Report
Assessments of the Programme Management Results

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INNO-Partnering Forum

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Description of the deliverable

This report is a formal delivery D4.3 within WP4 of the INNO-Partnering Forum (IPF) project. The report shortly describes the assessments conducted within the project, and takes up the open call for agencies and discusses the lack of interest to that call.

This report has been compiled in the first place for the internal use of the INNO-Partnering Forum. WP4 results that are intended for a wide publication are compiled in D4.4 “Guidelines report” and presented in its appendix “EFQM Framework for Innovation Agencies”.

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The views expressed in this report are those of the authors and the Pilot Assessment Team. They do not necessarily reflect the opinion or position of the European Commission and in no way commit the involved organisations.
Assessments of the Programme Management Results (Organisations and Programmes with the EFQM Excellence Model)

Report based on findings of the different assessments within INNO-Partnering Forum WP4 June 2010 – July 2012

TABLE OF CONTENTS

1 Background .................................................................................................................................................. 5
  1.1 The INNO-Partnering Forum ............................................................................................................. 5
  1.2 The concepts of quality, efficiency and effectiveness ......................................................................... 5
  1.3 The EFQM Excellence Model ........................................................................................................... 7
  1.4 Other quality assessment and development tools ........................................................................... 10
    1.4.1 CAF Model .................................................................................................................................. 10
    1.4.2 Smart Agency / TAFTIE Wheel .................................................................................................. 11
    1.4.3 ISO 9000 Management Standard Family .................................................................................. 11

2 WP 4 approach to promotion of quality, efficiency and effectiveness and the use of the EFQM Excellence Model ............................................................................................................... 12
  2.1 The initial approach and methodological development ..................................................................... 12
  2.2 Pilot assessment ............................................................................................................................... 13
  2.3 Following assessments to test the methodology ............................................................................. 14

3 Acknowledgements ..................................................................................................................................... 17
1 Background

1.1 The INNO-Partnering Forum

The INNO-Partnering Forum project is an INNO-Net project under the PRO INNO Europe initiative of Directorate General Enterprise and Industry. The initiative aims to contribute to the development of new and better innovation policies, notably by learning from others and sharing experiences. The project will specifically act as an operational platform for mutual learning and exchange of experience, with the general objective to improve the overall quality and efficiency of public innovation support services in Europe.

One of the activities suggested for the INNO Partnering Forum, in the PRO INNO Europe Work Programme, was the further development of quality management instruments, notably the EFQM Excellence Model, to better suit the specific needs of innovation agencies. The rationale of this is that good innovation support doesn’t comprise only the availability of good instruments and services, but excellent organisational frameworks are also needed to deliver the services efficiently and effectively. Today, in public organisations, high standards in all operations and the accountability for these are obvious prerequisites for good governance.

The use of the EFQM Excellence Model in innovation agencies has been studied in an earlier feasibility study project (IMQ Net, 2006 - 2008) and it is at least sporadically used by a number of agencies around Europe. However, the wide-spread use of the model (or any other Quality Assessment Framework) has proved to be hard to accomplish, probably because of the rather high initial investment in time and effort usually required when starting the Model based assessments. It is worth noting that absorbing (quality) principles of good management doesn’t have to build initially on assessments, but could perhaps be supported with other types of actions as well. Thus it is possible for the INNO-Partnering Forum Project not only to seek ways to lower the threshold of making the first quality assessment, but also to try to extract and interpret the principles and contents of the Model into guidelines, that might be easier to approach by the management of innovation agencies.

1.2 The concepts of quality, efficiency and effectiveness

The overall goal of the INNO-Partnering Forum is to improve the quality, efficiency and effectiveness of European innovation support. In everyday use, these three words are

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1 The EFQM has published numerous entry-level tools with the purpose of lowering the threshold of starting the use of the Model principles. For the INNO-Partnering Forum, it’s a possibility to do this with innovation agencies specifically in mind.
often connected to a wide array of different meanings. In the picture below, the usual definitions of efficiency and effectiveness, and some concepts related to them, are implicated. Although the picture is simple in appearance, efficiency and effectiveness are actually quite demanding concepts, when it comes to measuring them in practice for an innovation agency or an innovation support programme. The main reason for this is the complex relations that attribute a successful innovation to its prerequisites.

**Fig 1. Schematic presentation of different issues for operational assessment**

The concept of quality can be even harder to translate into a simple categorical description. There is an abundance of different verbal definitions for quality, but listing them isn’t actually helpful in this context. In practice, it is often a virtuous management practice to avoid the use of the plain word quality because of its ambiguity, whereas
words like quality planning, quality control, and quality improvement again are useful management terms with well defined contents.

Neither the EFQM Excellence Model does directly mention quality in any way, but instead makes use of the concept of excellence as the utility being pursued by the use of the Model. However, it may be said that by defining excellence, the Model also implicitly defines organisational quality as the capability to achieve and sustain superior levels of performance that meet or exceed the expectations of all stakeholders. The Model content then establishes a structured way of analysing and assessing excellence as stated by the definition. Superiority in this context means performance exceeding that of the peers, and this open reference frame together with the concept of continuous improvement expressed by the RADAR Logic gives the Model its dynamic characters.

1.3 The EFQM Excellence Model

The EFQM Excellence Model is the most widely used quality assessment framework in Europe (ISO 9001 quality standard omitted). The model can be used by all organisations in the pursuit of a shared and deepened understanding of the key strengths and areas of development vis-à-vis satisfying the needs and expectation of their stakeholders and achieving the goals stated by their vision and strategy. In addition to supporting this type of assessment, the model provides its users a common vocabulary and a conceptual model of an organisation, which makes sharing ideas and experiences over business line thresholds easier.

There are a number of other resembling tools, but the EFQM Excellence model was chosen for the first pilot assessment in the INNO-Partnering Forum because

- Its updated 2010 (2013) version represents the newest in the field, especially the updated RADAR logic is seen to offer benefits for the analysis and documentation of good practices, also in other work packages of the INNO-partnering project
- Availability of support all over Europe
- Existing support materials
- More users, more possibilities for comparisons
- Introduced initially already in the CIP Call

There are certain challenging elements in the utilisation of the model. There is a rather high initial investment in work hours before a conventional external assessment based on the use of the model can take place. Also, as the model is generic in the sense that it suits all organisations, it lacks guidelines and interpretations specific to the public sector or, or even more specifically, to innovation agencies. (Recognising this, the EFQM is going to issue implementation guidelines for the public sector before the end of this year).
Below, a brief description of the model is made for the purpose of sharing information within the INNO-Partnering project. For a complete detailed description of the Model, please refer to the original publication by the EFQM².

The EFQM Excellence model basically takes a process view on the management of an organisation. Any organisation has to meet the requirements and expectations put on it by its stakeholders, and to manage and arrange its activities accordingly. The model offers a practical framework that guides all types of organisations in developing their core principles, targets, actions, approaches and results to meet the criterions of excellent organisations. It can aid in building well-functioning and clear management structures and also help organisations to better see the results they are capable of achieving. In comparison to other management tools, the EFQM Excellence Model takes a rather holistic and integrative approach to organisational issues.

The Model consists of three integrated components, which will be shortly explained below. These components allow organisations to compare themselves with the features of a generic ideal organisation. Using the Model can help organisations to develop in a number of areas, such as achieving results, leadership, creativity, sustainability, partnerships, and perhaps above all, organisational learning and flexibility. The three integrated components are:

1) **The Fundamental Concepts of Excellence**

The Fundamental Concepts of Excellence outline the principles that sustained organisational excellence can be built on. The concepts also present a common vocabulary for management, which eases and structures communication. In the Model, there are eight fundamental concepts:

   a) **Adding value to customers** by anticipating and listening to customer needs.
   b) **Creating a Sustainable Future** by enhancing their performance whilst simultaneously advancing the economic, environmental and social conditions.
   c) **Leading with Vision, Inspiration & Integrity** by shaping the future and making it happen whilst acting as role model for organisation’s values and ethics.
   d) **Managing with Agility** by identifying and responding effectively and efficiently to opportunities and threats.
   e) **Succeeding through People** by valuing them and creating a culture of empowerment.
   f) **Harnessing Creativity & Innovation** by harnessing the creativity of all stakeholders.
   g) **Developing Organisational Capability** by managing change within and beyond the organisational boundaries.

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² EFQM Excellence Model © 2009 EFQM
h) **Sustaining outstanding results** that meet both the short and long term needs of all their stakeholders.

2) **The EFQM Excellence Model**

The core part of the EFQM Excellence Model is a framework based on nine Criteria that comprise the characteristics of excellent organisations. Five of these are “Enablers” – they cover the actions and approaches of the organisations. Four are “Results” focusing on achievements. Enablers and Results are presented in an integrated relationship, underlining the possibilities for learning, creativity and innovation. The contents in the Criteria are linked to that of the eight Fundamental Concepts; the difference is the structure the Criteria are presented in.

![EFQM Excellence Model Diagram](image)

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**Fig 2.** The EFQM Excellence Model®

The 9 Criteria are structured in a number of sub-criteria, which are further specified by a large number of guidance points. Thus the Criteria make it possible to describe the activities and results of an organisation in a rather detailed manner. Above all, the Criteria establish a structure that helps to analyse an organisation's activities with respect to its ability to meet the needs of its stakeholders.

3) **The RADAR logic**
The RADAR logic provides a structural approach for mapping out the performance of an organisation embarking from the targets it has set for its results. It covers the issues of the organisation’s **Approach** to a specific function or issue; what the organisation does to **Deploy** the approach; what it does to **Assess and Refine** the approach and its deployment; and the key **Results** in terms of relevance, usability and performance.

The Radar logic is a powerful tool for assessing the general level of performance within the 9 Criteria of the Model. But apart from this, it can be seen as an elaborated version of the classical PDCA or Deming Cycle of Improvement. In this sense, the Radar logic forms a generic management principle guiding the set up of management practices in an organisation. For instance, in the INNO-Partnering Forum, the Radar logic has already given inspiration to how to organize and report Good Practices.

**Summary of Model characteristics**

The EFQM Excellence Model is a framework for organisational development, which focuses holistically on the building blocks and features of excellent organisations. It sets the criteria and standards for excellence in an integrative manner. Used optimally, the Model gathers all the management practices of the organisation to form a coherent whole that is open for continuous development and learning, which makes it a framework that enhances organisational creativity and flexibility. The model can be used for creating a common language platform for management and it easily adapts to the specific needs of the organisation –benchmarking purposes, for instance.

### 1.4 Other quality assessment and development tools

In addition to the EFQM model, there are a number of other quality development frameworks. Below three of them, the CAF Model, the Smart Agency Model and the ISO 9000 Management Standard, are briefly described. It is worth noting that these frameworks have much in common, and most of the comments and issues discussed in the context of using the EFQM Excellence Model in innovation agencies are relevant for the other models as well.

#### 1.4.1 CAF Model

The Common Assessment Framework Model, CAF, is a result of the co-operation amongst the Ministries responsible for Public Administration in member countries. The CAF is inspired by the major Total Quality models in general, and by the EFQM Excellence Model in particular.

By and large, the CAF Model establishes a generic public sector interpretation of the EFQM Model content. Another main characteristic is that CAF makes use of a simplified logic for scoring, when compared to the RADAR logic. In many cases, it is said that the CAF Model is slightly easier to start to use in public organisations, but doesn’t deliver all
the benefits that the EFQM Excellence Model does. There is also some guidance and tools available, e.g., on the web pages of the European Institute of Public Administration. The present version of the CAF Model is from 2006.

Most INNO-Partnering Forum results and observations are relevant towards the use of both the CAF and the EFQM Models. However, recognising that the management cultures of innovation agencies vary a lot and many of them are prone to seek inspiration and references from the private sector, the more generic EFQM Excellence model was chosen as the point of embarking for the project in whole.

1.4.2 Smart Agency / TAFTIE Wheel
The TAFTIE Wheel is an approach that was launched under the auspices of TAFTIE, the Association for Technology Implementation in Europe, in 2007. Its purpose is to make additionality a strategic and operational issue that makes agencies more effective in their design and implementation of policy measures. The wheel is in fact a reference model and a tool for assessment of a RTDI Programme, or an agency’s Programme Design and implementation Process. Thus it forms a tool for analysing the programme process of agencies, in addition to taking up some more general issues in the context of how policy goals are translated into operative objectives of an agency.

1.4.3 ISO 9000 Management Standard Family
As the ISO 9000 comprises of standards, its focus is on controlling and certifying compliance with a given way of organising the operations of an entity, not in the first
place on improving them. Especially for manufacturing companies acting in long and flexible supply chains, a certified level of quality in products and operations has been a basic business requirement for a number of years. In addition, a number of public organisations have chosen to establish an ISO 9000 based Quality Management System and acquire a certification for it. Here, in many cases, the external auditing and certification works as an excellent motivator for systematic quality work within the organisation. In this family of standards, it is the ISO 9001:2008 Standard that specifically sets out the requirements for a Quality Management System.

Especially after its last updates, the ISO Standard is largely based on similar generic Quality Principles as the EFQM Excellence model. Because of this, the elaborations and comments on these principles, in the context of using the EFQM Excellence Model in innovation agencies, are highly relevant for better understanding how an ISO 9000 based management system should look like for an innovation agency. The list of the Quality Principles as defined in the ISO 9000 family is presented below

1. Customer focus
2. Leadership
3. Involvement of people
4. Process approach
5. System approach to management
6. Continual improvement
7. Factual approach to decision making
8. Mutually beneficial supplier relationships

2 WP 4 approach to promotion of quality, efficiency and effectiveness and the use of the EFQM Excellence Model

2.1 The initial approach and methodological development
In its Work Package 4, the INNO-Partnering Forum made an effort to stimulate and at the same time very much concretise the understanding and adoption of the principles of the EFQM Excellence model in the European innovation agencies.

This was mainly done by establishing and testing an entry-level assessment set-up that is of special interest to innovation agencies. To support results dissemination, a publication *EFQM Framework for Innovation Agencies* has been made available for all innovation agencies. The publication describes the organisational success criteria for
innovation agencies, mapped to the EFQM Excellence Model. The publication can be used as a “guide-book” for assessments (both self-assessments and external assessments) but it can also be used as a source of inspiration in developing the various functions of an agency. A 20-questions “Quick Check” Self-Assessment tool and 1-2 days workshop approach was developed and tested at 4 different organisations for introduction of the Model and the assessment approach.

Throughout the project there was an ongoing discussion about the need to establish simple and quick-to-use approaches and tools. Whilst perhaps not meeting every single expectation in this respect, the 2 days workshop approach (presented in the EFQM Framework for Agencies) is an efficient methodology yet maintaining the holistic view on organisational development that is one of the characteristic strengths of the EFQM Excellence Model.

2.2 Pilot assessment

In order to gain an initial understanding of the use of the EFQM Model, a pilot peer assessment was conducted at Tekes in June 2010. The assessment was conducted by staff members of organisations participating in the INNO-Partnering Forum (Agency NL, Enterprise Ireland, Technology Strategy Board and Vinnova). The 2-day assessment site visit was preceded by a 2-day training course that was tailored for the project by EFQM in Brussels. As a part of the training, planning of the site visit and the assessment contents was already started, equalling perhaps one day’s work that should be seen as a part of the assessment as well as a part of the training.

From one single assessment, one shouldn’t try to make general observations. However, as this assessment was the most exhaustive one within the project, it is reasonable to state the following key findings:

- For a group of peers, it is fully possible to conduct a meaningful assessment within the timeframe of the pilot assessment (2 assessment days + 2 days of preceding training and planning for the assessment site visit).
- Assessment by staff members of other innovation agencies is effective, focussing more on issues, where comparisons between peer organisations are of special interest. The key processes and the customer management issues are examples of such issues.
- The assessment is highly motivating for the assessors, as it gives them an outstanding opportunity for benchmarking.
- An effective training of the assessors (preferably as a team) is an absolute prerequisite for success within this timeframe.
- Also, the contents of the assessment need to be carefully defined to match with the timeframe; e.g., in the pilot assessment no time was used for scoring, and the
assessment team could therefore put more time into finalising the textual feedback.

- The preparation of suitable materials for the use of the assessment team (description of the organisation and its strategy, internal procedures and results) requires a sizable investment in time and effort. For Tekes, the workload in this case was approximately 1 person month (including producing documents in a foreign language, i.e. English). This is seen to be too much for the following assessments, and new forms of documentation should be considered.

- For the INNO-Partnering forum, the renewed RADAR logic was found a productive tool that may be utilised in forming a structured approach for a good practice description.

The background materials prepared by Tekes and the Feedback Report prepared by the assessment team can be made available by request.

2.3 Following assessments to test the methodology

One of the thresholds facing the potential user of the model is the rather high initial investment in work hours before a conventional external assessment can take place. To help organisations on their way to use the model, EFQM has published additional materials like checklists, workbooks etc. Nevertheless, as the model is generic in the sense that it suits all organisations, it doesn’t contain guidance or interpretations specific to innovation agencies. The INNO-Partnering Forum discussed different approaches that would cut down the person hours needed in the introduction to model use. E.g., concentrating on 1-2 focussed issues alone was discussed, tackling questions with immediately recognisable value for innovation agencies. For instance, Adding Value for Customers was thought to be suitable single theme that, when used as the focal point of an assessment, would require maybe 20-30 % of the workload of a full EFQM assessment. However, this was actually never tested because of different organisations’ interest in the inherent inclusiveness of the holistic Model. Finally, it become apparent that the approach should be much like the usual assessment approach, nevertheless capitalising the insights of INNO-Partnering Forum experts.

After the initial assessment within the consortium, the INNO-Partnering Forum invited public innovation support organizations to express their interest in participating in the development and testing of the use and usability of a generic organizational development framework (the EFQM Excellence Model) in enhancing the efficiency and effectiveness of innovation support organisations. The invitation was targeting innovation support organisations at both national and regional level, with or without previous experience of the Model.
The proposed assessment process was close to a normal external assessment (see the picture on next page):

However, the open call didn’t raise enough interest amongst the agencies: one municipal development agency applied, but as a whole the results didn’t form any realistic ground for further actions. It can be discussed that “opening up” with your internal procedures
and discussing needs to develop them is something that requires a certain amount of trust between the parties, which is not easy to accomplish in this type of a project, at least outside the core project consortium.

As the Open call didn’t result in new activities, the consortium decided to run additional assessments to test and develop the methodological application together with organisations that had in other ways expressed their interest in acting as a host for an assessment workshop. These organisations were:

- **The Technology Strategy Board (UK)**
  
The Technology Strategy Board (TSB) is an executive non-departmental public body (NDPB), established by the UK Government in 2007 and sponsored by the Department for Business, Innovation and Skills (BIS). The activities of the Technology Strategy Board are jointly supported and funded by BIS and other government departments, the devolved administrations, regional development agencies and research councils.

- **Enterprise Flanders (Belgium), Services Department**
  
Enterprise Flanders (“Agentschap Ondernemen”) is an autonomous agency within the Flemish government department of Economy, Science and Innovation (EWI). It was created in 2009 by the amalgamation of the Economic Agency and the Flemish Agency for Entrepreneurship (VLAO). Enterprise Flanders is the focal point of the Flemish Government for entrepreneurs and provides relevant advice, consulting, support and services. The Services Division is responsible for supporting individual businesses and business groups with advice relating to financing and administration, intermediaries such as federations and chambers of commerce, and interacting with policy makers and local authorities.

- **Swedish Incubators & Science Parks, SISP (Sweden)**
  
Swedish Incubators & Science Parks - SISP - is a membership-based association of Sweden’s incubators and science parks. SISP’s 62 members act as nodes in regional Swedish innovation systems and together operate almost 80 facilities and innovation environments. The focus is on knowledge-based, growth-oriented companies, offering support to the development of the business in addition to physical space and related services. Several members also run business angel networks and manage seed funds for investment in early events in growth-oriented companies. SISP actively exchanges experience between members and other actors in the innovation system and works through national dialogue to promote the best conditions for Science Parks and Incubators.
The learning from each 2-day workshop at these organisations is compiled in the *EFQM Framework for Innovation Agencies*, which is published on the project’s web pages. The publication is also attached the deliverable D4.4 of INNO-Partnering Forum as an appendix.

### 3 Acknowledgements

The EFQM Excellence Model and RADAR are registered trademarks of the EFQM. The kind cooperation of the Foundation in arranging a tailored training for the project participants, supporting the assessments, and finally, in the publication of the results is acknowledged.