The Benchmarking Process within the IRC Network

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The growth of Networks

- Emerging organizational model
- Networks are based on relations of co-operation among organisations
- Networks must be fluid and tolerant
- Networks need a structure in the form of weak ties and trust, not enforcement
- Network members make decisions independently

“...that’s why we are a Network”
The governance of Networks

**Co-ordination:**
Mainly informal

**Property:**
Distributed/Shared

**Complexity:**
High
Benchmarking offers the Network a management practice that:

1. Identifies the best performers in an area or activity
2. Standardises the practices
3. Makes them transferable

Cases:

- IRC Network
- Colgate-Palmolive
- Altran
- Industrial Districts
Benchmarking as one of the many “linking threads” that keeps the Network cohesive by sharing operational and organisational procedures in an “opt-in if you wish” basis.
Benchmarking within the IRC Network

- Initiative launched by the IRC-IRE Central Unit relating to Network Technical Services
- Started November 2000
- Tailor-made Questionnaires sent to IRC Network (Response rate 39.7%) and Interviews to IRC staff
Benchmarking within the IRC Network

Objective of Benchmarking:
Identification of Benchmarks that can be successfully adopted by IRCs to improve operational efficiency and effectiveness

Focus:
Marketing and Promotion activities, a key improvement area for IRCs to generate higher quality output and services
The Benchmarking IVEM Cycle

Benchmarks Identification

Benchmarks Engineering

Benchmarks Monitoring

Benchmarks Validation

Innovation Relay Centres and Innovating Regions in Europe Central Unit (IRC-IRE CU)
Benchmarking is a dynamic process of continuous

Identification

Validation

Engineering and

Monitoring

of benchmarked practices
Benchmarking will allow the IRC Network to:

- Develop in-house competencies and training skills
- Transfer the knowledge within the Network
Process Flow Streamline and Benchmark Identification

IRC's Marketing Process Flow Streamlining

Pre-commercial Phase

Technology Diagnostic Phase

Commercial Phase

After-sales Phase

Innovation Relay Centres and Innovating Regions in Europe Central Unit (IRC-IRE CU)
The 7 Selected Potential Benchmarks

<table>
<thead>
<tr>
<th>CO</th>
<th>IRC</th>
<th>ACTIVITY</th>
<th>BENCHMARK</th>
<th>INDICATOR</th>
<th>ACCOMPLISHMENT</th>
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<tbody>
<tr>
<td>D</td>
<td>IRC 1</td>
<td>Awareness raising</td>
<td>Innovation News</td>
<td>Clients’ satisfaction rate</td>
<td>92%</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>Clients’ retention rate</td>
<td></td>
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<tr>
<td>F</td>
<td>IRC 2</td>
<td>First visit- Pre-audit</td>
<td>Diapro Extra-light</td>
<td>Response rate</td>
<td>80%</td>
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<tr>
<td>D</td>
<td>IRC 3</td>
<td>Technology Diagnostic</td>
<td>Euromanagement</td>
<td>Clients’ retention rate</td>
<td>75%</td>
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<td>GR</td>
<td>IRC 4</td>
<td>Clients Follow-up</td>
<td>&quot;PraxiTool&quot;</td>
<td>Clients’ response rate</td>
<td>30%</td>
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<tr>
<td>D</td>
<td>IRC 5</td>
<td>Fairs &amp; Brokerage Events</td>
<td>Fairs &amp; Brokerage Events</td>
<td>TBD</td>
<td>TBD</td>
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<tr>
<td>D</td>
<td>IRC 5</td>
<td>Selling Practices</td>
<td>Flexible Pricing options</td>
<td>Coverage of running cost</td>
<td>20%</td>
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<tr>
<td>SW</td>
<td>IRC 6</td>
<td>Management Control</td>
<td>Internal Management Tool</td>
<td>Number of IRCs adopting the tool</td>
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What have we learnt so far?

- Benchmarking is a **Continuous Process**
- Benchmarking opens up new ways of evaluating IRC Performance (beyond number of successful TTTs)
- IRC practices can be structured in a systematic and structured manner
- By breaking down processes, Benchmarking uncovers what’s behind the Performance Indicators
- Once fully implemented, Benchmarking will consolidate knowledge within the Network
Next Steps

- Benchmarking rolling out by 2003

Planned Agenda for 2002-2003 includes:
  1. New Benchmarks Search and follow-up
  2. Full-scale Validation
  3. Benchmarking Committee Meetings
  4. 4 Knowledge Transfer Training Sessions
  5. Handbook of Benchmarking Implementation
  6. Benchmarking Web Site animation

- Extend the Benchmarking methodology to other Networks, e.g. the IRE Network