

# Defining Place-making Innovation and The Central Role of Universities in Regional Transformation

## 1. THE CONCEPT AND THE ROLE OF UNIVERSITIES

Place-making innovation is a concept centered on the notion that inclusive innovation can reshape and transform a local or regional economy and society. Universities are central to this process, working closely with government, private business, and the broader community. Place-making innovation goes beyond simply using the assets on hand; it involves actively creating through future-oriented co-investment the assets needed to establish strategic partnerships that drive collaborative innovation and socio-economic transformation. To cultivate 'the industries of the future,' regions require strong knowledge assets and investment in the necessary tools and infrastructure.

Universities are central to that. Universities serve as catalysts for the creation of vibrant innovation ecosystems involving multi-stakeholder engagement and collaboration, the development of a workforce for the industries of the future, and high-impact

initiatives. They also actively contribute through knowledge transfer partnerships and technology transfer with industry, driving technology advancement. In addition, universities offer expert insights that inform policymaking and provide vital research infrastructure and services to both industry and the wider community. Crucially, universities are in a unique position that allows them to act as central platforms that bring together diverse stakeholders to foster regional and local development initiatives.

Above all, universities can and should take an active stance in working with local and regional stakeholders to anticipate the future of a place and contribute to co-investing in the assets that will create and enhance the favorable conditions to originate and grow locally innovative companies and industries. By working with partners, universities can and should be catalysts for change, proactively driving innovation and, consequently, regenerating their cities, and transforming their local economies and communities they serve.

Place-making innovation is closely related to place-based innovation. While distinct, they are not mutually exclusive concepts. Place-based innovation leverages existing strengths and unique qualities of a place or region, while place-making innovation adopts a more comprehensive and proactive perspective in which strengths and qualities can and should be intentionally built to improve the socio-economic environment of the place. Both concepts bring together universities, government, industry, and community stakeholders to create value for all, by developing new technologies, companies and industries that support long-term prosperity through inclusive growth.

However, transformation demands a clear vision, strong leadership, effective governance, and organizational structures, as well as a relentless commitment to cross-sector collaboration in effective execution. Thus, leadership must be capable of aligning the interests of different actors, working with diverse viewpoints, and persistently driving execution aligned with the place-making strategy while pursuing the vision of a better future that benefits all.

## 2. SHAPING INNOVATION ECOSYSTEMS THROUGH THE PLACE-MAKING APPROACH

The Place-making Innovation approach goes beyond simply attracting businesses and investment. It involves strategically cultivating some essential elements of a thriving innovation ecosystem. It draws references from the quadruple-helix model of innovation and the development of comprehensive partnerships between universities, government (local, regional, national), business and industry, and the community. This approach comprises several essential elements:

- **Invest in Strategic Assets:** This involves the deliberate deployment and development of resources and infrastructure crucial for fostering the quadruple-helix model of innovation. These assets can be tangible, such as specialized research facilities, advanced manufacturing hubs, data centers, start-up accelerators and business incubators, and collaborative workspaces. Or intangible, including robust talent pipelines, vibrant entrepreneurial networks, access to capital, and a supportive regulatory environment.
- **Build a Multi-stakeholder Coalition:** At its core, place-making innovation recognizes that transformative change requires deep and sustained multi-stakeholder partnerships. It needs active engagement and alignment of goals among universities (as centers of knowledge and talent), industries (as drivers of application and economic activity), government

(as policymakers and funders), and civic society (representing community needs and perspectives).

- **Co-create Local Innovation Ecosystem:**

The aim is to weave together local and regional assets – including research and development capabilities, industrial strengths, entrepreneurial spirit, available capital, and a skilled workforce – into an interconnected innovation ecosystem. Such ecosystems are designed to accelerate technological advancements, stimulate the formation of new businesses, fuel sustainable economic growth, and enhance global competitiveness.

- **Build on Existing Strengths:** While inspired by successful innovation hubs like Silicon Valley, Austin, Boston's Route 128, the Rhone-Alps bioscience cluster, and the U.K.'s "Golden Triangle," place-making innovation acknowledges that each locality possesses unique characteristics and challenges. It emphasizes the importance of leveraging existing local context and strengths and creatively building upon them, even in the absence of traditional "anchor" institutions or corporations.

- **Purpose-led Transformation:** Place-making innovation is not a passive or iterative process. It demands bold leadership, strategic co-investments, and a proactive stance toward finding opportunities and addressing limitations to shape a more innovative and prosperous future for the defined place. And most of all, it is an inclusive innovation endeavor involving all

stakeholders via the quadruple-helix partnership model that shares the same values and purpose.

- **Focus on Community Impact:** Place-making innovation has an explicit focus on the socio-economic transformation of the entire region and the well-being of the communities it serves. It considers how innovation can address local needs and create opportunities for a wider range of stakeholders through inclusive growth and sustainability.
- **Connect with Like-minded Partners:** Place-making innovation involves knitting together local innovation ecosystems into national and global networks. This interconnectedness allows for shared resources, amplified impact and the efficient transfer of knowledge and best practices. It also contributes to creating international collaborations that enhance collective innovation capacity, address shared challenges, and create new value-added opportunities.
- **Embrace Continuous Improvement:** Place-making innovation is not a one-time creation of a district but an ongoing process of adaptation and improvement, constantly seeking new ways to build and connect assets to drive innovation. This approach is at the heart of design thinking, where continuous improvement is achieved through innovation by fostering active experimentation and prototyping of ideas and solutions based on continuous feedback and evaluation.

### 3. BEYOND INNOVATION DISTRICTS AND PLACE-BASED INNOVATION

While the terms "innovation district" and "place-based innovation" share some overlap with place-making innovation, the latter offers a more comprehensive and proactive approach to fostering innovation within a specific geographic area. Place-based innovation as a particular approach to innovation activity may support place-making innovation as a broader strategic endeavor, if aligned with the strategic objectives of socio-economic transformation and inclusive growth for people and place. Here's how:

#### Beyond the Innovation District:

An **innovation district** typically refers to a geographically defined area where anchor institutions (such as universities and hospitals), corporations and startups clusters foster collaboration and drive economic growth. While innovation districts often incorporate elements of place-making to create purposeful and functional environments, their primary focus tends to be on the physical co-location of innovation-related entities and the facilitation of connections within that defined space with narrower often project-based innovation outcomes.

Place-making innovation, however, adopts a broader strategic remit. It's not solely reliant on the creation of a distinct district. It emphasizes the *process* of intentionally building the future through concerted efforts and strategic co-investment in the necessary

assets and resources for innovation across a wider place – a city, a region, or even a network of interconnected locations. And most of all, it involves more elaborate physical and virtual ecosystem development via the quadruple-helix partnership model.

#### Beyond Place-Based Innovation:

**Place-based innovation** acknowledges the importance of local context and assets in driving innovation. It recognizes that innovation is not a uniform process and that regional context matters. Place-making innovation aligns with this principle but adds a dimension of *purpose, intentionality, and proactivity*.

While place-based innovation might describe innovation that naturally arises or is adapted to a specific location, place-making innovation emphasizes the deliberate and strategic actions taken by key stakeholders in partnership to *create* the conditions and assets that will foster innovation and the transformation of the local/regional economy and society including, for example, addressing unemployment in the region, facilitating access to healthcare and health equity, achieving net-zero emissions, addressing skills gap in regional industry sectors and digital poverty in society, transforming the local industrial ecosystem into high-value added sectors, etc. It's about actively shaping the future innovation landscape and socio-economic fabric of a place rather than passively seeing or supporting existing trends or focusing more narrowly on economic outputs via project-based innovation.

## 4. WHY PLACE-MAKING INNOVATION?

The emphasis on place-making innovation stems from the recognition that:

- Inclusive Innovation and Growth Require Vision:** Place-making innovation is driven by a clear vision to co-create new value that drives positive socio-economic transformation and inclusive growth for all. Recognizing that innovation is a strategic, inclusive, and intentional process, it requires a forward-looking perspective to identify and pursue opportunities for groundbreaking development involving universities, government and community stakeholders.
  - Decisive Leadership is Central to Positive Transformation:** Realizing the vision and achieving transformative change requires strong and decisive leadership and agile governance structures. This is essential for uniting diverse stakeholders, navigating complexities, securing commitment, and effectively executing the strategies necessary to build a thriving innovation ecosystem capable of producing transformative outcomes.
  - Innovation is Geographically Concentrated:** History shows that innovation often clusters in specific locations, benefiting from the synergistic effects of knowledge spillovers, talent concentration, and network externalities.
- Understanding how these hubs emerge and can be replicated (or adapted) is crucial for broader socio-economic development.
- Leveraging Local Assets is Key to Competitiveness:** In an increasingly interconnected global economy, the ability of nations and regions to develop and harness their unique local assets is a significant driver of competitive advantage. Place-making innovation provides a framework for strategically leveraging these assets as enablers of value creation and growth.
  - Forward-looking and Impact Focused Universities have Porous Boundaries:** as universities connect with business and society and focus on impact, we increasingly see joint ventures with government and industry and strategic initiatives in which resources and leadership can hardly be associated with one party or the other, where lines are crossed by design through co-design, co-investment and co-delivery.
  - Universities Should Act as Anchor Institutions:** Universities play a pivotal role not just in education and research, but also as significant economic and civic anchors within their communities. Place-making innovation recognizes and encourages universities to actively collaborate in shaping the future of their cities and regions.
  - Building Resilience and Future Prosperity:** By proactively building dynamic innovation ecosystems, regions can diversify their economies, create high-

value jobs, attract investment and enhance their resilience to economic shifts and global challenges. Resilience is further strengthened by global collaborations with strategic partners, allowing for shared knowledge and a more robust response to future challenges.

- **Empowering the Place:** Place-making innovation empowers the place and regions to take control of their economic destinies. It moves beyond a reliance on attracting external entities and focuses on organically cultivating the conditions for innovation to flourish from within.

In summary, place-making innovation offers a strategic and collaborative pathway for regional development that leverages a place's inherent strengths and resources by building new capabilities, co-creating new value, and actively shaping a more inclusive, sustainable, and prosperous future for local communities.

The GFCC's perspective on this concept highlights the critical role of universities as catalysts of positive transformation through innovation, intentionally driving multi-stakeholder efforts to improve the socio-economic landscape of a place. At its core, place-making innovation is about intentionally "making" a place that is inherently inclusive and prosperous through collaborative innovation.

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The Global Federation of Competitiveness Councils (GFCC) is a network of leaders and organizations from around the world committed to the implementation of competitiveness strategies to drive innovation, productivity and prosperity for nations, regions and cities. The GFCC develops and implements ideas, concepts, initiatives and tools to understand and navigate the complex competitiveness landscape.

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