



INNOVATION INNO

THE FRAMEWORK OF PRINCIPLES FOR INNOVATION INITIATIVES

The governments of Australia are working to improve the consistency of innovation programs across Australia.

Powering Ideas, the Australian Government's innovation agenda, charged the Commonwealth State and Territory Council on Innovation (CSTACI) with working to have the Framework of Principles for Innovation Initiatives (the Framework) adopted and implemented Australia-wide.

The Framework has been adopted by the Australian, State and Territory Governments to guide policy development for innovation initiatives. It has been designed to enhance consistency and improve the overall accessibility and efficiency of innovation initiatives across Australia.

Purpose of the Framework

The Framework is intended to provide guidance rather than mandate government activities and programs.

The Framework's purposes are to:

- ensure that the need for government intervention is clearly established
- improve consistency of State, Territory and Commonwealth innovation programs
- enable coordination and complementarities across jurisdictions
- maximise the appropriateness, effectiveness, efficiency, integration, performance assessment and strategic policy alignment of individual programs
- improve the accessibility of innovation programs
- ensure that innovation initiatives reflect and respond to changes in demand side needs and priorities.

The Framework was developed in collaboration with:



Government
of South Australia



Principles and Guiding Considerations

There are eight principles in the Framework and a number of guiding considerations for each of these principles.

Principle 1:

The innovation initiative supports the development and effectiveness of the National Innovation System

Guiding Considerations

- How the initiative seeks to enhance the capacity, capability and/or cohesion of the National Innovation System
- How the initiative addresses an identified government innovation priority (for example the Australian Government's seven National Innovation Priorities or the Australian Government's National Research Priorities)
- How the initiative adds value to the existing suite of National Innovation System initiatives (consider gaps, opportunities to leverage from existing initiatives, regional needs, potential confusion, etc)
- Whether interplay with other policy levers impacting on innovation (e.g. tax, regulation, education and training) has been considered and how this has been accounted for
- Whether there is a capacity to replicate the initiative across the National Innovation System
- Whether the initiative design incorporates any commonly agreed language, descriptors, and evaluation/risk management methodologies etc
- How the initiative considers the impact of the targeted priority with other elements of the innovation system
- Whether collaboration with other jurisdictions has been considered or undertaken with a view to:
 1. Maximising opportunities for shared learning and efficiencies across the system
 2. Identifying opportunities for streamlining of initiatives and delivery mechanisms

Principle 2:

The innovation initiative reflects and responds to identified demand side needs and/or priorities

Guiding Considerations

- Whether the market or demand for the initiative has been tested
- How the design of the initiative facilitates flexibility to respond to changing and emerging demand side needs and priorities
- How the initiative design facilitates ease of understanding and access by target users (consider design, delivery, compliance burden, and marketing and communication elements)
- How the initiative facilitates ease of understanding and access by target users
- Whether marketing and communications are coordinated with existing mechanisms (where possible)

Principle 3:

The rationale for intervention and the role of government are clearly identified, and supported by best available evidence, where relevant

Guiding Considerations

- How the initiative addresses a national innovation priority or an identified element of the National Innovation System
- Whether the innovation system issue or opportunity to be addressed is clearly identified (i.e. in terms of market or system failure, or on economic/social development grounds)
- Whether the initiative has considered the least cost intervention for maximum benefit (i.e. what alternatives have been considered; including government doing nothing)
- Whether the rationale for intervention and identified approach is supported by a sound evidence base

Principle 4:

The best placed jurisdiction(s) will be responsible for design and delivery

Guiding Considerations

- Whether collaboration with other jurisdictions has been considered or undertaken with a view to supporting the identification and allocation of responsibility
- Whether the initiative is related or similar to other initiatives already being delivered or developed by government(s) - build on the knowledge and experiences of other jurisdictions
- Whether an assessment has been made regarding the best-placed jurisdiction(s) to design and deliver the initiative
- How the initiative triggers any constitutional or other considerations of responsibility
- Whether there is a strong national dimension to the initiative (suggests the Commonwealth)
- How the initiative targets a specific local or regional objective (suggests State/Territory)
- Whether there is a service delivery element to the initiative
- Whether there are any economies of scale in the provision of the initiative
- Whether there is a strong international component to the initiative

Principle 5:

Innovation risk is assessed, accepted and incorporated into the design of innovation initiatives

Guiding Considerations

- How the initiative recognises and accounts for elevated risk associated with innovative activity
- Whether the assessed risk level is accounted for in risk management strategies, key performance indicators, application process, and evaluation methodologies
- How initiative design provides for fast failure recognition and a subsequent ability to change or terminate the initiative quickly

Principle 6:

The innovation initiative is well designed with clarity about; purpose, expected outcome, key performance indicators, evaluation processes to assess return on investment (financial, economic, environmental or social) and user/target groups

Guiding Considerations

- Whether the market or demand for the initiative has been tested
- Whether the intent and expected outcomes from the initiative are clear
- Whether the key performance indicators for the initiative are clear and measurable
- How reporting and data collection requirements facilitate initiative evaluation
- Whether review processes have been established to support ongoing evaluation of the initiative
- How the design of the initiative facilitates flexibility to respond to changing and emerging needs (i.e. linked to evaluation)
- Whether the initiative has identified the most effective delivery mechanism for the initiative (any jurisdiction or private sector agent); having regard for ease and efficiency of delivery
- How the initiative design seeks to minimise the administrative burden for delivery agent(s)
- How the design of the initiative assesses, accepts and incorporates risk into initiative design and evaluation mechanisms
- Whether the return on investment has been assessed in the design and evaluation of the initiative

Principle 7:

The innovation initiative is designed with end-users in mind, taking into consideration issues such as; accessibility, eligibility criteria, application processes, compliance burden and the responsibilities of successful applicants

Guiding Considerations

- How the initiative will be communicated and promoted to end-users
- Whether the accessibility of the initiative has been considered

- Whether the eligibility criteria are clear, transparent, and aligned with the rationale for intervention
- Whether the application process for the initiative is clearly defined and easy to follow
- Whether the initiative design seeks to minimise application evaluation time
- How the initiative design seeks to minimise the compliance burden for end-users (i.e. in terms of application and reporting requirements)
- How intellectual property issues will be managed/considered

Principle 8:

The innovation initiative is evaluated against its own objectives and for impact on the regional or national innovation system

Guiding Considerations

- Whether appropriate data items/measurement/benchmark tools have been identified and incorporated into program evaluation
- How evaluation mechanisms account for issues/difficulties in measuring innovation system outcomes
- Whether the need for external input/expertise has been considered
- Whether evaluation results have or will be shared across jurisdictions
- How evaluation informs future scale and scope of the program

Principles of the Framework

1. The innovation initiative supports the development and effectiveness of the National Innovation System
2. The innovation initiative reflects and responds to identified demand side needs and/or priorities
3. The rationale for intervention and the role of government are clearly identified, and supported by best available evidence, where relevant
4. The best placed jurisdiction(s) will be responsible for design and delivery
5. Innovation risk is assessed, accepted and incorporated into the design of innovation initiatives
6. The innovation initiative is well designed with clarity about; purpose, expected outcome, key performance indicators, evaluation processes to assess return on investment (financial, economic, environmental or social) and user/target groups
7. The innovation initiative is designed with end-users in mind, taking into consideration issues such as; accessibility, eligibility criteria, application processes, compliance burden and the responsibilities of successful applicants
8. The innovation initiative is evaluated against its own objectives and for impact on the regional or national innovation system.

For further information please email: Secretariat.InnovationSystems@innovation.gov.au