

This research brief series is intended to provide overviews of different strands of research associated with the Impact of Higher Education Institutions on Regional Economies research initiative.

The initiative is a major research venture jointly funded by the Economic and Social Research Council (ESRC) together with the four UK Higher Education Funding Bodies in England, Scotland, Wales and Northern Ireland. The initiative involves researchers from across the UK and is coordinated by the University of Strathclyde.

The initiative, which began in 2007, aims to promote better understanding of the key economic and social impacts generated by higher education institutions in the UK. There are nine projects, involving academics from across the UK, examining issues of:

- higher education institutions and regional competitiveness
- influence of students and graduates on regions
- knowledge exchange between University and Industry
- universities and community engagement

For further information about the initiative and related research, please see:
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R E S E A R C H B R I E F S E R I E S

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University research can lead to wide-reaching social innovations: Salford University and the Moneyline project

N O V E M B E R 2 0 1 0

University research can lead to wide reaching social innovations: Salford University and the Moneyline project

To what extent do innovations that emerge from universities help to address processes of social exclusion? This research looks at the issue of financial exclusion through a detailed case study of the Moneyline project, which emerged from Salford University. It follows this community engagement activity as it moved out of the university and became a social innovation, spreading into excluded communities. It focuses on how the idea has gone beyond the university and grown. It also looks at how the parties have dealt with the divergence of interests and with the parallel needs of community orientation and professionalism.

Moneyline started as an idea from an individual who wished to tackle financial exclusion by providing affordable loans, and who then approached an individual academic with his idea. The idea appeared plausible, so they enrolled potential supporters including the university but also banks and community investors in the form of local authorities. They established a number of trading arms and then spun-out those activities from the university. They created the idea of Community Investment Trusts (CITs), which have grown and become a feature on the financial landscape. To date, they have initiated and supported eleven CITs across the UK. Moneyline as an innovation has contributed to the emergence of a substantial financial innovation, which has addressed financial exclusion.

Key Findings

The project depended on a range of actors working together within and beyond the university

- Secondees from the banking sector played the role of entrepreneur in the process of spinning out the idea from the university and establishing it in the context of excluded communities.
- The academic, as an expert in the field of community finance, became an interlocutor and evaluator of community financial development. He has gone on to do evaluations of community financial development institutions and to develop new community finance products.
- He has also played an important role in placing the idea on a number of agendas, which helped to upscale the notion.
- He has been involved in the “Urban Regeneration-Making a Difference” Programme and, through this, has helped to bring a programme based on university management interests closer to community interests and benefits.

The university played a role not only in generating the research but also in the knowledge exchange and transfer process

- As an institution, the university was a creditworthy point of contact with the banks, bringing the lenders on board to a project that they might have otherwise avoided.
- A senior manager acted as a strong supporter for the project, in particular during the transition phase when the project was running through a steering group.
- The academic corresponded with the government to clarify a piece of legislation that created an institutional space for the CITs.
- The university also housed the secretariat for the CITs when the secondees from the banks found that they could not easily locate the project within the local authority.

Implications

The process by which an academic idea becomes a ‘real life’ community innovation is similar to that of knowledge transfer in industry

- Moneyline shows the scale of change that can be delivered on the basis of a single piece of knowledge transfer.
- The university operated not simply as a source of knowledge but also as a vocal supporter for the expansion and growth of the idea.
- At the same time, the university was able to walk away from the idea and leave the concept as a new social enterprise.

An ideal model of social innovations based around universities might follow the following sequence:

- Individuals develop ideas in concert with communities. At this stage an assembly of coalitions is required where the university does not play a leading role.
- The university temporarily takes the idea to its heart, and builds support within a coalition for the idea that the knowledge should be exploited in society.
- The university oversees and then hands over an up-scaling of the idea, and builds a narrative of how the university is delivering grand social benefits.
- The idea is freed, and the individual academic once more moves to other research projects, whilst still retaining links back to the original community.

Success depends on dealing a number of critical issues:

- More research is required to understand how to identify projects that have community benefit.
- Once projects are upscaled, success depends on the enrolment of partners and their resources.
- It is important to work out how the university's multiple roles can be played efficiently while retaining the freedom necessary to allow community learning to take place.
- Potential conflicts between professionalism and the needs of the excluded community must be managed sensitively.
- Spinning-out is a painful process for the community groups, as universities can provide a supportive environment, and learning to ‘stand on your own two feet’ is hard.
- Spinning-out of business ideas is well understood, and an effective network of social innovation support infrastructure could help ‘upscale’ these social innovations and help address the problems of these excluded communities.

Methodology

The basis for the report is a detailed case study of the Salford University situation through the case of the Moneyline project. The case study involved two stages. The first stage was an interview with a senior manager at Salford as part of a Survey of Salford’s Community Engagement activities. This was written up with alongside secondary data into a fiche in which the Moneyline case study was identified as a potential good practice example of university community learning. The second phase involved interviews with university and social enterprise staff involved with the Moneyline project, the underpinned research, its spin-off from the university and its functioning in a range of independent Community Investment Trusts. These were analysed and written up into this working paper.

The methodological background for the case study is a critical realist ontology that accepts that a social science method cannot produce perfect knowledge of a situation. The aim of the method is to use detailed triangulation of evidence in a consistent way to highlight critical consistencies and relationships that allow the articulation of a set of stylised facts, which help to establish the significance of particular empirical phenomena and their relationship.

Further Information

The study was carried out by the Centre for Knowledge, Innovation, Technology & Enterprise (KITE) in the University of Newcastle Upon Tyne in partnership with the Center for Higher Education Policy Studies at the University of Twente in the Netherlands.

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