

## Executive Summary

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The strategy "Innovative Vienna 2020" (IW2020) is the second innovation strategy of the city of Vienna. It was drawn up in the years 2014-2015 and defines three goals:

- **Innovation Goal 1 - Vienna as a City of Opportunities:** Vienna creates optimal conditions for developing the innovation potential in the metropolitan region.
- **Innovation Goal 2 - Innovative City Administration:** Vienna is committed to the innovative nature of the public sector and to the role of the city as a developer, procurer and user of innovations.
- **Innovation goal 3 - Vienna as a Meeting Place:** Vienna creates an innovative milieu and relies on cooperation and openness.

IW2020 is based on the Smart City Vienna Framework Strategy of the City of Vienna, with the following goals: in 2050 Vienna is an innovation leader through cutting-edge research, a strong economy and education; by 2050, Vienna is one of the five major European research and innovation centers.

The present evaluation refers to the creation phase of IW2020 and the first three years of implementation (2016-2018). Methodologically, it draws mainly on interviews, documentary research and workshops.

IW2020 has put the focus on implementation as compared to the previous Viennese RTI strategy of 2007 ("Vienna thinks future"). Another innovation is the "inwards" orientation, that is to say that the strategy addresses city administration in itself as an innovation area and goal. The annual innovation conference became an important element of the strategy. The conference brings together people from the city administration and other target groups of the strategy.

### The creation of the strategy

The process of creating the strategy was broad: MA 23 was in charge of the project. It was accompanied by an advisory council under the chairmanship of then-city councilor and deputy mayor Renate Brauner, there were three thematic panels with experts, an "open forum" open to all interested parties, and an online consultation.

The panels met three times, and the results of these discussions were presented to the advisory council and were incorporated into the strategy as innovation targets. This consultation process resulted in a booklet that is understood more as a declaration of intent than as a commitment to verifiable goals. It provides a framework for orientation, is a statement of openness and self-responsibility.

Through the moderated, partially open process, the strategy arose from a variety of perspectives, which were gradually bundled, the common thread was drawn in the final editing. In this way, committed visions were cast into a picture, with the new idea of understanding the city itself as an actor for innovation. It remained unclear, however, what the "excellent innovative" of the City of Vienna would actually be. Speaking to stakeholders, it was confirmed *"The strategy should begin with a story being told so that all tell the same story. There is no public space built in this way, there is no Danube island elsewhere ... "*. We will develop this idea into a recommendation.

### The implementation of the strategy

In order to make IW2020 more effective than was the case with the first innovation strategy, the strategy paper defined action areas that set the framework for annual work programs. In the spirit of an ongoing monitoring, the MA23 publishes 23 annual implementation reports. The work programmes were developed as part of a meeting with all involved business units, who reported their activities in the fields of action. The presentation of the work programmes and implementation reports became a cornerstone of the now annual innovation conference in the town hall, which attracted between 330 and 411 people, about half of them from the municipality itself.

Thanks to continuity and the regular processes, a lot has been created, which, according to some stakeholders in the interview, has brought a lot of dynamism and awareness and led people to have the ideas of the strategy always present again. In total, 37 actors from the city administration as well as city-related institutions and companies named 275 project proposals, about half of which were accounted for by the four most active players.

The first innovation objective, "Vienna as a city of opportunity", has the greatest weight in terms of the number of projects and the mobilisation of actors: the number of projects increased from 29 in the 2016 work programme to 72 in the 2019 work programme; however, most of the projects submitted here were not triggered by IW2020. Innovation Target No. 2, "Innovative City Administration", is one of the key innovations of the strategy, namely to address oneself via the goal of an innovative city administration. Exchanges of experience and pilot projects took place within this field, drawing on various formats, largely supported by MA 23. This established – and this is an essential effect of the strategy – broad acceptance of the approach as an innovative city. Earlier it was said: "Vienna promotes innovation and creates space for research". Today, on top of that, the city of Vienna sees itself as an innovation player.

Innovation objective no. 3, "Vienna as a meeting place" was the only area of the strategy that saw a declining development. The sub-goal "Vienna creates an innovative milieu and relies on cooperation and openness" could not develop sufficient traction compared to the other two goals.

The governance of the current strategy is anchored mainly in MA 23 (project management) and the competent city council as chairman of the advisory board. Since the city of Vienna is heavily structured in business areas, horizontal control is only possible to a limited extent, which is why MA 23 relied primarily on mobilisation through communication and networking.

The IW2020 strategy has been provided with resources for strategy development, monitoring implementation, reporting and the innovation conference. However, there is no funding for projects triggered by the innovation strategy. An exception is the area of innovative municipal administration as well as individual projects relating to objectives 1 and 3, where – usually with the involvement of MA 23 – financial resources have been provided or bundled for development and networking, in some cases up to a pilot phase.

Overall, a development path of Viennese innovation strategies can be observed, from agenda setting in the first strategy to mobilisation in the second. For the third strategy, one could expect a higher focus on effectiveness. In addition to broad participation, this would, however, also require leadership and financial resources.

## Recommendations

The following recommendations build on the evaluation results and relate to content and scope (1-4), governance (5-9), and funding (10) of the next RTI strategy:

**Recommendation 1:** The next strategy paper should tell the story of Vienna's innovation success: 10 decades, 10 major challenges, 10 innovative solutions make Vienna a city with the highest quality of life. If that worked in the past, Vienna will master it in the future.

**Recommendation 2:** The objectives of the strategy are to be ambitious and in line with the Smart City Vienna Framework Strategy, oriented towards the long-term positioning of Vienna as an innovation leader through cutting-edge research, a strong economy and education, with the aim of becoming by 2050 one of the five major European research and innovation metropolitan cities, in the sense of mastering grand societal challenges.

**Recommendation 3:** The annual reports should, in addition to the description of inputs and mobilisation (implementation reports), shed light on the contribution to the achievement of objectives by different actors. There should be room for projects initiated by the strategy, for projects that are actively integrated into the implementation processes (annual plan), as well as for other activities of the city that constitute innovative strength or innovative orientation, and which also contribute to the goals.

**Recommendation 4:** The strategy gains traction when it makes clear: where do we come from, and where do we go? The chosen approaches with respect to innovative city administration are to be followed further. However, the strategy should also be further developed from the questions of "how and with whom?" to an orientation along the lines of "what and why?".

**Recommendation 5:** The strategy should be positioned on a level as high as possible within the city administration. It should clarify the commitment of the city to concrete goals by combining bottom-up initiatives on an operational level with a top-down orientation.

**Recommendation 6:** The advisory council is both an advisory body and a decision-forming body. Standing-in (representation) should therefore be prevented. In addition to the advisory function, the members of the advisory board have the task of implementing the strategy in their areas. In this sense, the advisory board is to be positioned as a suitable counterpart to the project management of the MA 23. In matters of composition, heterogeneity of the actors can be seen as a success factor.

**Recommendation 7:** The innovation conference is the central medium of communication of the strategy. Here, the arc between the work programme and the implementation report becomes visible. The conference should be continued to be positioned at the interface between city (the population and stakeholders) and the city administration.

**Recommendation 8:** Given the large number of "pillars" that characterise the organisational structure of the city administration, the possible benefits to engage in cross-cutting initiatives "below the glass ceiling" should not be underestimated. Building on the impulses of IW2020, the meeting for the project proposals should be extended to a "marketplace for innovative projects in the city" with the goal to foster networking within the city.

**Recommendation 9:** The various tasks of the MA 23 are to be defined in a concise and clear manner in order to facilitate the management of interfaces with other areas and with the advisory council in a sustainable manner.

**Recommendation 10:** In order to send a clear message that strengthens the link between the goals of the strategy and the community, within the city administration and in the surrounding environment, an innovation fund of the city of Vienna with a funding of at least 3 million euros per year or 30 million EUR for 10 years should be set up. This fund should be directly supervised by the mayor and be open to all areas. The award of funding should be based on the objectives of the strategy and use experimental selection procedures. The advisory council should have the power to tender out larger challenges. At the same time, small projects should be promoted, too, to give innovative and committed players play money for their ideas and thereby further develop the culture of innovation in the city of Vienna.