

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:
<http://www.impact-hei.ac.uk>

R E S E A R C H B R I E F S E R I E S

No. 6
A new approach to valuing University
public, cultural and community
engagement

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

A new approach to valuing University public, cultural and community engagement

Policy makers are increasingly interested in the economic role of higher education institutions (HEIs). A potentially valuable part of this role is considered to be HEIs engagement with the community, be it the business community, the policy community or local citizens. Indeed, UK funding councils, including the Scottish Funding Council, are now distributing a proportion of their funding according to measurements of what has become known as 'knowledge transfer'.

But how much knowledge transfer actually takes place? How significant a part is it of HEI work? Until now, attention has been focused on knowledge transfer to business and industry. The metrics used to measure value are those that relate to the market - patents, licenses and consultancy contracts. Little is known about the role that HEIs play in the community and their cultural impact as 'civic players'. Here, an entirely different method of measuring performance is needed. Indeed, to assess the economic value of HEIs' non-market work, we need to rethink, entirely, what constitutes 'value' from HEIs.

The study has developed a methodologically rigorous and holistic approach to capturing the wider economic value of Scottish HEI outputs. It takes the example of three non-market areas of university activity that are potentially important for knowledge transfer. These are: community engagement, cultural outreach and public policy advisory activity.

Key Findings

Performance indicators for HEIs need to take account of their economic and legal status

- HEIs are not public sector bodies but are private non-profit institutions (NPIs). This status has a strong influence on institutional motivations, operations and behaviours.
- HEIs do not behave exactly like commercial enterprises – they are not driven by profit or the need to satisfy shareholders.
- HEIs do not behave like public sector organisations – they have more freedom to determine their own goals and how they want to achieve these.

Performance indicators need to be based on output not outcomes

- HEIs can deliver outputs such as teaching an agreed number of students, providing open lectures, running art workshops for local children.
- HEIs cannot deliver outcomes. These depend on additional factors over which the HEI may have little influence, for example the ability of students to learn or the economic climate.
- In differentiating output from outcomes, it is important not to conflate Higher Education Institutions with the higher education system as a whole, which also includes, for example students, parents and alumni.

Performance indicators need to take account of different types of value

- Financial value relates to the financial amount involved in a transaction.
- Economic value (particularly for non-market goods and services) does not necessarily relate to money per se, it can relate to the use of resources of one kind or another, which may not be paid for.
- The application of social weights to obtain a social valuation is a question of interpreting an economic evaluation in the light of social policy objectives.
- In cases where HEI outputs are given free, such as HEI staff contributions to public policy or community memberships of university sports centres, a 'shadow-price' is found. This is what might have been paid under market circumstances.
- Value may be imputed by a 'time-cost' method, which calculates, for example, time spent by library visitors or event audiences. The idea here is that time is a scarce resource and therefore has an economic value.

Implications

In order to enable policy makers to allocate resources and encourage non-market activities that may not have direct commercial value, but have economic and social value, the following key points should be borne in mind:

- The range of metrics for knowledge transfer or HE innovation monies needs to be broadened to include non-market output indicators, particularly those relating to public policy advice, which has a high potential economic value.
- Ways of collecting ancillary policy relevant data should be discussed with HEIs, preferably using existing data collection systems such as the HE-BCIS.

- Information should be collected that would enable the generation of volume indices for agreed outputs.
- These might include annual attendance numbers and attendee hours spent at public events, museums, exhibitions, numbers of non-academic library users, number of hours of public policy advice delivered per annum from each university member of staff.
- Information could also be collected that would allow the application of appropriate social weights. For example, information on the postcodes of people attending events, libraries, sports facility; the catchment area of schools taking part in seminars.

Methodology

The research included a desk-based literature review and data searches. It also involved personal interviews and discussions with a range of HEI personnel to identify the relevant outputs and the data available. The study used survey information from a sample of eight different Scottish higher education institutions, which make up around 42 per cent of the total turnover of Scottish institutions. It also drew on a range of published data: the Higher Education Statistics Agency (HESA), the Higher Education Business and Community Interaction Survey (HE-BCIS) and the data produced by the Society of College, National and University Libraries (SCONUL) and the Audit of Sports Provision, 2007.

In order to be considered a relevant output for this study, an output needed to:

- Be additional to 'core' teaching, research and commercial consultancy activity.
- Reach people beyond the boundaries of the institution.
- Involve non-academic audiences.

Given the constraints in data collection, analysis was restricted to certain aspects of the following activities:

- Events open to the public
- Performances open to the Public
- External sports facilities usage
- External Library resource usage
- Public Policy Involvement

The research aggregated exemplar estimates of these outputs from all Scottish HEIs for a composite year.

Further Information

The study was carried out by Ursula Kelly, Iain McNicoll, Donald McLellan and Richard Brooks at the University of Strathclyde.

To contact the authors of this Research:

Ursula Kelly
University of Strathclyde
Glasgow G1 1RD
Tel: + (0) 141 548 4206

Email: u.kelly@strath.ac.uk
or: ukelly@hotmail.com