

The Entrepreneurial Region

The role of the STR in fostering innovation
and spurring innovation processes

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IN RESPONSE TO TRANSFORMATIVE CHALLENGES

NOVEL INTERACTIONS EMERGE

NEW QUESTIONS ARISE

Seemingly conflicting processes of globalization / Europeanization, and decentralization / regionalization



What sorts of new interactions emerge, and what are their effects (to region of results)?

How can these new and emerging interactions be legitimated (the responsive region)?

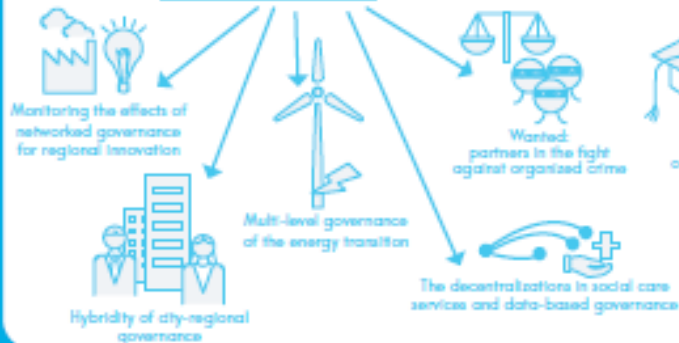
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THROUGH RESEARCH, EDUCATION AND VALORIZATION

LOCALLY EMBEDDED, INTERNATIONALLY ORIENTED RESEARCH

Both scientifically and societally relevant
Multi-disciplinary approach
Comparative and longitudinal perspective
Paradigmatic methodology

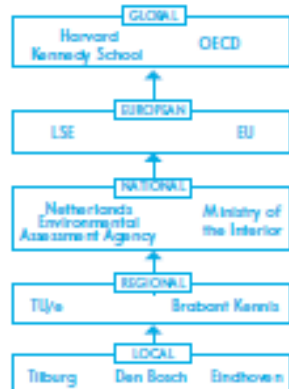
EXAMPLES OF ONGOING AND PLANNED RESEARCH



INTERACTIVE AND INSPIRING EDUCATION



CONTINUOUS AND COLLABORATIVE FORMS OF KNOWLEDGE UTILIZATION AND DISSEMINATION



Examples of partners

TiREG
A joint initiative of:
PRINCIPLE OF KNOWLEDGE-BASED
TILBURG UNIVERSITY
Public administration and legal scholars, as well as economists and others

BY AND WITH WHOM

Outline

- Background, challenges
- Questions
- Survey, limitations, disclaimers
- Results, interpretations
- Conclusions

Background: the innovation imperative

- Innovation: important determinant of economic growth, can help to address complex global challenges and social issues
- Hence, modern (European) development policies aimed at fostering innovation and spurring innovation processes
- Focus of – centrally decided and coordinated - innovation policies still often solely on science and technology, R&D
- Yet, increasing awareness of role played in innovation processes by other factors, incl economic, social, geographic, but also institutions, governance

Challenge: the regional response

- Adopting broader perspective, region *may* serve as focal point of innovation
- Yet, high level of heterogeneity among regions in Europe, in terms of economic, social, geographic, institutional, governance features
- Requires responding to differences and closing the gap between regions
- At the same time, allows building on differences and identifying the unique potential of regions
- *Lack of knowledge on if and how regions respond*

Challenge: the role of regional authorities

- Regional authorities *can* play crucial role in stimulating innovation
- Increasingly spurred by regional authorities:
 - regions collectively analyze their strengths and weaknesses,
 - develop and implement ‘smart specialization strategies’, and/or
 - define regional innovation policies that seek to facilitate entrepreneurship and job creation
- As part thereof, novel (meso-level) interactions *may* emerge
 - among governments, businesses, civil society and knowledge institutions,
 - beyond traditional state-market or government-society schemes
- Often building on - and further solidifying - shared identities, mutual trust, compound interdependencies, and practical proximities
- *Lack of knowledge on role played by regional authorities, notably STR*

Questions

- What role (if any) do regional authorities in Europe, notably the STR, play in:
 - fostering innovation, and
 - spurring novel interactions among governments, businesses, civil society, and knowledge institutions?
- How can (variation in) this role be understood?
- *What could (or should) be the implications of the above? What conclusions to be drawn?*

Survey

- Survey circulated: 21st of December 2015
- Deadline for responses: 15th of February 2016
- Number and type of questions posed: 10, open
- Total population of STRs surveyed: 55
- Total number of responses received: 28 (consolidated into 16)
- Response rate: 51%

Limitations

- Not always clear how and by whom questions have been answered in member countries
- Necessary background on differences between member countries often missing
- Non-response does not necessarily have to indicate no role for STR in innovation
- Hence, results not conclusive and certainly not representative for all member countries, and entire population of STR

Disclaimer

- Yet, for the sake of clarity and conciseness, aggregated results at level of member countries
- Analysis in broad terms \neq evaluation or assessment, benchmark or ranking
- Instead, exchanging views, insights about role of STR in regional innovation (processes), learning from each others' experiences
- Work in progress...

Question 1

What role (if any) do you - the STR - currently play in fostering innovation?

- **No role:**

- Lithuania
- Poland (symbolic)
- Spain (centralised), Switzerland (centralised, yet modest role in framework of new regional policy)
- Finland (sister organization directly responsibly, indirect role),

- **Role:**

- Belgium, Hungary, Turkey (indirect role via their own competences and activities)
- France (in partnership with president of the region), Norway (limited because primarily with county council, and also with dedicated regional organization for innovation)
- Italy, Slovakia (role very much depends on initiative of individual STR)
- Germany (important role in regard of innovation for sustainability)
- Netherlands (many formal and informal roles, part of regional mission statement),
- Sweden (depends on how mandate divided)

Question 2

Do you have an official mandate to play this role? Can you allocate (national/European) funding to foster innovation? Do you have operational capacity at your disposal to give effect to your policies?

- **No official mandate (yet):**
 - Finland, Poland, Spain (innovation policy is centralised), Switzerland, Slovakia (official mandate depending on adoption of innovation law)
- **Official mandate or at least some implicit authorization:**
 - Hungary (mandate to play coordinating role in drawing up strategic documents and authority to support implementation thereof), Slovakia (mandate following from national and regional policies)
 - France, Germany (mandate following from various positions which allow STR to play this role), Belgium (role in fostering innovation generally accepted by all parties)
 - Italy (broad mandate to play role, but dependent on others for funding and capacity), Netherlands (broad mandate resulting from decentralization), Sweden (broad mandate yet divided among different levels), Turkey (general duty)
- **Question about funding or capacity not always explicitly answered**
- **Can allocate funding:** France (for innovative projects), Netherlands, Sweden, Turkey
- **Operational capacity:** Hungary (for fulfillment of above mentioned tasks), Netherlands

Question 3

What types of innovation do you seek to foster?

- **Economic:** France, Hungary (coordinative role), Norway (agriculture), Slovakia (building of hydroelectric plants, investment in electric cars), Switzerland (aimed at improving economic fabric)
- **Technological:** France (in case of Ile-de-France region, but differs per region), Germany (technology, knowledge transfer, innovation for sustainability)
- **Administrative:** Finland, France (e.g. e-training through CHEMI), Hungary (public admin modernization as precondition for economic innovation), Norway, Switzerland (aimed at increased efficiency, rationality), Belgium
- **Social:** Finland, Hungary, Norway, Slovakia (territorial development)
- **All types:** Italy (depends on availability of funds), Netherlands (formal, informal), Sweden, Turkey (increasing quality of public service regarding implementation of administrative, social and economic projects)

Question 4

Apart from economic growth, what global challenges and social issues (if any) do you seek to address through fostering innovation?

- **Economic competitiveness:** Slovakia , Sweden (growth in new fields)
- **Climate change:** Germany, Norway, Sweden,
- **Population aging:** Finland, Slovakia, Sweden, Hungary
- **High levels of unemployment/other types of employment:** Slovakia (attracting young people by offering jobs), Sweden (creating new jobs), Turkey, Hungary (programmes for young and older unemployed)
- **Social inequality:** Finland, Norway, Turkey
- **Irregular (im)migration:** Italy, Turkey
- **Digitalization of economy:** France
- **Efficient/effective public services:** France, Sweden, Hungary
- **Full range:** Netherlands (connecting challenges and issues)

Question 5

Is there a common perspective in your region on what needs to be achieved through fostering innovation and, particularly, how this should be achieved?

- Not entirely clear from answers whether common perspective about what and how to be achieved through fostering innovation
- Common, among whom? Government, business, even broader?
- **What to be achieved:**
 - high-tech innovation (Finland), energy transition (Germany), sectoral and horizontal priorities (Hungary), Netherlands (stay in top 5 European innovation regions), depending on specific challenge (northern vs southern part of Italy), infrastructures as precondition for private sector development (Norway, yet STR limited role), depending on incumbent political party/ elections (Slovakia)
- **How to be achieved:**
 - strategic regional partnerships (Finland), regional innovation strategies (Sweden, Netherlands), common development of regional policy goals, implementation strategies (Germany), developed as part of national specialization strategy and regional development programmes (France, Hungary)
- **How to be achieved:**
 - role for regional government (Poland, yet independent from STR), national innovation law (Slovakia, yet to enter into force), separate structures devoted to support innovation projects (Switzerland)
- **No common perspective at regional level:** Spain

Question 6

Do you currently play a role in spurring novel interactions among governments, businesses, civil society and knowledge institutions to generate such a shared regional vision?

- Making proposals for projects in this regard and supporting these proposals: Italy (effectiveness thereof highly dependent on leadership of STR)
- Supporting cooperation among stakeholders: Finland, France (in European networks and for European projects), Italy, Belgium, Netherlands
- Stimulating collaboration among stakeholders: Belgium, France (e.g. Alsace Innovation) Germany (linking them up, catalyst role, process manager), Hungary, Netherlands (as part of regional economic programmes and networks)
- Ensuring broad representation of stakeholders: Norway (in regional councils)
- As part of general task to bring stakeholders together: Poland, Turkey
- No or very modest role: Poland, Slovakia, Spain, Switzerland

Question 7

What do you know about the results of your role in fostering innovation, and how do you know that?

- Quite a few countries have not been able to answer this question or have considered it not applicable
- Countries that did answer the question often did not focus on results of role STR but provided more general answer
- Italy: results are not measured, as various regions engage in different activities
- Hungary, Slovakia: no official evaluation of innovation with measurable indicators, yet frequent communication between relevant actors and STR about contribution to innovation
- Germany, Norway: indicators to measure results of projects as part of f.i. INTERREG programme (e.g. number of newly built wind turbines, percentage of renewable energy), external evaluation of projects
- France, Sweden: measurement of innovation climate through national and international indices (patents, R&D expenditures etc.), not an easy exercise, and for sure a long term effort
- Switzerland: succesful when projects proposed are accepted

Question 8

What are the key challenges or dilemmas you experience in your region in regard of fostering innovation?

- Lack of official mandate (Slovakia)
- Generating (private) funding to finance innovation (Finland, France, Hungary, Slovakia), particularly for SME's in phase of early growth (Netherlands), implementing – European - funding schemes (Poland)
- Bringing stakeholders together and facilitating cooperation (Germany), across the different levels (Sweden)
- Following through to achieve results, beyond the electoral cycle (Italy), and the political dimension (France, Slovakia)
- Coordination and cooperation between those responsible for fostering innovation (Norway, France), across the different levels (Sweden)
- Lack of knowledge on what works and what doesn't (Netherlands)
- Thinking beyond private sector innovation, also considering public sector innovation (Sweden)
- Finding personnel with required skills to play this role (Turkey), in government but also business (Netherlands), maintaining desire to foster innovation, also in view of other tasks and credits for fostering innovation (France)

Question 9

How important do you consider the STR's responsibility to foster innovation, vis-à-vis responsibilities in other areas?

- **Important:**

- France (at the heart of STR's responsibility, STR could be key actor, e.g. Prefet Poubelle), Germany (a 'must do'), Netherlands (key responsibility and critical success factor)
- Finland, Hungary (in case of public admin innovation) Italy (given sense of urgency in society for change), Norway (yet main focus is on 'own duties' in regard of public admin innovation), Sweden (yet, long term vs short term perspective), Turkey

- **Not important:**

- Spain, Switzerland

- **Difficult to tell:**

- Poland (because fostering innovation not task of STR), Slovakia (because STR no autonomous position in this regard)

Question 10

In what way (if at all) should the role and responsibility of the STR in regard of fostering innovation be further developed?

- European or national (reform) policies or policy objectives: Germany (to establish position of regions resp STR in this regard), Italy (as part of reform of state), Norway
- Formal rules and procedures: Poland (linking up STR with ministries, including STR in implementation of innovation policies), Slovakia
- Training and education programs: Finland, Italy (in view of possible new – European – role), Netherlands, Slovakia (aimed at professionalization, guaranteeing policy continuity, consistency), Spain
- Tools and instruments: Hungary (improvement, formalization of existing ones)
- Exchanging experiences, lessons learned: France, Sweden (look at others in Europe, rest of the world)
- Vision, personality, leadership: France (any STR can play role if mindset is right), Sweden (STR should play role in introducing new ways of governing)
- No need for further development: Switzerland (at least, not at district level)

Results

- Not always role in fostering innovation, yet, if role, often no official mandate but implicit authorization; moreover, usually no funding, operational capacity
- Wide variety in terms of types of innovation and challenges/issues to be addressed; no dominant type or challenge/issue
- Even greater variation in regard of whether regional vision on innovation; more or less agreement on how to arrive at such a vision – through interaction, ranging from rather passive support to active stimulation
- Not much known about results, if so only of projects, programmes; or about link between results and efforts STR in fostering innovation
- Role in fostering innovation considered important, but only by few countries very important; most countries are, however, in favour of further developing role of STR in this area, albeit mostly in informal ways

Tentative interpretations

- STRs vary strongly in terms of role in fostering innovation and spurring novel interactions as part thereof, even within one country
- From no role at all, to direct role in economic and technological innovation processes, to indirect role via fostering administrative innovation
- Variation can possibly be explained by factors such as:
 - Structure of government
 - Economic/social conditions in country/region
 - Importance of political dimension
 - Initiative/leadership of individual STRs

Preliminary conclusions

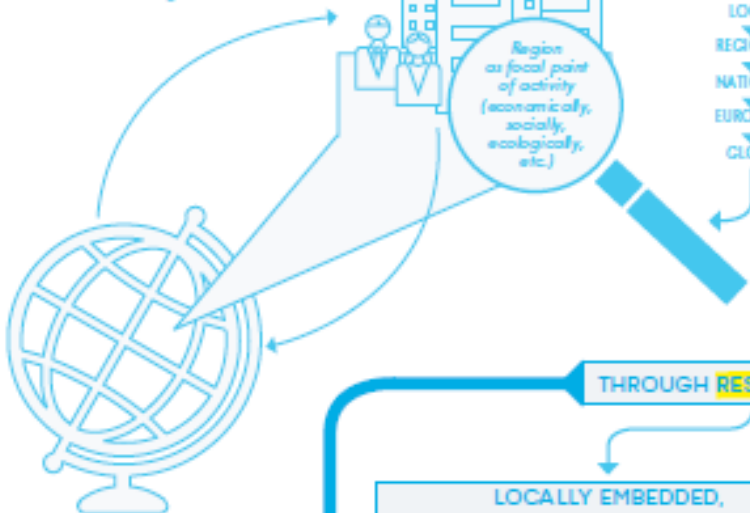
- Role of STR in fostering innovation and spurring innovation processes not (yet) common practice, not (yet) commonly accepted
- Does not mean importance of innovation not generally recognized, but question whether STR should play role (or whether this role should be played by other actors) and if so what role (broad, narrow; formal, informal etc.)
- Very much depending on national, regional, local (social, economic, geographic) conditions
- Yet, nature and scope of global challenges of importance for all regions, and hence requires reflecting on and perhaps rethinking role of STR

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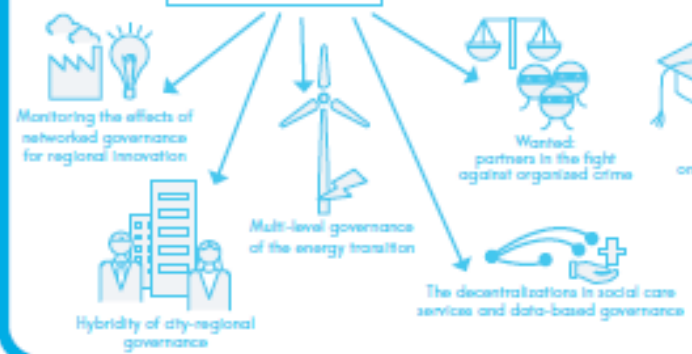
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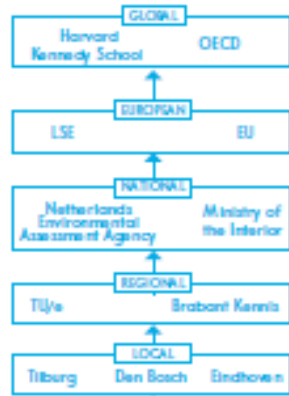
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