

Smart specialisation & the development of competitive knowledge places:

Austria's **Lead Institutions Initiative** at public universities

A policy-maker's perspective
by Armin Mahr

7th University Business Forum, 6 April 2017, Brussels

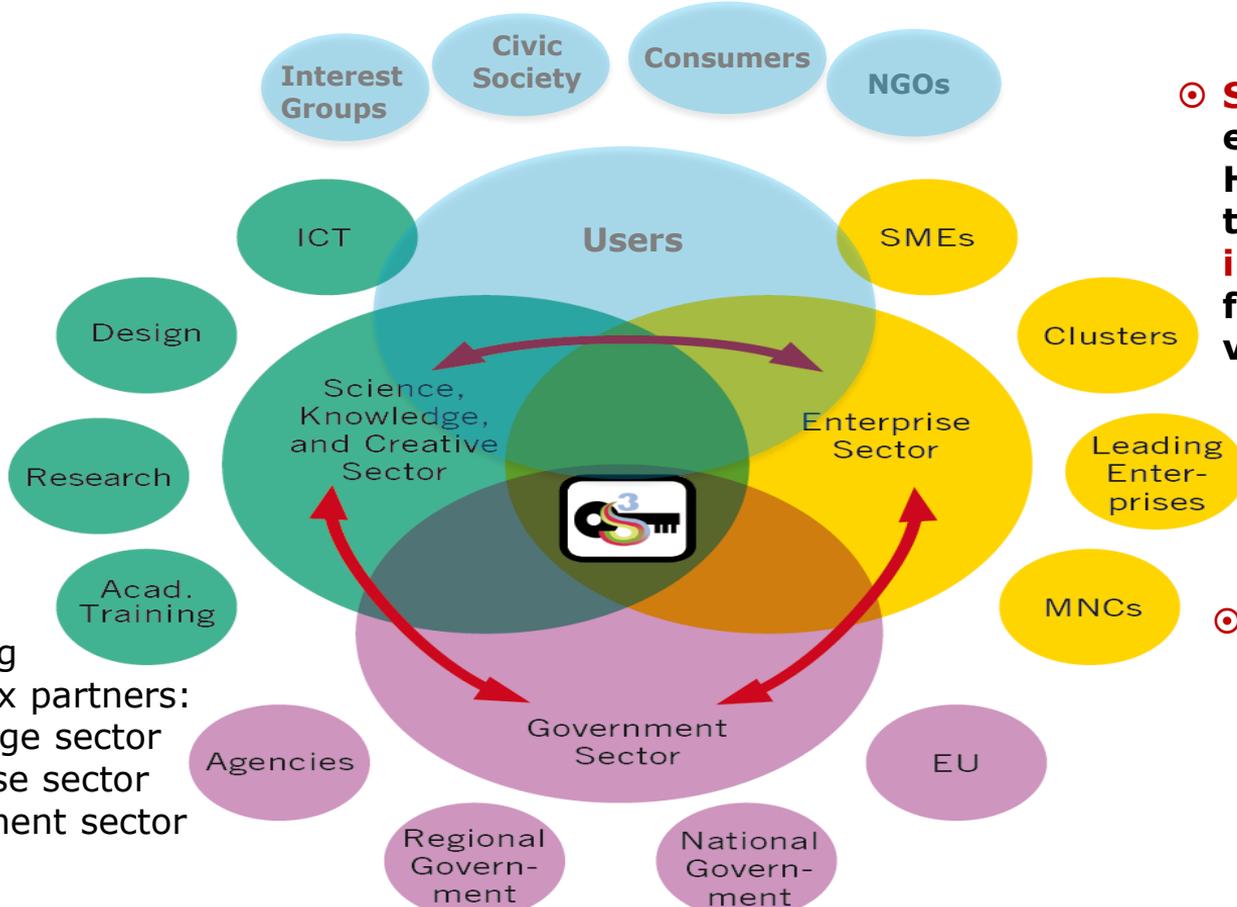
I will argue that ...

1. Regions need to develop upon existing strengths. ***Smart specialisation helps to mobilise different partners in a place-based setting, and therefore fosters ecosystems.***
2. Proximity still matters. We see a renaissance of place-based engagement, of regions, but also new functional regions.
3. Regions need entrepreneurial people and organisations to lead. ***HEI should realise their potential as lead institutions.***
4. The Austrian **Lead Institutions Initiative** aims at developing internationally competitive knowledge places.

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- ⊙ National Open Innovation Strategy launched in 2016
 - ⊙ National IP Strategy launched in 2017
 - ⊙ Non-profit Package 2016, private investment in social businesses
 - ⊙ K (Competence) Centres programme
 - ⊙ Christian Doppler Laboratories/Josef Ressel Centres
 - ⊙ AplusB (Academia plus Business) Incubation Scale-up 2017-21 and other venture capital initiatives
 - ⊙ Industry 4.0 activities (public-private pilot factory ventures with universities in various regions)
 - ⊙ Pulling for innovation through public procurement
 - ⊙ 3 regionally clustered and 1 thematic Knowledge Transfer Centres at universities ...
 - ⊙ Et cetera



Smart Specialisation: Mobilising partners



◎ **Story:** Mobilising the expertise of all Helix partners helps to set the right **public investment priorities** for regional innovation ecosystems.

- ◎ Connecting Triple Helix partners:
- Knowledge sector
 - Enterprise sector
 - Government sector

- ◎ Mobilising a Quadruple Helix:
- Knowledge sector
 - Enterprise sector
 - Government sector
 - Users / Civil society



HEI in Austria

Armin Mahr

The regional value of HEI

HEI are established to last: Less affected by changing economic rationales or business cycle fluctuations, they create persistent values within a region. **HEI rarely move their headquarters and research units.**

- ⊙ (Specific regional) knowledge output, higher education, key partners for enterprises and business sector > enhancing regional innovation potential, high-profile developers of skills and talents, positive image of the region etc.
- ⊙ Social and demographic effects: access to higher education, social mix, attractiveness of the region for young people, anchors of social innovation
- ⊙ Direct and indirect economic effects: Employment, income, (inter)national investments and spillovers, employees' and student's expenses
- ⊙ Knowledge is cutting across borders by nature: HEI infuse regional innovation systems with international knowledge and technologies. They are international co-operation hubs for their region and help to bridge existing social, cultural and economic gaps.
- ⊙ **Smart Specialisation: Higher education institutions (HEI)** need to engage proactively as **experts on the regional knowledge capital & frontier** and realise their **role as regional *Lead Institutions***, on equal terms with *regional policy makers* and the *branch leading companies*, as partners in shaping regional innovation ecosystems.

The *Lead Institutions Initiative* at Austrian universities (1)

“Analogy to the notion of Lead Companies for branch leaders with significance for a region, e.g. as top employers & innovators.”

Rationales:

- ⊙ Connecting universities with & in their regions
- ⊙ Developing competitive knowledge places with an international profile
- ⊙ Empowerment of strategic capacity as international co-operation hubs
- ⊙ Creating synergies through co-ordination
(thematic/location related approaches)
- ⊙ Planning shift from a mere institutional to a location or even regional cluster perspective

The *Lead Institutions Initiative* at Austrian universities (2)

Instruments: Performance agreements & Austrian Universities Development Plan 2016-21

PA 2013-15: Towards regional awareness

- **Location concepts** (connected with or part of the university's development plan)
- Active contribution to the regional innovation strategy (RIS3)

PA 2016-18: Towards regional alignment and communication

- Location concept update / integration in development plans
- Using regional HEI platforms to develop joint location concepts, reaching out to universities of applied sciences
- Using the concept to communicate a regional knowledge profile

PA 2019-21: Towards better focused, place-based investment

- Aligning public investment: Intention to base infrastructure and thematic focus investments on co-ordinated place-based investment concepts developed by HEI

“A location concept (‘Standortkonzept’) is a university’s bridge from local engagement to global competitiveness.”

“In a location concept universities highlight their position within a network of strategic partners in academia, industry and business in a self-chosen surrounding area of close collaboration.”

“Presenting a clustered habitat or critical mass of excellence rather than a single institution should support attracting global co-operations and investments.”

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- ⊙ Innovation ecosystems develop with a place-based dimension.
- ⊙ No dichotomy of regionalisation vs internationalisation, but synergies: Regional networks create critical mass for international co-operation
- ⊙ Natural conflict of interests between national and regional planning (excellence vs regional value). National planning needs to become more place-sensitive, regional planning needs to align and prioritise in an (inter)national context.
- ⊙ New multi-level governance: Countries, regions, (the EU) – but also institutions, companies and groups, directly inter-act at all levels. There is no exclusivity in problem-solving at any level but the need to network and align. Proximity still matters.
- ⊙ In Austria, place-based engagement of HEI is subject to a negotiated governance (agreements, nudging, dialogue, less: incentivising, but growing intensity/push)
- ⊙ **Need for place-based references:** Smart Specialisation can mobilise & help to guide interventions

Thank you for your attention!

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