



# EuroFaculty as a Catalyst of University-Industry Interactions

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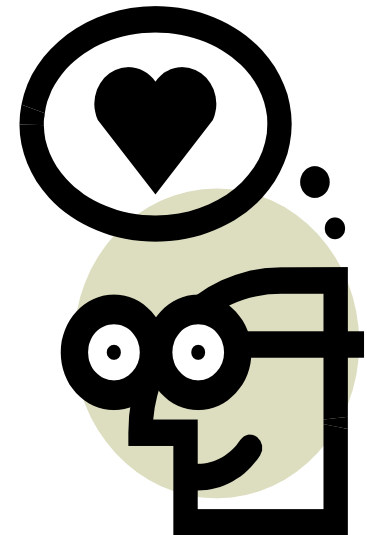
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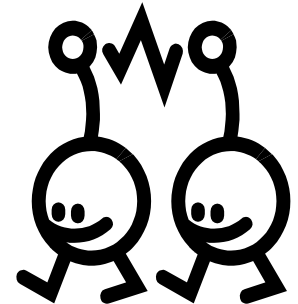
# The shifting paradigm for organisational success

- Old success factors:
  - Size
  - Role clarity
  - Specialisation
  - Control
- New success factors:
  - Speed
  - Flexibility
  - Integration
  - Innovation



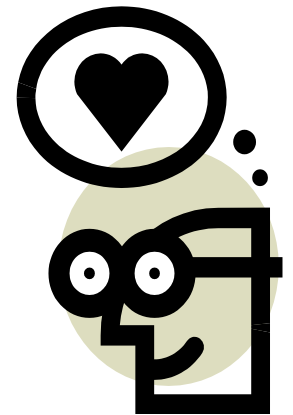
# Current trends in technology/innovation

- From technology development to innovation
- Customer/end-user focus
- Digitalisation of products and services
- Blue ocean strategies, long tail
- Communities
- Co-operative R&D
- Complementary skills involved in R&D
- International focus from the beginning
- Flexibility



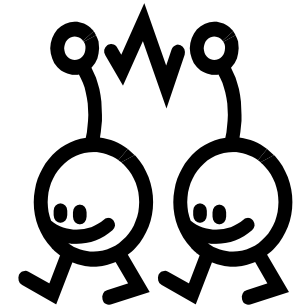
# ”Megatrends of innovation activities”

- Developing/producing everything in-house =>
  - Outsourcing production to low-cost countries =>
  - Outsourcing some R&D activities near production =>
  - Outsourcing most research near R&D & production =>
- 
- In University settings: From projects to collaboration



# The Role of Universities

- Development projects funded by external sources, such as the EU, require University presence as well as the industry presence
- Funding changes in the University sector – More external funding
- Companies want to use Universities' knowledge and knowhow
- Universities learn from University-Industry collaboration



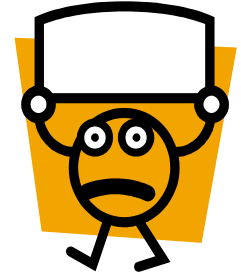
# Why open innovation?



- Shortened time to market
- Lack of R&D&T resources (rise in R&D costs, decreased product revenues), collaborative R&D
- Lower costs in ICT technology
- Changes in consumption patterns:
  - “Why customers want custom products? Because they have custom needs!”
  - From common culture to post modern culture
  - Communities, niche groups
  - “People do not buy technology but solutions to their problems”
- Changes in company strategies



# Changes in the company culture & mindset



## Closed innovation Principles

The smart people in our field work for us.

To profit from research and development (R&D), we must discover it, develop it and ship it ourselves.

If we discover it ourselves, we will get it to market first.

The company that gets an innovation to market first will win.

If we create the most and the best ideas in the industry, we will win.

We should control our innovation process, so that our competitors don't profit from our ideas.

## Open innovation Principles

Not all the smart people work for us. We need to work with smart people inside and outside our company.

External R&D can create significant value; internal R&D is needed to claim some portion of that value.

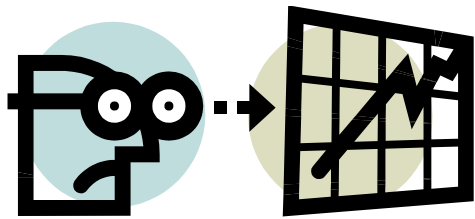
We don't have to originate the research to profit from it.

Building a better business model is better than getting to market first.

If we make the best use of internal and external ideas, we will win.

We should profit from others' use of our innovation process, and we should buy others' intellectual property (IP) whenever it advances our own business model.

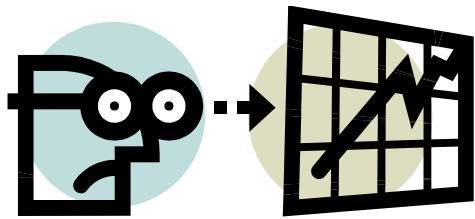
# University-Industry collaboration in the future



- More University-Industry collaboration
- Collaboration becomes part of day-to-day activities in Universities
- Industry needs more external R&D: from projects to collaboration
- Example: BOOST



# University-Industry collaboration in EuroFaculty project



- Too little activities in Pskov, Russia
- More cross-border activities in Riga, Latvia and Tartu, Estonia
- Student entrepreneurship activities in Pskov, Riga and Tartu
- Little steps, from projects into collaboration

***“Anyone who has never made a mistake has never tried anything new.”***

***“Imagination is more important than knowledge.”***

***“Any intelligent fool can make things bigger and more complex. It takes a touch of genius - and a lot of courage to move in the opposite direction.”***

