

THE EFFECTS OF THE COVID-19 PANDEMIC ON HOW UNIVERSITIES CONTRIBUTE TO INNOVATION

TOMAS ULRICHSEN

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INNOVATING DURING A CRISIS

THE EFFECTS OF THE COVID-19 PANDEMIC ON HOW
UNIVERSITIES CONTRIBUTE TO INNOVATION

JANUARY 2021

By Tomas Coates Ulrichsen, UCI Policy Evidence Unit, University of Cambridge

Provide evidence on how the pandemic has affected the ability of universities to engage in innovation-focused activities through the crisis

- Growing concerns in late Spring 2020 that pandemic would significantly disrupt R&D and innovation activities with implications for resilience and longer term competitiveness
 - Past major crises led to reductions in R&D and innovation – took long time to recover
 - Firms able to sustain R&D/innovation and links with unis through crises more likely to survive and thrive post-crisis
- Universities have become increasingly important & strategic partners in the process
- But little evidence on how pandemic was affecting universities & their innovation activities with partners
- Hard to make informed policy decisions



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FOCUS OF TALK

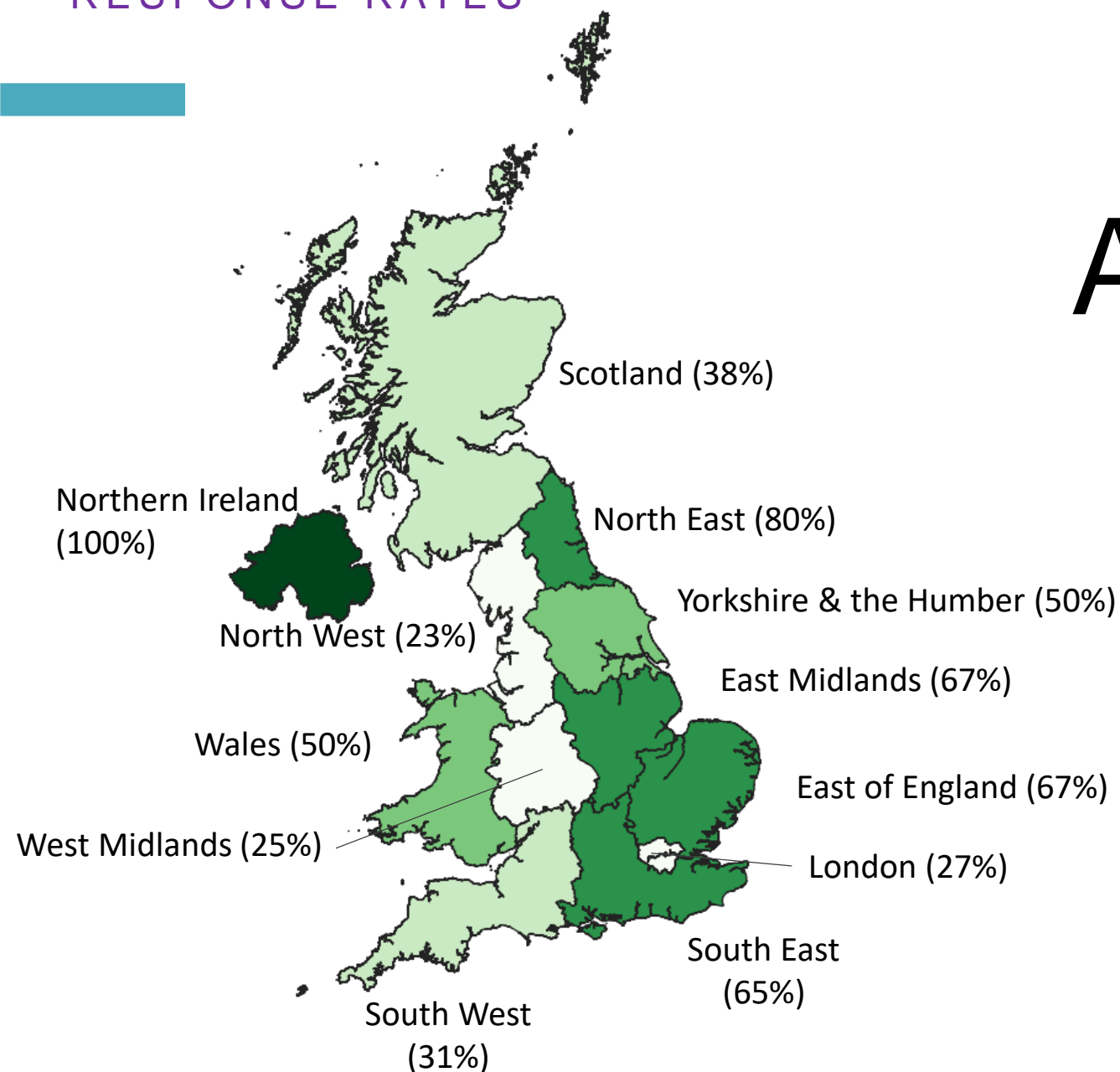
- Scale of the impact on universities
- Nature of challenges facing universities
- What more government can do



RESPONSE RATES

But first...

A big thank you!



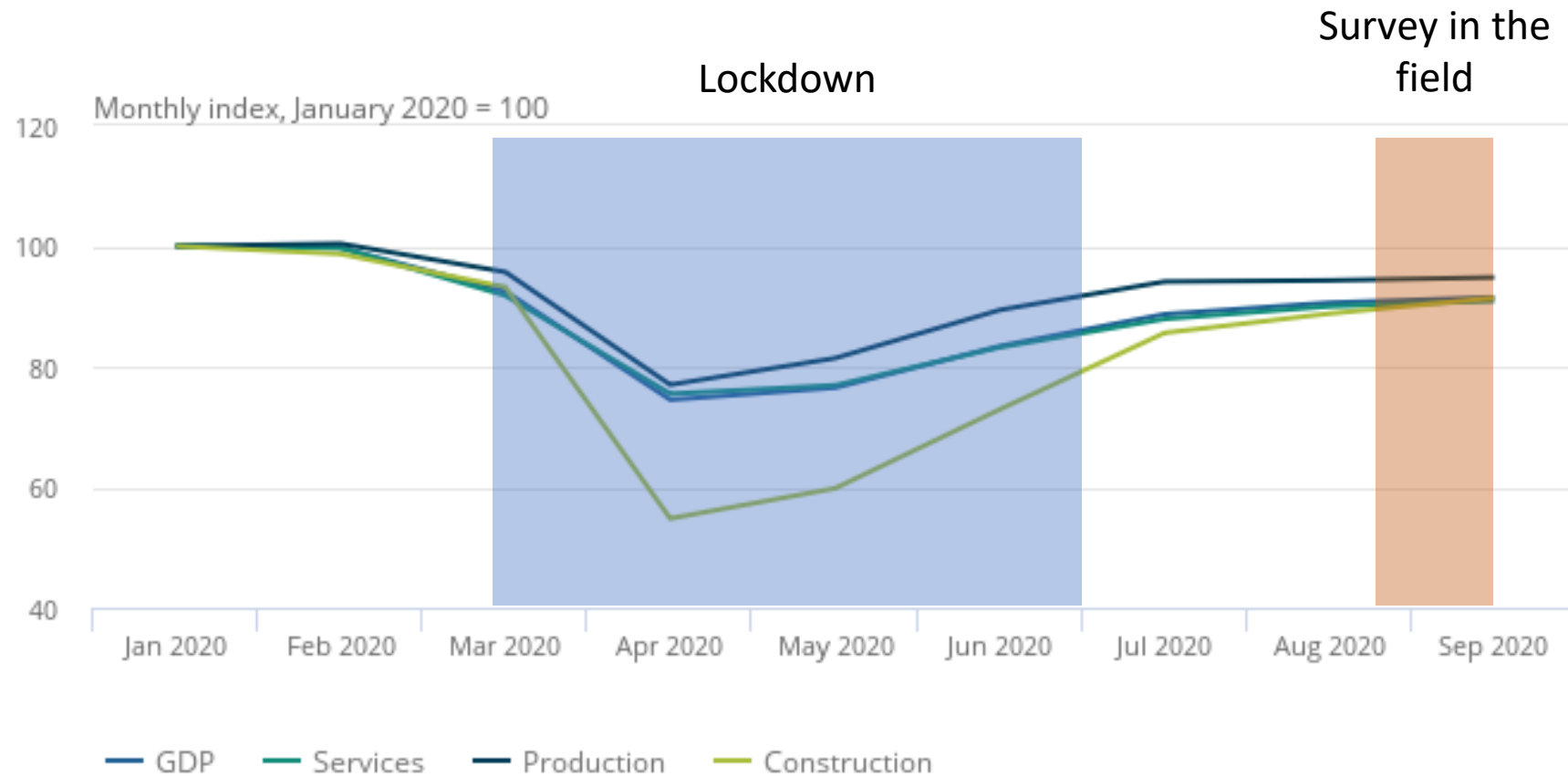
62 UK universities
responded*

*final sample = 61 (due to lack of sufficient
response from specialist arts HEIs)

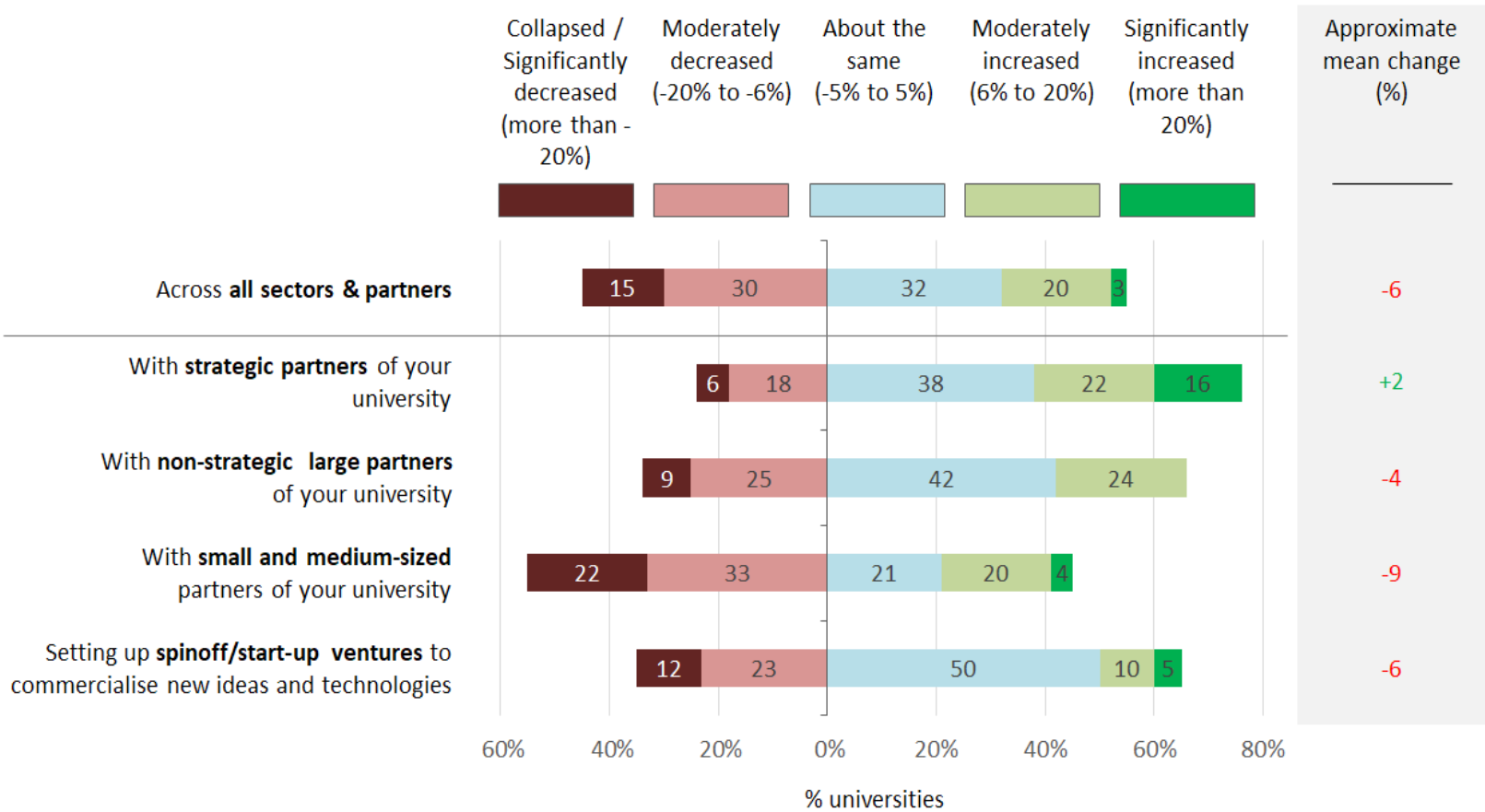
CONTEXT

Figure 3: Since June 2020, there has been a loss in momentum across all main sectors in the third quarter (July to Sept)

UK, monthly index, January 2020 until September 2020

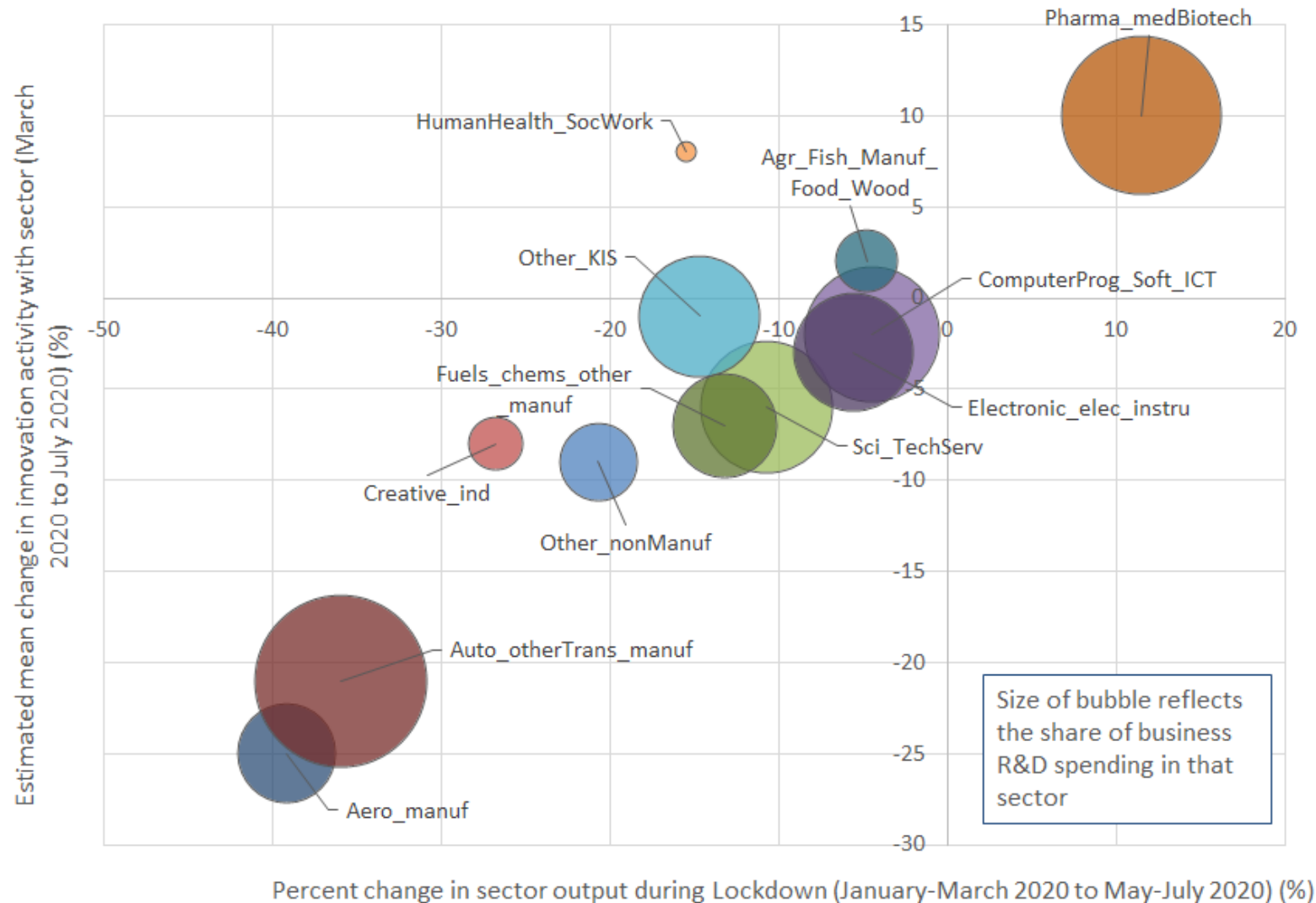


SAME STORM, DIFFERENT BOATS...



- KEF clusters V & E particularly badly affected overall
- Cluster X much more likely than other groups to see increases in activity with strategic partners
- Cluster E engagement with SMEs particularly badly affected
- Some evidence HEIs in the north of England and midlands suffering more than those in the greater south east

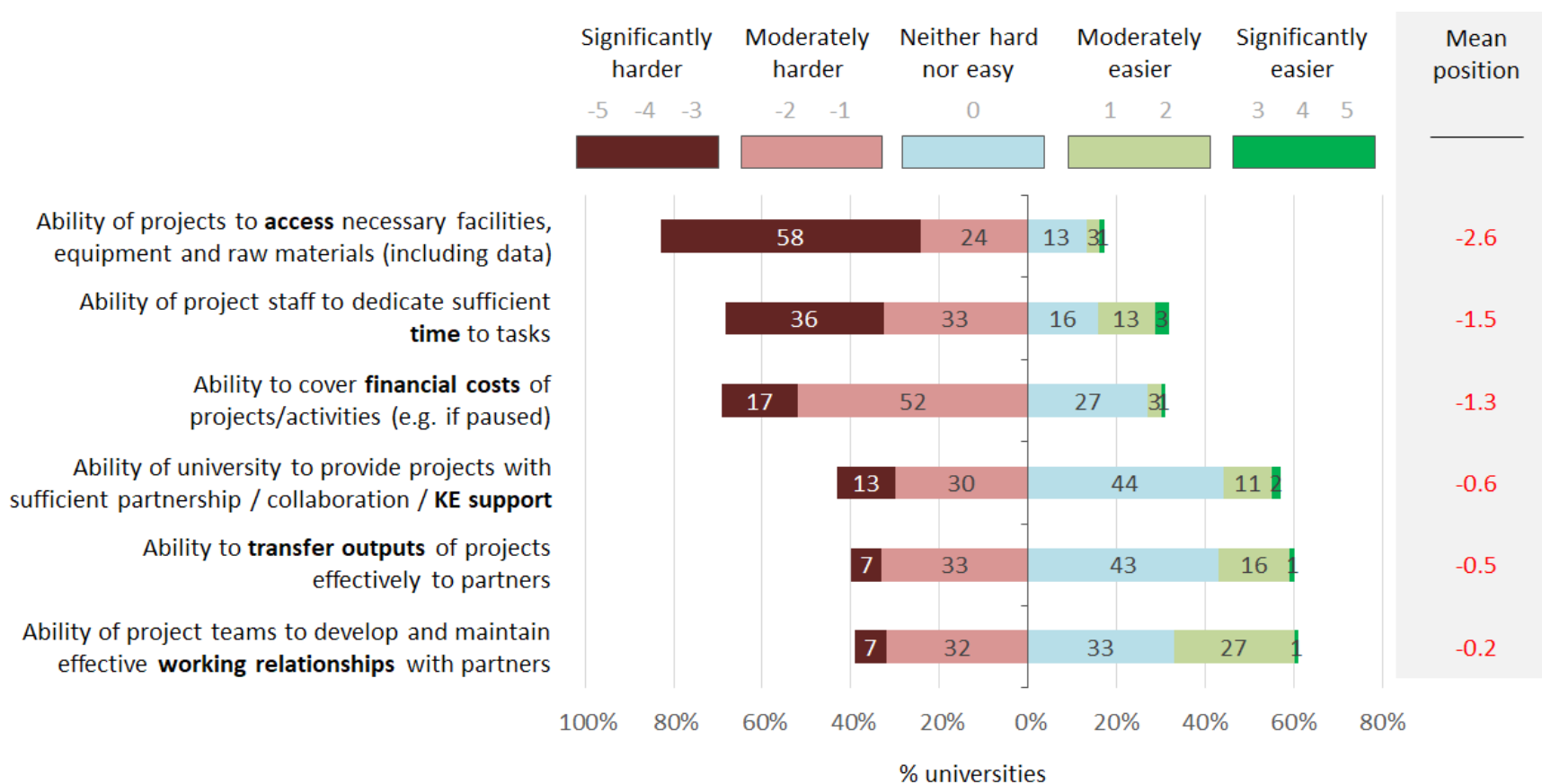
HUGE VARIATION IN EFFECTS ACROSS SECTORS...



Weighted data (unweighted base=61)

- Strong link between change in sector output and change in level of activity with universities
- Activities with aerospace, automotive manufacturing, creative industries particularly hard hit
- As of September 2020, changes more likely to be delays & postponements to activities & projects rather than outright cancellations...
- Sustaining relationships?
- But how long can this be sustained?

UNIVERSITIES FACING RANGE OF CHALLENGES IN CONTINUING TO DELIVER INNOVATION ACTIVITIES THROUGH THE CRISIS



- Challenge of covering financial costs of projects concerning
- Survey found range of benefits emerging from forced lockdown
 - New ways of working
 - New opportunities to reach beyond traditional partners/geographies
 - Improved use of digital technologies to drive collaborations

ENABLING UNIVERSITIES TO DRIVE THE RECOVERY

- Evidence that universities looking to **strengthen innovation functions** to help drive economic recovery
- Range of areas where **government could take further action** to enable universities to play full and active role in economic recovery
 - ⇒ More funding for core research & KE capabilities & infrastructure, and to drive international collaborations
 - ⇒ Greater funding and improved support for research translation, commercialisation and innovation, including more challenge-driven funding
 - ⇒ Greater strategic focus on place-making & levelling up
 - ⇒ Targeted support for recovery from COVID-19 (places & sectors)
 - ⇒ Ensuring longer-term sustainability of university research & KE



SUMMARY AND CONCLUSIONS



- Pandemic has caused **significant disruption** to innovation-focused activities between universities and their external partners ⇒ Potential implications for long term firm/national competitiveness and resilience
- Variation in experiences across university types (exposure to different sectors?) & some (weaker) variation in findings across region (greater south east bit less affected) ⇒ **same storm, very different boats**
- Value of **building strategic partnerships** ⇒ proving much more resilient than other types of interaction
- Range of areas where **government could take further action** to enable universities to play full and active role in economic recovery





THANK YOU!

Tomas Ulrichsen
Director, UCI Policy Evidence Unit
University of Cambridge
tc267@cam.ac.uk

