



## **Supporting the Contribution of Higher Education Institutions to Regional Development**

### **Peer Review Report:**

### ***Trøndelag (Mid-Norwegian Region), Norway***

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#### EXECUTIVE SUMMARY

##### Background: OECD/IMHE review

This review of Trøndelag (Mid-Norway) in Norway is part of the OECD/IMHE project entitled Supporting the Contribution of Higher Education Institutions (HEIs) to Regional Development, which embraces fourteen regions throughout twelve countries in 2005-2006. The IMHE thematic review project was launched as a response to a multiplicity of initiatives across OECD countries to mobilise higher education in support of regional development. The aim was to synthesise this experience into a coherent body of policy and practice to guide higher education institutions, and regional and national governments. At the same time, the IMHE project was designed to assist with capacity building in each country/region through providing an opportunity for dialogue between HEIs and regional stakeholders, and clarifying the respective roles and responsibilities.

##### Review process

The Peer Review drew on a self-evaluation process guided by an OECD template. This asked HEIs to critically evaluate with their regional partners, and in the context of national higher education and regional policies, how effective they were in contributing to the development of their regions. Key aspects of the self evaluation related to: the contribution of research to regional innovation; the role of teaching and learning in the development of human capital; the contribution to social, cultural and environmental development, and the role of the HEIs in building regional capacity in order to act in an increasingly competitive global economy.

The self-evaluation process was co-ordinated by the Norwegian University of Science and Technology (NTNU). A Regional Steering Committee comprising key stakeholder groups concerned with higher education and territorial development was assembled. The Mid-Norway Committee included eight stakeholders and was chaired by the Confederation of Norwegian Business and Industry. In addition to collecting and organising the necessary information, the self-evaluation process can also be characterised as a process of mutual learning and capacity building.

The OECD peer review visit took place in February 2006. The Peer Review Team - Markku Sotarauta (FIN), Claire Nauwelaers (NL), Magnus Gulbrandsen (NOR), and Patrick Dubarle (OECD) - met about 80 people, including university managers, directors, teachers and researchers from the faculties of the NTNU, the University colleges, the University College of Sør-Trøndelag (HiST) and the University College of Nord-Trøndelag (HiNT), representatives from national agencies such as the Research Council of Norway, Innovation Norway and the Industrial Development Corporation of Norway (SIVA), administrators from the Mid-Norway Chamber of commerce, representatives from the two counties and the City of Trondheim, business managers and programme directors from large and small firms, and representatives from student groups.

#### Region: *Trøndelag*

Trøndelag is a region of 400 000 inhabitants, with the city of Trondheim at its centre. It is the third largest city in Norway and a major centre for higher education. In the European context, it is a wealthy region with close to full employment and with no evidence of industrial decline. Its population enjoys the high educational and living standards found throughout Norway. Moreover, Trøndelag has considerable public R&D resources.

Trøndelag is also a small region "in construction", with a relatively weak identity and fragmented governance. The lack of immediate problems and shared ambitions has resulted to a low level of strategic awareness and the absence of development coalitions. The lack of institutional powers conferred to local and regional actors in Norway is also a barrier to more proactive moves from the regional level.

Trøndelag, like Norway in general, faces a major challenge to develop sources of growth and added value other than the resource-based oil and fishing industries, which have contributed to its wealth for the past century and still do. This success and the excellent socio-economic performance of the country have, until recently, overshadowed the need for more knowledge-based development. Nurturing new, knowledge-based industries and services is a key ingredient of sustaining wealth and employment prospects in Trøndelag. This underlines the need for a sustained and broadened innovation dynamic within the region.

The challenge has been recognised by the key stakeholders in the region. However, the weakness of Trøndelag as a region and the absence of a strong regional governance system have, until now, prevented the definition of a genuine collective vision for the future for regional development. A fragmented regional innovation system, the existence of parallel "worlds" and the mismatch between the spirit of the times and

the development goals of these actors are a hindrance towards a coordinated strategic move towards regional development in Trøndelag.

The key questions are:

- How far is the beneficial development sustainable in the medium and long term?
- What will happen when oil exploitation starts to be phased out and its revenues thus lost?
- What consequences should be expected at a national level and for a region like Trøndelag?
- What role could HEIs play in the development trajectory of such a region, which is strong in public research, but weaker in private, knowledge-based activities?

Higher education institutions' contribution to region building

The recent changes at national level in Norway emphasise, on the one hand, the universities' responsibility for national and international excellence, and, on the other hand, university colleges' responsiveness to the local and regional needs.

The NTNU and the Foundation for Scientific and Industrial Research at the Norwegian Institute of Technology (SINTEF), the largest independent research organisation in Scandinavia, form the core of the region in many ways. By definition, and due to historical reasons, they have a national role. The NTNU and SINTEF interact with large enterprises at national and international levels through a multiplicity of channels, e.g. student mobility between the university and industry. Many new, promising initiatives have been launched, such as the NTNU's technology transfer office.

The two regional university colleges, the University College of Sør-Trøndelag (HiST) and the University College of Nord-Trøndelag (HiNT,) are mainly engaged in educational tasks. They cooperate with companies and regional working life in student training and life long learning provisions, but not so much in R&D and innovation provision.

In general, the collaboration between the HEIs and local and regional authorities has become much closer during the last few years. The absorptive capacity of the region is, however, low. Furthermore, the system of incentives from the national level is not sufficiently conducive to integration of all HEIs into regional development strategies. Most importantly, universities' international and academic excellence goals have been reinforced. In addition, innovation policy is dominated by regional policy and is conceived as a redistributive policy rather than as a knowledge building policy.

The way forward - key recommendations

The translation of visions into concrete actions implies a reinforced dialogue and strong commitment from all regional actors, as well as a collective strategic and implementation capacity, better coordinated co-operation between the HEIs, and a set of support mechanisms, such as industrial liaison offices, a science park and an

elaborate city development plan (space for industry, offices, etc.). There is also a need for a "grander" vision for the future.

Therefore, the Peer Review Team recommends:

- That the Norwegian Government critically assesses the relationship between regional and innovation policy and if possible, releases innovation policy to some extent from its territorial chains.
- That the public sector, the HEIs and industry become more closely integrated in the planning and implementation of regional development policies and strategies.
- That the NTNU and SINTEF continue to build their international and national role and reputation with the view of achieving international excellence in close co-operation.
- That the NTNU continues to develop its key role, in close partnership with its stakeholders, in the strategic planning for economic development of the region, and that it continues its efforts to encourage a culture of entrepreneurship, invention and innovation.
- That the region considers two options:
  - a) The establishment of separate, but co-operating liaison offices (the "first stop shop" model). Each HEI sets up a service unit with a formal industrial liaison function or the TTO (Technology Transfer Office) and/or Innovation Mid-Norway are combined more formally into one entity.
  - b) The establishment of a joint unit (the "one stop shop" option). The NTNU, HiST and HiNT will set up a joint industrial liaison office to systematise their regional engagement. The one stop shop would have a matchmaking, co-ordination and quality assurance role and would provide a visible and single access point to the three HEIs' whole resource base.
- That the NTNU and the City of Trondheim investigate the possibility of establishing a science park with space that could be both rented or bought, and which would contain all the TTO's pertinent services in the vicinity of the NTNU.