

SOFTPOWER:

COMPETENCES AND SOFT SKILLS
IN INNOVATION AGENCIES AT THE
BREAK OF A NEW MODEL FOR
INNOVATION SUPPORT IN THE EU

Conclusions of the 3rd discussion event:
the advisory services providers' views

November 29th, 2018



BACKGROUND INFORMATION

The 3rd discussion event of the 'SoftPower' task force, entitled "National agencies at the break of a new model for innovation support in the EU: the advisory services providers' perspective", was held on the 29th of November, 2018 at the Hotel Rikli Balance in Bled, Slovenia.

The event was organised by SPIRIT Slovenia with the support of ANI Portugal and the other task force members, and aimed at collecting the views and inputs from the community of innovation support service providers in Europe on the role of innovation agencies.



Rational of the event

In an increasingly dynamic and complex environment for boosting innovation in Europe, national innovation agencies must reflect on the model, roles and responsibilities they ought to assume for providing the most adequate support to their innovation communities. Inputs from a number of stakeholders are valuable for this reflection. The third event organised by TAFTIE's 'SoftPower' task force was focused on the advisory services providers' views.

The European Commission (EC) is planning to set a new innovation promotion system under the next Framework Programme (FP) for R&I, namely by creating the European Innovation Council (EIC), and Member States are themselves, through their innovation agencies, trying to reach their highest potential innovators and experimenting new instruments and support services to help them thrive. While the design and management of funding schemes are common tasks of innovation agencies, it will be their responsibilities at the advisory and support levels that will mostly be at stake in the scope of the future EIC's activities.

Innovation agencies have already developed their own activities to ensure non-financial support as a complement to the funding schemes available, although some of them provide further and more sophisticated services than others.

For the design of the upcoming EIC, the EC counts with this complementarity know-how and valuable experience owned by innovation agencies, in view of ensuring a closer support to innovators, a stronger matching capability and a higher reach for complementary funding sources.

How do advisory services providers, namely Horizon 2020 National Contact Points (NCPs) and Enterprise Europe Network (EEN) officers, see these efforts? According to their views, how should they be articulated for a complementary support to innovation across Europe? To what extent are innovation agencies providing local advisory and support services that are accurately reaching the highest potential of their communities? What kinds of advisory and support services do innovators feel the need for, either at local, regional, national or European levels?

This report gathers the viewpoints that were collected from services providers and other stakeholders during the discussion event, namely on their needs for ensuring more articulated, sophisticated and "client"-oriented advisory and support services to innovators. The agenda of this event is attached under Annex I and the list of attendants is attached under Annex II.

Questions for debate

1. What is the current role of NCPs and EEN officers within innovation agencies? What are the current advisory and support services they provide?
2. Are there different models of incorporating these officers within agencies? Do their skills and competences differ from the rest of the innovation agency's staff and, if so, in what ways can they improve the agency's set of skills and competences?
3. To what extent are innovation agencies effectively supporting innovators through the current advisory and support services they provide? Are they offering differentiated support to their innovators, in accordance to their specificities? Do they offer complementary services to those of NCPs and EEN officers? Do they engage with other service providers (e.g., consultant companies, clusters, incubators, etc.) for a complementary provision of these services? And how embedded are they in the overall activities of the agencies?
4. What new advisory and support services should innovation agencies incorporate in the scope of the next FP9/EIC to fill in the gaps in the current support provided to their companies? Are they still missing something in the portfolio of their services? What new set of competencies and skills should they incorporate?

Main Conclusions

1. The approach to client support through advisory and support services is very diverse across countries, regions and their innovation agencies

There are big differences among innovation agencies regarding the proportion of budget directed towards advisory and support services and complementarity of funding and non-funding support measures. The approach in some countries or regions is very "client-centric", starting with needs assessment and shaping the services accordingly, in some cases together with external partners. Mutual trust and proximity to companies are key factors when providing a more personalised support. However, making complex service offerings may get companies lost in the process and the challenge is how to develop tools that would enable fast diagnostics on clients' needs and help to provide appropriate type of services in a timely and user-friendly manner. Support services in many agencies are still very fragmented, and do not answer clients' needs fast and efficiently enough to cope with the environment in which companies have to thrive.

Most innovation agencies in Europe also host the EU-related services (NCPs, EEN and EUREKA officers). Sometimes this is the case only for EEN and NCPs for "Innovation in SMEs" domain of H2020 while other NCPs are located on, e.g., ministries or research related entities. There are also great differences among innovation agencies on the amount of time the NCP officers dedicate to H2020-related activities – in most cases the NCPs are not working full-time on H2020 topics, but also on other programmes (e.g. national/regional instruments). This also relates to the quality and "deepness" of the services provided by the NCP officers, which is also the case for EEN officers.

It makes sense to complement national and EU-related advisory and support services, as for example, some countries see EU framework programmes as a way to support companies in the scale-up phase while national/regional programmes are oriented towards start-up and early stage companies. In the case of EEN, however, sometimes the EEN team is separated from other advisors at the agency.

Organisations that act regionally or locally (e.g. incubators, technology parks) many times provide services to their clients as part of EU projects, in the form of pilot actions on specific topics. Being part of these projects brings new skills to their staff and keeps them connected to the policy development

trends at EU level. The services they provide are usually complementary to those offered by innovation agencies, at a national/regional level, and sometimes it can even involve the establishment of partnerships for different levels of support to companies.

How to measure the impact of advisory services is a big issue for many agencies, also because of the duty to report to ministries and governments on how efficiently resources are being spent. Some agencies are even considering changing the way they collect data so that they effectively show the impact of advisory services on the companies they support. Client's success and satisfaction is very important, since numerical indicators are hard to associate to specific services.

2. When providing advisory and support services, it is important for agencies to work closely with other support organisations in the ecosystem, focusing on the company and its needs

Given the diversity of clients and the complexity of their needs, providing high quality advisory and support services to all clients is a challenge for a single organisation and even more for a single person i.e. an employee working as an advisor in an innovation agency. Therefore, it is very important that agencies work hand in hand with other organisations, active in the field of R&D&I for companies. These include incubators, accelerators, technology parks, different chambers, public or private funds, business angels and Venture Capitals (VCs), research funding entities, ministries, consulting companies, regional development agencies, etc.

Synergies between different entities acting on national, regional and international levels in providing advisory and support services to the companies are, thus, a key factor for the company's success. As much as this may be a hard task, the company and its needs must remain the focus. The starting point is a quality dialogue between the company and the agency's staff for identifying its real needs, in order to help the company to perform better. To make advisors think how to help the company to develop instead of just being a grants provider is a cultural shift and is connected to management and skills development.

Good cooperation is needed already in the "know your customer phase". For this reason, some agencies try to develop

digital tools to help their advisors get as many and as good information about the client as possible, with data coming from all abovementioned entities and also from EU sources. This would empower the advisor to better shape the service for a specific client.

When providing advisory and support services, it is also crucial to have a good overview of what is the specialisation of other entities that also provide this kind of services or even of their employees (importance of social network), in order to get additional information or to signpost the client to the entity/person that can provide the best service within the support ecosystem.

The approach towards working with consulting companies is still a challenge for public servants in innovation agencies due to some legal constraints. However, there is room for synergies and some agencies even provide training for consulting companies on specific topics. Others cooperate with them regularly since the actual service is not provided by the agency, but is rather agreed upon between the agency, the consultancy company and the customer, and later provided by the consultancy company. In this model, the agency only works as an intermediary with a very important task of trust building among all parties.

Fast growing companies have very specific needs and the capacity of innovation agencies to provide support to this kind of companies is still very limited. It is a big challenge for agency's staff to provide quality advisory and support services to scale-ups, as it requires a specific set of skills and experience. It is usually about helping them to get to international platforms, where EEN officers have more experience and better tools through different network services.

In this context agencies with offices abroad provide an easier access to international markets. For those that do not have this possibility, cooperation with strong "multipliers", such as the abovementioned entities, might provide the support needed for these companies to access foreign markets.

3. For young companies, quality advisory and support services are as valuable as financial support or even more

Advisory and support services in the form of coaching and mentoring for young companies are considered extremely important. Since many enthusiastic entrepreneurs have

sometimes focusing too much on their products' development process, they may miss the importance of the product being marketable, which can be a problem at a later stage.

There are big differences in quality among coaches and mentors. It is very desirable that a coach or a mentor has personal experience with a start-up company and is not only "selling" theory. They need to effectively help companies develop a strong business model for their products. In many innovation agencies this could present a big challenge for internal staff, since many employees do not have any professional experience in private sector and even less with entrepreneurship and trade or export promotion activities.

For small companies going from local to international markets it is really crucial to understand that even the EU market is not a single market but rather a "multilocal" one, meaning there are differences in laws and regulations, customs, public preferences and cultural acceptance between countries. In some sectors (e.g. transportation) these aspects are determinant.

So, an advisor should either be able to inform the company about the specifics of a certain market or be able to connect the client with experts, who could provide the best possible service. Connecting the right people at the right moment is a very important role for advisors (including when the company seeks an investor). However, this requires certain skills and experience that requires experience and time, and cannot be acquired through one-day training courses or workshops; the advisor needs to understand the innovation and its market – e.g. in the IT field there are great differences if the company enters the market with a tech product or a business model.

There are gaps in funding and support for potential unicorns in Europe. They can easier get capital and quality advice in the USA, the reason why so many good European start-ups move there. When they grow and try to come to European markets they usually and once again do not get the support they would need in terms of advice in country-based market specifics. This is a potential service that innovation agencies could provide even to unicorns, but companies many times feel they cannot get quality service or even do not know how to approach the agency at all. Since they are focused on their clients, many do not seek help from the agency so the agency should act proactively and approach the company with the services it offers. Marketing strategies for agencies to disseminate information about the services they can provide to companies

is also key.

Due to the fragmentation of the EU market, there is a need for innovation agencies to work closer together in order to tackle the obstacles companies have, when they try to enter new markets.

In terms of public funding for innovation projects, it is desirable that the officers understand it is of no use to complete the project as planned if it becomes clear during the project that the proposed solution does not work and needs to be changed.

In this non-bureaucratic approach, the European Agency for Small and Medium-Sized Enterprises (EASME) has made a big step forward, which many times is not the case at a national level. Agencies have to talk with the clients about their needs and be as flexible as possible when tailoring the services, in order to bring great impact and added value for them.

For companies, it is only important to get what they need. It's not about having all the services in one place, be able to provide the right services that tackle the company's specific needs for support (the company does not need to know about all the services that are offered by the agency, but only for those that are useful for itself). Some agencies are already working in this direction, but many still struggle with a more project-centric approach in terms of the support provided.

Risk aversion in Europe is also a very important constraint for companies' development with great influence on difficulties experienced by young innovative companies that look to maximise their growth and internationalisation potential. So, de-risking is something that agencies as well as the EC, through the framework programmes, should try to achieve in order to bring more private investments to highly innovative start-ups and scale-ups.

4. With the EIC and Horizon Europe, new roles and services are expected to be delivered by innovation agencies

In pursuing the goal to enhance the innovative capacity of Europe, all entities that are active in the support ecosystem (on national, regional, local, public and private level) need to contribute at their own roles. This cannot be a task only for the EIC, since this mechanism is only one layer of support to the ecosystem.

It is an ambition that (ideally) all projects receiving funds in the scope of the Accelerator programme are also "hooked" with national innovation agencies' support. In this view, they should act as providers of soft services that complement financial support from the EIC (e.g. coaching, mentoring, investor meeting events etc.). The EC is thus, planning to contribute financially to innovation agencies effort for the provision of these kind of services as part of the Innovation Ecosystems pillar. There is also a possibility for the EC to co-finance national programmes in the field of innovation support within this pillar as well. With the Pathfinder programme, innovation agencies will need to strengthen communication with universities and research institutes, that are usually not their primary target groups.

On the other hand, communication with investor organisations, funds and banks will have to be addressed more systematically. With the Accelerator programme, projects go from the "grant area" to the "market area". If companies are to stay, grow and scale-up in Europe, there's a belief that the use of a blended finance approach is the next step to take at a European level. If products developed are not bankable and too risky, the EC is willing to take the lead, which is the purpose of the Accelerator part of EIC.

Considering all the above-mentioned aspects it is obvious that also innovation agencies will need to adapt their services, either financial and non-financial, in order to help their companies to be successful in the upcoming European landscape for R&I promotion. The EU funding will focus on market creating innovations, and agencies are asked to be able to select the best companies and innovations nationally, that have the potential to succeed at a European and global level. This can also be facilitated through digital tools such as the Innovation Radar, although this platform is still being discussed between Member-States.

Overall, innovation agencies current staff will face new challenges, shifting from common tasks (such as providing information, managing funded projects at national level, signposting companies to other service providers...) to complex services, that include a deeper understanding of the client's needs, integration of information from several sources, coordination with other networks (EEN, NCPs, Eureka) and entities in the ecosystem, linking with investors, etc.

This shift from a project to a customer-centric approach,

with a more tailored provision of services to each company's specific needs, has to be translated into agencies staff's skills and competences. This means that agencies would have to strengthen or include, at least:

- The ability to speak and understand the "language of companies" (importance of possible personal entrepreneurial experience) and assess their real needs based on available data;
- The capacity to also communicate with other types of organisations (e.g. research organisations, investors, banks, regional development actors etc.) and networks (clusters, EEN, NCPs, Eureka, etc.) at a local, national and EU level and understand their role and position in the ecosystem;
- The provision of a vast knowledge regarding different markets specifics (sectorial and geographical/cultural aspects);
- Enthusiasm to actively engage with the company at a more personal level (e.g. "client journey" approach), establishing trust between both parties, and be able to flexibly tailor the service to maximise the impact and added value for the company;
- The ability to work effectively with other internal and external advisors and officers in finding the best solutions for a specific company to help it develop and exploit its growth and internationalisation potential;

These skills and personal characteristics are very difficult to find in one single person. So it is crucial for innovation agencies' staff to build trust with their clients, integrate information from different sources and act as an efficient intermediary and connector, so that the support that companies need can be provided with the utmost efficiency and have the highest impact.

Annex 1 Agenda of the event

This event is organised in the scope of TAFTIE's 'SoftPower' Task Force¹ – Competences and soft skills in innovation agencies at the break of a new model for innovation support in the EU. In an increasingly dynamic and complex environment for boosting innovation in the EU, innovation agencies must reflect on the model, roles and responsibilities they ought to assume for providing the most adequate support to their innovation communities.

RATIONAL

In June 2018 the European Commission published the proposal for the next European framework programme for research and innovation – the Horizon Europe. Similar to Horizon 2020 it still has 3 pillars (I. 'Open Science'; II. 'Global Challenges and Industrial Competiveness'; III. 'Open Innovation'). For the third pillar the Commission states: "The pillar 'Open Innovation' should establish a series of measures for integrated support to the needs of entrepreneurs and entrepreneurship aiming at realising and accelerating breakthrough innovation for rapid market growth. It should attract innovative companies with potential for scaling up at international and at Union level and offer fast, flexible grants and co-investments, including with private investors. These objectives should be pursued through the creation of a European Innovation Council (EIC). This Pillar should also support the European Institute of Innovation and Technology (EIT) and European innovation ecosystems at large, notably through co-funding partnerships with national and regional innovation support actors."

The foreseen introduction of the EIC Pathfinder and Accelerator instruments brings new challenges also for innovation agencies. During the event we will try to find out how ready are the innovation agencies in cooperation with support services dedicated towards EU programmes (NCP, EEN, Eureka...) for these challenges. Through the discussion based on current good practices and support models we will try to identify the areas where the agencies and their personnel need to develop and improve the most to best suit their clients' needs in new EU R&I perspective.

¹<http://www.taftie.org/content/task-force-softpower>

AGENDA

Official language of the event: English

08H30-09H00 **REGISTRATION**

09H00-09H20 **WELCOME ADDRESS**

Gorazd Mihelič | Director, SPIRIT Slovenija, public agency

09H20-09H50 **KEY NOTE SPEECH 1: AN OVERVIEW OF THE INNOVATION AGENCIES' PERFORMANCE ON DELIVERING ADVISORY AND SUPPORT SERVICES**

Alex Glennie | Principal Researcher – International Innovation, NESTA

The event can start with a presentation by NESTA of the preliminary results of the 'SoftPower' Task Force's survey on the current advisory and support services provided by innovation agencies and the 1st conclusions, including on the new set of advisory and support services and competencies and skills that innovation agencies foresee as important to incorporate in the future. This will set the scene for the whole day of discussions to come.

There will be 20 min. for the presentation and 10 minutes for Q&A.

09H50-11H15 **DISCUSSION SESSION I – THE PROVIDERS OF THE ADVISORY AND SUPPORT SERVICES
"ADVISORY AND SUPPORT SERVICES PROVIDED BY INNOVATION AGENCIES ACROSS EUROPE"**

This discussion session can pick up on the 1st results provided by the Task Force's survey, namely on the list of current advisory and support services provided by innovation agencies, and explore how they work within different agencies and how do they complement other support measures (funding and non-funding support), including the particular case of their complementation with the European FP. Different innovation agencies, i.e., different NCPs and EEN officers from innovation agencies around Europe, should be invited to bring along their different views and experiences about the models of coordination/representation of their networks at a more local, regional and/or national level, the deepness and complexity of the advisory support services offered by NCP/EEN officers and the adaptations of these services, needed due to the changes in EU innovation support policy. Also clusters, competence centres, incubators and/or other interface stakeholders should integrate the discussion to point out their own support to innovators and how it complements the support from innovation agencies. The special case of consultants should also be approached. The idea is to integrate views from a broad set of advisory and support service providers and discuss on how they are or should be more interactive and complementary in the future.

The idea is not to have presentations from each speaker, but ask them to answer a set of questions. At least, 15 min. should be considered for Q&A from the audience.

Moderator: Peter Volasko | NCP Coordinator, Slovenia

Introductory presentation: Pascal Fabing | Luxinnovation

Antonio Carbone | APRE Italy

Sigrid Gåseidnes | Innovation Norway

Marko Močnik | Pomurje Technology Park

Kristina Kočet Hudrap | director, TIKO pro, consulting company

Crispin Waymouth | Deputy Head of Unit, Enterprise Europe Network and Internationalisation of SMEs, (DG GROW), European Commission

11H15-11H45 COFFEE-BREAK

**11H45-13H00 DISCUSSION SESSION II – THE BENEFICIARIES OF THE ADVISORY AND SUPPORT SERVICES
“ADVISORY AND SUPPORT SERVICES PROVIDED BY INNOVATION AGENCIES – REAL CASES AND WHAT
CAN WE LEARN ABOUT THE REAL NEEDS FOR INNOVATION SUPPORT?”**

The aim of this session is to discuss the needs raised by the clients (innovators/companies) and the ability of the innovation agencies to provide competent answers to these needs. Participants will share their views and experience about the most added valued services the innovation agencies (can) offer, the skills of the personnel providing advisory services, the cooperation with external specialised organisations (e.g. accelerators, consulting companies etc.). These presentations will thus focus on understanding the importance, but also the gaps, of the current advisory and support services provided by innovation agencies, from the perspective of the beneficiaries of those services.

Invited companies are asked to provide a 5-10 min pitch of their experience, after which the discussion will be open to all participants to ask questions directly to the companies.

Moderator: Larisa Vodeb | Chamber of Craft and Small Business of Slovenia

Boris Horvat | GoOpti d.o.o.

Nives Nadoh | Comtrade d.o.o.

Fernanda Machado | Innovation Manager, Talkdesk, Portugal

13H00-14H00 LUNCH BREAK

14H00-15H15 INTERACTIVE SESSION

Facilitators:

Alex Glennie | Principal Researcher – International Innovation, NESTA

Ana Ponte | Coordinator – International Promotion, ANI

Nadine Teles | Programme Manager – International Promotion, ANI

The overall purpose of this event is to better understand the range of advisory and support services that national innovation agencies provide to innovative businesses (and others), and to explore how they can develop their approach to ensure that these services are delivering as much value as possible. This is particularly important in the context of changing European funding structures and support programmes. This interactive session will give participants the opportunity to discuss and debate priorities for the advisory services that agencies should offer in the future, and the steps they need to take to ensure that these services are as impactful as possible. The key question for this interactive session is: How can national innovation agencies prioritise and maximise the impact of the advisory services they offer to innovators?

15H15-15H30 COFFEE-BREAK

15H30-16H30 DISCUSSION SESSION III – “HORIZON EUROPE’S PILAR III – THE EIC AND THE INNOVATION ECOSYSTEMS: WHAT WAYS FOR COLLABORATION BETWEEN EUROPEAN, NATIONAL AND REGIONAL INNOVATION SUPPORT PROVIDERS?”

Moderator: David Golding | Deputy Chair EUREKA – UK Chairmanship, Innovate UK

Patrick McCutcheon | Unit B.1 Innovation Ecosystems, Directorate-General for Research and Innovation (DG RTD), European Commission

Nicolas Sabatier | Adviser to director, DG RTD, European Commission

Eoghan O’Neill | Innovation Radar Team, Directorate-General for Communications Networks, Content and Technology (DG CONNECT), European Commission

Jana Kolar | High Level Group of Innovators – EIC, Executive Director CERIC-ERIC

Marc D’hooge | European Investment Bank

The objective of this discussion session is twofold – 1) discuss the complementary roles to be assumed by the European Commission and innovation agencies for the operationalization of Pillar III of the Horizon Europe programme, and 2) to discuss on ways and structures of collaboration between the Commission, innovation agencies and all eventually additional actors to be involved in COFUND programmes for implementing the “innovation ecosystems” actions of Horizon Europe. Advisory and support services should be approached as a specific case for complementary actions.

The idea is not to have presentations from each speaker, but ask them to answer to the above mentioned questions. At least, 15 min. should be considered for Q&A from the audience.

16H30-17H00 PRESENTATION OF DISCUSSION SESSIONS OUTCOMES WITH OPEN DEBATE AND CLOSING REMARKS

18H00-22H00 SOCIAL DINNER ON BLED CASTLE

Annex 2

List of attendants

Name	Institution
Agnes Divinyi	National Research, Development and Innovation Office
Alex Glennie	Nesta
Alexis Zrimec	SPIRIT Slovenia
Ana Ponte	ANI
Andrea Kindler	FFG
Anica Kokalj	SPIRIT Slovenia
Antonio Carbone	APRE
Ari Grönroos	Business Finland
Birgit Steininger	FFG
Boris Horvat	GoOpti
Crispin Waymouth	European Commission
Daniël Verlé	Flanders Innovation & Entrepreneurship
David Golding	Innovate UK
Dragana Staba	Hamag-Bicro
Eoghan O'Neill	European Commission
Eva Bendlova	TA CR
Evelyn Smith	Enterprise Ireland
Fernanda Machado	Talkdesk
France Podobnik	Institut "Jožef Stefan"
Ida Pracek	SPIRIT Slovenia
Igor Milek	SPIRIT Slovenia
Irena Meterc	SPIRIT Slovenia
Jana Kolar	CERIC-ERIC
Jernej Salect	The Ministry of Economic Development and Technology
Karmen Vidonja Ozvatic	TikoPro d.o.o.
Katja Ajdnik	TikoPro d.o.o.
Kristina Kocet Hudrap	TikoPro d.o.o.
Larisa Vodeb	Chamber of Craft and Small Business of Slovenia

Name	Institution
Lola Merveille	Bpifrance
Marc D'hooge	EIB
Marion Karrasch-Bott	Project Management Juelich
Marita Paasi	Business Finland
Marjeta Maurer	TikoPro d.o.o.
Marko Mocnik	Pomurje Technology park
Martina Krepelkova	TA CR
Matej Cerar	Tehnološki park Ljubljana
Matko Boskovic	Hamag-Bicro
Maxine Adam	Innovate UK
Michael Kerschbaumer	Steirische Wirtschaftsförderung SFG
Minna Suutari	Business Finland
Mojca Skalar Komljanc	SPIRIT Slovenia
Nadine Teles	ANI
Nicholas Sabatier	European Commission
Nives Nadoh	Comtron
Pål Aslak Hungnes	Innovation Norway
Paloma Velasco	CDTI
Pascal Fabing	Luxinnovation
Patrick McCutcheon	European Commission
Peter Volasko	Ministry for Education, Science and Sport
Renato Vrebac	Hamag-Bicro
Sigrid Gåseidnes	Innovation Norway
Tadeja Oberc	SPIRIT Slovenia

The 'Soft Power' Taskforce was jointly carried out by the following TAFTIE member agencies:



In partnership with:

