Thematic evaluation of the ERDF Operational Programme (OP) and the State-Region Programme (CPER) in Franche-Comté – *Innovation, Research and Technology Transfer* (France)

1. Introduction

This case study presents the mid-term thematic evaluation of the innovation activities supported by the 2007-2013 ERDF Operational Programme (OP) and the 2007-2013 State/Franche-Comté Region programme (CPER)[1], running in the Franche-Comté region in Eastern France.

The evaluation was carried out at the macro-level, analysing both the ERDF OP and CPER programmes. However it focused more specifically on the Innovation, Research and Technology Transfer component – which represents about €243m funding all in all. Examples of the kind of activities reviewed include as follows:

- Public investment in research infrastructures and buildings, including infrastructures for partnership research such as grants for projects of technology platforms and innovation parks;
- Financial support for research equipment in research organisations and structuring of available equipment for partnership research (e.g. grants for creation of technical thematic platform for research);
- Incentives towards SMEs to take part in research and innovation activities (e.g. Competitiveness Support Schemes, grants for SMEs investment);
- Innovation support addressed to Higher Education Institutions and enterprises (e.g. grants for the organisation of networking activities and financial engineering);
- Raising awareness on entrepreneurship and innovation activities (e.g. grants to intermediary and training bodies).

The central services team (Service for Study, Prospective and Evaluation) within the Franche-Comté Managing Authority commissioned the study from an independent private consultancy, Technopolis Group France, based in Paris. The evaluation was carried out in eight months and the final report was published in 2011. The total budget of the evaluation was €60k.

This thematic evaluation was interestingly used to assess the contribution of ERDF funding to transversal areas of strategic interest for the EU and the regional authorities. All things being equal, the focus on a single theme permits the evaluator to provide a more penetrating and insightful analysis in comparison with the typical ERDF broad-brush approach, which would involve a global assessment of all aspects of a programme.

The overarching question of the evaluation is: what were the initial aims of the ERDF OP and State/Franche-Comté Region programme (CPER) related to research, innovation and technology transfer and how were they translated into concrete initiatives during the first part of the programming period 2007-2010?

[1] CPER stands for 'contrat de projet État-région', i.e. multi-annual documents by which the French State and every single French Region commit themselves to development and competitiveness projects ranging from support to infrastructures, to research and innovation, to social inclusion, to culture, etc.

In methodological terms, the evaluation is a straightforward mid-term review of the programme's achievements within the research and innovation arena, focusing mainly on qualitative evaluation tools and data analysis; and on relevance, coherence and effectiveness issues.

2. Description of the evaluated measure

Franche-Comté is a rather small Region with a recent focus on research, innovation and technology transfer activities. In comparison with other French Regions, it is characterised by the overrepresentation of Business R&D expenditures compared to Higher Education and Government R&D expenditures. On the one hand, a thematic evaluation was called for by the new significance given to research, innovation and technology transfer activities in the Franche-Comté's 2007-2013 ERDF OP and CPER programmes given to the earmarking rule edited by the European Commission. On the other hand the implementation of research and innovation activities was also subject to issues and the programme's progress was slower than expected, which made the incentives to evaluate this thematic all the stronger.

The evaluation focused on a sub-set of the CPER and OP's total suite of priorities, and it included those priorities that were explicitly and specifically charged with improving the regional research and innovation system. Also it considered other axes in the two programmes that are deemed to have the potential to improve innovation performance even though they were not a primary objective of the evaluation.

Beyond focusing on the transversal issue of Research, Innovation and Technology transfer of the ERDF OP and CPER programmes, the evaluation was also intended to review in some depth the two main forms of support available:

- Support and incentives to foster research projects involving collaborations between public research organisations (universities and institutes) and regional businesses (e.g. technology platforms, innovation parks, structuring research equipment, etc);
- Promotion of technology transfer, with a special focus on the Pierre Vernier Institute created in 2007 by the CPER and Operational Programme as a dedicated technology transfer organisation to coordinate all aspects of regional technology transfer efforts.

These two measures are able to provide support to any of the key groups of stakeholders active in the regional innovation system, whether that was individual businesses (innovators) or their research partners in the university or research institute sectors or the intermediaries and public agencies that coordinate/support research, innovation and technology transfer activities at a regional level.

3. Designing the evaluation study

3.1 The process of designing the Terms of Reference

The *Secrétariat Général des Affaires Régionales* (SGAR, hereafter Secretariat for Regional Affairs), that represents the State in the Region, is the Managing Authority responsible for ERDF funding. The Secretariat is also responsible for the management of the State-Region programme (CPER).[2]

Within the Secretariat, the Service for Prospective Studies and Evaluation was specifically in charge of implementing the evaluation. Out of the 3.5 persons working

[2] CPER and ERDF OP are increasingly coupled together through an integrated approach.

full time in the Service, the equivalent of 1.5 full time person work on ERDF/CPER thematic evaluations and the monitoring of associated indicators.

The study was collectively commissioned and overseen by a Steering Committee of more than 20 people, including representatives from every relevant national and regional stakeholders: different authorities and bodies (i.e. Secretariat for Regional Affairs, Franche-Comté Regional Council, other local authorities, the French National Institute for Statistics and Economic Studies) and with a range of different policy backgrounds (e.g. European policy, research policy, competitiveness, etc).

3.2 The evaluation framework: key elements of the Terms of Reference

A prime interest of the evaluation is its focus on the issue of coherence. First of all it challenges the articulation of the ERDF OP and CPER programmes with the Regional Innovation Strategy, which was adopted during the time of the evaluation. The key question was the extent to which the adoption of the Regional Innovation Strategy led to change the research, innovation and technology transfer component of the ERDF OP. Secondly, and reflecting the French context, the thematic evaluation was also required to explore the links between the OP and the CPER programme. Since the commencement of the 2007-2013 programming period, the French government has made it a requirement for regional authorities to link together the evaluations of both European and state-regional programmes, in order to better coordinate European, Government and regional funding within the French regions.

This was a comprehensive evaluation that was required to analyse the following:

- What were the needs in terms of Research, Innovation and Technology Transfer diagnosed at the launch of the 2007-2013 OP and CPER?
- How did this diagnosis translate into concrete measures?
- How have these measures progressed in terms of committed funding between 2007 and 2010?
- Is the initial diagnosis still relevant (i.e. does it corresponds to the problems faced by research and innovation actors at the regional level?) and coherent (i.e. coherence between the two programmes in terms of strategy and committed funding; overall coherence with the Regional Innovation Strategy)?

The key questions from the ToR are summarised in Figure 1. The scope of the evaluation questions is wide but relevant in view of the large scope and macro-level nature of the evaluation, which reviews the research, innovation and technology transfer activities carried out in the first phase of the programmes' implementation. Two levels of analysis can be distinguished: general evaluation questions focusing on the effectiveness, relevance and coherence of the measures in both programmes, plus evaluation questions focusing on specific research, innovation and technology transfer measure – mainly the Pierre Vernier Institute.

Figure 1 Key evaluation questions

Evaluation objective	Evaluation criteria	Questions as detailed in the ToR
Analysis of the innovation component	Strategic relevance/ consideration	What consideration is given to innovation in the two programmes in terms of strategic importance? What is the importance and place of innovation in terms of number of measures (including an assessment of the quality of the indicators informed under PRÉSAGE)?
	External coherence	Are there any gaps between the Regional Innovation Strategy and OP/ CPER programmes (i.e. discrepancy in terms of strategy, or in terms of measures planned)? What are the subsequent changes that should be implemented?

Evaluation objective	Evaluation criteria	Questions as detailed in the ToR
Analysis of the place and consideration given to partnership research	Effectiveness	What are the outputs and outcomes of the measures implemented to foster partnership research, both studied as a whole and on a measure-by-measure basis? What difficulties hamper the development of partnership research within the region, including a specific focus on the regional context? What is the contribution of the regional competitiveness clusters to the development of partnership research?
	Mapping of actors and their relations	What are the stakeholders involved in partnership research and how do they tie together?
Analysis of the place and consideration given to technology transfer	Strategic relevance/ consideration	What consideration is given to technology transfer in both programmes in terms of strategic importance and in terms of number of measures?
	Relevance	How was the Pierre Vernier Institute[3] created and what are its missions?
	Utility	What is the utility of the Pierre Vernier Institute and how its strategy relates to its mission?
	Effectiveness	What are the outputs of the Pierre Vernier Institute, in relation to its objectives? What is the contribution of the Pierre Vernier Institute to the development of technology transfer and what are the changes since the Pierre Vernier Institute launch?
	Internal/ external coherence	What are the links between the Pierre Vernier Institute and the OP/ CPER partners? Between the Pierre Vernier Institute and the research stakeholders in Franche-Comté?

Categorisation made by Technopolis, based on the study Terms of Reference.

As showed in the table, the focus is rather on a review of the overall strategy of the programmes as policy documents, rather than a study of the effectiveness and impacts of the programmes on beneficiaries. In line with this focus on the coherence and relevance of the strategy, the ToR specified that the thematic evaluation should employ a mixture of typical data collection methods and data sources centred on the programmes' stakeholders (i.e. decision-makers and implementation stakeholders). It recommended the use of documentary analysis (key regional strategies and supporting studies), analysis of the monitoring data held with in the PRÉSAGE database[4] and semi-structured interviews with beneficiaries and stakeholders. The advocated methods are robust and correspond to the focus of the study and evaluation questions.

The ToR also specified a list of nine key reference documents and studies, which were to be provided to the successful contractor at the inception meeting along with access to the PRÉSAGE monitoring data. No price was specified in the ToR, with the commissioning body preferring to allow the market to determine the best price for carrying out such a study.

[3] The Pierre Vernier Institute created in 2007 to develop the technology transfer in Franche-Comté.

[4] PRESAGE is the software used for the monitoring and management of European regional funding and CPER across the French regions.

4. Implementing the evaluation: methodology and process

4.1 Description of the process to select the external contractor

External consultants were commissioned to carry out this thematic evaluation, in line with conventional practice within the French regions and the requirements of the European Commission regarding the conduct of ERDF evaluations. Evaluation competencies are indeed still limited amongst regional services and regional authorities maintain small evaluation units – to act as intelligent customers – preferring to rely on the market as a more efficient and flexible means by which to gain access to the necessary volume of specialist skills on an ad hoc basis. The external evaluation team was made of experts stemming from different backgrounds (e.g. engineering sciences, social sciences) and was deemed to add value by benchmarking the evaluation results and putting their findings into a wider perspective thanks to their extensive knowledge of the situation in other regions.

4.2 The evaluation approach and methodology

As a mid-term evaluation reviewing the strategy of the CPER and European Operational Programme, the study primarily concerns the relevance, coherence and programme progress to date as well as its future design and improvement.

The approach taken for this evaluation is rather straightforward and representative of the qualitative-oriented methodology implemented in this type of evaluation of strategic programme documents. It followed the methods listed in the ToR. The evaluation was organised in two main phases in accordance with the objectives of the study:

- 1st phase: global analysis of innovation activities as presented across the whole ERDF OP and CPER programmes;
- 2nd phase: detailed focus on the two specific measures under review, i.e. 'Partnership research' and ' Technology Transfer'.

The following methods were implemented across the two phases:

- Desk study (programming documents, documents attached to the elaboration of the Regional Innovation Strategy);
- Analysis of PRÉSAGE database and preparation of descriptive statistics on the programme progress;
- Conduct of 60 face-to-face and telephone interviews with a wide range of stakeholders.

The evaluation team also took part as an observant to a workshop that was organised within the framework of the Regional Innovation Strategy. The drafting of the Strategy followed indeed a bottom-up approach and involved regional and local public authorities, enterprises, research units, intermediaries, etc. Most probably, the workshop did involve a wide range of these actors but we have no clear view on that since it was organised outside the framework of the evaluation reviewed here. The participation to the workshop contributed to enlarge the evaluator's understanding of the Strategy drafting process, in a context where the Strategy was not yet approved.

A significant part of the evaluation resources was spent on the documentary analysis and the analysis of the PRÉSAGE database designed to assess the programmes progress, which took more time than was initially planned in the proposal.

As a study focusing primarily on the strategy of the programmes (i.e. relevance and coherence issues), interviews were at the core of the investigations. Collecting the views of the many and varied programme stakeholders is indeed crucial in such partnership programme evaluations encompassing a wide range of authorities, services, actors and fields. Interviews were mainly conducted with people who specifically manage the funds in the various areas of the programmes – giving the

interview campaign a strong institutional and administrative colour in line with the objectives of the evaluation. The interviews campaign therefore targeted the following actors:

- Interviews with members of the ERDF and CPER Steering Committees, staff in charge of managing the EDF/CPER projects (of which some were pilot interviews);
- Interviews with co-funders at the regional level;
- Interviews with intermediary bodies in charge of partnership research and technology transfer (especially at the Pierre Vernier Institute);
- Interviews with research and innovation stakeholders at the regional level (e.g. in universities and in competitiveness clusters);
- Individual interviews with people involved in the Regional Innovation Strategy.

The focus of the interviews was very much on the policy actors of the two evaluated programmes – i.e. decision-makers, implementation stakeholders and wider research and innovation actors of particular importance at the regional level. No interview was conducted with project holders, apart from interviews with the Pierre Vernier Institute for technology transfer. Consultations with beneficiaries may be a key input when judging effectiveness and efficiency of innovation measures, but they were deemed less relevant to such a strategic review reviewing the need for programmes of this scope, shape and size in this region given the dynamism of the public and private sectors and the range of other assistance on offer. Interviews with project holders and case studies might be of higher relevance when evaluations focus on specific innovation measure, where there is a need to understand how and to what extent the supported measure affects beneficiaries, which was not the prime focus of this study.

4.3 Organisation of evaluation process

The head of the evaluation unit was the first point of contact with the evaluator's project director and project manager.

As above-mentioned, a participative approach to the evaluation management was advocated, which is usually deemed to better ensure that all stakeholders share the results of the evaluation and is able to add its input into the process. This however resulted in a very large Steering Committee of over 20 people from various backgrounds, which is rather unfavourable for efficient discussions and clear guidance on the evaluation objectives and methodology.

In this respect, it would have been interesting to implement an official Steering Group composed of three to five main persons in charge of the evaluation process, with responsibility for preparing the meetings of the Technical Steering Committee and focusing the debates on the elements of higher significance for the evaluation process. This however requires some in-house persons with training in evaluation methodologies and conducts.

5. Effectiveness and efficiency of evaluation

5.1 Robustness and effectiveness of methods applied

Overall, this thematic evaluation is rather straightforward as regards its use of social scientific research methods fit for the purpose of reviewing the regional research, innovation and technology transfer strategy. Apart from the descriptive statistics used to present an analysis of programme expenditure and progress, the study relied on simple textual and qualitative techniques to address the very long list of quite complex and multi-faceted questions. The study team made full use of individual analyst's domain knowledge and their familiarity with research and innovation policies and

measures in operation elsewhere. This rather soft and intuitive approach contrasts markedly with the much narrower economic impact assessments seen in many other policy areas.

The evaluation team based its findings on the programmes' documents and monitoring data and checked the results with a large campaign of semi-structured interviews. Indeed, analysing monitoring data is not going to answer in full the evaluation questions related to the programmes' implementation, unless the programmes have worked so badly that the budget was hugely underspent and what little was invested was spent with people and projects with no evident connection to innovation and competitiveness. Analysing monitoring data is however a good starting point to know where the programmes consume, where and by whom. It also contributes to orientate the remainder of the evaluation, for it contributes to unveil the key issues and challenges at stake in the programmes. Interviews - with key programmes' stakeholders and a wider set of regional research, innovation and technology transfer actors - are of the higher importance when interpreting and putting the preliminary results from secondary data into a wider perspective. This type of strategic programme evaluation reviewing policy documents usually require strong analytical competencies from the evaluation team, hence the need for human and social scientists. The evaluation design therefore makes a point of combining several different qualitative methods that are commonly used in studies of complex phenomena and rather open socio-economic systems, and where one is seeking a degree of convergence across data sources and contributors. In this respect, the main challenges of the evaluation lied in the triangulation of data coming from various policy documents or collected through the views of different stakeholders with mixed backgrounds and views, in order to build up an intelligible and comprehensive understanding of the activities carried out.

As a result, the approach was appropriate and robust, albeit one can point to some limitations. Regarding the implementation of the evaluation and although it was supposed to assess the coherence of the Regional Innovation Strategy with the ERDF OP/ CPER programmes, the Regional Innovation Strategy was not yet approved at the launch of the evaluation. This is a significant methodological issue that might happen during the evaluation of strategic policy documents and the review of their articulation altogether. It was difficult to engage stakeholders to give their opinion about a document that was only a first draft version of the final Regional Innovation Strategy. This requested flexibility in the managing and conducting of the evaluation process.

Additionally and in spite of its thematic character, the scope of the evaluation was quite challenging inasmuch as it was both broad and deep. Breadth comes courtesy of the need to analyse both the two specific measures and any other research, innovation and technology transfer activities supported anywhere in the seven-year programme (with total research, innovation and technology transfer activity estimated at around €243m). The extensive scope was combined with a requirement to answer a long list of high-level evaluation questions, and involving consultation of the spectrum of stakeholders taking part in research and innovation activities at the regional level. The breadth and depth of the scope of the study rightly prompted a more qualitative approach and a preference for using domain specialists to run rather flexible consultations with aims to gather the subjective opinions of relevant people and organisations. It does however mean that investigations had to span many different types of activities and agencies, arguably reducing the ability of the study team to look at the issue of research and innovation quite as thoroughly or exhaustively as the thematic reviews might imply. For example, the progress and effectiveness of some of the measures implemented are addressed only by one or two interviews. In sum, the large campaign of interviews came down to a little number of interviews by component of the programmes, which clearly impacts on the evidence-based character of the findings. Most of the support measures were dealt with in a rather generic fashion, except the Institut Pierre Vernier (see thereafter). This tension between breadth and depth was recognised by the Managing Authority, and the ToR knowingly emphasised certain more procedural aspects of the exercise reviewing the different budgetary lines

in the two programmes. There was less expectation that the review would provide operational findings on specific innovation schemes and the commissioner and Steering Committee were more interested to determine exactly what research and innovation activities had been launched and the relevance and coherence of the overall strategy to the regional context.

Here one should point that the evaluation was carried out alongwith the audit of the Pierre Vernier Institute, which was set up by the ERDF OP and CPER programmes in order to foster technology transfer activities within the Franche-Comté region. The Pierre Vernier Institute was therefore both a main focus of the study reviewed here and the object of another independent audit running in parallel and carried out by the same external evaluator - Technopolis France. Contrarily to the evaluation reviewed here – which is mainly institutional - practical reasons lay at the basis of the audit of the Pierre Vernier Institute, which was marked by several management issues. The Managing Authority selected the same contractor - Technopolis France - for the audit of the Pierre Vernier Institute, in part because it was the existing contractor for the OP evaluation and as such it was rather well placed to manage the interplay between the strategic and the more institutional reviews. It also had a head start in terms of its contextual understanding, which produced certain synergies and economies for both commissioner and study. As a consequence, the finalisation of the evaluation of the ERDF OP and CPER programme was somewhat tight to the results of the Pierre Vernier Institute audit.

Following a similar approach focusing on specific support measures, the evaluation of the Competitiveness Support Schemes (CAC) was to be launched in 2011 after the end of the evaluation reviewed here.

6. Conclusions and lessons learned

The collection of data went particularly well during the evaluation process. Franche-Comté is a small region where local stakeholders know each other and are used to working together. It was therefore easy for the evaluator to gain access to all the key informants involved in the investigations.

The evaluation concluded on the rather large coherence between the CPER and the ERDF Operational Programme, allowing for a tight coordination between European, national and regional funding. Overall, the progress and financial commitment of the two programmes were judged satisfactory. The European ERDF funding had reportedly a significant added value in initiating projects of a wider scale, even if it could be better mobilised on specific projects and in specific sectors where actors are not quite familiar with the European funding procedures (e.g. competitiveness clusters, Automobile CAC). Likewise, the outputs in the first phase of the two programmes were encouraging, even if they do not always lived up to expectations (mainly due to delays in the programming and the early-stage of the evaluation compared to some projects). The analysis of the coherence with the Regional Innovation Strategy concluded to the shift into the regional vision for innovation towards a more transversal (i.e. non sectoral) approach and the subsequent needs for an adjustment in the generation of programmes post-2013. The evaluation was therefore successful in giving the bigger picture, i.e. how were research, innovation and technology transfer incorporated in the regional strategy and what are the first outputs. However, the recommendations of the evaluation did reportedly somewhat lack of operational focus. This is most probably due to the breadth and depth of the study, which occasioned an alternation between recommendations orientated towards the overall ERDF OP and CPER strategy (e.g. increase the knowledge of regional actors related to European funding and European project procedures) and more specific measures (e.g. the Institut Pierre Vernier, the CAC).

This type of strategic evaluation - reviewing (i) what research and innovation activities had been launched overall and (ii) what stakeholders thought of these interventions

from a strategic perspective - relied on simple textual and very qualitative techniques to address the very long list of quite complex and multi-faceted questions.

- First and foremost they rely on a careful testing of the programme logic in a rather formal way (i.e. internal checks of coherence within programme' strategies and between written documents).
- Secondly, descriptive statistics are used to present an analysis of programme expenditure and progress (i.e. what has been spent and on what?). It is worth underlining here that the requirement to carry out exhaustive analyses of monitoring data at a given point in time nearly always involves a degree of duplication of the work carried out by an ERDF Managing Authority in preparing periodical reports and indeed by auditors in checking a sample of those reports. In this respect, the creation of some kind of standard intermediate analytical tool at the level of the Managing Authority might permit the re-use and verification of the data and analyses from the ongoing reporting, by subsequent evaluations. Such economies might permit Managing Authorities to request contractors change the balance of their programmes of work slightly, redistributing days across tasks and favouring more primary research.
- Thirdly this type of strategic review of partnership programmes makes use of rather wide-ranging but open consultative processes (e.g. through interviews here but this could have also been done with the organisation of a focus groups), with aims at collecting the opinions of the wide range of stakeholders involved and producing enough materials for cross-analysis the views of different stakeholders.

Bringing these two aspects together - the formal analysis of programme's documents and monitoring data and the subjective analysis through consultations - provides an excellent basis for the community to come together to deliberate most if not all of the key questions.

One should however bear in mind that his type of strategic review targeting partnership programmes requires extensive analytical capacities from the evaluation team:

- First of all to manage the depth and breadth of the evaluation and not aim at exhaustiveness but investigate the aspects of specific interest (i.e. all the measures targeting research, innovation and technology transfer activities were reviewed in two programmes).
- Secondly to triangulate the views that are collected from a wide range of stakeholders coming from various sectoral backgrounds and various bodies with different organisational cultures and different range of activities.

As a result, strong analytical competencies are usually required from the evaluation team in this context, hence the need for human and social scientists.

In terms of evaluation management, the participative approach to the evaluation (i.e. involving all the main stakeholders from the different regional and local bodies in the Steering Committee) is an example of good practice both in terms of association to the evaluation results and dissemination of the evaluation culture across the French administration. However, the evaluation process would have benefited from a closer monitoring by a restricted committee of three to five persons (i.e. compared to the about 20 persons attending the Steering Committee), in order to make the steering and management of the evaluation more efficient.

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Case study completed: October 2011