



**SCOTTISH INNOVATIVE ACTIONS PROGRAMME  
FINAL PROJECT LEARNING REPORT**

- The final project learning report should be submitted to SEP Ltd **no later than two months** after the date of completion of the pilot project.
- The information included in this report will be used to assist with evaluating the learning and outputs from the pilot projects supported through the Innovative Actions programme.
- This form is separate to the final grant claim and progress report form, which should be submitted within four months of the completion date of the project.

<b>PROGRAMME</b>	<b>Scottish Innovative Actions Programme 2004-2005</b>
<b>PROJECT TITLE</b>	<b>Growth and Innovation Drivers</b>
<b>PROJECT REFERENCE</b>	
<b>ACTION LINE (Please Highlight)</b>	Action Line 1 – The Scottish Innovation System

**PROJECT APPLICANT**

<b>Project Contact</b>	Karen Fraser
<b>Organisation Name</b>	Scottish Enterprise
<b>Address</b>	150 Broomielaw, Atlantic Quay, Glasgow
<b>Telephone</b>	0141 248 2700
<b>e-mail</b>	<a href="mailto:Karen.fraser@scotent.co.uk">Karen.fraser@scotent.co.uk</a>

**PROJECT DELIVERY & LEARNING**

<b>Describe how the pilot project was actually delivered in practice.</b>
<p>Phase 1: desk research; commissioned DTZ Pieda to find state of knowledge of growth and innovation drivers. The brief took some time to put together but the got going in Dec 05 and report made available in Jan 06</p> <p>Phase 2: involved working with SE industry teams and HIE and analyse more the dynamics of the sector and how it impacts business growth through using systems thinking to develop a model of growth.</p>

**Describe the top 3 learning points from delivery of the pilot project.**

- The triggers and barriers to growth can be classified as either endogenous and exogenous and vary during the lifetime of a business. The factors influencing business growth include: the entrepreneur, the business, industry sector, market conditions and social, environmental and regulatory conditions - of the endogenous factors, leadership stands out as the driver of growth with the greatest impact
- Systems thinking could be a useful tool to model how a cluster can mature
- The culture and trust in a group of companies can have a major effect on how it matures

**Describe the most successful aspects of the pilot project and why.**

- The phase 1 report captured learning on drivers of growth
- The project phase 2 enabled SE to develop a model for cluster growth using systems thinking – this was a new methodology
- The flexibility of the project and the process meant that phase 2 could be adjusted to maximise the learning when it became apparent that the initial plan would not be fruitful

**Describe the least successful aspects of the pilot project and how these aspects would be changed in the future.**

- The initial plan for phase 2 was felt to be not particularly useful once phase 1 had been completed
- Timescales meant that the model from phase 2 was only briefly tested with cluster teams and as such was largely theoretical.

**Describe the next stage planned for the delivery and rollout of the pilot project.**

The next stage is to further refine the model, expand the explanations for each stage and develop a tool from this that can be used to best identify the correct intervention to help cluster development



### **INNOVATION POLICY**

**Describe how the learning from the pilot project will be used to influence future innovation policy in Scotland.**

The basic five loop model has shown sufficient promise as a new framework for understanding cluster dynamics and development to provide a basis for further work that seeks to:

- a) Develop a behavioural description of the model that relates the model more clearly and at a more detailed level to cluster performance (or lack of it)
- b) Use this more detailed model to develop a questioning or investigative approach to seeing where different groups of firms and economic activity in industrial sectors are in the pathway to excellent performance
- c) Form such diagnosis and using further insights from systems thinking methods, to develop policy intervention options that offer promise to new effectiveness
- d) To create a framework to monitor actual performance in the ought of the model to make it's benefits clear and to learn both better support practices and continuously improve the model.

### **INNOVATION PRACTICE**

**Describe how the learning from the pilot project will be used to influence future innovation practice and delivery in Scotland.**

By developing a tool which priority industry teams can use to analyse their cluster's stage of development, the most appropriate interventions can be initiated to help them develop to the next stage.

### **COMMUNICATION & DISSEMINATION**

**Describe how the learning from the pilot project will be communicated and disseminated within your own organisation, to other organisations in Scotland and elsewhere in Europe.**

This has been shared internally within SE, with HIE, with Scottish Executive.  
In addition it has been shared with other cluster practitioners in Europe, most notably those involved in the Baltic Sea Region Innonet (which includes Denmark, Sweden, Norway, Russia, etc.)

### **PRIVATE SECTOR**

**Describe how the private sector was engaged during delivery and how they have responded to the new approach or mechanism delivered through the pilot project.**





Other	