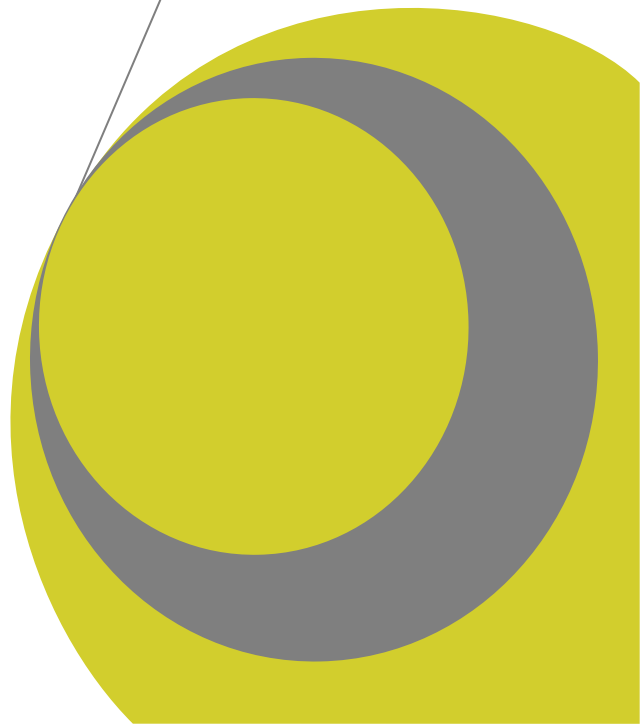


**ENTERPRISE EUROPE NETWORK – NORTHERN IRELAND  
EVALUATION – FINAL**



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**26<sup>th</sup> March 2015**



# ENTERPRISE EUROPE NETWORK – NORTHERN IRELAND

## FINAL EVALUATION

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## EXECUTIVE SUMMARY

### Introduction

Invest NI has commissioned Cogent Management Consulting LLP ('Cogent') to undertake an independent evaluation of its Enterprise Europe Network (EEN) activity covering the period 1/1/2008 to 31/12/2013.

The Evaluation was commissioned as an objective independent assessment of EEN via Invest NI's Evaluation Services Framework Contract. A number of difficulties were encountered with the information provided to the Evaluation Team which are considered in more detail in the report. The analysis and assessment presented is that of the Evaluation Team, drawing on the primary research with beneficiaries, stakeholders and EACI. The Evaluation Team understands that this represents the first time that EEN has been evaluated within the confines of Invest NI.

### The Enterprise Europe Network

EEN is a unique network of almost 600 organisations throughout the European Union (EU) and beyond. It is dedicated to helping small-and medium-sized enterprises (SMEs) to make the most of the business opportunities in the EU. During the review period, network partners (including Invest NI) were asked to deliver a range of services, initially under three the structure of distinct modules, as discussed below:

<b>Module A - Information, feedback, business co-operation and internationalisation services</b>	<p>The activities of network partners in the field of information, feedback, business co-operation and internationalisation services were to include the following:</p> <ol style="list-style-type: none"> <li>1.1. Disseminating information relating to the functioning and opportunities of the internal market for goods and services, including signposting to tender opportunities;</li> <li>1.2. Promoting pro-actively Community initiatives, policies and programmes relevant for SMEs and providing information to SMEs on the applications procedures for such programmes;</li> <li>1.3. Operating tools to measure the impact of existing legislation on SMEs;</li> <li>1.4. Contributing to the carrying-out of impact assessment studies of the Commission;</li> <li>1.5. Operating other appropriate means to engage SMEs in the European policy-making process;</li> <li>1.6. Assisting SMEs to develop cross-border activities and international networking; and</li> <li>1.7. Supporting SMEs to find relevant partners from the private or public sectors through appropriate tools.</li> </ol>
<b>Module B - Services for innovation and for the transfer of both technology and knowledge</b>	<p>The services to be provided included:</p> <ol style="list-style-type: none"> <li>2.1 Disseminating information and raising awareness regarding innovation-related policies, legislations, and support programmes;</li> <li>2.2 Engaging in the dissemination and exploitation of research results;</li> <li>2.3 Providing brokerage services for technology and knowledge transfer, and for partnership building between all kinds of innovation actors;</li> <li>2.4 Stimulating the capacity of firms, especially SMEs, to innovate; and</li> <li>2.5 Facilitating linkage to other innovation services including intellectual property related services.</li> </ol>
<b>Module C - Services encouraging the participation of SMEs in the Community framework programme for RTD</b>	<p>The services to be provided were:</p> <ol style="list-style-type: none"> <li>3.1 Raising awareness among SMEs regarding the Community Framework Programme for RTD;</li> <li>3.2 Helping SMEs to identify their RTD needs and find relevant partners; and</li> <li>3.3 Assisting SMEs in the preparation and coordination of project proposals for the participation in the Community Framework Programme for RTD.</li> </ol>

To ensure services of highest quality for SMEs and to implement a single network, the following common provisions applied for the whole network and for each network partner:

<b>Implementing the ‘No wrong door’ concept;</b>	The Commission wanted to ensure that SMEs could easily access all European business support services on offer. The objective of the ‘No wrong door’ concept was to integrate all services in support of business and innovation into a comprehensive set of services to SMEs.
<b>Excellence and Professionalism of network partners.</b>	It was considered that the network would play an important role in implementing European policies in support of business and innovation.

## Evaluation Methodology

In undertaking this evaluation exercise, the Evaluation Team undertook a very extensive review of materials provided by Invest NI, materials sourced from the EEN intranet, a benchmarking trip to meet representatives from Denmark’s EEN and with EACI. We also undertook a series of consultations with strategic stakeholders that were identified by Invest NI and a number of surveys with beneficiaries of the various strands of EEN support. These included:

- A telephone survey of individuals that signed Partnership Agreements;
- A telephone survey of individuals that participated in a Company Technology Mission;
- A telephone survey of individuals that received support through the following mechanisms:
  - Representatives from Invest NI’s EEN Team visited organisations across NI with a view to make them aware of Commercial Opportunities, Technology Transfer/Innovation opportunities and/or European R&D Programmes (‘company visit’); and/or
  - Organisations published partner search profiles on the EEN website (‘profiles published’). In some cases, the organisations received expressions of interest (EOIs) from organisations elsewhere relating to the partner search profile they had published on the EEN website (‘EOIs received’); and/or
  - Organisations expressed interest in partner search profiles published on the EEN website by organisations based elsewhere within the Network (‘EOIs made’).
- An online survey of individuals that engage with Invest NI’s Tender Alerts service;
- 16 bespoke online questionnaires with individuals that attended 23 events organised or facilitated by Invest NI’s EEN Team.

## Conclusions

The key conclusions resulting from our analysis include:

- The EEN, at the European level, represents a tremendous asset and has the potential to offer SMEs in a geographically remote part of Europe, such as NI, substantial benefits. However, to date, little impact has been realised amongst NI’s SMEs.
- Invest NI’s Terms of Reference asked Cogent to determine the extent to which the principal objectives and targets of the intervention have been met. Invest NI’s proposal in responses to the EC’s call established that its key objective in delivering services through the Enterprise Europe Network was to support the objectives of both Invest NI and the Competitiveness and Innovation Framework programme by providing companies, and in particular SMEs, with services which would contribute to their competitiveness and innovative capacity. In this context, it has been difficult for the Evaluation Team to determine whether this objective has been achieved. Ultimately, over the 6-year period 2008-2013, it is evident to the Evaluation Team that Invest NI’s EEN Team has been engaged in substantial activity in delivery of its various EEN work plans. Indeed, at present, we consider that Invest NI’s EEN activity is almost entirely activity-led. There is little evidence, both as captured by Invest NI through its monitoring or garnered through the Evaluation Team’s consultations with beneficiaries, to support a conclusion that would indicate that Invest NI’s Enterprise Europe Network activities have supported the objectives of both Invest NI and the Competitiveness and Innovation Framework programme by providing companies, and in particular SMEs, with services which have contributed to their competitiveness and innovative capacity in any material way.

- Due to deficiencies in project monitoring, the Evaluation Team has been unable to identify for the most part:
  - The specific targets that were established for EEN activity during the period under review; or
  - Invest NI's actual level of activity against many of the suggested target indicators.

It is however important to note that with respect to Invest NI's EEN activities, there are, in effect, two key audiences – the EC and Invest NI. Whilst the Evaluation Team is not in a position to comment on the EC's requirements, it would appear based upon the fact that they have raised no issues of material concern that they are content with Invest NI's EEN Team's reporting of its activities against targets. However, in the context of Invest NI and its sponsoring Department and the Evaluation Team's extensive experience of both appraising and evaluating projects for both, it would appear that the records maintained (or, at least, those that were made available to the Evaluation Team) are not of a requisite standard to enable effectiveness and value for money to be determined.

- In the context of the previous two conclusions and the absence of any substantial economic impacts, a positive conclusion on the value for money offered by Invest NI's EEN activities during the period 2008-2013 cannot be arrived at.
- However, we note that across a number of strands of activity (i.e. those who received support with Partnership Agreements, participated in Technology Missions and had support with Expressions of Interest) the Evaluation Team's surveys found that most (82%, N=71) beneficiaries were 'very satisfied' or 'satisfied' with the overall support they were provided with through the Enterprise Europe Network.
- Despite the limitations in project monitoring and the lack of evidence to suggest that Invest NI's EEN activities have represented value for money during the 6-year period 2008-2013, the Evaluation Team considers that there is a need and rationale for Invest NI to continue to have a role in the Enterprise Europe Network. However, it should be noted that Cogent's conclusion in relation to Invest NI's continuing participation in the EEN is made with a number of provisos:

1. Invest NI must fundamentally change the focus of its EEN activity, so that it develops a robust focus on achieving impact/outcome targets. Per our understanding of the new arrangements for EEN post-2014, we suggest that these should relate to ensuring positive results in terms of market access and commercialisation, cost savings/improved productivity /resource efficiency, job creation, quality improvement, and improved transnational collaboration.

Should Invest NI adopt this conclusion, SMART targets should be established for both of these key indicators. This will then dictate the activity that Invest NI EEN Team implements in order to achieve the stated Outcome targets.

2. Linked to the previous proviso, Invest NI EEN activity should become more focused on value-added activities, rather than the more reactive 'light-touch' or 'standard' EEN interventions that have been a feature of most of its activity during the review period. We note that our Scottish benchmark and our discussions with the Danish EEN both indicate that it is only through such an approach that economic impact will be achieved.

## Recommendations

Our recommendations are as follows:

1. Invest NI should continue to participate in the Enterprise Europe Network, but on the proviso that it reviews the activities it implements and focuses on achieving impact/outcomes. Ultimately, Invest NI must maximise the opportunity represented by EEN in the period post-2014. As discussed in Appendix 27, Invest NI provided a brief overview of EEN from 2015 onwards. Having reviewed the objectives of the EEN ENIW for the 2015 period onwards, we are of the view that they are wholly aligned with our own findings, conclusions and recommendations, presented throughout this report, and that they should be welcomed by Invest NI. That is:

- They recognise that the visibility and awareness of the network at national level and within the regional business support ecosystems must be improved. Our Evaluation has demonstrated that this is a necessity;
- They advise that EEN must gain maximum leverage from national and regional business support networks and to facilitate an increase in the number of growth potential SMEs using EEN services. This aligns with the Evaluation Team's conclusions;
- They advise that EEN should align with other innovation and growth support services, integral to the national innovation strategy. We concur, and have concluded similarly within the NI ecosystem;
- They suggest that EEN should provide professional advisory services to ensure that target group companies maximise their growth potential within innovation and internationalisation. We conclude that this should be read as being in complete alignment with this position;
- They advise that companies with high growth potential, need relevant, professional services to help them utilise opportunities, commercialise their ideas, explore new markets in the EU and with 3rd Countries, improve their competitiveness and access finance. We concur, and consider that Invest NI's EEN activities should place a particular emphasis on ensuring that this is achieved;
- They advise that the consortium partnership should include high calibre practitioners covering a wide range of sectors and expertise to connect target businesses to the right support, advice and know how. We recommended that Invest NI ensures appropriate team members are allocated to EEN to ensure that this is achieved;
- They establish an objective to increase Northern Irish engagement in Horizon2020 and will proactively encourage companies to participate in H2020 placing an emphasis on the SME Instrument (SMEI). We consider that our conclusions are wholly aligned with this objective and that Invest NI's EEN should seek to clearly demonstrate its contribution to this goal;
- They recognise that the goal should be to pull selected high quality innovative growth potential SMEs towards successful applications into the Horizon2020 funding instrument and thus increase the commercial impact of the SMEI across Europe. Again, we consider that our conclusions and recommendations are wholly aligned with this objective;
- They advise that companies will be provided with Key Account Management (KAM) services and Innovation Management Capacity Building support to ensure that they are able to maximise their innovation potential, and at all times, the service will interlink with other "standard" EEN services, to ensure that companies obtain the full benefits of EEN. We are of the view that this statement recognises that there is a differential between added-value services and the more 'standard' light touch offering, and consider that our conclusions and recommendations are wholly aligned with this objective;
- They appear to introduce a new focus for EEN in the objective 'to improve SMEs access to finance and investment readiness capability'. This has not been a focus of our evaluation, but would suggest, given the current market failure that exists in NI relating to SMEs' access to finance and investment readiness capability, that it should be a welcome addition to the work of EEN with Invest NI. Albeit and in light of our conclusion relating to the need for Invest NI to undertake a full review of its proposed EEN activity post-2014 and to document how it will compliment Invest NI's existing activity and that of other stakeholders in the NI marketplace, we would strongly urge Invest NI to consider how its EEN activities will complement its existing work in this area and to document the

same;

- They appear to introduce a new focus for EEN in the objective ‘to improve SMEs’ Resource Efficiency’ with a particular emphasis on boosting SME performance. The Evaluation Team considers that the solid emphasis on improving the performance of SMEs is in complete alignment with our conclusions and recommendations, but would strongly urge Invest NI to consider how its EEN activities will complement its existing work in this area and to document the same;

**In particular however, we are particularly encouraged by the suggested focus and objective of EEN post 2015 on ‘focusing all EEN ENIW services for the benefit of SMEs and knowledge institutions on the creation of impact’. As documented throughout our evaluation report and its appendices, we consider that the focus on impact (or outcomes) was materially absent from EEN within NI during the period under review (2008-2013), and consider that the stated position of EEN ENIW on ‘ensuring positive results in terms of market access and commercialisation, cost savings/improved productivity /resource efficiency, job creation, quality improvement, and improved transnational collaboration’ should be welcomed by all within Invest NI.**

2. There is no overall picture of the relationship of Invest NI’s EEN Team within the context of Invest NI’s other activities which results in the impression that it is ‘bolted on’ to the host organisation. Given the potential that it represents, the profile and degree of integration of EEN within Invest NI should be enhanced. We consider that a process of building the status of the Network within Invest NI should begin as early as is possible. Such a process should be embraced at the most senior levels within Invest NI (including at Board level). However, the process must comprise more than simple awareness raising of the services that the Network can deliver for Invest NI’s clients. For example, consideration might be given to ensuring that every client facing member of staff has a responsibility to contribute to any objectives that are established for the EEN going forward. A cross-functional grouping of Invest NI personnel could be established to develop a robust business plan for the Network’s activities within NI;
3. We consider that there is substantial scope to develop the concept that the Network is the natural EU extension of the services offered by Invest NI. Complementarity between the services offered by Invest NI and the Network could, in a number of cases be strengthened.
4. A robust logic chain should be established for Invest NI’s EEN activities in the context of Invest NI’s other core activities and one that articulates how the EEN activities it implements will influence any suggested impacts/outcomes (e.g. ensuring positive results in terms of market access and commercialisation, cost savings/improved productivity /resource efficiency, job creation, quality improvement, and improved transnational collaboration). In doing this, Invest NI should undertake a full review of its proposed EEN activity post-2014 and document how it will complement Invest NI’s existing activity and that of other stakeholders in the NI marketplace, and how all of this activity will be leveraged by EEN to maximise impact, and conversely reach agreement with stakeholders as to how they will leverage EEN’s activity to maximise the impact of their own work. In undertaking this exercise, we consider that Invest NI must first identify:
  - What outcomes it wants to achieve through its engagement with EEN (e.g. market access and commercialisation, cost savings/improved productivity /resource efficiency, job creation, quality improvement, and improved transnational collaboration);
  - What activities it currently provides or are provided by other stakeholders within NI that contribute to those outcomes;
  - Identify where and how participation in EEN can augment/enhance/extend those offerings so as to achieve enhanced (i.e. additional) levels of those anticipated outcomes.
5. We are of the view that Invest NI should give due consideration to the roles and responsibilities of those individuals involved in EEN at the NI level and ensure that the balance of activity is on higher value added activities (rather than basic information provision or “standard” EEN services). We note that this appears to be a requirement of participation in EEN going forward (see Recommendation 15) and consider that Invest NI should begin a structural review and planning exercise at the earliest opportunity.



Only the minimum level of light-touch activity necessary to funnel into more added-value activity should be implemented;

6. Related to Recommendation 5 and in light of the post-2014 iteration of EEN having a sectoral focus, Invest NI's EEN Team should consider the introduction of sectoral specialists within its staff complement. Should this be enacted, this may require a review of the Invest NI EEN staff complement to ensure that the individuals involved have the necessary depth of sector knowledge and experience to provide added-value services to specific sectors.
7. Invest NI should develop a set of impact/outcome indicators which can enable the effectiveness to be demonstrated alongside any reporting to the EC. The impact/outcome indicators should likely relate to key metrics such as ensuring positive results in terms of market access and commercialisation, cost savings/improved productivity /resource efficiency, job creation, quality improvement, and improved transnational collaboration;
8. Related to the previous recommendation, Invest NI must address the deficiencies in its EEN related monitoring if it wishes to demonstrate that any future iteration of the Programme offers value for money. The monitoring systems employed should be sufficiently robust to capture the outcomes/impacts generated by Invest NI's EEN activities. Achievement of these outcomes should then be assessed as part of any future evaluation;
9. Recording of the rationale for variances in actual versus projected expenditures should be enhanced.
10. Given our conclusion relating to the imbalance of activity between SMEs and other types of organisations, there should be considerable merit in Invest NI working in much closer co-operation with regional business support networks. Such partners should have the ability to substantially raise the profile of EEN amongst the broader base of NI's SMEs and be able to facilitate an increase in the number of growth potential SMEs using EEN services;
11. Invest NI should seek to improve the visibility and awareness of the network within the regional business support ecosystem and amongst NI's SMEs;
12. Invest NI's EEN staff must continue to create well-developed personal relationships with other Network members across Europe. Such relationships offer the foundation for offering enhanced value to NI's SMEs. In particular, and per the advice of the Danish EEB Co-ordinator, Invest NI EEN personnel should seek to engage in EEN staff exchanges;
13. As a proxy for some equality indicators, Invest NI's EEN should begin to monitor the uptake of the different aspects of its key services by geographic area (in this case, at a local authority area level).

## 1. INTRODUCTION AND BACKGROUND

### 1.1 Introduction

Invest NI has commissioned Cogent Management Consulting LLP ('Cogent') to undertake an independent evaluation of its Enterprise Europe Network (EEN) activity covering the period 1/1/2008 to 31/12/2013.

The Evaluation was commissioned as an objective independent assessment of EEN via Invest NI's Evaluation Services Framework Contract. A number of difficulties were encountered with the information provided to the Evaluation Team which are considered in more detail in the report. The analysis and assessment presented is that of the Evaluation Team, drawing on the primary research with beneficiaries, stakeholders and EACI. The Evaluation Team understands that this represents the first time that EEN has been evaluated within the confines of Invest NI.

EEN is a unique network of almost 600 organisations throughout the European Union (EU) and beyond. It is dedicated to helping small-and medium-sized enterprises (SMEs) to make the most of the business opportunities in the EU. Launched in 2008, the Network forms an important part of the EU's Competitiveness and Innovation Programme (CIP) which ran until 2013. CIP was established to contribute to the competitiveness and innovative capacity of the European Community with particular attention to the needs of SMEs. Appendix 2 provides a brief overview of the EEN.

This remainder of this section of the report considers the background to the project, whilst the overall objectives of the Evaluation are set out in Appendix 1.

### 1.2 Background

During September 2007, the European Commission ("The EC") issued a call for proposals to engage 'network partners' (i.e. the successful candidates) to implement a measure to provide SMEs with integrated services in support of business and innovation. The call for proposals constituted part of the work programme of the Entrepreneurship and Innovation Programme (EIP), which was one of the three CIP sub-programmes<sup>1</sup>.

The main objective of the call was to create a single network providing integrated services in support of business and innovation, which would build upon the strengths and achievements of the pre-existing 'Euro Info Centre (EIC)' and Innovation Relay Centre (IRC) networks, both of which operated in Northern Ireland. The specific objectives were to:

- Increase the synergies among all network partners through the provision of integrated services;
- Maintain and continually improve the access, proximity, quality and professionalism of the integrated services provided by the network;
- Raise awareness – in particular among SMEs – regarding Community policy issues and the services offered by the network, including the improvement of environmental awareness and eco-efficiency of SMEs and the Cohesion policy and Structural funds;
- Consult businesses and obtain their opinions on Community policy options;
- Ensure that the network offers complementarities with other relevant services providers;
- Reduce the administrative burden for all parties.

To implement these objectives, prospective network partners were asked to provide proposals to illustrate how they would deliver a range of services, under three distinct modules. The three modules are described briefly overleaf and in more detail within Appendix 3.

<sup>1</sup> [http://ec.europa.eu/enterprise/enterprise\\_policy/cip/index\\_en.htm](http://ec.europa.eu/enterprise/enterprise_policy/cip/index_en.htm).

<p><b>Module A - Information, feedback, business co-operation and internationalisation services</b></p>	<p>Module A recognised that SMEs need simple, clear and efficient access to the European Union – its legislation, programmes and opportunities. Accordingly, network partners were expected to provide high-quality services to enhance the competitiveness of European SMEs that were interested in benefiting from the European single market. It was anticipated that network partners would:</p> <ul style="list-style-type: none"> <li>• Process the vast amount of information about European legislation and programmes and provide tailored intelligence for SMEs and other clients;</li> <li>• Offer assistance and advice services to SMEs to benefit from European programmes and initiatives;</li> <li>• Provide feedback from SMEs to the Commission to ensure that future legislation responds to SME needs;</li> <li>• Offer services to develop trans-national co-operation between SMEs and help them find suitable business partners to expand their business and enter new markets.</li> </ul> <p>Whilst Network partners were primarily to target SMEs, they could also include large companies and industry sectors of relevance for SMEs. Other target groups include regional authorities and trade associations.</p> <p>The activities of network partners in the field of information, feedback, business co-operation and internationalisation services were to include the following:</p> <ol style="list-style-type: none"> <li>1.8. Disseminating information relating to the functioning and opportunities of the internal market for goods and services, including signposting to tender opportunities;</li> <li>1.9. Promoting pro-actively Community initiatives, policies and programmes relevant for SMEs and providing information to SMEs on the applications procedures for such programmes;</li> <li>1.10. Operating tools to measure the impact of existing legislation on SMEs;</li> <li>1.11. Contributing to the carrying-out of impact assessment studies of the Commission;</li> <li>1.12. Operating other appropriate means to engage SMEs in the European policy-making process;</li> <li>1.13. Assisting SMEs to develop cross-border activities and international networking; and</li> <li>1.14. Supporting SMEs to find relevant partners from the private or public sectors through appropriate tools.</li> </ol>
<p><b>Module B - Services for innovation and for the transfer of both technology and knowledge</b></p>	<p>This module recognised that high-quality, easily accessible innovation, technology and knowledge transfer services are important instruments contributing to close the ‘innovation gap’ between Europe and its main competitors. By bringing innovative products to international market efficiently and effectively, they boost innovation capacity and productivity of European businesses, contributing to the creation of jobs, growth and sustainable development of European economy.</p> <p>Whilst network partners were to concentrate on SMEs as their main target group, other actors related to innovation, such as universities, research centres, regional clusters of technology-based industries and services, larger companies, and where appropriate, professional and trade associations, public sector organisations and companies, technology brokers and development agencies, were also to be targeted.</p> <p>In order to make services for innovation and for transfer of technology and knowledge more accessible, network partners were to establish strong cooperation with other actors which are not formal network partners but can help extend the number of access points in the geographical area to be covered. Relevant organisations include professional associations, clusters, networks, university technology transfer offices and others.</p> <p>The services to be provided included:</p> <ol style="list-style-type: none"> <li>2.6 Disseminating information and raising awareness regarding innovation-related policies, legislations, and support programmes;</li> <li>2.7 Engaging in the dissemination and exploitation of research results;</li> <li>2.8 Providing brokerage services for technology and knowledge transfer, and for partnership building between all kinds of innovation actors;</li> <li>2.9 Stimulating the capacity of firms, especially SMEs, to innovate; and</li> <li>2.10 Facilitating linkage to other innovation services including intellectual property related services.</li> </ol>
<p><b>Module C - Services encouraging the participation of SMEs in the Community framework programme for RTD</b></p>	<p>The EC considered that the participation of SMEs in the Research Framework Programme was crucial for their competitiveness. Member states and associated countries had established National Contact Points (NCPs) as the main providers of information dissemination, awareness raising, advertising, assistance and training on all aspects of participation in the Framework Programme for RTD, with particular attention to smaller organisations, in particular SMEs.</p> <p>The regional basis of the network partners and their expertise in dealing with SMEs make them well placed to provide effective support to SMEs to participate in the Research Framework Programme. It was envisaged that this would be organised in close collaboration, avoiding any duplication, with SME National Contact Points. As a result, these services were anticipated to ensure synergy with both the NCP system as well as the specific national and regional context in order to better respond to the needs expressed by SMEs.</p> <p>As described in Article 21.2 Module C and Annex III (CIP) the services to be provided were:</p> <ol style="list-style-type: none"> <li>3.4 Raising awareness among SMEs regarding the Community Framework Programme for RTD;</li> <li>3.5 Helping SMEs to identify their RTD needs and find relevant partners; and</li> <li>3.6 Assisting SMEs in the preparation and coordination of project proposals for the participation in the Community Framework Programme for RTD.</li> </ol>

It was expected by the Commission that proposals should provide integrated services for all three service modules. It was also expected that proposals would show a fair balance of activities between services as described in Modules A and B. Services related to Module C were also to be covered in each proposal. Proposals were to consist of:

- Firstly, an Implementation Strategy (2008-2013). The Implementation Strategy had a 6-year time horizon (2008-2013)<sup>2</sup> and was to be based on the needs of network partners' clientele and the environment in which they operate. It was necessary to demonstrate a balanced and appropriate integration of support to business and innovation support services; and
- Secondly, the Preliminary Work Programme (2008-2010). The Preliminary Work Programme was anticipated to translate the Implementation Strategy into detailed actions during the first 36 months.

Proposals had to address the following aspects:

- Identification and analysis of local needs;
- Identification and analysis of existing services and service providers;
- Strategic orientation, priorities and added value of the proposed service, covering among others, the way to integrate the services in the geographical area.

The Commission provided co-financing of up to 60% of eligible costs for the delivery of the services, with the distribution of the Commission's monies reflecting to a certain extent the socio-economic criteria that correspond approximately to the total population in Member States.

To ensure services of highest quality for SMEs and to implement a single network, the following common provisions applied for the whole network and for each network partner:

<p><b>Implementing the 'No wrong door' concept;</b></p>	<p>The Commission wanted to ensure that SMEs could easily access all European business support services on offer. The objective of the 'No wrong door' concept was to integrate all services in support of business and innovation into a comprehensive set of services to SMEs. The Commission, therefore, sought integrated proposals covering all service modules within one proposal.</p> <p>Reflecting the diversity of specialised services and the proposed geographical coverage in which services had to be delivered, the 'No wrong door' concept sought to ensure co-ordination, co-operation and joint tools among all network partners. For that purpose, all network partners were asked to implement this concept through adequate project management arrangements. This was to include measures to ensure a functioning signposting mechanism for a seamless referral of clients to the most appropriate source for the inquiry.</p>
<p><b>Excellence and Professionalism of network partners.</b></p>	<p>It was considered that the network would play an important role in implementing European policies in support of business and innovation. The success of implementing these policies would be based on the governance foreseen for the network and the skills of the network partners and their hosting organisations.</p> <p>It was anticipated that the network would be embedded into host organisations that would account significantly for the support needed to implement the proposed actions. Both host organisations and network partners were to co-ordinate their activities, thus strongly contributing to the excellence of the network and the services to be delivered.</p>

<sup>2</sup> NB The Evaluation Team understands that at a later juncture (source: EEN Operational Manual, December 2012), that EACI decided that the subsequent works programmes (following the initial 3 year work programme to run from 2008-2010) should run for two further two year periods i.e. 2011-2012 and 2013-2014. This additional seventh year could only be implemented if the 2013-2014 'Specific Grant Agreement' (SGA) was signed at least one year before the end of the 6-year Framework Partnership Agreements (FPAs).

### *1.2.1 Project Reporting & Monitoring*

Network partners were asked to establish an effective project coordination, communication, management structure and decision making mechanism, which would ensure effective and efficient work planning, monitoring and reporting, thus meeting its contractual requirements.

The Terms of Reference noted that a common system for reporting would be defined and the Commission would also specify performance indicators at the level of the network and ask all network partners to report their performance in respect to these indicators. However, it was also noted that this would not prevent each network partner developing their own output data so as to analyse their performance in detail.

Network partners would then be required to provide a regular set of output data from which network statistics could be built and sent back to the EC. The EC suggested that these statistics would be provided to network partners to allow them to compare with partners from geographical areas with similar GDP per inhabitant, similar density of SMEs etc. The Terms of Reference recognised that the EC performance indicators would most likely evolve over the period of the contract, and also that the objectives of the network partners might adapt based on their evolution.

The Commission noted that it intended to use the Executive Agency for Competitiveness and Innovation (EACI) to provide a technical and administrative support structure to the Network, including IT, financial and administrative management tools.

### *1.2.2 Staffing Requirements*

The EC's call for proposals noted that there was no standard requirement for staffing; however, it was considered important to include a limited number of core staff dedicating most or all of their time to the provision of business support services specified in the call. Applicants were also asked to consider staff planning in relation to the socio-economic context, the size of the geographical area to be covered and the size of the potential client base.

For the services covering information, business-cooperation and feedback elements (i.e. Module A), it was expected that staff would have experience in providing assistance and advice to SMEs as well as offering business co-operation services to SMEs. In addition, staff were expected to have experience in relevant trans-national activities and projects.

For innovation, technology and knowledge transfer services (Module B), it was expected that staff would have scientific or industrial experience, experience in exploitation of R&D, technology transfer, innovation, or related fields.

### *1.2.3 Contractual Arrangements*

Two separate agreements were signed by Invest NI:

- Firstly, a Framework Partnership Agreement (FPA) covering a 6-year period (2008- 2013) laying down the general rules for the implementation; and
- Secondly, a Specific Grant Agreement covering the years 2008-10 and constituting the grant agreement.

The key annexes of these agreements corresponded to the main parts of the proposal:

- The Implementation Strategy (2008-2013);
- The Preliminary Work Programme (2008-2010).

## 2. STRATEGIC CONTEXT & RATIONALE

### 2.1 Introduction

This Section seeks to:

- Briefly review the strategic context under which the intervention operates and assess whether it represents an appropriate response to the position at its inception. This includes reference to the objectives of the Invest NI Corporate Plan and DETI Corporate Plan (using the appropriate Corporate Plans in place during the period under evaluation); and
- Briefly review the original rationale for the Invest NI's engagement in the EEN outlining the precise nature and scale of the market failures and/or equity issues that it was seeking to correct. Where possible, it identifies the scale of need and demand and conclude on the extent to which the rationale was valid.

### 2.2 Strategic Context

Appendix 4 provides a detailed analysis of the contribution of the Invest NI EEN with the various EC and NI Government strategic objectives and imperatives that existed (or continue to exist) for the period under review. However, in summary, we note there was (at the time of approval), and continues to be, clear alignment between the aims and objectives of the Invest NI EEN and the strategic imperatives of the EC (and in particular the Competitiveness and Innovation Framework Programme) and the NI Government (including with DETI and Invest NI's Corporate Plans).

Specifically, in line with Government's strategic focus, the Invest NI EEN sought to support businesses to explore opportunities for trade and partnership, technology transfer, innovation and R&D on a European level. In doing so, the Network has offered the potential to "*help eliminate the real and perceived barriers to growth*" faced by SMEs and, in doing so; contribute to promoting and encouraging private sector growth including productivity and employment.

### 2.3 Original Rationale and Market Failure

The Evaluation Team understands that Invest NI's participation in the EEN was not subject to Economic Appraisal and no Casework Papers exist. In the case of EEN, it is Invest NI's proposal to the EC that captures Invest NI's original rationale for its engagement in the EEN.

According to Invest NI's proposal its participation in EEN would:

- Provide continuity for the work already done by the pre-existing EIC and IRC<sup>3</sup>;
- Provide access to a service that can pre-select the most promising opportunities, provide initial Video Conference technology and help businesses with negotiation, would be of great benefit to NI businesses given their geographical location and the challenges encountered with European travel (often involving 2 or 3 flights);
- Work with NI's 115,000 businesses, with a particular emphasis on its SMEs. Furthermore it would also target, cooperate with and take technical advice from Queens University and the University of Ulster;

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<sup>3</sup> Invest NI's proposal indicated that in the last (at the time of the proposal) year alone its EIC achieved over 98% client satisfaction levels, as it dealt with 1,514 enquiries, and alerted clients to government contracts which won them £210 million of business (using the Tenders Alert Service), and 11 trans-national agreements were signed as a result of IRC assistance. Invest NI further noted that in the past (at that time) year its IRC had achieved 1<sup>st</sup> place in the UK & Ireland for signed transnational technology transfer (TTT) agreements and was 4<sup>th</sup> in Europe on the same performance indicator (PI). We note that Invest NI's proposal indicated that it was "slightly concerned by the impending loss of the EIC and IRC brand names" and suggested that it would "have to devote some resources to alleviate the inevitable confusion amongst clients in the first months of the new contract".

- Invest NI suggested that NI's business base, and particular, its SMEs (which accounted for the vast majority of total businesses) had a number of needs and faced a variety of constraints including:
  - Very few had adequate, or even any, R&D departments so they often depend on licensed-in technology to improve their products or processes. Invest NI suggested that this would be an area where it would be especially active.
  - Little spare time or resources, which would be alleviated by Invest NI disseminating easily digestible information about European issues, and the provision of tailored European market information.
  - A wariness (due to NI's peripheral position in Europe) about cooperating with a foreign country, using a different language and operating under different IP and commercial laws.
  - A need to export if NI is to grow and build competitiveness and to help enable this, Invest NI would provide:
    - Useful and appropriate contacts in their target markets; very tailored market and country specific intelligence;
    - Country specific information on legislation, product quality/safety requirements, and cultural aspects;
    - Help with currency, delivery and transport issues.
- Invest NI noted that whilst NI's two local universities were familiar with European collaboration, they often need advice and ongoing help regarding IP matters in relation to Framework Projects.

On the basis of these points, Invest NI identified a need to support the objectives of both Invest NI and the CIP by providing companies, and in particular SMEs, with services which would contribute to their competitiveness and innovative capacity.

## 2.4 Summary Conclusions

The preceding analysis suggests that:

- There was, and continues to be, clear alignment between the aims and objectives of the Invest NI EEN and the strategic imperatives of the EC (and in particular the Competitiveness and Innovation Framework Programme) and the NI Government (including with DETI and Invest NI's Corporate Plans); and
- At the time of Invest NI's proposal to the EC, there was a need for Government to provide continuity for the work already done by the pre-existing EIC and IRC and to provide support to disseminate information about European markets and encourage R&D and technology transfer opportunities within Europe.

### 3. PERFORMANCE, IMPACT, OPERATION & DELIVERY

This Section, in conjunction with Section 4 seeks to establish:

- The extent to which the principle objectives and targets of the intervention have been met;
- The extent to which the intervention represents good Value For Money (VFM) and appropriate use of public funds;
- The effectiveness of the management/delivery of the EEN contract and the administrative arrangements that have been set up to deliver the programme.

#### 3.1 Discussion Relating to Objectives

In order to establish whether Invest NI's EEN has met its objectives and targets it is first important to establish what those objectives and targets were. This topic was the subject of some discussion throughout the evaluation process and different views were presented. Discussion with Invest NI's EEN Team indicates that following its original submission to participate in EEN, and indeed the original submissions of every Network Partner across Europe, EACI developed the Performance Enhancement System (PES) online reporting tool and asked each partner to identify the activity that they would undertake in line with the indicators identified within that framework. Invest NI's EEN Team has stated that EACI indicated verbally that the PES document subsequently superseded the Work Plans and that the Work Plans were therefore of little importance. However, this interpretation differs from a variety of written documents that the Evaluation Team has reviewed, including:

- The EC's original call for proposals;
- EEN Operational Manual; and
- Documents that relate specifically to the PES.

For example, in a 'Frequently Asked Questions' section of a document relating to reporting to EACI entitled 'EACI Enterprise Europe Network Unit 4 – Project Management':

- EACI advises that where activities in the Work Programme relate to items in the PES' indicator measures, those activities should be translated into the PES, so as to provide an estimation of the individual Network Partner's '3-year target';
- Further, in response to a frequently asked question as to *"What will be binding: the Work Programme as such or the three year targets of the 50 data items? Furthermore, has the EACI foreseen a written confirmation that the data items (DIs) will substitute the ones indicated in the specific grant agreement, since, in case of a potential audit, we will be judged according to the SGA?"*, EACI responded *"The Work Programme is the contractual basis, the PES output data list is the translation of your Work Programme for reporting purposes. There is no substitution."*

*We do not intend to add the agreed 3-year PES targets sheet as an Annex to the grant agreement. The initial or already amended Work Programme annexed to the agreement will continue to be contractually binding. Objectives, activities and results of the work programme are not changed by the present exercise. As foretold in the submission set, the EACI is merely introducing a new common way of reporting on activities, not changing the activities themselves. Once the targets for the 50 data items are agreed between the EACI and each consortium, they will be formally recorded by means of a letter of acknowledgement."*

- EACI reconfirmed within the EEN Operational Manual (December 2012) that *"Consortia of Network members are legally bound to the EACI by Framework Partnership Agreements (FPAs) for six years, running from 1 January 2008 to 31 December 2013. They also include an annexed implementation strategy, geographical coverage and a Specific Grant Agreement (SGA). SGAs include a work programme and a budget. Initially, these are set for three years until 31 December 2010. The last phase of programming runs from 1 January 2013 to 31 December 2014 (as the last*



*SGA could be implemented for an additional year if signed at least one year before the end of the FPA).*

*The FPA and SGA articles form the legal basis for a project against which evaluation and monitoring of Network activities takes place”.*

The Evaluation Team considers that EACI has been consistent in its written communication on this matter, running from its original call for proposals through to its current communications. That is, the PES is simply a summary of much of the individual activities proposed in the Work Programme. The EC/EACI implemented the PES so that they would have a uniform set of indicators that they could use to measure impact at an aggregate Europe-wide level. This was necessary given the fact that each Network Partner, whilst basing its activity broadly on the EC’s stated requirements, would have developed Work Programmes that were specific and necessary for their own marketplaces.

However, per the suggestion made by Invest NI’s EEN Team, when the Evaluation Team met with representatives from EACI there was some ambiguity as to the relative importance of PES targets vis-à-vis those outlined in the work programmes.

Ultimately, however, and of importance in the context of this evaluation, a situation has arisen where the definitive targets (and indeed actual performance) for Invest NI’s EEN activities are not known. This has prohibited the Evaluation Team from determining how Invest NI has performed against EEN related targets, as is discussed further in the following sub-sections.

## 3.2 Invest NI’s Proposed Activity 2008-2010

### 3.2.1 Overall Objectives

Invest NI’s proposal in responses to the EC’s call established that its key objective in delivering services through the Enterprise Europe Network was to support the objectives of both Invest NI and the Competitiveness and Innovation Framework programme by providing companies, and in particular SMEs, with services which would contribute to their competitiveness and innovative capacity. The following objectives were identified as promoting this goal:

- Increase synergies among all network partners through the provision of integrated services.
- Maintain and continually improve the quality and professionalism of the integrated services provided by the network.
- Raise awareness and initiate dialogue, in particular among SMEs, regarding Community policy issues and the services offered by the network, especially the improvement of environmental awareness and eco-efficiency of SMEs. Information will also be freely available regarding the new 2007-13 EU Cohesion Policy and Structural Funds.
- Consult businesses and obtain their opinions on Community policy options.
- Promote Trans-national Technology Transfer (i.e. the main work in Module B).
- Promote awareness of FP7, disseminate results of Community funded research and provide FP7 partner search facilities for clients (i.e. the main work in Module C).
- Ensure that the network offers complementarities with other relevant service providers. This measure will increase the profile of the network while ensuring that clients get an enhanced service from all providers.
- Reduce the administrative burden for all parties.
- Maintain and enhance the ‘No wrong door’ concept.

Invest NI’s proposal indicated that the ‘no wrong door’ concept would be upheld by having all staff familiar with all aspects of its operation so that signposting would be intelligent and accurate.

### 3.2.2 SMART Targets

Invest NI's EEN proposal established that it would attain the following number of direct and indirect beneficiaries over the 6-year contract period:

Target Groups	No. of Direct beneficiaries over 6 years
Local SMEs	1800
Queens University Belfast	180
University of Ulster	150
Local Entrepreneurs	60
Target Groups	No. of Indirect beneficiaries over 6 years
Business Angels	30
Chambers of Commerce	60
Local Industrial Clusters	100
Trade Associations	60
Institute of Directors	50

According to Invest NI's proposal it would:

- Highlight relevant Community policy issues and topical EU themes including environmental awareness and eco-efficiency to its clients through seminars, workshops, the internet, and other appropriate media.
- Engage in ongoing consultation with business to enable it to give appropriate advice on Community issues and feedback questions and suggestions to the Commission and report cases to the Commission concerning problems that companies encounter in the Single Market.
- Promote technology transfer and trans-national collaboration through close cooperation with network partners and the frequent use of its own and the Commission's technology matching tools.
- Highlight the new FP7 Programme to its clients and encourage SME participation through a series of events organised in conjunction with its local National Contact Point (NCP)<sup>4</sup>.
- Supply relevant up to date information through the EU Information Service on topics such as: European directives, regulations and standards, programmes, public sector contract opportunities, business opportunities and funding, and FP7.
- Help SMEs to develop internationally through business co-operation services. It was anticipated that this would include business to business events and matchmaking events, both locally organised and in cooperation with other partners, primarily the network partners, and through the operation of the Commission's Business Cooperation database.

### 3.2.3 Methodology

Invest NI's proposed implementation methodology was suggested to include:

- Implement the project through a work plan containing specific work packages which would have clearly stated deliverables that would lead to easily monitored results, directly relevant to the project objectives.
- Provide an even balance between its Module A and Module B work to ensure that clients receive rounded assistance for both the business and the technology aspects of their company.
- Make extensive use of client visits to help it analyse client needs, as well as SME workshops, awareness raising events, IP searches, a specially designed e-zine for clients, a project website, close liaison and frequent meetings with other SME assistance providers.
- Seek feedback from clients on all aspects of our services and activities.

<sup>4</sup> NB Discussion with Invest NI (February 2015) indicates that during the implementation of EEN, there was no individual or organisation that would be considered a 'local National Contact Point'. Instead, during the duration of FP7, regional contacts were known as Regional Contact Points.

- Use the various online tools provided by the Commission to assist with partner matching, client feedback, tendering, etc. and work closely with its network partners.
- Participate willingly in brokerage and knowledge transfer events arranged by other network members and add value to these by encouraging its clients to attend also when appropriate.
- Employ proficient use of EC feedback mechanisms within Invest NI to ensure that Invest NI's clients' views on EU matters are available for consideration by the Commission.
- Develop and expand Invest NI's search, advisory and IT services which it was suggested would promote trans-national cooperation between its SME clients and European partners. It was noted that this would represent a prominent aspect of Invest NI's activities;
- Cooperate with local development agencies and the EC to provide enhanced services to its clients;
- Involve local services in its plans for EU focussed assistance to SMEs, including a Business Innovation Centre (BIC), Chamber of Commerce, Institute of Directors, local industrial sector clusters, university technology transfer (TT) offices, local EU representation, etc.
- Close liaison with the UK National Contact Points (NCP) for FP7, including developing FP7 partner search techniques, arrange awareness seminars in conjunction with our NCP colleagues and signpost clients to identified sources of help with FP7 detailed information and proposal writing.
- Hold monthly project management meetings, where progress against targets and future plans would be discussed. It was noted that minutes of these meetings would be recorded, and a short progress report produced. Furthermore, it was noted that key services such as the Tenders Alert Service would be evaluated annually and a report analysing the results would be produced. Other services, such as the EIC enquiry service would be evaluated through feedback questionnaires which would be monitored daily with an annual analysis produced for the Management Review meeting, at which the past year's performance would be reviewed and future plans discussed.
- Further develop contacts with local MEPs and other bodies with European associations so that its clients would have ready access to European sources of assistance and advice at all levels.
- The proposed Invest NI EEN Project Implementation Team was as follows:

<b>Team Member</b>	<b>Modules involved in</b>	<b>% of Time</b>
Coordinator and Module B/C Manager	(Modules B & C & common activities <sup>5</sup> )	(100%)
Business Information Services Manager	(Module A & common activities)	(10%)
Module A Manager	(Module A and common activities)	(80%)
EU Tender Officer	(Module A)	(100%)
EU Tender Assistant	(Module A)	(50%)
EU Information Officer	(Module A & C & common activities)	(80%)
Strategic Alliance Executive	(Module A)	(5%)
EBISS Officer	(Module B & C & common activities)	(100%)

### 3.2.4 Invest NI's Proposed Module A Work Programme (Months 1-36)

Invest NI's Module A Work Programme identified that it would be carried out by a team based within its Business Information Centre, which is where the European Information Centre was hosted.

Invest NI stated that SMEs would be the main target for its Module A services. It was noted that SMEs are time poor, often operating with limited staff, and focussed on survival. Invest NI considered that its Module A services would impact on SMEs, and on the other target groups in the following ways:

<sup>5</sup> NB In addition to the services under *Article 21.2, Modules a, b and c (CIP)*, applicants had to provide a series of 'common' services and activities that sought to ensure the completeness of the project and implementing a single network for integrated services. This corresponded in particular to *Article 21.6 (CIP)*. These common activities addressed, for the most part, the two 'common' areas of 'Implementing the 'no wrong door' concept, and 'excellence and professionalism of Network partners' as discussed on Page 3.

<p><b>Information services and awareness-raising activities</b></p>	<p>By giving timely information on:</p> <ul style="list-style-type: none"> <li>• How EU legislation affects them, and what they have to do to comply – Invest NI can prevent problems emerging;</li> <li>• How future legislation may affect them, and the opportunity to voice opinions/concerns, and to prepare for changes in good time, ensuring minimum wastage of time and resources. In the past, Invest NI had also alerted companies to market opportunities which directives such as the Waste Electrical and Electronic Equipment (WEEE) Directive had given them.</li> </ul> <p>Both of the above were considered by Invest NI to be important as a way of helping to integrate companies into the broader European community. Information on EU initiatives and funding was also considered to fulfil this purpose.</p> <p>Other teams within Invest NI were suggested to have begun to work together on issues important to the call, for example Invest NI’s Technical Advisory Unit and Energy &amp; Environment teams were working with the relevant sector teams to promote the development of low carbon building products. Businesses then receive a more coordinated, focused service, which the new team would contribute to. Further details on the complementarity of the EEN activities with other teams within Invest NI are provided as Appendix 5. The Evaluation Team notes that it is evident that the work of EEN had the potential to bring an important European dimension to many areas of Invest NI’s work. Whilst the information provided to the Evaluation Team within Appendix 5 indicates that this occurred, few specific examples of where this occurred or the role that EEN played were made available to the Evaluation Team.</p> <p>It was suggested by Invest NI that businesses would not only use the awareness raising events that Invest NI would be organising as a means to receive important information which would affect how they run their businesses, and the environment in which they operate, but also as a useful opportunity to network.</p>
<p><b>Specialist European Market Research and Tenders Alerts Services</b></p>	<p>These services were suggested to be a key means of encouraging Northern Irish companies to learn about other parts of Europe and to start doing business there – in other words, to integrate into the larger European marketplace. Developing business relationships not only helps to develop markets and increase turnover, but also builds the skills and expertise within a company, as they learn about innovative business processes in another member state.</p> <p>It was suggested that the Tenders Alerts Services would also encourage companies to look beyond the physical and administrative borders of Northern Ireland. According to Invest NI, the companies which had had most success through this service were those that Invest NI had helped through its market research service to find partners in the other member states they wished to target, in order to establish their credentials and build up their knowledge of this new market.</p>
<p><b>Engagement in the European policy-making process</b></p>	<p>Invest NI suggested that this service would ensure that SMEs feel they have a voice, and gives representative groups such as sectoral organisations and the Chambers of Commerce another route to express their views.</p>
<p><b>Cross Border Activities, International Networking, Business Cooperation Services</b></p>	<p>According to Invest NI, many of the same benefits as for market research services apply to these ones. They also help companies to learn how to deal with barriers to trading in other member states, and to recognise not only that they are operating within a much larger marketplace than there were even thirty years ago, but that they are very capable of doing so.</p>

Cogent has aggregated the content of Invest NI's proposed Module A activities and their proposed deliverables for the period 2008-2010 in the table overleaf. For further detail on what each of the individuals actions were anticipated to include, please refer to Appendix 3.

Invest NI's Terms of Reference requires Cogent to review the outturn performance of the Invest NI EEN against the original objectives and SMART targets, and if appropriate, identify reasons for any divergence. Unfortunately, we have been unable to complete this element of our brief for Module A. The monitoring information that was made available to the Evaluation Team is scant<sup>6</sup>, and is not presented in a fashion that would allow us to determine the extent to which Invest NI EEN has delivered upon the vast majority of the anticipated deliverables or expected results against each of the individual Actions. Where possible, the table below has incorporated information provided by the Invest NI EEN team.

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<sup>6</sup> The Evaluation Team notes that our discussions with EACI indicate their view that from an administrative/claims perspective, Invest NI performs better than most other network members. However, we are not familiar with EACI's claims requirements, and note that our focus was likely not one and the same as EACI's, who were more focused on compliance and claims processing; whereas we were considering the monitoring information that was provided to us from the perspective of determining what activity took place, with whom and the impact that Invest NI's EEN activities may have had on NI's SMEs and other organisations.

Module A Work Package	Action	Person Days	List of Deliverables	Key Expected Results	Results Delivery Date	Actual Result/ Cogent's Commentary	
1.1 (Disseminating information relating to the functioning and opportunities of the internal market for goods and services, including signposting to tender opportunities)	1.1 a	General EU Information Service	102	600 enquiries per year (not including FAQs answered via INI website and factsheets)	450 unique clients 95% client satisfaction levels	Ongoing	In 2008 and 2009 information relating to enquiries information was held on hard copy and manually counted at the end of each month. Whilst it is reported that this data was collated into the overall PES, the Evaluation Team has been unable to ascertain the number of enquiries per year. Monitoring materials provided by Invest NI EEN suggest that 359 enquiries were answered from 235 unique organisations in 2010, although it is not possible to determine client satisfaction.  The Evaluation Team notes that discussion with Invest NI (February 2015) indicates that Invest NI has an Excel sheet extracted from an access database, which for 2008 lists 552 EEN enquiries, and 2009 lists 517 enquiries. This information was not made available to the Evaluation Team. However, if accurate, it does indicate that the number of enquiries decreased on an annual basis during this early phase of EEN (2008-2010).
	1.1 b	Specialist Market Research Service	473	600 enquiries per year 400 unique clients  Detailed records of enquiries	400 unique clients 95% client satisfaction levels (evaluated as Useful or Very Useful)	Ongoing	
	1.1 c	Tenders Alert Services	378	250 clients (50 on sub-threshold)/year 120 contracts won per year Annual evaluation	250 clients (50 on sub-threshold)  Annual evaluation completed:	Ongoing Month 15 Month 27 Month 36 (3 x Yearly evaluations)	Invest NI EEN produced an annual evaluation <sup>7</sup> for the Tenders Alert Service which showed: <ul style="list-style-type: none"> <li>In 2008, there were 343 clients registered to the service including 64 businesses who won 261 contracts. These contracts were reported to be worth in excess of £324m;</li> <li>In 2009, there were 483 clients registered to the service including 81 businesses who won 165 contracts. These contracts were reported to be worth in excess of £279m; and</li> <li>In 2010, 59 businesses registered to the service won 116 contracts. These contracts were reported to be worth in excess of £196m.</li> </ul>
				<b>953</b>			Discussion with Invest NI (February 2015) indicates that the total number of businesses registered for the service was 531.
1.2 (Promoting pro-actively Community initiatives, policies and programmes that are relevant for SMEs and providing information to SMEs on the application procedures for such programmes)	1.2a	Awareness-raising events	152	5 events per year On average 40 attendees per event Flyers	Increase in use of service and awareness of EU related issues	At regular intervals	Monitoring materials provided by Invest NI suggest the following: <ul style="list-style-type: none"> <li>There were 65 awareness-raising events held between 2008 and 2010 (22 per year) with 3,356 participants (average of 52 participants).</li> <li>In addition there were 24 Tendering Workshops with 465 attendees across the same period.</li> </ul>
	1.2b	Factsheets	42	3 factsheets per year	Increase in use of	Month 3, 7, 11 etc.	3 factsheets per year were produced by the EEN for countries

<sup>7</sup> A synopsis of the Tenders Alert Service Evaluations is attached as Appendix 24

Module A Work Package	Action	Person Days	List of Deliverables	Key Expected Results	Results Delivery Date	Actual Result/ Cogent's Commentary
				service and awareness of EU related issues		including France, Germany, Hungary, Sweden, Norway, Romania, Turkey and the Nordics.
	1.2c Website	34	At least 6,000 visits per year	Increase in use of service	Ongoing	26,923 (Enterprise Europe) website visits across the period (2008-2010).
	1.2d Newsletter (e-zine)	67	10 issues per year Distribution to 2000 email or postal addresses	Increase in use of service and awareness of EU related issues	Every month except 7 and 12	Example newsletters have been provided to the Evaluation Team, but it is not possible to verify how many e-zines were distributed in total each year. It should be noted that, at the end of 2010 there were 2,300 email subscribers to the Module A e-zine. However, in March 2011 Invest NI EEN commissioned consultants to undertake a data cleansing campaign by contacting all the contacts on Module A's email database in order to ensure up-to-date records were held on clients and that information was sent to the most appropriate clients. At the time of the data cleanse 1,109 contacts (out of a total of 2,322 i.e. 48%) were found to be dormant records (i.e. unobtainable, no longer trading etc.).
	1.2e Media Campaign	14		Increase in use of service	Ad hoc	Whilst the Evaluation Team has been provided with a number of examples of media exposure for the Invest NI EEN, it is not possible to determine to what extent an annual media campaign was undertaken, and the resultant impact on use of service.
		<b>309</b>				
1.3 (Operating tools to measure the impact of existing legislation on SMEs, tools supplied by Commission)	1.3a Reporting Cases	65	Cases for the Commission Information to tailor services	At least 3	Ongoing	Invest NI EEN has provided five examples of cases where SMEs raised queries or sought advice and guidance between 2008 and 2010, and which it subsequently forwarded to the Commission. This included use of Solvelt, a tool supplied by the Commission.
	1.3b Business Panels	30	Business Panels		As required	Discussion with Invest NI (February 2015) indicates that no activity relating to Business Panels was undertaken between 2008 and 2010 as 'none were suitable for NI companies'.
		<b>95</b>				
1.4 (Contributing to the carrying-out of impact assessment studies of the Commission)	1.4a Impact Assessment Studies	50	Contribution to Studies		As required	No information was provided to the Evaluation Team in relation to any contribution to impact assessment studies or best practice databases. As such it is not possible for us to determine the extent to which Invest NI EEN has delivered upon these targets. The Invest NI EEN team used the promotion activities previously discussed in order to encourage engagement.
1.5 (Operating other appropriate means to engage SMEs in the European policymaking process)	1.5a Best Practice Database	41	As agreed by the Commission		As required	
	1.5b Activities to encourage engagement	15	More participation by SMEs Depends on Commission's requirements		As required	
		<b>56</b>				
1.6 (Assisting SMEs to develop cross-border activities and international networks)	1.6a Cross Border Activities and International Networking	275	1 North/South business-to-business initiative per year 4 contributions to trade missions or trade fair visits per year 1 initiative with the Strategic	10 companies participating per initiative At least 90% client	Ongoing	It is understood that EEN engaged with InterTradeIreland and SEUPB on North/South business events e.g. Dundalk Bridging the Border.  The team also contributed to trade missions and trade fairs in

Module A Work Package		Action	Person Days	List of Deliverables	Key Expected Results	Results Delivery Date	Actual Result/ Cogent's Commentary
				Business Alliances Unit per year	satisfaction levels (evaluated as Useful or Very Useful)		collaboration with the Invest NI Trade Division including a seminar exploring opportunities in Portugal. The exact number of these events has not been specified in monitoring materials.
1.7 (Supporting SMEs to find relevant partners from the private or public sectors through appropriate tools)	1.7a	<b>Business Cooperation Service</b>	<b>194</b>	At least 110 business cooperation offers disseminated per year At least 10 NI Cooperations added per year	At least one match per year	Ongoing	No information was provided to the Evaluation Team in relation to business cooperation offers disseminated per year and cooperations added per year. It should be noted that there were no Commercial Partnership Agreements produced between 2008 and 2010.
<b>Total</b>			<b>1,932</b>				



### 3.2.5 Invest NI's Proposed Module B Work Programme (Months 1-36)

Invest NI's Module B Work Programme indicated that it would involve close monitoring of the contract's progress and would allow timely action to be taken if shortfalls occurred.

It further noted that Invest NI had *"negotiated arrangements with local centres of excellence in environmental technology, Agrifood and biotechnology so that personnel have agreed to represent our Module B activity on proposed network thematic (or specialist) groups free of charge. We will pay only travel and accommodation costs for the experts and they will benefit from the invaluable networking opportunity presented thematic group meetings"*.

Invest NI stated that its main target for Module B was to enable local SMEs to access European partnerships by which they would enhance their standing in Europe, expand their technical abilities and reach a larger market than is available in the UK. Invest NI noted that its past experience indicated that once a trans-national partnership starts it usually flourishes and often spreads to other European companies and countries.

Invest NI further noted that:

- It would build up relationships with its clients so that they would turn to Invest NI EEN for assistance in all instances and use its 'no wrong door' policy as an easy means of accessing innovation related and other services available locally or throughout the new European network.
- Its preferred contact route was visiting prospective clients and face-to-face contact, and that this approach would allow its EEN staff to more readily do technology audits and speak to managerial, technical and administrative staff.
- The impact on its university target group would be considerable as Invest NI would be one of the few sources they would be able to approach to commercialise their research results.
- Invest NI would also advise on potential FP7 partners from its client database and help with early stage consortia agreements where future IPR is often overlooked or mishandled.
- It had a few larger companies in the aerospace, ICT and biotechnology sectors and would work closely with these companies and endeavour to introduce new European technology as well as publish possible licensing opportunities to Europe from those companies that hold many patents.
- Most of its text based communication would be by e-mail and via its monthly E-zine. However, its Module B activity would also feature periodically in the main Invest NI quarterly magazine which is posted to all Invest NI clients.

Cogent has aggregated the content of Invest NI's proposed Module B activities and their proposed deliverables for the period 2008-2010 in the table overleaf. For further detail on what each of the individuals actions were anticipated to include, please refer to Appendix 3.

However, similar to Module A, Cogent has been unable to review the outturn performance of the Invest NI EEN against the original objectives and SMART targets (i.e. the list of deliverables and key expected results) for the vast majority of the individual Actions.

Module B Work Package	Action	Person Days	List of Deliverables	Key Expected Results	
2.1 - Disseminating information and raising awareness regarding innovation-related policies, legislations, and support programmes;	<b>WPb-1a</b>	Dissemination and awareness raising regarding EU Innovation related policy framework, legislations and Innovation actions	7	Local needs analyses Website development Network 'Annual meetings' attended Use of dissemination media E-zine – 10 per year	2 analyses produced during the 3 year period – in month 10 and month 22; 1 website will be produced and maintained during the period; 3 EU 'annual meeting' events will be attended during the period; 1200 clients Module B clients will be served during the period; E-zine – 10 per year
	<b>WPb-1b</b>	Ensure cross-referencing to relevant EU Websites – EUPOPA, CORDIS, EUR-Lex, TED, EU-Bookshop	6		
	<b>WPb-1c</b>	Raising awareness in the public sector of innovation friendly procurement and promotion of innovation friendly public tendering opportunities.	10		
	<b>WPb-1d</b>	Communication and marketing of innovation, technology and knowledge transfer services	7		
	<b>WPb-1e</b>	Promotion of trans-national technology cooperation opportunities	29		
		<b>59</b>			
2.2 - Engaging in the dissemination and exploitation of research results;	<b>WPb-2a</b>	RTD Result Dissemination	21	18 Results disseminated (over 3 years)	2 results exploited commercially (Year 3)
	<b>WPb-2b</b>	RTD Result Commercialisation	38	1 seminar for clients (Year 2)	
			<b>59</b>		
2.3 - Providing brokerage services for technology and knowledge transfer, and for partnership building between all kinds of innovation actors	<b>WPb-3a</b>	Inward transnational technology transfer	306	150 company visits (50 per annum) 60 IP searches for clients Technology matching service from the new network 3 SME workshops (by Year 3) 24 Technology Offers or Requests on the new BBS system (with 48 EOIs to the TOs and TRs); Membership of at least 3 Network Thematic Groups Participation in 6 brokerage events; 2 network staff exchanges 10 x E-zine for TOs & TRs	21 signed agreements (by Year 3). NB This was noted as being Invest NI's main performance indicator; 720 TTT matches from the new network (by Year 3) 75 negotiations (EOIs in external profiles sent to Invest NI clients) started by Year 3 10 e-zines per annum
	<b>WPb-3b</b>	Outward transnational technology transfer	306		
	<b>WPb-3c</b>	Internationalisation and technology based cooperation for SMEs and sector clusters in technology based industries	78		
	<b>WPb-3d</b>	Access to knowhow, expertise and competences	77		
			<b>767<sup>8</sup></b>		
2.4 - Stimulating the capacity of firms, especially SMEs, to innovate	<b>WPb-4a</b>	Preparing companies for innovation and internationalisation	106	36 Technology Audits (by Year 3) Technology watch service	6 companies adopting new technologies (by Year 3)
	<b>WPb-4b</b>	Strengthening innovation capacity in companies	71	2 Technology Missions to Europe (by Year 3)	
			<b>177</b>		
2.5 - Facilitating linkage to other innovation services including intellectual property related services.	<b>WPb-5</b>	Facilitating linkage to other innovation services including IP related services	118	Linkages to a local business angel network, a patent agency and other support services where appropriate or when required by contract amendments. 3 Joint seminars with business angel network and/or IP experts (by Year 3) Signposting to other services when appropriate	18 clients substantially assisted by other innovation services (by Year 3) 18 clients substantially assisted by non-innovation services. 150 referrals to other services
<b>Total</b>			<b>1180</b>		

<sup>8</sup> includes 236 external consultant days

### 3.2.6 *Invest NI's Proposed Module C Work Programme (Months 1-36)*

Invest NI noted that its SME clients had traditionally been reluctant to become involved in Community Framework Programmes for RTD so its main role would be to persuade them of the value of such programmes and how they can impact the future development of their companies while contributing to the advancement of technology in Europe.

The main reasons local companies rejected FP5 and FP6 applications in the past were suggested to be:

1. Too much bureaucracy;
2. The very low success rate;
3. The problems of IPR associated with a consortium of people;
4. The cultural difference problems associated with a trans-national consortium.

Invest NI suggested that they had accepted that these were genuine problems and that they would use their visits and advice sessions to explain the changes incorporated into FP7. By using case studies, Invest NI suggested it would endeavour to show how the various problems have been overcome to the mutual benefit of previous FP5 and FP6 participants.

Invest NI was of the view that the main impact of its Module C activities would be greater involvement in European RTD by its SME clients so that their businesses would benefit from European research and they will be more inclined to become involved in future collaborative R&D projects.

Cogent has aggregated the content of Invest NI's proposed Module C activities and their proposed deliverables for the period 2008-2010 in the table overleaf. For further detail on what each of the individuals actions were anticipated to include, please refer to Appendix 3.

However, similar to Modules A and B, Cogent has been unable to review the outturn performance of the Invest NI EEN against the original objectives and SMART targets (i.e. the list of deliverables and key expected results) for the vast majority of the individual Actions.

Module C Work Package		Action	Person Days	List of Deliverables	Key Expected Results
3.1 - Raising awareness among SMEs regarding the Community Framework Programme for RTD	<b>WPc-1a</b>	Targeted information using different media and tools	30	150 FP7 info e-mails to our client database	9 SMEs joining an FP7 consortium (by Year 3)
	<b>WPc-1b</b>	Organisation of seminars, local promotion events and workshops	30	6 seminars arranged in conjunction with our local NCP (by Year 3)	
			<b>60</b>		
3.2 - Helping SMEs to identify their RTD needs and find relevant partners	<b>WPc-2a</b>	Technology Audits	30	36 Technology Audits (by Year 3)	18 potential partners found (by Year 3)
	<b>WPc-2b</b>	International Partner Searching	30	36 partner searches	
			<b>60</b>		
3.3 - Assisting SMEs in the preparation and coordination of project proposals for the participation in the Community Framework Programme for RTD	<b>WPc-3</b>	Assisting SMEs with FP7 project proposal preparation	<b>9</b>	3 seminars for SMEs in association with our local NCP	3 clients preparing an FP7 project proposal (by Year 3)
<b>Total</b>			<b>129</b>		

### 3.2.7 Achievement of PES Targets

As noted, following the submission of the contractually binding Work Programmes, EACI developed the Performance Enhancement System (PES). We note that this appears to have always been the intention, and was referred to within the original EC Call (see Section 1). The Evaluation Team understands that having reviewed all of the various Work Programmes submitted by the individual Network Partners, EACI identified 50 performance indicators<sup>9</sup> (for the period 2008-2010) that they considered offered an appropriate fit to capture most of the network's activities. This would appear to be a reasonable approach given the likely disparity in actual activities (and ways of doing things) proposed by the various Network Partners.

Therefore, during Year 1 (2008), EACI asked each Network Partner to "fit" the activities that they projected within the work programmes into the 50 types of deliverables, where applicable. EACI advised that each partner was not expected to provide a target for each of the 50 PES items: for instance, if a partner had not planned to offer IPR services, they were advised to not provide a target for that activity.

The 50 data items have been spread into 4 groups of activities which are related to the objectives of the Network:

1. Information, feedback and specialised advisory services;
2. Brokerage services to individual clients;
3. Events and networking;
4. Project management.

Each partner was expected to map its Work Programme and list the activities, deliverables and results that would be part of a specific PES output data item. To help each network partner do this, EACI provided definitions of each indicator to help them to identify the relevant items for the activities they had planned. Definitions of the 50 data items are presented within Appendix 6.

Furthermore, EACI noted that where any of the Work Programme's projected activities could not be reported as such in the 50 data items they could alternatively be reported in the free text boxes for comments (in the PES application) and/or at the stage of the narrative report. The same could also apply for specific indicators that Network Partners had in their Work Programmes that were not captured within the PES indicators.

EACI advised that each PES activity should be supported with related documents (financial supporting documents, leaflets, programmes, list of attendees, reports etc.) and partners were required to keep all documents related to the performance of their activities.

Following discussion with Invest NI's EEN Team, the Evaluation Team has been unable to establish how Invest NI's PES targets for the period 2008-2010 align to their Work Programme and the targets contained within it<sup>10</sup>. In addition, we have not been able to verify much of the activity that is reported against the PES<sup>11</sup>. Please see Appendix 7 for detail.

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<sup>9</sup>EACI also noted that a reduced set of 15 data items covering only the main results of the services provided by the Network would be requested every six months for external communication and project monitoring.

<sup>10</sup> The Evaluation Team notes that discussion with Invest NI's EEN Team (at February 2015) indicates the view that such alignment is 'explicit and concrete' within its MIS tool (Astronet). However, despite a number of requests by the Evaluation Team for the detail of the alignment to be provided to the Evaluation Team during our main activity, this was not forthcoming at that time.

<sup>11</sup> The Evaluation Team notes that discussion with Invest NI's EEN Team (at February 2015) indicates the view that EACI would not have made payments to Invest NI if it had been unable to verify the activities claimed by Invest NI's EEN Team. The Evaluation Team recognises that this may be the case, albeit we are not familiar with EACI's claims methodology; however, based upon the information made available to us during the Evaluation period, our finding relating to the verification of activity against the PES continues to stand.

### 3.3 Invest NI's Proposed Activity 2011-2012 and 2013-2014

For the periods 2011-2012 and 2013-14, the EC/EACI asked each Consortium to set out the objectives to be achieved and the means to be used according to the following sequence: activities - outputs - outcomes - impacts. In order to foster a further integration of the services, the activities to be described in the work programme were to be organised in 10 types of activities as follows:

1. Promotion of the Network
2. Organisation of local and/or regional events
3. Consultation of EU businesses and obtainment of feedback
4. Answers to enquiries from SMEs, Network partners and other local actors
5. Meeting with companies
6. Provision of internationalisation and innovation support
7. Organisation of brokerage events and missions
8. Provision of tailored alerting services
9. Generation of partnership proposals
10. Participation in Network and consortia activities

The 10 types of activities are mandatory: each Consortium had to guarantee that the full range of these activities in its geographic area would be covered. In addition to the 10 types of activities, each Consortium could propose pilot activities that were not explicitly mentioned in the EC's 'Definitions' of these activities. The Consortium had to demonstrate its capacity to implement such activities and explain how they contribute to the objectives of the Network. The resources allocated to such pilot activities were not to exceed 5% of the total resources of the project.

The work programme was also to include quantitative targets for a standard list of common types of activities, outputs and outcomes. These quantifiable targets would form the basis of a revised Performance Enhancement System (PES3). The common set of targets were to include:

Outputs:	Outcomes:	Impact
Individuals reached by Network promotion Participants in local or regional events Clients in feedback related actions Enquiries from SMEs answered Enquiries from the Network answered Enquiries from SMEs answered via local actors First company meetings Clients receiving internationalisation and innovation support (sum of 9, 10, 11 and 12) Clients receiving IPR services Clients receiving technology audits or business reviews Clients receiving support to finance their projects Clients receiving other services related to internationalisation and innovation Clients in brokerage events and missions Meetings at brokerage events and missions Partnership Proposals produced Expressions of interest received Expressions of interest made Active contributions to Network activities Active contributions to Consortia activities	Business agreements Technology transfer agreements FP7 proposals Success stories produced Success stories with Network partners Intra-consortia client assists Contributions to good practices Advisory Services Outcomes	The impact of the Network partners' activities on the competitiveness and innovation in Europe will be measured on the basis of the following topics: <ul style="list-style-type: none"> <li>• Satisfaction of clients</li> <li>• Increase of turnover</li> <li>• Jobs created or preserved</li> <li>• New products, services, business processes developed by clients through Network support</li> <li>• New clients in foreign markets</li> <li>• New markets</li> </ul>

For the period 2013-2014, Network Partners were advised to set targets at least at the same level as in the work programme 2011-2012. However, the expectation was that the partners would take into consideration the experience gained during the first four years of the Network's existence and would propose higher targets.

Network Partners were also to undertake client satisfaction surveys to assess the extent to which enterprises – the final beneficiaries of the Network – are satisfied with the services provided by each Network partner. Network partners were to collect data on the basis of questionnaires filled in by the customer companies that attend events, participate in activities or benefit from the services offered.

Appendix 8 details, where known, Invest NI targets and actual performance for the period 2011 onwards. However, in summary, the Evaluation Team notes that, despite several discussions with Invest NI relating to the topic, we were unable to establish in a large number of cases, the specific targets for this period, or Invest NI's level of performance against those targets.

### 3.4 Equality Considerations

All Invest NI activity is expected to take due consideration of relevant legislation that relate to equality of provision, including the requirements of Section 75 of the Northern Ireland Act 1998 and ensuring accessibility in line with the Disability Discrimination Act 1995.

During mid-2009, Invest NI undertook a Section 75 Screening of its EEN support. It found that there was no evidence of higher or lower participation or uptake by different groups including those relating to:

- Religious belief
- Political opinion
- Racial group
- Age
- Marital status
- Sexual orientation
- Gender
- Disability
- Dependency

In addition, it concluded that there:

- Was no evidence or indications that different groups have different needs, experiences, issues and priorities in relation to EEN support;
- No relevant groups, organisations or individuals had been identified that would allow Invest NI to assess whether policies/support such as EEN do or might create problems that are specific to them;
- Invest NI implemented a Disability Action Plan in 2008 which aims to promote positive attitudes towards disabled people and encourage participation in public life. This is adhered to in the delivery of the EEN service;
- EEN support was not considered to have the potential to infringe on aspects of Human rights, such as the Articles identified by the European Convention of Human Rights:

- Article 2 - Right to life;
- Article 3 - Prohibition of torture, inhuman or degrading treatment;
- Article 4 - Prohibition of slavery and forced labour;
- Article 5 - Right to liberty and security;
- Article 6 - Right to fair and public trial;
- Article 7 - Right to no punishment with law;
- Article 8 - Right to respect for private and family life, home and correspondence;
- Article 9 - Right to freedom of thought, conscience and religion;
- Article 10 - Right to freedom of expression;
- Article 11 - Rights to freedom of assembly and association;
- Article 12 - Right to marry and to found a family;
- Article 14 - The prohibition of discrimination;
- Protocol 1 Article 1 - Protection of Property; or
- Protocol 1 Article 2 - Right to education.

During the course of this evaluation, the Evaluation Team has not identified any evidence that would contradict the findings of Invest NI's own Section 75 Screening exercise. However, whilst we note

that EEN is primarily targeted at businesses rather than individuals, we recommend, where possible<sup>12</sup>, that as a proxy for some equality indicators, Invest NI's EEN begins to monitor the uptake of the different aspects of its key services by geographic area (in this case, at a local authority area level).

### 3.5 Summary Conclusions

The preceding analysis and discussion identifies that:

- Based upon the information made available to the Evaluation Team, we have been unable to establish the definitive targets (and indeed actual performance) for Invest NI's EEN activities. This has prohibited the Evaluation Team from determining how Invest NI has performed against EEN related targets.
- In this context and the absence of any substantial economic impacts (see Sections 4 and 6), a positive conclusion on the value for money offered by Invest NI's EEN activities during the period 2008-2013 cannot be arrived at.
- These issues were discussed with Invest NI personnel over a prolonged period of time, and whilst the Evaluation Team acknowledges the view that the EC/EACI would not have paid Invest NI for its EEN activities unless it was satisfied that those activities had been implemented, we are nonetheless in a position where during the course of this evaluation exercise, Invest NI was not in a position to definitively identify many targets that were ultimately agreed with EACI or its actual level of performance against those targets. The Evaluation Team notes that in the context of having several hundred individual targets across three time periods and work areas, Invest NI did seek to mitigate against this situation arising by investing alongside a small number of other EEN network partners in a MIS system. However, the Evaluation Team is of the view that whilst the system that was developed may have been able to collect data, it lacked the functionality required to take that data and subsequently provide the management information and reporting that would ultimately have facilitated more effective administration and management/delivery of the EEN contract.

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<sup>12</sup> Discussion with Invest NI (February 2015) indicates that Innovate UK will have responsibility for developing a Customer Relationship Management (CRM) System for the next phase of EEN, and so Invest NI does not know whether this will be possible. The Evaluation Team is of the view that given the nature of the issues encountered in this current evaluation exercise, Invest NI should seek to bring whatever influence it can to the design and functionality of the proposed CRM system.



## 4. BENEFICIARY & STAKEHOLDER FEEDBACK

### 4.1 Introduction

This Section, in conjunction with Section 3, seeks to establish:

- The extent to which the principle objectives and targets of the intervention have been met;
- The extent to which the intervention represents good Value for Money (VFM) and appropriate use of public funds;
- The effectiveness of the management/delivery of the EEN contract and the administrative arrangements that have been set up to deliver the programme.
- What other opportunities exist to exploit the benefits of the Enterprise Europe Network further in Invest NI, and embed usage of the network into other programmes and functions.

### 4.2 Note on Survey Methodology

Due to the varied nature of supports provided through Invest NI's EEN activities, it was agreed, in conjunction with Invest NI that a number of surveys would be implemented seeking to target different stakeholders or beneficiaries of different elements of the support. These included:

- A telephone survey of individuals that signed Partnership Agreements;
- A telephone survey of individuals that participated in a Company Technology Mission;
- A telephone survey of individuals that received support through the following mechanisms:
  - Representatives from Invest NI's EEN Team visited organisations across NI with a view to make them aware of Commercial Opportunities, Technology Transfer/Innovation opportunities and/or European R&D Programmes ('company visit'); **and/or**
  - Organisations published partner search profiles on the EEN website ('profiles published'). In some cases, the organisations received expressions of interest (EOIs) from organisations elsewhere relating to the partner search profile they had published on the EEN website ('EOIs received'); **and/or**
  - Organisations expressed interest in partner search profiles published on the EEN website by organisations based elsewhere within the Network ('EOIs made').
- An online survey of individuals that engage with Invest NI's Tender Alerts service;
- 16 bespoke online questionnaires with individuals that attended 23 events organised or facilitated by Invest NI's EEN Team.

The following sub-sections summarise the key findings from those surveys, whilst the detailed analysis can be found in Appendices 21-25.

It should be noted that caution is urged in interpreting some of the following analysis, for the following reasons:

- Partnership Agreements – As a result of the small number of individuals that signed a PA, and the subsequent small number of individuals that were able to participate in the survey or that were able to respond to individual aspects of the survey (e.g. those that might have a more SME or trade-oriented slant).
- Company Technology Missions – As a result of the small number of individuals that participated in a Company Technology Mission, and the subsequent small number of individuals that were able to participate in the survey.
- Company Visits, EOIs Made, Profiles Published/EOI Received – As a result of the small number of individuals that received some elements of the support, the small number of beneficiaries for whom contact details were recorded (that is, in many cases the monitoring information and contact

databases that the Evaluation Team was provided with did not identify who Invest NI's EEN Team met with as part of a Company Visit<sup>13</sup>) and the subsequent small number of individuals that were able to participate in the survey;

- Tender Alert Service – As a result of the small number of individuals that responded to the online survey (14 of 130 potential respondents).

#### 4.3 Partnership Agreements - Beneficiary Analysis

Invest NI's monitoring materials indicate that during the 6-year period under review (January 2008-December 2013), 35 individuals from 24 organisations signed an agreement to collaborate with a partner (s) from other parts of Europe. These individuals signed a total of 58 'Partnership Agreements' during this period.

Appendix 21 considers in detail the activity and impact relating to Invest NI EEN Team's Partnership Agreement activity, and is drawn from:

- Cogent's review of materials provided by Invest NI; and
- A telephone survey of individuals that entered into one or more agreement(s) to collaborate (i.e. a Partnership Agreement) with a transnational partner(s) through the support of Invest NI's EEN Team across the period under review, as summarised below:

	No. of Organisations who signed a PA	No. of Individuals who signed a PA	No. of PAs
No. of Academics	5	17	32
No. 'Other Public Sector'	2	2	2
No. of Businesses	16 <sup>14</sup>	15	23
Unknown <sup>15</sup>	1	1	1
<b>Total (2008-13)</b>	<b>24</b>	<b>35</b>	<b>58</b>
No. with invalid contact details	-	4	5
No. where contact left organisation	-	3	3
No. unwilling to Participate	-	3	3
No. where there was no response <sup>16</sup>	-	5	9
<b>Total Surveyed</b>	<b>11</b>	<b>20</b>	<b>38</b>
% of total	48%	57%	66%

Key points to note drawn from the analysis presented in Appendix 21 include:

- Less than half (43%) of the 58 signed PAs during the period 2008-2013 involved a NI-based SME, who were the suggested key target audience from Invest NI's EEN services. It should be noted that the small number of SMEs that were involved in Invest NI EEN's PAs and the subsequently small number of SMEs that could be involved in our survey has influenced the response rates to many questions that relate to European trade activity;

<sup>13</sup> The Evaluation Team notes that our discussions with EACI indicate their view that from an administrative/claims perspective, Invest NI performs better than most other network members. However, we are not familiar with EACI's claims requirements, and note that our focus was likely not one and the same as EACI's, who were more focused on compliance and claims processing; whereas we were considering the monitoring information that was provided to us from the perspective of determining what activity took place, with whom and the impact that Invest NI's EEN activities may have had on NI's SMEs and other organisations.

<sup>14</sup> Invest NI has indicated (at March 2015) that only 2 of the 16 businesses are Invest NI 'account managed clients'.

<sup>15</sup> Invest NI's database indicated that one was PA was a "3<sup>rd</sup> Party Do Not Contact", and so it was not possible to determine the type of organisation involved.

<sup>16</sup> These individuals were contacted on at least 3 separate occasions and were unavailable on each.

- It should be noted that two of the twenty respondents indicated that, in their view, they had no engagement with EEN or the EEN Team, and were instead participants on InterTradeIreland's FUSION Programme. This was discussed with Invest NI's EEN Team who were of the view that the respondents' engagement with EEN may have happened at a point in time in advance of their FUSION project, such that they could not recall the engagement with EEN;
- Over 90% of respondents who indicated that they had received support/ advice relating to a range of topics (that were the suggested key focus of EEN's Module A activities<sup>17</sup>) indicated that they were either 'very satisfied' or 'satisfied' with the support received;
- The majority of respondents who indicated that they had received support/ advice in these various Module B topic areas<sup>18</sup> indicated that they were either 'very satisfied' or 'satisfied' with the support received;
- All of the respondents who indicated that they had received support/ advice in these various Module C topic areas<sup>19</sup> indicated that they were either 'very satisfied' or 'satisfied' with the support received;
- Over half of the 20 respondents suggested that they had:
  - Published a partner search profile on the EEN website (16 of 20 respondents); or
  - Expressed interest in a partner search profile on the EEN website (14 of 20 respondents); or
  - Received alerts from Invest NI's EEN Profile Alert service (11 of 20 respondents).

The respondents that published a partner search profile on the EEN website or expressed interest in a partner search profile on the EEN website were generally satisfied with the support received from the EEN Team.

- As discussed, Cogent spoke to 20 individuals who had signed a total of 38 agreements to collaborate with a partner (s) from other parts of Europe. A profile of the type of PAs that they signed compared with the total PAs signed during the review period (2008-2013) is provided below:

<b>Table 4.2: Breakdown of Agreements to Collaborate</b>				
	<b>Total PAs Signed during Review Period</b>		<b>PAs signed by Survey Respondents</b>	
	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>
Collaborative Research	27	47%	20	53%
Technological cooperation	29 <sup>20</sup>	50%	18	47%
Commercial cooperation	2	3%	0	0%
<b>Total</b>	<b>58</b>	<b>100%</b>	<b>38</b>	<b>100%</b>

- Encouragingly, over half (55% or 11) of the 20 respondents indicated that their business/organisation would definitely not have (40%) or probably not have (15%) identified the potential collaborative partnership in the absence of the support provided by the EEN Team.
- However, Cogent also sought to ascertain respondents' views on the likelihood that the Agreement(s) to collaborate that they were involved in would have occurred in the absence of the support that you received from Invest NI's EEN Team. Options included:
  - Whether they would have agreed to collaborate at all;

<sup>17</sup> For example, advice, support and information services focusing on EU programmes or European R&D Initiatives; Technology Transfer/Innovation opportunities; EU policies and legislation/ sector specific regulations etc.

<sup>18</sup> For example, brokerage services for technology and knowledge transfer, and for partnership building between organisations involved in R&D and innovation e.g. businesses, universities, research centres etc.

<sup>19</sup> For example, advice, support and information services focusing on helping them to find relevant R&D partners or cluster partners and the preparation and coordination of project proposals for the participation in European R&D programmes or cluster activities.

<sup>20</sup> Two of the Technological Agreements to Collaborate also had a Commercial aspect

- Whether they would have agreed to collaborate with some of the partnerships (if more than one), but not all;
- Whether they would have agreed to collaborate, but at a later date;
- Whether they would have agreed to collaborate with some of the partnerships, but not all and the partnerships would have been created at a later date;
- Whether they would have agreed to collaborate anyway business in the same manner and timescale regardless of the Enterprise Europe Network.

Depending on specific response provided, a level of additionality/deadweight was applied. For example, a respondent who indicated that they definitely would not have agreed to collaborate in the absence of the Enterprise Europe Network would have been assigned a level of 100% additionality (i.e. full additionality). Conversely, a respondent who indicated that they definitely would have agreed to collaborate in the same manner and timescale regardless of the receipt of the Enterprise Europe Network support would have been assigned a level of 100% deadweight (i.e. no additionality). Other responses were given a weighting somewhere between these two extremes (i.e. a level of partial additionality). NB Appendix 21 provides a detailed overview of the Evaluation Team’s deadweight/additionality calculations.

A summary of the responses received is provided below:

<b>Table 4.3: Activity Additionality/deadweight (N=20)<sup>21</sup></b>		
	<b>No. of Respondents</b>	<b>% of Respondents</b>
Fully Additional	4	20%
Partially additional	10	50%
Not additional	6	30%
<b>Overall level of additionality</b>	<b>20</b>	<b>33%</b>
<b>Overall level of deadweight</b>		<b>67%</b>

NB it should be noted that the overall level of deadweight at 67% is reflective of the fact that the majority of the ‘partially additional’ responses were at the very highest levels of deadweight (other than full deadweight). That is, 6 of the 10 respondents who are categorised as being ‘partially additionally’ indicated that the ‘agreement(s) to collaborate would probably have occurred in the absence of the support that they received from Invest NI’s EEN Team’.

Applying the calculated levels of activity additionality (i.e. 33%) to the reported number of agreements to collaborate amongst the survey sample (N=38) and total population (N=58), indicates Invest NI’s EEN Team may have directly brokered the equivalent of 13 and 19 additional agreements to collaborate respectively.

<b>Table 4.4: Net additional agreement to collaborate</b>		
	<b>Survey sample PAs</b>	<b>Total PAs</b>
No. of agreements to collaborate	38	58
Level of activity additionality	33%	
<b>Net additional agreements to collaborate</b>	<b>13</b>	<b>19</b>

<sup>21</sup> Whilst Programme deadweight is estimated to be 67% based on individuals’ responses, it should be noted that there are intrinsic difficulties associated with measuring deadweight/additionality using this technique. This is commonly referred to as ‘respondents’ effect’, that is, the fact that respondents may purposely exaggerate (in either an upwards or downwards direction) the impact of assistance from an external influence, such as a development agency. For example, recipients may be likely to play down the impact of assistance, attributing success to themselves and their own personal characteristics (such as own motivation; extensive network etc.). This ‘decaying’ by the participant of the benefit attributable to a Programme may increase over time. However, on the other hand, respondents may exaggerate the impact of assistance for fear that they may reduce their chances of receiving repeat assistance (if they were not deemed by the development agency as really meriting assistance the first time round) or due to loyalty to the Programme Provider.

Reasons offered in relation to respondents' views on levels of activity additionality included:

*"There was a language barrier. The EEN team acted as translators to make the agreement happen."*

*"If EEN hadn't identified the partner organisations, I would have been unable to identify them on my own."*

*"The EEN Team provided useful input in relation to the project's Terms & Conditions, which would have been difficult to negotiate in their absence."*

*"Collaboration with the EU academic partners is easy as it is a niche market. The EEN team were not really involved."*

*"The two organisations completed the collaboration by themselves, without any involvement of EEN."*

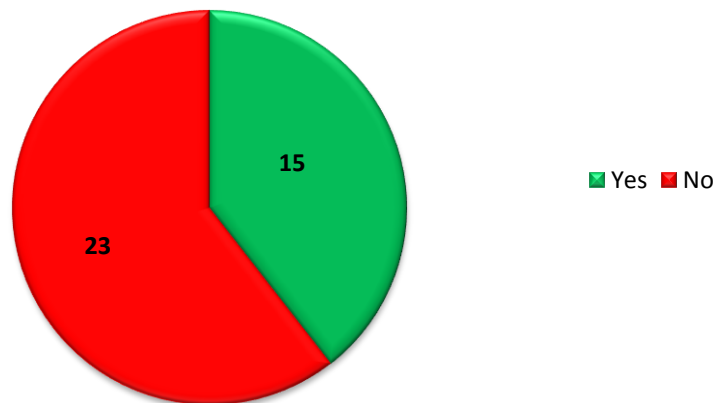
*"Negotiations were solely down to the two partners to complete. EEN had limited input"<sup>22</sup>*

*"We received no help to collaborate. It was all done internally"*

*"Our collaboration was an InterTradeIreland FUSION project, and EEN had no input."*

- Whilst all the respondents signed collaborative/partnership agreements, few progressed further than that basic step (i.e. a high level intention to partner was agreed, but little if anything resulted from signing the PA). That is, only 15 (39%) of the 38 PAs that were discussed with beneficiaries were suggested to have an impact on the business/organisation. It should be noted, however that, the EEN team were unable to offer any follow on support following the facilitation of the partnership agreement.

**Figure 4.1: Did the agreement(s) to collaborate that your business/organisation was involved in have any impact upon your business/organisation?**



- The impacts cited for the 15 PAs that were suggested to have had an impact are detailed below:

	Impact	% of PAs
Research related	Successful joint application to participate in a European Union research-related programme (e.g. FP7)	53%
	Development of a relationship with the fellow consortium members with a likelihood of future collaboration	53%
	Learning about the funding programme in question (usually FP7)	20%

<sup>22</sup> NB Whilst the EC's Call for Proposals for the delivery of EEN activities had indicated that eligible activity for Network Partners would include the provision of 'assistance in negotiations and conclusion of cooperation agreements', Invest NI's EEN Team has advised that it does not get involved in negotiations unless asked to.

	Impact	% of PAs
	Inspiration to try again with FP7 (or other programmes)	13%
	Insight into markets or technology that inform the organisation/company strategy	7%
Technological & Commercial related	Increased competitiveness	73%
	Impact on the business'/organisation's survival	67%
	Increased Jobs	27%
	Helped to safeguard pre-existing jobs	53%
	Improved the skills of the workforce or the individuals that were employed	40%
	Resulted in the transfer of knowledge from or between companies or individuals	40%
	Developed new services	13%
	Led to linkages with universities or Further Education Colleges	13%
	Increased Turnover	7%
	Developed new products	7%
	Led to the introduction of new products or processes within the business (other than ones developed directly within the business)	7%
	Entry into new exports markets	0%
	Reduction in costs	0%
	Other	13%
	N=	15

- Key points to note include:
  - Some examples of specific feedback received in relation to these findings include:

<b>Increased Competiveness</b>	<p><i>"Achieving the collaborative agreement boosted our reputation in the research market"</i></p> <p><i>"We are now more competitive in the research market"</i></p> <p><i>"We are now better known in the research market"</i></p>
<b>Impacted on business survival</b>	<p><i>"The research funding certainly helped"</i></p> <p><i>"The research funding we received allowed us to keep staff"</i></p> <p><i>"The funding safeguarded the company."</i></p>
<b>Improved skills of the workforce</b>	<p><i>"The project training has enhanced the skills of the workforce."</i></p> <p><i>"The research project has helped broaden the skills of the team."</i></p> <p><i>"Knowledge was transferred from our project partner to our employees."</i></p>
<b>Linkages with colleges</b>	<p><i>"This project was used as a case-study of a 'real world project' and shown to FE Colleges in DEL's Connected Programme."</i></p> <p><i>"We have a better linkage with Belfast Metropolitan College through the Connected scheme, as we used the project to show the College the types of green products can be developed for EU market"</i></p>

- Over half (53%) of the 15 successful PAs were suggested to have resulted in successful joint application to participate in a European Union research-related programme (e.g. FP7). Their responses are summarised below:

Type of Project	Funding for Project (NI Partner Only)	Time frame of Project
INTERREG	€1,200,000	2.5 year project

ROTOFAST 2010 - FP7	€600,000	3 year project
FP7 and Horizon 2020, two separate projects (1 million euro for each) <sup>23</sup>	€2,000,000	3 year project
FP7 & Marie Curie Research Fund	€800,000	5 year project
FP7 (developing a new Horizon 2020 project for Nov 2014)	€400,000	5 year project
FUSION	Unknown	Unknown
Competence Centre Programme	Block grant funding	Unknown
<b>Total</b>	<b>€5,000,000</b>	

- These PAs (i.e. 53%, N=15) were suggested by the same respondents to have led to the development of a relationship with European partners with a likelihood of future collaboration;
  - Only one of the 15 PAs (7%, N=15 PAs) was suggested as having led to an increase in the organisation's sales / turnover. However, the respondent was unable to quantify the quantity of increased turnover/sales. The sales achieved were suggested to be 20% in the NI market and 80% in export markets (i.e. outside the UK);
  - Just over half (53% i.e. 8 PAs) of the 15 PAs were suggested to have resulted in employment being safeguarded within the respondents' organisations. The 13.5 FTE jobs cited were all suggested to be within academic institutions, and safeguarded as a result of the award of funding for research. Respondents suggested that all of these jobs had salaries in excess of the NI PSM salary.
  - Just over one quarter (27% i.e. 4 PAs) of the 15 PAs, were suggested to have led to an increase in the respondents' organisations' employment. The 10 FTE jobs cited were all suggested to be additional jobs within academic institutions as a result of the award of funding for research. Respondents suggested that all of these jobs had salaries in excess of the NI PSM salary.
- For those respondents that indicated that their PAs had no impact on the business/organisation, their suggested reasons included:

*"Our suggested collaboration went nowhere, due to the financial status of the partner organisation."*

*"We did not get past the discussion stage."*

*"We did not get past initial stages, as funding for the project was not approved."*

*"Discussions are still ongoing, with a contract at negotiation stages, - funding has been awarded but the contract needs 'buffered out' before the project begins circa November 2014."*

*"The project did not get approved for FP7 funding (we had applied for c200,000 Euro)."*

*"It was not an EEN project, it was a FUSION project."*

*"The project is ongoing, but there has been no impacts as of yet (it's an INTERREG funding scheme, due to complete early 2015)."*

- The net impact of the Enterprise Europe Network (i.e. its additionality) on beneficiaries' sales, employment or other outturns resulting from the 15 successful PAs can only be measured after making allowances for what would have happened in the absence of the intervention. That is, the impact must allow for deadweight. 'Deadweight' refers to outcomes that would have occurred without the support (i.e. the advice and guidance offered through EEN). The analysis of individual

<sup>23</sup> NB This funding project relates to a project that involved 3 partner organisations, of which one was based in NI. The NI organisation subsequently signed a separate PA with each of its two partners for the one project. To avoid double counting it has only been entered once.

survey responses and application of the same ‘participant self-assessment’ methodology used to assess ‘activity additionality’, results in an estimated levels of ‘impact additionality’ of 93%.<sup>24</sup>

<b>Table 4.6: Impact Additionality/deadweight (N=15 Successful Agreements to Collaborate)</b>	
<b>Deadweight</b>	<b>Additionality</b>
7%	93%

*“Without EEN, I would have searched for a manufacturer closer to home and that would have limited my choice”.*

*“We needed a consortium to attract funding, and EEN helped us to find one.”*

*“The project was key to getting accepted for the FP7 funding.”*

- Given the small number respondents, and of individuals and PAs that have reported any impacts, the Evaluation Team has not sought to gross the recorded impacts up for the entire population of PAs.

#### 4.4 Company Technology Missions - Beneficiary Analysis

Invest NI’s monitoring materials indicate that during the period under review (2008-2013), 15 individuals participated in Company Technology Missions organised by Invest NI’s EEN Team (although one of these individuals indicated that they had not ultimately participated in the Technology Mission). Appendix 23 considers the activity and impact relating to Invest NI EEN Team’s Company Technology Missions activity, and is drawn from:

- Cogent’s review of materials provided by Invest NI; and
- A telephone survey of individuals that participated on a Company Technology Mission, as summarised below:

	<b>No. of respondents</b>
Total Beneficiaries	<b>15</b>
No. that were surveyed as part of the PA survey, and so were exempted from this survey	2
No. unwilling to participate <sup>25</sup>	2
No. who indicated that they did not participate in the Company Technology Mission <sup>26</sup>	1
No. where there was no response <sup>27</sup>	5
<b>Total Surveyed</b>	<b>5</b>
% of total	33%

Four of the five respondents participated in the Biogas Mission to Denmark and Germany in November 2012 and one respondent participated in the Printed Electronics Mission to Sweden in December 2013.

Key points to note drawn from the analysis presented in Appendix 23 include:

- Generally, the 5 respondents were satisfied with the following aspects of the Company Technology Mission:

<sup>24</sup> See Appendix X for further details.

<sup>25</sup> One individual stated that they would be unwilling to contribute given the lapse of time between the Company Technology Mission and the Evaluation.

<sup>26</sup> One individual stated that they had not attended the Company Tech Mission due to late-stage financial issues

<sup>27</sup> These individuals were contacted on at least 3 separate occasions and were unavailable on each.



- Assistance offered by Invest NI's EEN Team to arrange logistics relating to the company technology mission;
- The calibre of the potential partners/ best practice examples that they were introduced to during the company technology mission;
- The extent to which any partner/ best practice profiles that they received prior to the company mission accurately reflected the organisation/ project;
- Assistance offered by Invest NI's EEN Team during the arranged company technology mission
- The structure of the company technology mission (e.g. site visits, demonstrations, presentations, networking events etc.);
- Content of the company technology mission and its relevance to their business;
- The duration of the mission;
- The amount of time dedicated to networking activities;
- Assistance offered by Invest NI's EEN Team following the company technology mission to ensure that any necessary support was made available.

- Generally, the 5 respondents were in agreement **that participation on the Company Technology Mission has enabled their business/organisation to:**

- Identify best practice technology in their field;
- Identify potential new processes/ ways of working within their business;
- Engage in networking activities with other like-minded companies;
- Increase their understanding of market and/or sector specific issues and potential solutions;
- Collect an evidence base to support business ideas which they had prior to the Mission.

*"The Company Technology Mission offered a unique opportunity to see potential partners who were operating at a much higher technology level than ourselves."*

*"Visiting the companies provided us with valuable insights into alternative methods which could be replicated here within NI".*

*"It was really beneficial to get a 'hands-on' opportunity to view the technology in a real world environment".*

*"We visited academics which was very beneficial overall and particularly the opportunity for question and answer".*

**Beneficiary Feedback**

- Only one of the 5 respondents suggested that the Company Technology Mission they participated in had any impact upon their organisation to date. Positively however, all four of the respondents who suggested that they had achieved no impact to date indicated that they felt what they had learned on the Company Technology Mission would be of use in the future.

*"We hope to develop new processes with links to the partners identified. We are seeking support from more technologically-aware companies going forward".*

*"We anticipate that we will embed the knowledge further in our business in the future".*

*"Whilst we are utilising the knowledge for projects we are undertaking, we cannot attribute any impacts directly to the Company Technology Mission as we were undertaking the research prior to the Mission."*

- The one Company Technology Mission respondent who suggested that participation in the Mission had an impact (of any sort) on their business suggested that they used some of the information that had learned on the trip (and particularly through a question and answer session) to help them identify leads in the Czech Republic and Poland. According to the respondent, this has subsequently led to their entry into these markets, increased sales (NB they were unable to quantify the sales increases) and has helped to safeguard two jobs and create one new post

(offering a salary above the NI Private Sector Median). The respondent suggested that these impacts above would ‘probably not have been achieved’ in the absence of the support provided by Invest NI’s EEN Team due to a lack of financial support, expert knowledge and market awareness

- On an overall basis, all five respondents indicated that they were either ‘very satisfied’ (3 respondents) or ‘satisfied’ (2 respondents) with the support provided by Invest NI’s EEN Team.

*“The support provided by Invest NI’s EEN Team brought the right partners forward, helped to identify useful information and was valuable use of time.”*

*“The Company Technology Mission was a great learning experience”.*

*“Overall the support was very good.”*

#### 4.5 Company Visits, EOIs Made, Profiles Published/EOI Received - Beneficiary Analysis

Invest NI’s monitoring materials indicate that during the period under review (2008-2013), Invest NI’s EEN provided a number of strands of support to organisations across NI. Individuals may have received a variety of combination of the support. Key permutations including:

1. Representatives from Invest NI’s EEN Team visited organisations across NI with a view to make them aware of Commercial Opportunities, Technology Transfer/Innovation opportunities and/or European R&D Programmes (‘company visit’); **and/or**
2. Organisations published partner search profiles on the EEN website (‘profiles published’). In some cases, the organisations received expressions of interest (EOIs) from organisations elsewhere relating to the partner search profile they had published on the EEN website (‘EOIs received’); **and/or**
3. Organisations expressed interest in partner search profiles published on the EEN website by organisations based elsewhere within the Network (‘EOIs made’).

Appendix 22 considers the activity and impact relating to the ‘company visit’, ‘EOIs received’ and ‘EOIs made’ strands of support provided by Invest NI’s EEN, and is drawn from:

- Cogent’s review of materials provided by Invest NI; and
- A telephone survey of individuals that have been recorded as receiving that support, as summarised below:

**Table 4.7: Company Visits, EOIs Received and EOIs Made Beneficiary Analysis - - Profile of Surveys Completed**

	Company Visit				Profile Published				EOI Made	Total	
	Only	Plus Profile Published		Plus EOI Made	Only	Plus EOI Received	Plus EOIs Made	Plus EOIs Received & Made			
		Only	Plus EOI Received								Plus EOIs Received & Made
Total recipients - with contact details	5	-	6	4	17	-	15	1	28	166	242
Total recipients - without contact details	109	-	-	-	1	5	3	-	1	16	135
<b>Total recipients</b>	<b>114</b>	<b>0</b>	<b>6</b>	<b>4</b>	<b>18</b>	<b>5</b>	<b>18</b>	<b>1</b>	<b>29</b>	<b>182</b>	<b>377</b>
No. with invalid contact details	-	-	2	1	6	-	4	1	7	52	73
No. where contact left organisation	-	-	1	-	2	-	-	-	1	22	26
No. where organisation is no longer in operation	-	-	-	-	-	-	-	-	1	11	12
No. unwilling to participate	-	-	-	-	-	-	-	-	1	3	4
No. where could not complete for other reasons <sup>28</sup>	1	-	-	-	-	-	1	-	-	-	2
<b>Total no. where not possible to undertake survey</b>	<b>1</b>	<b>0</b>	<b>3</b>	<b>1</b>	<b>8</b>	<b>0</b>	<b>5</b>	<b>1</b>	<b>10</b>	<b>88</b>	<b>117</b>
<b>Effective survey population</b>	<b>4</b>	<b>-</b>	<b>3</b>	<b>3</b>	<b>9</b>	<b>-</b>	<b>10</b>	<b>-</b>	<b>18</b>	<b>78</b>	<b>125</b>
No. where there was no response <sup>29</sup>	3	-	2	3	7	-	5	-	7	33	60
<b>Total surveyed</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>11</b>	<b>45</b>	<b>65</b>
% surveyed of effective survey population	25%	-	33%	0%	22%	0%	50%	-	61%	58%	52%
<b>Could recall EEN support</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>9</b>	<b>31</b>	<b>48</b>
<b>Could not recall EEN</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>2</b>	<b>14</b>	<b>17</b>

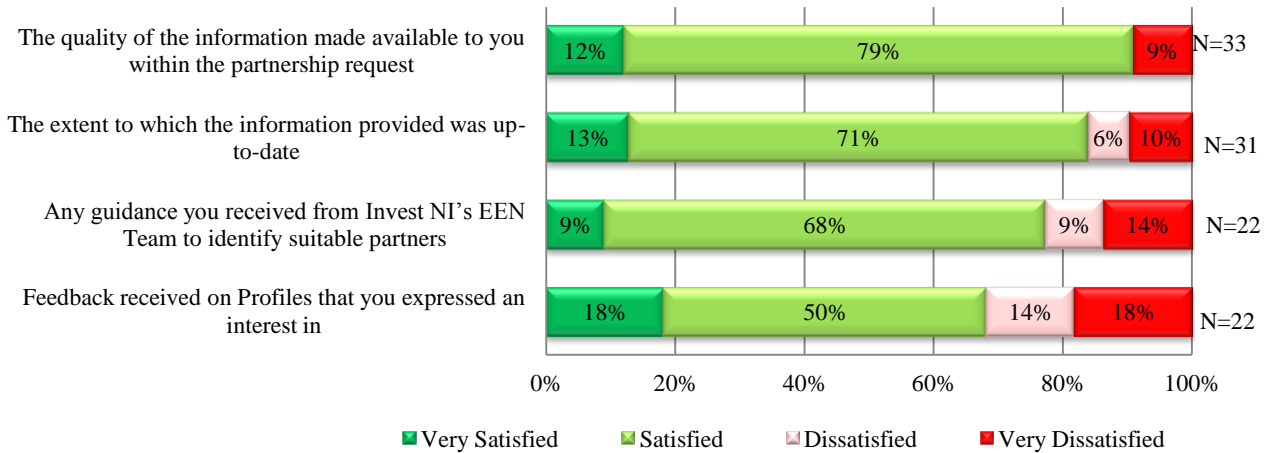
<sup>28</sup> It should be noted that one individual indicated that they had received no support from Invest NI's EEN Team. One individual was on extended leave from the organisation.

<sup>29</sup> These individuals were contacted on at least 3 separate occasions and were unavailable on each.

Key points to note drawn from the analysis presented in Appendix 22 include:

- One quarter (26%, N=65) of the individuals that responded to this survey could not recall the engagement that their organisation was recorded as having had with Invest NI's EEN.
- Table 4.7 provides a breakdown of the number of respondents who could recall their engagement with Invest NI's EEN Team, by the type of support received. It should be noted that once the 16 respondents had confirmed that they could not recall their engagement with Invest NI's EEN, they were asked no further questions and the maximum number of respondents reduced from 64 to 48 for the remainder of the study.
- Due to the fact that the monitoring information and contact databases that the Evaluation Team was provided with did not identify who received the visit for 110 (77%) of the suggested 142 beneficiaries and a further 9 suggested beneficiaries had invalid contact details (NB Internet searches did not identify any further alternative numbers for these individuals) and a further 4 suggested contacts were no longer with the business or were on extended leave, the Evaluation Team was only able to survey 4 of the 19 individuals that were recorded as having received a Company Visit from a member of Invest NI's EEN Team and that we had a contact name and valid contact number for. It should be noted that such a responses rate (i.e. 4 of 142 individuals that received a Company Visit) provides a very poor level of statistical reliability. However, the four respondents were each in agreement that:
  - The information and guidance provided during the company visit was helpful and appropriate to their business/ organisation
  - Following the visit, they were better informed to potentially avail of further support from Invest NI's EEN Team in terms of commercial opportunities/ technology transfer and/or R&D opportunities
- 14 of the 48 of the respondents who could recall their engagement with Invest NI's EEN indicated that they had published a partner search profile on the EEN website. 12 of the 14 subsequently received expressions of interest relating to their partner search profile. Of these:
  - Three-quarters (75%, N=12) of respondents indicated that they were satisfied with the guidance they received from Invest NI's EEN Team to follow-up on expressions of interest; and
  - Two-thirds (67%, N=12) of respondents indicated that they were satisfied with the suitability of the businesses/ organisations that expressed interest in relation to their profile.
- 43 of the 48 of the respondents who could recall their engagement with Invest NI's EEN suggested that they had expressed interest in a partner search profile published on the EEN website. For those respondents to whom it was applicable, most were generally satisfied with:
  - The quality of the information made available to them within the partnership request;
  - The extent to which the information provided was up-to-date;
  - Any guidance they received from Invest NI's EEN Team to identify suitable partners; and
  - Feedback received on profiles that they expressed interest in. Although, it is noted that almost one third (7 respondents, N=22) voiced dissatisfaction relating to support offered in this area.

**Figure 4.2: How satisfied were you with the following aspects of the support provided by Invest NI's EEN Team in relation to the expression of interest you made for a partner search profile on the EEN website?**



- Over two thirds (70%, N=47) of respondents indicated that they did not identify any potential suitable partners as a result of the support provided by Invest NI's EEN Team.
- The 34 respondents who indicated that they did not identify any potentially suitable partners offered the following reasons for their response:

*"We did not receive any response to the expression of interest that we made, and we took no further action".*

*"There was a significant delay in responses following the expression of interest we made, and we effectively ran out of time to undertake the project".*

*"We expressed interest in relation to partner search profiles but upon more detailed consideration, the projects did not really match what we wanted to achieve".*

*"The expression of interest we made was for a project which was not really suited to our company objectives".*

*"The EEN website was useful for us to consider opportunities, but we decided not to pursue any projects in the end".*

- On an overall basis, the most common reasons cited for the organisation taking no further action to progress to partnership negotiations was that the respondent had received no response to the profile or there was too slow a response to expressions of interest that they made in a profile.
- Analysis of respondent feedback indicates that businesses considered that Invest NI's EEN support could be more proactive in helping to promote profiles that they have published or more proactive in helping secure more timely responses from profiles that they have expressed interest in.
- Over two thirds (71%, N=14) of the respondents who indicated that they had identified potentially suitable partners as a result of the support provided by Invest NI's EEN Team did not progress to partnership negotiations with just 4 of the 14 respondents progressing to negotiations.
- The most common reason cited for partnership negotiations not progressing was that communication with potential partners was not maintained following the initial contact.
- Encouragingly, the vast majority (86% or 12) of the 14 respondents indicated that their business/organisation would definitely not have (50%) or probably not have (36%) identified the potential partners in the absence of the support provided by the EEN Team.

*“The support provided enabled us to identify small businesses elsewhere. In the absence of Invest NI’s EEN Team it would have been very difficult for us to find these businesses”.*

*“Prior to our involvement with Invest NI’s EEN Team we were not networking with other companies, so this offered a new opportunity for the business”.*

*“The EEN provided us with details of niche businesses which would not have been on our radar otherwise”.*

*“We identified a potential partner in Eastern Europe which we definitely would not have identified in the absence of the support provided by Invest NI’s EEN Team”.*

*“The suggested partner was already looking for our technology, so we probably would have identified the partnership opportunity without any support from Invest NI’s EEN Team”.*

*“Our organisations already had an extensive network so there was little added value from the EEN Team’s support”.*

- Only 13 (28%) of the 48 respondents suggested that the support provided by Invest NI’s EEN Team had an impact (of any sort) on their organisation.
- For those respondents that indicated that the EEN had no impact (of any sort) on the business/organisation, their suggested reasons included:

*“We did not identify any suitable projects or partners through the EEN support, so we did not achieve any impacts”.*

*“There was no reply to our expression of interest and we stopped using the service but we hope to use it in the future.”*

*“Our involvement with Invest NI’s EEN Team did not progress further than us expressing interest in a partner search profile, so we did not gain any tangible benefits”.*

- The impacts cited for the 13 respondents that suggested that the support provided by Invest NI’s EEN Team had an impact (of any sort) are detailed below:

**Table 4.8: Impacts resulting from the support provided by Invest NI’s EEN Team**

	Impact	No. of respondents
Research related	Successful application to participate in a European Union research-related programme (e.g. FP7)	1
	Development of a relationship with fellow consortium members with a likelihood of future collaboration	5
	Learning about the funding programme in question (usually FP7)	5
	Insight into markets or technology that inform the organisation/company strategy (either to enter those areas or to stay away from them)	10
	Insight into markets or technology that inspire innovation, or prevent wasted effort	8
	Inspiration to try again with FP7 (or other programmes)	6
Technological and Commercial related	Increased Jobs	0
	Helped to safeguard pre-existing jobs	2
	Increased Turnover	1
	Entry into new export markets	1
	Developed new products	2
	Developed new services	1
	Led to the introduction of new products or processes within the business	2
	Reduction in costs	1
	Increased competitiveness	5
	Impact on the business’ survival	2
	Improved the skills of the workforce or the individuals that were employed	3
	Led to linkages with universities or Further Education Colleges	2
	Resulted in the transfer of knowledge from or to other between companies or individuals	2
	Took a decision to strategically internationalise the company/ organisation	2
Other	1	

- Key points to note include:
  - 1 respondent reported that they had submitted a successful application to participate in a European Union research-related programme (e.g. FP7). The respondent was unable to quantify any research income achieved through this application;
  - 10 of the 13 of the respondents reported that they had gained insight into markets or technology that have informed their organisation/company strategy (either to enter those areas or to stay away from them) as a result of the support;
  - 2 respondents indicated that the support provided by Invest NI's EEN had resulted in employment being safeguarded within their organisations<sup>30</sup>;
  - 1 respondent reported that they had identified a new customer as a direct result of the support provided by Invest NI's EEN Team. This relationship resulted in one-off sales of £200,000 being achieved;
  - The (1) respondent who reported that they had achieved 'entry into new export markets' indicated that they had identified potential sales opportunities within the USA as a result of the support provided by Invest NI's EEN, but that they had not yet secured any export sales;
  - 1 respondent indicated that the support provided by Invest NI's EEN had resulted in a reduction in their organisation's costs, but they were unable to quantify this impact; and
  - 5 of the respondents reported the competitiveness of their organisation had increased as a result of the support they had received from Invest NI's EEN Team.
- The net impact of the Enterprise Europe Network (i.e. its additionality) on beneficiaries' sales, employment or other outturns resulting from the organisations which reported that they achieved impacts can only be measured after making allowances for what would have happened in the absence of the intervention. That is, the impact must allow for deadweight. 'Deadweight' refers to outcomes that would have occurred without the support (i.e. the advice and guidance offered through EEN). The analysis of individual survey responses and application of the same 'participant self-assessment' methodology used to assess 'activity additionality', results in an estimated levels of 'impact additionality' of 61%<sup>31</sup>.

<b>Table 4.9: Impact Additionality/deadweight (N=13) Organisations which achieved impacts)</b>	
<b>Deadweight</b>	<b>Additionality</b>
39%	61%

*"We were constrained by availability of resources. In the absence of Invest NI's support, we would not have had the capacity to achieve the impacts."*

*"The information we gained enabled us to make quicker strategic decisions".*

*"We needed one more partner to build an EU consortium of at least five member states. In the absence of the support provided by Invest NI's EEN Team, we probably would not have been able to identify that partner and build our consortium."*

- Given the small number of respondents that have reported any tangible impacts, the Evaluation Team has not sought to gross up the recorded impacts for the entire population of company visit, EOIs received and EOIs made beneficiaries.

<sup>30</sup> With two safeguarded jobs in one organisation and four safeguarded jobs in the other organisation (i.e. a total of 6 jobs safeguarded).

<sup>31</sup> See Appendix JB for further details.

#### 4.6 Tender Alerts Service - Beneficiary Analysis

Invest NI’s monitoring materials indicate that during the period under review (2008-2013), 157 individuals had subscribed to the Tender Alerts Service across the period under review.

Appendix 24 considers the activity and impact relating to Invest NI EEN Team’s Tender Alerts Service, and is drawn from:

- Cogent’s review of materials provided by Invest NI; and
- An online survey of individuals that have been recorded as receiving that support, as summarised below:

	<b>Number of respondents</b>
Subscribers (as per Invest NI Database)	157
No. with invalid contact details (e-mail addresses)	13
<b>Assumed recipients</b>	<b>144</b>
No. where there was no response	130
<b>Completed surveys</b>	<b>14</b>
% of total subscribers	9%

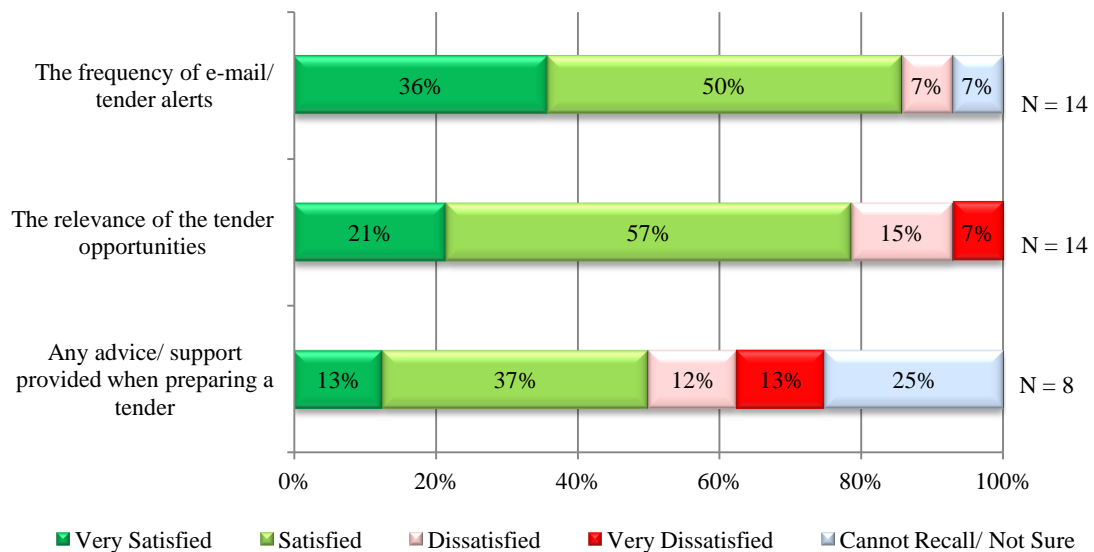
Key points to note drawn from the analysis presented in Appendix 24 include:

- Nine of the respondents (64%, N=14) confirmed that they were current subscribers to the Tender Alerts Service provided by Invest NI’s EEN Team, with the remaining five respondents indicating that they have subscribed to the Service in the past, but do not currently subscribe to it.
- The majority (92%, N=14) of respondents suggested that they were satisfied with the frequency of email/ tender alerts received and with the relevance of the tender opportunities presented to them.
- Just four respondents (51%, N=8) suggested that they were satisfied with advice/ support provided when preparing a tender<sup>32</sup>. It should be noted that two respondents could not recall if they received advice/ support in this area and a further six respondents indicated that it was not applicable to them.

<sup>32</sup> This question was introduced into the questionnaire upon Invest NI’s guidance. However, the Evaluation Team notes that the provision of advice and support to SMEs when preparing tenders was not a feature of the EC’s call for proposals for delivery of the EEN Service, and discussion with Invest NI at February 2015 indicates that the EEN Team did not provide such a service at any juncture, and instead simply alerted organisations to tender opportunities.



Figure 4.3: How satisfied were you with the following aspects of the Tender Alerts Service...?



- Respondents who indicated that they were ‘dissatisfied’ or ‘very dissatisfied’ provided the following reasons for their response:

*“Since the service changed in 2011 it now takes longer to review the opportunities and I do not feel that I receive the same volume. I have started to look at options for other providers.”*

*“The tender alerts I receive are not always relevant to our criteria and products.”*

*“I do not feel that the new service is as easy to navigate as the previous version.”*

- Over two thirds (69%, N=13) of respondents agreed that the Tender Alerts Service had:
  - Save their organisation time and effort in searching for suitable tender opportunities; and/or
  - Helped minimised the risk of overlooking suitable tender opportunities.
- Nine (69%) of the 13 respondents suggested that they had submitted tenders as a result of subscribing to the Tender Alerts Service.
- The 4 respondents who did not submit any tenders provided the following reasons for their response:

*“I did not receive alerts for suitable tender opportunities.”*

*“There were no suitable opportunities for my needs.”*

- Of the remaining 8 respondents (NB 1 respondent did not answer this question):
  - 4 suggested that their organisation would have identified some of the opportunities (if more than one), but not all in the absence of the Tender Alerts Service; whilst
  - 4 suggested that their organisation would probably have identified the potential opportunities anyway in the absence of the Tender Alerts Service.
- These responses (above and below) indicate a low level of additionality associated with the Tender Alerts Service, and may reflect that current users are ‘tender opportunity savvy’.

*“My main role is to find and respond to tender opportunities. The Tender Alerts Service is one of a number*

*of methods which I use to identify opportunities.”*

*“We are subscribed to a number of similar services.”*

*“It can be difficult to find tenders and opportunities can easily be missed if sites are not checked regularly.”*

- 5 of 8 respondents who had submitted tenders identified through the Tender Alerts Service suggested that some of the tenders had been successful.
- Respondents provided the following responses in relation to the number of tenders that were identified through the Tender Alerts Service since 2008 that were successful:

*“We have been successful in more than 20 tenders identified through the Service.”*

*“There would have been at least three successful tenders since 2008.”*

*“We have won six tender opportunities which we originally identified using Invest NI’s EEN Tender Alerts Service.”*

- Only one of the 5 respondents that had submitted a successful tender quantified the value of the tenders that they had won, which was estimated to be £50,000.
- Responses provided by the 5 respondents that had submitted a successful tender indicate a low level of additionality (albeit, this might be expected as businesses may use multiple tender sites to minimise the risk of missing any tenders):
  - 3 indicated that their organisation would probably have won the tenders anyway in the absence of their subscription to the Tender Alerts Service provided by Invest NI’s EEN Team;
  - 1 indicated that their organisation would definitely have won the tenders anyway in the absence of their subscription to the Tender Alerts Service provided by Invest NI’s EEN Team;
  - 1 of the 5 did not respond to this question.

*“I definitely felt that the previous tender alerts service found opportunities, but I have less confidence in the current service and I therefore ensure to use multiple tender search tools.”*

*“We are subscribed to other services so it is most likely that we would have identified the opportunities anyway.”*

*“The Tender Alerts Service does not impact on our tendering success. Once you have identified the opportunity, it is the quality of the submission that is important.”*

#### 4.7 EEN Events – Beneficiary Surveys Summary Analysis

Invest NI’s EEN Team provided details of 30 events that it had organised during the review period (2008-2013). Of the 30 events, only 23 had contact details for the suggested attendees. 16 bespoke questionnaires were developed by Cogent for the 23 events (NB some event-types were run on a number of occasions), given that they covered a very varied topic range and had different types of stakeholders in attendance, and the anticipated outcomes of their attendance would have varied by event.

In total, across the 23 events, Cogent received contact details for 525 individuals that allowed us to issue the bespoke (per event) online surveys. In total, 69 responses were received as summarised below, and overleaf.

Appendix 25 considers the activity and impact relating to Invest NI EEN Event attendance by event. However, this section of the report has sought to aggregate (where possible) responses from across the 17 individual event questionnaires. Given the unique nature and content of the events/workshops

offered, in many cases it is not possible to collate all questions across all respondents (i.e. as some questions would have only be posed to attendees at specific events) responses at an overarching level.

<b>Table 4.10: EEN Events Surveys - Profile of Surveys Completed</b>	
	<b>No. of Attendees</b>
Total attendees as per Invest NI databases	590
Total unique attendees (i.e. excluding duplicates recorded for any given event <sup>33</sup> )	540
Total unique attendees with contact details	525
<b>Total completed online surveys</b>	<b>69</b>
% of total unique attendees	13%

<sup>33</sup> A duplicate attendee has been recorded where one individual was included twice within the database for any given event/workshop.

	Module A Events						Total
	Exporting - How Does it Work?	EEN Awareness Workshop in Banbridge	Estonia Brokerage Event	Export Documentation and Payments x 4 events	Portugal Brokerage Event	Tendering in Europe Workshop	
No. attendees as per Invest NI Databases	37	10	47	56	32	20	202
No. duplicate attendees	0	0	6	7	1	0	14
<b>No. unique attendees</b>	<b>37</b>	<b>10</b>	<b>41</b>	<b>49</b>	<b>31</b>	<b>20</b>	<b>188</b>
No. unique attendees without contact details	5	0	0	0	0	0	5
<b>No. unique attendees with contact details</b>	<b>32</b>	<b>10</b>	<b>41</b>	<b>49</b>	<b>31</b>	<b>20</b>	<b>183</b>
No. with invalid contact details	9	3	4	11	6	2	35
<b>Assumed Recipients</b>	<b>23</b>	<b>7</b>	<b>37</b>	<b>38</b>	<b>25</b>	<b>18</b>	<b>148</b>
No. where there was no response	23	6	30	32	22	14	127
<b>Total completed surveys</b>	<b>0</b>	<b>1</b>	<b>7</b>	<b>6</b>	<b>3</b>	<b>4</b>	<b>21</b>
<b>% of total unique attendees</b>	<b>0%</b>	<b>10%</b>	<b>17%</b>	<b>12%</b>	<b>10%</b>	<b>20%</b>	<b>11%</b>

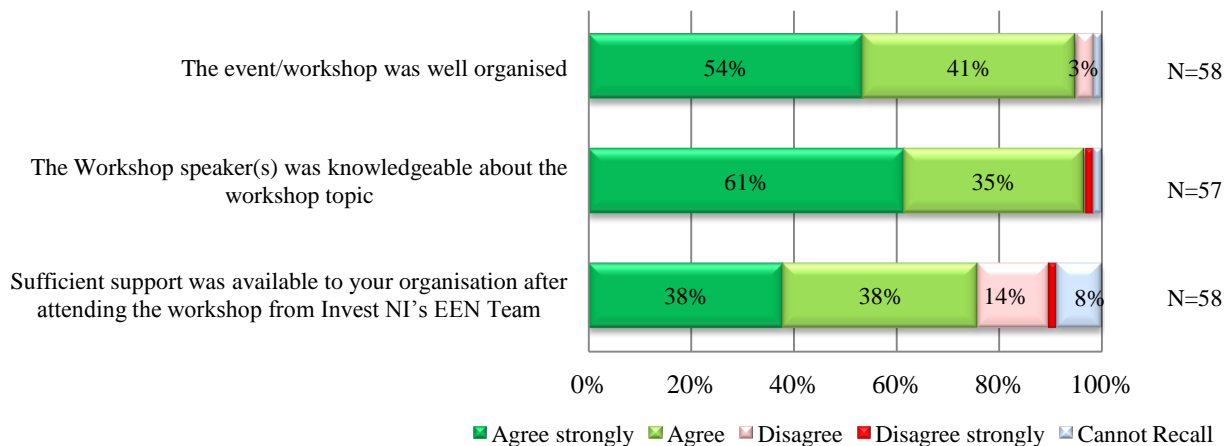
	Module B					Total
	EEN Awareness Workshop for Councils	International Clusters Workshop	Mobile World Brokerage Event	Polymer Connections Brokerage Event	TSB Electronics Scoping Workshop	
No. attendees as per Invest NI Databases	16	38	4	58	10	126
No. duplicate attendees	1	1	0	1	0	3
<b>No. unique attendees</b>	<b>15</b>	<b>37</b>	<b>4</b>	<b>57</b>	<b>10</b>	<b>123</b>
No. unique attendees without contact details	0	0	0	3	0	3
<b>No. unique attendees with contact details</b>	<b>15</b>	<b>37</b>	<b>4</b>	<b>54</b>	<b>10</b>	<b>120</b>
No. with invalid contact details	4	6	1	5	0	16
<b>Assumed Recipients</b>	<b>11</b>	<b>31</b>	<b>3</b>	<b>49</b>	<b>10</b>	<b>104</b>
No. where there was no response	9	26	2	32	8	77
<b>Total completed surveys</b>	<b>2</b>	<b>5</b>	<b>1</b>	<b>17</b>	<b>2</b>	<b>27</b>
<b>% of total unique attendees</b>	<b>13%</b>	<b>14%</b>	<b>25%</b>	<b>30%</b>	<b>20%</b>	<b>22%</b>

	Module C					Total
	European and UK R&D Awareness Workshop	FP7 Awareness & Proposal Writing Workshop x 4	European Collaborative R&D Awareness Workshop 2	Horizon 2020 Workshop	TSB Stratified Medicines Workshop	
No. attendees as per Invest NI Databases	59	130	28	26	19	262
No. duplicate attendees	4	29	0	0	0	33
<b>No. unique attendees</b>	<b>55</b>	<b>101</b>	<b>28</b>	<b>26</b>	<b>19</b>	<b>229</b>
No. attendees without contact details	3	2	1	1	0	7
<b>No. unique attendees with contact details</b>	<b>52</b>	<b>99</b>	<b>27</b>	<b>25</b>	<b>19</b>	<b>222</b>
No. with invalid contact details	7	20	3	6	2	38
<b>Assumed Recipients</b>	<b>45</b>	<b>79</b>	<b>24</b>	<b>19</b>	<b>17</b>	<b>184</b>
No. where there was no response	41	69	20	18	15	163
<b>Total completed surveys</b>	<b>4</b>	<b>10</b>	<b>4</b>	<b>1</b>	<b>2</b>	<b>21</b>
<b>% of total unique attendees</b>	<b>7%</b>	<b>10%</b>	<b>14%</b>	<b>4%</b>	<b>11%</b>	<b>9%</b>

Key points to note drawn from the analysis presented in Appendix 25 include:

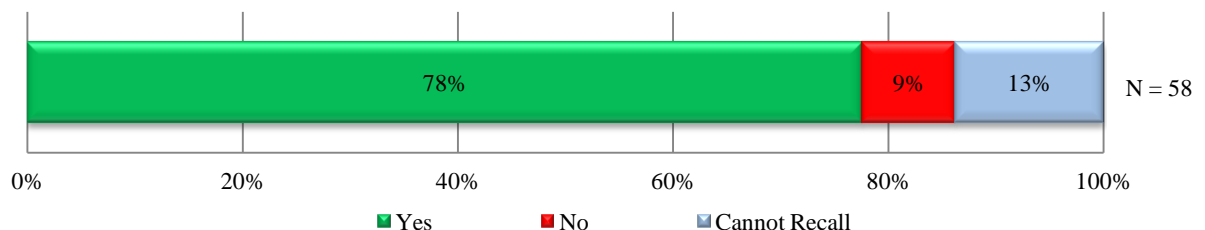
- 16% (N=69) of the respondents either:
  - Could not recall attending the event/workshop that they were recorded by Invest NI as having attended (6 respondents. 9%, N=69); or
  - Indicated that they did not attend the event/workshop which they were recorded as an attendee of within Invest NI’s monitoring materials (5 respondents. 7%, N=69).
- It should be noted that once the 11 respondents had confirmed that they could not recall attending or indicated that they had not attended the suggested event/workshop, they were asked no further questions and the maximum number of respondents reduced from 69 to 58 for the remainder of the study.
- The majority of respondents (N=58) who had attended the events were in agreement that:
  - The event/workshop was well organised (95%, N=58);
  - The speaker(s) was knowledgeable about the workshop topic (96%, N=57); and
  - Sufficient support was available to their organisation after attending the workshop from Invest NI’s EEN Team (76%, N=58)

**Figure 4.4: To what extent do you agree with the following statements...?**



- Over three quarters (78%, N=58) of respondents indicated that as a result of attending the event/workshop, they had a better understanding of how the EEN could support their organisation.

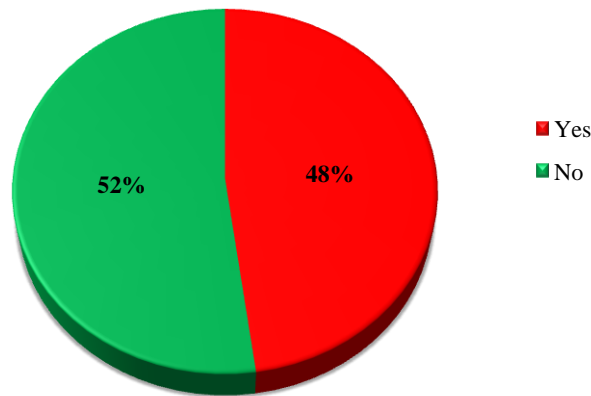
**Figure 4.5: As a result of attending the event/workshop, do you/your organisation have a better understanding of how the Enterprise Europe Network can support your business? (N=58)**



- Almost half (48%, N=46) of respondents across all events/workshops indicated that their organisation would need further support in order to further avail of opportunities outside NI. The exact nature of these opportunities varied across the events/workshops e.g. export opportunities

for Module A events, clustering and technology transfer opportunities for Module B events and research opportunities for Module C events.

**Figure 4.6: Is there further support that you/your organisation needs in order to further avail of opportunities outside NI (N=46)**



Suggestions for further support that could be provided include:

*“It would be beneficial to understand more about the geographical location of manufacturers of certain products.”*

*“Ongoing assistance in identifying, researching and financing potential export markets would be useful.”*

*“Additional guidance on how to get into different markets would be useful e.g. guidance on shipping and distribution.”*

*“More events similar to this one (Exporting to Portugal) would be beneficial e.g. market information relating to the USA, GB and other commonwealth countries.”*

*“I would appreciate the opportunity to attend a tailored one-to-one session with buyers in ROI.”*

**Module A Event/ Workshop Attendees**

*“It would be useful if there was more communication and updates on new information that becomes available.”*

*“Financial and marketing information would be useful as well as the opportunity to meet potential partners.”*

*“There was a lack of effective follow-up from the International Clusters Workshop. It would be beneficial if the events were followed-up with mentoring to encourage partnerships.”*

*“It would be better if there was greater notice in advance or event as well as improved marketing.”*

**Module B Event/ Workshop Attendees**

*“We would value more assistance with completing EU2020 applications including notifications of when the funding calls open and support in finding appropriate partners.”*

*“Even relatively basic information on EU Export funding would be useful to my organisation.”<sup>34</sup>*

*“We would appreciate if there was funding for travel and network building activities.”*

<sup>34</sup> Invest NI has noted that such services were available through its Module A workshops, which perhaps suggests a need for closer cooperation and/or communication between the different strands of Invest NI’s EEN support, so as to ensure clients are receiving the support they require.

*“Greater advance notice of upcoming calls and administrative support would be beneficial.”*

*Module C Event/ Workshop Attendees*

10 of the 58 event/workshop respondents indicated that their organisation had achieved impacts as a result of attending an EEN event/workshop during the period under review. The impacts reported are summarised in the table below.

**Table 4.11: Impact of the Events/ Workshops**

Event/ workshop		Total Respondents	Total Respondents that Attended the workshop	No. who reported impacts	Impacts reported
Module A	Exporting - How Does it Work?	0	0	0	None
	Banbridge EEN Awareness Event	1	0	0	
	Estonia	7	7	0	
	Export Documentation and Payments Workshop	6	4	2	<ul style="list-style-type: none"> <li>- Two respondents reported that they had achieved enhanced levels of export activity but did not quantify the impact.</li> <li>- One of these respondents anticipated further export sales and the other indicated that the sales were a one-off occurrence.</li> </ul>
	Portugal	3	3	1	<ul style="list-style-type: none"> <li>- One respondent reported that they had achieved enhanced levels of export activity but did not quantify the impact. These sales were considered to be a one-off occurrence.</li> </ul>
	Tendering in Europe	4	4	0	None
Module B	EEN Awareness Workshop for Councils	2	2	0	<ul style="list-style-type: none"> <li>- Two respondents indicated that they identified international partners as a result of the event.</li> <li>- One respondent reported that they had achieved enhanced levels of export activity but did not quantify the impact. These sales were considered to be a one-off occurrence.</li> <li>- One respondent indicated that they had submitted a successful bid to Innovate UK's competition on High Value Electronics as a result of the event.</li> <li>- One respondent indicated that they had submitted a successful bid to FP7 or another EU Funded collaborative R&amp;D project as a result of the event.</li> <li>- One respondent reported that they had submitted a successful FP7 or other EU Funded collaborative R&amp;D project, they had learned about the funding programmes and they had developed new services as a result of attendance at the event/workshop.</li> </ul>
	International Clusters Workshop	5	4	0	
	Mobile World Brokerage Event	1	1	0	
	Polymer Connections Brokerage Event	17	17	3	
	Electronics Scoping Workshop	2	2	1	
	European and UK R&D Awareness Workshop	4	4	1	
Module C	FP7 Awareness & Proposal Writing Workshop	10	5	2	None
	European Collaborative R&D Awareness Workshop	4	3	0	
	Horizon 2020 Workshop	1	1	0	
	Stratified Medicines Workshop	2	1	0	
<b>Total</b>		<b>69</b>	<b>58</b>	<b>10</b>	



#### 4.8 Common Areas of Analysis

Some questions or topic areas were common to a number of EEN beneficiary questionnaires. This section considers responses to those questions.

##### 4.8.1 Awareness of EEN

- Respondents became aware of EEN through a number of channels, including:
  - As a result of the respondent approaching their Invest NI Client Executive to explore what support(s) might be available to them (29%, N=73);
  - Their Invest NI Client Executive suggested that they should avail of the support (7%, N=73);
  - They or their organisation had previously been a client of the Innovation Relay Centre (IRC) or the European Information Centre (EIC) that was a predecessors of EEN (9%, N=73).

**Table 4.12: How did your first become aware of Invest NI’s EEN activity and support?**

	Company Visits and EOI	Partnership Agreements	Tech Missions	Overall
<b>Total Respondents (N)</b>	<b>48</b>	<b>20</b>	<b>5</b>	<b>73</b>
You approached your Invest NI Client Executive about support that might have been available	29%	30%	20%	29%
Cannot Recall/Not Sure	23%	0%	0%	15%
Other	17%	20%	20%	18%
Invest NI’s website	8%	10%	0%	8%
At an Invest NI event	6%	5%	0%	5%
A representative from Invest NI’s EEN Team initially contacted your business	4%	0%	20%	4%
You/your organisation had previously been a client of the Innovation Relay Centre (IRC) that was a predecessor of EEN	4%	20%	0%	8%
At an event hosted by another organisation (e.g. a trade or business representative organisation)	2%	0%	0%	1%
An Invest NI/EEN e-zine (electronic newsletter)	2%	0%	0%	1%
Your Invest NI Client Executive suggested that you should avail of the support	2%	10%	40% <sup>35</sup>	7%
The EEN website	2%	0%	0%	1%
You/your organisation had previously been a client of the European Information Centre (EIC) that was a predecessor of EEN	0%	5%	0%	1%

- Notably, few (6%, N=73) respondents suggested that they had become aware of EEN directly through a representative of Invest NI’s EEN Team, the EEN website or an Invest NI/EEN e-zine (electronic newsletter)<sup>36,37</sup>.
- Three quarters (75%, N=20) of the respondents to the Partnership Agreement survey questionnaire were of the view that the promotion of the Invest NI’s EEN activity and support could be improved so as to attract more businesses and organisations with the potential to trade or undertake innovation activities with European partners. Of particular note, almost all those respondents (regardless of whether they were academics, other public sector or private sector businesses) indicated that more focus should be placed upon promoting EEN to SMEs.

##### 4.8.2 EEN-Related Impacts

The following table summarises the impacts that respondents to the various surveys indicate they received as a result of EEN support:

<sup>35</sup> The Evaluation Team notes that Invest NI is of the view that respondents have potentially confused its EEN Executives with its pool of Client Executives.

<sup>36</sup> The Evaluation Team notes that Invest NI (at February 2015) has noted that it does not undertake any form of ‘cold calling’.

<sup>37</sup> The Evaluation Team notes that Invest NI (at February 2015) has noted that its Invest NI and or EEN e-zines only go to existing clients.

**Table 4.13: As a result of the support provided by Invest NI's EEN Team since 2008, have you/ your organisation experienced any of the following impacts?**

	Company Visits and EOI	Partnership Agreements	Tech Missions	Overall
<b>Total Respondents (N)</b>	<b>47</b>	<b>15</b>	<b>5</b>	<b>67</b>
Development of a relationship with fellow consortium members with a likelihood of future collaboration	11%	53%	N/A	19%
Insight into markets or technology that inform your organisation/company strategy (either to enter those areas or to stay away from them)	21%	7%	N/A	16%
Insight into markets or technology that inspire innovation, or prevent wasted effort	17%	13%	N/A	15%
Successful application to participate in a European Union research-related programme (e.g. FP7)	2%	53%	N/A	13%
Learning about the funding programme in question (usually FP7)	11%	20%	N/A	12%
Inspiration to try again with FP7 (or other programmes)	13%	13%	N/A	12%
Increased competitiveness	11%	73%	20%	25%
Impact on your business' survival	4%	67%	20%	19%
Helped to safeguard pre-existing jobs	4%	53%	20%	16%
Improved the skills of your workforce or the individuals that were employed	6%	40%	20%	15%
Resulted in the transfer of knowledge from or to other between companies or individuals	4%	40%	20%	13%
Increased Jobs	0%	27%	20%	7%
Developed new services	2%	13%	20%	6%
Led to linkages with universities or Further Education Colleges	4%	13%	N/A	6%
Increased Turnover	2%	7%	20%	4%
Developed new products	4%	7%	0%	4%
Led to the introduction of new products or processes within your business (other than ones developed directly within the business)	4%	7%	N/A	4%
Entry into new exports markets	2%	0%	20%	3%
Took a decision to strategically internationalise your company/ organisation	4%	N/A	N/A	3%
Reduction in costs	2%	0%	0%	1%
Other	2%	13%	20%	6%
Developed new processes/ new ways of working	N/A	N/A	20%	1%
Identified process inefficiencies			20%	1%
Adapted/ improved existing processes			20%	1%
Introduced new technologies			20%	1%
Improved production efficiencies			20%	1%
Change in organisational culture			20%	1%

Key points to note include:

- Almost a fifth (19%, N=67) of respondents indicated that as a result of the support provided by Invest NI's EEN Team that had developed a relationship with fellow consortium members with a likelihood of future collaboration;
- 16% (N=67) of respondents suggested that the EEN support received had provided them with an insight into markets or technology that has informed their organisation's/company's strategy;
- A quarter (25%, N=67) indicated that the EEN support had increased the competitiveness of their organisation/business;
- A fifth (19%, N=67) indicated that the support had had an impact on their organisation's/business' survival.

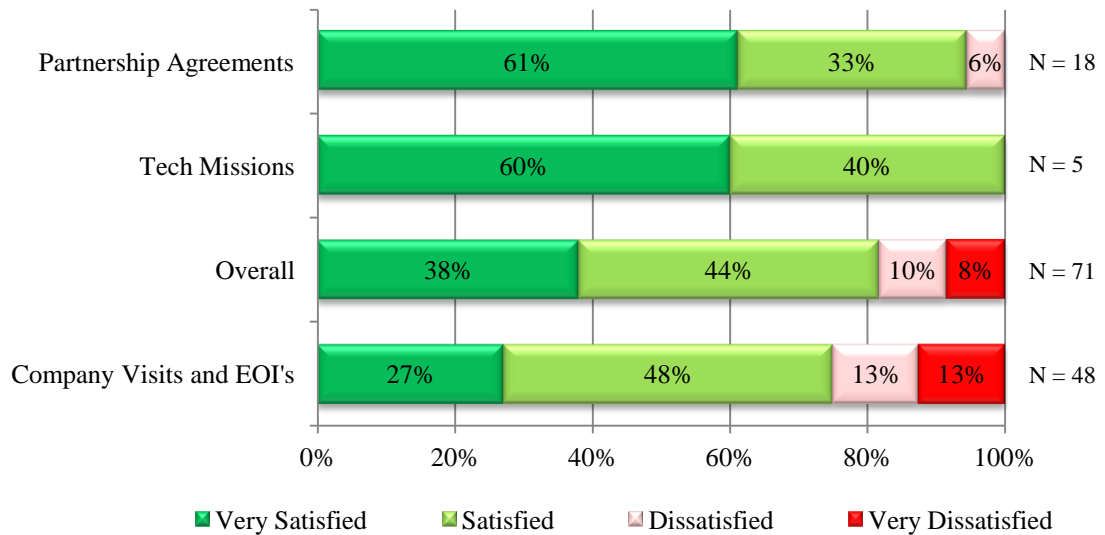
However, few respondents indicated that as a result of the support provided by Invest NI's EEN Team there had been:

- Any increase in their turnover (4%, N=67);
- Any development of new products (4%, N=67);
- Any entry into new export markets (3%, N=67);
- Any reduction in their cost (1%, N=67).

4.8.3 Overall Satisfaction

Over four-fifths (82%, N=71) of respondents stated they were ‘very satisfied’ or ‘satisfied’ with the overall support they were provided with through the Enterprise Europe Network.

Figure 4.7: Overall, how satisfied are you with the support provided by Invest NI’s EEN Team? (N=71)



*“I’m dissatisfied, as they will not help us, and are more focused on supporting universities than SMEs.”*

*“EEN suits the needs of QUB.”*

*“I could not fault the service provided.”*

**PA Questionnaire Respondents**

*“The support provided by Invest NI’s EEN Team was easy to access and provided useful information on potential partnership opportunities”.*

*“The Invest NI EEN Team was helpful, knowledgeable and responsive”.*

*“The service is extensive for finding potential partners”.*

*“I hope to use the EEN service to a greater extent in the future”.*

*“I was disappointed that I did not receive a face-to-face meeting to find out more about potential partnerships”.*

*“Whilst I felt the support was useful, no impacts arose from it for my organisation”.*

*“The support provided was not of relevance to my business”.*

*“More proactive support would be beneficial for instance through greater follow-up”.*

*“I did not receive any benefits from the support provided by Invest NI’s EEN Team and would not work with them again in the future”.*

**Company Visits/EOI Questionnaire Respondents**

*“The support provided by Invest NI’s EEN Team brought the right partners forward, helped to identify useful information and was valuable use of time.”*

*“The Company Technology Mission was a great learning experience”.*

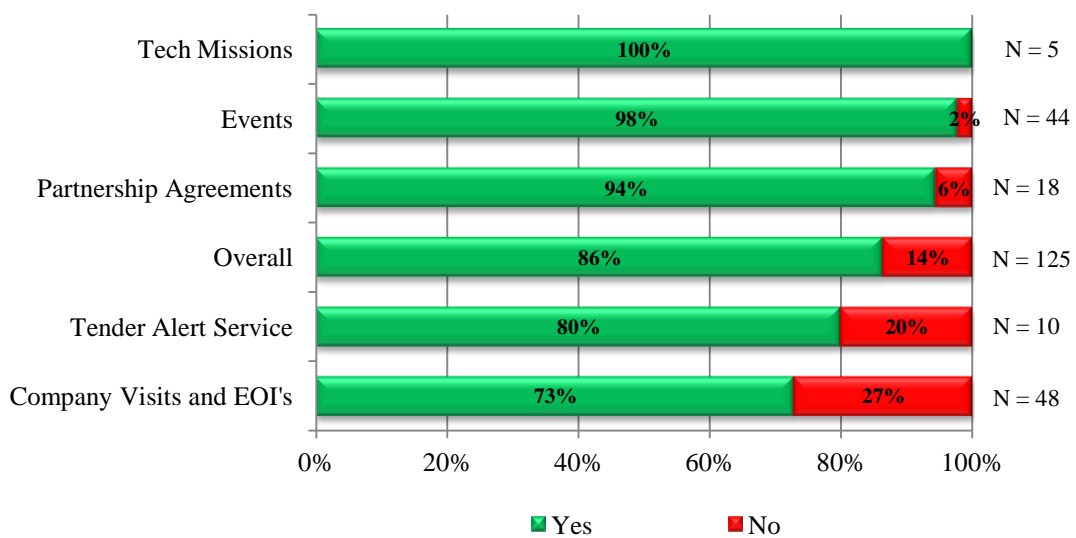
*“Overall the support was very good.”*

**Technology Mission Questionnaire Respondents**

4.8.4 Willingness to Recommend EEN

Overall, 86% of respondents (N=125), stated they would recommend Invest NI’s Enterprise Europe Network to other businesses or organisations.

**Figure 4.8: Would you recommend Invest NI’s EEN service to other businesses or organisations? (N=125)**



*“I can’t fault them. They have ideas as well and give good advice. They can call on expertise within Invest NI”*

*“I had a bad experience with them. They need to focus on SMEs not big businesses. They need to give relevant advice to small NI business not universities.”*

*“An expansion of the service is needed; the EEN team needs a clearer focus on SMEs rather than universities.”*

*“They should help with filling out paperwork. Also they need to encourage more SMEs to attend their events.”<sup>38</sup>*

*“The support should be more tailored for the specific needs of different types of PA (Tech/Research/Commercial)”*

*“EEN should offer follow up support for submissions that are rejected, i.e. extra help for resubmission.”*

*“Information needs screened before getting sent to businesses/academia, so they are not bombarded with information”*

*“EEN needs to be more proactive, and suggest more companies from within the EU as potential partners.”*

**PA Questionnaire Respondents**

<sup>38</sup> As illustrated, several respondents were of the view that Invest NI’s EEN Team needed to place a greater focus on SMEs. Discussion with Invest NI (February 2015) indicates that Invest NI is of the view that it does already place a focus on promoting its EEN services to SMEs and that a low turnout at events is not reflective of a lack of a focus on SMEs.

*“The EEN would be improved if there were one-to-one interviews focused on matching organisations with suitable partners across Europe”.*

*“Services should be more tailored to unique business sectors”.*

*“There should be greater follow-up with businesses to tailor partner search profiles and encourage responses to expressions of interest”.*

*“The system should be filtered more appropriately to enable more accurate matches to be identified”.*

*“There should be more updates provided to client companies”.*

*“The EEN appears to be directed at academics in NI so a greater focus on SMEs would be beneficial”.*

*“More cross-sectoral expertise within the EEN Team would be useful”.*

*“I would not recommend the EEN as I have received no benefit from the services to date”.*

**Company Visits/EOI Questionnaire Respondents**

## 4.9 Feedback from Key Stakeholders

### 4.9.1 Introduction

The Evaluation undertook a series of consultations with key stakeholders (as suggested by Invest NI) in relation to the services provided through Invest NI’s Enterprise Europe Network, as detailed below:

Stakeholder Organisations	
Agri-Food and Biosciences Institute	Momentum NI
CAFRE	Northern Ireland Chamber of Commerce
Craigavon Borough Council	Queen’s University Belfast
DETI	University of Ulster
European Commission – Belfast Office	

It should be noted that a number of the consultees indicated that they were either unfamiliar with The Enterprise Europe Network and/or Invest NI’s EEN Team, or that they/ their organisation has had minimal recent interaction with Invest NI’s EEN Team. These individuals asked the Evaluation Team to provide them with an overview of EEN and how it works within NI, so their responses were in the context of a more theoretical understanding of EEN, rather than a detailed working knowledge of how it operates in practice.

Nonetheless, salient findings drawn from the stakeholder consultations are detailed below:

### 4.9.2 Overarching Views

- All of the stakeholder consultees were very supportive of the overarching theory of the Enterprise Europe Network, and emphasised the importance of Northern Ireland having access to a European-wide network for commercial, innovation and R&D opportunities.
- Most stakeholders that considered that they were in a position to comment indicated that they had found Invest NI’s EEN Team to be helpful, easy to work with, professional and quick to respond when needed. However, one consultee was of the view that the EEN Team was not particularly well informed in certain subject areas. This individual indicated that they had attended EEN events and workshops where, in their view, inaccurate and out-dated information had been presented by the EEN Team.

#### 4.9.3 Profile of Invest NI's EEN

- A key theme arising from the stakeholder consultations was that Invest NI's EEN is an underutilised service. It was recommended that greater promotion and awareness-raising is required in order to increase the profile of EEN across NI. In particular, it was considered that the EEN brand is not well-recognised when compared with Invest NI's brand<sup>39</sup>.
- Many of the stakeholder consultees were unable to differentiate between EEN and the Business Information Centre.

#### 4.9.4 Positioning within NI

- A number of the strategic stakeholder consultees raised concerns that EEN as it is currently configured and promoted within NI is the preserve of NI's larger businesses and academic institutions. It was suggested that Invest NI's client base/active client is largely comprised of NI's better performing or larger businesses, and that these businesses would be signposted to EEN through their Client Executive. However, the concern was voiced that the larger number of businesses that comprise NI's business base would not be fortunate enough to be made aware of EEN in such a fashion, and that they would likely not become aware of it, as the promotion of the Network in NI was suggested to be piecemeal.
- It was suggested by a number of the strategic stakeholder consultees that there is significant potential for Invest NI's EEN to develop stronger links at a localised level (e.g. with local authorities) in order to raise greater awareness among the NI business community.
- Similarly, it was recommended that Invest NI's EEN Team should interact more fully with membership bodies in NI and link in with Chambers of Commerce elsewhere throughout Europe, particularly as these organisations often deliver the Programme on behalf of the European Commission in other jurisdictions.
- It was noted that structures relating to the delivery and implementation of the Horizon 2020 Programme within NI are currently under review. However, consultees were of the view that Invest NI's EEN should seek to prominently link in with these evolving structures in order to ensure that pan-European opportunities are not lost to NI businesses or academic institutions.

#### 4.9.5 Views on the Support Provided

- The strategic stakeholders highlighted the (potential) importance of Invest NI's EEN in supporting organisations to identify suitable partners within other EU countries. In particular, it was noted that FP7 applications required a number of organisations from different member states to be represented. The consultees again emphasised the important role that Invest NI's EEN Team could play in supporting organisations to identify suitable partners across Europe for applications to the Horizon 2020 Programme.
- Consultees suggested that Invest NI's EEN had the potential to raise the profile of NI organisations and its knowledge base within markets across Europe;
- There were mixed views among stakeholders about the information provided by Invest NI's EEN Team to beneficiaries e.g. partnership search profiles published, tender alerts etc. Some consultees were of the view that the information provided is useful and provided on a timely manner. However, other consultees felt that the information is too high-level, and is not always adequately screened for relevance to the recipients.
- Similarly, there were mixed views on the events delivered. A number of the stakeholder consultees had co-hosted events with Invest NI EEN Team or attended events where the EEN Team was represented. These consultees were generally satisfied with the content of these events and the

<sup>39</sup> It is outside the scope of the Evaluation Team's work to assess what level of promotional activity and expenditure should be incurred by Invest NI to raise the profile of EEN across NI. However, it may be worth Invest NI undertaking such an exercise, in light of the strategic imperatives that exist to increase both NI's levels of exports and R&D activity and the scale of opportunity that is represented by the European marketplace.

contribution of Invest NI's EEN Team, although a few noted that the EEN Team took a more passive role in some of the events than might be preferable.

- As noted, one consultee was of the view that the EEN Team was not particularly well informed in certain subject areas. This individual indicated that they had attended EEN events and workshops where, in their view, inaccurate and out-dated information had been presented by the EEN Team.
- Several stakeholder consultees recommended that Invest NI's EEN Team should communicate more with industry as it was suggested that the service is too focused on government and academics.
- In addition it was suggested that the EEN Team may require more in-depth sectoral knowledge, particularly to help NI organisations to identify suitable potential partners in Europe.

#### *4.9.6 Summary Conclusions*

Overall, the strategic consultees were positive about Invest NI's EEN and the potential that it offers to link into a European-wide network of commercial, technological and research opportunities. However, the consensus view was that greater awareness-raising and promotion is needed, particularly with NI-based businesses, in order to maximise the potential offered by the service.

## 5. BENCHMARKING

This Section provides an in depth look at the Scottish and Danish EENs in order to establish whether there are any lessons to improve the effectiveness of the programme locally.

### 5.1 Scotland

#### 5.1.1 Introduction

During 2013, Scottish Enterprise undertook an evaluation of its EEN activity<sup>40</sup>. The evaluation covered a five year period from January 2008 to December 2012.

Similar to Invest NI, the Scottish EEN offers a range of support services including: internationalisation, innovation, commercialisation of technologies, and knowledge/technology transfer. These cover the following main areas:

- Business partnering opportunities or collaboration support - sourcing commercial, technical and research partners; brokerage and networking events;
- European information services - market information; information on potential partners, legislation and taxation, and policy relating to Europe;
- European R&D funding - information on calls for R&D funding and advice on applying for R&D funding.

According to the Scottish EEN Evaluation report, due to the large database of Scottish EEN client beneficiaries, the scope of the consultation element of the evaluation study was limited to only those SME beneficiaries that had formalised one kind of 'Partnership Agreement' (PA)<sup>41</sup>. This was defined as an 'acknowledgement by one (or two) EEN client(s) that they entered in a concrete, medium to long-term international cooperation with another SME, company, research institution, research or private person (hereafter 'Part' to the PA) with EEN assistance'<sup>42</sup>. According to the guidance, a PA can be the result of one (or both) of the following two types of activities:

- First, 'the two parties involved in the PA met via an EEN brokerage activity and at least one party received direct assistance from the EEN partner. An EEN brokerage activity consists in helping a client find potential partners abroad via the publication of a profile in one of the Network databases, via a participation to a brokerage event (BE) or company mission (CM), via contacts with other Network partners, or via another channel, and providing the client with the necessary assistance to enter in a concrete, medium to long-term cooperation with the potential partner thus found. A PA is the ultimate goal of a brokerage activity'<sup>43</sup>.
- Second, 'The two parties to a PA did not find each other via an EEN brokerage activity but at least one of the parties involved received decisive advice from an EEN partner without which the concrete, medium to long-term international cooperation in which the two parties entered would not have happened'<sup>44</sup>.

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<sup>40</sup> Evaluation of Enterprise Europe Network Scotland (November 2013)

<sup>41</sup> There are three types of PAs: commercial, technology and research based partnerships. A PA can be claimed by producing a Statement Letter signed by the client beneficiary assisted by the Network Partner and a PA Report written by the Network Partner (detailing what the PA is about)

<sup>42</sup> Enterprise Europe Network Partnership Agreement Guidelines, Updated December 2012

<sup>43</sup> Ibid

<sup>44</sup> Ibid



### 5.1.2 Project Rationale

The Evaluation of Scotland’s EEN concluded that there were significant shortfalls in the rationale for the project, as articulated in the current documentation. In particular, the justification for publicly funded intervention was not explicit and the relevant market failures were not assessed.

The report concluded that there was a case for continued intervention in this area, and that the EEN represents a potentially very valuable asset, but suggested that a refreshed assessment of the rationale for the EEN Scotland project in the light of market developments would identify more explicitly the justification for publicly funded intervention.

### 5.1.3 Project Management

Scottish Enterprise (SE) ‘hosts’ the project which is delivered by a dedicated team, organised across sectoral or specialist areas (e.g. intellectual assets specialists). SE is the lead partner in the Enterprise Europe Network Scottish consortium. Partners include Highlands and Islands Enterprise, Highland Opportunity Ltd and the European Commission.

Specifically, the team sits within SE’s Innovation & Commercialisation Directorate, allowing it to work closely with SE in supporting businesses. The project team consists of 18 staff:

- 1 Head of EES
- 1 EES Coordinator
- 1 for EU Collaborative R&D Funding
- 1 Enterprise Europe Network Scotland Senior Administrator & Project Support
- 5 for Technology and Knowledge Transfer
- 4 for European Business Information, Commercial Business Opportunities and EU finance
- 5 Intellectual Asset Specialists<sup>45</sup>.

The project team also covers a variety of sectoral specialisms:

- Offshore energy/engineering and renewables
- Chemicals, materials & textiles
- Sustainable construction
- ICT
- Life sciences
- Creative industries

The project team is represented on key stakeholder groups at European level, including the EEN Steering and Advisory Group, the P&I Working Group, and sector groups. We understand that the project is also represented on the Scottish EU Innovation Research Steering Group (through Head of the EES project), which develops strategy and actions on how Scotland can best maximise the opportunities from Horizon 2020.

### 5.1.4 Project Costs

The Scottish EEN’s project costs for the 5-year period 2008-2012 are detailed below:

Expenditure (£)	Total (Jan 2008-Dec 2012) excl VAT	%
Personnel costs	<b>2,352,595</b>	61%
Travel and subsistence	<b>236,204</b>	6%
Sub-contracting	<b>636,231</b>	17%
Other specific costs (related to audit)	<b>5,549</b>	0%
Indirect costs	<b>600,643</b>	16%
<b>Total</b>	<b>3,831,222</b>	<b>100%</b>

<sup>45</sup> Note that the Intellectual Asset Specialists have only been in place since 1st April 2012.

SE contribution	1,918,668	50.1%
EC contribution	1,912,553	49.9%

### 5.1.5 Scottish EEN Activity

According to the Evaluation Report, over the five year period from January 2008 to December 2012, 2,604 Scottish businesses had received support through Scotland's EEN. Of these, 757 (29%) had received over four hours support.

### 5.1.6 Achievement of Objectives (Scotland)

The original SE Executive Board Paper (2007) had stated that *"It is expected that improved promotion and integrated delivery will see £6m GVA being achieved over the six years of EEN Scotland"*. It also set out four 'project outcomes':

- 3,100 organisations supported to participate internationally;
- 85 new collaborative ventures;
- 25 patents licensed to, or acquired by, businesses;
- 10 new products/services launched and processes implemented.

Following the initial approval, the project was further developed in liaison with the European Commission, and 12 targets were set for 2008-2010. Subsequently, 27 targets were set for the 2011-12 period. Both sets of targets and the extent to which they were achieved are set out below:

Number of.....	2008-10		2011-12	
	Target	Actual	Target	Actual
Clients reached through electronic media	1,490	1,375		
Individuals reached by Network promotion			50,000	75,051
Local events organised	72	67		
Participants in local or regional events	1,360	2,603	500	586
Clients in feedback related actions	20	32	10	3
Enquiries from SMEs answered	3,500	3,555	1,680	1,337
Enquiries from the Network answered			150	101
Enquiries from SMEs answered via local actors			750	174
Clients receiving brokerage services	180	447		
First company meetings	N/A	331	150	253
Clients receiving international and innovation support, of which:			150	464
- Clients receiving IPR services			10	275
- Clients receiving technology audits or business reviews			40	61
- Clients receiving support to finance their projects			20	37
- Clients receiving other services related to internationalisation and innovation			80	91
Brokerage and missions events participated in	12	17		
Clients in brokerage events and missions	N/A	300	163	558
Meetings at brokerage events and missions	N/A	396	489	326
Partnership Proposals produced	120	340	108	181
Expressions of interest received	405	559	162	439
Expressions of interest made	405	431	150	659
Active contributions to Network activities			50	100
Active contributions to Consortia activities			30	84
Partnership Agreements, of which:	29	36	36	50
- Business agreements			6	11
- Technology transfer agreements			20	29
- Research partnerships/FP7 proposals			10	10
Contributions to Working Groups or Steering & Advisory Group (SAG)	7	34		
Success stories produced, of which:			15	17
- Success stories with Network partners			10	17
- Intra-consortia client assists			5	4
- Contributions to good practices	N/A	8	2	2

The Evaluation Report states: *"Focusing on what would appear to be the most important measures for the 2011-12 period, it is clearly very positive that the project significantly exceeded its targets in key*

areas of the 'funnel' (from broadly-based light-touch support through to more selective, more intensive support). In particular, targets were exceeded for:

- The number of clients receiving international and innovation support (464 actual versus 150 target);
- The number of Partnership Proposals produced (181 actual vs 108 target);
- The total number of Partnership Agreements (50 vs 36).

The report notes that one important measure against which the project did not hit its target in 2011-12 was the number of enquiries from SMEs answered (1,337 actual versus 1,680 target). However, it was suggested that this was due to Scotland's EEN introducing a more effective route of handling enquiries, with online self-help tools freeing up time to answer more complex enquiries needing more specialist research support

In considering the project's objectives, the Evaluation report notes that:

- The original net GVA expectation for the project over six years seems rather modest, compared to the total public funds (SE and EC) invested: c. £6 million in net GVA impact for c. £4 million in public funds, giving a Benefit Cost Ratio of 1.5:1.
- Subsequent to the original SE Executive Board Paper, the project documentation appears to have lost sight of this original intended net GVA impact.
- The targets set for the service were numerous, and overly focused on activities rather than outcomes. It is difficult to assess whether the targets were 'right', as there is no explicit link from the intended outputs to the net impact which the project is attempting to achieve.
- As a project jointly funded by the EU, the objectives were driven by the EC, with similar objectives across the various networks. Scottish Enterprise's discretion in setting objectives was therefore largely constrained by the EC's requirements.

#### 5.1.7 Impacts

Seven (out of 19 PA) respondents attributed some tangible impact to the EES project. Impacts were typically realised within one to three years of the support being provided.

The Evaluation of Scotland's EEN estimated the total cumulative net GVA impact over the 5-year period to be £2.1 million in 2012 prices.

The report concluded that given the size of the sample generating this impact (19 respondents from a total of 131 Partnership Agreements recorded as being in place at the end of 2013, but with a much larger base of businesses reached overall), it would appear very likely that the project has, in total, exceeded the additional £6 million in GVA envisaged by the original SE Board Paper in 2007.

#### 5.1.8 Monitoring systems and processes

In addition to EACI's monitoring requirements, the EEN Scotland team feeds progress against activity into SE's own tracking systems (for Account Managed and non-Account Managed companies). This includes inputting data for all clients which received value added support from the project (mainly relating to partnership brokering services, FP7, Intellectual Assets advice and workshops). The SE CRM is also used to track the number of 'Innovation Assists' the team has provided to firms.

The Evaluation of Scotland's EEN concluded that the project's monitoring systems and processes appear to be extensive. Client activity is captured for both the SE and EC, with progress against performance measures tracked for reporting purposes.

#### 5.1.9 Lessons Learned in Scotland

The Evaluation of Scotland's EEN identified a number of lessons/recommendations for consideration:

- On balance, it was considered that the EEN (including its links outwith the EU) was potentially a very valuable asset, but that there was scope for improving the extent to which this asset is exploited by Scottish SMEs, and hence improving the value for money of this intervention.
- The Evaluation Report considered that the Scotland's EEN (and its targets) was overly concerned with *activities*, and insufficiently focused on intended *outcomes* and net *impacts*.
- The report recommended that Scotland's EEN should distinguish between intended net impacts, intended outcomes, and intended outputs, with the latter focused on just a few, demanding, measures, which are closely linked to the desired outcomes and impacts (informed by an explicit logic model). Suggested elements of a logic model included:
  - A logic model for EEN (within Scotland) should be set firmly in terms of a need for Scottish SMEs to access *global* opportunities, rather than just opportunities in the European Union, and should acknowledge ongoing developments in how SMEs access information.
  - Explicit intended impacts relating to international exports<sup>46</sup> and net GVA (actual over the period, and projected) should be identified. It was suggested that this was necessary, in order to ensure that the project's activities and intended outputs are more clearly focused on genuinely making a material economic difference to Scotland.
- The report suggested that even if the targets specified by the EC remain predominantly activity-related, this should not prevent SE thinking through and setting appropriate intended outcomes and net impacts from the intervention, for the organisation's own purposes.
- The nature and focus of Scotland's EEN activities and the organisation of the project team (around sectoral and specialist areas) was suggested to fit with and contribute to SE's agenda as reflected within the agency's business and sector plans.
- Whilst business in Scotland were generally satisfied with the support that they had received through Scotland's EEN there was confusion in relation to the types of support that the Network offered and confusion how it linked with the support offered through SE and Scottish Development International (SDI).
- It was further suggested that:
  - Assistance from the point of contact at the EEN Scotland project team needed to be deepened – some beneficiaries considered that the support was simply about signposting to other support/agencies. It was noted that most of the economic impacts achieved had been by those businesses that had received more intensive support. It was recognised that there are resource implications associated with building deeper, more frequent, interactions with the client businesses. However, it was suggested that this would not necessarily involve an increase in team size or funding requirement if there was a rationalisation of targets and some of EEN Scotland's current (at that time) activities were dropped. It was further recommended that the suggested additional in-depth support should be targeted on those beneficiaries most likely to deliver significant net GVA benefits for Scotland.
  - When assistance is given to a firm, there should be a mutually agreed timetable for follow-up contact to ascertain whether further help may be required.

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<sup>46</sup> It was noted that the logic model should not become too focused on 'innovation-driven exports', and should allow for wider innovation in international trade. That is, it was noted that it should be borne in mind the potential for Scottish SMEs to use the EEN to help source parts of their R&D and/or production from other countries, and for companies from other countries to use EEN as a means of finding UK-based distributors for their products and services. It was noted that "this would be a debate worth having, in order to ensure that the reasons for Scottish funding for the intervention are explicit and well-understood".

- Within Scotland, both stakeholders and business beneficiaries commented that there was still insufficient awareness of the EEN service, despite the project team's efforts both internally (with SE and SDI colleagues) and externally. The report recommended that this need to be addressed.

#### 5.1.10 Summary Conclusions

The current Evaluation Team (Cogent) notes that our review of the situation in Scotland appears to mirror in a large number of way the situation that we have found in NI. This is further drawn out in our own Conclusion and Recommendations section (Section 7).

## 5.2 Denmark

Representatives from the Evaluation Team met with the Danish EEN Co-Ordinator. Key points from that consultation are detailed below:

- Initially, Denmark's EEN suffered issues that resulted from the merger of the pre-existing 'Euro Info Centre (EIC)' and Innovation Relay Centre (IRC) networks. However, a strong 'focus on achieving results' was taken from the outset, and underperforming consortium partners were removed.
- According to the Danish EEN Co-ordinator the focus on results was also at the level of individual team members, and underperforming individuals have also been removed;
- Denmark's EEN has 10.2 Full-time Equivalent (FTE) staff, with an annual programme budget of €2.1m,
- Denmark's EEN Co-ordinator indicated that the basic information provision aspect of EEN activities plays little or no role in their activities suggesting 'most information is on Google, so why would we need a library function';
- Each individual staff member has an individual target for achieving 'partnership/collaborative agreements';
- Collectively, Denmark's EEN has achieved the following Partnership Agreements:

Time Period	No. of PAs Achieved	Average per FTE per year
2008-2010	32	1.04
2011-2012	72	3.52
2013	80	7.84
<b>Total</b>	<b>184</b>	

- The table above illustrates that, following the removal of underperforming partners and staff, the pace with which Denmark's EEN has achieved Partnership Agreements has increased considerably.
- In the 6-year period 2008-2013, Denmark's EEN has achieved 184 Partnership Agreements, over 3 times the number of Invest NI (i.e. 58), with just over 63% more FTE staff.
- The profile of PAs achieved also differs considerably from those in NI, with Denmark achieving a much greater proportion of commercially focused agreements, as illustrated below:

Profile of Agreements to Collaborate Achieved 2008-2013				
	Northern Ireland		Denmark	
	No.	%	No.	%
Collaborative Research	27	47%	46	25%
Technological cooperation	29 <sup>47</sup>	50%	74	40%
Commercial cooperation	2	3%	64	35%
<b>Total</b>	<b>58</b>	<b>100%</b>	<b>184</b>	<b>100%</b>

<sup>47</sup> Two of the Technological Agreements to Collaborate also had a Commercial aspect

- The consultee indicated that Commercial Cooperation PAs can be ‘turned around in a few days’;
- Of note, the most PAs that have been signed by an individual organisation was 6;
- Denmark’s EEN undertakes a ‘Client Benefit Survey’ once a year to establish the impacts achieved;
- In terms of impacts achieved, Denmark’s EEN has a target for achieving tangible impacts equivalent to 1.8 times their annual budget of €2.1m. According to the Danish EEN Co-ordinator, in one year they achieved impacts equivalent to 22 times their annual budget;
- The consultee stated that the Danish EEN’s focus is ‘entirely about impact and outcomes’ and questioned the rationale of any Network Partner that did not have a similar focus. He suggested that poor performing EENs need to take responsibility and focus on impact, rather than activity;
- The consultee suggested that the EEN partner based in Yorkshire would likely be the UK’s best EEN partner;
- The consultee suggested that the Danish EEN does not have to look for clients as SMEs come to them, as a result of the word of mouth achieved through their success stories. They publish and distribute a booklet about their success on a twice yearly basis (2,00 hard copies and an electronic version for the website and e-mail distribution);
- The consultee suggested that the Danish EEN chooses to offer some light touch support to a lot of businesses, but its efforts are focused on the provision of substantial support to a smaller number of businesses each year;
- The Co-ordinator stated that they proactively take profiles to specific Danish businesses as they employ sectoral experts that know the Danish business base and know what profiles will be of interest to Danish businesses. According to the consultee success is reliant on ‘having the right type of person who is integrated into the business community’;
- When asked how the Danish EEN gets around the necessity to provide a large number of services under the EEN contract, the Co-ordinator stated that they agreed with EACI that they were going to focus entirely on achieving PAs and met absolutely no resistance, only encouragement;
- Adopting the wholesale focus on achieving PAs then dictates the activities that are undertaken to get to this end result.
- The consultee advised that should Invest NI wish to achieve impacts, then it should not focus on undertaking numerous light-touch activities
- According to the consultee, the key to achieving PAs is proactive follow-up;
- In terms of building relationships with Network Partners in other countries, the consultee indicated that Denmark has used the EEN staff exchange function on a number of occasions, and queried whether Invest NI had;
- They also engage in ‘Viking Days’, whereby their EEN staff ‘go out and find EEN Network Partners with similar sectoral profiles to them e.g. IT businesses’;
- The consultee noted that Denmark is extensively engaged in EEN’s ‘Specific Action Programmes’ (SAPs). At present, Denmark is involved in 7 SAPs, generating €1m in funding from each. They relate to topics such as ‘public procurement’ and ‘eco-design’;
- Upon explaining the configuration of Invest NI’s EEN team within Invest NI, whereby the Team continues to largely operate under the Module A, B and C model, the consultee was of the view that it would be inevitable that EEN’s impact in NI could not be maximised.

## 6. RETURN ON INVESTMENT & VALUE FOR MONEY

This Section compares the costs actually incurred by the Invest NI EEN with those estimated at the outset, and explains any reasons for variances, where these are known. A full economic cost analysis has been undertaken in accordance with NIGEAE guidance. This includes the costs of marketing elements, evaluation costs, fully loaded NI and/or EDO staff time, admin input, procurement costs, legal costs etc.

### 6.1 Comparison of Actual v Projected Costs

Invest NI's projected EEN budgets and actual EEN expenditure are recorded in Euros as a result of claims being submitted to the EC. A Pound Sterling version was not available to the Evaluation Team. The table overleaf illustrates the actual costs of implementing Invest NI's EEN activity during the 5-year period to 2012 compared with projected costs. Key points to note include:

- Over the 5-year period to 2012, Invest NI's EEN activities were projected to cost €2,248,574 (including €142,875 of non-eligible costs). The records provided to Cogent indicate that the actual costs were €1,867,835;
- During the same period, Invest NI projected that it would finance the €2,248,574 costs through a €1,088,101 contribution of its own funds and €1,017,598 from the EC (i.e. total finance of €2,105,699), which in effect projected a deficit of €142,875 to cover the non-eligible costs, which it is presumed were anticipated to be paid through Invest NI's own monies. Cogent sought to understand the nature of the non-eligible costs during the evaluation process but, following discussion with Invest NI, was unable to identify what they were projected to consist of;
- Over the 5-year period to 2012, the records provided to Cogent by Invest NI indicate that Invest NI's EEN activities cost €1,867,835; 37% below the projected cost of €2,248,574. The rationale for this differential was not made available to the Evaluation Team.
- The records provided to Cogent indicate that the costs of Invest NI's EEN activities during the period 2008-2012 were financed through €927,490 of Invest NI's own finances, €35,777 which was generated through Invest NI's EEN activities and €964,567 through the EC. This represents total financing over the 5-year period of €1,927,835, which suggests a surplus of €60,000 over actual costs of €1,867,835. The rationale for this differential was not made available to the Evaluation Team.

### 6.2 Actual Staff Input

The Evaluation Team understands that the costs in Table 6.1 depict the direct salary costs that Invest NI has attributed to Invest NI's EEN activities, but do not represent the full economic costs of that staff input. As such, the Evaluation Team has presented the fully loaded staff costs associated with Invest NI's EEN activities across the period under review (2008 to 2014) in the table overleaf. It should be noted that in calculating the fully loaded staff costs, the following assumptions have been applied by the Evaluation Team:

- The profile of annual staffing input into EEN activities has been provided to the Evaluation Team by Invest NI.
- The table below indicates that during the review period the equivalent of 6.25 FTEs have been involved in the delivery of Invest NI's EEN activities each year.
- Annual Invest NI staff costs are reflective of the full economic costs of staff time including ERNI plus Superannuation, and loadings. These costs are based on the DETI Ready Reckoner of Staff Costs. In line with guidance provided by DETI, the 2008/09 salary costs have been uplifted to today's prices by applying a 3% increase in average salary per annum. The superannuation and loadings have been uplifted using HMT's GDP deflators.
- DETI's Ready Reckoner is prepared on financial years (April to March) whereas Invest NI's EEN costs are recorded based on calendar years. The Evaluation Team has therefore applied the Ready

Reckoner for the April to December period of each financial year across the full calendar year (e.g. the 2008/09 Ready Reckoner has been applied for the 2008 calendar year).

- The fully loaded staff costs have been converted from Sterling into Euro using the annual average exchange rate for each calendar year cited on [www.onanda.com](http://www.onanda.com).
- Our analysis of staff costs continues in Page 63.



**Table 6.1: Comparison of Actual v Project Invest NI EEN Costs**

Cost category	Projected Costs (€)						Actual Costs (€)					% Difference 08-12
	Period 1 (Jan 08-Jun 09)	Period 2 (Jul 09-Dec10)	2011-12	Total (5 years)	2013-14	Total (7 years)	Period 1 (Jan 08-Jun 09)	Period 2 (Jul 09-Dec10)	2011-12	2013-14	Total (5 years to 2012)	
Personnel	€309,427	€325,928	450,427	€1,085,782	428,462	1,514,244	249,740	308,301	502,449	N/K	1,060,490	-30%
Travels and subsistence	€35,000	€37,700	50,948	€123,648	50,935	174,583	25,125	33,155	42,651	N/K	100,931	-42%
Sub-contracting	Cost (In house) consultants	€57,600	€67,750	€ 212,533		34,425	36,254	65,512	94,405	N/K	196,171	-21%
	Cost of communication and promotion of the action	€30,375	€31,500	€ 100,871		38,996	19,415	23,364	17,412	N/K	60,191	-57%
	Cost of events	€76,500	€74,250	€ 242,747		108,597	32,793	36,477	62,634	N/K	131,904	-62%
Other specific costs - Cost of audit certificates (08-10), Other (10-11)	€4,500	€4,500	5,383	€14,383	-	14,383	-	-	-	-	-	-100%
Unknown Costs <sup>48</sup>					54,000	54,000						-100%
<b>Direct costs</b>	<b>€513,402</b>	<b>€541,628</b>	<b>724,934</b>	<b>€1,779,964</b>	<b>715,415</b>	<b>2,495,379</b>	<b>363,328</b>	<b>466,809</b>	<b>719,551</b>	<b>N/K</b>	<b>1,549,688</b>	<b>-38%</b>
<b>Indirect costs</b>	<b>€92,828</b>	<b>€97,778</b>	135,129	€325,735	144,739	470,474	74,922	92,490	150,735		318,147	-32%
	30%	30%	30%		30%							
<b>Total eligible costs</b>	<b>€606,230</b>	<b>€639,406</b>	<b>860,063</b>	<b>€2,105,699</b>	<b>860,154</b>	<b>2,965,853</b>	<b>438,250</b>	<b>559,299</b>	<b>870,286</b>	<b>N/K</b>	<b>1,867,835</b>	<b>-37%</b>
<b>Non eligible costs</b>	<b>€73,125</b>	<b>€69,750</b>	0	€142,875	0	142,875						-100%
<b>Total costs</b>	<b>€679,355</b>	<b>€709,156</b>	<b>860,063</b>	<b>€2,248,574</b>	<b>860,154</b>	<b>3,108,728</b>	<b>438,250</b>	<b>559,299</b>	<b>870,286</b>	<b>N/K</b>	<b>1,867,835</b>	<b>-40%</b>

Revenue category	Period 1	Period 2	2011-12	Total (5 years)	2013-14	Total (7 years)	Period 1	Period 2	2011-12	2013-14	Total (5 years to 2012)	% Difference 08-12
Own partners' funding	€309,842	€343,018	435,241	€1,088,101	435,331	1,523,432	229,687	292,315	405,488	N/K	927,490	-39%
Generated by the action	-	-					0	813	34,964	N/K	35,777	
Requested contribution from the Commission	€296,388	€296,388	424,822	€1,017,598	424,823	1,442,421	208,563	266,170	429,834	N/K	964,567	-33%
<b>Total revenue</b>	<b>€606,230</b>	<b>€639,406</b>	<b>860,063</b>	<b>€2,105,699</b>	<b>860,154</b>	<b>2,965,853</b>	<b>498,250</b>	<b>559,299</b>	<b>870,286</b>	<b>N/K</b>	<b>1,927,835</b>	<b>-35%</b>
<b>Non eligible costs</b>	<b>(€73,125)</b>	<b>(€69,750)</b>	-	<b>(€142,875)</b>	-	<b>(142,875)</b>						
<b>Result (profit or loss)</b>							-	-	-		<b>60,000</b>	
<b>Requested contribution</b>	<b>48.89%</b>	<b>46.35%</b>	<b>49.4%</b>		<b>49.4%</b>							

<sup>48</sup> NB Cogent notes that there appears to be an error in the budget that Invest NI presented to the EC for the period 2013-14. That is the costs presented tally £806,154 and not the £860,154 as presented in the budget. Therefore £54,000 of proposed costs are unaccounted and their purpose unknown.

Invest NI's EEN Fully Loaded Staff Costs (2008 to 2014)										
Cost category	Proportion of Time per Year on EEN	Fully Loaded Staff Cost (£)					Total (5 years to 2012)	Fully Loaded Staff Cost (£)		Total (7 years to 2014)
		2008	2009	2010	2011	2012		2013	2014	
<b>Module A Commercial and Business</b>										
DP (Team Leader)	15%	£9,078	£9,299	£9,563	£9,822	£10,067	£47,828	£10,340	£10,638	£68,806
DP	5%	£3,026	£3,100	£3,188	£3,274	£3,356	£15,943	£3,447	£3,546	£22,935
Staff Officer	80%	£40,485	£41,439	£42,606	£43,745	£44,808	£213,084	£46,007	£47,324	£306,415
EO2	25%	£9,875	£10,096	£10,377	£10,647	£10,894	£51,889	£11,179	£11,496	£74,564
EO2	80%	£31,601	£32,306	£33,205	£34,072	£34,861	£166,045	£35,772	£36,786	£238,604
EO2	80%	£31,601	£32,306	£33,205	£34,072	£34,861	£166,045	£35,772	£36,786	£238,604
AO	40%	£15,131	£15,464	£15,893	£16,306	£16,680	£79,474	£17,113	£17,597	£114,184
<b>Sub-total</b>	<b>3.25 FTEs</b>	<b>£140,797</b>	<b>£144,009</b>	<b>£148,036</b>	<b>£151,938</b>	<b>£155,526</b>	<b>£740,308</b>	<b>£159,630</b>	<b>£164,173</b>	<b>£1,064,112</b>
<b>Module B Tech Transfer Team</b>										
DP (EEN Coordinator)	100%	£60,521	£61,991	£63,751	£65,479	£67,112	£318,854	£68,934	£70,918	£458,707
EO1	100%	£43,753	£44,755	£46,007	£47,222	£48,340	£230,079	£49,618	£51,031	£330,727
<b>Sub-total</b>	<b>2 FTEs</b>	<b>£104,274</b>	<b>£106,746</b>	<b>£109,758</b>	<b>£112,701</b>	<b>£115,453</b>	<b>£548,933</b>	<b>£118,552</b>	<b>£121,949</b>	<b>£789,434</b>
<b>Module C R&amp;D</b>										
DP	50%	£30,260	£30,995	£31,875	£32,739	£33,556	£159,427	£34,467	£35,459	£229,353
DP (EEN H2020 Contract)	50%	£30,260	£30,995	£31,875	£32,739	£33,556	£159,427	£34,467	£35,459	£229,353
<b>Sub-total</b>	<b>1.00</b>	<b>£60,521</b>	<b>£61,991</b>	<b>£63,751</b>	<b>£65,479</b>	<b>£67,112</b>	<b>£318,854</b>	<b>£68,934</b>	<b>£70,918</b>	<b>£458,707</b>
<b>TOTAL STAFF COSTS (£)</b>	<b>6.25</b>	<b>£305,592</b>	<b>£312,745</b>	<b>£321,544</b>	<b>£330,117</b>	<b>£338,091</b>	<b>£1,608,096</b>	<b>£347,117</b>	<b>£357,040</b>	<b>£2,312,252</b>
<i>Annual Average Exchange Rate (£1 = €) www.onanda.com</i>		1.25889	1.12234	1.16524	1.15220	1.23282		1.17772	1.24040	
<b>TOTAL STAFF COSTS (€)</b>		<b>€384,706</b>	<b>€351,006</b>	<b>€374,676</b>	<b>€380,361</b>	<b>€416,806</b>	<b>€1,907,556</b>	<b>€408,806</b>	<b>€442,872</b>	<b>€2,759,234</b>

The table on the previous page indicates that the full economic cost of Invest NI's staff contribution was:

- €1,907,556 for the 5-year period to December 2012; and
- €2,759,234 for the 7-year period to December 2014.

If we assume that Invest NI's EEN claims for the period 2008-2012 feature only direct salary costs, then a further c€847,066 must be added to the suggested staff costs of €1,060,490 to arrive at the full economic costs of delivering EEN over the 5-year period.

In total, we therefore estimate that the full economic cost of delivering Invest NI's EEN activities was c€2,714,901 (i.e. €1,867,835 + €847,066) over the 5-year period to 2012, or c€3.26m over the 6-year review period (based on a pro-rated extrapolation for the sixth year).

## 7. OVERALL ASSESSMENT & LESSONS LEARNED

This section details the Evaluation Team's key conclusions and recommendations relating to Invest NI's EEN activities.

### 7.1 Conclusions

#### 7.1.1 Overall Assessment

The Evaluation Team's discussions with Invest NI's EEN Team, consultations with stakeholders and beneficiaries, and our review of Invest NI's EEN Meeting Minutes (summarised in Appendix 20) indicates that it was a complex process merging the two former networks (EIC and IRC) at the local level, whilst operating in a new framework at the European level. We consider that the transition was likely to have proved difficult from an operational perspective for those staff members that are based within Invest NI, but that such difficulties are likely to have been reflected within most consortia partners across Europe.

The EEN, at the European level, represents a tremendous asset and has the potential to offer SMEs in a geographically remote part of Europe, such as NI, substantial benefits. However, to date, little impact has been realised amongst NI's SMEs<sup>49</sup>. In our view the development of NI's business base must be the primary focus of Invest NI's EEN staff.

The overall impression of the Evaluation Team is that after the difficulties of establishing a solid foundation for the efficient operation of the Network within the Invest NI context, there continues to be substantial scope for developing a more mature relationship within the context of Invest NI (with greater attention to strengthening the strategic position of the Network and its services) and with Network members across Europe.

#### 7.1.2 Achievement of Objectives & Targets

Invest NI's Terms of Reference asked Cogent to determine the extent to which the principal objectives and targets of the intervention have been met. Invest NI's proposal in responses to the EC's call established that its key objective in delivering services through the Enterprise Europe Network was to support the objectives of both Invest NI and the Competitiveness and Innovation Framework programme by providing companies, and in particular SMEs, with services which would contribute to their competitiveness and innovative capacity.

In this context, it has been difficult for the Evaluation Team to determine whether this objective has been achieved. Ultimately, over the 6-year period 2008-2013, it is evident to the Evaluation Team that Invest NI's EEN Team has been engaged in substantial activity in delivery of its various EEN work plans. Indeed, at present, we consider that Invest NI's EEN activity is almost entirely activity-led. There is little evidence, both as captured by Invest NI through its monitoring or garnered through the Evaluation Team's consultations with beneficiaries, to support a conclusion that would indicate that Invest NI's Enterprise Europe Network activities have supported the objectives of both Invest NI and the Competitiveness and Innovation Framework programme by providing companies, and in particular SMEs, with services which have contributed to their competitiveness and innovative capacity in any material way.

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<sup>49</sup> The Evaluation Team notes that discussion with Invest NI (February 2015) indicates the view that the NI situation is reflected across the EU, and that "you have to look hard to see tangible value-added". Whilst the Evaluation Team is not in a position to verify Invest NI's position, and whilst it is beyond the scope of our evaluation or indeed Invest NI's remit alone, such a situation, if correct, should be of concern to all stakeholders involved in EEN, wherever they might be within the EU, and would suggest that the concept and Network has fundamentally failed in delivering its remit, and may require a complete rethink.

As identified with Section 3 and Appendix 8, due to deficiencies in project monitoring, the Evaluation Team has been unable to identify for the most part:

- The specific targets that were established for EEN activity during the period under review; or
- Invest NI's actual level of activity against many of the suggested target indicators.

It is however important to note that with respect to Invest NI's EEN activities, there are, in effect, two key audiences – the EC and Invest NI. Whilst the Evaluation Team is not in a position to comment on the EC's requirements, it would appear based upon the fact that they have raised no issues of material concern that they are content with Invest NI's EEN Team's reporting of its activities against targets. However, in the context of Invest NI and its sponsoring Department and the Evaluation Team's extensive experience of both appraising and evaluating projects for both, it would appear that the records maintained (or, at least, those that were made available to the Evaluation Team) are not of a requisite standard to enable effectiveness and value for money to be determined.

### 7.1.3 Value for Money

In the context of the previous two conclusions and the absence of any substantial economic impacts, a positive conclusion on the value for money offered by Invest NI's EEN activities during the period 2008-2013 cannot be arrived at.

Similarly, the Evaluation Team is unable to determine the economy, efficiency and effectiveness of Invest NI's EEN activities.

### 7.1.4 Need for the Intervention Going Forward

Despite the limitations in project monitoring and the lack of evidence to suggest that Invest NI's EEN activities have represented value for money during the 6-year period 2008-2013, the Evaluation Team considers that there is a need and rationale for Invest NI to continue to have a role in the Enterprise Europe Network.

We are of the view that the Enterprise Europe Network offers NI-based SMEs an opportunity to collaborate with other European (and global) SMEs and research institutions, with an ultimate Invest NI must fundamentally change the focus objective of enhancing international trade, developing new products/services/skills etc. In short, we consider the opportunity too great not to be maximised. In addition, there is a clear strategic fit with the Economic Strategy and the aims and objectives of Invest NI. Market failures arguments are likely to relation to information asymmetry (NB this argument is likely to diminish the more Invest NI supports NI's larger academic institutions or specific departments within them<sup>50</sup>, who may have well established European research experience).

However, it should be noted that Cogent's conclusion in relation to Invest NI's continuing participation in the EEN is made with a number of provisos:

of its EEN activity, so that it develops a robust focus on achieving impact/outcome targets<sup>51</sup>. Per our understanding of the new arrangements for EEN post-2014, we suggest that these should relate to

<sup>50</sup> For example, the 58 Partnership Agreements that Invest NI's EEN Team has been involved with during the review period involved only 24 organisations, with 5 academic institutions being responsible for 32 of them and one Department with Queen's University being responsible for 8. It might be considered likely that such departments and indeed specific individuals within them are now well versed in the merits of undertaking research in collaboration with European partners.

<sup>51</sup> The Evaluation Team notes that discussion with Invest NI (February 2015) indicates that the view that this is "out of Invest NI's control to a large extent", although we note that having reviewed the objectives of the EEN ENIW for the 2015 period onwards, a key objective appears to be "to focus all EEN ENIW services for the benefit of SMEs and knowledge institutions on the creation of impact".

ensuring positive results in terms of market access and commercialisation, cost savings/improved productivity /resource efficiency, job creation, quality improvement, and improved transnational collaboration.

Should Invest NI adopt this conclusion, SMART targets should be established for these key indicators. This will then dictate the activity that Invest NI EEN Team implements in order to achieve the stated Outcome targets.

1. Linked to the previous proviso, Invest NI EEN activity should become more focused on value-added activities, rather than the more reactive ‘light-touch’ or ‘standard’ EEN interventions that have been a feature of most of its activity during the review period. We note that our Scottish benchmark and our discussions with the Danish EEN both indicate that it is only through such an approach that economic impact will be achieved.

#### 7.1.5 Effectiveness of Project Management and Delivery

Given the extensive array of activities implemented by Invest NI’s EEN Team during the review period, it is difficult to assess the efficiency of the management/delivery of the EEN contract and the administrative arrangements that have been set up to deliver the programme. We consider that the array of activities will have put pressure on individual EEN Team members to extensively multi-task. However, the extent to which this is true of each of the individuals that comprise the 6.25 FTEs cannot be determined. In addition, we note that our discussions with EACI indicate their view that from an administrative/claims perspective, Invest NI performs better than most other network members.

In addition, across a number of strands of activity (i.e. those who received support with Partnership Agreements, participated in Technology Missions and had support with Expressions of Interest) the Evaluation Team’s surveys found that most (82%, N=71) beneficiaries were ‘very satisfied’ or ‘satisfied’ with the overall support they were provided with through the Enterprise Europe Network.

However, there are a number of areas where the Evaluation Team considers project management and delivery could be enhanced. They include:

- We have noted that Invest NI’s approach to the delivery of EEN has been almost uniformly activity-led. The absence of an outcome-focused approach and deficiencies in some of the MIS tools utilised has meant that Invest NI’s EEN Team has recorded lots of data, but there is little evidence of that data resulting in useful information. In this context, it can only be concluded that there are substantial deficiencies in project monitoring activities which must be addressed in any future engagement with EEN<sup>52</sup>.
- As noted, (and also as found in the evaluation of Scotland’s EEN activities), a robust logic chain was not established for Invest NI’s EEN activities in the context of its other core activities or from an anticipated outcome perspective. The absence of such an approach has inevitably resulted in project effectiveness not being maximised.
- Many of Invest NI’s EEN activities comprise activity which involve limited engagement with its intended beneficiaries. The Evaluation Team considers that a more pronounced focus on value-

<sup>52</sup> The Evaluation Team acknowledges that our focus was not one and the same as EACI’s, who are more focused on compliance and claims processing; whereas we were considering the monitoring information from the perspective of determining the impact that Invest NI’s EEN activities may have had on NI’s SMEs and other organisations. Perhaps the most telling reflection of our conclusion is the large proportion of suggested beneficiaries for whom Invest NI’s EEN Team was unable to provide contact details for (i.e. a contact name, number or e-mail address) or details of the support/advice/guidance received. For example, of 142 businesses that Invest NI’s records indicated received a ‘company visit’ from a representative of the EEN Team during the Review period, Invest NI was only in a position to provide contact details for 16% (i.e. 23 individuals). Issues such as this were discussed with Invest NI over a period of months, but the necessary information was not made available to the Evaluation Team in order to undertake more extensive beneficiary surveys.

added activities would provide a more effective (in terms of economic impact) service offering. Such a change in focus may necessitate a change in the allocation of activities amongst the 6.25 FTEs and indeed perhaps some activities being discontinued<sup>53</sup>.

- As illustrated in our detailed survey analysis (Appendices 21-25), many beneficiaries suggested that they considered that Invest NI's EEN activities had little focus on Northern Ireland's SMEs, and were predominantly focused on supporting NI's academic institutions. This view was supported by a number of the strategic stakeholders<sup>54</sup>. Given that SMEs were suggested to be the main target audience of the project and the opportunity that is lost by not fully engaging with this target audience, we consider that Invest NI should give this serious consideration to ascertain how such a situation has arisen, and then address that same issue. We note further that our understanding, through discussion with Invest NI, is that the recent proposal submission (via Innovate UK) for the next phase of EEN indicates a particular focus on innovative SMEs with an ambition to develop, grow and have an international impact will apply.
- We note that a focus on sectoral specialists, which is absent from Invest NI's EEN activities<sup>55</sup>, appears to have proved effective within both Scotland and Denmark. We note further that our understanding, through discussion with Invest NI, is that the recent proposal submission (via Innovate UK) for the next phase of EEN indicates a sectoral focus will apply. Should this be enacted, this may require a review of the Invest NI EEN staff complement to ensure that the individuals involved have the necessary depth of sector knowledge and experience to provide added-value services to specific sectors.
- Recording of the rationale for variances in actual versus projected expenditures could be enhanced. The absence of this information has prevented the Evaluation Team from assessing such changes robustly.

The Evaluation Team has discussed these conclusions (February 2015) with Invest NI who is of the view achieving a more focused/intensive approach would have been difficult (and might not be possible in the future) given the requirements of the terms of the contract. Invest NI is of the view that a light touch approach has largely been inevitable when, in Invest NI's view, a small team tries to cover a large number of contractual targets and activities. Invest NI considers that, in effect, the EC mandates a light touch activity-driven approach. Invest NI considers that this creates a dilemma for the organisation. That is, needing to follow a very complex contractual workplan and set of deliverables, while trying to be agile, flexible and do things which are timely and opportunistic. Invest NI considers that had it had 'a free rein, the EEN would potentially be quite different'.

As reflected throughout this report and our appendices to this report, the Evaluation Team considers that the EEN as it was configured during the period 2008-2014 did comprise a considerable range of requirements and subsequently activities. However, we have been advised by EACI (March 2014) that Invest NI had responsibility for developing its own targets and thus establishing the particular emphasis that it wished to place upon EEN within the NI ecosystem. In our meeting with EACI, their representative was in no doubt that EEN must be fit for purpose within its own particular marketplace. This is not to say that some activities were not mandatory, just that the extent or level to which they were implemented was within the preserve of each Network Partner to determine. Indeed, and as

<sup>53</sup> Where there is not a contractual obligation to provide them. In this situation, only the required minimum level of provision should be provided.

<sup>54</sup> The Evaluation Team notes that discussion with Invest NI (February 2015) indicates the view that the implementation of the 'no wrong door' policy meant that EEN had a responsibility to engage with all types of organisations. The Evaluation Team notes, as presented in Section 1, that the EC's original call for proposals relating to the provision of EEN services clearly identifies the 'no wrong door' policy as relating to SMEs. However, regardless of whether the policy relates only to SMEs or all types of organisations, we do not think that this point should obscure the views of either beneficiaries or stakeholders that the balance of EEN's focus was not sufficiently on SMEs. The Evaluation Team would not advocate that Invest NI's EEN team neglect to cater for HEIs, but simply that the predominant focus should be on supporting SMEs.

<sup>55</sup> The Evaluation Team notes that discussion with Invest NI (February 2015) indicates that the view that this may be a result of size differences between NI and Scotland/Denmark.

discussed, EACI voiced disappointment to the Evaluation Team that Invest NI had not taken a more proactive position in relation to this process, and in particularly following the first 3-year period, which EACI recognised would represent a settling down period. Given the views of EACI, we can only conclude that there has been a miscommunication at some juncture as to the flexibility that Invest NI had in setting its own emphasis for EEN.

From our perspective, we consider that Invest NI did establish too many activity targets across too many areas of activity across each of its 3 work programmes (2008-2010, 2011-2012 and 2013-2014), and that this has ultimately resulted in an almost entirely activity-led and light touch offering(s), which in turn has resulted in few impacts/outcomes being achieved.

Whilst we have not been involved in any aspect of the planning process relating to Invest NI's involvement in EEN post-2014, we consider that Invest NI should seek to take a more strategic approach to the programme's delivery within the confines of NI. This should include:

- Adherence to any mandatory requirements, but where there is flexibility ensuring that Invest NI's EEN Team focuses its efforts on added-value activity, rather than light-touch activity;
- Only the minimum level of light-touch activity necessary to funnel into more added-value activity should be implemented;
- Undertake a full review of its proposed EEN activity post-2014 and document how it will complement Invest NI's existing activity and that of other stakeholders in the NI marketplace, and how all of this activity will be leveraged by EEN to maximise impact, and conversely reach agreement with stakeholders as to how they will leverage EEN's activity to maximise the impact of their own work.

#### *7.1.6 Opportunities to further exploit the Benefits of EEN*

The Evaluation Team considers that the benefits of the Enterprise Europe Network have barely begun to be exploited in a Northern Ireland context, or within the specific confines of Invest NI. In order to maximise the potential benefits that EEN could bring NI (i.e. enhanced exports and increased levels of BERD) and embed usage of the network into other programmes and functions, we consider that Invest NI must first identify:

- What outcomes it wants to achieve through its engagement with EEN (e.g. increased exports, increased BERD);
- What activities it currently provides or are provided by other stakeholders within NI that contribute to those outcomes;
- Identify where and how participation in EEN can augment/enhance/extend those offerings so as to achieve enhanced (i.e. additional) levels of those anticipated outcomes.

#### *7.1.7 Complementarity with other Invest NI Interventions*

Similar to the position identified when the Scottish EEN was evaluated, the Evaluation Team considers that the rationale for Invest NI's engagement in EEN and its subsequent degree of complementarity with other Invest NI interventions available over the lifetime of the intervention was given little or any articulation within Invest NI's proposal submission. This has led, in combination with the extensive array of activities implemented by Invest NI's EEN Team to a situation seven years later (at the time of writing in January 2015), where a detailed understanding of how EEN complements other Invest NI interventions is not known. Indeed, discussion with Invest NI personnel indicates that to a large extent Invest NI's EEN is largely separate and distinct from the organisation's other operations and complementarity has not therefore been achieved.

There is no overall picture of the relationship of Invest NI's EEN Team within the context of Invest NI's other activities which results in the impression that it is 'bolted on' to the host organisation. We



consider that there is substantial scope to develop the concept that the Network is the natural EU extension of the services offered by Invest NI. Complementarity between the services offered by Invest NI and the Network could, in a number of cases be strengthened.

Ultimately, we do not consider that EEN has a suitable profile or degree of integration within Invest NI, given the potential that it represents. We consider that a process of building the status of the Network within Invest NI should begin as early as is possible. Such a process should be embraced at the most senior levels within Invest NI (including at Board level). However, the process must comprise more than simple awareness raising of the services that the Network can deliver for Invest NI's clients. For example, consideration might be given to ensuring that every client facing member of staff has a responsibility to contribute to any objectives that are established for the EEN going forward. A cross-functional grouping of Invest NI personnel could be established to develop a robust business plan for the Network's activities within NI.

For similar reasons, the Evaluation Team has been unable to determine the extent to which Invest NI's EEN activities have overlapped with or duplicated other publicly funded support to businesses in Northern Ireland, including those that support innovation and other collaboration.

#### *7.1.8 Marketing & Target Audiences*

We do not consider that the balance of activity between public sector bodies (including universities) and SMEs has been appropriate (reflected in the profile of participants in the signed Partnership Agreements) and consider that going forward SMEs should be clearly demonstrated to be the key focus on Invest NI's EEN efforts.

#### *7.1.9 Managing Risk*

As noted, the main objective of the EC's original call for proposals was to create a single network providing integrated services in support of business and innovation, which would build upon the strengths and achievements of the pre-existing 'Euro Info Centre (EIC)' and Innovation Relay Centre (IRC) networks. Discussion with EACI indicates that it was always understood that this would not occur overnight, and hence the original (for the first 3-year period) work-streams (i.e. Modules A, B and C) largely aligned with the services provided by the two legacy projects. However, according to EACI during the 7-year contract period, it was always their intention that the dividing line between the two legacy projects would become less visible and the service would become increasingly integrated, with individual Network partners discontinuing the legacy services that were not contributing to the Network's aims.

Ultimately, the delivery of Invest NI's EEN activities remained virtually unchanged during the 6-year review period (2008-2013), with the staff complement involved in 'Module A', 'Module B' and 'Module C' activity largely operating separately and distinct from one another. Our discussion with EACI indicates their disappointment that Invest NI were not more proactive in developing an integrated service<sup>56</sup>; whilst our discussion with the Danish EEN suggests its view that the configuration of Invest NI's EEN service would inevitably diminish its potential impact.

The Evaluation Team is of the view that many risks were encountered during the implementation of Invest NI's EEN activities (much of which have been addressed in earlier conclusions) but due to the focus on implementing activities, rather than focusing on outcomes, and the associated structure of Invest NI's EEN Team within the overall structures of Invest NI, they have largely gone unrecognised and so steps to mitigate them have not been taken.

#### *7.1.10 Project Monitoring & Evaluation*

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<sup>56</sup> Discussion with Invest NI (February 2015) indicates the view that this evaluation exercise has represented the first opportunity for such a proactive position to be taken.

We consider that there are substantial deficiencies in how Invest NI's EEN activities are monitored. These must be addressed if Invest NI's EEN Team wishes to demonstrate that any future iteration of the Programme offers value for money.

We recognise that there are difficulties in assessing the ultimate effects of EEN's business support services. However, we consider that with robust monitoring and effective evaluation such difficulties are far from insurmountable, and the effective implementation of both would allow Invest NI EEN to establish whether it is making a critical difference to the performance of NI's SMEs in terms of business growth and employment. Based upon the recent work (November 2013) of the EEN's Performance and Impact Working Group, we do not consider that this will be optional for Invest NI EEN going forward<sup>57</sup>.

### 7.1.11 Equality Considerations

During the course of this evaluation, the Evaluation Team has not identified any evidence that would contradict the findings of Invest NI's own Section 75 Screening exercise. However, whilst we note that EEN is primarily targeted at businesses rather than individuals, we recommend that as a proxy for some equality indicators, Invest NI's EEN begins to monitor the uptake of the different aspects of its key services by geographic area (in this case, at a local authority area level).

## 7.2 Recommendations

1. Invest NI should continue to participate in the Enterprise Europe Network, but on the proviso that it reviews the activities it implements and focuses on achieving impact/outcomes. Ultimately, Invest NI must maximise the opportunity represented by EEN in the period post-2014. As discussed in Appendix 27, Invest NI provided a brief overview of EEN from 2015 onwards to the Evaluation Team during February 2015. Having reviewed the objectives of the EEN ENIW for the 2015 period onwards, we are of the view that they are wholly aligned with our own findings, conclusions and recommendations, presented throughout this report, and that they should be welcomed by Invest NI. That is:

- They recognise that the visibility and awareness of the network at national level and within the regional business support ecosystems must be improved. Our Evaluation has demonstrated that this is a necessity;
- They advise that EEN must gain maximum leverage from national and regional business support networks and to facilitate an increase in the number of growth potential SMEs using EEN services. This aligns with the Evaluation Team's conclusions;
- They advise that EEN should align with other innovation and growth support services, integral to the national innovation strategy. We concur, and have concluded similarly within the NI ecosystem;
- They suggest that EEN should provide professional advisory services to ensure that target group companies maximise their growth potential within innovation and internationalisation. We conclude that this should be read as being in complete alignment with this position;
- They advise that companies with high growth potential, need relevant, professional services to help them utilise opportunities, commercialise their ideas, explore new markets in the EU and with 3rd Countries, improve their competitiveness and access finance. We concur, and consider that Invest NI's EEN activities should place a particular emphasis on ensuring that this is achieved;
- They advise that the consortium partnership should include high calibre practitioners covering a wide range of sectors and expertise to connect target businesses to the right support, advice and know how. We recommended that Invest NI ensures appropriate team members are allocated to EEN to ensure that this is achieved;
- They establish an objective to increase Northern Irish engagement in Horizon2020 and will proactively encourage companies to participate in H2020 placing an emphasis on the SME

<sup>57</sup> Discussion with Invest NI (February 2015) indicates the view that under the new EEN contract, which will be led by Innovate UK within the UK, there may not be much flexibility for Invest NI in relation to monitoring.

Instrument (SMEI). We consider that our conclusions are wholly aligned with this objective and that Invest NI's EEN should seek to clearly demonstrate its contribution to this goal;

- They recognise that the goal should be to pull selected high quality innovative growth potential SMEs towards successful applications into the Horizon2020 funding instrument and thus increase the commercial impact of the SMEI across Europe. Again, we consider that our conclusions and recommendations are wholly aligned with this objective;
- They advise that companies will be provided with Key Account Management (KAM) services and Innovation Management Capacity Building support to ensure that they are able to maximise their innovation potential, and at all times, the service will interlink with other "standard" EEN services, to ensure that companies obtain the full benefits of EEN. We are of the view that this statement recognises that there is a differential between added-value services and the more 'standard' light touch offering, and consider that our conclusions and recommendations are wholly aligned with this objective;
- They appear to introduce a new focus for EEN in the objective 'to improve SMEs access to finance and investment readiness capability'. This has not been a focus of our evaluation, but would suggest, given the current market failure that exists in NI relating to SMEs' access to finance and investment readiness capability, that it should be a welcome addition to the work of EEN with Invest NI. Albeit and in light of our conclusion relating to the need for Invest NI to undertake a full review of its proposed EEN activity post-2014 and to document how it will compliment Invest NI's existing activity and that of other stakeholders in the NI marketplace, we would strongly urge Invest NI to consider how its EEN activities will complement its existing work in this area and to document the same;
- They appear to introduce a new focus for EEN in the objective 'to improve SMEs' Resource Efficiency' with a particular emphasis on boosting SME performance. The Evaluation Team considers that the solid emphasis on improving the performance of SMEs is in complete alignment with our conclusions and recommendations, but would strongly urge Invest NI to consider how its EEN activities will complement its existing work in this area and to document the same;

**In particular however, we are particularly encouraged by the suggested focus and objective of EEN post 2015 on 'focusing all EEN ENIW services for the benefit of SMEs and knowledge institutions on the creation of impact'. As documented throughout our evaluation report and its appendices, we consider that the focus on impact (or outcomes) was materially absent from EEN within NI during the period under review (2008-2013), and consider that the stated position of EEN ENIW on 'ensuring positive results in terms of market access and commercialisation, cost savings/improved productivity /resource efficiency, job creation, quality improvement, and improved transnational collaboration' should be welcomed by all within Invest NI.**

2. There is no overall picture of the relationship of Invest NI's EEN Team within the context of Invest NI's other activities which results in the impression that it is 'bolted on' to the host organisation. Given the potential that it represents, the profile and degree of integration of EEN within Invest NI should be enhanced. We consider that a process of building the status of the Network within Invest NI should begin as early as is possible. Such a process should be embraced at the most senior levels within Invest NI (including at Board level). However, the process must comprise more than simple awareness raising of the services that the Network can deliver for Invest NI's clients. For example, consideration might be given to ensuring that every client facing member of staff has a responsibility to contribute to any objectives that are established for the EEN going forward. A cross-functional grouping of Invest NI personnel could be established to develop a robust business plan for the Network's activities within NI;
3. We consider that there is substantial scope to develop the concept that the Network is the natural EU extension of the services offered by Invest NI. Complementarity between the services offered by Invest NI and the Network could, in a number of cases be strengthened.
4. A robust logic chain should be established for Invest NI's EEN activities in the context of Invest NI's other core activities and one that articulates how the EEN activities it implements will influence any suggested impacts/outcomes (e.g. ensuring positive results in terms of market access and commercialisation, cost savings/improved productivity /resource efficiency, job creation, quality improvement, and improved transnational collaboration). In doing this, Invest NI should undertake a full review of its proposed EEN activity post-2014 and document how it will

complement Invest NI's existing activity and that of other stakeholders in the NI marketplace, and how all of this activity will be leveraged by EEN to maximise impact, and conversely reach agreement with stakeholders as to how they will leverage EEN's activity to maximise the impact of their own work. In undertaking this exercise, we consider that Invest NI must first identify:

- What outcomes it wants to achieve through its engagement with EEN (e.g. market access and commercialisation, cost savings/improved productivity /resource efficiency, job creation, quality improvement, and improved transnational collaboration);
  - What activities it currently provides or are provided by other stakeholders within NI that contribute to those outcomes;
  - Identify where and how participation in EEN can augment/enhance/extend those offerings so as to achieve enhanced (i.e. additional) levels of those anticipated outcomes.
5. We are of the view that Invest NI should give due consideration to the roles and responsibilities of those individuals involved in EEN at the NI level and ensure that the balance of activity is on higher value added activities (rather than basic information provision or "standard" EEN services). We note that this appears to be a requirement of participation in EEN going forward (see Recommendation 15) and consider that Invest NI should begin a structural review and planning exercise at the earliest opportunity. Only the minimum level of light-touch activity necessary to funnel into more added-value activity should be implemented;
  6. Related to Recommendation 5 and in light of the post-2014 iteration of EEN having a sectoral focus, Invest NI's EEN Team should consider the introduction of sectoral specialists within its staff complement. Should this be enacted, this may require a review of the Invest NI EEN staff complement to ensure that the individuals involved have the necessary depth of sector knowledge and experience to provide added-value services to specific sectors.
  7. Invest NI should develop a set of impact/outcome indicators which can enable the effectiveness to be demonstrated alongside any reporting to the EC. The impact/outcome indicators should likely relate to key metrics such as ensuring positive results in terms of market access and commercialisation, cost savings/improved productivity /resource efficiency, job creation, quality improvement, and improved transnational collaboration;
  8. Related to the previous recommendation, Invest NI must address the deficiencies in its EEN related monitoring if it wishes to demonstrate that any future iteration of the Programme offers value for money. The monitoring systems employed should be sufficiently robust to capture the outcomes/impacts generated by Invest NI's EEN activities. Achievement of these outcomes/impacts should then be assessed as part of any future evaluation;
  9. Recording of the rationale for variances in actual versus projected expenditures should be enhanced.
  10. Given our conclusion relating to the imbalance of activity between SMEs and other types of organisations, there should be considerable merit in Invest NI working in much closer co-operation with regional business support networks. Such partners should have the ability to substantially raise the profile of EEN amongst the broader base of NI's SMEs and be able to facilitate an increase in the number of growth potential SMEs using EEN services;
  11. Invest NI should seek to improve the visibility and awareness of the network within the regional business support ecosystem and amongst NI's SMEs;
  12. Invest NI's EEN staff must continue to create well-developed personal relationships with other Network members across Europe. Such relationships offer the foundation for offering enhanced value to NI's SMEs. In particular, and per the advice of the Danish EEB Co-ordinator, Invest NI EEN personnel should seek to engage in EEN staff exchanges;
  13. As a proxy for some equality indicators, Invest NI's EEN should begin to monitor the uptake of the different aspects of its key services by geographic area (in this case, at a local authority area level).