

CLUSTERIX 2.0
Interreg Europe



European Union
European Regional
Development Fund



ACTION PLAN
CLUSTERIX 2.0 NEW MODELS OF INNOVATION FOR STRATEGIC
CLUSTER PARTNERSHIPS

SKÅNE
REGION SKÅNE

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Part I – General information

Project: CLUSTERIX 2.0 - New Models of Innovation for Strategic Cluster Partnerships

Partner organisation: Region Skåne

Country: Sweden

NUTS2 region: SE22 Sydsverige

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Part II – Policy context

The Action Plan aims to impact:

- Investment for Growth and Jobs programme
- European Territorial Cooperation programme
- Other regional development policy instrument

Name of the policy instrument addressed:

Regional Cluster Development Programme 2017-2021

ERDF OP Skåne Blekinge 2014-2020, Priority axis 1. (Regionalt strukturfondsprogram för Skåne Blekinge 2014-2020)

INTRODUCTION:

According to the CLUSTERIX 2.0 application Region Skåne has addressed the Regional Development Fund Skåne-Blekinge 2014-2020 (Regionalt strukturfondsprogram för Skåne-Blekinge 2014-2020), Priority axis 1 (Actions 4-5) intending to develop cross-cluster projects to be funded under this policy instrument.

The analysis for priority axis 1 identifies a strong need for modernisation in trade and industry, where individual enterprises need to strengthen their capacity for innovation in collaboration between various industries and sectors of society in order to be able to meet societal challenges. It is particularly important in designated strategic areas of innovation such as operations to make use of investments in research facilities such as ESS and MAX IV. This contributes to Europe 2020, the Swedish Partnership Agreement and regional strategies in Skåne-Blekinge.

Funding will be used to support at least 5600 enterprises and create more than 1600 jobs. In addition to that, the programme envisages 7500 extra jobs in SMEs in Malmö. It also aims to increase the share of innovative SMEs to 60 % and reduce the energy consumption in companies by 10 %.

The initial policy instrument for Skåne was chosen by Lund University who was the initial project partner for Skåne in the application. Since the department responsible for the project was shut down, Region Skåne was approached to take over as partner from Skåne. The policy instrument has only been influenced to a minor extent due to the fact that most funds in Priority axis 1 had already been utilized at the point when Region Skåne entered the project. However, Region Skåne has been actively promoting the regional clusters to apply for the remaining funds in Priority axis 1 during regular meetings with the clusters, and will continue to do so during phase II in order to increase the capacity of cluster managers as beneficiaries of the policy instrument and improve the quality of project proposals.

The learnings from the CLUSTERIX 2.0 project however had a direct and clear impact on another policy instrument managed by the CLUSTERIX 2.0 project partner Region Skåne directly, namely the **Regional Cluster Development Programme 2017-2021**, a policy instrument where Region Skåne is the managing authority.

Region Skåne launched the "Regional Cluster Development Programme 2017-2021" financed by regional resources in April 2017. The programme funds cluster initiatives in Skåne in two parts over a period of five years:

(1) The programme provides basic funding for cluster management and services for members. The basic funding from Region Skåne will gradually be reduced to SEK 1 million per cluster initiative by 2021. Trade, industry, and the other members are then expected to contribute a larger share of the basic funding.

(2) Additionally, Region Skåne provides financial support for the cluster initiatives' overall work on open innovation in cooperation with other players in the innovation system in Skåne. This investment will gradually increase from SEK 3 million per year in 2019 to SEK 7 million per year in 2021. The increasing support for innovation activities will largely cover the reduction in basic funding. Cluster collaboration is being funded in 2017 and 2018 from the existing budget. The long-term aim is for the cluster initiatives to have a robust and broad core operation funded by trade and industry by 2021. Region Skåne's continued investment can then focus more on innovation work. Whereas the basic funding (1) is already running since April 2017, the financial support for open innovation collaboration (2) started in 2019.

Part III – Details of the actions envisaged

ACTION 1: Collaborative Monitoring using Region Skåne' Cluster Monitoring Framework

1. The background

In the spring of 2017, Region Skåne approved the initiation of a 5-year cluster development programme, with the aim of fostering added value and competitiveness for companies and other organizations through innovation, knowledge, growth, solutions to societal challenges, international work and increased regional investments. The strategy included a plan for regular (annual) reporting and biennial evaluations for all cluster initiatives in the region's cluster programme.

The cluster policy benchmarking and peer review performed by the European Secretariat for Cluster Analysis (ESCA) early in the CLUSTERIX 2.0 project highlighted that a weakness for Region Skåne has been a very soft approach to monitoring and evaluation of our regional cluster initiatives. The benchmarking together with discussions with the other project partners regarding their methods on monitoring and evaluation made Region Skåne focus on developing new methods to monitor and evaluate the regional clusters.

The action to be implemented is a new innovative Cluster Monitoring Framework for Region Skåne and clusters in Skåne. This framework will give Region Skåne the tools to better monitor the regional clusters both individually and as a portfolio. It will also provide a tool that will help the policy makers to communicate results, as well as provide the cluster managers with data and information needed to improve their organizations.

Region Skåne was inspired by several good practices in other partner regions from CLUSTERIX 2.0. For instance, by using the good practice case from South Denmark regarding *Strategic Use of Design* in the development of the Region Skåne Monitoring Framework, Region Skåne had a more effective and inclusive development process. Region Skåne also got inspiration from INMA and their *Innovation Audits*, which for example provided input on the development of cluster member surveys.

In addition, project partners provided great inspiration and valuable experiences that were helpful when developing a new monitoring framework. Most of this inspiration was given when discussing examples of how monitoring and evaluation is conducted in each region. For example, South Tyrol provided useful input in their specific methods in collecting data from their clusters, or ecosystems. Flanders provided useful input in what data to collect, and not to collect, as well as input on "success stories" and ways to measure clusters contribution to RIS3.

Region Skåne initiated and coordinated the CLUSTERIX 2.0 Working Group on Monitoring and Evaluation of clusters, which involved all project partners. The Working Group met in Győr, Hungary (2018/02), Clermont-Ferrand, France (2018/05), and Budapest, Hungary (2018/09) and intensively discussed experiences from partner regions in this field. Region Skåne has had in-depth discussions with project partners on good practices and has had the opportunity to share and gain knowledge on how other regions monitor and evaluate their cluster organizations.

Furthermore, Region Skåne organized several meetings with regional clusters in Skåne to discuss the best and most effective solutions to develop a successful and useful monitoring framework. This

framework can benefit both Region Skåne and the cluster organizations and provide tools to improve Region Skåne's cluster policies and the effectiveness and services of cluster organizations.

To improve the regional policy instrument and to identify necessary steps for the enhancement of the regional innovation system, and to facilitate capacity building for its actors to become better at collaborating and stimulating a faster and more apt system, a new and innovative monitoring system for the regional cluster initiatives will be implemented.

There is also a need for Region Skåne to improve its internal monitoring and reporting governance structures to better foster an ecosystem for innovation that allows the regional cluster initiatives to work with the transdisciplinary 'white spaces' between the different cluster organizations as well as together with other actors in the innovation eco system, such as incubators and Science Parks.

This new approach needs to be docked into the existing cluster management structures and used as a joint asset for the development of innovations, all in close collaboration with academia, the public and private sector.

Region Skåne has the following objectives for cluster monitoring and evaluation:

- to validate public investment to support clusters
- to provide evidence that public investment achieved targeted results and impacts
- to guide the cluster development programme and future related strategies
- to provide insights on the value and effectiveness of cluster services to members

Regular monitoring processes provide:

- cluster organizations with a standard framework of data/indicators to follow – evidencing their contribution to the regional strategy, providing them with structured information to guide dialogue with members, as well as strategy and service development processes, and enabling learning and experience exchange with other cluster initiatives in the region
- Region Skåne with underlying evidence of results achieved and dynamics over time (for individual initiatives and for the whole portfolio) – enabling an informed strategic dialogue with the cluster initiatives, validating the public investment made (through an annual report of Skåne's cluster initiatives and regular presentation/discussions with regional governing bodies), and fostering the promotion and visibility of Skåne's cluster initiatives (and regional cluster development programme) on national and international levels

At regional level the process to improve monitoring and evaluation practices has involved a series of interactive workshops, both with regional clusters, stakeholders and policy makers, and with partners within the CLUSTERIX 2.0 project. The workshops clarified the aims of monitoring and evaluation activities, and identified four prioritized improvement areas for Region Skåne:

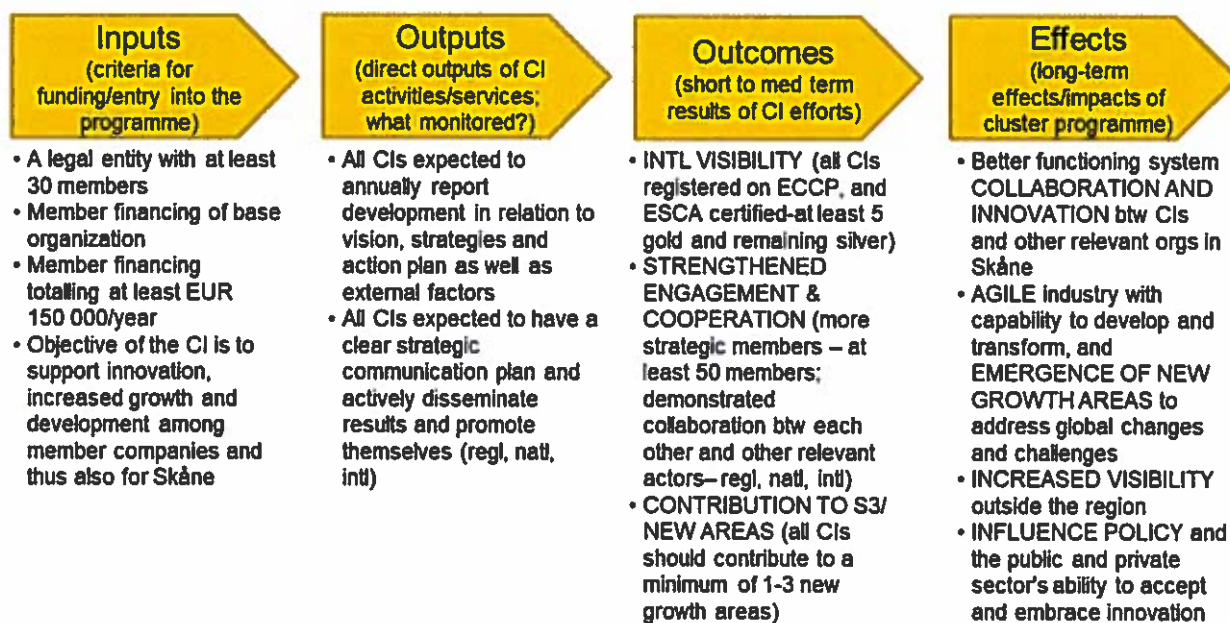
1. Develop more structured monitoring/reporting – coupled to annual partnership agreements (a 'standard' framework and regular process drawing from existing good practice examples on national and international levels)
2. Develop usage and communication of monitoring results, including:
 - A visual overview of selected KPIs
 - A more structured dialogue between region and cluster initiatives (following up strategy, communicating available instruments), as well as with regional development board, counties and other stakeholders

- A more structured dialogue between cluster initiatives and their boards
3. Develop and test pragmatic indicators for S3/system level
 4. Adjust biennial/interim evaluation practices (using new annual reports, requesting other aspects from external consultants, synching with other analyses, etc.). Leverage statistical data (including comparison with control groups) as part of interim evaluation or in connection with renewal of cluster programme.

The overall purpose of Region Skåne’s cluster development programme is to create stronger and more efficient cluster initiatives that create additional value and competitiveness for companies and organizations in the form of innovation, knowledge, growth, solutions to societal challenges, international work and increased regional investments, as well being a driving force in creating new growth areas.

An overview of the effect logic of the cluster development programme is illustrated below.

Figure 1: Region Skåne cluster development programme – overview of effect logic



Drawing from the purpose and effect logic of Region Skåne’s cluster development programme, there are a number of aspects that need to be monitored over time:

Description and aims of each cluster initiative:

In order to document that criteria to be included in Region Skåne’s cluster development programme are met and track the level of mobilization of key stakeholders over time, it is important to monitor structural and financial characteristics of the cluster initiative. It is also important to document and communicate the strategic objectives and key activities of each cluster initiative (in order to describe and evidence how they relate and contribute to the strategic priorities of the regional innovation strategy – see next aspect). As the European Secretariat for Cluster Analysis (ESCA) labelling process focuses on these types of indicators, it is suggested that the monitoring framework use the same questions/indicators as used in the gold certification for tracking each of the aspects presented in the table below.

All indicators are monitored on a yearly basis. The calendar year will be used as the point of reference (i.e. that data collected at the beginning of 2019 is for the calendar year 2018).

Results achieved by each cluster initiative:

Cluster initiatives are expected to foster strengthened innovation and competitiveness for companies and other organizations involved in the initiative (see next aspect), but also to strengthen international visibility and regional investments, to foster more efficient collaboration among actors in the innovation support system, to address regional smart specialization priorities, and to contribute to the development of new growth areas. It is difficult to identify indicators that evidence these results directly. Several indicators and qualitative methods have been chosen to document and track progress in these areas over time – supplemented by monitoring more macro-level, statistical data at regular intervals in order to provide additional information about targeted results/trends.

Actor-level perceptions (of the value/role of the cluster initiative) and results:

The most important aspect to monitor is actor-level perceptions of the value of collective action/the cluster initiative, and the results that they (companies, universities, etc.) have been able to achieve. It is important to note that there is no good way to evidence causality between the cluster initiative(s) efforts and participating actors' performance results. However, by monitoring their level of engagement, their perceptions of the value of various activities/services, and the results (in terms of innovation, internationalization and industrial transformation/new growth areas) they achieve over time, it is possible to evidence the role and contribution that cluster initiatives have made. The most common approach for collecting this data is through actor-level surveys – supplemented by monitoring statistical data at regular intervals in order to provide additional information about targeted results/trends.

“Headline” indicators for the regional portfolio of cluster initiatives:

Given the breadth of information provided in the monitoring framework, Region Skåne has selected a limited number of key performance indicators (or headline indicators) to track and communicate the progress of Regions Skåne's cluster strategy and portfolio of cluster initiatives over time. Selected KPIs are:

- Number of companies and other actors with committed involvement in Region Skåne's key collaborative (cluster) initiatives
- Number of collaborative projects initiated, number and type of actors (e.g. part of Triple Helix and geography) involved in collaborative projects addressing the region's strategic priorities (sorted by activity area, and by RIS3 priority area)
- Level of firm-level revenue, productivity, employment, and/or export growth (data from participants in cluster initiatives relative to non-participants)
- Level of funding mobilized to collaborative projects addressing the region's strategic priorities (of which from regional/national authorities, of which from HEIs, of which from private sources, of which from international sources including EU programmes)

Proposed Annual Monitoring and Learning Process:

The first and main principle of cluster monitoring and evaluation is that it is a process of continuous learning – feeding both cluster policy, and the strategy for the cluster initiative(s). Monitoring and

evaluation processes should be used to evidence progress and communicate results, but also to identify areas for improvement and adjustment over time.

Thus, monitoring processes should be embedded in cluster initiative strategy development and regional policy development processes.

2. Description of Action

In essence, the Region Skåne Cluster Monitoring Framework has been defined and developed in close collaboration with the regional clusters in Skåne as well as with CLUSTERIX 2.0 project partners. To help collecting data from cluster members, a digital tool will be developed and offered to the cluster organizations as a tool for implementation. The implementation of the Cluster Monitoring Framework will be initiated in 2019, with following analysis.

After the first year of implementation Region Skåne will, in collaboration with the regional clusters, analyse the lessons learned. Region Skåne will also update the Cluster Monitoring Framework accordingly in order to improve gathered data and statistics, make the process of collecting and compilation of information easier and more effective, improve the digital data collection tool, as well as other measures based on the lessons learned.

Step 1: Development and definition of a new Cluster Monitoring Framework for Region Skåne and clusters in Skåne with peer review and input from CLUSTERIX 2.0 project partners

Step 2: Implement the new Cluster Monitoring Framework during 2019

Step 3: Develop and implement a digital tool for collection of statistics and data related to the Cluster Monitoring Framework

Step 4: Analyse data and company-level statistics gathered

Step 5: Organize strategic dialogues and adjustments of strategies

Step 6: Set up communication and individual as well as portfolio reports that include findings from data and statistics gathered, including learnings

Step 7: Analyse data and actions from the first year using the new Cluster Monitoring Framework in close cooperation with the regional clusters

Step 8: Identify lessons learned

Step 9: Update the Monitoring Framework accordingly in order to improve the methods used and data/information gathered

Step 10: Implement the updated Cluster Monitoring Framework

3. Players involved

Region Skåne as relevant policy maker (programme owner and responsible of policy instrument) in cooperation with all regional cluster initiatives: CoDest, IUC Syd, Skåne Food Innovation Network (Livsmedelsakademin), Media Evolution, Medicon Valley Alliance, Mobile Heights, Packbridge, Sustainable Business Hub, and Swedish Maritime Technology Forum (SMTF).

The role of the afore-mentioned cluster initiatives is to communicate their individual lessons learned from the first year of implementation in order for Region Skåne to update the Cluster Monitoring Framework accordingly.

The role of Region Skåne is to update the Cluster Monitoring Framework and to implement the updated Framework in cooperation with the cluster initiatives. Region Skåne will also identify other possible actors that could use the monitoring framework and adjust it according to their needs if needed. Possibly also involve more actors after first year of implementation, e.g. incubators, science parks, other stakeholders funded by Region Skåne, etc.

4. Timeframe

Step 1: Development and definition of a new Cluster Monitoring Framework for Region Skåne and clusters in Skåne with peer review and input from CLUSTERIX 2.0 project partners: *2018/01-2018/12*

Step 2: Implement the new Cluster Monitoring Framework: *2018/12-2019/12*

Step 3: Develop and implement a digital tool for collection of statistics and data: *2019/02-2019/08*

Step 4: Analyse data and statistics gathered: *2019/06-2019/09*

Step 5: Communicate, report and develop overall findings for the cluster portfolio: *2019/09-2019/12*

Step 6: Analyse data and actions from the first year using the new Cluster Monitoring Framework in close cooperation with the regional clusters: *2019/06-2019/10*

Step 7: Identify lessons learned, including develop a structured yearly cycle: *2019/08-2020/01*

Step 8: Update the Monitoring Framework accordingly in order to improve the methods used and data/information gathered: *2019/11-2020/01*

Step 9: Implement the updated Cluster Monitoring Framework (for 2019 data): *2020/01-open*

5. Costs

Mainly staff costs (for Region Skåne and clusters)

Costs for Digital tool: SEK 500/month

6. Funding sources:

Region Skåne will fund and finance the actions from own regional budget

7. Monitoring

Indicator 1: New Cluster Monitoring Framework

Indicator 2: Number of cross-sectorial and cross-cluster collaborations

Indicator 3: All cluster initiatives financed by Region Skåne deliver extensive information to the Cluster Monitoring Framework on a yearly basis

Indicator 4: Improved communication regarding data, statistics and results

Indicator 5: Portfolio report and communication

Indicator 6: Updated Cluster Monitoring Framework

Indicator 7: Number of cross-sectorial and cross-cluster collaborations

Indicator 8: More extensive information to the Cluster Monitoring Framework provided by all cluster initiatives financed by Region Skåne on a yearly basis

Indicator 9: Improved communication regarding data, statistics and results compared to first year

Indicator 10: Improved portfolio report and communication

ACTION 2: Cluster evaluation: Develop new biennial evaluation method in order to make better use of data gained from monitoring framework

1. The background

In the spring of 2017, Region Skåne approved the initiation of a 5-year cluster development programme, with the aim of fostering added value and competitiveness for companies and other organizations through innovation, knowledge, growth, solutions to societal challenges, international work and increased regional investments. The strategy included a plan for regular (annual) reporting and biennial evaluations for all cluster initiatives in the region's cluster programme.

The cluster policy benchmarking and peer review performed by the European Secretariat for Cluster Analysis (ESCA) early in the CLUSTERIX 2.0 project highlighted that a weakness for Region Skåne has been a very soft approach to monitoring and evaluation of our regional cluster initiatives. The benchmarking together with discussions with the other project partners regarding their methods on monitoring and evaluation made Region Skåne focus on developing new methods to monitor and evaluate the regional clusters.

Region Skåne was inspired by several good practices in other partner regions from CLUSTERIX 2.0. For instance, by using the good practice case from South Denmark regarding *Strategic Use of Design* in the development of the Region Skåne Monitoring Framework, Region Skåne had a more effective and inclusive development process. Region Skåne also got inspiration from INMA and their *Innovation Audits*, which for example provided input on the development of cluster member surveys.

In addition, project partners provided great inspiration and valuable experiences that were helpful when developing a new monitoring framework. Most of this inspiration was given when discussing examples of how monitoring and evaluation is conducted in each region. For example, INMA provided input regarding process cycles, gathering of statistics as well as the use of ESCA labelling as a way of measuring cluster management. West-Pannon for example provided input and knowledge on RIS3 related to clusters and useful information to collect on cluster management, both on regional and national levels.

Region Skåne initiated and coordinated the CLUSTERIX 2.0 Working Group on Monitoring and Evaluation of clusters, which involved all partners. The Working Group met in Győr, Hungary (2018/02), Clermont-Ferrand, France (2018/05), and Budapest, Hungary (2018/09) and intensively discussed experiences from partner regions in this field. Region Skåne has through discussions with project partners and good practices shared, gained knowledge on how other regions monitor and evaluate their cluster organizations.

During the project, Region Skåne had in-depth discussions with project partners to share information about good practices and to gain knowledge on how other regions monitor and evaluate their cluster organizations. The benchmarking performed by the European Secretariat for Cluster Analysis (ESCA) early in the project also highlighted that a weakness for Region Skåne is and has been a very soft approach to monitoring and evaluation of our regional cluster initiatives.

To improve the regional policy instrument and to identify necessary steps for the enhancement of the regional innovation system, to facilitate capacity building for its actors to become better at collaborating and stimulating a faster and more apt system, Region Skåne will update and implement the current evaluation framework for the regional cluster initiatives.

There is a need for Region Skåne to improve its internal evaluation structures related to cluster initiatives and the existing biennial Cluster Evaluation Framework originally developed by Oxford Research. By re-evaluating needs and define new scope for biennial (external) evaluations, and developing a new evaluation framework, Region Skåne will be able to better foster an ecosystem for innovation that allows the regional cluster initiatives to work with the transdisciplinary 'white spaces' between the different cluster organizations as well as together with other actors in the innovation ecosystem, such as incubators, etc.

Region Skåne has the following objectives for cluster evaluation:

- to validate public investment to support clusters
- to provide evidence that public investment achieved targeted results and impacts
- to evaluate the cluster development programme and provide insight to future related strategies
- to provide insights on the value and effectiveness of cluster services to members

The new approach needs to be docked to the existing cluster management structures and used as a joint asset for the development of innovations, all in close collaboration with academia, the public and the private sector.

Biennial (external) evaluations should be a complement and add value to the annual monitoring activities. Instead of just updating questions, one could consider other things, e.g. in-depth cases/case stories of particular projects/activities or reported results; additional statistical analysis of firm-level data; international benchmarks).

In this action a new biennial evaluation method will be developed and implemented in order to make better use of data gained from the Cluster Monitoring Framework. The CLUSTERIX 2.0 project partners will be invited to give feedback and peer-review during the development of the evaluation method.

After first year of implementation the evaluation method will be evaluated and adapted based on lessons learned in close cooperation with the regional cluster organizations. The evaluation method will be updated and improved based on these findings. The evaluation method will be shared with the CLUSTERIX 2.0 project partners.

2. Description of Action

In this action a new biennial evaluation method will be developed and implemented in order to make better use of data gained from the Cluster Monitoring Framework. The CLUSTERIX 2.0 project partners will be invited to give feedback and peer-review during the development of the evaluation method.

After first year of implementation the evaluation method will be evaluated and adapted based on lessons learned in close cooperation with the regional cluster organizations. The evaluation method will be updated and improved based on these findings. The evaluation method will be shared with the CLUSTERIX 2.0 project partners.

Step 1: With the input and data gained from the Cluster Monitoring Framework, re-evaluate needs and define new scope for biennial (external) evaluations, and develop a new biennial Cluster Evaluation Framework

Step 2: Evaluate clusters with new evaluation model

Step 3: After first evaluation, evaluate and adapt model together with regional clusters in order to improve model for next evaluation period 2022

Step 4: Share model with CLUSTERIX 2.0 project partners

3. Players involved

Region Skåne as relevant policy maker (programme owner) in cooperation with all regional cluster initiatives: CoDest, IUC Syd, Skåne Food Innovation Network (Livsmedelsakademin), Media Evolution, Medicon Valley Alliance, Mobile Heights, Packbridge, Sustainable Business Hub, and Swedish Maritime Technology Forum (SMTF).

4. Timeframe

Step 1: With the input and data gained from the Cluster Monitoring Framework, update the existing biennial Cluster Evaluation Framework: *2019/07-2019/12*

Step 2: Evaluate clusters with new evaluation model: *2020/01-2020/06*

Step 3: After first evaluation, evaluate and adapt model together with regional clusters in order to improve model for next evaluation period 2021: *2020/08-2020/12*

5. Costs

Estimated staff costs for Region Skåne (and clusters) to gather data and for analysing and updating the evaluation tool: SEK 40,000. Estimated cost for external evaluator: SEK 350,000

6. Funding sources:

Region Skåne will fund and finance the actions from own regional budget

7. Monitoring

Indicator 1: Updated Cluster Evaluation Framework

Indicator 2: Biennial evaluations performed

Indicator 3: Evidence, data and information regarding the effectiveness of regional cluster development programme and value and effectiveness of cluster services to members

Place, date: Malmö, 2019-10-02

Signature:

A handwritten signature in blue ink, appearing to read 'Ulf Grenat', written over a horizontal line.

Stamp of the organisation (if available):