

MFG



**Innovation Agency
for ICT and Media**

ISO 9001 certified
for Innovation Management
and Technology Relations



Fostering Cross-regional Transfer of Innovative e-Business policies



Training workshop in Jihlava (CZ)

3.7.2008



What is to expect from this training?

- General understanding of success factors of regional e-business policies
- Providing knowledge on designing, implementing and evaluating e-Business policies exemplified with good practices from the region Baden-Württemberg
- Opportunity for self-assessment and reflection of your current e-business policies in a short amount of time
- Not offering new approaches but consolidating main findings of various studies on e-business policies



Training concept

- **The FoCus training modules**
 - ✓ A multimedia tutorial
 - ✓ FoCus quiz
 - ✓ FoCus checklist
- **FoCus handbook**
- **Training workshops**
- **Second Life helpdesk sessions**

Further information and downloads: <http://focus-project.eu/training.html>

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Baden-Württemberg in Brief

- Heidelberg, Baden-Baden, Stuttgart, Black Forest, Lake Constance...
- 10.7 million inhabitants
- Key sectors: automotive, business-software and services, engineering, photonics, life sciences, creative industry
- No.1 in patent applications within Germany, but ...





MFG Baden-Württemberg mbH

www.mfg-innovation.com

- **Public agency for innovation with IT and Media**
- **Shareholders:
State Baden-Württemberg 51% + public service broadcaster 49 %**
- **More than 50 employees**
- **annual budget app. € 6 million (2006)**
- **Internationally certified innovation management system (ISO 9001)**

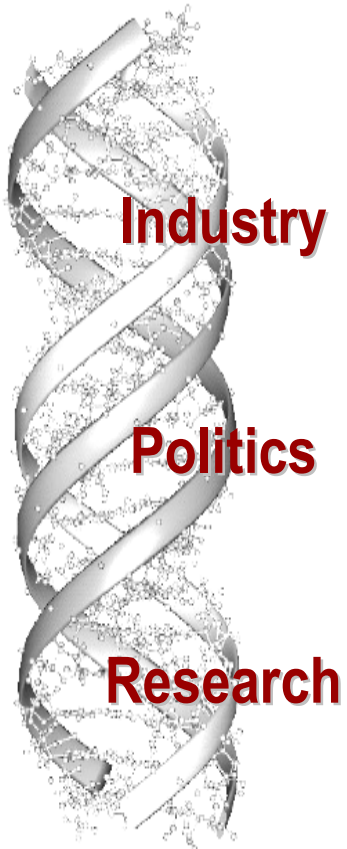




MFG Public Innovation Agency for IT and Media



Innovation Hub for IT and Media for



**Baden-
Württemberg**



Germany



Europe



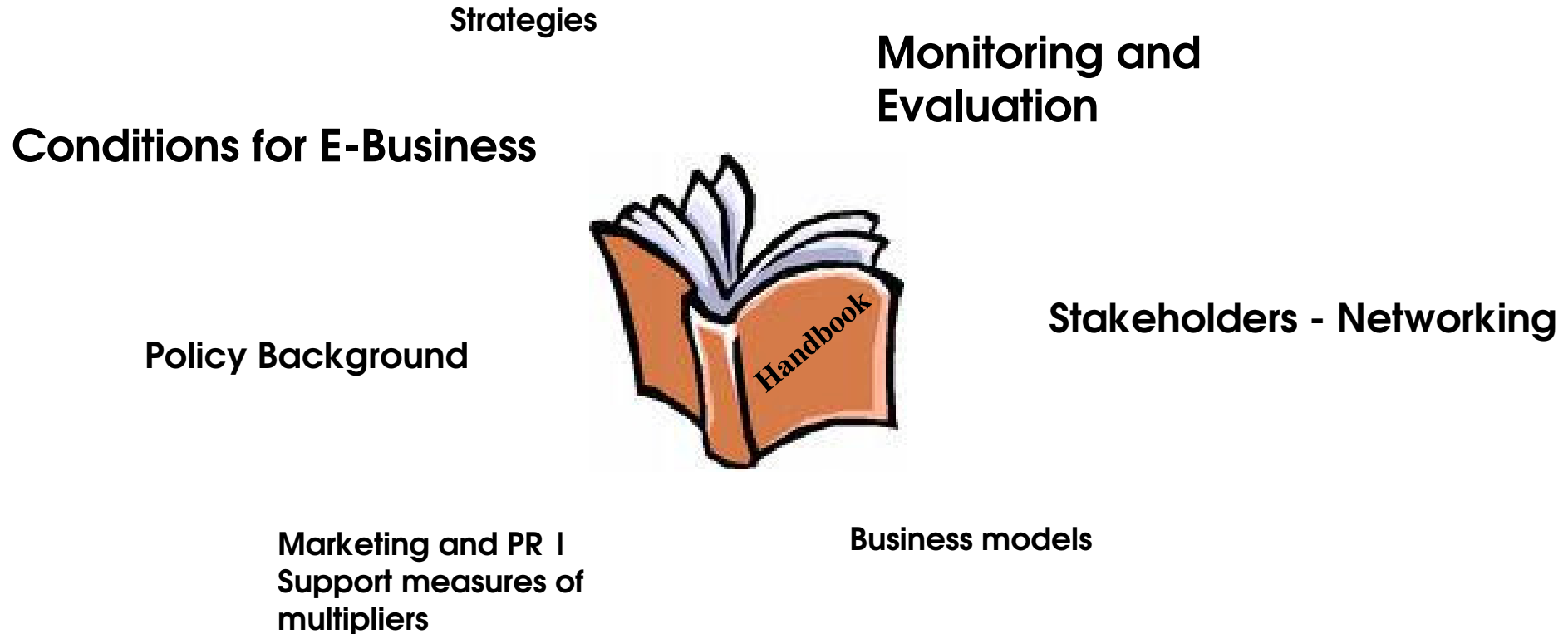
Global

Promoting Baden-Württemberg's leading position in

- Networks and Clusters
- Knowledge and Innovation Management
- Development of IT related products applications and services



Success Factors for regional E-Business Policies



- Website: <http://focus-project.eu/handbook.html>



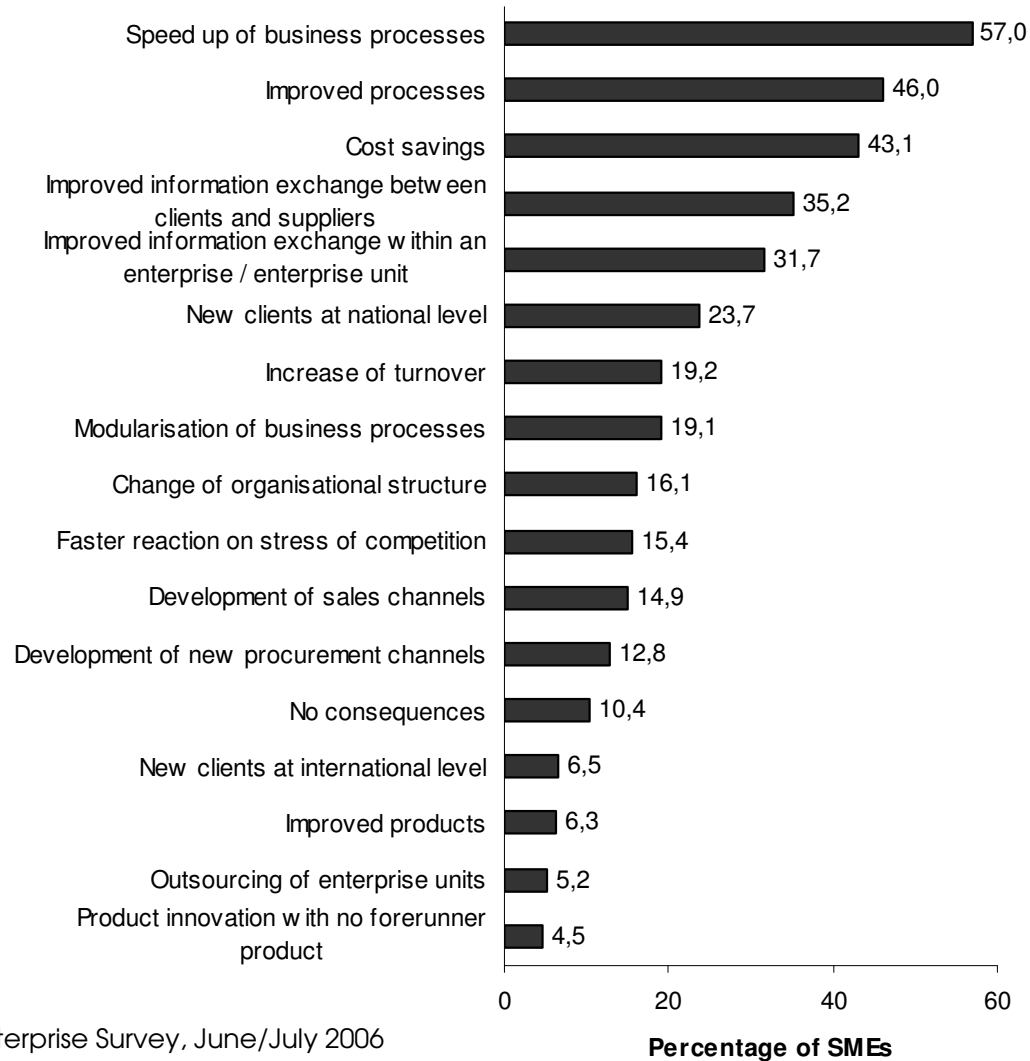
Challenges of regional e-business policies

SETTING UP THE PLAN	<ul style="list-style-type: none"> ▪ Consensus building ▪ Institutional /capacity funding ▪ Leadership / political commitment
ANALYSIS OF THE REGIONAL CONDITIONS	<ul style="list-style-type: none"> ▪ How to measure performance? ▪ Economic and social conditions ▪ Who are the actors? ▪ What are the key networks?
REGIONAL E-BUSINESS STRATEGY	<ul style="list-style-type: none"> ▪ Translation of consensus into strategy ▪ Strategic thinking / foresight ▪ Specification of assessment mechanisms, targets, and indicators ▪ Translation of strategy into concrete actions ▪ Specification of policies / target areas ▪ Portfolio of existing / new policies
IMPLEMENTATION	<ul style="list-style-type: none"> ▪ Operational aspects ▪ Strategic management
EVALUATION	<ul style="list-style-type: none"> ▪ Have the objectives been efficiently and effectively met?



Policy Background I

Example Baden-Württemberg: Consequences of e-Business adoption in SMEs

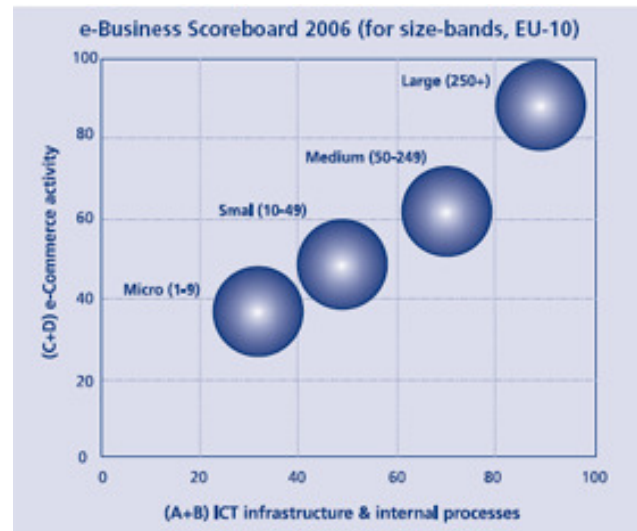


Reference: FAZIT-Enterprise Survey, June/July 2006



Policy Background II

SMEs are still lagging behind





Policy Background III



Challenges of regional e-business policies

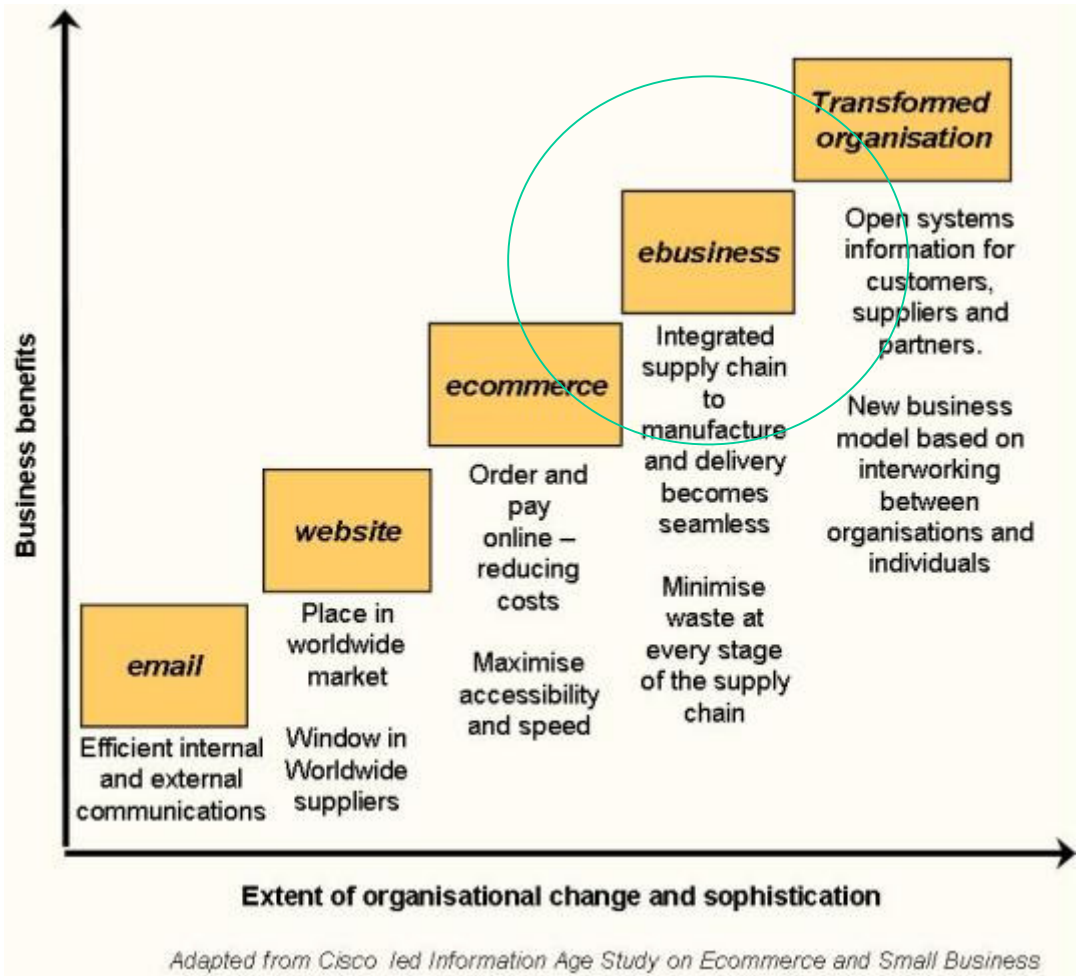
- Raising awareness for the potential of e-business solutions
- Improving managerial understanding and skills for e-business
- Improving availability for e-business solutions for SMEs
- Promoting effective participation of SMEs in business networks and online platforms, to ensure that good ideas and working business models are being shared



Conditions for E-Business I

- **The industry structure:** Do large or small and medium size firms dominate quantitatively the region?
- **The activities specialisation:** Is there an industrial sector that is more important than others? Do larger regional businesses could be somehow interested in e-business? Is there an industry that characterises the regional economy?
- **System openness:** Is the region internationally open? Do firms tend to have commercial relationships with other firms in the region?
- **Technical conditions:** Do firms use ADSL or fibre or any kind of high-speed connections? Do some areas suffer for some kind of “digital divide”?
- **The regional attitude towards ICT:** How is the attitude towards ICT positive ? Do Firms use basic ICT tools? Do Public administrations use basic ICT tools? Do citizens use basic ICT tools?
- **The E-business attitude:** Do Firms use basic e-business tools? Do firms have own websites? Which kind of applications do they use? Where are regional SMEs located in the e-adoption ladder?
- **The ICT sector SIZE:** Are there different IT firms in the region? Have they the competencies and skills enabling a regional e-adoption process?

Conditions for E-Business III: The e-adoption ladder





Strategies I



Policy rationale and policy targets

- Definition: Policy

“a set of interrelated decisions taken by a political actor or group of actors concerning the selection of goals and the means of achieving them within a specified situation where those decisions should, in principle, be within the power of those actors to achieve” (Jenkins 1978)

- The policy rationale is the justification for the design of policies and policy instruments and is often translated into more concrete policy objectives.
- The policy rationale reflects the state of the art of the policy background. An important aspect is also the coherency with national and European policy rationales.



Strategies II



Bottlenecks

- No political will and commitment from the public sector side
 - Regional decision making power is lacking (e.g. through fragmented/decentralised competencies)
 - No real commitment to the e-Business strategy (e.g. due to other priorities such as investment in infrastructure instead of innovation)
 - fear the crowding out of their e-business services.
- ➔ It is therefore vital to communicate that there is a real demand of e-business services which cannot be offered by private actors at this stage.



Strategies III



Broader and systemic approach

1. Horizontal level

- Positive impacts
- e.g. regional cluster policy via promotion of regional clusters between ICT service providers and SMEs or research policy via leverage of research results
- Negative impacts
- e.g. rural policy vs. e-business policies / innovation vs. infrastructure: what is more relevant and needs more resources?

2. Vertical level

- **Local, regional, national, EU**



Strategies IV



The implementation plan

- The implementation plan structures the implementation of an e-business support with regard to time schedule, resources, actions, tasks and responsibilities.
- During the policy design stage it is already important to define the roles and tasks of the future **coordinator** / **project manager** as well as the required resources and competences:
- To which extent are any resources and competences available in the region to plan and implement a regional ICT/e-business strategy?
- Besides the responsibilities of the coordinating actor, **duties and responsibilities among the partners** of an e-business support measure should also be clearly defined to avoid misunderstandings and in order to assure the effectiveness of the implementation.
- The idea is that **transparent and comprehensible** responsibilities lead to concerted actions.



Strategies V



Continuous proof of concept

Needs not only differ from time to time but also at horizontal level:

- demographic structure,
- employment,
- types of industry
- ICT penetration
- e-business uptake



Strategies VI: Recommendations

- Start with research, build upon the solid data
- Organize continuous and broad consultation for consensus building of all stakeholders
- Use various policy instruments in a coordinated and consistent manner
- E-Business policies and initiatives should meet the needs of different localities and branches
- Give SMEs independent advice and value it highly
- Open SMEs the gateway to sharing good business practice
- Engage multipliers, intermediaries and existing mechanisms, set partnership
- Make clear targets of e-Business policies
- Provide e-Business policies with resources to be effective
- Monitor and evaluate the effectiveness of the policy instruments
- The communication of policy matters
- Specific e-business policies should not be perpetuated forever
- Keep the benefits of e-Business policy initiatives sustainable
- Watch for opportunities to learn from other policy initiatives

▪Source: IRE (2008)



Marketing and Communications I



1. Address the needs of your target groups
2. Talk about the benefits of your e-business strategy
3. Use clear and easily understandable language



Marketing and Communications II



Internal and external communication

- The internal communication ensures that all key stakeholders are informed on the ongoing activities. Their support shows the acceptance of the initiative / programme at regional level and ensures their continuous contribution and commitment
- The external communication is related to the target groups for whom the policy was developed.



Marketing and Communications III



Give clear picture of e-business in the region

- Drivers and barriers of e-business uptake in the region
- Trends in the field of e-business support measures
- Gaps and needs in the region



Marketing and Communications IV



The communication strategy

- Objectives and targets of the e-business policy
- The concrete benefits for the target group addressed by the communication strategy
- Positive impacts of the e-business policy for the region



Marketing and Communications V



Phases of Marketing and Communication Management

- Analysis phase
- Planning phase
- Implementation phase



Marketing and Communications VI



Analysis phase

- Determine the common objectives (what is the message?)
- Analysis of the population groups that shall be communicatively addressed
- Analysis which communication measures have been carried out so far e.g. in earlier projects and which experiences exist
- Clarifying of the basic understanding of communication and public relations between the project partners
- Analysis of the socio-political environment and the topics and opinions which are relevant for the e-business support measure
- Analysis of the existing communications network, for example, contacts with the media or multipliers



Marketing and Communications VII



Planning phase

- Definition of the communication objectives and communication target groups
- Development of a communication strategy which comprises e.g. campaigns referring the course launch
- Inclusion of a high level authority which actively supports, promotes the initiative
- Project presentation at well known events related to ICT, e-Business
- Awareness raising
- Establishment of a communication budget
- Choice of communication tools, planning of the use of media



Marketing and Communications VIII



Implementation phase

- Development and design of Communication tools.
- Operational control of the communication process.
- In the control phase the obtained results and the course of the processes will be controlled.
- Determining in which way the formulated objectives are achieved by the realised communication activities.
- The process control investigates the quality of the planning and implementation process.



Monitoring and Evaluation I

Monitoring is an instrument for systematic collection of data on specific indicators to provide management and the main stakeholders of an ongoing development intervention with indications of the extent of progress and achievement of objectives.

Evaluation is the systematic and objective assessment of an on-going or completed project, programme or policy, its design, implementation and results. The aim is to determine the relevance and fulfilment of objectives, development efficiency, effectiveness, impact and sustainability (OECD DAC (2002)).



Monitoring and Evaluation II



Quality Management Plan

- The Quality Management Plan is a guideline for reporting quality control and assurance problems. This plan will help to monitor and control the level of quality produced by the e-business support measure.
- The Quality Management Plan will ensure that
 1. Products / services are designed to meet agreed- upon standards and requirements
 2. Work processes are performed efficiently and as documented
 3. Non-conformances found are identified and appropriate corrective action is taken



Monitoring and Evaluation III

Regional needs analysis

- The regional needs analysis covers the current state of play concerning e-business uptake in SMEs at regional level and is often the basis for further undertakings. In addition, existing support schemes are being screened and evaluated with regard to their current efficiency, effectiveness and impact for the region and for the region.



Monitoring and Evaluation IV



Quality Management Plan

The Quality Management Plan consists of

- Quality objectives
- Key project deliverables and processes to be reviewed for satisfactory quality level
- Quality standards
- Quality control and assurance activities
- Quality roles and responsibilities



Monitoring and Evaluation V



Difficulties measuring the impact

- Often it remains on the level of measuring the uptake of an e-business measure and/or the satisfaction with the services (e.g. no of participants in awareness raising workshop).
- Some do also assess the difference made by the support service (e.g. through questionnaires).
- But only very few evaluate the performance of an e-business policy (e.g. comparison of performance of assisted SMEs with SMEs without any assistance).



Monitoring and Evaluation VI



Indicators

<http://focus-project.eu/monitoring.html>



Thank you!



Elisabeth Mendoza

Phone +49(0)711-90715-346

Fax +49(0)711-90715-350

mendoza@mfg.de

Kirsten Wissing

Phone +49(0)711-90715-320

Fax +49(0)711-90715-350

wissing@mfg.de