

Promotion of Local Economic Development

Joe Shields
Vice President for Research and Creative Activity
Ohio University

Brief overview

Universities outside of major metropolitan areas have distinctive potential for enabling economic development due to their scope and scale of resources, which are often large relative to other public and private entities in their region. Universities in this context are often outsized in spending power, talent generation, technical expertise, and creation of knowledge-based companies. They can also be bureaucratically complex and inconsistent in maintaining external relationships.

Use in U-I engagements outside of major metropolitan areas

Success in promoting local economic development requires that universities regard this activity as part of their mission and exercise some discipline in its execution. To engage effectively in this realm, universities need to:

- **Speak with one voice.** Recruiting new companies to the region will be more effective if community and university leaders provide a unified message of how the company could benefit from all the area's assets. Combining data with storytelling strengthens shared communications and provides grassroots validations to support messaging.
- **Buy local.** Universities often spend prodigious amounts on equipment, food, supplies, and other materials. Legal requirements often restrict procurement policies, but local sourcing, when allowed, can offer large and direct benefits to local companies.
- **Step forward in delivering government programs focused on economic development.** Many federal and state programs exist to assist companies through training and services, including Small Business Development Centers, Procurement Technical Assistance Centers, and programs to support startup companies. In metropolitan areas, such programs are often run by large economic development agencies, while in smaller communities the university may be the only entity large enough to take on this role.
- **Contribute to placemaking activities that enhance economic development.** By the nature of their activities, universities enhance the vitality of their communities. Universities can take this a step further through support for projects linked to local history, recreation, culture, health care, and other amenities to help local companies recruit and retain quality employees.

Key features

It is critical to leverage the strength of the university knowledge base in concert with its mission for education and training. Successful efforts require universities to:

- **Prioritize and coordinate university engagement.** Involving academic leaders in new company recruitment can demonstrate a strong support system for talent and expertise. Universities increasingly employ corporate liaison professionals to ensure that institution-wide assets are identified to support the goals of partner companies.
- **Promote economic development through engaged learning.** Many professional schools support capstone projects that can be adapted to assist local companies with business or marketing plans, or to create solutions for technical challenges.
- **Leverage teaming opportunities.** State and federal funding programs to support economic development often require (or favor) proposals with expressions of support and financial commitments from regional partnering entities. In some cases, a university statement of support for a project can be more significant than any financial contribution. Universities are often in a unique position to boost collaborations via in-house capacity to serve as a fiscal agent, provide project management oversight, or contribute other critical expertise.

This toolkit is a product of the May 21-23, 2019 event hosted by UIDP and the University of Arkansas, "University-Industry Engagement Outside Major Metropolitan Areas and Megacities: Identifying Issues and Finding Solutions."



“[L]everage the strength of the university knowledge base in concert with its mission for education and training.”



This material is based upon work supported by the National Science Foundation (NSF) under award #1748686 (University-Industry Engagement outside Major Metropolitan Areas and Megacities: Identifying Issues and Finding Solutions). Any opinions, findings, interpretations, conclusions or recommendations expressed in these materials are those of its authors and do not represent the views of the UIDP Board of Directors or UIDP's membership or the National Science Foundation.



Key takeaways for success

Through knowledge creation, universities can play a distinctive role in launching new companies that leverage discovery and innovation. To do so effectively, university leaders must work to:

- **Be a leader.** Economic development benefits from communication and partnerships between elected officials, public and nonprofit agencies, and development-focused bodies such as port authorities and industrial parks. If a forum does not exist to convene representatives of these bodies on a regular basis, the university can take the lead in creating one.
- **Listen to community partners.** University representatives need to understand the context of needs expressed by local companies and economic development officials in order to identify how university programs and assets can support those priorities.
- **Provide value to employers.** Academic leaders can help guide program development and content in response to input from local companies. Involving company representatives on program advisory boards provides a means to convey this input and sends a strong message that the company is a valued partner.

Resources required

Universities can support economic development activity with a wide range of investment through activities that include:

- **Entrepreneurial training.** Many universities include opportunities for students to learn about entrepreneurship through programs ranging from formal academic degrees to intensive business plan challenges, as well as less structured activity in ideation and maker spaces. Delivering venture development services beyond the university to engage community entrepreneurs contributes to a regional dynamism attractive to established companies and can build bridges to the investment community.
- **Business incubator services.** The scope and scale of incubation support can vary widely depending on available funding from state or regional sources. Incubators associated with an academic institution can leverage the university's large-scale infrastructure and procurement contracts to provide favorable access and terms for resident companies.

Best practice examples

- West Virginia University's Career Services Center leverages its extensive web of connections via alumni, existing partnerships, and faculty and staff contacts to enable matchmaking. This creates an organized system for mentoring, business-to-business engagement opportunities, funding to accelerate growth, and other forms of beneficial partnerships.
- Ohio University Innovation Center provides space for entrepreneurs to share lab space and conference areas, as well as providing networking, expert guidance and events to promote new ventures. Shared infrastructure and services lowers startup costs; in particular, leveraging the university's high-speed internet and shipping services contracts enables up-front savings for early-stage companies with limited resources.