

The cultural gap between universities and business inhibits innovation and an entrepreneurial spirit. This problem was addressed head-on in the UK through a series of national reviews, policies and programs that are making a difference. In benchmarking itself against successful innovative countries such as Germany, Britain is building its knowledge capital and talent by creating sustainable and productive university/business partnerships leading to high-level skills, a world-class research base and a culture of inquiry and innovation. These changes have helped Britain adapt to the new global knowledge economy.

Australian higher education, also, must also become more engaged with the wider world and break the mould of continuity that has been in place for over two decades. The Presidents Conversation has questioned whether current models within universities fit into an environment where the structure and market for knowledge has been totally disrupted by technology. This disruption is taking place within and across the societies that universities serve. Much of the world’s knowledge and research will no longer be contained within the walls of an academy. In this technological context, Australian higher education must work closely with business and industry to identify our strengths, our capabilities and what we can deliver. Armed with this information, universities will be able to deliver educational programs and achieve research outcomes in a global environment that is more open, collaborative and engaging.

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