

Benchmarking of Cluster Management Organisations

Marius Pareščius www.lca.lt
materials from trainings, ESCA, www.cluster-analysis.org

Agenda

- What is ESCA?
- What is a cluster? And further definitions ...
- What is ESCA cluster benchmarking?
- History of ESCA benchmarking and the European Cluster Excellence Initiative
- The European Cluster Management Excellence Labels

ESCA today is an open pan-European network:

People: ≈ 150 trained experts, > 75 public and private institutions, > 30 countries

www.cluster-analysis.org/esca-experts



Technical Advisory Board Cluster Management Excellence (TAB)

Monitoring and further development of standards

Chair: Emma Vendrell (ESP), Lisa Besnard (FR)



Cluster Excellence Expert Group (CEEG)

Award body Gold Label

Chair: Per Spindler (DK), Philip Aldridge (UK)



Policy Group

Unregular informal meetings, first meeting in May 2014

ESCA Experts

Benchmarking Experts:

- First Stage: conducting benchmarking interviews, interpreting results of the benchmarking, knowing the „basics“ behind the „Cluster Excellence Philosophy“, spreading and helping to adopt the idea

GOLD Label Local Experts:

- Experienced Benchmarking Experts trained further to participate as a „local expert“ in GOLD label assessments: Theory, hospitation, approval by Technical Advisory Board

GOLD Label Lead Experts:

- Experienced Local Experts, leading the assessment team for GOLD, approval by Technical Advisory Board

SILVER Label Experts:

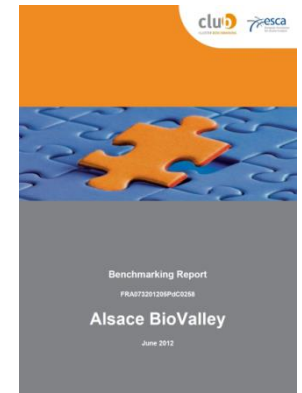
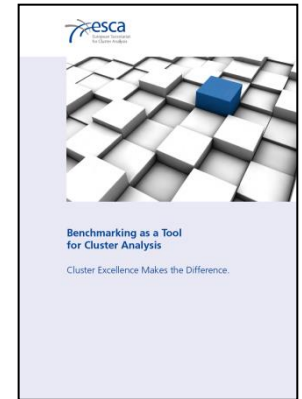
- Nominated by ESCA from the pool of GOLD experts

European Secretariat for Cluster Analysis

www.cluster-analysis.org

The “one-stop-shop” for benchmarking and labelling of cluster organisations:

- Implementing and making publicly available the approaches for benchmarking and labelling of cluster management organisations developed in several European projects
- International recognition of the approaches and the labels ensured by various expert/supervision groups/committees
- Founded 2011, hosted by VDI/VDE Innovation + Technik GmbH (see www.vdivde-it.de, private consulting company with long experience in cluster policy and cluster management as well innovation policy)
- ESCA consisting of a back-office and an international network of cluster analysis and benchmarking experts



Experiences in clusters and cluster policy issues

- Head office of the German Cluster Initiative „Kompetenznetze Deutschland“ (until 4/2012)
- Operating “go-cluster”, Germany’s new leading cluster initiative (since 7/2012)
- Management of German Cluster Initiative „ZIM-NEMO“
- Governance/management of cluster and networks
- Advice and training for cluster policy makers and cluster managers
- Involvement in relevant international working groups, advisory boards, and projects
- Studies, analyses, scientific publications, ...
- Evaluation, mapping, and benchmarking



Host of “ESCA –
European Secretariat for Cluster Analysis”

www.cluster-analysis.org

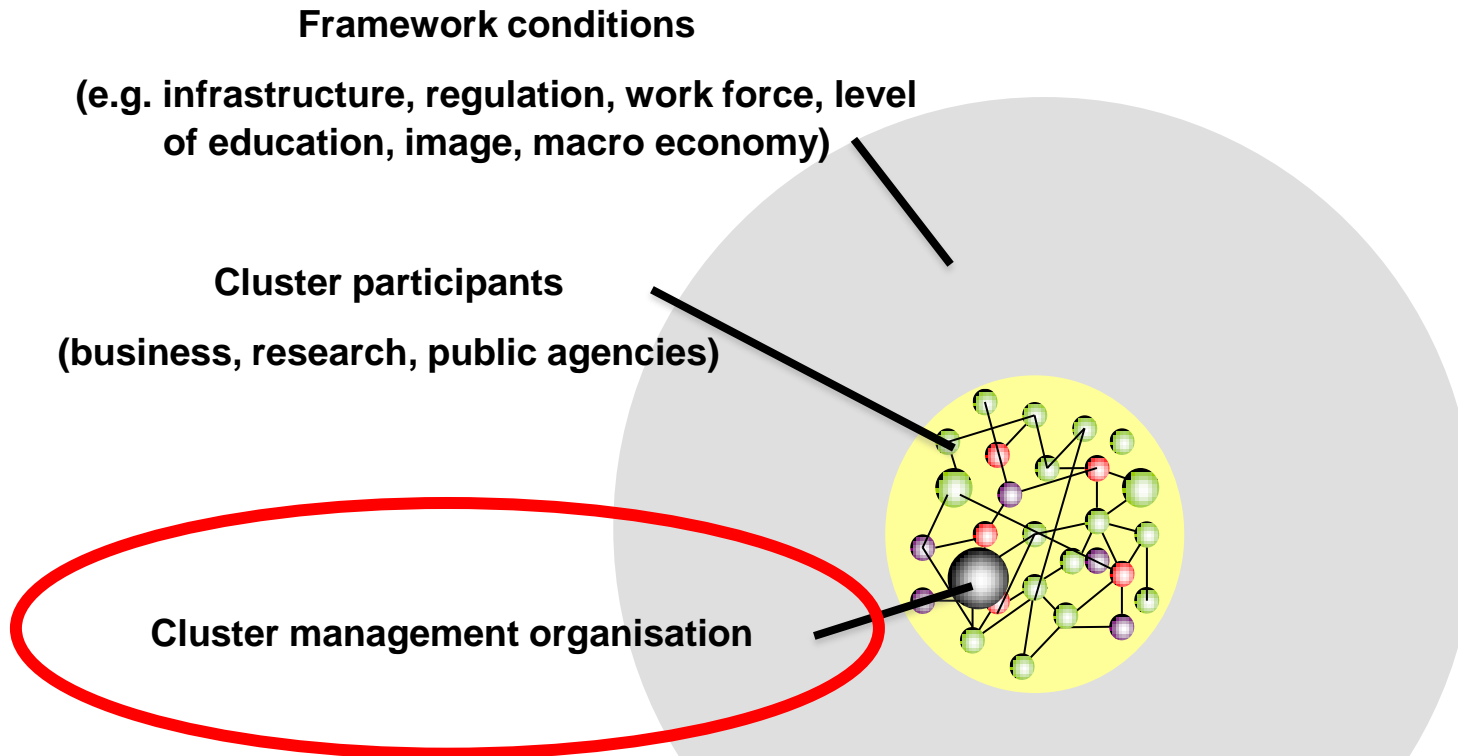


WHAT IS A CLUSTER?

“Clusters are geographic concentrations of interconnected companies and institutions in a particular field that collaborate and compete at the same time.”

*Michael E. Porter, 1998: Clusters and the New Economics of Competition,
in: Harvard Business Review, November 1998*

Clusters are more than a geographic concentration...



In order to facilitate collaboration between the cluster participants there has to be a strong coordination body, a cluster management organisation. **The quality of the cluster management is critical to initiate and support collaboration among companies and other relevant stakeholders of the cluster.**

The cluster management organisation is important!

The rationale behind “Cluster Management Excellence”

- Successful regional agglomerations (clusters in the “Porter-definition”) in Europe are cluster initiatives managed by a (strong and active) cluster organisation.
- Cluster management organisations have proven to be important institutions to bridge the gap between different industries and to broker contacts between companies, research institutions and universities and other relevant stakeholders, inside the cluster as well as to external parties.
- Based on a clear strategy, targeted and demand-oriented services offered by the cluster management organisation are a key issue for generating added value for the participants within the cluster.
- As management matters, improving and strengthening cluster management leads to increased benefits.

Cluster

EU-definition:

Clusters are generally described as groups of specialised enterprises, often SMEs, and other supporting actors in a particular location that cooperate closely together.

ESCA-definition:

A cluster is considered to be a network of companies and research institutions (including universities) that has a thematic focus, is regionally concentrated, is institutionally organised and is managed by a cluster manager (in literature as well being named as a cluster initiative) . The cluster may also include other actors such as public agencies.

Cluster initiative

A cluster initiative is an organised effort aiming at fostering the development of the cluster either by strengthening the potential of cluster actors or shaping relationships between them. They often have a character like a regional network. Cluster initiatives usually are managed by cluster organisations.

Cluster organisation

Cluster management organisation

EU-definition:

Cluster organisations are entities that support the strengthening of collaboration, networking and learning in innovation clusters and act as innovation support providers by providing or channelling specialised and customised business support services to stimulate innovation activities, especially in SMEs. They are usually the actors that facilitate strategic partnering across clusters. Cluster organisations are also called cluster managements.

ESCA-definition:

A cluster management organisation is a management agency that stimulates and coordinates the activities of cluster participants. The cluster management organisation is mandated by the cluster participants to represent the cluster, both internally and externally, and to develop and implement activities that support the development of the cluster.

Cluster participants

EU-definition:

Cluster participants are representatives from industry, academia or other intermediaries, which are commonly engaged in a cluster initiative. Given the case a cluster initiative has a certain legal form, like associations, cluster participants are often called cluster members.

Committed cluster participants

Non-committed cluster participants

ESCA-definitions:

A **committed cluster participant** has committed himself to actively contribute to the activities of the cluster through e.g. membership fees, signing of a declaration of accession, a letter of intent, a partnership agreement, etc. and/or by regular participation in cluster projects and activities. Commitment is not reflected by a registration for a news-letter etc., or by a participation in a singular event, even several times.

A **non-committed cluster participant** is a passive participant who shows interest in the cluster's activities going beyond the mere registration for a newsletter or similar (e.g. through regular participation in events), but does not contribute actively to any of the cluster's activities, nor has signed any cooperation agreement.

Cluster policy

Cluster policy is an expression of political commitment, composed of a set of specific government policy interventions that aim to strengthen existing clusters and/or facilitate the emergence of new ones. Cluster policy is to be seen as a framework policy that opens the way for the bottom-up dynamics seen in clusters and cluster initiatives.

Smart Specialisation Strategies (S3)

Smart Specialisation is a strategic approach to economic development through targeted support for research and innovation. It involves a process of developing a vision, identifying the place-based areas of greatest strategic potential, developing multi-stakeholder governance mechanisms, setting strategic priorities and using smart policies to maximise the knowledge-based development potential of a region, regardless of whether it is strong or weak, high-tech or low-tech.

WHAT IS ESCA CLUSTER BENCHMARKING?

ESCA Cluster Benchmarking

- Assessment of characteristics of a cluster organisation in a self-assessment manner by a cluster benchmarking expert using a structured interview guideline
- Analysis of the data by ESCA headquarters, including:
 - Comparison to cluster organisations in the same „technology area“ worldwide
 - Comparison to „excellent“ cluster organisations worldwide
 - Comparison to cluster organisations in the same country (if enough data is available)
 - Recommendations for improvement based on the comparisons and using cluster management quality related data
 - Projection of data to quality indicators of the „Cluster Management Excellence Label GOLD“ developed in the context of the European Cluster Excellence Initiative (ECEI)
 - Award of the BRONZE label of ECEI for participation in the benchmarking
- ESCA cluster benchmarking is not a scientific approach, but should be seen as a practical tool for determining areas of improvement for cluster management



Step 0: Planning and Initialisation

Expression
of interest

- Interested cluster management organizations contact ESCA to express their interest in a benchmarking

Preparation
phase

- Cluster management provides ESCA with information about the cluster
- ESCA sends interview guideline to the cluster management for preparation for the interview

Step 1: Benchmarking Interview

Benchmarking
interview

- An impartial ESCA expert conducts the interview at the premises of the cluster management organization

Data
analysis

- ESCA analyses the collected data and compares it with peer clusters
- Based on the comparison the potential of the cluster is analyzed

Recommen-
dations

- ESCA develops recommendations for actions for further improvement

Step 2: Benchmarking Report

Report

- A confidential report is submitted by ESCA to the cluster management organization

Improvement of cluster performance



Principles of benchmarking of cluster organisations

- A positive and inspiring atmosphere of trust (between a benchmarking expert/interviewer and the cluster manager), including:
 - Cluster manager wants to identify areas for improvement
 - Cluster manager provides honest/true information
 - **Confidentiality of data**, meaning that information is not used „against the cluster manager“
- Qualified estimates of the cluster manager are sufficient
- Data assessment as exact as possible, in an effective manner, the benchmarking is not a “scientific”, but rather a “screening” approach
- ESCA tries to anticipate and avoid any (potential) conflict of interest!

ESCA

Comparative Portfolios

(as of Feb 2017)

	Aviation and space	Biotechnology	Construction/building sector	Creative industries, media, design	Energy and environment	Food industry (non-biotech)	Health and medical science	Information and communication	Maritime technologies, water resources	Micro, nano and optical technologies	New Materials and chemistry	Production and engineering	Sports/Leisure/Tourism	Textile industries	Transportation and mobility	TOTAL
AUS	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	1
AUT	0	1	1	0	2	0	0	1	0	0	1	2	0	0	1	9
BEL	1	0	3	2	1	2	2	3	0	1	2	1	0	0	1	19
BGD	0	0	0	0	0	0	0	0	0	0	0	1	0	2	0	3
BGR	0	0	0	0	0	0	0	2	1	1	0	3	0	1	1	9
CAN	0	0	0	0	1	0	0	0	0	0	0	0	0	0	1	2
CHE	0	0	1	0	0	0	0	0	0	1	0	1	0	0	0	3
COL	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	1
CZE	0	0	2	0	3	0	1	3	0	1	1	5	1	1	1	19
DNK	2	1	3	11	13	5	8	5	4	0	2	7	2	0	2	65
ESP	4	5	4	9	11	14	5	12	6	1	3	13	5	5	9	106
EST	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	1
FIN	0	0	0	3	6	2	0	1	0	1	2	1	1	0	0	17
FRA	4	1	1	8	12	10	8	7	3	5	8	6	8	3	5	89
GBR	0	0	0	3	1	0	0	0	0	0	0	1	0	1	1	7
GER	7	12	3	10	21	7	13	18	1	23	10	23	2	2	17	169
GRC	1	0	0	1	0	0	1	0	0	1	0	1	0	0	0	5
HRV	0	0	0	0	0	3	0	2	0	0	0	8	1	0	1	15
HUN	0	2	2	0	6	1	1	7	0	0	0	5	1	0	1	26
IND	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	1
IRL	0	0	0	1	1	1	0	2	1	0	0	0	2	0	0	8
ISL	0	0	0	1	2	1	0	1	1	0	0	1	3	0	0	10
ITA	3	1	2	1	5	7	6	3	1	0	3	3	3	2	2	42
LBN	0	0	0	1	0	0	0	1	0	0	0	0	0	0	0	2
LTU	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	1
LVA	0	0	0	0	0	1	0	1	0	0	0	0	0	0	1	3
MAR	0	0	1	0	1	2	0	1	1	1	0	1	0	1	0	9
MEX	2	0	0	4	1	4	3	15	0	0	0	1	0	0	5	35
MLT	1	0	0	1	0	0	0	0	0	0	0	0	2	0	0	4
NLD	0	1	0	0	2	1	0	0	1	0	0	0	2	0	0	7
NOR	0	3	1	6	1	5	3	2	9	2	1	7	5	0	1	46
POL	2	3	5	5	7	2	5	8	0	1	2	5	1	1	2	49
PRT	1	0	2	1	2	4	1	1	1	0	0	3	1	1	1	19
ROU	0	2	2	1	3	4	5	8	0	2	0	8	5	3	3	46
RUS	2	0	0	0	1	0	1	0	0	1	0	2	0	0	0	7
SRB	0	0	0	0	1	0	0	2	0	0	0	2	0	0	0	5
SVK	0	0	0	0	1	0	0	4	0	0	1	3	4	0	1	14
SVN	0	1	0	0	1	0	0	1	0	0	1	3	0	0	1	8
SWE	0	2	0	1	1	2	1	5	1	1	2	2	0	1	0	19
TUN	0	0	0	0	1	0	0	0	0	0	0	1	0	0	0	2
TUR	2	0	0	0	1	3	1	0	0	0	3	13	0	3	3	29
USA	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	1
TOTAL	32	35	33	70	111	81	67	117	31	43	42	133	49	28	61	933

Excellence Portfolio (as of February 2017)

	Aviation and space	Biotechnology	Construction/building sector	Creative industries, media, design	Energy and environment	Food industry (non-biotech)	Health and medical science	Information and communication	Maritime technologies, water resources	Micro, nano and optical technologies	New Materials and chemistry	Production and engineering	Sports/Leisure/Tourism	Textile industries	Transportation and mobility	TOTAL
TOTAL	1	1	0	3	6	5	3	6	2	2	3	6	2	3	6	49
PER CENT	6%	7%	0%	12%	18%	16%	9%	13%	22%	18%	30%	14%	13%	25%	21%	14%

HISTORY OF ESCA CLUSTER BENCHMARKING AND THE EUROPEAN CLUSTER EXCELLENCE INITIATIVE

Measuring Quality of Cluster Management

Similar Criteria in Several Projects → ESCA

- **Kompetenznetze Deutschland** (2007-2012)
(National initiative in DE, first benchmarking approach)



- **European Cluster Excellence Initiative (ECEI)**
www.cluster-excellence.eu (2009-2012)



- **Cluster Excellence in the Nordic Countries, Germany and Poland (NGPExcellence)**
www.clusterexcellence.org (2010-2011)
(continuing earlier activities on national level in DE)



- **European Secretariat for Cluster Analysis (ESCA)**
www.cluster-analysis.org (founded Nov 2011)



THE EUROPEAN CLUSTER MANAGEMENT EXCELLENCE LABELS

Labelling process



Launched 2011

Benchmarking

- 1) Interview of 2.5-3 hours by 1 interviewer
- 2) Report



Launched 2014

Quality audit of three selected indicators

- 1) Benchmarking and description of three indicators
- 2) Audit on-site (interview and check of documents), 1 assessor, 4-5 hours
- 3) Report by assessor and check by ESCA
- 4) Award by an international expert group (approval procedure launched May 2016)



Launched 2012

Quality audit of 31 indicators

- 1) Online-test (pre-check)
- 2) Audit on-site (interview and check of documents), 2 assessors, 2 days
- 3) Report by assessors and check by ESCA
- 4) Award by CEEG



THE BENCHMARKING INTERVIEW GUIDELINE

The Benchmarking Interview Guideline

Current version: 2.3, June 2014

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Benchmarking of Cluster Management Organizations Interview Guideline, Version 2.3, June 2014

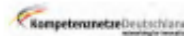
The methodology of benchmarking of cluster management organizations was developed by:

VDI|VDE|IT VDI/VDE Innovation + Technik GmbH
(VDI/VDE-IT)

Supported by:



German Federal Ministry for Economic Affairs and Energy
(BMWi)



Initiative Kompetenznetze Deutschland



Danish Agency for Science, Technology and Innovation (DASTI)

The methodology of benchmarking of cluster management organizations is in line with the activities of the European Cluster Excellence Initiative (ECEI), a project co-funded by the European Commission Directorate General Enterprise and Industry within the PRO INNO Europe® Initiative. Selected partners of ECEI gave valuable inputs to specific benchmarking indicators:



CDIF - France Clusters

CLUSTERLAND
OBERÖSTERREICH GMBH

Clusterland Oberösterreich GmbH



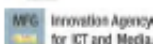
ecoplus - The Business Agency of Lower Austria



HUP Hrvatska udruga poslodavaca
Croatian Employers Association



IESE Business School, University of Navarra



MFG Medien- und Filmgesellschaft Baden-Württemberg mbH,
Geschäftsbereich MFG Innovationsagentur



REG X - The Danish Cluster Academy
University of Southern Denmark

Further valuable input was provided by **netmatch**

The Benchmarking Interview Guideline (NEW)

Draft version: 3.1, February 2017

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Benchmarking of Cluster Management Organisations Interview Guideline, Version 3.1, March 2017

The methodology of benchmarking of cluster management organisations was developed and is being provided to cluster organisations worldwide by: