





InnoBridge – Bridging the innovation gap through converting R&D results into commercial success in a more effective and efficient way

Action Plan by

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Content

1.	Poli	cy context3
	1.1	Aim of the Action Plan3
	1.2	A brief introduction of the Instrument addressed
	1.3	SWOT Analysis of Policy Instrument tackled5
2.	Acti	on 1: Self-evaluation tool for platform projects9
	2.1	Background9
	2.2	Action11
	2.3	Players involved
	2.4	Timeframe
	2.5	Costs
	2.6	Funding sources12
	2.7	Indicators
3.	Acti	on 2: A sector specific funding call for innovation platforms14
	3.1	Background
	3.2	Action15
	3.3	Players involved15
	3.4	Timeframe
	3.5	Indicators
	3.6	Costs
	3.7	Funding sources
4.	Sign	ature17







1. Policy context

1.1 Aim of the Action Plan

The Action Plan aims to impact:

Investment for Growth and Jobs programme
 European Territorial Cooperation programme
 Other regional development policy instrument

1.2 A brief introduction of the Instrument addressed

The addresses policy instrument is Sustainable growth and jobs 2014 – 2020 Structural Fund programme of Finland. Tampere Region will focus on the measure Producing and using the latest information and knowledge. The special emphasis is on Open Innovation Platforms as part of this measure. The Structural Funds Programme of Finland steers the selection of development projects and investments, but the regional smart specialisation policies have a key role in defining the actual implementation plans and resource allocation.

Main objectives of the addressed measure are

- Development of the centres of research, expertise and innovation on the basis of regional strengths
- Strengthening innovation in enterprises

Traditionally these goals have been targeted by concentrating on cluster policies. In some cases during the long path of development these projects tend to concentrate on creating new projects to get funded instead of concentrating on sustainable and novel long-term development activities. That model has been criticized to be short term and doesn't create enough long term impact on the region. Also the created clusters (e.g. ICT, traditional industries) have been slowly weakening in the Tampere Region during the past decade due to relocation and restructuring of business. This is the reason why the cross-sectoral innovation policy has become a feasible way to renew the innovation system, build new innovation ecosystems and reach to the emerging global business opportunities.

The Open Innovation Platform policy is a part of an ecosystem-like innovation policy which approaches more comprehensive development. It includes e.g. public procurements, regulation and different kind of platforms, like business ecosystems of corporations, growth ecosystems (e.g. MaaS), research, test and demonstration infrastructures, city development platforms.







To go for our vision of the future, more dynamic and ecosystem-like innovation environment, we aim to fund and support actions which create different value creating processes encouraging especially the co-creation of different organization and actors. We do not want to support single projects which will either finish after the funding or will use the fund for creating a new project. Instead, we aim to support and finance environments (platforms) that are/will be attractive and vital for talents and for different organisations including SMEs.

To maintain the regional competitiveness and to be able to create international networking has noted to be absolutely necessary to create an innovative ecosystem-like environment. Also for getting investments and EU Funding it is noted to be vital to have an attractive innovation environment and development platforms in the region. We expect that by providing small boost and initial investment we can create profitable processes that can survive without any public funding or will be co-financed on PPP-basis.

Open Innovation Platform perspective inside the addressed measure and its implementation can be described at the Council of Tampere Region in two ways:

Financing point of view

The question to be asked is how is the ERDF Funding working for the changing innovation policy thinking in a situation where we are more and more looking for a competitiveness and success of a group of companies instead of one single company. Financing the creation and development of environments (platforms) where different companies and organization can go and carry out innovation projects/pilots/experiments. At the moment, the yearly budget for ERDF Fund of the Council of Tampere Region is about 2 M€, delivered once or twice a year through application process. Funding rate in development projects is 60%, and in investments (always included into a development project) 50%. We are using this little money for novel forerunner projects of creating and testing innovation environments. The measure is targeted primarily to SMEs but the funds can only be given to a consortiums and partnerships including universities, municipalities and different development organisations.

Wider policy point of view

The Council uses knowledge management in monitoring the capabilities of regional innovation environment. Situational Picture of Innovation presents up-to-date information on innovation activities in the Tampere Region. Conducted each year, a review of the Situational Picture monitors phenomena which Tampere Region operators can influence in the short and medium-term. Platforms are one part of the monitoring process, which serves regional decision-making processes.

In addition to financing the Council of Tampere Region is supporting innovation platforms policy by creating knowledge, sparring and giving expertise of platforms and ecosystem thinking in all possible occasions. The Council is encouraging the regional, national and international communities to increase platform thinking.







It has been noticed that platforms do generate clear results in terms of RDI commercialisation better that the previous policy instruments. Platforms have raised up regional "super star startups", role models and results that catch public attention. It has been noticed nationally that platforms and the novel ecosystem thinking respond to the need of economic life. Promoting new growth sectors and ecosystems has been raised up to the political agenda in Finland. It's time to think of how to boost better platforms to grow and how to monitor the impact they make in the region.

1.3 SWOT Analysis of Policy Instrument tackled

The SWOT analysis of the policy instrument Sustainable growth and work 2014 – 2020 Finland's Structural Fund programme and particularly the focus of Open Innovation Platforms.

STRENGTHS

- S1 Conceptually strong, novel regional development and renewing agenda.
- S2 Open innovation platform policy involves a large number of different actors and their strategies there is a shared ownership of the concept in the region.
- S3 Good results of the benefits of platform activities, for example Demola.
- S4 Regional impact spreads wide because involves a big amount of innovation actors.
- S5 Open innovation platforms represent companies an alternative way to collaboration with HEIs and research organisation.
- S6 Target on impact, not so much on immediate outputs intervention logic of the platform policy has a different emphasis than traditional project-based measures.
- S7 Platform economy is a rising global phenomenon that will transform several important industries. Regional open innovation platform policy has been a policy level exercise that has helped us to understand and increase competencies needed to cope with the platform economy phenomenon.

WEAKNESSES

- W1 Financial resources don't allow big and long term investments.
- W2 ERDF Programme does not fully encourage beneficiaries to develop/create long term activities.
- W3 ERDF Programme does not encourage beneficiaries to build business that can last after the funding period de minimis aid rules create practical and mental obstacles.
- W4 Innovation intermediaries have struggled to create and maintain the required new competences.
- W5 Too much based on human "good-will" and mutual trust. (It would be ideal if possible)
- W6 Lack of responsibilities
- W7 Facilitator vs. care taker (profile of a facilitator?)
- W8 Challenge to demonstrate tangible results







- S8 Open mindness, flexible and fast interactions
- S9 Involvement of different actors that strengthen multidisciplinary and cooperation
- S10 Participation of students that bring along new ideas and projects
- S11 Very creative environment
- S12 Trust and responsibility
- S13 Collaborative innovation important for business and societies
- S14 Rich ecosystem of companies
- S15 Strong community network
- S16 Cooperation between stakeholder (public, privat)
- S17 Good relation between actors
- S18 Support the bottom-up innovation process
- S19 Experiment to benefit other regions as well

OPPORTUNITIES

- O1 Several national and international policy institutions have started to discuss and take their role in platform economy.
- O2 Digitalization opens up new possibilities for monitoring and measuring the impact of the innovation platforms.
- O3 The platforms have the interest and motivation to create digital tools to enable the provision of platform services. These digital tools will also create an real-time digital footprint of regional innovation activities and collaboration. The data created by platforms can be a valuable asset when creating next generation innovation indicators that are need in ecosystems policy.

THREATS

- T1 Platform competencies of development actors don't evolve fast enough lacking knowledge and skills will lead to low quality services and failing platform initiatives.
- T2 The legitimacy of the platform policy will be lost which may weaken the trust between the actors.
- T3 Policy makers and not able to concretize platform economy and platform thinking which are evolving phenomena.
- T4 As the intervention logic of platform policy is different and monitoring and measuring are more difficult, not being able to provide reliable data to the stakeholders about the impact and success of activities may weaken the legitimacy of







O4 Digitalization of platforms and the data created will open new global connections. If we are able to digitalize the platforms and open the data for global use, the matchmaking of different innovation actors may happen more naturally, without direct intervention or public investment. As public funding is currently used for building these connections manually, digitalization will make it possible to use the resources for something else.

O5 New regions may adopt platform thinking into their own innovation strategies. It is possible that the new regions will be important users and providers of platforms, and they may thus increase the network effects.

O6 It is a new model that envisages future trends that will open future business opportunities

O7 Communities, talents and ecosystems orchestrators as drivers

O8 Public sector supports innovative customer

O9 New business model with value creation

O10 Implementation of 6Aika

O11 To go global

O12 Exploit all available resources within the region

O13 Adaptation of this new approach by other EU region in its own policy

the policy.

T5 After the region reform, innovation policy may not be a top priority of the new region.

T6 It is a new model that still has to proof its effectiveness in the future

T7 Technology alone is not enough to change

T8 Big challenge in monitoring and measuring of results next 1-2 years

T9 Mismatch between innovation processes and available funding

T10 New monitoring method for new intervention logics

T11 A very sensitive ecosystem

According to the SWOT analyses innovation policy in Tampere region seems to have lots of strengths related to the novelty, creativity and cooperativeness. However, partly these strengths are also causing the weaknesses found in the SWOT analysis, as a novel way of doing innovation policy, which targets on creating impact and not direct outputs, causes difficulties in monitoring the regional impact with tangible







results. Because of the innovation platform policy, Tampere region innovation environment is also considered as a sensitive ecosystem without clear roles of the actors, responsibilities or sectoral focus areas.







2. Action 1: Self-evaluation tool for platform projects

2.1 Background

Aim of the action 1: To enhance the regional competences for innovation platforms and thus increase the quality of platform projects and the outputs developed in the funded projects.

'Sustainable growth and jobs 2014 - 2020 - Finland's structural funds programme' has five priority axes and 13 specific objectives. Specific objective 4.1 *Development of centres of research, expertise and innovation on the basis of regional strengths,* has a nationally added output indicator ID17 'New innovation platforms' which the funding applicants have to fill in related to their project proposals.

This indicator has noticed to be specifically difficult for the applicants to fill in, due to the many interpretations of innovation platforms. The indicator ID17 is shortly explained in the EURA2014 digital application system of Finland, but the explanation is noticed to be not sufficient enough. Because of that, potential funding applicants are suffering for figuring out how to fill in the indicator and therefore ask for a help for that from the Council of Tampere Region. This leads to time consuming communication and several explanations between the applicants and the funding team of the Council that is extremely inefficient for both parties.

Developing innovation platforms is one of the regional RIS3 focus practises targeting to bridge the possible gaps in the regional innovation chain.

Inclusive innovation and development platforms and services

Gathering and enriching the skills of different stakeholders. Creating product and potential growth companies and enhancing entrepreneurial potential in collaborative development processes with clients and users. The means are, for example, collaborative platforms, fiving labs, crowdsourcing, idea and application competitions, utilization of open daia, and compatible new types of user-centered and ecosystem services [e.g. organized through innovation vouchers].

Systemic experiments, piloting and demonstration

Testing product and service solutions and business models together with customers and users quickly, cost-effectively and verifying effectiveness. The goal is system-level reforms in business structures and models of innovation development that enable high added value. The means are, for example, innovative procurement methods, market dialogue, experimentation and demonstrations modeling fresh solutions. Smart city service solutions and open information and development platforms are utilized.

Smart specialization practices in Pirkanmaa

Talent and human capital aspects in development

Enpowerment and involvement of individuals and communities as drivers and creators of the reform alongside the organization and institution-based development work and partly instead of it. Use of open development platforms and methods to strengthen opoperative culture, support talent, strengthen skills and prepare for changes in working life.

International co-learning and investments

Supporting the reform of business activities, internationalization and growth of actors through international examples and peer learning. Strengthening identified development targets with the regions' own instruments, e.g. growth financing and services, new networks and new structures for co-operation, supported by foresight and invest-in activities. Co-development cross-sectorally and over the organizational boundaries as a structural basis.







Therefore it is important to be able to support and evaluate potential innovation platform projects better. Increasing competencies of applicants and the funding team of Council in innovation platform thinking will also enhance the impact of the platform policy. With accurate indicators it is also easier to measure and monitor the current development of platform projects. As raised up in the regional SWOT by the InnoBridge partners, all capabilities for being able to show tangible results coming from the regional platform policy are valuable to develop.

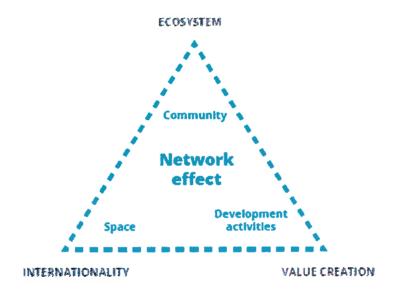


FIGURE 2. Internal elements of the innovation platform and their external connections as builders of the network effect[®]

Tampere region has been part of the national 6Cities strategy Open Innovation Platforms (OIP) spearhead project 2015-2018. The aim of the project was to build platform management and development competences and thus, also foster the growth and internationalization of SMEs and export of the Smart City related products and services. These experiences, developed competences and concepts, like *Figure 2*, will be a great help for developing and implementing this InnoBridge action.

InnoBridge Peer Review process and the SWOT analysis of Tampere region benefited the action by raising up the threats related to the complexity of the OIP concept and the importance of the monitoring the impact of the OIP policy:

- T1 Platform competencies of development actors don't evolve fast enough lacking knowledge and skills will lead to low quality services and failing platform initiatives.
- T2 The legitimacy of the platform policy will be lost which may weaken the trust between the actors.







T8 Big challenge in monitoring and measuring of results next 1-2 years

The Staff Exchange in the partner region of South Tyrol 4-5 June 2018 have given us inspiration for this action. The Staff Exchange and particularly the company visit of Bolzano based start-up "Vertical Life", gave us new ideas for better data collection and monitoring of the funding results.

2.2 Action

A novel OIP self-evaluation tool will be implemented. That tool explains to the potential funding applicant what elements make open innovation platform, what elements need to be thought when building one in a project, and how the OIP indicator should be filled in.

This tool will also help the funding team at the Council handling the ERDF proposals to explain the indicator for the applicants. The tool will be used for evaluating the ability of projects to create innovation platforms and also in the evaluation of the outputs of the funded projects.

The aim of the tool is to

- improve customer service in funding
- create better OIP projects and assist applicants to fill the indicator
- help the Council to get reliable information about the outputs of the funded projects

The tool will develop the administration positively and the service more customer oriented.

The tool was developed during the autumn 2018-winter 2019. An internal workshop was held on 28th Jan 2019 where the final content of the OIP elements were discussed and defined. Also the design and the technical implementation of the tool were decided in the workshop. Based on these decisions (evaluation sheet in a table format and as a pdf document which is easily attached to the website of the call) the final version of the tool was created.

The impact of the tool will be seen as easier application processes, better platform projects which will give more reliable information about the project activities and outputs.

2.3 Players involved

This action involves experts of OIP and ERDF funding at the Council as well as OIP expertise from the University of Tampere. OIP experts from the Council and from







the university were involved to develop the content of the tool suitable for OIP evaluation. Their role was to take care of that the evaluation tool includes all the necessary elements of OIPs and that it provides enough of information for the applicants about what is needed from them to think of. The experts on funding were important in order to take care of the usability of the tool for creating funding proposals. The tool will be a help also for the funding team to explain the OIP indicator, and therefore the opinions of the funding team were needed.

2.4 Timeframe

The implementation activities are scheduled as follows:

April 2019 -> Implementation of the tool as a help for the funding team

Summer 2019 -> final adjustments to the tool related to the funding call

Autumn 2019 -> implementation of the tool in the ERDF funding call of the nominated instrument

Spring 2020 -> evaluation of the tool and further fine-tuning for following funding calls from Spring 2020 on -> further application of the fine-tuned tool in following funding calls

2.5 Costs

No remarkable costs. Costs for internal tool development and implementation will be covered by the Council of Tampere Region.

The improvement will indirectly influence to an ERDF budget of 4 M€ allocated for the approved proposals.

2.6 Funding sources

No remarkable costs. The tool will be developed and implemented internally.

The improvement will indirectly influence to an ERDF budget of 4 M€ provided by the addressed policy instrument.

2.7 Indicators

The outputs of the action will be seen in the project proposals and questions concerning the OIP indicator in the end of the year 2019. With the tool, the aim is to get better OIP project proposals, and finally also better platforms that are created as outputs in the funded projects. In addition, the aim is to get less requests for information related to the OIP indicator and to improve the reliability of the OIP indicator.

The results will be monitored with indicators







- Estimated amount of OIPs that will be created in the funded projects
- Amount of visits in the tool web site

InnoBridge self-defined indicator is

"% of regional high growth companies (OECD definition) of the total number of the same group of regional companies, that have used Open Innovation Platforms until 2020"

This indicator is not applicable in many ways. Firstly the change is focused on internal improvement of the funding of innovation platforms. The aim of the change is to improve the quality of the funded projects regarding innovation platforms. Another aim is to get more reliable output data from the current OIP indicator. The current self-defined indicator that is measuring the final impact of the policy change, that is the competitiveness of the SMEs, is too far away from this improvement and the influence from the change to the indicator results is too narrow.

Secondly the definition of growth companies by OEDC is limiting too much the group of companies to follow. With that definition there is only limited amount of data openly available, in the Statistics Finland, and the data is regularly at least 5 years old. Therefore the improvement that is done now can show the results in the growth companies only after 5 years, when the official statistics are published. Therefore this indicator is not applicable for InnoBridge Phase 2 reporting.







3. Action 2: A sector specific funding call for innovation platforms

3.1 Background

Aim of the action 2: To pilot a sector specific funding call for innovation platform projects to boost a potential growth sector for innovation.

Open Innovation Platform policy has been carried out in Tampere region for a decade now. In general, the funding calls of 'Sustainable growth and jobs 2014 - 2020 - Finland's structural funds programme' that have been used to support the creation of platforms, has not been targeted for any specific field of business, sector or theme. The calls have been launched thematically open. This has created good results but has had no clear focus on specific regional strengths or potential growth sectors.

Specialized calls for the nominated funding instrument has not been done during the period of innovation platform policy in Tampere region. The improvement of sector specific ERDF call has got influence from InnoBridge project several ways. During the Peer Review the regional OIP policy was criticised for being too general and abstract and lacking clear focus and responsibilities.

W5 Too much based on human "good-will" and mutual trust.

W6 Lack of responsibilities

T11 A very sensitive ecosystem

This gave the influence for systematic study of potential growth sectors that could benefit from OIP policy. During the exchange of experience and Peer Reviews with InnoBridge partners, we got inspired by the clear and systematic focus on supporting RIS3 priorities and regionally strong sectors in many partner regions. Particularly interesting was the **'Working Groups for Malopolska Smart Specialisations'**, a Good Practice nominated from **Malopolska Region**, with a clear competence building approach. The exchange of experience with the partner region of Malopolska was arranged in the 3rd InnoBridge partner meeting in Alentejo Dec 2016 and during the Staff Exchange in Krakow on 26th-28th Sept 2018.

The Peer Review of Malopolska innovation policy that was done during the meeting presented us a diverse set of sectoral priorities and good results on supporting them for better R&D commercialization. During the Staff Exchange gave us more information and understanding of how the sector specific calls are made and implemented. This increased our competences to make particularly this improvement.

Another Staff Exchange to the partner region of Alentejo on 18th-20th Sept 2018, supported and improved the idea of how the regional strengths and potential growth sectors could be found and nominated. During the exchange we got informative presentations from the regional administration about the region's







growth sectors and how those are supported with funding. We also visited in some of the funded companies as examples of sector specific support.

Health and social sector has been recognized as a potential competence hub in Tampere region. In spring 2018 a wide report and analysis was made in the Council for this to show what competencies there are in the region and what is the state of the social and health sector RDI (analysis in Finnish at https://www.pirkanmaa.fi/wp-content/uploads/Sote TKI Pirkanmaa.pdf).

Social and health sector is a cross-sectoral and multi-disciplinal and therefore challenges the traditional public support for innovations. The wide competence for the sector is based on several different actors, companies, HEIs, NGOs, public institutions, research centers, which means that the ecosystem would clearly benefit from platform thinking as a multidisciplinary perspective to innovate. The results of the report combined the exchange of experience with InnoBridge partners influenced the final decision and concept for this action.

3.2 Action

The action is to launch a new sector specific ERDF funding call for open innovation platforms. The target of the action is to focus the funding support for OIPs of a sector that has a great potential for increased RDI regionally. This sector was chosen to be social and health sector based on a wide report and analysis which was made in the Council in spring 2018.

The call aims to boost the creation of innovation environments in the focus sector and R&D activities in social and health SMEs and sectoral research institutions. The final aim is to create a stronger sectoral ecosystem for social and health sector, where now funded platforms work as spaces for innovation services.

The thematic specialization of the call is explained for the applicants in the guideline document of the funding. The guideline for the call is elaborated with the particular focus on OIP of social and health sector. Link to the guideline of the call in Finnish.

No additional evaluation criteria will be used for evaluation of the proposals, but the proposals must be thematically suitable to be funded from the improved call.

3.3 Players involved

This action involved people from the Regional Council and research experts from the University of Tampere.

3.4 Timeframe

31.7.2018 Analysis of social and health sector innovation potential published

August 2018 Development of the sectoral specific ERDF call







September 2018 Launch of the new call

5.10.2018 The call closes. The call received two project proposals, from which

one of them is funded

1.3.2019 Project starts its activities

20.3.2019 Final funding decision is made

March 2021 ex-post evaluation of approved project and conclusions for next

specific funding call for innovation platform projects

We will make an ex-post evaluation of the funded project and the specialized call by March 2021 and make further adjustments for the possible second face of the specialized call.

3.5 Indicators

Self-defined indicator is

'% of regional high growth companies (OECD definition) of the total number of the same group of regional companies, that have used Open Innovation Platforms until 2020'

This indicator is not applicable for the action. The definition of growth companies by OEDC is limiting too much the group of companies to follow. With that definition there is only limited amount of data openly available, in the Statistics Finland, and the data is regularly at least 5 years old. Therefore the improvement that is done now can show the results in the growth companies only after 5 years, when the official statistics are published. Therefore this indicator is not applicable for InnoBridge Phase 2 reporting.

New suggested indicators are:

- Amount of the test-bed cases in the funded project
- Change of the turnover of those SMEs that have used OIP services of the funded project in comparison with the change of the turnover in the whole sector.

The first suggested indicator measures the activity of the innovation platform of the funded project. As explained above, the aim of the call is to boost innovation platform activities in the focus sector. This indicator gives us the direct result of the activity. The second suggested indicator measures the final impact in the SMEs. With the action we aim to boost the competitiveness of the companies in the focus sector. By monitoring their change in turnover during the Phase 2, it is possible to compare it to the overall change in turnover in that sector. If the SMEs have benefit from the sectoral OIP their turnover is likely to be improved more.







3.6 Costs

No additional costs for the designing of the call.

The amount of funds affected by this improvement is 1,5 M€.

3.7 Funding sources

The improvement didn't provide additional costs that needed funding.

The amount of funds affected by this improvement is 1,5 M \in provided by the addressed policy instrument.

4. Signature

Date:

1.7.2019

Signature:

Petri Räsänen

Director, Innovation and Foresight

Stamp of the organisation:

