

Policy Brief

The regional ecosystem scoreboard methodology: a tool to help analyse regional development framework conditions

This Interreg Europe Policy Brief seeks to shed some light on the recently launched Regional Ecosystem Scoreboard (RES) methodology (that has been developed thanks to the support of DG GROW and the European Cluster Observatory team. The objective of the Regional Ecosystem Scoreboard is to capture the quality of certain recognised framework conditions in the regional ecosystem that can foster or hinder innovation and entrepreneurship. The emphasis of the Scoreboard is on the dynamics and on the conditions and not on measuring regional performance.

The RES is a statistical tool, designed primarily for policy-makers responsible for regional, industrial, innovation and cluster policies and to help them identify the bottlenecks of the wider regional eco-system that could be targeted through specific policies that may hold back the overall performance of the regional economy. Furthermore, it gives regional players insight on how their regional ecosystem is positioned compared to other peer regions and also businesses an idea in which regional ecosystem to locate best their operations.

1. How does the Regional Innovation Scoreboard work?

An important feature of modern innovation policies is that they do not only focus on rigid industrial activities or narrowly defined industrial clusters, but consider the opportunities that span across industries and business activities. The RES seeks to support this approach and focuses on six key dimensions. In total some 60 indicators and composite indicators have been calculated for each of the 6 dimensions with their 17 sub-dimensions. The Scoreboard covers NUTS 2 regions in all EU Member States, except for Belgium, Germany and the United Kingdom where it covers NUTS 1 regions.

Results are presented in three parts: **1) overall results, 2) detailed results and 3) the scorecard and policy dashboard with areas in which policy actions could focus upon.**

The dimensions covered by the tool are:

- Entrepreneurial Conditions
- Knowledge basis and skills
- Collaboration and Internationalisation
- Access to finance
- Demand Conditions
- Quality of governance (horizontal dimension and non-statistical).

The six dimensions are analysed against the composite and sub level indicators. Further information about the methodology of the Scoreboard, can be found here: consult the methodological guide. The indicator framework of the RES allows for the calculation of a

composite index that captures the overall quality of the regional entrepreneurial and innovation ecosystem and gives an insight about the regional conditions compared across the EU.

The main results and the analysis of the RES are presented using spider graphs in several levels: dimensions, sub-dimensions and components. These spider charts show the value for the selected region in comparison with the average of the group of the selected peer regions. The minimum and maximum values among the peer group are also represented in the graphs. All the indicators and composite indices are scaled between 1 (best value) and 0 (worst value). Hence, the closer a region is positioned with respect to the outer border and the larger the shaded area with regard to the scores of your region, the better positioned your region is.

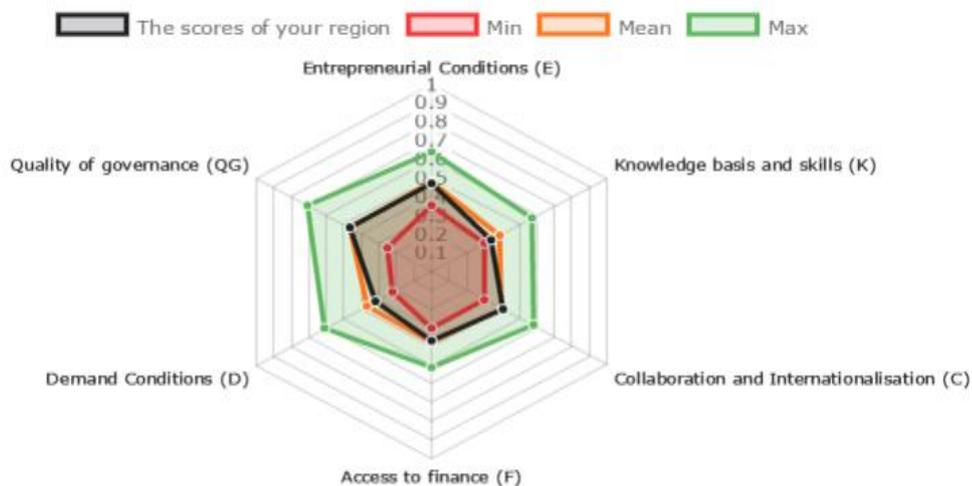
The Policy Action Dashboard provides a feedback of the specific areas that could be addressed by policy actions. This so-called bottleneck analysis helps to identify the dimensions, sub-dimensions and specific indicators the alleviation of which would help reach the biggest gain and would improve the most the overall quality of the regional ecosystem in case other factors stay unchanged.

2. Practical Case Study: The Region of Catalonia (Spain)

The following example is a selection of the outputs of the RES tool for the region of Catalonia in Spain. In addition to providing data on the region of Catalonia the tool automatically suggests a group of peer regions. The suggested Peers are: Comunidad Valenciana, Lazio, Emilia-Romagna, Campania, Veneto, Lombardia, Toscana, Comunidad De Madrid, Andalucía, Yorkshire and Humber, Piemonte, West Midlands (England), Aragón, Provence-Alpes-Côte D'azur, Galicia, East Midlands (England), North West (England), Castilla Y León, Rhône-Alpes, Región De Murcia. Users of the tool can also ignore this list and choose their own “peer group”.

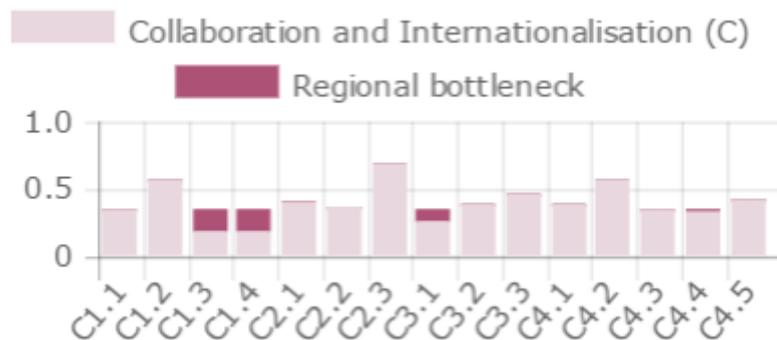


Results for the six dimensions



3. Making use of the Policy Action Dashboard

As indicated above the Policy Action Dashboard has been designed to provide a feedback of the specific areas that should be addressed by policy action. The light bars in the chart below represent the actual value of your region on each indicator. The bars with a darker hat are those indicators, the increase of which would result in a 10% overall increase in the composite indicator for the region. The information is available for all 16 indicators and an example of one of these is shown below.



The results for the “Collaboration and Internationalisation” indicator for Catalonia suggest that policy actions could be focused on four specific indicators. They are C1.3 which suggests efforts to increase SME/SME collaboration should be enhanced; 1.4 the creation of more spin offs should be encouraged; 3.1 the further specialisation of the strong clusters should be pursued; and 4.4 more foreign nationals should be employed in skilled occupations.

The full details of the legend are presented in the annex to this document.

4. Conclusions: a valuable tool for Interreg Europe partnerships

Almost all Interreg Europe projects include an important element of regional and economic analysis and benchmarking studies. These activities could be facilitated by using the Regional Innovation Scoreboard methodology. Furthermore, the tool allows for the selection of specific peer groups or project partnerships and can therefore be easily tailored to meet the precise needs of an Interreg Europe partnership.

The tool does have some obvious limitations in the sense that the six dimensions are predetermined and cannot be altered but given their nature they are likely to be useful in supporting most Interreg Europe projects and the managing authorities during the analysis phase of their work. They can also be helpful in the identification of policy initiatives. Last but not least, RES can also help identify common challenges among regions involved in the same project.

#InterregEurope #policylearning #research #innovation #regions #scoreboard

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ANNEX

RES COMPOSITE INDICATORS (6 indicators and the 17 sub indicators)

- **Entrepreneurial Conditions**

E1: Regulatory framework for starting a business; **E2:** Entrepreneurial culture; **E3:** Attractiveness of the region and quality of infrastructure

- **Knowledge basis and skills**

K1: Human resources; **K2:** Vocational training and lifelong learning; **K3:** Skills

- **Collaboration and Internationalisation**

C1: General system linkages; **C2:** Cross-sectoral linkages; **C3:** Specialisation; **C4:** Openness of the region

- **Access to finance**

F1: Attitudes of investors and private financing; **F2:** Legal framework supporting access to finance; **F3:** Availability of funds from public sector; **F4:** Support from Structural Funds

- **Demand Conditions**

D1: Private demand; **D2:** Public demand

- **Quality of governance**

QG1: Quality of governance

Dashboard legend for the international collaboration indicator

- C1.1: Firms cooperating with HEIs and PROs;
- C1.2: Frequency of HEI's/PROs collaboration with the private sector for R&D activities;
- C1.3: Innovative SMEs collaborating with others (CIS) (Firms activities, linkages and entrepreneurship);
- C1.4: Number of spin-offs;
- C2.1: Number of cross-sectoral innovation projects within clusters;
- C2.2: Number of cross-technological patenting;
- C2.3: Number of co-working spaces;
- C3.1: Specialisation in (strong) clusters;
- C3.2: Specialisation in knowledge-intensive services;
- C3.3: Specialisation in service-oriented clusters;
- C4.1: FP7 leverage (per capita);
- C4.2: SMEs participation in private sector in FP7;
- C4.3: FDI and technology transfer;
- C4.4: Foreign nationals in skilled occupations;
- C4.5: Number of international co-publications.