

HEFCE 01/25

Respond by 25 June 2001

**April**

Invitation

# Business Fellowships

**Invitation to apply for special funding**

## **Business Fellowships Invitation to apply for special funding**

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To	Heads of HEFCE-funded higher education institutions
Of interest to those responsible for	Links with business and the community
Reference	01/25
Publication date	April 2001
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### **Executive summary**

#### Purpose

1. Following on from the Higher Education Reach-out to Business and the Community Fund (HEROBC), and as announced in the Government's Science and Innovation White Paper last July ('Excellence and Innovation'), this document invites applications under the Business Fellowships initiative. The initiative will highlight the key role played by individuals in promoting knowledge transfer and closer working with business.

#### Key points

2. We will award up to 20 Business Fellowships in response to nominations from higher education institutions (HEIs) in England. We now invite nominations from HEIs: funding of up to £100,000 (£25,000 per annum) will be available for each Business Fellowship over four years.

3. All HEIs in England were consulted regarding the proposed Business Fellowships initiative (HEFCE 01/06), and the results of the consultation are summarised in Annex A.

#### Action required

4. Applications for funding under the programme should reach Adrian Day **by 25 June 2001**.

## **Background**

5. A strategic objective of the Council is to 'promote and support productive interaction between HE and industry and commerce in order to encourage the transfer of knowledge and expertise, and enhance the relevance of programmes of teaching and research to the needs of employers and the economy'.

6. To support that objective, in conjunction with the Department for Education and Employment (DfEE), the Northern Ireland Department of Higher and Further Education, Training and Employment (DHFETE) and the Department of Trade and Industry (DTI), we initiated the HEROBC Fund. Objectives and criteria for HEROBC funding are set out in HEFCE 99/40.

7. The HEROBC remit included staff exchanges and improving dialogue with business locally or regionally. However, only a relatively small number of institutions included within their forward plans the appointment of established academic staff to work with business. The Business Fellowships initiative is intended to raise the profile of this aspect of knowledge transfer, enabling HEIs of any size or character to bolster existing HEROBC projects and forthcoming activities, and to contribute to economic growth and competitiveness.

8. In future, funds for this type of activity will be channelled through the Higher Education Innovation Fund (HEIF) which will incorporate HEROBC. (Funding proposals for HEIF are set out in HEFCE 01/22.) This will become a permanent third stream of funding for higher education, alongside funds for research and learning and teaching, to reward and encourage excellence in effective interaction with business and the wider community.

## **Strategic aims**

9. The Fellowship scheme will focus on recognising and developing creative activities carried out within HEIs to build their response to the needs of business, across the full range of their academic activity. It will do so by identifying mainstream academics as Business Fellows, who will raise the academic credibility of the institution's interactions with business, and catalyse further activities.

10. Following on from the HEROBC funding, we do not intend to prescribe in detail the purposes to which the funds may be put. This will be for the HEI and the Fellow to propose in the light of his/her own strengths and the needs of business.

11. However, all activities of Fellows supported by the fund are expected to support and contribute to any existing institutional HEROBC strategy, including working effectively with HEROBC colleagues in the institution. They should also contribute within an agreed timetable to identifiable outcomes consonant with HEROBC objectives and with the institution's overall strategy.

## **Proposals and funding**

12. We will establish up to 20 Business Fellowships, in response to nominations from HEIs in England. The scheme will be run in partnership with the DTI and the DfEE.

13. The HEFCE and the DTI are each contributing £1 million for the initiative over four years (at £250,000 a year), starting in the financial year 2001-02.

14. We invite HEIs to submit proposals which nominate one individual per institution for a Fellowship. Up to £25,000 a year will be available for each Business Fellowship over four years. Of that total, about half will be available to the institution to free-up around 20 per cent of a Fellow's time to spend partly in advising companies on technical or research problems, and so helping to stimulate wider ranging HE-business networks and clusters. The remainder is expected to provide a personal incentive to the Fellow, as a top-up in salary and/or support to pursue academic endeavours of their choice. The nominating HEI is free to release more than 20 per cent of the Fellow's time if it so wishes, although no additional funding will be awarded for this. Detailed financial arrangements between the HEI and the Fellow are for them to agree but should be indicated in the proposal.

## **Criteria**

15. In selecting Fellows, we will take particular account of the nominee's previous effectiveness in helping to forge economically beneficial links with business, especially in the HEI's own region. In addition we will take account of some or all of the following:

- the ways in which the Business Fellow will lead other colleagues in interaction with business
- adherence to the objectives of HEROBC
- the contribution of the nominee in response to regional and national needs
- arrangements for the flow of economic benefits from the Fellowship – especially to small and medium sized enterprises (SMEs), though the involvement of larger businesses is not precluded
- how the work of the Business Fellow will deliver benefits to the HEI
- the nominee's approach to working with companies to help solve their problems and improve innovation.

It is expected and understood that nominees' track records will be varied, reflecting the diversity of their different institutions.

16. HEIs are expected to illustrate the extent to which their nominee has had a positive impact on the institution's interactions with business. HEIs should outline the approach their nominee will adopt to promote and enhance a pro-business culture within the institution. However, it is not a requirement that the Fellow should have an equal impact across all aspects of the HEI's HEROBC type activities.

17. Clarification of the ways in which the nominee intends to respond to regional and national needs may include details of how he/she will address priorities identified by regional

economic and innovation strategies and Foresight. Applications will be strengthened by a clear explanation of how any matched funding or co-sponsorship from businesses will add value to the proposed Fellowship programme.

### **Allocation process, monitoring and evaluation**

18. An expert advisory panel drawn from the HEFCE, Government, industrial and academic members will advise on the final awards. Information on previous HEROBC bids, including the background comments from the Regional Advisory Groups, will be available to the panel.

19. Business Fellows will be expected to provide both a report on their first year's activities and progress, and a final report at the end of the Fellowship. HEIs should include information on the Fellow's activities in their existing HEROBC report through the institution's annual operating statement to the HEFCE. It is expected that good practice, developed and identified by individual Business Fellows, will be disseminated informally and formally at a national level. To this end, electronic networking between Fellows and annual feedback of good practice from each Fellow to the HEFCE will be encouraged.

### **Proposed timetable**

20. We are working to the following timetable:

Invitation to apply for Business Fellowship funding	30 April
Closing date for applications	25 June
Announcement of allocations	31 July

### **Responses**

21. Please send two hard copies of applications for funding, one of which should be unbound and single-sided, plus an electronic copy by e-mail. Applications should not be longer than four A4 pages and should be sent to arrive **by 25 June 2001** to:

Adrian Day  
HEFCE  
Northavon House  
Coldharbour Lane  
BRISTOL  
BS16 1QD  
e-mail a.day@hefce.ac.uk

## **Annex A**

### **Responses to consultation on Business Fellowships**

1. The consultation paper (HEFCE 01/06) published in February 2001 invited feedback from HEIs to the proposed Business Fellowship scheme. Responses were received from 66 HEIs and from the sector's representative body, Universities UK. The key issues are detailed below.

#### **Support for the initiative**

2. There was widespread support for the establishment of the scheme; only one institution did not support the proposal at all, and most made positive suggestions for improvement, greater clarity or related actions. The majority of respondents indicated a keenness to apply to the fund.

3. While the aims and objectives were seen as very positive, some institutions considered that the resources would be better employed through existing HEROBC frameworks, given the compatibility of the projects. The wide scope for implementation of the fund was particularly well received, allowing institutions to build upon existing HE-business links.

#### **Fellows**

4. The most common response was that the limited number of Fellowships offered, and the limited time to be allocated to the programme (say 20 per cent of the Fellow's time or one day per week), would restrict impact at either the national or the internal institutional levels. The proven track record of the Fellow was mentioned by many respondents as vital; however some institutions with less developed HEROBC programmes stressed the importance of innovation and enthusiasm.

5. While there was little objection to the nomination of mainstream academics to the post, some respondents proposed a broader scope to include, for example, visiting professors, existing business links, consultants, or people with previous experience from relevant programmes in the US.

6. The proposal of a financial incentive for the individual fellow was seen as potentially divisive by some respondents, with the suggestion that such arrangements be left to the institution.

#### **Role**

7. The role of the Fellow was seen to be closely linked to existing HEROBC programmes within the institution. However, mention was often made of the difficulty of a single academic covering the entire spectrum of the institution's involvement with business. Clarification was requested regarding what 'economic benefits' are to be proven, and how the advisory panel will be able to gauge the potential regional impact of a Fellow's work.

## **HEIs**

8. Many respondents referred to the direct role of the HEIs themselves. Smaller, less HEROBC-experienced institutions and those that focus on creative/cultural sectors requested that they should not be effectively excluded, pointing out that diversity of Fellows is vital for success of the initiative across the spectrum of business and the community.
9. The proposal's focus on SMEs raised concern over the lack of potential involvement with larger industrial and not-for-profit organisations. With the experience of HEROBC, suggestions of productive types of collaboration were highlighted.

## **Other**

10. The tight timescale and the competition-based process were seen by many institutions as problematic, particularly in proposing sound applications. Several respondents considered that funds might more easily be allocated through a formula.
11. There were many suggestions of an on-line network for Fellows, with the possibility of virtual conferencing; several responses proposed that this network should be administered by the HEFCE. Annual, rather than just initial and final reporting was also suggested by several, mainly for the dissemination of good practice.
12. It was seen as vital that the advisory panel be drawn from a wide enough pool, to allow focus on each region involved and across the academic spectrum.