

# **Clusters & Cooperation for Regional Development in Central Europe**



**CENTRAL  
EUROPE**  
COOPERATING FOR SUCCESS.



**EUROPEAN UNION**  
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DEVELOPMENT FUND







# Table of Contents

1. Introduction	3
2. Background analysis	5
2.1. Cluster characteristics	5
2.2. Meta-cluster demand and supply	7
2.3. SWOT analysis of the potential meta-cluster	8
2.3.1. Strengths	8
2.3.2. Weaknesses	8
2.3.3. Opportunities	9
2.3.4. Threats	10
3. Strategic objectives and priorities	11
3.1. Meta-cluster's mission	12
3.2. Meta-cluster's strategic goals	12
3.3. Strategic operational goals	12
4. Priorities and measures	15
4.1. Preparing clusters for co-operation	16
4.2. IT development	16
4.3. Actuating benchmark clubs and activities	17
4.4. Creating common, visible services	18
4.5. Organizing common events	18
4.6. Connecting databases	19
4.7. Taking common action	19
4.8. Improving inter-cluster communication	20
4.9. Establishing common external representation	21
4.10. Supporting the introduction of quality standards	22
5. Pilot activities to be developed in the framework of the priorities	23
5.1. Priority: fostering co-operation international projects	23
5.1.1. Justification	23
5.1.2. Description	23
5.2. Priority: increase the visibility of the meta-cluster and the services of its members	24
5.2.1. Justification	24
5.2.2. Description	24
5.3. Priority: to increase the ability to influence policy-makers	24
5.3.1. Justification	24
5.3.2. Description	24
5.4. Additional exchange forum on tourism – to improve management skills of clusters	25
5.4.1. Justification	25
5.4.2. Description	27
5.4.3. Participants	28
5.4.4. Additional added value of the second exchange forum	28
5.4.5. Costs	28





# 1. Introduction

Business and geographical clusters have proved to be an effective regional economic development tool, in particular in peripheral/less competitive areas, where the concentration of interconnected businesses, suppliers and associated institution in specific fields increase the productivity where companies, especially SMEs, can compete at national, EU and global levels.

The Clusters-Cord project is aimed at promoting the exchange of best practices in the clusters' management, as well as the cooperation among clusters from the same thematic fields but different geographical origin, through the creation of so called "meta-clusters", thanks to the interregional cooperation and networking among the different EU Regional Development Agencies or other type of business supporting actors.

The Clusters-Cord project concentrates on the following sectors of industry:

- Energy and environment
- Information and communications technology
- Health sciences
- Food industry
- Tourism

The project partners elaborate one strategic document for each of the above indicated sectors. Since the diverse nature of the sectors different approach is needed. These documents will serve as a base for the creation of meta-clusters. In our project we foresee the creation of at least three meta-clusters based on co-operation agreement.

*A meta-cluster is a group of similar organizations, especially clusters gathered together and sharing their knowledge to improve the results in their particular sector.*

Within the New Members States (NMS), clusters are relatively new instruments, due to the lack of cooperation among companies and the economic changes faced in the past decade.

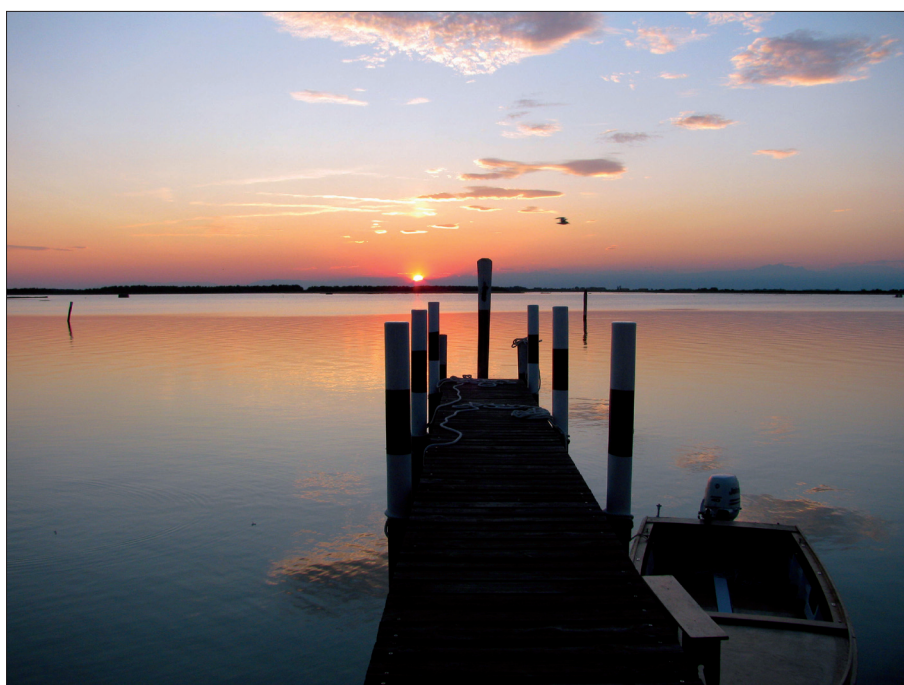
*Clusters-Cord aims at jointly looking for answers to improve regional capacity in the management and development of clusters, through the exchange of experiences and good practices and development of direct cooperation among existing actors, as a sustainable result of the project.* Support for creating meta-clusters in key industries in sustainable manner is a very efficient way to increase the competitiveness of Central Europe.

The elaboration of this strategy started with a *comprehensive background analysis of the current situation of (mainly) touristic clusters* of the CE region in order to establish a base for formulating a meta-cluster strategy. The assessment covers seven tourism-oriented clusters in six different countries. In line with



the general analysis a *general evaluation of the demand and supply side* regarding meta clusters was also carried out. This section evaluates the expectations of cluster members towards a potential meta-cluster (demand), as well as, what they can possibly contribute to the whole (supply). Based on the first two steps a *SWOT analysis on the potential of the meta-cluster* was also carried out.

The analysis above has pointed out some differences among the target cluster but it has also made clear that there are common needs and similarities upon which meta-cluster cooperation can be established. To move on from this point we have to set clear goals and strategic objectives for the project which then can be translated into concrete actions. To enable the project partners to fulfil the meta-clusters' mission and to achieve the goals set at the beginning of the project we elaborated an *operational structure* which includes the *priorities corresponding to the strategic objectives* and measures which specify the possible content of priorities and which enable to specify the tools and activities needed for implementation of the present strategy. *Specific actions* to be implemented already during the Clusters-Cord project and contributing to the strategy's objectives are also indicated and detailed assigned to the actual measures.





## 2. Background analysis

The purpose of this analysis is to evaluate the current situation of economic (and mainly touristic) clusters of the CE region which are mentioned as target groups in the project in order to establish a base for formulating a meta-cluster strategy as part of Work Package 4 section of Cluster-Cord. The evaluation will be an overview of the current situation and common characteristics of target clusters including regional characteristics, typical partner structures, typical structures of cooperation within clusters, common trends of cluster development, expectations from possible meta-cluster cooperation (demand) and possible contribution to meta-cluster cooperation (supply).

In today's network economy regional clusters can be viewed as the backbone of economic growth and development. Incorporating and connecting different industries, civil sector and government institutions they formulate platforms of cooperation and create positive synergies for all related stakeholders. The enhancement of individual cluster performance by creating meta-clusters is thus a logical step towards a larger scale cooperation and development.

Concerning the financial and political background of clusters, it is important to note that cluster creation, development and international connections are strongly supported by EU level policy makers and financed by structural funding schemes, and especially in regions where clusters are relatively new instruments (mainly in new member states) this presents an excellent opportunity for growth.

### 2.1. Cluster characteristics

The target clusters of this analysis are the following: *Bakony-Balaton Regional Touristic Cluster, Moravia-Silesia Tourism Cluster, Tourism cluster of the Province of Milan, Adda Biocultural district, Cluster of Tourism of Western Slovakia, Euroregion Beskidy and the Tourism Bled (Institute for Tourism Promotion, as regional development organisation)* – which is now perceived as a cluster.

These clusters span over six countries (Slovenia, Slovakia, Hungary, Czech Republic, Poland Italy) and differ largely in many relevant aspects – including level of urbanization, state of infrastructure, variety of tourism opportunities, level of economic development, level of intra-cluster cooperation, composition of cluster members. Table 1 provides a general overview of the main characteristics of the individual clusters.



	<b>Bakony-Balaton Regional Touristic Cluster</b>	<b>Moravia-Silesia Tourism Cluster</b>	<b>Tourism cluster Province of Milan</b>	<b>Adda Biocultural district</b>	<b>Cluster of Tourism of Western Slovakia</b>	<b>Euroregion Beskidy</b>	<b>Tourism Bled</b>
<b>Region</b>	Western and Central Hungary	Eastern Czech Republic	Northern Italy	Northern Italy	Western Slovakia	Czech-Slovak-Polish bordering regions	Western Slovenia
<b>Economic characteristics</b>	Machine, vehicle, chemical production	GDP: 337 926 million crowns, unemployment rate 10.19%, average gross monthly wage is 19 928 CZK	30.629 euro GDP per capita, strong economic performance, highly urbanized	Heavily industrialized, highly urbanized	Diverse industrial background, tourism is important	Processing, building, wood and service industry	Long industrial traditions
<b>Touristic appeal</b>	High potential	609 436 visitors (18% from abroad) (in 2006)	5.5 million per year (48% from abroad)	Highly attractive touristic area	High potential	High potential	High potential
<b>Touristic assets</b>	Environment, historical sights, wine-districts		Historical sights	Sustainable tourism (castles, fortifications, churches and shrines, ferries, mills)	Spas and thermal swimming pools	Environment, spas, castles and historical sites	Business tourism, conference tourism, sport tourism, activities in nature, spa tourism, health tourism
<b>Composition of cluster members</b>	14 members (mainly private institutions + chamber of commerce)	36 private and public members	Circa 120 members (government institutions, private companies, NGOs)	A natural park consisting of 34 municipalities, collaborating with social enterprises and private tourist companies	6 members: enterprises, educational and government institutions	Consists of 3 National associations (179 individual members)	22 members (government institutions and private companies)
<b>Means and level of cooperation</b>	Formal institutions for cooperation	Formal institutions for cooperation	Common projects		Formal institutions of cooperation	Formal institutions of cooperation	Formal institutions of cooperation

**Table 1**

As seen in the table above, most clusters remain inside national borders, only *Euroregion Beskidy* offers direct opportunity for cross-border cooperation, although most clusters have close connections and impacts to bordering countries.

In terms of economic performance, there are indeed great differences among the target clusters. The two clusters of Northern Italy are in a strong economic situation due to high level of urbanization and industrialization, as well as infrastructure. In both cases industrialization has double-edged consequence: although it provides more financial resources for touristic development, it also has a negative effect on natural touristic assets such as the landscape, air quality and possibly for historical buildings. As for the rest, *Tourism Bled* and *Moravia-Silesia* have also got long traditions of heavy industry while in the case of *Bakony-Balaton*, *Beskidy* and *Western Slovakia* the service sector and tourism constitutes a more important asset for potential economic growth.

The target clusters also differ in terms of touristic assets and appeal. There are those who mainly offer historical and natural sights (*Milano*, *Balaton-Bakony*, *Adda*, *Beskidy*), those who have a certain supply of spas and thermal waters (*Western Slovakia*, *Beskidy*, *Tourism Bled*) and other specialties (*Balaton-Bakony's* wine districts), and mostly all of them see a potential in conference and business tourism to fill hotels in off-season periods. The differences in natural assets require different approaches and objectives of strategies.

Cooperation schemes also differ on certain levels, however the basic idea of intra-cluster collaboration and coordination is the same everywhere. Every cluster consists of private and public institutions with a common interest in the development of the touristic infrastructure of their respective regions. They cooperate through established institutions which are trusted by a general assembly of the member organizations. These institutions include management bodies and supervisor boards which operate in accordance with the rules stated in formal documents accepted by the members' assembly. They differ, however, in the composition of members: there are clusters with a dominant level of private involvement (*Bakony-Balaton*) and also ones that are mainly built up by public institutions (*Adda*). This aspect of member composition can have a strong influence of individual cluster objectives.

To sum up, the clusters of the Cluster-Cord Region are in fact very diverse, both in terms of size, development state and economic conditions and the touristic assets and potential appeal they provide. It is important to formulate a strategy that takes into account these differences.

## 2.2. Meta-cluster demand and supply

This section evaluates the expectations of cluster members towards a potential meta-cluster (demand), as well as, what they can possibly contribute to the whole (supply). On the demand side – in order of preference – clusters would firstly welcome common marketing actions coupled with obtaining and disseminating high level marketing methodology and know-how among members. Secondly, they would require matchmaking activities (which means connecting meta-cluster member organizations with similar needs), and also joint cooperation projects (if possible involving external financial sources) which could be carried out by members with common interests. Exchange of information and best practices is also an important item on the list and improving management quality is represented in cluster needs as well. Clusters would also benefit from influencing common policies of the European Commission.

As for the supply side, clusters can provide marketing know-how and expertise, fund raising capabilities, project management know-how, local infrastructure and connections with policy makers on local level. Also they offer great destinations for inbound tourism.



## 2.3. SWOT analysis of the potential meta-cluster

This analysis identifies SWOT elements in view of the meta-cluster co-operation in transnational context and have been elaborated based on the information provided above and explain how the WG members see the expected cooperation: strengths, weaknesses, threats and opportunities.

### 2.3.1. Strengths

For a start, creating a meta-cluster is a new and unique initiation which has the potential to attract structural funding. There is also a strong consensus among potential partners that supports cooperation based on the common realization of the possible positive synergies of the project. This consensus also means that potential members of the meta-cluster share common goals, interest and will, which are the major requirements for the success of the project.

The member clusters and their member institutions also possess the necessary resources to contribute to the co-operation. There is a provision of marketing tools, competence for advanced communication, PR and marketing activities, experiences with setting up and managing tourism related common projects and an ability to raise funds and other financial resources. They also have good networking skills and connections with policy makers and as a meta-cluster they have the potential to have a stronger voice at EU level policy making.

Some clusters also have strengths and advantages that others might not possess at the moment but can be disseminated in the meta-cluster through the connections. These include high level management skills which enable cluster members to efficiently organize their regional partnerships and projects or local infrastructure (buildings, hotels, conference centres) that could be used to host inter-cluster meetings and network events.

Another important gain from the co-operation is the exploitation of networks. Regional clusters and their member organization (especially private partners) have their own network of suppliers, partners, service providers, business clients and customers which constitute a wide range of possibilities for growth and development. Network theorists say a network's value grows exponentially as the number of nodes (members of the network) increase. A meta-cluster co-operation thus will probably have a huge added value in itself just because it connects these separated networks and nodes with each other. The more the co-operation succeeds in this task the bigger the positive effect will be.

Lastly, inter-cluster co-operation will benefit from the "economies of scale" effect. By strengthening the co-operation with common work on developing a common management, marketing know-how, production of PR materials, etc., instead of doing it separately and individually, costs will decrease and efficiency will grow. This can also be a concrete, practical encouragement for further deepening of the co-operation.

### 2.3.2. Weaknesses

Despite the aforementioned common will and consensus, currently, the meta-cluster cooperation yet lacks a concrete plan of actions from both demand and supply side. Project activities are often delayed whereas the final deadline for project conclusion is fixed. There is also a weak supply of information channels that can be used for inter-cluster communication and coordination and a lack of time and capacity that could be utilized for carrying out joint activities. And finally, although potential members share common goals and will, the cooperation still lacks the necessary trust and a sufficient amount of commitment that is required for further development.



Lack of trust is probably the biggest obstacle hindering co-operation and it can originate from many elements. Background analysis showed us that there are huge differences between the target regions in terms of the current state of economic and industrial development, as well as cultural and historical heritage, mind-set and tradition of co-operation. Clusters are relatively new instruments in the new member states where private and public co-operation historically have difficulties and trust issues while they are common, accepted and well-functioning in the Northern Italian region. Differing cultural heritage can be a significant obstacle when it comes to strengthening the co-operation and establishing common institutions.

### **2.3.3. Opportunities**

However, if the cooperation conquers difficulties, it will meet favourable conditions for growth. It is expected that fundraising for the project will be easier due to the financial resources available from 2014 till 2020. Also, there is a significant interest for tourism in other geographical areas (e. g. the Middle East, South America, Far Eastern Countries) which could be exploited in the CE region. Tourism in itself can be one of the propulsive industries in this area due to this kind of potential and it might have a positive growth impact on other industries in the respective regions.





Also, touristic sector is no doubt becoming heavily globalized and regional clusters cannot operate and compete separately and isolated. The meta-cluster has great opportunities to establish international connections, as well as skills and competences necessary for competing in a global environment. No region is strong enough in itself to do that.

The emergence of ICT (information and communication technologies) constitutes a never-before-seen chance to widen co-operation as it is becoming easier and easier to connect clusters and cluster members with each other via virtual conferences, Facebook communities, online collaboration tools, email lists and various other ways to interact. In the same time travel is becoming faster, cheaper and easier with the recent introduction of cheap airlines and bus lines which means that even the much needed occasional personal interaction is becoming feasible. Real-life conferences, exchanges have a vast impact on strengthening the network and the feeling of community.

### 2.3.4. Threats

Besides these opportunities, there are obviously threats of meta-cluster cooperation as well. One of them is that members potentially will not take interest in activities that are delayed or too theoretical (not practice-oriented). Certain actions might also lack common ground, interest and goals that will potentially lead to failure. As for external dangers, EU and country level policy making might take a different turn than expected, funding and support for cluster development might decrease which would lead to a lack of financial resources for meta-cluster management in the long term. We also have to take into account the possible change of consumer trends and preferences in terms of touristic activities and destinations which is already affected widely by the financial crisis.

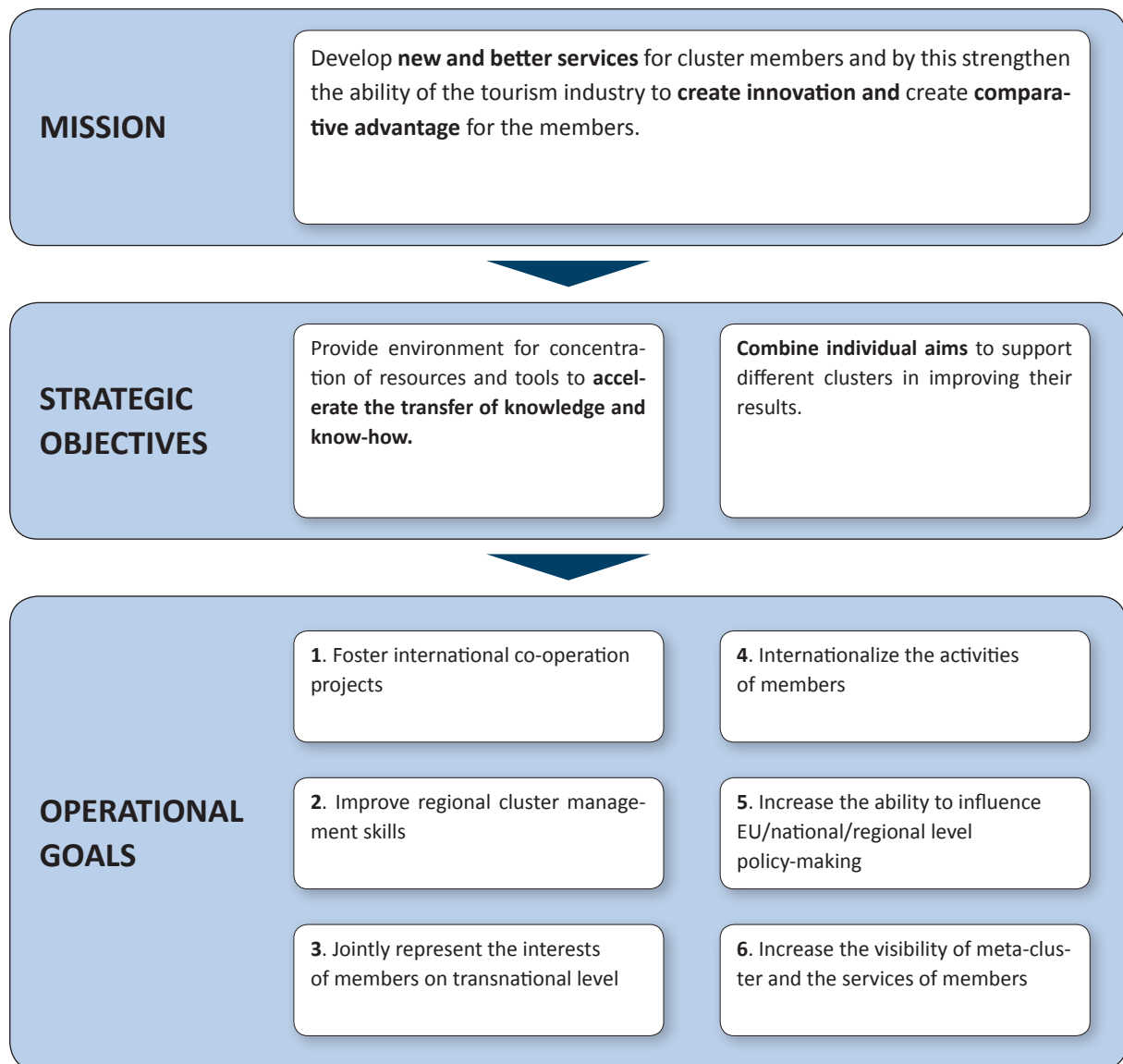
An overview of the SWOT-analysis can be seen in Table 2.

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>• it is a unique initiation</li> <li>• consensus of the participants</li> <li>• common volition, interest and aims</li> <li>• provision of marketing tools and activities</li> <li>• experiences with setting up of specific tourism projects</li> <li>• good networking skills</li> <li>• experiences in getting financial support</li> </ul>	<ul style="list-style-type: none"> <li>• relatively weak concrete term and plan of actions</li> <li>• delayed project activities vs. fixed final deadline</li> <li>• missing or ineligible information channels</li> <li>• lack of time for joint activities</li> <li>• lack of trust and commitment of members</li> <li>• lack of the identity (cohesions) between project partners</li> </ul>
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>• expected financing possibilities from 2014 till 2020</li> <li>• particular balance in the field of demands and offers</li> <li>• significant interest from other geographical area (e.g. middle-east, South America)</li> <li>• tourism is one of the propulsive industries in CE Area</li> <li>• strengthening the industry's ability to innovate</li> <li>• achieving a critical mass to represent interests and influence policies</li> </ul>	<ul style="list-style-type: none"> <li>• unconcern in case of missing, delayed and/or too theoretical/not practice-oriented concrete activities</li> <li>• change of policies</li> <li>• missing common grounds</li> <li>• sector/change in tourism trends (affected by the general economic crisis)</li> <li>• lack of quick reaction to changes in tourism sector</li> </ul>

Table 2.

### 3. Strategic objectives and priorities

The analysis above pointed out some differences between the target clusters but it has also made clear that there are common needs and similarities upon which a meta-cluster cooperation can be established. To move on from this point we have to set clear goals and strategic objectives for the project which then can be translated into concrete actions.





### 3.1. Meta-cluster's mission

The mission of meta-clusters is stated as follows:

To develop new and better services for cluster members and by this strengthen the ability of the tourism industry to create innovation and create comparative advantage for the members.

The mission summarizes the main requirements of member clusters towards the cooperation and defines the scope of the activities carried out.

### 3.2. Meta-cluster's strategic goals

The mission stands as a base for the concrete meta-cluster strategy which represents attainable long-term objectives and the means to reach them. Strategic objectives serve also as a guide for meta-cluster members when they organize common projects and exchanges. The strategy of the meta-cluster has two focus areas. One is to provide environment for concentration of resources and tools in order to accelerate the transfer of knowledge and know-how. The other is to combine individual aims to support different clusters in improving their results.

### 3.3. Strategic operational goals

Long-term strategic objectives can be further elaborated into strategic operational goals which will serve as the direct basis for concrete measures, actions, projects and activities.

#### **i. To foster international co-operation projects**

As the background analysis suggests target clusters and member organizations are aware of the potential of cross-border, inter-cluster projects as they defined it as one of the most important activity or objective expected from the co-operation. Indeed, international projects could highly contribute to both aforementioned strategic focus areas. Clusters working together on a common initiative instantly share project management know-how and knowledge with each other in a practical, easily transferable way. Depending on the nature of the common project they can also learn from each other in the field of marketing, innovation, the utilization of information technologies, and even exchange work culture and mind-set. Also, the common problems and successes that they encounter during the joint initiatives can largely contribute to the feeling of community and solidarity and can enhance cultural understanding.

#### **ii. To increase the visibility of the meta-cluster and the services of its members**

In order to establish a strong co-operation between clusters it is vital to build up trust and support for the common structures and institutions of the meta-cluster. The meta-cluster will only function efficiently and effectively in the long term if the member clusters can see and experience the positive results and synergies that it brings to their daily operation. Therefore, the meta-cluster has to develop ways to communicate success stories, fruits of the co-operation, as well as common

problems and obstacles that the member clusters have to face together. This can happen via many communication channels and established institutions such as studies, annual reports, web pages, letters, monthly reports of activity, etc. Information and transparency of operation is vital for building trust for the co-operation which is the basis of strengthening it in the future.

### **iii. To improve regional cluster management skills**

As seen in the background analysis target clusters differ in terms of member composition (private and public proportion) and also have different cultural and economic backgrounds. One can also speculate that there are huge differences in management skills and competences when it comes to organize projects and coordinate common regional actions. This skillset is crucial for survival and growth in a globalised competition given that efficient and effective operation might result in significant cost reduction and quality improvements. The exchange of managerial skills can happen automatically during common meta-cluster projects and intentionally via common trainings and professional events.





#### **iv. To increase the ability to influence EU/national/regional level policy-making**

As stated in the SWOT analysis, the co-operation has a great chance at augmenting its influence on policy makers by combining the political connections of its member clusters and other resources they possess (the large number and personal, professional network of the represented organizations results in a more significant economic influence). However, this influence cannot be established without a strong co-operation, trusted meta-cluster institutions that can coordinate lobbying activities and a strong basis of common goals and interests that can be communicated effectively towards EU, regional and national level policy makers.

#### **v. To jointly represent the interests of members on transnational level**

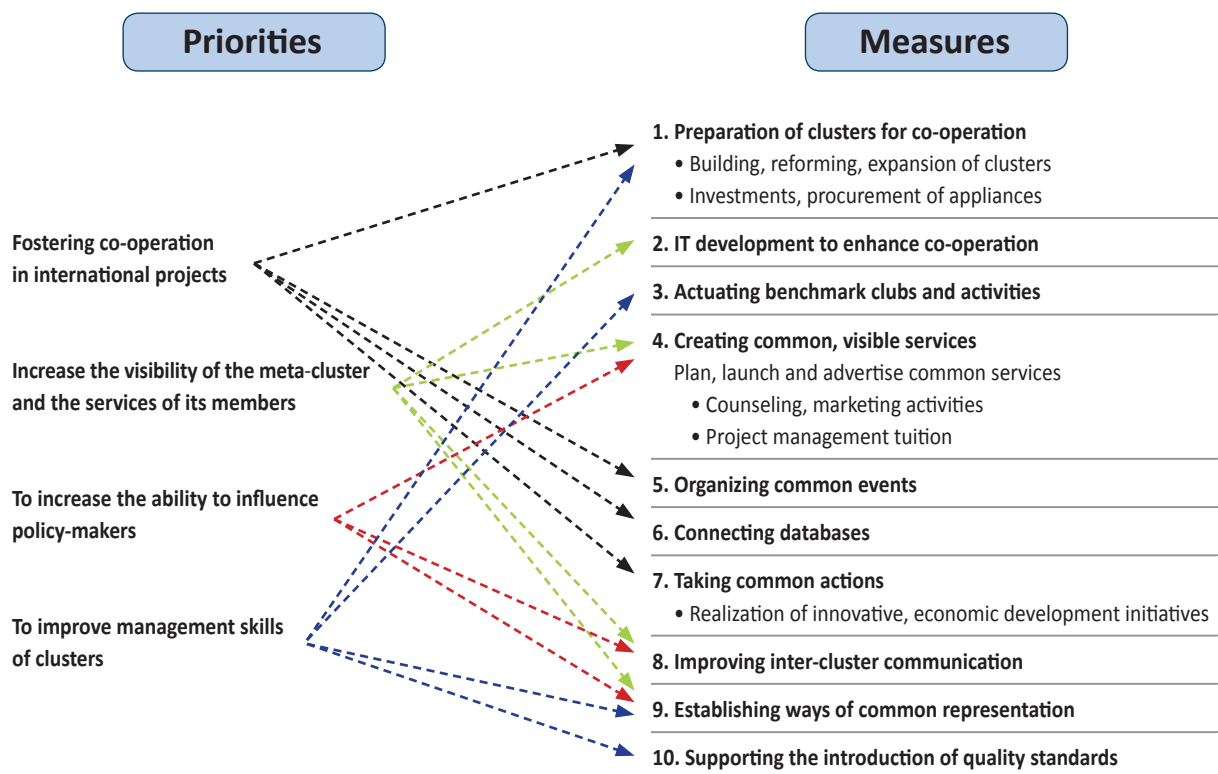
This operational goal is largely connected to the previous one, however, it has a wider focus. Member clusters do not only have to act united when they want to influence policy makers they also have to utilize their reasonable economic power and connections to represent their interests towards the civil sector, potential partner institutions, suppliers, multinational organizations (whose operation might have a negative effect on the natural assets of a region) and also the media and the general public. Meta-cluster institutions have to communicate with all these external stakeholders to help individual clusters in making their voices heard in the global chaos.

#### **vi. To internationalize the activities of member**

Cluster members cannot operate in an isolated way in today's globalised economy. The aforementioned positive network effects make it absolutely advantageous and even vital to establish connections not just on a regional but a transnational scale. This results in a significantly wider access to resources, knowledge, human workforce, best practices and infrastructure as well as connections to additional business clients and customers for individual member organizations. In order to internationalize activities, common institutions of management and control should be established with common guidelines and support. It also requires strong common goals and objectives and cultural understanding and trust. Transnational teams can be established to pursue agreed-upon initiatives and projects and also, daily operations of member clusters and organizations should incorporate aspects of internationality.

## 4. Priorities and measures

Based on the strategic priorities mentioned above, this section will define priorities and the measures needed to achieve them. An overview of the structure of the section can be seen below.



For each priority partners have developed pilot project concepts that will be realised in the near future. These pilot projects are detailed in point 5.

The ten appointed measures are elaborated in detail below. Two kinds of indicators are defined for each measure: one measuring the internal state of development, the other measuring how the given goal contributes to the external stakeholders and EU level objectives.

## 4.1. Preparing clusters for co-operation

Before strengthening meta-cluster co-operation, individual clusters and their member organizations have to take preparative actions to be able to receive meta-cluster services. This can begin with a thorough audit of the current activities, which can be followed by revising existing organizational structures and mechanisms. If the future co-operation with the meta-cluster requires changes in the current operation of cluster organizations it is suggested that certain improvements should take place (e.g. more intensive use of information technologies, training of employees, improved management methodology).

Depending on the results of the organizational audit, extra investments might be necessary. Meta-cluster cooperation and management of common services may require extra personnel or capacity as well as corresponding infrastructure (computers, offices) on the regional cluster level. Investment in the workforce and capacities should also be followed by procurement of appliances like computers and other work tools.

Other than investments and organizational changes there are other ways of preparing individual clusters and member organizations for meta-cluster co-operation and these include things like common networking events, conferences, internal trainings and informal meetings where the employees can get familiar with the new concept of co-operation.

### Examples for internal indicators:

- Number of development trainings organized in regional clusters and member organizations
- Number of internal audits
- Proportion of employees familiar with and supporting meta-cluster objectives

### Indicators for contribution to EU2020 objectives:

- Employment rate: number of jobs created during cluster preparations
- Innovation: number of new management methodologies applied

**Note:** for future development cluster partners should consider establishing common bodies or institutions for coordinating inter-cluster projects, organizing events and managing the meta-cluster co-operation in general. This meta-cluster centre would require considerable personnel and infrastructure which should be financed by the contribution of member clusters or the funds and grants of government or EU bodies. A thorough analysis of pros and cons is needed to make that decision (although, gradual strengthening of co-operation would be the most advisable due to the lower risks it involves).

## 4.2. IT development

Besides the aforementioned need to acquire IT hardware infrastructure in preparation for meta-cluster co-operation it is also important to improve existing IT infrastructure and establish new IT systems which can improve the level of communication, coordination, common work and information distribution. Today's IT solutions offer fast and often cheap ways of managing coordination between people who are far from each other. Email lists, Facebook groups, various Google workflow applications, cloud computing and other technologies are cheap to use and easy to learn for every employee.

The measures taken here should include audit of existing IT systems in different clusters and member organizations in terms of available hardware, computer intensity, as well as the software and applications



employees are familiar with and are able to handle. Plans for meta-cluster level IT system integration, the creation of common online platforms and communication tools should also be prepared and executed in later stages of co-operation.

**Examples for internal indicators:**

- Number of computers per employee
- Proportion of employees trained to use computers and common software applications
- Number of applications and online communication tools known and used by employees

**Indicators for contribution to EU2020 objectives:**

- Innovation: computer intensity, increase of trained personnel

### 4.3. Actuating benchmark clubs and activities

In order to achieve improvement of management skills of individual regional clusters it is important that good practices are documented and circulated among clusters and member organizations of the meta-cluster. This requires the establishment of both internal and external benchmarks which can be used to measure the relative development of clusters. The convergence of cluster performances would be an expected positive outcome. Measures taken here include planning and coordination of benchmarking activity, the development of documents, professional meetings and online platforms to share results and best practices.



**Examples for internal indicators:**

- The number of benchmark documents created and shared by regional clusters
- The number of professional conferences organized annually
- The number of applied best practices

**Indicators for contribution to EU2020 objectives:**

- Employment rate: number of jobs created for the benchmarking activity
- Innovation: number of cases of successful adoptions of best practices

## 4.4. Creating common, visible services

One of the building stones of the meta-cluster would be the shared services that member clusters and organizations can enjoy and that is why this is probably the most important operational goal of the ten. Services can include the much appreciated common marketing services, managerial consultancy, development of common documents, materials, legal aid, and other forms of knowledge transfer.

In order to develop a basis for the introduction of these services clusters have to work closely together. They have to gather ideas and needs from member organizations regarding the nature of the common services they would benefit from. They have to plan resources and capacities that the operation of these services require, appoint responsible who coordinate them, establish financial background and calculate human resource and infrastructural requirements. Making these services accessible and visible is also a crucial element of the process which can be achieved through network events, conferences, online communication tools and circulating printed documents.

The services used here can include common marketing activities, counselling, project management courses, and basic or high level consultancy. Members of the meta-cluster can also buy services from external parties (consultants, marketing agencies) and use these to improve the general level of performance of the member clusters.

**Examples for internal indicators:**

- Number of common services operating
- Proportion of member organizations benefiting a common service
- Proportion of member organizations familiar with the services offered

**Indicators for contribution to EU2020 objectives:**

- Employment rate: number of jobs created in common services
- Innovation: increasing quality of operation due to provided services

## 4.5. Organizing common events

To make the co-operation visible and establish trust among member clusters it is important to widen the possibilities for interpersonal communication. The best way to do it is by organizing common events where participants can physically meet and interact with each other. The importance of informal connections and weak ties in building common trust and culture cannot be overstated: it is probably the most crucial tool for strengthening future meta-cluster co-operation.

Besides building informal connections, meetings like this provide a platform for sharing ideas, best practices, results, needs and problems as well as develop common interests, goals, projects and establish the bases of future co-operation. Possible events to consider include conferences, study tours, exhibitions, business meetings where private actors can interact, network events, professional trainings, seminars, workshops and exchanges.

**Examples for internal indicators:**

- The number of common events organized annually
- The overall feedback gathered from participants regarding each event's added value
- The proportion of organizations and employees taking part in common events

**Indicators for contribution to EU2020 objectives:**

- Employment rate: number of jobs created through event organizing activities
- Innovation: number of events organized with focus on professional development

## 4.6. Connecting databases

We can speculate that probably all clusters have existing databases that integrate lists of potential suppliers, partners, member organizations, maybe even business clients and customers. Connecting these individual cluster databases or providing access to other clusters can have a tremendous added value since new co-operations and partnerships can evolve from that on the member organizations' level. It is suggested that clusters assess their existing databases, evaluate the sensibility of the information they contain, and search for opportunities for merges and other synergic effects. These databases can also serve as a basis for a larger, common meta-cluster database that can be accesses in the future by any member organization for possibilities of new partnerships.

**Examples for internal indicators:**

- Number of databases made accessible for other cluster members
- Number of new partnerships based upon these databases

**Indicators for contribution to EU2020 objectives:**

- Innovation: increase of common knowledge base

## 4.7. Taking common action

To prepare for common projects of the meta-cluster clusters have to develop a mechanism of collaboration. It can mean establishment of common bodies and institutions that coordinate and control common actions; the mechanisms and procedures of introducing new project ideas and finding financial support for them; the way of finding people responsible for managing the projects and also, the channels for communicating and promoting of them. Kick-off events and conferences will probably be necessary to formulate and plan future projects, appoint responsibilities and define the required resources and tools as well as deadlines and cost limits. Internal project management skills are needed and external help is advisable.



**Examples for internal indicators:**

- Financial resources gathered for new projects
- Initiatives and projects launched annually
- Success rate of projects launched
- Number of people working in common projects

**Indicators for contribution to EU2020 objectives:**

- Employment rate: number of jobs created in project coordination and management
- Innovation: number of projects focused on professional development annually

## 4.8. Improving inter-cluster communication

To have a well-functioning co-operation it is essential that we establish formal channels of communication between clusters. Technology now enables a wide range of possibilities that can be exploited to foster interaction: tools like email lists, Facebook pages, LinkedIn groups, various Google applications, as well as cheap or free online workflow systems, video conferencing solutions, task scheduling applications, common event calendars, wikis, online file storage systems and easy-to-use discussion boards make it possible to maintain personal and professional relationships, exchange information and promote opportunities among meta-cluster members. Assessing the available communication channels and establishing control mechanisms and regulations, as well as appointing responsables for maintenance and internal promotion is vital for the creation of a stronger alliance and build common trust and solidarity.





**Examples of internal indicators:**

- Number of online tools used in inter-cluster communication
- Proportion of employees and organizations using such tools for inter-cluster communication

**Indicators for contribution to EU2020 objectives:**

- Innovation: online discussions focusing on performance improvement, innovative ideas
- Innovation: video conferences focusing on professional development

## 4.9. Establishing common external representation

If the meta-cluster intends to exploit its combined power to influence positively policy makers on both European, regional and national levels, first it has to establish the institutions and mechanism to do so. Agreeing on common goals and interests is the first step that can happen through stakeholder conferences. Then there need to be appointed responsables who coordinate and plan the actions of common representation, as well as develop strategies and materials to use in interactions with policy makers. It is also advisable to follow and assess trends in policy – making and take part in public debates of relevant issues.

**Examples for internal indicators:**

- Number of public debates visited by representatives of the meta-cluster
- Number of well-functioning connections with EU level policy-makers
- Number of successful influences

**Indicators for contribution to EU2020 objectives:**

- Employment: jobs created for coordinating common representation efforts





## 4.10. Supporting the introduction of quality standards

In the improvement of regional clusters' individual performance quality can be an important factor. That is why it is suggested that member clusters should be encouraged to join and accept the guidelines of quality, environment and other international standard organizations. Applying these guidelines and meeting their requirements can in itself mean a competitive advantage for member organization and in the same time can have positive effects on the environment, work moral and performance. Supporting the introduction can happen through workshops, promotion, study tours and the help of common institutions and service providers.

### Examples for internal indicators:

- Proportion of member organizations with international quality standards
- Average time for introduction of international quality standards by a member organization

### Indicators for contribution to EU2020 objectives:

- Environment: proportion of member organizations meeting international environmental standards
- Innovation: increase of performance during introduction of quality standards





## 5. Pilot activities to be developed in the framework of the priorities

For each priority, partners have developed pilot project concepts that will be realised in the near future. The 4<sup>th</sup> priority action (5.4.) is the most detailed as it can probably be realised in the framework of the present project. These pilot actions are all interlinked and have the general aim to help the cluster to develop itself to an internationally visible organisation that is able to develop and manage its own development projects with a clear capacity to create added value to be able to influence EU level policies.

### 5.1. Priority: fostering co-operation international projects

#### 5.1.1. Justification

The new challenges of our days require international cooperation of all entities involved in regional development. Borders are becoming more and more open for the exchange of goods, services and human capital. Especially economically weak regions need to maintain broad contacts with the developed regions of Europe. Location decisions are based on infrastructure, economic structure and geographical location, but increasingly the capacity to work on European projects is also an important issue. It is clear nowadays that European project developing and management skills are becoming even a new location factor.

For this reason the common development of co-operation projects is a key subject for all organisations especially for clusters. However the question is not whether such common activity is needed. The main concern for an existing cluster is how to organise itself in the most efficient way to be well positioned for EU funding.

#### 5.1.2. Description

Implementing the first priority will make cluster stakeholders available to

- Monitoring present open calls,
- Concentrate “call writing” and project management capacities at each member,
- Exchange information about open calls and possible joint projects. The first step is to create a joint mailing list to make communication between project partners more efficient.

As a result of fostering co-operation international projects the cluster would be strong enough to be a potential partner for future EU projects. This will result in

- Preparation and submission of proposals in transnational context for supporting programmes of the 2014-2020 EU programming period.

## **5.2. Priority: increase the visibility of the meta-cluster and the services of its members**

### **5.2.1. Justification**

For barely all profit and non-profit, it is crucial that stakeholders are aware of the fact that the organization exists and remember its name and core business at the right place and time. Institutional visual identity gives an image of an organization for external stakeholders and contributes to its reputation and image.

Furthermore, as communication technologies and mass media have continued to develop at exponential rates, the role of the media in business increased too. Nowadays, the media has a huge effect on influencing corporate identity by reinforcing a company's image and reputation. The presence of corporate news in global media networks have led to constant public interest in corporate affairs.

### **5.2.2. Description**

It is a crucial point that most of the project actions should be realised on the long run. Increasing the visibility of the meta-cluster and the services of its members contains

- The Creation of a logo for the meta-cluster and put it on the website of each partner,
- The development of an independent segment on the Clusters-Cord project's homepage,
- A presentation of tourism WG at the Clusters-Cord final conference in Prague.

## **5.3. Priority: to increase the ability to influence policy-makers**

### **5.3.1. Justification**

Policies originate from diverse sources and involve both policy makers and parties who aim to influence them at all stages of the policy process. This enables participants from both sides to understand the decision making process and the tactical lobbying interventions that occur throughout the policy making process. Thus, the purpose to prepare policy papers is to provide a comprehensive and persuasive argument justifying the policy recommendations presented, and therefore to act as a decision-making tool and a call to action for the target audience.

The main advantages arising from preparing policy papers is to be able to give a more important visibility to the institution towards different professional organisations. It also offers the opportunity to channel in experience and local needs to a higher decision making level. Finally it will provide an incentive for the organisation to constantly follow general policy changes to be able to formulate own reflections. One of the first steps is to define the issues where the cluster members have the capacity to give recommendation on national or EU level.

### **5.3.2. Description**

The aim of the third priority is to

- Develop a policy paper concerning clusterization,
- Develop a policy paper concerning tourism,
- Sign the WG tourism meta-cluster cooperation agreement.



Implementing the actions of the priority would lead to increase the visibility of the meta-cluster in the policy making process.

## **5.4. Additional exchange forum on tourism – to improve management skills of clusters**

### **5.4.1. Justification**

The additional exchange forum on tourism is a specific request from the involved clusters and originated from the experiences of the 1<sup>st</sup> Tourism WG Exchange Forum. The first exchange forum, was held in Lodi (Italy), aimed at the

- final definition of common needs and meta-cluster goals,
- to deepen mutual knowledge and start gradual definition of Strategic Plan, which will form the base for future establishment of the Tourism Meta-Cluster.

The discussions were dynamic and forward looking and focused on discussions on setting objectives and activities for the meta-cluster. By the end of the two days event the working group members have agreed upon the overall meta-cluster goals and list of common services of the meta-cluster cooperation but have expressed the necessity of a practice-oriented action that is able

- to achieve the finishing and signing of the Tourism Meta-Cluster Cooperation Agreement,
- to present effective and efficient way of knowledge management by the exchange of experiences of good practices in the field of special and common interests,
- to promote the individual community of the Tourism Meta-Cluster.





Discussions concerned slow tourism, as a new and innovative tendency of the tourism industry. This concept of the tourism can be considered as a good and rising practice at world-wide scale – and Slovenia has excellent experiences with it. Slow tourism that spread over Slovenia and Italy is not only an individual action but a picturesque example for good practice. There is not only the theory but also festivals in Slovenia where this idea is very alive. This good practice could be well adapted in other regions as well: partners could come and visit Slovenia to get to know this kind of tourism. The Slovenian partner can offer a festival and slow tourism product for partners and visiting partners could also present their tourist products which are functioning in the reality.

That is why the working-group members agreed on the organisation of a multipurpose event in Slovenia which would include:

- final discussion and official signing of the Tourism Meta-Cluster Cooperation Agreement,
- sharing information on official establishment of the Tourism Meta-Cluster and dissemination of project results gained by the Partnership at national level but in transnational context,
- an on-the-spot forum to exchange their experiences on concepts and concrete practices related to slow tourism.



### 5.4.2. Description

The additional exchange forum would take place in Slovenia in autumn 2012 – related to a wide-range of tourism events in Slovenia. It is an ideal place where there is the opportunity

- to develop a constructive discussion on the finalization of Tourism Meta-Cluster Cooperation Agreement and to sign it officially,
- to create effective and efficient framework of sharing information on official establishment of the Tourism Meta-Cluster and dissemination of project results gained by the Partnership at national level but in transnational context,
- to guarantee a fruitful climate for an on-the-spot forum to exchange experiences on concepts and concrete practices related to the slow tourism.

The additional exchange forum will be a 2-day event including:

- a dedicated meta-cluster workshop to finalize and officially sign the strategic cooperation agreement of the Tourism Meta-Cluster,
- to organise a press conference involving many partners related to the announcement of the Tourism Meta-Cluster Establishment and dissemination of the projects' results at national level but in a transnational context,
- an on-the-spot forum to exchange experiences on concepts and concrete practices in the field of slow tourism.



### 5.4.3. Participants

The additional exchange forum will be attended by:

- Already involved tourism cluster managers,
- Individual Companies belonging to those clusters,
- Clusters-Cord Project Partners,
- Other interested organisations focused on the development of clusterisation in the field of tourism industry.

### 5.4.4. Additional added value of the second exchange forum

Apart from facilitating the signing of the cooperation agreement, the additional exchange forum will provide additional added value.

- The event is able to strengthen the cohesion among the WG Members and to establish their strategic alliance in the framework of a Tourism Meta-Cluster,
- The event is an excellent opportunity to test the grounds of some activities (organization of international professional workshop, exchange of best practices) foreseen by the meta-cluster strategic plan that is being elaborated by the WG leader. Particularly, the on-the-spot forum to exchange experiences on concepts and concrete practices in the field of slow tourism could be offered to meta-cluster members,
- The event contributes to the wide-range dissemination of the practice-oriented and demonstrative results of the Central-Europe programme through the presentation of the results gained in a transnational context.

### 5.4.5. Costs

- The estimated cost at the venue (general cost includes common local mobility, dining (2 buffet lunches and 2 dinners, moderation and insurance of the technical environment at the integrated event, press conference and on-the-spot programmes) is 10.000 EUR.

Relevant partner: PP11  
Cost category: M&E  
Work-package: WP4

- The estimated cost for travel and accommodation (included accommodation for 3 nights and travel costs) is going to be 3.000 EUR/PPs (in case of 2 representatives of the PP and 2 guests originated from the partner region) = 27.000 EUR.

Relevant partner: All PPs except PP11  
Cost category: T&A and EE (it depends on national regulations)  
Work-package: WP4







# Clusters & Cooperation for Regional Development in Central Europe

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<b>Work Package</b>		4. Clusters co-operation and creation of meta-clusters	
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