



OUTCOME DISSEMINATION PLAN AND FEASIBILITY STUDY (LONG-TERM SUSTAINABILITY)

Result 16
of the LLP Leonardo da Vinci
LEGEND project

centire



FH | JOANNEUM
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1. Introduction

The LEGEND Project can be viewed as a pioneer effort of translating and transferring the IC method into the Slovak context and thus supporting the target groups (SMEs, HEIs) in their further development and in boosting their research and development potential. The project aims to contribute to improving knowledge-sharing by Slovak SMEs and to reinforcing their sustainable growth, innovation as well as their competitiveness.

During the project implementation, international consortium adapted the intellectual capital method to Slovakia. Curriculum and training materials were created and 19 future trainers were trained. Two trainings were conducted. The first one for representatives of SMEs and the second one for representatives of universities, Slovak Academy of Sciences and self-governing regions. These trainings also served as a platform for exchanging experiences and establishing relationships between SMEs, their partners and the main actors of innovation strategies. At the end of the project, two separate brochures / guides describing various approaches to using the intellectual capital method capital in strategic management of Slovak SMEs and universities.

In the initial stage of the project a web page was created which has constituted the main dissemination tool for online storing and presenting the available dissemination outcomes to the project stakeholders. In addition, a dissemination plan was created to define a strategy for distributing the project outcomes during the project realization. The plan was developed in close cooperation with all project partners and reflects all tools that are planned to be used for dissemination. It included five basic categories: (1) Project visual identity; (2) Project web page; (3.) Project PR; (4) Publications; and (5) Events, training and seminars.

This document will focus on the next steps after concluding the project and will provide an analysis of the possible resources and strategies for ensuring long-term sustainability of the project outcomes. The material takes into consideration financial, organizational and human resource aspects needed for achieving sustainability of the subsequent actions after the project end. It should also contribute to increased absorption of the IC method by SMEs, R&D and academic institutions as well as the public sector institutions responsible for economic development, innovation diffusion and/or SME support provision.

2. Identification of main stakeholders

Project partners

As the LEGEND Project was carried out predominantly in the Slovak context, majority of the sustainability actions will also be carried out in Slovakia. Therefore, the key tasks will be in responsibility of Centire and Kosice IT Valley which will be assisted closely by actions of FH Joanneum and Wissenskapital.

Centire as the LEGEND Project lead partner and a prominent consulting service provider has deep knowledge of the Slovak business community as well as excellent network towards the target groups.

Košice IT Valley (KEITVA) cluster is acting both as LEGEND project consortium member and entity bringing both (not-only-IT) SMEs and local HEIs together. That makes the cluster not only one of the key project beneficiaries, but makes it responsible for the safekeeping of project results among its business and academic community.

FH Joanneum is an academic representative experienced in intellectual capital management at Austrian universities. As one of Austria's leading universities of applied sciences, strong network ties with business and public organizations as well as their integration in program development ensure market applicability and high quality of its offers. Their contributed with from the perspective of an academic institution with strong IC methodology expertise from both R&D and academic area

Wissenskapital, which developed its own method for measuring intellectual capital in SMEs, played a key role in transformation of the entire knowledge transfer and its adaptation to the conditions in which the LEGEND project takes place.

Target Groups involved in project

The main objectives of the LEGEND project was to contribute to leveraging knowledge by Slovak small and medium-sized companies in order to enhance their sustainable growth and innovation. In addition, the project was specifically focused on transferring the intellectual capital method applicable to SMEs and their partners to be used as a specific and practical training and reporting tool in the local context.

SMEs

SMEs were chosen on the basis of the predefined criteria. Managers of SMEs at middle to top management levels and/or specialists with a focus on strategic planning, strategic management, innovation, R&D and intellectual property rights management. The training aimed at participants with a low to middle level of knowledge on intellectual capital reporting and intangible asset management. The selection criteria for participating SMEs sending their managerial staff to the training program includedd:

- Financially stability;
- Reliability and commitment;
- Small- to Medium-sized Companies (ideally at least five employees);
- Same or similar business sector in knowledge intensive or innovative industries;
- Not in direct competition with other participating SMEs;
- Innovation and growth perspective;
- International orientation.

Based on these criteria, the following companies were engaged in the workshops on the IC method implementation.

Tab.1: Project Legend participating SMEs and impact of IC methodology

	Organization	Type	Impact (employees)
1.	Ploskon AT	SME	15
2.	CE-IT Košice	SME	4
3.	Promiseo	SME	10
4.	Bart.sk	SME	25
5.	ELCOM	SME	20

Most of their representatives expressed their intention in further cooperation as well as in using results of the pilot project for their further development. Mostly in regard to R&D, talent management and management of sustainable growth of their organizations.

During the project, Mart Kivikas of Wissenskapital approached several non-Slovak SMEs in order to initiate a collaboration based also on the utilization of the IC method that increased the added-value of participating companies. To date, Diehls (Germany) and NODA (Sweden) are interested in collaboration with SMEs that are associated or directly members of KEITVA.

SMEs partners

Higher education institutions, institutions of the Slovak Academy of Sciences, research institutions as well as SME advisors were defined as SMEs partners. When defining the target group, it was based on the assumption that it would comprise academic staff and/or higher education managers that work with SMEs such as:

- Employees of Knowledge Transfer Units;
- Employees of Research & Development Centres;
- Employees of the Slovak Academy of Sciences;
- Quality manager at Higher Education and Research Institutions;
- Persons in charge of strategic management;
- Ministry of Education, Science, Research and Sport of the SR staff;
- Regional Development - University to Business managers;
- Heads of Incubators;
- Start-Up Centers.

Several organizations representing SME partners participated in the training. Nonetheless, some of them evinced even higher interest in the topic and will scale it up after the project end, namely:

- Faculty of Economics of Technical University in Košice,
- University of Pavol Jozef Šafárik,
- University of Economics in Bratislava,
- Faculty of Material Sciences of the Slovak University of Technology in Bratislava,
- Faculty of Management of Comenius University in Bratislava.

The mentioned organization showed interest to continue in further elaboration of the IC method at various levels.

3. Key benefits of the methodology

The following benefits are the starting points for planned activities that should ensure sustainability of the project results. They are divided according to the key target groups.

For SMEs

The method helped to provide better clarification as to which factors have impact on a company profit and which are to be managed. Moreover, it highlighted the importance of structures and processes to be grown in a controlled way. In addition, it strengthened the necessity of getting

“honest” feedback from and finding a common language with employees. Identifying the key factors instrumental in helping the target group to boost growth of their core business activities can be viewed as another benefit. With the help of the IC method one can visualize relationship between capital layers of the company. Involvement in the process can produce new business partnerships that can have a synergy effect on all participating parties. Integration of Customer Value in all day-to-day business can help increase company competitiveness.

For SMEs partners

Results of the LEGEND project can help further develop their employees responsible for management and innovation activities. Soft skill set of both manager and HR generalists can be enhanced, thus helping to shape an efficient human resource management system. Participation in the project will enhance their partner network. This will open doors for new innovation and R&D initiatives conducted by the SME partners (universities, etc.)

4. Planned activities aimed at ensuring sustainability

The table below shows the respective types of activities that will contribute to ensuring sustainability of the project. They are dedicated to all the target groups involved in the project (SMEs, HEIs, research institutions, regional and national authorities) and they will be implemented by the project partners next year.

Tab. 2: Planned activities regarding utilisation of acquired knowledge related to the IC method during the Legend Project

Type of activity	Project partner	In cooperation with	Timeframe	Subjects reached
Workshop on project results / IC methodology	G. Koch Centire	Embassy of SR to Austria in Vienna	2016	20
Presentation of the IC methodology for the Slovak Rectorate Conference	FH Joanneum	University of Economics	2016	50
Submission of a scientific article in an international journal	FH Joanneum Centire	International Journal of Business and Economics	By end 2015	1000
Addressing SMEs and universities with the IC method by sending brochures / direct mailing	Centire	n/a	2016	100
Training on IC for target groups*	Centire	n/a	2016	15
Education on IC for the students of Faculty of	Centire	Faculty of Management –	2016, ongoing	40

Management in Bratislava		Comenius University		
Consulting with the use of the IC method	Centire	n/a	2016	1 SME
Training on the IC method for target groups	Košice IT Valley		2016	15
TOTAL				1241

5. Opportunities for using the intellectual capital method in Slovakia in various contexts

Project partner: Centire s.r.o.

The LEGEND project was primarily focused on a group of entrepreneurs from small and medium businesses. The intellectual capital method can be a great help for them, especially if they intend to develop and grow. Ability to manage their intellectual capital differentiates a highly competitive company from others. Using this method can, therefore, help them increase their efficiency and at the same time open the door to new sources of finance or to a new market. This is the basis of the consulting support that can be provided by Centire to the interested parties which are outlined in the following sections.

Cooperation with SMEs

Identifying key areas for their development

Companies may be part of the consultation process that can support them in turning their potential into real success in new markets. The process start with initial mapping of the company operations and is supported by experts in the IC method. The main goal is to develop an initial profile of an SME on the basis of analysis of documents as well as outcomes from workshops and individual interviews with company representatives. This then becomes a basis for a more comprehensive analysis of intellectual capital.

Analysing SME relational capital in detail

The list of partners who are essential for successful operations of an enterprise contains universities, research organizations, municipalities and other relevant institutions. Quality relationships with partners are key to further company development. During the consultation process, the company gets an insight into the structure of these relationships and receives assistance in setting partnerships which can contribute to the company development.

Cooperation with organizations supporting entrepreneurs

Organizing education in the area of intellectual capital management

Supported organizations can educate their people in the field of intellectual capital. During those courses they can learn the essential concept of the methodology and practical examples. Understanding the approach will help them to focus on core processes, people development, and management of relationships and resources in SMEs. In addition, they will get access to a wide range of advisory instruments in this field.

Using the method for rewarding the progressive SMEs

Slovak companies are behind in innovation compared to the European ones and global average. The method of intellectual capital can serve as a basis for SME evaluation, benchmarking and rewarding.

Cooperation with university sector

Developing university management

Slovak universities need to focus on developing the leadership managerial skills. By using the intellectual capital method, the university leaders can learn to "grasp" intangible - intellectual capital. In addition, they can learn how to measure and enhance it. Specialized courses can be part of continuing education. Within accredited courses, participants will learn about the essential concept of the methodology, practical examples and experience in using the methodology at universities abroad. The intellectual capital method provides a framework for mapping the network of relationships and partnerships of universities. Likewise, it provides a tool for managing the network.

Setting-up a human resource management system

In higher education institutions, personnel management has a huge potential for improvement, as it lacks a comprehensive dimension. Management of intellectual capital can help systemically focus on employees' development. Universities can use the method for analysis of the current situation. They can adopt approaches that will allow them to choose relevant indicators for systematic measurement. It can provide a realistic basis for better management of human resources as a whole.

Supporting development of partnerships and cooperation with companies

Relationships also comprise capital, which needs to be managed. In such a case, it is mainly represented by cooperation with the private sector. Relationships with SMEs can improve the quality and relevance of education for students on joint courses. Joint research can be supported. Company employees can become advisors or mentors for students. Universities may initiate educational events in the industry through collaboration with SMEs representatives. Financial capital can be raised, as the companies may want to invest in their future employees.

Bringing the quality system within organization

Quality is slowly becoming more important in the public sector. In the institution of a large number of people and buildings it cannot be achieved without introducing the quality systems. Methodology

for measuring intellectual capital can serve as an innovative tool for quality management. It enables evaluation of the organizational structures, processes, procedures and resources. It provides a framework for analyzing the functioning of universities in terms of quality, identifying areas for improvement and setting targets for quality management.

Cooperation with the Ministry of Education, Science, Research and Sport of Slovak Republic

Using the approach of intellectual capital within accreditation process of universities

In some areas, intellectual capital method overlaps with existing monitoring in the field of higher education, which are measured for the purposes of their accreditation. The added value of this methodology, however, is the detailed mapping of relational capital and comprehensive monitoring of selected indicators over time. The methodology could, therefore, be added to the current system of accreditation at higher education institutions.

Using the methodology as a tool for quality evaluation and financial resource allocation

Financing of higher education should be determined by quality – better quality of higher education institutions should be supported by increased funding. Methodology for measuring intellectual capital could serve as a new model of university financing. For more than 10 years our Austrian neighbor has been using the methodology, not only for the evaluation of universities, but also for allocation of financial resources.

Creating a stand-alone benchmarking of universities

The Ministry currently hasn't implemented a continuous and systematic benchmarking of universities. The official initiative is, therefore, replaced by the various initiatives of non-governmental organizations. The methodology for measuring intellectual capital could serve as a tool for benchmarking.

Project partner: Košice IT Valley

Raising Awareness on the IC method

Being part of the project consortium helped to provide an added-value for Kosice IT Valley member companies by their participation in the pilot program. Significant number of participants (key stakeholders) is now aware of the positive effects of the IC method. Thanks to it, their strengths and weaknesses have been identified which should help them boost their business and reach new customers and markets. Furthermore, strong expectations of the Kosice IT Valley members have been raised due to their participation in the project.

- Kosice IT Valley could continue to organize workshops with SMEs on the IC method. This could be done with close collaboration of Slovak universities and local institutions such as UCITT, Technicom, Medipark, startup centers, etc.

- All LEGEND Project outcomes should be available to Kosice IT Valley members via the existing document management systems (extranet, intranet). And to all interested parties via the LEGEND Project website.
- An accredited IC methodology course could be implemented in the study program at universities listed in in the previous part of this paper.

Significant number of faculty graduates could pursue career at various management positions. That way it could be ensured that the IC method is a primary tools of our future decision makers. It could certainly have a positive impact on the increase of start-ups, many of which may become future local SMEs.

External funding and regional development programs

The Kosice self-governing region, at the same time being a member of Kosice IT Valley, is one of the stakeholders responsible for preparation of regional innovation strategies and policies. Outcomes of the LEGEND project should be one of the cornerstones of all R&D related strategies in the Košice region. That could imply potential funding of further use of the IC method in the activities of the Kosice IT Valley as well as other institutions in the region.

The project consortium members are already exploring further options of EU funded IC method-related follow-up projects with the involvement of the LEGEND project target groups. Focus could be put on innovations and knowledge transfer. An emphasis could be given on projects where know-how gained via adoption and implementation of the IC method in the context of Eastern Slovakia can be transferred further.

In order for the SME target group to grow internationally, funding programs of the Export-Import bank of the Slovak Republic (EXIM Banka) could be taken into consideration. Focus could be on core ICT and closely related industries, such as healthcare. The latter area has been chosen by considering East Slovakia SME competencies. To date, the Kosice IT Valley has already initiated relations to the Medical Valley in Erlangen, Germany in the past.

In June 2015, a meeting took place between representatives of Fraunhofer IPK in Berlin and Kosice IT Valley Board of Directors. Meeting has been orchestrated by Mart Kivikas of Wissenskapital ZFI/ECI GmbH with the aim to discuss co-operation model focused on applied science and research processes needed for access to (new) markets (references Brazil and China).

As an outcome of numerous discussions among Wissenskapital and Kosice IT Valley, the *Community of Excellence Kosice Valley 2015-2020* program has been drafted by Mart Kivikas with the objective of promoting regional companies outside Slovakia based on their innovation capabilities and local skilled human resources.

6. Detailed sustainability plan

Detailed plan of activities which will serve in 2016 to ensure the sustainability of the methodology of measuring intellectual capital in an environment of Slovak organizations are listed in a table. All project partners will participate in the subsequent activities focusing on all relevant target groups.

Tab.3: Detailed sustainability plan

Type of activity	Project partner	In Cooperation with	Timeframe	Funding
Workshop on project results / IC methodology	G. Koch Centire	Embassy of SR to Austria in Vienna	2016	According to the conditions set by the Embassy; costs covered by the Embassy
Presentation of the IC method at the Slovak Rectorate Conference	FH Joanneum	University of Economics	2016	Free of charge
Submission of a scientific article in an international journal	FH Joanneum Centire	International Journal of Business and Economics	By end 2015	n/a
Addressing SMEs and universities with the IC method by sending brochures / direct mailing	Centire	n/a	2016	Free of charge
Training on IC for target groups	Centire	n/a	2016	Service fee
Education on IC for the students of Faculty of Management in Bratislava	Centire	Faculty of Management – Comenius University	ongoing	Free of charge
Consulting with IC methodology	Centire	n/a	2016	Consulting fee
Training on IC for target groups	Košice IT Valley Wissenskapital	n/a	2016	Service fee
Project outcomes available for all members of KEITVA	Košice IT Valley	n/a	2016	Free of charge

7. Conclusion

One of the important outcomes that has an impact on sustainability is incorporating the IC method into the system of formal education at the tertiary level and into the system of non-formal education. This will ensure increase of long-term sustainability of the project goals and outcomes even after the completion of the project. In October 2015, through the coordinator of the project - Centre, materials for IC certification training program were submitted to the Ministry of Education, Science, Research and Sport of the Slovak Republic.

The use of this concept and subsequent communication to relevant key players will ensure further spreading of the project mission. In addition, offering courses on intellectual capital methodology to a broad audience can constitute also a significant source of revenues for ensuring financial sustainability.



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