

International Cluster Collaboration Is it really “for the benefit of SMEs”?

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Main points

- Cluster organisations are “well-positioned” service stations to support internationalisation
- SMEs are the target stakeholder group
- SMEs experience positive results – identifying opportunities, building networks and initiating action

Some KSFs to keep in mind...

- Aim before you fire
- Tailor your service offering to your stakeholders’ needs
- Leverage the eco-system

Cluster organisations are well-positioned service stations for internationalisation



Cluster actor needs:

- Identification of new opportunities and idea development
- Access to new knowledge sources and (relevant) collaboration partners
- Legitimacy and visibility; "Branded" as belonging to a broader context
- Financing or risk sharing arrangements (SMEs)

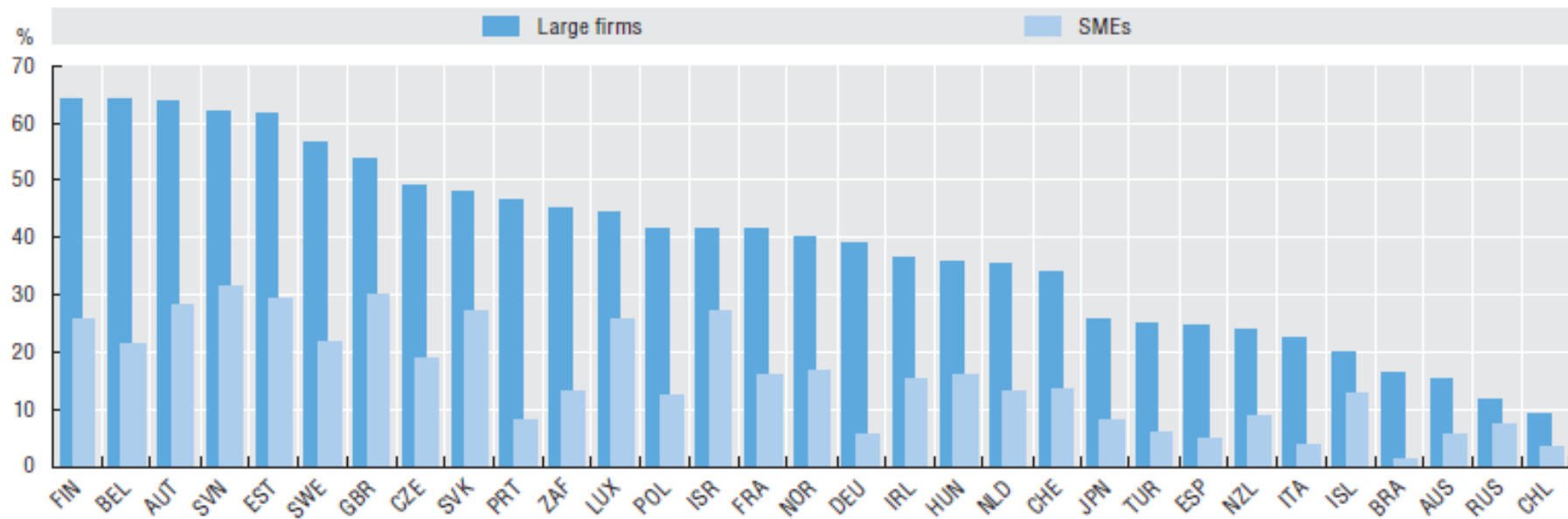
Role of 'cluster organization':

- Constantly scout for and 'filter through' relevant opportunities
- Understand the companies' particular field of business, and proactively offer services that are tailored to specific needs
- Provide a broader context and brand for the area of expertise
- Active facilitation and involvement of companies in practical activities as early as possible

SMEs are the target stakeholder group

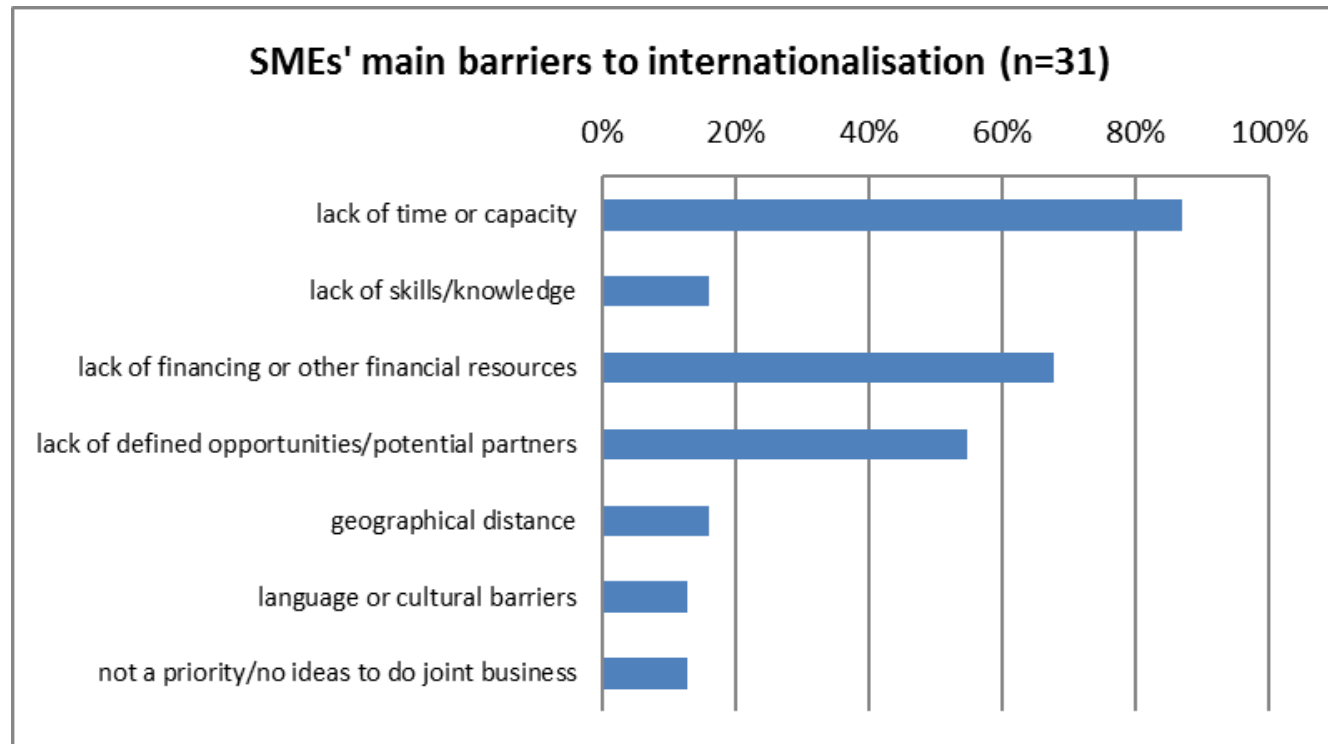
Firms engaged in international collaboration by firm size, 2008-10

As a percentage of product and/or process innovative firms in each size category



Source: OECD, based on Eurostat (CIS-2010) and national data sources, June 2013. See chapter notes.

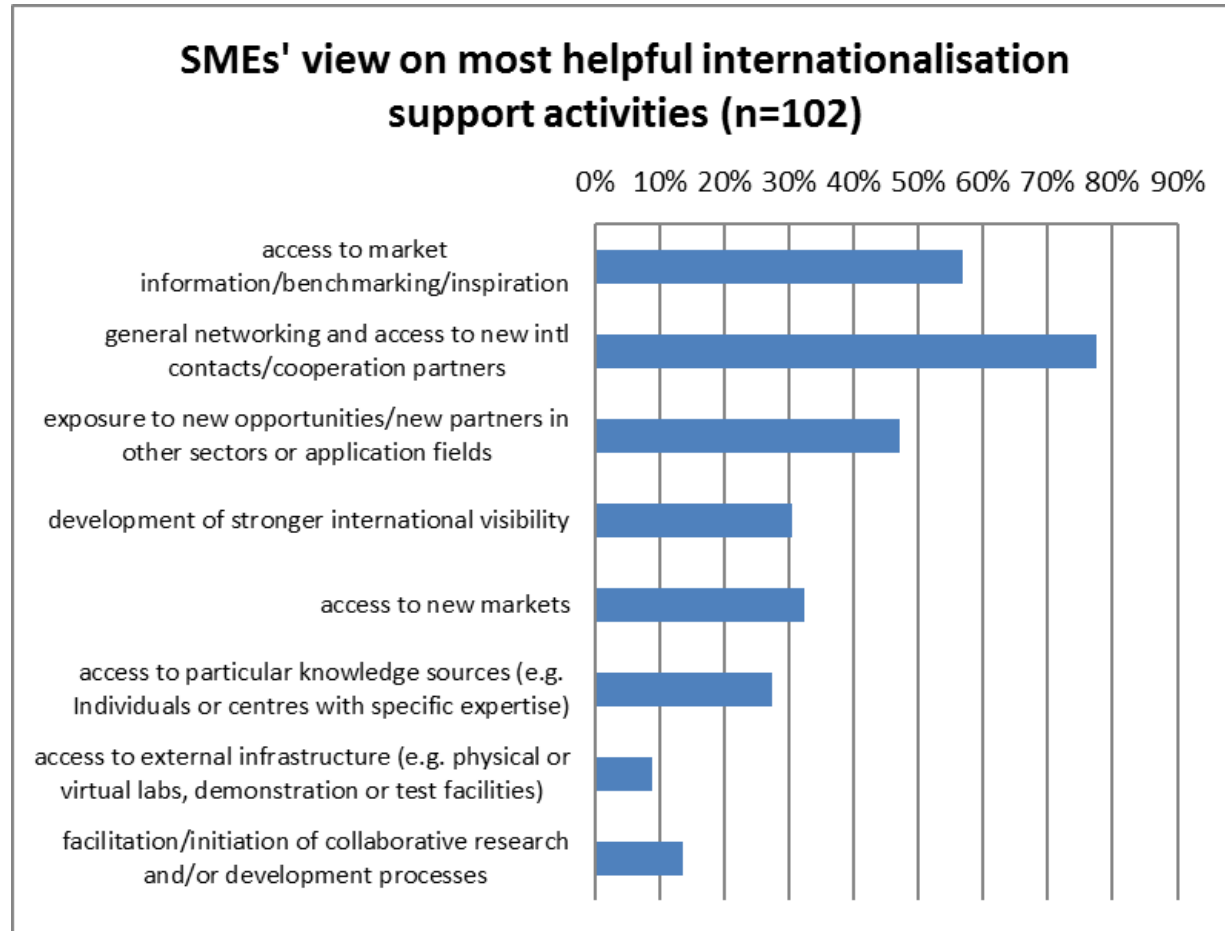
SMEs' main barriers to internationalisation are time, resources and clear opportunities



Source: Evaluation of BSR Stars Innovation Express 2014 (forthcoming 2016)

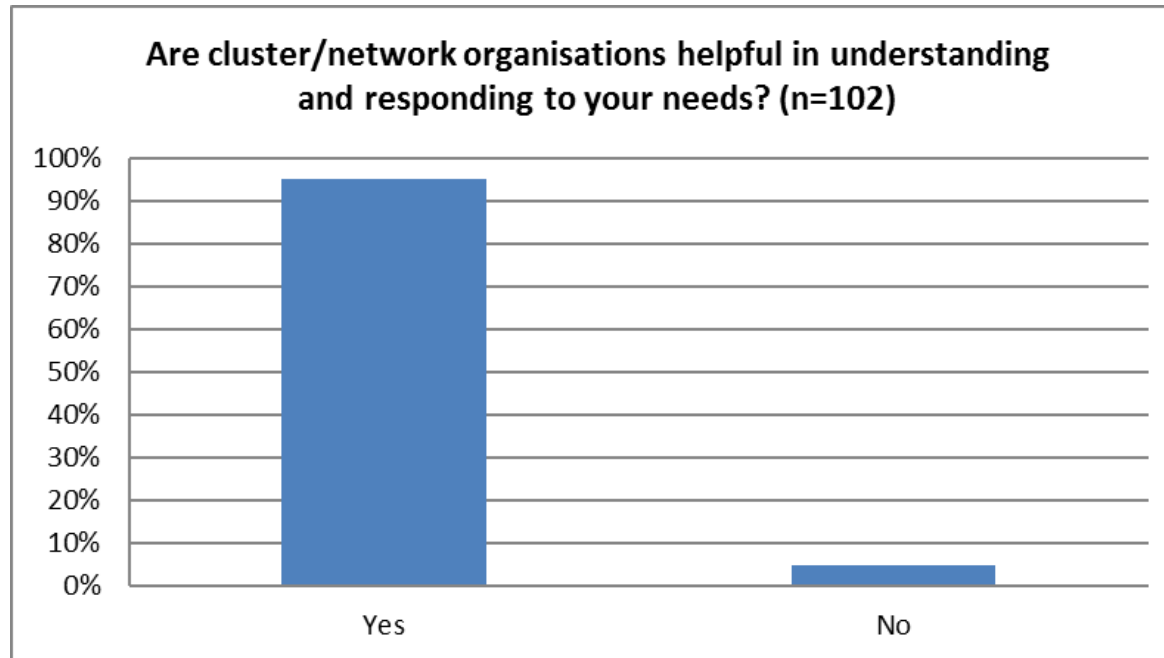
"SMEs have to focus on operating the company, and internationalisation is a strategic approach that the company doesn't have resources (time and money) to implement." Zensehome, SME within Innobyg cluster, DK

SMEs' view access to new international contacts and new knowledge/inspiration as most helpful



Source: Evaluation of BSR Stars Innovation Express 2014 (forthcoming 2016)

SMEs' view on the role of cluster organisations

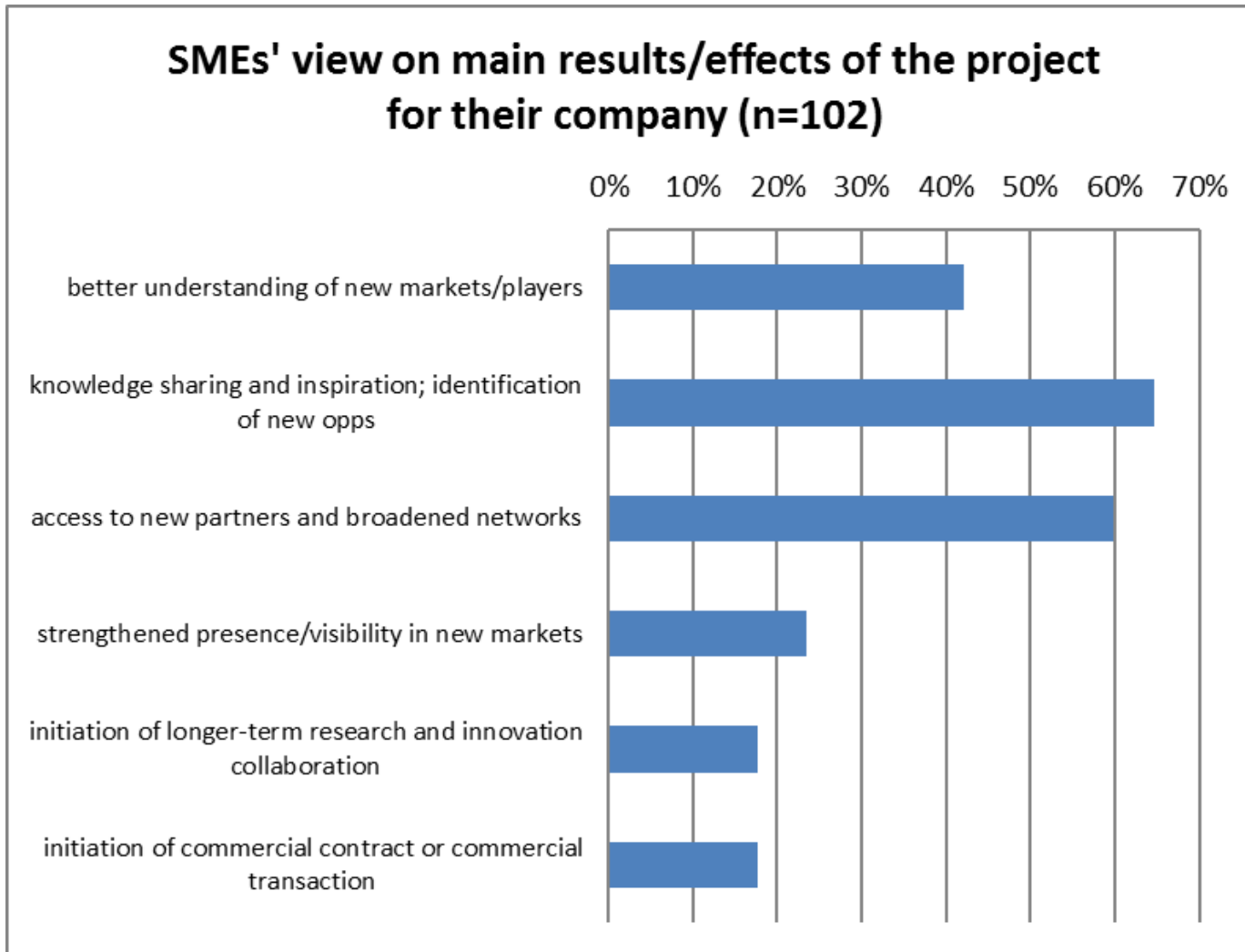


Source: Evaluation of BSR Stars Innovation Express 2014 (forthcoming 2016)

“Clusters are very helpful and needed to locate the right markets and the right partners for these markets. They are also needed to support a small team for internationalization in our company.” Picca, SME within CLEAN cluster, DK

“Cluster organizations understand the companies that are part of the network – which makes it possible for them to provide help that is very valuable.” EWA Solutions, SME within Teknopol, SE

SMEs experience very positive results



Source: Evaluation of BSR Stars Innovation Express 2014 (*forthcoming 2016*)

But remember...



Boosters
FOR INTERNATIONALISATION OF CLUSTERS



Blockers
FOR INTERNATIONALISATION OF CLUSTERS



Aim before you fire

- Start with a strategy...without it, easy to use lots of resources without impact
- Be sure your strategy is anchored with key stakeholders at your "home base"
- Ensure you have the appropriate skills and resources to reach your goals

"International efforts only work if they build on strong local/national structures." (Christian Ketels, Jan 2016)



Tailor your service offering to your stakeholders' needs

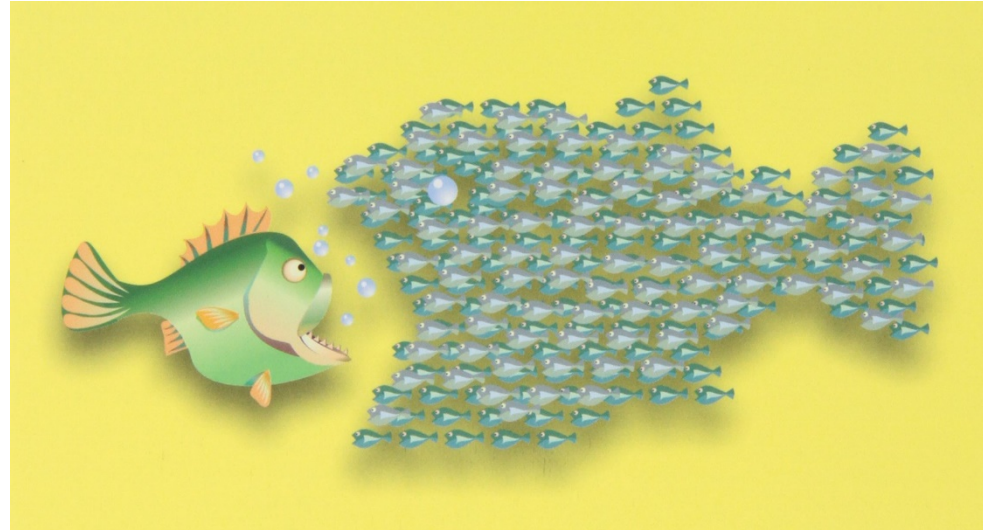
- SMEs are the actor group in most need of support
- Needs can be very diverse; consider what activities can bring most valuable benefits to most
- Tailored activities that meet needs/give value early on...
- ...help mobilize for longer-term commitment and engagement in more complex activities

SMEs' Capability Gaps/Support Needs	Functions of innovation intermediaries in international innovation processes
Sensing <ul style="list-style-type: none"> - Knowledge about opportunities in foreign markets - Capabilities for partnering internationally 	Intelligence and inspiration <ul style="list-style-type: none"> - Access to unique market information - Access to external knowledge sources
Mobilizing <ul style="list-style-type: none"> - Contextual legitimacy (and branding) - Opening "relevant doors" in foreign markets - Proactive networking and matchmaking 	Network composition and knowledge transformation <ul style="list-style-type: none"> - Access to new markets - Access to new international contacts/ cooperation partners - Common identity and stronger international visibility
Operationalizing <ul style="list-style-type: none"> - Financial support to enable engagement in international collaboration - Access to partners who can invest both capital and expertise in the collaboration 	Innovation management <ul style="list-style-type: none"> - Facilitating access to funding

Wise (2014), *Service stations along global knowledge pipelines - on innovation intermediaries' function in fostering globalized innovation processes*, Research Policy Institute, Lund University

Leverage the eco-system

- Remember that there is strength (and visibility) in a cohesive whole
- Make use of key companies; put them in charge of activities
- Team up with other intermediaries (e.g. EEN, innovation offices abroad, etc.) to address needs and take advantage of opportunities
- Make the international project part of the cluster – not an appendix



Cover art from Martí Estévez (2013)

Thank you!

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