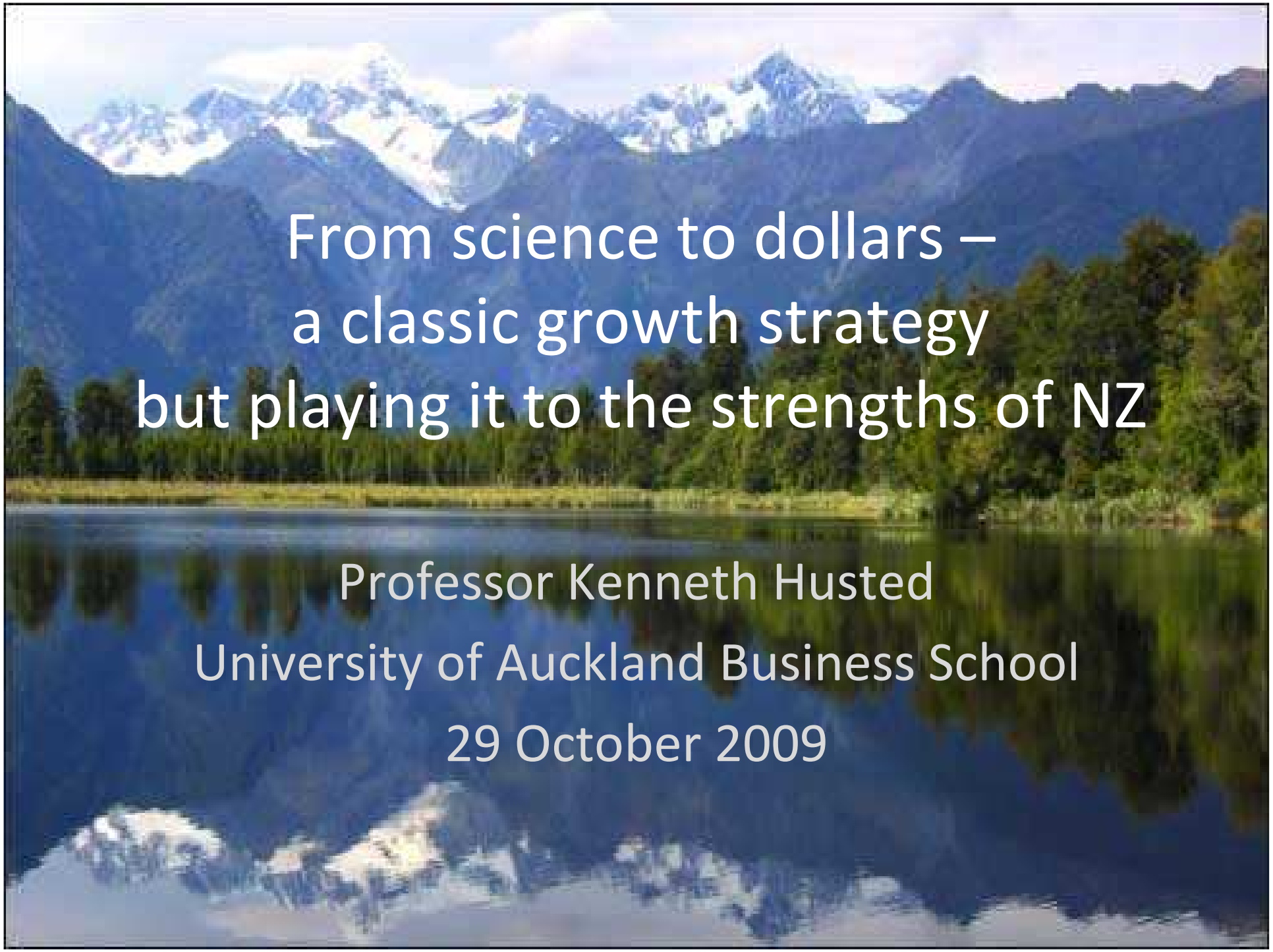

From science to dollars – a classic growth strategy but playing it to the strengths of NZ

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Main points

- Why classic arguments and approaches to analyse wealth creation from research are less useful in the NZ context
- Need for rewriting the rules and using the strengths of NZ
- Building blocks for regional change
  - People
  - Networks
  - Failure
  - Getting the most from good ideas
  - Innovation village

Evolution in the Research Triple Helix

1. Conditioned funds
2. Strategic direction

Funds

1. Decision input
2. Performance measurements

1. Funds
2. Support structure
3. Legislation

Economic growth

1. Economic growth
2. Strategic direction

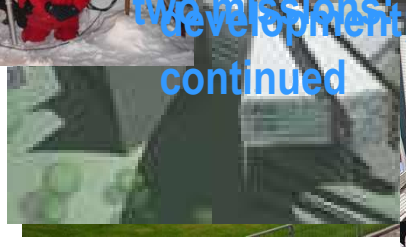
The second academic revolution

The first academic revolution (Etzcowitz 2004):

(Etzcowitz 2004):

Third mission: Economic and social development, old missions continued

two missions: Teaching and research



1. Funds
2. Research results
3. Research agendas
4. Network

1. Research results
2. Patented innovation
3. Applied research
4. Graduates
5. Access to networks

Research results

Graduate

So, what is the issue?

- Most of the models and understanding of getting from science to dollars are relevant for countries with a) large MNCs, b) easy access to large markets and c) deep pockets
- Playing by those rules is a serious disadvantage to NZ
- Use organisational learning, regional innovation and knowledge management to develop alternative strategies

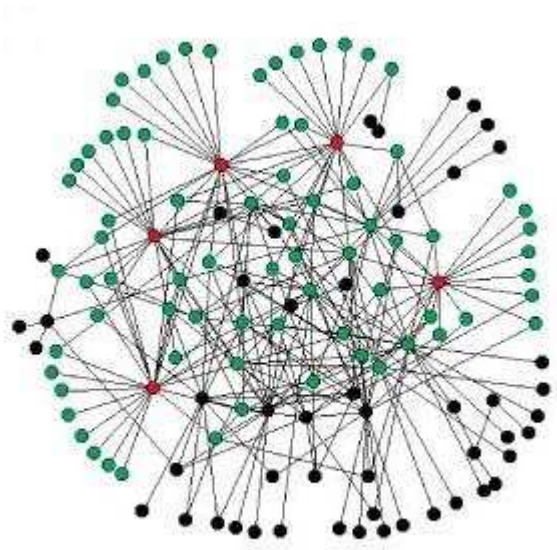
People

"I'll be happy to give you innovative thinking. What are the guidelines?"

- Right competencies and values
- Reduce individual risk
  - job opportunities for failed entrepreneurs
  - culture of second or third shot

- Catalyst for action -make success of others visible
- Students are the main actor in creating dollars from science

The dynamics of networks



Scale-free

Based on social norms, access to networks, social sanctions, reputation and trust

Strengths:
1.Access to knowledge
2.Low cost and flexible
3.Encourages variation and learning
4.Can handle uncertainty - supports “bumble-bee” innovation

Weaknesses:

1.Path dependent
2.Difficult to enforce outside the network / social setting
3.Costly and slow to develop

The power of failures

"It is better to have enough ideas for some of them to be wrong, than to be always right by having no ideas at all." **Edward de Bono**

"Only those who dare to fail greatly can ever achieve greatly." **Robert F. Kennedy**

"I have not failed. I've just found 10,000 ways that won't work." **Thomas Alva Edison**

Get the most out of good ideas…

- Responsive science system
- Stimulate bottom-up collaboration
- Educate the value chain in being part of innovative projects
- Secure local demand for new products
- Capture and reuse learning from failures
- SMEs can hit the ground running – if they have the time and human resources to engage

Innovation village

- **Fenced off, but still collaborating with the outside**
- **Collective effort in opportunity *construction* (notice: not recognition)**
- **Low cost collaboration – trust based transactions**
- **Distributed risks**
- **Local funding**

Thank you