

Brussels, 12th January 2010

Results of NORMAPME consultation on the EC draft mandate on standardisation of consulting services on innovation management

Background

NORMAPME welcomes the initiative of the European Union to support a culture of innovation in Europe and to regulate public financing for innovative industries.

Further to the creation of TC 389 in November 2008, the European Commission has recently decided to issue a mandate to CEN in order to orient the core process of standardisation on this domain.

In particular, the mandate circulated by the EC for consultation requires the CEN to draft standards for innovation management consulting process and for requirements relating to the delivery of consulting services in the area of innovation management. It aims at defining minimum criteria and common references for the provision of professional services in the area of innovation management.

Position on the draft mandate

SMEs welcome the idea to establish a commonly agreed definition and terminology of innovation management and guides to harmonise the consulting services provided on innovation management. They welcome also the idea to better take into account innovation of the sector of services. However, they identify some concerns relating to the scope and the possible impact this mandate might have on SMEs.

Problems identified:

- 1) **Workshop Agreement and IMP3rove:** The draft mandate clearly refers to the CEN Workshop Agreement (CWA 15889) "Standardisation of an Innovation Capability Rating for SMEs". We wish to underline that this specific Workshop Agreement was not drafted with the contribution of a significant number of SMEs. As a result, it is by far too complex to be applied by small firms. We therefore question the decision to include CWA 15889 as a reference in this draft mandate. As the same, the IMP3rove initiative should not be mentioned as a reference to formalize the innovation management consulting process.
- 2) **Unbalanced representation of relevant stakeholders in TC 389:** SMEs and industry are not conveniently represented in the TC, the reason being they do not see any added value in the development of European standards in this domain. We believe that the position of the final potential beneficiaries (manufacturers, services providers, installers etc) should be better taken into consideration, especially in case the Commission decides to legitimate through a mandate the identification of "suitable innovation management support services and providers of high-quality support services with the view to supporting their use by SMEs".
- 3) **Small consultants not involved enough:** A few large consulting companies are involved in CEN TC 389. They will eventually draft standards corresponding to their needs. This will create difficulties for the smaller consulting companies that will have to comply with the standards drafted.

Possible impact-consequences:

- 1) **De facto mandatory standards for public funds:** The work of this TC might result in the establishment of a panel of consultancy agencies “labelled” under the harmonised standards drafted within this TC. As a consequence, to purchase the services of those consultancies might become “de facto” mandatory for innovative SMEs in order to access services funded by public authorities (including EU financing), and/or to public funds.
- 2) **Imposing a “unique scheme” to manage innovation:** the EC draft mandates requests the CEN to establish a framework for business support to innovation management. However, the indirect effect of the adoption of such standards would be to impose a unique scheme for innovation management, whilst innovation consists essentially in introducing ground breaking ideas. In practice, a company that seeks a positive assessment of its innovation management capacity will be obliged to comply with the processes imposed by the consultants.
- 3) **Additional costs:** Consulting providers in the area of innovation management, providing the most appropriate and affordable services for SMEs and micro enterprises, are themselves SMEs and micro enterprises. In case those standards are developed and adopted within the CEN, they would also need to apply these standards, which will be mainly drafted by few large firms of consultants, and to register as trained and certified consultants. Therefore, besides reducing the choice for SMEs, the cost of consulting would tend to increase. This would be of harm for SMEs and micro enterprises, contrary to the aim motivating this mandate.

Therefore we recommend the Commission:

- A) **to take out all references to the CWA 15889 and to IMP3ove;**
- B) **to limit the mandate to the issue of Technical Reports, Guidelines, Workshop Agreements;**
- C) **to explicitly mention in the mandate that consulting services on innovation management should never be considered as a selection criterion for public funds.**

In case these recommendations could not be taken into account, NORMAPME recommends the Commission to entirely withdraw this mandate as the impact of the standardisation activities in this domain could be of harm for SMEs.