

## IC of Knowledge Regions

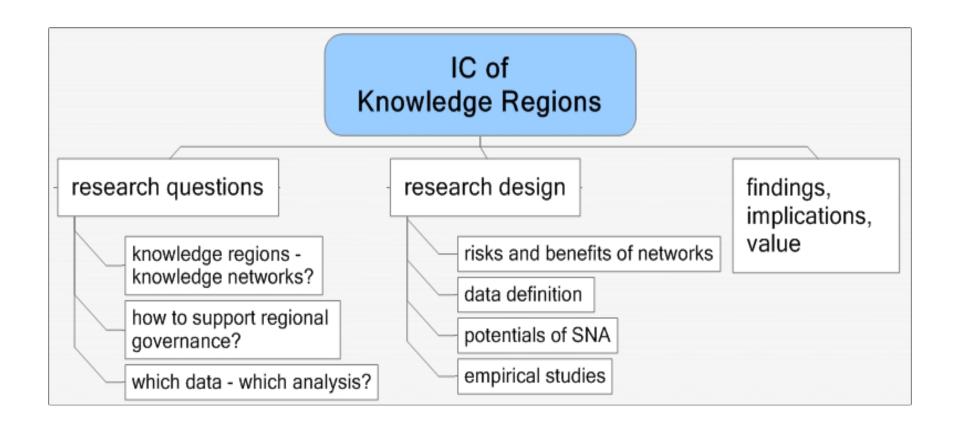
# on benefits and challenges of network indicators

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## Agenda





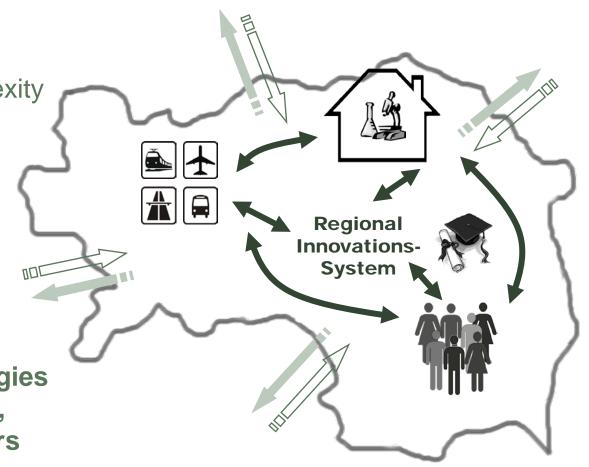
### Motivation

growing economic complexity

spanning public and private sectors, regional and national boundaries

→ leads to

New Governance Strategies have been implemented, combining various actors for knowledge regions





#### Motivation

#### **Knowledge Regions**

- are based on Networks, shaping structures and collaborations
- envolve Multi Actors Multi Measures Programmes (MA) as bundles of concerted measures for strategic governance

#### request

 new forms of governance and additional strategic intelligence for decision makers

#### are expected to

- strengthening the innovation-capacity,
   dynamicly & efficiently shaping the innovation system
- raising value creation and competitiveness,
   guaranteeing and increasing employment at regional level



#### **Expected Positive Outcomes of Networks**

Networks are designed as a coordinated approach for multi-dimensional challenges in knowledge regions

- to create a better intrinsic coordination between heterogenous parties
- to achieve **potential synergies**between parties that have not cooperated in the past
- to improve communication speeding up processes
- To increase effectiveness and efficiency



# Network benefits success may not be achieved automatically

in a dynamic environment networks can form an essential basis for boosting efficiency and regional innovation, since they are more flexible and open than organisations

 Equally, however, networks can develop a formalism of their own and 'petrify'.
 Their effects then become dysfunctional, especially in relation to learning capability and innovation capacity crucial to Knowledge Regions



### Sources of Network Breakdown

- Network Size
   leads to risk of blockades difficulties in managing conflicts and common activities
- Long-term vs. Short-term Benefits
   Interest in short-term benefits may result in inflexible thinking patterns, hence overlooking long-term trends
- Improved Efficiency vs. Flexibility: well established but informal structures make it more difficult to redistribute resources and power
- Co-operation vs. Conflict Capability:
   risk of high internal pressure to adapt, 'group think'
   integration of new members might be blocked



### Opportunities and Risks

#### **Networks as Social Capital**

- + Effectiveness
- Establishment of network resources
- Use of sectoral resources, capabilities and skill advantages
- Learning effects
- Changed social practices based on shared learning

#### **Network Breakdown**





- Structurally conservative tendencies dictate action
- Disintegration or excessively close connections
- Blocked negotiations
- Externalisation of costs
- High communication costs



## Guiding Questions for Network Analysis

- 1. What information is needed and relevant for understanding?
- What materials are the most important ones for analysis?
   (documents, questionnaires, survey results etc.)
- 3. What potentials and what limitations, follow from the materials used?
- 4. How and in what form is the information accessible?
- 5. How can reproducibility be ensured?
- 6. What strategic implications for governance can be derived?



# Types of Co-operation, their Characteristics and Information Sources

Type of Co-operation	Specific Documents Available
conferences and events	Invitations, speakers, participants, sponsorhips, press information
Formal and informal networks	protocols, resolutions, statements, interviews
committees, boards	contracts, board decisions, protocols
competence centres, clusters	partnership agreements, projects, publications, evaluations, annual reports
development partnership	partnership agreements
projects: regional, (inter)national basic and applied research	proposals, project reports, publications, evaluation reports
governmental structures	guidelines, decisions, funding database



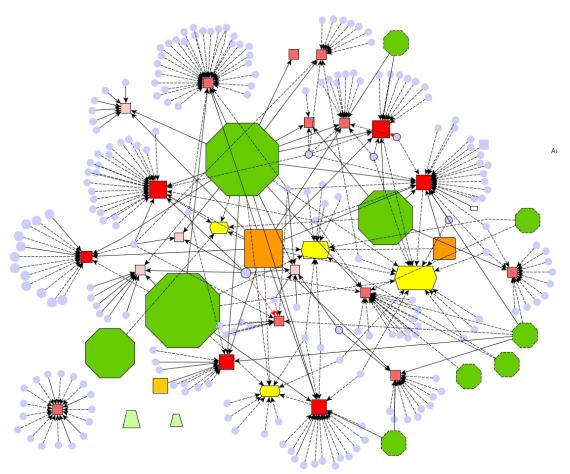
## Typology of Information Sources

- 1. "First order sources of information" official information produced directly by the organisation contracts, IC reports, publications, patents etc.
- 2. "Second order sources of information" protocols, curricula vitae, member lists etc.
- 3. "Third order sources of information" press reports, content of web sites, links on websites (e.g. to other organisations)



### A Comprehensive Look at Styria

a System of Knowledge Intensive Networks

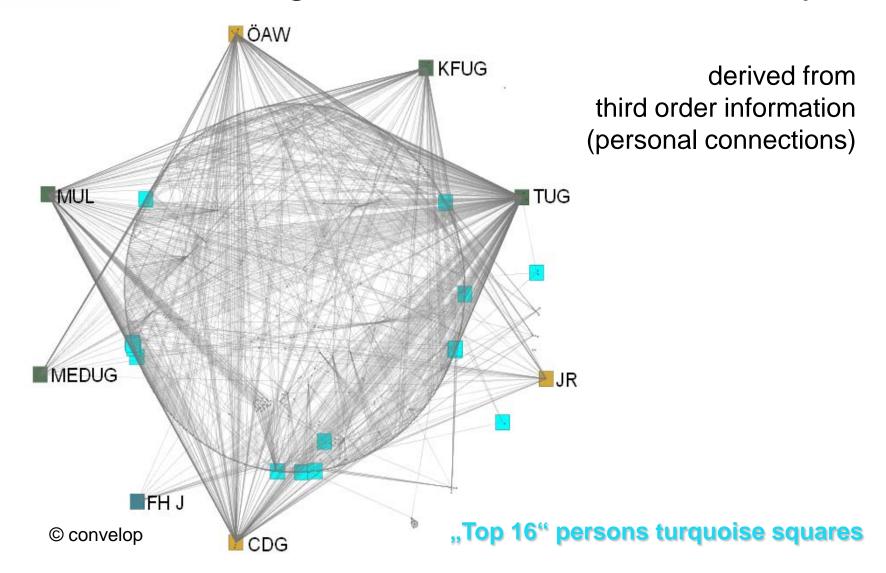


- 5 universities
- 2 univ. applied sciences
- 4 regional networks
- 1 regional research institution
- 18 competence centres and cooperative research entities of industry

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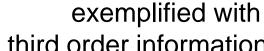


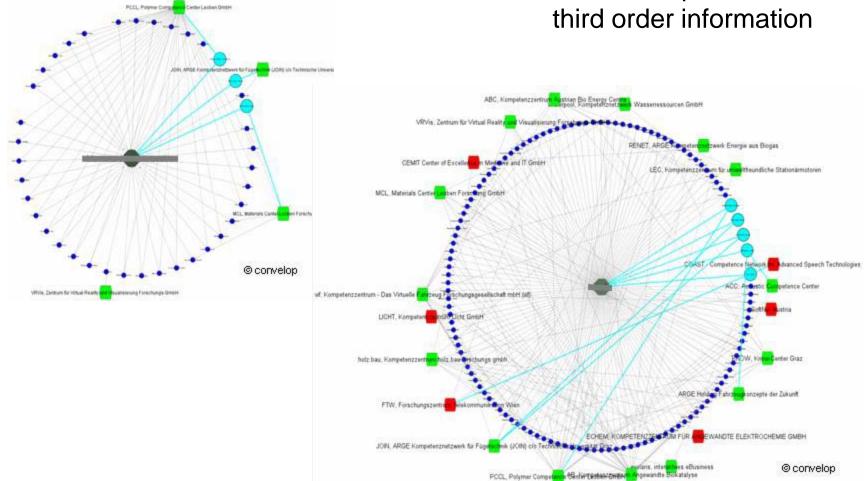
## Key Actors Linking Knowledge Intensive Networks in Styria





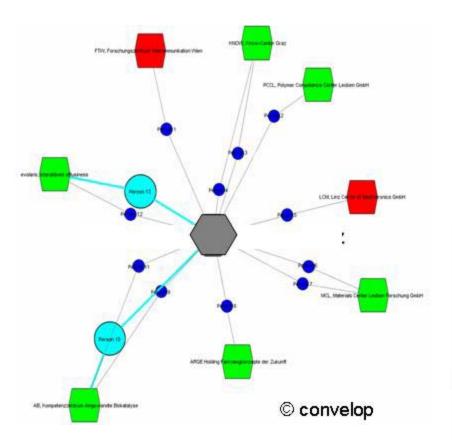
### Cooperation Strategies of Universities



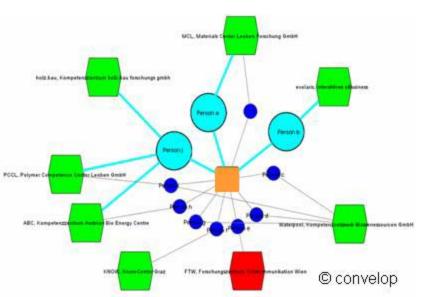




# Comparing Co-operation Strategies of an University and a Research Institution



## exemplified with third order information



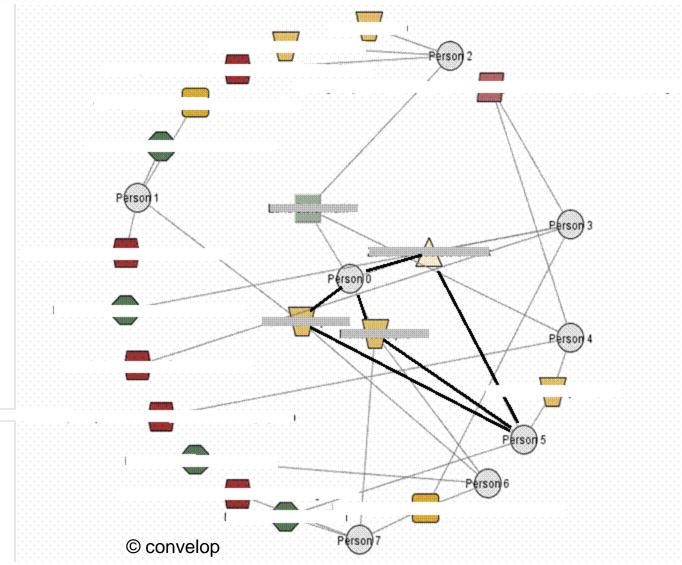


# Personal Networks and Institutional Background

Styria	keep number of official contacts	
"Top 16"	within "Top 16"	in %
company	8	53,30%
University 1	11	73,30%
University 1	8	53,30%
University 1	8	53,30%
University 1	7	46,70%
University 3	7	46,70%
University 3	6	40,00%
University 4	6	40,00%
University 4	9	60,00%
Governmental Inst. 1	7	46,70%
Governmental Inst. 2	7	46,70%
Research Network 1	2	13,30%
Research Network 2	2	13,30%
Research Inst. 1	10	66,70%
Research Inst. 1	6	40,00%
Research Inst. 1	6	40,00%

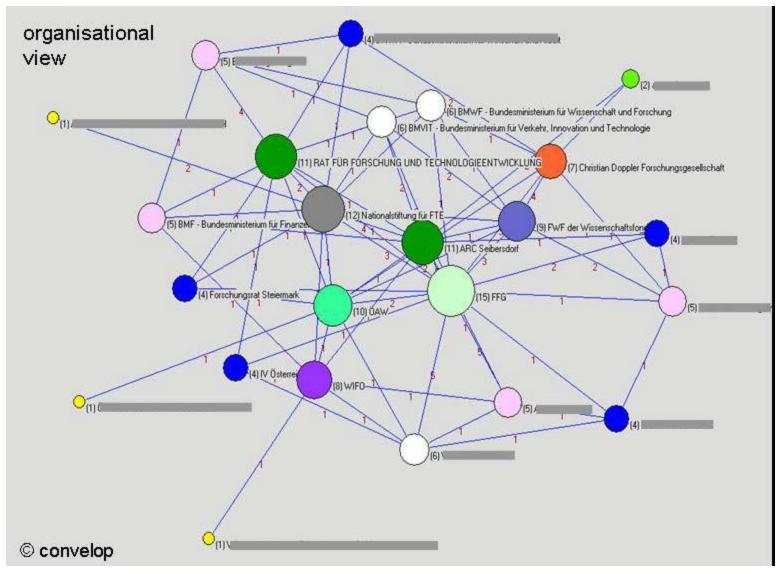


### Personal View on Network Bonds





# Members of Boards and Councils Relevant for Austrian Research





# Guiding Questions for Strategic Management of Regional Networks

Attribute	Guiding Questions
Network Partners	Absolute number of partners? Which subgroups, in which proportions? Actors? Who is missing? Any bottlenecks? Redundancies?
Balance of Power	Multilateral Relationships? Decision finding dominated by specific partners? Which subgroups / institutions /actors are dominating? Does the set of partners change over time?
Openness	Are network partners enlarged and broadened? Variation or limited number of well known partners? New interactive paths?
Embeddness	Interregional as well as international embeddedness?



## Findings, Implications and Value

- Network benefits success may not be achieved automatically.
   Strategic management is crucial for success.
- Visualisation of regional co-operations based on Social Network Analysis (SNA) provides a comprehensive view at the interdependencies and the embeddedness of different institutions as well as actors of the region.
- **Discussing visualisation outcomes** supports further development of intangible network resources
- Key elements of interest can be discussed without detailed analysis of specific indicators (difficult to understand by regional actors)