

9<sup>th</sup> April 2003

The Lambert Review of Business-  
University Collaboration  
1 Horse Guards Road  
London  
SW1A 2HQ

**Response to issues raised in your letter of 5<sup>th</sup> February 2003 from the  
University of Wolverhampton**

The University welcomes this opportunity to comment on relevant questions relating to Business – University collaboration.

**Background**

The University of Wolverhampton is a modern university which whilst being teaching intensive also maintains substantial research activity. It is firmly imbedded in its communities of the Black Country, South Staffordshire, Telford and Shropshire. In the Black Country, in particular, participation levels in H.E. are low, unemployment is above the national and regional average and many traditional industries in engineering and motor components have suffered badly over the last twenty years.

The University is committed to playing a major role in sub-regional/regional economic and social regeneration. Links to business and the community (the so called Third Stream area of University activities) have been developed over a number of years and play a major role in past, present and future University activities.

The University was one of the first to receive Enterprise Initiative Funding, one of the first to set up a dedicated business liaison unit (the Business Enterprise Centre), and one of the first to offer a wide range of continuing professional development programmes for industry and the professions. In addition the University's Science Park developed with the City Council on derelict land now houses and supports some 70 small/medium enterprises and is one of the first established and managed by a modern University.

## **Responses to Specific Questions**

### **1. Excellence and Best Practice Joint Ventures**

- Successful Science Park as a joint venture with City Council and private sector on previously derelict land.
- Part-time /weekend programmes designed and operated with Ford Motor Company to upskill supplier engineers and improve supply chain operations.
- Large numbers of TCS programmes including award winning projects
- Learning Lab with industry organisations to promote e-learning
- Joint innovation centre with major engineering group
- Technology Corridor developments with RDA, Local Authorities, Business Links, Learning & Skills Councils and the private sector.
- Lead institution on the European funded Regional Technology Network

### **Informal Contacts**

- Use of Science Park as major presentation and conferencing hub
- Industry sponsored University posts in ICT, built environment, engineering
- Industry Funded studentships in environmental technology and biological sciences

### **Formal Contacts**

- Licensing with Phillips (Languages CD-Roms) and Granada Learnings (Learnwise – learning environment)
- Product testing with a wide range of regional SME's.
- Business support to start-up companies and SME's

Many of these wide-ranging contacts are long established. However for more recent contacts the RDA (Advantage West Midlands) is now playing a substantial role. Support for the RDA role in promoting industry- business linkages should continue and should increasingly provide results. Our local RDA via its cluster strategies and its support for contact managers between clusters and Universities (via the Higher Education Association) is beginning to play a major role in fostering links and that role should be encouraged.

### **2. Strengthening Relationships**

We have strong relationships with businesses but we are always keen to strengthen, broaden and deepen relationships and also bring more organisations into a productive relationship with the University.

Barriers include:

- The weakness of many local SME's in economic regeneration areas, they often need help merely to be in a position to utilise University Knowledge Transfer
- The transitional nature of much support funding whether from the Higher Education Funding Council, other national funding or European Funding. Expertise is often lost as staff move elsewhere as limited life project funding ceases.
- The complexity of some funding sources, especially those from the European Union, and the administrative burden they impose reduces their effectiveness and attractiveness both for Universities and businesses.

Overall mechanisms for managerial and organisational issues are not major problems if the University (as in the case at Wolverhampton) has committed itself to an active business interaction strategy and set up an effective interaction facility – the Competitiveness Centre in the Wolverhampton case, Priority setting and decision-making are not problematical. Funding is problematical as follows:-

- HEFCE funding for “third stream” activities reflects current priorities. The relatively tiny sum involved compared to teaching and research funding provides little encouragement to those working in the field. The temporary nature of these funding streams limits their effectiveness. If business linkages are important then fund the necessary University infrastructure against measures of performance.
- Collaboration between Universities in working with businesses is often the most effective way of assisting that business. Collaboration between Universities can be fostered until the underlying competitive nature of teaching and to a lesser extent research funding intrudes. True collaboration between Universities is limited by the essentially competitive nature of their basic funding streams.
- Complexity, bureaucracy and limited time scales, especially in European Structural Funds (see above) limits their effectiveness.

Advantage West Midlands,(AWM) our regional RDA, is making progress in alleviating the problems in the above areas. It is encouraging collaboration between Universities, and between Universities and businesses. AWM is endeavouring to minimise the administrative burdens and complexities of other funding providers. It should be further encouraged.

### **3. Quality of Graduates and Postgraduates**

- In general the quality of undergraduate entrants is satisfactory. We believe the quality of graduates is more than satisfactory. Many who criticise the quality of today's graduates forget some key factors.

- The “ middle class polish” evident in the former restricted elitist HE environment may not be so apparent in all graduates today but that does not mean that those graduates are any less capable.
  - Whilst bemoaning the lack of some specific skills (often technological) critics often forget that today’s graduate has IT, communication, team working, enterprise and other skills which, we are usually told, are “what employers want” – todays graduates are far “broader” than the “narrow” graduates of old.
- Business, in general, is poor at articulating its needs. In addition time lags are ignored. It can be five years before a new programme or major change can deliver graduates to the market place. Therefore business needs to forecast their higher level skills needs a minimum of five years into the future. This rarely happens at anything above the most general level.
  - Career paths for Science and Technology graduates/postgraduates will simply follow the principles for any career development pathway. Graduate scientists and technologists will seek the most attractive career prospects, especially with student debt increasing. If that is accountancy or financial services then so be it. The most common careers destination for graduates of Imperial College, perhaps the greatest concentration of specifically scientific and technological talent, is accountancy. That speaks volumes for the attractiveness of science and technology careers.

Demand for science and technology graduates is not as great in the wider economy as the Government may suppose. It may be that the Government would like demand to be greater given that a knowledge based economy is critical to our future prosperity. At the moment the H.E. research and teaching sector is a major, if not the major, employer of science graduates.

Career prospects for young researcher/teachers in H.E. in the U.K. are poor. The Government is improving bursaries for scientists and technologists but the prospect thereafter is a raft of short-term contracts at pay levels that do not allow them to buy a house or raise a family.

If career paths for scientists and technologists are to be improved then career paths in H.E. – the bedrock sector for science and technology-need to be improved. Focussing on H.E. as the major source of innovation and technology transfer, spinning out knowledge and enterprise into the economy is one way forward. To do this the esteem of knowledge generation and exploitation has to be raised closer to that of teaching and research in career progression in Universities. This will only be achieved if the current funding balance shifts.

#### 4. **Financial Considerations**

- The present financial arrangements should reflect the strategic objectives of the Government/society. Central funding to Universities for this activity should, hopefully, increase even at the expense of other activities. It should be long-term, not “3-year” or project funding. It can be related to outputs – we manage to achieve that with teaching and research funds and E U funded projects, why is it so different with the much smaller ‘third stream’ central funding?
- European structural funds are hampered in their effectiveness by bureaucracy and complexity. If similar funding levels could be allocated through RDAs the effectiveness would be enhanced.
- In the West Midlands the RDA is making a brave attempt to remove many of the inhibiting factors in other funding streams. It is listening to Higher Education and acting on what it hears. We wish them well in their efforts to bring University/business collaboration up to a new, much higher level.
- We have not seen any evidence as yet that R & D tax credits are influencing business demand for research and skills. We are seeing market and competitive pressures driving the more-aware businesses to urgently improve their innovation and product development activities in partnership with Higher Education.

If we can expand on any of these points or assist in any other way please contact us.

Yours sincerely,

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Pro-Vice-Chancellor  
(Research and External Development)