

Place-Based Innovation Policies and the Knowledge Triangle

Austria's Lead Institutions Initiative at HEI & the development of competitive knowledge places

A policy-maker's perspective
by Armin Mahr

OECD HIGH-LEVEL EVENT ON THE KNOWLEDGE TRIANGLE - Enhancing the Contributions of Higher Education and Research Institutions to Innovation, Paris, 15-16 September 2016

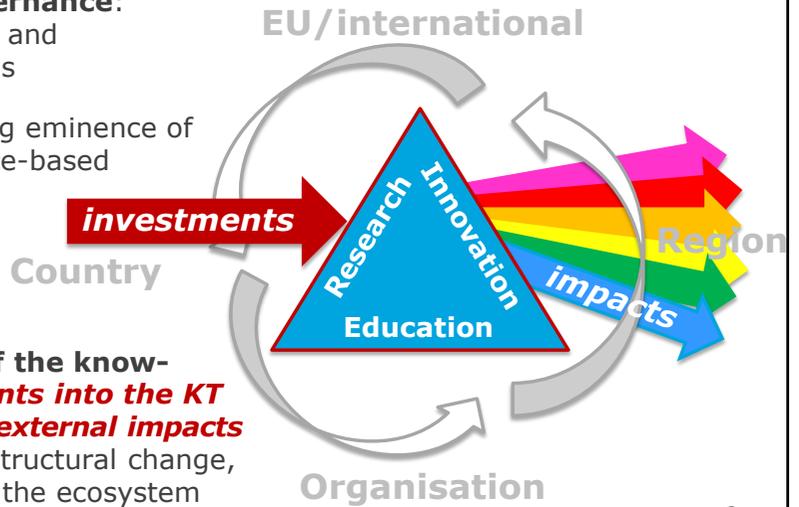
I will argue that ...

1. Traditional policy silos crumble. Political communication needs new thematic frames. ***The Knowledge Triangle helps.***
2. Regions need to develop upon existing strengths. ***Smart specialisation helps.***
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.

Thematic references: The Knowledge Triangle & a new multi-level-governance

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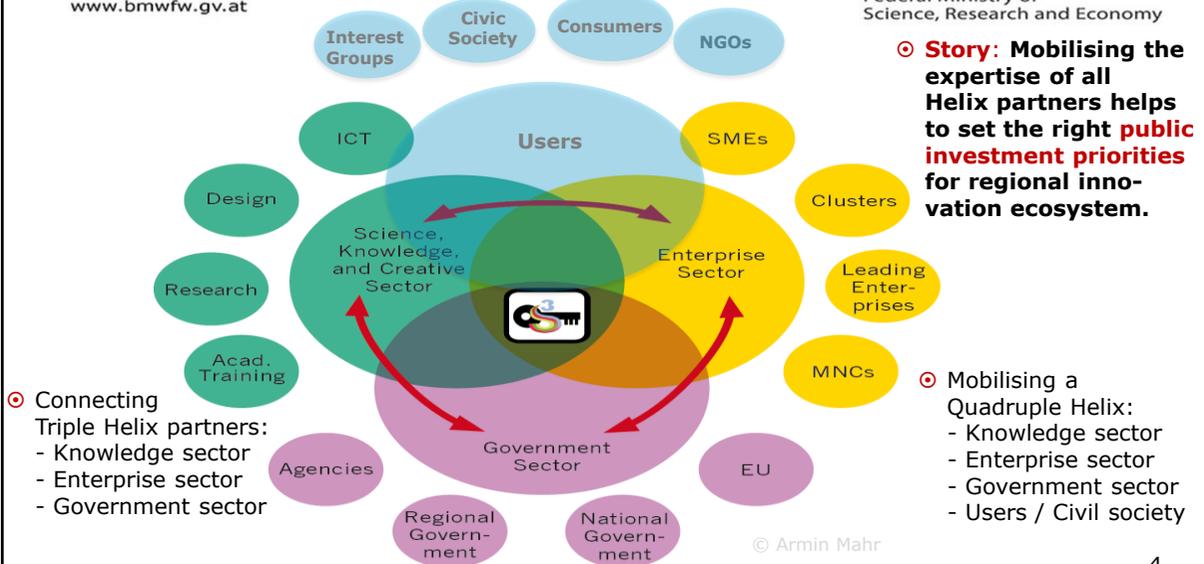
- ◉ **Evolving multi-level governance:**
From hierarchic to dynamic and negotiated network relations
- ◉ Crumbling policy silos, rising eminence of policy-alignment and a place-based dimension of policy-making
- ◉ Knowledge & innovation as the new paradigm for regional development
- ◉ **Story: Prismatic effect of the knowledge triangle; investments into the KT** will generate a multitude of **external impacts** (labour market, economic structural change, social development etc.) in the ecosystem



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Place-based references: Smart Specialisation

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

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

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

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The regional value of HEI

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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.

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The Lead Institutions Initiative at Austrian universities (1)

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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 perspective

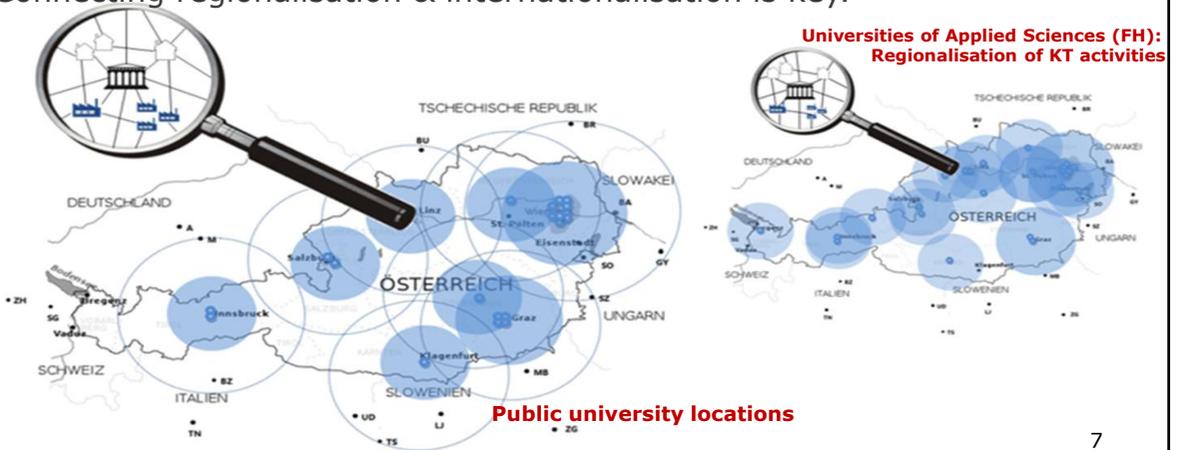
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HEI locations in Austria: Developing competitive knowledge places

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- ⊙ Proximity (still) matters.
- ⊙ Ranges of close co-operation are individual, may cut across borders
- ⊙ Connecting regionalisation & internationalisation is key.



The Lead Institutions Initiative at Austrian universities (2)

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

"A location concept ('Standortkonzept') is a university's bridge from local engagement to global competitiveness."

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 (RIS)

"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."

PA 2016-18: **Towards regional alignment and communication**

- Location concept update / integration in development plan
- Using regional HEI platforms to develop joint local initiatives
- Using the concept to communicate a regional knowledge profile

"Presenting themselves as a clustered habitat or critical mass of excellence rather than a single institution should support them to attract global focus cooperations and investments."

PA **2019-21: Towards place-based investment**

- Aligning public investment: Intention to base investments on co-ordinated place-based local

The Lead Institutions Initiative at Austrian universities (2)

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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 place-based investment

- Aligning public investment: Intention to base infrastructure and thematic focus investments on co-ordinated place-based location concepts developed by HEI 9

Concluding argument

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- ⊙ Public policy interest in HEI addressing all KT missions; place-based KT activities create tangible results
- ⊙ Proximity still matters, but no single place can answer every question
- ⊙ No dichotomy of regionalisation vs internationalisation: Place-based KT engagement needs to be connected internationally
- ⊙ Possible 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 but the need to network and align.
- ⊙ In Austria, place-based engagement of HEI is subject to a negotiated governance (agreements, nudging, dialogue, less: incentivising, but growing intensity/push)
- ⊙ **Need for both thematic and place-based references:** The Knowledge Triangle and Smart Specialisation can mobilise & help to guide interventions₁₀

Thank you for your attention!

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