

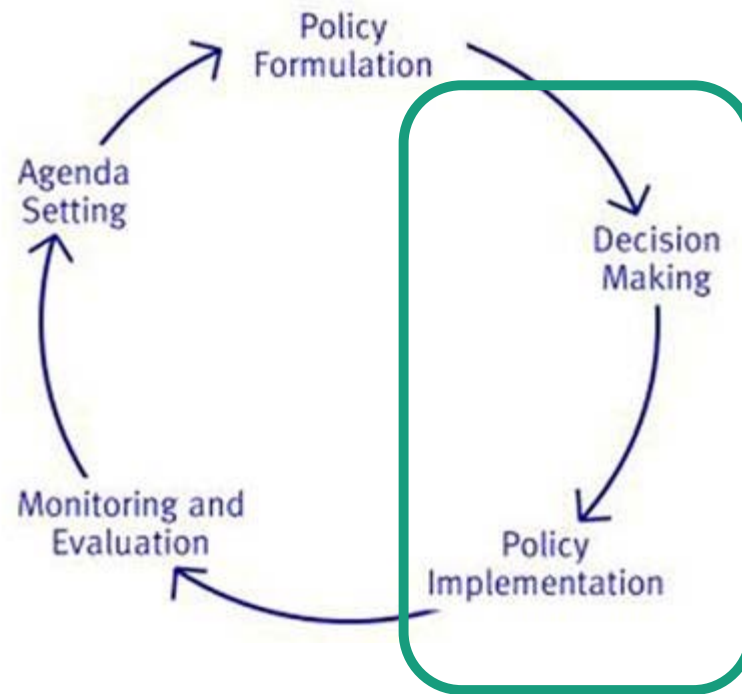
A PROCESS PERSPECTIVE ON EVALUATING INNOVATION STRATEGIES FOR SMART SPECIALISATION

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Focus of the Study



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

**do we have
instruments
that fit this
strategy**

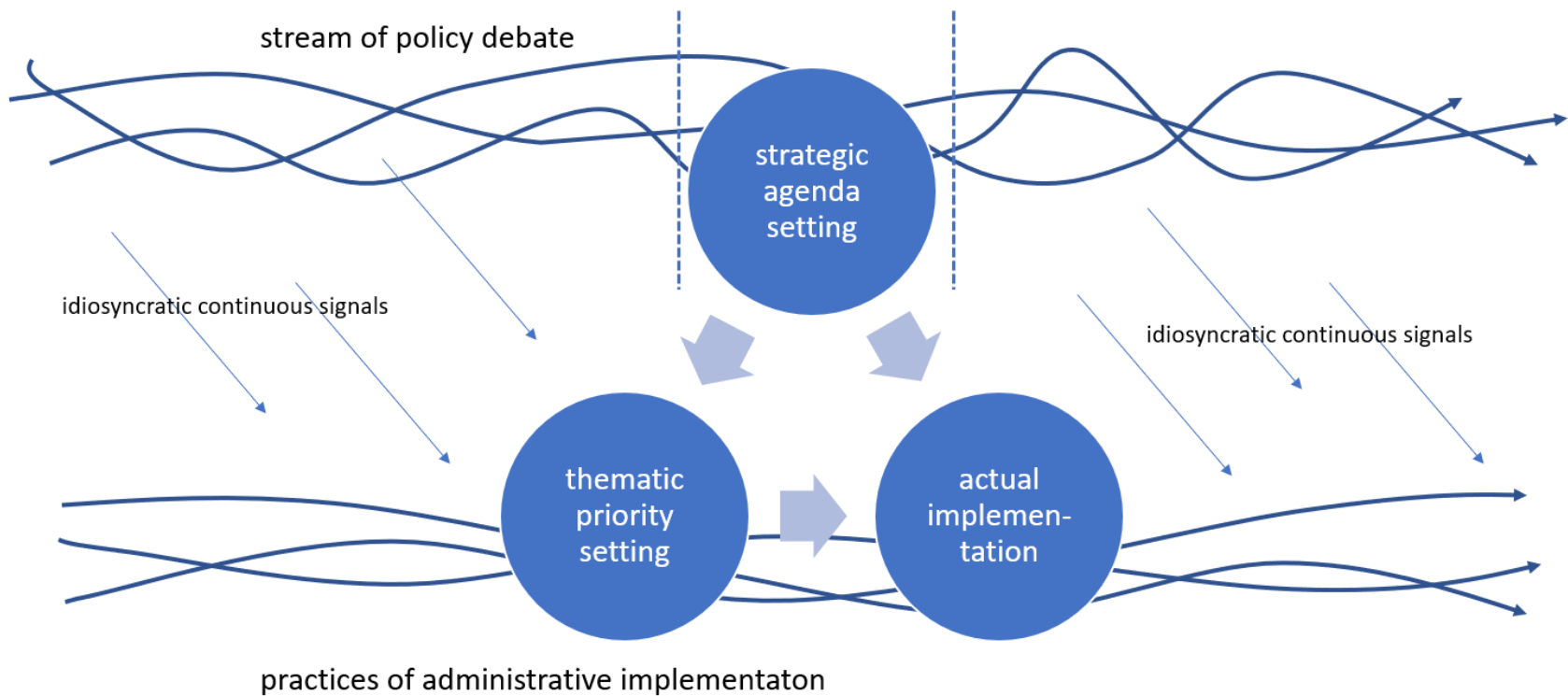
does the
strategy yield
any effects

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

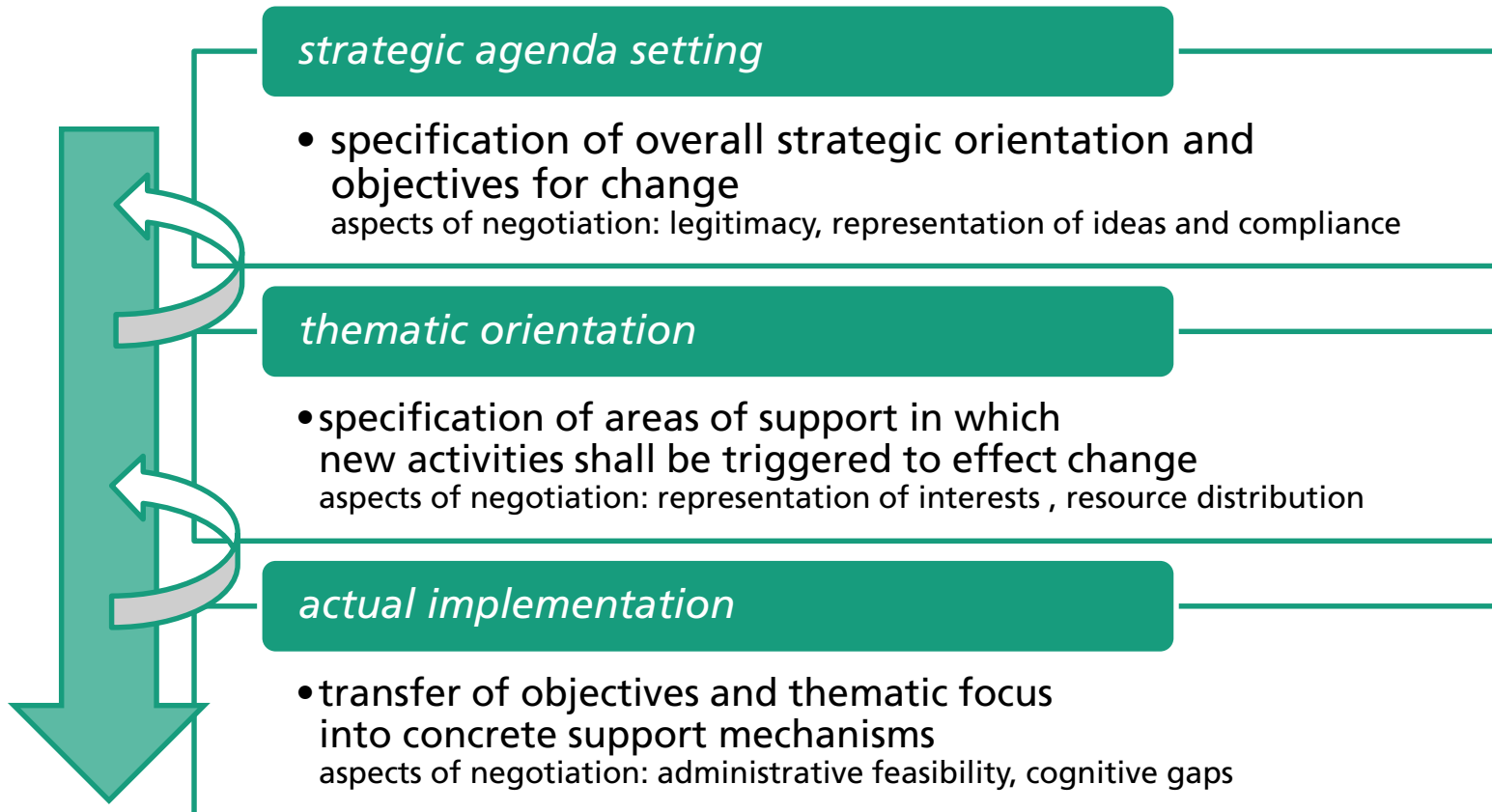


Proposition 3:

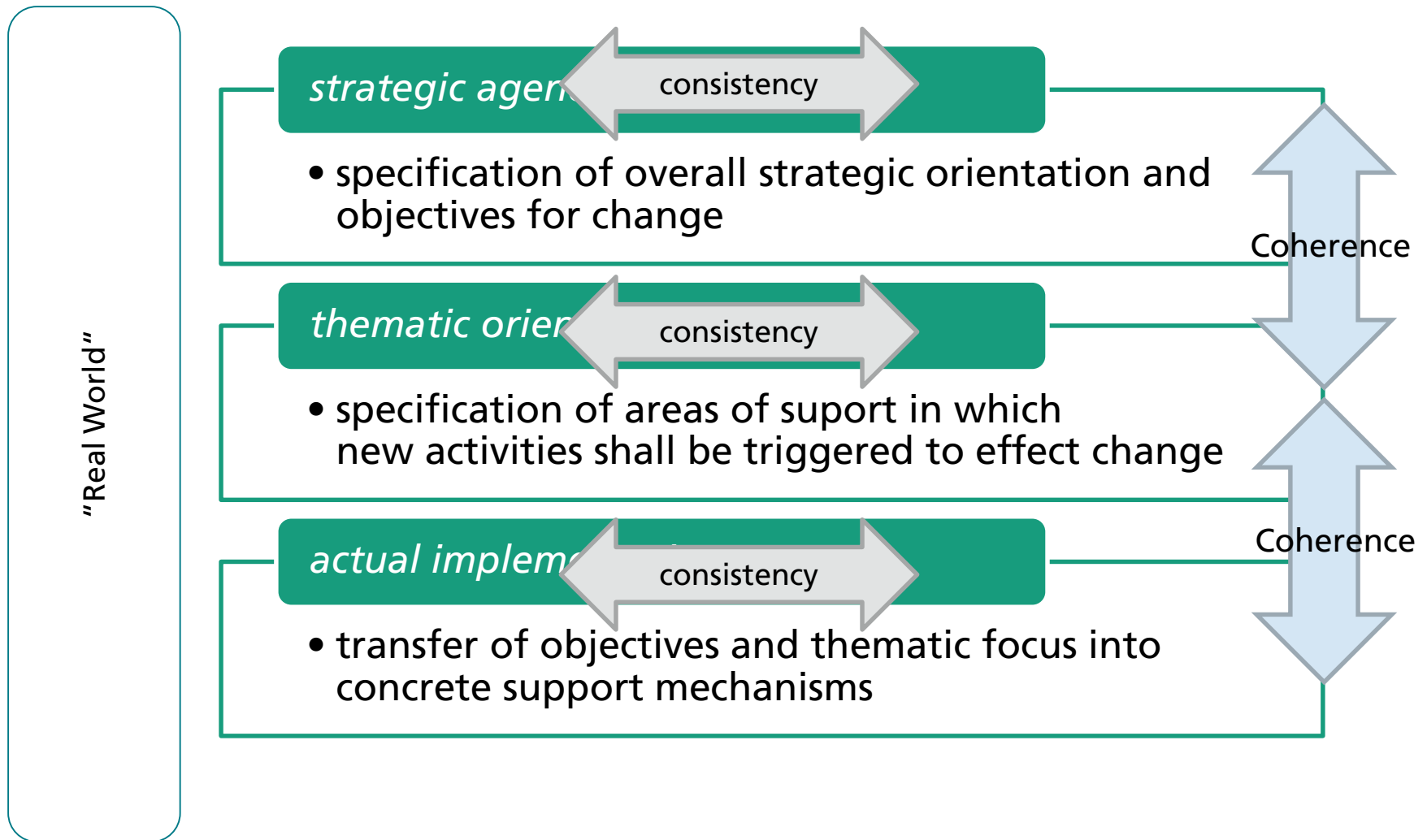
„policy mixes“ are not per se right or wrong
but their adequacy in certain contexts can well be evaluated

- a process oriented analysis can tell us
 - at what stage does policy failure occurs
 - 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



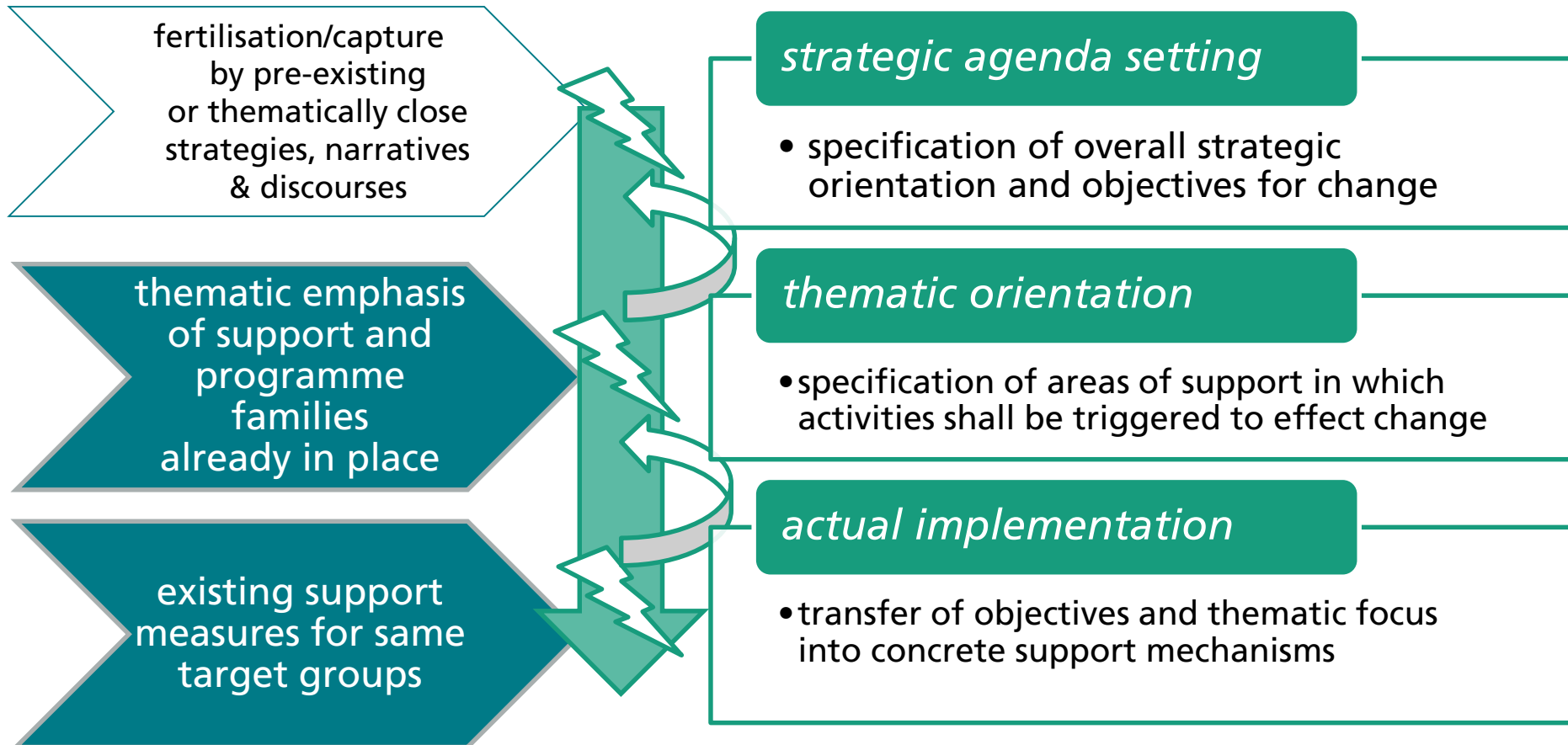
COHERENCE & CONSISTENCY



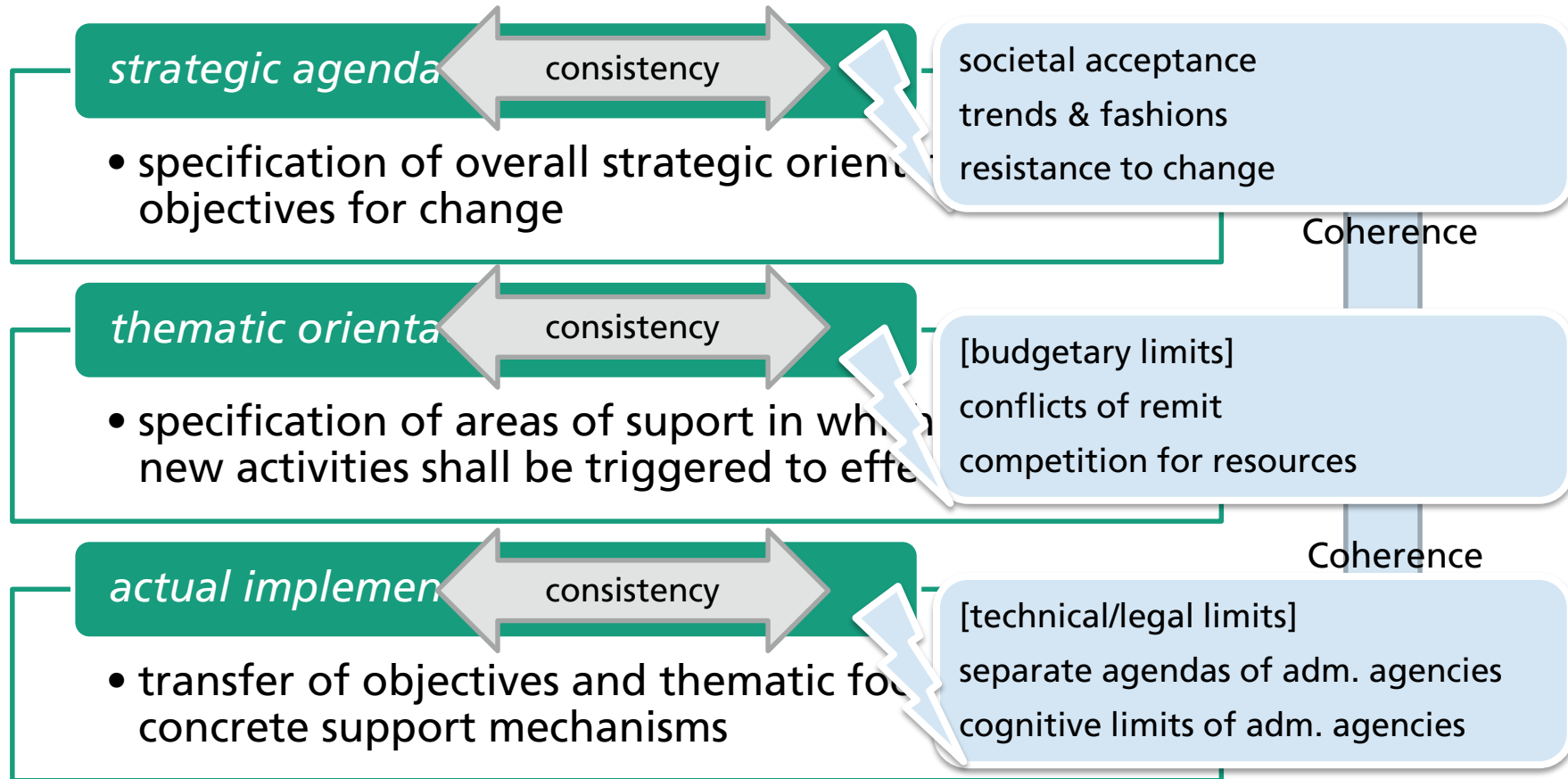
Intervening Factors

- 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



TRANSLATION FAILURE



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



Industrial production and systems +



Sustainable and smart mobility & logistics +



Healthy living and the healthcare sector +



Sustainable energy supply and resource management +



ICT, innovative and production-related services +

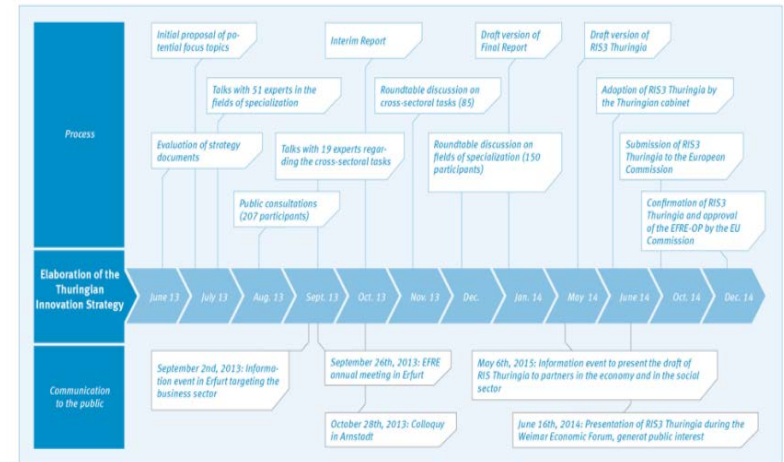
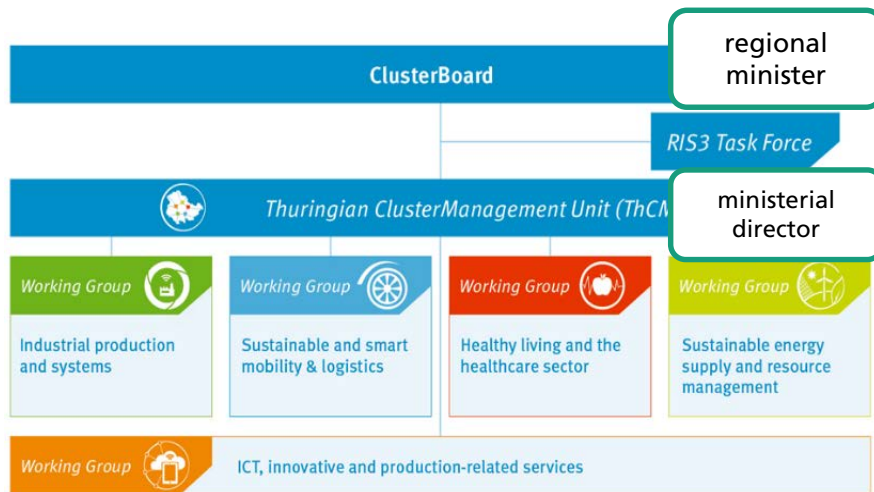
Deviation:

- 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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