

SMART GROWTH THROUGH REGIONAL CLUSTER INITIATIVES – THE CASE OF SOUTHERN DENMARK

CLUSTER CONFERENCE: LIMERICK

AU **HEAD OF STRATEGY, CENTRE FOR COLLABORATIVE
HEALTH**
- LOTTE LANGKIL DE

OUTLINE

Facts about the Region of Southern Denmark

Key challenges

Cluster based strategy for growth

- Key elements

Monitoring progress

What does the future bring?

Lessons learned

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Region of Southern Denmark

Area: 12.206 km² (DK: 43.000)
Population: 1.2 mio (DK: 5.5)
Budget: 3,4 billion €

Structural reform 2007

- Main tasks:
- Health Care
 - Psychiatry
 - Social Institutions
 - Regional Development



Region of
Southern Denmark

Regional Business Development Growth Forum of Southern Denmark

- Elected members from region and municipalities
- Business organizations
Employers' and employees' associations
- Educational and Research Institutions
- 21 persons

Budget: 25,5 M€

ERDF + ESF: 12 M€/ year
Region: 13,5 M€/ year



CHALLENGES FOR GROWTH

- Low economic growth
- Low job-growth

- Low share of high-employed people in the private sector (compared to other Danish regions)
- Share of young people in the region : decreasing
- Share of people 65+ in the region: increasing

- Modest innovation activity and collaboration on innovation
- Entrepreneurship ?? and few high-growth companies

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STRATEGIC GOALS

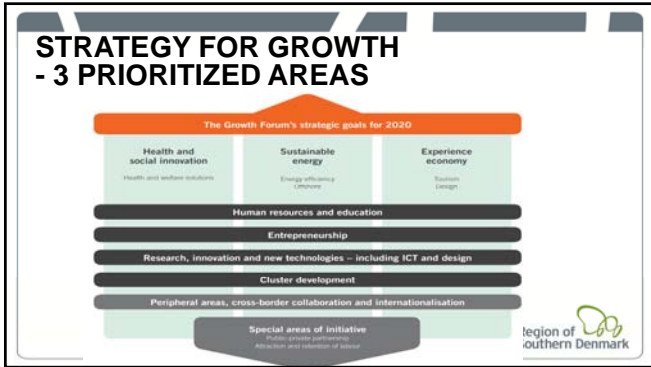
Through its economic development strategy, the Growth Forum will work towards the following strategic goals in 2020:

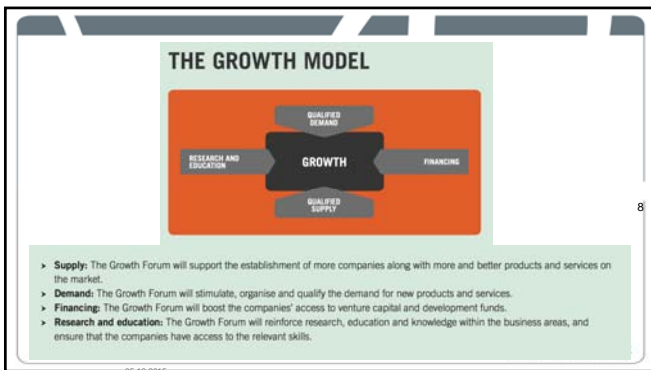
1. A level of productivity that is 10% above the OECD average
2. An occupational frequency on a par with the OECD Top 5

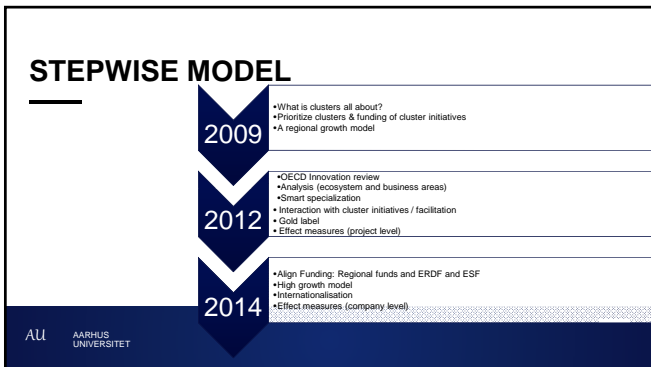
The latest figures show Southern Denmark 2% above the average productivity level, while the figure was 20-30% in the 1990s. To reach the target in this area, it is therefore necessary to turn the tide and achieve high growth.

The share of commercially active people in Southern Denmark must be increased and measured on "occupational frequency", which states the share of 15-64-year-olds who are members of the working population. The latest figures show that the OECD Top 5 have an occupational frequency of 83%, while the figure for Southern Denmark is 79%. In the most recent survey, Southern Denmark was no. 40 on the OECD list. A Top 5 position would entail Southern Denmark becoming one of the 20 best regions.









ANALYSIS

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STRATEGY DEVELOPMENT

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CLUSTER INITIATIVES OVER TIME-EXAMPLES

1 generation:

- Automatisation
- Use of design
- Borrow a CEO
- WorkLiveStay

2 generation

- Matchmaking
- Innovation projects
- Test lab
- Knowledge sharing
- Training/upgrading (certification)/qualifications
- Strong cluster organisations
- Side-stepping
- Entrepreneurs
- Competitions / awards

3 generation

- Team Growth Denmark
- Test facilities: Denmark as test lab
- Collaboration across Danish regions
- Stronger research collaboration
- Align funding
- International collaboration

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FACTS: CAN WE DOCUMENT EFFECTS?

Evaluation model version 1.0 (Nov 2014):

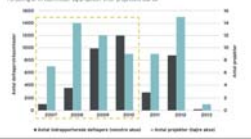
- Danish Business Authority
- Statistics Denmark
- Region of Southern Denmark

Looking at:

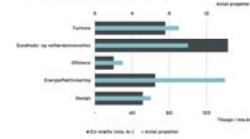
- Turnover among companies (participated in projects vc. control group)
- Employment

INVESTMENTS IN BUSINESS AREAS: - 47 MIO EUR EU FUNDS

42 projekter startet i årene 2007 til 2010
har indrapporteret godt 2.500 deltagervirksomheder



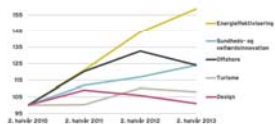
42 projekter startet fra 2007 til 2010
støttes med i alt 355 mio. kr. EU-midler



TURNOVER - VARIATION IN TURNOVER ACROSS BUSINESS AREAS

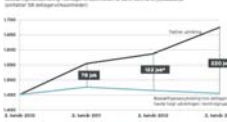
Betydelige variationer i omsætningsudviklingen

Udvikling i omsætningen (afslættet på året) i deltagervirksomhederne fra 2. halvår 2010 og henholdsvis 1. år, 2. år og 3. år frem til 2. halvår 2012 (indeks 100)

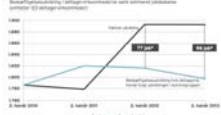


EMPLOYMENT EFFECTS - REALIZED EFFECTS VS DEVELOPMENT IN CONTROL GROUP

Estimater på beskæftigelseseffekter inden for Offshore



Estimater på beskæftigelseseffekter inden for
Energieffektivisering



WHAT MADE THE DIFFERENCE

- Strong leadership (public and private)
- Collaboration attitude - instead of "arms length principle" from regional government
- Willingness to learn from others and challenge conventional thinking

... but the jury is still out

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Thank you
Lotte.lanqkilde@au.dk

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