



Horizon 2020 Policy Support Facility

Mutual Learning Exercise: Evaluation of
Business R&D Grants Scheme

Lessons learned

19/09/2018

What have we learned? - the problem

All countries share common problems

- It's a complex world
 - Evaluation serves **multiple purposes, different audiences, operates at different timescales:**
 - Even Direct R&D support measures, cover a **range of policy instruments, using numerous modalities, with different targets and a range of policy objectives**
 - Policymakers need:
 - to know **if** there has been an impact,
 - a clear overall picture of the outcomes, effects and impacts of policy instruments (over time and through the innovation journey)
 - to understand also how policy impacts individual recipients (behavioural change)
 - There's a lot of data out there - how can we use it meaningfully?

Shared (persistent) challenges

- Skewed effects (a few firms benefit a lot, most do not);
- Lagged effects (effects do not emerge for some time);
- Paucity of data (lack of information on how effects are exhibited);
- Low observability (meaningful effects can be difficult to observe directly, some, including spill-overs, may be indirect);
- Fluidity of companies (firms show much variability and can change rapidly);
- Attribution of effects (are the effects due to the programme concerned or to other programmes/factors?)

Plus some emerging challenges

- A need for greater understanding of the detailed behavioural effects of innovation support (to better tailor its delivery);
- Understanding broader transitions, relationships and the appropriate accompanying policy mixes (see later);
- Examining persistency in changed behaviour - examining for how long support is needed to facilitate a (lasting) change in behaviour;
- Seizing the opportunities offered by ‘big data’ - where feasible.

Further complexity: policy mixes

- Direct R&D measures do not operate in isolation
- The boundaries of the policy mix are hard to define (increased breadth of actors, modalities and objectives)
- Numerous interactions (and possible complementarities and contradictions)
- Mixes tend to form ‘organically’ - with no *ex ante* rationalisation - no logic charts
- Little track record of evaluations of entire/partial policy mixes - there is little to learn from

What have we learned from the MLE-process? *MLE-process itself*

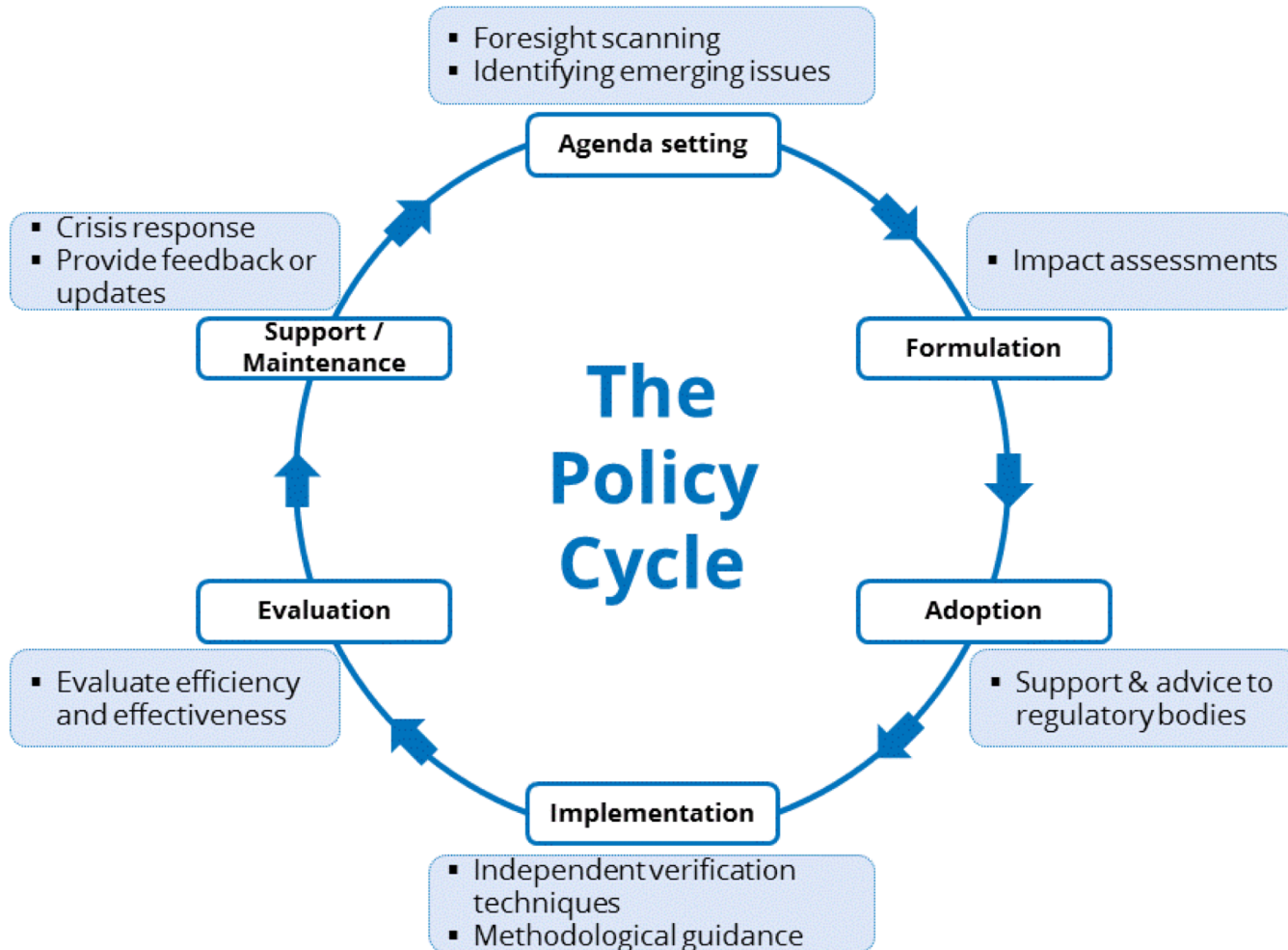
- Sharing experiences is helpful/needed for reflecting on own practices
- Exchanging case-study examples is very productive
- The bigger the pool of evaluation experience the better (although 5-10 countries is ideal size)
- Workshops/site visits productive, but additional dialogue on the periphery is needed for learning

What have we learned from the MLE-process?

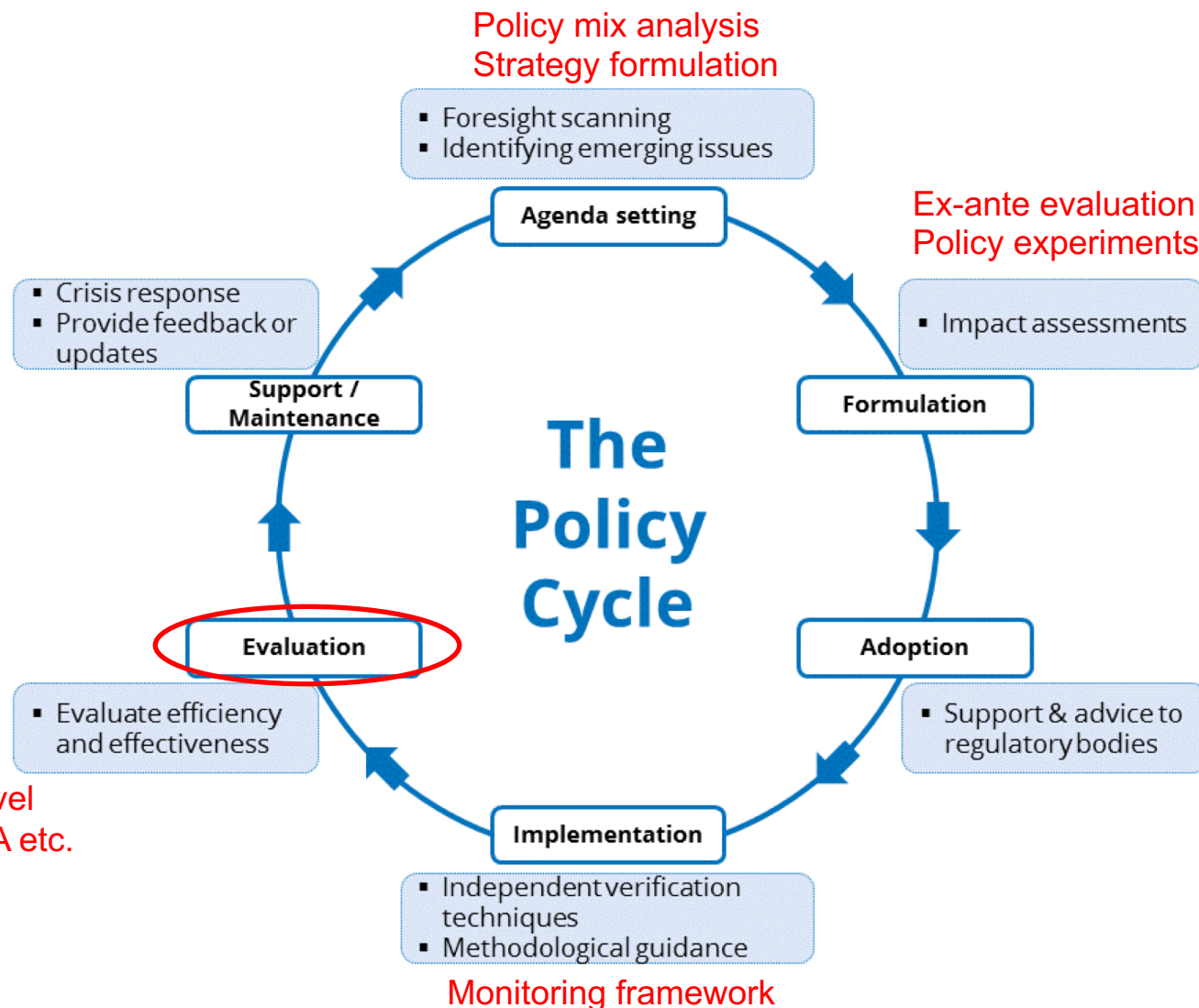
Process of evaluation itself

- There is no magic bullet or single solution - context is all-important and what works in one setting may not succeed in another
- Experimentation is good - try to make room for small-scale trial evaluations
- Evaluation is not just about policy learning but also evaluation learning!
- Mixed approaches to evaluation are wide-spread - there is a menu but it's best to go a la carte and avoid the set menu!

What have we learned from the MLE-process? *Need to better close the policy cycle*



What have we learned from the MLE-process? *Need to better close the policy cycle*



Understanding behaviour better
Use of Big Data
Eval. at systems level
Econometrics / CBA etc.

Practical tools to help close the policy cycle

- Obligation to evaluate
- Obligation to publish
- Obligation to react to evaluation
- Support reviews/evaluations of policy mixes
- Show how transformations need varied policy mixes
- Establish evaluation community
- Create more encounters between policy analysts/evaluators and policy-makers
- Contribute to a culture of experimentation (also in evaluation)

Thank you!