



# Higher Education Policy Open Forum Tokyo 8 June 2007

Higher Education and  
Regions: Lessons learnt  
from the OECD  
international review  
project

Jaana Puukka

# ...a club of like-minded countries

- A forum in which governments work together to address economic, social and environmental challenges of interdependence and globalisation
- A provider of comparative data, analysis and forecasts
- 30 member countries
- Relationships with more than 70 developing and transition economies
- Negotiations to be started with Estonia, Slovenia, Chile, Israel, Russia; enhanced engagement programmes with Brazil, China, India, South Africa and Indonesia
- Secretariat with 2300 staff at Paris headquarters
- More than 15 Directorates

# Programme on Institutional Management of Higher Education

IMHE improves higher education by providing strategic analysis on institutional development in the context of national policy and global trends

- 220+ members, including more than 150 individual higher education institutions (HEIs) and 17 education Ministries
- Unusual in that it involves HEIs as well as Government Ministries and agencies
- More than an institutional voice to Education Directorate

# IMHE key activities

- HEIs and regional development
- Mission and Diversity of HEIs
- Governance, finance and human resources in HE and HEIs
- Building capacity in institutions
  
- Developing the knowledge base

OECD has now a stronger  
focus on education...

...and the role of higher education is  
growing in importance....

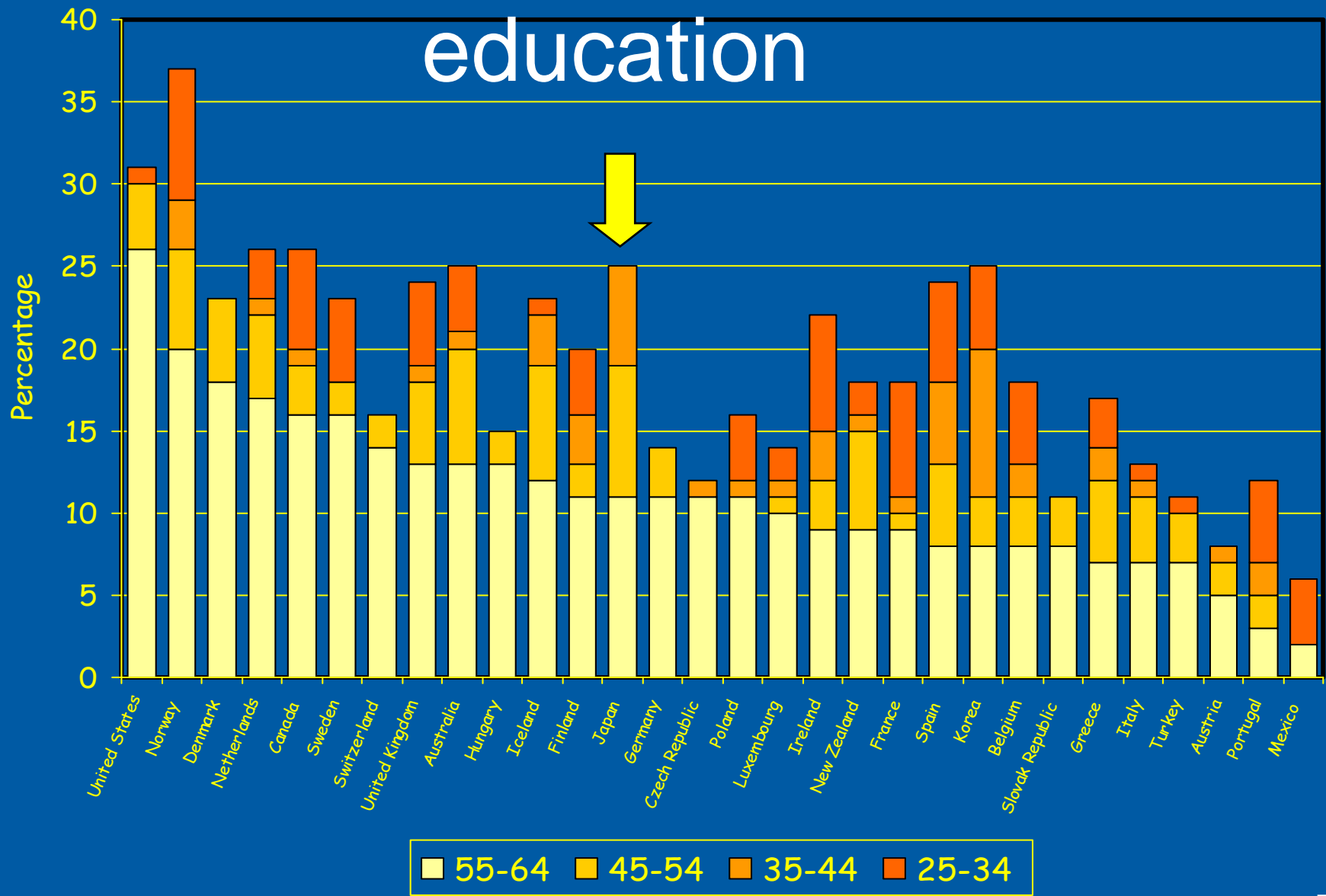
WHY?

More people are completing  
tertiary education than ever  
before...

...in some countries,  
growth has been  
spectacular...

...but others have fallen  
behind.

# Completion of tertiary-type A education



Source: OECD (2004) *Education at a Glance: OECD Indicators 2004*, Table A3.3, p.71.

## Benefits of Education...

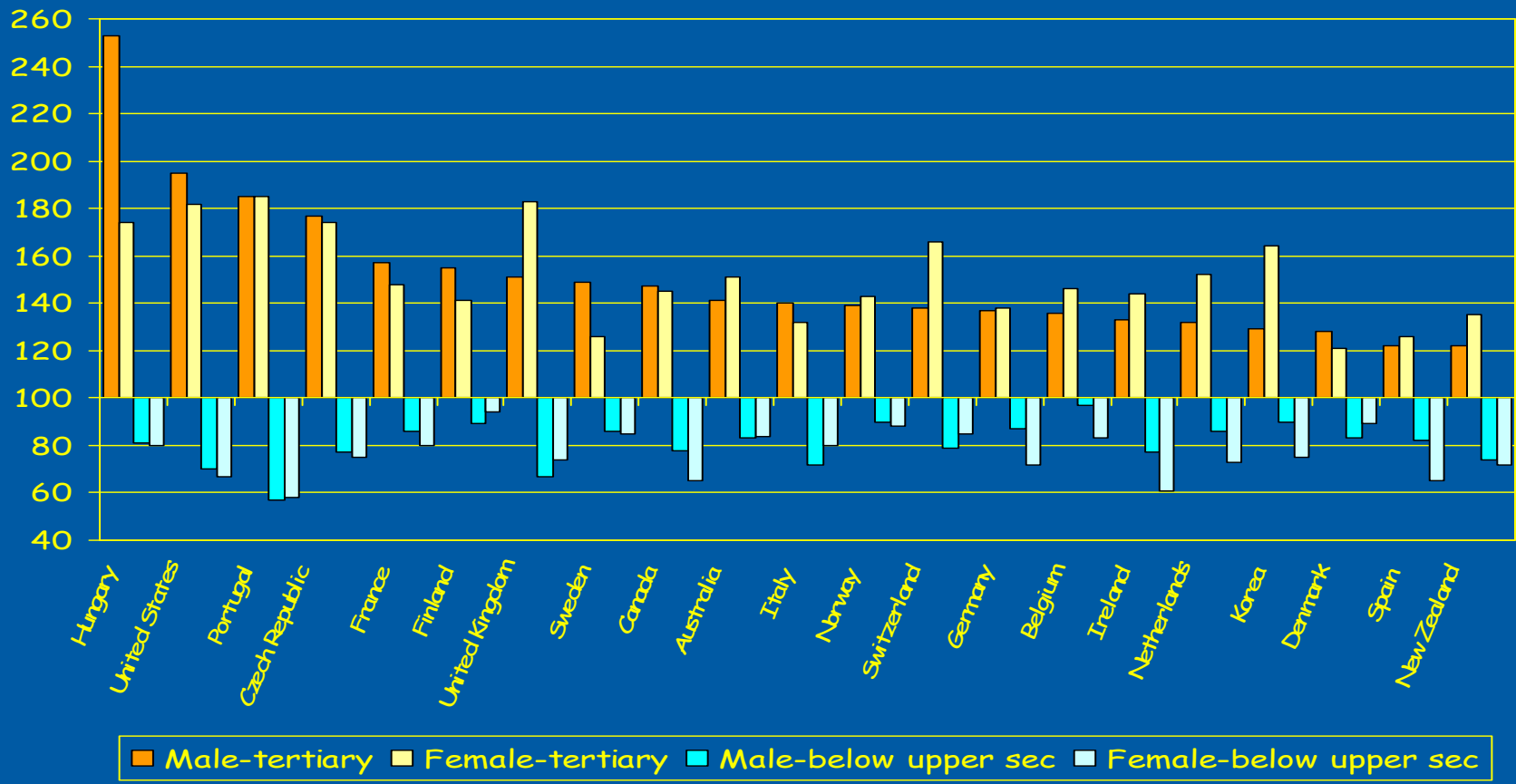
...higher employment rates...

...higher earnings for individuals



# Relative average earnings of 30-44 year-olds

Upper secondary and post secondary non-tertiary = 100



Increased productivity...

... and economic growth  
for countries



# Consider South Korea

1960s	Beginning of 21 <sup>st</sup> Century
<b>Wealth</b>	
Below all South American countries. Around level of Afghanistan.	20 <sup>th</sup> in OECD.
<b>Educational expenditure</b>	
	1 <sup>st</sup> in OECD in % of GDP.
<b>Educational attainment</b>	
completing secondary – 24 <sup>th</sup> in OECD. completing tertiary – 20 <sup>th</sup> in OECD.	completing secondary – 1 <sup>st</sup> in OECD. completing tertiary – 3 <sup>rd</sup> in OECD.
<b>Educational quality</b>	
	4 <sup>th</sup> in reading, 1 <sup>st</sup> in mathematics 1 <sup>st</sup> in science in OECD.
<b>Educational equity</b>	
	1 <sup>st</sup> in OECD.

Now Consider Regions and  
their Competitiveness...

...Does Higher Education  
Matter...?

# OECD Project on

## “Supporting the Contribution of HEIs to Regional Development”

# Objectives

- Respond to initiatives across OECD to mobilise Higher education (HE) in support of regional development
- Synthesise experience into a coherent body of policy and practice to guide higher education institutions (HEIs) and regional and national governments
- Provide opportunities for dialogue and assist in capacity building in each country, region and HEI

# Methodology

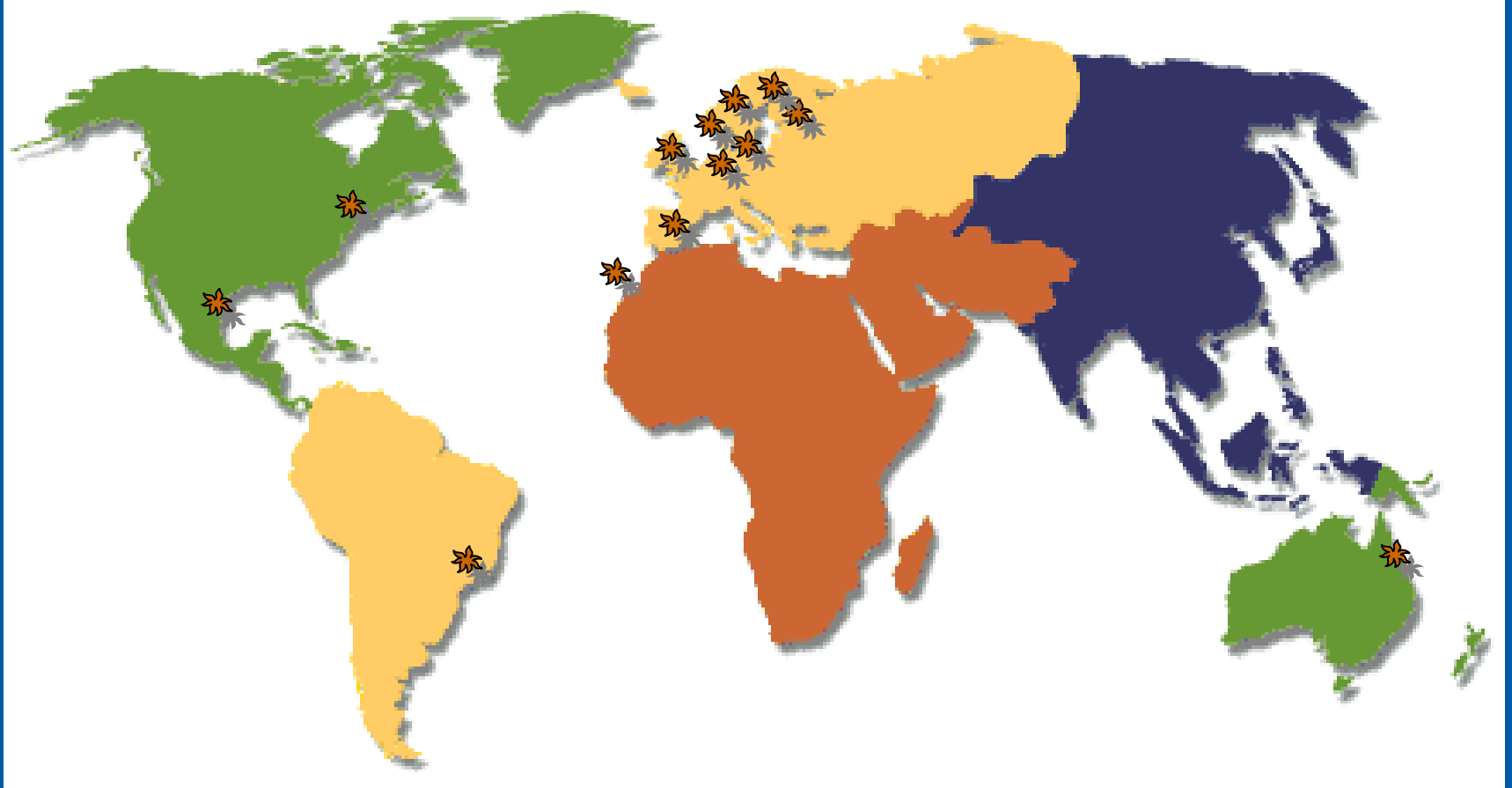
- A common framework for regional self-evaluation developed by the OECD task group
- **Self-evaluation** report by regional consortium using OECD guidelines
- Visit by international peer review team
- **Peer Review** Report and response from the region
- Analysis and synthesis by OECD task group drawing upon regional case studies, OECD territorial reviews and commissioned literature review
- Dissemination of synthesis report and conclusions

# Focus of Evaluation

- Regional contexts
- Regional/national higher education systems
- Contribution of research to regional innovation
- Contribution of teaching and learning to labour market and skills
- Contribution to social and cultural development and environmental sustainability
- Contribution to regional capacity building



# Participating Regions



- 14 regions in 12 countries including one cross-border region

# Participants

- Australia (Sunshine-Fraser Coast)
- Brazil (Northern Paraná)
- Canada (Atlantic Canada)
- Denmark (Jutland-Funen)
- Denmark-Sweden (Öresund)
- Finland (Jyväskylä region)
- Korea (Busan)
- Mexico (State of Nuevo León)
- Netherlands (Twente)
- Norway (Trøndelag, Mid-Norway)
- Spain (autonomous regions of Valencia and Canary Islands)
- Sweden (Värmland)
- UK (the North East of England)

# What Have We Learnt....?

To Become  
Globally Competitive Countries  
Need to Invest in their Innovation Systems

not only at the national, but also  
regional level

... HEIs can play a key role in Regional  
Systems.....

# Innovation with regional focus

- National efforts to transform HEIs into engines for growth
- Indirect measures to enhance HEI autonomy, improve framework conditions and incentives to work with firms
- Two prominent ways: enhancing HEI role in innovation systems and cluster type initiatives
- Incentives often temporary
- Policy focus on high technologies

# Innovation-led Growth: 4 pathways

Indigenous creation of new industry



- Create entirely new industry

Exogeneous creation of new industry



- Import new industry to the region

Diversification of existing industry into new



- Use the core technologies of an existing and declining industry

Upgrading existing mature industry



- Enhance products, services or production technologies

In Castellon, Valencia, Universidad Jaume I is recognised as a world leader R&D in the tile industry.

It has helped to transform the region's traditional industry. The growth is built on technology transfer, spin-offs and upgrading of existing technologies.

- Today, Valencia is a global leader in the tiles and ceramics industry.

*Source: the Valencia Region SER*

North East of England is marked by a declining manufacturing base, wide disparities and low skills.

5 universities collaborate through Unis4NE;

**Knowledge House** is a single access point to help companies access university skills, expertise and specialist resources: consultancy, training and research and development.

Its clients range from SMEs to multinationals  
Annually 1000+ enquiries and 200 client contracts; Business growth: 25%

*Source: the North East England SER*



# Human capital development

- Different ways, e.g. educating a wider range of individuals in the local area, ensuring their employability, addressing new skills requirements, supporting professional development and upskilling and attracting talent to region
- Improving the balance of btw labour market supply and demand
- Work-based learning programmes, PBL

In **Aalborg University**, Denmark, up to 50% of the study work consists of **problem-oriented project work**: students work in teams to solve problems which have been identified in co-operation with firms, public organisations and other institutions.

At any one time there are 2000-3000 ongoing projects that ensure the university's engagement with the surrounding society.

*Source: the Jutland-Funen SER*

... There Are Other Types  
of Contributions,  
Too..

In **Central Finland**, Jyväskylä University of Applied Sciences has helped to rehabilitate 800 long term **unemployed back to working life** with a wide range of physical and social rehabilitation measures, partly delivered through the student training centre.

*Source: The Jyväskylä region SER*

In the **North East of England**, the 5 HEIs use **sports** as a means to widen access to HE, to raise aspirations and to enhance social cohesion within the excluded communities.

*Source: the NE England SER*

In Mexico, all university students are obliged to do 480 hours community work. In **Monterrey University Social Service** is geared towards addressing the needs of the community.

*Source: the Nuevo Leon SER*

# Good practice and abundance of action, but

- Action based on generic growth
- A lack of systematic processes and limited co-operation among HEIs and btw HEIs and stakeholders
- Most countries support industry/science collaboration with temporary incentives: Focus on research, technology transfer, business-related competitiveness
- Human capital development plays a key role in region building; more work is needed to focus on “knowledge transfer on legs” i.e. students’ role
- Widening access, lifelong learning and equity
- Contribution to social, cultural and environmental development and HEIs’ role as “good citizens” not often embraced
- Common challenge: what to do with low-tech SMEs?

# Barriers

## National

Uncoordinated HE, S&T and territorial policy

Limits to HEIs' autonomy

Limited incentives to HEIs

## Regional

Fragmented local govts, weak leadership

Intraregional and interinstitutional competition

HEIs not part of strategy work and implementation

## Institutional

Weak management, lack of entrepreneurial culture

Tensions between regional engagement & academic excellence

Lack of incentives to individuals

# Pointers for governments

- Make regional engagement explicit in HE legislation
- Strengthen institutional autonomy and provide funding incentives (core and incentive-based)
- Develop indicators and monitor outcomes
  
- Require HEI governance to involve regional stakeholders; encourage the participation of HEIs in regional governance
- Support collaboration between HEIs and mobilise resources for joint regional and urban strategies
- Provide a more supportive environment for university-enterprise co-operation
  
- Focus on human capital development

# Pointers for regional and local authorities

- Establish a partnership structure of key stakeholders to provide a focus for dialogue with HE in relation to its contribution to regional development
- Mobilise joint HEI resources for regional and urban strategies for economic, social and cultural development
- Invest jointly with HEIs in programmes which bring benefit to regional businesses and the community in a sustainable basis
  - translational research facilities
  - advisory services for SMEs
  - professional development
  - graduate retention
  - cultural facilities and programmes
- Ensure a fully functional human capital system with pathways between different levels of education.



# Pointers for HEIs

- Map the regional and external links; carry out a self-evaluation of institutional capacity to respond to regional needs
- Adopt a wide agenda of regional engagement; monitor results and acknowledge that regional engagement enhance the core missions of teaching and research
- Develop senior management teams, establish a regional development office to mainstream the regional agenda; develop facilitators
- Establish modern administration with HR and financial resources management systems: Review recruitment, hiring and reward systems.
- Establish partnership organisations between HEIs

All reports published at

[www.oecd.org/edu/higher/regionaldevelopment](http://www.oecd.org/edu/higher/regionaldevelopment)

Contact

[jaana.puukka@oecd.org](mailto:jaana.puukka@oecd.org)

## International Launch Conference

Globally Competitive, Locally Engaged  
higher education and regions

Valencia, Spain

19-21 September 2007

[www.oecd.org/edu/imhe/valencia](http://www.oecd.org/edu/imhe/valencia)

Thank you  
for your attention