Inception Report – Final version
6 May 2011

Evaluation of Innovation Activities: methods and practice

Inception Report to the European Commission,
Directorate General Regional Policy

In association with:

Manchester Institute of Innovation Research

www.technopolis-group.com
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1. Introduction

1.1 Scope of the study and timetable of deliverables
The specific objectives of this contract are:

- to provide an assessment of the state of the art of the evaluation of innovation support measures in European Union (EU) Member States,
- to provide an analysis of the advantages and limitations of available methodologies for assessing different kinds of innovation activities,
- to conduct case studies on good quality evaluations, and
- to draft guidance for Managing Authorities to support their evaluation activities.

For this study, "innovation activities" are those supported by the ERDF programmes under the Convergence, Regional Competitiveness and Employment and European Territorial Co-Operation Objectives (cross-border cooperation programmes only) according to the Community strategic guidelines on cohesion.

The results of the study will feed into the guidance on evaluation that DG REGIO will issue to prepare the next programming period for Cohesion Policy and the Evalshed website\(^1\) which provides guidance on the evaluation of socio-economic development.

The duration of the study is 12 months from signature of the contract. Effectively from 3 January 2011 to late December 2011.

Figure 1: Overview of deliverables and meeting

<table>
<thead>
<tr>
<th>Deliverable/meeting</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kick off meeting</td>
<td>11/1/11</td>
</tr>
<tr>
<td>Draft methodological inception report (deliverable 1)</td>
<td>31/1/11</td>
</tr>
<tr>
<td>Steering Committee / Comments from Commission</td>
<td>24/2/11</td>
</tr>
<tr>
<td>Final methodological paper after comment (deliverable 1)</td>
<td>3/3/11</td>
</tr>
<tr>
<td>Progress report (2 pages) (deliverable 2)</td>
<td>End of March, April, May, July, September</td>
</tr>
<tr>
<td>Draft interim report, including proposal for 15 case studies, a revised case study template and a revised &quot;evaluation brief&quot; (deliverable 3)</td>
<td>30/6/11</td>
</tr>
<tr>
<td>Steering committee / Comments from Commission</td>
<td>Mid-July</td>
</tr>
<tr>
<td>Final interim report after comments (deliverable 3)</td>
<td>End-July</td>
</tr>
<tr>
<td>15 case studies, 15 analytical fiches and proposed structure for guidance document (deliverable 4)</td>
<td>31/8/11</td>
</tr>
<tr>
<td>Steering committee / Comments from Commission</td>
<td>Mid-September</td>
</tr>
<tr>
<td>Draft final report (deliverable 5)</td>
<td>30/10/11</td>
</tr>
<tr>
<td>Workshop with Commission and practitioners (deliverable 6)</td>
<td>Mid November</td>
</tr>
<tr>
<td>Final report (including 15 analytical fiche, revised guidance document and PowerPoint slides) (deliverable 7)</td>
<td>16/12/11</td>
</tr>
</tbody>
</table>

The specifications for the study set out three tasks that the contractor must fulfil with a view to the ultimate delivery of an updated guidance document for ERDF Managing Authorities. Accordingly, the study is structured in five main phases:

\(^1\) http://ec.europa.eu/regional_policy/sources/docgener/evaluation/evalshed/index_en.htm
1. Methodological report (the current report)
2. Survey of available evidence and literature on methods to assess the effects of innovation activities (task 1)
3. Case studies of 15 evaluations (task 2)
4. Drafting of operational conclusions and a guidance document for evaluation of ERDF co-funded innovation activities and workshop with practitioner (task 3)
5. Final report (task 4)

Figure 2 below summarises in diagrammatic format the project tasks and flow of activities to complete the study.

Figure 2: Study flowchart
1.2 Activities to date

1.2.1 Meetings
Following the official signature of the contract, a kick-off meeting was held on 11 January 2011 in the premises of DG REGIO from 15:17:00. Alasdair Reid, Michal Miedzinski and Paul Simmonds from Technopolis Group and Paul Cunningham from MIoIR were in attendance at the meeting. The study team met to prepare the meeting and prepare a list of issues to be discussed in the offices of Technopolis Group in Brussels on the morning of 11 January.

From a project communications perspective, it was confirmed that:

- Marielle Riché would be the desk officer responsible for the study within DG REGIO, seconded by Danile Mouqué.
- Alasdair Reid, seconded by Michal Miedzinski and Todor Kamburov, would be the project manager and principal point of contact for the study team.

Subsequent to the meeting the DG REGIO desk officer in charge of the project circulated detailed minutes. The study team accepted the minutes without comment.

1.2.2 Information requested and collected
During the initial inception phase (month 1), the information requested by the study team concerned principally access to the lists of contacts in Member States management authorities responsible for the ERDF programmes.

The Steering Group has subsequently provided the study team with the requested contacts, including:

- An Excel file containing the list of ERDF management authority contact points.
- A list of 43 names of members of the French evaluation network from the 26 French regions and four ‘POI’ (Programme Opérationnel Interrégional). Complete contact details in an Excel file.
- Contacts in French regional administrations.
- A Word file containing information on 13 other Member States:
  - Belgium – Wallonia: contact name of the official responsible for evaluation within the Structural Fund division of the Regional Government.
  - Bulgaria – contact details for the official responsible for competitiveness programme.
  - Cyprus – one contact name for responsible official for ERDF evaluations
  - Estonia – contact details for the official responsible in the Ministry of Economic Affairs and Communications.
  - Germany – list of contact names for the regions of Bremen, Brandenburg, Thüringen; Nordrhein-Westfalen; Niedersachsen; Bayern; and Berlin.
  - Greece – contact details for official in Ministry of Economy responsible for evaluations
  - Italy – four contact details for the Ministry of University and Research and three regions (Campania, Emilia-Romagna, Puglia)
  - Latvia – two contact names and details of individuals responsible for innovation policy (Ministry of Economy) and for evaluation (Ministry of Finance).
- Lithuania – contact details of the officials in the Ministry of Finance and Ministry of Economy.
- Malta – contact name and full details of an official in the Prime Minister’s planning office.
- Netherlands – two contact names and full details of people responsible for innovation policy and for evaluation.
- Romania – names and full contact details of three individuals representing specific OP and ERDF evaluation unit.
- Spain – contact name and contact details for the single managing authority plus a contact name for Andalusia.

- List of the experts in charge of the "policy papers on innovation". The study team were informed that they should contact the experts directly in order to request the email of the national interviewees. It was requested that the study team should check in the annex of each report the contact details of the interviewees required.

An initial scan of the Regional Innovation Monitor innovation policy measure database was conducted by Technopolis which led to the identification of 81 measures for which an evaluation has been conducted and a report appears to be available (see Appendix A).

1.3 Structure of the Inception Report

In line with the requirements of the kick-off meeting minutes, the Inception Report is structured as follows:

- Approach and structure to the literature review;
- Organisation of the survey and telephone interviews including the two questionnaires (for the survey and complementary telephone interviews respectively);
- Organisation of the field work for the 15 case studies including the telephone interview proforma;
- Revised number of days allocated to each member of the team for each task and revised travel costs;
- Revised timetable for the project.

A steering committee meeting took place on 24 February 2011 to discuss the initial version of this report. The results of the discussion and the specific comments received from the Steering Group are reflected in this revised version of the report. In particular, this Final Inception Report includes:

- An updated online survey questionnaire for Managing Authorities (Appendix C).
  It was agreed that the telephone interview guide for targeted Management Authorities be reviewed and finalised in close consultation with the Steering Group on the basis of the results obtained from the online survey.
- A typology of innovation support measures used as part of the online survey of MAs. (Figure 3)
- An updated workplan table with full names of the study team. (Figure 7: Revised planning of days per person)
- A mention of tasks 3 and 4 of this project (in the main body of this report), relating to Guidance Document and Workshop with Practitioners (task 3, pp.28) and Final Reporting (task 4, pp.33).
2. Task 1a: Literature review

2.1 Purpose of the literature review

The purpose of the literature review is:
- to gather together material describing the current state of the art in the evaluation of regional innovation across Europe, and
- to provide an empirical reference point or baseline for the exercise more generally.

Specifically, the literature review aims to:
- Identify the methods and approaches used for evaluating at least 10 different kinds of innovation activities commonly funded by the ERDF, including mixed support (combining different instruments)
- Analyse the advantages and limits of these methods for evaluating each kind of activity
- Examine the following methods in particular: beneficiary surveys, impact analysis, network analysis, as well as methods used to assess mixed supports and behavioural changes.

2.2 Taxonomy of innovation measures

The first step will be to identify 10 different innovation-support activities/measures, commonly funded by ERDF and which together amount to a good cross-section of all kinds of innovation-support that one might expect to encounter in a regional development environment.

Following the Steering Group meeting on 24 February 2011, the study team has made progress on developing an initial typology of innovation support measures, which will be subject to further refinement through the online survey questionnaire with a selection of Management Authorities (Appendix C). The aim is to select 10 principal types of innovation support measures that can be aligned with DG Regional Policy's own classification system (fields of intervention) and that above all reflect the operational reality of measures funded at regional level through the ERDF.

The typology of innovation support measures draws on our existing work on (regional) innovation policy and Structural Fund programming and our knowledge of key policy documents and existing typologies (notably the ERAWATCH-TrendChart categorisation also used for the new Regional Innovation Monitor policy database), which provides the study team with a good overview of the range of innovation measures in use.

As the study concerns the testing of evaluation methods, the final selection of measures will be made in light of the nature of the interventions. This is to say that there is a need to select a mixture of larger and smaller types of assistance, an international science park as compared with a regional knowledge transfer network, or single measures as compared with a portfolio of support measures, or an entrepreneurship course for university students as compared with a regional graduate placement programme.

Our proposed typology aims to characterise each of the 10 measures on their key attributes, from their primary purpose, to the points when they are used typically, for whom, at what volume / aid intensity / price and so on.

In line with the discussion during the SG meeting on 24 February, consideration will also be given to ERDF support to non-technological forms of innovation.

NB: Following discussion with DG REGIO concerning the classification of innovation support measures to be used as part of the online survey questionnaire of MAs (Appendix C), it was agreed that a simplified format should be used. For the
**Evaluation of Innovation Activities**

### Purpose of the Survey

It was decided to give respondents an indicative list (Q.11 in the online survey) while also allowing them to use their own wording through a free-text answer option (Q.12 in the online survey).

Figure 3: Categories of innovation support measures used as part of the online survey of MAs (Q.11)

<table>
<thead>
<tr>
<th>Type of measure</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct financial support for innovation activities</td>
<td>Support for R&amp;D and demonstrator projects (through loans or grants)</td>
</tr>
<tr>
<td>Innovation management support and dissemination</td>
<td>Support for non-R&amp;D related aspects of innovation such as access to advice and training for innovation related management or for entrepreneurship, etc.</td>
</tr>
<tr>
<td>Intermediary bodies, agencies etc.</td>
<td>Support for intermediary organisations to facilitate technology transfer, including science parks and technology transfer agencies, poles and incubators.</td>
</tr>
<tr>
<td>Start-ups and Spin-Offs</td>
<td>Mechanisms aiming to support the creation and growth of new firms, including seed funding and venture capital.</td>
</tr>
<tr>
<td>Networks &amp; Clusters, collaboration and Technology/Knowledge Transfer</td>
<td>Support aimed at the development of inter-organisational cooperation in the production and transfer of knowledge/innovation. Generally involves inter-firm networks rather than individual collaborations. Can involve mobility of personnel.</td>
</tr>
<tr>
<td>Science – industry cooperation</td>
<td>Support for linkages or direct cooperation between science (including both HEIs and public research establishments) and industry to facilitate/promote exchange of knowledge. Can involve mobility of personnel.</td>
</tr>
<tr>
<td>Support for the development of ICT</td>
<td>Support for the uptake of ICT by firms and households, support for the supply and demand of ICT products and services including e-government, e-business, e-learning and e-health, broadband infrastructures</td>
</tr>
<tr>
<td>Other innovation support measures</td>
<td>Please specify......</td>
</tr>
</tbody>
</table>

**2.3 Published evaluations of innovation measures**

For each type of innovation activity selected, we will seek to obtain 5-10 published evaluations – from a mixture of regional settings – that sought to assess the efficiency and effectiveness of the innovation measure in question. For example, we might very well compile 10 recent, publicly available evaluations of regional venture capital funds, in order to determine the range and combinations of methods reported.

This is a practical exercise, wherein we will seek to acquire just enough evaluations to form a view of the sorts of approaches in use and where our criteria for inclusion are very simple:

- an independent and substantive evaluation,
- reported in a public document, and
- with a good description of the study methodology.

There will be no attempt to identify and code all evaluations in order to arrive at a definitive view of the range of methods in use, through an exhaustive documentary and frequency analysis.

For each evaluation, we will:

- read the study methodology in order to record the methods and tools used;
log any qualifications proffered by the evaluation authors as regards the strengths and weaknesses of their particular study design or individual methods;

focus on those comments that relate particularly to the assessment of innovation activities, and not the generic strengths and weaknesses of a research method.

In addition to logging data on the study design and instruments, we will also record the standard meta data for each publication (e.g. authors, title, document number, abstract, etc).

Ultimately, we shall compile a tractable database of published evaluations – certainly no more than 100 in total – to serve as the basis for our analyses and to provide empirical evidence of the techniques commonly in use.

From our own experience and other reviews of evaluation methods, we will develop an analytical framework to permit the team to characterise systematically the strengths and weaknesses of each of the individual tools revealed through this aspect of the literature review. This framework will be produced in real-time so to speak, as a result of the data compilation and reading and re-reading of past evaluations. However, we have a sense of the kinds of headings we might begin with:

- Data collection requirements
- Typical costs of data collection / reporting
- Costs to people or populations being surveyed
- Time implications
- Typical robustness of the resultant data
- Methodological strengths from an innovation perspective
- Any critical weaknesses or limitations

The subsequent analyses will go beyond descriptions of course, for example, attempting to cross-tabulate methods and particular study designs with individual innovation-support measures or portfolios of support. The analysis of qualitative remarks should also help the study team to come to a final view on strengths and weaknesses for each instrument, from an innovation perspective, and critically where it is reasonable to use such a method and where it would almost always be inappropriate.

2.4 Guidance on designing innovation evaluations

We will also seek to identify any evaluation guidance literature that sets out to itemise and explain the range of tools and methods one might consider when planning to evaluate an innovation action. It is likely that at least some of these guidebooks will have gone as far as to explain the strengths and weaknesses of the various techniques, both in a general sense, surveys here and interviews there, and specifically for use in the context of innovation systems, where one is dealing with phenomena that are difficult to trace, measure and attribute (e.g. knowledge spillovers) and which are contingent on many factors and tend to unfold over time periods that go far beyond the remit of individual projects and even programming periods.

2.5 Possible data sources for the literature review

Overall, the literature review will scan library and online catalogues, periodical indices, abstracts and the Internet. The aim is to identify the works for possible inclusion in the study including books, articles, working papers, reports (‘grey literature’) and conference proceedings. Figure 4 summarises the main sources of information and evaluation materials that we expect to draw on in carrying out the literature review.
Figure 4: Main sources of materials on evaluation of innovation policy measures

<table>
<thead>
<tr>
<th>Source</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>EU-level evaluation materials</td>
<td>• Examples as listed in references of the specifications for the study</td>
</tr>
<tr>
<td></td>
<td>• Evaluations and case study materials commissioned by DG REGIO</td>
</tr>
<tr>
<td>DG REGIO evaluation network</td>
<td>• Innovation papers</td>
</tr>
<tr>
<td>Inno-Appraisal database</td>
<td>• Structured database of evaluations undertaken in the EU27</td>
</tr>
<tr>
<td></td>
<td>• Summary reports</td>
</tr>
<tr>
<td></td>
<td>• <a href="http://www.proinno-europe.eu/appraisal">http://www.proinno-europe.eu/appraisal</a></td>
</tr>
<tr>
<td>ERAWATCH TrendChart database of policy measures</td>
<td>• Structured information on innovation policy measures including section on results and evaluations</td>
</tr>
<tr>
<td></td>
<td>• Annual country reports and updates on innovation policy</td>
</tr>
<tr>
<td>Regional Innovation Monitor (RIM)</td>
<td>• Structured information on regional organisations and policy measures in favour of innovation</td>
</tr>
<tr>
<td></td>
<td>• Forthcoming regional innovation reports for 50 regions (early 2011)</td>
</tr>
<tr>
<td>National innovation agencies</td>
<td>• <a href="http://www.fteval.at/cms/">http://www.fteval.at/cms/</a></td>
</tr>
<tr>
<td></td>
<td>• <a href="http://www.evaluationsonline.org.uk">http://www.evaluationsonline.org.uk</a></td>
</tr>
<tr>
<td></td>
<td>• <a href="http://www.tekes.fi">http://www.tekes.fi</a></td>
</tr>
<tr>
<td></td>
<td>• <a href="http://www.vinnova.se">http://www.vinnova.se</a></td>
</tr>
<tr>
<td></td>
<td>• etc.</td>
</tr>
<tr>
<td>Academic literature &amp; papers</td>
<td>• Major journals including:</td>
</tr>
<tr>
<td></td>
<td>– Regional Studies</td>
</tr>
<tr>
<td></td>
<td>– Evaluation</td>
</tr>
<tr>
<td></td>
<td>– Research policy</td>
</tr>
<tr>
<td></td>
<td>• Working papers/reports of specialised research institutes, think tanks and consultancy companies.</td>
</tr>
</tbody>
</table>

The recent development of the Regional Innovation Monitor (RIM) database will facilitate the inclusion of new and additional materials beyond those identified in the previous Inno-Appraisal project and will complement the national level information on evaluations contained in ERAWATCH-TrendChart. The 2010 innovation papers of the DG REGIO evaluation network will also be used to cross-reference and complete the list of relevant evaluations.

The results of a first preliminary extraction from the database of support measures available online via the RIM platform is provided in Appendix A. A first scan of the 718 regional innovation measures currently contained in the RIM database resulted in an identification of 81 measures for which an evaluation has taken place and where a report appears to be available.

For the broader literature review of periodicals, reports, etc., the search will be carried out using the key terms and the core ideas proposed above. The order of priority for selecting literature for inclusion will be:

- **Evaluation reports** published by national/regional governments with a preference for measures co-financed by the ERDF.
- **Academic literature** on evaluation of R&D and innovation policies, with a preference for work at regional level;
- **Working papers, conference papers and other ‘grey literature’** on the methods used to assess the effects of (regional) measures supporting innovation activities; or providing evidence on effects.

A log of the material scanned will be kept to facilitate a decision on what may be useful for inclusion in the analysis. The literature log will be assembled in a spreadsheet.
format to enable tailored skimming of the content to further refine the search. A preliminary list of innovation policy evaluation related materials is included in Appendix B.

3. Task 1b: Survey of ERDF Managing Authorities

The overall objective of this part of the study, according to the Terms of Reference, is “to find out about the evaluations of innovation activities completed during the period 2005-2010, launched or planned for the 2007-13 programming period, the methods used, and the advantages and difficulties of such evaluations and methods”. Since the study Terms of Reference specify that a “high-response rate” is required, we therefore propose to adopt a filtering process on the existing sample of some 300+ Managing Authority contact names in order to ensure that only those who have a reasonable level of familiarity with the general approaches to the evaluation of innovation support instruments are selected for interview.

As noted in the Technical Specifications, our approach to the survey of Managing Authorities (MA) is to follow a two-stage process.

**Phase 1** will allow us to filter the overall population of Managing Authorities and identify those persons having relatively extensive experience of:

- Managing ERDF co-supported innovation support interventions and instruments
- Evaluating innovation support instruments, either co-supported by ERDF or by other income streams
- In an ideal case, both a) and b) above.

The survey will be carried out via an internet-based survey software package – Qualtrics – licensed to the University of Manchester.

**Phase 2** will focus on the sub-sample of representatives of Managing Authorities produced by the filtering process and will investigate their experience in the evaluation of ERDF co-supported innovation support instruments in greater detail. This will be performed via a targeted telephone survey (see below).

### 3.1 Internet-based survey of 300+ Managing Authorities

As noted above, the broad-based survey of all 300 MA will act as a first stage in a filtering process with a view to the selection of MA representatives with higher levels of experience in innovation evaluations and ultimately to inform the selection of case studies. The broad-based survey will, therefore, have three specific aims:

1. Ascertain the level of awareness and understanding of Managing Authorities of the issues concerning the evaluation of innovation activities;
2. Provide a cross-check on the results of the analysis of policy databases and the literature review carried out by the study team, ensuring that no major relevant innovation related evaluations, carried out or planned, are over-looked.
3. Identify the likely demand for, and main focus, of required future guidance on evaluation of innovation activities from the Managing Authorities.

A subsidiary aim will be – in the event that the primary contact is not the optimal person to provide the required information – to request details for more appropriate contacts, or ascertain additional representatives of the Managing Authorities who might also be able to provide information (i.e. to act as a ‘snowballing’ process).

The online questionnaire was piloted in the second week of April 2011 and the revised version was launched on 21 April. The final version of the survey is included in Appendix C. The Steering Group has provided the study team with the contact details of four Managing Authorities willing to test the survey.
The aim was to develop and implement a short questionnaire with a series of multiple choice (using likert scale) and structured questions/requests for information. Given the need to operate in a multi-lingual environment and in order to ensure a maximum return rate, the number of open-ended questions has been limited. We have also requested that respondents ‘sign-post’ towards url links where evaluation reports can be downloaded.

In addition, as discussed with the Commission services at the study kick-off meeting (11/01/2011), we will produce national language versions of the questionnaire to ensure full comprehension of the issues raised by the respondents.

### 3.1.1 Analysis of the survey results

The Qualtrics survey software permits the input data to be downloaded in a variety of formats (Word, pdf, Excel). Typically, we have used the statistical software package SPSS to conduct subsequent analyses of survey data.

In this case, the survey results will be examined with regard to the final requirements for the guidance document and aim to provide answers to questions, such as:

- What share of the MAs report having commissioned specific evaluations of innovation activities?
- Do MAs seek to estimate the effects of innovation activities within overall evaluations of programmes using standard economic indicators (net GVA, jobs, etc.)? Or do they adapt methods to the specific nature of innovation activities?
- How familiar are the MAs with the methods and concepts used in the field of evaluation of innovation activities?
- What are the major difficulties they face when they consider commissioning evaluations or when running evaluations of innovation activities?
- If the MAs do not themselves commission evaluations of innovation activities are there other regional or national public bodies (or public-private partnerships, foundations, etc.), which undertake analyses of public funding of innovation activities?

### 3.2 Telephone survey of targeted management authorities

As noted above, one of the outcomes of the broad survey of all MA will be to corroborate the findings of the literature review in terms of compiling and ‘ranking’ the various EU regions according their knowledge of, and capabilities to use, methods relevant for the evaluation of innovation activities (co-financed by the ERDF). The literature review and the broad-based survey will act as a first filter enabling the study team to focus and target the analysis on a core group of managing authorities from which it can be best expected that the 15 case studies will be drawn.

The telephone survey will take the form of a structured interview seeking to deepen and widen the insights gained from the broader survey of all 300+ MA.

Prior to the telephone interview, the respondent will be sent a short document outlining the key concepts and definitions (evaluation terms, innovation activities, etc.) in order to facilitate a coherent discussion.

A pilot of the telephone survey will be undertaken with 4-5 management authorities drawn from the seven target countries defined in the specifications.

Based on the pilot results, the full telephone survey will be adapted and conducted with up to 30 management authorities. At this stage, we propose to retain the option of a broader coverage than the indicated seven countries and would suggest to undertake telephone surveys as well in Sweden (as an additional advanced country with a strong evaluation tradition), Spain (a large Member State with significant
increased ERDF budgets for innovation activities in 2007-13) and Hungary (a second new Member State with significant planned expenditure on RTDI in 2007-13).

At this stage, we propose the following broad criteria to inform the selection of the sample of 30 Managing Authority representatives to be interviewed:

- Evidence of reasonable experience in the management of ERDF co-funded programmes or other schemes to support innovation activities and the commissioning of their evaluations.
- Familiarity with the application of a broad range of evaluation methodologies.
- Evidence of a good level of engagement with the on-line survey.
- Willingness to participate in the telephone survey.

Where necessary, telephone interviews will be conducted in the national languages of the Member States.

Figure 5: Selection of management authorities for in-depth telephone survey (indicative only)

<table>
<thead>
<tr>
<th>Country</th>
<th>Number of Managing Authorities</th>
<th>Indicative number of interviews</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austria</td>
<td>9</td>
<td>2</td>
</tr>
<tr>
<td>Denmark</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Germany</td>
<td>22</td>
<td>4</td>
</tr>
<tr>
<td>France</td>
<td>28</td>
<td>5</td>
</tr>
<tr>
<td>Italy</td>
<td>26</td>
<td>5</td>
</tr>
<tr>
<td>Poland</td>
<td>21</td>
<td>4</td>
</tr>
<tr>
<td>UK</td>
<td>16</td>
<td>4</td>
</tr>
<tr>
<td>Spain</td>
<td>4 (23 OPs)</td>
<td>2</td>
</tr>
<tr>
<td>Sweden</td>
<td>8</td>
<td>1</td>
</tr>
<tr>
<td>Hungary</td>
<td>12</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>147</td>
<td>30</td>
</tr>
</tbody>
</table>


We consider that for the other countries, the literature review, the work of the evaluation network published in the innovation papers, the broad survey and the knowledge our own team of experts of the countries will be sufficient to ensure an adequate coverage of relevant evaluation materials and issues.

4. Task 2: Case studies of 15 evaluations

4.1 Task 2a: Case study selection and reporting templates

4.1.1 Selection of case studies

Based on the survey results as well as on the literature review, the team will suggest examples of evaluations to be analysed in a greater detail. The study will deliver 15 case studies. The selection will be undertaken in three steps: (1) agreement on the selection criteria, (2) literature review and designing the long list of relevant evaluations and (3) agreement on the short list (15) of relevant evaluations.

The task will thus include a preliminary review of the available material relating to the set of available ERDF evaluations (and a sub-sample of examples of evaluations of
regional or national interventions similar to that which ERDF commonly finances). Importantly, the survey of Managing Authorities (Task 1) will be used to derive suggestions of evaluations to be explored in a greater detail. This sub-sample of nominated ‘good practice’ evaluations will be then subject to selection according to the criteria.

The selection criteria will include the following aspects:

NB: the following list of selection criteria has been updated in line with comments received from the Steering Group at the meeting on 24 Feb 2011.

1. Analytical representativeness
   - type of innovation support measure evaluated, including mixes/portfolios of various types of support measures (evaluations should relate to the most commonly used forms of innovation activities supported by ERDF).
   - type of evaluation approach (case studies will cover examples of interim and ex-post evaluations).
   - type of methodological approach to evaluation (including the use of specific evaluation methods and combinations of methods used);

2. Feasibility of a case study
   - Availability of detailed information relating to the programme and its evaluation, including:
     - Available supporting information on the target (evaluated) programme/instrument;
     - Availability of a suitably detailed evaluation report;
     - Availability of detailed terms of reference for evaluation study (access to these is not a necessary pre-condition as they can be obtained during the interviews, but their accessibility for review should be checked ex ante);
     - Availability of key stakeholders, notably:
       - representative(s) of the Managing Authority responsible for the programme and for commissioning its evaluation;
       - representative(s) of the evaluating body responsible for undertaking the evaluation.

The first group of criteria will ensure that the lessons learned from the analysed evaluation studies are relevant for the various innovation support measures, will represent variety of methodological approaches as well as refer to different contexts. The second group of criteria considers the feasibility of conducting the case study.

The preparation of the long list of potential case studies (about 30) based on the above criteria will be based on the review of potential evaluations aided by the results from on-line questionnaire. The 15 case studies will be selected following the completion of the telephone survey. The long list, including 10-15 additional evaluations, will serve as a “reserve list” in case of practical difficulties in conducting the first choice case studies. The final selection of the case studies will be discussed with the client.

4.1.2 Case study interview pro-forma and reporting templates

Having identified a potential set of case studies, we propose to develop the interview pro-forma and associated reporting templates. The templates will include lead questions as well as annotations on the information required to complete the case study report and the one-page “evaluation brief”. The latter will be a stand-alone summary comprising an overview of the key characteristics of the case study evaluation.
Updated versions of the Case Study Reporting Template (including the underlying questions for the fieldwork process) and a Template for the “Evaluation Briefs” will be included in Deliverable 3 of this project.

The case study report will provide contextual information that will be used in developing final deliverables of the project, notably the guidelines. Each report will be synthesised in a stand-alone “evaluation brief”.

4.2 Task 2b: Interviews and preparing the case study reports

Having developed the final interview pro-forma, we would then proceed to the interviews of representatives of the Managing Authorities and relevant evaluators.

4.2.1 Preparing the fieldwork

The first step in the case study preparation will be drafting the case study report sections which can be based on the literature review as well as on the information gathered during the web-based and telephone survey. The authors will receive the approved reporting template from the core team with the lead questions for interviews as well as the general fieldwork guidelines.

The case study authors will undertake the planning of the fieldwork; the core study team will support the process if required (e.g. by providing main contacts, cover letters etc).

4.2.2 Conducting the interviews

The case studies will include face-to-face interviews with the relevant stakeholders as well as additional phone interviews. The authors will be encouraged to interview various stakeholders including:

- Regional policy maker active in the area of innovation support
- The desk officer responsible for the evaluation at the Managing Authority
- The external evaluator
- Whenever feasible a representative of regional stakeholders concerned with the measure evaluated (e.g. innovation agencies, business associations represented in the OP Steering Committee etc).

4.2.3 Preparing reports and descriptive fiches

The authors will be advised to prepare the draft final reports and “evaluation fiches” immediately after completing the fieldwork. The drafts will be quality reviewed by the core team. The final drafts will be shared with the EC for further comments. The study team will ensure that all relevant information drawn from the case study interviews and evaluation fiches is shared internally and that information is seamlessly integrated to make sure that the experience gained from conducting the case studies feeds the final report and guidance document.

5. Task 3: Conclusions, Guidance Document and Workshop

5.1 Task 3a: Guidance Document

The synthesis of Case Studies, which will include a number of the major conclusions deriving from the outcomes of the analysis of the Case Studies, will be used to develop a Guidance Document of no more than 30 pages length. The primary audience for this document will be Evaluation Officers in Managing Authorities, although it will be written in terms readily understandable to those not familiar with the practice of
evaluation (such as programme managers not directly involved in programme assessment). In addition, it should be also accessible to representatives of external evaluators, such as consultants, in order to maximise the dissemination of the findings of this study. To this end, the Guidance Document will include a comprehensive glossary of terms associated with programme evaluation.

While the precise structure of the Guidance Document cannot be determined at this stage, the Technical Specifications stipulate that it should cover:

- Degree of feasibility of the different methods used for different measures (level of expertise, cost, data requirements, etc.)
- Contexts in which the methods are the most effective.
- Practical tips for applying these evaluation techniques.

We suggest that the Guidance Document contain a simple matrix which indicates, for each modality of ERDF support, the most commonly applied methodologies applied in such evaluations (drawn from the Case Studies), together with brief notes on their efficacy. In addition, it is clear that the anticipated outcomes of the support mechanism will define the available outcomes and their metrics which in turn influence the selection of a set of appropriate methodologies. Thus, there are two approaches in which a set of methodologies can be defined. The Guidance Document will include both these approaches as a simple step by step guide towards the selection of methodologies.

This will then be followed by a more detailed treatment of these methodologies (in the restricted context of ERDF supported instruments) with notes on:

- the relative degree of sophistication of the evaluation method
- the level of expertise required to implement it (i.e. whether it is feasible in-house or requires external skills)
- the forms of data collection required (monitoring, database analysis, survey), how these should be approached, their administrative implications and cost implications
- context issues such as economies of scale, minimum/maximum sample sizes, linguistic issues, target audience characteristics, etc.
- the sophistication of analytical techniques required and their estimated costs
- comparative benefits of various approaches (e.g. on-line versus postal surveys, telephone versus face-to-face interviews, counterfactual impact evaluations versus theory-based impact evaluations)

The Guidance Document will be annexed to the final report.

5.2 Task 3b: Workshop with practitioners

Given the requirements of the specifications, we envisage a focused event where the main findings and draft conclusions of the study as well as the draft guidance document will be presented and debated with participants. In line with the specifications, we propose that the participants should be drawn from the following tentative categories:

- DG REGIO: evaluation unit (3-4 people) plus at least 2-3 desk officers of geographic or other programme units (territorial co-operation, etc.) with a view to receiving feedback from officials less expert in evaluation methodology and working directly with the MAs.
- Other Commission services: 2-3 officials from DG Research and Enterprise and Industry, etc. from evaluation units or responsible for innovation policy issues.
5 practitioners of evaluation (the costs of attendance will be covered by the project budget as foreseen in the specifications), tentatively with the following profiles:

- 1-2 civil servant(s) from a MA in a Convergence Region with a substantial share of ERDF budget for 2007-14 allocated to innovation (e.g. Andalucia)
- 2-3 civil servants from ‘RCE’ regions with advanced evaluation methodologies applied in the last 3-4 years (based on the good practice examples, for instance)
- 1-2 evaluation practitioners (consultant or academic).

If DG REGIO, so wishes, the contractors for the evaluation network and the counter-factual study on R&D and innovation; and/or some members of the evaluation network could also be invited.

The final list of five practitioners will be agreed with the Steering Committee following the submission of the 15 case studies at the end of month 8 of the study; on the basis of a 'long-list' of up to 15 names and profiles. The long-list of practitioners will be identified in the framework of the survey conducted in Task 1 and during the case studies conducted in Task 2.

We would propose a tentative agenda as follows for the workshop, which will be held in the premises of DG REGIO.

Figure 6: Tentative Agenda for Workshop of Practitioners

<table>
<thead>
<tr>
<th>TIME</th>
<th>ACTIVITY</th>
<th>SPEAKERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>09:00 – 09:15</td>
<td>Introduction to the day: objectives and expectations of the Commission</td>
<td>DG REGIO – Head of Evaluation Unit</td>
</tr>
<tr>
<td>09:15 – 10:00</td>
<td>Main findings of the study: what lessons can be learn from current practice in evaluating innovation activities: awareness and capabilities of MAs, methods and types of evaluation in use and practical issues (cost, data availability, etc.).</td>
<td>Study team - Technopolis/MIoIR</td>
</tr>
<tr>
<td>10:00 – 11:00</td>
<td>Moderated discussion on what lessons can be drawn from the 'good' practice cases for future evaluations of ERDF funded innovative activities</td>
<td></td>
</tr>
<tr>
<td>11:00 – 11:30</td>
<td>Coffee Break</td>
<td></td>
</tr>
<tr>
<td>11:30 – 13:00</td>
<td>Moderated discussion on the applicability of a 'menu' of methods to ERDF funded innovative activities</td>
<td></td>
</tr>
<tr>
<td>13:00 – 14:00</td>
<td>Lunch</td>
<td></td>
</tr>
<tr>
<td>14:00 – 15:00</td>
<td>Presentation of the Guidance Document</td>
<td>Study team - Technopolis/MIoIR</td>
</tr>
<tr>
<td>15:00 – 16:30</td>
<td>Moderated discussion on the guidance document: points to adjust, areas where more details or examples are required, comprehensibility of language (for non-specialists), etc.</td>
<td></td>
</tr>
<tr>
<td>16:30 – 16:45</td>
<td>Concluding remarks by DG REGIO</td>
<td>DG REGIO – Head of Evaluation Unit</td>
</tr>
</tbody>
</table>
6. Task 4: Final reporting

Written comments received from DG REGIO as well as from the practitioners attending the workshops and other relevant parties consulted (other Commission services, etc.), will be taken into account in revising the final report.

The final report will be produced as a high quality (English) deliverable including a publishable stand-alone executive summary in the form of a policy brief and a professionally designed PPT presentation adopting (if so required) the DG REGIO corporate identity.

Tentatively, we expect the final report to be structured as follows:

- Executive summary (5 pages) – also delivered as a stand-alone file (translated into French and German)
- Introduction (5 pages) – objectives, scope, methodology and context of the study
- Evaluating publicly funded innovation activities: state of the art (20 pages)
  - A short overview of main methods and good practice in evaluation of research and innovation policies
  - Experience and current practice in the evaluation of innovation activities in the EU Structural Funds: results of the literature review and survey (key quantitative and qualitative findings).
  - Main challenges for improving evaluation of innovation activities
- Comparative review of methods - pros-and-cons (20 pages)
  - Summary of lessons from the case studies:
    - Structured discussion of the application of the various methods vis-à-vis different forms and types of evaluation and measures. Illustrated with boxed examples from the literature review/case studies.
    - Evaluation in practice: key operational issues that influence evaluation design and delivery, applicability of specific methods given data availability or cost constraints, institutional capacities, training of evaluation professionals, etc.
- Conclusions: summary of key findings merging the conclusions from the literature review with the more operational issues arising from the survey and case studies (3 pages).

Annexes:

- 30 page guidance document (in English, translated into French, German, Polish and Spanish)
- 15 'good practice' evaluation fiches (ready for web publishing)

The final template/structure will be agreed with the Commission services on the basis of the interim report.

The study team will prepare a high quality (PowerPoint) presentation (adopting the DG REGIO corporate identity) that can be used by the Commission services when presenting to other services, European institutions, management authorities, at academic or specialist conferences, etc. The study team proposes to go beyond the requirement of the specifications: a video format presentation of the PPT presentation will be prepared that can be made available as an on-line ‘learning tool’.

At the end of the project, the contractor will compile and hand over to the Commission in electronic format a structured database of data and evidence collected. This ‘database’ will be structured (tentatively) as follows:
• Data files (in Excel or equivalent spreadsheet software) containing all data gathered on relevant innovation evaluation (this will not include any individual responses received from MA to the survey for reasons of data protection).

• Structured database of documents collected through the literature review (in PDF, doc, etc. formats) organised by type of evaluation, method, etc.
7. Revised planning of days and travel costs

7.1 Revised planning of days per task

Figure 7: Revised planning of days per person

<table>
<thead>
<tr>
<th>Methodological Inception Report</th>
<th>Director</th>
<th>Senior Consultant-Researcher</th>
<th>Consultant-Researcher</th>
<th>Administrator</th>
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<tbody>
<tr>
<td>Alasdair Reid</td>
<td>2</td>
<td>Paul Simmons / Isabelle Collins</td>
<td>Michal Miedziński</td>
<td>Cristina Navarrete Moreno / Todor Kamburov</td>
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<tr>
<td>Total</td>
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<tr>
<td>Kick-off meeting</td>
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<td>1</td>
<td>0</td>
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<td>Design of a framework for the literature review</td>
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<td>1</td>
<td>1</td>
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<tr>
<td>Initial design of survey questionnaire</td>
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<td>1</td>
</tr>
<tr>
<td>Development of case study approach</td>
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<td>D1 Inception report</td>
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<td>Task 1 Literature Review</td>
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</tr>
<tr>
<td>Review of policy databases</td>
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<td>5</td>
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<tr>
<td>Review of recent academic and grey literature to check for recent advances in the state of the art</td>
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<td>2</td>
<td>2</td>
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<tr>
<td>Compilation of evaluation database and analysis of advantages and limitations of methods</td>
<td>5</td>
<td>2</td>
<td>3</td>
<td>5</td>
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<tr>
<td>Preparation of a summary paper for evaluations of 10 types of innovative activities</td>
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<tr>
<td>Final preparation of online questionnaire</td>
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<td>Analysis of survey results</td>
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<td>Selection of case studies</td>
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<td>D3 Interim report</td>
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<td>Task 2 Case studies</td>
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<td>D5 Draft final report with analysis of findings</td>
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<td>Draft guidance for managing authorities</td>
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<td>D6 Workshop</td>
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<td>0</td>
</tr>
<tr>
<td>D7 Final report and guidance document (incl. exec sum/P)</td>
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<td>1</td>
<td>3</td>
<td>2</td>
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<tr>
<td>D2 Progress reports</td>
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<tr>
<td>Workshops - steering committee (c. 5 days/meeting)</td>
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| TOTAL DAYS | 15.00  | 11.00  | 39.00  | 23.00  | 21.00  | 64.00  | 25.00  | 31.50  | 12.00  | 103.00  | 9.00  | 14.00  | 220.00  |

Evaluation of Innovation Activities: methods and practice