THE EMBEDDEDNESS BETWEEN HIGHER EDUCATION INSTITUTION AND INDUSTRIES IN PROMOTING CITY REGION COMPETITIVENESS



RESEARCH MANAGEMENT INSTITUTE (RMI) UNIVERSITI TEKNOLOGI MARA 40450 SHAH ALAM AND OFFICE OF DEVELOPMENT, FACILITY MANAGEMENT & ICT UNIVERSITI TEKNOLOGI MARA 40450 SHAH ALAM

BY:

PROF MADYA DR HAZLINA HAMDAN PROF MADYA DR FATIMAH YUSOF PROF. DR. DASIMAH OMAR TUAN HAJI FAIZUL ABDULLAH PUAN NAASAH NASRUDIN EN. ISHAK CHE ABDULLAH SR. MOHD SHAHRUDIN SAUD

SEPTEMBER 2012

3. Acknowledgements

The researchers acknowledges the financial support provided by the Development and Facility Unit Department and Research Management Institute of University Technology MARA for this research. Deepest gratitude to both departments for assistance and support throughout this study. The team would like to express appreciation to the industries/firms who had participated in the survey and not to forget those individuals of academic staff in the university who were interested to give feedback during the process of data collection. Finally, to the team members, thank you for cooperation and contributions.

4. Enhanced Research Objectives

Original Objectives as Proposed:

- 1. To examine firms' knowledge based embeddedness that affecting the formation of university industry linkages
- To examine the factors affecting the diffusion of knowledge by firms with university industry linkages
- 3. T identify the location of U- I linkages firms and its affiliate network that generate the local economic growth
- 4. To identify the potentials and constraints in establishing embeddedness university industry linkages
- 5. Based on the findings to propose strategies and models for university industry embeddedness linkages and thus promote the city regional growth.

Improved/Enhanced Objectives:

- i. To examine the characteristics and operational structure of existing university - industry embeddedness
- ii. To analyse the relationship of university-industry linkages and the extent of those linkages towards development economies
- iii. To evaluate the spatial distribution of clustering university industry linkages and the extent of knowledge diffusion in geographical location
- iv. To identify the potentials and constraints in establishing sustainable university-industry embeddedness
- v. To propose recommendations for university-industry embeddedness linkages towards enhancing the regional competitiveness.

Contents

1.	Lette	er of Report Submission	. i
2. Lette		er of Offer (Research Grant)	. ii
3.	Ackr	nowledgements	.iv
4.	Enha	anced Research Title and Objectives	. v
5.	Report1		
5	5.1	Proposed Executive Summary	. 1
5	5.2	Enhanced Executive Summary	. 2
5	5.3	Introduction	. 3
ŧ	5.4	Brief Literature Review	. 5
ę	5.5	Methodology	. 7
ę	5.6	Results and Discussion	10
į	5.7	Conclusion and Recommendation	14
:	5.8	References/Bibliography	18
6.	Res	search Outcomes	21
7. Appendix			22

5. Report

5.1 Proposed Executive Summary

In the context of globalization, knowledge and technology innovation are increasingly recognized as sources of global competitiveness and economic development. The significance of higher learning institution-industry interactions has become very important on the agenda of higher education policy-making, at both the national and institutional levels. Within the context of knowledge intensive economies, governments are increasingly aware of the importance of higher education institutions as strategic actors in both national and regional economic development, given their potential to upgrade skills and knowledge of the labour force and contribute towards producing and processing innovation through technology transfer. Collaboration provides industry with the means by which to have access to advance technology and know-how at a lower cost and with less inherent risk as universities possess a large pool of expertise. The universities can benefit through additional public and private funding for research and development and new income through patenting and licensing thus create win-win situation for both the universities and industries. The topic of university-industry interaction is not new, but since the 1970s it has become more formal, frequent and planned. Though late, the important of university-industry interactions has received the attention of higher education policy makers in most developing countries, including Malaysia. However, despite the recent interest in this topic there is a lack of research to facilitate policy formulation. Therefore, this study is undertaken to examine the level of knowledge based embeddedness in universityindustry interactions to which promotes the local economic growth and competitiveness.