

National Commission on Innovation & Competitiveness Frontiers

Key Takeaways from Phase 2 Working Groups



Working Group 4

The Future of Place Based Innovation: Broadening and Deepening the U.S. Innovation Ecosystem

Session 3: March 6th, 2024

This Working Group session focused on leveraging recent place-based, generational investments to promote inclusive regional growth.

I. KEY THEMES

Working Group discussion identified several key themes during this session:

- 1) **Strengthening research capabilities and conducting research** to better understand the impact of various federal investments and programs.
- 2) **Supporting the development of innovation ecosystems**, particularly in undertapped communities, through increased collaboration and commitment to sustaining value within communities and regions.
- 3) **Bolstering community readiness** through targeted research, community engagement, and toolkits for regional leaders.

II. PRELIMINARY IDEAS & POTENTIAL RECOMMENDATIONS

Strengthening research capabilities and conducting research

- Currently, there is not a good understanding of what impact federal investments are having on project communities, hampering the ability to better design the next generation of place-based investments. Setting research priorities and executing data-driven analysis will clarify effects of policy design on competitiveness, security, and equity.
- Many organizations, including federal agencies and non-profit organizations, are well-positioned to perform research on program impacts. However, they lack the data resources to perform this analysis, including program-level data on program activities, inputs, and recorded outcomes.

- Policymakers should support the buildout and democratization of data infrastructure to allow researchers to perform robust analysis, including education and capability-building on data gathering and collection techniques. Policymakers should be intimately involved in the development of data infrastructure to ensure that any resource is widely accessible beyond just academics, and is properly fit-for-purpose.
- Data infrastructure buildout should include and build on the NSF's National Secure Data Service, the multi-state data collaboratives linking state data resources, and the US Chamber's Jobs and Employment Data Exchange efforts. These sorts of collaborative projects to share data resources can serve as valuable models and inputs for an accessible, innovation-focused data inventory.
- The advent of AI has prompted a resurgence in questions around data governance, including data ownership, sharing and ownership of learning analytics, and data privacy. Policymakers should improve clarity by providing guidelines around policy documentation, ownership determinations, and data privacy and facilitate the use of additional AI-enabled data tools.

Supporting the development of innovation ecosystems

- Many federal investments are aimed at one-off, large-impact projects rather than ecosystem development. Future policy design should value ecosystem development as a first order priority.
- Major federal initiatives should start in the form of pilot projects with measurable criteria around community engagement. A pilot project approach will allow for an increased number of communities to participate in innovation-focused initiatives, create stronger innovation networks between communities, and prepare communities to fully take advantage of larger grant opportunities. This approach will also allow the government to identify and terminate programs that are not effective.
- Major federal government initiatives should be paired with an advisory board, working to ensure that investments bring sustained value to communities and regions where projects are located.
- Agencies making large investments in related fields should build stronger connections to allow for coordinated investment and program design, more robust interdisciplinary networks, and centralized research efforts.
- Military assets are crucial for their role in innovation, workforce development, community integration, and other key activities. The military apparatus should be actively engaged in any regional innovation networks to facilitate more extensive and holistic ecosystem development.

Bolstering community readiness

- Along with program impact, communities and regions also need to build a better understanding of their own capacity and readiness level to capitalize on large-scale federal investments. Regional leaders require toolkits to help assess their own readiness levels, allowing them to calibrate efforts to apply for grants and seek private investments.
- Additional research should be conducted at the community, state, and regional levels to provide a baseline understanding of community readiness that can be compared across communities. Cross-community comparisons can only be made possible through much more widespread and extensive access to data.
- Readiness levels are not necessarily aligned with community need; the neediest communities often do not have the infrastructure or conditions for that community to support major investments. However, each community is ready for *some* type of innovation-focused investment or project. Communities should be able to assess their own readiness levels and make determinations on which projects are well-suited for local contexts.
- Any successful innovation model will be culturally compatible with the local community where investments are occurring. For example, Tribal communities may prefer a different governance structure than non-tribal communities. When implementing innovation-focused projects, practitioners should consider the local cultural context.