

# Strengthening Innovation Governance in Baltic Non-metropolitan Regions through Transnational Cooperation

# BSR

## InnoReg

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## BSR InnoReg – Improving Innovation Readiness of Non-metropolitan Regions in the Baltic Sea Region

BSR InnoReg is a transnational cooperation project involving 18 partners from 6 Baltic Sea Region countries (Finland, Estonia, Latvia, Lithuania, Poland, and Germany). The partners represent local, regional and national authorities as well as science parks and technology centres.

The project focuses on enhancing capacities of business development organisations (BDOs) operating outside metropolitan areas. All partner regions implement development processes for the regional BDOs to analyse the competencies that are needed in the long term. The project helps BDOs to improve their business and innovation support services for the SMEs.

Transnational training modules on actual topics such as "open innovation" and "innovation management" are also organised for the BDOs to support their development processes. The partner regions also jointly develop and test concrete innovation support tools and practices. These tools aim at promoting user-driven innovation, start-up support, and involving students in innovation processes.

Furthermore, BSR InnoReg brings together decision-makers of the partner regions to discuss global economic challenges and agree on an Innovation Policy Memorandum. The Memorandum will guide innovation support activities and policies especially in the regions outside metropolitan areas. The project contributes to the EU Strategy for the Baltic Sea Region by providing recommendations on efficient innovation support in non-metropolitan areas of the Baltic Sea Region.

Johanna Leino  
*The Baltic Institute of Finland*





## Improving Capacities of Business Development Organisations in Tampere Region

A development process for six business development organisations (BDOs) in Tampere region was carried out by an external expert Management Design Intelligence Ltd (MDI). All selected BDOs are mainly owned by local municipalities.

The main activities in the process consisted of a small-scale survey and a two-phased workshop round for each BDO. Two joint meetings were also included in the process for general discussion. The aim of the survey was to have an overall understanding on the challenges the BDOs face in the fast changing operational environment in the long term, and to assess how the BDOs are succeeding in their basic tasks.

In the first workshop, each BDO was asked to identify their current position and role compared to other regional development organisations in the region and set a target status for the future. The BDOs were also asked to select the most crucial tasks in relation to the target position. Furthermore, they identified the organisation-specific resources, skills, knowledge, processes and procedures the BDOs have in fulfilling the most crucial tasks.

In the second workshop-round, each BDO was provided with a competence map based on the discussions in the first workshop. The main purpose of the second workshop was to identify development targets related to the BDO's competencies. Consequently, MDI produced development plans for each BDO. The plan contained the discussion in the two workshops, description of development activities and a suggestion for further steps.

In autumn 2010, all BDOs will have another joint meeting to identify similar development issues and have a mutual understanding on the future challenges of the BDOs. As a result, joint activities or projects and a permanent agreement on a certain operating model are expected.

Based on the development process, some generic competences may be identified for the BDOs in Tampere Region.

- Forecasting competence refers to the ability of analysing weak signals and trends identified in the operational environment. The BDOs are often seen as providers of novel information and therefore, the ability of acquiring relevant information and seeing the future is of importance.
- Partnership competence is the ability of creating and maintaining reliable relationships with key partners. These may be other development organisations, research institutes or SMEs.
- Network competence requires the ability of analysing different networks and selecting the ones that are important for the basic tasks of the BDOs.
- Project management competence is the ability of planning, executing and documenting development projects as well as being able to grasp the opportunities. It requires the knowledge of using external funding on a national and international level.
- International competence is crosscutting all previous four competencies, but it has more to do with the attitude of BDO personnel than any other competence. Seeking international partners, acting in international networks and managing international projects requires both willingness and experience from interacting with other cultures.
- Subject competence means know-how in a certain field of expertise. Often, the BDOs are specialised in an operating model of generating new projects, helping the local SMEs to find best possible partners or disseminating information, best practices, and results from the organisations and projects outside the region.

Tommi Ranta  
Management Design Intelligence Ltd



# Baltic InnoReg Forum Organised in Riga

The BSR InnoReg project organised a high-level Baltic InnoReg Forum – Encountering Global Mega-Trends in Non-Metropolitan Regions in Riga 18 June 2010. The Forum was targeted at local and regional decision-makers and authorities from the Baltic Sea Region countries, and it attracted about hundred participants.

The aim of the Forum was to raise awareness on how the global mega-trends and the rapid change of global business environment af-

fect the regions and what it demands from the regional innovation promotion activities and competences in the long term. The Forum also aimed to provide an outlook on innovation cooperation opportunities in the Baltic Sea Region and EU policy directions in the future. The main speakers were Mr Nikos Pantalos from EC Enterprise and Industry Directorate-General, Ms Helene Vogelmann from VINNOVA and Ms Vineta Griekere from the Joint Technical Secretariat of the EU Baltic Sea Region Programme 2007–2013.



Nikos Pantalos



Panel discussion in the Forum



Pia Kattelus

## Experiences from BSR InnoReg Transnational Training Modules

The purpose of Transnational Training Modules (TTM) in BSR InnoReg is to improve capacities and networking of the business development organisations (BDOs), the main target group of the project. The topics of the modules come up from the regional development processes as identified key focus areas in innovation promotion today and in the future. The participants of the TTMs come mainly from the target BDOs of the partner regions.

The first TTM "Preconditions for Successful Innovation Processes" was organised in October 2009 in Seinäjoki, Finland, and the second TTM "Creativity, Innovation & Management" in March 2010 in Tartu, Estonia, both with around 50 participants

The contents and methods used in the TTMs have combined both theory and practice through expert lectures and case examples. Group tasks have also been a good opportunity for the participants to share their views and experiences and get ideas for implementation in their own work.

In Seinäjoki, the participants learned especially about the open innovation approach, the user driven approach and the potential of different social media tools for supporting innovations. For example, the concept of "living lab" is related to the open innovation paradigm that aims to involve many actors in the innovation process at an early stage. A living lab can even be a part of a city that is a real life laboratory for the development, testing and marketing of new technology applications,

products and services. The management of living labs requires new skills like usability, human-technology interaction and facilitation instead of controlling.

In Tartu, it was underlined that creativeness is the capital of the 21st century, but it is not easy to manage. Moreover, not everything that is creative is always innovative. However, innovations need creative environment and daily management influences that more than a strategy of an organisation. It was said that "a good manager let's people play", accepts also their mistakes, gives them time to think and freedom to do things in their own way that fits to their personality. For instance, work overload or lack of motivation can easily kill the creativity of an employee.

The participants of the TTMs are expected to utilise the "lessons learnt" in their daily work, and also share their learning within their organisations and regions. The next TTM will be organised in Riga, Latvia, September 2010 with the title "Financing and Support for Start-up Companies". It is organised in connection with the annual Baltic Dynamics Conference.

Pia Kattelus & Johanna Leino  
*Ruralia Institute & The Baltic Institute of Finland*



Participants of the TTM in Seinäjoki in October 2009



Project Manager Johanna Vannes

## Changes in the Project Staff

Project Manager Johanna Leino will be on maternity leave from October 2010 onwards. The persons responsible for the project at the Baltic Institute of Finland are Project Manager Johanna Vannes (johanna.vannes@tampere.fi) and Project Co-ordinator Pasi Sammallahti (pasi.sammallahti@tampere.fi).



## Greetings from the Partners

**Jaakko Hallila / Regional Council of South Ostrobothnia, Finland:** In global competition, it is prominent to be able to cooperate regionally. During the project, the business development organisations (BDOs) in South Ostrobothnia have been communicating and cooperating in a new way. Our expectation is that by the end of the project, they have created strategic plans for the future. Moreover, one BDO started cooperation with another BSR InnoReg partner abroad.



**Līga Baltiņa / State Regional Development Agency, Latvia:** In Latvia, the greatest achievement so far has been the successful involvement of representatives of the regional planning authorities in project activities. Furthermore, we have established international connections, exchanged ideas and experiences with BDOs from all the partner regions. Before the end of the project, we hope to have reached a common understanding among local politicians on the importance of efficient innovation policies in regional development.



**Martin Bünning / ZAB – Brandenburg Economic Development Board, Germany:** The “Brandenburger Innovationsgutschein” (BIG), an innovation voucher model, has been developed in the project and it has become quite a success story in Brandenburg. This pilot action aims at fostering technology and knowledge transfer activities, e.g. cooperation between SMEs and R&D institutions. The transnational exchange of experiences with other partners has been very useful.



**Harald Knauer / Regional Planning Council Havelland-Fläming, Germany:** Innovation as such has become an important issue in our region; it has caught the interest of an increasing number of stakeholders. Nevertheless, I wish more people would realise how strongly we depend on innovation rather than on hectares of industrial zones.