Innovation governance varies dramatically among cities, sometimes increasing bureaucracy and political misalignments.

Lack of interdepartmental collaboration creates information silos.

Inadequate project management skills due to the lack of staff or internal champions, unclear goals, inefficient use of city’s resources and old-fashioned cultural and bureaucratic processes.

The dependency on the innovation budget of other city’s areas is one of the top organisational challenges. Few cities have an independent innovation discretionary budget. The rest must wrestle with slow yearly budget forecasts and budget requests per project, increasing overheads and bureaucracy.

Communication coherence of the innovation agenda is still a pending issue for most cities, where communication happens per project and not as a whole.

Recommendations:

- Appoint an external chief innovation officer (or digital champion) to co-ordinate internal and external innovation teams. This person will not only provide insights but also help the city build strategic partnerships.

- Centralise all innovation decisions within a single team with vertical domain expertise (e.g. lean, data-driven approaches, agility etc).

- Create a co-governance body with both internal and external stakeholders so that decisions are not tied entirely to internal politics.

- Achieve political alignment across the innovation agenda, starting with shared and agreed definitions of innovation, before deploying any project.

- Create a single discretionary budget such as an innovation fund, paired with other funding sources (e.g. EU grants, national research, innovation or industry funding) to increase the effect of innovation ‘investments’.

- Design a coherent and structured city-wide marketing plan to communicate the innovation agenda and not just individual initiatives within it.

This series of factsheets has been created by the member cities of the European Innovation Council Prizes - iCapital Alumni networks, with the purpose of sharing their knowledge. They include the cities’ challenges, their recommendations and best practices.