Changes to External Research Income Proportion in the PBRF – Unitec Institute of Technology Consultation Response

1. In your view, will increasing the proportion of PBRF income allocated based on External Research income better value user-perspectives of research quality?

In our view this will make no difference to public sector research contracts in the short term and little difference to research behaviour in general.

We consider the change in proportion to be minimal, and therefore unlikely to encourage significant change. We suggest placing even greater emphasis on ERI in order to enact a meaningful change in how the tertiary education sector values and actively seeks external research income, particularly from non-government sources. We propose an increase of at least 10%, gradually implemented over time, which would result in 50% of PBRF funding allocated to the Quality Evaluation, with 25% allocated to both RDC and ERI. This change will increase the time and resource that tertiary providers commit to partnering with private enterprise, and in the long term this should help build a feedback loop which facilitates a greater valuing of user perspectives of research quality. It should encourage organisations to not just reshuffle existing resources to better respond to PBRF requirements, but actively push them to rethink strategic goals, and possibly commit new resources to engaging with industry and business in regards to research funding.

2. Will the proposed change encourage tertiary education organisations to more actively seek out additional research income, and to what extent?

We agree that this proposed change may result in organisations more actively seeking out External Research Income, however this does present significant challenges in New Zealand, where the private sector has traditionally looked to the government for R&D funding. It is therefore critical that in conjunction with this change, adequate support (such as growing Callaghan Innovation) is put in place to maximise the likelihood of success.

From the perspective of Unitec it will encourage us to seek additional research income, however finding and securing it is not guaranteed. With government sources of funding increasingly constrained, and encouraging industry to invest in research in greater volumes still not realised, there are concerns that an already flooded and highly competitive funding environment will be swamped by additional requests for funding. However, we believe the changes signalled earlier regarding the higher ERI funding allocated to non-government sources of funding, is the critical detail, and that provided adequate support is available, increasing engagement from the tertiary sector with industry and business in regards to research funding is likely to help drive changes in this environment. As Callaghan Innovation embeds itself fully we hope to see initiatives from this organisation that creates opportunities for additional research income for tertiary organisations. Unitec believes that it is very important that Callaghan Innovation is open for business with ITP’s in particular, because we provide the best hope of private and public sector partnership models for R&D in small to medium enterprises, which provide better value user-perspectives of research quality. Further developing systems and structures that encourage industry engagement in research funding, along the lines of Knowledge Transfer Partnerships in the UK (http://www.ktponline.org.uk/), are considered extremely important.

We also believe that increased engagement with the NGO sector is critical. The Lottery Community Sector Research Fund is a great example of a non-government funding source, providing funding for community organisations to undertake research for the communities they serve. The fund’s guidelines stipulate the necessity for applicants to show that there has been collaboration with
others outside the applicant organisation in the development of proposals, and tertiary institutions are ideally placed to assist with the design and delivery of these types of projects. Lobbying the philanthropic sector to improve and increase their support for these types of partnerships would be valuable. Engaging TEOs to undertake this work as opposed to private consultancy firms would be a kind of social procurement.

3. What do you see at the potential benefits and risks associated with increasing the proportion of PBRF funding allocated based on External Research Income, and decreasing the proportion of funding allocated through the Quality Evaluation?

We believe the proposed change will encourage organisations to seek research funding from sources external to their organisation, and this combined with a greater emphasis on non-government sources of funding should be beneficial to the sector as a whole. The risks associated with this approach centre on further consolidating funding to a small number of large organisations who currently possess the infrastructure to respond to large numbers of government and non-government funding opportunities. While the compliance costs around the Quality Evaluation are high, they are consistent for each organisation in proportion to size, therefore allowing smaller organisations to achieve in this structure. This change would essentially remove funding from some of the smaller organisations, from the ITP sector in particular, as the dual sector environment means that large technology transfer and research offices are uncommon. There is also a risk that disciplines that have traditionally had less access to external research funding, such as the creative industries and humanities, are further marginalised by increasing funding to this aspect of the PBRF. By increasing the reward and drive for ERI institutional practices may both intentionally and unintentionally marginalise disciplines unable to bring in large amounts of External Research Income.

These risks can be mitigated and in the event they are, Unitec believes that a more significant percentile shift in ERI is warranted.

a – Ensuring that Callaghan Innovation and other initiatives such as Knowledge Transfer Partnerships in the UK, are in place to facilitate the difficult shift in emphasis from public to private (and philanthropic) sector investment in R&D.

b – Ensuring that these initiatives are available to and even targeted at ITP’s. Their heterogeneity, less intransigent academic mind set and applied focus makes them more likely to engage successfully with the private and NGO sectors.

c – Retaining a significant percentage of research funding rooted in the Quality Evaluation helps to protect the creative industries and humanities, which are less likely to generate significant volumes ERI. We consider 50% of the fund allocated to the Quality Evaluation suitable for this purpose.

If you would like to discuss this submission please contact

Unitec Institute of Technology