

A COMPILATION OF RESEARCH AND CURRENT THINKING

INNOVATION

What it is and why it's critical to the health
of regional economies



INNOVATION AS A STRATEGY FOR REGIONAL GROWTH

REVIVE, THEN THRIVE

The Economist

Each place has its particular story, but the Midwest holds broad lessons for post-industrial areas elsewhere, whether they are in Europe or Asia. One is that recovery tends to grow from the inside out. If a town center is an attractive place to live, work and play—with renovated bike paths, lots of parks, restaurants and nightlife—that draws young graduates, the newly retired and more. As a whole, Chicago's population may have stalled but its downtown is an example of how to expand: its population, of around 110,000, is over six times bigger than it was four decades ago. People come both because such places are more fun than they used to be and because they remain less crippling expensive than coastal conurbations.



THE RISING CONCENTRATION OF DIGITAL SERVICES JOBS GROWTH

Brookings

90% of the nation's innovation sector employment growth in the last 15 years was generated in just five major coastal cities: Seattle, Boston, San Francisco, San Diego, and San Jose, Calif. This finding sparked appropriate consternation, but also some disbelief. Perhaps, some suggested, Big Tech is becoming less concentrated if one considers digital services industries such as computer systems design, which our definition of the "innovation sector" omitted. Those industries could be more footloose and likely to stray from large coastal cities and into the heartland.



THE CASE FOR GROWTH CENTERS: HOW TO SPREAD TECH INNOVATION ACROSS AMERICA

Brookings

Neither market forces nor bottom-up economic development efforts have closed this gap, nor are they likely to. Instead, these deeply seated dynamics appear ready to exacerbate the current divides.





THE URGENT NEED TO INCREASE DIGITAL TALENT

2020 SCORING TECH TALENT

CBRE

Tech talent is one of the most resilient professions in any economic downturn, and this has been particularly so during the COVID-19 crisis by facilitating business productivity and supporting critical infrastructure. The tech talent and companies leading North America's innovation have a unique opportunity to accelerate economic transformation and lead the next growth cycle by leveraging technology to empower businesses and individuals.

FROM RUST BELT TO ROBOT BELT: TURNING AI INTO JOBS IN THE US HEARTLAND

MIT Technology Review

Artificial intelligence is offering an amazing opportunity to increase prosperity, but whether or not we will seize it is our choice.

JOBS OF TOMORROW: MAPPING OPPORTUNITY IN THE NEW ECONOMY

World Economic Forum

The jobs of the future are set to grow by 51% in the horizon up to 2020 and we project they will present 6.1 million job opportunities globally. These reflect the adoption of new technologies—giving rise to greater demand for Green Economy jobs, roles at the forefront of the Data and AI economy as well as new roles in Engineering, Cloud Computing, and Product Development. On the other hand, emerging professions also reflect the continuing importance of human interaction in the new economy, giving rise to greater demand for Care economy jobs; roles in Marketing, Sales and Content production; as well as roles at the forefront of People and Culture. The growth and absolute scale of these opportunities will be distinctively determined by the choices and investments made by governments today.



GLOBALIZATION 4.0: SHAPING A NEW GLOBAL ARCHITECTURE IN THE AGE OF THE FOURTH INDUSTRIAL REVOLUTION

World Economic Forum

A new phase of globalization driven by shifts in technology, geopolitics, and social and environmental needs will require concerted governance from multiple levels - corporate, national and international. This white paper represents the World Economic Forum's call for engagement from stakeholders across globe and across societal and enterprise domains. In order to meet the challenges of Globalization 4.0, global actors must begin and sustain a dialogue that leads to a strengthening of global governance architecture, the multilateral system that has benefited the world and drives new cooperative arrangements for a demanding future.

CYBERSTATES 2020: THE DEFINITIVE GUIDE TO THE TECH INDUSTRY AND TECH WORKFORCE

CompTIA

National, State and Metro-area technology employment data.

YOUR WORKFORCE IS MORE ADAPTABLE THAN YOU THINK

Harvard Business Review

Predictably, business leaders feel anxious as they struggle to marshal and mobilize the workforce of tomorrow. In a climate of perpetual disruption, how can they find and hire employees who have the skills their companies need? And what should they do with people whose skills have become obsolete? The CEO of one multinational company told us he was so tormented by that last question that he had to seek counsel from his priest. The workers, however, didn't share that sense of anxiety. Instead, they focused more on the opportunities and benefits that the future holds for them, and they revealed themselves to be much more eager to embrace change and learn new skills than their employers gave them credit for.



Photo by [Soe Lin](#)

WHAT IS AN INNOVATION DISTRICT?

THE RISE OF INNOVATION DISTRICTS: A NEW GEOGRAPHY OF INNOVATION IN AMERICA

Brookings

As the United States slowly emerges from the Great Recession, a remarkable shift is occurring in the spatial geography of innovation. For the past 50 years, the landscape of innovation has been dominated by places like Silicon Valley—suburban corridors of spatially isolated corporate campuses, accessible only by car, with little emphasis on the quality of life or on integrating work, housing and recreation. A new complementary urban model is now emerging, giving rise to what we and others are calling “innovation districts.” These districts, by our definition, are geographic areas where leading-edge anchor institutions and companies cluster and connect with start-ups, business incubators and accelerators.¹ They are also physically compact, transit-accessible, and technically-wired and offer mixed-use housing, office, and retail.

THE EVOLUTION OF INNOVATION DISTRICTS: THE NEW GEOGRAPHY OF GLOBAL INNOVATION

The Global Institute on Innovation Districts

This piece, building on the 2014, “The Rise of Innovation Districts: A New Geography of Innovation in America” provides four years of research, ground truthing, and new insights on innovative practices, processes, and policies and how to implement them at scale. Specifically, this paper illustrates how successful districts are designing holistic asset-based strategies that leverage a district’s economic, physical, and social networking strengths. The paper further explains how organizational strategies and structures, particularly a strong governance model and coordinated finance, are proving to be essential for districts. Finally, the paper describes how the imperative for meaningful inclusion—where districts work for everyone—will stimulate a new set of inclusion and social innovation strategies to guide districts in the future.

ADVANCING A NEW WAVE OF URBAN COMPETITIVENESS: THE ROLE OF MAYORS IN THE RISE OF INNOVATION DISTRICTS

Brookings

The U.S. Conference of Mayors convened the Council on Metro Economies and the New America City: Working Group on Innovation and Placemaking in 2016. The working group agreed to explore the recent rise of innovation districts—the small geographic areas within cities where research universities, medical institutions, and companies cluster and connect with start-ups, accelerators, and incubators. These centers represent a new geography of economic development, indicating a radical shift from previously isolated suburban research parks toward amenity-rich, hyper-connected areas in our city cores.

INNOVATION DISTRICTS & THEIR DILEMMAS WITH PLACE

Brookings

The global rise of innovation districts continues. In the United States alone, roughly 20 districts have reached a level of critical mass to warrant the name, concentrating a mix of research institutions, mature companies, start-ups and scale-ups, co-working spaces, and supportive intermediaries in close geographic proximity.

HOW INVESTMENTS IN INNOVATION DISTRICTS CAN COMBAT THE REGION’S REGIONAL DIVIDES

Brookings

The call for federal action in “The case for growth centers” is hardly a wild proposition. The federal government has played a central role in creating America’s geography of innovation, helping propel a handful of metro areas to the “superstar” status they enjoy today. In Boston, Silicon Valley, and areas such as Research Triangle Park, the government provided significant investments in R&D, contracts, and, importantly, the establishment of federally funded research institutions. Strategic and consistent support gave these metropolitan areas unique, early advantages which helped secure their long-term growth and prosperity. Advancing a new set of growth centers will require a similarly comprehensive set of federal investments.

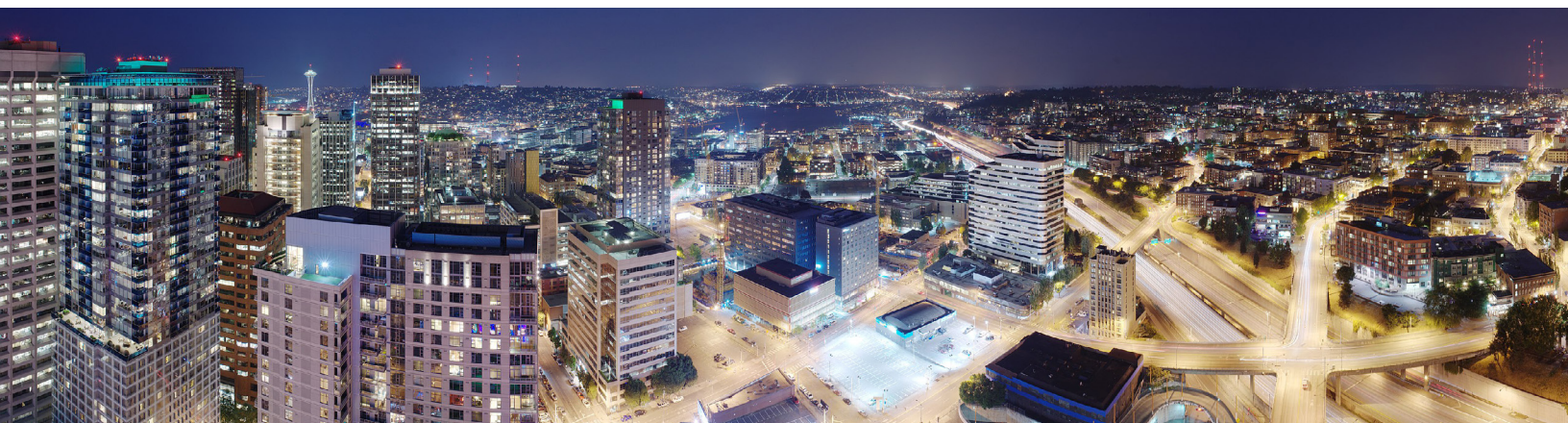


Photo by Dllu

WAYMAKER REPORTS



The Value of Innovation Districts

No two innovation districts are exactly alike. Some redevelop unused urban tracts into attractive New Economy spaces. Others mix work and play in newly-urbanized science parks that used to stand isolated from the community. Whatever design your community leverages, the goal is the same: to create a thriving innovation community that ignites economic growth.



The Next Economy in Action

Waymaker Group knows what makes the Next Economy tick, and we've gathered a lineup of three example cities (Pittsburgh, Winston-Salem, and Milwaukee) to show you the assets and opportunities that ignite economic transformation.



4 Innovation Strategy Examples from Thriving Innovation Ecosystems

The innovation economy is here. In the wake of disruption from the COVID-19 economic crisis, business leaders have an opportunity to rebuild our technology-based, knowledge-focused economy for the future.

ADDITIONAL RESOURCES: BOOKS

The New Geography of Jobs, Enrico Moretti

The Third Wave, Steve Case

The New Localism, Katz & Nowak

Jump-Starting America: How Breakthrough Science Can Revive Economic Growth & The American Dream, Jonathan Gruber & Simon Johnson

CASE STUDIES

Capturing the Next Economy: Pittsburgh's Rise as a Global Innovation City

Today, the competitive advantage of the Pittsburgh region is no longer its rivers and raw materials but its high-skilled workers, world-class research institutions, and technology-intense advanced manufacturing.

The Development of Boston's Innovation District: A Case Study of Cross-Sector Collaboration & Public Entrepreneurship

Emerging in urban centers across the country, city level innovation districts are geographically distinct areas intended to attract cutting-edge companies, research institutions, startups, accelerators, and other related entities, creating a dense community of innovators and entrepreneurs.² Innovation districts also tend to attract businesses that offer support services to tenants (e.g. law, accounting, and public relations firms), as well as entities that offer amenities, such as restaurants and bars.

Concept to Commercialization: the Best Universities for Technology Transfer)

Innovative activities – and their commercial applications – are driving long-term economic growth in America. While industry energizes innovation through research and development (R&D) initiatives, the main catalyst that fuels knowledge-based growth once again lies where it started: the American research university. As new, bi-directional information exchanges open up between academic and industry researchers – as opposed to past linear models – more commercially attuned knowledge exchange is shared, leading to a rise in entrepreneurial success and economic impact.

Why Midsize Cities Struggle to Keep Up with Superstar Cities

Places like Winston-Salem, N.C., are trying to lay a new foundation for prosperity. (2019) Within sight of a couple of huge brick smokestacks, looming witnesses to a past built on tobacco and powered by coal, there is something weirdly out of place about Wake Forest University's Institute for Regenerative Medicine. It is run by Dr. Anthony Atala, lured to town 15 years ago from his perch at Boston Children's Hospital to oversee a group of scientists engineering lab-grown organs for human transplants. For the city, his institute represents an opportunity to leap from an industrial past into the future.



WAYMAKERGROU

ABOUT WAYMAKER

WAYMAKER GROUP HELPS VISIONARY LEADERS IN MIDDLE-TIER MARKETS BUILD INCLUSIVE, INNOVATION-DRIVEN ECONOMIC DEVELOPMENT STRATEGIES THAT BRING PROSPERITY AND OPPORTUNITY FOR ALL.

We believe innovation-based economies are the key to stable and sustainable communities. We are passionate about reshaping economies and remaking places to optimize community prosperity. We partner closely with city leaders (government, corporate and academic) to develop data-driven plans that add economic hope and confidence. We believe in leveraging the existing assets and network intelligence of cities to support the creation of a new vision. We believe there has never been a more urgent time to lead courageously. Waymaker brings vision, a national network of technical experts and the ability to cultivate trust among disparate stakeholders.

WHO WE SERVE

- » **Government Leaders:** Elected officials or city managers seeking a new approach to economic development.
- » **Corporates:** C-suite leaders, board directors or general managers of headquarter companies seeking to make their market more competitive.
- » **Non Profits:** Tech councils, associations, chambers of commerce or philanthropic organizations seeking to make their communities better.
- » **Higher Education:** Presidents, provosts and commercialization officers looking to forge strategic innovation partnerships with government and private companies.



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