Evaluation brief: *A look into the black box: What difference do IWT R&D grants make for their clients?* (Belgium)

Key words: behavioural additionality, two control groups, counterfactual impact evaluation, large-scale telephone survey

1. Introductory information

- The study was published in English under the title: *A look into the black box: What difference do IWT R&D grants make for their clients?*
- This study assessed the behavioural additionality[1] of IWT clientele within the context of the R&D-company and the SME-support programmes.
- The study was commissioned by IWT, the Agency for Innovation by Science and Technology in Flanders, Belgium in 2006 with a six-month timetable.
- It was carried out by Geert Steurs, Arnold Verbeek, Hilde Vermeulen from IDEA Consult in collaboration with Prof. Dr. Bart Clarysse..

2. Summary

The study of the behavioural additionality of IWT subsidies sought to determine the behavioural effects of public grants for private R&D within assisted businesses. The study was aimed at assessing the effectiveness, efficiency and added value of IWT funding channelled to Flemish businesses, particularly to the SME sector, between 2001 and 2004. It carried out the assessment on a representative sample of IWT clientele, selected from the funding provided by IWT within the context of the R&D-company and the SME-support programmes.

The evaluation addressed the following three main research questions:

- 'Do IWT projects and subsidies lead to behavioural additionality?
- Which characteristics stimulate behavioural additionality and which do not?
- Are behavioural additionality, input and output additionality reinforcing or merely co-existing?'[2]

The study was a pioneering work, both in terms of the theme of the study and the methodology applied. It was carried out within a 6-month period using the following main data collection methods: desk research including literature review, a large-scale telephone survey and a follow-up interview programme.

The telephone survey targeted three distinct groups, a group of beneficiaries of IWT grants and two control groups. The control groups were established in a way that ensured high levels of representativeness and comparability across the groups and with their respective populations and were aimed at revealing additionality issues from different perspectives.

[1] Note: Behavioural additionality means the extent to which the financial assistance provided by IWT had produced changes in attitudes and behaviour at the beneficiaries that endure beyond the life of the grant. The word additionality is used instead of impact and net effects and should not be understood as usually applied in the context of the Structural Funds.

[2] Source: IDEA Consult in cooperation with Prof. Dr. Bart Clarysse: Study and Evaluation of Behavioural Additionality of R&D -subsidies, Brussels, September 29, 2006.

The evaluators discussed the findings of the study along eight different additionality dimensions, covering resource-based (input additionality), result-based (output additionality) and process-based (behavioural additionality) approaches. The evaluators synthesised all the information gathered through the different data collection and analysis methods taking into account the results of the company and project characteristics analysis to arrive to a solid evidence based conclusion: 'IWT does make a difference'.

Working with two control groups generated more robust evaluation findings and persuaded IWT officials that their grants do have an important positive impact on client behaviour. While the results were greatly reassuring, the study also underlined how much work (and cost) was involved in using an experimental methodology for a research programme for businesses. Furthermore, the access to a large amount of data which was required to set up the samples in the most representative way, has to be considered when applying the methodology. In light of this experience, the experimental methodology has not become the norm and the approach will only be used selectively.

3. Further information

- The full case study may be found at: (url)
- Link to the evaluation study: http://www.iwt.be/english/iwt-content/iwt-study/56-what-difference-do-iwt-rd-grants-make-their-clients
- Link to the Managing Authority that commissioned the evaluation: http://www.iwt.be/ (Contact person: Mr. Eric Sleeckx, coordinator of the study, IWT Monitoring & Analysis).