Enterprising universities must boldly grow student business leaders, Localis report recommends

Monday 26 February, 2018

Embargo date: from 00.01 am, Tuesday, 27 February 2018

More than a third (35%) of higher education bodies fail to produce a single graduate start-up firm to boost local economic growth, a new report from think-tank Localis has revealed today.

The report found although universities are responsible for one in every hundred new business births annually – creating 4,224 businesses employing 44,335 people and producing £2.5bn annual turnover - more than a third (35%) of universities show no evidence of supporting graduate enterprise.

Entitled **'Place, Learning and Entrepreneurialism'**, the report argues universities should provide a 'swing door' to help start-ups grow in size and scale. But analysis showed London gained the lion's share of targeted external investment, attracting £35.5m in 2015/16 against just £1.3m for Yorkshire institutions, or a factor of almost eight times as much on average per institution.

The report authors advised university vice chancellors to make enterprise a strategic priority for their institutions. To put this into practice, all universities should offer students the opportunity to learn business skills, nurture entrepreneurial behaviour across campuses and support the growth of firms that can successfully spin out of higher education into the commercial world, the study suggested.

Key report recommendations include: -

- Universities should make enterprise a strategic priority, giving every student the opportunity to develop enterprise and entrepreneurship skills and learning;
- University incubation units and workspace should be opened up to local entrepreneurs to support local SMEs and provide student entrepreneurs with an immediate and valuable peer network;
- Government should recognise universities' position as local economic anchors in devolution framework and local economic strategies;
- Diversifying the current capital model to increase independent investment to higher education spawned start-ups outside London, incentivising regional and scale-up investment and promoting alumni funding.

Localis chief executive, Liam Booth-Smith, said: "The unfortunate truth is that too many UK universities simply do not act in this space.

"With the risks, challenges and opportunities that Brexit presents, promoting enterprise and entrepreneurship in our universities should be an important part of the government's national policy agenda and central to the development of local industrial strategy."

Report author, David Godfrey, said: "Our comparison between universities in London and Yorkshire reinforces this disparity in external investment, with graduate start-ups at London institutions attracting £35.5m in 2015/16 against just £1.3m for graduate start-ups at Yorkshire universities, a factor of almost eight times as much on average per institution.

"Through the support of university entrepreneurship in local industrial strategies, there is a major opportunity for local leadership in bringing good ideas together with London investment by successfully packaging start-up schemes to investors, as Manchester has successfully done."

Philip Clegg, Head of Student and Graduate Business Start-Up, University of Huddersfield, said: "Initial discussions with our UCL colleagues began 18 months ago and sowed the seeds for this important piece of collaborative research.

"The final report, which aligns the impact of enterprise and entrepreneurship education in regional universities, with the Industrial Strategy's focus on 'place', was simply too important an opportunity to ignore."

Jerry Allen, Director for Entrepreneurship at UCL Innovation, said**:** "We so desperately need to

Related Sectors:

Business & Finance :: Education & Human Resources :: Government :: Manufacturing, Engineering & Energy :: Public Sector & Legal ::

Related Keywords:

Business :: Enterprise :: Entreprenurialism :: Universities :: Higher Education :: Industrial Strategy :: Economy ::

Scan Me:

unlock the latent entrepreneurial talent buried amongst our universities to tackle the UK productivity gap, this report shows us precisely how.

“At UCL, entrepreneurship education features highly and at a strategic level as we recognise the value in equipping our students and staff with an entrepreneurial mindset to contribute to the UK economy.”

ENDS

Press enquiries:

Jonathan Werran, Head of News and Events, Localis
(t) 0870 448 1530 / (m) 07967 100328 / (e) jonathan.werran@localis.org.uk

Notes to Editors:

1. A full copy of the report ‘Place, Learning and Entrepreneurialism: the impact of entrepreneurial education on regional economies’ can be downloaded from the Localis website:
www.localis.org.uk

2. Report Recommendations:

To support universities in fulfilling their role as local economic anchor institutions we make the following recommendations.

Recommendations: Place, Learning and Entrepreneurialism: the impact of entrepreneurial education on regional economies

To support universities in fulfilling their role as local economic anchor institutions we make the following recommendations.

Make enterprise and entrepreneurship a strategic priority

- Every student should have the opportunity to develop enterprise and entrepreneurship skills and learning, both within the university curriculum and outside it. Universities must find ways to identify and nurture entrepreneurs across all disciplines and at all stages.
- Enterprise and entrepreneurship must have a mandate. Through strong corporate leadership within universities, the university offer to student and graduate entrepreneurs must be strategic and co-ordinated.
- Universities should review their ‘cut off points’ for enterprise and entrepreneurship support in order to play a more active role in scaling up of businesses not just the pre start-up and start-up phase.
- Incubation units and workspace should be opened up to local entrepreneurs. This will support local SMEs, potentially increase revenue for enterprise units, encourage throughput and provide student entrepreneurs with an immediate and potentially valuable peer network .

Influence the local economy

- Universities’ position as anchors in their local economies should be explicitly recognised in the Government’s Common Framework for devolution and a clear link made to university enterprise and entrepreneurship in the Government’s Review of LEPs. It should be promoted in local economic strategies.
- Universities should provide a “swing door into the local economy” with clear account management of services across the university and alignment with external enterprise and entrepreneurship support through their local Growth Hubs.
- Government should create conditions that diversify the current capital model to increase independent investment outside of London, retaining existing tax reliefs but incentivising regional and scale-up investment and promoting alumni funding. Vice Chancellors should work with their LEPs, City and County Councils and Mayors to package regional opportunities to pitch to investors.
- New financial support and incentives should be developed to replace funding for enterprise and entrepreneurship currently available through Local Growth Fund and European funding streams.

Measure and reward impact

- Local economic impact should be assessed and rewarded through the new Knowledge Exchange Framework and in the allocation of HEIF or related Government growth funding. Universities should first be required to provide commentary illustrating programme impact, with specific impact metrics agreed and introduced to an agreed timetable. National data should be robust and consistent.
- Universities should be incentivised to produce “impact start-ups” and entrepreneurs, demonstrating they are growing local and national economies, with funding increasingly reflecting their success in delivering local economic growth. New longitudinal measures should be developed to measure longer-term impact and encourage the retention of links with student and graduate start-ups to support their ongoing development.

3. About the University of Huddersfield

The University of Huddersfield has a strong and clear commitment to Enterprise in its widest sense, demonstrated not only through its commitment to student and graduate business start-up support, but also across the institution, from teaching, through to external business engagement and development.

The current 2013-18 Strategy Map has a vision to be ‘An inspiring, innovative University of international renown’, and includes clear teaching and learning aims and objectives to inspire employable and enterprising graduates; suitably equipped for excellent career opportunities as a result of their time spent at the institution. The university has been widely recognised for this approach through awards such as THE Entrepreneurial University of the Year (2012), THE University of the Year (2013) and a Queen’s Award for Enterprise (2013).

The 3M Buckley Innovation Centre, named after businessman Sir George Buckley, a graduate of the University of Huddersfield and former CEO of the multi-national 3M corporation, is a further testament to the innovative and enterprising culture and mind-set of the institution. This purpose-built facility adjacent to the university campus, facilitates business growth, encourages business to academia collaboration and actively promotes innovation. The 3M BIC is also the location for The Duke of York Young Entrepreneur Centre; home to the Enterprise Team and offering incubation facilities and in-house business advice to inspire current student and recent graduate start-ups.

The Enterprise Team is committed to the continued development and delivery of innovative programmes of support, both outside of the curriculum and integrated into undergraduate degree programmes via its Enterprise Placement Year, to assist in local and regional economic impact.

4. About UCL (University College London)

UCL, as a world-leading, research-intensive, large and comprehensive university with a tradition of radical thought and action, can complement its outstanding research and teaching reputation and impact with delivering an equivalent depth and breadth of societal and economic benefit. We are natural drivers of this in how we work with our staff, our students and alumni, our research capabilities and outputs, our partnerships and across our estate.

The UCL Innovation and Enterprise strategy 2016-2021 seeks to capture our opportunities together to bring such benefit, making us more than the sum of our parts. Our 5 key strategic priorities include ‘contribute to the employability of all students, staff and the wider community’.

Set amidst a dynamic changing employment landscape, entrepreneurship education features highly to equip our students with an entrepreneurial mindset to add value to the economy in which they will contribute. Through efficient and effective entrepreneurial education we will improve the productivity of our country thereby fulfilling our responsibilities as a university and contributing to our global development goals of 2034.

Through an extensive programme of extra-curricular activity, students are inspired encouraged and supported through an entrepreneurial journey where they can receive free specialist business advice and guidance to create a start-up and access to the BaseKX Incubation hub with it’s early stage growth workshops and pre-accelerator training. UCL has a team of dedicated entrepreneurial specialists, which reflects the strategic commitment to enterprise and entrepreneurship education across the UCL community.

Company Contact:

Localis

T. 0870 448 1530
E. jonathan.werran@localis.org.uk
W. https://www.localis.org.uk

Additional Contact(s):
07967 100328

View Online

Newsroom: Visit our Newsroom for all the latest stories:
https://www.localis.pressat.co.uk