

Focus.

Focusing on the innovators who will create
the greatest social and economic impact
for Aotearoa



Callaghan Innovation

**Statement of
Intent (SOI):
FY23-27**

Rukuhia te wāhi ngaro, hei maunga tātai whetū
Explore the unknown, pursue excellence

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Chair and CEO's introduction

COVID-19 has given us a taste of the disruption and rapid technological change that will characterise the next two decades.

By 2040, it's predicted that there will be 180 million people displaced globally due to climate change, and in New Zealand, nearly 50% of cars sold will be both autonomous and electric.

Aotearoa needs to embrace innovation now, more than ever, to turn these challenges into opportunities. Innovation is essential to tackle society's toughest challenges, lift wellbeing through improved economic outcomes, and diversify our economy to provide resilience to disruption.

Callaghan Innovation's role is to support innovators to succeed, and in doing so, create positive economic and wellbeing impacts for the rest of the country, in line with Government priorities. We activate commercialisation and help businesses grow faster for a better Aotearoa.

Over the next five years, Callaghan Innovation will be focusing our support on the businesses, sectors, technologies and challenges that are likely to have the greatest social and economic impact for Aotearoa.

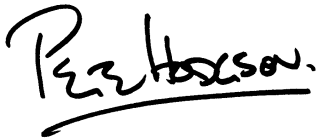
Callaghan Innovation's strategy for the next five years is to provide intensive wraparound support for customers who have potential to create the most impact for Aotearoa, while still delivering high-quality support efficiently for all innovators through digital tools and streamlined services.

This focused support, which aims to diversify our economy, support emerging high-value sectors and position businesses for global growth, will centre on Māori innovators, Frontier Ventures and high potential sectors. Of particular importance is our effort to boost Frontier Ventures - these are the most productive and innovative New Zealand businesses, with a global outlook and huge export potential. The Productivity Commission identified Frontier Ventures as being crucial for lifting national productivity and wellbeing. The focus on high potential sectors also provides a mechanism to offer targeted innovation support aligned with Government priorities, such as ITPs or research priorities.

We will also be focused on supporting more science and technology based research to be commercialised. This is to get more of Aotearoa's world-class science off the shelf and applied via new products and services, to address our most pressing challenges.

Callaghan Innovation's recent transformation, which we are in the latter stages of embedding, enables us to deliver our strategy. These changes position us to scale our impact without scaling our resource input, by targeting our intensive support to a smaller group of high-impact innovators. Our new way of working is more adaptable, responsive and transdisciplinary, which also positions us well to work collaboratively with government partners and the rest of the RSI system to deliver greater impact from research and innovation.

Delivery of our strategy is not dependent on changes resulting from Te Ara Paerangi, MBIE's green paper about the future of the RSI system - however, we see the reforms as a 'once in a generation' opportunity to achieve greater impact from the RSI system through innovation and commercialisation. We therefore believe that the right system changes may enable us to deliver even more.



Pete Hodgson
Chair



Vic Crone
Chief Executive



Our purpose and vision

Our purpose - from the Callaghan Innovation Act

“Callaghan Innovation's main objective is to support science and technology-based innovation and its commercialisation by businesses, primarily in the manufacturing sector and services sector, in order to improve their growth and competitiveness”

This describes the role we play. Consistently doing this will help us to achieve our vision.

Our vision - from Sir Paul Callaghan

“We are rich in water and energy resources, we have a great education system, world-class science and engineering, a vibrant artistic and creative sector, quality urban environments and a civil society. When we combine all this with our unique landscapes and our pristine mountains and seas, we have the chance to be the place where talent wants to live. What is needed is a national strategy and the resolve to move consciously towards its vision”

Callaghan Innovation has adopted “a place where talent wants to live” as our vision. Through the work we do, we aim to help Aotearoa be a place where talent wants to live - and also ensure Callaghan Innovation is a place talent wants to be.

Our Whakatauākī

“Rukuhia te wāhi ngaro, hei maunga tātai whetū.”

“Explore the unknown, pursue excellence.”

The Callaghan Innovation Whakatauākī is our guiding proverb. It captures Sir Paul's legacy and our commitment to Te Tiriti. It describes the mindset we use to consistently deliver on our purpose and work towards our vision. It also describes the values we look for in the businesses we work with, and the values we look to develop in our people.

What we do

We activate innovation, accelerate commercialisation and help businesses grow faster for a better New Zealand.

We partner with ambitious businesses of all sizes, providing a range of innovation and research and development (R&D) products to suit each stage of growth.

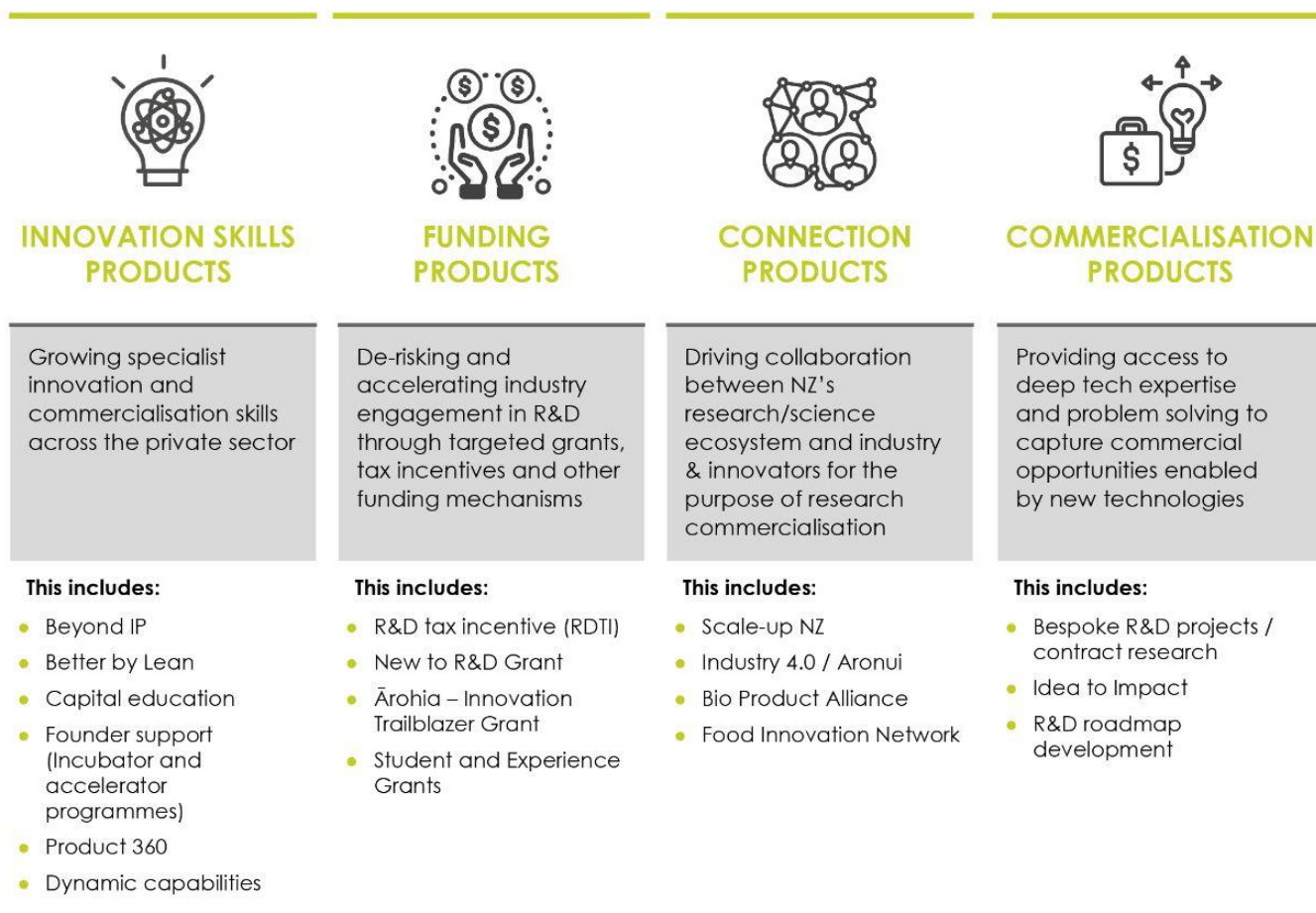
Our people – including more than 200 of Aotearoa's leading scientists and engineers – empower innovators by connecting people, opportunities and networks, and providing tailored technical solutions, skills and capability development programmes, and grants co-funding.

We also enhance the operation of Aotearoa's innovation ecosystem, working closely with government partners, Crown Research Institutes, and other organisations that help increase business investment in R&D and innovation.

Our products

We operate on a “product-based” business model which enables a highly defined value exchange with our customers. The value our customers receive from us falls into four distinct product categories. These are outlined in Figure 1 below.

Figure 1 - Our products



Commercialisation products

Providing access to deep tech expertise and problem solving to capture commercial opportunities enabled by new technologies. This includes:

- Bespoke R&D projects / contract research - access to 250 of NZ's top scientists across a range of disciplines for collaborative problem solving and commercialisation. Many of these services are provided on standard commercial terms to support all potential customers (e.g. international businesses or other parts of the public sector) rather than 'innovation only' customers.
- Idea to Impact - structured programme for R&D commercialisation in key priority areas.
- R&D roadmap development - R&D development training.

Idea to impact and R&D roadmap development are not just teaching or providing a fee-for-service offering - they are intentional, intensive support to guide the customer's innovation activity. This product is offered only to around 1000 of the 'highest impact' customers.

Connection products

Driving collaboration between NZ's research/science ecosystem and industry & innovators for the purpose of research commercialisation. This includes:

- Scale-up NZ - community platform for NZ's innovation ecosystem.
- Industry 4.0 / Aronui - showcase and demonstration network for industry 4.0 technologies.
- Bio Product Alliance - showcase and pilot facilities for waste to value applications.
- Food Innovation Network - open access facilities for firms with innovative new food and nutrition products.

Funding products

De-risking and accelerating industry engagement in R&D through targeted grants, tax incentives and other funding mechanisms. This includes:

- R&D tax incentive (RDTI) - funding support for firms conducting eligible R&D.
- New to R&D Grant - funding support for firms starting their investment in R&D.
- Ārohia – Innovation Trailblazer Grant - funding support for firms on innovation activities that support R&D.
- Student and Experience Grants - funding support for developing careers in R&D.

Callaghan Innovation also acts as a delivery agency for MBIE for any new funding products that are designed, including supporting the initial design where requested, and continuing to improve performance once implemented, as we have done with the RDTI.



Innovation skills products

Growing specialist innovation and commercialisation skills across the private sector. This includes:

- Beyond IP - Education on IP strategies.
- Better by Lean - "Lean" product design training.
- Capital education - Education on capital raising.
- Founder support - Incubator and accelerator programmes for startups.
- Product 360 - Market validation training.
- Dynamic capabilities - Innovation and productivity training.

1:1 commercialisation coaching and support

Focused, hands-on support and guidance for commercialisation of science and technology, and companies on their innovation journey. This is not just teaching or providing a fee-for-service offering - it is intentional, intensive support to guide the customer's innovation activity. This includes:

- Founder Incubators, Tech Incubators and Accelerators
- The Idea to Impact programme (a comprehensive, wraparound service offering Callaghan Innovation's commercial and technical expertise to help high-potential customers take innovative ideas from idea to market)
- Commercial and Technical Workshops (discrete workshops to help customers overcome key hurdles on their innovation journey)
- Concept to Demo (taking ideas to prototype in a structured, commercially informed way)

How we have supported innovative NZ businesses

The last five years

In our last SOI (2018-22), we aimed to activate innovation and accelerate commercialisation for a better Aotearoa through showing the future, fuelling demand, connecting the ecosystem and empowering innovators. Over the past five years, we have worked with our customers and partners across Government to:

- Support customers in completely new ways - the RDTI, HealthTech Activator, Scale-Up NZ and R&D loan are just a few examples
- Significantly increase the scale of our existing support (more detail on this below)
- Transform the way our teams work, to make the work we do safer for our teams, more effective for customers and more efficient for our shareholders

Our performance

The change in Callaghan Innovation's performance over the last five years (2016-21) is shown in Figure 2 below.

Figure 2 - Our performance - compared to 5 years ago

The combination of serving 48% more customers, with 33% more accessing more than one product, a 40% improvement in quality, with only a 25% larger team means each individual is delivering far more for customers than 5 years ago



We serve

48%

more customers



33%

more customers
**access more than
one product**



Our products are

40%

better quality

As rated by our customers
through Net Promoter Score



We have a

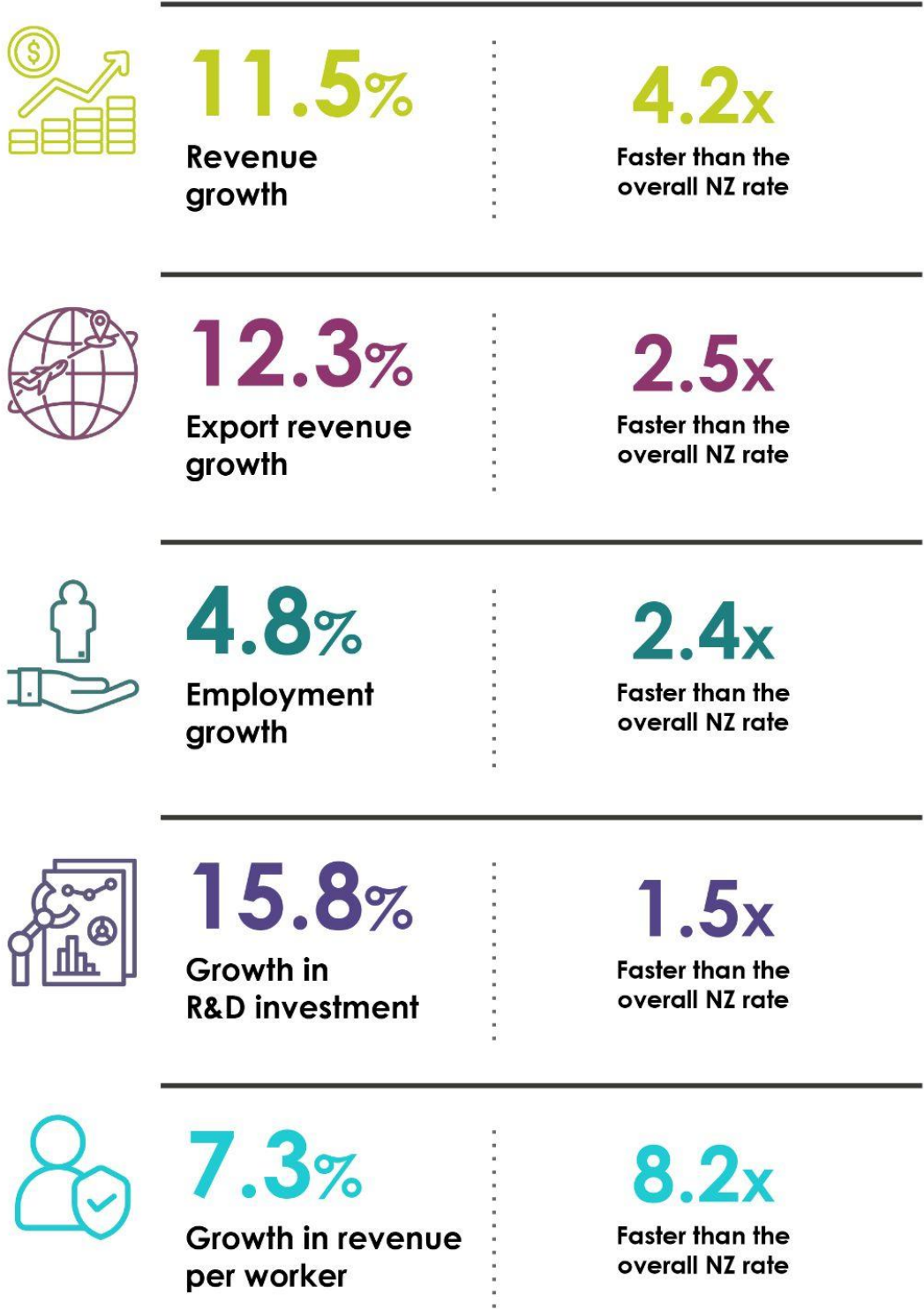
25%

larger team

Our customers' performance

The change in Callaghan Innovation customers' performance over the last four years (2017-21) is shown in Figure 3 below.

Figure 3 - Our customers' performance - over the last 4 years





Operating environment and context

Our governance

As a Crown Entity, Callaghan Innovation is governed by a Board of Directors. Our Board provides governance over our operations, and monitors organisational performance. The Minister for Research, Science and Innovation has responsibility for Callaghan Innovation, and the Ministry of Business, Innovation and Employment (MBIE) monitors Callaghan Innovation.

We work closely with MBIE to implement Government innovation policy effectively and efficiently, incrementally improve the delivery of policy, and to provide a 'demand-side view' from our customers and the innovation ecosystem to inform policy development, where this is required.

The wider context for innovation in Aotearoa

"New Zealand has an opportunity to diversify its economy, prepare for the future, and thrive in a pandemic-affected global economy. Our country's relative success in managing COVID-19 presents a once-in-a-lifetime opportunity to innovate. With focused intervention, New Zealand can diversify our economy, support emerging high-value sectors and position businesses for global growth."

- Vic Crone, Briefing to the Incoming Minister, November 2020

18 months on, the trends that underpinned that statement - and the opportunities - still exist, and if anything have come into sharper focus. COVID-19 has accelerated already rapid technological change, and the Productivity Commission has highlighted the importance of high-tech, highly productive firms to driving productivity and prosperity in their Frontier Firms report. Aotearoa has some key strengths in the form of trusted institutions, high-quality scientific research output and a number of large, high-tech businesses that have delivered an outsized positive impact for Aotearoa - but our innovation and productivity performance is still falling behind other small advanced economies.

Figure 4 below outlines the key evidence from our operating environment that has informed our Statement of Intent.

Figure 4 - The wider context for innovation in Aotearoa





The opportunity from Te Ara Paerangi - Future Pathways

We have developed the strategy alongside our response to Te Ara Paerangi, a programme led by MBIE which seeks to start an open and wide-ranging conversation on a range of issues facing the research system, how these issues might be addressed, and how to take advantage of emerging opportunities. While Callaghan Innovation's role is wider than just the research system, our role in the system is in scope for Te Ara Paerangi.

Callaghan Innovation welcomes the RSI system reform and is open to change. We fundamentally agree with the case made to reform the RSI system to face the future. We believe Aotearoa can achieve greater impact from the RSI system through innovation and commercialisation, and our response to Te Ara Paerangi seeks to bring both the 'demand side view' to the consultation and give practical suggestions of how innovation and commercialisation could be a core part of the research system, enabling it to deliver greater impact.

However, our strategy has been developed based on our current scope and role in the RSI system, and therefore we are working to deliver it regardless of any changes that come from Te Ara Paerangi. If major changes are made to Callaghan Innovation as a result of Te Ara Paerangi, this may impact what we are able to deliver and we would revisit the strategy to ensure it remains relevant, but we believe that the right system changes may enable us to deliver more for Aotearoa rather than less.

What this means for our strategy

Callaghan Innovation will seek to focus more of our energy on Frontier Firms - and small, innovative ventures that have the potential to grow into one - over the next five years. Our strategy for the next five years also seeks to learn from the success of other small advanced economies, by providing more intensive support to industries and technologies that build on the unique capabilities of each economy - for Aotearoa, the rapidly growing Māori economy is one example - and addressing major societal challenges such as climate change. The next section outlines our strategy for the next five years.

Our strategy

Our Statement of Intent outlines how Callaghan Innovation will deliver on the objective set out in the Callaghan Innovation Act over the next five years. It is outlined in Figure 5 below.

The 'focus areas' in green are our strategic areas of focus for our customer-facing services. The 'enablers' in blue are the strategic areas of focus for our internal operations, and underpin the customer-facing focus areas. This is why they are drawn horizontally across the focus areas.

Financial sustainability, collaborating with customers and Government, delivering on Government priorities and living our behaviours underpin the entire strategy, which is why they are drawn below both the enablers and focus areas. These are the core, critical things we need to get right each and every year, and will not change as our strategy changes.

The first part of our strategy - shown in darker green on the top left - is continuously improving to better serve the innovation ecosystem. Within this, our first area of focus is delivering globally leading innovation support services, which will mean delivering our core products, including RDTI, grants and R&D solutions, as efficiently and effectively as possible. This will enable us to scale our impact for each New Zealand business we support and make the most efficient use of our scientists and commercialisation experts. We will do this through defining, developing and implementing a clear set of products, which we can deliver efficiently with significant digital assistance where appropriate, and ensuring that our support for our customers is limited to this product suite. A second area of focus is matching our strong connections with innovative businesses with an equally strong contribution to connecting these businesses to the research sector, particularly the Universities and Crown Research Institutes. This is critical for driving impact from research - researchers being connected to industry will increase the proportion of research that meets a societal or economic need and improve the chances of having research commercialised. While the outcomes from Te Ara Paerangi may affect exactly how we achieve this, we are already getting started by setting up a dedicated commercialisation team with better industry-research connections as one of its key goals.

Doing the first part of our strategy well will free up capacity for the second part - shown in lighter green on the top right - focusing intensive support on the groups of customers that have the potential to drive the biggest impact for Aotearoa. These are Māori innovators, Frontier Ventures and high-potential sectors. Customers can (and are likely to) fall into more than one of these groups. Māori firms are growing faster, innovating more and investing more in R&D than other New Zealand businesses, and have huge untapped potential. Frontier Ventures and high-potential sectors are both identified by the Productivity Commission as key drivers of productivity and export revenue and an area where Aotearoa underperforms. We already support all three of these customer groups - our strategy is to double down, and narrow the focus of our intensive,








wraparound support to these customers only. The sections ahead outline in more detail how the products we offer to each type of customer will change.

Figure 5 - Our strategy

OUR OBJECTIVE

Callaghan Innovation's main objective is to support science and technology-based innovation and its commercialisation by businesses, primarily in the manufacturing sector and services sector, in order to improve their growth and competitiveness.

OUR FOCUS AREAS

 Continuously improve to better serve the innovation ecosystem		 Focus intensive support on the highest impact customer groups		
Deliver globally leading innovation support services  Adapt, simplify & productise our services, improving the customer experience & making our service & policy delivery more efficient and effective	Support the commercialisation of science  Facilitate connections between industry and researchers to improve the commercial application of scientific research	Support Māori innovation  Deliver specific services, customer journeys and engagement models for Māori scientists, innovators and entities	Shift to a high-value economy through Frontier Ventures  Provide intensive, wraparound support to accelerate the growth of new and existing Frontier Ventures	Grow high potential sectors  Flexibly support areas where new disruptive innovations present both significant commercial & wellbeing opportunity for NZ

OUR ENABLERS

-  **Partnership with Māori** - including applying Te Ao Māori principles across all our work
-  Developing & unleashing the unique experience & capability of **our people**
-  Continuing to improve our **safety & wellbeing** processes & culture
-  Having the **data and insights** to track our performance, feed into policy making & evolve our services
-  Our **physical & digital infrastructure** enabling our people and customers to safely operate at their best

All underpinned by financial sustainability, collaborating with customers & Government, delivering on Government priorities & living our behaviours.

Our focus areas - how we will support our customers

Our strategy for the next five years is based on intensifying our support for customers where Callaghan Innovation can have the largest impact for Aotearoa, while still delivering great, efficient support for innovators outside that target group, supported by digital tools where required. This section goes into more detail about how this will work, including how this is different from how we serve customers now.

How do we define which customers are in the ‘highest impact’ group?

Callaghan Innovation will be able to provide intensive support to around 1000 ‘highest impact’ customers, made up of Māori innovators, Frontier Ventures and customers in high potential sectors. Figure 6 below shows how Callaghan Innovation defines each group. Some customers will sit in more than one group (e.g. be a Māori Frontier Venture, or a Frontier Venture in a high potential sector).

The selection process will be dynamic - new customers will be added over time as new businesses are set up, and customers will drop out of the group as they reach a different stage of their development and no longer need our intensive support. The process will be led by the Callaghan Innovation experts who know the customers and innovation ecosystems best, but we will collaborate with our shareholders and partner agencies (especially MBIE, ITPs, NZTE and the Commercialisation Partner Network - Auckland UniServices and KiwiNet) to ensure our high potential sectors align to system-level priorities.

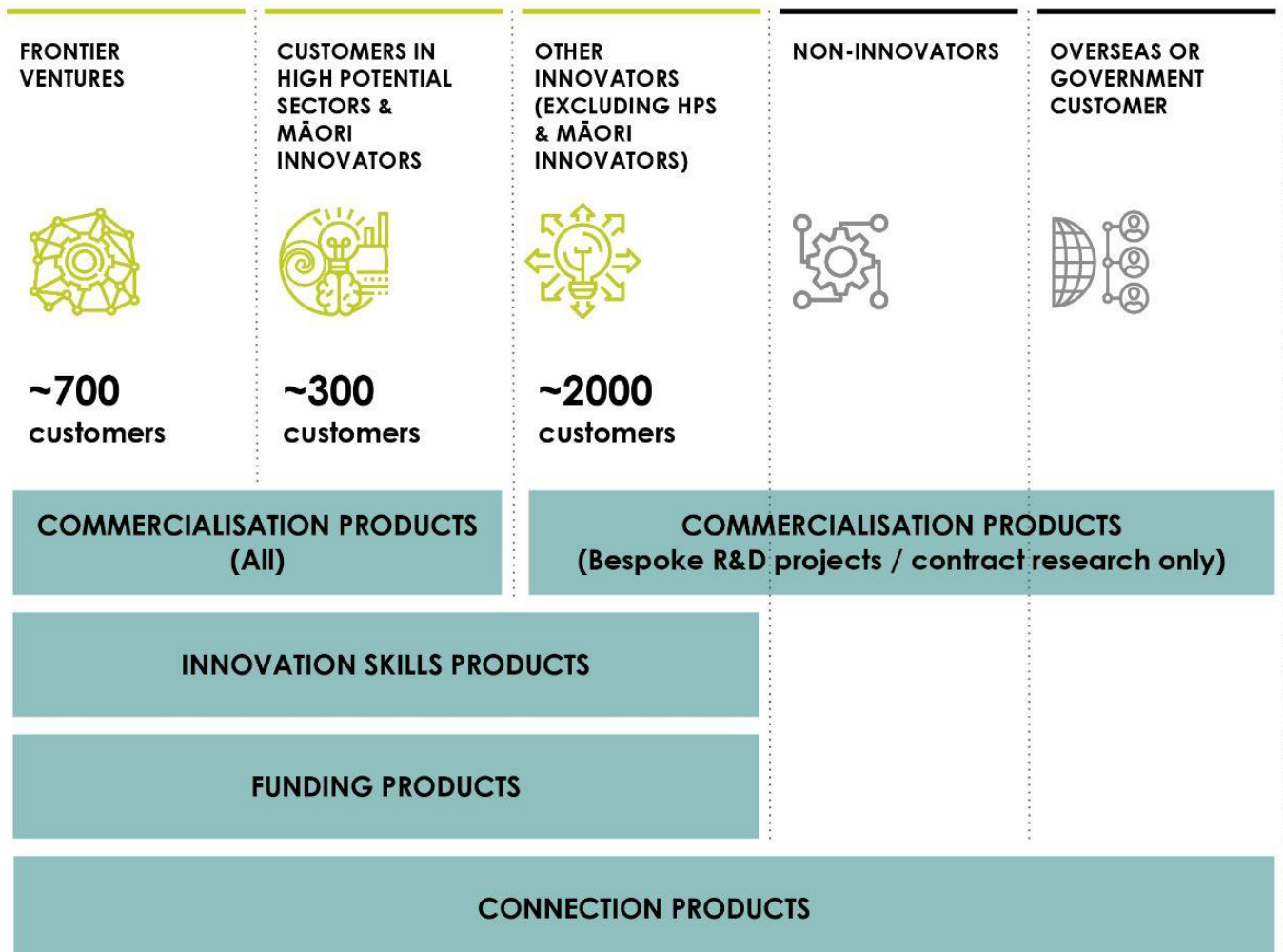
Figure 6 - How will we determine which are the 'highest impact customers groups'?



Which customers will get which products?

Figure 7 below shows which customers will get which products, at a very high level. Within commercialisation products, Idea to Impact and R&D roadmap development will be limited to the 1000 customers in the 'high impact groups' as defined above. Innovation skills and funding products will be available to 'high impact groups' as well as other innovators, which are New Zealand businesses who are innovating and/or investing in R&D. Currently this group has around 2000 customers. Connection products and bespoke R&D projects / contract research (which are part of commercialisation products) will be available to these groups, plus non-innovators, which are New Zealand businesses who are not innovating and/or investing in R&D, but still contact Callaghan Innovation for support, and overseas or Government customers, who generally engage Callaghan Innovation for bespoke R&D projects or contract research.

Figure 7 - Which customers will get which products?





How is this different to now?

Focusing more of our resources on the customers where we can have the largest impact for Aotearoa means our services will be delivered a little differently than they are now. The two figures below outline this in more detail - Figure 9 shows changes for bespoke R&D projects / contract research (part of commercialisation products), and Figure 8 illustrates changes for all other products.

It will take a few years to transition to delivering in this way. As part of delivering this change, we will need to communicate clearly with customers - especially those for whom their support from Callaghan Innovation will look quite different - and collaborate closely with partner agencies (especially Regional Business Partners, ITPs, NZTE and KiwiNet). Both of these will be crucial to ensure New Zealand businesses continue to both get the support they need and have a good experience, especially where it's no longer appropriate for Callaghan Innovation to provide intensive support under the new approach.

Figure 8 - Which customers get which products (detailed view)
All products (except bespoke R&D projects / contract research)

	% OF CUSTOMERS (CURRENT)	CURRENT SERVICE	FUTURE SERVICE	AIM OF CHANGE
Frontier Ventures (highest potential for innovation impact for NZ)	35%	In-person support for all, sometimes wraparound	Wraparound with improved products	Increase our impact for the highest-potential customers without using any more resource
Customers in High Potential Sectors & Māori innovators (highest potential for innovation impact in areas of focus)			Targeted, in-person support with improved (Māori-specific and sector-specific) products	
Other innovators (excluding HPS & Māori) (medium potential)	50%		Call centre support largely replaced by digital delivery. 1:1 support still available for complex products where required (e.g. RDTI)	Reduce resource spent on lower-impact customers (aim for similar impact)
Non-innovators (lowest potential)	15%	Offer limited support to some	Connection products only - digitally direct to other services (outside CI)	Do not expend resource on non-innovating businesses

Businesses may move between categories as they grow, so our support to them would evolve in line with this

There are **4 key changes to our support model** outlined in the SOI:

- Not offering in-person support to all innovative businesses in NZ - focusing this support on Frontier Ventures & customers in high-impact groups (vs. in-person support across all innovators currently)
- Delivering our products to other innovators digitally (vs. in-person currently)
- Not delivering any products to non-innovators (vs. sporadic / ad-hoc support currently)
- Incrementally improving our delivery of all products

Figure 9 - Which customers get which products (detailed view)
Bespoke R&D projects / contract research

	% OF REVENUE (CURRENT)	CURRENT SERVICE	FUTURE CAPABILITY & FOCUS CHANGES	AIM OF CHANGE
Frontier Ventures (highest potential for innovation impact for NZ)	15%	Focused Business Development effort - service the same as for other customers	Addition / re-alignment of capabilities to support high potential sectors e.g. AI, CleanTech	Increase our impact for the highest-potential customers and sectors
Customers in High Potential Sectors & Māori innovators (highest potential for innovation impact in areas of focus)				
Other innovators (excluding HPS & Māori) (medium potential)	25%	Bespoke technical support tailored to customer needs	Continue to serve these customers - where commercial returns are there (potential for right-sizing some capabilities)	Maintain commercial revenue, reduce extent of RDS financially subsidising other areas
Government or overseas customer (lowest impact on NZ innovation but source of revenue)	60%			

Businesses may move between categories as they grow, so our support to them would evolve in line with this

There are **2 key changes to our support model** outlined in the SOI:

- Adding capability where required to support high potential sectors (e.g. CleanTech & AI)
- Right-sizing (or in some cases removing altogether) capabilities where there is limited impact on NZ innovators and limited profitable commercial revenue - we have begun this process as part of the Org Design with the AddLab and Optical Materials & Devices teams

Our enablers - how we will develop our capability to support delivery to customers

Our delivery to customers is supported by our enablers:

- **PARTNERSHIP WITH MĀORI** - this refers to applying Te Ao Māori principles across all our work, not just our work with Māori innovators that's covered in one of our focus areas. This includes developing our Te Ao Māori capability and skills, improving connections between Māori and Callaghan Innovation and moving towards a co-development approach in line with Te Tiriti partnership principles. We have been developing a detailed action plan for how we will deliver on this through our 'Te Unuhanga' team. One of the first actions is appointing a member of the Executive Leadership Team responsible for Partnership with Māori, and this person, who will be appointed before the start of FY23, will be responsible for leading the implementation of the rest of the plan and driving partnership with Māori overall.
- **OUR PEOPLE** - our work to develop and unleash the unique experience and capability of our people will take several forms across the next five years. The first is through a focus on wellbeing and workforce inclusion, including work to ensure our workforce is diverse, fair and equitable, especially for women, Māori, Pacific and ethnic employees. The second is through continuing to improve our ways of working - applying Agile principles to work more flexibly, efficiently and cross-functionally (both within different disciplines within Callaghan Innovation and between Callaghan and innovation ecosystem partners like the RSI system, KiwiNet and NZTE). The third is through continued skills and leadership development.
- **SAFETY AND WELLBEING** - further developing and evolving our focus on health & safety by embedding a Safety II culture. Safety II involves building a pro-active and autonomous safety culture, where those doing the job day-to-day are empowered to recognise potential risks and develop the right processes to mitigate them. This means taking a much more future-focused approach, including measures that track the effectiveness of risk controls ahead of time, rather than just tracking and correcting failures after the fact. This also includes our work towards becoming a carbon neutral organisation, with a 42% reduction from 2019-20 levels targeted by 2030.

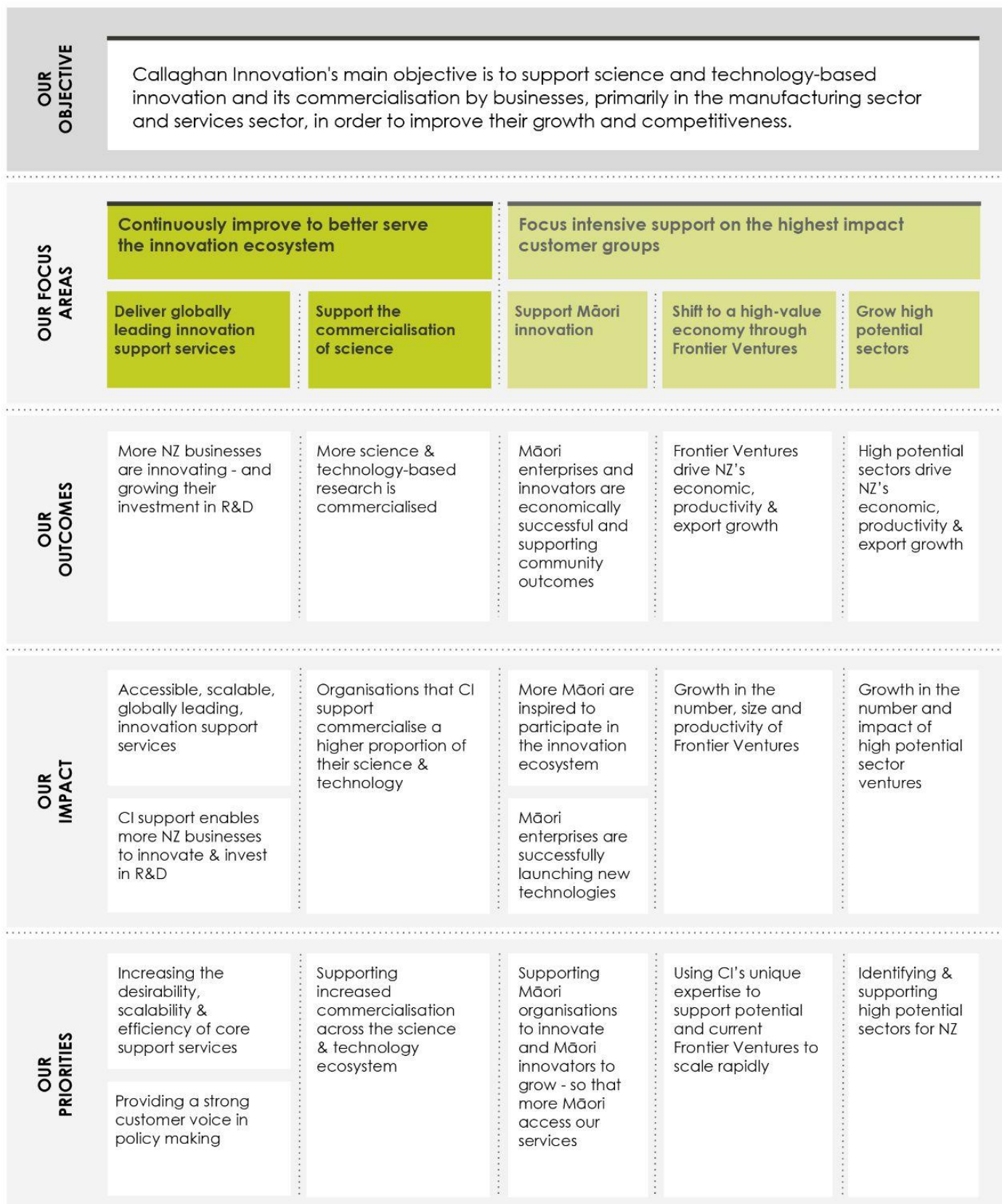
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- **DATA AND INSIGHTS** - being able to continuously improve to better serve the innovation ecosystem means having the data and insights to track our performance, feed into policy making and evolve our services. To do this, the teams managing each of our services will need the right information on both service use and service impact for customers - this will allow us to further improve each service, tailor it to our customers, and to share the information with MBIE to inform policy design. Getting to this point will take a lot of work and some investment. While we already collect a lot of the data we need, we need to improve our processes and culture, invest in our systems and work with our customers to ensure we can collect everything we need and process and harness it in a way that ensures its accuracy and timeliness. This work is required before we can measure and report on all of the performance metrics outlined in the next section.
 - **PHYSICAL AND DIGITAL INFRASTRUCTURE** - physical infrastructure development has been centred around the GIQ programme, and delivering on this on time and within budget continues to be a top priority. Beyond the current build programme, we will continue to develop our physical infrastructure, centred on GIQ, in a way that promotes co-location and collaboration between different parts of the RSI system. This will include delivering on any recommendations that arise from Te Ara Paerangi. Digital infrastructure will also require ongoing effort and investment, particularly to ensure we have up-to-date cyber security measures, procedures and policies to keep up with a rapidly evolving threat.

Our outcomes framework

Our outcomes framework (shown in Figure 10 below) describes what we hope to achieve for Aotearoa and our customers within each of our focus areas. It has 3 parts:

- Our outcomes are the intended results for Aotearoa from the successful implementation of our strategy.
- Our impact is the intended results for our customers from the successful implementation of our strategy - through delivering these results, we contribute to the outcomes for Aotearoa.
- Our priorities are the work we aim to do in order to achieve the impact for our customers.

Figure 10 - Our outcomes framework



Our performance framework

Our performance framework (shown in Figure 11 below) shows how we intend to measure Callaghan Innovation's performance, and the performance of our customers and Aotearoa's innovation ecosystem, across the next 5 years.

It is broader than the performance measures in our annual Statement of Performance Expectations (SPE). The SPE measures are focused on our service delivery, and therefore only some of the measures in the performance framework will appear in our SPE. These are labelled on the diagram in the right-hand column.

At the top is how we measure the performance of our customers and the innovation ecosystem. Below that, we have a range of indicators to track our output linked to each appropriation.

We are also developing more granular measures that do not appear on the performance framework, like operational measures for each product and for our enablers - we use these to keep improving each service and to, where needed, share with MBIE and other agencies to develop and improve services and policy. Our Board and Leadership team monitor organisational performance through a monthly dashboard of key performance indicators, and at an operational level, teams and individuals monitor, track and drive the metrics they are responsible for.

Our transition to being able to measure the performance framework

As outlined in the 'data and insights' section, we still have work to do to enable us to measure and report on all of the measures in our performance framework.

Our 2022-23 SPE performance measures are based largely on our 2021-22 SPE performance measures, with a small number of additions from the performance framework based on what our current capability and capacity allows.

We will continue to work with MBIE to introduce additional relevant measures from this performance framework to our SPE once they have been developed and tested internally.

Figure 11 - Callaghan Innovation's performance framework

PURPOSE		MEASURES					WHERE USED?
CUSTOMER & ECOSYSTEM MEASURES	Our customer & ecosystem measures will illustrate the overall value and impact that Callaghan Innovation enables across all New Zealand innovators	Number of businesses conducting R&D	R&D expenditure (\$ & % growth)	% of innovation projects that commercialise & speed to market	% growth in customer revenue, exports, R&D spend, employment & revenue per worker	Case studies	Annual Report
OUTPUT MEASURES	Our output measures will report on the performance against each of our appropriations	Number of bespoke R&D projects / contract research projects NPS for bespoke R&D projects / contract research projects	NPS for RDTI % of RDTI applications processed from myLR & within 37 days	Number of New to R&D, Ārohia – Innovation Trailblazer & Student grants NPS for New to R&D, Ārohia – Innovation Trailblazer & Student grants	Number of innovation skills product customers NPS for innovation skills products	Number of connection product customers NPS for connection products Provide national measurements, standards and related services in accordance with statutory obligations	Statement of Performance Expectations Quarterly & Annual Reports

**Rukuhia te wāhi ngaro,
hei maunga tātai whetū.**

Explore the unknown,
pursue excellence.

New Zealand Government

CallaghanInnovation

Te Pokapū Auaha o Aotearoa

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