

Norwegian Cluster Program Evaluation

Case B

The NCE Program Evaluation, 2011

In November 2010 the decision was made to implement an external evaluation of the NCE program, as originally planned when launching the program. The NCE evaluation was planned to be carried out in parallel with an evaluation of the second Norwegian cluster program, Arena. The evaluations were intended to answer the same basic questions:

1. Is the program relevant with regard to its objectives?
2. Is the program achieving its objectives?
3. Is the program organized efficiently?

The program evaluation could draw on an extensive documentation of the clusters supported by the program, i.e., the baseline analyses, annual reports and project evaluations. This material provided relevant input to answer the question of how successful the program had been in creating better clusters. In addition, the NCE program had to be evaluated in terms of its strategies, procedures and services. Most importantly, to what extent did the program add real value to the clusters' development?

The evaluations were started in February 2011 and reported in October 2011/January 2012.¹ A reference group, with members from the two ministries funding the programs, the three innovation agencies running the programs and the clusters being supported by the programs, was set up in order to discuss the design of the evaluations, findings and recommendations. Early in the process a one-day seminar was held, discussing the conceptual framework for the cluster programs as well as methodological challenges. In this way the evaluation also contributed to a dialogue and joint learning between the stakeholders, regarding the role of the cluster programs, the outcomes and impacts, and possible adjustments and improvements.

¹The evaluation of the NCE program was conducted by Econ Pöyry and DAMVAD, reported in: Econ Pöyry and DAMVAD, "Evaluering av NCE-programt"(with English summary), Econ-rapport 2011-036(Pöyry Management Consulting Norway AS, 2011). Main findings from both evaluations are presented in: Erik W. Jakobsen and Rolf Røttnes, "Cluster Programs in Norway – Evaluations of the NCE and Arena Programs"(MENON-publication, 2012). The cost of the NCE evaluation was approximately €100,000.

Referring to the three questions, the main conclusions from the evaluation were:

1. "The program is solidly anchored in relevant cluster theory, reaches its target group, and offers relevant support to participating business actors."
2. "The projects have made considerable progress in achieving improved cooperation and infrastructure. [...] The program promotes innovation and value creation, yet actual impacts are difficult to measure."
3. "The program has demonstrated its ability to adjust in response to feedback and lessons learned. [...] The NCE program probably generates a positive return on investments."

These conclusions were followed by a set of recommendations for further improvements. One important challenge for the program was to emphasize its innovation profile, through increased focus and stronger requirements in the contracts and dialogues with the supported clusters. It was, however, also indicated that the public funding opportunities for collaborative R&D and innovation might represent a barrier, and some improvements should be considered.

The evaluations of both Arena and NCE legitimized the public funding of the programs, as well as the main strategies and services provided to support cluster development. They came up with new or improved knowledge on success factors and relevant recommendations. Renewed legitimacy and new insights gave the program owners a good platform for refining and implementing the cluster programs for the next four-year period.