Management Response to the 2015 Summative Evaluation of the Business-Led Networks of Centres of Excellence (BL-NCE) Program

CONTEXT

The BL-NCE program was established in 2008 to create large-scale collaborative business-led networks to enhance private sector innovation. BL-NCE networks are unique in that they must be led by a not-for-profit consortium of industrial partners and their research agenda must help address major R&D and commercialization challenges identified by the industrial sector.

The first BL-NCE program evaluation was completed in 2011-12 and included information on the first three years of the program (2008-2011). The first evaluation was focused on relevance and performance to inform program renewal and improve delivery. This second evaluation, which was completed after the end of the funding cycle of the first cohort of BL-NCE networks, focused on the relevance, performance and cost effectiveness of the BL-NCE program. This second evaluation was conducted jointly with the NCE program to allow for comparisons between the two programs.

The period of study of this evaluation is between 2008-09 and 2012-13 therefore, the BL-NCE networks that were funded in 2013 were excluded from the scope of this evaluation.

The four networks that were funded in the first BL-NCE competition in 2008-09 and included in this study are the following:

- Canadian Forest NanoProducts Network – ArboraNano ($8,991,000)
- Green Aviation Research and Development Network – GARDN ($12,958,633)
- Quebec Consortium for Drug Discovery - CQDM ($9,126,242)
- Sustainable Technologies for Energy Production Systems – STEPS ($10,970,000)

Goss Gilroy Inc. was commissioned via a competitive process to conduct the summative evaluation. The response from NCE Management to the evaluation recommendations and the proposed action plan is detailed below.

NCE MANAGEMENT RESPONSE

OVERALL COMMENTS

The NCE Management Committee recognizes that the summative evaluation of the BL-NCE program is based on multiple lines of evidence that include internal and external perspectives gathered using a mix of quantitative and qualitative methodologies. The evaluation was focused on immediate and intermediate outcomes as it is still early in the program to measure the achievements of ultimate outcomes.

The evaluation confirms the continued need for the BL-NCE program to fund research networks that foster innovation. Demand for the program is strong and the network approach to research funding was found to have many advantages. The BL-NCE program is having a positive impact on partner organizations and R&D receptivity, capacity and investment. There is also evidence that the program is achieving intended outcomes in a manner that reflects its unique business

model and there appears to be no evidence of problematic duplication with other funding programs. Furthermore, the objectives of the BL-NCE program are consistent and aligned with federal government priorities and with the strategic outcomes of the tri-agencies. Given the short funding timeline of the networks, evaluation evidence is limited on the longer-term benefits of the program.

NCE Management therefore agrees with the overarching conclusion that the program is relevant and brings added-value. Detailed responses to each recommendation are provided below and an action plan is presented in the following table.

RECOMMENDATION 1:

The BL-NCE program is relevant and is achieving its key intended immediate and intermediate outcomes, as well as demonstrating progress towards meeting its long term outcomes. It should therefore be considered for continued support at the federal level. The BL-NCE program is addressing a continued need using a network approach that has been shown to have many advantages; the program also underscores and supports the federal government's private sector R&D goals. Demand for the program is strong.

MANAGEMENT RESPONSE: AGREED

Management agrees with this recommendation. The BL-NCE program is showing positive signs in reaching program objectives and plays a specific role in supporting the Government of Canada's S&T Strategy. In Budget 2012, the program was made permanent with a funding allocation of $12M annually to support private sector research investments.

PROPOSED ACTION:

Given the early stage of the BL-NCE program, the NCE Secretariat will continue to monitor its progress in fully achieving the program's ultimate outcomes. The NCE Steering Committee is expected to launch the next BL-NCE competition in fall 2017 with funding to start in April 2019.

RECOMMENDATION 2:

The sharing of best practices among networks is recommended in three areas: management of IP; knowledge and technology exploitation and exchange (KTEE); and governance principles in networks' research funding practices. The sharing of best practices on negotiation of IP agreements is recommended as this is an area in which there is the least satisfaction. Best practices in the area of KTEE drawn from across the network funding programs, including tools and resources, should be developed and shared broadly among the BL-NCE networks to embed and maximize translation of network research to meet partner needs. Knowledge translation is an area of strength for many networks, with tools and resources being developed by several networks to encourage mobilization of research results which could be shared and adopted by other networks. Finally, networks governance structure, leadership and strong management practices (e.g., business practice knowledge, ability to successfully build a truly networked structure and to navigate governance) were perceived as critical to network success. These three areas are particularly important and challenging given the level of industry involvement, and because issues in these areas can hamper smooth functioning of the network and trust among partners.

MANAGEMENT RESPONSE: AGREED

Management agrees with the recommendation to share best practices on the negotiation of IP agreements, KTEE tools and resources and reinforcing good governance in networks' research practices. The NCE Secretariat has already taken action on these issues. At the 2015 NCE Annual Best Practices Meeting, a specific session on sharing best practices for managing network agreements and IP was held which provided insight on the challenges of managing intellectual property in a network environment and provided information on successful and unsuccessful mitigation measures. At the same meeting, a session led by a panel on knowledge mobilization toolkits, their use, and how they fit into an overall knowledge mobilization strategy was held. Case studies were also presented by two NCE networks. All tools presented at the 2015 NCE Annual Best Practices Meeting have been posted to the NCE website and disseminated using social media and the NCE Newsletter to all NCE Secretariat clients. In 2014, the NCE Secretariat also created a BL-NCE Best Practices for Governance and Operations guide as a resource manual that provides a brief set of shared practices and governance advice specific to BL-NCE networks.

PROPOSED ACTION:

1. The NCE Secretariat will review and if required, update the NCE Best Practices for Governance and Operations guide to provide additional guidance on the negotiation of IP agreements, KTEE tools and resources and good governance and peer review principles.
2. At the 2016 NCE Annual Best Practices Sessions, another session on sharing best practices for the negotiation of IP agreements and in the area of KTEE will be organized upon request. Good governance practices for network peer review could also be included as a topic for discussion if requested.
3. Staff at the NCE Secretariat will continue to reinforce good governance practices and peer review principles in the funding practices of BL-NCE networks.

EVALUATION RECOMMENDATION 3:

Performance measurement, specifically record keeping of the participation of researchers and partners in the BL-NCE program should be undertaken with greater accuracy and based on a common understanding across networks. Assessment of the networked approach is based, in part, on how and to what extent researchers and partners are engaged by the network. As such, these data templates should be populated with a higher degree of reliability and accuracy, while balancing networks' reporting burden. The conduct of the survey of researchers and partners was hampered by outdated lists or program participants and would have benefited from a validation phase with the networks. Improved post-project HQP employment data would be beneficial to demonstrate NCE's role in supporting the federal government's "People Pillar".

MANAGEMENT RESPONSE: AGREED

Management agrees with this recommendation. In fact, the NCE Secretariat has already fulfilled much of this recommendation as the BL-NCE annual reporting templates and instructions were completely revised over the summer and fall of 2014 to increase data accuracy across all networks and improve program monitoring.

PROPOSED ACTION:

The NCE Secretariat will review the newly revised templates to ensure that they specifically address the aspects of this recommendation. The NCE Secretariat will also work collaboratively with the network administrative centres to ensure the reliability and accuracy of the data being collected and reported.

Contacts: For further information on the Program Management Response, please contact Brigit Viens, Senior Program Manager, BL-NCE Program. For information on the evaluation, please contact: Susan Morris, Director, Evaluation, NSERC.

NCE- BL-NCE Program Management Response (Summary)

Recommendations	Agree/ Disagree	Proposed Actions	Responsibility	Timeline
Recommendation 1: The BL-NCE program is relevant and is achieving its key intended immediate and intermediate outcomes, as well as demonstrating progress towards meeting its long term outcomes. It should therefore be considered for continued support at the federal level.	Agree	Given the early stage of the BL-NCE program, the NCE Secretariat will continue to monitor its progress in fully achieving the program's ultimate outcomes. The NCE Steering Committee is expected to launch the next BL-NCE competition in fall 2017 with funding to start in April 2019.	NCE Secretariat	Ongoing
Recommendation 2: The sharing of best practices among networks is recommended in three areas: management of IP; knowledge and technology exploitation and exchange (KTEE); and governance principles in networks' research funding practices.	Agree	The NCE Secretariat will review and if required, update the NCE Best Practices for Governance and Operations guide to provide additional guidance on the negotiation of IP agreements, KTEE tools and resources and good governance and peer review principles. At the 2016 NCE Annual Best Practices Sessions, another session on sharing best practices for the negotiation of IP agreements and in the area of KTEE will be organized upon request. Good governance practices for network peer review could also be included as a topic for discussion if requested. Staff at the NCE Secretariat will continue to reinforce good governance practices and peer review principles in the funding practices of BL-NCE networks.	NCE Secretariat	Summer 2016 Summer 2016 Ongoing
Recommendation 3: Performance	Agree	The NCE Secretariat will review the newly revised templates to ensure that they specifically address the	NCE Secretariat	Ongoing

Recommendations	Agree/ Disagree	Proposed Actions	Responsibility	Timeline
measurement, specifically record keeping of the participation of researchers and partners in the BL-NCE program should be undertaken with greater accuracy and based on a common understanding across networks.		aspects of this recommendation. The NCE Secretariat will also work collaboratively with the network administrative centres to ensure the reliability and accuracy of the data being collected and reported.		