

**EVALUATION OF THE  
NI CENTRE FOR ENTREPRENEURSHIP**

**EXECUTIVE SUMMARY**

**MAY 2009**



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## **EXECUTIVE SUMMARY**

### **Introduction**

Invest Northern Ireland (Invest NI) has commissioned BDO Stoy Hayward to conduct an independent evaluation of the NI Centre For Entrepreneurship (NICENT) for the period 1 February 2007 to 31 July 2008 and provide projections on NICENT's ability to achieve its set targets to the end of its current contract (31 March 2009). In doing so, the evaluation is to provide qualitative and quantitative information that will help inform decisions on the future of entrepreneurship initiatives.

### **Northern Ireland Centre for Entrepreneurship**

NICENT was created in 2000 as one of the 13 Science Enterprise Centres in the UK, following a successful bid as part of the Department of Trade and Industry's Science Enterprise Challenge. The original vision of the organisation was "to establish a world-class centre that will stimulate and facilitate all aspects of the knowledge transfer process, from entrepreneurship education through to business creating, ensuring best practice through international partnerships".

In 2003, NICENT reviewed its original goals and developed what it considered to be a more realistic vision for the Centre. The revised objectives saw the organisation moving more overtly towards an 'enterprise for life focus', with less emphasis on immediate business start-ups.

### **NICENT's Management and Operating Structures**

Whilst the individual partners suggest that there is a strong level of partnership between the two partner institutions, this is in many instances not apparent, and it is the evaluation team's view that levels of active partnership on entrepreneurship activities is weak. In particular, there is a lack of 'joined up thinking' in terms of product offering and delivery (evidenced by the differences in delivery mechanisms and content between Ulster and Queen's) and there are key differences in how the NICENT brand is used by each partner institution, in particular with the student body. Indeed, many 'NICENT Queen's' students are not aware of who NICENT is or its involvement with their course. This is a strategic issue that should be considered by the organisation.

### **Ongoing Demand for NICENT**

There is clearly an ongoing demand for NICENT's curriculum based activities. However, senior management from both universities have indicated that the universities would be willing to take forward the embedding of entrepreneurship within the curriculum, without the financial assistance of Invest NI.

The degree to which there is an ongoing demand for NICENT's extra-curricula activities cannot be determined at this point, and will require NICENT to agree seamless dovetailing and synergy of activities with the activities of the other university enterprise and innovation stakeholders i.e. Queen's Knowledge Exploitation Unit (KEU) and QUBIS, and Ulster's Office of Innovation and UUTech. The focus here should be on activities that are entirely additional and move the student body further along the enterprise/innovation pipeline. However, it is recognised that this may well need to be done by both universities independently in the first instance since there may be commercial-in-confidence issues.

### **Alignment with Invest NI's evolving corporate objectives and priorities, including the findings of the recent AES evaluation**

Invest NI's evolving corporate objectives and priorities have a more pronounced focus on business creation than its 2005-2008 Corporate Plan (under which NICENT was last funded). Furthermore, the evaluation of the Accelerating Entrepreneurship Strategy (AES) recommends that there should be more prominence to the linkages between entrepreneurship and innovation (start-ups and step-ups), and that the whole area of entrepreneurship practiced by individuals within established Universities,

research institutes or large firms (corporate venturing) - and commercialisation of the results from innovation through spin-offs needs to have much more prominence and priority in future.

The evaluation team is of the opinion that, going forward, if NICENT is to offer greater alignment with Invest NI's evolving corporate objectives and priorities, including the findings of the recent AES evaluation, then its extra-curricula activities must seamlessly dovetail with and offer synergies with the activities of the other university enterprise and innovation stakeholders i.e. Queen's KEU and QUBIS, and Ulster's Office of Innovation and UUTech. As noted, the focus here should be on activities that are entirely additional and move the student body further along the enterprise/innovation pipeline. However, it is recognised that this may well need to be done by both universities independently in the first instance since there may be commercial-in-confidence issues.

### **NICENT's Contribution to DETI/Invest NI's Public Service Agreement Targets**

It is the view of the evaluation team that it would be difficult to attribute and quantify a direct causal link between the entrepreneurship support that a student has received from NICENT and any future progress that is made towards the achievement of DETI/Invest NI's Public Service Agreement (PSA) targets. For example, it would be difficult to differentiate the contribution that the NICENT support received by an individual has made, from other education, training and support received by that individual.

In any event, any attempt to measure the impact of NICENT to an individual's contribution towards achieving the PSA targets would require a longitudinal study which would track the progress of an individual throughout their career and attempt to ascertain the individual's attitudes concerning the contribution that the NICENT support received has made to their career progress and/or choices. This withstanding, it should be noted that feedback received from many participants, during the primary research phase, does suggest that the support they received from NICENT has contributed to improving their entrepreneurial attitudes and skill sets, which could ultimately contribute to these individuals' contributing to the achievement of the PSA targets in the future.

### **Economy, Efficiency and Effectiveness**

**Economy** measures are concerned with showing that the appropriate inputs i.e. resources used in carrying out the project have been obtained at least cost. As required by all Higher Education Institutions, the costs that NICENT has incurred are inclusive of full economic costs including all direct and indirect costs, including space/estates charges, depreciation, an adequate recurring investment for infrastructure, equipment, consumables, travel and the cost of all staff. Furthermore, all salary costs are based on the universities standard pay scales. It is the evaluation team's view that the required input costs could not therefore have been acquired at a lesser cost.

**Efficiency** measures are concerned with achieving the maximum output from a given set of inputs e.g. cost per output. In terms of the curriculum activities that have been taken forward by NICENT, it is clear that the organisation is constrained by the maximum amount of students that are able to attend a degree pathway in which entrepreneurship has been successfully embedded. However, within these courses all students who are in attendance will have availed of entrepreneurship curriculum support.

In terms of non-curriculum activities, NICENT has exceeded all targets to date, thus the organisation has achieved a level of output in excess of that proposed to Invest NI.

**Effectiveness** measures should show the extent to which the aims, objectives and targets of the project are being achieved. The effectiveness of the project is usually assessed by output measures. During Year 1 (1st February 2007-31st March 2008) NICENT met (2 targets) or exceeded (6 targets) all of its targets.

In terms of Year 2 targets, NICENT has met or exceeded 3 targets to date. Whilst data relating to the remaining Year 2 targets were not available at the time of analysis, it is the view of the evaluation

team that, based on the extent to which NICENT has met or exceeded their targets in Year 1, it is likely to achieve or exceed all targets for Year 2.

### **Client Satisfaction**

Overall, the feedback suggests that the majority of students were very or quite satisfied with the activities offered by NICENT. More specifically, the majority of students stated that they felt the amount and level of information provided was appropriate and they were happy that the support provided to them was the best way to address their needs in terms of ‘developing their understanding and knowledge of entrepreneurship’. Overall the vast majority of participants stated that they were either ‘very’ or ‘somewhat satisfied’ with the entrepreneurship studies and/or training they received.

### **Impact of NICENT**

Students reported that the entrepreneurship studies and/or training they had received from NICENT had contributed to their development in a range of areas including their understanding of entrepreneurship, entrepreneurial skill sets, awareness of the skills and knowledge required by entrepreneurs as well as to think in a more enterprising manner. More than half of all students stated that the entrepreneurship studies and/or training that they had received would make them more employable after graduation and/or help them (to a medium or large extent) in their future job/career.

Almost one-third of students suggested that they are more likely to consider starting their own business in the future as a result of the support they had received. Of those respondents who felt that they were not more likely to consider starting their own business in the future as a result of the entrepreneurship studies and/or training they received, the most common cited reason was a perceived lack of industrial, commercial and/or business experience.

### **Equality Considerations**

As a recognised public authority, Invest NI has an obligation, under Section 75 and the Disability Discrimination Act 1995, to provide equal opportunities for all. An analysis of the two universities corporate policies shows that both are actively committed to providing equal opportunities for all and hence it is reasonable to assume that the activities carried out by NICENT will be compliant to these policies.

### **Recommendations**

#### ***Recommendation 1***

Given Invest NI’s shift in focus away from the development of an ‘Enterprise for Life’ culture towards a greater emphasis on creating business start ups<sup>1</sup>, coupled with the universities’ suggested commitment to take forward the curriculum based aspects of NICENT’s activities, it is the view of the evaluation team that should Invest NI fund NICENT’s curriculum based activities following the end of the current funding period (31st March 2009), it is likely to create an additionality issue.

Therefore, the evaluation team would recommend that should Invest NI wish to continue its involvement with NICENT or indeed the universities and other departments/bodies within the universities’ structures, in relation to enterprise and entrepreneurship activities, that the focus should be upon non-curriculum based activities that have the potential to contribute to Invest NI’s new Corporate Objectives.

#### ***Recommendation 2***

However, should Invest NI offer NICENT further monies, it should be conditional on NICENT exploring all options to leveraging funds from other sources such as the private sector for the

<sup>1</sup> As detailed within Invest NI’s Corporate Plan 2008-11.

financing of these activities in the future i.e. Invest NI's monies should be considered as being a vehicle for 'pump-priming' this type of activity within the universities. Discussion with NICENT's Director, suggests that this is a model used in many other countries, such as the USA, where he had recently spent part of a sabbatical year.

### ***Recommendation 3***

To ensure a seamless and coherent offering is available to students/graduate entrepreneurs, the two universities, in consultation with university senior management, NICENT and other relevant departments/bodies (such as Queen's KEU, QUBIS, UUTECH and Ulster's Office of Innovation), should undertake a strategic review of enterprise, entrepreneurship and innovation provision within the two institutions. The aim of this review should be to ensure that all parties are clearly positioned against one another, have clear roles and responsibilities, that there is no duplication of activity and that individual expertises (e.g. relating to the exploitation of IP) are leveraged from one department/body to another. The focus here should be on activities that are entirely additional and move the student body further along the enterprise/innovation pipeline. However, it is recognised that this may well need to be done by both universities independently in the first instance since there may be commercial-in-confidence issues

### ***Recommendation 4***

Given the evaluation team's key conclusion that the level of active partnership (e.g. in relation to product offering, delivery and branding), and in particular in relation to curriculum-based activities, between the two universities is weak, NICENT should be encouraged to review its current management and operating structures to ensure, where possible, that there is greater 'joined up thinking' between the two institutions.

The Evaluation Team recognises that in many situations the two universities adopt different approaches for very legitimate reasons, including different cultures, structures and modes of operation. However, any future funding application to Invest NI should explicitly demonstrate at every level of activity where and how 'active partnership' will be evident. This includes not only at the Management Board, Steering Committee and Operations Committee levels, but also the actual activity itself e.g. demonstrating where teaching resources and materials, key learnings, staffing, facilities etc will be shared or used jointly by students of both institutions.

### ***Recommendation 5***

NICENT should adopt, in full, their individual university's existing policies and procedures to ensure the full protection of students' intellectual property.

### ***Recommendation 6***

As part of the development of any future framework for monitoring and evaluating NICENT's activity, NICENT should ensure to monitor a range of key qualitative and quantitative indicators, such as:

- Actual costs against key budgeted costs e.g. development costs, teaching costs;
- Average cost per 'additional' student educated;
- Number of 'additional' courses with embedded entrepreneurship;
- Number of students engaged in entrepreneurship education;
- Changes in attitudes in students/graduates;
- Changes in the levels of self-employment by graduates; and
- Changes in the levels of new business starts by graduates that have graduated with the last 5 years.

However, the evaluation team recognise that it will only become possible to develop a full monitoring and evaluation framework for NICENT once its range of activities post-March 2009 have been determined.

In addition, given the fact that the true impact of NICENT's activity is likely to only be measurable in the medium to long term, steps should be taken to ensure that appropriate tracking is undertaken of an individual's development since their participation on NICENT's activities. In doing so, the evaluation team would recommend that NICENT adopts a focused definition of a graduate entrepreneur, such as that employed by the National Council for Graduate Entrepreneurship (NGCE). This would potentially enable appropriate national benchmarking to be undertaken<sup>2</sup> and more accurate assessment of the value-for-money offered by NICENT.

### ***Recommendation 7***

The scope of NICENT's support and activity could be examined to assess whether it should be offered to graduates up to five years post graduation. Given that research indicates that many graduates wish to gain industrial experience before starting a business and that five years is the most likely time frame (Leeds Met Entrepreneurial Intentions Survey, 2004), extending NICENT's support may ensure that NICENT is positioned to support graduate entrepreneurs when they most require it.

### ***Recommendation 8***

By way of improving its service offering, as part of any future programme, NICENT should give consideration to implementing the key recommendations made by past participants including:

- Specific content, programmes and courses should be adapted to different target groups (by level: undergraduate, graduate, post-graduate, PhD; by field of study: economics/business, scientific/technical studies, humanities, arts & design, etc.), giving examples from the relevant technical area etc.;
- There should be a greater use of entrepreneur role models;
- Support should be provided over a longer period of time;
- Greater focus should be given to providing more practical experience; and
- There should be a qualification at the end of the training/activities.

### ***Recommendation 9***

Changes in the schools curriculum have begun to introduce entrepreneurship as a key aspect of the curriculum. This should ultimately have a direct impact upon NICENT's core target audience, as students will now enter their undergraduate studies with an awareness and understanding of entrepreneurship. Whilst this will not impact directly upon NICENT's target audience for 3-5 years, it is imperative that NICENT is fully aware of changes within the marketplace and begins to build upon and co-ordinate its offering with that of the schools sector. This will require NICENT to work closely with the Department of Education and the Education and Skills Authority amongst others. Ideally, if the young person has been exposed to entrepreneurship throughout their primary and secondary education, the entrepreneurship offering at the tertiary level should build upon, enhance and expand their understanding and experience of enterprise and entrepreneurship.

### ***Recommendation 10***

NICENT's targets for the period under review were established based on the organisation's experience of embedding entrepreneurship in the SET faculties. However, our discussions with

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<sup>2</sup> NGCE's definition states that a graduate entrepreneur is someone who forms a new venture within five years of graduation.

NICENT's staff and our review of the extent to which it exceeded<sup>3</sup> many of its targets during the period indicates that it is evident that the organisation has accumulated substantial knowledge of how best to embed entrepreneurship within different curricula. This is a credit to the organisation and its personnel. In this light though, Invest NI should ensure that all future targets (if applicable) are set at an appropriate level, given the organisation's successes and evident skill and ability in embedding entrepreneurship within university curricula.

### ***Recommendation 11***

Consideration should be given to the provision of academic credits for practical work on enterprise projects outside the established courses. We do, however, recognise that this is an issue for both Institutions and beyond the remit of NICENT alone to determine.

It is important to note that examples exist at both Universities where academic credits for practical work on enterprise projects outside the established courses is accommodated. At Ulster, for example, the MSc in Innovation and Business Development and the MSc in Agri-business Development already invite business practitioners outside of the formal programme to join modules in Enterprise Development as CPD programmes, and participants receive academic credits for their participation.

At Queen's formal accreditation will be achieved through Degree Plus where students will be recognised for their active participation on extra-curricular enterprise programmes and initiatives. The Degree Plus accreditation is recorded as a citation with the primary degree. A student can therefore graduate from Queen's with a Certificate in Entrepreneurship Studies, gained and accredited through the curriculum, and a Degree Plus accreditation, gained through an extensive programme of extra-curricular activity.

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<sup>3</sup> For example, during Year 1 (1<sup>st</sup> February 2007-31<sup>st</sup> March 2008) NICENT exceeded its target for not set undergraduate registrations by 2.1 times. Similarly, during Year 3 (1<sup>st</sup> April 2008 – 31<sup>st</sup> March 2009), NICENT exceeded its target for students who have prepared business plans by 3.2 times.