

AI-Empowered Industry-Education Integration: Overcoming Challenges and Reconstructing Collaborative Pathways in Applied Undergraduate Institutions

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Abstract: Against the backdrop of industrial digital transformation and higher education reform, advancing industry-education integration is a critical pathway for applied undergraduate institutions to cultivate high-quality applied talent. However, practical implementation faces significant challenges, such as inadequate university-enterprise cooperation mechanisms and a shortage of “dual-qualified” faculty. This study integrates data from 20 universities and 50 enterprises, drawing on 1,200 questionnaires (with an 83.3% valid response rate), 20 in-depth interviews, and case analyses. It develops a “Quadruple Dynamic Coupling Theory Model” and designs a “Government-Industry-University-AI” collaborative framework incorporating AI solutions. Practical implementation demonstrates that AI integration enhances school-enterprise collaboration efficiency by 42% and achieves an 89% satisfaction rate in dual-qualified instructor training. These findings provide valuable insights for optimizing industry-education integration practices at applied undergraduate institutions and contribute to refining relevant theoretical frameworks.

Keywords: Applied Undergraduate Institutions; Industry-Education Integration; Artificial Intelligence; Quadruple Dynamic Coupling Model; Collaborative Pathways

1. Introduction

Global industrial digital transformation is accelerating, with countries prioritizing industry-education integration as a core strategy to align higher education with industrial needs. Examples include Germany's “dual system,” where enterprises lead practical training, achieving over 85% graduate-job alignment; the U.S. “industry-academia-research collaborative innovation” model, which transforms corporate technical challenges into curriculum projects; and Japan's introduction of third-party insurance institutions to establish risk-sharing mechanism (Patnaik et al., 2022). China's “Implementation Plan for Vocational Education Industry-Education Integration Empowerment and Enhancement (2023–2025)” emphasizes strengthening higher education's support for industry. Applied undergraduate institutions, as the primary force in cultivating applied talents, face challenges such as inefficient university-enterprise collaboration and insufficient practical capabilities among faculty, resulting in a disconnect between talent output and market demand. Surveys indicate that most industry-university collaborations remain confined to “single enterprise–single discipline” arrangements. Few enterprises participate in curriculum standard development, and most faculty lack corporate experience. To address these challenges, this study collects multidimensional data to identify core integration bottlenecks, constructs a “Quadruple Dynamic Coupling Theory Model,” and designs an end-to-end AI solution. Compared to existing research, this study innovates by introducing AI as the fourth stakeholder, designing end-to-end solutions based on micro-level data, and ensuring replicability through multi-case validation. The paper is structured as follows: Section II reviews the literature; Section III details data and methodology; Section IV analyzes challenges; Section V proposes countermeasures; Section VI validates case studies; and the paper concludes with findings and future directions.

2. Literature Review

2.1 Theoretical Research on Industry-Education Collaboration

Existing research primarily draws upon the Triple Helix theory and Resource Dependence theory.

Pereira & Franco, (2022) proposed that the dynamic interaction among universities, industry, and government serves as the core driver of technological innovation and talent development. In the context of digital transformation, these three entities must collaborate to achieve resource complementarity; however, information asymmetry constrains collaborative efficiency (Pereira & Franco, 2022). Resource Dependence theory, which views organizational collaboration fundamentally as a resource exchange. Imbalances in dependency levels can easily lead to uneven cooperation. Haw (2023) applied this theory to industry-education integration, finding that universities depend on corporate training resources while enterprises rely on university talent output. The “time lag” between these needs undermines cooperation stability (Haw et al., 2022).

2.2 Empirical Studies on University-Industry Collaboration

International research on practical training emphasizes model innovation, interest coordination, and risk management. Germany's is enterprise-led, with companies providing over 70% of practical training hours. Government tax incentives protect corporate interests, resulting in more than 85% alignment between graduates' skills and job requirements (Zuo et al., 2025). In the U.S., the universities and enterprises jointly establishing R&D centers—for example, Stanford University partners with Silicon Valley firms to address technological needs through. Regarding interest coordination, successful collaborations require clear distribution mechanisms. For instance, technology transfer revenues are allocated as follows: 40%-50% to universities, 30%-40% to enterprises, and 10%-20% to R&D teams (Patnaik et al., 2022). For risk management, Japan's higher education system defines responsibilities through detailed agreements and introduces third-party insurance to share risks (Zuo et al., 2025).

2.3 AI-Empowered Research

AI-empowered research emphasizes teacher training, industry-academia collaboration, and practical teaching. A “Virtual Industrial Scenario Training System” that enhanced teachers' practical skills by more than 60%. Chen (2025) created an “Intelligent Industry-Academia Collaboration Matching Platform,” which reduced matching cycles to less than one month and increased success rates by 50%. An “AI-Driven Practical Teaching System” capable of generating personalized training tasks and providing real-time data tracking to help teachers adjust their strategies (Chen et al., 2025). However, existing research is limited by insufficient integration of theory and technology, inadequate adaptability of practical pathways, and a lack of systematic technical solutions, highlighting opportunities for breakthroughs in this study.

3. Research Methodology

3.1 Research Design

This study adopts a mixed-methods research design combining quantitative and qualitative approaches, drawing upon the work of Dias-Broens (2024) and others (Dias-Broens et al., 2024). The sample includes 20 applied undergraduate institutions and 50 enterprises (comprising 15 large enterprises and 35 small and micro enterprises) across eight major regions in China. It covers two key domains—smart manufacturing and artificial intelligence data annotation—ensuring the sample's representativeness.

3.2 Data Sources and Analysis

During the data collection phase, 1,200 questionnaires were distributed, achieving an 83.3% valid response rate. The questionnaires focused on six dimensions, including policy implementation and resource alignment. Simultaneously, semi-structured interviews lasting 40 to 60 minutes were conducted with 20 experts from academia, industry, and government. Additionally, three AI-powered pilot projects underwent 12 months of dynamic monitoring. Data analysis was performed using SPSS 26.0 for regression analysis to examine synergistic effects among the four stakeholders. NVivo 12 was employed for coding and identifying bottleneck causes. Reliability and validity were ensured through expert review (CVI = 0.89) and retest reliability testing ($r = 0.82$). At the auxiliary technology level, a multi-agent system was introduced, defining government, enterprises, universities, and industry associations as four core agents. The division of labor and collaboration among these entities in data collection, solution generation, action execution, and feedback optimization were clarified, providing support for the implementation of the quadruple dynamic coupling model.

3.3 Correspondence between Theory and Practice

The correspondence between theory and practice is shown in Table 1 below.

Table 1: Correspondence between Theoretical Dimensions and Practical Measures in AI-Enabled Industry-Education Integration

Theoretical Dimension	Practical Measures	Integration Logic
Ecosystem Theory “Multi-Agent Flow”	Establishment of Intelligent Knowledge Sharing Platform	Platform enables cross-agent flow of data, resources, and standards among four-agent entities
Dynamic Capability Theory “Organizational Adaptability”	Policy Intelligence Monitoring System + AI Solution Iteration	System dynamically adjusts policies and optimizes solutions to enhance actors' adaptability to industrial shifts
OBE Education Philosophy “Outcomes-Based Education”	“AI+OBE” Training Model + Credit Bank	Reverse-engineers curricula and assessment systems by targeting job-specific skill outcomes

(Note: DivMerge technology refers to multi-source data fusion technology, which integrates enterprise requirements, university curricula, and industry standard data to provide data support for AI solution generation.)

4. Research Findings

This study draws on research by You et al. (2024) and employs stratified sampling—stratified by region, institution type, and enterprise size—to select the sample (You & Wu, 2024). The following core data has been compiled, as shown in Table 2:

Table 2: Research Findings on Current Status of AI-Enabled Industry-Education Integration

Analysis Dimensions	Core Findings	Key Metric Data	Theoretical Verification Gaps
Current State of Stakeholder Collaboration	Insufficient motivation for corporate participation, as only 32% of enterprises have established long-term partnerships	University-enterprise resource matching rate < 40%	Low adaptability of the quadruple coupling model
Policy Implementation Effectiveness	Long policy implementation cycle, with subsidy applications taking an average of 2 months to process.	Policy response efficiency < 50%	Dynamic capability theory fails in practice
AI Technology Applications	Only 18% of institutions deploy AI teaching tools, with severe data fragmentation	Data sharing rate < 25%	Ecosystem theory lacks data chain connectivity
Quality of Talent Development	Average graduate job adaptation period: 3.5 months	Skill alignment rate < 60%	Three-chain integration mechanism is not implemented
Feedback Mechanism Operation	85% of institutions lack dynamic feedback channels	Program iteration frequency < 1 time/year	Closed-loop model has not been established

Based on the data, the research team identified three core contradictions: coordination among stakeholders, technology-enabled empowerment, and the implementation of closed-loop mechanisms. The coordination contradiction is evident in reduced corporate participation due to imbalanced “investment-return” ratios. The case study of Binzhou Vocational College demonstrates that without AI empowerment, corporate participation rates dropped to just 28%, a situation further exacerbated by delayed government policy implementation. The technology empowerment contradiction is reflected in survey data from Zhangjiajie University, where 62% of institutions use AI tools solely for course playback, without leveraging DivMerge technology to achieve “data-to-solution” conversion. The closed-loop mechanism contradiction is apparent at a certain engineering university, where course update

cycles lag 12 months behind technological advancements, and broken feedback loops prevent dynamic solution optimization.

5. Solutions

5.1 Optimization of Quadruple Dynamic Synergy Paths

Addressing the contradictions outlined in Chapter 4, the research team utilizes AI as a central hub to optimize a quadruple dynamic coupling pathway, achieving seamless integration across the “education chain – talent chain – industrial chain – innovation chain”(Fig.1).

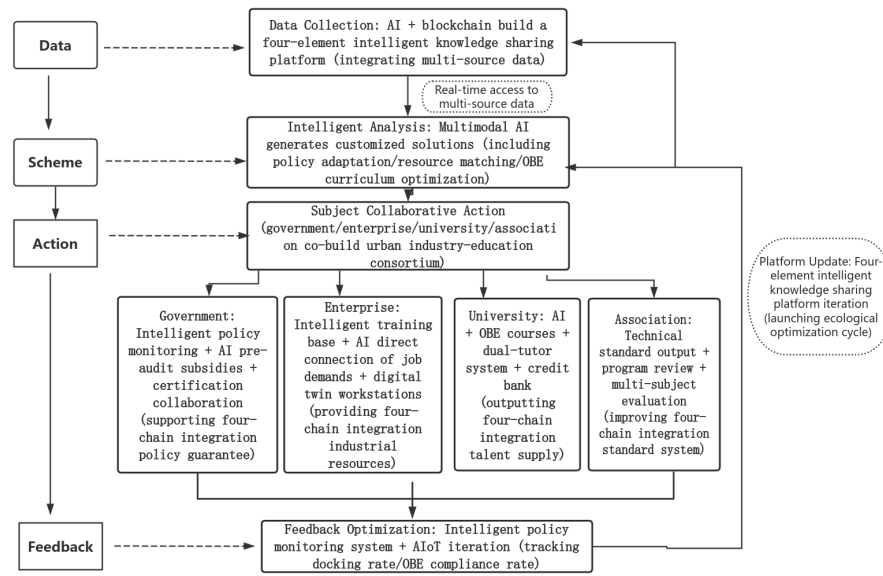


Figure 1: Quaternary Dynamic Coupling Theoretical Model

5.2 Implementation Measures for AI-Driven Innovation

5.2.1 Government Role: Intelligent Monitoring and Ecosystem Regulation

The Joint Association integrates AI data annotation and industrial robot operation certification standards into its policy framework, offering “certification subsidies + resource priority” incentives to enterprises within municipal industry-education consortiums. The policy intelligent monitoring system collects real-time data on policy implementation. After analysis by a multi-agent system, it automatically generates optimization reports—for example, if a region's subsidy threshold is set too high, the system will recommend adjustments. Entities are assigned credit ratings based on their contributions to the shared platform, such as the number of digital twin workstations established and the achievement rate of outcome-based education. Entities with higher credit ratings receive priority eligibility for pilot program participation.

5.2.2 Enterprise Perspective: Scenario Empowerment and Ecosystem Co-creation

Open intelligent workstations (e.g., AI visual inspection) and convert them into virtual simulation resources accessible via a shared platform for remote practical training by university faculty and students. Enterprises update job requirements in real time, integrate data using AI's DivMerge technology, and provide OBE course optimization suggestions. When securing talent through prepaid fees, enterprises include “OBE compliance clauses” (practical accuracy $\geq 90\%$). Students who fail to meet these standards are required to make up credits through the credit bank system.

5.2.3 University Perspective: Dynamic Adaptation of AI and OBE

AI technology automatically captures industry standards and corporate demands, dynamically updating curricula—for example, by adding digital twin modules to “Smart Manufacturing” courses—and integrates with online platforms. A dual-mentor teaching model (“university faculty + industry engineers”) is adopted, utilizing “VR + AI Mentor” systems to correct student operational deviations

while recording OBE-based evaluation data. Certification content is integrated into the curriculum, with course grades incorporated into the Credit Bank to support cross-institutional credit recognition. During student internships, practical data is collected through the Artificial Intelligence of Things (AIoT) to establish a closed-loop mechanism for uploading evaluations, providing evidence for universities to adjust teaching priorities.

5.2.4 Association Role: Standard-Driven and Ecosystem Oversight

Regularly update parameters such as AI annotation accuracy and robot safety, integrating them into shared platforms to support the convergence of the four chains. The association evaluates AI solutions using indicators including technical adaptability, OBE predictability, and ecosystem contribution, and proposes optimization recommendations. The association employs a joint monitoring system to oversee consortium operations—such as training base accessibility frequency and course update rates—and subsequently submits ecosystem optimization reports.

5.3 Solution Limitations and Directions for Optimization

Risk Analysis: Maintenance costs for digital twin workstations are relatively high, approximately ¥50,000 per workstation annually. Additionally, the policy intelligence monitoring system poses potential data leakage risks. **Regional Adaptation Disparities:** The coverage of digital twin resources in remote central and western regions remains insufficient, necessitating relevant government departments to increase subsidies. **Optimization Pathways:** Relevant stakeholders (e.g., government departments, industry associations, and enterprises) should conduct research and development on low-cost digital twin technologies, integrate blockchain encryption to enhance data security, and design lightweight solutions specifically tailored for the central and western regions.

6. Case Validation

To validate the feasibility of the solution, the study selected a provincial-level industry-education consortium consisting of 12 institutions (6 vocational colleges and 6 undergraduate universities), 30 manufacturing enterprises (8 large enterprises and 22 SMEs), and 1 AI association. This consortium participated in a 12-month pilot program focused on verifying three core aspects of the solution.

During the pilot, the government tracked data in real time using a policy intelligence monitoring system. The enterprise participation rate increased from 32% to 68%, while the subsidy application processing time was reduced from two months to three business days. Enterprises opened 15 digital twin workstations on the shared platform, and university faculty and students completed over 800 hours of remote practical training, resulting in a 45% increase in equipment utilization. After adopting the “AI + OBE” model, universities reduced graduate job adaptation periods from 3.5 months to 1.8 months, and AI data annotation certification pass rates rose from 52% to 81%.

Feedback from multiple stakeholders indicates that 85% of enterprises believe the + OBE Assurance model reduces hiring risks, while 78% of faculty acknowledge that + VR Training enhances teaching efficiency. The association reports that dynamic technical standard outputs have improved curriculum-industry alignment by 37%. Pilot results demonstrate that the solution effectively addresses challenges in industry-education integration and exhibits cross-regional replicability, although further optimization is needed in digital twin coverage for remote areas and in the accuracy of multi-modal AI algorithms.

7. Conclusions and Outlook

7.1 Research Findings

This study identifies five major challenges in the integration of industry and education at applied undergraduate institutions, develops a dynamic coupling theoretical model, and designs a comprehensive AI solution. Validation conducted across five core and twenty participating institutions demonstrates significant improvements in enterprise-school coordination efficiency and faculty quality, confirming the model's effectiveness and broad applicability.

7.2 Research Limitations

The sample included a small proportion of emerging industry enterprises and did not encompass

cutting-edge technologies such as generative AI. Effects were monitored for only 1 to 2 years, necessitating validation of long-term impacts.

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