

**Tertiary Education  
Commission**

Te Amorangi Mātauranga Matua



**Entrepreneurial Universities  
Outcome Assessment Framework**

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### **Authors**

The Tertiary Education Commission

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# 1. Introduction

## 1.1. Policy background

The Entrepreneurial Universities initiative will strengthen our fast-growing innovation ecosystem, promoting Government priorities to support New Zealand innovation and entrepreneurship through our universities.

The initiative focuses on attracting entrepreneurial academics with the particular skills, networks and credibility to substantially boost innovation and enterprise within universities, and within the industry (or industries) they partner and collaborate with. The Entrepreneurial Universities' programmes of entrepreneurial activity will be based at universities around the country with universities responsible for recruiting and managing their selected academic and the respective programme.

Entrepreneurial academics will have an established record in innovation and entrepreneurship in the top 'maker' disciplines, to help grow the pipeline of excellent innovative start-up companies in New Zealand, and train the next generation of scientific entrepreneurs. Academics will create new knowledge in areas of technology intensive research to contribute to New Zealand's economy.

The Entrepreneurial Universities funding will be allocated in accordance with the Minister for Tertiary Education, Skills and Employment's funding mechanism issued under section 159L of the Education Act 1989. Funding allocations have been determined through a fully contestable process with entrepreneurial academics recruited and the programmes of entrepreneurial activity operational within universities by timeframes agreed with the Tertiary Education Commission (TEC). Funds will be allocated and monitored through a funding arrangement with the TEC.

The Outcome Assessment Framework outlines the purpose and approach for maintaining accountability and monitoring the programme of entrepreneurial activity to provide support in evaluating the effectiveness of the Entrepreneurial Universities policy and initiative in a holistic nature.

The purpose of this document is to ensure the requirements and method in which accountability and monitoring will be undertaken are clearly defined, encouraging transparency in the communication between the TEC, universities, and the industries they collaborate with.

## 2. Background and key policy impacts/outcomes

### 2.1. Entrepreneurial Universities Purpose Statement

The purpose of the Entrepreneurial Universities initiative is to support New Zealand universities to recruit world leading entrepreneurial researchers who will create new knowledge in areas of technology intensive activities to contribute to New Zealand's economy.

### 2.2. Policy objectives

1. **Stronger connections between universities and industries, both nationally and internationally;**
2. **Grow the pipeline of entrepreneurs and enhance the innovation ecosystem in New Zealand; and**
3. **Deliver economic benefit for New Zealand.**

### 2.3. Rationale

New Zealand universities are already engaging in valuable initiatives to increase New Zealand's overall innovation capability and performance. An increasingly innovation-led economy creates **more opportunities to partner with the commercial sector** to achieve shared objectives.

This initiative is designed to stimulate this process through **recruiting world-leading entrepreneurial academics** who will build stronger and more relevant links with existing, emerging and new industries and firms. It aligns with Government's wider investments in research, development and innovation across New Zealand.

Government has noted the important role that tertiary institutions with high-calibre entrepreneurial academics can play in leveraging New Zealand's research system to support economic growth.

The initiative provides certainty that dedicated funding will be made available to support successful applicants. The availability of long-term funding is an attractive proposition to help recruit high-calibre international academics from overseas.

### 2.4. How this initiative fits with Government priorities

The initiative is expected to contribute to the Business Growth Agenda, the National Statement of Science Investment, Budget 2016 Innovative New Zealand package and the Tertiary Education Strategy.

#### ***Business Growth Agenda***

The Business Growth Agenda drives the Government's overarching strategic priority to *"build a more competitive and productive economy"*. It includes a focus on increasing innovation activities of New Zealand firms, including their growth into export markets.

### ***National Statement of Science Investment***

The National Statement of Science Investment aims to increase scientific excellence through seeking a larger, more responsive and engaged science and innovation system. It aims to increase the impact across New Zealand and leverage strong international connections.

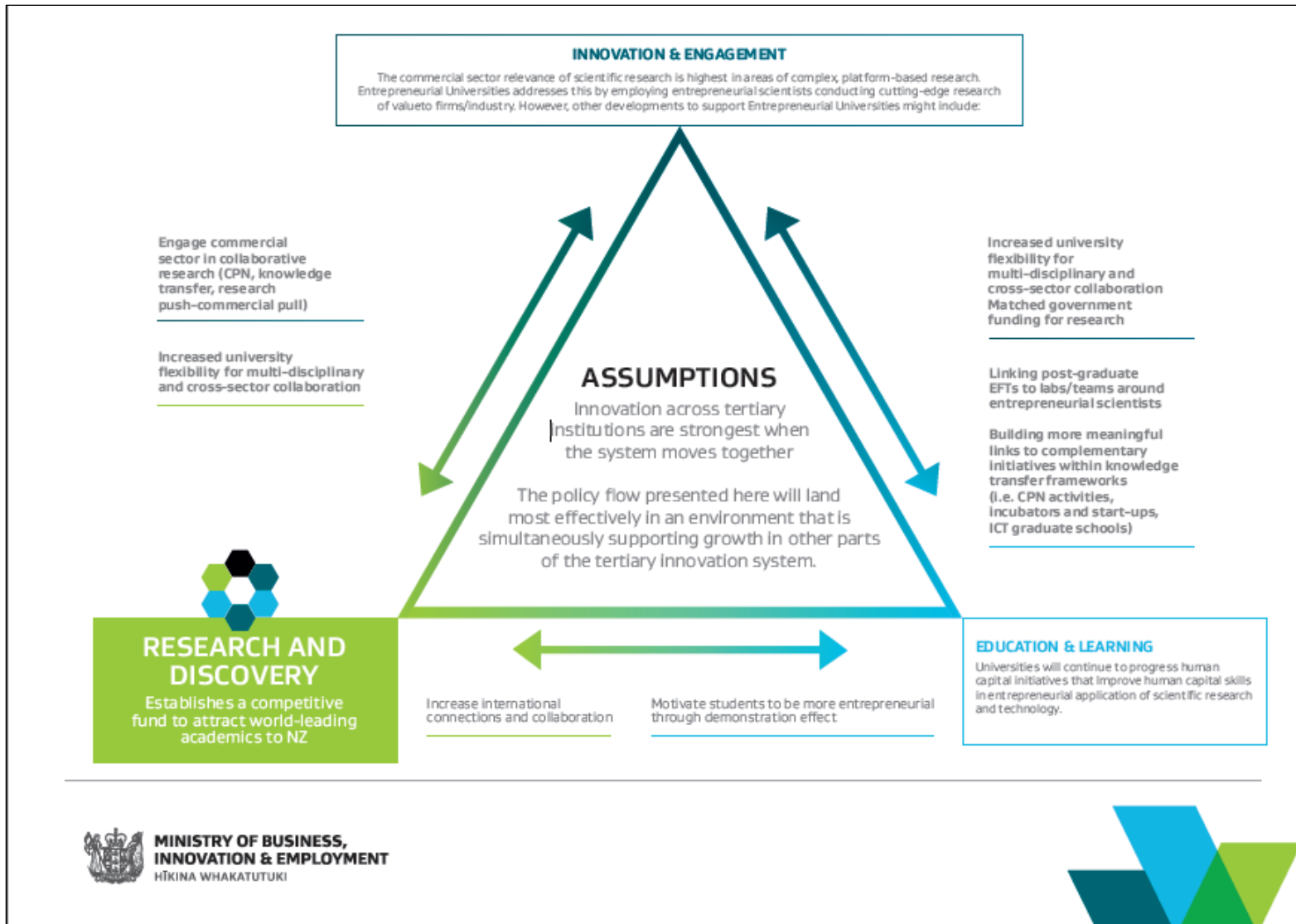
### ***Innovative New Zealand package***

At Government budget 2016, \$761 million was proposed to be invested in the Innovative New Zealand package which focusses on growing New Zealand's science system. The package seeks to encourage innovation and industry investment in regional New Zealand and included contingency funding for the initiative.

### ***Tertiary Education Strategy***

The Tertiary Education Strategy 2014-19 outlines the Government's long-term objectives for tertiary education. The initiative contributes to the achievement of these objectives, and in particular to Priority 5: *Strengthening Research-Based Institutions*. Priority 5 highlights the need for universities to attract and develop skilled staff to teach and contribute to growing a strong research base. Linking research more actively to the needs of industry plays an important part in creating an innovative and productive economy.

**Key impacts and outcomes for the initiative from the Ministry of Business, Innovation and Employment**



## 3. Purpose and overview

This Outcome Assessment Framework sets out the process for us to obtain a clear understanding of how each Entrepreneurial Universities programme of entrepreneurial activity is evolving. This will allow us to develop a holistic view of the achievement of policy objectives and strategic outcomes by the Entrepreneurial Universities programme as a whole.

The Framework will provide the opportunity for each programme of entrepreneurial activity to describe at a high level how their programme is functioning and generating impact through a mix of qualitative and where appropriate quantitative measures, aiding in the Government's understanding of progress, impacts and outcomes.

### 3.1. The purpose of accountability monitoring and evaluation is:

#### **To maintain accountability for the use of government funding:**

- Including demonstrating the value obtained from the Government's investment into the initiative.

#### **To monitor the evolution and progress within the programme of entrepreneurial activity:**

- This is an opportunity to tell the story of the programme of entrepreneurial activity to strengthen accountability and support the desired outcomes of government funding.

#### **To evaluate the contribution of the programme of entrepreneurial activity towards the policy objectives:**

- This will feed into the evaluation of the effectiveness of the policy.
- This is about understanding what works and why and the outcomes generated from the programme of entrepreneurial activity. The identification of success factors and impact drivers will allow for continuous improvement and development of the policy but also allow for learning to be transferred across the Entrepreneurial Universities research programmes.

#### **For TEC and MBIE to evaluate the effectiveness of the policy:**

- Understanding how the Entrepreneurial Universities initiative as a whole is achieving the policy objectives.
- Gain an understanding of what practices work to generate the desired outcomes across the entire Entrepreneurial Universities programme. i.e. what impact(s) has the programme made.
- The identification of success factors and impact drivers will allow for continuous improvement and development of the policy but also allow for learning to be transferred across the Entrepreneurial Universities programmes.



### 3.2. Key features of the framework:

- Accountability for the planning and reporting on its programme of entrepreneurial activity will rest with each university. Reporting will not be burdensome or focused on the entrepreneurial academic. Instead we would like the programme of entrepreneurial activity to define what success looks like as a whole and take the opportunity to share with us the evolution and progress the programme experiences.
- The Outcome Assessment Framework recognises that each programme of entrepreneurial activity will contribute to a common purpose which is to deliver on the policy intent of the initiative. The Outcome Assessment Framework will be flexible given the varying nature of the entrepreneurial activities.
- We recognise that there is a level of uncertainty and that there is the possibility of unpredictable outcomes associated with the programmes of entrepreneurial activity. Therefore a major objective of the Outcome Assessment Framework is to share in the learning from each programme in order to further develop and enhance an eco-system that will continue to support entrepreneurial activity in New Zealand.

## 4. Overview of approach and reporting against progress

The Outcome Assessment Framework is made up of three components that will allow each university to plan, report and share the progress and outcomes of their Entrepreneurial Universities research programmes:

1. A **Programme Map** will be completed before the commencement of the programme of entrepreneurial activity. This will be an overview-on-a-page setting out the strategic direction for the tenure of the programme of entrepreneurial activity (three to four years) including outcome statements, a high level roadmap.
2. **Annual Approach to Activity** will be used as the basis for discussions with the TEC in any given year; these will be completed once a year prior to 1 November. However the approach should also be updated whenever significant variations to the Annual Approach to Activity or Programme Map arise. Its updates will focus on the activities the programme of entrepreneurial activity intends to undertake over the next calendar year. When outlining activities for the year ahead, it is expected that the Annual Approach to Activity will outline how the programme of entrepreneurial activity will contribute to the outcome statements. This is an opportunity for the programme to define what success looks like and propose the measures by which this will be captured.
3. An **Annual Report** will be completed each year prior to 30 April. The Report will show the previous year's progress against measures as defined by the programme of entrepreneurial activity in the Annual Approach to Activity i.e. it will provide evidence of the progress made in delivering outputs, strategic impacts and outcomes. This is also an opportunity for the programme of entrepreneurial activity to provide a narrative depicting the journey the programme has taken in the previous year, and its evolution. This may include broader

benefits relating to the development of the local and national innovation ecosystem, as well as benefit integral to the programme.

#### 4.1. The Entrepreneurial Universities Programme Group

We will establish an Entrepreneurial Universities Programme Group which we propose will meet 6 monthly. This group will provide a platform to share insights between the Entrepreneurial Universities academics and provide input and advice to government on this and other policy initiatives aimed at growing New Zealand's entrepreneurial capability.

#### 4.2. Programme Map

The **Programme Map** will provide the high level strategic goal setting and roadmap for the programme of entrepreneurial activity. It will build on the key activities/approach proposed in the applicant's successful application. It will be a plan-on-a-page and subsequent Annual Approach to Activity documents (*see 4.3*) will provide narrative with reference to the Programme Map.

**The Programme Map will include:**

- Expected outcomes of the programme of entrepreneurial activity including outcome statements;
- Identification of how the programme of entrepreneurial activity is likely to produce outputs, impacts and outcomes;
- Outline of the high level approach/methodology to be undertaken over the three-to-four years, such as courses, industry collaborations and commercialisation milestones;
- Roadmap of the programme of entrepreneurial activity including indicative timelines/phases for the proposed activities;
- Key commercial, external or industry partners;
- Completed Risk Register template; and
- Completed Budget/Progress reporting template.

The TEC will negotiate with the Entrepreneurial University an agreed timeframe for the production of the Programme Map.

### 4.3. Annual Approach to Activity

This will provide a narrative around intended approach to the programme of entrepreneurial activity for the next 12 months. It will indicate what the programme intends to undertake, what success looks like to the programme and how the programme intends on measuring success over the next 12 months. It is important to keep in mind the policy objectives and how the specific programme of entrepreneurial activity can contribute to these.

#### **The Annual Approach to Activity will be provided to the TEC;**

- Upon commencement of the programme and before 1 November each year detailing the activities and/or approach for the upcoming year.

#### **The Annual Approach to Activity will include:**

- Impact and outcome statements;
- A narrative of how the programme of entrepreneurial activity will be approached over the coming 12 months in reference to the Programme Map;
  - Including where appropriate, key learning from previous Annual Report(s) and how these learnings are being applied going forward;
- A description of what success looks like for the programme of entrepreneurial activity and how success will be measured;
- Completed Risk Register template; and
- Completed Budget/Progress reporting template.

#### 4.3.1. Variations to approach

The TEC acknowledges the evolutionary nature of entrepreneurial activity and recognises that the Annual Approach to Activity is a snap shot taken at a point in time. It is the understanding of the TEC that changes in approach and anticipated outcomes through the course of the programme of entrepreneurial activity are inevitable.

When there has been a significant variation to the agreed outcome statements, the TEC needs to be notified of the change and the reason for it.

- Significant variations could include the change of a key staff member within the programme of entrepreneurial activity or stopping of a planned work phase due to the learnings from entrepreneurial activities undertaken.
- We encourage you to discuss any significant changes to the programme of entrepreneurial activity with the TEC. Ongoing conversations (in person or via email) between the TEC Investment Manager and the university will guide if the variations are significant enough to warrant a resubmission of the Programme Map.

## 4.4. Reporting

A Report will be completed each year as a high level reflection on progress and evolution of the programme of entrepreneurial activity for the previous period. It will determine to what extent the programme of entrepreneurial activity is achieving its expected objectives, impacts, outcomes and deliverables. This is to be based on what the programme of entrepreneurial activity has deemed success looks like and how it is to be measured.

### The Annual Report will include:

- Changes to outcome statements;
- A narrative as to how activities are progressing or changing against the measures of success as set out in the Annual Approach to Activity, with quantitative data provided where appropriate;
- Lessons learned and changes in approach made from previous period e.g. reflecting on what worked well/did not work well;
- Completed Budget/Progress reporting template; and
- Updated Risk Register.

Annual Reporting will be covered under;

- Accountability; and
- Performance.

### 4.4.1. Accountability

Key Focus area	Theme	Description	Measure
Management	Financial management	Financial strength and management of the programme of entrepreneurial activity	Provided in Annual Approach to Activity and Annual Report. Documentation of processes and financial controls
	Risk	The level and suitability of risk identification and mitigation processes in place	Provided in the Annual Approach to Activity and in the Annual Report and ongoing risk register
	Staff and resourcing in addition to the academic	Identification of roles and responsibilities, and FTE allocations	Provided in the Annual Approach to Activity and Programme Map. Organisational chart must report on number of FTE, positions and salary information
	Continuous improvement	How the internal improvement processes are driving continual increased performance	Provided in the Annual Report and [programme outlook group] looking to feedback and self-evaluation driving changes to drive continual increased performance for future policies.

In addition a narrative will be provided describing:

- How funding has been consumed against planned activities for the previous year;
- Details of significant changes to any planned activities including;
  - Variations from planned activity and the reason(s) for the change;
  - Any new activity undertaken as a result of changes to the programme of entrepreneurial activity and how such activity will affect the objectives, impacts and outcomes of the programme; and

- Key learnings identified during the reporting period.

#### 4.4.2. Performance

Performance will focus on the extent to which the programme of entrepreneurial activity has achieved against the measures of success as determined in the Annual Approach to Activity.

We envisage reporting to be a narrative with metrics included where appropriate to your programme of entrepreneurial activity, providing linkages to the policy objectives:

**1. Stronger connections between universities and industries (new and existing), both nationally and internationally.**

Examples of measures:

- Increased number of relationships with domestic and/or international industry (new and existing).
- Evidence of a mechanism/ channel for industry to provide input into the research activities for the programme of entrepreneurial activity.
- Exchange of resource (intellectual property, human resource, students) with universities/ post-secondary education providers and industry.

**2. Grow the pipeline of entrepreneurs and enhancing the innovation ecosystem in New Zealand.**

Examples of measures:

- Student engagement in programme of entrepreneurial activity.
- Development of new product/process ideas.
- Development of new product/process prototypes.
- Development of a broader or deeper community of entrepreneurs and investors centred around the programme (e.g. increased availability and investment of venture capital).

**3. Economic benefit for New Zealand.**

Examples of measures:

- Number of new products, processes or systems introduced to the market.
- Increased trade of product, process or system within domestic or overseas markets.
- Creation of new businesses (including spinout businesses) and industries in New Zealand.
- Overseas investment into New Zealand based on new technology, expertise, or improvements to the innovation ecosystem resulting from the programme.

## 4.5. Evaluation

During the term of the programme of entrepreneurial activity, an evaluation led by the TEC will be undertaken. The purpose of the evaluation is to develop a better understanding of how the programmes of entrepreneurial activity as a whole have contributed to the policy objectives and to assist in forming future policy advice.

While you will be asked to contribute to the evaluation, the TEC will use the Annual Report and the findings/ outcomes from the Entrepreneurial Universities Programme Group as a base to avoid duplication of effort.

Evaluation reporting will contain a summary in the form of a narrative produced by the TEC.

## 5. Schedule

Table 3 below outlines the reporting that the universities will need to undertake and provide to the TEC within stipulated timeframes.

**Table 3: Outcome Assessment Framework timelines**

Activity	Reporting period	Due date	Pro-formas provided
<b>1. Programme Map</b>	Before commencement of programme of entrepreneurial activity	One month from commencement of programme of entrepreneurial activity	<ul style="list-style-type: none"> <li>• <i>Programme Map pro-forma</i></li> <li>• <i>Budget/Progress reporting template</i></li> <li>• <i>Risk Register template</i></li> </ul>
<b>2. Annual Approach to Activity</b>	At commencement of programme of entrepreneurial activity, annually for the out-year	1 November Annually	<ul style="list-style-type: none"> <li>• <i>Annual Approach to Activity pro-forma</i></li> <li>• <i>Budget/Progress reporting template</i></li> <li>• <i>Risk Register template</i></li> </ul>
<b>3. Annual Report</b>	1 January (year)- 31 December Annually	30 April Annually	<ul style="list-style-type: none"> <li>• <i>Annual Report pro-forma</i></li> <li>• <i>Budget/Progress reporting template</i></li> <li>• <i>Risk Register template</i></li> </ul>
<b>4. Programme group</b>	Every six months	As agreed upon by workshop representatives	N/A
<b>5. Variations to approach</b>	As required	As agreed with TEC Investment Manager	<i>As required;</i> <ul style="list-style-type: none"> <li>• <i>Programme Map pro-forma</i></li> <li>• <i>Annual Approach to Activity pro-forma</i></li> </ul>

Pro-forma documentation will be provided to ensure simplicity and comparability for each programme of entrepreneurial activity, and will be published on the TEC website.

- The **Programme Map** and **Annual Approach to Activity** pro-forma will both be provided as PowerPoint documents.
- The **Annual Report** pro-forma will be provided as a Word document.
- A Budget/Progress reporting template pro-forma will also be provided for the Programme Map, Annual Approach to Activity and Annual Report reporting as an Excel Workbook.
- A Risk Register template pro-forma will also be provided for the Programme Map, Annual Approach to Activity and Annual Report reporting as an Excel Workbook.