

ÖSTERBOTTENS FÖRBUND – POHJANMAAN LIITTO

Smart Specialisation in Ostrobothnia

What, Why, How and So What ?

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What is Smart Specialisation ?

Background and objectives

What:

- Smart specialisation is the new EU-strategy to develop the regions as a part of EU 2020 strategy for a smart, sustainable and inclusive growth
- The purpose is to achieve growth based on innovations in all European regions.
- This means that innovations will stand in the forefront of regional policy
- Schumpeterian institutional view on innovations => triple-helix policy learning
- Emphasis on the RIS3 strategies
- This materializes through connecting RIS3 to EU –financing and through a policy support by the platform

Why:

- Europe is lagging behind US and Asia not only on innovations but on bringing them to the market and achieving economic growth => slower growth rates
- This is an imperative unless we want to live on Asian wages
- We live in a global world and regional growth cannot be based on handouts
- Experience has shown that development projects are not followed up in the regions
- Wish to regional “up-stream” and “downstream” relations with Horizon 2020
- The strategies have to include certain principles



What is a Smart Specialisation Strategy?

Core principles

PLACE-BASED:

The strategies should be prepared with a bottom-up perspective and reflect the true issues experienced by the stakeholders. Connected to this question is also the issue of ownership

EVIDENCE:

The S3 strategies should build on regional competitive advantages and not on political desire

GRANULARITY PRINCIPLE

S3 strategies are different from sectoral strategies that they are not focusing on issues e.g. paper and pulp manufacturing but rather on the use of nano-technology in paper and pulp manufacturing. Beside smart strategies there may be also sectoral strategies on manufacturing

ENTREPRENEURIAL DISCOVERY PROCESS (EDP):

EDP means learning which requires some form of challenging of statements and also clarification of what the strategies are ment to achieve

INNOVATION BY RELATED VARIETY:

This is linked to the above if we may by a "happy accident " discover that say the nano-technology can also be applied apart from pulp and paper also manufacturing.

What are the challenges in the S3-process ?

Core principles challenges

PLACE-BASED:

The innovation governance system in Finland is centrally lead. This leads to "copy-paste" solutions and to that governance structures are debated instead of content.

EVIDENCE:

The political desire is many times contradicting the evidence. Innovation is connected to structural change. The winners do not have advocates as they do not exit, the losers are more active politically

GRANULARITY PRINCIPLE


Political processes tends to produce "café para todos" and sectoral strategies claiming to be smart strategies.

ENTREPRENEURIAL DISCOVERY PROCESS (EDP):

This is difficult as it is easier to make more projects than better projects. The stakeholders do also have vested interest in the continuation of project activities. Contradiction between short- and long-term interests

INNOVATION BY RELATED VARIETY:

If the conditions mentioned above don't exist there will be no innovation by related variety



How do we respond to the challenges ?

The Ostrobothnian Model of Smart Specialization

THE MODEL IS PLACE-BASED:

The model builds on the challenge of business driven innovation system

THE MODEL IS EVIDENCE-BASED: The model builds on industries that have been internationally competitive over a long-period of time. Internationally working companies are more innovative. This was confirmed in the AMCER study counting EPO-patents

THE MODEL INCLUDE A LEARNING PROCESS

The model include a "learning-loop" that is annually repeated. This process is complemented with a transnational learning process

THE MODEL PROCESS IS LINKED TO FINANCING

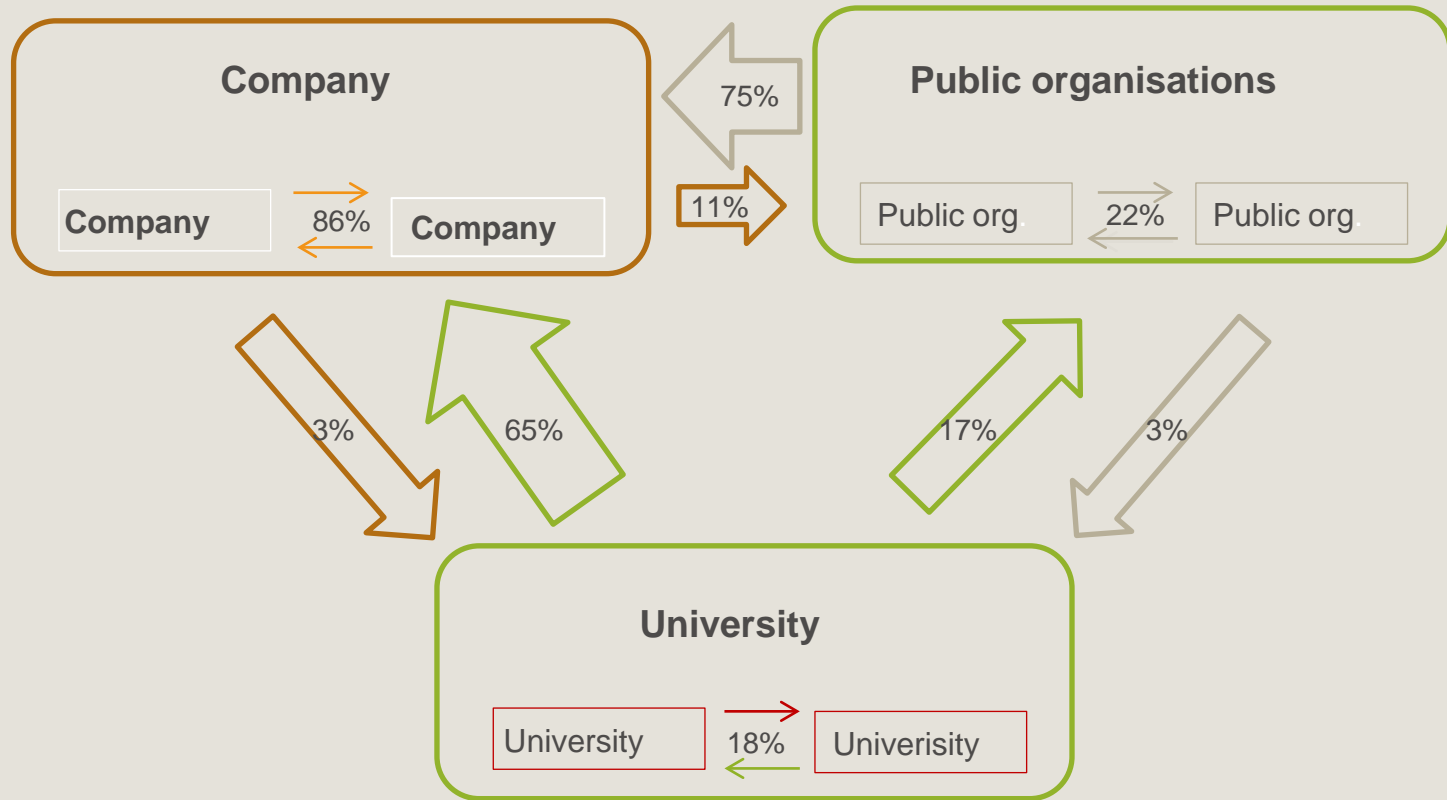
The model process has been included in the Regional Scheme approved of by the Board. We have linked our own financing to the process but the European funding is even more important

THE MODEL INCLUDES INNOVATION COMMUNICATION AND GUIDANCE:

The governance process of the model is linked to the Regional Cooperation Groups and the legislation aiming at strengthening these groups (Finlax 2014)

How is the model place based?

Ostrobothnia triple-helix structure

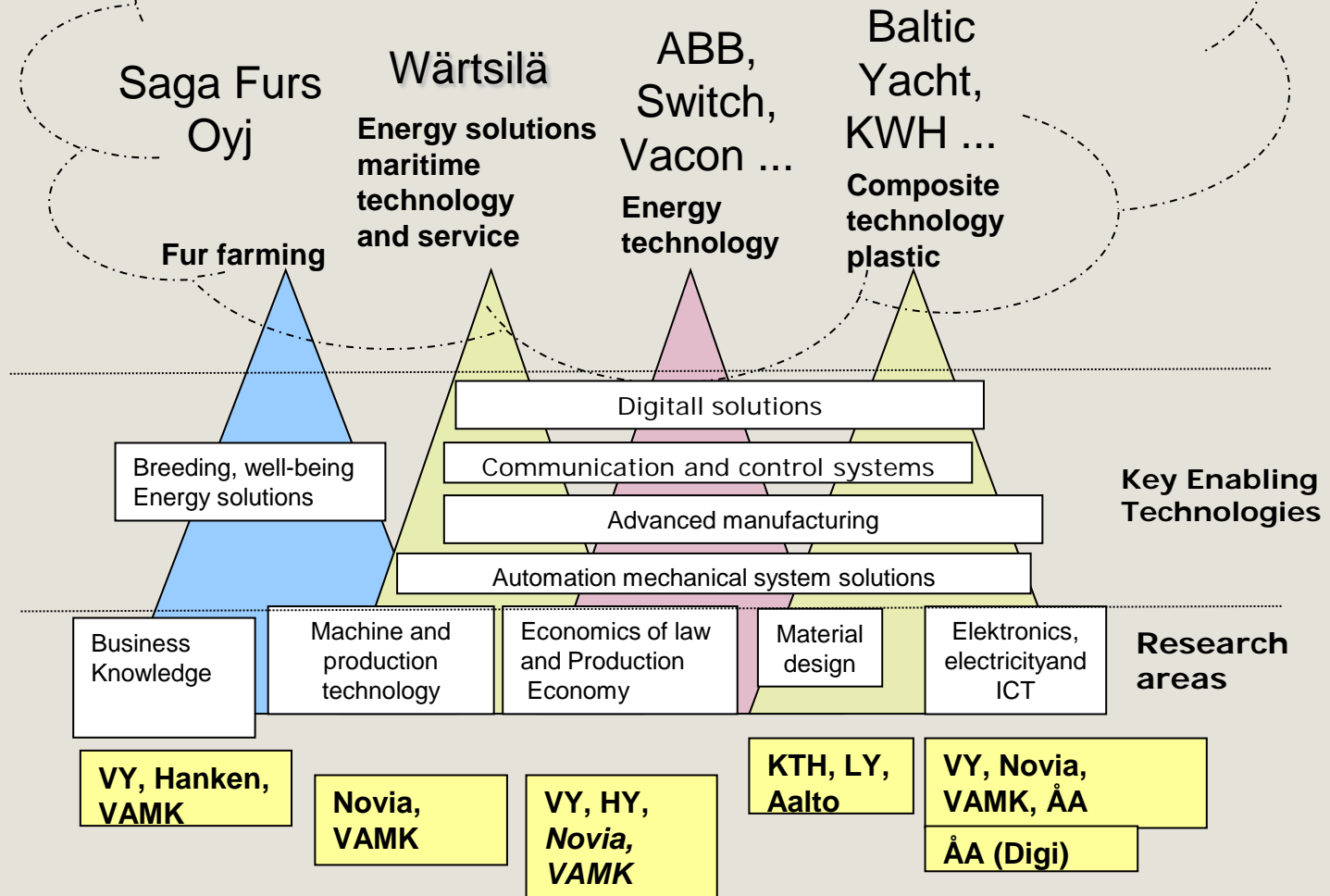


How is the model linked to evidence?

Clusters and stakeholders

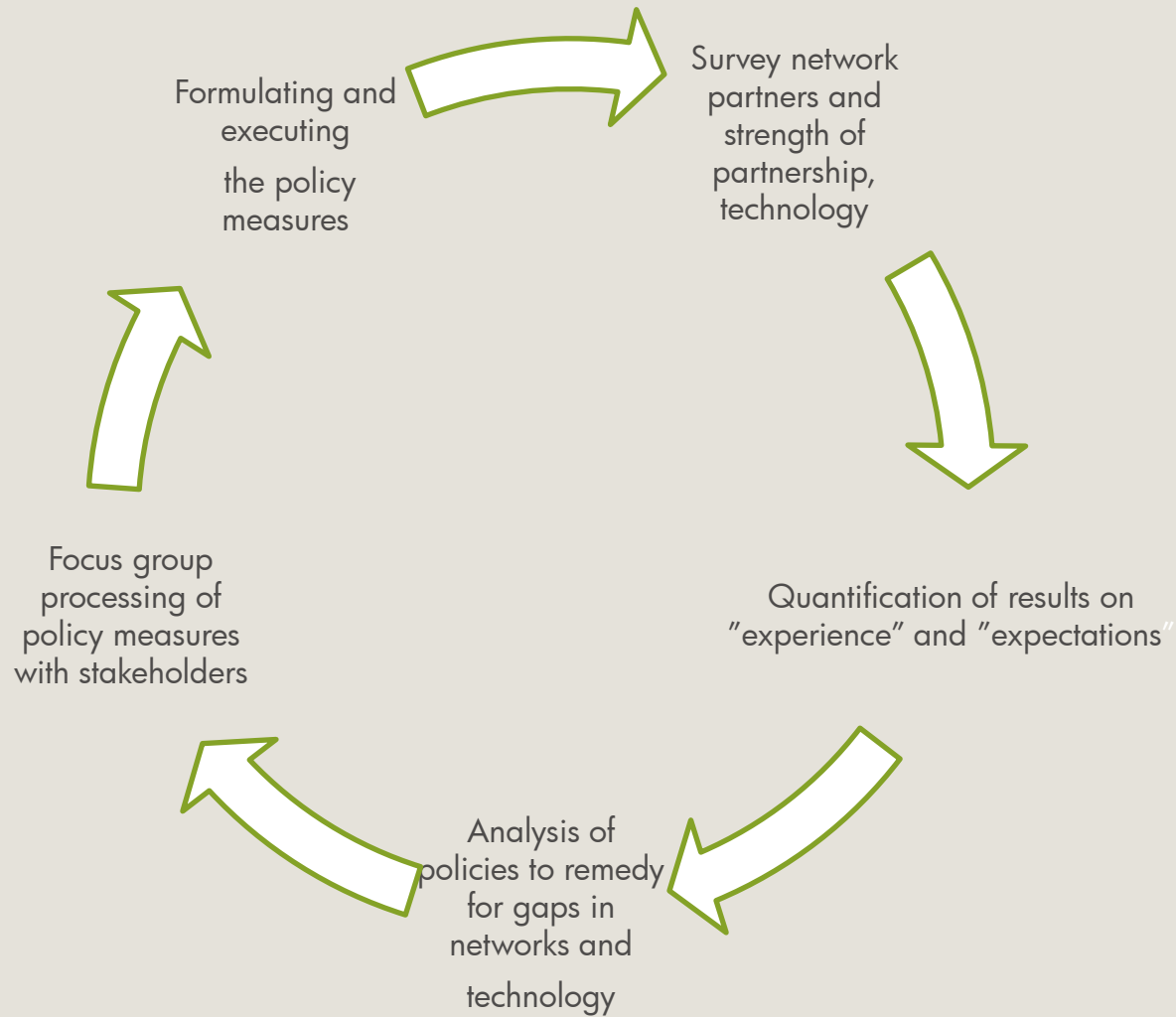
Cross-sectoral platform

“the systemic part in an innovation system is a structuralized dialogue”



How is the model linked to learning?

Model learning process



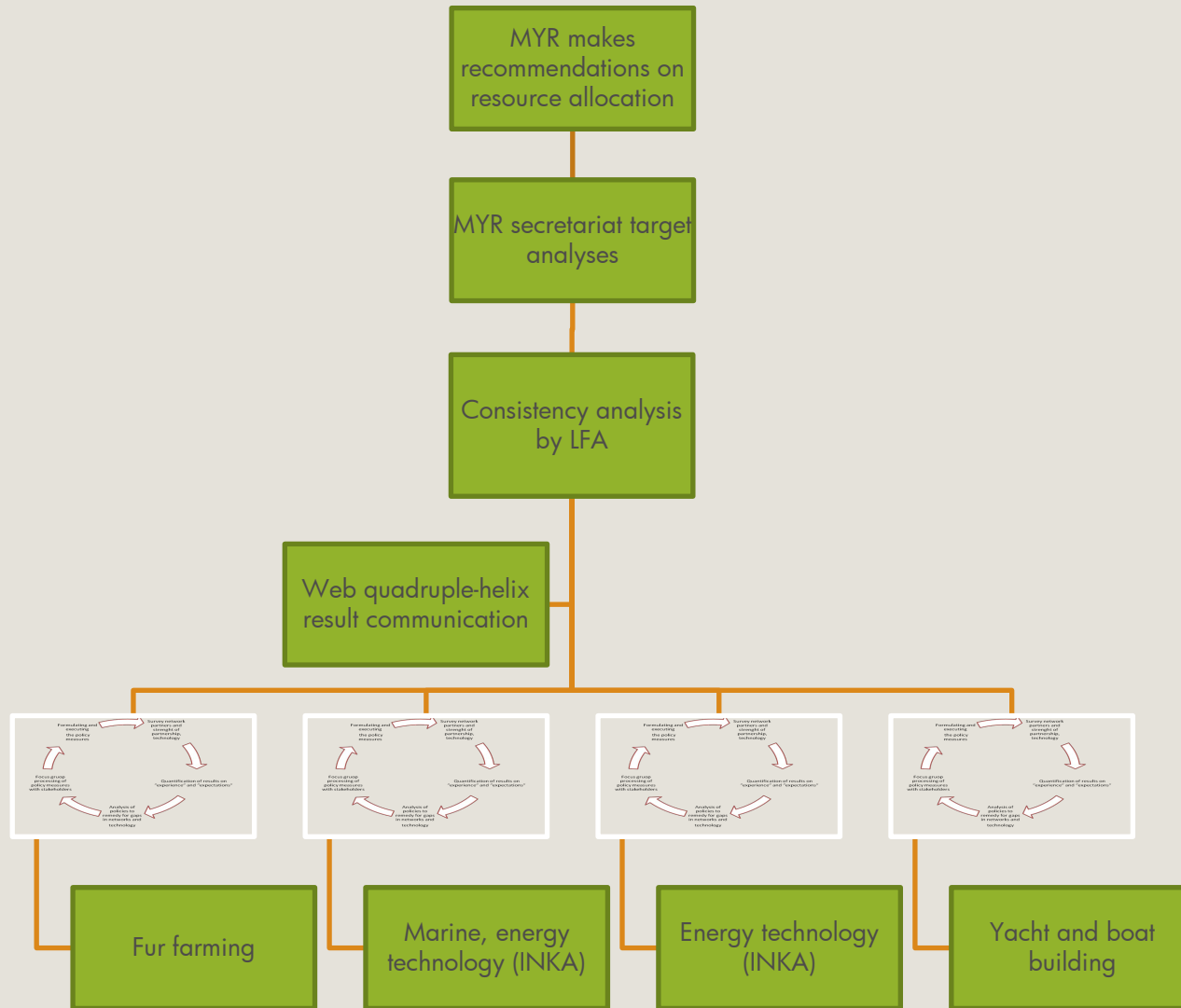
How do we learn ?

Gap analysis, reflection and repetition

- GAP analysis is based on network study of triple-helix that draws on business studies
- Questions to business leaders and others in the triple-helix:
 - what are your **expectations** on e.g. research and education (+other sectors) on a scale 1-10 and
 - what are your **experiences** on a scale 1-10
- The difference between **expectations** and **experiences** is a GAP
- A GAP > 2 indicates a **problem**
- A small GAP with high expectations indicates a **good solution**
- By comparing GAPs **over time** and **across regions** we seek good solutions
- Partner focus-groups dialogues on **problems** to search for **happy solutions**

How do we communicate learning ?

Soft and hard coordination



So what?

Feedback and results

ENERGIA-ALAN YRITYKSET	2013				2015				Muutos
Yhteistyö julkishallinnon kanssa (sis. kehitysorganisaatiot)	Odotukset, KA (1-10)	Kokemukset, KA (1-10)	Gap	Gap yli 1,5?	Odotukset, KA (1-10)	Kokemukset, KA (1-10)	Gap	Gap yli 1,5?	Muutos Gapeissä 2013 - 2015
Huom! Kumppaninne voivat vaihdella kysymyksen aiheesta riippuen!									
Yhteistyö infrastruktuuriin/logistiikkaan liittyen	8,500	6,500	2,000	Kyllä	5,375	4,000	1,375	Ei	-0,625
Yhteistyö alueellisessa kehittämisessä	9,000	6,600	2,400	Kyllä	5,857	4,286	1,571	Kyllä	-0,829
Yhteistyö teknologioiden kehittämisessä	7,333	6,500	0,833	Ei	5,375	3,750	1,625	Kyllä	0,792
Yhteistyö elinkeinojen kehittämisessä	7,667	6,000	1,667	Kyllä	5,000	3,714	1,286	Ei	-0,381
Yhteistyö maankäytön suunnittelussa	6,500	3,500	3,000	Kyllä	4,500	3,000	1,500	Ei	-1,500
Yhteistyö ympäristöasioissa	4,667	4,667	0,000	Ei	4,429	3,857	0,571	Ei	0,571
Yhteistyö työllisyysasioissa	5,800	5,800	0,000	Ei	5,714	4,667	1,048	Ei	1,048
Relaation keskiarvo	7,067	5,652	1,414		5,179	3,896	1,282		-0,132



So what?

Interpretation of results

Yes:

Do they actually understand the regional development system and what is required by legislation?

What does regional development mean to them?

Who were the persons answering and have the answers been affected by recent events or even mood of the day?

Is that small number of informants sufficient and representative for the sector?

But:

The regional development system and legislation may change tomorrow.

A good way is to find out by asking them and hopefully get them to participate in regional development.

Central stakeholders and the analysis of recent events and mood may bring valuable knowledge on "weak signals"

We rotate the panels and add up the annual conclusion from which we learn - "you don't have to eat the whole ox to know that the meat is tough".



So what?

The ability to survive depends on the ability to adapt

REGIONAL INNOVATION SYSTEM (RIS):

Developing RIS will be in the focus for the regional development but it will not be the only task. Most Councils have externalised the work thus giving away their core duty mostly to the HES.

OWNERSHIP:

There has been little ownership of the process leading to "copy-paste solutions" perceived to be important when applying for European financing.

LEARNING:

It seems to be widespread understanding that an issue has been solved when some money has been thrown at the problem. This might in some cases apply to NUTS1 but never to NUTS3. Throwing money at the problem might on the contrary make it even worse.

NATURE OF INNOVATION:

Apart from Science Technology Innovation (STI) we also have innovation by Doing Using Interacting (DUI). The latter category has been typical of Ostrobothnia but the DUI-model is not approved of e.g. INKA

”(EM)POWER TO ALL MY FRIENDS”:

The debate indoctrinates us with "critical mass" suggesting that people living in highrise houses would be more intelligent than people living in their own small cottages. If this would be true Ostrobothnia could never have produced the most rapid per capita growth since the millennium change

Thank you for your attention...

