



# Training for SME & SME Partners (HEI)

**Module 2: Implementation of Intellectual Capital Reporting as a strategic management tool for HEIs**  
**Session 3: Driving Factors, RIS & ICR**



## Overview Module 4

- Session 1: Theoretical background on regional innovation systems
- Session 2: University-Business Cooperation to foster regional relational capital
- Session 3: Key Driving Factors, Regional Innovation Systems and intellectual capital reporting
- Session 4: Regional Innovation System Policies to foster innovation and R&D
- Session 5: Interdisciplinary Intellectual Café
- Session 6: Wrap-Up and Conclusion



## Session 3

# KEY DRIVING FACTORS, REGIONAL INNOVATION SYSTEMS AND INTELLECTUAL CAPITAL REPORTING

# Overview

1. Compatibility of regional key driving factors and ICR
2. The importance of driving factors
3. Proposed key drivers of regional innovation for the Košice region & Group work
4. National implementation of HEI ICR approach

# Compatibility of driving factors and ICR



- The **Austrian HEI's ICR approach does** overwhelmingly **not cover the key driving factors**, which governs the behaviour of the HEI system >> a cause-effect analysis and the determination of several system-theoretically based features of the organisations are missing
- **Original intent was to visualize the IC of HEIs** with focus on inter-institutional benchmarking and overall statistics, but **only slightly on strategic management** and organizational development issues.

# Compatibility of driving factors and ICR



- **Austrian HEI approach** more focusing on operative issues and data collection, than on steering & strategic management
- **AKWB-model** is the **result of an extensive further development of the basic IC approach.**

# The importance of driving factors

- As seen, ICR can be a **valuable steering instrument** due to several reasons, but especially because knowledge-intensive institutions' main inputs and outputs are intangibles themselves (and hardly covered by traditional strategic instruments).
- The **regional innovation systems (RIS) approach** is based on a **tight collaboration of several groups of stakeholders** that is beneficially served by a common “language” and understanding of **driving factors**.
- Especially the definition of Human, Structural and Relational Capital is well **covered by the ICR concept and its driving factors**.

# The importance of driving factors

- Therefore, the resource base of **innovation within a system** can be commonly assessed and further **supported by developing these driving factors**.
- **Stakeholders** from economy as well as science **can work on “shared” driving factors and focus on them** in course of **their single institutional strategies**.

# The importance of driving factors

- The key drivers' approach also supports an interactive, participative decision-finding and making process, if implemented as recommended in the “Wissensbilanz – Made in Germany” model
- The concept of the driving factors is decisive for the quality of implementation of an organizations' (and regions') strategy and taken as a semi quantitative base in the AKWB-model
- The driving factors can in turn be underlain by indicators for a quantitative controlling and monitoring of further developments and improvements of otherwise “intangible assets”

***Thus the driving factors are serving as an important link between the overall IC model of an organization (or more general a “system”), its basic theoretical concepts, strategic intent and measurement.***

# Proposed key drivers of regional innovation for the Košice region

## Group work:

- Read the Case Study „KEY DRIVERS FOR THE KOŠICE REGION” (10 min).
- Form **interdisciplinary groups** of 4-5 people (SMEs, HEIs, policy-makers etc.) and focus on one of the areas „Human capital / Structural capital / Relational capital“
- Identify, analyse and discuss how the discussed indicators for ICR from Modules 2 & 3 are in line with and supporting the proposed key drivers for regional innovation (10 min.)
- Share and discuss your finding with the group (10 min.)