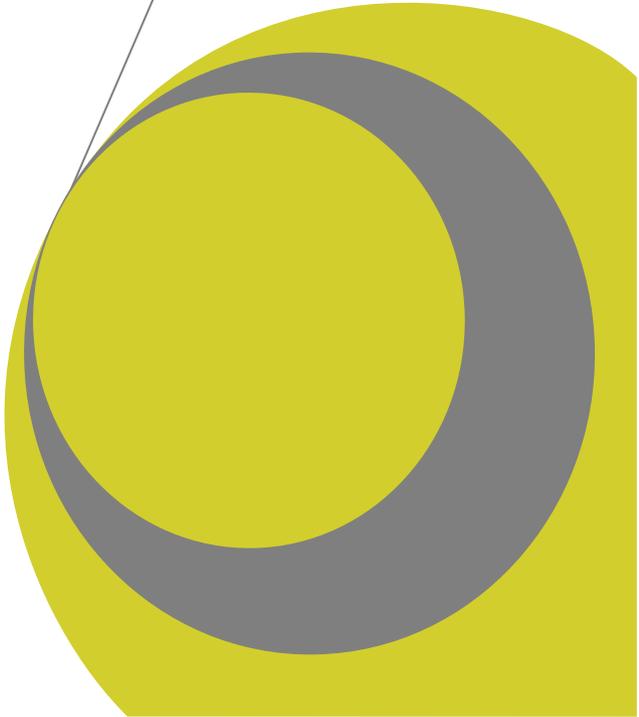


**MOMENTUM ICT FEDERATION
EVALUATION – FINAL**



**Cogent Management Consulting LLP
24th June 2013**



MOMENTUM ICT FEDERATION

EVALUATION

CONTENTS

Page

EXECUTIVE SUMMARY

I

1. INTRODUCTION AND BACKGROUND	1
1.1 Introduction	1
1.2 Momentum ICT Federation	1
1.3 Business Plan 2009-2012.....	3
1.4 Invest NI's Requirements	6
1.5 Notes on Methodology	6
2. STRATEGIC & MARKET CONTEXT.....	7
2.1 Strategic Context & Operational Fit.....	7
2.2 Fit with Other Interventions & Duplication/Displacement.....	8
2.3 Original Rationale & Market Failure.....	8
2.4 The Need and Demand for the Programme	9
3. ACTIVITY & ACHIEVEMENT OF OBJECTIVES	10
3.1 Introduction	10
3.2 Achievement of SMART Targets.....	10
3.3 Momentum's Membership	13
3.4 Equality Considerations.....	15
4. SATISFACTION WITH, & VIEWS OF, MOMENTUM.....	16
4.1 Profile of Respondents.....	16
4.2 Momentum's Marketing.....	17
4.3 Momentum's Communication.....	18
4.4 Reasons for Being a Momentum Member.....	19
4.5 Value of Momentum Membership	20
4.6 Support Needed within the ICT Sector.....	21
4.7 Overall Satisfaction	22
4.8 Renewal of Membership.....	23
4.9 Views of Non-Members	23
5. IMPACT OF MOMENTUM.....	26
5.1 Skills	26
5.2 Innovation.....	29
5.3 Internationalisation	31
5.4 Collaboration	33
5.5 Tangible Impact of Momentum's Support	34
5.6 Deadweight/Additionality	35
5.7 Displacement Considerations	37
5.8 Net Additional Sales Impact.....	37

5.9	Net Additional GVA Impact.....	38
5.10	Productivity Impact	38
5.11	Other Benefits or Unexpected Impacts.....	38
5.12	Wider or Regional Benefits	38
5.13	Duplication	41
5.14	Counter-Factual Analysis	41
6.	BENCHMARKING.....	43
6.1	Key Points	43
6.2	Summary Conclusions	44
6.3	Summary Conclusions Cont.	45
7.	MONETARY ANALYSIS	46
7.1	Economic Appraisal’s Proposed Funding Plan	46
7.2	Actual Project Costs	54
7.3	NPV Analysis	56
7.4	Cost Effectiveness Analysis	57
7.5	Risk Analysis.....	57
7.6	Economy, Efficiency and Effectiveness	61
8.	CONCLUSIONS & RECOMMENDATIONS.....	63
8.1	Conclusions	63
8.2	Recommendations	67

APPENDICES

- I Invest NI’s Requirements**
- II Detailed Strategic & Market Context**
- III Detailed Analysis of Achievement of Operational Level Objectives**
- IV Key Attributes of Benchmark Organisations**
- V ICT Trend Data**
- VI Deadweight and Displacement Analysis**
- VII Issues Relating to Survey Sampling**

This report has been prepared for, and only for Invest NI and for no other purpose. Cogent Management Consulting LLP does not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

List of Abbreviations

Abbreviation	Definition
BEP	Belfast Educational Partnership
BMC	Belfast Metropolitan College
BT	British Telecoms
CC4G	Computer Clubs for Girls
CCEA	Council for the Curriculum, Examinations and Assessment
CEO	Chief Executive Officer
DEL	Department for Employment and Learning
DETI	Department of Enterprise, Trade and Investment
DSE	Discipline, Structure, Expertise
EAM	Economic Appraisal Methodology
ECHC	European Connected Health Campus
EDOs	External Delivery Organisations
FDI	Foreign Direct Investment
FE	Further Education
FSAG	Future Skills Action Group
GB	Great Britain
GCSEs	General Certificates of Secondary Education
HE	Higher Education
HM	Her Majesty's
ICT	Information and Communications Technology
IT	Information Technology
ITQ	Information Technology Qualification
KPIs	Key Performance Indicators
NDPBs	Non Departmental Public Bodies
NI	Northern Ireland
NIGEAE	Northern Ireland Guide to Expenditure Appraisal and Evaluation
NISP	Northern Ireland Science Park
NISP	NI Symbiosis Programme
NPV	Net Present Value
NWRC	North West Regional College
PDAs	Project Delivery Agreements
PR	Public Relations
PRIT	Paris Regional Innovation Tour
QUB	Queen's University Belfast
R&D	Research and Development
RoI	Republic of Ireland
SERC	South Eastern Regional College
SIF	Software Industry Federation
SMART	Specific, Measurable, Achievable, Realistic and Time-bound
SMEs	Small and Medium Sized Enterprises
SPC	Software Professional Course
SRC	South Regional College
SSA	Sector Skills Agreement
STEM	Science, Technology, Engineering and Mathematics
UK	United Kingdom
UKITA	United Kingdom Industry of Technology Association
UU	University of Ulster
UUJ	University of Ulster (Jordanstown)
UUM	University of Ulster (Magee)

EXECUTIVE SUMMARY

Introduction

Invest NI has commissioned Cogent Management Consulting LLP ('Cogent') to undertake an independent evaluation of the Momentum ICT Federation covering the period 2009 to 2012. The evaluation assesses the extent to which funding against the 2009-2012 Project Delivery Agreements (PDAs) from Invest NI represents value for money and makes recommendations on Invest NI's future engagement with Momentum in the development of the ICT sector in Northern Ireland (over the period 2012-2015).

Momentum is the industry trade association for the Information and Communications Technology (ICT) industry in Northern Ireland.

The Evaluation Agenda and Methodology

The evaluation has been undertaken in line with national and regional requirements. It is compliant with Central Government guidance including "The Northern Ireland Guide to Expenditure Appraisal and Evaluation (NIGEAE), Current Edition", Department of Finance and Personnel.

In conducting the evaluation, Cogent employed a methodology that included:

- A robust desk-based analysis of pertinent materials relating to Momentum's Invest NI-funded activities;
- Consultation with relevant stakeholders from within Invest NI and DETI;
- Consultations with Momentum;
- Consultation with individuals within benchmark organisations;
- A telephone survey of 16 Invest NI ICT clients that are not Momentum members;
- A telephone survey of 51 (50%) of Momentum's 102 members. A summary of our participant survey is presented below:

It is noted that due to the small numbers of participants for some aspects of the programme and the resulting small sample size that was in a position to respond to some aspects of the survey, care should be taken by the reader when interpreting or extrapolating some results.

Conclusions

The Evaluation Team's key conclusions arising from the evaluation process are as follows:

Overarching Conclusion and Future Need & Demand for the Project

The Evaluation Team is of the view that the findings of the MATRIX ICT Horizon Panel Report are likely to still be valid. That is

- There are issues relating to the quality and quantity of ICT skills in NI, which will impact negatively on the development of the ICT sector in NI.
- The sector likely needs support in the following areas in order to transform into a centre of higher value-added activities:
 - Company capacity to absorb and exploit knowledge;
 - Science and technology knowledge creation;
 - Networks and collaboration;
 - Access to customers and suppliers; and
 - Collective marketing of ICT as a rewarding and interesting career.

Whilst we cannot confirm it, we consider that there is likely to be considerable latent demand amongst NI's ICT sector for support in these areas. However, it is, in the Evaluation Team's view, questionable as to whether the current project is the best means by which to address these needs. This view is based upon our opinion that the project that is the subject of this evaluation was poorly scoped. We do, however, consider that Momentum, or an organisation of a similar nature (i.e. one that represents the NI ICT sector and acts as a conduit to it for other stakeholders) could play a key role in addressing such needs.

We consider that the issues identified within this evaluation report should be used to provide a new starting point for Momentum, as in our view, a representative body has the potential to add real value to NI's ICT sector if it is clearly focused on addressing members' needs and adding value to existing structures and activities within the marketplace. In particular, we note that discussion with Invest NI's Trade Mission Team indicates that it is of the view that Momentum played a valuable role in signposting its members to various Invest NI trade missions. Furthermore, discussion with DETI indicated the vital role that Momentum played as a conduit to the ICT sector as part of its involvement with MATRIX and the development of the ICT sector report.

Operational Fit

The Evaluation Team considers that there is substantial risk of duplication of activity between Momentum and e-Skills UK, the Sector Skills Council for Business and Information Technology, in relation to most activity involving schools, colleges and universities. The Evaluation Team is of the view that it is challenging (based upon a lack of clarity within the approval documentation, monitoring materials and other associated materials provided to the Evaluation Team) to determine what specific role or value that Momentum played/brought to much of the skills based areas of its work that E-Skills UK NI was also involved.

We note that good practice suggests that linked activity (e.g. e-Skills UK NI's and Momentum's involvement in projects such as Bring IT On) should be appraised together as one project.

Momentum's Membership

At November 2009, the organisation had 157 members. However, Momentum's membership has decreased (at October 2012) to 102. This should be considered a cause for concern. Furthermore, whilst four-fifths (80%, N=51) of respondents indicated that they are likely to renew their membership of Momentum in future years, it is somewhat disappointing (in the context of an already declining membership base) that 20% of respondents indicated that they will either not renew their membership (14%, N=51) or are undecided as to whether they will renew their membership (6%, N=51).

Key Feedback from Members

In total, Cogent spoke to 51 (50%) of Momentum's 102 members. Key findings are detailed below. However, it should be noted that due to the small numbers of participants for some aspects of the programme (or their limited awareness of Momentum's activity relating to Skills, Internationalisation, Innovation or Collaboration) and the resulting small sample size that was in a position to respond to some aspects of the survey, care should be taken by the reader when interpreting or extrapolating some results.

- Of concern, over two-fifths (43%, N=51) of respondents suggested that being a member of Momentum adds no value to their business. Those respondents (57%, N=51) that suggested that membership of Momentum adds value to their business suggested the networking/trade opportunities; increased knowledge of what is happening within the local industry and reasons relating to providing their business with enhanced presence and credibility.
- On an overall basis, 88% (N=41) of respondents disagree that the NI ICT sector has or will continue to have an adequate supply of suitably qualified people to meet the needs of the sector.

- Over half (51%, N=51) of respondents were not aware or familiar with Momentum's work to promote innovation across the NI ICT sector. However, of those that were three-fifths (60%, N=25) agree that Momentum has helped or encouraged their business to invest in new or improved products, processes and services. When the same 25 respondents were asked about specific support that their business may have received to help them embrace innovation, the majority disagree that Momentum had helped them. Many of these respondents noted that they are Invest NI clients, and would go directly to their Invest NI Client Executive if they required support for innovation or R&D.
- Only a third of members are aware of, or familiar with, Momentum's work to support local ICT companies to improve their export performance or assist them access international networks (37%, N=51) or with its work to help Invest NI promote FDI (foreign direct investment) activity (35%, N=51). On an overall basis, of those respondents (22 out of 51) who were either aware of, or familiar with, Momentum's internationalisation related activities a quarter (23%, N=22) agreed that Momentum's activities have helped to improve their sales and marketing capability (largely as a result of the networking opportunities afforded to them through Momentum's events). However, all (100%, N=22) disagreed that Momentum had helped their business either to export for the first time, sell to GB or to sell outside the UK.
- Of 16 FDI businesses, only two suggested that Momentum helped them set up in NI as they were given guidance and contacts.
- Three-fifths (59%, N=51) of respondents were aware of, or familiar with, Momentum's work to support the development of collaborative networks of businesses that include ICT businesses. On an overall basis, half (50%, N=30) of the respondents that had some awareness or familiarity with Momentum's 'collaboration-related' activities were in agreement that Momentum has helped or encouraged their business to access or participate in collaborative activities with other businesses. These businesses suggest that this is because they have had the opportunity to network with other companies when attending events thus being given the opportunity to work with other companies.

Momentum's Impact

Only 4% (2 of 51) of respondents suggested that there has there been a direct impact upon their business' turnover or employment as a result of any support that their business may have received from Momentum. The two respondents (4%, N=51) suggested that Momentum's support had had a direct impact upon sales within the NI market. The sales impact suggested by the two respondents totals £27,000. The two businesses suggest that the sales came about due to networking opportunities availed of after attending Momentum's events.

Once deadweight and displacement is considered and ICT sectoral GVA is applied, we can conclude that the estimated total net additional sales of £10,361.82 would have generated circa £6,113 net additional GVA.

Given that there has been no discernible employment impacts generated by Momentum's activity, a gross or net productivity impact cannot be determined.

The Evaluation Team's own research in relation to the uptake of ICT in NI would indicate that Momentum's skills based activity has not been particularly effective in addressing the key areas that it was suggested that it would focus upon. However, the Evaluation Team acknowledges that the impact of Momentum's activity might not be seen until a period after its activity took place.

Furthermore, we consider that on an overall basis, there is some evidence, albeit limited, that Momentum has had an impact on 'university linkages with industry', 'skills development', 'knowledge transfers', 'encouraging FDI' and increasing 'innovation'.

Ultimately, it is the Evaluation Team's view that it is difficult to quantify the impact that Momentum's activity has made to Skills, Innovation and Internationalisation. We consider, based upon members' feedback that Momentum's greatest successes lay in its collaboration-focused activity.

Achievement of Objectives

The Economic Appraisal presented a series of ‘qualitative’ objectives that Momentum’s activity was anticipated to achieve. We note that many of these ‘qualitative’ objectives (as featured in Section 1.3) could have been made SMART (with the identification of appropriate baselines), and had they been, would have placed all parties in a better position to understand the value that Momentum’s activities might bring and what specific activity would be undertaken to deliver against them.

Unfortunately, Momentum has captured limited information relating to the achievement of the goals outlined in Section 1.3 (i.e. the areas of focus that were featured under each Pillar outlined within its Business Plan). In not attempting to measure its impact on addressing the needs of the sector, it would follow that Momentum cannot be in an informed position to ascertain whether its activity is effective.

Whilst Momentum’s activity and targets that were ultimately established within each of Momentum’s three annual Project Delivery Agreements (PDAs) during the years 2009-2012 align with the pillars established within Momentum’s Business Plan (i.e. Skills; Innovation; Internationalisation; Collaboration; and Communications), in many cases, the specific activity that was undertaken does not clearly align with the ‘proposed activity/areas of focus’ that were provided within Momentum’s Business Plan and the Invest NI commissioned Economic Appraisal. This again makes it difficult to fully understand whether the organisation achieved the more strategic objectives/goals that were established at the project approval stage (i.e. as opposed to the more operational targets established within the three PDAs).

In relation to the targets that were established within each of Momentum’s annual Project Delivery Agreements (PDAs) during the years 2009-2012, the Evaluation Team makes the following comments:

- Over the 3-year period, 106 separate SMART targets were established within the 3 PDAs. Momentum’s records indicate that their activity led to them achieving or exceeding 72% of the targets established.
- However, we consider the targets established within the PDAs to be quite operational, as opposed to the more strategic goals that were established with Momentum’s Business Plan and the Economic Appraisal. We consider that a more appropriate and strategic approach should have been taken that linked operational (output) related SMART targets directly with the achievement of strategic (outcome) related SMART targets.
- The Evaluation Team also considers that many of the targets that were established within the PDAs lacked sufficient challenge. We further note that the analysis relating to the achievement of objectives is somewhat simplistic as it assumes that all of the PDAs’ targets were of equal value.

Economy, Efficiency and Effectiveness

Our summary conclusions in relation to economy, efficiency and effectiveness indicators are as follows:

Indicator	Evaluation Team’s Commentary
Economy measures are concerned with showing that the appropriate inputs (i.e. the resources used in carrying out the project) have been obtained at least cost	Due to the nature in which Momentum was commissioned to undertake its Invest NI funded activity (i.e. submission of a business plan rather than Invest NI seeking specific services), we are unable to confirm whether appropriate inputs have been obtained at least cost.
Efficiency relates to measures that are concerned with achieving the maximum output from a given set of inputs	Given a more rigorous appraisal/approval process, and more robust project monitoring, we consider that, potentially, greater output may have been achieved from the given set of inputs.

Indicator	Evaluation Team’s Commentary
<p>Effectiveness measures are concerned with showing the extent to which aims, objectives and targets of the project are being achieved</p>	<p>Whilst operational targets have largely been achieved, we consider there to be less evidence that strategic objectives have been. Therefore, it is difficult to determine whether Momentum has been effective in achieving the goals that it established within its own Business Plan and that are set out in Section 1.3 of this Evaluation report.</p> <p>This is particularly the case in relation to Skills, Innovation and Internationalisation. However, despite the absence of outcome-focused monitoring, we consider, based upon members’ feedback that Momentum’s greatest successes lay in its collaboration-focused activity.</p>

Benchmarking

The Evaluation Team benchmarked Momentum with the following organisations:

- ICT Ireland;
- Irish Software Association;
- ScotlandIS; and
- United Kingdom Industry of Technology Association (UKITA).

We consider, based upon the information available to us, that it appears that Momentum is the least sustainable of the 5 organisations considered within the benchmark review. It is the Evaluation Team’s view that the 4 benchmark organisations generally have a more sophisticated member offering which is focused more on supporting the member businesses directly (rather than indirectly through schools and college based activity). This in turn allows these organisations to achieve higher membership fees and greater levels of non-membership fee income from members (e.g. fees for training courses etc.).

Support Needed within the ICT Sector

Respondents suggested five key areas where the NI ICT sector (or individual ICT technology areas within it) requires specific support. These are

1. Increase the availability of suitably qualified people to meet the needs of the sector;
2. Improve the attractiveness and image of the sector;
3. Make funding for businesses more accessible;
4. Focus on indigenous companies helping to increase exports; and
5. Increase linkages between industry and education sectors.

Recommendations

The Evaluation Team's key recommendations arising from the evaluation process are as follows:

1. **Rationale for Intervention** - The Evaluation Team is of the view that the importance of the ICT sector to the NI economy is not likely to diminish in the short, medium or longer term. We are of the view that supporting the growth of the sector should remain a priority for economic development bodies. However, going forward, we recommend that Invest NI clearly identifies what, if any, market failure requires addressing through ICT sectoral activity. This should be underpinned by, and clearly aligned to, the DETI and Invest NI Corporate Plans. The rationale should take full account (through a thorough mapping exercise) of the activities of not just Momentum (i.e. of its other activity undertaken through funding sources other than that which has been subject to this evaluation, including perhaps Invest NI), e-Skills UK and Sync NI but also Digital Circle, Department of Education, and Department for Employment and Learning.
2. **Objectives** – A clearly articulated rationale should lead to a clear set of outcome-based objectives that can realistically be monitored. The activity based nature of the objectives subject to this evaluation provided Invest NI with no indication of the potential/actual tangible impact of the activity.
3. **Activities** – Invest NI should give appropriate consideration to the activities that should be undertaken to meet the objectives and how these should be procured.
4. **Momentum Specific** - Regardless of Momentum's future involvement with Invest NI, we consider that it would be prudent for Momentum to review its operations and strategic remit. Such a review should include consideration of factors such as:
 - The organisation's structure and the degree to which it is representative of the entire NI ICT sector;
 - Its service offering and alignment to Members' needs;
 - How it adds value to members' operations. This should be clearly articulated and reflected by a growing membership;
 - Its communication and engagement with members/potential members;
 - How it adds value to potential funders' (e.g. Invest NI);
 - How it best levers the activity of others in the marketplace through strategic partnerships in order to support its own members;
 - Its costs and overheads with a view to achieving sustainability through Members' contributions in the medium-term. We consider that, similar to the migration seen by UKITA from public sector financed to a position of self-sustainability, Momentum should aim to be self-sustaining within 5 years.

1. INTRODUCTION AND BACKGROUND

1.1 Introduction

Invest NI has commissioned Cogent Management Consulting LLP ('Cogent') to undertake an independent evaluation of the Momentum ICT Federation covering the period 2009 to 2012. The evaluation assesses the extent to which funding against the 2009-2012 Project Delivery Agreements (PDAs) from Invest NI represents value for money and makes recommendations on Invest NI's future engagement with Momentum in the development of the ICT sector in Northern Ireland (over the period 2012-2015).

The evaluation has been undertaken in line with national and regional requirements. It is compliant with Central Government guidance including:

- "The Green Book: Appraisal and Evaluation in Central Government", HM Treasury 2003;
- "The Northern Ireland Guide to Expenditure Appraisal and Evaluation (NIGEAE), Current Edition", Department of Finance and Personnel;
- "The Magenta Book: Guidance for Evaluation"; and
- Invest NI Economic Appraisal Methodology (EAM) guidance.

This section of the report considers the background to Momentum, and the objectives of the Evaluation.

1.2 Momentum ICT Federation

1.2.1 Introduction

Momentum is the industry trade association for the Information and Communications Technology (ICT) industry in Northern Ireland. In April 2001, Momentum became the new identity replacing the Software Industry Federation (SIF) reflecting the wider range of member's interests and the convergence of technologies in the ICT sector.

Momentum's mission is:

"To design and deliver a range of innovative member services which support the development of a globally competitive ICT industry in Northern Ireland based on a thriving indigenous sector successfully addressing global markets and high value operations established by international corporations."

The key objectives of Momentum are to:

1. Promote and represent members' interests;
2. Encourage collaboration;
3. Continue to promote the growth of the industry both nationally and internationally;
4. Provide services that add value;
5. Be financially self-sustaining.

1.2.2 Activities

Momentum provides a range of services to its members both directly and through partnerships with other organisations. The Evaluation Team understands that services provided by Momentum are anticipated to address key constraints to growth and add economic benefit through cost reduction, access to sources of funding and promoting increased competitiveness. The 2009 Economic Appraisal established that services offered by Momentum include:

Momentum Services

- Promoting collaboration and developing collaborative networks between member companies and companies outside Northern Ireland. Examples include the All Island Software Network and the Digital Content Industry Network;
- Promoting Invest NI support business programmes and signposting member companies to these programmes;
- Encouraging member companies to seek to become Invest NI clients;
- Identifying and promoting innovation in the industry through networks;
- Providing networking opportunities through:
 - Open evenings;
 - Breakfast briefings;
 - Networking dinners; and
 - Special interest groups.
- Maintaining member awareness of the changing technological landscape through regular conferences, seminars and e-newsletters;
- Negotiating preferential rates for members for services such as insurance and software escrow;
- Informing members of industry changes through benchmarking, analysing sector growth, employment, revenues, export levels and salaries;
- Ensuring the Northern Ireland ICT sector has a knowledgeable and skilled workforce for the future by promoting careers in ICT to schools, colleges and universities.

1.2.3 *Previous Assistance*

In 2006, Momentum submitted a three year business plan (2006-2009) to Invest NI for funding. A Green Book economic appraisal of this business plan was undertaken in November 2006. The Economic Appraisal determined that Invest NI should provide operational support for the first year only with any additional funding being provided on the basis of an annual assessment of outcomes and a revision of targets based on the ongoing priorities of the sector.

Invest NI provided £550,000¹ funding over three years (2006-2009) which supported a range of activities focusing on the following four key areas:

- Skills development;
- Internationalisation;
- Innovation; and
- Public Sector Procurement.

In May 2009, Invest NI undertook a post-project evaluation of Momentum's 2006-2009 activities, which concluded the following:

- Attracting young people to study relevant IT courses should continue to be an important element of Momentum's activity in the short to medium term;
- Invest NI should continue to work closely with Momentum, e-Skills UK and others to ensure there is a close collaboration and cooperation across industry, academia and government in order to ensure Northern Ireland has the right quantity and quality of talent available to meet the needs of both existing and inward investors;
- There is a need to review roles and functions within the organisation in order to meet the administrative requirements to manage and deliver a broad programme of work; and
- Momentum met or exceeded all targets; therefore the project delivered value for money for Invest NI. Momentum should continue to receive support until membership is of sufficient size and scale for Momentum to be financially self-sustaining.

¹ Funding of £150,000 per annum plus an additional £100,000 in 2008 to support the facilitation of promotional activities and events

- Furthermore, based on an analysis of two member surveys, Momentum had achieved a high level of member satisfaction.

1.3 Business Plan 2009-2012

Momentum's three year business plan (2009-2012) was considered to build upon Momentum's previous business plans and detailed a range of services aimed at supporting the continued development of the ICT sector in Northern Ireland.

The 2009-2012 Business Plan indicated that Momentum's Board of Directors aimed to focus the organisation's efforts on initiatives that members' feedback suggested would deliver the greatest value. These included:

- Sector focussed trade missions as a means to break into and develop international markets. It was envisaged that Momentum would work with Invest NI to expand the range of sector specific trade missions, to ensure that these are relevant to members and to promote and encourage more companies to participate;
- Working with universities, colleges and industry to improve the level of engagement and to ensure better alignment between university and college research and industry need; and
- Developing and executing an implementation plan recommended by the MATRIX ICT Horizon Panel report. Momentum believed that it could make a substantial contribution to the execution of the plan particularly in the area of developing a significant ICT industry cluster in Northern Ireland over the next ten years.

In order to achieve this vision and in consideration of the key issues to be addressed in the NI marketplace, Momentum focused on the following four strategic pillars:

1. Skills;
2. Innovation;
3. Internationalisation;
4. Collaboration;
5. Communications - The four aforementioned strategic pillars were supported by a fifth cross-cutting strategy of effective communications. The communications strategy focused on promoting the work of Momentum to members, Government and the wider business community, through a series of channels including media, events, lobbying and website channels.

Some detail regarding these functional areas (or "pillars" as referred to in the Momentum Business Case) is outlined below:

Table 1.1: Momentum's Strategic Pillars

Pillar	Key Issues to be addressed	Momentum's strategy under this pillar is to:	Momentum will focus on:	Anticipated Impact
Skills	<ul style="list-style-type: none"> ICT not considered as a career of choice; Downturn in the number of students studying ICT. 	<i>Ensure that the sector has and will continue to have an adequate supply of suitable people to meet the current and future needs of the sector.</i>	<ul style="list-style-type: none"> Expanding the number of suitable graduates available to meet short term needs of the sector; Improving the attractiveness and image of the ICT industry; Establishing ICT as the career choice of primary, post primary and third level students; Correcting the gender imbalance in the sector; Ensuring the ICT related curriculum in secondary schools and universities is relevant and prepares students for employment in the ICT sector; and Ensuring teachers are familiar with the skill requirements of employers. 	Support the building of a pipeline of appropriately qualified software professionals in Northern Ireland.
Innovation	<ul style="list-style-type: none"> Low level of innovation; Poor alignment of university research with industry need; Greater collaboration with academia on R&D; New technologies such as mobile and new delivery models such as 'Cloud' computing. 	<i>Promote a culture of innovation across the ICT sector to achieve greater investment in new or improved products, processes and services.</i>	<ul style="list-style-type: none"> Promoting greater understanding of innovation to member companies. Assisting member companies in adopting innovative practices. Signposting member companies to innovation support services from Invest NI and others. Measuring and benchmarking innovation in member companies. Partnering with stakeholders in promoting innovation. Engaging with FE/HE to improve alignment between academic research and industry requirement and facilitating improved linkage between industry and academia 	Assist Invest NI in promoting higher value-added activity through innovation and the commercial exploitation of R&D.
Internationalisation	<ul style="list-style-type: none"> Focus on technology over sales and marketing; Small home market and a consequent over-reliance on the public sector; Lack of private sector funding; Attracting FDI projects especially in software. 	<i>Support Invest NI's FDI activities and assist indigenous companies in strengthening their competitiveness through trade and access to international networks.</i>	<ul style="list-style-type: none"> Educating industry in international sales & marketing practices and assisting them in adopting these practices. Signposting member companies to sales & marketing support services from Invest NI and others. Supporting Invest NI's focussed inward investment strategy which targets high value added projects which complement indigenous industry. Supporting Invest NI in developing a showcase for the ICT industry and in creating value propositions for potential inward investors. Providing a 'soft landing' for new international ICT companies setting up in Northern Ireland. 	Supporting Invest NI's Corporate objectives to assist 600 first time exporters; support companies to diversify into new markets; improve the sales and marketing capability of NI ICT businesses; Support 45 new start-ups selling outside the UK (exports) and 300 start-ups selling to GB (external sales).

Table 1.1: Momentum’s Strategic Pillars

Pillar	Key Issues to be addressed	Momentum’s strategy under this pillar is to:	Momentum will focus on:	Anticipated Impact
Collaboration	<ul style="list-style-type: none"> No formal ICT cluster; Lack of critical mass for most companies in the sector; Greater collaboration between national and international companies. 	<i>Develop an ICT cluster that is globally significant</i>	<ul style="list-style-type: none"> Encouraging and facilitating the development of collaborative partnerships between member companies and others within and without NI so as to create a formal ICT cluster. Developing sources of funding to support the development of industry collaboration. Lobbying for support from Government for support for collaborative networks of companies. Educating companies in competing for public sector business and lobbying for more public sector business for members. Developing partnerships with similar organisations so as to deliver enhanced member value. Working with the European Connected Health Campus (EHC) to engage Momentum member companies in addressing the connected health opportunity. Working with NISP Connect to promote entrepreneurship and extend collaboration between companies. 	Support the development of collaborative networks in line with the ICT cluster development recommendation in the ICT Horizon Panel report and in line with Invest NI’s collaborative network strategy.
Communications Strategy		<i>Deliver effective communications which will promote the work of Momentum to members, the ICT industry in and outside Northern Ireland, key stakeholders and decision makers.</i>	<ul style="list-style-type: none"> Identifying and refining key strategic messages across the other four pillars; Identifying stakeholders, press, opinion formers, and others to target with the key messages. Developing long term professional relationships with Northern Ireland press, media and web sites and ICT specialist media in Northern Ireland and beyond. Regularly updating members with news, information and events through the Momentum website and other social media channels. Providing a web based platform for members to engage directly with each other. Opening the website for members to add their own news and content. Building a “story calendar” to provide a structure for news and information flow. Developing tools and skills to maximise publicity before and after events. Identifying channels that Momentum can control including social media websites such as ‘YouTube’ and ‘Twitter’. 	To keep members better informed on local and global issues affecting the ICT sector.

1.4 Invest NI's Requirements

Invest NI has commissioned Cogent to undertake an independent evaluation of the service delivery of the Momentum ICT Federation (Momentum) covering the period 2009-2012. The evaluation will assess whether funding against the 2009-2012 Project Delivery Agreement (PDA) from Invest NI represents value for money and will make recommendations on Invest NI's future engagement with Momentum in the development of the ICT sector in Northern Ireland (over the period 2012-2015).

The specific objectives of the evaluation are set out within Appendix I.

1.5 Notes on Methodology

In conducting the evaluation, Cogent employed a methodology that included:

- A robust desk-based analysis of pertinent materials relating to Momentum's Invest NI-funded activities;
- Consultation with the Steering Group that was established for the evaluation. This included representation from:
 - Invest NI's Technology and Services Team;
 - Invest NI's Strategy Group; and
 - DETI's Analytical Services Unit.
- Consultations with Momentum;
- Consultation with DETI's MATRIX Secretariat;
- Consultation with Invest NI's Trade Team;
- Consultation with individuals within benchmark organisations including:
 - ScotlandIS;
 - United Kingdom Industry of Technology Association (UKITA).
- A telephone survey of 16 Invest NI ICT clients that are not Momentum members;
- A telephone survey of 51 of Momentum's 102 members. A summary of our participant survey is presented below:

Table 1.2 – Momentum Members Survey Sample		
Total No. of Momentum Members	No. surveyed	Confidence Interval based on a 95% confidence level
102	51	9.75

It is noted that due to the small numbers of participants for some aspects of the programme and the resulting small sample size that was in a position to respond to some aspects of the survey, care should be taken by the reader when interpreting or extrapolating some results.

Appendix VII of this report contains a discussion on issues relating to the reliability of information presented in the report and an assessment of non-response bias.

2. STRATEGIC & MARKET CONTEXT

This section of the report provides a summary of the Evaluation Team's views on the strategic and market context within which Invest NI-supported Momentum activity was delivered. Appendix II provides a more detailed overview on issues such as:

- The strategic context under which the project operated and assesses whether the strategic context under which the project was delivered remains valid.
- The operational fit of the project in line with the objectives of the Invest NI Corporate Plan and DETI Corporate Plan (using the appropriate Corporate Plans in place during the evaluation period);
- The fit of the Invest NI funded Momentum project with other Invest NI programmes including whether the programme has given rise to any duplication with/displacement of other programmes/activity operating in NI.
- The original rationale for the project outlining the nature and extent of market failure and/or equity issue that the programme was (is) seeking to correct; and
- The need and demand for the programme and whether these still exist to continue in future years.

2.1 Strategic Context & Operational Fit

When considered at a high level, it is evident that the four pillars of Momentum's activity (i.e. skills, innovation, collaboration and internationalisation) had and have potential to contribute (to a greater or lesser extent) to aspects of DETI's and Invest NI's goals for both the 2008-2011 and 2011-2015 Corporate Planning periods. However, whilst there is a broad strategic fit, the Evaluation Team has reservations as to the extent to which there has been an operational fit between Momentum's Invest NI funded activities and the objectives of the Invest NI and DETI Corporate Plans in place during the evaluation period.

For example, when Momentum's four pillars are considered at a high level, it is evident that they align closely with DETI's 2011-2015 Priorities (i.e. to stimulate innovation, R&D and creativity; to improve, in conjunction with DEL, employability and the level, relevance and use of skills; to help NI businesses compete in the global economy; and to encourage business growth) and Invest NI's focus on the drivers of economic growth. However, and as is explored further throughout this report, it is difficult to ascertain how the activities that Momentum has implemented under the four pillars have contributed, in any measurable way, to the targets that align with DETI's or Invest NI's priorities.

Whilst the Evaluation Team recognises that skills development is a key aspect of both DETI and Invest NI's Corporate Plans, it is our view that it is imperative, regardless of the value that Momentum's schools and colleges focused activities may or not have, going forward that the two NI Departments with more direct responsibility within these spheres, should be more involved in determining if Momentum's activities add value to their work to enhance the uptake of ICT amongst young people or to encourage more people to consider a career in ICT. They are:

- The Department for Employment and Learning whose overall aim is "to promote learning and skills, to prepare people for work and to support the economy". It is responsible for further and higher education, training and skills, employment programmes and employment law. Within the Executive's PfG 'Growing a Sustainable Economy and Investing in the Future', five priorities are to be delivered by DEL. They include:
 - **Increase uptake in economically relevant Science, Technology, Engineering and Mathematics places;**
 - Up-skill the working age population by delivering over 200,000 qualifications;

- Develop and implement a strategy to reduce economic inactivity through skills training, incentives and job creation (in partnership with Department of Enterprise, Trade and Investment);
- The Department of Education whose first Corporate Goal is to “raise standards for all, through high quality teaching and learning, ensuring that all young people enjoy and do well in their education and that their progress is assessed and their attainment recognised, including through qualifications. Strategic Objectives within this goal include:
 - Provide a curricular framework that, while providing maximum flexibility for teachers, also ensures that what children and young people learn while at school is relevant to their needs and aspirations; **reflects the needs of the economy of the future; and provides progression into further and higher education and employment.**
 - Ensure that teaching and learning via the curriculum (and in pre-school) has a particular focus on developing the core skills of literacy, numeracy and **ICT** and on assessing and improving pupils’ progress and attainment in these areas.
 - Increase the % of pupils who continue to study courses at post-16 that lead to the achievement of STEM-related qualifications.

Going forward, we recommend that Invest NI consider closely the types of activities that it should be involved in or support relating to the ICT sector. Generally speaking, the focus of its support to the ICT sector should be on activities that have the potential to directly contribute to its Corporate Plan.

2.2 Fit with Other Interventions & Duplication/Displacement

Over the period 2009-2012, Momentum’s Invest NI funded activities largely related to schools or colleges based activity or signposting members to Invest NI’s services. Therefore, we consider there to have been little potential for duplication with/displacement of Invest NI activity. Discussion with Invest NI’s Trade Mission Team indicates that they are of the view that Momentum played a valuable role in signposting its members to various Invest NI trade missions.

However, it is challenging (based upon a lack of clarity within the approval documentation, monitoring materials and other associated materials provided to the Evaluation Team) to determine what specific role or value that Momentum played/brought to much of the skills based areas of its work that E-Skills UK NI was also involved (NB this entails much of its schools and colleges based activity).

2.3 Original Rationale & Market Failure

The Economic Appraisal of Momentum did not identify the nature and extent of market failure and/or equity issue that Momentum’s support was (is) seeking to correct.

2.4 The Need and Demand for the Programme

In relation to the need for Momentum's support, the Economic Appraisal concluded that action was required to support the continued growth of the NI ICT sector. It stated that there was a need to develop the quantity and quality of ICT skills in NI to remain competitive and attract high value added investment into the economy. Furthermore, it stated that the development of an ICT sector 'cluster' would assist the ICT sector, particularly in the creation of essential networks of commercial intelligence.

The Evaluation Team notes that the original need and rationale for supporting Momentum as featured in the various project approval documentation is heavily premised upon a need to improve skills within the sector. Little or no focus was placed upon justifying the need for the remaining pillars of Momentum's activity (i.e. internationalisation, collaboration and innovation).

The Evaluation Team is of the view that there continues to be a need to develop the quantity and quality of ICT skills in NI to remain competitive and attract high value added investment into the economy. This is supported by our discussions with Momentum members and with businesses operating in the NI ICT sector that are not members of Momentum, as well as a review of numerous research/policy documents relating to the needs of the NI ICT sector.

However, the demand for Momentum (and/or its service offering), as reflected by the movement in its membership figures, is in decline. We consider that there is a need for Momentum to renew/overhaul its engagement with all strata of the NI ICT sector; identify its needs and offer a service(s) that the sector will see value in, which should be evidenced by year-on-year growth in membership.

There may also be a requirement for Momentum to review its structure, so as to ensure that it reflective of all strata of the NI ICT sector.

3. ACTIVITY & ACHIEVEMENT OF OBJECTIVES

3.1 Introduction

The Evaluation Team notes that the Economic Appraisal details that the ‘qualitative’ objectives established within Momentum’s three year business plan (2009-2012) were:

- To ensure that the ICT sector in Northern Ireland has and will continue to have an adequate supply of suitably qualified people to meet the current and future needs of the sector;
- To promote innovation across the ICT sector in Northern Ireland to achieve greater investment in new or improved products, processes and services;
- To promote internationalisation in the local ICT industry, encouraging opportunities for growth in niche markets;
- To promote collaborative networks between ICT companies in Northern Ireland, RoI and overseas; and
- To deliver effective communications, promoting the work of Momentum to members, the ICT industry in and outside Northern Ireland, key stakeholders and decision makers.

However, despite acknowledging that Momentum is funded by a variety of funding bodies for a variety of activities, the Economic Appraisal made no attempt to distinguish which, if any, of these qualitative objectives related to activity that Invest NI would ultimately fund as part of the outworkings of the Appraisal process. We note this because, whilst it would appear that many of these qualitative objectives could relate to the Invest NI funded activity that is subject to this Evaluation, they could equally (and in some cases appear to more specifically) relate to Momentum activity that is funded by InterTradeIreland, EU FP7 funds and indeed other Invest NI funding (i.e. for the Digital Circle Collaborative Network).

We further note that many of these ‘qualitative’ objectives could have been made SMART (with the identification of appropriate baselines), and had they been, would have placed all parties in a better position to understand the value that Momentum’s activities might bring and what specific activity would be undertaken to deliver against them.

The Evaluation Team will revisit Momentum’s qualitative objectives later in this report, but this section first focuses on the extent to which Momentum has delivered against the objectives/SMART targets that were established with each of the three annual Project Delivery Agreements (PDAs) during the years 2009-2012.

3.2 Achievement of SMART Targets

As detailed in Section 1.3, Momentum prepared a three-year business plan for the period 2009-2012, which it submitted to Invest NI for consideration for funding. It was this business plan that was the subject of the Economic Appraisal and the resulting approval of funding.

The Momentum Business Plan and Economic Appraisal (as re-presented in Section 1.3) identified 5 pillars of activity that Momentum proposed to focus upon and specific areas of focus with associated goals/targets (albeit that the targets were not made SMART²). Both documents also identified 5 anticipated impacts or outcomes associated with the 5 pillars of activity.

The Evaluation Team makes a number of points in relation to the proposed activity/targets/outcomes outlined within Section 1.3 of this report:

1. Our discussions with Momentum indicate that the organisation has captured limited information relating to the achievement of the goals outlined in Section 1.3 (i.e. the areas of focus that were featured under each Pillar outlined within its Business Plan). For example, when we met with

² Specific, Measurable, Achievable, Relevant and Time-dependent.

Momentum, the organisation was not in a position to comment on the number of ‘suitable graduates’ that was available to the ICT sector either at the outset of the Plan or at the present time (except in a very generic sense); nor was it in a position to comment on how the organisation might have performed in terms of correcting the gender imbalance in the sector. Given that much of the need for supporting Momentum was premised on these issues, it is disappointing that the organisation does not measure its performance in alleviating such issues;

2. In not attempting to measure its impact on addressing the needs of the sector, it would follow that Momentum cannot be in an informed position to ascertain whether its activity is effective;
3. However, the Evaluation Team has sought to understand whether more young people are taking up ICT related subjects at school, college or university and whether the gender imbalance is being corrected. Our research (which is presented in full within Appendix V) indicates that:

- In the 5 year period 2007-11, the number of **school** candidates sitting ICT GCE A/AS levels increased year by 39% to 1,511 in 2011.
- With the **Further Education Sector**, the level of ‘ICT sector’ enrolments peaked in 2003/04 with 23,671 enrolments. Enrolments subsequently decreased until 2009/10 (11,894 enrolments). However, 2010/11 seen a 17% increase to 13,939 enrolments.
- Linked to the previous point, ‘ICT sector’ enrolments as a proportion of total Further Education sector enrolments has also decreased steadily since 2001/02, with a slight uplift during 2010/11;
- Contrary to the reported gender imbalance, there were a larger proportion of females enrolled on ‘ICT sector’ courses within the Further Education Sector until 2009/10. During 2010/11, 53% of Further Education ‘ICT sector’ enrolments were male; whilst 47% were female. DEL’s published statistics does not provide an indication of the range of courses contained within the ‘ICT sector’, but the Evaluation Team notes that the findings relating to the gender split may be influenced by the inclusion of secretarial-type ICT courses. However, we consider that if Momentum’s monitoring was better developed the organisation should be in a better position to understand the level of enrolments with the most relevant courses;
- At the **Higher Education level**, the number of NI domiciled undergraduate students enrolled on Computer Sciences courses in the UK has decreased by 58% (from 1,798 to 750) during the period 2001/11. Furthermore, the proportion of NI Computer Science enrolments as a percentage of total enrolments decreased from 9% in 2001/02 to 5% in 2010/11.
- At Higher Education level, a gender imbalance can be seen and appears to be worsening. In 2010/11, only 23% of the NI domiciled undergraduate students enrolled on Computer Sciences courses in the UK were female.
- Running converse to our findings relating to the uptake of ICT-related subjects at school, Further Education and Higher Education levels, total Information & Communication Sector (ICS) employment increased by 6% between 2009 and 2011.

The Evaluation Team’s own research in relation to the uptake of ICT in NI would indicate that Momentum’s skills based activity has not been particularly effective in addressing the key areas that it was suggested that it would focus upon. However, the Evaluation Team acknowledges that the impact of Momentum’s activity might not be seen until a period after its activity took place. The more pertinent aspect of this discussion is that Momentum does not measure the impact of its activity on any key metrics and cannot therefore have an understanding of its effectiveness.

4. Whilst Momentum’s activity and targets that were ultimately established within each of Momentum’s three annual Project Delivery Agreements (PDAs) during the years 2009-2012 align with the pillars established within Momentum’s Business Plan (i.e. Skills; Innovation; Internationalisation; Collaboration; and Communications), in many cases, the specific activity that was undertaken does not clearly align with the ‘proposed activity/areas of focus’ that were provided within Momentum’s Business Plan and the Invest NI commissioned Economic Appraisal (as set out in Section 1.3).

In relation to the targets that were established within each of Momentum’s annual Project Delivery Agreements (PDAs) during the years 2009-2012, the Evaluation Team makes the following comments:

- Over the 3-year period, 106 separate SMART targets were established within the 3 PDAs. As illustrated in the table below, Momentum's records indicate that their activity led to them achieving or exceeding 72% of the targets established. A further 19% of the targets established were partially achieved; whilst 10% were not achieved.

Pillar	Skills	Innovation	Internationalisation	Collaboration	Communication	Total (N)	Total %
Objective Exceeded	6	3	10	2	4	25	24%
Objective Achieved	10	12	13	7	9	51	48%
Objective Partially Achieved	5	4	2	7	2	20	19%
Objective Not Achieved	3	4	2	1	1	11	10%
Total	24	23	27	17	15	106	100%

- However, we consider the targets established within the PDAs to be quite operational, as opposed to the more strategic goals that were established with Momentum's Business Plan and the Economic Appraisal. We consider that a more appropriate and strategic approach should have been taken that linked operational (output) related SMART targets directly with the achievement of strategic (outcome) related SMART targets.
- The Evaluation Team's full analysis and discussion relating to the achievement of the PDA targets is featured in Appendix III. The Evaluation Team notes that to achieve the analysis presented within Appendix III required extensive (and disproportionate) input from the Evaluation Team, and indicates a requirement for Momentum to develop more robust and appropriate monitoring procedures relating to the achievement of any targets that might be established for the organisation using Invest NI monies going forward;
- The Evaluation Team also considers that many of the targets that were established within the PDAs lacked sufficient challenge. We further note that the analysis outlined in the table above is somewhat simplistic as it assumes that all of the PDAs' targets were of equal value;
- It should be noted that the Evaluation Team is also of the view that the outworkings of some of Momentum's activity may not be easily measurable, but this does not negate a requirement for Momentum to substantially improve the level of clarity relating to its activities, the scope of the role and responsibility that it takes in achieving targets (that might actually be shared with other organisations) and the level of input (manpower) that is required to undertake any suggested activities. One key example of the important role that Momentum has played during the 2009-2012 period, but that was not reflected in any of the monitoring material provided to us by the organisation is the role that Momentum played in the MATRIX Panels. Whilst participation in the MATRIX ICT Panel and contribution to the subsequent report was an aspect of Momentum's PDA targets, the Evaluation Team's discussions with DETI indicates that the organisation also play a key role in the MATRIX Telecoms sector report. DETI have particularly valued Momentum's contribution to the work of MATRIX and their role as acting as a conduit to the NI ICT sector.

In particular, DETI indicated that they consider that Momentum played a key role in changing Government procurement policy within NI. Again, there is some lack of clarity as to whether this can be attributed to the Invest NI monies that are subject to this evaluation, as we understand that Digital Circle (which was established using Invest NI monies) was also involved in the 'Tourism Digital Apps' project suggested by DETI.

The procurement project cited by DETI introduced the Technology Strategy Board's (TSB) Small Business Research Initiative (SBRI) within NI³.

³ The SBRI programme uses the power of government procurement to drive innovation. It provides opportunities for innovative companies to engage with the public sector to solve specific problems. Competitions for new technologies and ideas are run on specific topics and aim to engage a broad range of organisations. SBRI enables the public sector to

3.3 Momentum's Membership

Momentum's membership may be categorised into the following sectors:

- Indigenous SME companies, whose core business is ICT;
- Multi-national corporations selling into NI;
- Multi-national corporations that have established an offshore development centre in NI;
- Private sector companies whose core business is not ICT but who have an ICT department;
- Public sector ICT departments;
- Academic institutions; and
- Consultancy firms.

The Economic Appraisal indicated that the Board of Momentum had recognised that the organisation had to seek to increase the amount of funding it generates from its membership in order to decrease its dependency on public sector support. Membership subscription levels had been reviewed in October 2008 but due to the economic uncertainty at that time it was agreed that subscription levels should remain unchanged. The Board had subsequently (in advance of the Economic Appraisal) reviewed financial contributions from members and had agreed the following actions relating to membership numbers and membership fees:

- Momentum planned an aggressive recruitment campaign with an objective of increasing membership by 50 companies over the 3 year period to March 2012. A particular target was anticipated to be the members of the Digital Circle forum. However, it was anticipated that this increase in membership would result in a limited increase in membership fees as the companies were suggested to be small.
- Membership subscriptions would be increased by 5% across all membership categories from 1 April 2010. A further 5% increase would be applied from 1st April 2011.

At November 2009, the organisation had 157 members:

No of Employees	Number of Members	Annual Subscription Rates
1-5	77	£85+
6-10	12	£375
11-20	13	£500
21-50	15	£675
51+	32	£850
Affiliate	8	£750
Total	157	

engage with industry during the early stages of development, supporting projects through the stages of feasibility and prototyping.

The process starts with a government department or other public body identifying a specific challenge. This is then turned into an open competition for new technologies and ideas that is open to the broad business community. Companies with potentially interesting technologies and ideas submit an application. All submitted ideas are assessed, and those judged to be the most promising are awarded development contracts.

⁴ Source: Economic Appraisal of Momentum's Three Year Business Plan (2009-2012), KPMG, November 2009

However, Momentum's membership has decreased by 35% to 102 (at October 2012). An overview of Momentum's current membership by size of business and membership classification is shown below

Table 3.3 – Momentum's Membership & Membership Income at October 2012						
Membership Group	Membership by Category				Income	
	A	B	C	Total	Annual Fee	Total £
1-5		34	11	45	£85	£3,825
6-10		6	2	8	£275	£2,200
11-20		5		5	£500	£2,500
21-50		6	2	8	£675	£5,400
51+	18	1	4	23	£850	£19,550
Affiliates			10	10	£750	£7,500
Education			3	3	£500	£1,500
Sub-Total	18	52	32	102		42,475
Gold Partner (Citi)	1			1		2,000
Total						44,475

The membership categories are as follows:

Table 3.4 – Momentum Membership Categories	
A	Members with more than 50 ICT employees
B	Members with 50 or less ICT employees
C	Members not established with a view to making profit from software services or products

The analysis indicate that Momentum has not increased its annual membership fees, and instead for those members with between 6 and 10 employees, membership fees have been reduced from £375 to £275 per annum.

The analysis illustrates that just over half (52%) of Momentum's current membership is comprised of micro-enterprises⁵. Invest NI has indicated that the structure of the ICT industry in NI is mostly made up of micro businesses (<10 employees).

The Evaluation Team understands that during April 2008, Invest NI created the 'Digital Circle', a business forum, under the Momentum umbrella, for companies and individuals working in digital content businesses in NI. It covers web content, mobile content, film, television, digital animation, post production, e-learning, games, serious gaming and music. This forum is understood to have c252 member companies, who are not required to pay an annual membership fee. It is understood that purpose of this forum was to help address significant constraints to growth faced by these businesses, including:

- A small domestic market, thus requiring companies to address international markets at an early stage in their development. However, addressing international markets is expensive both in resources and money terms;
- Limited funding resulting in low investment in innovation both in terms of technology and process improvement;
- No or limited history of collaboration between companies as a means to increase scale and capabilities and to improve competitiveness; and

⁵ NB The Evaluation Team recognises that the European Union (EU) definition of micro-enterprises are those that meet 2 of the following 3 criteria and have not failed to do so for at least 10 years: fewer than 10 employees; balance sheet total below EUR 2 million; turnover below EUR 2 million. Whilst Momentum's membership does not clearly identify or technically identify micro-enterprises, we have assumed that on the balance of probability the majority of businesses in the 6-10 employee bracket will in fact have 6-9 employees.

- Insufficient supply of people with world class skills.

Given the following factors:

1. The extent to which the constraints that Digital Circle was created to address mirror those that the Invest NI funded Momentum project was focused on addressing;
2. Momentum's declining membership;
3. The feedback from Momentum's members and non-member ICT businesses in terms of their awareness and understanding of the organisation's offering.

it is the Evaluation Team's view that it may be appropriate for Momentum to more closely integrate (perhaps merging completely) its operations with those of Digital Circle⁶. Indeed, as part of such analysis/discussion, it would be appropriate to discuss the clear segregation and delineation of roles and responsibilities between Momentum and e-Skills UK NI.

3.4 Equality Considerations

Section 75 of the Northern Ireland Act 1998 requires that Invest NI shall, "in carrying out its function relating to Northern Ireland, have due regard to the need to promote equality of opportunity" between the following nine Section 75 groups:

- Persons of different religious belief, political opinion, racial group, age, marital status or sexual orientation;
- Men and women generally;
- Persons with a disability and persons without; and
- Persons with dependents and persons without.

In addition and without prejudice to these obligations, in carrying out its functions, Invest NI is also committed to promote good relations between persons of different religious belief, political opinion or racial group.

Momentum's activity is primarily aimed at supporting and developing the NI ICT sector and does not specifically target any Section 75 categories. It is open to both Invest NI clients and non-clients. Momentum's activity is a positive action measure which is not envisaged to have an adverse impact on any S75 group.

The Evaluation Team's review of Momentum's activity, of monitoring information provided during the evaluation process and our discussions with Momentum members and non-members has identified:

- No evidence of higher or lower participation or uptake of different groups;
- No evidence to indicate that different groups have different needs, experiences, issues and priorities in relation to Momentum's activity;
- No opportunities to better promote equality of opportunity or better community relations by altering the work of Momentum;
- No accessibility issues that might run contrary to the Disability Discrimination Act 1995.

⁶ NB Discussion with Invest NI's Collaborative Network Programme team indicates that there is little overlap between the membership of Momentum and that of Digital Circle, so there is little possibility that Momentum's membership has migrated to Digital Circle where they may have availed of similar support without paying a membership fee.

4. SATISFACTION WITH, & VIEWS OF, MOMENTUM

Section 3 provides a detailed analysis of the key findings, emerging from the primary research with Momentum's membership and other non-member NI-based ICT businesses, in terms of their satisfaction with, and views of, Momentum and its support.

4.1 Profile of Respondents

4.1.1 Type of Member

In total, Cogent spoke to 51 (50%) of Momentum's 102 members. Of the members that we spoke to two-thirds (65%, N=51) suggested that their main motivation for being a Momentum member is due to their business being an ICT Sector business.

Table 4.1 - Which of the following best describes why your business is a Momentum Member?		
	No.	%
It is an ICT sector business	33	65%
It is not an ICT sector business, but it has a large ICT department	6	12%
It is not an ICT sector business, but you work with businesses in the ICT sector	11	21%
Other	1	2%
Total	51	100%

A third (35%, N=51) of respondents were not ICT businesses, but have chosen to become Momentum members for the following reasons:

- A fifth (21%) of respondents work with businesses that operate within the ICT sector. Such respondents included law firms, recruitment agencies, financial services and insurance companies; and one construction business,
- 12% of respondents are businesses with large ICT departments e.g. call centres;
- One respondent suggested that it was a charity that wished to improve its ICT structures, and had become a member in order to understand best practice in terms of ICT.

4.1.2 Number of Years Trading

The survey results indicate that the majority (92%, N=51) of Momentum's membership appear to be well established businesses, trading for more than six years. This is perhaps somewhat surprising given the growth and prevalence of small ICT related businesses operating in NI in recent years.

Table 4.2: Number of Years Trading		
	No	%
Less than 2 years	1	2%
More than 2 years, but less than 4 years	2	4%
More than 4 years, but less than 6 years	1	2%
More than 6 years	47	92%
Total	51	100%

4.1.3 Business Headquarters

30% of Momentum's members indicated that their headquarters were located outside NI.

4.1.4 Employment

The majority (59%, N=51) of respondents suggest that in terms of employment, they were micro (43%) or small (16%) enterprises.

Type of Member	NI				Outside			
	Micro	Small	Medium	Large	Micro	Small	Medium	Large
It is an ICT sector business	33%	6%	2%	4%	-	4%	6%	10%
It is not an ICT sector business, but it has a large ICT department	4%	-	-	4%	-	-	2%	2%
It is not an ICT sector business, but you work with businesses in the ICT sector.	6%	-	6%	4%	-	4%	-	2%
Other	-	2%	-	-	-	-	-	-
Total (N=51)	43%	8%	8%	12%	-	8%	8%	14%

4.2 Momentum's Marketing

Over a third (37%, N=51) of Momentum Members became aware of Momentum through their peer network (i.e. work colleagues or another ICT business). However, only 16% suggested that they had become aware of Momentum as a result of direct contact from a representative of the organisation (or its legacy body, the ICT Federation).

Source of Awareness	No.	%
A work colleague	10	20%
Another ICT business	9	17%
Directly from a Momentum representative or the ICT Federation	8	16%
Invest NI's website	4	8%
A newspaper or magazine article/advertisement	4	8%
Other	4	7%
Internet Research	3	6%
Word of Mouth	3	6%
Unable to Recall	3	6%
Through attendance at an Invest NI event	2	4%
Directly from an Invest NI representative	1	2%
Total	51	100%

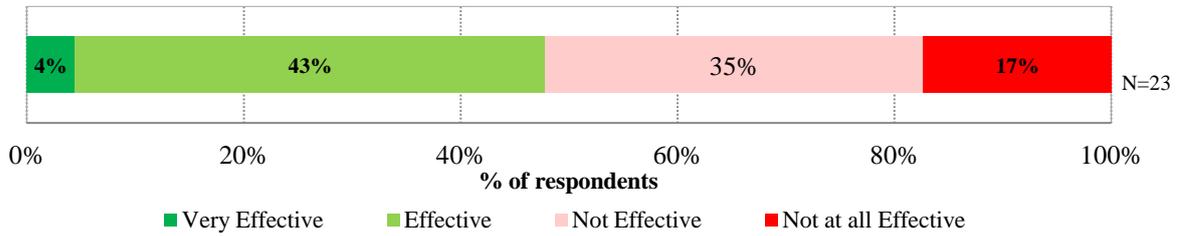
14% (N=51) of respondents indicated that they had first become aware of Momentum as a result of Invest NI activity (i.e. Invest NI's website, an Invest NI event or directly from an Invest NI representative).

Over half (55%, N=51) of respondents did not consider themselves to be in a position to comment on the effectiveness of Momentum's promotional activities to attract new members, with no knowledge of the activities that Momentum undertakes.

Of those respondents (45%, N=51) who considered themselves to be in a position to comment on Momentum's marketing to potential new members, over half (52%, N=23) suggested that it was either 'not effective' (35%) or 'not at all effective' (17%). These respondents largely suggested that Momentum was not proactive in trying to attract new members.

⁷ Micro Business (1-9 employees), Small Business (10-49 employees); Small Business (10-49 employees); Large Business (250+ employees)

Effectiveness of Momentum’s Marketing to Potential Members



The respondents (47%, N=51) who considered Momentum’s marketing to potential members to be either ‘effective’ (43%) or ‘very effective’ (4) suggested that information about Momentum is easy to access and understand and that the organisation is proactive in contacting potential members.

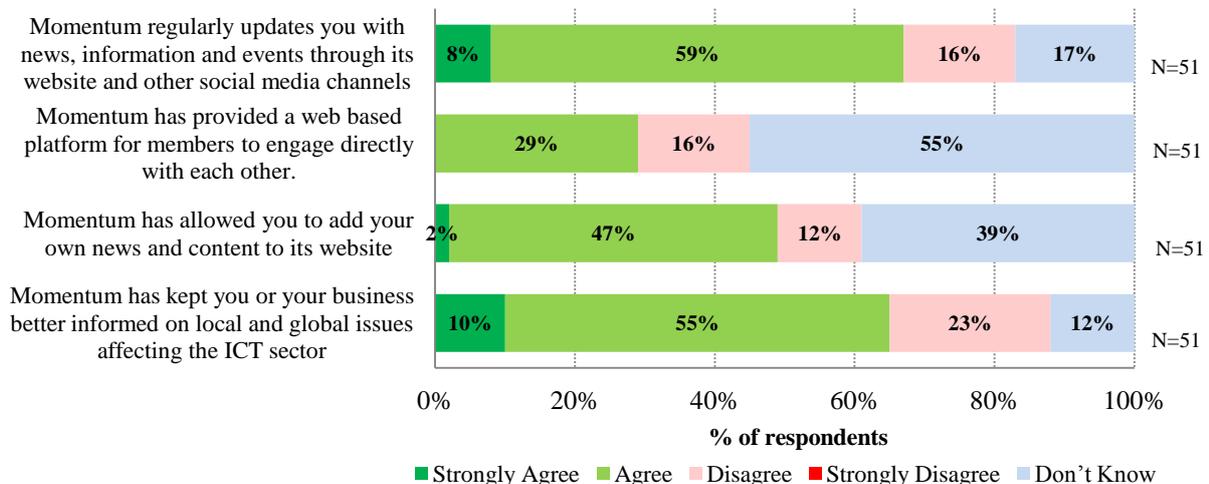
“I found Momentum through my own research, not through their marketing.”
“Momentum’s marketing to potential members is factual and well laid-out.”

4.3 Momentum’s Communication

Of the 51 respondents of the survey:

- Two-thirds (67%, N=51) are in agreement that Momentum regularly updates them with news, information and events through its website and other social media channels.
- Two-thirds (65%, N=51) believe that Momentum has helped to keep their business informed on local and global issues affecting the ICT sector.
- Many respondents commented on the Momentum’s use of emails, newsletters and bulletins, which they suggested were useful for keeping them up to date on local issues (rather than global issues, which many suggested that Momentum could improve upon).
- Those respondents (33%-35%) who disagreed or did not know whether Momentum had been effective in keeping them up to date with news suggested that they were not aware of receiving e-mails from or that they deleted the e-mails without first reading them, as often the information that they contained was not of relevance to them.

Effectiveness of Momentum’s Communication Related Activities

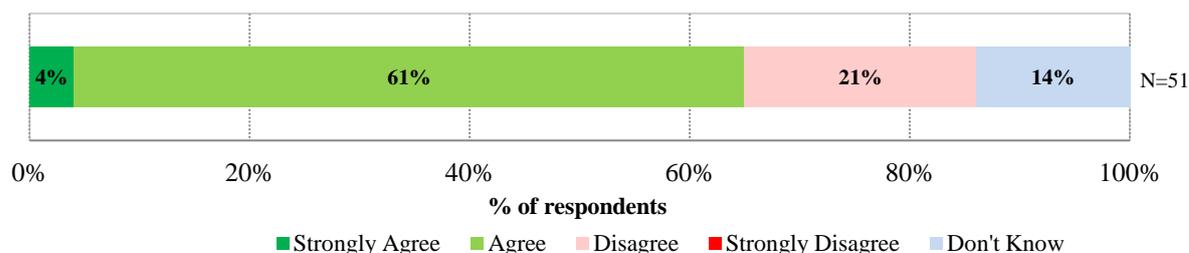


- 71%(N=51) either disagreed (16%) or ‘did not know’ (55%) whether Momentum had provided a web based platform for members to engage directly with each other;

- Just under half (49%, N=51) were in agreement that Momentum has allowed them to add their own news and content to its website;

On an overall basis, two-thirds (65 %, N=51) of respondents were in agreement that Momentum effectively communicates and promotes its work to members and other key stakeholders.

On an overall basis, to what extent do you agree that Momentum effectively communicates and promotes its work of Momentum to you, its members or other key stakeholders?



Those respondents that were in agreement referred mostly to Momentum’s weekly e-shots and newsletters which they suggested keeps them informed and up to date on issues affecting the ICT sector.

Those who disagree, feel that Momentum does not effectively communicate the work that it undertakes as they had no knowledge of its work in relation to ‘skills’, innovation’, ‘internationalisation’ and ‘collaboration’. They suggested that Momentum should make its e-mails and correspondence more attractive to read and easier to digest by focusing on main points and issues.

“Momentum is good at communicating with its members, their newsletters and emails keep my business up to date with Momentum’s work and keep me informed on what is happening within the sector.”

“I feel that Momentum would benefit by using more email marketing and updates on the work that they are doing as it would help to attract new members whilst also keeping existing members engaged.”

“Momentum is not effective at communicating their work. I am a member however I am not aware of most of the work that Momentum is doing.”

Momentum Members

Some Members suggested that Momentum’s communication could be improved if they could register to receive information on only certain topics rather than every article/topic that Momentum wishes to promote.

Also, some Members noted that Momentum often issued invitations to events and workshops at short notice, and recommended that Momentum create a schedule of events/workshops that detailed upcoming events on a quarterly or annual basis, so that they could schedule their attendance on a timely basis.

4.4 Reasons for Being a Momentum Member

Feedback from respondents suggests that the main reasons why they are a member of Momentum relate to the following:

1. The networking (and business) opportunities that membership allows;
2. To be kept aware of issues within the sector;
3. To show support for the industry; and
4. To enhanced the image/reputation of their own business, by showing that it is a member of a reputable industry body.

We note that 3 of the 51 respondents indicated that they had forgotten that they were a Momentum member or forgot to cancel their membership until we called as part of the survey exercise. All three suggested that they were unlikely to renew their membership. A further two respondents suggested that they had cancelled their membership before Cogent had made contact with them as part of the survey. They suggested that they considered that they had received no benefit from being a member.

“Momentum is a trade body for the ICT industry and works to improve and enhance the sector and I want my business to show support for this.”

“The industry needs a sector body to promote its interests such as attracting more people into the industry. I want my business to show support for this. Momentum also provides networking opportunities for my business.”

“Due to marketing and branding reasons it is beneficial for my business to be seen as part of the local ICT community.”

“Through Momentum I am able to gain insight and visibility into what is going on in the NI ICT industry.”

“Being a Momentum member keeps my business plugged into the local community by keeping me informed giving me a good understanding of what is going on locally.”

“I am kept up to date with developments within the ICT industry and have also gained many contacts from within the industry.”

“I look to Momentum as a form of business intelligence which keeps me up to date and informed on the ICT Sector. Being a member also shows companies you are involved in supporting a trade organisation that is promoting the ICT sector and aiming to increase the supply of skilled people to meet demand within the sector.”

“The main reason I am a Momentum member is for visibility reasons. People are able to go on to the Momentum website and understand what the company does. Networking opportunities are also provided through events that are held.”

“I am a member as my business gains industry recognition by being part of a recognised trade body which adds more credibility to my business.”

“I am a member as I want to support an organisation that promotes and represents the best interests of the industry; however Momentum needs to do more in these areas. They also need to get more people within member businesses involved rather than just sending emails to one main person.”

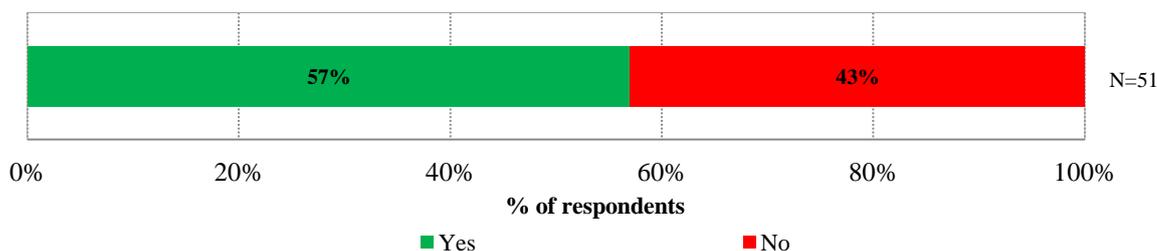
“There are no reasons; I forgot that my business was a member of Momentum as there has been no communication from them in years.”

Momentum Members

4.5 Value of Momentum Membership

Of concern, over two-fifths (43%, N=51) of respondents suggested that being a member of Momentum adds no value to their business. These respondents indicated that they could not identify any significant support that Momentum has offered their business or that has value to their business, that communication is poor. Their general view was that whilst they are content with the receipt of some e-mails updating them on developments in the local sector, that they add little material value to their business operations.

Do you feel that being a Momentum Member Adds Value to Your Business?



Those respondents (57%, N=51) that suggested that membership of Momentum adds value to their business suggested largely similar reasons as to their motivations for being a member i.e. networking/trade opportunities; increased knowledge of what is happening within the local industry and reasons relating to providing their business with enhanced presence and credibility.

“Being a Momentum member adds value to my business as it gives it respectability because the company is seen as being involved in Momentum and trying to support the sector.”

“Value is gained through networking opportunities and knowledge provided by Momentum.”

“In the past, Momentum added value to my business by signposting it to funding; however in recent years Momentum has not added any value to my business.”

“My business receives no added value due to being a Momentum member as I rarely receive any communication from Momentum.”

“Whilst Momentum may keep my business up to date with what is going on within the ICT sector, it does not directly impact my business; therefore it does not add any additional value.”

Momentum Members

It is the Evaluation Team’s view, based upon the monitoring information provided and the feedback from members that the value that Momentum adds to the NI ICT sector is difficult to establish. However, as detailed earlier and whilst difficult to measure, there does appear to be value in the role that Momentum plays in representing the views of the sector (e.g. as seen in its role on the MATRIX Panels and the feedback from stakeholders such as DETI). The difficulty that will increasingly face Momentum should its membership continue to decline is whether it will be considered to be truly representative of a large and growing NI ICT sector, if those same businesses are not aware of Momentum (see Section 4.9.1), choose not to become or remain members of Momentum or cannot articulate the value that Momentum brings to the sector.

4.6 Support Needed within the ICT Sector

Respondents suggested five key areas where the NI ICT sector (or individual ICT technology areas within it) requires specific support. These are

1. Increase the availability of suitably qualified people to meet the needs of the sector;
2. Improve the attractiveness and image of the sector;
3. Make funding for businesses more accessible;
4. Focus on indigenous companies helping to increase exports; and
5. Increased linkages between industry and education sectors.

“Apprenticeships and conversion programmes are key and create strong links with universities, schools and industry. Businesses should have a direct input into the curriculum, which would help to increase the supply of suitably qualified individuals, not just qualified individuals.”

“Support needs to be focused on attracting more people into the ICT sector. This could be achieved through the provision of appropriate training to the unemployed and the older generation (e.g. conversion courses). People also need to be made aware of the opportunities available within the sector. If more skilled people are brought into the sector, there will be a stronger pool of talent pool, allowing NI to compete better with ROI.”

“A long term view needs to be taken in order to increase the supply of suitably qualified graduates. A 10-15 year planning period is required, rather than a 2-3 year plan.”

“Invest NI needs to focus on balancing foreign direct investment activity with supporting indigenous companies.”

“Invest NI need to simplify programmes to make it easier for small businesses to get the support that they need. For example, the claims process needs to be simplified as procedures and unhelpful to businesses.”

“There needs to be a focus on improving exports such as a North-South export model to encourage trade and networking opportunities. Momentum also needs to publicise its work more to raise awareness and attract more members.”

“The skills agenda is struggling; it needs to focus on increasing the volume of ICT graduates. The quality of teaching needs to be improved so that the curriculum can catch up with the needs of the sector. Little has been done to make the sector attractive to the younger generation; more use of social media methods to interact with younger people is required.”

“There should be a working group (of private and public sector) set up to discuss the long term needs of the ICT sector and to come up with a plan on what needs to be done within the industry. This would give a proper representation of businesses in the sector and mutual benefits would be gained by those businesses involved in the sector. There also needs to be a focus on developing intellectual property within NI, focusing on indigenous companies as there are not enough people to staff opportunities. This needs to be done through targeted support. My business would be happy to get involved and contribute.”

“Invest NI or Momentum need to try and encourage more ICT related placements through schemes such as the Knowledge Transfer Programme. This would increase linkages between education and industry and help to attract people into the ICT sector. It would also allow businesses to take advantage of research and development opportunities.”

“Momentum is not seen to be doing much for the ICT industry when a trade body should be leading the way. Momentum needs to find the right staff with the right skills and talent to take the sector forward. The availability of capital also needs to be increased, helping to ensure aid for small businesses and make funding more accessible. There is also a need to increase places for ICT apprenticeships.”

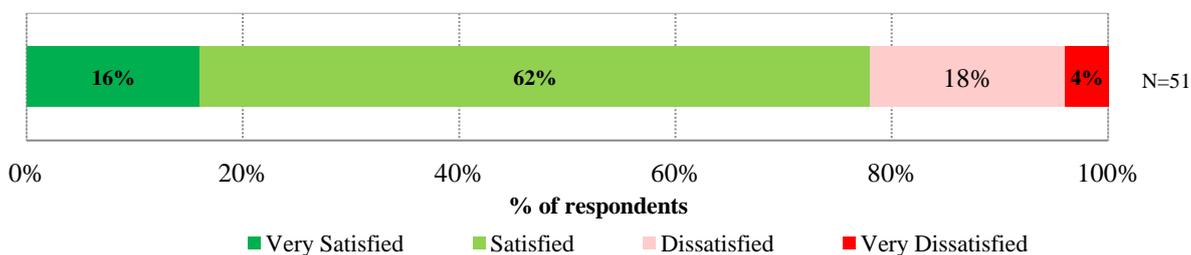
“More support for start ups is crucial as they need assistance to succeed. There needs to be a technology incubator as this is crucial to the ICT sector.”

Momentum Members

4.7 Overall Satisfaction

Encouraging, nearly four-fifths (78%, N=51) of respondents are either ‘satisfied’ (62%) or ‘very satisfied’ (16%) on an overall basis with the support that they receive from Momentum. Whilst this appears to contradict Section 4.5, where 43% (N=51) of respondents suggested that being a member of Momentum adds no value to their business, the rationale relates to the fact that respondents consider that for the fee they pay for membership they are happy with the service they receive (e.g. e-mails updates or occasional networking opportunities), but as noted these respondents do not consider that being a member of Momentum adds any material value to their business operations. This is explored further in Section 5.

Overall Satisfaction with Support Received from Momentum?



“I am satisfied with the support received from Momentum as it provides my business with networking opportunities and I am also kept up to date with what is going on in the sector.”

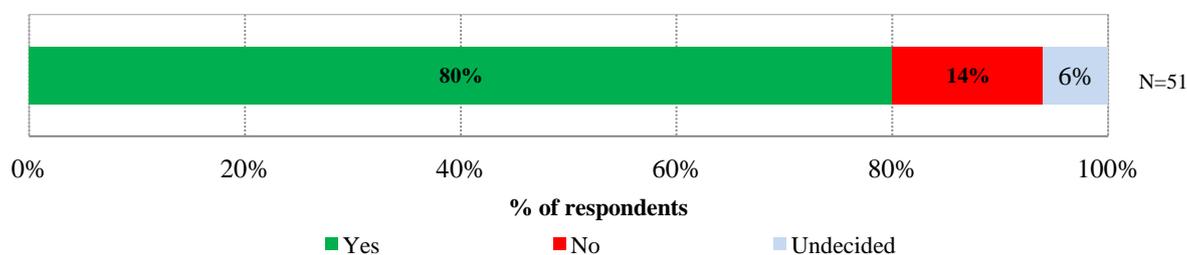
“I do not gain much support from Momentum therefore I am dissatisfied. The idea behind Momentum is correct however it seems to spread itself too thin. More focus would be beneficial, for example focusing on increasing availability of people with skills within the sector.”

Momentum Members

4.8 Renewal of Membership

Whilst four-fifths (80%, N=51) of respondents indicated that they are likely to renew their membership of Momentum in future years, it is somewhat disappointing (in the context of an already declining membership base) that 20% of respondents indicated that they will either not renew their membership (14%, N=51) or are undecided as to whether they will renew their membership (6%, N=51).

Likely to Renew Membership in Future Years?



4.9 Views of Non-Members

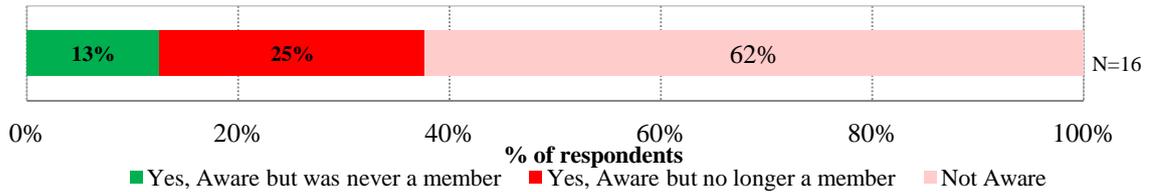
As part of the evaluation, the Evaluation Team undertook a short survey of 16 Invest NI ICT-sector clients who are not Momentum members.

4.9.1 Awareness of Momentum

10 of the 16 non-member respondents indicated that they were not aware of Momentum or the support that it offers. The remaining 6 respondents were aware of Momentum, with four being past members.

Table 4.5 – Non-Members’ Awareness of Momentum			
Yes, aware but was never a member	Yes, aware but no longer a member	Not Aware	Total
2	4	10	16

Are you aware of Momentum or the support that it offers? Or was your business previously a member of Momentum?



“We are aware of Momentum, but their membership fees are too expensive, Category C (£600).”

“I used to be involved with Momentum, but have now chosen not to be a member.”

“We used to be members, but have left as we were receiving no value from the membership.”

“We were members, but it did not prove useful or worthwhile for my business. We are based in Derry, but any events that Momentum held were in Belfast and early in the morning (i.e. breakfast seminars).”

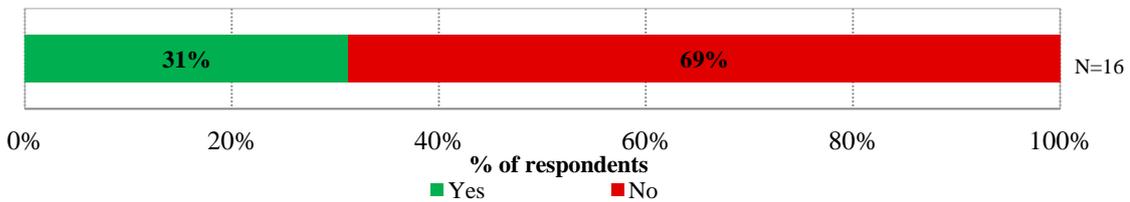
“The people who were interested in being a member have left the company.”

Non-Momentum Member Respondents

4.9.2 Support from Other Sources

5 of the 16 non-member respondents suggested that they receive advice and guidance or information on the ICT sector from other sources. Other sources included alternative trade organisations (e.g. ADS is the trade organisation for companies operating in the UK Aerospace, Defence, Security and Space industries), private sector business advisors and business bodies such as the Institute of Directors.

Does your business receive advice and guidance or information on the ICT sector from other sources?



“We receive all the support and guidance we need from ADS.”

“My company would receive advice, guidance and information from business advisors, local business networks and associations and I am also a member of the Institute of Directors (IoD).”

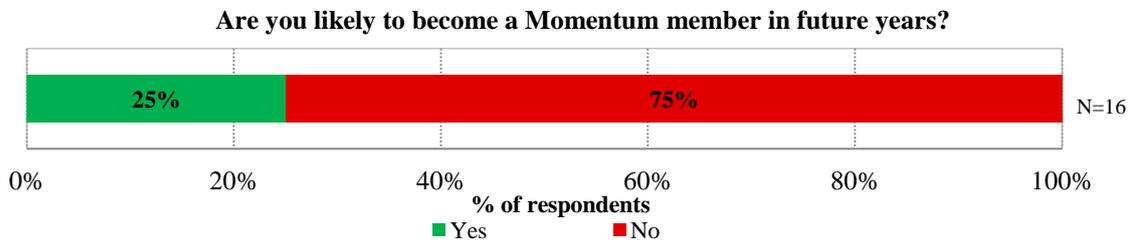
“Our own ICT suppliers provide us with updates and information on developments within the ICT sector.”

“We receive all the advice and guidance we need from our parent company.”

Non-Momentum Member Respondents

4.9.3 Likely Future Membership of Momentum

Only 4 of the 16 respondents indicated that they were likely to become a Momentum member in future years. Of these, 2 were ex-members, and 2 had previously been unaware of Momentum.



Half (6 respondents) of the respondents who indicated that they were unlikely to become a Momentum member in future years suggested that the key reason was that they unaware of the organisation, its services or the value that it would bring to their business.

“We might become members again, but only if the quality of Momentum services improve.”

“Yes, possibly if we could get more information about Momentum and its services.”

“No, unless the price of membership would go down. There are not enough benefits for our company to justify the fee.”

“No. I have never heard of them and do not know anything about Momentum.”

“No, we were members, but it was not worthwhile for our company.”

“No, because at the moment we do not know enough about Momentum, what services they offer and how our company could benefit from joining.”

Non-Momentum Member Respondents

4.9.4 Support Needed in the NI ICT Sector

The 16 non-member were asked to provide suggestions or recommendations as to the specific support that the NI ICT sector (or individual ICT technology areas within it) most need or the types of activities that Invest NI or Momentum should focus their support to the ICT sector on. The most common suggestion included:

1. Increase the availability of sufficiently qualified people to meet the needs of the sector;
2. Make funding and information about it more accessible;
3. Enhance connections and communication between industry and the education sector.

“The skills shortage in the ICT sector needs addressed; .NET programming courses should be more available and a simple, free newsletter on what support is available for ICT sector businesses would be valuable.”

“Invest NI should place more emphasis on skills development and training.”

“As a business we would need advice on financial support: what is available and how to approach it.”

“We would like to be able to easily obtain information on what is happening within ICT sector.”

“Invest NI should provide more support for training within small and micro businesses. For example, small companies train people and then they leave to work in larger ones (which are subsidised by Invest NI) for better salaries.”

Non-Momentum Member Respondents

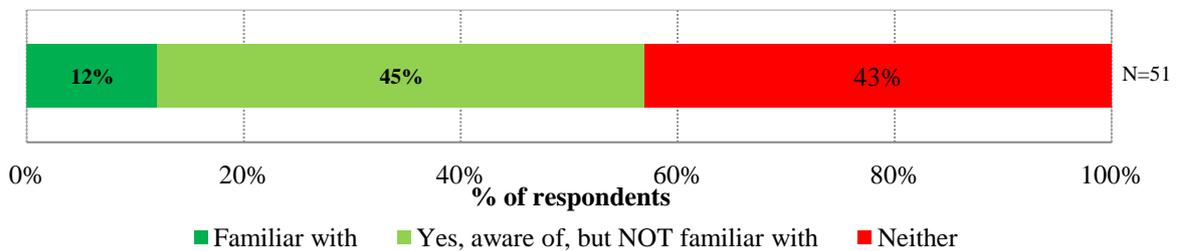
5. IMPACT OF MOMENTUM

Section 5 considers the impact, to date, of Momentum on its membership and the NI ICT sector. It firstly considers the impact of Momentum's work relating to 'skills', 'innovation', 'internationalisation' and 'collaboration', before assessing whether any tangible (monetary) impact has been derived.

5.1 Skills

Only 12% (N=51) of respondents were familiar with Momentum's skills related activities with schools and Further/Higher Education sectors to encourage ICT as the career choice of Primary, Post Primary and Third Level students.

Momentum's Work with Schools & Further/Higher Education Sectors to Encourage ICT as the Career Choice of Primary, Post Primary & Third Level Students

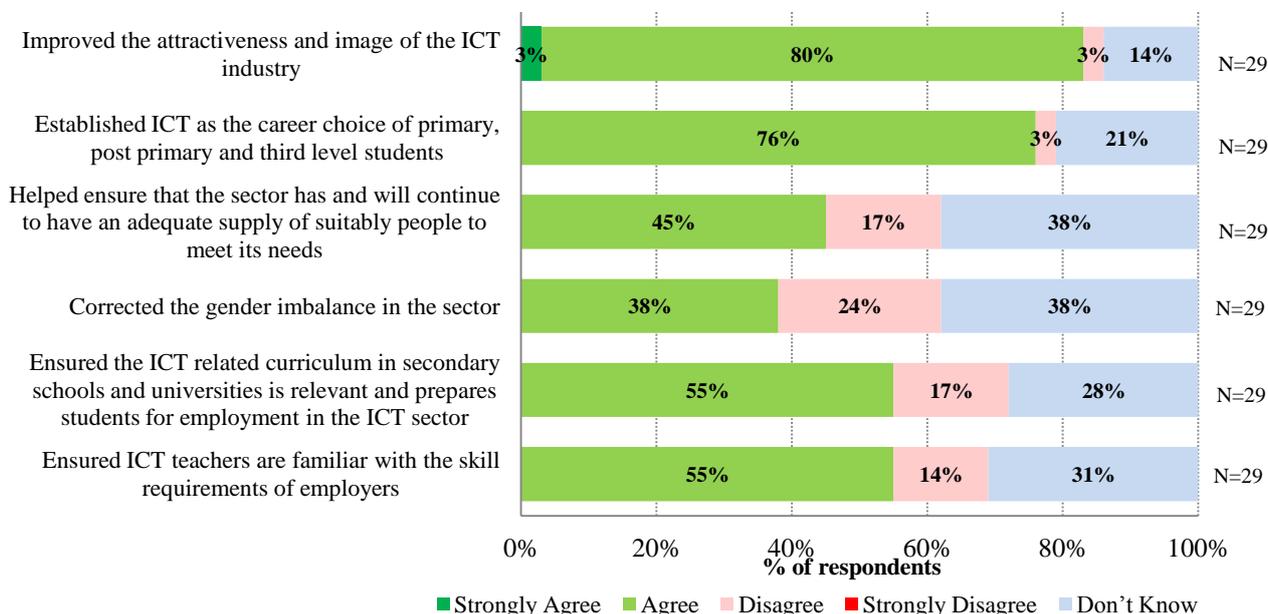


The remaining 88% of respondents were either aware of but not familiar with Momentum's skills related activities (45%), or not at all aware of or familiar with these activities (43%).

Of those respondents (29 of 51) who were aware of, or familiar with Momentum's 'skills' related activities:

- 83% were in agreement that Momentum's activities had improved the attractiveness and image of the ICT industry;
- Just over three-quarters (76%, N=29) were in agreement that Momentum's activities have helped to establish ICT as the career choice of primary, post primary and third level students;
- Over half (55%, N=29) feel that Momentum's activities have helped to ensure that the ICT related curriculum in secondary schools and universities is relevant and prepares students for employment in the ICT sector; and
- 55% (N=29) were in agreement that Momentum's activities have helped to ensure that ICT teachers are familiar with the skill requirements of employers.

Momentum’s Activities Have Achieved the Following Outcomes?



- However, less than half (45%, N=29) agreed that Momentum’s activities have helped to ensure that the sector has and will continue to have an adequate supply of suitably people to meet its needs; and
- Just under two-fifths (38%, N=29) agreed that Momentum’s activities have helped to correct the gender imbalance in the sector. Nearly one quarter (24%, N=29) disagreed with that this was the case.

In general, respondents consider that there is much to do in order to ensure that the sector has an adequate supply of suitably people to meet its needs and they consider that a medium-long term perspective must be taken. However, many thought such a perspective has not been taken to date.

Those who felt that they were in some position to comment on Momentum’s ‘skills’ related activities acknowledged that some good work has been undertaken to improve the overall attractiveness and image of the ICT industry, and this work has contributed to schools and Further/Higher education sectors ICT-related activities. However; many of these respondents also felt that Momentum needs to do more if it is to correct the gender imbalance in the sector and also increase the supply of suitably qualified people to meet the sector’s needs.

“Momentum is working hard to achieve these outcomes by getting involved in university open days and connecting with the education industry. However, I feel that Momentum needs to focus additional attention on attracting more females into the sector.”

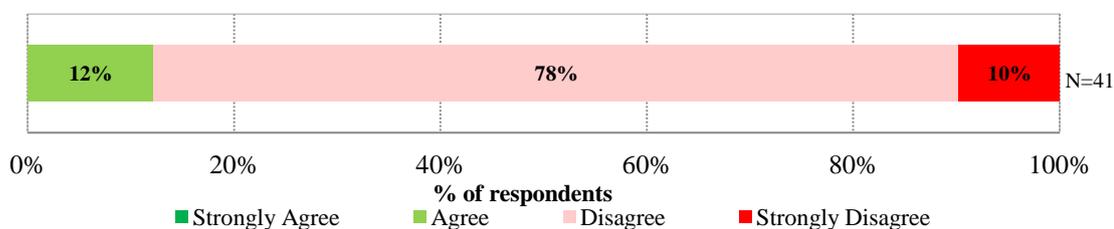
“Momentum is working towards these outcomes however it is a bigger task than Momentum can fix alone.”

“I am aware that Momentum is working towards achieving these outcomes, but I do not have an understanding of the impact that these activities have had. There is still a long way to go.”

Momentum Members

On an overall basis, 88% (N=41⁸) of respondents disagree that the NI ICT sector has or will continue to have an adequate supply of suitably qualified people to meet the needs of the sector.

On an overall basis, to what extent do you agree that the NI ICT sector has and will continue to have an adequate supply of suitably qualified people to meet the needs of the sector?



Respondents suggested that the NI universities are not producing sufficient quantities of graduates to cope with the demands of the sector. It was also noted by a number of respondents that those ICT graduates that are produced by NI universities are not suitably skilled to work within the sector upon leaving university. They suggested that, in their view, there are too many general ICT courses and not enough specific technical courses in fields such as computing, software engineering and programming. They noted that the shortage of suitably qualified people has caused wage inflation within the local sector.

Other respondents suggested that there continues to be issues relating to people’s perceptions of the industry, and that it is not perceived to offer a professional or stable career path. They noted that Momentum helped, to an extent, through its ‘Bring IT On,’ and ‘CoderDojo’ activities; however they were of the view that much more is required, particularly at the primary school level, to introduce children to ICT. They noted that the Department of Education and the Department for Employment and Learning need to have an active role in such activities.

“The shortage of labour is a big challenge to overcome. People have stopped going down the ICT route and are going for more traditional professions such as Doctors, lawyers which are seen to be more stable and secure.”

“There is a skill shortage. Many have a degree but may not have the aptitude for the jobs available.”

“There is not enough supply of suitably qualified people. There needs to be more involvement with primary schools to get children interested in ICT from an early age. CoderDojo is a good and useful programme.”

“The industry needs to be seen as more attractive and more work needs to be done with the media and the government. Research that proves there is an undersupply of suitably qualified people has not been exploited. Schools need to be made more aware of opportunities available within the sector.”

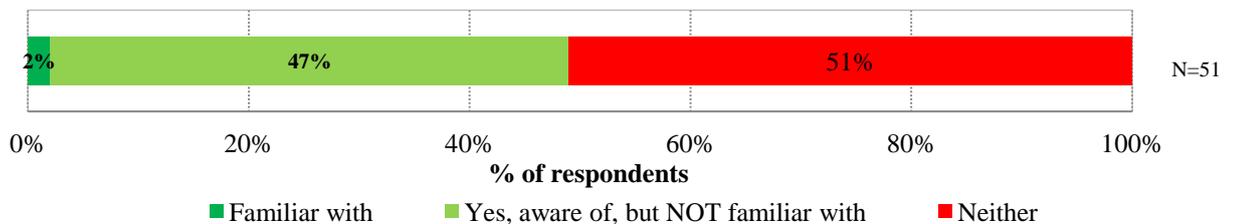
Momentum Members

⁸ NB 10 respondents did not consider themselves to be in a position to comment. For example, because they do not operate directly within the Northern Ireland ICT sector.

5.2 Innovation

Over half (51%, N=51) of respondents were not aware or familiar with Momentum’s work to promote innovation across the NI ICT sector. Indeed, only 2% (N=51) of respondents indicated that they were familiar with Momentum’s work to promote innovation across the NI ICT Sector.

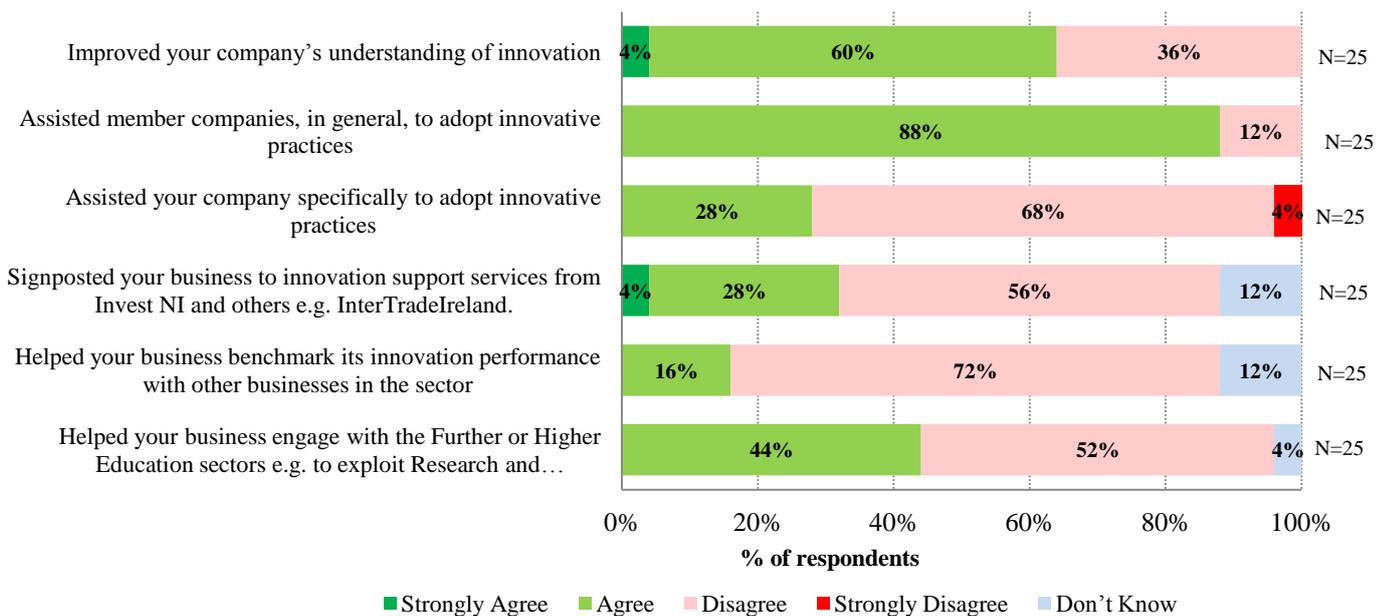
Momentum’s Work to Promote Innovation across the NI ICT Sector



Of the respondents (25 out of 51) who were either aware of, or familiar with, Momentum’s innovation related activities:

- Almost two-thirds (64%, N=25) were in agreement that Momentum’s innovation-related activities have helped to improve their company’s understanding of innovation;
- 88% were in agreement that Momentum’s activities have assisted member companies, in general, to adopt innovative practices;
- However, nearly three quarters (72%, N=25) disagree that Momentum has assisted their company specifically to adopt innovative practices;
- Furthermore, over half (56%, N=25) disagree that Momentum has signposted their business to innovation support services from Invest NI and others e.g. InterTradeIreland;
- 72% disagree that Momentum has helped their business benchmark its innovation performance with other businesses in the sector; and
- Just over half (52%, N=25) do not feel that Momentum has helped their business engage with the Further or Higher Education sectors e.g. to exploit Research and Development opportunities.

Momentum’s Activities Have Achieved the Following Outcomes?



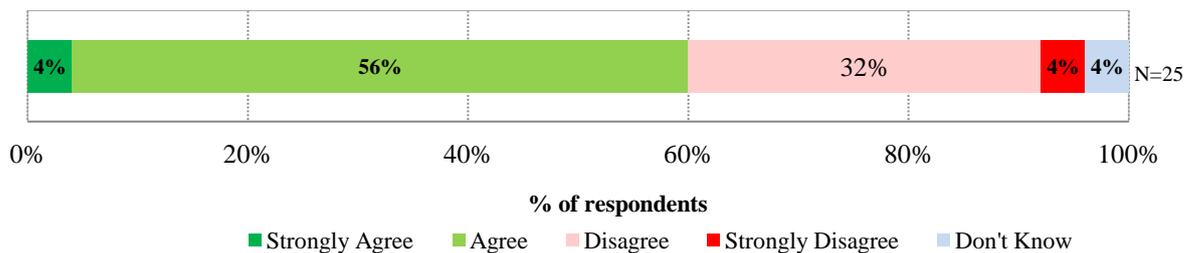
Analysis of the survey respondents’ responses indicate that those respondents (25 out of 51) who were either aware of, or familiar with, Momentum’s innovation related activities had some understanding that Momentum holds seminars and events to promote innovation and innovative practices, which has influenced the responses in the first two elements of the chart.

However when the same 25 respondents were asked about specific support that their business may have received to help them embrace innovation, the majority disagree that Momentum had helped them. Many of these respondents noted that they are Invest NI clients, and would go directly to their Invest NI Client Executive if they required support for innovation or R&D.

In addition, many of these businesses noted that whilst they have some awareness of Momentum’s innovation-related activities, they are not fully engaged in the activities of Momentum and do not take the opportunity to attend events or presentations organised by the organisation. For example, some respondents to these questions included law firms and consultancy practices, who indicated that they are members of Momentum solely to network with the ICT industry; and therefore they are not focused on activities involving innovation.

On an overall basis, three-fifths (60%) of the 25 respondents agree that Momentum has helped or encouraged their business to invest in new or improved products, processes and services. The majority of these respondents suggested that Momentum had helped improve their company’s understanding of innovation through their innovation-related events and seminars and also through newsletters which it was suggested keep companies informed and up to date on innovative practices.

Momentum Has Helped Your Business to Invest in New or Improved Products, Processes and Services?



Those respondents (60%, N=25) who were not in agreement suggested that they were already innovation active and do not need support from Momentum in this area or that they look to Invest NI for this type of support.

“Momentum’s activities have helped the sector in general by holding events on innovation and getting companies together. Thus businesses learn innovative practices from each other. My knowledge of the benefits gained from engaging with Further and Higher Education sectors has increased. Although I currently do not have the time to attend events and get more involved in Momentum’s activities.”

“My company is already an innovation active business; therefore I do not need any help or encouragement in this area. Although I feel that it is useful to know support is available for other companies or my own if needed”

“Momentum provides seminars on innovation which helps to increase knowledge within the industry. This also helps businesses to become more aware of innovative practices and encourages them to adopt these practices.”

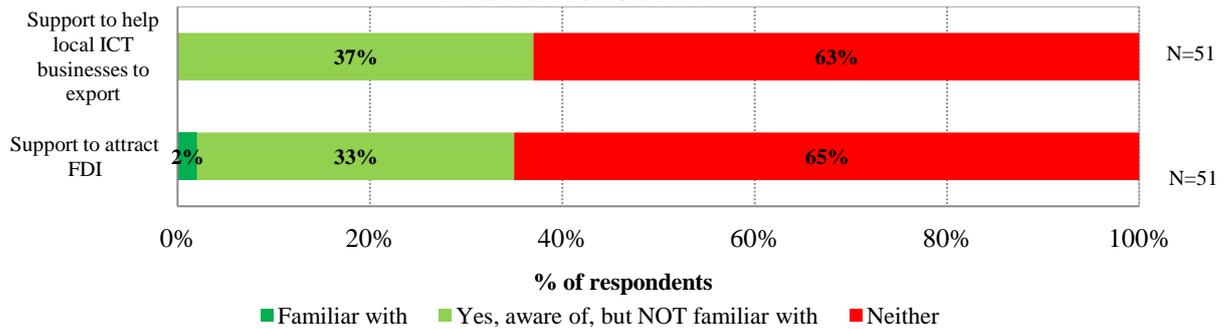
“I am kept informed on innovative practices through events held by Momentum and weekly newsletters.”

Momentum Members

5.3 Internationalisation

Only a third of members are aware of, or familiar with, Momentum’s work to support local ICT companies to improve their export performance or assist them access international networks (37%, N=51) or with its work to help Invest NI promote FDI (foreign direct investment) activity (35%, N=51).

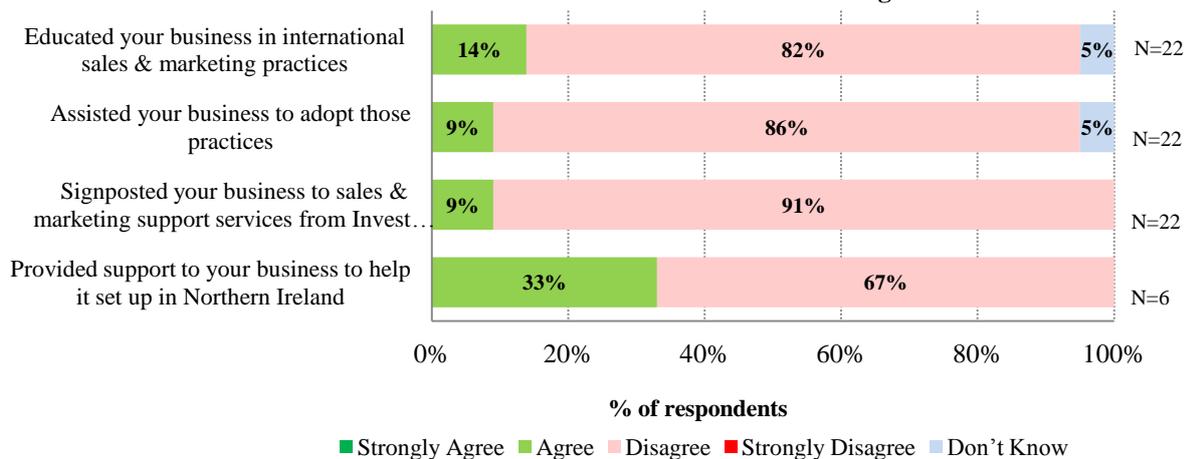
Aware of Momentum’s Activities to Support Local ICT Companies to Export or their Work to Support Invest NI Promote FDI?



Of those respondents (22 out of 51) who were either aware of, or familiar with, Momentum’s internationalisation related activities:

- 82% disagreed that Momentum’s activities had helped to educate their business in international sales and marketing practices;
- 86% disagreed that Momentum had helped their business to adopt those practices;
- 91% did not agree that Momentum had signposted their business to sales and marketing support services from Invest NI and other agencies e.g. InterTradeIreland; and
- Of the respondents (6 out of 16) whose headquarters are located outside NI who were aware of Momentum’s internationalisation activities, two-thirds (67%, N=6) disagreed that Momentum had provided their business with support to help it set up in NI.

Momentum’s Activities Have Achieved the Following Outcomes?



Similar to the feedback received relating to innovation, a cohort of members is aware that Momentum has undertaken activity relating to internationalisation. However, the vast majority of these members suggested that they would either look to Invest NI for this support or were sufficiently skilled in this area (and would not need Momentum’s support) or both. Furthermore, for six respondents, Momentum’s work relating to internationalisation has no relevance for their business, as they do not

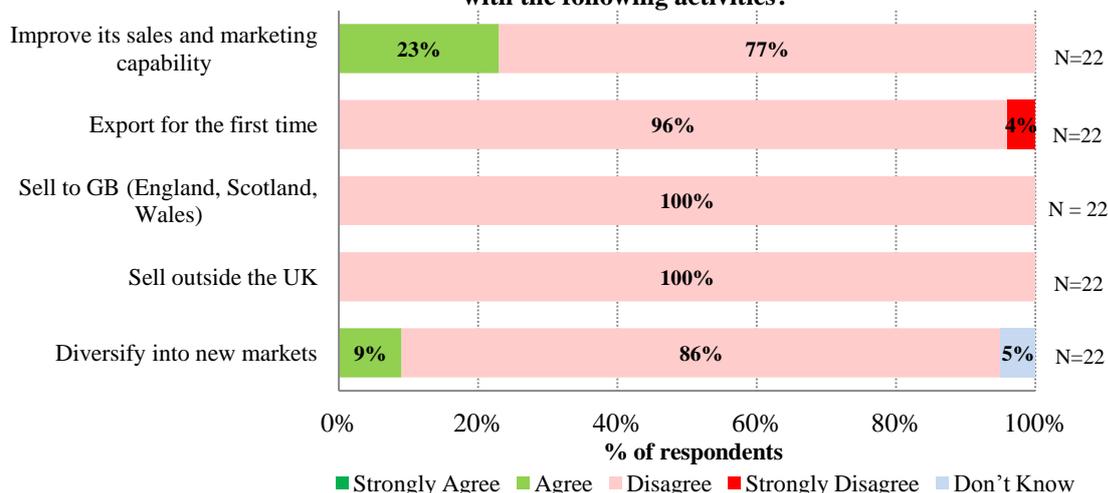
engage in sales related activities e.g. a university, a government unit, charity or a software sub centre (which no sales or marketing function).

In relation to the FDI businesses, two (33%, N=6) suggested that Momentum helped them set up in NI as they were given guidance and contacts. The four (67%, N=6) remaining respondents suggested that they had already set up in NI, before becoming a Momentum member.

On an overall basis, of those respondents (22 out of 51) who were either aware of, or familiar with, Momentum’s internationalisation related activities:

- Less than a quarters (23%, N=22) agreed that Momentum’s activities have helped to improve their sales and marketing capability;
- All (100%, N=22) disagreed that Momentum had helped their business either to export for the first time, sell to GB or to sell outside the UK; and
- Only 9% suggested that Momentum had helped their business to diversify into new markets.

On an overall basis, to what extent do you agree that Momentum has helped or encouraged your business with the following activities?



A number of respondents suggested that they did not consider ‘internationalisation –related’ activities to be a key aspect of Momentum’s purpose, and typically looked to other organisations (e.g. Invest NI) for support in this area.

The small number of respondents who indicated that Momentum had helped to improve their sales and marketing capability or to diversify into new markets suggested that this was largely as a result of the networking opportunities afforded to them through Momentum’s events. Some noted that it is beneficial for them to be registered to a technological body as it helps improve their credibility to attract business.

“Momentum has had no direct effect on my business as I have not attended events in these areas however it is useful to be kept up to date about these issues through their newsletters.”

“I have been introduced to potential clients through Momentum. A direct marketing route has been given to my company through the events and workshops.”

“Momentum does not help my business in terms of sales or exports however I am glad it is there for support and advice.”

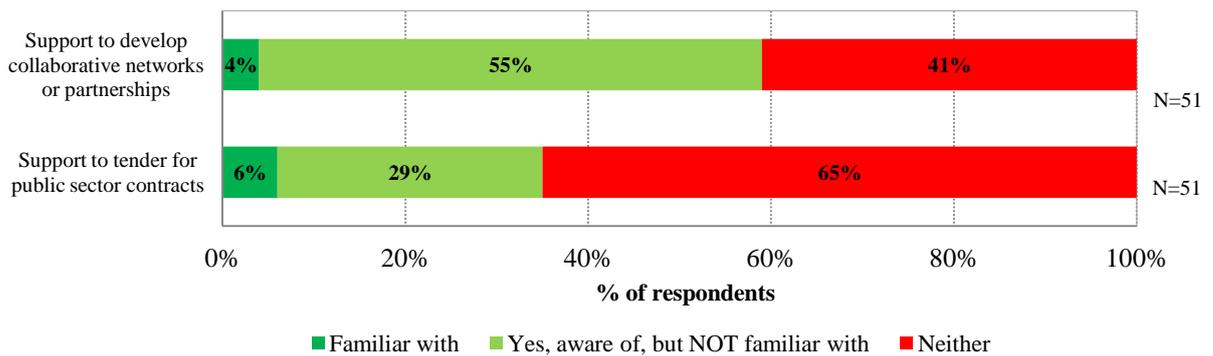
Momentum Members

5.4 Collaboration

Three-fifths (59%, N=51) of respondents were aware of, or familiar with, Momentum’s work to support the development of collaborative networks of businesses that include ICT businesses.

A third (35%, N=51) of respondents were aware of, or familiar with, Momentum’s work to support ICT businesses to participate in public sector tendering exercises.

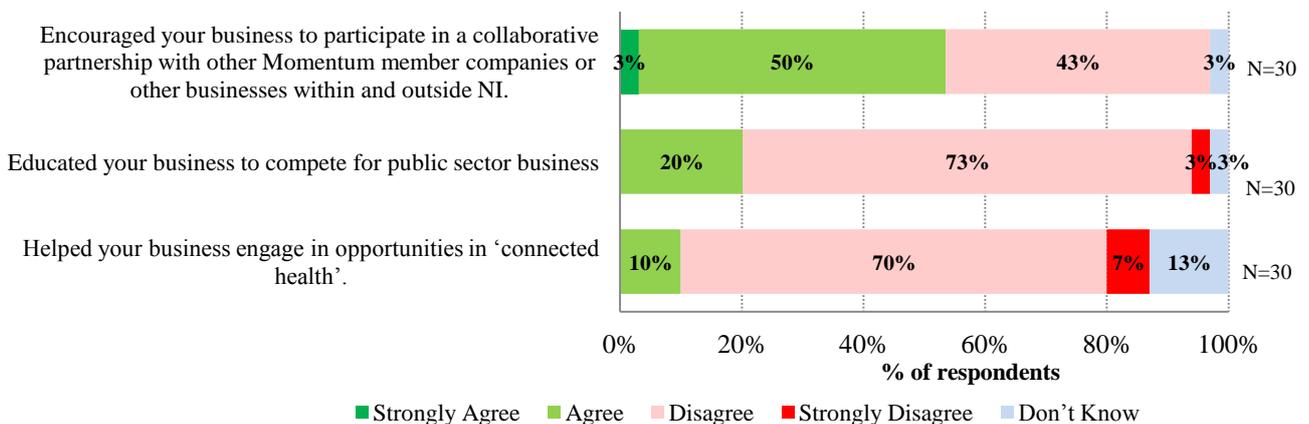
Aware of Momentum’s Work to Support the Development of Collaborative Networks of Businesses & Work to Participate in Public Sector Tendering?



Of the 30 respondents who had some awareness or familiarity with Momentum’s ‘collaboration-related’ activities:

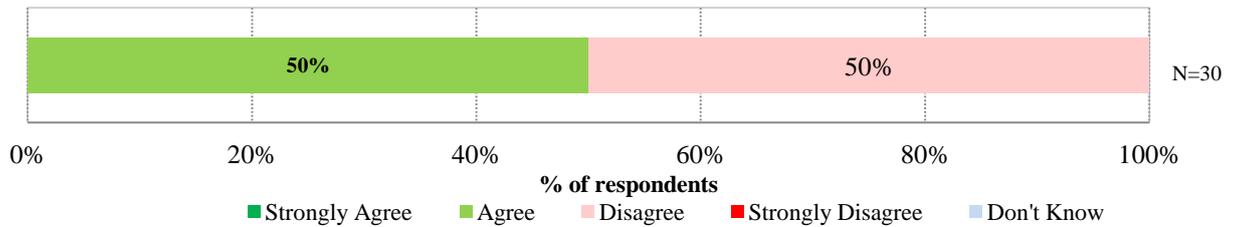
- Just over half (53%, N=30) were in agreement that Momentum had encouraged their business to participate in a collaborative partnership with other Momentum member companies or other businesses within or outside NI. These businesses suggested that Momentum’s events allow businesses opportunities to come together and encourage them to work together. Furthermore they noted that Momentum also educates businesses on the possibilities and opportunities that collaboration can bring through its events and newsletters;
- Only a fifth (20%, N=30) suggested that Momentum had helped to educate their business to compete for public sector business. Again, these respondents suggested that this had been achieved through Momentum’s newsletters; and
- Only 10% (N=30) indicated that Momentum has helped their business to engage in opportunities in ‘connected health’.

Momentum’s Activities have achieved the Following Outcomes?



On an overall basis, half (50%, N=30) of the respondents that had some awareness or familiarity with Momentum’s ‘collaboration-related’ activities were in agreement that Momentum has helped or encouraged their business to access or participate in collaborative activities with other businesses. These businesses suggest that this is because they have had the opportunity to network with other companies when attending events thus being given the opportunity to work with other companies.

Momentum Has Helped or Encouraged Your Business to Access or Participate in Collaborative Activities with Other Businesses?



Those who disagree, state that this is mainly because they are not very involved in Momentum’s activities other than to be updated on issues through the newsletters.

“Events are held which help to make me more educated in these areas and give me the opportunity to meet and work with other businesses.”

“Momentum holds workshops which help to link businesses together, encouraging them to work together.”

“I have been made aware of the possibilities and opportunities that collaborative activities bring through events that Momentum has held.”

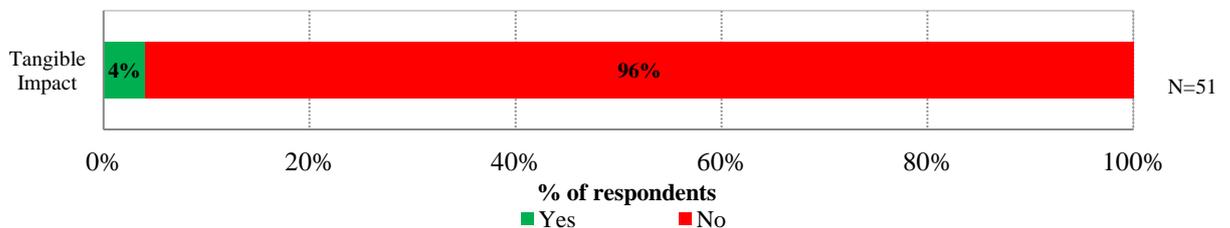
“Momentum has not given much benefit to my company. Instead it is quite the opposite. I sent employees to a course which was being run by Momentum however the employees arrived only to be informed that the event had been cancelled. No one had tried to inform me of this.”

Momentum Members

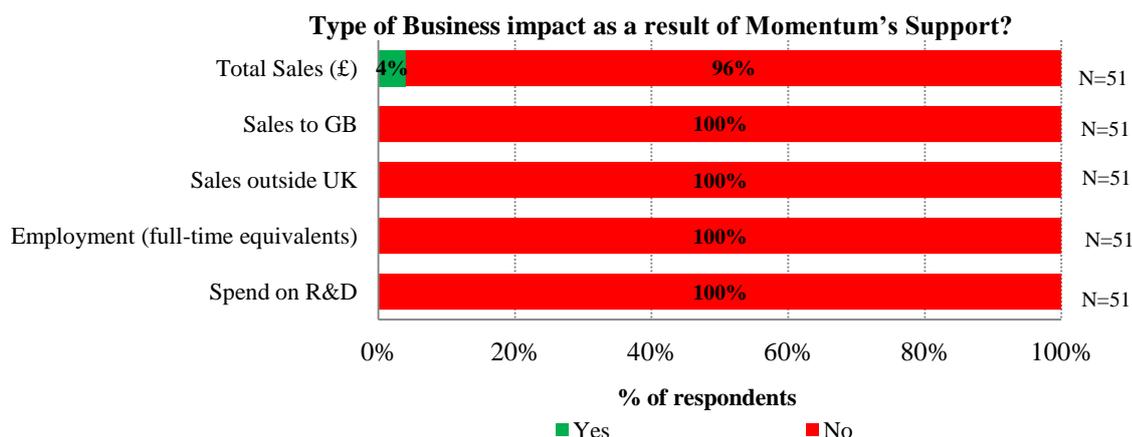
5.5 Tangible Impact of Momentum’s Support

Only 4% (N=51) of respondents suggested that there has been a direct impact upon their business’ turnover or employment as a result of any support that their business may have received from Momentum.

As a result of any support that your business may have received from Momentum, has there been a direct impact upon your business’ turnover or employment?



The two respondents (4%, N=51) suggested that Momentum’s support had had a direct impact upon sales within the NI market.



The sales impact suggested by the two respondents totals £27,000. The two businesses suggest that the sales came about due to networking opportunities availed of after attending Momentum’s events.

“I have been introduced to potential clients and gained referral work through attending events that Momentum has held. This has helped to build the platform of my business.”

Both respondents that received a tangible impact on their sales anticipate that this impact will persist at the current level for 0-2 years.

Table 5.1: If there has been an increase in turnover, how long do you anticipate the increase will persist at this level?

	No.	%
0-2 years	2	100%
3-5 years	0	0%
6-10 years	0	0%
11 years+	0	0%

5.6 Deadweight/Additionality

The net impact of Momentum’s support (i.e. its additionality) on member businesses’ sales, employment or other outturns can only be measured after making allowances for what would have happened in the absence of the intervention. That is, Momentum’s impact must allow for deadweight. ‘Deadweight’ refers to outcomes that would have occurred without their support.

A project should not receive assistance if the project objectives would be achieved without the public expenditure. In general assisted projects should receive only the minimum assistance required to bring them about, with any excess over the amount referred to as ‘deadweight’.

Additionality is not solely a matter of a project being pursued or not but often partial in the sense that without assistance:

- a. The project may have been carried out in another location of some lower priority;
- b. The same project may be carried out later; and
- c. A different project may be carried out or the same project on a smaller scale or to a lower standard of quality.

Measurement of deadweight depends upon a number of subjective assessments of whether the support offered was necessary to advance the participants’ decision to start a business or, where relevant, to have made the progress that had been made. In this evaluation the methodological approach adopted to

estimate additionality was that of the self-assessment approach with Momentum members in order to derive a counter-factual scenario.

That is, to establish levels of deadweight relating to the start-up decision, the Momentum members that had received tangible benefits were asked a series of questions, featured below, which sought to identify their views on the contribution that the support they received from Momentum had impacted the sales outturns reported.

In relation to these impacts, how likely do you think it is that they would have occurred in the absence of support from Momentum?	
	Tick ONE box only
Definitely would not have happened	<input type="checkbox"/>
Would have happened but on a reduced scale	<input type="checkbox"/>
Would have happened but at a later date	<input type="checkbox"/>
Would have happened, but on a reduced scale and at a later date	<input type="checkbox"/>
Would have happened anyway	<input type="checkbox"/>

What proportion of the activity would you have undertaken in the absence of the support?	
	Tick ONE box only
Most (66%-99%)	<input type="checkbox"/>
Approximately half (33%-66%)	<input type="checkbox"/>
A relatively small amount (1%-33%)	<input type="checkbox"/>

How much later?	
	Tick ONE box only
1-24 months later	<input type="checkbox"/>
2-4years later	<input type="checkbox"/>
5-10 years later	<input type="checkbox"/>

The assessment therefore considered whether the extent to which the two members would have achieved the sales impacts regardless of Momentum's support, or whether the activity occurred sooner or at a different scale as a result of Momentum's support. Depending upon the combination of answers provided by the individual participants, their responses were then categorised as having an associated level of deadweight (agreed with DETI's economists).

Given the small number of businesses that have reported tangible impacts, we are able to assign specific deadweight/additionality values to their individual combination of responses and sales impacts, as shown below:

Table 5.2 – Calculation of Net Sales Impact			
	Gross Sales Impact	Additionality	Net Sales Impact
Business 1	£2,000	64.18%	£1,283.60
Business 2	£25,000	100.00%	£25,000.00
Total	£27,000		£26,283.60

This analysis indicates that, on average, 82.09% of any 'economic benefit' achieved by Momentum members is additional. However, the Evaluation Team notes that the respondent samples sizes are very small, as few of the respondents (at October 2012) had achieved sales or employment impacts. Therefore we would urge caution when interpreting or extrapolating these results over any larger group or sample⁹.

⁹ We note that the Economic Appraisal concluded that due to the level of funding secured by Momentum from other sources such as InterTradeIreland and membership contributions, that Invest NI's support could be considered to be partially additional. However, it noted that in the absence of securing funding from Invest NI, investment in the four

5.7 Displacement Considerations

The Evaluation Team has also considered the potential displacement that might be created by the outworkings of Momentum’s support. To assess this, we have again utilised a series of questions; the answers to which are assigned a ‘displacement factor’ in both the NI market and the broader UK market.

We have calculated displacement based on two factors:

1. The proportions of the businesses that participants compete with that are based in NI/UK, keeping in mind the markets which their company sells into.
2. Whether, in the participants’ area of business, market conditions have improved over the period since receiving support.

Both the questions and weightings associated with each combination of answers provided have been agreed with DETI’s economists. A summary of the answers provided by the whole survey sample is provided below.

Table 5.3 - Keeping in mind the markets which your company sells into, what proportion of the businesses you compete with are based in NI? (N=42¹⁰)	
	In NI
Most (67%-100%)	38%
Approximately half (33%-67%)	24%
Few (0%-33%)	38%

Table 5.4 - Within your area of business, do you think market conditions have improved over the period since receiving support? (N=42)	
Declined Significantly	21%
Same	60%
Improved Significantly	19%

On an overall level, the Evaluation Team has calculated that the Displacement Factor at the NI level for the 42 respondents to this question is 46.71%. However, the levels of displacement associated with the two respondents that had suggested that they had received tangible impacts as a result of Momentum’s support is as follows

Table 5.5 – Calculation of Net Additional Sales			
	Net Sales Impact	Displacement Factor	Net Additional Sales
Business 1	£1,283.60	0.92	£1,180.91
Business 2	£25,000.00	0.16	£4,000.00
Total	£26,283.60		£5,180.91

5.8 Net Additional Sales Impact

The table featured in Section 5.7 indicates that after deadweight and displacement are allowed for, the net additional sales impact of Momentum’s support for 50% of its members has been £5,180.91. If this is grossed up for all of the current 102 members, it would equate to total net additional sales of £10,361.82.

strategic pillars identified by the Board of Momentum would not be financially viable. Therefore, the activities of Momentum would have had to be carried out on a smaller scale or may have not been carried out at all.

¹⁰ 42 of 51 respondents are included in the displacement analysis. The remaining respondents do not operate in a commercial market and did not consider the questions applicable to them (a government body, the NI e-Government unit, a university, a software sub centre, and a charity) or had left or were planning to leave Momentum.

5.9 Net Additional GVA Impact

DETI’s Analytical Services Unit has provided the Evaluation Team with the following information relating to the proportion of GVA generated by the NI ICT sector.

Table 5.6 - GVA Analysis for SIC Division J (Info. / Comm. ¹¹)			
	Turnover	GVA	GVA/Turnover Avg.
2007	1,306	819	63%
2008	1,348	773	57%
2009	1,397	789	56%
2010	1,205	740	61%
Total	5,256	3,121	59%

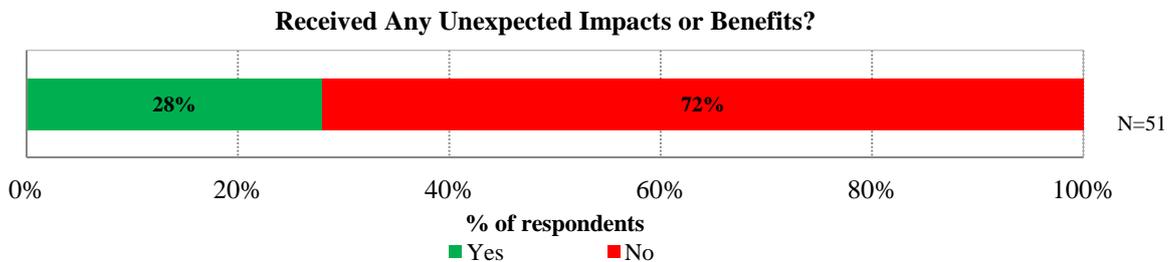
Using the 4-year sector average of 59%, we can conclude that the estimated total net additional sales of £10,361.82 would have generated circa £6,113 net additional GVA.

5.10 Productivity Impact

Given that there has been no discernible employment impacts generated by Momentum’s activity, a gross or net productivity impact cannot be determined.

5.11 Other Benefits or Unexpected Impacts

Just over a quarter (28%, N=51) of respondents indicated that had received unexpected impacts or benefits as a result of joining Momentum. These respondents referred to the networking opportunities that they had availed of, the advice and guidance that they had received from Momentum staff or indicated that being a member had helped raise the profile of their business.



“Momentum has given me the opportunity to network with other businesses.”

“I have been able to network with other businesses and Momentum has helped to raise the profile of my business.”

Momentum Members

5.12 Wider or Regional Benefits

Invest NI’s Terms of Reference requires a consideration of any wider and regional economic benefits, direct and indirect, quantitative and qualitative, that may have accrued as a result of Momentum’s activity, quantifying as many of these as possible. The Evaluation Team’s commentary in relation to potential wider and regional benefits that result from Invest NI’s support to projects is featured overleaf:

¹¹ Source: http://www.detini.gov.uk/abi_publication_2009-5.pdf.
 Source: http://www.detini.gov.uk/ni_annual_business_inquiry_reporting_unit_results_0910_dec11.pdf

<p>Potential wider benefits may include:</p>	University linkages with industry	<ul style="list-style-type: none"> • Momentum has been involved in University Open Days (and other associated activity) and encouraged the private sector to participate in these, so as to encourage young people to see ICT as an attractive career path. • It is understood that Momentum has played a role in facilitated industry input to FE/HE course design and content.
	Skills development	<ul style="list-style-type: none"> • As noted within this report, much of Momentum’s Invest NI funded activity has involved skills related activities with schools and Further/Higher Education sectors to encourage ICT as the career choice of Primary, Post Primary and Third Level students; • However, only 12% (N=51) of Momentum’s members were familiar with the organisation’s work in this area, with a further 45% of members aware of but not familiar with Momentum’s skills related activities. • Of those respondents (29 of 51) who were aware of, or familiar with Momentum’s ‘skills’ related activities: <ul style="list-style-type: none"> - 83% were in agreement that Momentum’s activities had improved the attractiveness and image of the ICT industry; - Just over three-quarters (76%, N=29) were in agreement that Momentum’s activities have helped to establish ICT as the career choice of primary, post primary and third level students; - Just under two-fifths (38%, N=29) agreed that Momentum’s activities have helped to correct the gender imbalance in the sector. Nearly one quarter (24%, N=29) disagreed with that this was the case. <p>On an overall basis, 88% (N=41) of respondents disagree that the NI ICT sector has or will continue to have an adequate supply of suitably qualified people to meet the needs of the sector. Therefore it is difficult to determine Momentum’s impact on skills development.</p>
	Knowledge transfers	<ul style="list-style-type: none"> • It is understood that Momentum was involved in organising or promoting some training courses for members. • Furthermore, three-fifths (59%, N=51) of respondents were aware of, or familiar with, Momentum’s work to support the development of collaborative networks of businesses that include ICT businesses. • Of the 30 respondents who had some awareness or familiarity with Momentum’s ‘collaboration-related’ activities, just over half (53%, N=30) were in agreement that Momentum had encouraged their business to participate in a collaborative partnership with other Momentum member companies or other businesses within or outside NI. These businesses suggested that Momentum’s events allow businesses opportunities to come together and encourage them to work together. Furthermore they noted that Momentum also educates businesses on the possibilities and opportunities that collaboration can bring through its events and newsletters; • Therefore, in the Evaluation Team’s view there is likely to have been some transfer of knowledge between companies or individuals.
	Encouraging Foreign Direct Investment	Of the 51 respondents to our survey, 16 were headquartered outside NI. Of these, only 6 were aware of Momentum’s internationalisation activities/support, and two-thirds (67%, N=6) disagreed that Momentum had provided their business with support to help it set up in NI. The remaining two FDI businesses, suggested that Momentum had helped them set up in NI as they were given guidance and contacts.
	Entrepreneurship	Whilst Momentum has offered member businesses internationalisation support, there is no evidence that this support has helped stimulate additional entrepreneurial activity or exports.

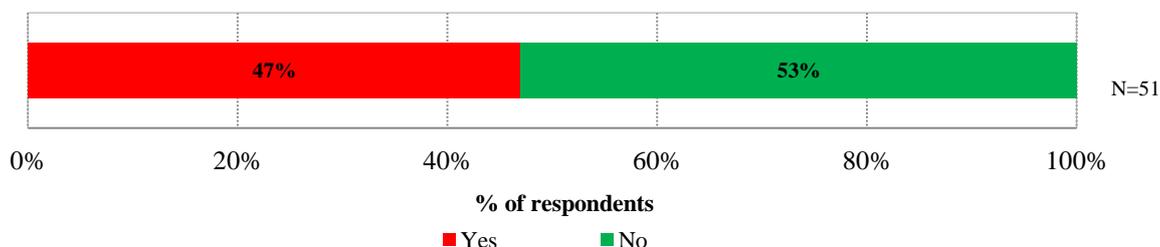
Potential regional benefits may include:	Reduction of 'Brain Drain'	There is no evidence that Momentum's activity has stimulated job creation or the provision of high quality jobs that will retain the brightest and best in NI.
	No of local/regional jobs indirectly dependent on the project	There is no evidence of local/regional jobs indirectly dependent on the project.
	Degree of higher management being injected	There is no evidence that Momentum's activity has stimulated additional levels of higher management.
	Degree of R&D being injected	There is no evidence that Momentum's activity has stimulated expenditure on R&D.
	Innovative nature of the project	<ul style="list-style-type: none"> • Over half (51%, N=51) of respondents were not aware or familiar with Momentum's work to promote innovation across the NI ICT sector. Indeed, only 2% (N=51) of respondents indicated that they were familiar with Momentum's work to promote innovation across the NI ICT Sector. • Of the respondents (25 out of 51) who were either aware of, or familiar with, Momentum's innovation related activities: <ul style="list-style-type: none"> - Almost two-thirds (64%, N=25) were in agreement that Momentum's innovation-related activities have helped to improve their company's understanding of innovation; - However, nearly three quarters (72%, N=25) disagree that Momentum has assisted their company specifically to adopt innovative practices.
	Consider distributional issues such as Areas of Disadvantage and Equality.	There is no evidence that Momentum's activity has had an impact upon areas of disadvantage or equality issues. However, it should be acknowledged that some of Momentum's activity was focused upon addressing a gender imbalance in the ICT sector.

On an overall basis, there is some evidence, albeit limited, that Momentum has had an impact on 'university linkages with industry', 'skills development', 'knowledge transfers', 'encouraging FDI' and increasing 'innovation'.

5.13 Duplication

Just over half (53%, N=51) of respondents indicate that in the absence of Momentum’s support they or their business would not have been able to get the same or similar support elsewhere.

In the Absence of Momentum’s Support would you or Your Business have been able to get the same or Similar Support Elsewhere?



The members who suggested that they would be able to get the same or similar support elsewhere suggested the NI Science Park, Invest NI’s website, SyncNI, Digital Circle and the British Computer Society.

“We would have been able to get similar support elsewhere; however, perhaps not the same networking opportunities.”

“My business could have got similar support from SyncNI as it provides useful information and hosts better events.”

“Momentum had not given my business much support therefore if I looked elsewhere I’m sure I could get better support.”

Momentum Members

5.14 Counter-Factual Analysis

Per Invest NI’s Terms of Reference, this section considers the counterfactual position i.e. an estimation of what would have happened in the absence of the programme. The counterfactual is usually the position presented within a project’s economic appraisal. The Economic Appraisal indicated that in the absence of Invest NI funding being allocated towards Momentum’s three year business plan (2009-2012), Momentum’s activities would cease and the business plan would not progress. It further suggested that such a course of action did not meet the needs featured in Appendix I of this report and would generate no quantifiable monetary costs or benefits.

The Evaluation Team’s view on the counterfactual position is as follows:

- Given the large number of funding streams that Momentum receives monies through, it does not necessarily follow that had Invest NI not offered the organisation funding that its *“activities would cease and business plan would not progress”*. That is, there is potential that many aspects of Momentum’s Business Plan would have been delivered either in part or in full. However, until a full corporate level review of Momentum is undertaken that maps all of its funding and associated activity and also fully considers the work of others in the marketplace, we cannot be definitive on this point;
- As noted in Section 2.4, the original need and rationale for supporting Momentum as featured in the various project approval documentation was heavily premised upon a need to improve skills within the sector. Little or no focus was placed upon justifying the need for the remaining pillars of Momentum’s activity (i.e. internationalisation, collaboration and innovation). However, it is difficult to agree that the needs identified would not be met when much of the need for Momentum was justified on material drawn from e-Skills UK’s IT Sector Skills Agreement (SSA)

Action Plan for NI (2007-2010), when that organisation (i.e. e-Skills) was implementing a course of action to address the Action Plan;

- Almost half (47%, N=51) of Momentum's own members indicate that in the absence of Momentum's support they or their business would have been able to get the same or similar support elsewhere.
- The previous two points, in themselves, indicate a seemingly disjointed and uncoordinated support structure to the NI ICT sector, which prevent a true estimate of the counterfactual being arrived at;
- The difficulty in establishing the counterfactual is compounded by the following findings:

- The small proportion (12%, N=51) of respondents who were familiar with Momentum's **skills** related activities with schools and Further/Higher Education sectors to encourage ICT as the career choice of students.
- The fact that less than half (45%, N=29) of respondents who were aware of or familiar with Momentum's skills-related activities agreed that Momentum's activities have helped to ensure that the sector has and will continue to have an adequate supply of suitably people to meet its needs;
- The majority (88%, N=41) of respondents disagree that the NI ICT sector has or will continue to have an adequate supply of suitably qualified people to meet the needs of the sector.
- Over half (51%, N=51) of respondents were not aware or familiar with Momentum's work to promote **innovation** across the NI ICT sector. Indeed, only 2% (N=51) of respondents indicated that they were familiar with Momentum's work to promote innovation across the NI ICT Sector.
- Furthermore, when respondents were asked about specific support that their business may have received to help them embrace innovation, the majority disagree that Momentum had helped them. Many of these respondents noted that they are Invest NI clients, and would go directly to their Invest NI Client Executive if they required support for innovation or R&D.
- Only a third of members are aware of, or familiar with, Momentum's work to support local ICT companies to improve their export performance or assist them access international networks (37%, N=51) or with its work to help Invest NI promote FDI (foreign direct investment) activity (35%, N=51).
- Of those respondents (22 out of 51) who were either aware of, or familiar with, Momentum's **internationalisation** related activities, 82% disagreed that Momentum's activities had helped to educate their business in international sales and marketing practices;
- Similar to the feedback received relating to innovation, a cohort of members is aware that Momentum has undertaken activity relating to internationalisation. However, the vast majority of these members suggested that they would either look to Invest NI for this support or were sufficiently skilled in this area (and would not need Momentum's support) or both. Furthermore, for six respondents, Momentum's work relating to internationalisation has no relevance for their business, as they do not engage in sales related activities e.g. a university, a government unit, charity or a software sub centre (which no sales or marketing function).
- Less than three-fifths (59%, N=51) of respondents were aware of, or familiar with, Momentum's work to support the development of **collaborative** networks of businesses that include ICT businesses. However, of the 30 respondents who had some awareness or familiarity with Momentum's 'collaboration-related' activities, just over half (53%, N=30) were in agreement that Momentum had encouraged their business to participate in a collaborative partnership with other Momentum member companies or other businesses within or outside NI. These businesses suggested that Momentum's events allow businesses opportunities to come together and encourage them to work together. Furthermore they noted that Momentum also educates businesses on the possibilities and opportunities that collaboration can bring through its events and newsletters.

- These findings are further supported by the fact that only 2 of 51 respondents indicated that their business achieved any tangible impacts as a result of Momentum's support. Indeed, no member could identify a tangible impact upon internationalisation (sales to GB or outside the UK) or innovation (spend on R&D).
- Ultimately, it is the Evaluation Team's view that it is difficult to quantify the impact that Momentum's activity has made to Skills, Innovation and Internationalisation. We consider, based upon member feedback, that Momentum's greatest successes lie in its collaboration-focused activity.

6. BENCHMARKING

This section provides a summary of the key findings arrived at through our review of benchmark organisations in the UK and the Republic of Ireland. Specific organisations considered were:

Benchmark Organisation	Consultee
ICT Ireland	No consultee available
Irish Software Association	No consultee available
ScotlandIS	Membership Liaison Manager
United Kingdom Industry of Technology Association (UKITA)	Membership director

6.1 Key Points

Appendix IV provides a detailed overview of the services offered and aspects of the performance of each of the three benchmark organisations. However, key points to note include:

<p>Governance Structures &</p>	<ul style="list-style-type: none"> • ICT Ireland's membership is made up of the leading players in the Irish technology sector, as well as many early stage hi-tech companies and telecommunications companies. However, the organisation is one of sixty business associations affiliated to the Irish Business Employment Confederation (IBEC). This provides economies of scale and allows it to tap into a much wider range of expertise than would otherwise be the case. Reflective of these economies of scale, the organisation (despite offering a very comprehensive range of activities and services to members) has only three executive staff (including its secretariat function). Two of these staff (the Director and Secretariat) also serve the same role for the Irish Software Association, which also has 3 staff (Indeed, the same two individuals also play the same role for at least two further representative bodies, the Consumer Electronics Distributors Association – CEDA – and The White Goods Association - WGA). Again, members of the Irish Software Association avail of the economies of scale that IBEC brings; • ICT Ireland represents its members to the government, its agencies, regulators, customers and consumers, creating an environment where technology can transform and create a 'connected' society and economy. It is focused on where it can make a difference: influencing policy; improving markets and supply chains; providing information and helping members to grow their business. • It appears that ICT Ireland's members play very active roles in its Governing Council, its Management Board and within the wide variety of Working Groups that it has established to address sector issues. • ScotlandIS is the trade body for the information and communications technologies (ICT) industry. It represents around 200 software, telecoms, IT and creative technologies businesses throughout Scotland. Its remit is to raise the profile of the industry in Scotland, lobby policy makers on relevant issues and support its members in the development of business relationships with customers, suppliers and partner companies. • UKITA operates as a Trade Association with project-delivery capabilities. It represents IT SMEs throughout the UK and is part of the wider PIN SME (The Pan European ICT & eBusiness Network for SMEs) network in Europe. The primary focus of the organisation is to encourage the growth of SMEs through the delivery of business networking opportunities and by promoting the credentials and image of the industry in general. • UKITA operates in Regional Clusters, which coincide with the Regional Development Areas (RDAs) of England plus Scotland, Wales and NI. Membership is open to anyone involved in the delivery of ICT products and services, to those working within the ICT sector, and those who provide products and services to the ICT sector. Whilst the organisation has only one member based in NI at present, it has in consultation with Cogent indicated that it intends to implement a recruitment drive in NI in the near future.
---	---

Membership Numbers	<ul style="list-style-type: none"> • Momentum – 102 • ICT Ireland – Would not state • The Irish Software Association – 160+; • ScotlandIS - Over 250 • UKITA - 120 (one in NI however want to attract more members from NI) 						
Support Provided to Members	Please see Appendix IV for a detailed overview.						
Performance Measurement	<ul style="list-style-type: none"> • ICT Ireland/ Irish Software Association - Information not publically available. • ScotlandIS - No formal mechanisms other than monitoring those who renew membership each year and the number of new members joining. • UKITA - No formal mechanisms other than monitoring those who renew membership each year and the number of new members joining 						
Sources of income	<table border="1"> <tr> <td style="background-color: #d9ead3;">ICT Ireland/ Irish Software Association</td> <td>Information not publically available.</td> </tr> <tr> <td style="background-color: #d9ead3;">ScotlandIS</td> <td>90% - Membership fees 10% - Sponsorship opportunities (Approx - £500,000 turnover latest annual position)</td> </tr> <tr> <td style="background-color: #d9ead3;">UKITA</td> <td>90% - Membership fees 5% - Sponsorship 3% - Advertising 2% - Authority projects</td> </tr> </table> <p>NB UKITA started out ten years ago as a public sector-funded project and for the first five years of its development it received significant government investment. UKITA has now successfully made the transition into an independent private sector organisation.</p>	ICT Ireland/ Irish Software Association	Information not publically available.	ScotlandIS	90% - Membership fees 10% - Sponsorship opportunities (Approx - £500,000 turnover latest annual position)	UKITA	90% - Membership fees 5% - Sponsorship 3% - Advertising 2% - Authority projects
ICT Ireland/ Irish Software Association	Information not publically available.						
ScotlandIS	90% - Membership fees 10% - Sponsorship opportunities (Approx - £500,000 turnover latest annual position)						
UKITA	90% - Membership fees 5% - Sponsorship 3% - Advertising 2% - Authority projects						

A comparison of membership annual fees is shown overleaf.

6.2 Summary Conclusions

The Evaluation Team notes the following:

- Based upon the information available to us, it appears that each of the benchmark organisations offer a more comprehensive range of services and activities that would directly add value to their members’ businesses and operations than those offered by Momentum. Whilst, they each appear to do some schools based activities, this would not be their dominant focus. In addition, it appears that they offer a greater range of revenue generating activities to their members (e.g. training workshops).
- Two (ScotlandIS and UKITA) of the four benchmark organisations are self-sustaining based on the members revenues that they generate. This may well be case for the other two (ICT Ireland/ Irish Software Association), but the information was not available to the Evaluation Team to allow us to confirm whether this is the case. However, we note that ICT Ireland’s and Irish Software Association’s structure within IBEC and their sharing of staff (between the two associations, and indeed with two further two further representative bodies, the Consumer Electronics Distributors Association and the White Goods Association - WGA) would appear to provide them with access to economies of scale that are not available to Momentum, and would likely provide them with greater potential to become self-sustaining.
- With the possible exception of ICT Ireland and the Irish Software Association (where the membership rates are not made public), ScotlandIS has the most sophisticated range of membership fees. We are also aware that it has at least 9 ‘Platinum’ members and 20 ‘Gold’ members, paying at least £5,000 and £2,000 respectively per annum each.
- The Economic Appraisal recommended that Momentum should assess the possibility of a longer-term merger with Intellect, the Irish Software Association or e-Skills UK to order to ensure that relevant economies of scale in relation to service delivery are achieved.

Membership Fees

Table 6.1: Annual Member Fees (Excluding VAT)						
Momentum		ICT Ireland/ The Irish Software Association	ScotlandIS		UKITA	
No. of Employees	Annual Fee		No. of Employees	Annual Fee	No. of Employees	Annual Fee
1-5	£85	ICT Ireland's and the Irish Software Association's membership charge is part of the IBEC annual membership rate. As part of IBEC, members of the ISA derive other benefits such as legal advice, support and training, human resources advice and sector specific representation.	Individual members ¹²	£100	One	£160
6-10	£275		1-5 (new companies under 2 years old)	£100	2-5	£220
11-20	£500		1-5	£200	6-10	£280
21-50	£675		5-15	£400	11-20	£340
51+	£850		16-30	£600	21-50	£420
Affiliate Companies ¹³	£750		31-40	£800	51-100	£500
Gold	£2,000		41-50	£1,000	101-250	£600
		51-100	£1,200	251-500	£750	
		100+	£1,500	500+	£850	
		Gold ¹⁴	£2,000	Associate Membership	£49	
		Platinum ¹⁵	£5,000			
		Platinum Plus ¹⁶	£10,000			
		We note that the 2009 Economic Appraisal reported that the Irish Software Association's 'basic' membership fee was €1,825.				

6.3 Summary Conclusions Cont.

- Ultimately, it appears that Momentum is the least sustainable of the 5 organisations considered within this benchmark review. It is the Evaluation Team's view that the 4 benchmark organisations generally have a more sophisticated member offering which is focused more on supporting the member businesses directly (rather than indirectly through schools and college based activity). This in turn allows these organisations to achieve higher membership fees and greater levels of non-membership fee income from members (e.g. fees for training courses etc.).
- We consider that there would be merit in Momentum undertaking a top-down strategic review of its composition, remit, member structures and offering, and of the wider marketplace. In particular, given its declining membership, Momentum must get closer to the needs of the sector and offer services that the sector will value.

¹² A special category, with restricted benefits, for individuals

¹³ Organisations offering services to Momentum members, such as legal, financial and recruitment companies.

¹⁴ An optional category for established companies which incorporates all the elements of the business package and extra benefits.

¹⁵ A special category for major corporations which incorporates all the elements of the business package and attracts additional benefits.

¹⁶ An exceptional category for major corporations, global enterprises and government bodies.

7. MONETARY ANALYSIS

7.1 Economic Appraisal's Proposed Funding Plan

7.1.1 Introduction

An independent Economic Appraisal (November 2009) was commissioned by Invest NI to consider options relating to Momentum's Business Plan (application for support). The Economic Appraisal considered a number of options, with Option 5 being identified as its preferred option. Option 5 was entitled '**gradual reduction of Invest NI Funding over Momentum's Three Year Business Plan (2009-2012)**'.

The Economic Appraisal suggested that whilst it focused solely on the funding received from Invest NI for the activities outlined in the Business Plan (2009-2012), there was a need to be cognisant of the entire funding package received by Momentum (e.g. InterTradeIreland etc.).

The Economic Appraisal noted that over the preceding six years (presumably 2003-2009), Momentum had received funding of £150,000 per year from Invest NI for the delivery of services. In addition, Momentum had received a loan of £150,000 from Invest NI in June 2003. This loan was free of interest until May 2005 when interest became due. At the time of the Appraisal (i.e. November 2009), Momentum had accrued interest on the loan, but had not yet repaid any interest or capital (as Momentum has only recently reached the relevant triggers points).

It was suggested that the Board of Momentum wished to see the loan and interest repaid to Invest NI as soon as possible. In its business plan, Momentum had outlined an increase in services from previous years which would require an increase in Invest NI funding to £250,000 per year. Subsequently, Momentum proposed that 25% of all claims would be offset against the loan in order to ensure repayment of both the loan and interest over the 3-year period of the business plan (i.e. 2009-2012).

7.1.2 Projected Expenditure

The Economic Appraisal's Preferred Option recommended the provision of £575,000 of Invest NI funding to Momentum on the following sliding scale:

- Year 1 - £250,000 funding;
- Year 2 - £175,000 funding; and
- Year 3 - £150,000 funding.

The Appraisal Team's interpretation of the Economic Appraisal and associated Casework Minutes (NB the issue is not clearly addressed within either) is that Invest NI's funding would be as follows:

	Invest NI Cash towards securing outsourced services to continue the career attractiveness campaign	Invest NI Cash towards other activities	In-Kind Contribution from Momentum to offset Loan	Total
Year 1	£50,000	£150,000	£50,000	£250,000
Year 2	£50,000	£75,000	£50,000	£175,000
Year 3	£50,000	£50,000	£50,000	£150,000
Total	£150,000	£275,000	£150,000	£575,000

As will be discussed further later, it is not clear how Momentum was anticipated to pay back the loan or the interest on the loan that had accumulated from May 2005 (we understand at March 2009, this

has amounted to £32,151.58)¹⁷. Furthermore, it is not clear what the ‘career attractiveness campaign’ is and what the costs relating to it were anticipated to be (i.e. they are not identifiable within the proposed expenditures). The view was that this option would result in the Board and Management of Momentum having to assess other methods of increasing revenue or decreasing costs, in an effort to become less dependent on public sector support.

At the time, Momentum’s management indicated that this option would allow them to implement all of the activity as outlined within their Business Plan, with the exception of the skills development strategic pillar, where it was suggested that the sliding funding scale would necessitate a ‘radical investment reduction’. Momentum’s management also suggested (at the time) that Option 5 would entail further tailoring of the business plan on a yearly basis, due to the reducing level of funding. It was also suggested that any reduction in overheads could only be achieved by reducing salaries and wages through redundancies. The projected annual costs associated with Option 5 were as follows:

Table 7.2 - Momentum’s Projected Costs 2009-2012¹⁸					
Cost of Sales	2010	2011	2012	Total	
Members services	11,000	15,000	18,000	44,000	
Skills	50,000	50,000	50,000	150,000	
All Island Initiatives ¹⁹	36,000	145,000	145,000	326,000	
Invest NI Projects	6,000	6,000	6,000	18,000	
Digital Content ²⁰	18,000	18,000	18,000	54,000	
Subtotal	121,000	234,000	237,000	592,000	
Overheads ²¹	Salaries & Wages	301,992	314,446	318,488	934,926
	Rent & Rates	16,800	17,300	17,825	51,925
	Insurance	1,392	1,435	1,475	4,302
	Computer Maintenance	4,800	4,800	4,940	14,540
	Telephone	4,800	5,050	5,210	15,060
	Stationery & Printing	1,200	1,425	1,470	4,095
	Promotion & Advertising	700	725	750	2,175
	Professional Fees	8,400	9,091	9,363	26,854
	Accountancy	9,000	9,600	10,200	28,800
	Audit	3,504	3,750	4,000	11,254
	Legal Fees	996	1,000	1,200	3,196
	Subscriptions	804	800	850	2,454
	Bank Fees	480	500	550	1,530
	Travel Costs	4,800	5,600	6,500	16,900
Sundry Expenses	804	1,000	1,200	3,004	
Depreciation	1,510	661	-	2,171	
Total Proposed Overheads	361,982	377,183	384,021	1,123,186	
Total Overheads (rounded per EA and allowing for error in Year 1)	362,000	377,000	384,000	1,123,000	
Finance Charges	6,000	6,000	7,000	19,000	
Total Costs	489,000	617,000	628,000	1,734,000	

¹⁷ NB A March 2010 Executive Casework Meeting Minute “proposed that the Committee approve an interest waiver for the three year period (2009-2011) which would result in a loss of £5,500.”

¹⁸ NB The Evaluation Team has tallied the individual costs as presented within the Economic Appraisal and identified that they amount to £1,734,000 over the 3 years. However, the Economic Appraisal report calculates the costs as totalling £1,735,000. The apparent error occurs in Year 1 of the Economic Appraisal’s calculations.

¹⁹ At the time of the Economic Appraisal, Momentum had secured funding from InterTradeIreland to build an All Island Software Network through to June 2010. Momentum’s financial projections assumed that this project would be further extended to March 2012. Momentum had also secured additional support from InterTradeIreland for the development of specific business driven networks. The financial projections also included estimates of this additional support.

²⁰ At the time of the Economic Appraisal, the network had 135 member companies.

²¹ Overhead projections were based on Momentum’s previous audited accounts.

Over the period July 2008 to March 2009, Invest NI had provided Momentum with £100,000 to support outsourcing services required to deliver the career attractiveness strand of the ICT Future Skills Action Group. A major element of this funding was utilised in designing and producing a range of marketing collateral which could be reused year on year with some refreshing. The Economic Appraisal indicated that £50,000 of funding would be allocated to securing outsourced services to continue the career attractiveness campaign. However, the Economic Appraisal recommended that this allocation of funding should remain flexible and could be reallocated by agreement between Invest NI and Momentum.

The Economic Appraisal assumed that Invest NI's annual funding would be subject to a £50,000 'offset' to facilitate the repayment of a £150,000 loan received from Invest NI in June 2003²².

Momentum's projected salary costs were further broken down, as follows:

Table 7.3 - Momentum Budgeted Salaries and Wages 2009/10				
Employee	Gross annual salary (£)	Annual NIC (£)	Annual pension (£)	Total Budget (£)
Chief Executive Officer	71,014	8,384	3,551	82,949
All Island Software Network Project manager	46,499	5,250	2,325	54,074
Skills Manager	45,678	5,123	2,284	53,085
Digital Circle Network Facilitator	37,079	4,150	1,854	43,083
Uplift in Digital Circle Network Facilitator's salary	2,000			2,000
Skills project executive	25,750	2,036	1,288	29,074
Member services executive	21,210	1,463	1,060	23,733
Part-time administrative employee (to be appointed)	6,993			6,993
Call-off communications support	7,000			7,000
Total Projected Salary 2009/10	263,223	26,406	12,362	301,991

The projected 2009/10 salaries and wages included the recruitment of an administrative assistant on a part-time basis and the call-off services of a communications strategy advisor. It was assumed the part-time administrative employee will work 110 days per annum, which equated to a daily rate of £63.57.

Total salary costs were projected to increase by 4.1% and 1.3% respectively in the two years following 2009/10. No rationale was provided for the variances in the increases. These increases follow what appear to be substantial salary costs increases in first year of the plan (i.e. 2009/10 when costs were projected as being £301,991) compared with the two years prior, when total salary costs were £269,810 (2007/08) and £265,021²³ (2008/09) respectively.

The Evaluation Team notes that the Appraisal does not appear to have challenged the need for costs such as the 'call-off communications support', which was a new cost introduced for the period 2009/12. It may be case that the Appraisal Team considered that this was not part of its remit if Invest

²² Over the previous six years (i.e. prior to 2009), Momentum had received funding of £150,000 per year from Invest NI for the delivery of services according to an agreed action plan and services. In addition, Momentum had received a loan of £150,000 from Invest NI in June 2003. This loan was free of interest until May 2005 when interest became due. Momentum had accrued interest on the loan, but at November 2009, had not repaid any interest or capital (as Momentum had only recently reached the relevant triggers points). The Economic Appraisal indicated that Momentum's Board wished to see the loan and interest repaid to Invest NI as soon as possible. In its business plan, Momentum had proposed an increase in services from previous years which were anticipated to require an increase in funding to £250,000 per year. Momentum proposed that 25% of all claims would be offset against the loan in order to ensure repayment of both the loan and interest over the 3 year period of this business plan. The financial projections contained in the business plan assumed project funding of £200,000 per year, plus £50,000 for the career attractiveness campaign.

²³ The Evaluation Team notes that this cost may have increase by a £4,539, as a year-end performance related bonus was pending (according to the Economic Appraisal).

NI's monies were not going to be used towards this cost. However, neither assumption can be confirmed due to the lack of detail relating to how Invest NI's monies were projected to be spent.

7.1.3 Projected Staff Input

The Economic Appraisal stated that there was a need to be cognisant of the entire Momentum organisation. The following table details the projected time spent on Momentum activities by each employee, as illustrated within the Economic Appraisal. These projections were based on Momentum's objectives included in their 2009-2012 business plan.

Table 7.4 – Projected Momentum Days Per annum							
Position	Admin	Invest NI Projects (excl skills)	Invest NI Projects Skills	All Island	Member services	Digital Circle	Total Days
CEO	55	68	51		50		224
Skills Manager	28		196				224
Skills Project Executive /Office Administrator	44		180				224
Member services executive		95		25	75	29	224
Sub-Total		163	427				590
AISN Project manager				224			224
Digital Circle Network						224	224
Part-time Administrative Support	110						110
Total	237	163	427	249	125	253	1454

Salient points to note include:

- The Economic Appraisal Team requested an overview of the CEO's time allocated to the All Island Software Network and Digital Circle projects; however Momentum was unable to provide this information;
- 29% (427 days per annum) of Momentum staff time was projected to be spent on Invest NI skills activities;
- Momentum management had assumed that the appointment of an administrative assistant on a part-time basis would not reduce other staff members' administrative duties. This was not considered realistic by the Appraisal Team. Furthermore, the additional 110 days of administrative support was not fully detailed or mapped against the activities of Momentum.

The Appraisal Team recommended that a comprehensive staffing/organisational review be carried out to ensure that Momentum was operating efficiently and effectively.

7.1.4 Projected Income

The annual projected income associated with Option 5 was as follows:

Table 7.5 - Momentum's Projected Income 2009-2012					
Income		2010	2011	2012	Total
Member Contributions	Subscriptions	55,000	58,000	61,000	174,000
	Event Sponsorship	13,000	13,000	14,000	40,000
	Annual Sponsorship	6,000	14,000	22,000	42,000
	Sub-total	74,000	85,000	97,000	256,000
Funding	Invest NI funding - Skills & Invest NI Projects	250,000	175,000	150,000	575,000
	Digital Content Network Funding	67,000	67,000	67,000	201,000
	All Island Initiative Funding - InterTradeIreland	102,000	218,000	218,000	538,000
	Funding Sub-total	419,000	460,000	435,000	1,314,000
Total Income/Funding		493,000	545,000	532,000	1,570,000

Assumption relating to Momentum's income/funding included:

- The Economic Appraisal indicated that the Board of Momentum recognised that it must seek to increase the amount of funding it generates from its membership in order to decrease its dependency on public sector support. Membership subscription levels had been reviewed in October 2008 but due to the economic uncertainty at that time it was agreed that subscription levels should remain unchanged. The Board had subsequently (in advance of the Economic Appraisal) again reviewed financial contributions from members and had agreed the following:

- Momentum planned an aggressive recruitment campaign with an objective of increasing membership by 50 companies over the 3 year period to March 2012. A particular target was anticipated to be the members of the Digital Circle forum. However, it was anticipated that this increase in membership would result in a limited increase in membership fees as the companies were suggested to be small.
- Membership subscriptions would be increased by 5% across all membership categories from 1 April 2010. A further 5% increase would be applied from 1st April 2011.
- Momentum would immediately (at November 2009) introduce and promote sponsorship of individual Momentum events by member companies. Such sponsorship was suggested to have been successfully piloted with strong support from members.
- Momentum would immediately (at November 2009) introduce annual sponsorship packages for member companies. Annual sponsorship would entitle members to promotion on the Momentum website and marketing collateral and to one event of their choice which would be delivered by Momentum. It was suggested that annual sponsorship would be priced at £2,000 per annum and would be restricted to ten member companies.
- Momentum had agreed a partnership with Intellect where it would offer Intellect Escrow services to Momentum members at a discounted rate. Momentum planned to expand the range of services offered to members to include human resources and insurance. Momentum would make a small financial gain from these services which could not (at the time of the Economic Appraisal) be quantified and was not included in this business plan. The key reason for offering these services was to increase the value of Momentum membership to member companies.

- InterTradeIreland had provided funding for a project to build an All Island Software Network through to June 2010. Momentum's own financial projections and the Economic Appraisal assumed that this project would be further extended through to March 2012;
- Momentum had also secured additional support from InterTradeIreland for the development of specific business driven networks. The financial projections also included estimates of this additional support through to March 2012;

- The Digital Content Network had secured funding from Invest NI to the end of March 2011. At the time of the Economic Appraisal (November 2009), the network had 135 member companies who were considered to be ‘fully engaged’ in the project. It was therefore assumed within the Economic Appraisal that this project would be extended through to the end of March 2012.

The Evaluation Team’s review of the approval papers indicates that the Executive Casework Committee had substantial reservations about the extent to which Momentum would become less reliant on Invest NI funding and explored “*whether there was a way of tying in the issue of increasing Momentum’s membership and revenues by providing break points in any further agreements*” (i.e. for the period 2009-2012).

We note that the Committee noted that Momentum was a trade development body and not a skills body but that their support of the Future Skills Action Group, and their close working relationship with e-Skills UK over the previous two years, had helped address the priority skills issues in the sector. However, the Casework Committee Papers indicated that “*Invest NI would like to see E-Skills become more involved with schools allowing Momentum to move towards delivering other value add services to its members. The Committee agreed that Industry should be responsible for building the sector and that there had been significant contribution in kind which should be built into the costs of the skills element. The Committee asked for a comparison of how E-skills are funded by DEL and for more evidence of DEL’s involvement and commitment*”.

The Casework Committee Minutes also stated that “*revenue generated by Momentum for projects e.g. InterTradeIreland and Invest NI’s Digital Circle, was earmarked and does not cover overheads. The events are run at breakeven with revenue covering costs and the membership fees covering only a fraction of the total operating costs.*” However, this does not appear to be borne out by the income and expenditure projections outlined above, particularly in relation to the income and costs projected for the InterTradeIreland funded activity.

7.1.5 Projected Funding Shortfall

Per Section 7.11, the Economic Appraisal’s Preferred Option had projected total costs of £1,734,000. The projected costs, however exceeded the total projected income (£1,570,000, see Section 7.1.2) by £164,000²⁴.

The Economic Appraisal stated “*for the purposes of this viability analysis, it is assumed that variations in membership subscription and membership numbers could alleviate this identified financial shortfall (i.e. event sponsorship and annual sponsorship remain constant)*”.

The Economic Appraisal suggested that various alternatives were available to Momentum’s management which it should consider in order to alleviate the financial shortfall. The following table provides an option that was presented within the Economic Appraisal and considered to be a viable option in order to address the funding shortfall. The option contained the following features:

- Increasing Momentum’s membership by 69 companies (to 226 in total);
- Increasing annual subscription fees for all sizes of business.

The re-profiled fee structure and number of members (illustrated within the table) were considered to be both reasonable and achievable targets by the Appraisal Team. The Appraisal Team suggested that the targets set out took cognisance of the size of each member company in the context of the NI ICT sector. It was anticipated (if implemented) that this would ensure that smaller enterprises were not subject to unaffordable increases in subscription fees (i.e. companies with 1 to 10 employees would be

²⁴ NB Due to a calculation error, the Economic Appraisal calculated the shortfall as being £165,000.

subject to an 18% increase in membership subscription fees vis-à-vis companies with 51+ employees who would subject to a 65% increase in the same).

Membership Category (Based on Employee Numbers)	At November 2009		Suggested 2010 Target				
	Membership	Membership subscription (per member) (£)	Membership based on 69 new members required	% Change	Membership subscription (per member) (£)	% Change	Total Membership Subscription (£)
Affiliate	8	£750	10	+25%	£1000	+33%	£10,000
1-5	77	£85	100	+30%	£100	+18%	£10,000
6-10	12	£275	36	+200%	£325	+18%	£11,700
11-20	13	£500	25	+92%	£600	+20%	£15,000
21-50	15	£675	20	+33%	£900	+33%	£18,000
51+	32	£850	35	+9%	£1400	+65%	£49,000
Total	157		226	+44%			£113,700

The targets set out in this suggested option are suggested to provide subscription revenue marginally in excess of the required £113,000 per annum therefore alleviating the financial shortfall of £165,000 (over a three year period) within Option 5.

However, of importance, it should be noted that the Appraisal Team suggested that this was only one possible option available to Momentum’s management. The Appraisal Team stated that alternatives included further variations in membership numbers and subscription fees along with variations in the revenue generated from annual sponsorship and events sponsorship. The Appraisal Team recommended that these options could be further explored by Momentum’s management in order ensure the medium to long term financial sustainability of the organisation.

7.1.6 Revisions to Proposed Project Incomes & Expenditures

The original Momentum Casework Committee Meetings were held in December 2009. However, an addendum to the Executive Committee Casework was submitted in March 2010. It suggested a new funding proposal from that proposed in December 2009. It indicated that this was required as since December 2009, Momentum had worked in partnership with e-Skills UK to develop a joint action plan for developing skills for the NI ICT sector. It stated that “*this joint plan will be submitted by E-Skills UK to the Department for Employment and Learning (DEL) for funding, with Momentum as a delivery partner. The joint action plan has been submitted to the ICT Future Skills Action Group for review and approval.*”

However, a number of the skills related objectives detailed on page 12-13 in the original submission (Annex A) will sit outside the joint e-Skills UK/Momentum plan. Therefore, the Executive is content that the economic appraisal is still relevant but recommends a reduction in Invest NI funding to secure the delivery of the remaining skills activities and the other strategic pillars of stimulating innovation, promoting internationalisation and collaboration”.

The Evaluation Team notes that the Casework Addendum did not identify which skills related objectives detailed in the original submission would sit outside the joint e-Skills UK/Momentum plan.

It suggested that as a result, “*the Executive team is seeking approval for a reduced level of funding in the amount of £200K over two years as per the following breakdown:*

Old - £175k (Yr2); £150k (Yr3); Total: £325k.
New - £110k (Yr2); £90k (Yr3); Total: £200k.

It stated that “*this is the level of support required to ensure delivery of the remaining skills related activities as well as the three strategic growth pillars of Innovation, Internationalisation and Collaboration*”.

Discussion with Invest NI has confirmed that it’s funding towards the Momentum project was subsequently projected to be as follows:

Table 7.7 – Revised Invest NI Funding				
	Invest NI Cash towards securing outsourced services to continue the career attractiveness campaign	Invest NI Cash towards other activities	In-Kind Contribution from Momentum to offset Loan	Total
Year 1	£50,000	£150,000	£50,000	£250,000
Year 2	£50,000	£10,000	£50,000	£110,000
Year 3	£40,000	-	£50,000	£90,000
Total	£140,000	£160,000	£150,000	£450,000

7.1.7 Evaluation Team’s Commentary on Projected Incomes & Expenditures

Key points to note in relation to Momentum’s projected income and expenditure (as presented within the Economic Appraisal) include:

- Despite stating that it was “*focused solely on the funding received from Invest NI for the activities outlined in the Business Plan (2009-2012)*”, the Economic Appraisal did not clearly identify separately the costs relating to the proposed Invest NI funding. Instead of focusing solely on the funding received from Invest NI for the activities outlined in the Business Plan (2009-2012), it looked at Momentum’s income and expenditure at the corporate level. Please note, we consider that the Appraisal should have first considered Momentum’s income and expenditure at the corporate level, but then clearly distinguished/separated out the income and expenditure that related to the proposed Invest NI funding.
- In the case of Momentum, such an approach would have been particularly important, due to the ‘cocktail’ of funders that it had/has. A further reason for the importance of clearly disaggregating the Invest NI funded activity was/is due to the related aims of much of its other public-sector funded activity;
- In effect, the first half of the Appraisal document (that outlines proposed activity) cannot be related to the second half the document that relates to costs and incomes. In some cases the second half of the Appraisal document appears to discuss different activities than those presented in the first half of the document. Whilst some of the confusion may relate to differences in terminologies used, we consider that there is a more fundamental issue relating to the proposed activity and proposed costs;
- Furthermore, the Appraisal document makes a number of substantial assumptions relating to projected incomes (such as those proposed for InterTradeIreland and the Digital Content Network) without limited assessment as to whether they were achievable. The Evaluation Team notes that the Appraisal Team may have been provided with assurances relating to these monies, but they are not reflected in the Appraisal report. If this was not the case, the potential funding shortfall should have called into question the viability of the entire organisation and raised associated risks to Invest NI’s investment;
- The Appraisal document’s Preferred Option did not have sufficient income to cover the projected expenditure. Instead, it presented a scenario that involved Momentum increasing its membership by 44% in Year 1, as well as increasing its membership fees (from between 18% and 65% depending on category). No cognisance appears to have taken in relation to historic activity relating to membership or the fact that Momentum and its Board considered that achieving 50 new members of 3 years (as opposed to 69 over one year) represented “*an aggressive recruitment*”

campaign” or that only incremental increases (of 5%) in membership fees would be realistic. Based upon the information presented to the Evaluation Team from the time of the approval, we do not consider that the proposal featured in the Appraisal report should have been considered realistic. We consider that the situation should have raised a concern relating to viability and been explored in more detail.

7.1.8 Projected Economic Benefits

The Economic Appraisal indicated that the principal economic benefits anticipated from the implementation of Momentum’s Business Plan (2009-2012) were increased turnover and international competitiveness and cooperation of its member ICT companies.

It was noted that, in particular, the 2009-2012 Business Plan aimed to promote internationalisation, attracting high value added FDI into NI and encouraging ICT businesses in NI to target foreign markets. It was suggested that this could result in increased business generation and create sustainable economic expansion of NI’s ICT sector.

However, the Economic Appraisal stated that, at that stage, it was not possible to quantify the commercial benefits that members of Momentum had derived, and so did not attempt to quantify either the scale of benefits or estimate the number of businesses that might achieve them.

7.2 Actual Project Costs

On 8th December 2009, Invest NI issued a Project Delivery Agreement to Momentum involving assistance of **£575,000** to deliver a project for the ICT Industry in NI over the 2009-2012 period which supported a range of activities aimed at increasing the competitiveness and capability in the ICT sector. This funding was provided through Invest NI’s normal operating budget.

The original approval scheduled the £575,000 of assistance was to be paid as follows, £250,000 in year 1, £175,000 in year 2 and £150,000 in year three. However, this was amended in March 2010 with the proposed funding revised in year 2 to £110,000 and year 3 to £90,000.

This therefore reduced the proposed funding to £450,000 in total, as follows:

Table 7.8 - Revised Invest NI Momentum Funding	
Year 1	£250,000
Year 2	£110,000
Year 3	£90,000
Total	£450,000

The agreed staff costs associated with the delivery of the Project for the period 1 April 2009 to 31 March 2012 are shown in the table below:

Table 7.9 – Momentum’s Daily Rates	
Title/Description	Years 1-3 Daily rate
Chief Executive Officer	£588
Skills Manager	£367
Membership Executive	£212
Administrative Executive	£173

The Evaluation Team has analysed Momentum's claims to Invest NI as follows:

Table 7.10 - Summary of Momentum's Claims to Invest NI (09/12)				
	2009/10	2010/11	2011/12	Total
Sector Skills	133,131.63	31,584.60	26,885.20	191,601.43
Innovation	25,616.47	25,557.20	26,880.07	78,053.73
Internationalisation	30,138.85	30,684.07	22,419.80	83,242.72
Collaboration	18,045.79	15,337.13	15,392.40	48,775.32
Expenses	48,589.00	9,779.00	62.00	58,430.00
Total	255,521.73	112,942.00	91,639.47	460,103.20

Discussion with Momentum indicates their view that *"Invest NI did not allocate any funding to the communications project which has been fully funded by Momentum"*.

We note Momentum's view that *"All activities described in the quarterly reports submitted by Momentum to Invest NI over the period 2009 to 2012 and against which financial claims have been submitted to Invest NI have only been funded by Invest NI and not through any other source"*.

Invest NI provided details of payments to Momentum during the period 2009/12, totalling £751,088.73. We note however, that the schedule received appears to contain payments for the period 2008/09 and payments relating to the Digital Circle project, so these have been excluded from our analysis.

Table 7.11 – Payments to Momentum	
Payments to Momentum	£
Delivery of Services	450,000.00
Loan Offset	(185,537.12)
Sponsorship of large Hadron collider breakfast event 10.3.09	398.75
Sponsorship of Momentum tech legal event 20/05/10	550.01
Total Payments to Momentum 2009-12	265,411.64
Payments relating to 2008-09	231,677.00
Payments relating to Digital Circle	254,000.09

If payments (£948.76) relating to event sponsorship are excluded, it appears that Invest NI paid Momentum £264,462.88 for services relating to the project being evaluated.

The Evaluation Team understands that over the period 2009-2012 the loan provided to Momentum by Invest NI was netted off against grant payment made against each of the PDA's quarterly payments. The payments indicate that in addition to the loan amount of £150,000, an offset (£35,537.12) in payments was included to allow for the interest that had accumulated on the loan provided by Invest NI during 2003.

Invest NI Staff Costs

Invest NI staff costs are based on information provided by Invest NI and are reflective of the full economic costs of staff time including ERNI plus Superannuation, and loadings. These costs are based on the DETI Ready Reckoner of Staff Costs, the 2008/09 salary costs have been uplifted to today's prices by applying 3.03% to get to 09/10 figures, 3% to get to 10/11 figures; and a further 2.7% to get to 11/12 figures. The superannuation and loadings have been uplifted using HMT's GDP deflators. An overview of the full economic staffing costs is provided below:

Table 7.12: Invest NI Fully loaded staff costs								
		% of time apportioned to Programme²⁵			Cost			
	2008-09	09-10	10-11	11-12	Yr 0	Yr 1	Yr 2	Total
Grade 7 (DP) – 4 days per month	60,521	22%	22%	22%	13,718	14,130	14,511	42,359
Executive Officer 2 – 1 day per month	39,501	5.5%	5.5%	5.5%	2,238	2,306	2,368	6,912
Total internal 'fully loaded' staff costs					15,956	16,435	16,879	49,270

7.3 NPV Analysis

The Economic Appraisal did not conduct a NPV analysis. The Economic Appraisal reports states:

“According to Green Book guidance, projects that have a duration greater than three years, and/or with economic benefits anticipated to be generated for more than three years, a Net Present Cost/Value analysis would be performed. In the case of Momentum’s three year business plan (2009-2012), it is therefore concluded that no Net Present Cost Analysis is required”.

The Evaluation Team is not familiar with this guidance, but note that it does not feature in the Green Book Appraisal and Evaluation in Central Government (HM Treasury, 2003).

The lack of a NPV analysis prohibits any comparative analysis being undertaken within this Evaluation.

²⁵ Costs are calculated based on a proportion of an average of 216 working days per annum.

7.4 Cost Effectiveness Analysis

The EA identified the following cost effectiveness indicators for the proposed project:

Table 7.13 – Cost Effectiveness Comparison				
Indicator	Per Nov 2009 EA		Current (Nov 2012)	
	Cost/Indicator	Indicator/£	Cost/Indicator	Indicator/£
Project cost per Momentum member	£1,735,000/157	£11,051	The EA's cost-effectiveness indicator is somewhat confusing as the Invest NI funded project was anticipated to be separate and distinct from Momentum's other activity. Therefore, the project costs would not have been £1.7m.	
Invest NI funding per Momentum member	£575,000/157	£3,662	£450,000/102	£4,412
Invest NI funding per Momentum contributing to a new start-up selling outside the UK	£575,000/45 ²⁶	£12,778	There is no evidence that Momentum's support has contributed to start-ups selling into GB or outside the UK.	
Invest NI funding per Momentum contributing to a start-up selling into Great Britain	£575,000/300 ²⁷	£1,917		
Project cost per employee in IT and Telecoms sector ²⁸	£1,735,000/13,700	£127	Given that Momentum interacts with only a small proportion of the NI ICT sector, this would not appear to be an appropriate cost-effectiveness indicator for the project under review.	

The Economic Appraisal noted that Invest NI's funding per member was significantly greater than the current (at that time) average membership fees (circa £390 per annum). This continues to be the case, although average membership fees have increased to £436. The level of Invest NI funding per Momentum member was 20% more than was forecast.

7.5 Risk Analysis

The Economic Appraisal identified the following nine potential risks and indicated the Appraisal Team's views as to the level of risk.

Table 7.14 – Economic Appraisal's Risk Assessment		
Risk	Likelihood	Potential Impact
Reduction/Withdrawal of InterTradeIreland Funding	Low	High
Changes in market conditions	Low	Medium
No long term impact	Medium	Medium
Failure to meet targets	Low	Medium
Loss of key staff	Medium	Medium
Participants' needs greater than support available	Medium	Medium
Lack of sponsorship uptake	Medium	Medium
Lack of demand	Low	High
Momentum sustainability	Low	Medium

The Evaluation Team notes the following about the risks identified:

²⁶ NB The Evaluation Team notes that this indicator appears to indicate that Momentum would achieve Invest NI's total target for new start-up selling outside the UK;

²⁷ NB The Evaluation Team notes that this indicator appears to indicate that Momentum would achieve Invest NI's total target for start-ups selling into Great Britain

²⁸ Based on Northern Ireland IT Snapshot: The ICT Labour Market in Northern Ireland – March 2009

Risk	Evaluation Team's Commentary
Reduction/Withdrawal of InterTradeIreland Funding	<p>Momentum had secured funding from InterTradeIreland to build an All Island Software Network through to June 2010. Momentum's financial projections had assumed that this project would be further extended to March 2012. Momentum has also secured additional support from InterTradeIreland for the development of specific business driven networks. The financial projections had also included estimates of this additional support.</p> <p>The Evaluation Team notes that Momentum has continued to receive funding from InterTradeIreland. However, a review of InterTradeIreland's funded activity is beyond the scope of our analysis.</p>
Changes in market conditions	<p>The Economic Appraisal stated that there was a possibility that the ICT sector in NI might become less influential in terms of contributing to GVA. It suggested that emerging sectors such as 'the Green Economy' might become more significant and require significant funding to support growth. It suggested that Momentum's Board of Directors and management should remain alert to changing technologies and adapt the services that Momentum offer to support new and growing sectors in the Northern Ireland economy.</p> <p>The Evaluation Team is of the view that the importance of the ICT sector to the NI economy is not likely to diminish in the short, medium or longer term. We are of the view that supporting the growth of the sector should remain a priority for economic development bodies.</p> <p>Whilst we do not agree with the Economic Appraisal's proposition that Momentum should offer support to new and growing sectors in the Northern Ireland economy, we are of the view that the organisation needs to review its operations and strategic remit. We make this suggestion on the basis of member and non-member feedback, a declining membership, seemingly poor organisational systems to record activity, potential for duplication with other organisations, little demonstrable impact on the sector and little evidence of value for money relating to Invest NI's investment.</p>
No long term impact	<p>The Economic Appraisal stated that there was a risk that despite the activities of Momentum, the ICT sector in NI would remain undeveloped in terms of the quality and quantity of skilled workforce, innovation and global competitiveness. It stated that it would be the responsibility of Momentum management to ensure courses are communicated to members in a targeted, focused manner. It further stated that it would be essential that an accurate communication strategy is adopted by Momentum to target member companies that would benefit from services offered. It suggested that it would be advisable that Momentum develop a membership database and investigate the needs and interests of members. This would assist Momentum in developing services that add value to members, helping to promote innovation, internationalisation and collaboration within NI's ICT sector.</p> <p>The Evaluation Team is of the view that there is little evidence to suggest that the activities of Momentum have led to any substantial development of the ICT sector in terms of the quality and quantity of skilled workforce, innovation and global competitiveness. Furthermore, we have reservations about the communication strategy that has been adopted by Momentum to target member companies that would benefit from the services offered, and also the extent to which Momentum has investigated the needs and interests of members. We base this view on the feedback received from members and non-members, and also upon our review of benchmark organisations and the services that they offer their members and the level of membership involvement in those organisations.</p>

Risk	Evaluation Team's Commentary
Failure to meet targets	<p>The Economic Appraisal stated that <i>“whilst the project has ambitious targets, the project promoters feel they are realistic and achievable”</i>.</p> <p>The Evaluation Team however is of the view that the targets established lacked clarity, were not appropriately focused on adding value to members’ operations or addressing members’ needs and ultimately were not ambitious.</p> <p>We note that the Economic Appraisal concluded that <i>“there is a need for Momentum to improve its understanding of its members’ requirements and specific needs. This would ensure that Momentum has a focused approach in delivering its services, which could be mapped to individual company requirements i.e. based on an identified market need and demand”</i>. We are of the opinion that this conclusion alone should have raised concerns relating to the project that was being proposed for funding, and issues relating to Momentum’s management and engagement with its membership.</p> <p>The Economic Appraisal also suggested that Momentum needed to address a <i>“perceived geographical imbalance that exists in relation to Momentum’s services and activities”</i> and that Momentum required <i>“active and responsive management”</i> to ensure that it accurately reflects the changing needs and demographics of the ICT sector.</p>
Loss of key staff	<p>The Economic Appraisal stated that the success of Momentum’s three year business plan (2009-2012), was highly reliant on the skills and expertise of the organisation’s staff and that the possibility of a loss of key staff was a significant risk.</p> <p>The Evaluation Team notes that this risk does not appear to have materialised.</p> <p>We note that the Economic Appraisal recommended that <i>“Invest NI should perform a business improvement/health-check service, examining the efficiency and effectiveness of Momentum’s current organisational structure and its employees. This would ensure that the staffing structure of Momentum is operating effectively and efficiently and that the appropriate governance arrangements are in place. A key aspect of this business health check should be an analysis of employee salary levels which are funded (or part funded) by Invest NI. This would ensure that salary levels are benchmarked against equivalent private sector comparators and that Momentum is delivering optimum value for money. The outputs and recommendations from this business health check should be considered and discussed by Invest NI and Momentum”</i>.</p> <p>The Evaluation Team has been provided with no information that would confirm whether Invest NI actioned this recommendation. However, we note that our interpretation of this recommendation is that the Appraisal Team had concerns relating to the organisation’s structure and the extent to which it was operating effectively and efficiently or that it had had appropriate governance arrangements in place. In addition, it appears (to the Evaluation Team) that the Appraisal Team had some reservation about the organisation’s salary levels which are funded (or part funded) by Invest NI. Whilst, we consider that some of this activity should have been undertaken as part of the Appraisal process (particularly the assessment of the reasonableness of salary levels), if our assumptions are correct, we are of the view that the Appraisal Team’s concerns remain valid.</p>

Risk	Evaluation Team's Commentary
Participants' needs greater than support available	<p>The Economic Appraisal stated that <i>"there is the possibility that the needs of Momentum's members are over and above the support available within the three year business plan (2009-2012). It is advisable that Momentum develops a membership database and investigates the needs and interests of members. This would assist Momentum in developing services that add value to members, helping to promote innovation, internationalisation and collaboration within NI's ICT sector"</i>.</p> <p>It is the Evaluation Team's view that Momentum has not successfully mitigated against this risk materialising. We consider, in light of declining membership and the feedback from members/non-members that the organisation needs to undertake a radical review of its strategic remit, activities, and structures to ensure that it provides a meaningful service for its members. We consider that external facilitation and a challenge function would likely be required.</p>
Lack of sponsorship uptake	<p>Momentum's three year business plan for the period 2009-2012 assumed considerable event and annual sponsorship income. The Economic Appraisal stated that there was a risk that in the recession, member companies may choose not to pay sponsorship fees, thereby reducing Momentum income. The Economic Appraisal stated that it had identified a demand amongst Momentum's member companies for opportunities to sponsor events.</p> <p>The Evaluation Team was not provided with appropriate information to determine whether this risk materialised.</p>
Lack of demand	<p>The Appraisal suggested that due to the fact that there was a need to develop the quantity and quality of skills in the ICT sector in NI consultees had suggested a need for ICT companies in NI to target foreign markets in order to experience growth, there would be a demand for Momentum's services. However, it suggested that it was difficult to quantify future demand for Momentum services with any certainty.</p> <p>The Evaluation Team notes that the Economic Appraisal demonstrated little, if any, actual demand for Momentum's services (e.g. expressions of interest from individuals/organisations seeking training and networking opportunities). However, we consider based upon our review of activity undertaken and the organisation's declining membership that this risk has materialised.</p>
Momentum sustainability	<p>The Appraisal stated that there was a risk that Momentum would not be self-sustainable after the cessation of Invest NI funding. It noted that a withdrawal of public sector funding following the 2009-2012 period may result in Momentum ceasing activities. It suggested that this would fail to address the adapting needs of NI's ICT sector. However, it suggested that reducing scale nature of Invest NI funding over the three year period would mitigate against this risk.</p> <p>The Evaluation Team does not have full oversight of Momentum's finances or its financial projections for the period 2012-onwards. However, we suspect, in light of declining membership that there may be issues relating to sustainability.</p>

7.6 Economy, Efficiency and Effectiveness

Our conclusions in relation to economy, efficiency and effectiveness indicators are as follows:

Indicator	Evaluation Team's Commentary
<p>Economy measures are concerned with showing that the appropriate inputs (i.e. the resources used in carrying out the project) have been obtained at least cost</p>	<p>Due to the nature in which Momentum was commissioned to undertake its Invest NI funded activity (i.e. submission of a business plan rather than Invest NI seeking specific services), we are unable to confirm whether appropriate inputs have been obtained at least cost.</p>
<p>Efficiency relates to measures that are concerned with achieving the maximum output from a given set of inputs</p>	<p>Given a more rigorous appraisal/approval process, and more robust project monitoring, we consider that, potentially, greater output may have been achieved from the given set of inputs.</p> <p>One measure of efficiency is featured in Section 7.4 and indicates that Invest NI's funding per Momentum member was projected within the EA to be £3,662, but has actually increased by 20% to £4,412.</p>
<p>Effectiveness measures are concerned with showing the extent to which aims, objectives and targets of the project are being achieved</p>	<p>Whilst operational targets have largely been achieved, we consider there to be less evidence that strategic objectives have been. Therefore, it is difficult to determine whether Momentum has been effective in achieving the goals that it established within its own Business Plan and that are set out in Section 1.3 of this Evaluation report.</p> <p>As detailed in Section 3.2, Momentum's Business Plan and Economic Appraisal identified 5 pillars of activity that Momentum proposed to focus upon and specific areas of focus with associated goals/targets (albeit that the targets were not made SMART – See Section 1.3). Both documents also identified 5 anticipated impacts or outcomes associated with the 5 pillars of activity. Those anticipated outcomes were as follows:</p> <ul style="list-style-type: none"> • Support the building of a pipeline of appropriately qualified software professionals in Northern Ireland. • Assist Invest NI in promoting higher value-added activity through innovation and the commercial exploitation of R&D. • Supporting Invest NI's Corporate objectives to assist 600 first time exporters; support companies to diversify into new markets; improve the sales and marketing capability of NI ICT businesses; Support 45 new start-ups selling outside the UK (exports) and 300 start-ups selling to GB (external sales). • Support the development of collaborative networks in line with the ICT cluster development recommendation in the ICT Horizon Panel report and in line with Invest NI's collaborative network strategy. • To keep members better informed on local and global issues affecting the ICT sector. <p>Our discussions with Momentum indicate that the organisation has captured limited information relating to the achievement of the goals outlined in Section 1.3 (i.e. the areas of focus that were featured under each Pillar outlined within its Business Plan). In not attempting to measure its impact on addressing the needs of the sector, it would follow that Momentum cannot be in an informed position to ascertain whether its activity is effective.</p>

Indicator	Evaluation Team's Commentary
	<p>The Evaluation Team's own research in relation to the uptake of ICT in NI would indicate that Momentum's skills based activity has not been particularly effective in addressing the key areas that it was suggested that it would focus upon. However, the Evaluation Team acknowledges that the impact of Momentum's activity might not be seen until a period after its activity took place.</p> <p>Furthermore, we acknowledge (as featured in Section 5.12) that on an overall basis, there is some evidence, albeit limited, that Momentum has had an impact on 'university linkages with industry', 'skills development', 'knowledge transfers', 'encouraging FDI' and increasing 'innovation'.</p> <p>However, in relation to the targets that were established within each of Momentum's annual Project Delivery Agreements (PDAs) during the years 2009-2012, the Evaluation Team is of the view that:</p> <ul style="list-style-type: none"> • Whilst Momentum achieved or exceeded 72% of the 106 targets established within the 3 PDAs, we consider that many of the targets established lacked challenge; • The targets established were quite operational, as opposed to the more strategic goals that were established with Momentum's Business Plan and the Economic Appraisal. • Momentum's actual input into the achievement of many of the targets is ambiguous and debatable. That is, for many of the targets, we do not consider that Momentum was the primary driver in terms of their achievement (or at least, it is not evident that they were); • In particular, and as noted earlier, we understand that other organisations such as e-Skills UK NI were heavily involved in much of the activity detailed under the Skills Pillar. The delineation of roles and responsibilities between Momentum and e-Skills is not clear. Such delineation of roles and responsibilities relating to the achievement of the PDA targets also includes bodies such as the Future Skills Action Group; the participant schools, colleges and universities; Invest NI; DETI; and Momentum's member businesses etc. • Whilst it is not clear, it appears that many of the targets are not mutually exclusive and in achieving one, Momentum may also have achieved or partially achieved another.

8. CONCLUSIONS & RECOMMENDATIONS

The focus of this Evaluation was to assess the extent to which funding against the 2009-2012 Project Delivery Agreements (PDAs) from Invest NI represents value for money and to make recommendations on Invest NI's future engagement with Momentum in the development of the ICT sector in Northern Ireland (over the period 2012-2015).

The section presents the Evaluation Team's key conclusions and recommendations arising from the evaluation process.

8.1 Conclusions

8.1.1 *Overarching Conclusion and Future Need & Demand for the Project*

The Evaluation Team is of the view that the findings of the MATRIX ICT Horizon Panel Report are likely to still be valid. That is

- There are issues relating to the quality and quantity of ICT skills in NI, which will impact negatively on the development of the ICT sector in NI.
- The sector likely needs support in the following areas in order to transform into a centre of higher value-added activities:
 - Company capacity to absorb and exploit knowledge;
 - Science and technology knowledge creation;
 - Networks and collaboration;
 - Access to customers and suppliers; and
 - Collective marketing of ICT as a rewarding and interesting career.

Whilst we cannot confirm it, we consider that there is likely to be considerable latent demand amongst NI's ICT sector for support in these areas. However, it is, in the Evaluation Team's view, questionable as to whether the current project is the best means by which to address these needs. Our view relates to our opinion that the project that is the subject of this evaluation was poorly scoped. We do, however, consider that Momentum, or an organisation of a similar nature (i.e. one that represents the NI ICT sector and acts as a conduit to it for other stakeholders) could play a key role in addressing such needs.

We consider that the issues identified within this evaluation report should be used to provide a new starting point for Momentum, as in our view, a representative body has the potential to add real value to NI's ICT sector if it is clearly focused on addressing members' needs and adding value to existing structures and activities within the marketplace. In particular, we note that discussion with Invest NI's Trade Mission Team indicates that it is of the view that Momentum played a valuable role in signposting its members to various Invest NI trade missions. Furthermore, discussion with DETI indicated the vital role that Momentum played as a conduit to the ICT sector as part of its involvement with MATRIX and the development of the ICT sector report.

8.1.2 *Operational Fit*

The Evaluation Team considers that there is substantial risk of duplication of activity between Momentum and e-Skills UK, the Sector Skills Council for Business and Information Technology, in relation to most activity involving schools, colleges and universities. The Evaluation Team is of the view that it is challenging (based upon a lack of clarity within the approval documentation, monitoring materials and other associated materials provided to the Evaluation Team) to determine what specific role or value that Momentum played/brought to much of the skills based areas of its work that E-Skills UK NI was also involved.

We note that good practice suggests that linked activity (e.g. e-Skills UK NI's and Momentum's involvement in projects such as Bring IT On) should be appraised together as one project.

8.1.3 *Momentum's Membership*

At November 2009, the organisation had 157 members. However, Momentum's membership has decreased (at October 2012) to 102. This should be considered a cause for concern. Furthermore, whilst four-fifths (80%, N=51) of respondents indicated that they are likely to renew their membership of Momentum in future years, it is somewhat disappointing (in the context of an already declining membership base) that 20% of respondents indicated that they will either not renew their membership (14%, N=51) or are undecided as to whether they will renew their membership (6%, N=51).

8.1.4 *Key Feedback from Members*

In total, Cogent spoke to 51 (50%) of Momentum's 102 members. Key findings are detailed below. However, it should be noted that due to the small numbers of participants for some aspects of the programme (or their limited awareness of Momentum's activity relating to Skills, Internationalisation, Innovation or Collaboration) and the resulting small sample size that was in a position to respond to some aspects of the survey, care should be taken by the reader when interpreting or extrapolating some results.

- Of concern, over two-fifths (43%, N=51) of respondents suggested that being a member of Momentum adds no value to their business. Those respondents (57%, N=51) that suggested that membership of Momentum adds value to their business suggested the networking/trade opportunities; increased knowledge of what is happening within the local industry and reasons relating to providing their business with enhanced presence and credibility.
- On an overall basis, 88% (N=41) of respondents disagree that the NI ICT sector has or will continue to have an adequate supply of suitably qualified people to meet the needs of the sector.
- Over half (51%, N=51) of respondents were not aware or familiar with Momentum's work to promote innovation across the NI ICT sector. However, of those that were three-fifths (60%, N=25) agree that Momentum has helped or encouraged their business to invest in new or improved products, processes and services. When the same 25 respondents were asked about specific support that their business may have received to help them embrace innovation, the majority disagree that Momentum had helped them. Many of these respondents noted that they are Invest NI clients, and would go directly to their Invest NI Client Executive if they required support for innovation or R&D.
- Only a third of members are aware of, or familiar with, Momentum's work to support local ICT companies to improve their export performance or assist them access international networks (37%, N=51) or with its work to help Invest NI promote FDI (foreign direct investment) activity (35%, N=51). On an overall basis, of those respondents (22 out of 51) who were either aware of, or familiar with, Momentum's internationalisation related activities a quarter (23%, N=22) agreed that Momentum's activities have helped to improve their sales and marketing capability (largely as a result of the networking opportunities afforded to them through Momentum's events). However, all (100%, N=22) disagreed that Momentum had helped their business either to export for the first time, sell to GB or to sell outside the UK.
- Of 16 FDI businesses, only two suggested that Momentum helped them set up in NI as they were given guidance and contacts.
- Three-fifths (59%, N=51) of respondents were aware of, or familiar with, Momentum's work to support the development of collaborative networks of businesses that include ICT businesses. On an overall basis, half (50%, N=30) of the respondents that had some awareness or familiarity with Momentum's 'collaboration-related' activities were in agreement that Momentum has helped or encouraged their business to access or participate in collaborative activities with other businesses. These businesses suggest that this is because they have had the opportunity to network with other companies when attending events thus being given the opportunity to work with other companies.

8.1.5 *Momentum's Impact*

Only 4% (2 of 51) of respondents suggested that there has been a direct impact upon their business' turnover or employment as a result of any support that their business may have received from Momentum. The two respondents (4%, N=51) suggested that Momentum's support had had a direct impact upon sales within the NI market. The sales impact suggested by the two respondents totals £27,000. The two businesses suggest that the sales came about due to networking opportunities availed of after attending Momentum's events.

Once deadweight and displacement is considered and ICT sectoral GVA is applied, we can conclude that the estimated total net additional sales of £10,361.82 would have generated circa £6,113 net additional GVA.

Given that there has been no discernible employment impacts generated by Momentum's activity, a gross or net productivity impact cannot be determined.

The Evaluation Team's own research in relation to the uptake of ICT in NI would indicate that Momentum's skills based activity has not been particularly effective in addressing the key areas that it was suggested that it would focus upon. However, the Evaluation Team acknowledges that the impact of Momentum's activity might not be seen until a period after its activity took place.

Furthermore, we consider that on an overall basis, there is some evidence, albeit limited, that Momentum has had an impact on 'university linkages with industry', 'skills development', 'knowledge transfers', 'encouraging FDI' and increasing 'innovation'.

Ultimately, it is the Evaluation Team's view that it is difficult to quantify the impact that Momentum's activity has made to Skills, Innovation and Internationalisation. We consider, based upon members' feedback that Momentum's greatest successes lay in its collaboration-focused activity.

8.1.6 *Achievement of Objectives*

The Economic Appraisal presented a series of 'qualitative' objectives that Momentum's activity was anticipated to achieve. We note that many of these 'qualitative' objectives (as featured in Section 1.3) could have been made SMART (with the identification of appropriate baselines), and had they been, would have placed all parties in a better position to understand the value that Momentum's activities might bring and what specific activity would be undertaken to deliver against them.

Unfortunately, Momentum has captured limited information relating to the achievement of the goals outlined in Section 1.3 (i.e. the areas of focus that were featured under each Pillar outlined within its Business Plan). In not attempting to measure its impact on addressing the needs of the sector, it would follow that Momentum cannot be in an informed position to ascertain whether its activity is effective.

Whilst Momentum's activity and targets that were ultimately established within each of Momentum's three annual Project Delivery Agreements (PDAs) during the years 2009-2012 align with the pillars established within Momentum's Business Plan (i.e. Skills; Innovation; Internationalisation; Collaboration; and Communications), in many cases, the specific activity that was undertaken does not clearly align with the 'proposed activity/areas of focus' that were provided within Momentum's Business Plan and the Invest NI commissioned Economic Appraisal. This again makes it difficult to fully understand whether the organisation achieved the objectives/goals that were established at the project approval stage (i.e. as opposed to the more operational targets established within the three PDAs).

In relation to the targets that were established within each of Momentum’s annual Project Delivery Agreements (PDAs) during the years 2009-2012, the Evaluation Team makes the following comments:

- Over the 3-year period, 106 separate SMART targets were established within the 3 PDAs. Momentum’s records indicate that their activity led to them achieving or exceeding 72% of the targets established.
- However, we consider the targets established within the PDAs to be quite operational, as opposed to the more strategic goals that were established with Momentum’s Business Plan and Economic Appraisal. We consider that a more appropriate and strategic approach should have been taken that linked operational (output) related SMART targets directly with the achievement of strategic (outcome) related SMART targets.
- The Evaluation Team also considers that many of the targets that were established within the PDAs lacked sufficient challenge. We further note that the analysis relating to the achievement of targets is somewhat simplistic as it assumes that all of the PDAs’ targets were of equal value.

8.1.7 Economy, Efficiency and Effectiveness

Our summary conclusions in relation to economy, efficiency and effectiveness indicators are presented in full within Section as follows:

Indicator	Evaluation Team’s Commentary
Economy measures are concerned with showing that the appropriate inputs (i.e. the resources used in carrying out the project) have been obtained at least cost	Due to the nature in which Momentum was commissioned to undertake its Invest NI funded activity (i.e. submission of a business plan rather than Invest NI seeking specific services), we are unable to confirm whether appropriate inputs have been obtained at least cost.
Efficiency relates to measures that are concerned with achieving the maximum output from a given set of inputs	Given a more rigorous appraisal/approval process, and more robust project monitoring, we consider that, potentially, greater output may have been achieved from the given set of inputs.
Effectiveness measures are concerned with showing the extent to which aims, objectives and targets of the project are being achieved	<p>Whilst operational targets have largely been achieved, we consider there to be less evidence that strategic objectives have been. Therefore, it is difficult to determine whether Momentum has been effective in achieving the goals that it established within its own Business Plan and that are set out in Section 1.3 of this Evaluation report.</p> <p>This is particularly the case in relation to Skills, Innovation and Internationalisation. However, despite the absence of outcome-focused monitoring, we consider, based upon members’ feedback that Momentum’s greatest successes lay in its collaboration-focused activity.</p>

8.1.8 Benchmarking

The Evaluation Team benchmarked Momentum with the following organisations:

- ICT Ireland;
- Irish Software Association;
- ScotlandIS; and
- United Kingdom Industry of Technology Association (UKITA).

We consider, based upon the information available to us, that it appears that Momentum is the least sustainable of the 5 organisations considered within the benchmark review. It is the Evaluation Team’s view that the 4 benchmark organisations generally have a more sophisticated member offering which

is focused more on supporting the member businesses directly (rather than indirectly through schools and college based activity). This in turn allows these organisations to achieve higher membership fees and greater levels of non-membership fee income from members (e.g. fees for training courses etc.).

8.1.9 Support Needed within the ICT Sector

Respondents suggested five key areas where the NI ICT sector (or individual ICT technology areas within it) requires specific support. These are

1. Increase the availability of suitably qualified people to meet the needs of the sector;
2. Improve the attractiveness and image of the sector;
3. Make funding for businesses more accessible;
4. Focus on indigenous companies helping to increase exports; and
5. Increase linkages between industry and education sectors.

8.2 Recommendations

1. **Rationale for Intervention** - The Evaluation Team is of the view that the importance of the ICT sector to the NI economy is not likely to diminish in the short, medium or longer term. We are of the view that supporting the growth of the sector should remain a priority for economic development bodies. However, going forward, we recommend that Invest NI clearly identifies what, if any, market failure requires addressing through ICT sectoral activity. This should be underpinned by, and clearly aligned to, the DETI and Invest NI Corporate Plans. The rationale should take full account (through a thorough mapping exercise) of the activities of not just Momentum (i.e. of its other activity undertaken through funding sources other than that which has been subject to this evaluation, including perhaps Invest NI), e-Skills UK and Sync NI but also Digital Circle, Department of Education, and Department for Employment and Learning.
2. **Objectives** – A clearly articulated rationale should lead to a clear set of outcome-based objectives that can realistically be monitored. The activity based nature of the objectives subject to this evaluation provided Invest NI with no indication of the potential/actual tangible impact of the activity.
3. **Activities** – Invest NI should give appropriate consideration to the activities that should be undertaken to meet the objectives and how these should be procured.
4. **Momentum Specific** - Regardless of Momentum's future involvement with Invest NI, we consider that it would be prudent for Momentum to review its operations and strategic remit. Such as review should include consideration of factors such as:
 - The organisation's structure and the degree to which it is representative of the entire NI ICT sector;
 - Its service offering and alignment to Member's needs;
 - How it adds value to members' operations. This should be clearly articulated and reflected by a growing membership;
 - Its communication and engagement with members/potential members;
 - How it adds value to potential funders' (e.g. Invest NI);
 - How it best levers the activity of others in the marketplace through strategic partnerships in order to support its own members;
 - Its costs and overheads with a view to achieving sustainability through Members' contributions in the medium-term. We consider that, similar to the migration seen by UKITA from public sector financed to a position of self-sustainability, Momentum should aim to be self-sustaining within 5 years.

Appendix I - Invest NI's Requirements

Appendix I - Invest NI's Requirements

Invest Northern Ireland (Invest NI) wishes to appoint a service provider to undertake an independent evaluation of the service delivery of the Momentum ICT Federation (Momentum) covering the period 2009-2012. The evaluation should assess if funding against the 2009-2012 Project Delivery Agreement (PDA) from Invest NI represents value for money and make recommendations on Invest NI's future engagement with Momentum in the Development of the ICT sector in Northern Ireland (over the period 2012-2015). The specific objectives of the evaluation are as follows:

Introduction	
a.	Set out clearly the scope, purpose and objectives of the evaluation; and
b.	Outline the programme that is to be evaluated.
Strategic Context	
c.	Review the strategic context under which the programme operates and assess whether the strategic context under which the programme is delivered remains valid;
d.	Review the operational fit of the programme in line with the objectives of the Invest NI Corporate Plan and DETI Corporate Plan (using the appropriate Corporate Plans in place during the evaluation period); and
e.	Examine the fit with other Invest NI programmes including whether the programme has given rise to any duplication with/displacement of other programmes/activity operating in NI.
Rationale	
f.	Review the original rationale for the programme outlining the nature and extent of market failure and/or equity issue that the programme is seeking to correct; and
g.	Assess and conclude on the need and demand for the programme and consider whether these still exist to continue in future years.
Performance and Impact	
h.	Provide evidence of how the programme contributes to the strategic aims, objectives, targets and actions of the NI Programme for Government (PfG), the Department of Enterprise Trade & Investment (DETI) and Invest NI;
i.	Assess the extent to which the programme has contributed from 1st April 2009 to 31st March 2012, or has the potential to contribute, to the relevant targets and actions under PSA 1, securing improvements in manufacturing and private services productivity and PSA 3, increasing employment;
j.	In line with the objectives, targets and actions included under PSA 1 and PSA 3, the evaluation should: <ul style="list-style-type: none"> • Assess the GVA (Gross Value Added) impact per annum: <ul style="list-style-type: none"> - Additional profits arising from projects assisted through the programme; and - Additional wages/salaries arising from projects assisted through the programme. • Assess the employment impact per annum: <ul style="list-style-type: none"> - Gross and net additional employment arising from projects assisted through the programme. • Assess the productivity impact per annum: <ul style="list-style-type: none"> - Gross and net GVA/Employment²⁹ (additional, arising from project outputs). • Assess the impact on exports and external sales per annum: <ul style="list-style-type: none"> - Gross and net additional exports and external sales arising from projects assisted through the programme.
<i>The evaluation should provide a GVA return on investment ratio (£1: <u>GVA</u>) resulting from the programme.</i>	
<i>In the absence of actual profit and wage/salary information, tenderers should demonstrate how they would arrive at GVA and productivity outputs from the programme.</i>	
k.	Allied to point (j) above assess the overall economic impact of the programme, including the wider and regional economic benefits (in line with Invest NI's EAM), direct and indirect, quantitative and qualitative, that have accrued as a result of the projects assisted through the programme, quantifying as many of these as possible;
Potential wider benefits may include:	Potential regional benefits may include:
<ul style="list-style-type: none"> • University linkages with industry; • Skills development; • Knowledge transfers; • Encouraging Foreign Direct Investment; • Entrepreneurship; 	<ul style="list-style-type: none"> • Reduction of 'Brain Drain'; • No of local/regional jobs indirectly dependent on the project; • Degree of higher management being injected; • Degree of R&D being injected; • Innovative nature of the project; • Consider distributional issues such as Areas of Disadvantage and Equality.

²⁹ Full Time Equivalent (FTE)

- l. Review the performance of the programme against the original objectives and SMART targets, and if appropriate, identify reasons for any divergence. Assessment of performance against objectives and targets should be verified and validated as accurately as possible. Assess the appropriateness of the target setting methodology, and if appropriate, identify reasons for failure providing recommendations for improvement;
- m. Where possible, establish the counterfactual: estimate what would have happened in the absence of the programme. This will usually be the counterfactual from the original economic appraisal (but other methods can be used – see NIGEAE for guidance);
- n. Where information is available an NPV/C analysis should be undertaken to compare against the NPV/C analysis projected at the Economic Appraisal stage;
- o. Compare the costs actually incurred on the programme with those estimated at the outset, and clearly explain any reasons for variances;

A 'full economic cost' analysis (including 'opportunity costs') must be undertaken. This must include the cost of marketing elements, evaluation costs, fully loaded Invest NI and/or EDO staff time, admin input, procurement costs, legal costs, etc. NIGEAE guidance should be adhered to when developing and assessing costs and benefits, including guidance on assistance to the private sector;

- p. Assess the economy, efficiency and effectiveness with which public funds have been used on the programme (See NIGEAE for detail). Economy measures are concerned with showing that the appropriate inputs (i.e. the resources used in carrying out the project) have been obtained at least cost, efficiency relates to measures that are concerned with achieving the maximum output from a given set of inputs while effectiveness measures are concerned with showing the extent to which aims, objectives and targets of the project are being achieved;
- q. Assess the programme management and control by assessing the management and operating structures currently in place to determine how effective Invest NI and/or External Delivery Organisation (EDO) have been in managing/delivering the programme and identify any areas for improvement such as an opportunity to rationalise or streamline delivery and/or programme management and monitoring. Review the ability of Invest NI/EDO to provide these activities taking into account financial resources, experience and knowledge.
- r. Identify the main risks that emerged during the project and any actions taken to reduce these; and
- s. Conclude on the level of additionality/deadweight, displacement, economic efficiency, viability and cost effectiveness.

NB: In line with HM Treasury guidance, evaluators must examine the direct GVA impacts but must exclude the indirect and induced impacts (e.g. on turnover, employment or GVA) when they are calculated using multipliers. For example, data on any indirect effects (sub-contracting supply chain or spillovers) must be collected at project level and be verified by the evaluator. HM Treasury have indicated that multiplier effects must not be included because of the impossibility of verification or measurement at the micro level.

Equality Considerations

- t. The evaluation must:
 - Take into account the requirements of Section 75 of the Northern Ireland Act 1998;
 - In respect of any recommendations made consider whether there are any likely impacts on anti-poverty, social inclusion, equality of opportunity or good relations. In doing so, the service provider may recommend measures to mitigate against any adverse impacts; and
 - Consider the accessibility of the programme for all, in line with the Disability Discrimination Act 1995.

Invest NI's Equality Scheme can be accessed on Invest NI's website at www.investni.com/equality.

Outcome of the Evaluation (Conclusions and Recommendations)

The Evaluation Report must:

Conclusions

- u. Conclude on the overall findings of the evaluation, taking account of all available evidence from the evaluation. This must include quantified assessments of VFM, the level of additionality/deadweight, market failure and displacement and relevant cost-effectiveness indicators;

An overall VFM conclusion must be based on: strategic fit; need/market failure; additionality/deadweight; displacement; viability; risk; the 3Es (economy, efficiency, and effectiveness); cost effectiveness; and economic efficiency test results (quantifiable economic impacts and qualitative wider and regional economic benefits); and

- v. Comment on lessons learned, making recommendations on the future of the programme/project and identify any areas for improvement. This must include an assessment of any current and potential gaps in provision, potential overlap with other programmes/projects and suggested improvements on performance monitoring.

Recommendations

- w. Recommendations must be numbered and concisely worded. They will, verbatim, form the basis of the Action Plan going forward.

Appendix II – Detailed Strategic & Market Context

Appendix II – Detailed Strategic & Market Context

This section of the report considers the strategic and market context within which Invest NI-supported Momentum activity was delivered. Specifically, it:

- Reviews the strategic context under which the project operated and assesses whether the strategic context under which the project was delivered remains valid.
- Reviews the operational fit of the project in line with the objectives of the Invest NI Corporate Plan and DETI Corporate Plan (using the appropriate Corporate Plans in place during the evaluation period);
- Examines the fit of the Invest NI funded Momentum project with other Invest NI programmes including whether the programme has given rise to any duplication with/displacement of other programmes/activity operating in NI.
- Reviews the original rationale for the project outlining the nature and extent of market failure and/or equity issue that the programme was (is) seeking to correct; and
- Assesses and concludes on the need and demand for the programme and whether these still exist to continue in future years.

It should be noted that the Momentum project straddles two corporate planning periods 2008-2011 and 2011-2015.

DETI's Corporate Plans – 2008-2015

DETI Corporate Plan 2008-2011

DETI's Corporate Plan 2008-11 established the Departmental goal “to grow a dynamic, innovative economy”. The Plan identified that DETI (and its NDPBs) was responsible for three Public Service Agreements (PSAs) and delivering upon their associated objectives, published as part of the NI Executive's PfG. The PSAs and associated objectives relevant to Momentum included:

PSA	Relevant Objectives
PSA 1: Productivity Growth - improve manufacturing/ private services productivity	<ul style="list-style-type: none">• Promote a competitive and outward looking economy.• Attract and support high quality investment, both foreign and locally owned.• Ensure a modern sustainable economic infrastructure to support business.• Promote higher value added activity through innovation and the commercial exploitation of R&D.• Increase the level of skills to aid productivity improvements in manufacturing and tradable services.
PSA 3: Increasing Employment - raising employment levels	<ul style="list-style-type: none">• Increase employment opportunities by attracting high quality foreign investment and supporting domestic investment.• Promote business growth

In addition we note that the Corporate Plan noted that “strengthening the private sector, particularly in high value added sectors such as **ICT**, Finance and Business Services, represents a real opportunity to increase prosperity and living standards”.

The Economic Appraisal of Momentum's three year Business Plan (2009-2012) suggested that Momentum's activities would support the priorities of DETI “by promoting a competitive and outward looking economy and by promoting higher value added activity”. It also noted that Momentum's four strategic pillars aimed to support business growth in Northern Ireland by promoting internationalisation and stimulating innovation in the ICT sector.

The Evaluation Team note that given the breadth of Momentum's proposed activities (i.e. skills, innovation, internationalisation and collaboration); it had the potential to contribute towards each of the objectives identified in the table above.

DETI Corporate Plan 2011-2015

DETI's 2011-15 Corporate Plan establishes that its priorities and actions are set against a backdrop of economic downturn and decreasing public sector budgets. It notes that the NI Executive has made the economy its top priority in the Programme for Government 2011-2015 (PfG) and DETI has lead responsibility in delivering on this aim.

The DETI goal over the lifetime of this Corporate Plan is “to promote the growth of a competitive and export-led economy”. Through the twin goals of rebalancing the economy towards higher-value added private sector activity and rebuilding to address the impact of the global downturn on the local economy and labour market, DETI indicated that it aims to improve the economic competitiveness of the NI economy.

Appendix II – Detailed Strategic & Market Context

DETI's priorities and targets (and those of its NDPBs) over the period of the Plan (2011-2015) and beyond (up to 2020) are set within the framework of the NI Executive's Economic Strategy. Priorities and targets and corresponding Key Performance Indicators (KPIs) of relevance to Momentum are detailed below:

High-Level Objective	Targets
To stimulate innovation, R&D and creativity	<ul style="list-style-type: none"> Support 500 companies to undertake R&D for the first time and secure 120 collaborative projects in R&D.
To improve, in conjunction with DEL, employability and the level, relevance and use of skills.	<ul style="list-style-type: none"> Secure £110m investment in skills, to drive productivity and growth; DETI to agree a mechanism with DEL FE & Skills Divisions to link future skills development policy into the foresight process by April 2012.
To help Northern Ireland businesses compete in the global economy	<ul style="list-style-type: none"> Promote 5,900 jobs from inward investors, with 75%/ 4,425 paying salaries above the NI Private Sector Median. Increase the value of manufacturing exports by 20% and the value of exports to emerging countries by 60%. Support 60 new start-ups selling outside UK markets. Support 440 new start-ups selling to GB; By May 2011, establish a new foresight and Horizon scanning programme, including the reestablishment of the MATRIX panel as NI's Science Industry Panel, with a 2 year future focused work programme.
To encourage business growth.	<ul style="list-style-type: none"> Promote 6,300 jobs in locally owned companies, with 50% paying salaries above the NI Private Sector Median; Secure £400m of investment commitments, and £120m in new wages and salaries reflecting the growth of local companies.

It is the Evaluation Team's view that the four pillars of Momentum's activity (i.e. skills, innovation, collaboration and internationalisation) have potential to contribute (to a greater or lesser extent) to each of the targets detailed above.

Invest NI's Corporate Plans – 2008-2015

Invest NI Corporate Plan 2008-2011

Invest NI's Corporate Plan for the period 2008-2011 stated that Invest NI's priority was to "increase business productivity, the means by which wealth can be created for the benefit of the whole community". In order to achieve this aim and to close the gap in the Gross Value Added per head between NI and the UK as a whole, it outlined that Invest NI would focus its efforts on three priority actions for economic growth:

1. Realising the potential of existing businesses (shorter-term focus);
2. Shifting the sectoral focus towards higher value-added sectors (medium-to-longer term focus); and
3. Supporting frontier companies at the leading edge of innovation and technology (longer-term focus).

Invest NI notes that for priority one, "Realising the potential of existing businesses (shorter-term focus)" the greatest opportunity to generate additional wealth lies in encouraging existing client companies, most of which are locally owned SMEs, to realise their full potential. This approach required clients to **innovate** at all levels of their businesses.

The Corporate Plan states that priority two, "Shifting the sectoral focus towards higher value-added sectors," requires a shift in the sectoral mix towards higher value-added activities. Primarily, it considered that this would come from foreign direct investment (FDI) in target sectors such as financial services and **information and communication technology (ICT), especially software development**.

The Plan noted that progress had been made in developing internationally tradable services such as financial services, **software development, ICT** and other professional services but recognised that these remained underdeveloped and had real potential for further growth, especially in higher-value segments. The Plan also recognised that the growth of the NI economy would rely increasingly on a strong supply of appropriately skilled people.

The Economic Appraisal of Momentum's Business Plan 2009-2012 noted that the organisation's focus on the four strategic pillars of developing skills, stimulating innovation, promoting internationalisation and promoting collaboration complemented the priority actions identified in the Invest NI Corporate Plan 2008-2011 i.e. through developing the quantity and quality of skills of the workforce in the ICT sector, attracting FDI and stimulating business growth through innovation and encouraging companies to compete in markets outside of Northern Ireland.

Appendix II – Detailed Strategic & Market Context

Invest NI Corporate Plan 2011-2015

Invest NI's current Corporate Plan (for the period 2011-2015) establishes that aims to contribute to the rebalancing and rebuilding of our local economy and increase the overall standard of living by driving productivity growth and increasing employment. It notes that Invest NI's support will be aligned fully with the drivers of economic growth and its activities will be targeted to increase the size, competitiveness and value of the private sector by embedding innovation, growing local companies to scale, increasing the export base and attracting inward investment. The drivers of economic growth are noted as being:

- Stimulating innovation R&D and creativity;
- Improving employability and the level, relevance and use of skills;
- Competing in the global economy;
- Encouraging business growth;
- Developing our economic infrastructure;
- Promoting employment and employability.

The Plan notes that much of Invest NI's activity will concentrate on building those sectors where NI has existing capability, such as food, tourism, **IT**, financial services, life sciences, construction and transport/aerospace, or has the potential to develop it, including the creative industries, renewable and sustainable development and emerging opportunities identified by MATRIX. The plan also comments on how Invest NI's inward investment activity is focused on those key sectors which offer high value, quality employment opportunities, in particular financial services, business services, technology and **ICT**. It notes that in many of these sectors NI is developing the critical mass which can become a catalyst for growth.

It is the Evaluation Team's view that Momentum's four strategic pillars of developing skills, stimulating innovation, promoting internationalisation and promoting collaboration offer a close thematic fit with Invest NI's Corporate Plan 2011-2015. However, the extent to which Momentum's specific activities actually contribute to Invest NI's objectives is addressed later within this report.

Original Rationale & Market Failure

The Economic Appraisal of Momentum did not identify the nature and extent of market failure and/or equity issue that Momentum's support was (is) seeking to correct.

In relation to the need for Momentum's support, the Economic Appraisal noted the following:

- The MATRIX ICT Horizon Panel Report had identified that the quality and quantity of ICT skills in NI were a concern, and without the attraction, retention and extension of skills within the sector, it would not be possible to sustain the development of the ICT sector in NI.
- MATRIX had identified that NI's ICT sector needed to transform into a centre of higher value-added activities. It was suggested that NI's ICT sector could be assisted in the following ways (amongst others):
 - Company capacity to absorb and exploit knowledge;
 - Science and technology knowledge creation;
 - Networks and collaboration;
 - Access to customers and suppliers; and
 - Collective marketing of ICT as a rewarding and interesting career.
- e-Skills UK's IT Sector Skills Agreement (SSA) Action Plan for NI (2007-2010) set out a skills strategy to supports the growth of the IT workforce and enable NI to derive maximum benefit from the power of technology to transform business competitiveness and productivity. The IT skills strategy was based on the following four strategic objectives:
 1. Improving the attractiveness of IT careers;
 2. Preparing new entrants to the workforce;
 3. Developing adults and the existing workforce; and
 4. Addressing infrastructure matters.
- The SSA for IT Action Plan 2007-2010 for NI had noted the following:
 - The IT industry in NI was forecast to grow at 2.4% per year from 2006 to 2021;

- It was expected that the IT workforce in NI would increase by approximately 360 jobs per annum. Furthermore, there was a requirement for 1,610 new entrants to replace those leaving the IT workforce every year;
 - Employers in NI had more IT professional vacancies than the GB average (29% compared to 17%) indicating that expansion was already underway and supply was not keeping pace with demand;
 - Skills required of the IT workforce were increasing in depth and breadth. The growth in IT industry employment in NI was predominantly in high value roles which demand sophisticated skills in business, client relationships and project management alongside technical competencies;
 - Employers were reporting a need for increasingly high levels of skills in the use of IT. 26% of companies in NI had IT user skills gaps and up to 101,000 people needed to increase their skills to address current needs and changing employer demand over the forthcoming years. 47% of this requirement is for skills at advanced levels (Level 3 or higher);
 - Most IT training in Further Education (FE) in NI was focused on basic proficiency (Levels 1 and 2) training. There is little activity above Level 3. In 2003, there were only 513 enrolments on FE courses at Level 4 and 30 at Level 5; and
 - NI had below average density of private training provision. This low density of private sector IT training provision could be a contributory factor in the significantly larger proportion of NI companies with IT professional vacancies.
- Further research by e-Skills UK reinforced global trends and specifically highlighted NI's need to:
 - Meet stronger demand for broader and deeper skills - Creating greater strategic benefit from IT, deliver greater return on IT investment, and deal with the effects of geo-sourcing;
 - Create suffice new entrants who will fill increasingly complex and value added roles;
 - Equip the vast majority of employees with IT skills at an increasing level of sophistication;
 - Implement a common language for IT related communications and transferable qualifications and/or competencies;
 - Deliver innovative action to address the gender imbalance that is endemic in the IT workforce; and
 - Deliver unprecedented, government-enabled collaboration is required to deliver the IT skills development needed in NI and the rest of the UK, with educators and employers coming together in new models of partnership.

In relation to the need for Momentum's support, the Economic Appraisal concluded that action was required to support the continued growth of the NI ICT sector. It stated that there was a need to develop the quantity and quality of ICT skills in NI to remain competitive and attract high value added investment into the economy. Furthermore, it stated that the development of an ICT sector 'cluster' would assist the ICT sector, particularly in the creation of essential networks of commercial intelligence.

Fit with Other Interventions, including Invest NI's

This section examines the fit of Momentum's Invest NI funded activities with other Invest NI projects including whether the project has given rise to any duplication with/displacement of other projects/activity operating in NI.

Over the period 2009-2012, Momentum's Invest NI funded activities largely related to schools or colleges based activity or signposting members to Invest NI's services. Therefore, we consider there to have been little potential for duplication with/displacement of Invest NI activity. Discussion with Invest NI's Trade Mission Team indicates that they are of the view that Momentum played a valuable role in signposting its members to various Invest NI trade missions.

The Evaluation Team notes that the Economic Appraisal raised a concern that Momentum's schools or colleges based activity might duplicate or displace activity delivered by e-Skills UK, the Sector Skills Council for Business and Information Technology³⁰. e-Skills UK NI's mission is *"to unite industry, educators and government in collaborative employer-led action to ensure that Northern Ireland has the technology skills it needs to compete internationally"*. It does this by taking its lead from employers and working with government, IT professionals and IT training providers to tackle skills needs and support economic recovery. Its goals are:

- **Inspire future talent** by motivating students to pursue IT-related careers and better prepare all young people for work in a technology-enabled world;
- **Support IT professionals** by helping them develop world-class skills;
- **Promote the benefits of IT** to organisations and individuals across society.

It has agreed 5-year strategies (2010-2014) for the UK and each nation (including NI) to tackle the need for new skills.

³⁰ e-skills UK is an employer-led, not-for-profit company, licensed by Government

e-skills UK NI works with employers and partners to better align NI's IT skills landscape with the needs of business. e-Skills suggest that of particular note is its work to:

1. **Engage employers:** According to e-Skills in NI, it continues to engage with key employers through initiatives such as the Bring IT On programme.
2. **Deliver authoritative research:** According to e-skills UK, its research has become a highly regarded source of robust technology-related labour market intelligence, regularly used by employers, government, education professionals, the media and other partners. Research outputs in NI range from its twice yearly 'Snapshot' publication through to its annual skills assessments.
3. **Reform the learning and qualifications landscape:** According to e-skills UK, its recent work has included creating a sector learning and qualifications strategy supported by an action plan for NI; the development of Apprenticeship frameworks which meet bespoke employer needs; development of standards and the massive simplification of the IT user qualification environment (through the ITQ framework).
4. **Improve the attractiveness of the sector:** In NI e-skills UK, in collaboration with the FSAG, have updated and up-skilled over 200 teachers, reached over 2,000 learners through BEP/CCEA employability days, and over 1,400 learners through Bring IT On workshops, and have had over 111,000 impressions and 24,560 unique visitors to www.bringitoni.info
5. **Prepare the future workforce for IT careers:** e-skills UK continues to work with the six FE providers and universities in NI to ensure that qualifications offered match the requirements of the IT industry.
6. **Encourage the uptake of IT:** e-skills UK continues to work with key partners within NI to ensure that ICT Essential Skills meets the needs of employers and individuals throughout the province.

As well as the Bring IT On workshops, e-Skills UK offers other schools based activity such as Computer Clubs for Girls (CC4G).

e-Skills UK's Strategic Plan has been developed in the context of the policy environment in Northern Ireland – including publications and reports such as:

- Success Through Skills – the Skills Strategy for Northern Ireland;
- The recommendations of the ICT Future Skills Action Group (FSAG Year 1) and associated Bring IT On employer meetings;
- Research Study on High-Level Skill Needs in Northern Ireland IT Sector;
- Forecasting Future Skills Needs report;
- The Matrix Report and the role of IT in ensuring continued economic growth;
- The outputs of, and government response to, the Leitch Review of Skills, for example the drive to increase the proportion of people achieving higher level skills;
- The STEM Review;
- The role of Sector Skills Councils in approving qualifications onto the Qualifications and Credit Framework and thus their eligibility for public funding.

e-skills UK NI's strategic objective for NI (2010-2014) are:

1. To inspire future talent, it will:
 - Continue to implement and expand employer backed careers programmes (Bring IT On);
 - Orchestrate effective influence and support from employers for GCSEs, GCEs and Apprenticeships;
 - Orchestrate effective influence and support from employers for degree programmes that meet the needs of Northern Ireland's industry.

Under this objective, its strategy is to:

- Motivate more students to enter careers in IT.
- Enable the influence and support of employers on IT-related learning in schools, colleges and universities.

Its strategic goals are:

- An increase in the number of learners undertaking IT-related courses at university.
- The majority of employers and educators believe that employers have positively influenced IT-related learning in schools, colleges and universities.

Appendix II – Detailed Strategic & Market Context

2. To support IT professionals, it will:

- Enable the formal accreditation of employer training and the external recognition of skills against employer-defined standards;
- Explore interest in a ‘Skills Academy for IT’ in Northern Ireland.

3. To campaign for The IT Nation, it will:

- Work with partners to create widespread awareness of the strategic importance and value of IT capability to organisations and individuals;
- Promote employer-designed support tools which help organisations to exploit technology for business.

The Evaluation Team notes that whilst the Economic Appraisal noted that *“there is a potential risk that the activities of Momentum and e-Skills UK could duplicate each other. However, this risk can be mitigated through clear monitoring, management and evaluation. Indeed the level of complementarity between Momentum, e-Skills UK and Invest NI has strengthened in recent years due to effective monitoring and management.”*

The Evaluation Team considers that the Economic Appraisal would have been considerably strengthened had this position been evidenced through examples of these practices.

In particular, it would have been appropriate to clearly outline the specific role or value that Momentum would play/bring to much of the skills based areas of its work that E-Skills UK NI was also involved (NB this entails much of its schools and colleges based activity). In the absence of such analysis, there is an inevitable risk of duplication of activity between Momentum and e-Skills UK NI.

The Evaluation Team is of the view that had a different approach been taken to the Economic Appraisal and approval processes that such a situation would not have arisen.

Summary Conclusions

When considered at a high level, it is evident that the four pillars of Momentum’s activity (i.e. skills, innovation, collaboration and internationalisation) had and have potential to contribute (to a greater or lesser extent) to aspects of DETI’s and Invest NI’s goals for both the 2008-2011 and 2011-2015 Corporate Planning periods. However, whilst there is a broad strategic fit, the Evaluation Team has reservations as to the extent to which there has been an operational fit between Momentum’s Invest NI funded activities and the objectives of the Invest NI and DETI Corporate Plans in place during the evaluation period.

For example, when Momentum’s four pillars are considered at a high level, it is evident that they align closely with DETI’s 2011-2015 Priorities (i.e. to stimulate innovation, R&D and creativity; to improve, in conjunction with DEL, employability and the level, relevance and use of skills; to help NI businesses compete in the global economy; and to encourage business growth) and Invest NI’s focus on the drivers of economic growth. However, and as is explored further throughout this report, it is difficult to ascertain how the activities that Momentum has implemented under the four pillars have contributed, in any measurable way, to the targets that align with DETI’s or Invest NI’s priorities. Indeed, this was the case during the 2008-2011 period, and should have been addressed within the Economic Appraisal, but was not.

Specifically, the targets that Invest NI was responsible for delivering on behalf of DETI during the period 2008-2011 were as follows:

- Increase sales outside Northern Ireland per employee of Invest NI manufacturing clients by an average of 6 per cent per annum in real terms;
- Increase sales outside Northern Ireland per employee of Invest NI tradable services clients by an average of 4 per cent per annum in real terms;
- Increase by 3 percentage points sales outside the United Kingdom as a proportion of total sales by Invest NI client companies, excluding the top 25 exporting companies;
- Secure total annual wages and salaries of £345 million from inward investment and locally owned clients. This represents an 8 per cent increase over the three-year period ended 2006-07;
- Promote 6,500 new jobs from inward investment, of which:
 - 5,500 will provide salaries above the Northern Ireland Private Sector Median; and
 - 2,750 will have salaries at least 25 per cent above the Northern Ireland Private Sector Median.
- Increase the business expenditure on R&D by Invest NI client companies with less than 250 employees by an

average of 8 per cent per annum in real terms;

- Increase the business expenditure on R&D by Invest NI client companies with 250 employees or above by an average of 5 per cent per annum in real terms;
- Support 45 new start-ups selling outside the United Kingdom;
- Support 300 start-up businesses selling to Great Britain;
- 75 per cent of land acquisition (acres) to be in areas of economic disadvantage; and
- 70 per cent of new FDI projects secured to locate within 10 miles of an area of economic disadvantage

The extent to which Momentum was expected to contribute towards these targets (or the extent to which it has) is not clear. Our comments in relation to this point should be read in conjunction with the discussion presented in Section 3.2 of the Evaluation report.

Whilst the Evaluation Team recognises that skills development is a key aspect of both DETI and Invest NI's Corporate Plans, it is our view that it is imperative, regardless of the value that Momentum's schools and colleges focused activities may or not have, going forward that the two NI Departments with more direct responsibility within these spheres, should be more involved in determining if Momentum's activities add value to their work to enhance the uptake of ICT amongst young people or to encourage more people to consider a career in ICT. They are:

- The Department for Employment and Learning whose overall aim is “to promote learning and skills, to prepare people for work and to support the economy”. It is responsible for further and higher education, training and skills, employment programmes and employment law. Within the Executive's PfG ‘Growing a Sustainable Economy and Investing in the Future’, five priorities are to be delivered by DEL. They include:
 - **Increase uptake in economically relevant Science, Technology, Engineering and Mathematics places;**
 - Up-skill the working age population by delivering over 200,000 qualifications;
 - Develop and implement a strategy to reduce economic inactivity through skills training, incentives and job creation (in partnership with Department of Enterprise, Trade and Investment);
- The Department of Education whose first Corporate Goal is to “raise standards for all, through high quality teaching and learning, ensuring that all young people enjoy and do well in their education and that their progress is assessed and their attainment recognised, including through qualifications. Strategic Objectives within this goal include:
 - Provide a curricular framework that, while providing maximum flexibility for teachers, also ensures that what children and young people learn while at school is relevant to their needs and aspirations; **reflects the needs of the economy of the future; and provides progression into further and higher education and employment.**
 - Ensure that teaching and learning via the curriculum (and in pre-school) has a particular focus on developing the core skills of literacy, numeracy and **ICT** and on assessing and improving pupils' progress and attainment in these areas.
 - Increase the % of pupils who continue to study courses at post-16 that lead to the achievement of STEM-related qualifications.

Going forward, we recommend that Invest NI consider closely the types of activities that it should be involved in or support relating to the ICT sector. Generally speaking, the focus of its support to the ICT sector should be on activities that have the potential to directly contribute to its Corporate Plan.

Appendix III – Detailed Analysis of Achievement of Operational Level Objectives

Appendix III – Detailed Analysis of Achievement of Operational Level Objectives

Pillar 1 – Skills

Pillar 1 – Skills			
Objective	Year	Smart Target	Evaluation Team's commentary on level of Achievement
To promote the ICT sector as an exciting, vibrant and attractive sector in which to work and demonstrate the diversity of careers linked to IT through a series of events aimed at the target audience groups of the ICT Future Skills Action Plan	Year 1 (only)	Develop and deliver an interactive IT sector exhibit for both NI University open days – 7 days/4 campuses/15,000+ students.	<p>Objective Partially Achieved</p> <p>The Evaluation Team understands that the University exhibits were implemented as planned. Information provided by Momentum suggests that the IT sector exhibit was delivered at 4 campuses over 7 days. 900 e-mails were recorded for BringITonNI.info registration.</p> <p>It is not known whether the aspect of the objective relating to 15,000+ students relating to total students at the universities, or whether it suggested that Momentum would engage with 15,000+ students. If it is the latter, the number of e-mail address recorded would indicate that this aspect of the objective was not achieved.</p>
		Develop and deliver 4 School Careers Events reaching 1,000 students aged 14-16	<p>Objective Exceeded</p> <p>5 School Careers Events were delivered, with 1,211 students in attendance, as follows:</p> <p>A feminITy event ran on 9th October 2009, at which Google & Microsoft presented. 12 other companies exhibited at the event. 500 pupils attended.</p> <p>In addition, BringITon events ran at:</p> <ul style="list-style-type: none"> • The Everglades in Derry (9 schools, 120 pupils attended); • Armagh (12 schools, 192 pupils); • Tullyglass in Ballymena (10 schools and 166 pupils attended); and • QUB (16 schools and 233 pupils attended).
Develop and deliver a strategic PR campaign which promotes the ICT sector as an exciting, vibrant and attractive sector, ensuring all events are supported at an appropriate level of PR, including publication and placement of articles, both online and offline, in key local and national press	Year 1	Media schedule and publication of articles developed around key events including University Open Days, school career events, Adopt a School programme etc	<p>Objective Achieved</p> <p>Momentum liaised with a PR agency to plan activities during the year and spoke with Universities to identify key dates. They also liaised with the BringITon partners (Higher Education Academy, QUB and UU) to identify dates for the BringITon events through the year. A media schedule was then developed and presented to the Future Skills Action Group (FSAG).</p> <p>The Evaluation Team understands that 35 articles appeared in the local press about BringITon's attendance at the University Open Days.</p>
	Year 2	Prepare Media schedule (June 2010)	<p>Objective Achieved</p> <p>The Evaluation Team understands that a media schedule was developed and provided to Invest NI.</p>

Appendix III – Detailed Analysis of Achievement of Operational Level Objectives

Pillar 1 – Skills			
Objective	Year	Smart Target	Evaluation Team's commentary on level of Achievement
		Develop and publish a minimum of 10 articles around skills needs of ICT industry in NI.	<p>Objective Achieved</p> <p>As part of the National ICT day which was held on 5th November 2010, where two simultaneous events were held in Derry and Belfast to promote a career in the ICT industry, the Evaluation Team understands that 11 articles on the skills needs of the ICT industry were developed for publication in a single brochure, which was distributed as an insert within the Belfast Telegraph in early November 2010. The estimated distribution volume was 100,000</p>
	Year 3	Prepare Media schedule (June 2011)	<p>Objective Achieved</p> <p>Momentum worked with Invest NI to develop a media plan to promote a career in software testing so as to encourage more applications to the Software Testing Academy initiative developed by Invest NI, DEL, South Eastern regional College and industry. Agreed on the producing a general article on the importance of software testing plus six case studies of specific examples from industry.</p>
		Develop and publish a minimum of 10 articles around skills needs of ICT industry in NI.	<p>Objective Partially Achieved</p> <p>The Evaluation Team understands that 9 articles were developed and published around skills needs of ICT industry in NI:</p> <ul style="list-style-type: none"> • 2 article in Business First Magazine and the Newsletter on the development of an initiative in partnership with Belfast Metropolitan College to deliver a course in mobile software development; • 3 articles about the Software Testers Academy in the Belfast Telegraph, the Newsletter and Silicon Republic; • 2 interviews published with Allstate and NB1 designed to promote the ICT sector. • An article entitled 'Technology in Education' which was published in the Newsletter in January; • Momentum CEO interviewed by CEO-NI on his career in the ICT industry in NI
Manage ICT Ambassador scheduling and manage schedule of events for participating companies	Year 1 (only)	Schedule of events agreed with companies	<p>Objective Achieved</p> <p>The Evaluation Team understands that companies donated 43 ambassador days for the University Open Days.</p>
		Minimum of 25 engagements with schools	<p>Objective Achieved</p> <p>The Evaluation Team understands that there were 27 engagements with schools/colleges involving ambassadors, plus 4 BringITon events. They included:</p>

Appendix III – Detailed Analysis of Achievement of Operational Level Objectives

Pillar 1 – Skills			
Objective	Year	Smart Target	Evaluation Team’s commentary on level of Achievement
			<ul style="list-style-type: none"> • 17 engagements where the schools have not been specified; • Engagements with Dominican College, Belfast Model School for Girls, St Columbs, St Dominics, St Mary's Portglenone, Dromore HS, St Puis X Magherafelt, Ballyclare HS; • Belfast Met (2 engagements); • 4 BringITon events.
Extend and manage BringITon Career connection programme	Year 1 (only)	Min 25 schools committed (target 500 students)	<p>Objective Partially Achieved</p> <p>The Evaluation Team understands that 1,041 pupils across 21 schools participated in visits or events as part of the BringITon Career connection programme. These included the following:</p> <ul style="list-style-type: none"> • Sullivan Upper Year 12 careers day (20 pupils). • Visit for Campbell College to Kainos (10 pupils). • Visit for Malone College to Northgate (20 pupils). • Web workshop at Aquinas Grammar with NoMoreArt and GoodonPaper (12 pupils). • Visit for Aquinas Grammar to Citi (25 pupils). • Visits for Victoria College to Northgate & MediaLightbox (19 pupils). • Visit for Glenlola College to Allstate (32 pupils). • STEM Careers event at St Louis Grammar, Kilkeel (80 pupils). • Talk at Dominican College, Belfast (40 pupils) • Career Connections Roadshow at Belfast Model School for Girls (Belfast Royal Academy & Glengormley HS also attended - 80 pupils) • Talk at St Columb's Grammar School, Londonderry (50 pupils) • Talk at St Dominic's Grammar School, Belfast (143 pupils) • Talk at Thornhill College, Londonderry (6 pupils) • Talk at SERC Lisburn (40 students) • Career Connections Roadshow at Loreto College, Coleraine. St Josephs also attended (Total pupils 150) • 2 x Career Connections Roadshows at Belfast Metropolitan College for students from 3 campus' (Total 90 students) • Talks at St Mary's, Portglenone (20 pupils) and Dromore High School (150 pupils) • 2 visits to Northgate (26 pupils from Antrim Grammar and 18 from BMC). • 10 pupil work placements (1 pupil from Ballyclare High in SAP and 9 pupils from Belfast Model School for girls placed in NICS). • Teacher Insight visits to BT, Citi, EG, ICS, SAP and Texthelp (12 teachers from 9 schools) (which 9 schools?). • 2 in-school workshops facilitated by QUB.

Appendix III – Detailed Analysis of Achievement of Operational Level Objectives

Pillar 1 – Skills			
Objective	Year	Smart Target	Evaluation Team’s commentary on level of Achievement
Participate in Higher Education (HE) and Further Education (FE) events to promote the study of computer science and related subjects to schoolchildren	Year 1 (only)	Minimum of 5 events (target 500 students)	<p>Objective Exceeded</p> <p>Evaluation Team agrees that efforts were made to promote the study of computer science by engaging directly with pupils, but also by engaging with companies and colleges to discuss skills needs.</p> <p>Momentum attended an “Engineers make it happen” day in Liberty IT which was attended by approximately 20 careers teachers/advisors from schools and colleges to equip them better to discuss ICT career options with their pupils. In addition, Momentum also attended the HE/FE workshop and participated in a review of ICT GCSEs. Efforts were made to include programming and highlight career in the sector.</p> <p>In engaging directly with schools and pupils, Momentum:</p> <ul style="list-style-type: none"> • Ran a mini BringITon event in St Joseph’s Newry with 60 pupils attending; • Met with HEA 25th August, UUI 28th August and UUM on 30th September; • Participated in the SRC workforce development forum on 13th November; • Ran a Career Connections Roadshow at Antrim Grammar School with 80 pupils (St Benedict’s, Ballyclare HS & Glengormley HS also attended); • Started discussions with BMC regarding 4 events (2 BringITon roadshows and 2 teacher update days); and • Attended 5 x Careers Conventions with a total attendance of 30 schools and over 6,000 pupils: West Belfast (2nd Feb), Cambridge House (23rd Feb), St Pius X Magherafelt (25th Feb) and North Belfast (26th Feb).
		6 case studies developed	<p>Objective Exceeded</p> <p>The Evaluation Team understands that 14 case studies were developed during this year, including for the following 10 companies: Kelsius, Front, Andor, Axis 3, Sophia Search, Propel, Anaeko, WeeMan, Sogetti, TotalMobile</p>
Promote ICT as a career in local media. Develop case studies around companies and individuals to promote the ICT industry and a career in this industry	Year 1	10 articles in local media	<p>Objective Exceeded</p> <p>The Evaluation Team understands that 39 articles were published in local publications, including the following:</p> <ul style="list-style-type: none"> • 1 article in the Ulster Graduate, • 1 article in University of Ulster Alumni magazine, • 3 articles in Belfast Telegraph (Anaeko, Axis 3, Sophia Search), • 10 articles on NiTechBlog (Kelsius, Front, Andor, Axis 3, Sophia Search, Propel, Anaeko, WeeMan, Sogetti, Total Mobile.)

Appendix III – Detailed Analysis of Achievement of Operational Level Objectives

Pillar 1 – Skills			
Objective	Year	Smart Target	Evaluation Team’s commentary on level of Achievement
	Year 2	12 company and/or sectoral case studies to promote the ICT sector in key local business and national press	<p>Objective Exceeded</p> <p>The Evaluation Team understands that case studies of Total Mobile and Pinnacle were published in the Business First magazine.</p> <p>Furthermore, we understand that 17 company case studies were published in November 2010. The companies profiled include Aepona, Asidua, Citi, Allstate, Equinit ICS, First Derivative, Consillium, Etain, Fujitsu, Kainos, Lagan, Liberty IT, Novosco, Openwave, SQS, Texthelp and Tyco.</p>
	Year 3	12 company and/or sectoral case studies to promote the ICT sector in key local business and national press	<p>Objective Exceeded</p> <p>The Evaluation Team understands that there were 25 company and/or sectoral case studies to promote the ICT sector in key local business and national press:</p> <ul style="list-style-type: none"> • A case study on a new skills initiative developed in partnership with Logicearth and Goldblatt McGuigan; • 4 published case studies on I-Path, SQS, Etain and Attrus; • 4 case studies created around software testing with NaviNet, Liberty IT, Kainos and New York Stock Exchange and published on NI Direct, Momentum and Sync NI websites. • 6 published case studies on Iconi, Learning Pool, Singularity, Total Mobile, Allstate and SLA mobile. • Case study on Colin Reid, MD Consillium Technologies published in Agenda NI magazine in March. • 9 published profiles of Cybersource, NiSoft, Texthelp, Total Mobile, Kainos, BT, Asidua, Kainos, Singularity on the BringITOn website. • Created and published on the value of European collaboration in the ICT sector in Newsletter and Business First magazine. • Created and published article on the future of the Internet in Business Eye Magazine. • An article published on the future of the Internet in Business First magazine and in Newsletter.
Organise and minute meetings of the Software Professional Course (SPC) steering group ensuring appropriate levels of industry participation	Year 1 (only)	Minimum of 4 meetings over the period	<p>Objective Not Achieved</p> <p>At the beginning of the year, Momentum worked with colleges and the Department for Employment and Learning to choose optional modules with companies. However, the Evaluation Team understands that no SPC ran for the rest of the year and so no further meetings were held.</p>

Appendix III – Detailed Analysis of Achievement of Operational Level Objectives

Pillar 1 – Skills			
Objective	Year	Smart Target	Evaluation Team’s commentary on level of Achievement
Work with Industry to facilitate employment of graduates from the Professional Course	Year 1	80% of successful graduates to gain employment in the Industry or as agreed with DEL	<p>Objective Not Achieved</p> <p>Based on the information provided, the Evaluation Team understands that by Q2, 9 students (10%) had gained employment; Q3, 33 students (35%) had gained employment; and by Q4, 47 of 95 (49%) had found employment in the ICT sector.</p> <p>Discussions continued with a number of companies including Allstate, gem and Larsen & Toubro indicating that they would recruit from the course. The Evaluation Team notes that no students had gained employment in Q1, as the course was still running.</p>
	Year 2	Place graduates from the last SPC course that have not yet secured employment and monitor industry demand for new courses. 80% of successful graduates to gain employment in industry	<p>Objective Partially Achieved</p> <p>The Evaluation Team understands that, at UU graduate careers fair, Momentum promoted roles at L&T Infotech, Kainos, Iconi, Singularity, Openwave, Liberty IT and First Derivatives to SPC candidates. A meeting was also held with senior management at NWRC and with L&T Infotech to discuss the SPC.</p> <p>Furthermore, we understand that discussions were entered into with Platinum appointments, and Provincia regarding training courses similar to the SPC that they had expressed an interest in providing. A ‘kick-off’ event for the Provincia course was held on 25th February with over 10 local employers in attendance.</p> <p>As of Quarter 2 of Year 2, only 51% of candidates had gained employment in the industry.</p>
Represent Industry on the ICT Future Skills Action Group	Year 1	Attend Meetings as required	<p>Objective Achieved</p> <p>The Evaluation Team understands that Momentum attended 6 meetings with the ICT Future Skills Action Group throughout the year. These meetings were held on: 1st June, 23rd June, 4th August, 15th September, 7th October and the 4th November.</p>
Complete one salary survey across member Companies	Year 1	Survey completed by 31 st March 2010	<p>Objective Not Achieved</p> <p>The Evaluation Team understands that by Quarter 4 of Year 1, the final draft of the survey was with Invest NI pending approval before the survey work with companies could begin.</p>
	Year 2	Survey completed by 31 st March 2011	<p>Objective Achieved</p> <p>The salary survey was completed. A copy of the survey results is available for review.</p>
	Year 3	Survey completed by 31 st March 2012	<p>Objective Achieved</p> <p>The survey was completed by the Quarter 4 of Year 3.</p>

Appendix III – Detailed Analysis of Achievement of Operational Level Objectives

Pillar 1 – Skills			
Objective	Year	Smart Target	Evaluation Team’s commentary on level of Achievement
Facilitate industry input to FE/HE course design and content, particularly in relation to up skilling existing workforce.	Year 2	Support HE/FE in introducing at least 1 new course designed to up skill the existing IT workforce	<p>Objective Achieved</p> <p>Momentum supported Belfast Metropolitan College in launching part time courses in mobile web technologies and applications development. Momentum member companies were involved in validating the content of these courses (including Allstate, Tyco, Liberty IT and Consillium.) and were encouraged to place employees on the courses. The Evaluation Team understands that this resulted in all courses being fully subscribed. An article describing the courses and their positive acceptance from industry was developed and submitted to Business First Magazine.</p> <p>Further work was done by Momentum to introduce new courses during the year. Following the launch of the part time BMC course, meetings were arranged with SERC (27th October), QUB (22nd November), UU (17th December) and NWRC (14th March) to discuss course provision and skills/industry issues.</p>
	Year 3	Support HE/FE in introducing at least 1 new course designed to up skill the existing IT workforce	<p>Objective Partially Achieved</p> <p>Momentum:</p> <ul style="list-style-type: none"> • met with senior management of NWRC to discuss skills issues (15th April) • attended SRC WDF (18th April); • participated in QUB’s Industrial Advisory panel (31st May) • promoted foundation degrees through eZine (24th June) and • worked with LSDA to attend and provide information about computing to lecturers at an event (14th June). <p>Further work was done with BMC to revamp and reintroduce the SPC - meetings from the 10th June up to Quarter 4 though no new courses were introduced to up the skill the existing IT workforce.</p>

Appendix III – Detailed Analysis of Achievement of Operational Level Objectives

Pillar 2 – Innovation

Pillar 2 – Innovation			
Objective	Year	Smart Target	Evaluation Team's commentary on level of Achievement
Support the implementation of the recommendations contained in the ICT Panel report	Year 1	Represent industry on implementation panel.	Objective Achieved The Evaluation Team understands that in representing the ICT industry, Momentum met with DETI and the Chairman of the MATRIX panel, to discuss implementing the recommendations in the MATRIX report into development of the ICT industry. In addition, they met with PA consulting to discuss the development of the NISINE network and how it complements the MATRIX recommendations.
		Communicate progress to members via minimum of 3 articles	Objective Partially Achieved Whilst Momentum held meetings and organised a workshop with member companies the Evaluation Team has not been able to determine if any articles were published in order to communicate progress to members.
Support the implementation of the recommendations contained in the MATRIX ICT Panel report	Year 2	Represent industry on MATRIX panels.	Objective Achieved The Evaluation Team understands that Momentum: <ul style="list-style-type: none"> accepted an invitation at the beginning of the year to be represented on the MATRIX Telecommunications panel in addition to the ICT panel. held discussions with DETI about holding workshops for relevant organisations to develop the business opportunity around providing open access to government data such as bus timetables, Ordinance Survey mapping data and tourism data. DETI subsequently agreed to launch a pre-commercial procurement for a virtual tourist centre for the Tourist Board. Momentum was asked to participate in the assessment of responses to the tender. Over 70 responses were received and four companies were awarded projects. Two of these companies were from NI.
		Work with MATRIX to organise a series of events to communicate progress with member companies. Minimum of 3 events.	Objective Achieved The Evaluation Team understands that there were 5 events organized with MATRIX: <ul style="list-style-type: none"> Supported MATRIX in organising a meeting of the MATRIX Telecommunications on 18th May Supported MATRIX in organising an event, 'Collaborate Locally, Compete Globally' on 17th June to promote collaboration between companies in NI. Helped organise and attended workshops on 14th October and 25th November to discuss Open Data opportunities within Government Departments. Attendees included NITB, DRD, Land & Property Services and DCAL. Systematic and Cap Digital, two Paris based industry clusters representing the ICT

Appendix III – Detailed Analysis of Achievement of Operational Level Objectives

Pillar 2 – Innovation			
Objective	Year	Smart Target	Evaluation Team’s commentary on level of Achievement
			and digital content sectors agreed to participate in a European Innovation event in Belfast on 5th May. This event was being funded by InvestNI, InterTradeIreland and Enterprise Ireland through the Enterprise Europe Network initiative.
	Year 3	Represent industry on MATRIX panels.	<p>Objective Achieved</p> <p>Our Evaluation Team understands that Momentum:</p> <ul style="list-style-type: none"> • Became a member of the Digital 2020 project steering group and has attended two meetings over the Quarter 1 period, 1 meeting in Quarter 2 and 1 in Quarter 4. • Was present on the advisory panel for Digital Belfast which is facilitated by Belfast City Council and a meeting on 8th March was attended. • Participated on a panel at the NI Economic Conference in October 2011 which discussed options for rebalancing the economy in NI.
		Work with MATRIX to organise a series of events to communicate progress with member companies. Minimum of 3 events.	<p>Objective Partially Achieved</p> <p>We are unable to demonstrate how Momentum worked with MATRIX to organise a series of events to communicate progress with member companies with minimum of 3 events.</p> <p>Momentum participated in a passenger information workshop jointly hosted by DETI and DRD to explore how open data access to transportation data can help stimulate the development of new, innovative applications with global market potential</p>
Promote innovation in ICT sector through events on process improvement, product management and emerging business models and new technologies	Year 1	Minimum of 4 events	<p>Objective Exceeded</p> <p>The Evaluation Team understands that 8 events were held over the course of the year. These included:</p> <ul style="list-style-type: none"> • The launch of the Software Excellence Network on 3 April. 37 people attended. • A software testing event held on 26th May. 15 people attended. A second event was held on 16 June and was attended by 17 people. • A workshop focused on the development of applications for the iPhone on 24 April and was attended by 155 people. • A workshop with BMC regarding input to the development of a .Net course for software developers in employment. 15 companies attended • An event on 16 February which focused on Lean Test Process Improvement. 47 people attended the event. • An agile workshop held on 13th November in partnership with SQS. 25 people attended.

Appendix III – Detailed Analysis of Achievement of Operational Level Objectives

Pillar 2 – Innovation			
Objective	Year	Smart Target	Evaluation Team’s commentary on level of Achievement
			Furthermore, 2 meetings with DFP were held to discuss them funding a competition for companies developing software applications for mobile devices. Momentum also supported Microsoft in the NI launch of Windows 7 on 22 October.
	Year 2	Minimum of 5 events with input from Invest NI’s Innovation Advisor	<p>Objective Exceeded</p> <p>The Evaluation Team understands that they following 12 events were organised during the year:</p> <ul style="list-style-type: none"> • A workshop focused on the development of software applications for mobile devices on the 25th May - 58 attendees. Another of these workshops was held on 1 June in Dublin - 78 attendees. • A workshop describing how to implement a strategy for lean software development was run on 27th May in partnership with QUB - 25 attendees. • Event on latest innovations in software testing in partnership with SQS and the Irish Software Association on the 16 September - 48 attendees. • Event 'Project Kelvin: What does it mean for the Technology Industry in NI' - 62 attendees. • Chairman's dinner on the 8th September where the special guest was Alistair Hamilton of Invest NI – 19 attendees representing indigenous ICT companies. • Event on 6th October: the Key Skills required for Product Management to develop your business - 18 attendees. • Event on 10 November to promote ICT opportunities offered by Smart Grid technology (attendance not available). • Event on 17 November to describe the latest development in the Agile methodology for software development. - 30 attendees • Momentum sponsored and participated in a Bizcamp event on 15 November– 500 attendees. • Event in partnership with SmartGridIreland on 15th March, 'Smart Devices and Solutions make Smart Homes'. • Held an event in partnership with SmartGridIreland on 25th March, 'Cloud Computing- What can it do for my Business?'
	Year 3	Minimum of 5 events with input from Invest NI’s Innovation Advisor	<p>Objective Exceeded</p> <p>The Evaluation Team understands that 16 events were held over the course of the year. These included:</p> <ul style="list-style-type: none"> • Held a workshop on Agile test management on 13th April. • Hosted IBM Smartcamp launch Breakfast on 23rd April. • Held workshop on software testing frameworks on 19th May.

Appendix III – Detailed Analysis of Achievement of Operational Level Objectives

Pillar 2 – Innovation			
Objective	Year	Smart Target	Evaluation Team’s commentary on level of Achievement
			<ul style="list-style-type: none"> • Participated in IBM Smartcamp event at the City Hall on 24th May. • Supported QUB and InterTradeIreland in running a lecture 'Innovate for Advantage' • Worked with IBM to promote the IBM Global Entrepreneur Programme and SmartCamp initiative to member companies. 7 Ni companies attended a start up primer event in Dublin in October 2011. • Hosted a software testing seminar on 7th October where the internationally recognised presenter Gojko Adzic described the long term value of acceptance tests. 22 attendees. • Hosted a workshop on the development of mobile applications on the 24th October. 14 attendees • Hosted a software testing workshop on 30th November presented by Geoff Thompson and Graham Thomas, two internationally recognised speakers. 25 attendees. • Momentum supported the first Bash!event for the software development community on 19th January. 220 people attended the event. • Hosted XCake software development events in January and February. • Hosted BLOC54 games development workshops in January, February and March • Momentum hosted a workshop on Model Based Testing on 15th February. The presenter was Stefan Ekman from AOL in Dublin. 34 people attended.
Help promote NI as a world class centre for ICT (e.g. achieve Global Standards — vendor certification).	Year 1	Carry out 1 survey of members to measure R&D Investment	<p>Objective Achieved</p> <p>The Evaluation Team understands that the survey of members was carried out in November 2009.</p>
	Year 2	Complete 1 survey and communicate key messages to membership and wider ICT sector	<p>Objective Achieved</p> <p>1 survey was completed, a copy of which is available for review</p>
Develop industry case studies with Invest NI which promotes the business benefits of innovation	Year 1	Min 5 case studies	<p>Objective Achieved</p> <p>It is the Evaluation Team’s understanding that 6 case studies were developed and published. These included case studies of: Sophia Search, Axis Three, Anaeko, TotalMobile, Andor and Sogetti.</p>
	Year 2	Min 5 case studies	<p>Objective Partially Achieved</p> <p>We understand that a case study of Total Mobile and the benefits that have accrued through innovation in mobile technologies was developed and was to be published in Q4.</p>

Appendix III – Detailed Analysis of Achievement of Operational Level Objectives

Pillar 2 – Innovation			
Objective	Year	Smart Target	Evaluation Team's commentary on level of Achievement
	Year 3	Min 5 case studies	<p>Objective Achieved</p> <p>The Evaluation Team understands that 5 case studies were achieved:</p> <ul style="list-style-type: none"> • Participated in Innovation in Europe Conference on 30th June. • Developed and published an article exploring future innovation of the Internet and the opportunities this offers to local companies. • Supported Singularity in creating a webinar describing innovation in case management. • Article on the benefit of innovation to Total Mobile published in November 2011. • Case study on Consillium Technologies innovation in mobile technologies published in Agenda NI magazine in March.
Attract ICT participants to Invest NI's innovation programmes, including promotion of sustainability initiatives	Year 1 (only)	Min 5 applications from members to Invest NI R&D programmes	<p>Objective Partially Achieved</p> <p>According to Momentum, it facilitated NiSoft in making a successful application for R&D support to Invest NI. NiSoft has been successful in this application. However, discussion with Invest NI indicates that they were not aware that Momentum had been involved in this application.</p> <p>The Evaluation Team understands that Opt2Vote, Foyle Technologies, Aetopia, Nifty Nosh and Novosco made successful applications to Invest NI R&D programmes. Again, Invest NI stated that they were not aware of Momentum's involvement with the Opt2vote or Novosco applications.</p>
Achieve greater collaboration between industry and academia on R&D	Year 1 (only)	Facilitate 2 R&D projects involving industry and academia	<p>Objective Achieved</p> <p>The Evaluation Team understands that 3 R&D projects involving industry and academia took place:</p> <ul style="list-style-type: none"> • Opt2Vote and Foyle Technologies have established partnerships with the University of Ulster at Magee to carry out joint research aimed at product development. • Infurious has established a research partnership with the University of Ulster at Jordanstown to develop mobile phone applications. <p>Momentum and QUB have developed a proposal to establish a software development competence centre which has been submitted to Invest NI.</p>

Appendix III – Detailed Analysis of Achievement of Operational Level Objectives

Pillar 2 – Innovation			
Objective	Year	Smart Target	Evaluation Team's commentary on level of Achievement
Quarterly meetings with Invest NI Innovation Adviser to ensure events are linked to promoting higher value activity.	Year 2	Quarterly meetings.	Objective Not Achieved Quarterly meetings were held twice during the year – 4 th June, and 6 th August. However, we understand that no further meetings were held.
	Year 3	Quarterly meetings.	Objective Not Achieved Met with Michael Johnston and David McCotter, Invest NI on 6 th April to discuss and agree how Momentum could best support the activities of the Invest NI 'Grant for R&D' team. However we understand that no further meeting were held.
A minimum of 20 qualified referrals to Invest NI's Innovation Advisor to discuss Invest NI's Grant for R&D.	Year 2	Min 20 Referrals	Objective Not Achieved Whilst the following companies were referred to Invest NI innovation programmes, 9 more companies needed to be referred for the target of 20 to be achieved. <ul style="list-style-type: none"> • Etain • Cima Omega • Composer Mail • Aetopia • Foyle Technologies. • WholeSchool • Airpos • Educentre • Fidessa • Nifty Nosh • Rumblelabs
	Year 3	Min 20 Referrals	Objective Not Achieved According to Momentum, 8 companies were referred to Invest NI: <ul style="list-style-type: none"> • Barrister SaaS and MyTourTalk have been recruited to the Boosting Business programme and 5 additional companies have been identified • Nimbuscore was introduced to Invest NI.

Appendix III – Detailed Analysis of Achievement of Operational Level Objectives

Pillar 2 – Innovation			
Objective	Year	Smart Target	Evaluation Team’s commentary on level of Achievement
Run industry workshops to determine needs of the sector to increase R&D expenditure.	Year 1	Min 1 workshop	<p>Objective Achieved</p> <p>As the Team understands, Momentum held a workshop describing the Enterprise Investment Scheme (EIS) and operation of the R&D Tax Credit scheme on 6th of July with 17 people in attendance.</p>
	Year 2	Min 1 Workshop to be developed in conjunction with Invest NI Innovation Adviser	<p>Objective Achieved</p> <p>Following discussions with Alistair Hamilton at the ‘Chairman's Dinner’, meetings with Invest NI's innovation division were facilitated to discuss issues regarding Open Source. It was agreed that the inclusion of Open Source components in R&D projects did not cause a problem in securing support from Invest NI.</p> <p>Consequently, a workshop was held on the 25th November to consider the legal issues associated with delivering software applications via the ‘Cloud.’</p>
	Year 3	Min 1 Workshop to be developed in conjunction with Invest NI Innovation Adviser	<p>Objective Achieved</p> <p>The evaluation team understands that there was 1 workshop held in partnership with BDO to explore R&D funding opportunities on 7th June and 2 seminars hosted: - 1 was delivered by Jumpstart UK on 10th November focused on the value of R&D credits in encouraging innovation and another hosted in the Tech Legal series in association with Tughans which addressed IP exploitation and protection.</p>

Pillar 3 – Internationalisation

Pillar 3 – Internationalisation			
Objective	Year	Smart Target	Evaluation Team’s commentary on level of Achievement
Market and recruit ICT companies to Invest NI trade missions and market visits (including cross-sectoral and key geographic missions listed on Invest NI’s trade calendar) ³¹	Year 1	Minimum of 30 companies	<p>Objective Exceeded</p> <p>The Evaluation Team understands that 62 ICT companies attended trade missions and markets visits:</p> <ul style="list-style-type: none"> • 17 companies attended the Web 2.0 Expo conference in San Francisco in early April. • 33 companies attended the Apple Developer Conference in San Francisco in June. • 12 companies attended the Microsoft Partner Conference in Houston in July.
	Year 2	Minimum of 40 ICT companies to sign up to Invest NI events, the majority of which should be first time participants on trade missions or market visits.	<p>Objective Achieved</p> <p>The Evaluation Team understands that the following Invest NI events were attended:</p> <ul style="list-style-type: none"> • 24 companies attended the Apple World Wide Developer Conference held in San Francisco from 7 to 11 June; • 14 companies attended a visit to the Irish Innovation Centre in San Jose on 8 June; • 18 companies attended the Microsoft Worldwide Partner Conference in Washington from 12th to 15th July; • 8 companies have registered to attend the GSM Mobile World Congress in Barcelona in February; • 50 delegates from NI’s ICT sector attended the SxSW conference in Austin Texas in March; and • 5 delegates attended the Games Developer Conference in San Francisco in March.
	Year 3	Minimum of 40 ICT companies to sign up to Invest NI events, the majority of which should be first time participants on trade missions or market visits.	<p>Objective Exceeded</p> <p>The Evaluation Team understands that the following trade missions and market visits were attended:</p> <ul style="list-style-type: none"> • 3 members attended the Apple WWDC 2011 developer conference in San Francisco in June. • 17 companies attended the Microsoft Partner Conference in Los Angeles in July. • 37 companies attended SXSU in Austin Texas in March. • 15 companies attended Mobile World Congress in Barcelona in March

³¹ Year 2 & 3

Appendix III – Detailed Analysis of Achievement of Operational Level Objectives

Pillar 3 – Internationalisation			
Objective	Year	Smart Target	Evaluation Team's commentary on level of Achievement
Promote internationalisation to local ICT industry including opportunities for growth in niche markets	Year 1 (only)	Minimum of 4 events	<p>Objective Exceeded</p> <p>The Evaluation Team understands that the following 8 events were created:</p> <ul style="list-style-type: none"> • Held meetings with Fluent Technology, Foyle Technologies, Farm Wizard and Sonic Academy to discuss Invest NI support mechanisms for international market development. • Held an international marketing workshop on 5 July for a group of 9 companies operating in the education and e-learning sector. • Supported ITLG in running a 1 day event on 21 October to promote US market opportunities to NI industry and promoted the event to member companies. 15 Momentum member companies attended the event. • Momentum and NISINE member companies met with the Board of ITLG on 22 October to discuss support from ITLG for marketing of NISINE member products and services in the US. • Momentum and NISINE member companies met with Invest NI to agree how Invest NI could support the sales efforts of the network in the US through Invest NI's FDI team in the US. Agreement was reached on an effective way to proceed. • Held a workshop for companies in the NISINE to develop a value proposition for the network and an international marketing strategy. • Momentum organised a briefing with a US based Gartner analyst via conference call on 24 March. At this briefing, 8 companies explored the international opportunities for software applications which are delivered via the web using the SaaS model. The companies agreed that Gartner provided excellent value. • Momentum helped facilitate Learning Pool and Texthelp sharing a stand at an exhibition in Manchester to promote learning solutions into the UK market.
Promote internationalisation to local ICT industry including opportunities for growth in international markets	Year 2	Minimum of 4 events/podcasts	<p>Objective Exceeded</p> <p>The Evaluation Team understands that three articles were published to promote the local ICT industry in international markets. These included:</p> <ul style="list-style-type: none"> • An article showcasing Total Mobile with particular focus on the companies' international ambitions was published in Business First. • An article on selling into Europe in partnership with a member, Sagnard Associates. The article includes a case study on Texthelp Systems and their success in the European market. A copy is attached to the report. • An article on selling into International markets in Business First magazine in October. <p>The following workshops were also arranged:</p> <ul style="list-style-type: none"> • A workshop discussing the legal issues facing collaborative networks doing business in

Appendix III – Detailed Analysis of Achievement of Operational Level Objectives

Pillar 3 – Internationalisation			
Objective	Year	Smart Target	Evaluation Team's commentary on level of Achievement
			<p>international market - held on 20th May. 17 people attended;</p> <ul style="list-style-type: none"> An event on 3rd December to launch the Momentum DSE sales programme in partnership with Sagnard Associates. This programme was designed to educate companies in international selling techniques. 22 people attended. A Partnering Strategy event for NI ICT companies which was run by Maidfield Associates, Cork on 24 November. 26 people attended. Momentum partnered with IBM, NISP and Invest NI to design and run an event to promote the global IBM SmartCamp initiative.
	Year 3	Minimum of 4 events/podcasts	<p>Objective Achieved</p> <p>The Evaluation Team understands that the following 4 events/podcasts were arranged by Momentum:</p> <ul style="list-style-type: none"> Hosted a one day conference with association with Enterprise Europe Network, which was attended by French cluster organisations, Systematic and Cap Digital and some of their member companies (on 5th May). Other attendees were the West Midlands ICT cluster and some of their companies, the Irish Software Association and some of their members, and Northern Ireland ICT companies who are Momentum members. The conference was supported by Invest NI, Enterprise Ireland and InterTradeIreland. 77 delegates attended and the focus of the event was on creating international partnerships between the companies that attended. As a direct result of the day, a NI company appointed a distributor in France and a French company has established a joint project with an NI company. Held a workshop to promote attendance at the March 2012 SXSW event in Austin Texas. Three companies who attended the 2011 event describe the value they got from being there. Hosted an Export Sales Partnering workshop in association with Tenego Partnering and InterTradeIreland on 27th October. Hosted an Export Marketing & Sales clinic in association with Norbert Sagnard and Geraldine Fusciardi on 14th November.
Support Invest NI on visits to overseas markets and/or companies	Year 1	Minimum of 1 overseas visit and as required by Invest NI	<p>Objective Not Achieved</p> <p>We understand that Momentum attended meetings and participated in conference calls with ITLG, David Kirk and member companies offering ICT services into global markets regarding developing a new investment model based on offering outsourced software development services as a first step to inward investment.</p>
	Year 2	Minimum of 1 overseas visit to promote NI ICT sector and as required by Invest NI.	<p>Objective Achieved</p> <p>It is our understanding that Momentum accepted an invitation to attend the Paris Regional Innovation Tour (PRIT) in Paris in December.</p>

Appendix III – Detailed Analysis of Achievement of Operational Level Objectives

Pillar 3 – Internationalisation			
Objective	Year	Smart Target	Evaluation Team's commentary on level of Achievement
	Year 3	Minimum of 1 overseas visit to promote NI ICT sector and as required by Invest NI.	<p>Objective Exceeded</p> <p>2 overseas visits to promote NI ICT sector were achieved by Momentum: The Microsoft Partner Conference in Los Angeles (July) and Mobile World Congress in Barcelona (March).</p>
Support Invest NI in meetings in NI with potential investors	Year 1	As required by Invest NI. Minimum of 4 meetings	<p>Objective Exceeded</p> <p>As the Evaluation Team understand that there were 8 meetings undertaken by Momentum:</p> <ul style="list-style-type: none"> • Attended a reception for the Invest NI global FDI team on 21 April for the purpose of meeting and getting to know the individuals. • Met with Didier Denayer, Economic and Commercial Counsellor for the Belgium region of Wallonia on 14 May to discuss and share inward investment strategies and experiences. • Met with Addo Barrows, Jason Powell and Lynn Monica from HandsOnMobile on 27 June. The company is considering setting up an operation in NI. • Met with System Dynamics on 26 May. The company is headquartered in Dublin and is exploring setting up a subsidiary operation in Belfast. • Introduced Contrast, a RoI software company to Jenny Young in the Invest NI Dublin office. Contrast wished to explore setting up an operation in NI. • Met with Fergus Innes and Stephen Swift from Hibernia Atlantic on 23 September to explore how the ICT industry can exploit project Kelvin. • Met with Russell Pilcher, CEO and founder of Sierra Detention Systems. Sierra is working with Jonathan Currie, ex CEO of NiSoft to identify potential offshore development centres. • Met with DSN Murthy, MD & CEO of Dhanush Infotech. Dhanush is in discussion with Invest NI regarding establishing a development operation in NI.
	Year 2	Minimum of 4 meetings or as required by Invest NI	<p>Objective Exceeded</p> <p>The Evaluation Team understands that more than the required number of meetings was facilitated. These included a reception for Invest NI's FDI teams, meetings with Rubin Godfrey and Stephen Hampson from DELL, Canadian Investor John Billowitz, Marguerita Crossan from the Invest NI office in Boston. Meetings were also arranged with Laura Livingstone (Atomic Fiction), Niall Duffy and Kevin O'Meara, (MediaSmiths), and Maureen Scott and Mike Jones, (Etherbooks).</p>
	Year 3	Minimum of 4 meetings or as required by Invest NI	<p>Objective Exceeded</p> <p>The Evaluation Team understands that the following meetings took place with:</p> <ul style="list-style-type: none"> • Invest NI and Richard Barnwell, Jolt Games, at their office in Dublin on 13th June.

Appendix III – Detailed Analysis of Achievement of Operational Level Objectives

Pillar 3 – Internationalisation			
Objective	Year	Smart Target	Evaluation Team’s commentary on level of Achievement
			<ul style="list-style-type: none"> • Dominique Syner, CEO and founder of Agile Birds, a Belgium company and Invest NI on 16th August • Digital Ventures Group on 1st November and Project Zebra on 9th December. • Truphone on 20th January. • Jam Media on 8th March. • Patrick Ryan, KYCnet on 2nd April.
Provide new investors with introductions to local industry so as to raise their profile	Year 1	As required. Minimum of 2 introductions	<p>Objective Achieved</p> <p>It is in the Team’s understanding that following introductions were made by Momentum:</p> <ul style="list-style-type: none"> • Supported Sogetti in setting up an operation in Belfast and Sogetti were exploring possibility of becoming an Invest NI client. • Hosted an event for Cybersource on 11th March. At this event, CyberSource described their transition to Agile Development and at this event they shared the experience of making this sort of transition work. 67 people attended the event.
	Year 2	Minimum of 2 introductions	<p>Objective Achieved</p> <p>Momentum had meetings with Bo Wylie, ATG and Glenn Patterson to discuss how ATG could become involved in the cluster of companies focused on mobile technologies in NI. Bo was introduced to Richard McConnell, (Aepona) and Gareth Tollerton, (Total Mobile.)</p>
	Year 3	Minimum of 2 introductions	<p>Objective Achieved</p> <p>As we understand Momentum met with Terry Reilly, Invest NI and Brian Glynn and discussed how Momentum can facilitate member companies utilising the support services Brian can offer on the West Coast of the US. Additionally introduced Project Zebra to local digital content companies.</p>
Support early stage companies through advice and signposting of sources of funding and guidance	Year 1	Minimum 3 workshops targeting advice and guidance to early stage companies	<p>Objective Achieved</p> <p>The Evaluation Team understands that 4 workshops were held during the Year 1:</p> <ul style="list-style-type: none"> • An entrepreneurs' workshop was run on 15 April which was attended by 6 companies. The workshop was hosted by Brian Caulfield of Putplace and Adrian Lennon of Being. The workshop focussed on providing and growing a successful company. • Due to very positive from attendee, a second workshop was held on 9th June which was attended by 7 companies. This workshop was hosted by Brendan Mooney, Kainos and Eoin Sugrue, a successful entrepreneur. • 49 people attended an event on 10 September to launch the Propel programme which is designed to educate early stage entrepreneurs in how to run and develop their businesses and is funded by Invest NI. • Held a breakfast event to promote the InterTradeIreland Seedcorn Breakfast Competition

Appendix III – Detailed Analysis of Achievement of Operational Level Objectives

Pillar 3 – Internationalisation			
Objective	Year	Smart Target	Evaluation Team's commentary on level of Achievement
			which is designed to offer financial support to early stage companies. The role of Momentum was to encourage member companies to enter the competition. 34 people attended.
	Year 2	Minimum 3 workshops targeting advice and guidance to early stage companies	<p>Objective Achieved</p> <p>The Evaluation Team understands that following workshops targeting advice and guidance to early stage companies were held in Year 2:</p> <ul style="list-style-type: none"> • A bootcamp to provide advice and guidance for early stage companies was held on 5th May. 8 companies attended. • Entrepreneurs' workshop was held on the 30th September and was conducted by Brendan Mooney, Kainos and Sean Baker, Chairman ISA. The topic was 'Growing an early stage business'. • Met with Barry Mulhearn of CMASS on 21st October to discuss start-up issues and offer advice and signposting. <p>In addition to that a further workshop was planned in partnership with Tughans which would explore the early stage funding landscape in NI and describe funding options for industry.</p>
	Year 3	Minimum 3 workshops targeting advice and guidance to early stage companies	<p>Objective Exceeded</p> <p>As The Team understand, the following 5 seminars and workshops were arranged during Year 3 by Momentum:</p> <ul style="list-style-type: none"> • Held a seminar with Tughans on 6th May describing the VC funding opportunities in NI. • Held a workshop for companies wishing to compete for the Seedcorn Award competition run by InterTradeIreland on 3rd June. • Hosted a seminar on 14th September at which Paul Durrant described the development of the digital content and software industries in Scotland and two investment funds that he manages that are available to NI companies. • Held an Entrepreneurs Masterclass on the 23rd November which was attended by 12 early stage companies. Class tutors were Peter Shields, Etain and Bob McGowan-Smyth, a specialist funding advisor with InterTradeIreland. • Supported IBM in running a Global Entrepreneur workshop in Derry in March.
Promote invest NI Export Skills Workshops and identify Momentum members who are exploring exporting for the first time	Year 1	Minimum of 10 companies	<p>Objective Exceeded</p> <p>The Evaluation Team understands that Momentum promoted Invest NI export skills workshops to 10 following companies: Fluent Technology, Foyle Technologies, Farm Wizard, Sonic Academy, Anaeko, Kainos, Equiniti ICS, Singularity, Learning Pool, Qwizdom and additional 9 companies in the education and e-learning sector.</p>

Appendix III – Detailed Analysis of Achievement of Operational Level Objectives

Pillar 3 – Internationalisation			
Objective	Year	Smart Target	Evaluation Team's commentary on level of Achievement
Work with Invest NI to promote Invest NI's export programmes including Export Development Services and Export Skills Workshops. Recruit a minimum of 10 ICT companies to these programmes.	Year 1	Minimum of 10 companies	<p>Objective not Achieved</p> <p>The Evaluation Team would like to note that there was no information supporting this objective provided.</p>
	Year 2	Minimum of 10 companies	<p>Objective Partially Achieved</p> <p>The Evaluation Team understands that Invest NI's export programmes were promoted directly on the Momentum website with Learning Pool registering interest in Quarter 1 and leading to 8 companies participating in Invest NI's Design Development Programme: Eoverl, SQS, Aepona, Anaeko, Equinity-ICS, Replify, Novosco and Intune Networks.</p> <p>In addition, Momentum promoted Invest NI export programmes to a further 5 companies: Yarra Software, AirPos, Educentive, Rumblelabs and Fidessa.</p>
	Year 3	Minimum of 10 companies	<p>Objective Partially Achieved</p> <p>Invest NI's export programmes are now promoted directly on the Momentum website. Member companies interested in participating in these programmes have been requested to register this interest with Momentum. Two companies, Learning Pool and Novosco, have so far registered interest (Quarter 2).</p> <p>In addition Momentum promoted Invest NI's export programmes to the NI companies who attended the Bridging Borders event.</p>
Actively promote the NI ICT Industry through Momentum website	Year 1	Industry success stories/ case studies (quarterly)	<p>Objective Achieved</p> <p>The Evaluation Team understands that industry success stories/ case studies were published quarterly:</p> <ul style="list-style-type: none"> • Published stories on Causeway Data Communications, Empowerment Quality Engineering, Northgate, Singularity, Novosco, Niavac and Equinity ICS. Sample stories are attached (Quarter 1). • Published stories on Aepona, SLA, Wireless Fibre Systems, Novosco, Learning Pool, Datactics and eg Consulting (Quarter 2). Sample stories are attached. • Published stories on iGeneration, Goldblatt McGuigan, Northgate, Equiniti ICS, SLA Mobile and Learning Pool (Quarter 3). A copy of the stories is attached. • Success stories / case studies on 10 member companies published on Momentum website (Quarter 4). A copy of these stories is attached.

Pillar 3 – Internationalisation			
Objective	Year	Smart Target	Evaluation Team’s commentary on level of Achievement
	Year 2	Develop industry success stories/case studies quarterly in conjunction with Invest NI’s trade division.	<p>Objective Achieved</p> <p>The Evaluation Team understands that Momentum published industry success stories on:</p> <ul style="list-style-type: none"> • Diskshred • Niavac • University of Ulster • Aepona • EyeSpyFx • Novosco • Singularity • Andor • Hibernia Atlantic • Project Kelvin • APTX • Intune Networks • Lagan • Learning Pool • Yarra Software <p>In addition, 4 stories/articles were published to promote the local ICT industry internationally:</p> <ul style="list-style-type: none"> • A story on the opportunity offered to NI companies to participate in EU FP7 projects. • An article was developed with Invest NI and Total Mobile on their experience of establishing a US office and selling into this market. • Two articles on CEM systems. The first described their participation at the IFSEC exhibition in West Africa. The second announced a \$2million project for a security management system at Hong Kong International Airport.
	Year 3	Develop industry success stories/case studies quarterly in conjunction with Invest NI’s trade division.	<p>Objective Achieved</p> <p>The Evaluation Team understands that Momentum developed and published case studies on:</p> <ul style="list-style-type: none"> • I-Path • SQS • Etain • Biznet • Xperience • Relay • Kana • Kainos • SLA Mobile • Singularity <p>In addition Equinity, Kainos, Asidua, Consillium, Airpos and Tibus were showcased on the Momentum website.</p>

Appendix III – Detailed Analysis of Achievement of Operational Level Objectives

Pillar 3 – Internationalisation			
Objective	Year	Smart Target	Evaluation Team’s commentary on level of Achievement
Promote and showcase internationalisation through participation in European projects such as FP7 to the local ICT industry and provide advice and guidance to potential participants	Year 2	<p>Minimum of 1 workshop.</p> <p>Minimum of 4 companies.</p>	<p>Objective Achieved</p> <p>The Evaluation Team understands that Momentum provided support and guidance to InTune Networks and Yarra Software in developing partnerships with other European companies so as to pursue FP7 projects as well as helping to develop project applications. Momentum also promoted two opportunities for NI companies to participate in European Eurostars projects. Airpos and DataSentiment responded to both opportunities. In addition, a meeting was arranged with EoverI to provide advice on preparing an FP7 project proposal and to help them find European partners.</p> <p>Momentum attended the ICT 2010 EU conference in Brussels from 27th to 29th September. This conference focused on FP7 projects and provided an opportunity to develop partnership opportunities for Momentum and for member companies</p> <p>A ‘Bridging borders’ workshop was scheduled for 5th May - with participation from the West Midlands ICT hub, Cap Digital and the Paris Regional Innovation tour.</p>
	Year 3	<p>Minimum of 1 workshop.</p> <p>Minimum of 4 companies</p>	<p>Objective Achieved</p> <p>The Evaluation Team understands that following measures were taken to promote and showcase internationalisation and provide advice and guidance to potential participants:</p> <ul style="list-style-type: none"> • Following the Bridging Borders event, Momentum hosted a meeting with Systematic, Cap Digital and NI companies and organisations to discuss opportunities for participation in EU projects. As a result of this meeting an opportunity to join an Italian led FP7 project submission targeting ambient assisted living has been identified and two NI organisations have now joined the consortium. • Momentum became a partner in a consortium of European organisations which has now responded to an EU project call for proposals from SME associations to carry out research which will benefit SME member companies. The proposal was focussed around developing tools and methodologies to allow current or new start-up companies to deliver their solutions via the cloud. The consortium has asked Momentum to take on the lead co-ordination role for the project. • Momentum continued to lead a consortium of partners from Northern Ireland, Republic of Ireland, France and Cyprus with other regions expected to join in. This consortium was applying for an EU regions of knowledge project worth €3m to run from September 2012.

Appendix III – Detailed Analysis of Achievement of Operational Level Objectives

Pillar 4 – Collaboration

Pillar 4 – Collaboration			
Objective	Year	Smart Target	Evaluation Team’s commentary on level of Achievement
Promote public sector opportunities in NI, RoI, and GB to local ICT industry	Year 1	Minimum of 2 events	<p>Objective Exceeded</p> <p>The Evaluation Team understands that the following events were arranged by Momentum in Year 1:</p> <ul style="list-style-type: none"> • After a partnership was established with Socitm to jointly promote membership of both organisations and to run joint events to introduce the ICT industry to public sector ICT professionals, the first joint event “Securing the Enterprise” was held on 30th April. • Ran an event on Cloud computing on 27th November in partnership with Socitm. 58 people attended the event which was sponsored by Sogetti. • Ran an event, "Mobile Technologies for the public sector" on 9th March. Speakers were provided by Steria, Total Mobile, Aepona, iBurst and Lagan. 58 people attended. <p>In addition Momentum met with the Irish Software Association to plan a 'meet the buyer' event in Dublin for ICT companies in NI. Objective was to seek out public sector opportunities in ROI for member companies.</p>
	Year 2	Minimum of 2 events	<p>Objective Achieved</p> <p>Momentum held an event on the 8th September entitled ‘Private and Public Sector working together to achieve economic growth’ - 64 people attended. The event was run in partnership with the Sales Institute of Ireland.</p> <p>Another event was held on the 17th September entitled ‘Public Sector IT Systems: How to achieve higher performance with less cost’ - 33 people attended.</p> <p>In addition, planning for a workshop on e-tendering for Momentum members was begun in Q3.</p>
	Year 3	Minimum of 2 events	<p>Objective Partially Achieved</p> <p>The Evaluation Team understands that Momentum held a public procurement workshop addressing public sector opportunities in NI, ROI and GB on 25th May. In addition, Momentum met with CPD on the 30th September to discuss running an event to describe the new pre-qualification process and documentation being introduced by CPD to stream line the public sector procurement process.</p>

Appendix III – Detailed Analysis of Achievement of Operational Level Objectives

Pillar 4 – Collaboration			
Objective	Year	Smart Target	Evaluation Team’s commentary on level of Achievement
Promote collaborative networks between companies in NI, RoI and overseas	Year 1	Establish min 1 collaborative network addressing overseas markets	<p>Objective Partially Achieved</p> <p>The Evaluation Team understands that Momentum was facilitating the development of a network of companies in the ICT sector focussed on the Education and Learning market. A proposal was being developed for funding from Invest NI for a scoping study into development of the network. Network members include Texthelp, Aurion, Learning Pool, Synergy, Foyle Technologies, Fable Multimedia, Sonic Academy, Quizdom, Alta Systems and MMC Consulting (Quarter 2). In Quarter 3 Momentum was pulling together a group of companies focussed on the development of mobile applications with a view to establishing a collaborative network.</p>
		Establish partnerships with a min of 2 International ICT Trade Associations beyond the island of Ireland	<p>Objective Achieved</p> <p>The Team understands that 2 partnerships with International ICT Trade Associations were established by Momentum:</p> <ul style="list-style-type: none"> • A partnership agreement with Intellect, the representative body for the ICT industry in England and Wales, to offer services, delivered by Intellect, to Momentum member companies at discounted prices. • A partnership agreement with Scotland IS to develop joint initiatives that will be of value to both and which will encourage networking across the memberships.
	Year 2	Establish min 1 collaborative network addressing overseas markets	<p>Objective Achieved</p> <p>Momentum established a collaborative network of companies and academic institutions that had secured funding under the EU FP7 programme. Momentum's role was to engage member SME companies in specifying the requirements for the product and testing it as it is developed. The other partners were SAP AG, Fiat, Universitat St Gallen, TXT. Technion and Ecole Polytechnique Federale De Lausanne.</p>
		Establish partnerships with a min of 2 International ICT Trade Associations beyond the island of Ireland	<p>Objective Achieved</p> <p>The Evaluation Team understands that, as a result of attending The Paris Regional Tour event in Paris in December, Momentum established partnerships with Systematic and Cap Digital - two cluster management organisations from the Paris region. In addition to these companies, Momentum met with the West Midlands ICT cluster and 5 of their member SMEs in Birmingham on 8th February and agreed to work in partnership to explore European funding opportunities.</p>
	Year 3	Establish min 1 collaborative network addressing overseas markets	<p>Objective Partially Achieved</p> <p>The Evaluation Team understands that Momentum has developed and submitted to Invest NI proposal to develop collaborative networks focussed on mobile and on games though is not yet established. In addition, Momentum has agreed to a request from Invest NI to assist with</p>

Appendix III – Detailed Analysis of Achievement of Operational Level Objectives

Pillar 4 – Collaboration			
Objective	Year	Smart Target	Evaluation Team's commentary on level of Achievement
		Establish partnerships with a minimum of 2 International ICT Trade Associations beyond the island of Ireland	<p>the Galway based Smart Bay initiative to engage with ICT companies to exploit innovations coming out of the Marine Technology research sector.</p> <p>Objective Achieved</p> <p>The Team understands that as a result of the 'Bridging Borders' event, partnering agreements between Systematic, CapDigital and the Irish Software Association have been established. In addition, Momentum partnered with the MobileMonday organisation to run an event, 'Showcase Ireland MobileMonday' in Dublin on 19th September. The event was attended by over 150 people.</p>
Partner with the European Connected Health Campus (EHC) to explore global opportunities in the connected health market, promote these opportunities to the ICT industry and ensure commitment from companies to address these opportunities	Year 1	Facilitate new business opportunities for 3 companies through this initiative	<p>Objective Partially Achieved</p> <p>The Evaluation Team understands that Momentum became a part of a consortium including The European Connected Health Campus (EHC), UU and Bio-business NI to develop a proposal to establish a connected health competence centre submitted to Invest NI. ICS, Kainos, Yarra and Singularity showed interest in becoming involved with the EHC initiative.</p> <ul style="list-style-type: none"> • Momentum introduced Yarra Software to a Dublin company, MyMed, who operate in the connected health market. The two companies agreed to explore the opportunity to partner in the development of new software products targeted at the connected health market. • The Brussels office of Invest NI has identified a number of Finnish companies that could be interested in partnerships with ICT companies in NI. Momentum has introduced one of these companies, Solutions Space, to a local member, Yarra Software and they were discussing a partnership to address the European Connected Health opportunity. <p>Please note that the management structure of EHC has been reorganised (at the end of Year 1) with QUB taking a leading role in managing the initiative. Momentum stated that this reorganisation has seriously delayed the progress of the network but it has engaged with QUB to ensure that the interests of Momentum members continue to be promoted and new business opportunities developed.</p>
Partner with the University of Ulster Knowledge management network to promote best practice in knowledge management techniques and business practice	Year 2	<p>Attendance at a minimum of 3 meetings.</p> <p>Encourage participation of at least 2 ICT companies</p> <p>Disseminate information to the ICT sector through a minimum of 1 event.</p>	<p>Objective Partially Achieved</p> <p>Whilst Knowledge Management Network meetings were attended on the 1st June and 31st August, no event was held that would allow Momentum to disseminate information to the ICT sector.</p> <p>Momentum did, however, meet with Kainos, Equinity-ICS and Consillium to discuss these companies participating in the network.</p>

Appendix III – Detailed Analysis of Achievement of Operational Level Objectives

Pillar 4 – Collaboration			
Objective	Year	Smart Target	Evaluation Team’s commentary on level of Achievement
Develop a cluster of ICT companies targeting sale of IT products and services and create a “showcase” for these companies	Year 1 (only)	Facilitate new business opportunities for 5 companies through this initiative	<p>Objective Partially Achieved</p> <p>The Evaluation Team understands that Momentum continued to support the development of the NISINE collaborative network and was developing a phase 2 collaborative network proposal to secure funding to support a full time network facilitator. Two members of the NISINE network, Etain and Lagan have established a partnership to pursue UK public sector opportunities for case management solutions.</p> <p>19 member companies were actively involved in the collaborative networks believing these networks actively enhance their opportunity to win more international business.</p>
Facilitate the development of a new ICT cluster in NI to target new global business opportunities for IT products and services.	Year 2	Minimum of 5 companies to collaborate on targeting new business opportunities through this initiative.	<p>Objective Partially Achieved</p> <p>Whilst the Evaluation Team notes that an online services network and the Whisple network were developed, the objective was not fully achieved – less than 5 companies joined the online network, and a record of the number of companies on the Whisple network was not provided for review.</p> <p>Momentum facilitated the development of an on-line services network of companies. Companies who joined included: Composer Mail, Instil Software, Libram Technical Writers and Switch New Media.</p> <p>The Whisple collaborative network was officially launched by Arlene Foster on the 15th March. Momentum was a founding member and facilitated the development of a near term marketing strategy.</p>
	Year 3	Minimum of 5 companies to collaborate on targeting new business opportunities through this initiative.	<p>Objective Not Achieved</p> <p>Whilst the Evaluation Team notes that Momentum continues to facilitate The Whisple collaborative network and an event to launch the network and its strategy was held on 6th December, the objective was not achieved – there is no record of number of companies which collaborated on targeting new business opportunities through the initiative and a record of the number of companies on the Whisple network was not provided for review.</p>
Partner with NI Symbiosis Programme (NISP) Connect and Halo programmes to encourage entrepreneurship and improve access to funding	Year 1	Minimum 2 joint events	<p>Objective Achieved</p> <p>The Team understands that following 3 events were arranged by partnering with NISP Connect and Halo programmes to encourage entrepreneurship and improve access to funding:</p> <ul style="list-style-type: none"> Supported the Halo network in running a Business Angel Awareness Breakfast at NISP on 21st October. 45 people attended. Supported Connect in running a workshop focussed on commercialising the Kelvin broadband projection 26th November 28 people attended.

Appendix III – Detailed Analysis of Achievement of Operational Level Objectives

Pillar 4 – Collaboration			
Objective	Year	Smart Target	Evaluation Team’s commentary on level of Achievement
			<ul style="list-style-type: none"> Partnered with Halo and Connect to run an event on 14th January focussed on educating companies about raising angel capital. 28 companies attended.
	Year 2	Minimum of 2 joint events	<p>Objective Achieved</p> <p>The Evaluation Team understands that Momentum achieved this objective by partnering with the NISP on 2 events, and IBM/NISP jointly on another.</p> <p>Momentum partnered with NISP to run an event ‘The Venture Capital Process’ on 15 April, and participated in the NISP Connect £25k judging panel.</p> <p>In addition, Momentum and NISP Connect jointly worked with IBM to launch the IBM SmartCamp initiative.</p>
	Year 3	Minimum of 2 joint events	<p>Objective Exceeded</p> <p>As The Team understands, Momentum:</p> <ul style="list-style-type: none"> partnered with Halo and NISP Connect in running two IBM SmartCamp events (Quarter 1); participated on the judging panel for the NISP 25k awards and attended the awards dinner (29th September) and Partnered with NISP Connect in supporting and promoting IBM Global Entrepreneur event in March.

Appendix III – Detailed Analysis of Achievement of Operational Level Objectives

Communications Strategy

Communications Strategy			
Objective	Year	Smart Target	Evaluation Team's commentary on level of Achievement
Deliver regular events and workshops which are effective and relevant to members needs	Year 1	Minimum of 16 events/workshops Average attendance to exceed 24 people.	<p>Objective Exceeded</p> <p>The Team understands that a total of 21 events/workshops were held with average attendance exceeding 24 people:</p> <ul style="list-style-type: none"> • 7 events run with an average attendance of 34 (Quarter 1) • 5 events run with an average attendance of 26 (Quarter 2) • 5 events run with an average attendance of 34 (Quarter 3) • 4 events run with an average attendance of 46 (Quarter 4)
	Year 2	Minimum of 16 events/workshops Average attendance to exceed 24 people.	<p>Objective Exceeded</p> <p>The Evaluation Team understands that a total of 29 events/workshops were held – all of which had an average attendance in excess of 24 people:</p> <ul style="list-style-type: none"> • 9 events/workshops held with an average of 28 attendees at each (Quarter 1). • 6 events/workshops held with an average of 38 attendees at each (Quarter 2). • 9 events/workshops held with an average of 24 attendees at each (Quarter 3). • 5 events/workshops held with an average of 28 attendees at each (Quarter 4).
	Year 3	Minimum of 16 events/workshops Average attendance to exceed 24 people.	<p>Objective Exceeded</p> <p>The Team understands that a total of 22 events/workshops were held with average attendance exceeding 24 people:</p> <ul style="list-style-type: none"> • 7 events/workshops held with an average of 31 attendees at each (Quarter 1). • 6 events/workshops with an average attendance of 25 people (Quarter 2). • 5 events/workshops with an average attendance of 24 people (Quarter 3). • 4 events/workshops with an average attendance of 52 people (Quarter 4).
Launch new website which enables and encourages members to communicate directly with each other and add their own news stories and content	Year 1	Website launched June 09. Monitor usage of website.	<p>Objective Achieved</p> <p>Momentum stated that they achieved this objective by launching the website and monitoring the usage.</p>
	Year 2	Monitor usage of website.	<p>Objective Achieved</p> <p>Momentum stated that they monitored usage of the website during each quarter of the year.</p>
	Year 3	Monitor usage of website.	<p>Objective Achieved</p> <p>Momentum stated that they achieved this objective by launching the website and monitoring the usage</p>

Appendix III – Detailed Analysis of Achievement of Operational Level Objectives

Communications Strategy			
Objective	Year	Smart Target	Evaluation Team's commentary on level of Achievement
Update members with new, information and events that are relevant and informative including engagement between Momentum and Government	Year 1	Update on a weekly basis Annual survey of member satisfaction	Objective Partially Achieved Momentum stated that they were updating members with new information and events weekly during each quarter of the year though there was no information provided about annual survey of member satisfaction.
	Year 2	Update on a weekly basis Annual survey of member satisfaction	Objective Partially Achieved Whilst the Evaluation Team understands that members were updated by Momentum on a weekly basis, no annual survey of member satisfaction was reported on.
	Year 3	Update on a weekly basis Annual survey of member satisfaction	Objective Achieved Momentum stated that they were updating members with new information and events weekly during each quarter of the year though there was no information provided about annual survey of member satisfaction
Engage with press and media to publish stories about the ICT industry in general and the local ICT industry in particular	Year 1	4 publications per year	Objective Achieved The Evaluation Teams understands that there were 4 publications were submitted in the Year 1: <ul style="list-style-type: none"> • 1 article on the ICT industry in the Belfast Telegraph. • An article has been submitted to Business First magazine which was the first of a regular series. • 2 articles submitted to Business First and Ulster Business.
	Year 2	4 publications per year	Objective Achieved The Evaluation Team notes that 4 articles were published during the Year 2: <ul style="list-style-type: none"> • 2 articles describing the local ICT industry published in separate issues of Business First magazine; • An article on selling into International markets in Business First magazine in October, and • An article describing the mobile software development courses offered by Belfast Metropolitan College.
	Year 3	4 publications per year	Objective Exceeded The Evaluation Team notes that 7 articles were published during the Year 3: <ul style="list-style-type: none"> • Two articles have been published in the Newsletter and Business First Magazine. • Four articles have been published in Quarters 2 and 3 however it was not specified where by Momentum.

Appendix III – Detailed Analysis of Achievement of Operational Level Objectives

Communications Strategy			
Objective	Year	Smart Target	Evaluation Team's commentary on level of Achievement
			<ul style="list-style-type: none"> 1 article published in Newsletter
Regularly update Invest NI and DEL on progress of the project	Year 1	Quarterly meetings	<p>Objective Achieved</p> <p>Momentum stated that meetings were held with Invest NI and DEL each quarter to update them on the progress of the project.</p>
	Year 2	Quarterly meetings	<p>Objective Achieved</p> <p>Momentum stated that meetings were held with Invest NI and DEL each quarter to update them on the progress of the project.</p>
	Year 3	Quarterly meetings	<p>Objective Achieved</p> <p>Momentum stated that meetings were held with Invest NI and DEL each quarter to update them on the progress of the project</p>

Appendix IV – Key Attributes of Benchmark Organisations

Appendix IV - Key Attributes of Benchmark Organisations

Appendix IV considers the services offered and aspects of the performance of 3 benchmark organisations. They are:

- ICT Ireland;
- ScotlandIS;
- UKITA.

Governance & Structures

Benchmark Organisation	Governance and Structures
ICT Ireland	<ul style="list-style-type: none"> • ICT Ireland is the leading representative body for the technology sector in Ireland and is affiliated to the Irish Business Employment Confederation (IBEC)³². • Its membership is made up of the leading players in the Irish technology sector, as well as many early stage hi-tech companies and telecommunications companies. • The vision of ICT Ireland is to maximise the contribution of these companies to Irish society and the economy. • ICT Ireland represents its members to the government, its agencies, regulators, customers and consumers, creating an environment where technology can transform and create a 'connected' society and economy. • ICT Ireland is focused on where it can make a difference: influencing policy; improving markets and supply chains; providing information and helping members to grow their business. • Governing Council - The Governing Board is composed of over 50 Chief Executive Officers who represent the sector's varied activities, its multinational and indigenous members and their respective geographical locations. This Board meets twice a year to set ICT Ireland's policy and review progress. • Management Board - The Management Board derives from the Governing Board and comprises 15 Chief Executive Officers. This Board is responsible for strategy, setting the on-going work programme and establishing and monitoring the Working Groups. It interacts with the directorate to ensure that ICT Ireland's agenda is current and relevant to the members' needs. The Management Board meets eight times each year. • Working Groups - To drive ICT Ireland's key agenda items, a separate committee was set up to address each current issue. These committees comprise senior specialists from member companies and meet as regularly as necessary to achieve the sector's objective. The Working Groups report to the Management Board and a member of the directorate is permanently attached to each committee to ensure continuity and develop a central pool of specialist expertise.
ScotlandIS	<ul style="list-style-type: none"> • ScotlandIS is the trade body for the information and communications technologies (ICT) industry. It represents around 200 software, telecoms, IT and creative technologies businesses throughout Scotland. • Its remit is to raise the profile of the industry in Scotland, lobby policy makers on relevant issues and support its members in the development of business relationships with customers, suppliers and partner companies. • Members offer a broad range of professional services and skills to users in industry, commerce and the public sector. Many members are also internationally recognised and active in world export markets. • ScotlandIS has members across the breadth of the Scottish ICT Sector from global players to small highly specialist companies. • According to ScotlandIS, the ICT sector in Scotland directly employing in excess of 40,000 people. In addition, they suggest that indirect employment in IT departments across Scotland brings that figure to over 100,000.

³² IBEC has a total of 60 business associations under its main IBEC umbrella. They cover industry sectors from retail, pharmaceuticals and technology to financial services

Appendix IV – Key Attributes of Benchmark Organisations

Benchmark Organisation	Governance and Structures
UKITA	<ul style="list-style-type: none"> UKITA is a company limited by guarantee and operates as a Trade Association with project-delivery capabilities. UKITA represents IT SMEs throughout the UK and is part of the wider PIN SME (The Pan European ICT & eBusiness Network for SMEs) network in Europe. PIN-SME is an association formed in 2007 to represent the interests of Europe's ICT SME sector. Currently ten national and regional associations are members, representing some 50,000 ICT SME companies that account for around 200k jobs. It provides a voice for ICT SMEs in the policy and business arenas and is already represented in several EU expert groups and taskforces. The board of UKITA is elected from its membership; The primary focus of the organisation is to encourage the growth of SMEs through the delivery of business networking opportunities and by promoting the credentials and image of the industry in general. UKITA operates in Regional Clusters, which coincide with the Regional Development Areas (RDAs) of England plus Scotland, Wales and NI. This will change to reflect the areas of the new Local Enterprise Partnerships (LEPs). Within the regions/LEPs are County or City-specific Branches. Each branch consists of member companies from all areas of the IT industry, from web design to robotics and artificial intelligence. Membership is open to anyone involved in the delivery of ICT products and services, to those working within the ICT sector, and those who provide products and services to the ICT sector.

Number of Members

Momentum	ICT Ireland	ScotlandIS	UKITA
102		Over 250	120 (one in NI however want to attract more members from NI)

Types of Support Provided to Membership Base

Benchmark Organisation	Types of Support Provided to Membership Base
ICT Ireland	<p>At present, ICT Ireland has 8 'Policy Groups':</p> <ol style="list-style-type: none"> <p>HR Circle - The ICT Ireland HR Circle is run in conjunction with the Irish Software Association (ISA) and provides companies in the broader technology sector with a forum to discuss human resources and industrial relations issues. Members also receive specialised information and updates relevant to the sector. There are frequent presentations by members relating to HR practices and issues in their own companies and discussions regarding best practice.</p> <p>The HR Circle is an active group and also acts as a forum for networking with industry peers. Topics recently covered in meetings include employee engagement, change management, managing redundancy and NERA guidelines.</p> <p>In addition to meetings, the HR Circle also produces an annual salary survey. This survey allows member companies to benchmark salaries and conditions across a wide range of categories throughout the broader technology sector. The survey is then made available to all participating companies.</p> <p>Meetings are held six times a year in IBEC's head offices.</p> <p>Education Policy Group - The mission of the ICT Education Working Group is to promote ICT as a career of choice. In order to do this, the working group has formulated advocacy programmes to encourage more students to take up ICT-related subjects. This includes the 'Engineering and Technology Champions Programme' which, in association with Engineers Ireland, coordinates visits to schools by ICT professionals.</p> <p>The Education Working Group works on an ongoing basis to develop and influence policy on ICT and education. To date, this working group has been extremely successful, securing funding for the ICT in the Classroom initiative as well as promoting and successfully bringing into reality the 'Bonus Points for Maths'</p>

Benchmark Organisation	Types of Support Provided to Membership Base
	<p>initiative. The Education Working Group has developed a number of key important relationships, especially with the Department of Education, and has had a great input into the formulations of policy on ICT usage in the classroom as an educational tool. The working group has strong links with guidance councillors in schools and has helped to identify shortfalls in the supply of Irish graduates and alternative sources of skills for ICT companies in Ireland. Current issues which are being addressed by the working group include:</p> <ul style="list-style-type: none"> - ICT in the Classroom; - Maths; - Foreign Languages; - Junior Certificate Reform; - Promotion of the sector as a career of choice. - Third level engagement to enhance the curriculum to ensure it is aligned to business needs; - Funding of ICT Ireland Skillnet. <p>3. ICT in the Classroom Advisory Group - The ICT in the Classroom advisory group works to provide ongoing advice on how the use of ICT can enhance teaching and learning in the classroom environment. This group is a sub-committee of the Education and Skills Working Group and has been hugely successful in securing funding for the future development of ICT in the classroom. The group continues to lobby Government on the best ways to utilise ICT in the classroom and has prepared an advisory report for the Minister of Education.</p> <p>The ICT in the Classroom advisory group seeks to ensure that the recommendations as set out in the 'Smart Schools=Smart Economy' report are implemented. The advisory group is also leading the call for a new procurement strategy to be put in place based on a centralised model. In order to achieve these goals the advisory group has worked closely with the ICT Ireland Public Affairs Group and has provided representations to the Department of Education and Skills as well as to teachers' unions.</p> <p>To date the ICT in the Classroom advisory group has welcomed announcements by Government of continued funding for ICT in the classroom, and so far over €40 million has been provided for the purchase of hardware for the classroom.</p> <p>4. ICT Ireland Skillnet - The ICT Ireland Skillnet comprises a group of companies in the information and communications technologies sector who have come together specifically to provide advanced training and development activities for technical and engineering staff in Irish ICT companies. The initiative has received funding from the Irish Government through Skillnet and the companies also make a significant financial contribution.</p> <p>The network is coordinated by ICT Ireland. Most of the work is focused on delivering Masters level programmes in Innovation and Technology in collaboration with academic institutions as well as advanced technical training programmes through a variety of providers.</p> <p>The network also supports entry to the sector for unemployed through specialised jobseeker support programmes.</p> <p>5. Environment Policy Committee - The ICT Ireland Environment Working Group acts as an information sharing platform for Environment and Health and Safety managers in the ICT industry. The group works to represent Irish Industry to both national and European governments.</p> <p>The Environment Working group works closely with other associations which are impacted by environmental policy such as CEDA, the White Goods Association (WGA) and Digital Europe. In addition, the group also liaise with representatives of the European Recycling Platform (ErP), such as Enterprise Ireland, the Department of Enterprise, Trade and Innovation and the Department of Communications, Energy and Natural Resources. The ICT Ireland Environment Working group closely monitors discussions at European level for any developments which may affect member companies and the ICT industry in Ireland.</p> <p>Prime amongst the objectives of the environment working group is to ensure that a cost effective, transparent and practical system is put in place to meet the targets and requirements under the WEE, RoHS Directives and REACH Directives. Current issues which are being addressed by the working group include:</p>

Appendix IV – Key Attributes of Benchmark Organisations

Benchmark Organisation	Types of Support Provided to Membership Base
	<ul style="list-style-type: none"> - The European Recycling Platform (ErP), and in particular Lots 3, 4, 6, 26 and multimedia Lot 3- Engaging with relevant Government departments to ensure clarity on all issues and to ensure that implementing measures have a fair impact. - Restriction of Hazardous Substances Directive (RoHS) - Improving the text of the RoHS legislation to meet the industry's concerns. - Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH)-Ensuring that the scope of REACH is reviewed. - Batteries-Obtaining further information on capacity labelling methods for applicable types of batteries and applications. - Waste Electrical and Electronic Equipment (WEEE) - Currently working on collection methodology and collection targets. - Promotion of ICT to improve energy efficiency - Working to promote the initiatives of members to various Government departments and agencies. <p>6. Customs and Trade Policy Group - The ICT Ireland Customs and Trade Working Group focuses on the trade issues that currently, and on an ongoing basis, hamper the efficiencies and continued development of the ICT sector in Ireland. In addition, the working group also monitors, and influences, the development of legislation, policy and regulations at national, European and international level for the benefit of industry. Current issues that are being addressed by the working group include:</p> <ul style="list-style-type: none"> - International Agreements and Free Trade Agreements-the working group is monitoring developments through the IBEC Trade Council and will lead on any issue which has a direct impact on the sector. - Customs Related Issues- ICT Ireland continues to call for the certification of customs brokers to improve supply chain management and customs compliance and also calls for a Business Customs Charter to be put in place so that service level agreements are adhered to by Customs Authorities. - CCC Agenda Items - ICT Ireland seeks to continually ensure that Revenue improve the effectiveness of the Automated Entry Processing system (AEP) - Modernised Customs Code Implementing Provisions-The working group continues to examine and identify areas of concern and is set to arrange advocacy meetings with Revenue and CCC to work through these concerns. - Dual Use/Export Control- The working group continues to monitor this issue and will priorities it should it become a threat for ICT Ireland members. <p>7. Public Affairs Group - The joint ICT Ireland and Irish Software Association (ISA) Public Affairs working group is charged with the responsibility of promoting the key messages of the sector and to underline the importance of the technology and software sector to all stakeholders. The working group takes its lead from the ICT Ireland Governing Council and the ISA Executive Council and reports back to both regularly throughout the year.</p> <p>The working group seeks to reinforce the messages from ICT Ireland and the ISA working groups through an active media presence and through participation on external committees. The Public Affairs Group works to assist the Secretariat in developing and using strategic frameworks for scaling up different public affairs activities at National, European and International levels. In addition, the PAG works to develop strategies and means to stimulate more effective public affairs strategies and utilise resources within the ICT structure (e.g. other working groups and committees) to increase advocacy activities. The Public Affairs Group also acts as an advisory body for ICT Ireland on all matters pertaining to communication and advocacy activities. The main functions of the Public Affairs Groups are to:</p> <ul style="list-style-type: none"> - Lobby on public affairs issues. - Identify national advocacy issues and recommend strategies for addressing them. - Identify key strategic partnerships at European level and recommend strategies for addressing them. - Identify critical strategic and technical questions on aspects of public affairs for other working groups and committees to address when necessary. - Identify and make recommendations concerning public affairs strategies, tools and approaches that assist ICT Ireland and its work. - Raising the profile of the ICT Ireland and areas which are agreed to be of importance to its members. <p>8. DEJI Clearing House - Every year ICT Ireland meets with the Department of Enterprise Jobs and Innovation to inform Government of the current needs of the ICT sector in Ireland. This is a crucial meeting which allows ICT Ireland to interact directly with Government and allows the sector to influence Government policy. A number of representatives from ICT Ireland as well as ICT Ireland members attend this meeting which is held once a year. This is an opportunity for ICT Ireland to express concerns with current Government policies as well as to champion issues which ICT Ireland and its working groups have been working on for the previous year. Issues raised at the last meeting with the Department of Enterprise Jobs and Innovation include:</p> <ul style="list-style-type: none"> - The availability of foreign language skills.

Appendix IV – Key Attributes of Benchmark Organisations

Benchmark Organisation	Types of Support Provided to Membership Base
	<ul style="list-style-type: none"> - Skillnet training funding for the high-tech sector. - European copyright reform. - Staffing level at Enterprise Ireland foreign offices. - Review of Budget 2011.
ScotlandIS	<p>ScotlandIS offers a varied range of services to Members. These include:</p> <ol style="list-style-type: none"> 1. Flexible Software Escrow Agreements - An Escrow Solution is a specialised form of assurance, where any business critical application or material can be securely deposited with ScotlandIS. The source code can be accessed if an "enabling" event occurs, such as the Software developer: <ul style="list-style-type: none"> - Going into liquidation, receivership or ceasing to trade; - Transferring the intellectual property rights of the software to a third party and that third party failing to provide you with Software Escrow protection; - Failing to meet its obligations under the development or maintenance agreement. 2. Podcasts – A variety of podcasts on relevant topics (e.g. ScotlandIS presents an annual technology forecast). 3. ScotlandIS Member Mailing Service - ScotlandIS Members can submit content for insertion into its Member mailings. This service is offered at a preferential rate to Members of £300+VAT. 4. Naturally Cool – Promotions of Scotland’s naturally cool ambient temperatures, resilient connectivity and reliable power supplies as an ideal location for data centres, hosting and cloud computing specialists. 5. Green IT – Advice and guidance as to how to reduce businesses’ ICT installation's carbon footprint. 6. News and Events Bulletin for Members - Member News and Events Bulletins are emailed on a fortnightly basis to member businesses' primary contacts and other nominated staff members. The Bulletin keeps Members up to date with ScotlandIS events, member events, partner events, industry conferences, partnership opportunities, news, membership updates and other useful information. 7. Surveys/Reports/Consultations - ScotlandIS undertakes an annual survey of the industry examining industry dynamics, business confidence, growth markets, and employment and skills factors. It also publishes occasional reports on key issues. Most recently, it published a report on ICT Skills & Innovation. This report evidences the link between ICT skills and innovation. The work was commissioned by ScotlandIS. The organisation also gathers members’ views on key topics and feeds them back to policy makers. It does this directly and through umbrella business associations such as SCDI, CBI etc. 8. Promotion & Signposting to Scottish Government’s R & D Funds. 9. Contribution to the Scottish ICT Industry Advisory Group’ 5 Strategy implementation workstreams. 10. Scottish Government Procurement - ScotlandIS works closely with Scottish Procurement to give them greater visibility of its members' expertise and capabilities.
UKITA	<ul style="list-style-type: none"> • Tender sourcing service – work that is available from government etc. is sent in an email to members; • Business to business offers- Businesses offer discounts to other members or other offers to encourage working together; • Promote member businesses to end user buyers through good IT user guide. • Business generation – encouraging members to be aware of other members to encourage collaboration. • There is a code of conduct which members must sign up to before they can become members which encourages businesses to be more professional to help improve image of the ICT industry.

Appendix IV – Key Attributes of Benchmark Organisations

Benchmark Organisation	Types of Support Provided to Membership Base
	<ul style="list-style-type: none"> • Signpost members to relevant support • Gather views of member businesses to which they make government aware of. • There is a community of business advisors from UKITA as part of skillfair.co.uk.

Performance Measurement

Benchmark Organisation	Performance Measurement Metrics
ICT Ireland	Information not publically available.
ScotlandIS	No formal mechanisms other than monitoring those who renew membership each year and the number of new members joining.
UKITA	No formal mechanisms other than monitoring those who renew membership each year and the number of new members joining.

Sources of income

Benchmark Organisation	Source of Income
ICT Ireland	Information not publically available.
ScotlandIS	90% - Membership fees 10% - Sponsorship opportunities (Approx - £500,000 turnover latest annual position)
UKITA	90% - Membership fees 5% - Sponsorship 3% - Advertising 2% - Authority projects NB UKITA started out ten years ago as a public sector-funded project and for the first five years of its development it received significant government investment. UKITA has now successfully made the transition into an independent private sector organization.

Recommendations suggested by Consultees

Benchmark Organisation	Source of Income
ICT Ireland	
ScotlandIS	<ul style="list-style-type: none"> • Run special interest groups – events specific for different members’ interests as not every member is interested in same things.
UKITA	<ul style="list-style-type: none"> • Have a code of conduct. This ensures that businesses do not steal business from each other. Encourages collaboration rather than competition. • Online web-based, video based and Cloud based, use for online conferences which would remove the Irish Sea as a barrier of participation to mainland UK. This would enable a larger market place and a bigger resource base.

Appendix IV – Key Attributes of Benchmark Organisations

Membership Fees

Annual Member Fees (Excluding VAT)						
Momentum		ICT Ireland	ScotlandIS		UKITA	
No. of Employees	Annual Fee		No. of Employees	Annual Fee	No. of Employees	Annual Fee
1-5	£85	ICT Ireland's membership charge is part of the IBEC annual membership rate. As part of IBEC, members of the ISA derive other benefits such as legal advice, support and training, human resources advice and sector specific representation.	Individual members ³³	£100	One	£160
6-10	£275		1-5 (new companies under 2yrs old)	£100	2-5	£220
11-20	£500		1-5	£200	6-10	£280
21-50	£675		5-15	£400	11-20	£340
51+	£850		16-30	£600	21-50	£420
Affiliate Companies ³⁴	£750		31-40	£800	51-100	£500
			41-50	£1,000	101-250	£600
			51-100	£1,200	251-500	£750
			100+	£1,500	500+	£850
			Gold ³⁵	£2,000	Associate Membership	£49
		Platinum ³⁶	£5,000			
		Platinum Plus ³⁷	£10,000			

³³ A special category, with restricted benefits, for individuals

³⁴ Organisations offering services to Momentum members, such as legal, financial and recruitment companies.

³⁵ An optional category for established companies which incorporates all the elements of the business package and extra benefits.

³⁶ A special category for major corporations which incorporates all the elements of the business package and attracts additional benefits.

³⁷ An exceptional category for major corporations, global enterprises and government bodies.