Master Class
Cluster Manager: a self-portrait

Alain Tubiana
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• International expert in cluster management:
  ✓ Consultant for cluster organisations and governments
  ✓ 120 trained cluster managers since 2010
  ✓ 13 cluster initiatives activated in 9 countries

• Head of Master programme in Cluster Management, University of Strasbourg

• Member of the board of directors France Clusters

• ESCA benchmarking expert, ESCA benchmarking expert, ECCP and OECIC expert

• …and past cluster manager (9 years)
Who are you?
Agenda

- The cluster manager: a sketch self-portrait
- Cluster organisations and business model
1. What are your main subjects of concern as cluster manager?

- financial sustainability
- membership fees
- smes
- commitment
- projects
- sme engagement
- sme needs
- relevance
- activities
- business
- skills
- sustainability
- members
- companies
- partnerships
- innovation
- model
- political
- involvement
- moderating
- facilitating
- money
- grows
- long
- active
- motivation
- participate
- funding
- mission
- services
- short
- happy
- innovation and ip
- make
- partnership
- financing
2. Cluster manager: a self-portrait

Illustration by Academy of Art University student Dylan Vermeul, San Francisco.
What are the words that best describe a Cluster Manager?
The three dimensions of a cluster manager

Entrepreneur  Manager  Knowledge angel
1. The Cluster Manager is a Manager

He manages scarce resources and a complex system.
The Cluster Manager is a Manager

A pilot of complex system
2. The Cluster Manager as an entrepreneur

A visionary…and also an inspired leader
The Cluster Manager as an entrepreneur

• An innovator bringing new ideas to the market
• Creative mindset
The Cluster Manager is an innovator

Creativity + Relevance = Entrepreneur

innovation → Market
The Cluster Manager as an entrepreneur

One post-it = one idea
As many post-it as you want
Write in big letters

The entrepreneur on his way to discover new opportunities
The Cluster Manager is a knowledge angel

- typically act as consultant
- is very active and engaged in several fields
- is ambitious and busy
- has large networks connections to find information and mobilise energies
- is curious and looking for new opportunities
- has an ability to develop a vision and solve problems
- has above-average soft skills and communication abilities
Collective Super Cluster Manager

The next generation of leaders
To go deeper I recommend
3. Cluster organisations and business model

- A path to sustainability…
What are the types of income of your cluster?

- Subsidies: 45%
- Membership fees: 82%
- Events/Exhibitions: 34%
- Remuneration on project financing: 70%
- Sale of services to members: 43%
Cluster Organisations incomes

Private incomes

- Membership fees
- Project engineering
- Remuneration on project financing
- Sale of services to members
- Success fees on new business
- Patents
- Dividend payouts via subsidiaries
- Events or exhibitions
- Creativity … in the respect of the rules

Public incomes

- Subsidies
- Project financing
- Public mission retribution
The cluster business model

• Like a start up, a cluster needs a financial seed.

• Often mixed business model:
  • Public subsidies
    • Investment of the territory
  • Project financing
  • Private incomes
What is the share of private income in your cluster organisation?

- 0-10: 7%
- 10-20: 7%
- 20-30: 20%
- 30-40: 20%
- 40-50: 10%
- 50-60: 17%
- 60-70: 7%
- 70-80: 2%
- 80-90: 5%
- 90-100: 5%
The balance in some C.O.

- Cluster Initiative Green Book 2.0 - 2013
- 356 clusters organisations in 50 countries
Self-financing is the Graal

- Must be a concern for the team and the governance
- Tend to increase over time
  - Sign of vitality
  - Credibility and professionalism index
- Sometimes it’s just spontaneous
  - because it’s a bottom up initiative
  - or because there’s no public support of any kind
Kunststoff-Institut Lüdenscheid

- Nordrhein-Westfalen
- 1988 - 330 members
- 100 employees

[Image: https://kunststoff-institut-luedenscheid.de/]

- Research and development
- Training and counselling
- Testing & analysing
- Joint projects
- Network
Kunststoff-Institut Lüdenscheid organisation

Trägergesellschaft e.V.

- Je zu 100 %
  - KIMW-Qualifizierung
    - KIMW-Q gGmbH
  - KIMW-Forschung
    - KIMW-F gGmbH
  - KIMW-Management
    - KIMW-M GmbH
  - KIMW-Prüf-/Analyse
    - KIMW-P GmbH
  - KIMW-Anwendungstechnik
    - KIMW-A GmbH

Stadt Lüdenscheid

- 76%
  - Kunststoff-Institut Lüdenscheid
    - KIMW GmbH
- 24%

Kunststoff-Institut Südwest

- 100%
  - KISW Verwaltungs GmbH
Réseau Mesure

- France - Metrology
- 2002 - 138 members SME’s
- 2 FTE - 0,5 M€
- Services
- http://www.reseau-mesure.com
Réseau Mesure

- Services
  - ✔ Common purchase
  - ✔ Financial common offer
  - ✔ Market Survey
  - ✔ Export - Fairs and missions
  - ✔ Training
- The first French Measure Trade Fair
Business model

<table>
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<th>Turnover in M€</th>
<th>Membership fee in €</th>
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<td>&lt;1</td>
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<tr>
<td>&gt;20</td>
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</table>

Chargeable Services

Membership fees

20%
What services do you provide to your members?

- Networking: 87%
- Communication: 66%
- Shared means: 26%
- Strategic intelligence: 43%
- Internationalisation: 66%
- Business development: 57%
- Innovation: 72%
- Others: 38%
Network management

• Issues:
  • create links among members
  • increase knowledge
  • favour business opportunities
  • initiate projects

• Some examples:
  • monthly professional meetings
  • members meeting: speed dating, companies visit…
  • thematics workshops
  • partners search…
Communication

• Issues :
  ✓ promote the cluster and its members
  ✓ facilitate skills identification
  ✓ promoting the cluster’s name as a brand
  ✓ valorise success stories

• Some examples :
  ✓ website - internal social network
  ✓ directories, newsletters
  ✓ press releases
  ✓ …
Strategic intelligence

• Issues:
  ✓ get information on: markets, technologies, regulations, trainings, tenders…
  ✓ identify new trends, weak signals

• Some examples:
  ✓ strategic intelligence platform
  ✓ social media watch
  ✓ newsletters
  ✓ …
Shared means

• Issues:
  ✓ money savings
  ✓ demonstrate cooperation interest
  ✓ access to rare or expensive resources

• Some examples:
  ✓ common purchasing
  ✓ shared human resources
  ✓ technological platforms
  ✓ …
Collective development

• Issues:
  ✓ business development
  ✓ develop new products
  ✓ increase the companies’ skills

• Some examples:
  ✓ export missions, booth on trade fairs, export trainings
  ✓ R&D: project engineering, technological feasibility study
  ✓ collective offer
  ✓ vocational or initial training
  ✓ interclustering …
Companies’ support

- Issue:
  - member’s performance at every stage

- Some examples:
  - start up incubators, accelerators,
  - access to finance: seed money or capital development
  - technical expertise
  - companies’ support: commercial, I.P, …
Services according to maturity

Collective Development

R&D&I common commercial offer

Shared means

human resources purchase - Strategic intelligence

Club

meetings - communication
How to build a service offer?

• Principle: collaborative approach
• Ask members: survey
• Bring together a working group of a dozen members.
• Plan at least 4 meetings
Service offer definition process 1

1. List services
2. Evaluate
3. Describe
4. Financial Impact
5. Service Offer

Board Validation

Survey
Service offer definition process 2
Some tricky points

• Survey
  ✓ method depends on the cluster size
  ✓ prerequisite or/and validation
• Perceived profit expected by the member
• New service offer = new business model
• HR adaptation is a key point of success
Towards sustainability?
6 rules to develop your self-financing

1. Strong convergence between strategy and business model
2. Chargeable service offer
3. Optimised organisation: trained H.R and productivity tools
4. A critical mass to generate sufficient incomes and a real social capital
5. Membership fees must be connected to a basic service offer
6. In-kind contribution must be included in your operating account
In kind contributions

• If a company give a part of a HR or an office it’s easy to calculate

• Companies give time to the cluster
  ✓ Board members for example
  ✓ The only question is to decide how much cost an hour of an entrepreneur
How to perform as a cluster manager?

- Skilled people
- Monitoring tools
- Cost accounting
- Productivity tools: time sheets, CRM software
- Identified production costs.
<table>
<thead>
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<th>Actions</th>
<th>Imputation</th>
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<tr>
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<td>Réunion d'équipe</td>
<td>AG</td>
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<tr>
<td>Gestion/Organisation</td>
<td>AG</td>
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<tr>
<td>Communication/Promotion</td>
<td>AG</td>
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<tr>
<td>Informatique</td>
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<td><strong>Total heures/jour</strong></td>
<td><strong>0 0 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7</strong></td>
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Data Base - CRM

Mission Audiovisuelle 2 Canada 2011

Responsable : Michèle CLÉMENT
Resp. iconoval : Michèle Clement-Théclé
Etat : en préparation
Rôle d'iconoval :

- initiation
- aide montage
- recherche partenaires
- recherche financement
- participation
- accompagnement

Description : Renouvellement de la mission audiovisuelle Canada (Toronto et Montréal) 27 avril 2011 au 5 mai 2011

Remarques : suite au debriefing du 6 juillet en présence de la Région Alsace, il a été décidé de renouveler la mission Canada avec le soutien de la Région. Le dossier de labellisation sera transmis fin août par la CCI réponse labellisation Ubifrance fin sept 2010

Date début : 06/07/2010
Date fin : 30/05/2011
Nb organismes : 14
Nb entreprises : 9
Nb adhérents : 7

Participants

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<thead>
<tr>
<th>Prénom</th>
<th>Nom</th>
<th>Organisme</th>
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<tr>
<td>Christophe</td>
<td>ANTOINE</td>
<td>CCI STRASBOURG &amp; BAS-RHIN</td>
<td>Co Resp.Projet</td>
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<tr>
<td>Anne</td>
<td>LEAUTIER</td>
<td>CONSEIL REGIONAL</td>
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<td>Michèle</td>
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<tr>
<td>Yannis</td>
<td>METZINGER</td>
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<tr>
<td>Cédric</td>
<td>BONIN</td>
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<tr>
<td>Laurent</td>
<td>DENÊ</td>
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<tr>
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<td>TRINTZIUS</td>
<td>CRESCENDO FILMS</td>
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<tr>
<td>Edith</td>
<td>FARINE</td>
<td>FAITES UN VOEU</td>
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<td>Alexis</td>
<td>METZINGER</td>
<td>CERIGO FILMS</td>
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internal production cost of a service

Salary + Charges + Operating costs

Divided by the annual number of hour

• 1 h = 40€ gross sal + 10 € op.cost = 50 €
• total production capacity
  • 1 FTE = 220 working days = 220 X 8h = 1760 h per year
Cluster managers competencies:

www.cluster4smart.eu

Based on:

- a survey conducted among 150 European cluster managers and stakeholders evaluating their needs
- our own expertise of cluster management
Designing a tailor-made curriculum

**Module 1: Cluster Strategy and Value Chain Management**
- Lesson 1.1: Cluster management and value chain concepts, p. 5
- Lesson 1.2: Cluster strategy and business model development, p. 6
- Lesson 1.3: Collective intelligence management, p. 8

**Module 2: Innovation Management**
- Lesson 2.1: Innovation, creativity and clusters, p. 11
- Lesson 2.2: Toward industry 4.0, p. 12
- Lesson 2.3: Strategic intelligence and technological watch, p. 14

**Module 3: Cluster Management and Communication Techniques**
- Lesson 3.1: Creativity management tools, p. 17
- Lesson 3.2: Cluster communication, p. 18

**Module 4: International Collaboration**
- Lesson 4.1: European cluster policies, p. 21
- Lesson 4.2: European public and private financing, p. 22
- Lesson 4.3: Internationalisation processes, p. 23
Key factors of success

1. Critical mass
2. Shared strategy
3. Participative governance
4. Value-added services
5. Skilled management team
6. Anchor projects
Thank you!

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