

## JOINT STATEMENT

# "Territorial Competitiveness and Universities: The role of universities in regional smart specialisation strategies in Europe"

*organised by*  
**Catalan Association of Public Universities (ACUP), European Commission, Joint Research Centre (Smart Specialisation Platform) and the Global University network for Innovation (GUNI)**

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Universities are playing an increasingly important role in the economic, social, technological and cultural development of the regions. The new Cohesion policy framework places smart specialisation strategies (RIS3) at the heart of regional development. In this context, universities and regions have a unique opportunity to form partnerships, together with the business sector, to maximise the use of European Structural and Investment Funds (ESIF) and to contribute to regional development.

The main aim of the Seminar was to take stock of the role of universities in the implementation of the RIS3 by discussing cases of European regions where universities' participation was considered central. The event built on the high level conference organised by the Smart Specialisation Platform (S3P) and the European University Association (EUA), held in Brussels in June 2014<sup>1</sup>, on how to mobilise European Universities in the context of Smart Specialisation.

In this successful workshop more than 90 participants joined the event from all public universities in Catalonia, research centres such as CSIC, and regional managing authorities. Moreover, a number of international experts from other European countries and regions (namely Finland, Scotland, Greece and Basque Country), presented their experience on the implementation of RIS3 and the key role of universities in the process. All these inputs offered insightful elements for discussion in the different panel and participatory sessions throughout the event.

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<sup>1</sup> <http://s3platform.jrc.ec.europa.eu/conference20june>

## Main Issues Discussed

### 1. Universities as key actors in the RIS3 process

The development of the region depends on the quadruple helix approach – which includes Universities, business, civil society and public administration. There was a consensus that universities are key actors in the RIS3 process and are placed in a good position to contribute significantly to the process. It was also noted that such potential was not yet fully exploited.

General comments and recommendations on how universities can consolidate their key role are summarised below:

- The third mission of university should not be relegated to an inferior position but integrated in the two main activities – teaching and research - and incorporated in their vision and mission statement.
- Indeed, engaging with the stakeholders may reinforce the traditional functions of universities. On the one hand, technology transfer activities from universities to firms have been shown to lead to new research questions. On the other, the increasing popularity of work-place learning, where the higher-education and the private sectors jointly provide learning opportunities, clearly exemplifies how new teaching modalities can emerge from stakeholder engagement.
- An appropriate incentive structure should be developed to ensure that researchers pursue, through teaching and research, territorial engagement. Recruiting strategies should also value territorial engagement.
- The increasing interest in universities’ third mission, and hence the possibilities offered by RIS3, have to be set against the background of a systemic reduction in core funding and the changes in teaching models (i.e. MOOC) which, together question the established approach to territorial engagement. Universities have found it difficult so far to intercept and engage with the demand for university services, especially from SMEs for which is traditionally more difficult to innovate. Universities should devise new ways to capture this potential source of knowledge co-production and anticipate the related challenges.
- Academic staff should acknowledge the importance of universities’ third mission activities. In order to do that, the RIS3 concept and process should be not only known and managed by those in high-level managerial positions. To ensure RIS3 endorsement by all staff member, universities should make additional efforts not only to inform the academic community but also to improve communication at every stage of the process.

*Key Issue 1: Universities are key actors in the RIS3 implementation but the concept is so far insufficiently embraced throughout the academic staff and in its incentive-structure*

**Potential Actions:** e.g. embed the third mission in the first two:

- Focus research towards societal challenges and regional needs.
- Use cities and regions as living labs.
- Engage in work-based learning and develop.
- Learn to intercept the demand side and exploit research opportunities followed by technology transfer.
- Work closer to municipalities.
- Review incentive schemes and hiring practices of faculty members.

- The territory provides opportunity for research related to both societal challenges and regional needs. In general cities and regions can be used to co-generate knowledge, they can be used as living labs.
- To improve coordination with regional government, silo effects between the different local authorities dealing with the different areas of universities (teaching, research, innovation) should be avoided. Universities should be conceived in a holistic way to maximize their impact on regional development.
- RIS3 is a dynamic process: the strategy needs to be adapted and updated over time and universities should be fully engaged during the implementation process and propose changes for an updated RIS3.
- Whilst there is a great heterogeneity in the degree to which universities have engaged with the territory and RIS3 processes, it was pointed out by one the invited speakers that universities are making a huge effort to reposition themselves and adapt to the new challenges.
- Out of the three pillars of the RIS3, that is smart, sustainable and inclusive growth, the former appears to be the most recognised, whilst much remains to be done to ensure inclusiveness.

*Key Issue 2: Trade-off between the international vocation of universities and their contribution to regional development.*

**Potential Actions:** e.g.:

- Establishment of dual programmes in cooperation with local industry;
- Liaise between local industry and academic knowledge world-wide;
- Build and lead international network of regions with similar priorities.

## 2. Internationalisation of universities and contribution to regional priorities and development

Before the RIS3 process started, universities were – in many parts of Europe- almost completely absent in the innovation policy decision-making process. The *entrepreneurial discover process*<sup>2</sup>, established by the Smart Specialisation Platform<sup>3</sup>, placed universities at the heart the process together with business. In this new context universities –which are already pressed to compete internationally- are also asked to contribute further to regional development. In this respect, the pressure to "*think globally act locally*" was fully acknowledged by the participants, who also pointed out the challenges and difficulties related to operationalising this vision.

<sup>2</sup> <http://s3platform.jrc.ec.europa.eu/entrepreneurial-process-of-discovery>

<sup>3</sup> The Platform is managed by a team established at JRC-IPTS in Seville. For more information see: <http://s3platform.jrc.ec.europa.eu/home>

More specifically, the following issues emerged from the discussion:

- The RIS3 provides a tool and a policy framework for universities to align with regional priorities. However, this does not mean that universities should fully align their academic research and teaching activities with the thematic priorities stated in the RIS3 of the region. Universities should keep their academic freedom whilst looking for new niches of cooperation with regional partners.
- Strategic cooperation of similar regions with similar priorities is critical to create synergies and to deal with the dichotomy global versus regional. The *Vanguard initiative*<sup>4</sup> was mentioned as an example with great potential. Moreover, participation in Interreg projects<sup>5</sup> was also suggested as a way to improve the cooperation between regions at EU level and beyond, create synergies between ESI and Horizon 2020 funds and contribute to break the silo mentality.

*Key Issue 3: Universities need to improve their internal governance and*

**Potential Actions:** e.g. self-reflexion exercise to define university's strategic position *vis a vis* the priorities of the region and other universities.

*Key Issue 4: Sustainability of university depends on financial support.*

**Potential Actions:** e.g. find formulas to diversify funding sources by increasing contracts with local companies.

*Key Issue 5: Human resources are a critical asset of universities and recruitment of new academic staff is difficult.*

**Potential Actions:** establish more flexible formulas to hire academics assigned to research projects and not necessarily directed linked to teaching.

### 3. Governance, management and finance of universities

One of the main points discussed by the majority of participants was the importance of the internal governance of universities and the funding structure of university budgets.

The following suggestions were raised in the event:

- Beyond the efforts done by universities during last years to formulate strategic plans, in this new programming period each university would need to make a self-reflection assess of its strategic position within the region and world-wide, formulate different scenarios based on these analyses and debate internally where to go.

<sup>4</sup> <http://www.s3vanguardinitiative.eu/>

<sup>5</sup> <http://www.interreg4c.eu/programme/>

- Not all universities should do everything and be excellent in every field of knowledge. Each university should find its own identity and profile and hence, its approach to territorial engagement
- A great part of the total university income still comes from government (regional/national) allocations. Core funding, albeit decreasing, is considered crucial to support the university as a whole to operate and keep the normal activity of universities. Participants agreed that also core funding is essential to support universities' long-term strategic planning. However, universities are suffering financial cuts and it has been a clear policy priority to decrease the core funding while increasing the funds allocated on a competitive basis.

In this context, and given the current degree of autonomy of universities, it should, in principle, be possible to diversify their funding sources obtaining funds from different sources, such as competitive funds or contracts with private companies. Universities need to diversify their funding sources to be more sustainable in the long term<sup>6</sup>.

- Universities have difficulties to recruit qualified human resources. Firstly, academic staff is mainly recruited depending on teaching necessities (ECTS) and not based on potential research projects. Moreover, replacement rate is negative and thus universities are somehow losing potential.
- In a context of financial strain, it is difficult for universities to fully deploy their potential in RIS3 development and implementation. Indeed, whilst many universities have been responsive to the public initiatives, they also have lacked the possibility to invest time and resources in the higher political dimension of RIS3. In the current circumstances universities cannot free resources to lead more closely the process and exploit their privileged societal position.
- Regions, universities and countries within Europe are extremely different from each other. Whilst peer learning is critical, it is also hugely important that universities in the South of the Union and in more peripheral regions find their own way and do not attempt to replicate processes that have worked in very different contexts.

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<sup>6</sup> De Dominicis, Elena & Fernández-Zubieta (2011), European university funding and financial autonomy. A study on the degree of diversification of university budget and the share of competitive funding", JRC Publication, EUR 24761, available at <http://ftp.jrc.es/EURdoc/JRC63682.pdf>

## The Way Forward

- A series of events will follow this seminar to explore in more depth the the emerged challenges. The next one will be held in Monasterio de Poblet (Tarragona), 12 and 13 June.
- Future activities need to focus on broadening the relevant network and involve all potential stakeholders within the quadruple helix, particularly the business sector and civil society (so far the greatest absentee), promoting their long-term engagement.
- ACUP, GUNI and JRC-IPTS will keep cooperating in this field and by November 2015 will produce a report on the role of universities in the implementation of RIS3. A road map towards this publication, defining its scopes and methodology will be produced following the meeting in Poblet.