

## work in progress

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### Researching for business

Project number: RPM 491

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### Summary

There are a range of research services that colleges can offer to industry and other external organisations to help them improve their performance. This project is investigating the nature, extent and effectiveness of such research activity and will suggest how this practice could be extended and improved. It is also considering the mutual benefits for the college and for businesses.

The term 'research' is being interpreted broadly in the study to encompass a range of services that help businesses to innovate and to improve their performance. The project is not looking at training or training needs analysis that colleges provide to business and industry, but is instead focusing on a broad range of research and development services that colleges offer.

We are paying particular attention to how the research services offered by colleges differ from research undertaken by other organisations such as universities.

### Provisional findings

Some 30 colleges (out of 119 that have so far sent in returns) have identified themselves as being involved in providing research and development support for local firms. The interim findings set out below are based on interviews with two-thirds of the active colleges identified to date. Many of the findings can only be tentative at this stage, and we would welcome feedback from colleges about their experience, and whether it questions or supports our hypotheses.

- The services offered by colleges include:
  - technical support and advice for small engineering companies
  - access to design facilities
  - field testing (eg of animal foods)
  - customer surveys
  - the production of prototypes
  - project evaluation for voluntary bodies
  - environmental monitoring and audits.

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Chief Executive **Chris Hughes**

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- Many more colleges are engaged in carrying out market research and evaluation of their own provision. We have not included this within the scope of this project except where the expertise developed has been used for the benefit of other agencies (such as local authorities or voluntary bodies).
- In the light of the range and nature of these activities, some respondents have suggested that 'research and development' (R&D) or 'support for innovation' is a more appropriate term than 'research'. This is because colleges are most likely to be focusing on how firms and other organisations can develop, and improve their products and performance. Any research needs then derive from this focus on performance.
- While the colleges interviewed are not usually involved in 'cutting-edge' research in the university sense, they may well be helping companies to introduce techniques or systems that are new to them.
- Although only a minority of colleges are actively engaged in the type of research being investigated by the project, all of those interviewed agree that there is a definite niche that is not and could not be occupied by most universities. The characteristics of this 'niche' include:
  - working with small companies that find it psychologically or organisationally difficult to liaise with a university
  - building on existing links – for instance, those created by the fact that the college has trained some of the workforce or even the owner and/or managers themselves
  - being able to 'talk the language' of the owner or manager, and being able to adopt a practical approach without having to pursue a research agenda of their own
- offering expertise in an occupational area in which universities are not usually involved
- in some rural areas, being geographically closer than the nearest university.
- These features have led some colleges to act as a 'broker' between firms and universities, when research expertise is required that the college cannot itself provide, or where each party needs to be 'interpreted' to the other.
- A few colleges are members of regional consortia, which allow firms to make use of specialist knowledge or facilities available in other colleges.
- In some parts of the country, initial involvement of a college in R&D has been stimulated by subsidies from European funding to purchase specialist equipment or to provide free initial consultancy. The equipment attracts the ongoing attention of companies who, for instance, need prototypes made or materials testing, a service that can then be charged at full cost. Similarly, if the initial free consultancy then proves its worth, the college might then go on to provide subsequent support on a full commercial basis.
- There are instances of large companies providing colleges with facilities, for their own purposes, that under certain circumstances can be used by others or by the college as a base upon which a wider service can be developed.
- Sometimes the existence of higher education (HE) provision in colleges promotes R&D, because staff wish to develop this aspect of their expertise. Although there can be problems when the type of research record required for academic purposes is at odds with the commissioning employer's research specification, the requirement for a formal, published report can be part of a college's quality assurance process.

- Sometimes HE (and other) students engage in research-based projects for industry as part of their course. Some colleges feel that this can make work placements more productive for all concerned. Others are concerned about guaranteeing quality, or about legal problems concerning such issues as public liability insurance, use of commercially sensitive information or intellectual copyright. One approach that gets around some of these problems is when a college supports an employee of the company in undertaking R&D.
- Although many colleges feel that constraints of time, money and expertise prevent them from becoming engaged in R&D, a significant minority consider that such activity is an effective means of marketing the college. They argue that it is easier to contact companies to discuss the ways they could support them in improving performance generally than it is to focus on 'selling' training courses or promoting qualifications. However, the development of new technologies, systems or markets that could arise from the first type of contact often then leads to training needs that are recognised by the company.
- Some colleges also see involvement in R&D as an important vehicle for staff development, although it can be difficult to involve some key staff when they are already in heavy demand for teaching.
- The nature of the research being undertaken by colleges differs from academic research in that it is largely related to solving real business problems. While colleges could benefit from incorporating some of the features of academic research, the essential characteristics and purpose of its R&D activity should be maintained.
- The research makes good use of the specialist expertise of staff in colleges in combination with their knowledge of the business or industry concerned. As such, it not only assists local businesses to be more successful, but also has the potential to inform the college's mainstream curriculum.
- Some colleges have pointed out that R&D is not reflected in the indicators used to measure college performance, nor is it covered by inspection frameworks. The converse of this is that the college itself does not normally apply its usual quality assurance regime to R&D. The implication is that both good and poor quality work may go unrecognised.

### **Issues for future consideration**

- It would be worth investigating ways to provide a more stable funding base for college R&D. The wider remit of the Learning and Skills Council (LSC) may provide opportunities to fund research for business, particularly if the activities are linked with increasing the industrial skills base and developing the capacity of staff.
- Lessons may be learned from existing links that some colleges have with Regional Development Agencies, and from other initiatives such as the Knowledge Exploitation Fund being operated by Education and Learning Wales (ELWa).
- Involvement in R&D may feature strongly in the strategy of all colleges with significant vocational provision, particularly those with Centres of Vocational Excellence.
- Consideration needs to be given to whether the majority of college staff should be involved in R&D or whether it is best delivered by a dedicated but separate team.
- The special opportunities that colleges with a significant proportion of higher education provision could offer should be considered.

## **Methodology**

An initial postal survey of all colleges in England and Wales was conducted to identify colleges that offer research services to industry. This was followed by telephone interviews with the most active colleges and a programme of visits to explore the opinions and experiences of employers and other client organisations. An expert seminar is being convened for late September, and the final report will be produced during October 2002.

Anyone wishing to be involved in these discussions, or who has comments to make on these interim findings, is warmly invited to contact the LSDA as soon as possible (see below).

## **Contact details**

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