THE ROLE OF ASSOCIATIONS IN REGIONAL INNOVATION SYSTEMS

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The innovation system heuristic is a basic concept in national and regional innovation policy worldwide.

Evidence and mission orientation and civic participation and engagement in innovation and technology policy.

New actor groups and constellations (networks, local/regional fora, clusters, research PPPs etc.).

New forms of innovation: open innovation, interactive innovation, user-based innovation etc.

New approaches to (efficient) policy-making are necessary.

Questions:

Is the innovation system heuristic still appropriate to be used as a policy concept both at the national and regional level?

Can efficient policy tools and instruments derived from this theoretical perspective?
Micro perspective: Who are the relevant organizations and people? Who has specific bargaining powers? How can individual interests be brought together ("related variety") and merged towards the formulation of common interests?

Source: Koschatzky (2012a) according to Kuhlmann and Arnold (2001, p. 2)
Role of "Intermediaries"

- **Link and influence** the other components of the system.
- **Much broader** than chambers of industry and commerce, technology transfer organisations or scientific foundations.
- An intermediate organisation ("association") **functions in the midst of the users and producers of knowledge** (Smedlund 2006).
- **Intermediary functions** between the state (governments at different levels), markets and private households (Knieling 1994).
- **Outcome to the need of collective action** (Bennett 1998).
- Their **role** in contributing to innovation is **fairly unknown**.

**Questions:**
- Which kinds of groups and organizations exist with relevance to innovation activities?
- Which objectives do they follow?
- Which roles do they play, what are their impacts?
- What is their policy relevance?
- Do they act in parallel or complementarily to formal public organizations?
Some clues from the theoretical literature about the role of associations?


- Organization by its own or a role/mission of an already existing organization (according to Smedlund 2006).

- **General starting point:** When new tasks or a particularly urgent need for action encounters a lack of capacity (or interests to act) of existing players (organizations, governments), some of the conditions for the emergence of new (usually: intermediate) organizations are being created (Selle 1991).
New initiatives and associations take on tasks in the spectrum between private service provision and public governance.

- Private commercial services
- Target-group services
- Lobby groups
- Services in public order
- Cluster organizations
- Political-strategic actors
- Public bodies and traditional actors

Single clients, defined customer groups, voluntarily established, broad target group.
Missions, activities and impacts

- **Missions:** support of regional success factors, services to regional firms and organizations, the creation, development and modification of intangible assets, etc. (Smedlund 2006).

- **Activities:** collective bargaining, coordination, mediation, representation and lobbying, social exchange, advocating, community support and social responsibility, group marketing, self-regulation (Bennett 1998, Knieling 1994, Tomlinson 2011).

- Act at the **national level** (norms, networks, trust), at the **micro level** (relationships between individual persons or small groups of persons), and on the **meso level** (vertical and horizontal relationships and networks between organizations and groups) (Smedlund 2006).

- **Supply innovative ideas** to regional development (implementation of key policy measures), **expand existing networks** between government and the business sector (Knieling 1994).

- **Contribute to new forms of innovation** (e.g. user-based innovation).
Implications for the active shaping of regional innovation systems

Influence on the governance of innovation systems depends on:

- **Different governance logics** (private versus public / non for profit).
- **Different roles and tasks** according to the "varieties of capitalism" approach: more privately organized public functions in liberal market economies (USA, UK), more additional public functions in coordinated market economies (e.g. Germany, Austria).

Consequences

- Role and responsibilities of private, public and voluntary associations are different (freedom, expectations, transfer of government functions).
- Characteristics of associations depend on the overall context in which they arise and act.
- A variety of ways and approaches to participation exists, which can only be explained and understood in the context of the specific innovation system.
What does this tell us?

- Intermediary associations in any form fulfill **critical (important) functions in regional innovation systems.**
- Depending on institutional frameworks and modes of coordination, they are either **glue or corrective** between the different sub-systems in an innovation system.
- Depending on their mission, they might be **supporting or impeding regional development strategies.**
- Governments/policy makers should either **include** associations in strategy building processes, or to be **aware** that opposition might arise from them.
- These **conclusions are still vague**, because from an empirical viewpoint the role of these actor groups is so far insufficiently analyzed.
- **Need for detailed analyses.**
Our approach

- A specific, **multidimensional conceptual approach** is required (different levels in innovation systems).
- An empirical concept integrating both **qualitative** (case studies) and **quantitative** elements (macro data).
- **Comparison** between regional innovation systems in different national settings.
Thank you for your attention!

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Literature and more information:

www.isi.fraunhofer.de/isi-
wAssets/docs/p/de/arbpap_unternehmen_region/2014/ap_r4_2014.pdf
### Our approach

**Hypotheses regarding role and development of associations**

<table>
<thead>
<tr>
<th>H1: When demand for joint activities is perceived, associations are established to satisfy the requirements.</th>
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<tbody>
<tr>
<td><strong>Analytical layer</strong></td>
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<tr>
<td>Macro and meso levels (systems and organisations)</td>
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<tr>
<td><strong>Methodological approach</strong></td>
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<tr>
<td>Qualitative methods to analyse both regional systems and involved associations: desk research, interviews with stakeholders, workshops, ethnographic investigations. Additional quantitative surveys.</td>
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<th>H2: In the course of the life cycle of these newly established associations, their processes and actions become more and more formalized, resulting in routines similar to established/mature associations.</th>
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## Our approach

### Hypotheses regarding role and development of associations

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<td><strong>H3:</strong> If there is a strong driver, new associations are established.</td>
<td>Micro level (individuals)</td>
<td>Qualitative methods to analyse the character traits of these individuals.</td>
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<td><strong>H4:</strong> As soon as the political influence of mature associations in innovation systems decreases, their scope of action changes in terms of developing and implementing new activities.</td>
<td>Meso level (organisations)</td>
<td>Qualitative methods to analyse the shift in mission and instruments. Additional quantitative surveys.</td>
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