

INNO-Appraisal, in brief:

Welcome to the second newsletter of the INNO-Appraisal project, one of eight initiatives supporting the European Commission's DG Enterprise in the development and coordination of innovation policy.

INNO-Appraisal takes stock of and assesses appraisal exercises such as evaluations, monitoring, benchmarking, and peer review in the area of innovation policy across Europe, at European, national and regional level. It will contribute to the improvement of the Commission's analytical capabilities in the area of innovation policy, thereby improving the regulatory and administrative environment for innovation in Europe and leading to more and better innovation.

We use the term "appraisal" to distinguish our activities from evaluation and to encompass the broader set of *ex ante* and *ex post* methodologies employed for the assessment of innovation policy performance, past, present and future

What's new?:

In this edition, we give an update on progress and present some preliminary results from our survey of innovation policy evaluations.

More specifically, we:

- Highlight some of the issues encountered with our data source – the Pro INNO Trend Chart database of innovation measures
- Update progress on the survey
- Offer some key descriptive statistics from the initial survey responses
- Present some more targeted preliminary pictures from the survey data
- Report on the main outcomes of our first Steering Committee meeting
- Identify our next steps.

Data issues – links with Trend Chart:

As noted above, during our search for evaluated measures and their corresponding appraisal reports, we encountered some discrepancies between the Pro INNO Trend Chart data and our findings.

For example, the Trend Chart database reports 273 evaluated measures. These provide a total of 323 appraisals (measures may be evaluated more than once). However, when trying to locate the relevant appraisal reports, we found that 116 measures had not been evaluated (according to our definition). As confirmed by the National Correspondents, several of the additionally reported Trend Chart measures had been subject to audits or similarly non-evaluative reviews.

Conversely, we located a further 59 measures that had been subject to appraisals and which were not listed as such by Trend Chart. These added a further 97 appraisals to our sample. Finally, we were also able to locate a small number of measures that were not included in the Trend Chart database and which had been evaluated.

These various amendments meant that our final sample of appraisals was adjusted from 323 to 215. These formed the initial basis of our survey. We expect these figures to increase as we continue to develop our survey.

As noted in our first newsletter, INNO-Appraisal seeks to maintain links with the other Pro INNO initiatives. Thus, we have been in close liaison with our Trend Chart colleagues in order to address these various discrepancies. We were able to present our findings to a **meeting of the Trend Chart Network of National Correspondents** held in Manchester in June. This gave us the

Newsletter No. 2: August 2008

opportunity to hold a fruitful discussion of the various issues arising, particularly those concerning the definition of evaluation applied in our study.

As a result, we feel that both initiatives have mutually benefitted.

The survey - current progress:

The template, which was described in the first newsletter, has now been finalised as our principal survey instrument for the first phase of the project.

Using the Pro INNO Trend Chart database as a starting point, as of June 2008 we identified 215 appraisals across the 25 EU Member States (Bulgaria and Romania are not covered) produced between 2001 and 2007. Of these, we were able to obtain 204 appraisal reports. These **appraisal reports** are now stored in our **repository** and will be placed on the INNO-Appraisal website at the end of the summer. This will offer a unique resource for policy makers, with appraisal reports being searchable by country, year, type of evaluation, etc.

For each available appraisal report, we partially completed an appraisal template before sending it for validation and completion to the policy maker identified as responsible for the relevant evaluated measure. By mid-June, we had received 44 fully completed templates back from policy makers. A table of the overall responses, in terms of templates pre-filled and sent to policy makers, and templates completed and returned by policy makers, is presented below [note: these figures represent a snapshot of a sub-sample of appraisals, as of June 2008 only.]

We have now begun to carry out some preliminary analyses of both the partially and fully completed templates. To provide a flavour of the sort of results we anticipate, some of these results are described in a following section.

The full version of the template can be accessed via the INNO-Appraisal website (<http://www.proinno-europe.eu/index.cfm?fuseaction=page.display&topicID=53&parentID=53>).

Overall figures for the survey:

Number of templates sent/returned from policy makers (rate of response)

Austria: 38/20 (47%)	Ireland: 6/0 (0%)
Greece: 26/6 (23%)	Italy: 5/0 (0%)
Germany: 22/6 (27%)	Slovakia: 4/0 (0%)
Belgium: 16/1 (6%)	Hungary: 3/0 (0%)
Poland: 13/0 (0%)	Malta: 3/0 (0%)
United Kingdom: 12/7 (58%)	Spain: 3/0 (0%)
France: 12/0 (0%)	Cyprus: 1/1 (100%)
Denmark: 10/0 (0%)	Luxembourg: 1/0 (0%)
Slovenia: 9/2 (22%)	Latvia: 0/0 (0%)
Portugal: 8/0 (0%)	Lithuania: 0/0 (0%)
Estonia: 7/1 (14%)	

Countries yet to be explored:

Czech Republic
Finland

Netherlands
Sweden

Newsletter No. 2: August 2008

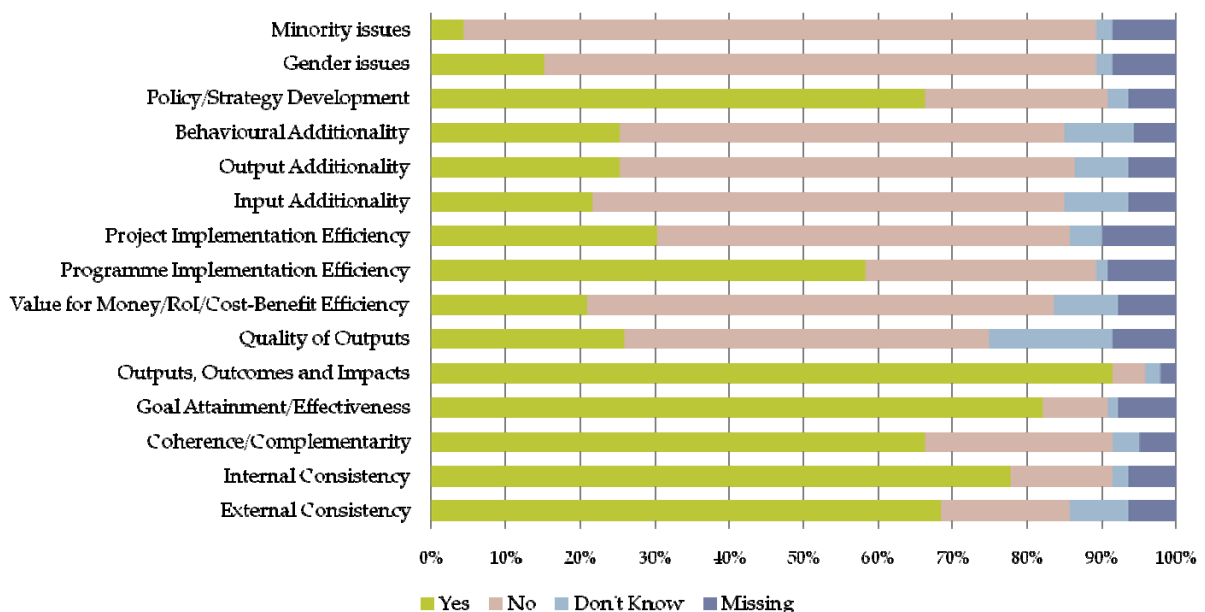
The survey – some first impressions:

Although we are still in the process of collecting the survey data, it is possible to present some early findings. These are mainly based on the templates completed by the team members and are derived from our interpretations of the appraisal reports that we have reviewed. Our major findings are:

- Austria, Greece, Germany, Belgium, Poland, the UK and France form a lead group in terms of the number of evaluated measures;
- Almost three-quarters of appraisals were sponsored by the programme owners or managers;
- Over 90% were targeted at programme managers, just over 80% at policy makers (government officials), around 30% at those directly supported by the evaluated measure, and just over 10% at the general public;
- The majority of appraisals (around 80%) are conducted by external evaluators;

- Just over half of our sample of appraisals were interim evaluations, 16% were accompanying evaluations, whilst a further 16% were *ex ante* and 9% *ex post*.
- In terms of the purpose of the appraisals, 39% were formative (supporting), 24% summative (judgemental) and 36% were both summative and formative;
- Some 79% of appraisal reports were written in their native language, whilst 15% were written in English, perhaps reflecting the tendency to use non-national independent evaluators.
- Almost 80% of the appraisal reports were published on the web, with 12% available in hard copy. However, these figures are biased as our sample largely reflects reports that we have been able to obtain for review.

Moving to a more detailed analysis of the types of information dealt with by the appraisals, some interesting results emerge with regard to the topics covered by the appraisals (see figure below)



Newsletter No. 2: August 2008

Further findings include:

- Less than 2% of the appraisals used technometric or bibliometric techniques
- Over 60% used interviews, just under 60% used participant surveys and only 15% used non-participant surveys;
- Almost three-quarters made use of monitoring data and almost 65% used existing surveys or database;
- Only 28% of the appraisal reports contained any recommendations.

At the time of analysis, only a fraction of our sample had been validated by policy makers, thus these are only preliminary, indicative results that concentrate on our own characterisation and assessment. We will update our findings as further results become available. This next round will include data on the usage and effects of evaluations as reported by policy-makers.

Preliminary results – more focused views

To give a flavour of the types of output we might expect from the project as it progresses, we present some thumbnail sketches for two specific sets of data, that of Austria and the Mediterranean countries...

Austria – a brief overview

Compared to other European countries, the Trend Chart shows a remarkable number of policy measures for Austria. In the last decade, about 60 RTI programmes were introduced to address structural weaknesses, foster science-industry relations and close funding gaps. The level of funding has also risen: since 1998 public R&D expenditures have increased by about 80%, accounting for €2.25 billion in 2006, over one third of total R&D expenditures. Policy makers and stakeholders are demanding accountability and impact assessment and evaluation activities are a consequence of these de-

mands by providing information and giving recommendations for further improvements.

Major milestones

The rise in Austria's evaluation activities has been triggered and accompanied by a series of activities aimed at creating a more rational policy approach. An important step in its history of RTI policy evaluation was the creation of the Platform Research and Technology Policy Evaluation (<http://www.fteval.at>). Its mission is “to encourage more, better and more transparent evaluations for an optimal strategic planning of RTD-policy in Austria and to develop a culture of evaluation”. Its development is marked by milestones such as the “Standards in Research and Technology Policy Evaluation” (2003), which provide both a framework and a set of guidelines for the evaluation process, two international evaluation conferences in Austria (2003, 2006), and the compendium “Evaluation of Austrian Research and Technology Policies” (2007) - a summary of Austrian evaluation studies.

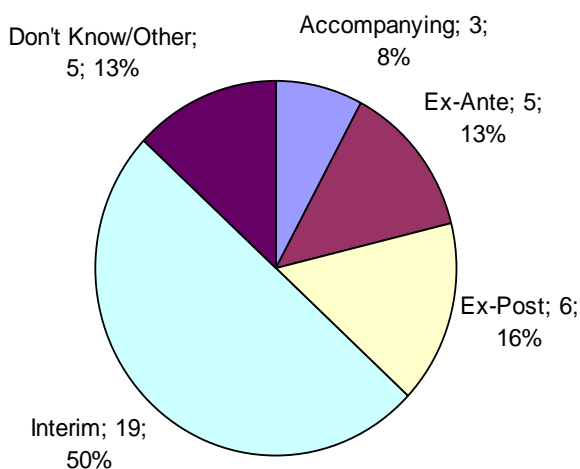
In 2005-2006 evaluation activities became more entrenched when the Austrian Council for Research and Technology Development recommended the active implementation of evaluation as an instrument in policy making. A further step involved the directives for the advancement of economic-technological research and technology development in 2006. These so-called RTDI directives (FTE-Richtlinien) state that “a written evaluation concept must be provided, containing the goal, the aims, and the procedures, as well as the dates for controlling the achievement of the advancement aims for all advancement programmes that are based on the FTE directives”. It also calls for the implementation of monitoring procedures.

Newsletter No. 2: August 2008

Descriptive Analysis

The heavy use of RTI programmes and an organisational setting actively promotes the use of evaluation has given Austria a distinct evaluation profile.

After the preparatory activities (see above), 38 appraisal templates were pre-filled, of which 36 related to single measure evaluations and two to portfolio evaluations. By the end of July, 28 templates had been returned by policy makers. The majority of Austrian appraisals were conducted externally and the most tenders were allocated through a “closed” procedure. A notable feature for Austria is that evaluation performers are mainly national consulting and research companies, whilst international participation is limited.



Timing and purpose of appraisals

A large number of appraisals are carried out interim and have a formative purpose. *Ex ante* evaluations are rare in Austrian RTI policy, although there are studies which contain elements of *ex ante* evaluation. These studies often go under the guise of “feasibility studies” introduced before, or at the beginning of, new initiatives.

The demand for interim evaluations has risen dramatically over recent years. These

tend to serve a supportive (formative) role aimed at enhancing or readjusting programmes.

There are relatively few clear examples of *ex post* evaluations in Austria’s RTI policy. Although many programmes are evaluated at a certain point in the programme’s lifetime, in most cases insufficient time has passed to conduct an impact assessment.

Topics covered in the appraisals

The majority of appraisals focus on:

- outputs, outcomes and impacts
- policy/strategy development, and
- programme implementation efficiency and consistency (internal, external).

Interestingly, there is a relatively low rate of impact assessment and additionality measurement, although this seems to correspond with the purpose of most of the evaluations (formative/interim).

Looking at the data analysis methods employed, it seems that low cost data gathering methods, e.g. descriptive statistics and direct outputs of evaluations, prevail. Monitoring data and existing databases are heavily used. Qualitative methodologies such as interviews and case studies are frequently applied, while quantitative methods (econometric analysis, control group approaches, network analysis) are used only in specific cases.

Evaluation quality

The quality of appraisals is perceived to be high and, given the evaluation purpose, the design and methods employed tend to be considered as appropriate.

[Michael Dinges, Julia Schmidmayer.
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Newsletter No. 2: August 2008

The Mediterranean countries

The Mediterranean countries (Portugal, Spain, Italy, Greece, Cyprus and Malta) share a common characteristic, albeit to differing degrees, in that their national and regional RTDI policies are strongly dependent on Structural Funds. Abiding by the Structural Funds' rules and procedures for design, monitoring and evaluation has brought positive effects in some cases. However, an 'evaluation tradition', particularly for policy evaluation, is still far from being established. This is especially true in the newer Member States although the situation seems to be changing. The importance of external, independent evaluations is increasingly being recognised and new mechanisms and agencies are being set up.

Note on the data

Another shared characteristic due to the dependence on Structural Funds' procedures is that most evaluations are 'portfolio' evaluations. Interim and *ex post* evaluations are usually done at the level of the Operational Programme 'measure', which often includes several innovation instruments.

Preliminary findings are based on 31 pre-filled appraisal templates, of which seven have been validated. The majority (26) concern Greek measures, thus a certain bias has to be kept in mind. The eventual anticipated total for these countries is 47.

Appraisal Type & Evaluation Issues

Most of the appraisals recorded are interim and *ex ante*, as might be expected given the period covered by INNO-Appraisal and the Structural Funds' procedures.

Ex ante appraisals are 'light' and appraisals tend to be general or broad in nature, referring to the whole Operational Programme and with no specific reference to any single measure or programme. They are usually concerned with the external/internal

consistency and coherence of the programme, with policy development and gender/minority issues, the latter a requirement of Structural Funds' procedures.

Interim appraisals tend to be monitoring reports, which measure progress against the indicators set and the absorption of funds, although they may make suggestions for the restructuring of certain measures. They, too, consider issues of consistency, coherence and complementarity, but also goal attainment, outputs and results. While all *ex ante* appraisals are judged as formative, interim appraisals are considered as both formative and summative. The few *ex post* appraisals recorded mainly consider issues of effectiveness, consequences of results and quality of outputs and efficiency.

Impacts Covered & Main Audiences

Most of the impacts recorded are of the socio-economic and environmental type, affecting participants and the wider environment. The main audiences vary slightly by appraisal type: policy makers and policy analysts are mostly targeted, especially by *ex ante* appraisals; programme managers and financial authorities are targeted by both *ex ante* and interim appraisals; and external co-sponsors tend to be targeted by interim appraisals.

Data analysis and collection methods

The different types of appraisals exhibit variations in terms of the methods applied. *Ex ante* appraisals seem to depend on data analysis methods such as context analysis, document analysis, and descriptive statistics, and collection methods such as document search, monitoring data, existing surveys, and workshops. Interim and *ex post* appraisals depend on context analysis in a review mode, input-output analysis, and document analysis, with collection methods like existing surveys, document search, interviews, and participants' surveys.

Quality of Appraisals

Not surprisingly, some differences in our quality characteristics appear across the different types of appraisal. The 'high quality' characteristics of interim appraisals comprise better application of quantitative methods and documentation. On the other hand, the degree to which conclusions are soundly based were deemed to be of lower quality.

The 'high quality' points of the *ex ante* appraisals concern context coverage and soundly based conclusions, although quality is lower in terms of analysis and the application of qualitative and quantitative methods. The few *ex post* appraisals are better in terms of the application of qualitative methods, analysis of findings and sound conclusions. However, they fall short in quality as regards context coverage.

Concluding remarks & way forward

Relationships seem to be emerging between certain appraisal characteristics (e.g. methods applied, evaluation issues covered and quality characteristics) and the timing of appraisals, i.e. *ex ante*, interim, *ex post*. Nevertheless, the collection and validation phase must be concluded before further, detailed analysis can be done. Concerning the specific countries within the scope of this study, it would be useful to explore the existence of good practices and whether these might have lessons for appraisals under the Structural Funds framework.

[*Effie Amanatidou, Ioanna Garefi*: ATLANTIS with National correspondents for Spain, Portugal, Italy and Malta: IDETRA, INNOVA Europe, and MCST]

Steering committee meeting

On June 30th, the first full Steering Committee meeting was held in Brussels. Representatives of all team members attended

Newsletter No. 2: August 2008

together with the Commission Project Officer. The following members of the Steering Committee were also present: Mark Beatson (DTI, UK), Nick Constantopoulos (GSRT, Greece), Rupert Pichler (BMVIT, Austria), Bart Kamp (Innova Europe), Jari Romanainen (TEKES, Finland).

The project team presented the study approach, the current position of the field work, the methodological challenges, the first descriptive statistics of the sample, first exploratory hypotheses (with preliminary data to illustrate these) and one in-depth country analysis (Austria).

The Steering Committee members discussed in detail the presentations given by the study team, commented on challenges and gave valuable advice. The discussion showed that the project is timely and fills a knowledge and support gap in Europe. The project also appears to be of high value for the Steering Committee members, who intensively discussed the results presented, the methodological issues and their expectations from both Phase 1 and the forthcoming Phase 2 of the study.

Phase 1, to be completed at the end of 2008 will deliver the repository and basic analysis, while Phase 2 will analyse good practice and how to best use evaluations in different contexts and for different kinds of measures. This will largely be done through combining the survey findings with a mini case-study basis, focusing on individual measures and evaluations rather than on a template approach. This decision has been prompted by the realisation that the mobilisation of policy makers can be a major challenge.

Next steps

- The **collection and completion of templates** will proceed, focusing on the collection of data at the country level. At the European level, we will simply col-

lect all appraisals in order to have a complete overview (for the same time period).

- A small set of **regions will be selected** and similar analyses conducted in order to detect systematic differences or specific lessons at the regional level.
- The collected appraisal reports will be placed in an on-line, **publicly accessible repository** located in part of the Pro INNO website.
- A **Workshop** will be conducted in autumn, 2008 (in conjunction with other Pro INNO Activities). The precise topic will be agreed with the Commission.
- Detailed planning for the second phase will commence. Good practice will form a focus, as will efforts in maximising the impact of evaluations.

The next Newsletter:

Our next edition will continue to provide an update on progress, further outcomes from our analysis of the survey results and an

Newsletter No. 2: August 2008

article by a leading policy maker on the issues that are interesting to them.

We hope you will find it interesting!

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