Regional Strategy Western Scotland

April 1999

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Paper 16
April 1999

Regional Innovation Strategy Western Scotland

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We look forward to hearing from you.

Towards a new regional policy for innovation

Innovation and Regional Development

Innovation is increasingly viewed as the deciding factor in whether a company, business sector, region or country is able to retain and improve its competitive position in the world economy. Innovation, in the sense used and promoted by the RIS actions, is not only about the work carried out in research and development laboratories. As John Mueller, the Chairman of 3M has suggested: "*If creativity is the thinking of novel and appropriate ideas, then innovation is the successful implementation of those ideas within an organisation. Creativity is the concept; innovation is the process.*"

In terms of regional policy and cohesion, the indicator for successful public interventions is the extent to which regional companies are able to improve their performance, in a suitable manner, in order to safeguard and increase employment levels, and social well being. As such innovation policy measures must have an immediate and appreciable impact on local companies. It is also widely acknowledged that the average small company has neither the time nor the resources to develop an innovative project by themselves and that more often than not depend on collaboration with other companies or business and innovation support organisations. Hence, the range of measures and the complexity of the issues surrounding the identification and appropriate response to companies needs requires an increasingly sophisticated approach to developing delivery mechanisms and methods.

At the same time, many regional governments have only recently been given competence for overseeing Research, Technological, Development and Innovation (RTDI) policy; and the degree of competence devolved to regional authorities varies between the Member States of the Union. The Regional Innovation Strategy approach, and the sister programme RITTS, offers the advantage of being developed by a regional partnership of key players, with the aid of a qualified support team and benefiting from the exchange of know-how and experience within a network of some 100 regions currently involved in EU funded projects.

History, Objectives and Methods of the RIS Actions

Since 1994, almost 100 European regions have undertaken or have begun the development of a regional strategy concerning the promotion of innovation. Of these regions, 32 will have been financed by Article 10 of the European Regional Development Fund (ERDF) by the end of the year 2000 (eight Regional Technology Plan projects over the period 1994-97, 19 RIS over the period 1997-99 and a further five RIS selected recently whose projects were launched in the second half of 1998). Since RIS projects are supported under the ERDF, only those regions with at least 50% of their population in a zone eligible under the regional objectives (1,2 5b and 6) of the Structural Funds can benefit. The other 70 odd projects have been funded by DGXIII (Innovation Programme) under the Regional Innovation Infrastructures and Technology Transfer Strategies (RITTS) budget line in both eligible and non-eligible regions (e.g. metropolitan zones such as Milan). All RIS projects have been selected on the basis of a competitive call for tenders.

The RIS pilot projects funded under Article 10 of the ERDF have three key features:

- they are based on public-private partnership (the private sector and the key regional players should be closely associated in the development and implementation);

- they should have a demonstration character (the policy actions tested in a region should be able to be transferred to other parts of the Union); and

- they should exploit the European dimension through inter-regional co-operation and benchmarking of policies and methods.

In operational terms, a RIS exercise should aim to:

- promote new techniques and more open and consensus based processes for developing regional policy;

- identify the needs of regional companies for innovation support services and insure that specific policy instruments or pilot actions developed within the framework of the strategy take better account of these needs.

Accordingly, the RIS projects require a special mix of technical competence in the field of innovation policies; public relation skills for diffusion and animation of the partnership, and political (in the broad sense of the word) support for the strategy being developed. In the end, a RIS can be judged a success if and only if four sets of criteria are respected:

- **the project is technically implemented in a competent and effective manner** (this principally concerns the role of the project management unit in terms of management of experts, technical support to the Steering Group, working groups etc.; diffusion and communication actions; financial and administrative management of the project);

- **the Strategy and accompanying action plan and pilot actions are the subject of a wide consultation exercise** and receive the endorsement of a representative cross-section of interested stakeholders (particularly business); ideally key players should be willing to be "project champions" for specific pilot actions;

- wherever appropriate, the **actions which are mature, feasible and of appropriate quality are integrated into mainstream Structural Fund programmes** (Objective 1,2, etc.); more generally, the analysis and debate carried out during the RIS in terms of innovation needs and the potential to develop required services can serve to improve the programming cycle of the Structural Funds and other regional programmes;

- although supported by the Commission over a defined period, **the project should not be a one-off boost to regional innovation planning,** monitoring and policy implementation. Such "learning effects" can be measured by, for example, the creation of innovation policy units or observatories within regional administrations, the extension of the mandate of the RIS Steering Group and management units over time; annual reviews and associated promotional events related to the implementation of the RIS, etc.

  (Extract from Article 10 ERDF, Innovative Actions, Innovation Promotion. Published March 1999).

Regional Innovation Strategy
Western Scotland

The long-term goal of the RIS is to **establish Western Scotland as the most innovative region in Europe**. To support this goal, 3 objectives have been identified which will provide a focus for our activities during implementation.

Increase the number of innovative companies in Western Scotland

Improve the capacity of the education sector to support innovation

Improve the overall environment for Innovation

In the first year of implementation 12 Priority areas of development have been identified. These actions will contribute to the objectives and will provide the project with the momentum to achieve the long-term goal.

Identify innovation mentors to work with companies to build innovation capacity

Train companies in creative thinking, idea generation and innovation management tools and techniques

Introduce innovation learning into existing business networks

Improve access to future technology and market trends information for companies

Improve information and guidance on accessing finance for innovation.

Improve company access to innovation support from Higher and Further Education

Encourage greater flexibility from Higher and Further Education in delivering support and training to companies

Increase Higher and Further Educations' delivery of innovation skills support for both individuals and companies

Integrate the issues emerging from the RIS with existing business and skills development strategies

Increase awareness of company innovation needs across business support staff

Improve sign-posting and sharing of innovation expertise across support organisations

Introduce innovation as an integral element of the company planning and review process

Building Partnership

Strathclyde European Partnership Limited (SEP) is the organisation responsible for the day to day management of the European Structural Funds in Western Scotland. SEP Ltd is a key member of a partnership in the region involving local organisations, the European Commission and the Scottish Office. It was recognised that the Innovation element of the Structural Fund programme had been under performing in terms of volume and quality of projects. The RIS was seen as an opportunity to address this issue. In the months before the formal submission of the RIS proposal a wide consultation was conducted with the key players in the public support network on the relevance of developing an innovation strategy. SEP Ltd had been following the progress of the pilot Regional Technology Plans and believed that a similar approach would have benefits for Strathclyde. The consultation exercise laid the foundations for a partnership that was to develop over the following 2 years. This initial exercise was able to identify interested people who would ultimately play a part in the development of the RIS.

By involving organisations at this stage of the proposal development we were able to achieve a greater level of ownership and awareness of the RIS. This was confirmed by the organisations financial commitment with 41 partners contributing to the project costs.

The process of developing the RIS has created a network of enthusiastic and committed individuals who have recognised that innovation can make a significant contribution to the competitiveness of companies in Western Scotland. One of the key roles of the RIS as we move to implementation is to support and facilitate the development of the network and maximise the opportunity for exchanging and sharing information and resources. This network has the potential to grow in size and increase the awareness of innovation within the region.

A key objective of the first stage in the RIS project was to establish a **comprehensive profile of the Western Scotland economy** with explicit reference to the regional company base and the structure of the various industrial sectors. The economic profile was developed through accessing various existing research and information sources, and discussing this information with key players across the partner organisations. This information served as a guide for the further research stages, which focussed on an assessment of the strengths and weaknesses of the company base, the supply-side situation, demand-supply interaction and the overall environment of the regional innovation infrastructure. The analysis was important for guiding the future direction of the RIS, the Company Needs Analysis exercise and the development of pilot projects and actions.

The first phase of the **Company Needs Analysis** involved detailed consultation with 55 companies across Western Scotland with the main objective of identifying the key issues that encourage company innovation, both internal to companies and the environment in which they operate. Across the 55 participating companies, 8 key issues were identified which they agreed were of major importance for company innovation:

- company and management culture
- market orientation
- process alignment
- technology
- management of the development process
- finance
- supply of skills
- networks and partnerships

As part of the first phase of the Company Needs Analysis exercise it was recognised that there was a requirement for extending the analysis to a broader range of companies. A questionnaire was used to gather further information on the factors that encourage and inhibit innovation within companies. Over 400 companies completed the questionnaire during the second phase of the needs analysis. The key issues identified during phases 1 and 2 of the needs analysis directed the approach taken during the trends and support network analysis, and the action planning phase, which were the next key stages in the development of the RIS.

The **Trends Analysis** element of the Regional Innovation Strategy was an important and integral stage in the strategy development process. The purpose of this was to draw together relevant global, european, regional, local, industrial, technology and market trends in order to develop a detailed picture of the possible directions and issues that may impinge upon the Western Scotland economy over the short, medium and longer term.

One of the key issues emerging from this work was the need to disseminate local, sectoral and global trends information in a usable format across both the business support network and the company base. One of the priority actions that emerged from the strategy development phase relates to this issue and will be addressed during the RIS implementation phase.

The main objective of the **Support Network Analysis** was to construct a broad overview of the existing support offered to companies in relation to the 8 key issues for innovation identified through the Company Needs Analysis. It was not intended to carry out a detailed audit of innovation support. The purpose of the analysis was to 'map' the support services provided across the region against the expressed company needs. This 'mapping' would highlight gaps in supply, areas of good practice and areas of low coverage in the existing support.

A standard activity matrix was issued to organisations to gather information in a consistent format and examine various categories of support offered to companies. The matrix examined the categories of support, the quality of the support and the company coverage. The information was gathered in relation to each of the eight key issues for company innovation. The RIS team held meetings with the majority of organisations to complete the matrix, which also provided the opportunity to gather information on other aspects of the support currently being delivered. Many of the individuals commented on the value of going through the process and this helped when moving to the action and project planning stages of the development process.

In June 1998 the RIS Team published and distributed a **Consultation Report**, which listed the suggested actions to be addressed in the short and medium term.

The 8 key issues identified through the Company Needs Analysis were instrumental in driving the direction of the **pilot action development phase**. On completion of the analysis phase, the RIS team organised a series of workshops between March and June 1998. The aim of these workshops was to discuss the key findings from the analysis phase and develop the issues and ideas identified, into future actions. Private sector companies, who had participated in the project, together with the key support organisations in the area were invited to attend. Members of the RIS Steering Group were also represented at the workshops. Each workshop produced a range of ideas and outline proposals that could be further developed into detailed projects during the implementation phase.

A number of the ideas generated from the workshops were further developed and form the basis of a number of the pilot projects detailed below. These projects are looking at new and innovative approaches from the support network in working with companies and filling the identified gaps.

It was intended that funding for the pilot projects would come from the European Structural Funds. Inevitably the cycle times of the Objective 2 Programme for 1997 - 1999 were likely to cause delays in progress, however our strong links with the Programme Management Committee enabled us to overcome this issue and receive support for our applications. Five projects have now been approved for ERDF support and are at implementation phase, while three are in development and feasibility or small-scale pilots will be funded under the RIS+ project.

The role of SEP in managing the **Structural Funds** in Strathclyde and the region having 100% Objective 2 coverage increased the opportunities for establishing strong linkages with the RIS. The pre-application consultation exercise described above also included many of the people involved in the committees responsible for project appraisal and approval of the Structural Funds, in particular the Innovation Advisory Group and Programme Management Committee for the Objective 2 Programme. The key objectives and priorities set for the development of the RIS were taken into consideration during the drafting of the 1997-99 Objective 2 Programme Document. The Single Programme Document refers to the importance of the RIS project and states clearly within the scope of the Business Development and Innovation Priorities that projects and actions developed through the RIS will be considered for ERDF and ESF support through the 1997-99 Programme.

The RIS Team works closely with the Programme Management staff in SEP Ltd involved in managing the Objective 2 Structural Fund Programme and Community Initiatives. The RIS project manager is a member of the Senior Management Team in SEP Ltd and is therefore involved in strategic decisions on the future management of the Structural Fund Programmes. During the RIS development phase, regular meetings were held and presentations given by the RIS team to advise staff of the key issues and actions emerging during the RIS development phase. This ensured that Programme Managers had up to date information, which enabled them to discuss these issues with applicant organisations when advising on the development and submission of project applications for Objective 2 Structural Fund support. An increasing number of applications now being submitted under the Business Development and Innovation Priorities have been developed in response to issues highlighted during the RIS development phase, and make specific reference to this in their application for Objective 2 Structural Fund support.

As part of the management structure required to deliver a RIS a Steering Group was formed. This group comprised representatives from the public sector support organisations and most importantly a strong representation from the private sector. Chaired by the Managing Director of a key company in the region the group met every 3 months to discuss the direction of the RIS. The RIS Steering Group agreed that a sub-group would be formed to take forward the output from the RIS to feed into the Programme Plan for the next phase of Structural Funds post 1999. It is unclear if the region will remain an eligible objective 2 region for the period 2000 - 2006, however the participation of RIS Steering Group members in the planning process will ensure innovation has a prominent place in the final document.

With the RIS implementation underway the value of the process is clear. A higher level of awareness of the impact of innovation is now prevalent in both the public and private sector. This awareness is now being transformed into positive action by an increasing number of individuals working in partnership. All share the same goal to **establish Western Scotland as the most innovative region in Europe**

Priority Projects
One of the significant outcomes from the RIS development has been implementation of pilot actions that will provide practical innovation support to companies. These projects are critical to maintaining the momentum of the RIS and ensuring the next phase of work is successful in achieving long-term improvement in the innovative performance of the region. The following overview of the eight Priority Projects shows how we are starting to address some of the Priority Actions identified in the Innovation Action Plan.

Creating a culture of innovation
Five Priority Projects have been developed and have secured ERDF funding for a pilot phase. These 5 projects, one in each of the development agency areas in the region, address the RIS objective of increasing the number of innovative companies through the creation of an innovative culture.

Ayrshire Priority Project

Objectives: The Ayrshire project addresses the Priority Action – Creating a culture of innovation. Its focus is on developing the creativity and innovation management skills across a range of staff within companies, involving senior management down to the shop floor level, and to create the conditions within the company which encourage innovation.

Target Group: The target group of 6 SMEs includes companies from a mix of manufacturing and service sectors and different sizes (2 companies with < 50 employees, 2 companies with 50-100 employees, 2 companies with > 100 employees). Within each of the companies the senior management team has been targeted to ensure their commitment, after which a cross-section of staff at different levels within the organisation will be targeted for involvement in the project.

Project Description: An innovation event was held on 26 October 1998 to launch the project and raise awareness and stimulate interest among Ayrshire companies. A number of companies attending the event registered their interest in participating in the project and the Managing Director completed an initial innovation assessment questionnaire. This information was used to select 6 companies to participate in the full project. Each of the companies has been matched to an innovation mentor, who will work with them over a 6-month period to develop an innovation culture within the organisation. An initial assessment of the companies' innovation capability will be conducted using the PERA Profile Analysis Toolkit, an innovation management toolkit that has been used elsewhere in Europe. The innovation mentors will use the outcomes of this initial analysis to develop an action plan with the company. They will work with a cross-section of individuals within the company to introduce a range of tools and techniques to improve creativity, idea generation and innovation management activity within the company.

Dunbartonshire Priority Project
Objectives: The Dunbartonshire project addresses the Priority Action – Creating a culture of innovation. Its focus is on the creativity skills of senior management in SMEs and their ability to manage creativity in their workforce.

Target Group: The project targets two senior representatives from a range of 8 SMEs in the area. The companies include a mix of manufacturing and service together with a range of

sizes. The group of companies also includes a multinational organisation to evaluate the impact of large companies on small companies in a working group.

Project Description: The project will be delivered through a series of workshops held over a period of 12 months. Each workshop will focus on tools and techniques to improve personal creativity and management of creativity, in a business environment. The workshops will be held on a 6-8 weekly basis over 1½ days. In the period between workshops each company will have support from the organisation delivering the workshops. This support will assist companies with implementing the tools and techniques presented at the workshop and will ensure a practical business focus for the project.

Glasgow Priority Project

Objectives: The Glasgow project addresses the Priority Action – Creating a culture of innovation. The key aim is to provide the companies with the support necessary to effect long term change in their innovative performance. The project aims to ensure a transfer of skills to the company from innovation mentors.

Target Group: The project will work with 6 small companies currently involved in or with new proposals for innovative projects. The companies participating will be a mix of manufacturing and service.

Project Description: The project will start with a launch event featuring 2 companies that have successfully created a culture of innovation in their business. The companies will include a large well-known business to gain interest and a smaller business to encourage smaller companies to see the potential of innovation for small companies. The event will also feature a demonstration of some aspect of introducing innovation into business. This will be an interactive session when participants will have the opportunity to experience the power of tools and techniques that can improve the innovative performance of their business.

Following the event the companies will be offered the opportunity to host an in-house session with more of their staff. This session will then be used as a filter to identify the final shortlist of companies who will be invited to participate in the next stage of the project. The final stage will involve the companies working with experts to introduce more of the innovation management tools and techniques into their own business.

Lanarkshire Priority Project

Objectives: The Lanarkshire project addresses the Priority Action – Creating a culture of innovation. Its focus is on developing the creativity and innovation management skills across a range of staff within companies, involving senior management down to the shop floor level, and to create the conditions within the company which encourage innovation. The project will also work with each target company to develop an innovation project proposal they have identified.

Target Group: The project will target 6 SMEs in the area. An open call for innovation proposals was issued through the network and local media in January 1999. Companies have been invited to submit an innovation project idea (product, process or service). Within each of the companies the senior management team and a cross-section of staff at different levels within the organisation will be targeted for involvement in the project.

Project Description: The project team will assess the innovation proposals submitted by companies in response to the open call and 6 companies will be selected to participate in the project. Each of the companies will be matched to an innovation mentor, who will work with them over a 6-month period to develop an innovation culture within the organisation. An initial assessment of the companies' innovation capability will be conducted using the PERA Profile Analysis Toolkit. The innovation mentors will use the outcomes of this initial analysis to develop an action plan with the company to develop their innovation proposal. In addition they will work with a cross-section of individuals within the company to introduce a range of tools and techniques to improve creativity, idea generation and innovation management activity within the company. In addition, an Innovation Event will be held in September to promote innovation to a larger company audience in Lanarkshire. The companies and mentors actively involved in the project will be involved in the delivery of this event.

Renfrewshire Priority Project

Objectives: The Renfrewshire project addresses the Priority Action – Creating a culture of innovation. The project focuses on effecting long-term change in the behaviour of the companies in respect to their innovative capacity.

Target Group: The project will focus on the senior management from 8 small companies in the manufacturing and service sectors in the area.

Project Description: The project started with a launch event in March to stimulate interest in the project. At the event companies were encouraged to register their interest in participating in the Priority Project. Those companies expressing an interest will be invited to complete a DTI Benchmark including an innovation module developed specifically for this project. From the Benchmark information a small number of companies will be invited to move to the next stage of the project. A number of organisational behaviour experts, primarily from the university sector, with experience in innovation will be matched to these companies with a view to supporting permanent change in the businesses. The experts will work with the companies over a period of 6 months to implement an action plan for increasing the innovative performance of their business.

Project Partners: For each project the development agency in the area has taken the lead with the support of the RIS team. A project team, comprising representatives from the public and private sector has been involved in the development of the projects and will continue to play a pivotal role in the monitoring and evaluation. All of the projects are funded as a partnership between the development agency, the local authorities and ERDF.

Targets: As well as an evaluation of the process adopted the project aims to ensure long term change in the innovative capacity of the company. The project teams are also keen to evaluate the role of mentors in the project and to identify the key issues in matching them with companies and their approach. The business development executives in the area will be involved in the project implementation and shadow the mentors at various stages throughout the process and this involvement will be closely monitored. The project aims to identify company champions among the participating group who can influence and support other companies in the area to improve their innovative performance.

<u>Innovation Skills Development</u>
An issue identified in the Company Needs Analysis was the supply of people with high levels of creativity and problem solving skills. A Project Team was established to develop a project addressing this issue.

Objectives: To assess the impact on SMEs of providing personal creativity and problem solving training skills to individuals.

Target Group: The project will target 3 distinct groups
- Modern apprentices
- Full time Further Education and Higher Education students
- Individuals from SMEs

Project Description: The core project work will commence with the groups receiving training on creativity and innovation tools and techniques and agreeing the format and objectives for a task based exercise to be tackled as a group. Over the course of 6 months the groups will work on the task while being provided with a range of tools and techniques which can be applied to improve their creative and innovative processes. This stage of the project will last 6 months and will begin with the first meeting of the 3 individual groups. This first meeting will clearly set out the objectives of the project and reach agreement on the details of the project delivery. This part of the project will provide the participants with the necessary tools and techniques to complete the task that will be set as part of the work in this phase. The task set should stretch the participants to fully demonstrate the power of the creativity and innovation tools. We are keen that the task does not become a standard business game but provides a challenge that will force the participants outside their comfort zone. The task should allow participants to work both individually on the project and importantly should require group work, to demonstrate the power of group creativity.

Project Partners: Currently represented on the project team are individuals from the Scottish Enterprise Network, the university sector, the college sector and the private sector. It is anticipated that all these organisations will be represented in the pilot project.

Targets: The project will aim to evaluate the effectiveness of different delivery methods for each phase. It will aim to establish differences between the different groups in terms of delivery requirements. It will aim to move towards developing recognised qualifications for personal creativity skills. It will also inform the next development, the skills necessary to manage creativity within a business.

<u>Accessing Finance for Innovation</u>
Another of the key issues identified through the Company Needs Analysis was access to finance for innovation. One of the Priority Project Teams formed during the RIS development has identified a potential project that will provide companies and business support staff with an information system that will improve the efficiency of securing the most appropriate finance in the shortest time. Utilising the power of the World Wide Web the project will guide companies and business development organisations to the optimum solution for their innovative project financing.

The project team has developed a prototype web-site aimed at providing information and guidance to companies in Western Scotland. The project will focus on carrying out a targeted

consultation exercise over 6 months covering companies, financial institutions and business support organisations in Western Scotland, to raise awareness of the site and to obtain their views on the content, structure and benefits of the site. After this initial feasibility stage and project review it is anticipated that an application will be submitted for ERDF support under the 1997 - 1999 Objective 2 Programme. This will cover further web design and development work required as a result of feedback from the feasibility stage, the launch, marketing and promotion of the site, and an education and awareness programme of workshops to run in parallel with the marketing of the site.

Innovation Networks and Partnerships

Companies participating in the RIS Company Needs Analysis found the process of sharing innovation ideas and experiences with other companies in the work group environment very beneficial. They identified the development of networking activity and partnerships as a key opportunity to encourage and assist future innovation activity in companies.

Objectives: The Innovation Networks Project aims to support a group of network co-ordinators to introduce a range of mechanisms into their existing networks in Western Scotland, which encourage learning and exchange of experience on innovation.

Target Group: The project has targeted 8 existing business networks. This target group ensures a geographic spread across Western Scotland and a sectoral spread in terms of company membership.

Project Description: The project commenced with a workshop involving the project team and the network co-ordinators from the target group. This interactive workshop highlighted the importance of innovation and the other actions currently being delivered through the RIS. The aim was to get participants' views on the most effective mechanisms they could introduce within their networks, to raise awareness and interest across their members, and to influence and assist them to innovate. Following the workshop, members of the project team are working with each of the individual networks to develop an action plan over the next year. This will cover a number of different mechanisms to be delivered through their network to encourage innovation within their member companies.

Targets: The project will aim to evaluate the effectiveness of the various mechanisms delivered across the target group. Part of the evaluation process will examine which mechanisms worked with which types of networks / companies and why. The lessons learned from this initial phase will be used to promote new mechanisms that encourage innovation activity, across a larger number of business networks in Western Scotland in the future. Targets for the project include raising awareness, securing senior management commitment and transfer of expertise across members of existing company networks in Western Scotland.

Partners: A project team, comprising representatives from the public and private sector has been involved in the development of the project and will continue to play a pivotal role in the monitoring and evaluation. The individuals have direct experience of management and involvement in business networks.

RIS Review - Lessons from the strategy development

Partnership

In the months before the formal submission of the RIS proposal Strathclyde European Partnership (SEP) conducted a wide consultation with the key players in the public support network on the relevance of developing an innovation strategy.

By involving organisations at this stage of the proposal development we were able to achieve a greater level of ownership and awareness of the RIS.

One negative aspect of this early involvement was the gap created by the delay in receiving formal approval of the project. This delay created a period of low activity and when the RIS team were finally recruited some work had to be done to regain the momentum achieved by the early consultation work.

European Structural Funds

The role of SEP Ltd in managing the Structural Funds in Strathclyde and the region having 100% Objective 2 coverage increased the opportunities for establishing strong linkages with the RIS.

The key objectives and priorities set for the development of the RIS were taken into consideration during the drafting of the 1997-99 Objective 2 Programme Document. The Programme Document refers to the importance of the RIS project and states clearly within the scope of the Business Development and Innovation Priorities that projects and actions developed through the RIS will be considered for ERDF and ESF support through the 1997-99 Programme.

The RIS team works closely with the Programme Management staff in SEP involved in managing the Objective 2 Structural Fund Programme and Community Initiatives.

Business Involvement

From the start of the project and the formation of the Steering Group the business community was given prominence in the project. The first decision was to invite a leading business figure to chair the group and the managing director of NTL Communications agreed to participate. Business was also represented by 5 other companies from across the region, a representative from the Chamber of Commerce and a Trade Union representative. This high level of involvement provided the business community with a strong voice in the policy and direction of the project.

Following the company involvement in the demand analysis a great deal of effort has been made to sustain and indeed increase the level of company participation. When the 8 Priority Project teams were formed we achieved strong company representation and ensured the projects remained focussed on the needs of business. The commitment of the company representatives should never be underestimated and the time and effort contributed has been excellent.

A note of caution from a hard lesson learned in one of the project teams is worthwhile recording. When the discussion remains focussed on the content and practical issues of the project the companies can make a valuable contribution. However in one occasion the discussion spent too much time on the complexity of the public sector funding bureaucracy and the company director believed his time was been wasted and left the meeting. This reaction focussed our minds on when to involve companies and to be sensitive to not wasting their time on issues where they had little to contribute and consequently had little interest.

Inter-regional exchange

The RIS in Western Scotland has been an active member of the RIS/RITTS network during the RIS development phase. We were instrumental in forming the Industrial Regions sub-group, hosting the first session in May 1997. We have also hosted visits from the regions of Puglia and Aragon and visited Cantabria, Thessaly, Porto, Shannon, Overijssel and Limburg to exchange experiences of RIS development. The RIS team is fully committed to maintaining our high level of involvement and co-operation with other regions throughout the implementation of the Strategy.

Of all the network activity the involvement in the Industrial Regions sub-group has provided the highest return for the RIS project. All the regions with similar industrial backgrounds were able to meet at key stages in the process. This planning of meetings made it possible to then review each stage as a group and to use the group to provide feedback on the planned approach for the next stage. The opportunity to present your ideas to a group of peers was critical to the success of our project and I would highly recommend this process review to other regions beginning the development of a RIS.

Process Consultants

During the development of the RIS we used 2 consultants to provide guidance and advice as we moved through the various stages of the RIS development. The contribution of the 2 experts was invaluable in offering an objective view on our approach and in identifying alternative methods to key aspects of the process. I would strongly recommend that regions starting out on the process of developing an Innovation Strategy identify an expert who has been through the process.

Michael Kearns

RIS Project Manager

April 1999

Scotland Europa Papers

Paper No. 1
March 1995
EUROPE'S REGIONS: Engines Or Millstones?
Charlie Woods; Chief Executive, Scotland Europa

Paper No. 2
July 1995
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