

# Sector Integration

The new economic realities demand ever greater cooperation and collaboration between education providers and businesses. This cooperation and collaboration is needed to ensure that providers turn out a workforce armed with the skills modern businesses need not only for their current needs, but also to allow them to innovate and evolve. Further, education institutions, especially universities, concentrate skills, knowledge, and creativity in an environment of exploration, and apply it through research and develop which leads to the creation of significant new bodies of knowledge. Maximising the potential of this new knowledge to drive wealth creation requires collaboration between university-based researchers and businesses, in refining research programs, exchange of knowledge, and transferring and commercialising research output.

However, in addition to this horizontal cross-sectoral integration, greater vertical integration is also critical through the education pipeline. Disruption is occurring at various stages of education, driven by forces such as technological change (e.g. distance and interactive learning), market behavioural change (e.g. changing student expectations and aspirations), internationalisation (e.g. greater competition), and changing economic realities (including labour market skills demands and government fiscal considerations). These disruptive forces are altering different stages of education in different ways, and at different rates, and may have a profound impact on the assumptions that underpin the established education pipeline in respect of presumptive prerequisite knowledge, skills, and behaviours of cohorts graduating from one stage to the next.

This working group will consider what can be done to engage businesses more in higher education, and allow for more effective signalling of preparatory educational requirements both horizontally from businesses, and vertically through the education system, to ensure that earlier life education providers are helping develop the foundational skills and cultural norms that will drive optimal performance at the higher education level.

Key questions to be answered will be:

## *Education-Business linkages*

- What are businesses' current expectations of the education sector; are these sufficiently forward-thinking; and what can we do to develop clearer cross-sectoral understanding of businesses' requirements and expectations?
- In an age of disruptive change, how do we identify the real future needs of industry when most businesses don't know what they're doing tomorrow?
- How do we get more industry involvement in educational institutions, both at higher education (research and development), and technical training levels?
- What is the right balance between institutional and on-the-job training; who pays for training when young people don't stay in jobs?
- How can industry play a role beyond policy input, for example through specific partnerships and projects?

## *Education life cycle and sector collaboration*

- Is there a mismatch in actual output versus presumptive requirements in the student cohort being delivered from providers at one stage in the education pipeline to the next?
- How might disruption of delivery models or participant behaviours at various stages of the education pipeline affect assumptions made at later stages of education; or demand adaptation of earlier stages of the education vertical?

- How do we improve horizontal (cross-sectoral) and vertical (education pipeline) signalling of dynamic educational requirements?
- What is the percentage of students who should be going to universities, as a matter of policy?

*Collaboration, innovation, and commercialisation*

- How can we encourage greater direct involvement in research and development from the private sector, including through the development of more private research labs and institutions; and how can we encourage more mobility and interchange of personnel between private and university R&D environments?
- How do we manage and protect intellectual property rights in more collaborative environment, to maximise commercial value while ensuring that value accrues fairly and represents an incentivising ROI to all the collaborators (such as government funders, institutions, business partners, and individual investors, entrepreneurs and researchers/innovators)?
- How can we be more porous across the education sector – including between higher education institutions?
- How can we look beyond national boundaries to build better international linkages and knowledge exchange, with both businesses and educational institutions, in order to develop world-leading excellence and innovation in staff and students?

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