



Who Should Read

Chief Research Officers
University Industry
Partnership Professionals

Building a Market-Smart Organizational Structure for University-Industry Partnership

University Research Forum

University Research Forum

Project Director

Jackson Nell

Contributing Consultants

Jon Barnhart

Managing Director

Ann Forman Lippens

Legal Caveat

EAB Global, Inc. ("EAB") has made efforts to verify the accuracy of the information it provides to partners. This report relies on data obtained from many sources, however, and EAB cannot guarantee the accuracy of the information provided or any analysis based thereon. In addition, neither EAB nor any of its affiliates (each, an "EAB Organization") is in the business of giving legal, accounting, or other professional advice, and its reports should not be construed as professional advice. In particular, partners should not rely on any legal commentary in this report as a basis for action, or assume that any tactics described herein would be permitted by applicable law or appropriate for a given partner's situation. Partners are advised to consult with appropriate professionals concerning legal, tax, or accounting issues, before implementing any of these tactics. No EAB Organization or any of its respective officers, directors, employees, or agents shall be liable for any claims, liabilities, or expenses relating to (a) any errors or omissions in this report, whether caused by any EAB Organization, or any of their respective employees or agents, or sources or other third parties, (b) any recommendation by any EAB Organization, or (c) failure of partner and its employees and agents to abide by the terms set forth herein.

EAB is a registered trademark of EAB Global, Inc. in the United States and other countries. Partners are not permitted to use these trademarks, or any other trademark, product name, service name, trade name, and logo of any EAB Organization without prior written consent of EAB. Other trademarks, product names, service names, trade names, and logos used within these pages are the property of their respective holders. Use of other company trademarks, product names, service names, trade names, and logos or images of the same does not necessarily constitute (a) an endorsement by such company of an EAB Organization and its products and services, or (b) an endorsement of the company or its products or services by an EAB Organization. No EAB Organization is affiliated with any such company.

IMPORTANT: Please read the following.

EAB has prepared this report for the exclusive use of its partners. Each partner acknowledges and agrees that this report and the information contained herein (collectively, the "Report") are confidential and proprietary to EAB. By accepting delivery of this Report, each partner agrees to abide by the terms as stated herein, including the following:

1. All right, title, and interest in and to this Report is owned by an EAB Organization. Except as stated herein, no right, license, permission, or interest of any kind in this Report is intended to be given, transferred to, or acquired by a partner. Each partner is authorized to use this Report only to the extent expressly authorized herein.
2. Each partner shall not sell, license, republish, distribute, or post online or otherwise this Report, in part or in whole. Each partner shall not disseminate or permit the use of, and shall take reasonable precautions to prevent such dissemination or use of, this Report by (a) any of its employees and agents (except as stated below), or (b) any third party.
3. Each partner may make this Report available solely to those of its employees and agents who (a) are registered for the workshop or program of which this Report is a part, (b) require access to this Report in order to learn from the information described herein, and (c) agree not to disclose this Report to other employees or agents or any third party. Each partner shall use, and shall ensure that its employees and agents use, this Report for its internal use only. Each partner may make a limited number of copies, solely as adequate for use by its employees and agents in accordance with the terms herein.
4. Each partner shall not remove from this Report any confidential markings, copyright notices, and/or other similar indicia herein.
5. Each partner is responsible for any breach of its obligations as stated herein by any of its employees or agents.
6. If a partner is unwilling to abide by any of the foregoing obligations, then such partner shall promptly return this Report and all copies thereof to EAB.

Table of Contents

Executive Summary	4
The Case for Market-Smart Partnership Organizational Structures	5
Profiled Market-Smart Industry Organizational Models	11

Executive Summary

Paramount Corporate Needs Underserved by University Partnerships

Companies expect that any external partnership will yield demonstrable returns that advance their core business needs. Industry's primary reasons for partnering with higher education institutions stems from their desire to access talent and drive business impact through innovation. Companies enter these partnerships expecting clear impact and elevated relationship stewardship but find universities difficult to navigate due to loose internal coordination and limited awareness by institutional leaders of the company's desired outcomes.

Existing Organizational Structures Hinder University Partnership Strategy

University efforts to improve their industry partnership strategy have produced suboptimal results as they insufficiently addressed their organizational design flaws. Lacking a refined and institutional strategy-aligned structure, many universities confront a multiplicity of partnership goals and missions, increased competition for industry investments between other universities, and internal conflict among institutional units.

Leading Institutions Adopt Market-Smart Partnership Organizational Models

To address these shortcomings, university leaders must rethink their organizational structure in response to three emerging institutional imperatives:

- Align partnership engagements to institutional missions
- Promote a distinctive value proposition for partnering
- Present a unified front to market

A market-smart organizational design incorporates these imperatives to balance industry needs with university goals, empowering institutional strategy for greater private sector collaboration and better serving corporate partners.

Use this Resource to Rethink Industry Partnership Organizational Structures

This resource supports university leaders in developing a market-smart organizational design. The first section details the factors that drive university leaders to rethink existing organizational structures, establish the key actors in the partnership landscape, and articulate what their industry partnership organizational structure attempts to achieve.

The second section offers three archetypes that provide an in-depth overview of market-smart organizational structures. Leaders can use these archetypes to determine which components will fit their universities best.



The Case for Market-Smart Partnership Organizational Structures

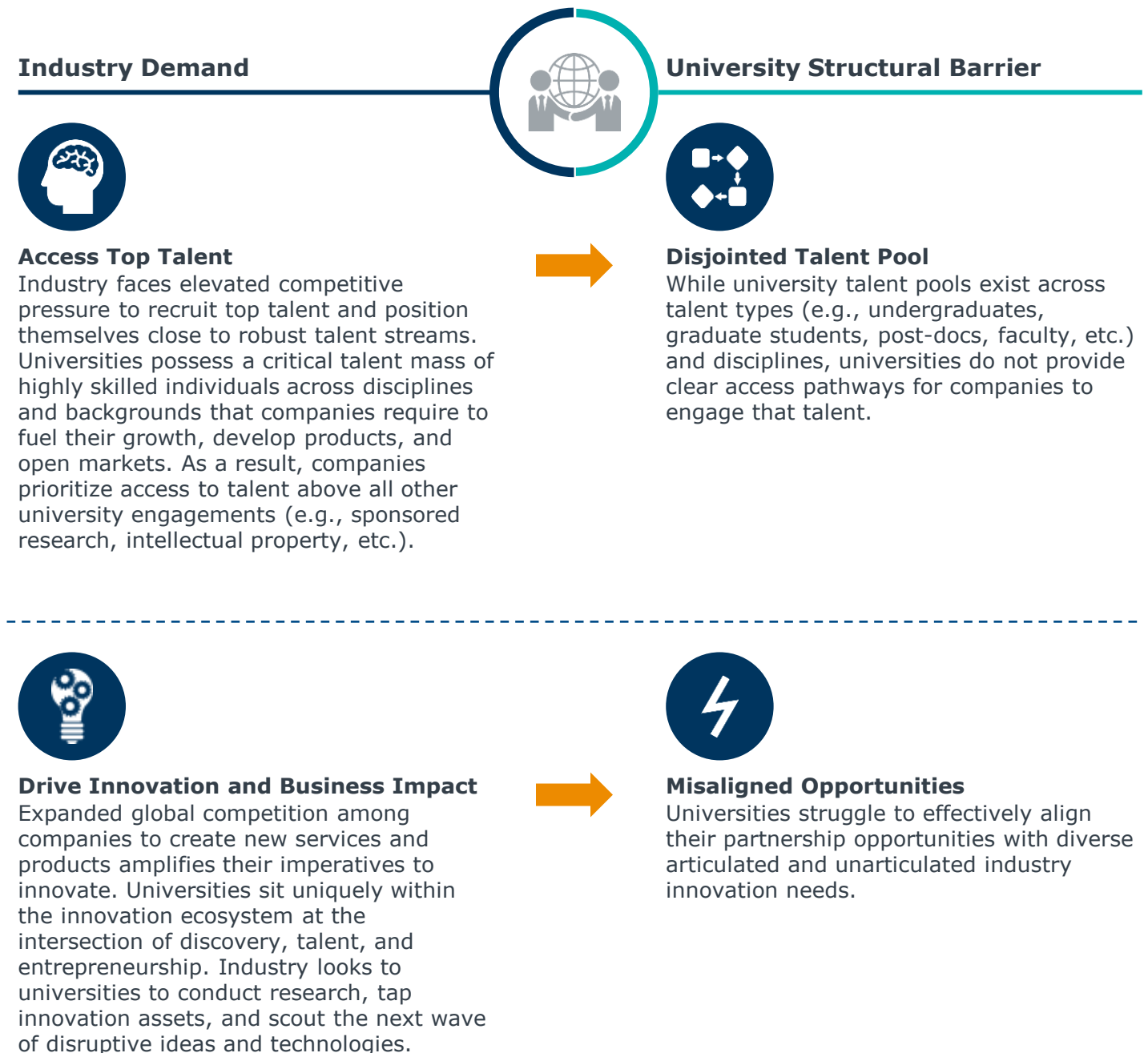
SECTION

1

Industry Demand Unable to Access University Supply

Prioritized Business Needs Underserved by Legacy University Structures

Companies and universities have collaborated to their mutual benefit for years. However, as both parties seek to expand partnerships, legacy university structures stand in the way of both business and institutional priorities. The two main critical business needs companies engage universities to address revolve around talent and innovation. Despite the extensive overlap in interests between companies and universities, these critical business needs suffer from a structural university barrier that impedes effective partnership formation.



Source: EAB interviews and analysis.

Hindering Rather Than Helping

Legacy Organizational Structures Interfere with Efforts to Grow Relationships

Institutions of all types and sizes pursue partnership growth, but in doing so, aggravate relatively nascent internal tensions. Over the last 15 years, universities have prioritized corporate engagement as a result of decelerating federal funding, state disinvestment in education, and wider pressure from internal stakeholders. University investments proved useful in promoting the partnership mission, but simultaneously created complicating challenges that constrain growth. These core hinderances result from the following three factors.

1

Balancing Expanded Partnership Missions and Mandates

Universities confront multiple objectives and strategic interests when engaging industry partners. External actors, such as governments, pressure universities to partner with companies and advance economic development. Internally, multiple stakeholders partake in corporate partnerships, with each stakeholder claiming their own set of priorities and entrenched interests for institutions to decipher.

Core Hindrance

Multiple, and often conflicting, objectives and interests complicate university efforts to grow partnerships.

2

Competing Against Other Universities for Partnerships

Competition arises between universities for partnerships as more institutions actively pursue industry partnerships; this is compounded by industry's curtailing of their partnership portfolios. This inter-institutional competition incentivizes targeted business development strategies and institutional differentiation on partnership processes and opportunities.

Core Hindrance

More universities are competing for corporate partnerships and they now must do more to distinguish their engagement opportunities from those of their peers

3

Navigating Internal Competition for Industry Attention and Dollars

Multiple internal units engage with industry partners across a spectrum of partnership types. With disjointed organizational structures and misaligned, often competing, incentives, universities fail to reconcile their internal priorities and present a single cohesive face to their partners.

Core Hindrance

With multiple university units promoting partnership opportunities, universities undersell their collective engagement potential and risk underserving existing and potential partners.

E Pluribus Unum—Out of Many, One?

Breaking Down the Core Industry Partnership Entities Across the University

Numerous university offices take part in corporate partnerships. Each of these units holds a unique stake in the broader campus-wide partnership strategy that reflects their interests and leverages different university assets to engage companies. However, the simple aggregation of unit-level interests and products does not necessarily equate the best institution-level strategy as stakeholder interests both diverge and overlap given their unique offerings and expectations. At a typical university, the following six offices most often participate in industry partnerships and have a vested interest in the broader university partnership strategy.



 <p>Career Services</p> <ul style="list-style-type: none"> • <i>Leverages:</i> University talent pool to entice corporations to recruit students and promote post-graduate student employment • <i>Offers:</i> Employment programs and recruiter relationships that are a high priority for talent seeking firms • <i>Expects:</i> All university partnerships advance student development and job placement 	 <p>Research Office</p> <ul style="list-style-type: none"> • <i>Leverages:</i> University research enterprise, faculty expertise, and scientific infrastructure to conduct industry-sponsored research • <i>Offers:</i> Faculty consulting and research partnership opportunities for industry investment • <i>Expects:</i> Ownership of corporate partnerships that include a research element as well as collaboration on any partnership development and stewardship 	 <p>Advancement</p> <ul style="list-style-type: none"> • <i>Leverages:</i> Diverse suite of giving opportunities, professional networks, and dedicated business development resources to promote corporate philanthropy • <i>Offers:</i> Extensive donor pool and established giving network • <i>Expects:</i> Preservation of their donor relationships and consultation on deepening engagement with alums
 <p>Individual Academic Units</p> <ul style="list-style-type: none"> • <i>Leverages:</i> Unit-specific faculty, students, and alumni to access industry funding for a range of strategic needs, such as capital campaigns • <i>Offers:</i> Subject-matter programs, expertise, and networks for companies to access • <i>Expects:</i> Ownership of unit-based relationships and all partnerships related to scope of unit 	 <p>Athletics</p> <ul style="list-style-type: none"> • <i>Leverages:</i> University athletic programs to attract corporate sponsorship through co-branding and vendor partnerships • <i>Offers:</i> Access to a diverse pool of companies and highly valued branding opportunities • <i>Expects:</i> Opportunity to promote corporate athletic sponsorships and right to retain co-branding generated royalties 	 <p>Tech Transfer</p> <ul style="list-style-type: none"> • <i>Leverages:</i> University produced intellectual property to acquire licensing agreements with companies • <i>Offers:</i> Intellectual property and contracting expertise • <i>Expects:</i> Opportunity to promote corporate athletic sponsorships and right to tap co-branding generated royalties

Rethinking Industry Organizational Models

Pursuing Partnerships Through Market-Smart Organizational Design

To remain competitive for industry partnerships, university leaders must ensure their organizational structure reflects the relationship they want with industry partners. As industry needs have shifted towards more multithreaded and talent-centric areas, and legacy university structures often hinder rather than support these partnership terrains, institutional leaders confront three emerging imperatives as they evaluate their existing organizational design.

Emerging Institutional Imperative



Align Engagements to Missions

Universities should streamline and integrate their industry partnership objectives to ensure proper mission alignment and resource deployment.



Promote Unique Value

Universities should cultivate a distinctive institution-wide value proposition and competitive position within the partnership marketplace.



Present One Face to Market

Universities should develop a single institutional face and voice to industry that optimizes internal collaboration and standardizes goals.

Rather than attempting to develop a new model internally or borrow a design from a perceived innovator, university leaders should develop a market-smart organizational design that integrates industry identified partnership needs with institutional strategic objectives and strengths.

A market-smart organizational design effectively balances industry demands with university goals. This enables a targeted structure aimed at specific objectives with optimized resource deployment uniquely tailored to an individual university's mission.

In its idealized form, a market-smart organizational design contains three defining and overlapping characteristics. First, the organization facilitates robust internal coordination on partnership development and maintenance. Second, it channels industry engagements into core university missions, such as research and post-graduation student employment. Finally, it offers pathways for collaboration with industry that serve both university needs but also companies' business demands.

Characteristics of Market-Smart Organizational Design






Source: EAB interviews and analysis.

Profiled Industry Organizational Models

Three Archetypical Models of Market-Smart Organizational Design

This resource supports university leaders in determining the best organizational structure for industry partnerships. The brief offers details on the three profiled structural models, including the core characteristics, strategic considerations, typical reporting structures, case studies, and guidance on when and why institutions should consider adopting them. Rather than starting from scratch, leaders can use these archetypes as guiding models as they evaluate their existing structure and strategy for industry partnerships.

Profiled Model Archetypes

Model	Description	Defining Characteristics
 <p>Research-Industry Partnership Office</p>	<p>The research-industry partnership office is a unit located within the research office that leverages dedicated staff to grow industry-sponsored research and intellectual property licensing.</p>	<ul style="list-style-type: none"> • Located within research office • Targeted at promoting and managing university-industry research partnerships • Acts as the liaison as well as the broker between the university (research office and faculty) to industry partners • Performs both business development and partner stewardship activities
 <p>University Corporate Committee</p>	<p>Corporate committees convene key stakeholders around the industry partnership mission to coordinate a university business development and partner stewardship strategy.</p>	<ul style="list-style-type: none"> • Functional collaborative between and within reporting verticals and industry-interfacing units • Often managed through a single unit or individual, most frequently research or advancement • Comprised either of senior leaders or their designated deputies, occasionally hybridized or expanded to include other staff • Focus ranges from high-level strategy to tactical approaches related to individual partner relationships
 <p>University-Industry Engagement Unit</p>	<p>University-industry engagement units are centrally located entities with dedicated staff and organizational infrastructure targeted at growing and managing industry interactions across a research institution.</p>	<ul style="list-style-type: none"> • Integrated university-wide office • Joint-venture between two or more verticals, often with dual reporting, or exclusive reporting structure to cabinet-level officer • Spectrum of offered services and engagement opportunities, such as sponsored research, talent access programs, corporate giving, and workforce development

Source: EAB interviews and analysis.



Profiled Market-Smart Industry Organizational Models

SECTION

2

- Research-Industry Partnership Office
- University Corporate Committee
- University-Industry Engagement Unit

Research-Industry Partnership Office

Description in Brief

The research-industry partnership office is a unit located within the research office that leverages dedicated staff to grow industry-sponsored research and intellectual property licensing.

Rationale

The research-industry partnership office specializes in university-industry research partnerships, serving as the primary liaison between companies and the research enterprise. Under the direct purview of the research office, the unit has a targeted scope and portfolio of available service offerings matched to industry's articulated and unarticulated R&D¹ needs. This provides a dedicated vehicle for research partnerships that can interface with industry as well as internal units to incubate partnerships. Institutions who have strong existing research collaborations with industry and want to prioritize sponsored research dollar growth may benefit the most from a unit that is directly managed by the research office.

Key Features

Offerings	Reporting Structure	Staffing	Internal Relationships
<ul style="list-style-type: none"> Primarily develops and manages sponsored research partnerships May include technology transfer and contracting management Can offer an array of partnership opportunities adjacent to research 	<ul style="list-style-type: none"> Centrally located Reports directly to the chief research officer or deputy May have tech transfer reporting up to office or through a dual report structure 	<ul style="list-style-type: none"> Balance of staff with industry R&D experience and academic research experience Number of FTEs² can range from one up to ten May share staff with other units, such as individual schools 	<ul style="list-style-type: none"> Collaborates with research administration on contracting and compliance Partners with individual schools and faculty to identify opportunities and nurture partnerships Engages with other industry interfacing units across campus whenever needed

What Makes It Work?

- Frequently staffed with a balance of individuals who have industry R&D experience and/or academic research experience, specifically with industry-sponsored research
- Expertise in university and industry R&D credentials the unit with both corporate leaders and with faculty
- Capable of resolving complex contracting challenges that emerge in sponsored research and intellectual property licensing, especially around time to project delivery
- Centralized management of inbound requests for research partnerships and able to seek out potential partners through in-depth industry short-term and long-term needs assessments
- Unique blend of industry and academic research expertise allows the unit to serve as a match-maker between universities and companies

What Institutions Should Consider It?



Pursue if Institution...

- Prioritizes industry-sponsored research growth over other engagements with industry
- Possesses strong research terrain overlaps with industry R&D priorities



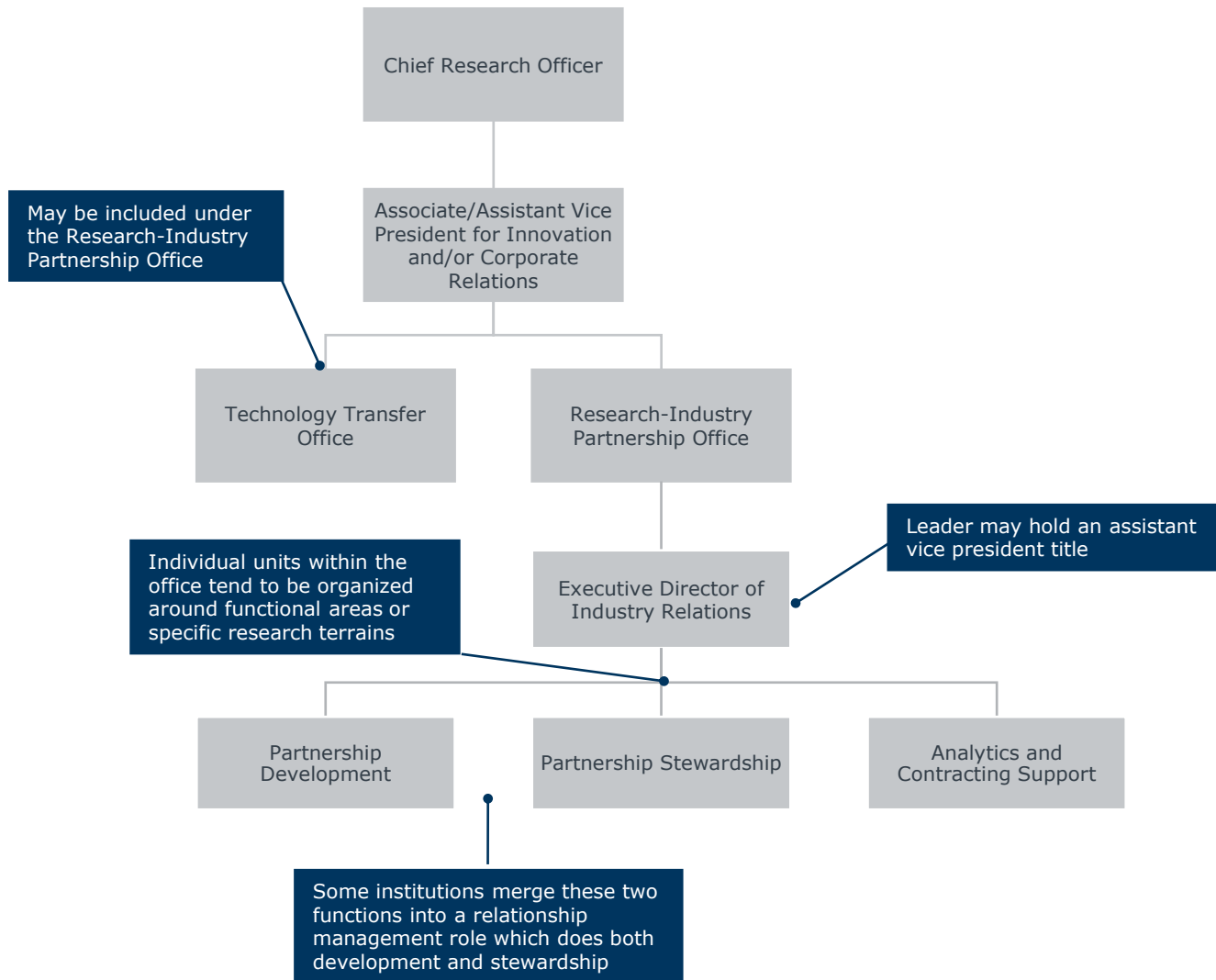
Don't Pursue if Institution...

- Lacks sufficient research capacity and strength to prioritize research partnerships
- Desires equally weighted, multithreaded strategic partnerships with companies

1) Research and Development.
2) Full Time Employees.

Research-Industry Partnership Office (cont.)

Common Structure



Case in Brief: The Ohio State University's [Industry Liaison Office \(ILO\)](#)

- Established in 2008 to grow sponsored research partnerships with industry and promote economic development in Ohio
- Centrally located within the research office and partners with academic units
- Led by an associate vice president and composed of seven FTEs with prior experience in industry and/or academic research
- Acts as a broker between industry and university researchers by making connections between industry research needs and existing research activity
- Performs business intelligence analyses to create unarticulated needs road maps that highlights companies' short-term and long-term needs, and aligns them to the university's research strengths

University Corporate Committee

Description in Brief

Corporate committees convene key stakeholders around the industry partnership mission to coordinate a university business development and partner stewardship strategy.

Rationale

The corporate committee model offers a low-resource solution to the organizational structure question. By drawing on existing staff from the units, the committee model produces institutional benefits through better information and resource sharing, helping to yield a more unified institutional strategy. Committees also can enable more effective partner development and stewardship by aligning partner articulated and unarticulated needs with university offerings through sustained coordination of internal units and actors. This helps to broaden and deepen existing industry partnerships as well as differentiate the institution from its peers.

Key Features

Offerings	Reporting Structure	Staffing	Internal Relationships
<ul style="list-style-type: none"> Compiles engagement pathways across the various units Helps to triage and match-make industry needs with unit-level offerings May develop institutional strategic partnership programs for the largest corporate affiliates 	<ul style="list-style-type: none"> Convened centrally and sponsored by either a collaboration of verticals or one office Composed of paramount industry interfacing units, such as career services, advancement, and research May have a formal reporting line up through research or advancement 	<ul style="list-style-type: none"> Comprised either of senior leaders or their designated deputies, occasionally hybridized or expanded to include other staff Draws on FTEs housed in units and verticals Varies in the degree of formalization with some committees acting more in an ad hoc manner while others are more pro forma 	<ul style="list-style-type: none"> Provides a central forum to facilitate internal collaboration and information sharing Enables key decisionmakers to set a central strategy for partnerships as well as provide tactical guidance on individual cases that have overlapping internal interests

What Makes It Work?

- Committees provide a central focus for industry partnerships through a decentralized staffing and resource structure, reducing the upfront investment and administrative apparatus
- Centralized and institution-wide scope empowers committees to promote institutional strategic objectives over individual unit interests
- Consistent information between key internal stakeholders on partnerships builds mutual awareness of existing partners, services, and networks
- Capable of standardizing goals, metrics, and procedures related to industry relationships across the institution
- Committee structures are conducive for integration with career services and other more dispersed corporate entry points

What Institutions Should Consider It?



Pursue if Institution...

- Concludes that existing collaborations with industry are nascent or peripheral to core mission
- Faces substantial constraints on how much it can invest in partnership infrastructure



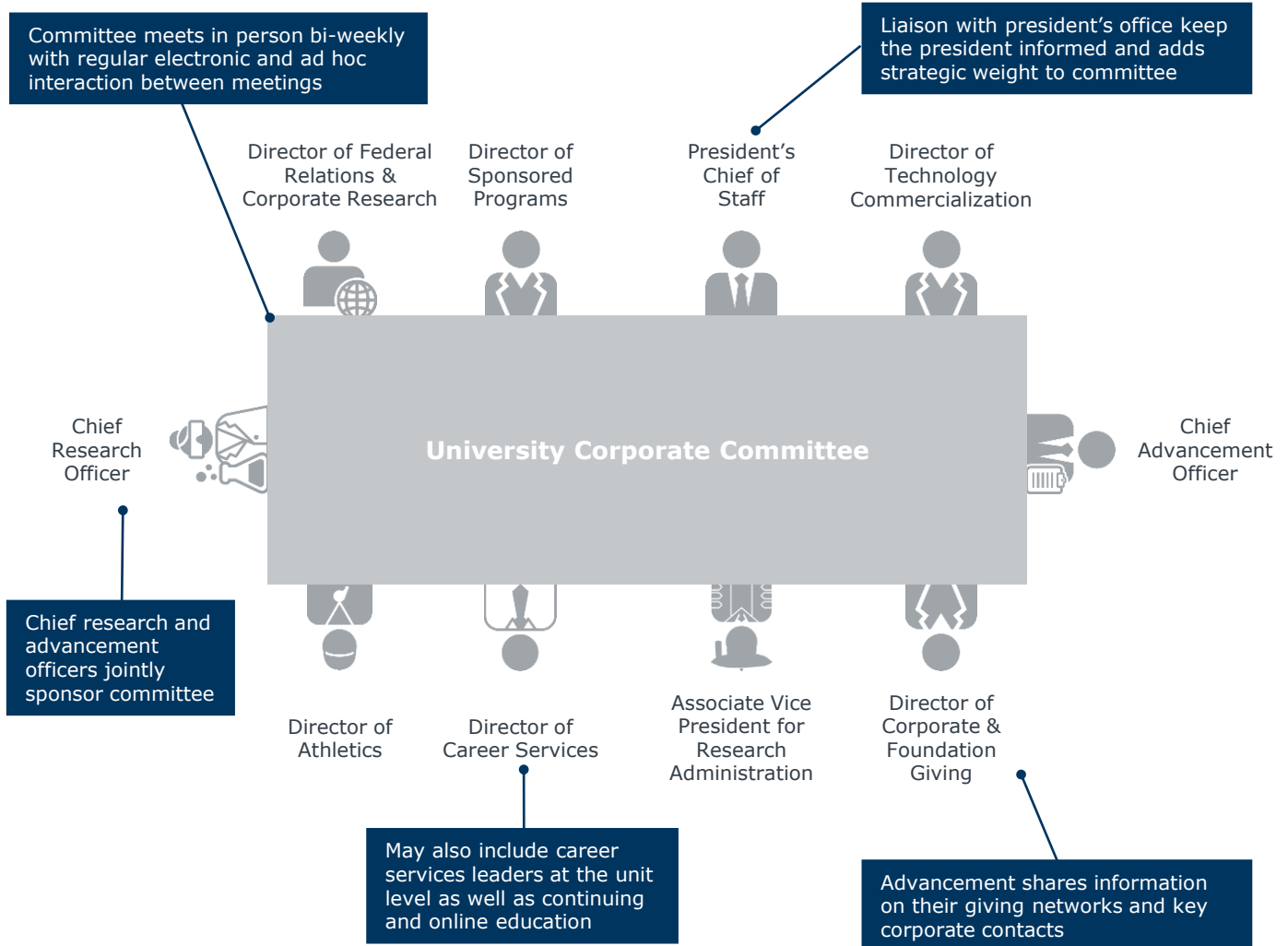
Don't Pursue if Institution...

- Holds existing large and complex strategic partnerships with companies
- Prioritizes sponsored research dollars above other partnership goals

Source: EAB interviews and analysis.

University Corporate Committee (cont.)

Common Structure



Case in Brief: Michigan Technological University's [Corporate Council](#)

- Founded in 2019, the Corporate Council brings together key internal stakeholders involved in corporate partnerships with access to talent as the central theme
- Convened by the director of federal relations & corporate research
- Includes representatives from research office, advancement, technology transfer, career services, academic units, and athletics
- During monthly meetings, the Council directs university strategy and enhances student employment opportunities, aiming to increase corporate sponsored research and giving

University-Industry Engagement Unit

Description in Brief

University-industry engagement units are centrally located entities with dedicated staff and organizational infrastructure targeted at growing and managing industry interactions across a spectrum of partnership offerings located throughout the institution.

Rationale

The university-industry engagement unit unifies internal cleavages around industry partnerships created most frequently by the advancement and research mission while embracing a business-centric strategy that prioritizes engagement over transactions. Shared information, common leadership, and unified goals enable the unit to streamline internal operations and promote diversified engagement types. Possessing standalone resources and staff, the university-industry engagement unit can avoid becoming captured by other internal interests, keeping it honed on its objectives and maintained as a collaborative partner to all stakeholders.

Key Features

Offerings	Reporting Structure	Staffing	Internal Relationships
<ul style="list-style-type: none"> • Spectrum of offered services and engagement opportunities, such as sponsored research, talent access programs, corporate giving, and workforce development • Promotes cross-vertical engagements and stewards existing partners towards broadening their partnership • May offer a tiered strategic partnership program for the largest sponsors 	<ul style="list-style-type: none"> • Joint-venture between two or more verticals, often with dual reporting, or exclusive reporting structure to cabinet-level officer • Most commonly has either a formal or informal reporting line to both research and advancement • Metrics and goals calculated based on measures of company engagement 	<ul style="list-style-type: none"> • Dedicated FTEs hired from industry or with experience managing client relationships • Number of FTE can range from one up to twenty • Perform both business development and partnership stewardship functions 	<ul style="list-style-type: none"> • Branded and promoted as the central entry point for companies • Collaborates with senior university leadership to facilitate buy-in on cross-vertical engagements • May have staff assigned to work in specific terrains or with a portfolio of institutional academic schools and units

What Makes It Work?

- A single unit that offers the full institutional portfolio of partnership opportunities streamlines communication and relationships with companies
- Incentive and supervisory alignment encourages staff to cooperate and to readily pass intelligence
- Clear reporting structure and joint-venture nature reduces internal friction and mission creep
- Promotion of cross-vertical engagements encourages staff to deeply understand partners' needs and provide the best-aligned engagement opportunities to address those needs
- Strong branding as the central gateway for all industry needs signals accessibility to external partners

What Institutions Should Consider It?



Pursue if Institution...

- Considers existing level of industry engagement high but disparate between units and lacking strategic direction and brand
- Identifies significant internal points of friction that impair cross-vertical collaboration



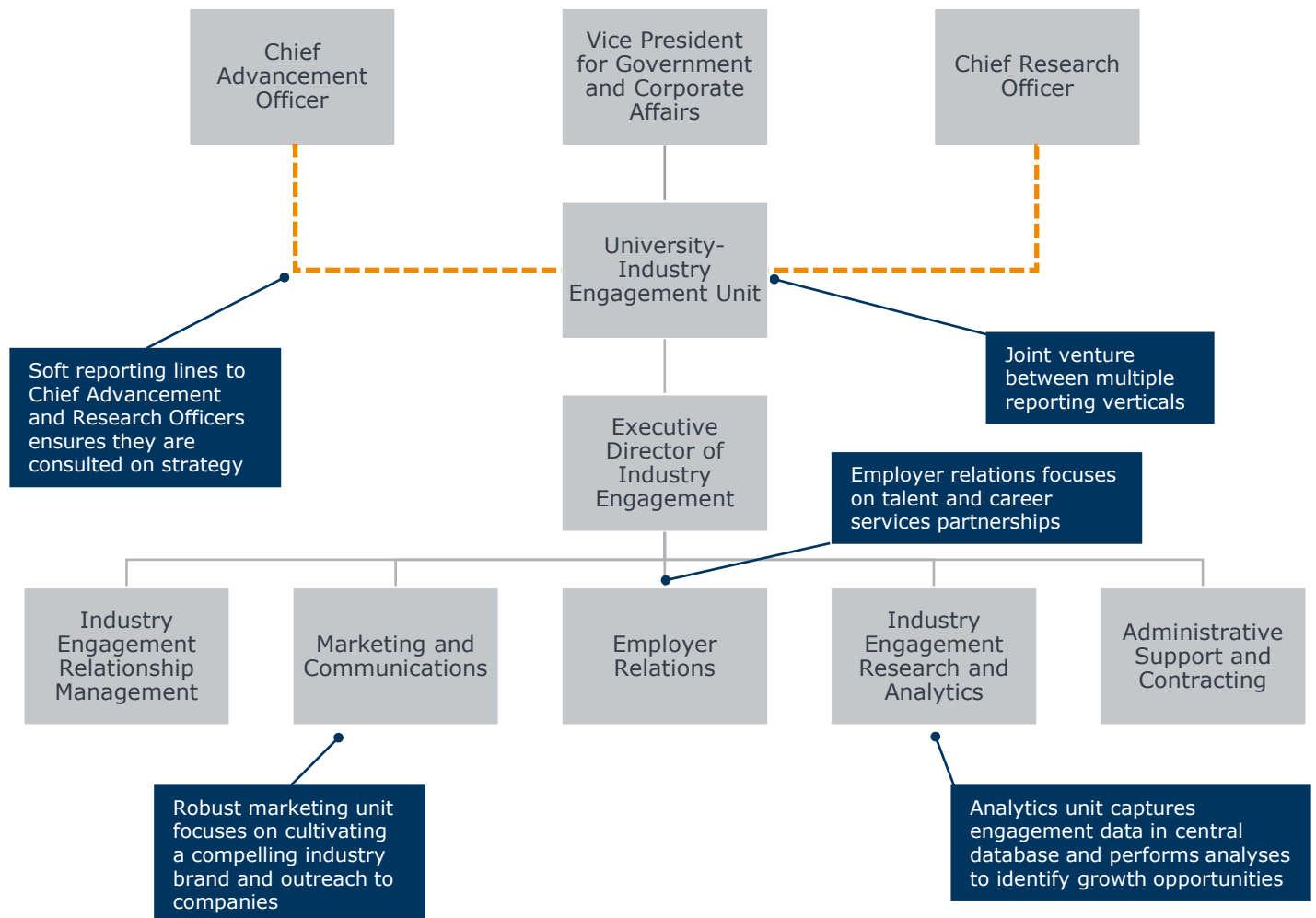
Don't Pursue if Institution...

- Lacks a culture of collaboration with industry
- Concludes that existing collaborations with industry are nascent or peripheral to core mission

Source: EAB interviews and analysis.

University-Industry Engagement Unit (cont.)

Common Structure



Case in Brief: University of Michigan's [Business Engagement Center \(BEC\)](#)

- Established in 2007 following a small-scale pilot within College of Engineering
- Jointly sponsored by Office of Research (70%) and Office of University Development (30%)
- 13 FTEs hired from industry with business development and management experience
- Designed to serve as a single and central point of contact for industry partners
- Co-located with Tech Transfer Office
- BEC leverages Salesforce to remain coordinated across company engagements
- Staff are physically located together in the same office

Source; University of Michigan-Ann Arbor, [Business Engagement Center](#); University of Michigan-Ann Arbor, [Business Engagement Center 2017 Report](#)

Learning to Crawl Before You Walk

Strategic Considerations that Precede Full-Scale Reorganization

Strategy Development

First, institutional leaders must establish a comprehensive understanding of their desired industry partnership goals and their existing organizational gaps. This simultaneous assessment arms leaders with a clear strategic framework to develop a targeted organizational model. Without achieving this framework before modifying their organizational structure, institutional leaders risk misemploying their resources, expending essential political capital, and letting unit-level interest drive university-level strategy. When considering what strategy to pursue, leaders should consider the following four questions:

1 What is our mission and vision?

- What are our overall goals, and what is our ideal end state?
- What metrics, experiences, and successes will demonstrate to us that we have achieved our vision?

2 What industries do we want to engage?

- How much does this structure focus on the select, largest partners vs the smaller partners?
- What metrics distinguish one segment from the others?

3 What opportunities should we offer to serve partners?

- What industry-aligned offerings does this structure manage?
- How does it promote them? What is the balance of acquiring new partners and serving existing partners?

4 Who performs the work?

- What should we look for in a director?
- Where do we physically locate it?
- What staffing model works best for us?
- What responsibilities and incentives do we assign to these staff?

Infrastructure

Second, an effective industry organizational design requires prerequisite infrastructural components that facilitate pan-university collaboration. A “virtual” single entry point signals partnership accessibility to companies and streamlines inbound inquiry processing. Providing greater access internally to CRM¹ systems promotes better data sharing and relationship mapping between units and individuals. Lastly, aligning staff and unit incentives can help unify efforts across disparate offices.

Prerequisite Infrastructural Considerations



Virtual Single Face to Market

Centralized website signals partnership accessibility and alignment with industry needs



Common CRM Database

Shared databases enable effective collaboration and information transparency between units and staff



Staff Collaboration Incentives

Expanded incentives for lead-passing contributes to better staff cooperation

- All-inclusive expenditure goals
- Engagement-based evaluation metrics

1) Customer relationship management.

Source: EAB interviews and analysis.



Washington DC | Richmond | Birmingham | Minneapolis | New York

202-747-1000 | eab.com