

How to “ensure” stakeholder involvement for S3 process

**Workshop on Starting Smart Specialisation:
Experiences from the EU for innovation and economic
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Presentation outline

- R&I strategies
- RIS3 process
- Governance
- Stakeholder engagement
- The REMTh experience

R&I strategies – evolution

- From ‘isolated’ expert knowledge to ‘distributed’ knowledge
- From ‘closed’ and ‘isolated’ innovation to ‘open’ innovation that is generated in ‘networks with weak ties’
- From learning from the past to anticipating the future
- From ‘expert’ to ‘inclusive’ approaches
- From Triple Helix to Quadruple Helix
- From innovation for economic growth to innovation for public value creation
- From efficiency gains to smart coordination
- From the ‘sectorial’ to the ‘system perspective’

The RIS3 process



Key steps for developing RIS3

Step 1 – Analysis of regional context/potential

Step 2 – Governance

Step 3 – Vision for the future

Step 4 – Selection of priorities

Step 5 – Policy mix

Step 6 – Monitoring and evaluation



The RIS3 process – Step 2

Step 2 – Governance: Ensuring participation and ownership

- Stakeholder involvement: setting priorities should be an inclusive and interactive process centred on entrepreneurial discovery
- Include the demand-side perspective *Quadruple Helix*
- Collaborative leadership
- Boundary spanning individuals and organisations
- Dedicated Steering Group/ Knowledge Leadership Group, Management Team, Working groups

Source: The RIS3 Guide

Quadruple helix

Smart Specialisation



Participatory process w/ Continuous Stakeholders' Engagement Quadruple Helix



Business

Manufacturing and services
Primary sectors
Financial sector
Creative industries
Enterprises (large and SMEs)
Clusters and organisations

Research and
Education



Public and private research
bodies
Universities
Education and training
VET centres
Science and technology parks
Technology transfer offices



Public
administration

Different government levels
Energy and innovation agencies
Regional development agencies
Business advice offices
Public procurement
departments
Public incubators

Civil society/
Users



Non-Governmental
Organisations
Citizens' initiatives
Societal challenges
Cooperative innovative solutions
Consumers associations
Talents

Entrepreneurial
discovery.

The process of systematically
scanning for technological, political
and regulatory, social, and
demographic changes to discover
opportunities to produce new good
and services

**Entrepreneurial in
composition & spirit:
risk-taking, broader view
beyond boundaries ...**

Governance success factors 1/2

- Engagement and active participation of stakeholders
- Shared knowledge and understanding of the situation, as well as problems and possible solutions
- Interest of stakeholders for certain activity areas
- Long-term commitment
- Willingness / interest for engagement, collaboration, training and change
- Willingness / interest for a common root and collective decisions
- Alignment with personal interest of each participant

Governance success factors 2/2

- Collective leadership and ownership by stakeholders
- Collective learning process backed up by meaningful deliberation and consensus
- An interactive, participatory, social process, open to new stakeholders and changes
- Adjusted to local features of the region
- A trust building process towards change

Centrality of stakeholders' engagement

- ANALYSIS: discovery of the socioeconomic and innovation engines of regional growth, competitive advantages & weaknesses
- MAKE CHOICES: identify a limited set of priorities for development where to concentrate investment
- STAKEHOLDER INVOLVEMENT: setting priorities should be an inclusive and interactive process centred on entrepreneurial discovery
- BROAD VIEW OF INNOVATION: support technological as well as practice based and social innovation
- MONITORING AND EVALUATION: feeding back information into the policy cycle and allowing strategy revision

Stakeholder engagement: different levels

Stakeholders to Approach by Which Means:				
Inform	Consult	Involve	Collaborate	Empower
Promise: We will keep you informed	Promise: We will keep you informed, listen to you, and provide feedback on how your input influenced the decision.	Promise: We will work with you to ensure your concerns are considered and reflected in the alternatives considered, and provide feedback on your input influenced the decision.	Promise: We will incorporate your advice and recommendation to the maximum extent possible.	Promise: We will implement what you decide.

Participation planning matrix (Bryson, 2003)

Stakeholder engagement: key conditions

- Entrepreneurial actors in a broad sense: all actors potentially holding some type of entrepreneurial knowledge, from businesses to research institutions and the public administration as well as society*
- Interactive process where different actors can meet: become aware of potential for synergies and complementarities, or explore experimental ideas
- Shielded environment where actors can disclose information: both virtual and physical space
- Non-hierarchical process: stakeholders in this process stand on the same foot as the administration

Source: RIS3 Guide

Communication is key and trust building should be its main target

Stakeholder engagement - process

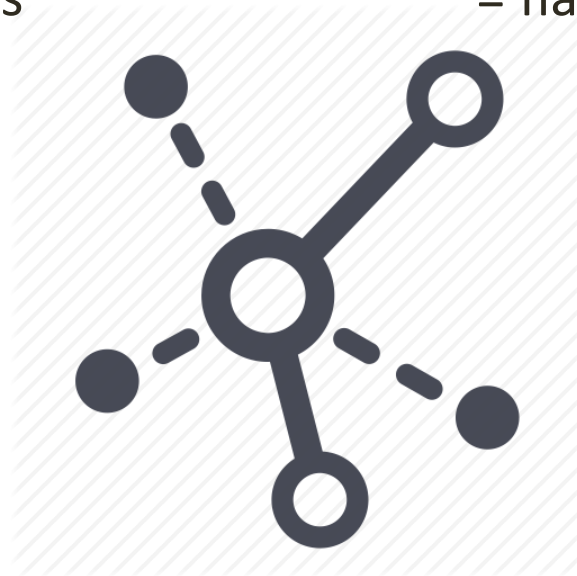
1. Identification of Key Actors
2. Stakeholder Analysis
3. Stakeholder Mapping
4. Decision Making

Stakeholder engagement - Identification

- Identify the most relevant (those that have the power, legitimacy and interest),
- those that affect decisions and actions but
- also those that are affected by those decisions as well as
- those that are meant to implement decisions / actions foreseen in the strategy and
- contributing knowledge / know-how and expertise
- As well as concerns, needs, interests and even visions

Stakeholder engagement - Analysis

- Create a graph with interrelationships
 - High relevance = large circle
 - Frequent & intensive relation = closeness of the circle
 - Sporadically relations = dotted lines
 - Good quality = +
 - Neutral = - | +
 - Conflicts = flash



Stakeholder engagement - Analysis

- Analyze
 - Who is interested in what Can you identify interest-conflicts?
 - Who has “Decision power”?
 - Who has important “knowledge”?
 - Who has informal influence and high acceptance?
 - Who are the people concerned?

Stakeholder engagement - Analysis

Organising stakeholder engagement

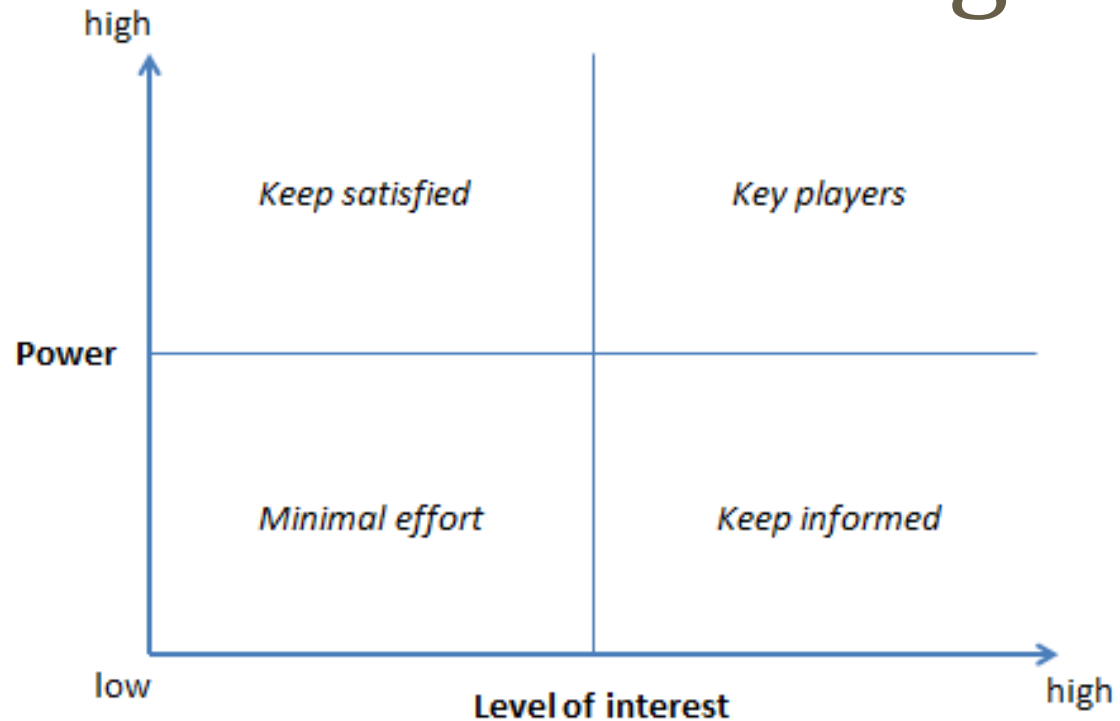
Steps 1 + 2: Stakeholder analysis

Stakeholder	Importance (influence on decision-making / implementation, mandate, knowledge, network / contacts, financial capacity etc.) High / low	Interest (demand, claims, preferences) High / low	Relations with other actors strong / weak
Actor 1			
Actor 2			
Actor 3			

Matthias Woiwode von Gilardi, <https://wbc-rti.info/object/news/12041/attach/6> Woiwode von Gilardi How to effectively engage the stakeholders in the S3.pdf

Stakeholder engagement – Mapping and decision-making

Johnson and
Scholes's (1999)
Power / Interest
matrix



■ Decide

- Who has low power and low interest?
- Who has high power and low interest?
- Who has high interest and low power?
- Who has high power and high interest?

Stakeholder engagement - Potential barriers

- Barriers to partnering in new domains
- Battle over scarce resources
- Balance between primary and secondary missions of institutions
- The inertia of institutionalized behaviour
- Mindsets or theories about the world; epistemic cultures
- (Mis)conceptions about "the others"
- Unfamiliar move from hierarchical decisions to governance in networks
- Politics trumps science – even in scientific institutions

Source: Håkon Finne SINTEF, Trondheim

Stakeholder engagement – lessons learnt

- Share the objectives as well as the method of engagement - Simplicity of methodology is not a low-quality activity
- Make them feel comfortable / not threatened - Different stakeholders will get engaged as soon as they feel they are not threatened and they can identify with the issues examined; this demands adjustment of methodology, outputs, and type of interactions (diff. for policy-makers, society, industry, academia).
- A good past track record helps but if not possible start with 'champions' or 'ambassadors' or 'boundary spanners' – in any case build on what is there already
- Common understanding & overcoming introversion important
- Time /resources have to be devoted to adjust/ change mind-sets and attitudes through trust building and training

The REMTh experience* – Conditions

- Limited experience in developing and executing R&I strategies at regional level
- History of lack of trust-building among stakeholders
- Only indirect involvement of stakeholders through their representatives organisations (Chambers, HEIs, etc.)
- Limited culture of collaboration between businesses and researchers inside the region
- Collaborative leadership? Boundary spanners?
- Lack of evaluation and policy learning culture
- Very complex and unstable economic time; environment not favourable to investment and to business practice in general

* Source: Mark Boden, et. al. EP Action Final Report

The REMTh experience – Preparatory work

- Stakeholder engagement was perceived as the most critical aspect of the RIS3 process very early
- Focused efforts (face-to-face & on-line) to raise awareness and engage stakeholders already one year before the EP action started:
 - February-June 2013 A first round of 30 face-to-face meetings with key regional enterprises for awareness-raising
 - 17 April 2013 Workshop attended by 140 people
 - August-November 2013 Second round of face-to-face meetings
 - 22 October 2013 Roundtable on the development of a short-term plan to promote innovative entrepreneurship with the participation of the HEIs and the four regional Chambers.
 - 14 March 2014 A proposal for RIS3 priority setting made available online and stakeholders are encouraged to provide feedback
 - 29 May–16 June 2014 Electronic consultation on ROP and RIS3.

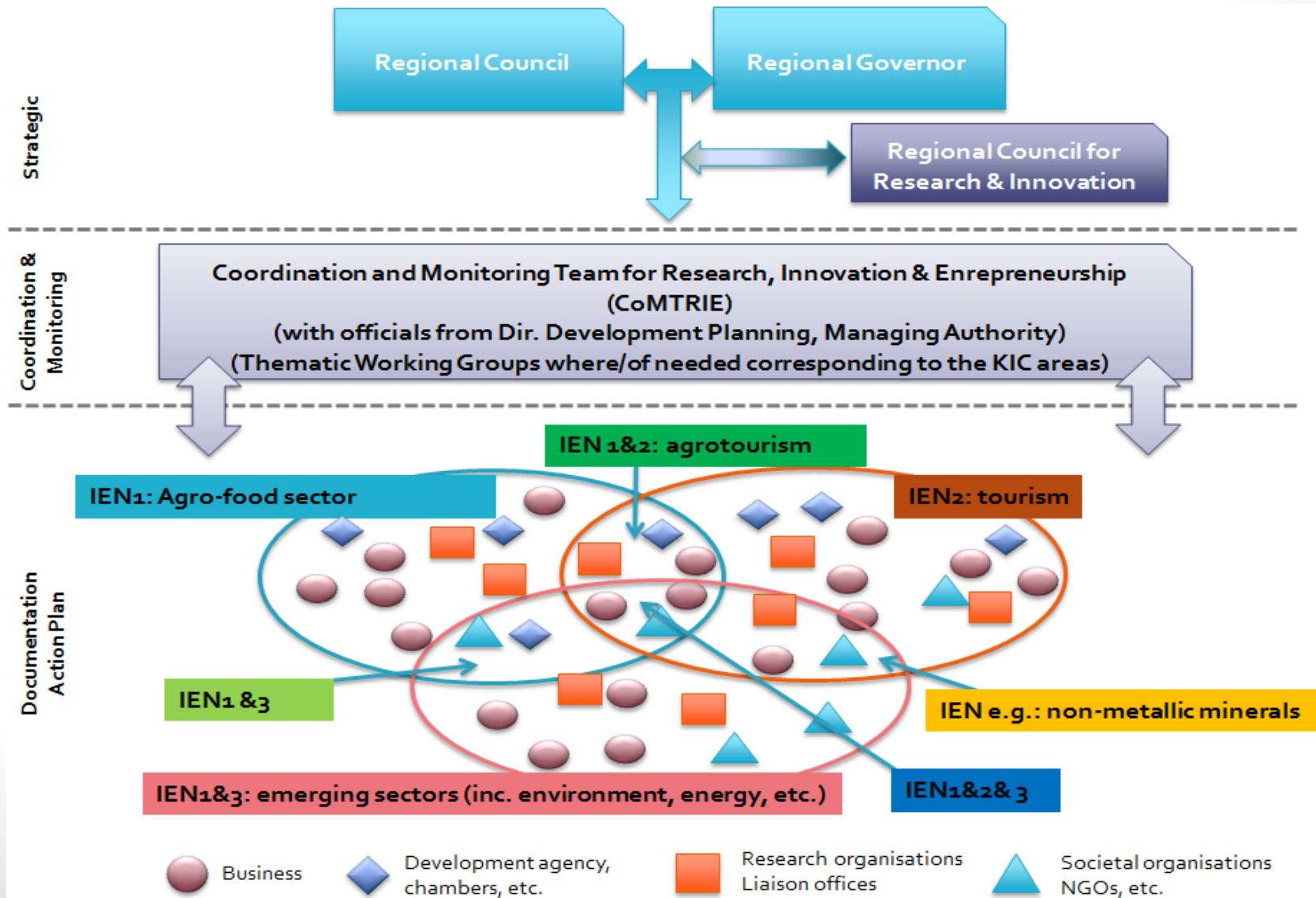
The REMTh experience – The EP action

- EP Preparatory Action: "Actual and desired state of the economic potential in regions outside the Greek capital Athens"
- A draft RIS3 to work on and a willing 'champion', the REMTh MA
- Focused stakeholders' mobilisation events the year before the EP
- Exploratory visits to build trust among the Regional Authorities and the EC/JRC
- Six EDP focus groups: wine sector, meat and dairy products, tourism, and marble and non-metallic minerals - chemical and polymer materials; and production of electronic and electrical equipment
- Two PDLs, an on-line consultation (of 134 including 29 businesses) and a committed Board of 'critical friends'
- A working group representing the region, industry as well as academia worked on and proposed certain measures for HR mobility
- A working group involving regional authorities, industry, academia and societal stakeholders devised the RIS Governance system

The REMTh experience - Results

- Mobilisation of a critical mass of researchers and business people (>600).
- Bottom-up process => increased mutual trust
- 'Momentum' in initiating change
- Increased understanding of what RIS3 can contribute to this change
- Appreciation of networking and research-business collaboration across stakeholders
- Capacity building and 'learning from others' mentality
- 'Internationalisation' attitude growing also among businesses
- A really participatory process that resulted to a jointly agreed regional strategy and bottom-up generated proposal ideas
- Close working relation and trust among the Regional, the National Authorities and the EC

The REMTh RIS3 Governance



The REMTh experience – Created expectations

- Stakeholders, more committed to the RIS3 concept but
- need to be more actively and continuously engaged in a sustained EDP process.
- Mechanisms needed to feed new ideas over and beyond those discussed in the EDP focus groups
- The new regional governance structure should be well placed to deal with these aspects and identify and implement appropriate mechanisms
- Need to identify mechanism to feed stakeholders' engagement back to policy - critical to build trust and give legitimacy to the whole process.

The REMTh experience – Challenges

- High pressure on the current exercise to succeed in order to maintain the trust that has been created
- Several barriers due to uncertainties and vagueness in RIS3 implementation of legal and technical nature
- Important role of Governor – strong commitment of previous Governor – now ‘learning’ and ‘buy in’ efforts necessary
- Follow-up the governance system along with the set up of a monitoring and evaluation system
- From hierarchies to networking and ‘collaborative leadership’
- Collaboration within and across sectors (public, private, etc.) and across levels (national, regional and EC)
- Mobilisation and training of society

Further reading

- Mark Boden, et. al. 2016 EP Action Final Report, <https://ec.europa.eu/jrc/en/publication/european-parliament-preparatory-action-actual-and-desired-state-economic-potential-regions-outside>
- Mark Boden, et. al. 2016 Implementing RIS3 in the Region of Eastern Macedonia and Thrace: Towards a RIS3 tool box
- Matthias Woiwode von Gilardi, How to effectively engage the stakeholders in S3 DLR, https://wbc-rti.info/object/news/12041/attach/6_Woiwode_von_Gilardi_How_to_effectively_engage_the_stakeholders_in_the_S3.pdf
- Dr. Ales Gnamus, Smart Specialisation and the S3 Platform – What is there for the EaP Countries DG JRC, http://www.eu4business.eu/files/medias/smart_specialisation_jrc.pdf
- Håkon Finne Engaging stakeholders. Ostrobothnia in the light of other experiences, SINTEF, http://s3platform.jrc.ec.europa.eu/documents/20182/130530/Hakon_Finne_Vaasa_20130514_final.pdf/1afb5723-3dd4-4903-bfca-3ef46c6c7378
- Alessandro Rainoldi, The guide to RIS 3 Research and Innovation Strategies for Smart Specialisation, JRC IPTS Sevilla, 3th May 2012, <http://s3platform.jrc.ec.europa.eu/documents/20182/88897/Presentation+ARainoldi.pdf/ed4c19e1-8587-494f-84dc-9c18f3bd74f0>
- The guide to RIS 3 http://ec.europa.eu/regional_policy/sources/docgener/presenta/smart_specialisation/smart_ris3_2012.pdf
- Bryson, J., 2003 What to do when stakeholders matter, https://www.researchgate.net/publication/200465469_What_to_Do_When_Stakeholders_Matter

Suggested discussion questions

- what are the commonalities and differences you see between the situation in Moldova and the case presented?
- what are potential challenges that you might face in stakeholder engagement?

(how would you go about overcoming these challenges - based on your experience and the lessons learned presented)?

- Thank you for your attention!
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- Now the floor is yours...