



## **BIC QUALITY MARK CRITERIA**

### **Preamble**

The purpose of the EC BIC Quality Mark is to provide an assurance that BICs meet certain standards in terms of their service offering and performance. This assurance is important to stakeholders, BICs themselves (e.g. by helping to identify management priorities) and to clients.

The EC BIC Quality Mark can either be granted to an organisation as a whole or to a specific department or business unit of an existing organisation. In the latter case, the criteria apply to that specific department. It can also be granted to organisations or departments which operate on more than one site, as long as the label is given to the organisation or department responsible for ensuring that the BIC criteria are fully implemented on all sites.

For both organisations as a whole, or departments of an existing organisation, the criteria that must be met to be awarded the BIC label are grouped under six headings: (1) Mission, (2) Organisation, (3) Services to Innovative Individual Entrepreneurs/Start-up Enterprises and SMEs, (4) Activity Measurement and Evaluation, (5) Quality

### **1. Global Mission : Innovation and Incubation**

BICs are professional organisations which promote, stimulate and develop innovation in SMEs at all stages of their development, through a comprehensive incubation process. Depending on the characteristics of the territory and the existing business support organisations already present, BICs may focus on fostering the creation of new innovative enterprises and/or developing innovation in existing enterprises, with the goal of contributing ultimately to regional/local economic development, competitiveness and growth.

BICs should identify and subsequently take account of the sectors with innovation potential in their region and the strategic/business plan should focus on developing these sectors. In addition, if the region in which they operate is active in the field of R&D, BICs should aim to exploit this by ensuring that at least a part of their activities are focused on technological innovation (e.g. through academic and University spin-offs etc.).

Where BICs work with non-innovative companies the rationale should be to develop these companies to become innovative through a range of support services including consultancy, SME diagnostics, training, or inclusion in a specific program (internationalisation, clustering, enterprise take-over etc.)

### **2. Organisation**

BICs must be able to demonstrate that they:

- focus on a specific and well-defined catchment area (within a region, province, city etc.). In areas where one or several accredited BICs already exist and operate, any new candidate BICs applying for accreditation should demonstrate there is a clear case for the creation of a new BIC, with convincing arguments such as evidence of market demand; a population and number of SMEs that could justify its creation and sustain its activities in the longer term; the existence of industrial sectors that are not already served by the existing BIC that would be served by the new one, etc
- ensure that their role is acknowledged by the relevant public authorities in their catchment area and is aligned with agreed regional/national economic development priorities and innovation strategies
- involve the public sector in the case where they are predominantly private in structure or involve the private sector in the case where they are predominantly public in structure, (by e.g. including an appropriate post on the Board [both types of structure], participating in relevant local publicly funded development programmes [predominantly private structures], involving corporates and Business Angels etc.[predominantly public structures])
- co-ordinate/integrate their activities with those of other business support organisations to ensure the seamless delivery of a complementary and comprehensive range of facilities and services in the catchment area
- are financially sustainable with an allocated budget and own profit and loss account
- have a clear positioning in relation to business support provision in the catchment area, supported by a strategic and action plan aimed at creating new jobs and stimulating economic growth through the creation of innovative companies or the development of existing companies
- have identified premises (a BIC may be hosted by a bigger organisation) and a clear identity and branding as a BIC that differentiates them from other business support organisations in the catchment area



- are managed professionally and autonomously, have a dedicated team of at least three full time staff – appropriately qualified, experienced and involved in the core activity of business support as e.g. business advisors – of which one must be the manager/CEO with overall responsibility for the BIC.

### 3. Services to Innovative Individual Entrepreneurs/Start-up Enterprises and SMEs

BICs should be active in terms of incubation (creation of innovative enterprises) and/or fostering innovation in existing SMEs. The balance between these two activities should be determined in the light of an assessment of the development needs of the catchment area. In order to achieve this, BICs must:

- o Actively promote innovative entrepreneurship (4.1.1) and/or the development of innovation in existing SMEs
- o Use a number of methods to detect and promote new innovative projects (4.1.2)

Both of the above should be achieved through a number of activities e.g.:

- Events
- Competitions and awards
- Project building, through European, national and regional programmes
- Partnerships and networking
- o Provide adequate resources
- o Periodically review their performance against the EC-BIC Quality Mark benchmarks, taking action if necessary to address shortcomings (8.1.8)

#### 3.1. Incubation (new individual entrepreneurs/start-up enterprises and start-ups) (5.1.1)

BICs should be clear about what kind of clients they need to target for the provision of services (5.1.2).

Once the diagnostic phase is complete, BICs should implement an agreed policy and procedure(s) to govern the relationship such as an agreement with individual entrepreneurs/start-up enterprises which should set out the services that have been discussed and agreed and that will be provided over a pre-determined (estimated and flexible) time period (5.1.11)

In the provision of services to new individual entrepreneurs/start-up enterprises, BICs should (as a minimum):

- Undertake risk analysis in the pre-incubation phase (technology, marketing, human resources etc.), using a structured and consistent method designed to give reliable results (5.1.3)
- Provide guidance and support in the business planning process (5.1.9), using a structured and consistent method that addresses all the necessary elements of starting up a successful business (5.1.7).
- Help the individual entrepreneur/start-up enterprise to define his/her/its business model (5.1.8)
- Support the individual entrepreneur/start-up enterprise with the financial planning for his/her enterprise and help him/her to access finance (5.1.13) through e.g. public measures (tax incentives/relief, subsidies), alternatives to bank loans (business angels, seed capital, venture capital), EU programmes (Framework Programme, sector-oriented programmes etc.) and appropriate private initiatives [competitions etc.],
- Provide access to general or thematic training as appropriate to the individual entrepreneur/start-up enterprise and the BIC mission, either directly or through appropriate co-operation agreements (5.3.) BICs should also undertake the initial and ongoing analysis of the needs of individual entrepreneurs/start-up enterprises.
- Provide mentoring and coaching primarily by the BIC's own staff or through the use of outsourced professional consultants
- Provide networking opportunities (entrepreneurs' clubs, associations).
- Provide premises with appropriate services in the incubator or signpost to suitable premises if not available on site (5.2.1)
- Provide other innovation support services (e.g. help with technology transfer, proof of concept funding/seed finance, Intellectual Property Rights and other legal aspects, access to equipment etc.).

BICs that want to make a bigger impact in the innovative SME market and want to demonstrate this over the longer term will also:



- Follow-up and animate individual entrepreneurs and start-up enterprises in the incubation and (if required) post-incubation phase for three to five years after creation (continued access to financing, benchmarking against business plan to ensure realisation and proposals for corrective actions if necessary. Follow-up may be partially sub-contracted but BICs should be proactive in the prevention of business failure. Follow-up helps to ensure that BIC activities achieve sustainable outcomes benefiting the region where they are located.

### 3.2. For existing SMEs, BICs should carry out a number of activities, tailor-made for the individual company

BICs should know how innovation is likely to be improved in SMEs and should ensure that these activities are supported adequately by either the BIC services or the availability of appropriate services through co-operation agreements and signposting (6.1.2)

Once the diagnostic phase is complete, BICs should implement an agreed policy and procedure(s) to govern the relationship such as an agreement with SMEs which should set out the services that have been discussed and agreed and that will be provided over a pre-determined (estimated and flexible) time period (6.1.6). NB: Some ad hoc services may not require a specific agreement.

In the provision of services to SMEs BICs should (as a minimum):

- Undertake general diagnosis of any innovation gaps : SWOT analysis; recommendations and action plan, using a structured and consistent method designed to give reliable results (6.1.4)
- Provide SME support aimed at increasing the innovation profile (marketing, financing etc.)
- Provide access to SME training (e.g. internationalisation, management, Intellectual Property etc.) either directly by the BIC itself or by outsourcing
- Include SMEs in specific projects (clustering, enterprise take over, technology transfer, women in management, renewable energy etc.)

### 3.3. Signposting is a Key Service of a BIC.

BICs must act as an interface between the innovative individual entrepreneur/start-up enterprise and local public and private bodies: BICs must identify a local "talent pool", the members of which are selected according to the needs of the innovative individual entrepreneur/start-up enterprise, for example: Enterprise Europe Network for technology transfer and EU programs, patent officers, marketing advisers, lawyers, professional organisations, clubs/associations of entrepreneurs, development agencies, Chambers of Commerce, banks, venture capitalists, Business Angels etc. Access to this selected talent pool provides added value to both individual entrepreneurs/start-up enterprises and existing SMEs. BICs comply with the B2Europe charter.

In order to achieve this role as an interface, BICs should:

- o Establish co-operation agreements with appropriate partner agencies and service providers (2.1.1)
- o Ensure that tools are available in the BIC to signpost individual entrepreneurs/start-up enterprises and SMEs to the right service providers e.g. databases (Section 7)
- o Ensure that BIC staff, particularly those advising individual entrepreneurs/start-up enterprises and SMEs have up to date knowledge of other service providers in the relevant sector and/or catchment area

## **4. Activity Measurement and Evaluation of Performance**

The EC-BIC accreditation and ongoing evaluation process involves a comprehensive review of BIC activities and performance. An important input to this is self-evaluation information provided by BICs.

In order to provide adequate data for the annual evaluation of compliance against the criteria for the EC-BIC label BICs must use the common indicators identified in the self-evaluation questionnaire to assess their activities. The provision of this data is also vital to reinforce the reputation of the network, through the Annual Observatory and for benchmarking purposes and the calculation of key statistics, charts and other performance reports. As well as those specific data



indicated above by their reference number, which relates to the evaluation questionnaire, BICs must also record (for Section 9 of the questionnaire):

- The number of academic spin-offs created with the support of the BIC (if any)
- The annual number of enterprise creation projects prior to feasibility study
- The annual number of enterprise creation projects implemented after feasibility study
- The percentage of projects based on technology
- The annual number of business plans produced
- The annual number of start-ups created with the support of the BIC
- The annual number of jobs created by enterprises
- The survival rate (percentage) of enterprises three years after creation
- The number of tenants in the incubator (if a physical incubator is located in the BIC)
- The annual number of people employed by tenants in the incubator
- The annual number of SMEs supported with their innovative projects
- The annual number of SMEs supported with innovation diagnostics
- The annual number of SMEs participating in programmes aimed at improving competitiveness
- The annual number of client SMEs closing down

## 5. Quality

The BIC Quality System is based on a TQM approach (EFQM model) using self assessment, benchmarking reports, and on site visits. BICs must comply with the BIC Quality System. In particular they must:

- a. Complete and submit their on-line self-evaluation questionnaire on an annual basis, by the given deadline
- b. Facilitate on-site evaluation visits by EBN experts and provide all the information requested
- c. Implement the decisions of the BIC Quality Mark Committee.

BICs should also:

- Define any other performance indicators as appropriate and as required to meet the needs of stakeholders and clients
- Implement a management information system for the collection of key information, including performance indicators, contact details, other agency and service provider details, project information etc.
- Regularly monitor client satisfaction through e.g.
  - Paper or on-line surveys
  - Telephone surveys

The BIC QUALITY MARK CRITERIA form the basis for the whole quality process. They provide the foundation for EBN's operational terms of reference for technical assistance and on site evaluation procedures, in particular for the evaluation of new candidate BICs.

This new version of the EC-BIC Quality Criteria was approved by the European Commission and the EBN Board of Directors in May 2008.