A PROCESS PERSPECTIVE ON EVALUATING INNOVATION STRATEGIES FOR SMART SPECIALISATION

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Focus of the Study

Diagram:
- Policy Formulation
- Decision Making
- Policy Implementation
- Monitoring and Evaluation
- Agenda Setting
Proposition 1:

substantial difference between agreeing on strategies and putting in place measures that can effect change

Typical assumptions:
- the issue of decision making is clearly defined (banning substances)
- place of decision making +/- place of execution (ministry x)

However, at a time of
- increasingly challenge-driven policies

  framework / initial outlines require further interpretation

  multi-level, multi-actor governance

  actors that decide frameworks hardly decide (all) implementation

  there is a need for a first – internal – step of analysis, before we aiming at outputs, outcomes & impact
do we have a conclusive strategy

does the strategy yield any effects

do we have instruments that fit this strategy
Proposition 2:

Policy implementation is a living process depending on people

=> translation (not implementation) of political decisions

- different logics of negotiations at different levels;
  different core stakeholder groups

- not necessarily a sequential cascade, but:
  at different levels, different games are played by different rules,
  requiring different approaches

- different formats (arenas of negotiation,) have – and are – being
  chosen to further negotiations at different levels
Proposition 3:

'policy mixes’ are not per se right or wrong but their adequacy in certain contexts can well be evaluated

- a process oriented analysis can tell us
  - at what stage does policy failure occur
  - whether policy failure is intrinsic to the policy process

- **Strategy implementation can be evaluated in three steps**
  - strategy definition (general aspiration)
  - thematic orientation (priority setting)
  - actual implementation (instrumentation)

- there is precedence in the literature suggesting **consistency / coherence** as possible internal criteria for assessment
Interactive and actor driven translation

- **strategic agenda setting**
  - specification of overall strategic orientation and objectives for change
    - aspects of negotiation: legitimacy, representation of ideas and compliance

- **thematic orientation**
  - specification of areas of support in which new activities shall be triggered to effect change
    - aspects of negotiation: representation of interests, resource distribution

- **actual implementation**
  - transfer of objectives and thematic focus into concrete support mechanisms
    - aspects of negotiation: administrative feasibility, cognitive gaps
COHERENCE & CONSISTENCY

- **strategic agenda**
  - specification of overall strategic orientation and objectives for change

- **thematic orientation**
  - specification of areas of support in which new activities shall be triggered to effect change

- **actual implementation**
  - transfer of objectives and thematic focus into concrete support mechanisms

Coherence

"Real World"
Intervening Factors

- in practice, consistency and coherence are often impaired – precisely because the process is NOT mechanistic

- the translation of (initially vague) narratives into practice is characterised by piecemeal solutions, capture and 'policy patching'
  - partially this is based on path dependencies
  - partially it is based on translation failure

- in that respect there are two main cases
  - functional challenges resulting from arena of negotiation (contest for best ideas, competition for resources, conflicts of remit...)
  - actor-based challenges (resistance to change, overt self-display, cognitive limits, ...)

  - only functional challenges can be suitably assigned to levels
PATH DEPENDENCIES

- **fertilisation/capture by pre-existing or thematically close strategies, narratives & discourses**
- **thematic emphasis of support and programme families already in place**
- **existing support measures for same target groups**

- **strategic agenda setting**
  - specification of overall strategic orientation and objectives for change

- **thematic orientation**
  - specification of areas of support in which activities shall be triggered to effect change

- **actual implementation**
  - transfer of objectives and thematic focus into concrete support mechanisms
TRANSLATION FAILURE

- **strategic agenda**: specification of overall strategic orientation and objectives for change

- **thematic orientation**: specification of areas of support in which new activities shall be triggered to effect change

- **actual implementation**: transfer of objectives and thematic focus into concrete support mechanisms

**Coherence**
- societal acceptance
trends & fashions
resistance to change

**Consistency**
- [budgetary limits]
- conflicts of remit
- competition for resources

**[technical/legal limits]**
- separate agendas of adm. agencies
cognitive limits of adm. agencies
Case Study: Smart Specialisation in Thuringia

- "smart specialisation strategies for regional economic transformation”
  - ‘reorganise innovation policy so as to better build on local capacities and to better address local challenges, involve local stakeholders’

- legal requirement by European Commission since 2013
  - relevant for substantial budgets (often several €100m p.a.)
  - highly underdeveloped as a narrative at the outset
  - met with political and administrative structures unprepared to “host” the required processes of negotiation
  - often failed at the first instance of developing a suitable narrative, if not, regularly failed at the level of thematic orientation, however: some revamped policy all the way to implementation
Level 1 Consistency

“[the region will bundle its] strengths while focusing on [its] biggest competence: close, networked collaboration among [.] scientific institutions, [.] business community, and [.] policymakers […] to quickly turn promising ideas into the reality of innovative products and services”

=> all-encompassing and rather vague

with the aim to “by 2020 further improve the region’s position within the group of European leaders”

of which it is arguably not really a part

=> questionable due to debatable premise

“strengthen the involvement of SMEs into the innovation process at large”

=> concrete but does not hurt anyone

Deviation:

vague & diffuse, narrative lacks strength and directionality

Likely Cause:

response to ’trend’ with limited ownership, need for acceptance, limited time
Level 2 Consistency

Deviation:

- very encompassing
- less than optimally structured, fields are
  - not defined at the same level (cross-cutting versus vertical)
  - of very different breath and scope (production at large vs. healthcare)
  - part capacity, part challenge oriented

Likely Cause:
- involvement of stakeholders required so various issues of remit and interests had to be accommodated, centrifugal forces
- specification of topics also required, ‘accommodation by distortion’
Level 1-2 Coherence and Process

Deviation:
- **limited**, vague narrative was rendered concrete and filled with life in a step-wise, professionally managed consultative process, now more compelling
- integrative umbrella for in themselves convincing, composite parts

Likely Cause:
- shadow of hierarchy wanting to see a concrete, conveyable story developed
- robust governance structure, qualified actors to frame distributive discourses
- sufficient time
Level 2-3 Coherence and Process

Deviation:
- **limited**, dedicated competitive programmes launched in all thematic areas,
- specialised working groups set up in all areas, in which future beneficiaries,
can frame and kick-start applications for projects funded by **diverse sources**

Likely Cause:
- acknowledgment of cognitive limits: projects & calls developed among peers,
- permission to merge policy streams pragmatically at project level,
- non-peer oversight on eventual funding decisions maintained
Conclusions

- Undisputable evidence of "implementation as translation"
- Stratified analysis of the process can help to
  - locate deficiencies and their causes
  - identify absence of deficiencies (strengths) and their foundation
- In summary, it suggests that consistency is less relevant than coherence,
  - consistency (in documentation) is an academic criterion that is often less relevant for the sustainability of a political narrative,
  - coherence (of the process) determines a strategy’s credibility initially and the sustainability of its binding role in the constituency
  "this strategy may be inconsistent, but the process underlying its development is capable of translating new, relevant strategic impulses"
- Focus of evaluation determines political/practical relevance of results
Thank you!

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