

Institution: Birkbeck, University of London
Unit of Assessment: 19 Business and Management
Title of case study: Regional economic development policies: using lessons from high-tech economies
<p>1. Summary of the impact</p> <p>Research by Lawton Smith into analysing firms' behaviour and the relationships between entrepreneurship and innovation and regional growth has impacted on policy-making by regions and governments with international reach through the OECD. An initial Oxfordshire focus of the research resulted in the establishment of the Oxfordshire Economic Observatory (OEO) (joint Oxford University/Oxford Brookes/Birkbeck) which facilitated the application of the results of the research. Since 2008 OEO has been commissioned to undertake policy-focussed research in a variety of national and international contexts. The research has led to Lawton Smith's involvement in influential policy advisory groups in the UK and overseas.</p>
<p>2. Underpinning research</p> <p>The Context</p> <p>The first study on the location and development of the Oxfordshire high tech economy was undertaken towards a DPhil Thesis by Lawton Smith at Oxford University (1990). This research was timely and has so remained as, in the mid-1980s, a body of literature began to appear on '<i>new industrial spaces</i>', for example, Silicon Valley. Since then, national and international political agenda have embraced entrepreneurship and innovation, with a growing emphasis on the importance of the contributions of universities, as drivers of regional economic development (3.5). The underpinning high quality research explores the interdependence of processes operating at various geographical scales in different economic, political, regulatory and social contexts (3.1).</p> <p>Lawton Smith's research, since joining Birkbeck in 2005, has focused on universities' contributions to economic development, entrepreneurship-led regional growth, the role of local and regional policy and charitable sector institutions in shaping regional economic trajectories, and the role that networks have in sustaining regions' economic vitality (3.2). The growing importance of women-only networks has led to an EU FP7 '<i>Coordination and support actions</i>' award in June 2013 on '<i>Transforming Institutions by Gendering contents and Gaining Equality in Research</i>' led by the Italian Ministry of Equal Opportunities.</p> <p>The body of research provides insights into: the importance of non-public policy actors in the governance of regions such as sector-specific business networks; the extent of engagement of universities in local economic development strategies; the importance of skilled labour markets in explaining why some regions are more successful than others (3.3, 3.4).</p> <p>Research findings have been published in leading international journals, cited in local, national and international policy documents, and have led to studies being commissioned by local, regional, national and international policy bodies plus an ESRC CASE studentship co-funded by NESTA.</p> <p>The team</p> <p>Studies have been undertaken by Lawton Smith alone and jointly with Professor Glasson, Oxford Brookes University who, with Lawton Smith, are joint leaders of OEO and two research assistants, Rupert Waters, Buckinghamshire County Council/Visiting Fellow at Birkbeck and Saverio Romeo, Birkbeck (both members of OEO); and Dave Chapman, Peter Wood and Tim Barnes (UCL). Initially funded by a charitable trust, The Oxford Trust, and by Oxfordshire County Council, it has subsequently been funded through a series of grants and projects funded by public sector organisations such as the Government of the South East, The Oxford to Cambridge Arc and the European Commission.</p>

3. References to the research

Recent relevant publications

Evidence of the quality of the research is in the location of outlet and the nearly 2000 citations to the research. These key publications indicate the range and type of research output.

3.1 Lawton Smith, H (2006) *Universities, Innovation and the Economy* Routledge.

3.2 Lawton Smith, H, Romeo, S and Virahsawmy, M (2012) 'Business and professional networks: scope and outcomes in Oxfordshire' *Environment and Planning A* 44, 44(8) 1801 – 1818.

3.3 Lawton Smith, H and Bagchi-Sen, S (2012) 'The research university, entrepreneurship and regional development: research propositions and current evidence' *Entrepreneurship & Regional Development* 24, <http://www.tandfonline.com/toc/tepn20/24/5-6> 5-6, 383-404.

3.4 Lawton Smith, H and Waters, R (2011) 'Scientific Labour Markets, Networks and Regional Innovation Systems' *Regional Studies* 45, 7, 961-978.

3.5 Lawton Smith, H and Ho, K W (2006) 'Measuring the performance of Oxfordshire's spin-off companies' *Research Policy* 35, 1554-1568.

Relevant funded research projects:

Specific recent funded research projects that have had an impact on policy-making include:

1. Federation of Small Businesses (Oxfordshire branch) 'The Small Business Economy in Oxfordshire' (September 2006-May 2007 - £23,000) (OEO, led by Glasson) (to Oxford Brookes University).
2. Oxford to Cambridge Arc The effectiveness of Business Networks across the O2C Arc (January 2007- June 2008) (OEO, funded by the Oxford to Cambridge Arc led by Lawton Smith) (to OEO).
3. London Higher/OEO 'Measuring the performance of London University spin-offs' (September 2006-Feb 2007 - £25,000 (led by Lawton Smith + Chapman, Barnes and Wood UCL) (funds to Birkbeck).
4. FP7 *HealthTIES* award 2010-2013 (Oxford, Leiden, Barcelona, Zurich) (subcontractor to Oxford University, Euro 9000 to Birkbeck) *SMEs, innovation in the biomedical sector in the Thames Valley*, led by Lawton Smith.
5. OECD (2011) 'The Local Dimension of SME and Entrepreneurship Policies and Programmes in Mexico' (Lawton Smith).

4. Details of the impact

The impact of the research is through evidence-led policy making in several organisations. Primary and secondary data collected and subsequent analyses have fed into development of policies by local and central government, the OECD and other key stakeholders such as the Federation of Small Businesses, and the Oxford Science Park. Examples of engagement and dissemination with key users and beneficiaries are given below. The reach is international and diverse in the range of organisations which have used the research in informing policy development.

Local/regional

1. OEO Research has been cited in policy work at regional and local levels starting with inputs into the South East England Development Agency policy documents such as the Regional Economic Strategy Plan (1999). This led to OEO research being cited and used locally, for example by Oxfordshire County Council and Oxford City Council of the OEO Quarterly Economic updates. OEO's work has continuously had an impact on policy formation, until recently being the major source of data on economic activity in the county (5.4, 5.5, 5.7).
2. Lawton Smith has worked closely with the locally, very influential, charitable trust, The Oxford Trust (now Science Oxford) since the mid-1980s, contributing to their policy documents and subsequent actions, a relationship formalised with the establishment of OEO in 2001 (5.5).
3. The Federation of Small Businesses Oxfordshire Branch commissioned OEO to undertake a study of *The Economic Ecology of Small Businesses in Oxfordshire*. This formed part of the FSB's on-going local strategy to sustaining high growth local economic development (5.6).
4. Lawton Smith was a member of the Manchester Development Panel & contributor to the Report of the Panel on Strengthening Greater Manchester's Economic Base Through Science, and Research and Development (August 2011). OEO was cited in report as a model intelligence gathering and analysis organisation. Lawton Smith was subsequently invited to be an Expert Witness at the Northern Economic Futures Commission Meeting, Port of Tyne, 13th December 2011. This led to the agreement to collect more and better data to support their changes in policy (5.1).

National

1. By way of illustrating context to the impact period, relevant background is the contribution of Lawton Smith and Waters to the DTI's 2003 Skills Strategy. The contribution is based on Seminar 6: *Regional capacity and strategy to deliver skills change* (Waters & Lawton Smith), *Skills and Competitiveness in Oxfordshire and Cambridgeshire: Scientific Labour Markets*. The implementation of the DTI skills strategy (2003-2010) includes, in part, the impact period during which a set of new approaches to the problems of regional skill imbalances was pursued throughout England and Wales.
2. NESTA became interested in where and how innovation takes place in order to fulfil its mission of promoting innovation in the UK. They invited Lawton Smith and Glasson (OEO) to contribute to a report *Local knowledge: case studies of four innovative places* was made available to all regions nationally and internationally (5.6).

Examples of contribution international policy-making

1. Lawton Smith gave an invited keynote, 'The impact of tertiary education on urban development' OECD International Conference on City Competitiveness, Tenerife, March 3 and 4 2005, and the invited paper, 'The Oxfordshire Cluster' on Clusters and Entrepreneurship: Lessons of Seven International Case Studies in 51st session OECD Cooperative Action programme on Local Economic Development and Employment Development (LEED) Paris November 22 2007. Although prior to the impact period, these led to reframing OECD member countries' approaches to universities' roles in regional development and this is an on-going process (5.3, 5.7).
2. Lawton Smith was invited as an international expert to present on *Science Vale (Oxfordshire)* at an OECD workshop on Innovation Systems and Entrepreneurship in the city of Kristiansand, Agder (Norway), 20 February 2009. This led to revised policy recommendations for the Agder region (5.2).

Impact case study (REF3b)

3. Lawton Smith was a member of an expert panel for an OECD assessment of “*SME and Entrepreneurship issues and policies at national and local levels in Mexico*” (October 2011). OECD reports that this led to the Ministry of the Economy establishing the New National Institute of Entrepreneurship (INE) in 2012/13 including the creation of a National Entrepreneurship Observatory (5.3).

5. Sources to corroborate the impact

5.1 Letter from Northern Economies Futures Commission giving feedback and impact on Northern prosperity is national prosperity – a strategy for revitalising the UK economy Chair of the Commission and Deputy Chair and Director -14th December 2012.

5.2 Former Didcot and Science Vale UK Manager, South Oxfordshire and Vale of White Horse District Council, now independent Economic Development Consultant.

5.3 <http://www.efe.com/efe/noticias/english/business/pena-nieto-decrees-creation-entrepreneur-institute-mexico/4/60/1945838>. Website showing highlights of Mexican conference (Jan 2012) and discussing SMEs in Mexico. Factual statement from OECD also available.

5.4 Appearance on BBC South Politics show on feature on Oxfordshire high-tech economy June 9th 2013 http://www.bbc.co.uk/iplayer/episode/b021nqsv/Sunday_Politics_South_09_06_2013/. (BBC policy is that i-player programmes are available for 7 days but the academic has a recorded version of the programme which can be viewed if necessary).

5.5 Lawton Smith, H and Verswamy, M (2008) Final Report on Business Networks in the Oxford to Cambridge Arc, a Report Commissioned by the Oxford to Cambridge Arc Oxford: OEO.

5.6 Lawton Smith, H and Glasson, J (2010) ‘Milton Park: developing a successful high-tech business park’ Part 1 in *Local knowledge, case studies of four innovative places* London: NESTA. <http://www.nesta.org.uk/library/documents/Local-Knowledge-130410.pdf>

5.7 *Clusters, Innovation and Entrepreneurship*, OECD Publishing, 19 Aug 2009 Chapter: the high-tech cluster in Oxfordshire. http://books.google.co.uk/books/about/Clusters_Innovation_and_Entrepreneurship.html?id=Pe2suZ0wfoQC&redir_esc=y