



How can SMEs act as change agents and support smart specialisation?

Action plan for SME organisations involvement in RIS3

Brussels, 8 November 2012



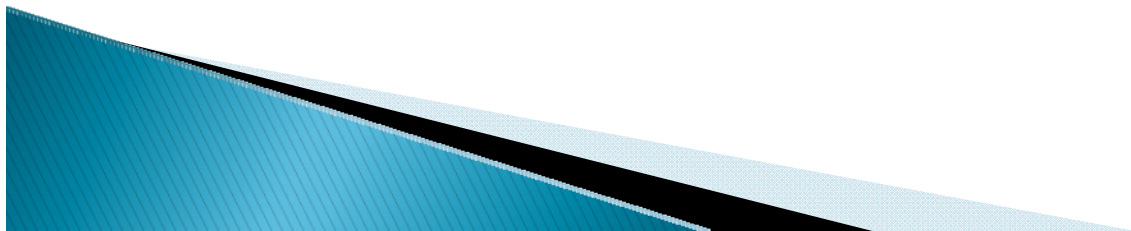
1. The RIS³ strategy has to be based on an appropriate stakeholder involvement

To be done:

- ▶ Check if the SME organisation has been/can still be involved in the process.

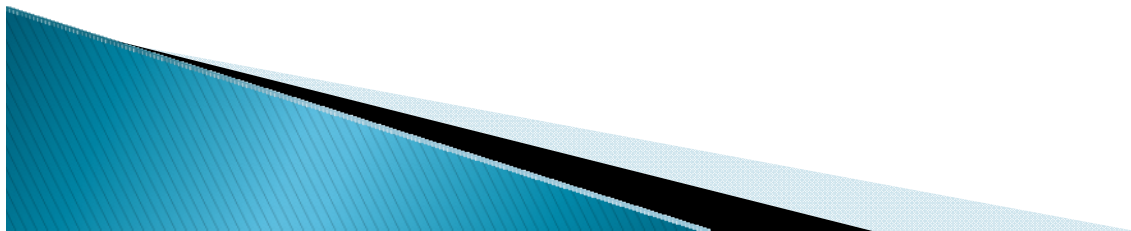
How to do it:

- ▶ Know/find out who is the leader of the process in order to advocate for the involvement of the SME organisation or to present their point of view
- ▶ Know/find out who are the leading entrepreneurs involved/to be involved in the process
- ▶ Identify/validate (a) the market opportunities arising from the RIS³; (b) the availability of tools supporting the access to those market opportunities.



Types of innovation

- ▶ New knowledge, competences, technologies
- ▶ New products, technical solutions, production processes
- ▶ New services
- ▶ New designs or brands
- ▶ New business operating models
- ▶ New systems and networks
- ▶ New life style ways
- ▶ New working practices, organisations or management models
- ▶ Public service realised in a new way
- ▶ Integration of enabling technologies



How many forms of innovation are there in this business idea?



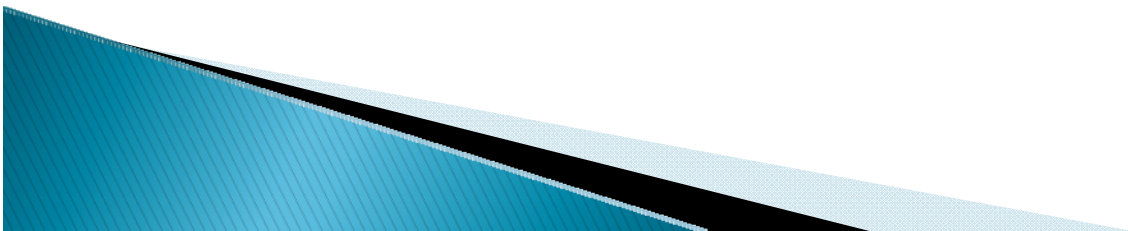
2. The RIS³ strategy has to be «evidence-based»

To be done:

- ▶ Verify/contribute to the analysis of the existing/emerging regional economic specialisation assets

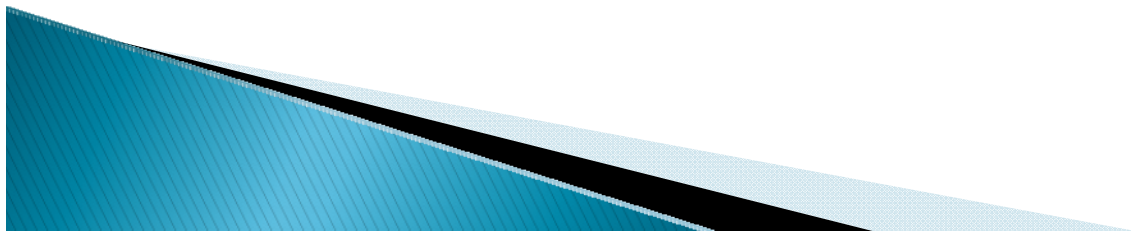
How to do it:

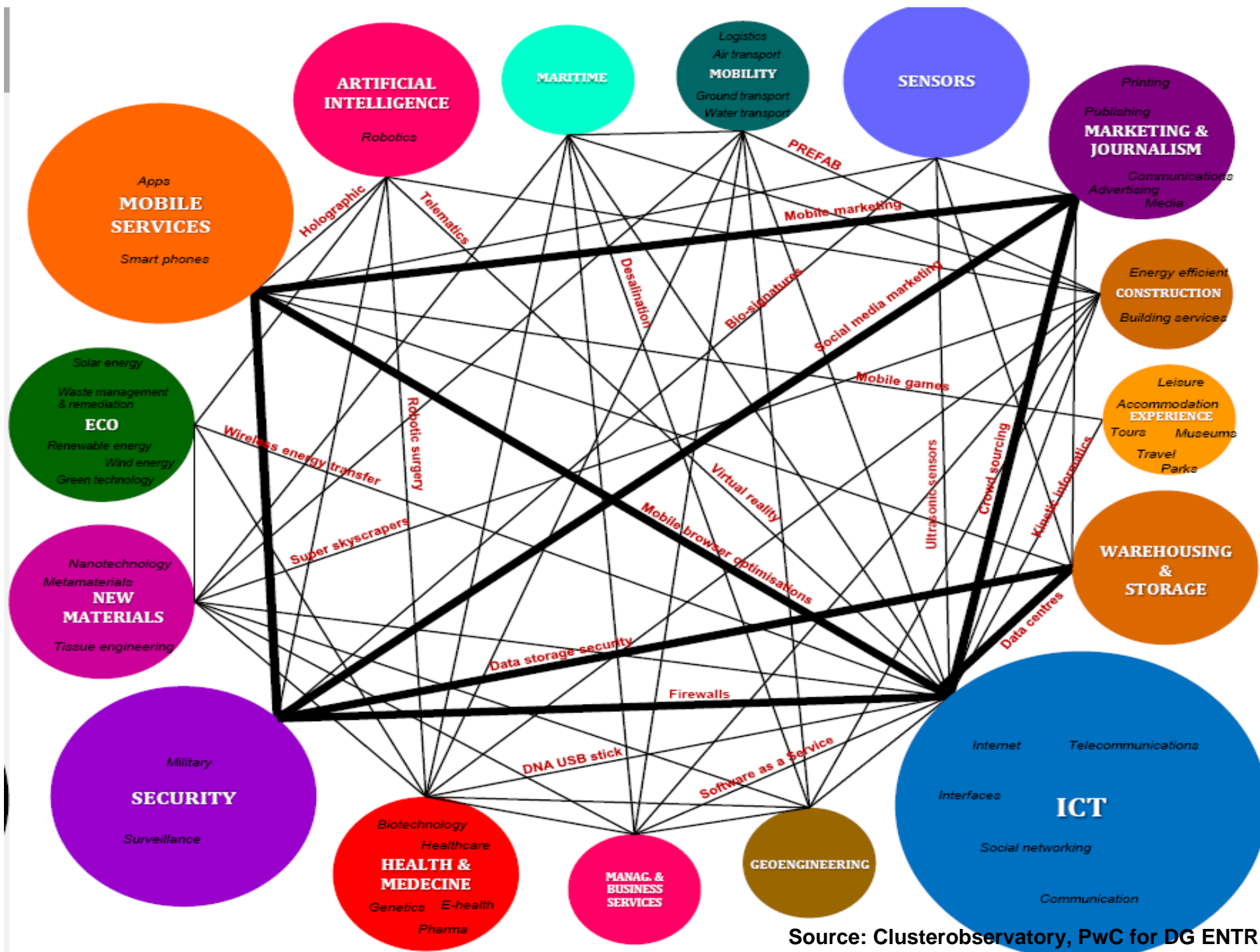
- ▶ Comment the regional SWOT analysis
- ▶ Review enterprise support bottlenecks
- ▶ Identify gaps in cluster policies, sectorial value chains and regional foresight
- ▶ Assess the credibility of the regional vision
- ▶ Assess the entrepreneurial discovery process
- ▶ Review the cross-sectorial interlinkages



How to recognize the entrepreneurial discovery process?

- Check how enterprises invest in
 - Offering next generation of technology products/services/solutions (e.g. robotics, nano, bio, advanced ICT, ...)
 - Enhancing their competitiveness in traditional sectors (use of KETs, outsourcing, nearshoring, ...)
 - Enhancing productivity in non-tradeable services
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- Accessing specialised professional services (seed capital, IPR, ...)
 - Identifying SMEs rewarding innovative staff members or purchasing non-technology innovative support services





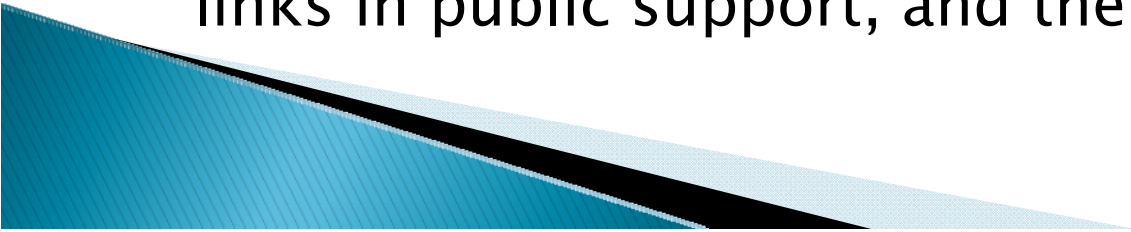
Source: Clusterobservatory, PwC for DG ENTR

3. RIS³ focuses on innovation and knowledge-based development

To be done:

- ▶ Check if all types of innovation have been introduced in the strategy
- ▶ Check if all types of enterprises can benefit from this strategy

How to do it:

- ▶ Identify the forgotten needs/expectations/target groups including SME segmentation
 - ▶ Assess the potential mismatch in the strategy (skills, competences, financial capacity, ...)
 - ▶ Comment the potential market failures, the missing links in public support, and the lack of critical mass
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SME segmentation

- Newly-developed companies
- Spin-outs and spin-offs of large businesses, research centres and universities
- Start-ups (less than five years in existence)
- Locally-rooted companies (micro-businesses and craft companies)
- Entrepreneurial growth companies
- Innovative businesses and companies leveraging RTD outcomes
- Companies in the process of being transferred
- Subcontractors
- Companies at risk of bankruptcy
- Phoenix enterprises
- Multinationals
- Social enterprises



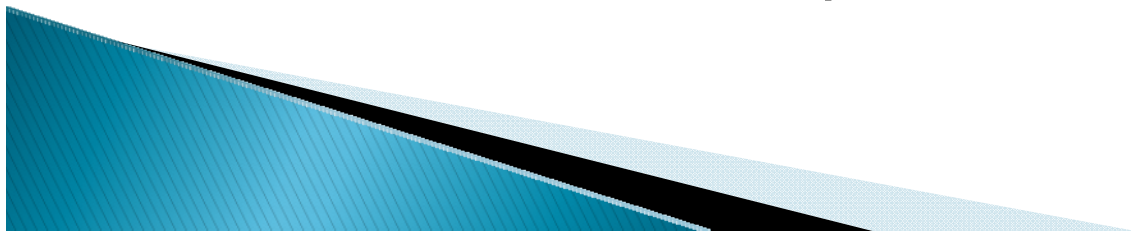
4. RIS³ needs a sound policy mix

To be done:

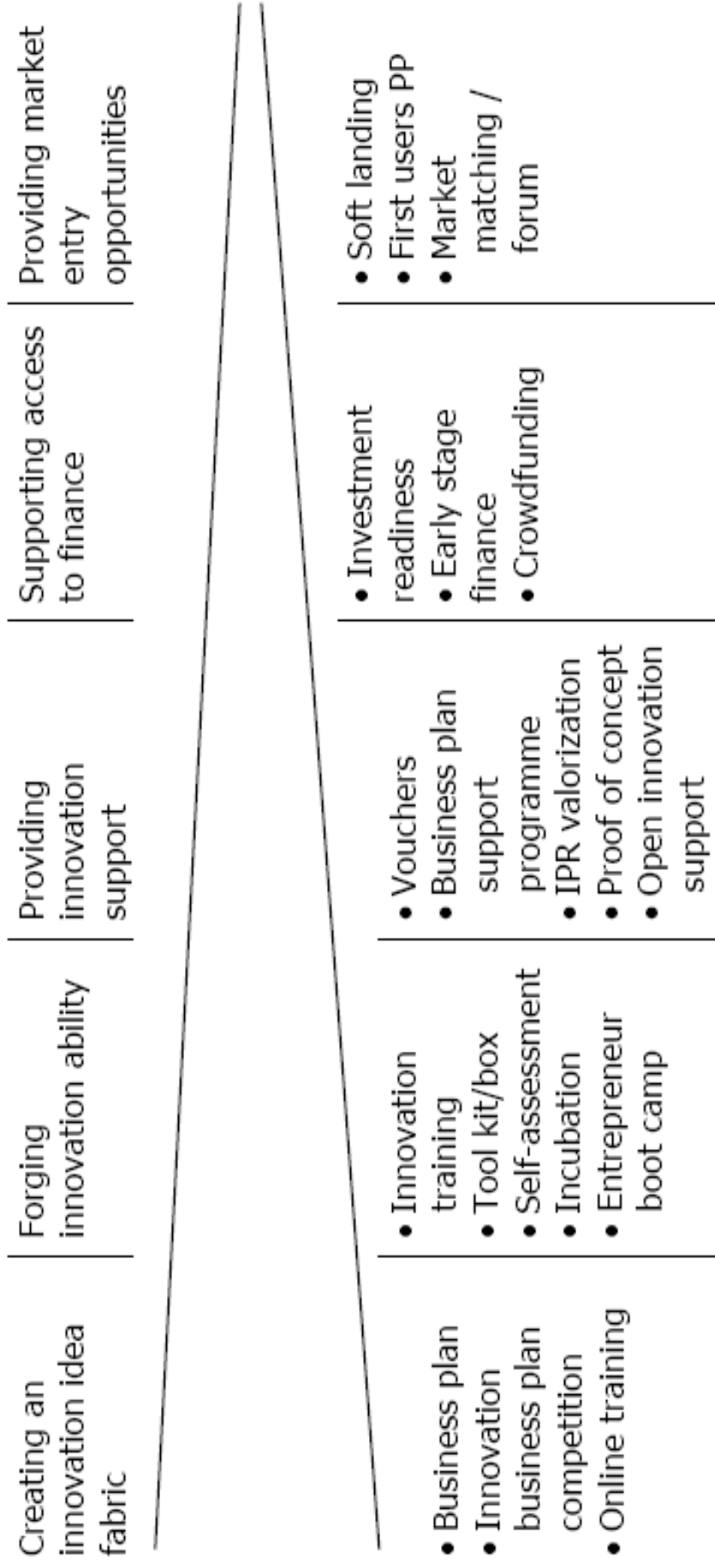
- ▶ Review the effectiveness of the SME public support system

How to do it:

- ▶ Point out the gaps in the innovation eco-system and in the financial and non-financial regional support service value chain
- ▶ Comment the balance between the different elements of the strategy's budget
- ▶ Provide advice on cost-cutting measures and cross-sectorial cooperation

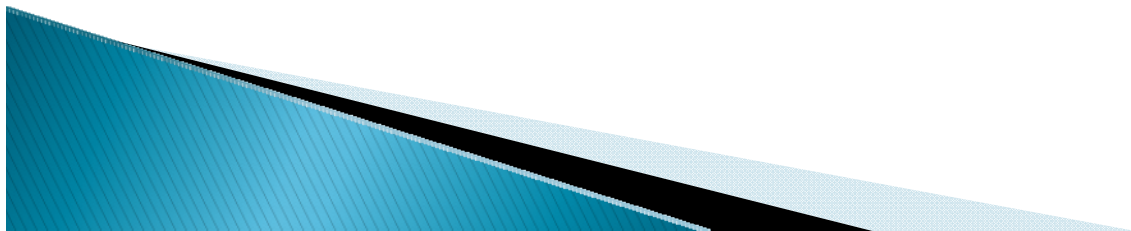


Towards an eco-system of support services



The real demand for public support

- Market intelligence
- Access to finance
- Access to skills
- Access to networks



5. RIS³ has to be outward looking

To be done:

- ▶ Provide feedbacks on globalisation issues faced by regional enterprises

How to do it:

- ▶ Check the SME/cluster involvement in interregional cooperation schemes
- ▶ Review/advise on the internationalisation support services
- ▶ Assess/advise on the regional intelligence system, the knowledge flows and the support to knowledge absorption



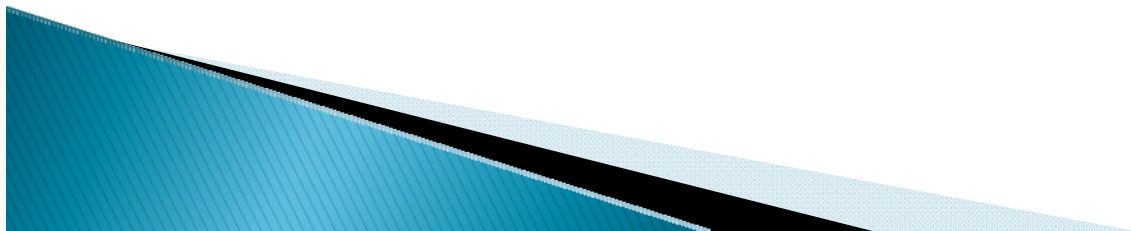
6. RIS³ has to build synergies between the different EU policies

To be done:

- ▶ Check at regional level the inter-department/inter-agency cooperation culture
- ▶ Check if SME organisations are part of/advisors to this inter-agency cooperation process

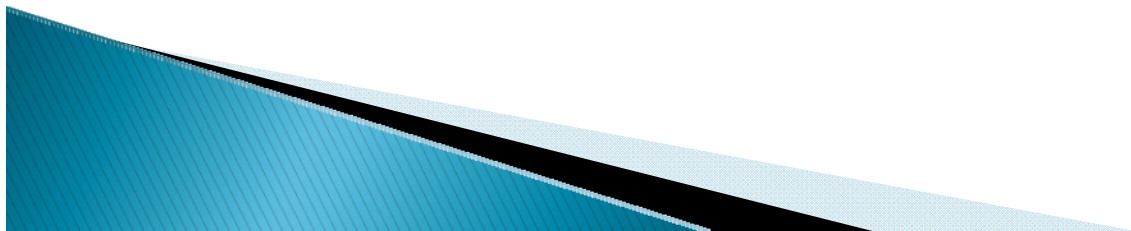
How to do it:

- ▶ Propose efficient means of cooperation for instance a feasibility mechanism for SMEs to prepare their answer to Horizon 2020



Examples of support measures for SMEs' drafting of better Horizon 2020 proposals

- ▶ Awareness raising, information and advice to access Horizon 2020
- ▶ Creation of sectoral or cross-sectorial interest groups,
- ▶ Promotion of local academia-industry cooperation and their cross-border networking,
- ▶ Advise and quick check of project ideas,
- ▶ Aid for international partner search,
- ▶ Grants for exploring project feasibility and validation of project ideas,
- ▶ Use of specialised consultants.
- ▶ Provision of training to potential project managers,
- ▶ Support to ERA-Net projects on strategic topics. These projects are excellent springboards for regional actors' participation in FP7.
- ▶ Provision of mentoring and coaching to EU project partners



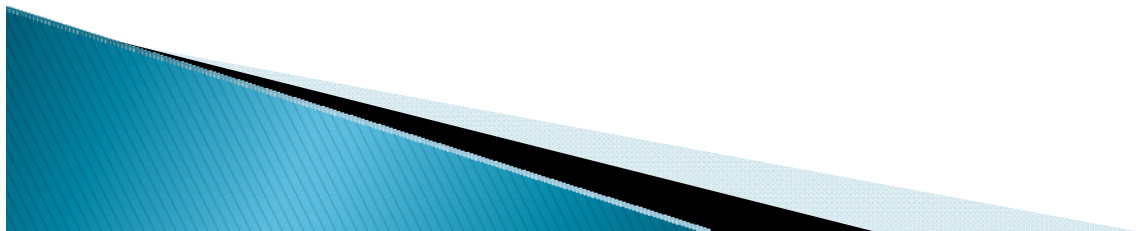
7. RIS³ has to be evaluated

To be done:

- ▶ Advise on the evaluation system and its indicators
- ▶ Advocate that SME organisations are/should be part of the monitoring process/committee
- ▶ Advise on how to avoid the reasons of failure of strategies

How to be done:

- ▶ Review/advise on the monitoring system and indicators
- ▶ Provide feedback on how to involve SME organisations in the policy learning and the continuous improvement process

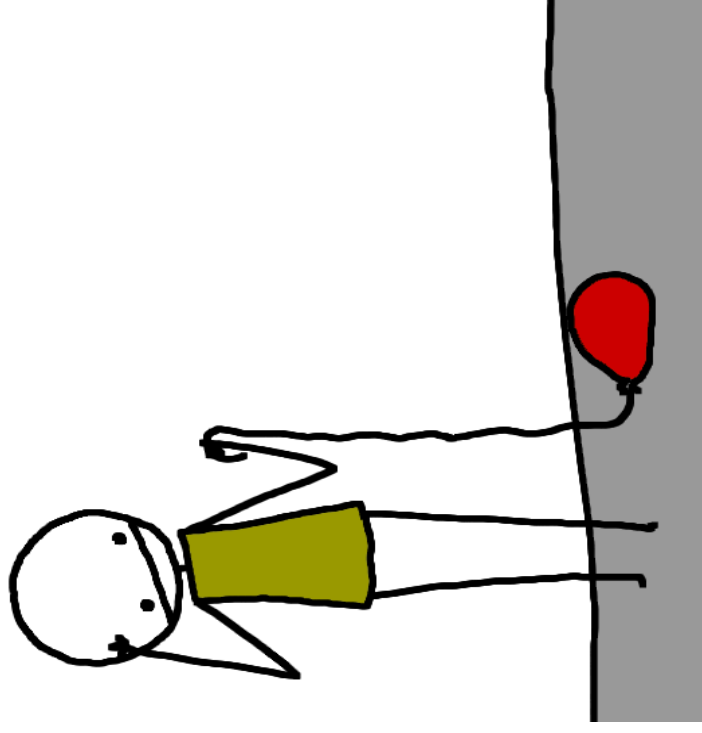
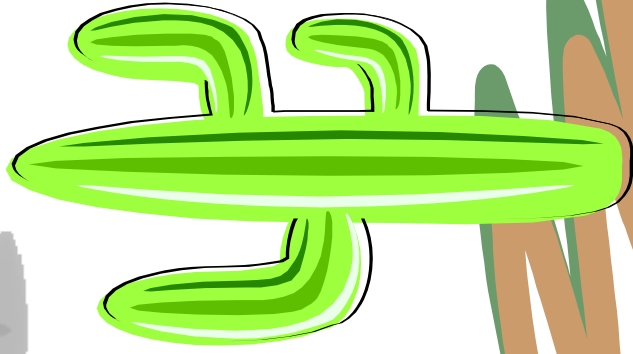


Conclusions: which pitfalls of an S3 implementation can SMEs avoid?

1. Gap between the offer and demand
2. Transaction vs transformation
3. Capital recruitment
4. Organisation–centric
5. Politically driven
6. Short–term focus in long–term inflexible programming period
7. Fuelled by grants
8. Poor knowledge management



**My feeling as an S3 manager:
I need to sell balloons in the cactus shop**





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