Silver Label Certificate

RENEWAL ROU0032019110041SILVER

ELINCLUS
Electronic Innovation Cluster

was assessed on November 22nd, 2018 according to the Silver Label approach developed and performed by the "European Secretariat for Cluster Analysis".

The cluster organisation fulfills selected indicators of the European Cluster Excellence Initiative and develops its processes and tools continuously.

The cluster organisation receives the Silver Label of Cluster Management Excellence valid until January 11th, 2021.

SILVER

Cluster Management Excellence

DEDICATED TO CLUSTER EXCELLENCE

i.V. *[signature]*

Helmut Kergel, Director ESCA

i.A. *[signature]*

Dr. Oliver Ziegler, Project Manager ESCA

Report on the results of the

Silver Label Assessment

ELINCLUS
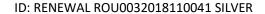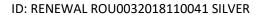# Electronic Innovation Cluster

Date of assessment: November 22nd, 2018

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1   Introduction

During 2009-2012, the **European Cluster Excellence Initiative (ECEI)**, initiated by the European Commission, DG Enterprise and Industry, was aiming for the development of methodologies and tools in order to support cluster organisations to improve their capabilities in the management of networks and clusters. Within this context, 13 project partners from 9 countries – all well experienced in the field of cluster management and support – created a uniform set of cluster management quality indicators and developed a quality labelling system for professional cluster management.

The quality labelling system consists of three levels – Bronze, Silver and Gold. While the Bronze label is not a quality label in the narrow sense, it just demonstrates that a cluster management is interested in improving its management performance, the Gold label is a quality label based on very high standards of cluster management practice. Cluster management organisations that do not meet the Gold standards yet, but are interested in demonstrating both to their cluster and potential partners that they are on the path towards cluster management excellence can subject themselves to a Silver label audit. The Silver Label of the European Cluster Excellence Initiative is a quality label in its own right. The Silver Label quality confirms the successful implementation of improvement processes that were initiated following a Bronze label benchmarking. Organisations that are able to demonstrate improvements in the course of an audit conducted by an assessor of the European Cluster Excellence Initiative will be awarded with the Silver Label. The Silver Label audit is based on three steps: 1) cluster organisations subject themselves to a second Bronze Label benchmarking and 2) indicate three areas with regard to the quality indicators of the European Cluster Excellence Initiative in which they have improved. The audit will then be continued by 3) an on-site visit by an auditor to validate the indicated areas of improvement. The criteria of the Gold Label of the European Cluster Excellence Initiative relevant to the identified areas of improvement will be used as a validation benchmark.

The **European Secretariat for Cluster Analysis (ESCA)** (www.cluster-analysis.org) has been mandated by the European Cluster Excellence Initiative to organise the assessment process and to award successful cluster organisations with the Silver Label of the European Cluster Excellence Initiative.

This **report** presents the **assessment results** for the cluster organisation

ELINCLUS – Electronic Innovation Cluster

The assessment was conducted in **Bucharest (Romania)** on **November 22nd, 2018** by **Daniel Cosnita (Inno Consult SRL)** and **Flaviu Iorgulescu (Business Pulse SRL).** The cluster management organisation was represented by **Paul Svasta (cluster manager)** and other members of the team.

2   Results of the Assessment

ELINCLUS is a research-driven Romanian national cluster specialised in the ICT sector, organised as a registered association and built around the Faculty of Electronics within the Polytechnic University of Bucharest. With 73 committed cluster participants, it is one of the most active Romanian clusters. It has been benchmarked for achieving a BRONZE Label in 2013 and upgraded to a SILVER Label in 2016.

The current report describes the findings of a previous new SILVER Label assessment in November 2018, as well using all data of the previous benchmarking in April 2015 and the current benchmarking in November 2018 as well as the previous report of the SILVER Label assessment conducted in January 2016.

2.1   Gold Label Minimum Criteria

Based on the benchmarking data of November 2018 and additional documentation that was provided by the cluster management in the context of the SILVER Label audit the cluster organisation was evaluated against the minimum criteria of the "Cluster Management Excellence Label GOLD".

These minimum requirements are described in the document "European Cluster Excellence Baseline - Minimum Requirements for Cluster Organisations" available at *www.clusteranalysis.org/downloads/20111128_European_Cluster_Excellence_BASELINE_web.pdf*. Meeting these minimum requirements only is not sufficient for cluster management excellence, but can be considered as a first step towards the excellence level of "Cluster Management Excellence Label GOLD". A SILVER Label of Cluster Management Excellence" can be awarded only if the excellence level of the individual minimum requirements is "green" or "yellow".

It can be note here, that from 2016 to 2018 the number of indicators only judged "yellow" could be slightly decreased, which could already allow a conclusion of an overall increased management quality compared to the previous assessment.

Number of indicator	Name of indicator	Excellence level of the minimum requirements
1.1.0	Committed Cluster Participation	
1.1.1	Composition of the Cluster Participants	
2.1	Maturity of the Cluster Management	
2.2.2	Qualification of the Cluster Management Team	
2.5	Direct Personal Contacts Between the Cluster Management Team and the Cluster Participants	
2.6	Degree of Cooperation within the Cluster	
2.7	Integration of the Cluster Organisation in the Innovation System	
4.1.1	Strategy Building Process	
4.1.2	Documentation of the Cluster Strategy	
4.1.3	Implementation Plan	
4.1.4	Financial Controlling System	
4.1.5	Review of the Cluster Strategy and Implementation Plan	
4.1.6	Performance Monitoring of Cluster Management	
4.3	Activities and Services of the Cluster Management	
4.4	Performance of the Cluster Management	
4.6.2	Cluster Organisation's Web Presence	

2.2 Areas of Improvement Identified by the Cluster Management

In order to qualify for the SILVER Label of the European Cluster Excellence Initiative the cluster organisation has to demonstrate improvements that have been realised in the recent past with regard to selected quality indicators of the "Cluster Management Excellence Label GOLD". For this purpose ESCA provided a form (SILVER Label application) that asked for a detailed description of at least three areas of improvement. This description had to be sufficiently detailed (at least 2,500 words per area of improvement) and had to refer to the indicators of the GOLD Label. The cluster organisation was also provided with a detailed description of the indicators. In the course of the onsite assessment the assessor validated these improvements through discussions with the cluster management and supporting documentation that was provided by the cluster management.

In the "Description of Improvements", the cluster management has indicated and described following indicators:

- Human Resources Available for the Cluster Management;
- Lifelong Learning of the Cluster Management Team;
- Implementation Plan.

The following paragraphs present the findings and recommendations of the assessor for the areas of improvement. Not all of them were directly suggested for validation by the cluster management; some were determined during the assessment.

☐ **Findings and Recommendations with Regard to Indicator "Human Resources for Cluster Management"**

In the previous SILVER Label assessment of 2015/2016, 3 FTE were available for the cluster management team. In the year 2018, 4.57 FTE have been available for the cluster management team, including:

-	1 cluster president	0.95 FTE
-	1 cluster executive manager	0.26 FTE
-	1 assistant executive manager	1 FTE
-	1 assistant manager	0.39 FTE
-	1 assistant financial manager	0.35 FTE
-	1 innovation manager	0.8 FTE
-	1 marketing manager	0.29 FTE
-	1 strategy expert	0.03 FTE
-	1 assistant financial manager	0.5 FTE

Detailed time sheets prove the (increased) utilisation of the personnel in cluster management activities, the time sheets are kept on hourly base for each month.

This indicates an improvement in comparison with the last assessment. However, it has to be noted that the number of committed cluster participants as well increased. Thus, the quotient of committed cluster participants and FTEs of the team did not improve: One FTE today cares for around 16 committed participants, instead of for 14 back in 2015. However, with the increased size of the network, benefits in scaling apply and furthermore the 4.57 FTE are distributed to more than 6 persons, too, which provides flexivibility.

The assessor therefore accepted this improvement, however borderline.

Furthermore, improvements could be seen regarding attention for life-long learning issues to be addressed for the cluster management team (see below).

☐ **Findings and Recommendations with Regard to Indicator "Lifelong learning of the cluster management"**

Cluster management requires special skills of strategy building, communication, management, PR, funding, lobby combined with knowledge about the industrial sector and the policy context in which the cluster is acting. Therefore, continuous learning and capacity development actions should be given a special attention. Lifelong learning aspects of the cluster management team imply:

- Duration of the training measures as well as the relevance of the topics (at least 2 training days per member of the management team and year)
- Availability of an according yearly budget;
- Integration of the training measures into the strategic planning of the cluster, i.e. the existence of a coherent training programme.

At the level of ELINCLUS, a wide range of training courses have been attended by members of the cluster management team, on topics such as innovation, business analysis and communication. However given the increase of the management team in the last year, documented training days could not be traced back for each member of the management staff. Therefore, even though a indicative positive development this indicator could not be seen as an improvement as required by the cluster excellent approach.

☐ **Findings and Recommendations with Regard to Indicator "Implementation Plan"**

The provided description of the improvements focuses on selected activities and services being implemented, not on the implementation planning as a whole, and its structure and documentation. Therefore, the improvement regarding this indicator cannot be judged.

Given the above, two additional indicators have been considered for improvements:

- Direct personal contacts between the cluster management team and the cluster participants;
- Degree of cooperation within the cluster.

☐ **Findings and Recommendations with Regard to the Indicator "Direct Personal Contacts between the Cluster Management Team and the Cluster Participants"**

ELINCLUS works under a star-shaped cooperative structure where the cluster management sets the agenda of the cluster activities. Currently, the cluster management team accounts for 4.57 FTE, including a cluster president, an executive manager, several assistant managers, several financial management experts, an innovation manager etc.

Apart from mail traffic and regular meetings, contacts between management and members are assured via the joint development and involvement in activities within the cluster, such as:

- Projects (including innovation projects) financed by public or private sources;
- Training sessions organised by the management in the benefit of the members;
- Matchmaking events of B2B or C2C type
- Working Groups

A major role in the intensification of the contacts is played by the newly (July 2018) started cluster project funded out of the National R&D Programme aiming for the elaboration of the innovation and internationalisation strategies as part of the cluster development plan. The activities of the project requiring intensive consultation with the cluster participants have clearly boosted the cohesion between management and members.

According to the benchmarking data the cluster initiative brings together 73 committed cluster participants out of which are 56 SMEs, 8 R&D institutions, 1 university, 1 RDA, 5 consultancies, and 2 NGOs.

In discussion with the cluster manager and according to the excel/word track record of the inter-cluster cooperation matrix, intensive contact between the management and 62 of the committed participants could be established, i.e. 84.93 %.

In comparison with the 2015/2016 assessment where the indicator scored only 61-80 %, this represents clearly an improvement. The assessor accepted this improvement.

Given the increase in the number of members, the implementation of a CRM-like instrument is advisable. Various cluster organisations already discover possible solutions or even having started implementation.

☐ **Findings and Recommendations with Regard to Indicator "Degree of Cooperation within the Cluster"**

The cooperation between members takes place in several type of cooperation projects, such as:

- Projects from own funds;
- Projects from European funds;
- Projects from own and European funds;
- Projects from national funds.

The record of inter cluster cooperation is kept by the management and was presented in the form of a cooperation matrix.

- 49 (**65.75 %)** members are involved in cooperation with another member;
- 10 members are involved in cooperation with another 2 members;
- 5 members are involved in cooperation with another 3 members;
- 2 members are involved in cooperation with another 5 members;
- 1 member is involved in cooperation with another 8 members;
- 1 member is involved in cooperation with another 40 members.

This indicates an increase in the degree of cooperation between the members against the last evaluation (2016) where the indicator scored (31-50 %), marking thus an improvement. The assessor accepted this improvement.

2.3   Overall Assessment

ELINCLUS has made progress since the last SILVER Label evaluation of January 2016. Strengths of the cluster lie in the strong focus on innovation, coming from the strong cooperation between enterprises and the Faculty of Electronics and Telecommunications. The increase in the management team is to be seen as a positive development, too.

Still, the dependence on publicly funded projects for the cluster management organisation is to be considered as a threat seen from a long term perspective. Furthermore, there is an urgent need seen for the revision of the cluster strategy.

Given the proven improvements, the "Cluster Management Excellence Label SILVER – Dedicated to Cluster Excellence" for ELINCLUS should be extended in validity until January 11th, 2021.

3   Confirmation of Assessment

The assessment of **ELINCLUS Electronic Innovation Cluster** took place on November the 22nd, 2018, and was conducted in due order:

Daniel Cosnita
Inno Consult
Bucharest, May 20th, 2019

Flaviu Iorgulescu
Business Pulse
Bucharest, November 22nd, 2018

The assessment process and results were approved by:

Helmut Kergel
Director
European Secretariat for Cluster Analysis
Berlin, May 24th, 2019

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