

THE DEVELOPMENT OF A STRATEGY IMPLEMENTING THE THIRD FUNCTION OF UNIVERSITIES IN SOUTH- TRANSDANUBIA

*(Strategic objectives of IPA project on Regional engagement of mid-
ranged or smaller Universities)*

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Kaposvár University should play a more active role in the development of its own region and should follow a university strategy built on knowledge networks capable for transmitting organisational and social innovations by strengthening networked connections between the university and regional actors.

Invigorating this strategy is motivated by several factors. The expectable restructuring of higher education – following demographic trends and the unavoidable consolidation of the Hungarian university system – will make the University's proactive adaptation to the presumably new system unavoidable. On the one hand **education and training**, the University's *traditional primary functions* will lose their primary importance and on the other hand the funding gaps arising from the weakening priority of basic functions, cannot not be fully bridged even by *research-development generally known as the universities' secondary functions*. The majority of universities located in the provincial cities of Hungary in their present form and structure, even just because of their size are unsuitable for operating as a *research-universities* based on wide-scaled competitive in several multidisciplinary fields diversified R&D activities or as *entrepreneurial universities* profiled in the marketing of the innovative “end-products” of R&D innovation based on the American model.¹ Both in case of innovative inputs (researchers, number of research units, R&D expenditures) and outputs (publications, scientific qualifications, patents, international projects, university-company partnerships, R&D cooperation) there is a lack of critical mass built on several, strongly innovation-oriented disciplines which would be necessary for achieving leading by world standards research results and for their marketing and the financial and infrastructural conditions and synergies needed for building a research university model are also missing.

Innovation development based on mid-ranged universities being yet outside of the category of big universities by international standards located generally in ‘provincial’ regional centres cannot even fully be applied in case of Kaposvár University by applying the strategy of increasing the critical mass of R&D or of strengthening the relations between the University and the actors of economy with their supporting transfer organizations. This is explained not only by the small size of the University but also by the fact that ‘mid-range’- status

¹ Besides the model of the so-called „entrepreneurial universities” based on the traditions of American research universities described by H. Etzkowitz (1983,2002) John Goddard's (1999) model of universities based on European traditions emphasizing the regional engagement of universities may serve as a theoretical basis for building university strategies.

presupposes the existence of a relatively big network of well cooperating university, research, regional and other economic actors (companies) with a relevant number of transfer organizations that are not available either at the University or in the narrow environment of the city and even in the broader environment of South-Transdanubia Region in all respects.

However at the same time a stronger utilization and marketing of *the existing results achieved in the research of agro-food industry and research capacities* in international and domestic environment are still objectives to be achieved.

The society's encouragement of academic careers resulted in a mass production of people with university and college degree and this increased the social control over science as well. Today universities are facing a growing social pressure on reconfiguring their system being able to accommodate entrepreneurial skills, technology development and interactive learning as primary functions with their transfer into *their narrow and broad environment*. The adult education and professional training courses organised by the University, the exchange of practical knowledge bound to certain sectoral policies, development priorities, the elaboration of development strategies and practical development programmes customized to the demands of local society and the University's narrow and broad environment will be important components in *the increased regional engagement of universities*. This is what is called as *the third function of universities*. In this case structural changes and cross-border social dialogues should all be regarded as priorities.

But today universities are still concentrating on their primary functions; on education and research. Small universities are mostly on the first. But today there is a growing pressure for integrating „**the third function**” into the University's mission and operation. This is explained by the worldwide changing trends. On global level the economic and environmental limitations of the growth unsustainable in its present form have resulted in a general change of paradigm in the interpretation of innovation as well which requires the adaptation of universities to the changing general conditions as well. This new approach increased the importance of social and organisational activity innovation within the general framework of innovation.² Universities can undertake the tasks of **social-organizational innovation** only by incorporating the third function into their strategy, which will serve for strengthening the social and organisational bases of local economic growth and concentrates on *the development of human resources*, in which the different *forms of knowledge mediated by the universities* will have a key role. Universities should be aware of the fact that during innovation process social acceptance is a very important success factor therefore - university policy-makers developing the third function – must concentrate on improving their cooperation with regional partners and elaborate a strategy bearing in mind that the future of the region and its institutions are intertwined. Thus, they must find out the most efficient combination of presence in the local and international space of knowledge!

At Hungarian universities active/proactive regional-level engagement is not a typical phenomenon, therefore generally they are not assigned with concrete tasks in regional

² At Stanford University California, having been the former home-base of technology innovations (Silicon Valley), in the recent years the expenditures spent on social innovation surpassed the expenditures of technical innovation. Networked economy by spreading the practice of „cooperative innovation” is trying to tackle the social and organizational barriers of innovation which alone is a greater challenge than research and technology innovation.

strategies and programmes. Universities in their organizational development plans define themselves rather institutions for satisfying national level demands than actors integrated into local-regional economy by educational and research activities. Moreover even the concept of networking is very strange phenomenon for the Hungarian way of thinking. The affected actors – among them the *two universities in the region (Univ. Kaposvár, Univ. Pécs)* – rather see themselves as competitors competing in all fields of science than trying to enter into regional level cooperation by concentrating on their comparative advantages to build really competitive knowledge networks.

By the term well-working regionally engaged university we mean a network of universities within the region which concentrating on their comparative advantages play a precisely defined special role in the development of their own region. This homogenous strategy built on partnership as well will eliminate parallel activities and networked model will facilitate synergic effects. *This kind of model may chiefly be applied in economically underdeveloped regions such as South-Transdanubia where universities are concentrating on education programmes serving for the special training demands of their own region with research activities of far less size and importance and regional engagement integrated under the umbrella of third university function (regional engagement of universities) is concentrating on areas near to practical application and mostly satisfies the demands of local economic actors only.* This solution could be applied with the highest efficiency in Hungary as well also although in the present system of fighting for the survival of institutions it is hardly imaginable that this kind of cooperation scheme will receive significant acceptance in the stakeholder institutions.

The greatest contribution of universities to regional development can be measured by seeing how universities are capable to integrate different processes on regional level. In the model of the interaction between the University and the region this is represented by the connection of two virtual circles and the dynamic interface between them (see Figure). Within the University a fertile, synergic connection will be established among the three basic functions and in the region there will be an open, mutually invigorating connection among innovation, society and available knowledge base if the interface connection between the two circles operates efficiently. *The University itself has to be turned into a kind of economic organisation* which as a result will promote the University into a major actor of regional economy through its practice-oriented *training-re-training* modules (FSZ, adult-training, professional training, sandwich-training) adapted to the demands of regional actors, through its *development-counsellor* role, through *innovative functions* and through *the transfer and marketing of the results of innovation.*

The enhancement of functions concentrating not only on traditional education-training profiles will not only increase the sustainability of the University's funding and operation but will also turn it as a key actor in local labour market as *new functions will create new jobs at the university* in non-tutorial positions as well.

In the new diversified strategy an increased attention should be paid for the he so far generated regional economic and social connections by the Health Centre, Equestrian Academy, and Deer Academy and they should be integrated as key elements into the third function strategy of the University. For Kaposvár University elaborating the strategy of

strengthening the University's social-regional functions would be a relatively small investment only and the university has all the necessary human resources for the preparation.

In this strategy the Department of Regional Economics and Statistics at the Faculty of Economic Science having valuable experiences in *regional and rural development, spatial development and counselling* may have a key role. *Besides this the Faculty's other departments such as the Department of Finance and Marketing, the Faculty of Pedagogy* (.....), as well as other faculties should be involved into this strategy in an appropriate division of labour.

(Equestrian Academy, Deer Farm: PURE visit)

The lack of the integration of universities into regional economy is not merely a generally proclaimed truth but nevertheless a true fact. Linking knowledge bases to economy would be important but it should satisfy the demands of economic actors. This bilateral, interactive connection would improve not only the economic utilization of university research results but by intensifying the dialogue between higher education institutes, the economic sector and regional actors would facilitate a more organic and functional integration of universities into the region's economy and would contribute to a better utilization of the economic actors' potentials. It would be desirable if the University's 'third function' could serve for initiating a dialogue with a wider circle of the region's economic actors.

We are on the opinion that the region needs on one hand launching environment friendly, social innovation processes in a new way and a new dimension and on the other hand increasing the role of the University as a mediator of economic development processes with permanent critical analysis and conducting researches on the possibilities of correction.

Enhancing the University's functions by our approach should mean a social-organizational innovation process as well; by the realization of planned activities a new platform and cooperation area will be built between knowledge and business society which will maximally meet the above-described requirements.

In case of Kaposvár University enhancing the third function **as a new development direction strengthening the University's social-economic-regional functions** would increase the University's regional embedment and income sources.

- On the one hand it is not exposed to the volatility (decrease) of the number of students arising from the negative tendency of demographic trends and encumbering the planning of per student state subsidization revenues.
- Regarding its expenses, tools and material costs it demands less financial resources than individual research-development tasks which are exposed not only to the efficiency risks of research and technology development but also strongly depend on governmental subsidization.
- Through strengthening the economic connection between the University and the region's economic actors resulting from the University's stronger embedment into local-regional economy alternative funding resources and social capital may be involved into the operational system of the University.
- The University as a knowledge and human resource basis may play an important role in regional network building and in the expansion of organizational capacities. For partner institutions and economic organizations the University of Kaposvár may perform a kind of regional or county-level 'animator' function and may contribute to working out a model for efficient governance.

- The University's regional engagement emphasizes the development function of the University of Kaposvár in economic and social processes which may perform their functions enhanced with the new ones in the intersection of learning economy and regional economy.
- Furthermore, the education system, focusing on the University's regional gravity zone must put a greater emphasis on strengthening the region's enrolment (attraction of new students) and for maintaining graduates within the region which requires the adaptation of the training structure to the region's economic demands. As a result of this demands and more practice-oriented university training may achieve a larger degree of local embedment which will increase the long-term sustainability of the University's primary function and of such training programmes.

One of the future key strategies of universities in such less-advanced areas/regions as the University of Kaposvár besides *stronger regional engagement* and technical-technological-agricultural innovations through social engagement *mediating organizational and social innovations* and developments with emphasizing and implementing ***the developmental role of the University*** may be one of the break-out strategies of the future. Unlike in regions with advanced regional innovation systems where university-state-industry-citizen relations look back to a longer past the narrow and broad environment of Kaposvár University (the city, Somogy County, the region) should pay greater attention for medium-scaled (med-tech vs. high-tech) technology innovations (the majority of agricultural innovations belong to this category), and for *organizational and social innovations*.

When building a strategy focusing on the University's third function ***intensifying the cooperation of the even now well-functioning cooperation with the city of Kaposvár and preparing and operating common development strategies*** by emphasizing mutual interests and development objectives has great importance. Intensifying the even so far strong cooperation in the field of creative industries (film, theatre, industrial design).

Besides the regional engagement of the ***university sector in the University's international strategy of intensifying the integration into traditional international research networks there is also a need for building a viable strategy in the areas of cross-border educational, research-development and innovative co-operation***. As regards spatial proximity, intensifying inter-university relations with *Croatian, Slovenian and Serbian* partners and strengthening co-operation with other actors should be strived for. From several aspects there are huge potentials in **intensifying relations having been so far on low intensity between universities on both sides of the border**. From the point of the reproduction and utilization of human capital institutes of higher education have outstanding importance, not only because of their graduate training programmes but also because of their practice-oriented professional training programmes and their counselling and expert activity. Universities (such as Kaposvár and Osijek universities) have all the necessary intellectual potentials through which the internal characteristic features, problem nodes and common development potentials can be assessed. The region needs on one hand the starting of environment friendly, social innovation processes in a new way and a new dimension and on the other hand increasing the role of the University as a mediator of economic development processes with permanent critical analysis and conducting researches on the possibilities of correction.

Besides *cross-border relations in training and research* (common preparation of curriculum modules, accreditation of common training programmes) – which may intensify mostly *inter-university bilateral connections* – there is also a need for building channels of knowledge flow for the backwarded, handicapped hinterlands of the region's universities in such areas as well where not high-tech oriented R&TD is the primary need. Instead of this *the special regional development impact of universities* and their mediated *social-organizational innovations* as well as knowledge transfer channelled through connection building between *universities and local actors may serve principally for the interests of local developments*. The **IPA funded UNIREG IMPULSE project** with the co-operation between the Faculty of Regional Science of Kaposvár University, Centre for Regional Studies HAS and Strossmayer University Osijek is based on the third function of universities as a regional development umbrella function through elaborating cross-border sectoral development strategies and cooperation programmes targeted at a wider circle of actors where *innovation is specified as an integrated instrument of regional development*. Besides developing the organisational framework substantiating the university's third function (innovation transfer office) and *cooperative knowledge networks* it serves also for regional engagement and the foundation of a more intensive cross-border cooperation of universities. The actions to be implemented within the framework of project are grouped into three sectors or fields of action: **the intensification of the cross-border co-operation in the academic sector** and its regional engagement, *rural development, applying the local development impacts of experience economy* and *environmental issues*.

UNIREG IMPULSE

REGIONAL UNIVERSITIES AS GENERATORS OF TRANSNATIONAL KNOWLEDGE REGION IN SOUTH PANNONIA

1. THE OBJECTIVES OF PROJECT

The project's general objective is *creating South-Pannonia knowledge region based on the universities' active regional engagement – as their third function – mediating organizational and social innovation* by strengthening networked relation between universities and regional actors.

The project in its approach fits into the changing trend observed worldwide. On global level the economic and environmental limitations of the growth unsustainable in its present form have resulted in a general change of paradigm in the interpretation of innovation as well which requires the adaptation of universities to the changing general conditions as well. This

new approach increased the importance of social and organisational activity innovation within the general framework of innovation.³

In our project the *social-organizational innovation* mediated by the universities and the academic research institute is serving for strengthening the social-organisational foundations of local economic development and focuses on the *development of human resources* in which *the different forms of knowledge will have key role*. The adult education and professional training courses organised by the University, the exchange of practical knowledge bound to certain sectoral policies, development priorities, the elaboration of development strategies and practical development programmes customized to the demands of local society and the University's narrow and broad environment will be important components in *the increased regional engagement of universities*. In this case structural changes and cross-border social dialogues should all be regarded as priorities.

2. THE REASONS OF SELECTING THE SECTORS FOR DEVELOPMENT

The actions to be implemented within the framework of project are grouped into three sectors or fields of action: **the intensification of the cross-border co-operation in the academic sector** and its regional engagement, *rural development, applying the local development impacts of experience economy* and *environmental issues*.

On both sides of the border we can find such relevant from social and economic aspects sectors, fields, areas which so far have been neglected, underdeveloped or underestimated from the point of their development potentials.

In the first area there are huge potentials in **intensifying relations having been so far on low intensity between universities on both sides of the border**. From the point of the reproduction and utilization of human capital institutes of higher education have outstanding importance, not only because of their graduate training programmes but also because of their practice-oriented professional training programmes and their counselling and expert activity. Universities (and from the narrow aspects of the project Kaposvár and Osijek universities, Centre for Regional Studies HAS) have all the necessary intellectual potentials through which the internal characteristic features, problem nodes and common development potentials can be assessed. The region needs on one hand the starting of environment friendly, social innovation processes in a new way and a new dimension and on the other hand increasing the role of the University as a mediator of economic development processes with permanent critical analysis and conducting researches on the possibilities of correction. The investigations of the project are based on the individual results of international PURE research having been finished by now (2008-2010) which investigated the possibility of the regional engagement of universities in case of Kaposvár and Pécs universities (Dr. Zoltán Gál was a member of the local expert group of PURE).

Besides building connections by common training and research programmes – which may intensify mostly *inter-university bilateral connections* – there is also a need for building channels of knowledge flow for the backwarded, handicapped hinterlands of the region's universities in such areas as well where not high-tech oriented R&TD is the primary need.

³ At Stanford University California, having been the former home-base of technology innovations (Silicon Valley), in the recent years the expenditures spent on social innovation surpassed the expenditures of technical innovation. Networked economy by spreading the practice of „cooperative innovation” is trying to tackle the social and organizational barriers of innovation which alone is a greater challenge than research and technology innovation.

Instead of this *the special regional development impact of universities* and their mediated *social-organizational innovations* as well as knowledge transfer channelled through connection building between *universities and local actors may serve principally for the interests of local developments*. Besides the development of the organisational framework substantiating the university's third function (innovation transfer office) *and cooperative knowledge networks* a knowledge map serving for the regional engagement and a tighter cross-border cooperation of universities will also be prepared within the UNIREG IMPULSE project.

Innovation development priority is high positioned in both countries' development documents as a primary objective in the implementation of regional economic development programmes (such as cluster building) but at the same time innovation development strategy (RIS DD) recommends such pilot programmes where *innovation is specified as an integrated instrument of regional development*.

Closing up rural areas and promoting their economic development are key issues of the European Union's regional policy targeted at economic cohesion. As the areas involved into the project are frontier regions, being not only in peripheral position but their economic development figures are even below the average development indicators of their own country and regarding their economic geographical-natural conditions the instruments of regional development, rural development instruments and potentials, and the aspects of nature-environmental protection may play primary role in building a (cross-border) knowledge region serving for the expansion of the region's innovative capacities.

No significant changes could be expected in the handicapped socio-economic conditions of the investigated frontier regions and their factor-oriented (foreign venture capital-driven industrialization) development in the past and this is also true for the future. At the same time the development of local economy should be based on the present sectoral traditions and conditions and be focused on agriculture, community *rural development policy* facilitating the improvement of life quality and the stimulation of diversification, *on rural experience economy* based on agriculture, tourism and the beauties of natural landscape as well as on *identifying environmental and landscape protection problems* and on *creating sustainable local energy systems*.

Beyond these *capacity building, obtaining professional knowledge, the organization of local strategy development* and preserving the attractiveness of rural areas for future generations are essential objectives. These objectives completely fit and may fit into the system of IPA. All these actions also serve for the priority of *creating new jobs* as the development strategies prepared by the universities and the academic research institute, the presented best-practice models all contribute to the better utilization of existing but yet not used resources and human capacities and to finding a new combination of ways to use these potentials. *The creativity and innovativeness of local society should be increased and besides/instead of competitiveness we should focus on building sustainable systems of local provision and energy supply*. The importance of renewing/alternative energy may be motivated by the cheaper price of self-sufficiency adapting to lower solvent demand. This latter one by using renewable energy may provide cheaper alternative energy resources for poor social classes and municipalities as well (e.g. straw bale insulation system, building of rocket stoves) which may mix the economic and social sustainability and job creation potentials of systems with environmental sustainability. In the selected region several environmental reference areas are located (the special ecosystem of the riverside of Drava, the potential synergy between national parks) and the outcomes of global climate change at the same time require improving the adaptation skills of local societies and agriculture to which university researches (agricultural faculties at the University of Kaposvár and Osijek) and policy guides may contribute to a great extent with information and new knowledge provided.

The „triangular concept of balanced sustainable development” – economic growth with low carbon-dioxide emission, social cohesion and environmental sustainability – should be emphasized and this can really be implemented by creating new ‘green’ jobs on both sides of the border.

3. MAJOR ACTIONS TO BE IMPLEMENTED BY THE PROJECT

Situational analyses for the selected action sites targeted at the assessment of the present relevant demands are under preparation. Besides this analyses evaluating the assessed demands fitting into the framework of strategic planning are harmonising with the objectives of the project. We implement the identified development guidelines, recommendations by dissemination conferences presenting development potentials and by the organizing local workshops including training elements for local actors. The overall objective of our activity is building and developing a common knowledge base and network for the region’s scientific research organizations and actors (policy and economic) with a complex vision and concept. The programme besides ensuring social-economic benefit should serve for increasing the employment on target areas on both sides of the border..

For promoting the realization of the objectives described a common *Knowledge-Transfer Office* will be opened in Osijek and in Kaposvár. The *Hungarian-Croatian Documentation, Regional Development and Training Centre* (Kaposvár, Pécs, Osijek) may serve as an *information platform* for the Office which will be responsible for the collection of documentation concerning regional cooperation and furthermore conducting surveys analyses on development projects and organizing workshops.

The Centre is responsible for mediating *social and organizational innovation* towards the economic sector and municipalities. The Office performs not only an important bridging role but also has serious *research and development capacities* and represents a knowledge basis by the staff of Kaposvár University and Transdanubian Institute Centre for Regional Studies HAS. With their contribution the Office will collect the *development trends and experiences* of the Hungarian and Croatian frontier regions as well.

The Knowledge Transfer Office will own all the *professional knowledge, research methodologies and experiences* which will enable them to provide assistance and new junior experts for regional policy professionals. This will enable them for meeting the challenges of the *new East Central-European regional policy* and for the successful management of the special problems of the region.

The projects’ phases are as follows:

I. Preparatory phase:

- In the project’s preparatory phase a background analysis will be prepared on the development relevancies of the project’s target areas, on the coherence between the project’s objectives and local demands which analysis will be backed by interviews (chambers, job centres, development agencies) with the representatives of organizations executing the project.
- Also meetings preparing the project’s organisational (management organisation) and professional (work teams) and financial structures are parts of the preparatory phase.

II. Strategic planning:

- The formation of work-teams is followed by the collection and analysis of available relevant documents, statistical data then by the identification of target groups and local demands with strategy building in the fields of cross-border and macro-regional transnational cooperation as well as in strategic planning, regional development and programming.
- A Hungarian-Croatian Cross-border Documentation and Training Centre which will serve as an information platform for surveys, analyses and workshops.
- A development study on the future development potentials of Hungarian-Croatian cross-border relations.
- Website planning and implementation (which will later perform informative, communicational and promotional functions)

III. The specification of the innovative potential of universities:

- The presentation of the third function of universities and of the EU models and best practices of social-organizational innovation in the form of a paper.
- Writing a study on the socio-economic aspects of Research & Development & Innovation and of innovation transfer
- Preparing a knowledge map of participant institutions, identifying the fields of future inter-university cooperations.

IV. Knowledge Transfer Office:

- Opening a common Knowledge Transfer Office in Osijek with relevant activities, actions:
- Organization and running a preparatory meeting. (finalization of organizational development plan)
- Preparation of a feasibility study and a bilingual website
- Staff training.

V. Rural development, experience economy:

- The identification and description of live models, best practices in the form of a study
- Development of the concept of sustainable rural development in a forum (workshop) divided into interest groups
- The identification of target groups on the basis local study trips (field work)
- Best practice workshops in the areas of rural development programmes (LEADER) and experience economy

VI. Environmental protection, local renewable energy

- Identification of environmental and landscape protection problems
- Environmental inventory and (problem) survey: investigating the typical environmental loading processes of the frontier region
- Investigating conflicts in landscape use, surveying the impacts of different socio-economic activities on landscape with special regard to rural agricultural activities;
- Preparing a recommendation package of strategic approach for elaborating a management mechanism in cooperation with the two countries for the environmental, nature conservation and landscape use problems of the frontier region and for conflict management purposes.
- Preparing a strategic plan targeted at the household and community level utilization of alternative energy (geothermal, solar, wind, biomass) potentials

- Organization of an Environmental Forum conference

The project's **horizontal program elements** are associated to the international opening and closing conference, to appearance in media and to the dissemination of the new results of the project. The project undertakes and uses the horizontal targets of bilingualism and the inclusion of minorities for its own purposes.

4. THE TARGET AREAS OF THE PROJECT DESIGNATED ACTION FIELDS, PLANNED HUMAN RESOURCE DEVELOPMENTS AND KNOWLEDGE TRANSFER

One of the fundamental problems in the regional development of common frontier zone is that *the immediate border zone is not only peripheral but its economic indicators are even weaker than the two country's general indices*. Maintaining the openness of border is a fundamental interest of the two neighbouring frontier zones for assessing and utilizing the potential advantages gained from the economic/social activities harmonizing with the region's geographical potentials.

Essentially from year 2000 regional and local municipalities on both sides of the border started their conscious connection building activities in the whole area of the common border zone and launched different actions influencing the ongoing processes in their environment.

The different interregional, organizational etc. competition chances and the implementation of successful competition projects have achieved the majority of results in creating common thoughts and ambitions and on both sides of the border institutions have been established which through value-based cooperation could participate in common projects and real chances have been created for mutual acquaintance and recognition.

Our UNIREG IMPULSE project fits into the objectives of the complex development strategy of South-Transdanubia region, namely as improving the region's economic position, closing up the region to economically advanced ones and our project pays special attention for the objectives specified in the competition. Of them the following elements are to be emphasized: consensus and strategy building in the execution of an *environmental-friendly economic development focused regional development policy*; stimulating *cooperative skills between regional actors*; strengthening *innovative capacities*; mitigating the socio-economic gaps between villages and cities and intensifying *international cooperation*.

The Regional Innovation Strategy of South-Transdanubia (RIS) prepared between 2001 and 2004 with the contribution of CRS HAS under the leadership of Dr. Zoltán Gál has been interpreted as a kind of social development practice but at the same time focused mostly on the second function of universities and technology transfer therefore it did not mention the issue of increasing the universities' regional engagement and neither specified their role in organizational and social innovation.

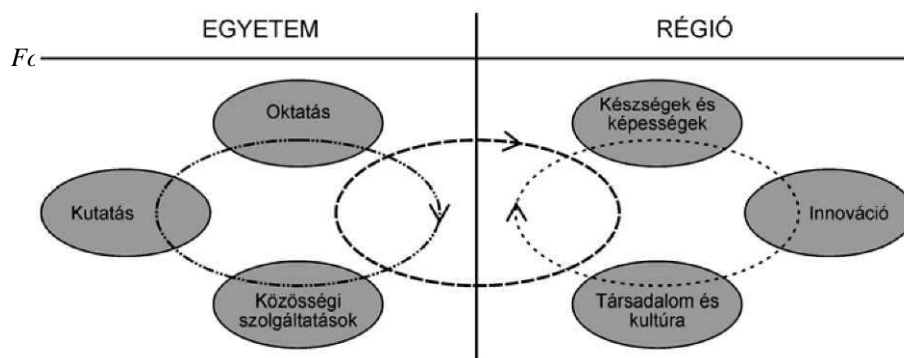
This latter demand is met by the project's second overall objective targeting at intensifying the *so-called socio-spatial functions of the region's universities*. We are on the opinion that the region needs on one hand launching environment friendly, social innovation processes in a new way and a new dimension and on the other hand increasing the role of the University as a mediator of economic development processes with permanent critical analysis and conducting researches on the possibilities of correction.

The lack of the integration of universities into regional economy is not merely a generally proclaimed truth but nevertheless a true fact. Linking knowledge bases to economy would be important but it should satisfy the demands of economic actors. This bilateral, interactive connection would improve not only the economic utilization of university research results but by intensifying the dialogue between higher education institutes, the economic sector and regional actors would facilitate a more organic and functional integration of universities into the region's economy and would contribute to a better utilization of the economic actors' potentials. It would be desirable if the University's 'third function' could serve for initiating a dialogue with a wider circle of the region's economic actors.

The planned activities of our IPA project may contribute to the realization of these objectives. The three functional information platform of the Knowledge Transfer Office (website) will provide a basis not only for displaying project results but as an interactive platform will serve as a homogenous, searchable and downloadable information basis for the project's target groups in which the services offered by partner universities and the academic research institute knowledge elements) with cooperation chances adapted to the assessed demands will play a very important role.⁴

The enhancement of the functions of higher education by our approach should mean a social-organizational innovation process as well; by the realization of planned activities a new platform and cooperation area will be built between knowledge and business society which will maximally meet the above-described requirements. The planned dissemination activities, the preparation of knowledge maps, website development and the organization of workshops with the overview of indirect and direct studies, analyses, regional, national and EU strategies, practices of regional and rural development strategies focusing on the region's specific problems from the regional socio-economic aspects of R&D&I with the opening of the common Knowledge Transfer Office will contribute to the programme's overall and specific objectives in such a way that it also provides frames for analysing, planning and establishing new communicational and cooperative forms of socio-economic innovation.

The model of interaction between the University and the region Source: Mezei (2008)



4 | ——— Egyetemi vezetés által befolyásolt folyamatok ——— Egyetem/Régió dinamikus interfész kapcsolat - - - Régiós döntéshozók által befolyásolt folyamatok ction with the development of intensive cooperative relations (cooperative network) between the actors of the academic and economic sectors as a precondition for the efficient functioning of innovation transfer.