NCE Management Response to the 2009 Formative Evaluation of the Centres of Excellence for Commercialization and Research (CECR) Program

Context

The Centres of Excellence for Commercialization and Research (CECR) program was created in 2007, following the 2007 Budget announcement, to support the operation of research and/or commercialization centres that bring together people, services, and research infrastructure to position Canada at the forefront of breakthrough innovations in the four priority areas of the federal government's Science and Technology (S&T) Strategy: (1) Environmental science and technologies; (2) Natural resources and energy; (3) Health and related life sciences and technologies; and (4) Information and communications technologies.

Two competitions were held (2008 and 2009) and 17 Centres were selected for funding for five years. As planned in the CECR program Integrated Results-based Management and Accountability Framework and Risk-Based Audit Framework (RMAF-RBAF), a formative evaluation was conducted in the second year of the program focusing on identifying areas of design and delivery that could potentially be improved and any adjustments or changes that could be made to subsequent Program competitions and program performance and risk monitoring. The NCE Steering committee mandated NSERC to lead this evaluation. EKOS Research Associates was contracted via a competitive process to design and conduct the evaluation. A final report addressing the main issues of this formative evaluation: (1) Implementation, (2) Early Progress Toward Intended Outcomes, (3) Performance Measurement and Risk Management, was submitted to NCE Steering in August 2009.

NCE Management Response

Overall comments:

Management recognizes that this is a formative evaluation conducted early in the life of the CECR program in order to provide information useful to improve the implementation of the program and future competitions. Management regards the evaluation report as a sound analysis of the available information, and agrees with the conclusions and recommendations made in the report. Detailed responses to each recommendation are provided below and an action plan is presented in the following table.

Implementation:

Recommendation 1: *The Program should monitor the representation of the four strategic priority areas as well as the research fields of the three granting agencies in both applications to, and Centres funded by the Program. The Program should work to improve awareness of the Program across all research fields to ensure that Centres possess the appropriate knowledge and expertise to deliver economic, social and environmental benefits in the four strategic priority areas.*

In terms of implementation, Management notes that the evaluation found that the letters of intent and full applications from the 2008-2009 competitions cover the range of areas of expertise of the three funding agencies, however, areas covered by the Social Sciences and Humanities Research Council (SSHRC) are less represented than those of the Natural Sciences and Engineering Research Council (NSERC) and the Canadian Institutes of Health Research (CIHR), and there are more centres applying and funded in the Health and Related Life Sciences and Technology priority area than other S&T priority areas. Management is pleased to observe that the change in process for the second competition (e.g. encouragement of specific areas) improved the balance in the portfolio of centres funded according to the four S&T priority areas and the areas of expertise of the three funding agencies. Management agrees that it is important to continue to monitor the representation according to S&T strategic priority area and area of expertise and to consider the most appropriate competitions options (open versus targeted) to ensure that program objectives are achieved in the four S&T priority areas.

Management agrees that the Program needs to develop a communication strategy aimed at increasing awareness of the program with stakeholders from all fields to encourage them to participate in the Centres and ensure that the centres and the CECR program as a whole possess the right expertise and knowledge needed to reach their overall goals. The program should improve the reporting system to allow centres to report their progress with respect to hiring and collaborations to achieve their objectives. This new communication strategy should also include a clear definition of commercialisation and expected outcomes from different types of research centres (research versus commercialisation, or both).

Management notes that although most interviewees were satisfied with the selection process and view it as appropriate, there seems to be a need to improve the information provided to all stakeholders (e.g. expert panel members and applicants) mainly in relation to expected outcomes from different types of centres (commercialisation versus research).

Recommendation 2: *The Program should review the process used to consult provincial government officials to determine how to more appropriately obtain provincial input during the selection process*

Management notes that, based on interviews with a small number of provincial representatives, the report concluded that most of them were not satisfied with the nature and extent of consultations and agrees with the recommendation that this process needs to be reviewed and improved.

Early Progress Toward Intended Outcomes

Recommendation 3: *The Program should take steps to foster better communication and sharing of ideas and information among Program staff and stakeholders, and across Centres. Specifically, the Program should identify and develop lessons learned and best practices for Centre operations, and support Centres' interest in increased opportunities to network with each other.*

Management agrees that there is a need to develop a better communication strategy among Program staff and Program stakeholders to clarify the information provided by the Program and, encourage the identification and exchange of best practices and lessons learned between Centres.

On the latter point, NCE Secretariat has begun implementing initiatives (e.g. organization of a full day workshop with the new centres funded in 2009, development and distribution of a handbook for newly funded centres, facilitation of multi-centre strategic meetings and special sessions at the NCE annual meetings). The Secretariat will proceed with these initiatives and continue working with Program stakeholders to achieve the desired outcomes.

Performance Measurement and Risk Management:

Recommendation 4: *The Program should assess the feasibility of the five-year timeframe for Program grants, based on Centre type (commercialization, research, or research and commercialization), strategic priority area(s) addressed, and Centre performance, especially the extent of leveraged funding and the potential value of commercialization projects.*

Based on the evaluation findings, Management recognizes that there seems to be a risk that funded Centres, mainly Centres focused on the S&T Priority Health and Related Life Sciences and Technologies, may not be able to achieve the Program's commercialisation outcomes, including becoming self-sustainable, within the five-year timeframe of the Program and will explore ways to address this challenge.

Recommendation 5: *The Program should, in close consultation with the three funding agencies and Industry Canada, define what is meant by commercialization in the context of this Program in a way that is measurable and consistent with the Program's Terms and Conditions. Furthermore, the Program should ensure its research and commercialization objectives are clearly and consistently presented in Program documentation and communicated to all Program stakeholders.*

Management agrees that the definitions of commercialisation and expectations for the different types of centres need to be defined in a way that is measurable and consistent with the Program's Terms and Conditions, and that this should be communicated to all stakeholders in a consistent way.

Recommendation 6: *Based on the annual reports to be submitted by Centres for the 2008- 2009 fiscal year, the Program should review its performance measurement and risk management system to ensure it is effectively and efficiently capturing the required information from Centres to appropriately monitor and manage Program performance and risk.*
Management notes that although first year annual progress reports were not yet received, early evidence concluded that the performance measurement and the risk management system seem appropriate. Management agrees that a review of the performance and risk systems is needed to ensure that the new definitions of commercialisation, research and their expected outcomes, as well as new emerging risks identified, are incorporated with the performance measurement and risk management system and communicated to stakeholders.

Contacts : For further information on the Program Management Response, please contact Jean-Saint-Vil, Assistant Deputy-Director, CECR Program or Susan Morris, Chief, Evaluation, NSERC.

NCE- CECR Program Management Response (Summary)

Recommendations	Agree/ Disagree	Proposed Actions	Responsibility	Priority/ Timeline
Implementation				
Recommendation 1: *The Program should monitor the representation of the four strategic priority areas as well as the research fields of the three granting agencies in both applications to, and Centres funded by the Program.*	Agree	The Program will : (1) continue to monitor the representation of S&T Priority areas and fields of expertise in applications received in future competitions, and in funded centres; (2) continue to consult to determine the most appropriate models (e.g. open or targeted) for future competitions that will ensure that the program achieves its goals in all four S&T priority areas and,	NCE-CECR Secretariat NCE-CECR Secretariat	2009-2010 2009-2010
The Program should work to improve awareness of the Program across all research fields to ensure that Centres possess the appropriate knowledge and expertise to deliver economic, social and environmental benefits in the four strategic priority areas.		(3) develop a communication strategy aimed at increasing awareness of the program with stakeholders from all research fields to encourage them to participate in the Centres.	NCE-CECR Secretariat	2009-2010
Recommendation 2. *The Program should review the process used to consult provincial government officials to determine how to more appropriately obtain provincial officials input during the selection process.*	Agree	Management will ask the NCE–CECR Secretariat to identify a few possible options to better consult and obtain input from provincial representatives and identify the most appropriate process before implementation of the next competition.	NCE-CECR Secretariat	October 2009
Early Progress Toward Intended Outcomes				
Recommendation 3: *The Program should take steps to foster better communication and sharing of ideas and information among Program staff and stakeholders, and across*	Agree	The Program will: (1) review and improve the information provided to stakeholders (expert panels and applicants) and centres with regards to common operational issues;	NCE-CECR Secretariat	December 2010

Recommendations	Agree/ Disagree	Proposed Actions	Responsibility	Priority/ Timeline
Centres. Specifically, the Program should identify and develop lessons learned and best practices for Centre operations, and support Centres' interest in increased opportunities to network with each other.		(2) continue to deliver communication and networking opportunities between Centres to better enable the sharing of information and best practices and implement new ones; and (3) assist the centres in enhancing the profile of the CECR Program to potential partner organisations.		
Recommendation 4: *The Program should assess the feasibility of the five-year timeframe for Program grants, based on Centre type (commercialization, research, or research and commercialization), strategic priority area(s) addressed, and Centre performance, especially the extent of leveraged funding and the potential value of commercialization projects.*	Agree	The Program will: (1) conduct an analysis on the feasibility of achieving expected results within the five-year timeframe, based on Centre area of operation, type and performance (e.g. leveraged funding, engagement of the research and commercialisation community and the potential value of commercialisation projects) and, (2) analyse the need for potential renewal or extensions of Program grants.	NCE-CECR Secretariat	2009-2013

October 2009 |
Recommendation 5: *The Program should, in close consultation with the three funding agencies and Industry Canada, define what is meant by commercialization in the context of this Program in a way that is measurable and consistent with the Program's Terms and Conditions. Furthermore, the Program should ensure its research and commercialization objectives are clearly and consistently presented in Program documentation and communicated to all Program stakeholders.*	Agree	The Program will : (1) adopt a process to develop a clear definition of commercialization versus research within the context of the CECR program, that is measurable and consistent with the Terms and Conditions; (2) revise the CECR documentation (e.g. guidelines, guides, funding agreement and reporting templates) to ensure clarity and consistency in Program objectives and selection criteria, and communicate this all program stakeholders before the new competition announcement;	NCE-CECR Secretariat	October 2009-March 2010
Performance Measurement and Risk Management				
Recommendation 6: *Based on the annual reports to be submitted by Centres for the*	Agree	The Program will review its performance measurement and risk management system, based	NCE-CECR Secretariat	October 2009 – March

Recommendations	Agree/ Disagree	Proposed Actions	Responsib ility	Priority/ Timeline
2008-2009 fiscal year, the Program should review its performance measurement and risk management system to ensure it is effectively and efficiently capturing the required information from Centres to appropriately monitor and manage Program performance and risk.		on the annual reports submitted for the 2008-2009 fiscal year, to ensure that the program is effectively and efficiently capturing the required information from Centres to appropriately monitor and manage Program performance and risk.		2010

* Source = Formative Evaluation of the Networks of Centres of Excellence – Centres of Excellence for Commercialization and Research Program – September 25, 2009