



Centre for Knowledge,  
Innovation, Technology  
and Enterprise

# The entrepreneurial university: divergence and definitions

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# Towards an entrepreneurial university model

- ▀ Universities evolve to fit the societies that fund and develop them
- ▀ National models have varied to suit national requirements
- ▀ UK civic universities emerged to serve regional industry but were captured by national agenda
- ▀ Other groups of universities have had distinct missions
- ▀ What are the drivers for an entrepreneurial model today?
  - ▀ Globalisation, appropriability of investment, talent flows, regional needs

# Who should be entrepreneurial?

- ▀ The university as an institution
- ▀ Senior university managers
- ▀ Individual staff
- ▀ Students
- ▀ Administration
- ▀ Externally facing units – centres, TTOs
- ▀ Support services – eg accommodation services

# Tensions between staff and institutional models

- Burton Clark's entrepreneurial university and Simon Marginson's enterprise university?
- Entrepreneurial staff and corporate cultures
- The entrepreneurial university needs to control IP and legal risk, and restrict the scope for entrepreneurship among staff

# Do universities behave like firms?

## /// No

- /// They externalise risk taking
- /// They have much longer time horizons
- /// They don't reward staff for contribution to profitability
- /// They encourage the most profitable new ventures to set up outside the organisation

## /// Yes

- /// They increasingly compete for diverse income streams
  - /// They apply private sector business models in HR and financial management
  - /// Some engage in FDI
- /// But does this mean they are entrepreneurial?

# UK experiences

- Emphasis on business links since 1980s
- Liberalisation of BTG role in IP different from Bayr-Dole, but similar stimulus
- 1989 first university won a Queen's Award for export for overseas students – not preciously seen as an export 'industry'. Others followed on with consultancy income also.
- Ad hoc policies on spin offs and IP becoming rationalised during the 1990s
- Some big spin off successes, often with little benefit to universities

# UK Government initiatives

- DTI white paper in 1998, 'Building the Knowledge Driven Economy'
- 12 Science Enterprise Centres through the Science Enterprise Challenge
- Cambridge-MIT Institute (CMI)
- University Challenge Fund with funding from the Treasury, Wellcome Trust and Gatsby Charitable Foundation
- Higher Education Reach Out to Business and the Community
  - launched 1999 - first tranche of £60 million for three-year projects in 87 institutions or consortia
  - second round £22 million in 2000 with 50 awards (11 collaborative projects)

# New round since 2001

- 2001 DTI/DfEE White Paper, 'Opportunity for All in a World of Change'
- University innovation Centres, large, regionally-based, research and innovation centres often focused on collaboration between HEIs e.g. nanotechnology in Newcastle
- Higher Education Innovation Fund
- RDA initiatives through 'single pot'
- Different schemes in Scotland, Wales and NI
- Shift to formula funding and mainstreaming of third strand funds including support for entrepreneurship

# Spin offs

- Grew from the 1990s but highly concentrated
- 203 firms established in 1999-2000 where there was some form of HEI ownership or HEI intellectual property involved.
- Ninety-two percent of these involved some form of HEI ownership.
- During 1999-2000 only 25 HEIs had seen more than two spin-offs with HEI ownership, and these accounted for 140 of those reported.

# Spin offs in international comparison

- Performance is better than US but need to look to long term impact
- In the UK a total of 203 firms were identified – one for every £8.5 million of research expenditure.
- In Canada, 68 firms were identified, one for every £13.6 million.
- However in the US only 368 were identified, with a ratio of one for every £43.4 million

# A shift in emphasis?

- ▀ Downward trend in spin offs exacerbated by tax changes
- ▀ Growing realism in universities that spin offs are not the only contribution
- ▀ Focus on graduate entrepreneurship
- ▀ What about support for social enterprise, cultural industries, and wider regeneration?
- ▀ Can we talk about the entrepreneurial university in engaging with civic society or is the engaged university different from the entrepreneurial university?