Engaging stakeholders. Ostrobothnia in the light of other experiences

S3 platform – 8th peer review workshop:

Stakeholder engagement and the RIS3 governance

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European Commission (S3 platform) and Regional Council of Ostrobothnia

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The role of a critical friend

- **Review plans and experiences**

- **Address potential and actual shortcomings (and strengths)**

- **Relating advice or relevant experience from elsewhere**

- **Hope to remain friends after the session**

Ostrobothnia towards RIS3

- **Initiative by Regional Council of Ostrobothnia (as problem owner for access to ERDF)**
- **Extensive analysis of regional context and potential for innovation through the AMCER project (with 8 other regions)**
- **Detailed and well structured 15 month project plan for**
  - **finetuning the analysis**
  - **involving stakeholders in the analysis leading up to the strategy**
  - **establishing strategy document for political decision**
- **Project well staffed with specialists and boundary spanners**

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Stakeholders and their stakes in RIS3 are identified

- **This is done analytically**
  - **as beneficiary groups**
    - **Large international firms, STI SMEs, DUI SMEs**
    - **HEIs**
    - **Regional council, state authorities in the region**
  - **as potential executive agents of the RIS3 strategy**
    - **Regional council**
    - **Vasek, Merinova, Concordia, Dynamo**
    - **Vasa Uni, VAMK, Novia, Hanken**
  - **as decision making body (Regional council)**
- **Informed by informal relations**
- **Stakes not yet validated with stakeholders themselves**

Prior situation for involvement

- **A group designs regional innovation policy**
  - **regional authorities**
  - **municipalities**
  - **state governmental units**
  - **development agencies**
  - **companies**
- **+ Information gathering and discussion**
- **- Decision making, commitment and forming innovation policy**

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RIS3: Stakeholder involvement integrated in analysis

Plan components/Actors	Public	Private	HEIs	Intermed.
Development inspiration	x		x	
S3 concept training	x		x	
Survey platform	x		x	
Respondent identification	x		x	
Conducting survey	x	x	x	x
Stakeholder feedback (seminars, Delphi)	x	x	x	x
Preparing political decision (including int'l collaboration)	x		x	x

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And then stakeholder involvement stops? (until next planning cycle)

- "a structured dialogue" that
  - builds on this first round of analysis and stakeholder involvement
  - is embedded in the thinking and acting of the regional authority
  - is repeated periodically and systematically for redirecting the strategy as necessary
- Caveat: I have not seen what will come out of the Delphi rounds. But: ...

Will this improve the situation?

- **Less a question of techniques than of strategy and positions**

- **Are the stakes high enough to force a consensus?**

- **Are the authorities ready to let go of some of their control? A question of degree?**

- **Is the willingness to opt for a networked governance structure and a proper partnership present?**

- **Dilemmas: follow funding rules, avoid rent-seeking, create shared commitment**

- **Potential middle ground: Identify, and work continuously with, individuals with background from the various stakeholder groups and a profound understanding of how an innovation strategy could benefit the region (process of entrepreneurial discovery)**

Barriers to partnering in new domains

- **Battle over scarce resources**
- **Balance between primary and secondary missions of institutions**
- **The inertia of institutionalized behavior**
- **Mindsets or theories about the world; epistemic cultures**
- **(Mis)conceptions about "the others"**
- **Unfamiliar move from hierarchical decisions to governance in networks**
- **Politics trumps science – even in scientific institutions**

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Preparing the Regional Council for crowdsourcing?

- **Explaining how a structured dialogue with potential beneficiaries can complement the customary political process:**
  'The S3 process complements the traditional process for planning a regional program by establishing a structured dialogue with relevant partners in the innovation system (colleges, intermediary organizations, firms) in addition to the political process for shaping the regional analysis and development program.'

- **Legitimizing the Delphi process:**
  'Regional strategies are in the final instance accepted by a political decision. The Delphi process is not political but a process of building knowledge and a dialogue between beneficiaries of the strategy. The participants are not representative of the region but are selcted on the basis of their presumed insight in how the innovation policy could be improved.'

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Example: Virtuous circles Ltd

- **Fjell, Sund, Øygarden municipalities established "Virtuous circles Ltd" as their joint development agency**
  - **to identify and stage development projects in the region, always involving people from regional and national universities or R&D institutes**
  - **operated by SINTEF on contract basis, project funding ad hoc from various resources**
  - **municipal administrations had agreed to 'liberate' the development function from their bureaucratic culture, provided they could be in a continuous strategic discussion**
  - **political assemblies kept in the circuit across election time, but it required regular conversations with position and opposition**

Example: Strategic business plan for Trondheim region

- **Initiative from city of Trondheim, involving ten neighboring municipalities**
- **Trondheim chamber of commerce entrusted to develop a draft strategy**
- **Active and inclusive involvement of neighboring chambers, experts, and all the municipal administrations in a series of thematic workshops**
- **Draft plan emphasizing extensive use of regional R&D resources for development of new and existing firms submitted and unanimously carried in all municipalities**
- **Development agency set up which includes R&D liaisons in all municipalities**

Example: VRI program

- 15 long term regional projects to improve the innovative capacity of each region, co-funded by research council, regional authorities, etc
- Most led by county administrations, some by university colleges
- Triple helix partnerships behind all, steering committees even wider
- In Trøndelag, regular exercises in steering group to develop the inter-organizational empathy
- Roles of competence brokers, network entrepreneurs, innovation guerillas and other boundary spanners established for developing connections operationally
- Tools such as dialogue conferences and generative foresight exercises used to co-generate strategic agendas for sections of the partnership

Concluding remarks

- **Early and continuous engagement may be required**
- **Time-consuming**
- **So it must be worth it**
- **May require relenquishing control**
- **Learning to govern through networks, not hierarchies**

- **Perhaps involve selected individuals to build a common ground and a communication platform**

- **I hope my comments were worth your attention**