

ABSTRACT

The structural and functional transformations observed in universities and Higher Education Institutions (HEIs) over the last decades have accelerated the transformation of their role in society. Traditional missions such as teaching and research are now seen as part of a broader and complex nexus of activities, while at the same time university is increasingly expected to engage with its surrounding environment. The concurrent social and economic challenges have fuelled, perhaps uncritically, the expectation that universities act as strategic knowledge hubs for the development of local innovation systems. This discourse is almost exclusively centred on how universities can manage an ever-growing portfolio of capabilities to meet these expectations; but, however, the underlying hypothesis is that universities generate spillovers regardless of their internal characteristics and of the attending regional circumstances. The criticism towards this posture resonates with the growing discontent concerning the effective role of university in generating concrete economic and social benefits, criticism that fuels the debate concerning their “modernization”. The current “one-size-fits-all” model holds that each and every HEIs are centres of excellence in education, research and third mission (that is, interaction with local socioeconomic actors), but is perceived to be out of synch with current societal needs and therefore in urgent need of reform.

These observations underscore the questions about the role of universities in modern society and lead to the fundamental question: Is it realistic, or even desirable, that all universities are expected to engage in all missions at once, in an isomorphic manner, and through homogeneous contributions to regional development? This dissertation argues that the shortcomings of this model are threefold: it overlooks the complex nature of the university *qua* institution and the many tensions which arise in the process of engagement, as well as the dynamics that influence demand for skills at regional level.

The thesis is structured in three main blocks and uses both theoretical and methodological insights. The first part is based on the economics of education theory, and highlights the limitations of the treatment of universities as homogeneous institutions with equal capacity to perform and contribute to social engagement. It

also assesses critically the notion that university missions are undistinguishable from each other. Both features lead to mischaracterizations concerning the role of universities and their contribution to society. In the view proposed here missions are constructs that represent the university strategies linked by complex relationship of compatibility, and the work puts in perspective the persisting gap concerning the nature of and the relations across them. From a methodological point of view, the treatment of missions and activities through a structural equation modelling allows to analyse the relationship among missions and the validity of the indicators proposed to measure them.

The second block straddles the systems of innovation and the economic geography theories which conceptualize universities as engine of regional development and drivers of growth. In the view proposed here university influences the surrounding region while at the same time regional characteristics shape university performance. This section puts in perspective differences between university profiles in Spain based on their strategies and performance and the scale and scope of the capabilities to contribute to their regions. The selected methodologies are based on cluster analysis, to highlight the differences that emerge within the higher education system, and, on the other hand, on multivariate techniques to analyze their contribution to the socioeconomic environment.

Finally, the third block analyzes the determinants of regional human capital endowment by using a novel indicator of university orientation through mission engagement. Based on the literature on economic geography and labour economics, this part of the thesis computes a direct measure of labour market dynamics to capture the specificities of the attendant geographical context. The panel data information is treated with a generalized method of moments to operationalize regional skill intensity as an empirical measure of supply and demand forces filtered by the reality of the education and regional labor market.