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**Rapid Response Briefing Paper  
The Impact of Covid-19 on Research, Enterprise and Innovation**

## Contents

1.	Context.....	3
2.	Strategy .....	5
3.	Covid-19 Challenges .....	6
4.	Moving Forward .....	7
5.	Immediate Adjustments .....	8

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SUMS is a membership-based higher education consultancy, a registered charity and not-for-profit organisation that provides expert consulting to universities across all professional service areas. We have been talking to university leaders about managing the Covid-19 crisis and their visions for the future. With views gathered from a series of one-to-one interviews, SUMS' Community of Practice Groups meeting virtually, along with student surveys, SUMS is able to take a service-by-service review of university operations. It has found a sector eager to change and seeing positives in adversity.

Here, SUMS Consulting CEO Bernarde Hyde shares insight from her research into the implications of the pandemic on Research, Enterprise and Innovation within universities.

## 1. Context

Before Covid-19 hit, Research, Enterprise and Innovation (REI) in universities was already facing a very challenging couple of years. The Research Excellence Framework (REF) 2021 was looming with universities investing significant resources in preparation. The UK had just left the EU on 31 January, following the ratification of EU/UK agreement by the EU with the UK entering a transition period, set to last until 31st December 2020.

### REF

Last month a decision was taken to put the REF on hold, while institutions respond to the effects of Covid-19. The four UK higher education funding bodies are still at the preliminary stages of adapting the details of the REF 2021. There are two central issues for the revised exercise: the timing of the new submission deadline; and the broad approach to taking account of effects on impact case studies. A survey soliciting views on the issues was launched with a close date of 5 May. Universities are having to anticipate what might happen.

It is noticeable that at the time of writing that the REF website and those of many research-intensive universities make no reference to the delay but continue to offer guidance as if the REF will continue along the original timeline. This reflects the current approach to carry on with the existing approach as much as possible until there is clarity about what will happen.

### Brexit

The transition period ensures that there will be no change as far as UK participation in Horizon 2020 is concerned. The next framework programme – Horizon Europe – will run from January 2021 to 2027. The eligibility of UK-based researchers and businesses to participate has not yet been confirmed. UK participation is dependent on the UK securing 'Associated Country' status. The conditions and timelines for this are not clear, and it is possible Horizon Europe calls for funding

may be issued before the UK's Associated Country status is confirmed. This presents more uncertainty.

To make the most of Horizon 2020 opportunities (with the relative certainty about terms and conditions) pre Covid-19, universities were working to ensure as many (suitable) proposals as possible were submitted before the 31 December 2020 deadline.

### The Industrial Strategy Challenge Fund

Part of the government's Industrial Strategy, the fund is a core pillar in the government's pre-Covid commitment to increase funding in research and development by £4.7 billion over four years to strengthen UK science and business. While assurances have been given around the funding, post-Covid-19 there is an expectation of a spending review with a contraction of funding as we work towards paying for Covid-19.

Pre Covid-19, universities already had a very difficult context against which to shape and deliver REI strategies.



## 2. Strategy

All universities have in place strategies for REI, but typically, the focus now is on the operational; the immediate and the short-term. For example, supporting Covid-19 initiatives, the recruitment and enrolment of Postgraduate Research (PGR) students and the completion of work in progress to secure the expected funding. However, a few universities are taking the opportunity to proactively test their strategies to see if they are still fit for purpose and are sufficiently flexible/agile to respond to change and able to shape the new normal.

The effect of Brexit, taking millions of pounds of potential funding out of the system, will be compounded by the effects of Covid-19. We will have increased uncertainty around government funding; large funders imposing cuts and most charities (with the exception of those with exceptional endowments, such as Wellcome) reducing their research funding; and the fall in student income. If not already started, there will be a renewed focus on diversification of income with purpose and driving up surpluses from REI activity, covering full costs and understanding the degree of cross subsidy within universities.

Some universities have undertaken, or have planned, transformation programmes that have included, as phase one, an efficiency programme. REI divisions are expecting, if they have not already been reviewed, to be scrutinised for efficiency savings. Many universities operate separate Directorates for Research and Enterprise & Innovation. Some, such as Exeter, plan to re-integrate the two functions with the key driver being the need for efficiencies. Evidence from a recent SUMS benchmarking study suggests that there are economies of scale to be had from the integration of Research, Enterprise and Innovation, as participants with the highest total FTE count currently operate separate divisions.

Universities when looking at efficiencies from the view of structural change are tying them back to strategy and outcomes explicitly. For example, Strathclyde University has a mission to find solutions to most urgent global challenges and has assigned a high percentage of REI resources to external facing functions; this external facing profile is in line with their strategic focus.

Over the last decade, we have seen a strategic growth in doctoral colleges, some physical and some virtual. Those universities with virtual colleges are finding themselves well positioned (with mature approaches and infrastructure) as universities have to migrate rapidly to digital learning and support.



### 3. Covid-19 Challenges

Universities' immediate challenges are to repurpose their laboratories and facilities to support the national drive to beat Covid-19 and provide PPE and other support. Researchers are responding to the funding/calls for Covid-19 research. Universities with teaching hospitals are engaging on all fronts to provide support. Consequently, some REI areas are under greater, but different pressures. Governance and processes have adapted, are more agile, and are delivering in a much shorter time frame.

Covid-19 is presenting other challenges for REI. Over the medium to longer term, contraction of the economy, and the reduction therefore of potential funding sources, is the most significant. To mitigate this, universities are reviewing their income portfolios and are focusing on how they might influence policy and improve external engagement to get a better return.

The diversion of Government from Brexit negotiations is contributing to the lack of clarity about future funding opportunities and their terms and conditions. Other than lobbying through sector groups, universities recognise that there is not much they can do to influence the outcome. They are encouraging researchers to submit as many grants as possible before the end of 2020 and target alternative funding sources.

PGR student recruitment and completion rates are expected to fall. To mitigate, universities are moving recruitment, learning and supervision online and extending, for example by six months, completion times.

Staff retention and recruitment has become even more difficult - especially of overseas staff for whom the UK, during Covid-19, is a less attractive location - with some staff choosing to return home and some projects being paused/delayed. Border control across the world has made the departure/arrival of staff problematic and necessitated online induction and remote working, all of which makes it more difficult to form effective teams. Teams are working to mitigate social isolation by using virtual communication channels.

Much work has been put into achieving Athena Swan accreditation and gender equality over recent years, but the crisis is adversely affecting equality and diversity. Already it is reported that fewer research papers are being submitted by women than by men. This is probably a consequence of the disproportionate load that has fallen upon women during lockdown - the effect is still to work through. There needs to be a recognition and adjustment in future assessment and promotion rounds.

Keeping laboratories and other research facilities functioning to support ongoing projects is essential and therefore a priority, but one that presents challenges in ensuring health and safety of staff, and in resourcing. Some technicians and IT staff are being diverted to support online learning initiatives and produce PPE for the NHS. There will be further challenges around opening up all laboratories and facilities when laboratory teaching resumes. As well as having to manage social distancing, there will be a need to 'catch-up' on this term's/semester's laboratory teaching.

## 4. Moving Forward

While addressing the immediate challenges, some are already moving to think about the new normal and what that will look like. There is recognition that whatever the future brings it will not be a return to the old business as usual. New ways of working will build on the gains and successes that are a consequence of Covid-19 and lockdown. There is recognition of the need for greater resilience to be built into the operating model, specifically, diversity of income and improved levels of surplus. There is also a recognition of the need to focus on areas of excellence and sectors which offer the greatest opportunities and activities that are essential; universities are starting to address the hard questions about what they cannot afford to support and what activities they should stop.

Questions are being asked about how research can best be supported nationally for those areas where it is difficult to make the case at university-level; if a model, for example like the Scottish model, could/should be adopted in part.

The need to quantify the cost/benefit of investing in an enabling infrastructure - for example how investing in virtual communication tools to support working agilely will allow space and resources to be released - has become more apparent. Initiatives are already underway to explore how research equipment can be shared within and across universities. The need for comprehensive CRM systems that manage relationships and automated workflows to deliver efficient and timely processes has become more apparent.

A consequence of the crisis that is being celebrated is the recognition of academics as experts and the reconnection of universities with their communities who again are recognising their value and contribution. Universities are looking to build upon this success and the opportunities this offers for REI.

## 5. Immediate Adjustments

In the current situation, it is recognised that not all REI and PI/grant team activities can be carried on as they were under the old regime; there is not the same capacity. There is some staff absence, some redirection of resources to support university Covid-19 initiatives, and additional load associated with remote working and the availability. Prioritisation of activities has become more important with the complementary stopping/reduction of non-essential activities.

Funders are taking a pragmatic approach to any disruption to research projects and are amending or delaying submission deadlines, or postponing review panel decisions on grant funding. This has necessitated more active communications: tracking and sharing.

REI staff continue to deliver core services working remotely; accessing REI and other corporate systems and communicating via Teams and other platforms. Universities that are paper-light, and have in place systemised workflows that incorporate electronic authorisation (signatures), are best positioned to facilitate remote working, needing little adjustment to the core process. All have made some adjustments, even if it is just, for example, prioritising responding to COVID-19 funding calls.

### PGR Student Supervision and Assessment

All supervision, assessment and progression (including Viva examinations and thesis submissions) are taking place online. It is expected that supervision continues to take place online on a regular basis, which presents a challenge in knowing about and ensuring cover in case of supervisor absence.

### Proposal Submissions

Applicants are being asked to allow extra time for an application to be approved. In the absence of

systemised workflow with electronic signatures, REI staff are having to adjust core processes to remote working; for example, accepting email confirmation from the relevant approver.

### Acceptance of Awards

Principal Investigators are being asked to risk assess the starting of projects and ask if it is necessary or feasible to start as and when originally planned. There are implications for research staff deployment and recruitment; for example, fixed-term contract staff start dates are being cancelled or delayed, as appropriate.

### REI Contracts

The review and drafting of REI contracts continues remotely - with the engagement of partners - to ascertain the impact of Covid-19. Existing contractual obligations are being explored in light of dependencies with a view to mitigating risk and exposure. Given the high number of contracts, prioritisation processes are being put in place; processes that reflect the highest degree of risk and exposure due to non-compliance. Lessons learnt from the exploration of existing contracts will inform future contract drafting.

### Managing Existing Awards

While funders will consider requests for extra funding, this is being done in the main on a case-by-case basis. Some funders have a maximum grant amount which cannot be increased. They are in some cases, however, allowing no-cost extensions to allow budgets to be utilised.

Grant holders are being asked to retain/record evidence of any additional costs incurred, e.g. irrecoverable fees arising from the cancellation of meetings/events; salary costs for staff supporting frontline NHS services. Even if the costs cannot be recovered there will be a need to assess cost to the grant and the university.

### Clinical guidelines

It continues to be essential that clinical guidelines are applied. New risk assessments are being made where, for example, studies involve hospitals, or where Covid-19 might present issues for the safety of the study.

**SUMS' consultants are gathering in-depth views from university leaders across the full breadth of university operations. We'll be publishing their service-by-service findings later this month. Register [here](#) to receive your copy of our full sector report.**



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