

A glowing lightbulb is the central focus, resting on a dark chalkboard. The chalkboard is covered with faint white chalk drawings, including a large circle and several arrows pointing in different directions. The background is dark and textured, suggesting a workshop or classroom setting. The lightbulb is illuminated from within, casting a soft glow.

EXPERIENCES OF CO-OPERATION BETWEEN THE UNIVERSITY AND SMALL AND MEDIUM-SIZED ENTERPRISES

SUMMARY FOR RESEARCHERS

LUT BUUSTIA ALUEEN PK-YRITYKSILLE PROJECT

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LUT BUUSTIA ALUEEN PK-YRITYKSILLE PROJECT:



CONTENTS

CO-OPERATION WITH SMES AT THE UNIVERSITY	5
PARTICIPANTS	8
TIPS ON SME CO-OPERATION FOR RESEARCHERS.....	9
BUILDING SUCCESSFUL CO-OPERATION	10
DESIGNING THE SERVICES.....	11
IMPROVING APPROACHABILITY	12
TOWARDS SUCCESSFUL SME CO-OPERATION	13
BENEFITS OF CO-OPERATION.....	14

CO-OPERATION WITH SMES AT THE UNIVERSITY

For many SMEs, the threshold to engage in co-operation with a university is high. One of the factors that affect an SME's growth and innovation capacity is the company's ability to utilise external networks which provide the company with complementary skills and resources. LUT University has a lot of know-how which could be shared with SMEs, but nevertheless, SMEs seldom contact LUT.

This summary compiles observations made in connection with the *LUT buustia alueen pk-yrityksille* project ("LUT boost for the region's SMEs"). The project was funded by Häme Centre for Economic Development, Transport and the Environment, and it was implemented by LUT University. The project's objective was to make LUT's expertise in the field of technology more easily available for the region's SMEs. The project productised research-based services suitable for SMEs. The criteria for service selection were clarity and accessibility. In addition, the selected services had to be standardised to a certain degree.

SMEs may consider a university a partner that is difficult to approach, and they may not recognise the benefits of co-operating with a university. The project endeavoured to increase the university's approachability by means of communication and by producing service entities. In addition, it aimed at bringing visibility to the university as a reliable co-operation partner capable of producing services of consistent quality.

This summary compiles the experiences gained during the project on SME co-operation. For universities, the significance of SME co-operation is becoming more and more emphasised. For example, the reformed Business Finland funding instruments place emphasis on the importance of business contacts. The purpose of this summary is to provide information about companies' wishes, attitudes and thoughts about university co-operation to researchers who plan on engaging in business co-operation.



PARTICIPANTS

The *LUT buustia alueen pk-yrityksille* project was participated in by LUT's research personnel and SMEs from the South Karelia region. Information was collected from the participants about their interest in university co-operation, the services they desired, their expectations for the co-operation and the challenges posed by the co-operation. Companies participated in the project through interviews, surveys and by piloting research-based services. The companies that participated in the project specialise in technology.

In addition, LUT's experts were interviewed in order to map out the total extent of service provision. After the interviews, the project was continued with a workshop and by defining and creating product cards. Furthermore, university personnel participated in piloting a contact research process and in a visit to a company to find a solution to a problem faced by the company.

The background of the page is a grayscale, close-up photograph of a mechanical engine component, likely a piston or a similar part, showing various textures, grooves, and metallic surfaces. The lighting creates strong highlights and shadows, emphasizing the intricate details of the machinery. Overlaid on this image is a semi-transparent dark gray rectangular area containing the text.

TIPS ON SME CO-OPERATION FOR RESEARCHERS

Through the interviews, we found out that the threshold to approach the university becomes lower and the likelihood for another co-operation project increases after the first project or trial. Thus, the challenge is to encourage companies to engage in first-time co-operation with the university. The purpose of the next section of the summary is to provide researchers who plan on engaging in SME co-operation with information on the essential aspects relating to SME co-operation and to highlight the practices that were established as functional during the project. The section contains information about how to approach SMEs, about service planning and about the factors that facilitate successful co-operation.

BUILDING SUCCESSFUL CO-OPERATION

Positive first contacts are the key to the emergence of co-operation. After a successful experience of co-operation, it is likely that an SME contacts the university again. The emergence of first contacts is affected particularly by the definition of the offered services, the accessibility of contact persons and the ease of contacting them. With regard to the offered services, entrepreneurs look for clearer definitions; a mere service listing does not provide companies with a sufficient amount of information on the possibilities of co-operation. Thus, if you would like to share your expertise with an SME, you should at least define the method, schedule and location of realisation, how much time and funds the company needs to invest (at least a rough estimate), a contact person and the pricing principle.

SMEs' problems often relate to their everyday operation, and therefore, they need quick solutions. In the university context, this may cause challenges for some services as the research infrastructure, for example, may be reserved for instruction purposes or for another research project. Determine the availability of the resources required for the research in good time and provide the company with a realistic timeframe at the outset.

DESIGNING THE SERVICES

At least the following things should be considered when designing services for SMEs:

- Operational matters are often emphasised in SMEs' activities which means that solutions are required swiftly. When designing the services, you should remember that the delivery time needs to be short enough.
- SMEs' problems often require a cross-disciplinary approach.
- The services offered to SMEs must be easily accessible and available.
- Information about the contact persons should always be given in connection with the services so that the companies know whom to contact.
- SMEs often have limited resources (time, funds) for participation – prepare a realistic presentation and explain the expectations set for the company in a clear manner.



Having a university as a co-operation partner has crossed my mind, but for me, it is not clear what kind of assistance a university could provide. *-An SME entrepreneur*

from the South Karelia region

IMPROVING APPROACHABILITY

The threshold for engaging in co-operation with a university is high for SMEs. The entrepreneurs who participated in the project explained that this relates to, for example, the prevalent idea in the world of SMEs' that the university approach to co-operation is inappropriate for SMEs and distant from practical business operations. In addition, people may perceive universities as slow and bureaucratic operators which may refrain them from even considering co-operation. Thus, universities can improve their approachability by active orientation towards SMEs and by communicating about the co-operation opportunities to companies more clearly.

SMEs consider it positive when it is the university that proposes co-operation. The university's initiative improves approachability and lowers the threshold for contacting the university. SMEs wish that the university would take a more active approach to co-operation and that they would contact the SMEs.

The university's approachability can be improved by increasing its visibility in the SME field and in various entrepreneur events. Communication should emphasize the university's capacity to support companies of all sizes and the fact that the university can also solve companies' smaller problems. Companies also value references from other companies. References can be used for describing in a concrete manner what kind of co-operation has been implemented and the benefits achieved through it. Remember to ask for the company's permission for adding their information in the references.

TOWARDS SUCCESSFUL SME CO-OPERATION

- Offer a solution and an operating method that meet the company's requirements. SMEs are often particularly interested in these.
- Approach the company by explaining the benefits first. Tell them that the university can provide them with multidisciplinary know-how and thorough expertise in solving the company's problems.
- Explain the progression process at the outset. For a company, it is of particular importance to know the schedule of progression and the extent of participation expected of them.
- The objectives of the co-operation should be defined at a very early stage.
- Tell the company about the university's research-based approach. The university may provide the company with assistance in problems to which solutions may not be available elsewhere.
- Prepare a proposal for the co-operation and the course of action. Do not leave the project hanging – rather, explain how the preparations progress and communicate with the company actively.

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Before visiting the university, I was reserved about co-operation. However, the visit gave me a very positive impression, and I realised that my company's problem could actually be solved with the help of the university. *-An SME entrepreneur from the South Karelia region*

BENEFITS OF CO-OPERATION

Co-operation between the university and an SME is beneficial for both parties. After the *LUT buustia alueen pk-yrityksille* project, the development of LUT's co-operation activities and services will continue. The university's objective in SME co-operation is to provide benefits to both the participating companies and the university.

Co-operation is beneficial as it, among other things, generates research data and provides a close view on the development of technological trends in the business world. Furthermore, SME contacts are required in, for example, Business Finland funding applications.

The following is a list of co-operation benefits that can be explained to companies:

- The university is an unaffiliated, international co-operation partner.
- Co-operation with the university provides the company with unique expertise in, for example, product development projects.
- Through co-operation, the company gains access to the latest research data on the topic.
- The university offers cross-disciplinary know-how in various technological fields by flexibly combining technological and economic expertise.

- Co-operation allows the company to utilise the university's extensive research infrastructure.
- Co-operation provides innovative solutions to problems.

The benefits of co-operation for the researcher:

- Business co-operation may provide data and ideas for research.
- Interactive co-creation of the university and companies is often a requirement of complementary research funding (e.g. Business Finland funding).
- Co-operation builds important networks.
- Business co-operation enables the utilisation of research results in practice.
- Along with business co-operation, the researcher gets references for their work which facilitates the commercialisation of research results.
- Business co-operation provides information on the state of development and the technological trends in the business field.



The university is a neutral and reliable co-operation partner which is of particular importance in joint product development, for example. -An SME entrepreneur from the South Karelia region

Nowadays, the significance of co-operation between SMEs and universities is becoming more and more emphasized. Among other objectives, LUT's strategy includes supporting the growth and internationalisation of SMEs. Business co-operation has a solid foundation in LUT, but more activities are required with SMEs in particular. This summary compiles observations made in connection with the *LUT buustia alueen pk-yrityksille* project. The project was funded by Häme Centre for Economic Development, Transport and the Environment and it was implemented by LUT in 2016–2018.

The project's central objective was to improve SMEs' awareness about the university as a co-operation partner. The project endeavoured to achieve this objective by productising research-based service packages for SMEs and by testing the functionality of a research-based service process. In addition, the project involved SME-oriented communication.

Data collection was performed through surveys and by interviewing company personnel. This summary focuses on highlighting the things and experiences pointed out by the project's participants. The target audience is researchers who plan on engaging in SME co-operation.