



**THE EVIDENCE NETWORK**  
Measuring Innovation Impact

# Impact of Innovation Investments

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# ECONOMIC IMPACT

## COMPANY GROWTH

REVENUE GROWTH  
**\$178.5** MILLION  
of \$299.5 Million Total Revenue

INVESTMENTS RECEIVED  
**\$150.6** MILLION

CREATED  
**610** JOBS  
of 2,310 Total Jobs



THE POWER  
OF YOUR  
ORGANIZATION'S  
IMPACT!



## YOUR ORGANIZATION IMPACT

REVENUES  
**\$9.4** MILLION

INVESTMENTS RECEIVED  
**\$8.8** MILLION

CREATED  
**58** JOBS

PORTION OF COMPANY  
GROWTH ATTRIBUTED  
TO YOUR ORGANIZATION



# ‘Energizing Innovation’

If you energize innovation, how will you know if the economy improved?

How does ‘energizing innovation’ connect to economic development?

How should we think about innovation and economic development anyway?





# Innovation is....

- ‘...the implementation of a new or significantly improved product, process, a new marketing method or a new organizational method in business practices, workplace organization, or external relations’ (OECD 2005)
- Think:
  - Boeing (or Bombardier)
  - Wineries
  - University spin-offs
  - Virtually all businesses trying new things







# Economic development is....

- Policy intervention
- Intended to lead to economic growth and social benefits
- Think ‘innovation enablers’:
  - Economic development organizations
  - Incubators
  - Government business support programs
  - Research institutes
  - Science parks
  - Industry associations
  - Technology commercialization organizations
  - University technology transfer





# Impact on companies – on the critical path



**Innovation Energizers**

**Innovation Enablers**

**Companies**

**The Economy**



# Measuring Innovation Enabler Impact

Measuring your impact on companies enables you to:

- **Increase** your impact
- **Attract** the best companies
- **Communicate** your impact to stakeholders
- **Be accountable** for results to Boards of Directors
- **Provide evidence** of impact to inform funding decisions





# Why are these issues important?

- Policy makers, funding agents, Boards of Directors and others are frustrated and hungry for ‘better metrics’
- Systems of innovation are suffering as a consequence
- Most reports of innovation impact do not identify the portion of impact attributable to the support organization



***“The state should...  
include customer impacts and fulfillment of public services  
targeted to businesses.”***

**State of Washington Department of Commerce**

**Dec. 2013**





# The Evidence Network (TEN)



**TEN is an independent  
third-party assessment firm**



**We focus exclusively on  
impact assessments of  
organizations and programs  
that support business  
innovation**



**Rigor of academics;  
practicality of industry**





# TEN – Born Global



Tekes



TRTech

Niagara  Region  
Building Community. Building Lives.



COMMUNITECH



wavefront  
ACCELERATED  
COMMERCIALIZATION



CITRIS



UCLAAnderson - GAP



CEMI  
Centre for Excellence  
in Mining Innovation



THE EVIDENCE NETWORK  
Measuring Innovation Impact

# How do innovation enablers impact companies?

Innovation enabler

Client Company

Mission



**Indirect** impact on  
company performance



Survey client companies  
to identify **attributed** impact!

**Services**



**Direct** impact on  
company resources  
and capabilities

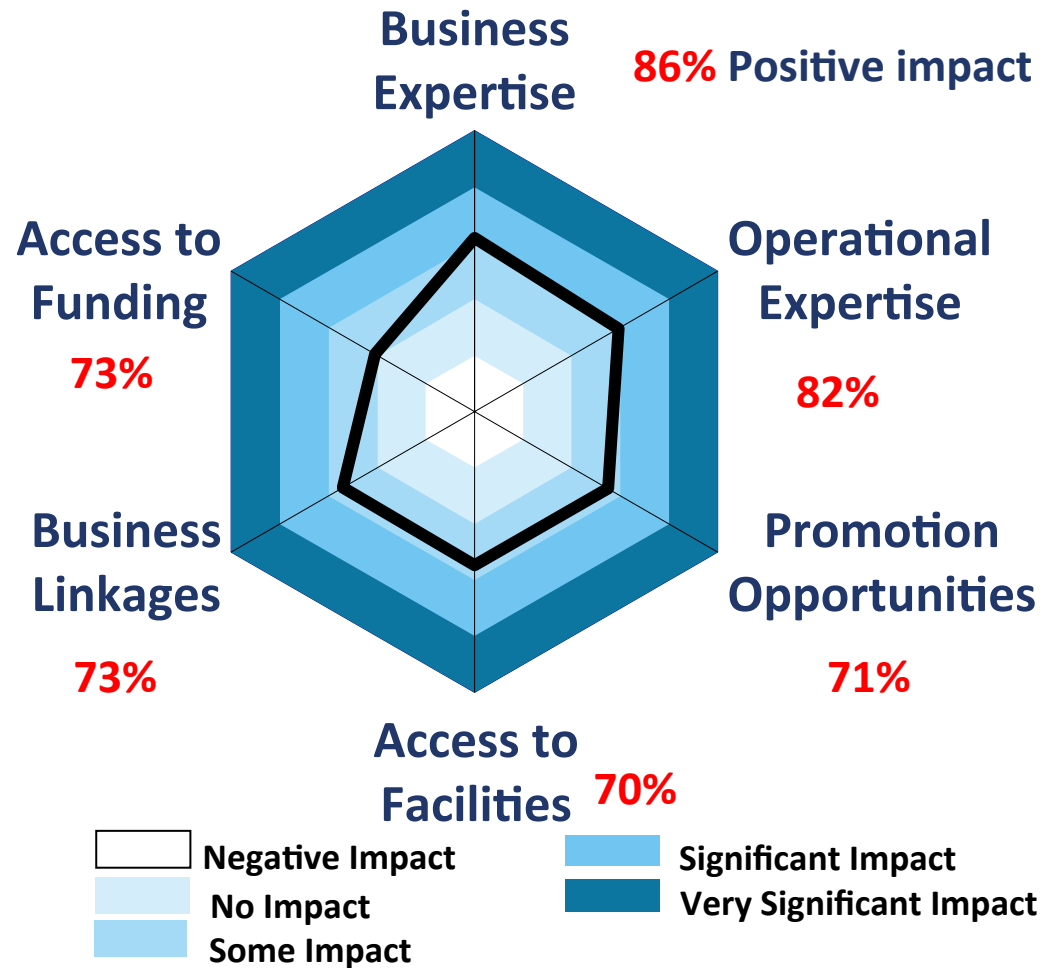


*See Dalziel, M. & Parjanen, S. (2012). Measuring the impact of innovation intermediaries: A case study of Tekes. In Melkas, H. & Harmaakorpi, V. (eds.) "Practice-based innovation: Insights, applications and policy implications", Springer.*



# Direct Impact on Resources and Capabilities

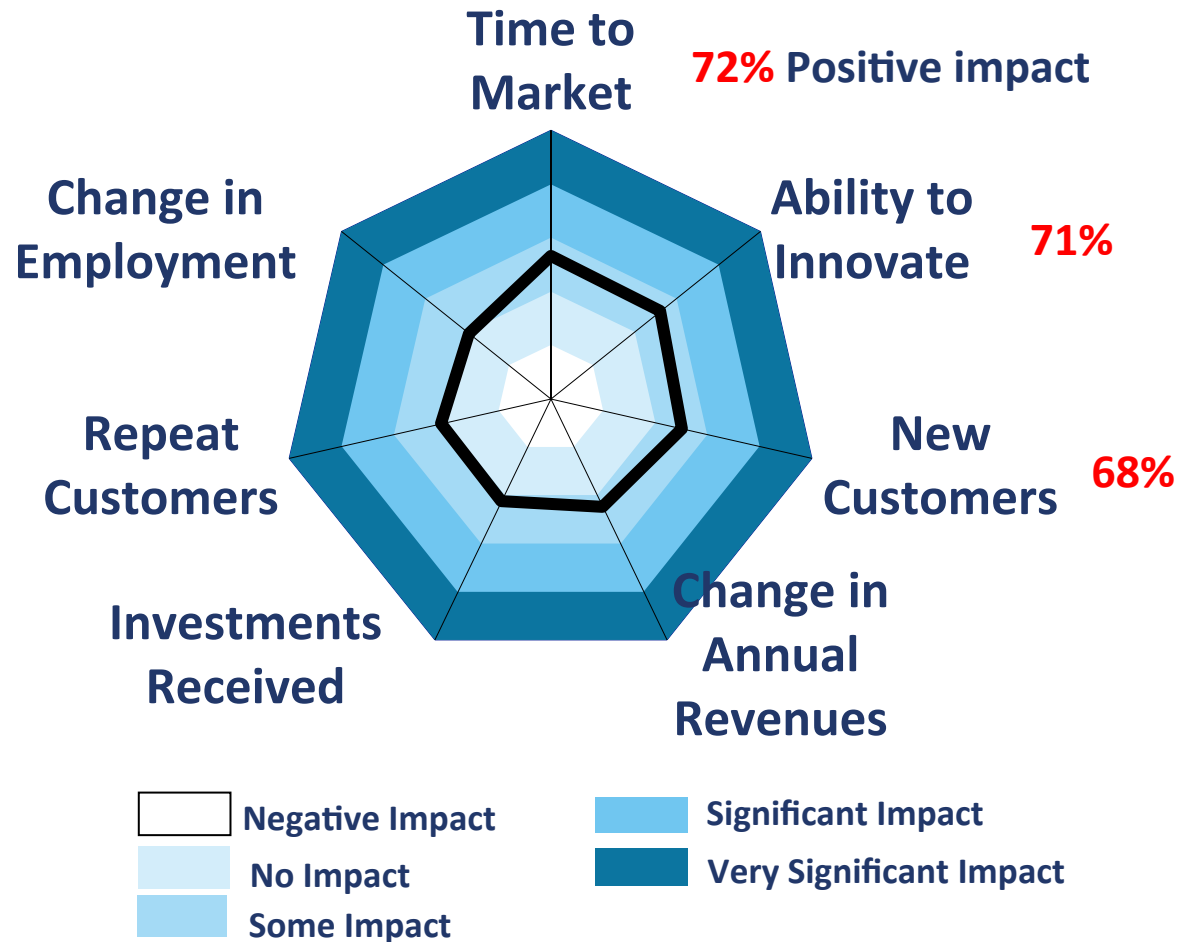
## Example 1: Regional development initiative





# Indirect Impact on Company Performance

## Example 1: Regional development initiative

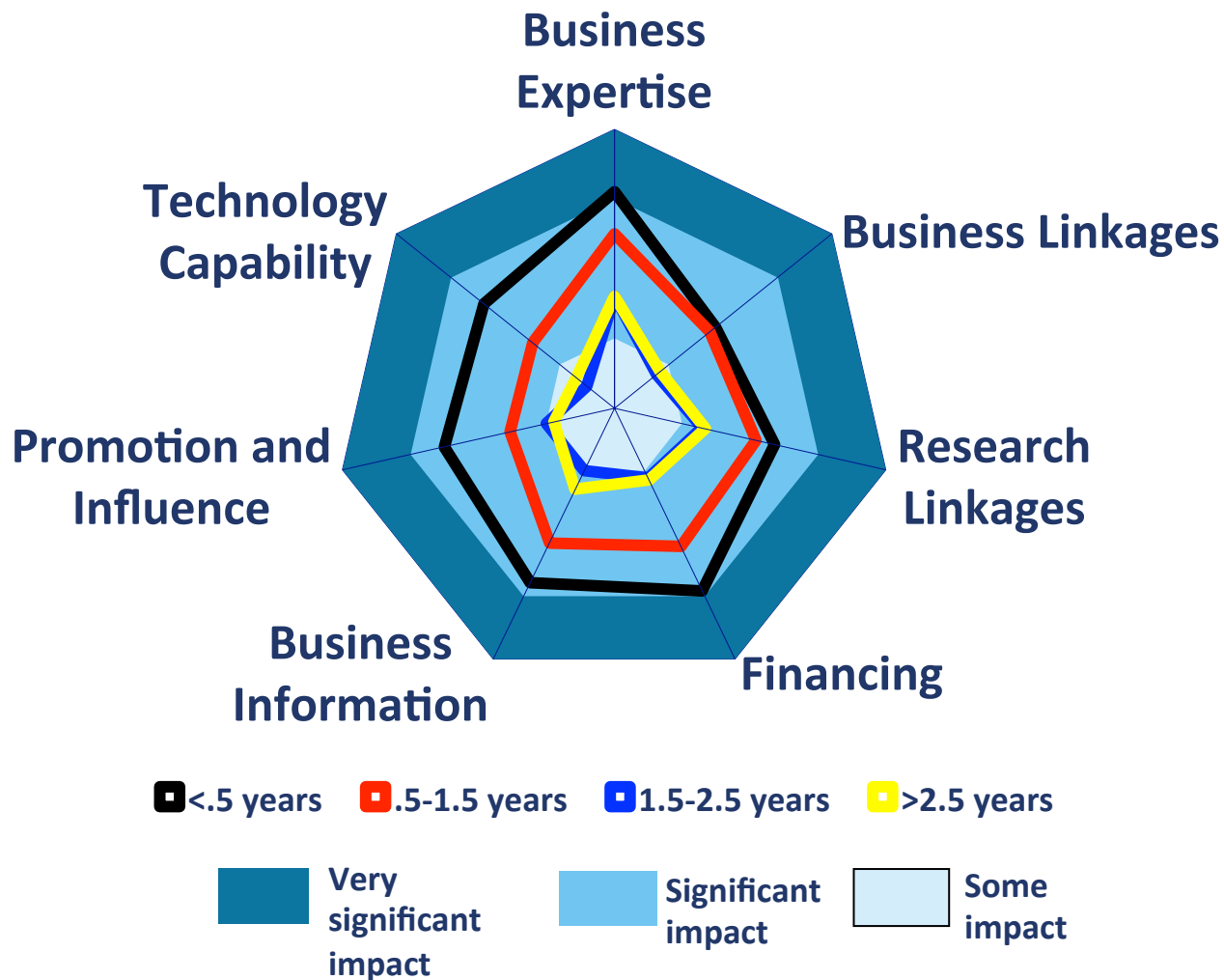






# Direct Impact by Measures and Tenure

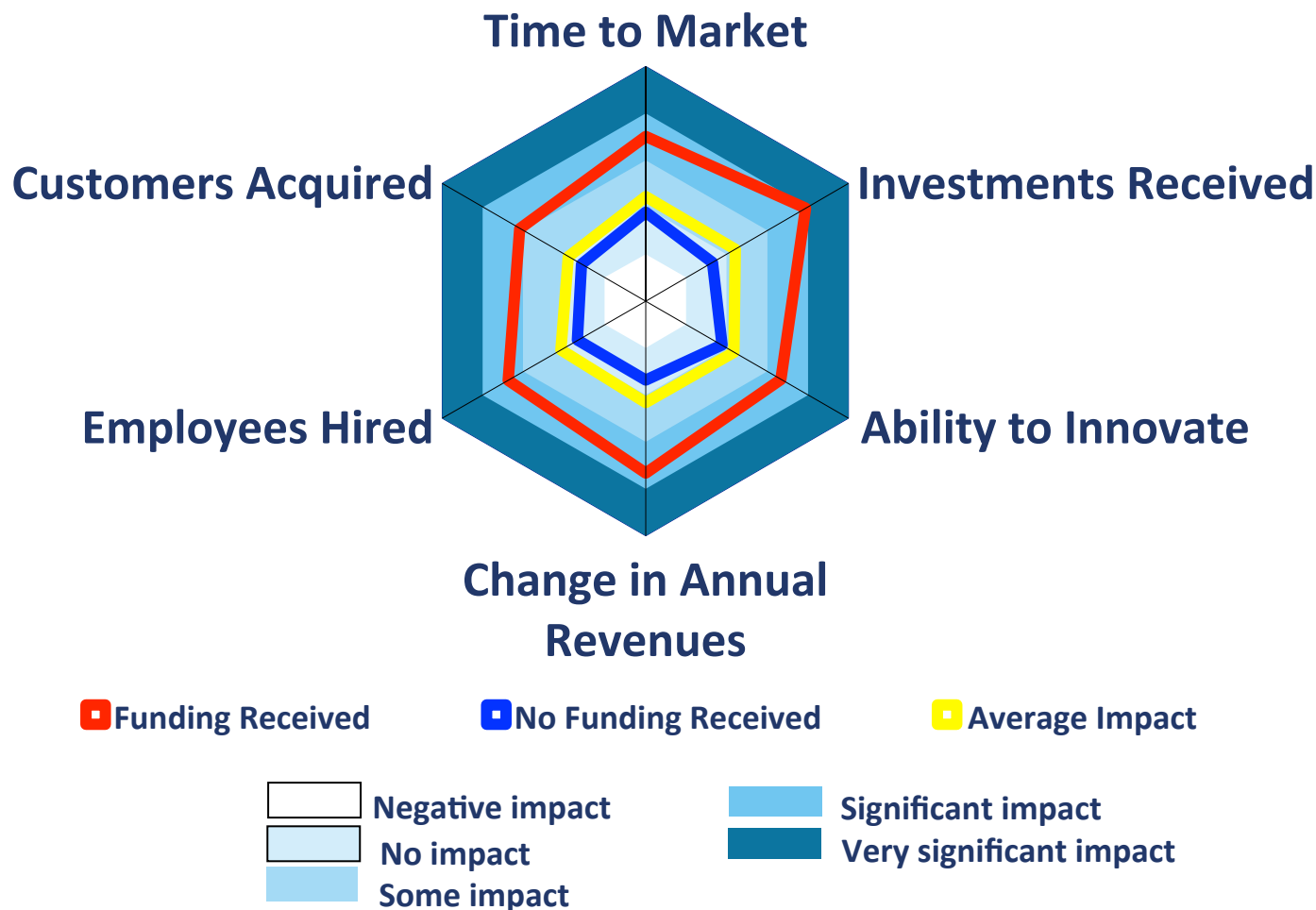
## Example 2: Large science park





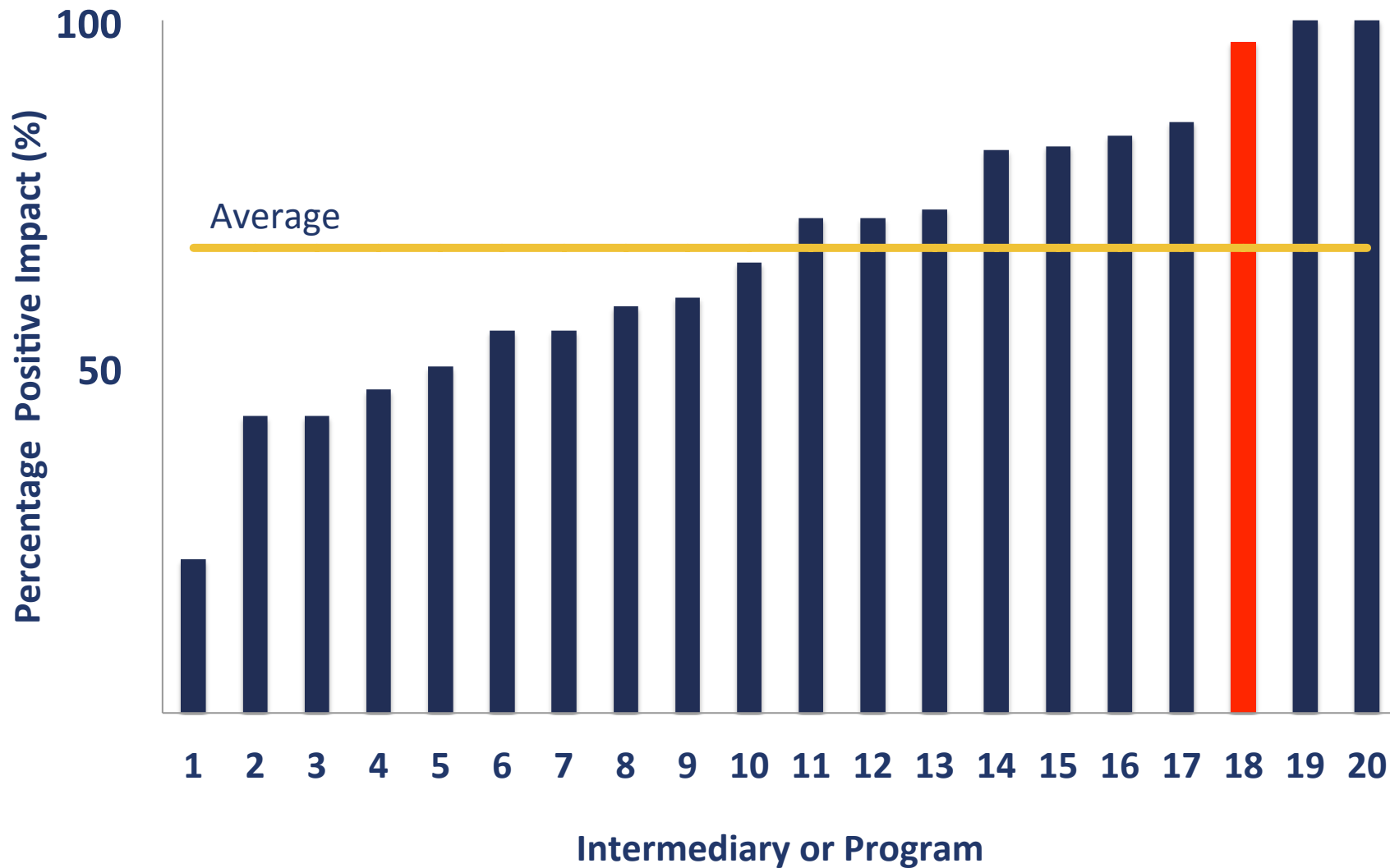
# Indirect Impact by Measures and Funding

## Example 3: Accelerator





# Positive Impact on Revenue Change



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# Conclusions

- Reporting of innovation enabler impact is more than reporting on operational metrics or graduate company performance
- Credible impact reporting distinguishes innovation enabler impact from other factors affecting company performance
- Simple surveys can elicit impacts attributed to innovation enablers from company respondents
- Impacts attributed by companies can be used to identify best practices in support of:
  - Funding decisions
  - Economic development performance improvements
  - Communications to stakeholders