

CREATING CLUSTERS OF CHANGE

How cluster managers drive innovation
and increase impact.

THE **CAP**

pr@vadis
Hochschule



ConnectedClusters
Climate-KIC

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CLUSTERS
OF CHANGE

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Less Management, More Leadership

Introducing Clusters of Change

Less management, more leadership – that is what clusters need if they want to meet the sustainability goals and tackle societal challenges. But how can we become leaders of change? How can we inspire cluster practitioners to transform their innovation ecosystem into a cluster of change? Systemic change needs competent change-makers, and this is why we created the first European Cluster Accelerator (TheCAP).

There are over 2500 innovation clusters in Europe, yet some argue that the future is being invented outside of Europe: Europe produces three times fewer patent applications than Japan; the biggest ten companies in the world have their headquarters outside of Europe; and there is a huge investment gap for high-growth tech start-ups in Europe compared to the US. In short: European innovation ecosystems need to learn how to act at the speed and scale that is needed to excel.

As part of the EIT Climate-KIC Programme ConnectedClusters, we formed an alliance of four city regions – Birmingham, Edinburgh, Frankfurt and Valencia – jointly seeking to provide novel ingredients to boost climate innovation around cities all over Europe. As a key outcome, we identified the need for a hands-on cluster accelerator, interconnecting European clusters in a fashion that triggers decarbonisation, resilience and re-industrialisation.

Twenty cluster managers from eleven European countries participated in the first edition of TheCAP in October 2019. During our intense four-day bootcamp, we created individual cluster roadmaps, defined action plans and formed new bonds and collaborations across various sector and country borders.

This manual gives insights into some of the key takeaways, tools and lessons learned from Europe's first cluster accelerator.

Keep in mind: Clusters are hotspots for opportunities. They are not only a space where we experiment and test our methods into the future. They are also the ideal setting to scale-up innovation and our impact on the world. It's time to move away from 'clusters-as-usual' to 'clusters-of-change'. Be the leader of change that Europe needs!



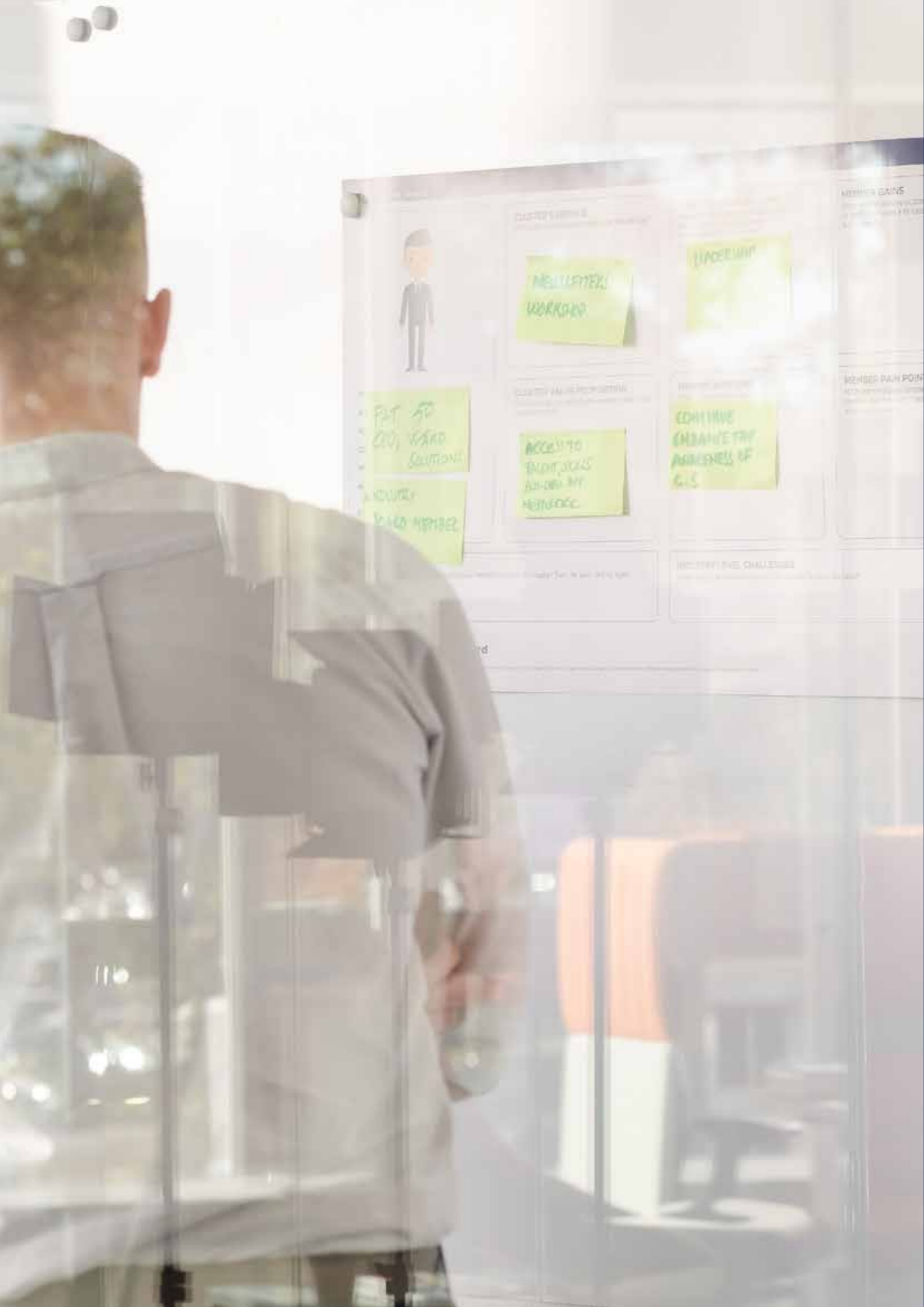
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Status Quo

01



Clusters in Europe – Ready for the next level

Based on EU statistics, there are currently more than 2500 industry clusters in Europe. They cover every sector and technology, be it green tech, biopharma, fintech or AI. They also create millions of well-paid jobs, with cluster companies paying salaries at a rate 3% higher than other companies. At the same time, Europe is faced with challenges of unprecedented scope and scale. To tackle climate change and create sustainable living models for generations to come, systemic change is needed to innovate at speed and scale. As know-how hubs, connectors and market observers, clusters are perfectly placed to do this.

However, in order to facilitate this change, clusters need to alter the way they do things, too. There is a growing realisation among cluster professionals and experts that clusters need to adapt how they operate if they want to fulfil their potential for smart specialisation in future industries and drive innovation. In their current state, many are inward looking and acting more as an agglomeration of stakeholders than as active business and innovation creators. What is needed is a fresh look at how clusters operate and how they are funded. This will enable them to have more commercial impact and support their member companies in bringing purposeful innovation to market. If businesses want to not just survive the rapid pace of the digital transformation but actually shape it, they need to adapt their business models. They need to have a sharp consumer focus and collaborate with and work with innovators across all sectors. Clusters as supporters and drivers of business innovation need to mirror this. Or, in other words, they need to come out of their 'shells', shine their light and encourage growth on topics that truly matter for Europe. We, therefore, also need to re-think the sense of purpose for our clusters.



Inspiration

02



Creating ripples of change
The AVAESSEN cluster turnaround story

What do you do when you are tasked with running a cluster in a dying sector, are presented with a substantial amount of debt and have a mere EUR 1000 in the bank? Bianca Dragomir's answer to that question is: "more with less". The CEO of the Valencian Region Energy Cluster (AVAESSEN) is a firm believer in frugal innovation. Her example of a cluster turnaround introduced TheCAP participants to a bottom-up and common-sense driven turnaround approach and a successful cluster strategy based on entrepreneurship and innovation.

"Clusters need to think and act like start-ups, testing, scaling-up what's successful and creating more robust business models."

Bianca Dragomir

According to Romanian-born Dragomir, who was awarded as the 'European Cluster Manager of the Year 2016/2018' by the European Commission, the dire starting point was almost a blessing in disguise: "I was presented with the gift of imperfection – When there is nothing, you are forced into action and everything is a plus." When she took over AVAESSEN in 2013 – at that time a renewable energy cluster – the Spanish government's 'tax on the sun' had all but killed off the sector because of a levy put on the output generated by renewable energy installations.

Testing, scaling up and multiplying effect

Now, seven years later, the situation looks very different: AVAESSEN leads the cleantech innovation agenda in Spain with 300 public and private members, including 100 SME's that have internationalised their business. On top of this, the launch of the first climate-specific start-up accelerator, which has been expanded across twelve European countries, has seen 275 start-ups funded. And the AVAESSEN-initiated '**Smart Cities Think Tank**' has become an impactful cross-sectoral innovation network, driving change in collaboration with mayors and businesses.

How to do more with less? Use technology!

"**Smart Cities Think Tank**" connects problem owners (mayors) with solution providers (SMEs/start-ups) and funders (VCs) to create greener urban communities. After testing the model with one city, it was quickly scaled up by using an online platform that enables easy connection of problem owners and solution providers.

How was it all done? The short answer would be: by taking the lead and creating opportunities because, in a nutshell, this is how Dragomir defined and executed her role as a cluster manager. More precisely, here are her five key turning points on the way to creating a robust cluster business model for AVAESSEN:

01.

Becoming a business generator unit:

"At the start, we sat down with each member and worked out a tailor-made 12-month roadmap. The principle: If we don't deliver the results, you'll get your money back for that service. This resulted, for example, in a Spanish business becoming the first international company to build a renewable energy project in Japan."

03.

Working across sectors:

"There's huge opportunity for the cleantech sector to work with other sectors, so we started collaborating with cities and initiated a Smart Cities Think Tank that links municipalities as problem owners with companies as solution providers, and VCs and business angels as funders, to co-create cities of the future."

05.

Scaling up at each level:

"We managed to scale all our projects quite quickly and take them, e.g., from the region to a nation-wide or, even better, a European level, and thus, create a ripple effect."

02.

Making innovation a part of the cluster's DNA:

"Moving away from the initial focus on the renewable energy sector, which had become gridlocked, we repositioned our cluster to include the entire cleantech arena and then initiated a business idea competition, as well as cleantech accelerator, to drive innovation."

04.

Fixing the domestic renewable energy market:

"We started working with the regional government and drove a Valencian region self-consumption plan that obtained partial compensation on the 'tax on sun' for renewable energy installations. Eventually, the Spanish government did a U-turn and announced plans for 100% renewable electricity by 2050."

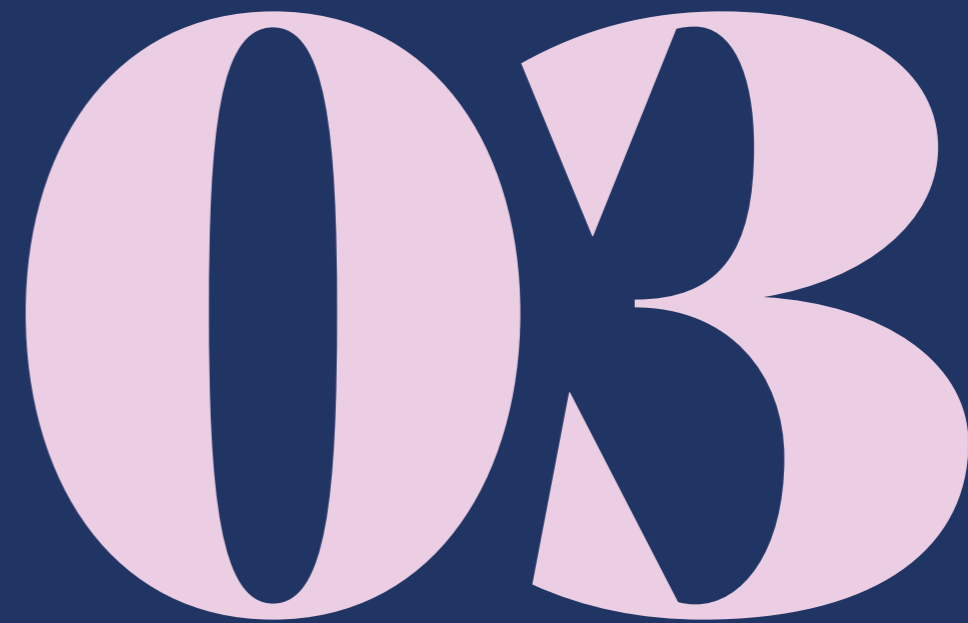


Bianca Dragomir

Bianca's top tips for Cluster Managers

- 01.** Don't underestimate the power of the media. And work strategically with the press as a multiplier to reach your target groups.
- 02.** Tailor your message for each stakeholder, i.e., SMEs, start-ups, local authorities and the media all need different types of communication.
- 03.** Find a few key people among your stakeholders that you can activate to push ahead with you.
- 04.** Be a teacher for regional governments: explain your sector's pain points AND its potential to create opportunities.
- 05.** Constantly challenge your cluster model.
- 06.** Rethink how you see yourself and realise the immense potential clusters have to create fast and scalable change.

The Tools



How to write your cluster's success story

The existence of more than 2500 clusters in Europe generates a critical mass of corporates, start-ups, innovators and academia. This allows for the possibility to effectively drive the kind of systemic change that is needed to address the global challenges of climate change and to keep up with rapidly advancing regions such as China. However, this requires a change of approach to turn often static conglomerations of stakeholders into agile, open and active entities that co-create innovative ventures with their members.

Cluster managers, thus, face a multitude of challenges coupled with limited resources. A set of tools that was introduced at TheCAP programme addresses this issue of “too much to do, don’t know where to start and how to focus” in a hands-on and results-driven way. It provides cluster managers with the individual pieces for completing a puzzle that, at the workshop, culminated in an overall cluster roadmap design for a long-term and sustainable cluster business model – which can be replicated by anyone working with and managing clusters.

Nail your cluster identity.

Start with your CLUSTER IDENTITY

Who are we? – too trivial a question? Not at all. A spot-on cluster identity is absolutely crucial as a base for building any kind of meaningful activity. This means that cluster managers really need to know what they are talking about when it comes to their cluster’s identity.

Cluster identity HOW TO

Short, simple and memorable. The perfect cluster identity can be summed up in one sentence that contains the answer to the following questions: what do you do, how do you do it and why do you do it for your sector? Don’t be scared to ‘over-simplify’ it (short is good!) and remember that anything that might be obvious to you might not be to the person you’re talking to. In essence, put yourself in the shoes of a non-expert because your cluster identity needs to be easily understandable for them, too.

Know your VALUE PROPOSITION

This is where you have to really dig deep and analyse what your sector’s pains and needs are in order to be able to come up with a painkiller, i.e., a value proposition. These pains need to be real and not be confined to some woolly concept or empty management speak. Important: The value proposition applies at stakeholder level (e.g., regional governments) AND at members’ level.

Set clear cluster goals (this will define your cluster’s value!), e.g., job growth in the region, GDP share of your sector, contribution to climate goals etc.

Value proposition HOW TO

To make it as clear and obvious as possible, collect facts, figures and information that demonstrate the issue(s) in question so that they are immediately recognisable as such. Gather details about who has those pain points and how many they have. In this context, it is important to position yourself as an expert who knows and cares about the sector in question. Use studies, statistics, market data and examples to make your point.

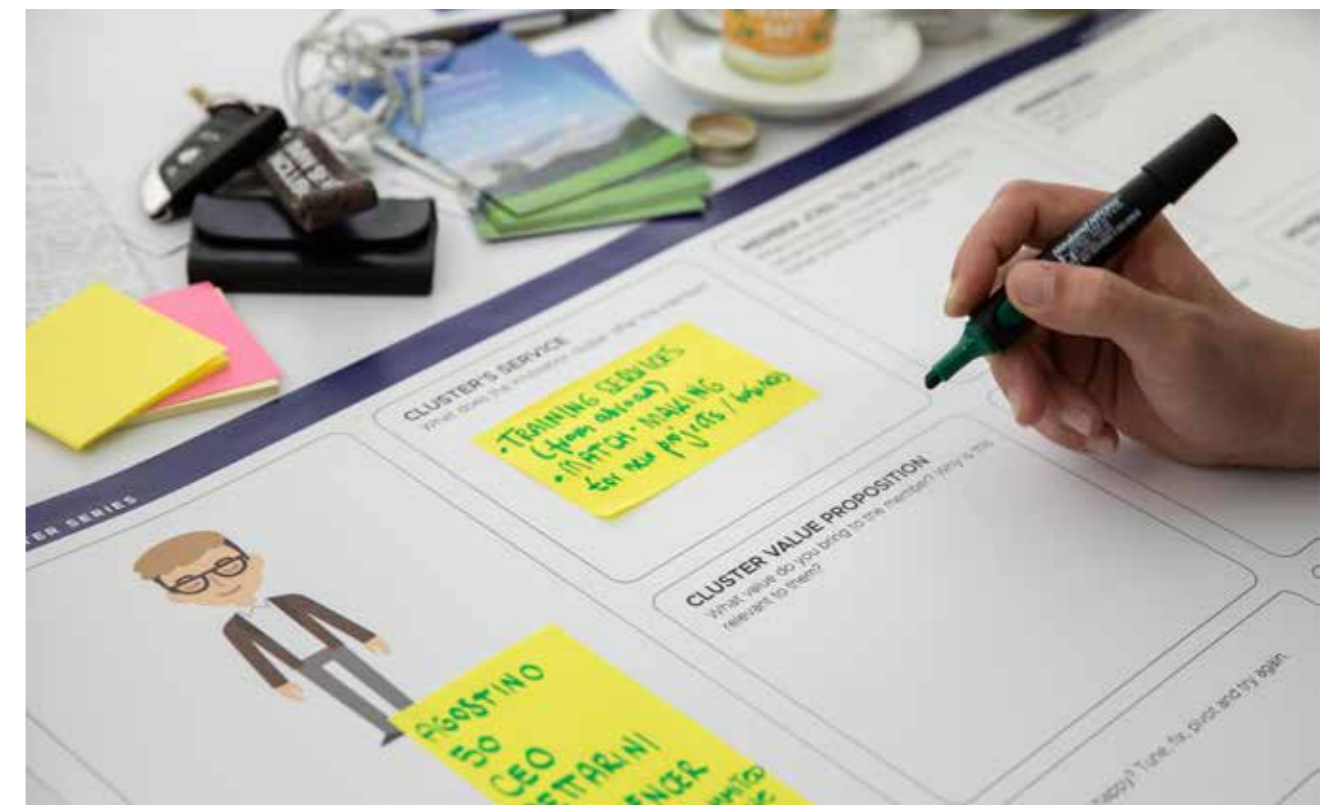
Work on your Go-to-Members strategy

“In Norway, we want cluster to be business-centric.” Christian Rangen, one of Europe’s top cluster and innovation experts, does not mince his words. As one of the three main coaches that facilitated TheCAP bootcamp, he provided valuable guidance from the perspective of an entrepreneur and business consultant who, with his company Engage//Innovate, advises clients worldwide on innovation and sustainable growth. In order to tackle one of the most pressing issues for cluster managers around building up membership and engaging members – i.e., making them business-centric – he developed the ‘Cluster Member Card’ in cooperation with clusters to bring simplification and clarity to the member strategy process.

The Cluster Member Card: Who’s your Anna?

Anna is a 50-year-old CEO of an SME who takes on a decision-maker role within the cluster her company is a member of. Every cluster manager probably has their own Anna, plus many other types of members. Focusing on eight different aspects, the Cluster Member Card is a tool that can be applied to real-life members as an effective method that allows you to focus your thinking on what is relevant in order to formulate effective cluster member strategies. Key points emerging here revolve around member pain points and the fact that these often relate to the transition that industry sectors have to undergo because of the digital transformation and/or wider global challenges. In this context, clusters are the ones to help provide answers on how to get this industry shift going. And, crucially, a Cluster Member Card is not exclusively geared at existing members, i.e., companies, but also at those that clusters want to target, such as start-ups, in order to foster innovation.

Co-create with your members for full engagement – a feeling of ownership is key!



The Tools:

The Cluster Member Card

The Cluster Member Card



NAME:

AGE:

POSITION:

COMPANY:

MEMBER TYPE:

MEMBER ROLE:

(Decision maker, influencer, peer, recommender, minion, saboteur, other)

CLUSTER'S SERVICE

What does the innovation cluster offer this member?

MEMBER JOBS-TO-BE-DONE

What is the job(s) the member needs done? This can be strategic, financial, learning, network, market access, partner or more?

MEMBER GAINS

What are the positive outcomes the member wants to see? What does a fantastic innovation cluster look like to them?

CLUSTER VALUE PROPOSITION

What value do you bring to the member? Why is this relevant to them?

MEMBER AMBITIONS

What is the member dreaming of? What are their personal and/or professional ambitions?

MEMBER PAIN POINTS

What are the biggest problems and pains the member has? How can these be solved by the innovation cluster?

PERFECT FIT

What value do you bring to the member? Why is this relevant to them?

INDUSTRY LEVEL CHALLENGES

What industry level challenges does this member bring to the table?



Show & tell: make your cluster's achievements known and don't be shy.

The Cluster Roadmap Design – addressing cluster managers' pain points

"We get stuck in the day-to-day work and lose sight of the bigger picture." Sound familiar? If there's one pain point that cluster managers have, it is this all too common one; perspectives are narrowed by focusing too much on administration and on simply getting daily tasks done. However, creating clusters of change that make a difference means breaking out of the 'daily grind' to develop a vision. The cluster roadmap design as an overall strategy tool invites cluster professionals to write their clusters' future story. This should be based on integrating individual elements such as a value proposition, a Cluster Member Card, learnings on financing, business models as well as strategic initiatives. Ultimately, this exercise results in a long-term action roadmap which will help create a future-proof cluster vision.

Essentially, the cluster roadmap also highlights key areas that need addressing on the way to creating clusters of change. A typology of clusters, provided by Christian Rangen, illustrates this:

→ 01. Emerging clusters:

- Local entities with few staff members – no more than three
- Covering a wide range of sectors
- 50 to 100 members
- Unbalanced in their constitution with more researchers/academics than business members
- Fairly limited impact on economy

→ 02. Growth clusters:

- Regional to national entities with 4-10 staff members
- 100 to 500 members
- Focus on high potential industries
- Stronger entrepreneurial focus
- Higher value creations but still missing key elements

→ 03. Superclusters:

- The "different" ones
- 500+ members
- Magnets that pull in resources from around the world (companies, researchers, capital)
- High value creation
- Compete on a global level
- Only space for 3-10 of them per country

Moving on in this line-up also requires breaking out of the established triple helix of corporates, academia and government/public authorities that dominates cluster activities in Europe. As Rangen points out, "in Europe, there are two parallel innovation systems; one is publicly funded and research driven, the other is entrepreneurial and finance/VC-driven – and these two systems don't mix." However, to increase cluster impact and, crucially, build growth business models, it is necessary for capital (i.e., VC funds) and business angels, together with start-ups, to become equal stakeholders in the cluster set-up.



Break open the triple helix to fully integrate start-ups and investors at the cluster's table.

Key takeaways on cluster business and financial models

Status quo: one-dimensional. Goal: diversified. Current cluster funding is characterised by public funding (regional/national/EU) and membership fees, although the latter is not always a given. However, as clusters develop and move along on their strategic roadmap, more sophisticated and multi-stranded financial models are needed.

- Don't just have a business model, have many business models and put much more drive into the business model portfolio.
- Think beyond public funding and membership fees and work on the private funding side.
- To do that, bring the venture capital community into your cluster ...
- ... in fact, clusters can also set up their own VC funds.
- Challenge assumptions about membership fees: Put value to your cluster and don't be afraid to ask for what your cluster is worth (this is one reason why your value proposition is key to start with!).
- Stagger your membership fees based on size of company.
- Create valuable services that your members are willing to pay for.

It all comes back to the question: why do you matter and what is your value?

Why and how to integrate venture capital into your cluster

Q&A with innovation expert Christian Rangen

Why should clusters consider setting up their own VC fund?

Access to growth capital is critical in all clusters and ecosystems. Every cluster needs to develop its own, unique capital strategy. In such a strategy, building the cluster's own venture fund is just a next, natural step.

How should they go about it?

Step one of developing a capital strategy is to recruit a competent board member with deep expertise in venture funding. Following that, the cluster has three options: one, build internal capacity and a team (recommended); two, set up a sister organisation at arm's length or; three, outsource the entire project to a local fund team, and let them operate under the cluster's brand, network and umbrella. My strong recommendation is number one.



The Tools:

Clusters of Change Roadmap

Clusters of Change Roadmap



CLUSTER / ECOSYSTEM:

SECTOR:

TAGLINE:

CURRENT STRENGTHS



-
-
-
-
-
-

CURRENT CHALLENGES



-
-
-
-
-
-

CLUSTER BUSINESS MODEL



CLUSTER BUSINESS MODEL



THE DREAM CLUSTER VISION 2030



Write your future story

CURRENT FUNDING & FUNDING MODEL



CLUSTER BUSINESS MODEL



Milestone

KEY STRATEGIC INITIATIVES



- 1
- 2
- 3

Long-term 2025+

CLUSTERS OF CHANGE



CLUSTER STATUS 2020

Describe your current cluster



Milestone

KEY STRATEGIC INITIATIVES



- 1
- 2
- 3

Starting point: 2019

Short-term 2020

KEY STRATEGIC INITIATIVES



- 1
- 2
- 3

Medium-term 2023

INDUSTRY SHIFTS & TRENDS



-
-
-
-
-
-

THE DREAM TEAM



-
-
-
-
-
-



Creating Clusters of Change

04



The 7 stepping stones or 'Golden Rules'

Increasing your cluster's value means engaging in targeted strategic initiatives. The '7 stepping stones', developed by the Clusters of Change initiative and presented at TheCAP, sum up the characteristics that are crucial for 21st century clusters. They aim to create ripple effects for maximum impact – and they help cluster managers identify meaningful action on the way.



You're on a journey, so don't get stressed about tackling everything at the same time! Identify priorities based on your individual cluster set-up.

Clusters need to be ...

... open and multi-collaborative: Don't only concentrate on your own members. Search for partners and alliances on all levels, i.e., businesses, academia and in the investment community. PLUS, open up geographically to an inter-regional level to be able to tap into global value chains.

... innovation-driven ecosystems: Innovation and entrepreneurship need to be put at the heart of what clusters do. They know their markets and are perfectly placed to connect start-ups and industry to facilitate purposeful innovation.

... inter-connected, not just in Europe but globally. Then they can act as a smart mechanism that turns start-ups into scale-ups on a pan-European level.

... cross-sectoral collaborators, as multi-disciplinary work is crucial for innovation.

... mission-oriented to drive development in key areas. For example, the European Battery Alliance has brought clusters out of their silos to collaborate on a critical topic. However, cluster managers do not need to wait for EU initiatives. Set up your own missions on a regional level. This is also a good way to get start-ups involved (launch a competition)!

... involved in reskilling and upskilling: The digital transformation comes with major challenges for the global workforce. Clusters can take the lead, identify needs for upskilling/reskilling in their sector and offer solutions.

... SDG-driven: Clusters can become accelerators for sustainable development goals.

Leadership

05



Becoming leaders of change
Why cluster managers have a multitude of faces

“Cluster managers are not leaders-in-waiting. Less management and more leadership is needed.”

Bianca Dragomir

Strategy building and working on business models is one thing. Becoming a leader of change is another. Like a red thread, the question of leadership ran through the entire Cluster Accelerator Programme as it became clear that leaders of change are crucial for engaging and activating teams and stakeholders.

One crucial thing about cluster managers is that they are not one but many. Take a look at the roles and features below and see if you find yourself in them. And remember that any box you cannot yet tick can be worked on, on your way to becoming a cluster manager of change!

- The Cheerleader:** You can energise your cluster ecosystem and fully engage your members to co-create within the cluster.
- The Polygot:** You are capable of speaking in different languages and can tailor your message for different stakeholders – be it companies, local authorities, investors or start-ups.
- The Empathy Master:** Ultimately, this is about people, and as a leader, you need to be empathic if you want people to follow you and get things done. Really important!
- The Sponge:** You take in resources and information from many different places and absorb it all.
- The Coach:** You need to be a coach for your team and your ecosystem.
- The Gardener:** You need to take care of your members.
- The Sculptor:** You're constantly fine-tuning, refining and polishing.

Tip: As a first step to assess your leadership skills and where you stand, use the Cluster Leadership Map tool. It considers all the different levels of leadership required for cluster managers, such as visionary, network or member-focused leadership. Breaking down leadership to its different components is a helpful way to concentrate on every aspect that matters and identify strengths and weaknesses accordingly.



The Tools:

The Cluster Leadership Map

The Cluster Leadership Map



Leadership Level

Self-Assessment ↓

Biggest Strengths ↓

Items to Improve ↓

Leadership Level	Self-Assessment ↓	Biggest Strengths ↓	Items to Improve ↓
VISIONARY LEADERSHIP	1 2 3 4 5 6 7 8 9 10		
NETWORK LEADERSHIP	1 2 3 4 5 6 7 8 9 10		
STRATEGIC LEADERSHIP	1 2 3 4 5 6 7 8 9 10		
INFLUENTIAL LEADERSHIP	1 2 3 4 5 6 7 8 9 10		
ADMINISTRATIVE LEADERSHIP	1 2 3 4 5 6 7 8 9 10		
MEMBER-FOCUSED LEADERSHIP	1 2 3 4 5 6 7 8 9 10		
OPERATIONAL LEADERSHIP	1 2 3 4 5 6 7 8 9 10		
SELF LEADERSHIP	1 2 3 4 5 6 7 8 9 10		
OVERALL LEADERSHIP	1 2 3 4 5 6 7 8 9 10		



A Matter of Skills

06



Systemic change needs competent changemakers
Q&A with Carolin Hendrys and Hannes Utikal, Center for Industry and Sustainability at
Provadis School of International Management and Technology

Carolin
Hendry



Hannes
Utikal



You have worked on creating competency profiles for change makers. Why and what are your key findings? →

After centuries of mainly teaching knowledge we have now entered an era where competencies – the ability to apply knowledge, skills and specific attitudes when approaching challenges – matter as much, if not even more. Coming back to the issue of systemic change: If you want to really change things, just having know-how is not enough. Things have become too complex for that. As part of a project that looked at competencies for successful change makers such as cluster managers we have identified a range of key competencies needed for changing systems that we have grouped in five clusters which reflect different components of the change process. In this context, we think it's interesting to see how many of these competencies focus on what could be called the human side of things. Transdisciplinary communication, networking, collaborating in a team, showing perseverance, developing ideas, experimenting, just to name a few – in times of change it is not only about the technical side of things, but more about bringing people together, collaborating and sharing a common vision.

TheCAP bootcamp was a first step towards providing cluster managers with change maker tools and guidance. What's next? →

Going forward, we're looking at extending the four-day set-up into a longer, certified training programme with significant mentoring elements. Participants would leave the first workshop with an "action list" describing the activities they want to perform over the next months. After the kick-off bootcamp online mentoring would start; participants would reflect on their achievements and assess what has worked and what didn't to adapt and improve - first regionally and then as a joined European cohort at the final workshop. We believe that it is key to include different stakeholders from each cluster in this process because cluster managers need that support to create real impact.

How do you define the skills that cluster managers need? ↓

Cluster managers are drivers of change. They need to collaborate with others but, at the same time, they are in the position of a leader who has a vision and can inspire people to join in. Cluster managers aim for systemic change – they want to change whole systems (e.g. in mobility, production) and are not limited by industry or disciplinary boundaries. In Europe, these systems are currently in a period of profound transformation that is driven by technology and the need to address wide-ranging economic, environmental and societal challenges. Cluster managers are right in the middle of this transition process and need to be able to actively shape it. Being such a change maker is a complex task, involving liaising between many different stakeholders and interests and always having the ultimate aim of bringing innovation to market in sight. Skills that cluster managers need range from listening to and understanding problems and requirements to the ability to implement plans and make things happen. Based on our work and experience with clusters, we would also say that successful cluster managers always have a sense of purpose. They are driven by creating impact and finding solutions for societal problems. Collaboration is key in this context and the ability to approach situations with an open mind.



T-Shaped Cluster Manager Competency Profile

Fields of Competencies

Exploring	Framing	Designing	Implementing	Strengthening
<ul style="list-style-type: none"> –Systems Thinking –Knowing Capabilities & Resources –Networking –Transdisciplinary Communication 	<ul style="list-style-type: none"> –Defining Challenges –Facilitating Collaboration –Visioning –Setting Objectives 	<ul style="list-style-type: none"> –Identifying Needs & Opportunities –Developing Ideas –Evaluating Potential Solutions –Formulating Strategies & Planning 	<ul style="list-style-type: none"> –Experimenting & Mobilising Others –Collaborating within a Team –Coordinating Action 	<ul style="list-style-type: none"> –Monitoring & Learning –Reflecting & Adapting –Showing Perseverance –Upscaling

Knowledge

Cluster Management Knowledge
Strategies and Tools for:

- Cluster Management
- Stakeholder Engagement
- Business Plan Development
- Cluster Growth
- Product Development
- Cluster Diversification
- Internationalisation
- Marketing and Dissemination
- Digitalisation
- Cluster Financing
- Sustainability

Industry-specific Knowledge

Key takeaways on skills

- Cluster Managers need to be change makers: Having a sense of purpose and liaising between many different stakeholders and interests is of key importance
- Besides management and industry-specific knowledge, Cluster Managers need a range of competencies to create change in innovation ecosystems
- Skill sets necessary include transdisciplinary communication, networking, experimenting, persevering and mobilising others as shown in the T-shaped Cluster Manager Competency Profile
- Cluster managers need to constantly challenge themselves, refresh and extend their knowledge and expand their competency skill sets to create change and systems innovation

Next Steps



Practical resources and ideas for cluster managers

Ever thought of trying to attract foreign investment with your cluster? And are you already on the European Cluster Collaboration Platform (ECCP)? Here are practical tips, resources and inspiration for cluster managers to look into and learn.

Look into EU initiatives and support

How can a cluster's role be fulfilled and efficient business matchmaking be achieved, as well as the commercialisation of products and services? As one of the guest speakers at TheCAP, Eva Revilla from DG Grow, the European Commission's Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs, highlighted EU resources and initiatives that focus on internationalisation and value chain innovation. As a practical tool, the European Cluster Collaboration Platform not only invites clusters to profile their organisation. It also collects information on strategic partnerships, international cooperation projects, events, and cluster networks and enables partner search. It connects about 1000 clusters, including organisations from outside Europe. Are you ready to network, find partners and drive your initiatives? Check out open calls and don't forget to highlight on the ECCP what your cluster has to offer!

Have a look at www.clustercollaboration.eu

"Sometimes clusters are not understood well enough and I would encourage cluster managers to clearly communicate their results and achievements how they add value and create growth."

Eva Revilla

Get networking with the TCI

TCI Network is a membership organisation working in clusters and innovation ecosystems. Founded in 1998, it has developed into a leading global network connecting cluster professionals from 111 countries. Its core activities include exchanging experiences, benchmarking initiatives and identifying successful policies and best practices. TCI members can participate in joint projects and activities, such as regional chapters or working groups focused on specific themes.

Info on www.tci-network.org

Use practical strategy tools

How to cut through the noise and focus on the things that matter – "Strategy Tools", a set of handy tools that help simplify and visualise complex strategy processes with a view to clarity and action can be a good start. Developed by innovation consultant and TheCAP coach Christian Rangen and his team at consulting firm Engage//Innovate, it provides an ecosystem of more than 30 strategy tools covering anything from strategy and transformation to superclusters or ecosystems. The open platform is free to use and enables "picking & choosing" based on individual requirements.

Sign up on www.strategytools.io

Tips on how to attract international funding

"Clusters often neglect presenting themselves as ambassadors for their region and its assets. However, with little promotional effort, spill over for their regions can be created, which is ultimately in the interest of their member companies."

Lucia Seel
ECCP
Communication
& Content
Manager

Going international and taking your clusters' output beyond national borders is one thing. Attracting foreign investment is another – and an important piece in the puzzle of turning your cluster into a "value creator" for your region. Don't forget that clusters can be major assets when it comes to regions and countries communicating with investors as they represent innovation, know-how and growth opportunities.

- Think of your cluster as an ambassador of your sector AND your region/country: represent your region's assets.
- Strong and close cooperation with public bodies such as regional development agencies or specialised agencies for foreign investment is key. Involve them in your cluster ecosystem and offer your insider know-how, e.g., organisation of site visits for potential investors, identification of suppliers, and translation of business needs to public authorities.
- Promote your regional/national assets on available platforms, e.g., use the ECCP's section dedicated to regional networks to highlight the opportunities offered in the region/country by the cluster and by the regional/national cluster ecosystem.
- Always include the promotional component dedicated to attracting foreign investment in your communication materials and in direct communication with your international partners and counterparts. Talk about it!

The Wetsus way: Clusters as centres of reskilling and upskilling

According to a World Economic Forum report, 54% of the global workforce need to be reskilled or upskilled by 2022. Pieter de Jong, European Representative at Wetsus – the European Centre of Excellence for Sustainable Water Technology in the Dutch Friesland region – and one of TheCAP coaches, presented how clusters can take the lead in this field. His message: People with the right skills is the most important output of innovation ecosystems because the orchestration of innovation and capacity of absorbing innovation depends on skilled people.

Wetsus, which combines scientific excellence with commercial relevance to create a world-class innovation ecosystem, has integrated the entire learning cycle for water technology into the innovation ecosystem. Covering every stage from primary to business education and including vocational education, relevant bachelor's and master's programmes as well as PhD and MBA level, this facilitates upward mobility for individuals in this field but also includes initiatives to translate knowledge from higher to lower education levels. Through the EU's 'Centres of Vocational Excellence', a new feature of the Erasmus+ programme that aims to elevate the quality and availability of VET (vocational educational training), Wetsus has now established a Centre of Vocational Excellence Water (CoVE Water) pilot project. The goal of the project is to bring together different European education institutions and clusters in order to achieve 'upward convergence' of VET excellence throughout Europe.

Looking at the world of superclusters

Canada, Australia, China, Malaysia and Thailand – there's a new world of government-initiated superclusters out there that aim at driving and accelerating national innovation programmes. They bring together the five pillars of innovation ecosystems – companies, academia, public authorities, start-ups and capital – and are focused on industries of the future with a view to creating value and jobs. As the EU is looking to establish more joint cluster initiatives and industry-focused action, the development of this type of innovation supercluster is closely monitored in Europe. Cluster managers interested in learning more can find reports on innovation superclusters here: www.engage-innovate.com/reports.

European Voices



What TheCAP participants say

“I would have needed this before starting to work with clusters.”

This was a common notion expressed by TheCAP participants who share issues in areas including: member engagement, funding and stretched resources; moving out of the triple helix and an often research-centric approach; as well as putting more emphasis on business and taking innovative products and services to market. They also share a feeling of being confronted with a complex task while, at the same time, missing crucial cluster specific guidance on how to manage this unique set-up of stakeholders and, more importantly, how to take it to the next level to achieve real impact.

In the course of the four-day workshop it became clear that, alongside expert input from practitioners and practical tools as one pillar of the workshop, inspiration and peer learning were equally important. Together, this created a tangible spirit of enthusiasm and a “let’s do this” attitude among the twenty participants from eleven European countries. After the accelerator programme had finished, when going back to their clusters, innovation agencies and ecosystems, they had all identified their respective needs and tasks and, most importantly, concrete measures and next steps to put into action.



→ **Pirkko Taskinen**
Director of AIF Water Ecosystem, University of Oulu, Finland

“Coming to TheCAP, funding was my cluster’s biggest current challenge as our government funding is about to run out and a new model is needed. After the four days, I’m confirmed in my belief that our current research driven ecosystem doesn’t have enough speed and scale. It needs to be more business-driven and capital needs to be brought in. I’m going to propose a new public-private funding model. And the workshop provided me with lots of input and guidance for a very practical issue I’m currently having to address. I think that many cluster managers could benefit from such a training where they actually learn what to do in the first place. I would have done things differently if I had gone through this course before I started my work with clusters.”



→ **Fabrizio Ciarmatori**
Project Manager, ART-ER, Italy

“I work for an innovation agency that sits between seven innovation and technology clusters on the one hand and the regional government who initiated them on the other. I attended TheCAP with the goal of learning methodologies to bring back to our cluster managers and the policy makers. The main challenge for cluster managers is to orchestrate all the activities and different objectives and interests of a variety of stakeholders. Tools such as the cluster roadmap design are very useful to provide an overall picture for people to see all that’s involved and discuss it with them. My plan now is to arrange such as session with our clusters jointly with all the stakeholders because everyone needs to buy into the whole process.”



→ **Jamie Meehan**
Senior Researcher, Cork Institute of Technology/Cyber Ireland, Ireland

“Our major challenge is establishing an innovation-driven ecosystem. The current business model of the Cyber Ireland cluster needs to evolve, with entrepreneurship and capital becoming part of the current triple helix environment. A key learning from TheCAP for me is also that trust and collaboration are absolutely key for cluster development. I will be able to take the learnings from this workshop directly into an innovation and strategy meeting – to look at, for example, our value proposition. In general, I feel that the peer-to-peer learning has been exceptional, which is crucial for this kind of accelerator programme.”



→ **Veronica Elena Bocci**
Cluster Coordinator, DITECFER, Italy

“I’ve been running a rail technologies cluster for eight years and the biggest challenge is member engagement. Your members need to take ownership of your vision and share it. Often, they have not fully understood yet what our cluster can do, and one of the learnings from TheCAP for me is that our process needs to be shared better with them. They need to see that we’re on the right way with our business model and I’m now planning to use the tools we worked with during the workshop at our next board meeting. For example, the cluster roadmap design will enable them to see that it is about a long-term vision and plan. I’m currently also working on our catalogue of services that our cluster offers to members. This will be fine-tuned now, and the launch will be accompanied by storytelling. I don’t just want them to accept the things presented to them but to fully share in what we’re doing.”



→ **Julija Maslinskaitė**
Cluster Facilitator, Cleantech Cluster Lithuania

“Cleantech is a very wide sphere, combining many different fields and industries. Establishing a value chain that includes all our members is a challenge, but I feel confident after TheCAP to know how to move forward. A cluster’s value proposition is definitely key, and my biggest takeaway is that European clusters have to be bold and adapt the growth strategy of start-ups: work fast, with focus and be ready to scale.”

How to build Clusters of Change

- Constantly challenge your own cluster model
- Turn your cluster into an entrepreneur-driven entity
- Be and act as an innovation broker
- Focus on open innovation in practice
- Think like a start-up and build a repeatable, scalable cluster model
- Be bold & dare to break rules



Interested to learn more, co-create or participate in the Cluster Accelerator Programme?

Don't hesitate to get in touch!

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ConnectedClusters Alliance

Clustering innovation to create thriving and prosperous low carbon cities and regions.

When business, research, communities and government cluster together to deliver low-carbon innovation, it speeds up the emergence of clean, vibrant places to live and thrive. This is crucial to curbing dangerous climate change. And it drives local economic benefits.

We believe that stimulating these climate innovation clusters should be at the heart of infrastructure delivery, job creation and place-making for governments of all levels.

During the course of this two-year project, Climate-KIC's ConnectedClusters project supported the shift towards place-based climate innovation by developing new collaborative approaches to technology, procurement, investment and training. As a result, the first European Cluster Accelerator Programme was launched.

Partners: EIT Climate-KIC, Provadis Hochschule, Asociación Valenciana de Empresas del Sector de la Energía (AVAESEN), University of Birmingham, Edinburgh Centre for Carbon Innovation (ECCI)

CENTER FOR INDUSTRY AND SUSTAINABILITY @ Provadis Hochschule, Frankfurt/Germany

The Center for Industry and Sustainability (Zentrum für Industrie und Nachhaltigkeit – ZIN) at the Provadis School of International Management and Technology is a “think and do tank” for a sustainable industry. It is located next to one of Europe's largest chemical and pharmaceutical sites (Industriepark Höchst) and conducts extensive research and carries out innovative education projects that provide hands-on solutions for a more sustainable industry. We support start-ups and companies, qualify students and practitioners on sustainable innovations and work on cutting edge solutions for the circular economy and cluster development. The center follows an interdisciplinary approach and focuses on close cooperation with national and international partners from science, industry and the public sector.

www.provadis-hochschule.de/zin

EIT CLIMATE-KIC

TheCAP is supported by EIT Climate-KIC: one of Europe's largest public-private innovation partnership focused on climate innovation to mitigate and adapt to climate change. Supported by the European Institute of Innovation and Technology, Climate-KIC identifies and encourages innovation that helps society mitigate and adapt to climate change.

www.climate-kic.org

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