In search of indicators to support the ‘perfect cluster’

Where evaluation theory collides with policy practice

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Introduction

The concept of geographically concentrated ‘clusters’ of firms, research institutions and other organisations became popular in economic development policy circles during the 1990s, following the publication of Michael Porter’s (1990) Competitive Advantage of Nations. Today there is widespread acceptance of the need to design policies that nurture and support cooperative relationships among groups of firms and other agents to boost competitiveness and innovation. Despite the widespread use of cluster policies as cornerstones of regional and national competitiveness policy, the methods and tools used to evaluate these policies remain the source of methodological difficulties in evaluating cluster policies, and capturing both direct and indirect impacts. For example, standard evaluation approaches focus on the time as a single point of measurement not realizing the varied value of collaboration core to the cluster approach.

Addressing these challenges necessitates the coming together of academic expertise and analysis with the real-time and evolving experience of policy makers and practitioners. This paper makes a contribution in addressing this shared challenge and moving the cluster evaluation state-of-art forwards.

Method

At least five elements to the cluster evaluation challenge can be identified, all of which require dialogue between academic experts, cluster policy-makers and cluster practitioners if they are to be appropriately addressed:

1. capturing the more qualitative ‘human element’ (or ‘cooperative dynamics’) that is essential building a successful cluster
2. convening emerging academic analyses into pragmatically useful indicators/approaches that have feasible data requirements in practice
3. selection and combination of techniques and tools as appropriate to different circumstances
4. approaches to deal with complexity from the interactions that exist across policy levels, instruments and initiatives
5. a stronger emphasis on the combination of indicators and evaluation to policy steering, rather than the more common narrow focus on audit.

These cluster evaluation challenges are being addressed through a unique experience that has brought together academics, policy-makers and cluster practitioners from around the world through a working group of TCI (the global network for clusters and innovation).

Results

One of the key challenges in developing any indicators and data-collection methods that respond is the challenge of measuring not only the results of collaborative activity, but also the process of collaboration itself.

Collaboration as an approach is not limited to cluster programmes, but increasingly offers an alternative to top-down policy approaches. Thus, these advances will be relevant not only for cluster practitioners but also to others focused on evaluating collaboration.

Principles to Guide Evaluation

Evaluations need to reflect the social context
Tying of evaluation to other policy
Classifying and challenging the evaluation evidence
Differing audiences, need different evidence
Social capital and best practices and their first steps in evaluation

Conclusions

The fast pace of innovation and development of new approaches to understanding and measuring the impacts of cluster policies is not only a challenge for the cluster practitioners themselves, but also for the rigorous evaluation and accountability processes that underpin science-based policy design and implementation.

This paper provides a summary of the first results from the TCI Cluster Lab project, which is a collaboration between cluster practitioners, academics and innovators across the globe as part of the global network for clusters and innovation.

How do practitioners describe the perfect cluster? (Examples of Results from Daegu Cluster Lab)

Selected References