

Presentation of the results of the Interview

Group A

Ines Sporis, Alexandra Özel

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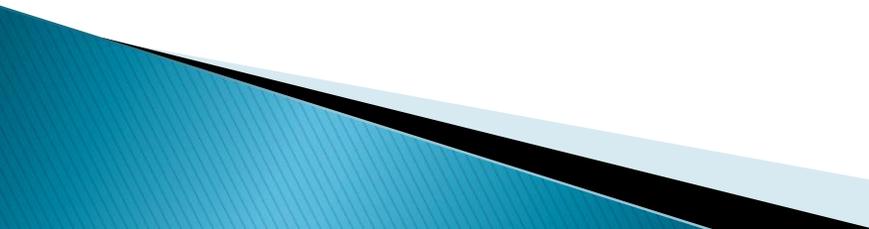
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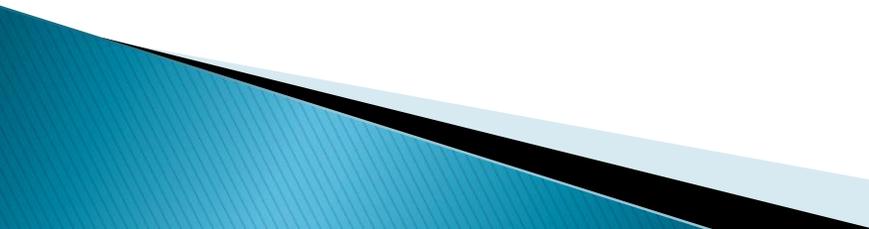
Introduction

- ▶ the results of two interviews
 - ▶ with representatives of the public and private sectors
 - ▶ topic: innovation
 - ▶ 1st of July 2014
 - ▶ representative of the Learning Ministries Project
 - ▶ marketing director of Apanet Green System Ltd
 - ▶ focused on six broad issues (new products, changes in the production process, new markets, changes in the supply chain, changes in structure and mechanisms of innovation)
 - ▶ qualitative data
- 

Learning Ministries Project

- ▶ Polish acronym MUS, from Ministerstwa Uczące Się
 - ▶ carried out in 2009 and in 2011
 - ▶ the project team consisted of representatives of various Polish academic institutions and public authorities, as well as other collaborators, including independent researchers
 - ▶ Michal Mozdzen, Cracow University of Economics
- 

- ▶ **problems:** lack of widely distributed competencies at the organizational level; lack of research and innovation in administrative practices; public administration is resilient to attempts at change
 - ▶ **assumption:** the organisation that learns is more effective
 - ▶ **goal:** strengthen learning mechanisms in the departments of four Polish ministries
 - ▶ **purpose:** identify the conditions, i.e. incentives and barriers to organizational learning at the ministry level of administration
 - ▶ **focus:** management in the public sector and introduction of organizational learning programs
- 

- ▶ **target groups:** public administration officials; students interested in working in public administration; researchers
 - ▶ **instruments:** workshops, advice, training...
 - ▶ Strategic mapping of department objectives, software-assisted idea of structuring and chaining arguments through pre-provided logical frameworks, semi-formal inter-departmental meetings...
 - ▶ **policy learning** – proposing possible good practice examples to Polish ministries, transferred and adapted from the experience in fostering learning organizations in 12 highly developed OECD countries
 - ▶ learning is key in establishing what is commonly referred to as “evidence-based policy making” (considered to be a vital part of good governance)
 - ▶ **outputs:** research findings, proposed models and frameworks for reform
- 

- ▶ **project stages:**

1. theory (literature, articles)

2. quantitative data (surveys)

3. qualitative data (interviews)

- ▶ **decision-making:** top-down approval was critical in establishing the tool of structured problem-oriented thinking sessions

- ▶ A greater level of bottom-up influence was reported in affirming self-reflection in working procedures

- ▶ some aspects of organizational capacities (e.g. reflexivity both from the top down and from the bottom up) increased to a substantially greater extent than others (like the expectedly stable contextual and operational knowledge)

- ▶ The influence of the learning fostering programs on actors in the institutions was stated by the interviewee to be variable

Changes in the structure

- ▶ rather difficult to monitor the implementation of new practices continually, as well as to evaluate their effects subsequently because restructuring in the studied ministries took place independently from the research
 - ▶ public administration reform is not a high-priority issue for the decision-makers
 - ▶ populist anti-administration attitude
 - ▶ far-reaching implications for the quality of governance
- 

Conclusion – Learning Ministries

- ▶ the assessment of the entire “learning ministries” concept in practice has remained external to the project, i.e. tied-in with the quality of service delivery of the ministries themselves and exogenous to the efforts of the analysts and workshop coaches
 - ▶ an innovative project (model for public administration, knowledge management, organizational learning)
 - ▶ role of expertise; a large body of research on the subject; real-world perspectives from practitioners and administrators
 - ▶ a novel contribution to public administration as a key segment of the public sector
- 

3. Apanet Green System–About the Company

- Apanet Green System Ltd. → Daughter Company of Apanet
- Specialized on energy efficiency
- Fairly small company
- It's not limited to the polish market

3 Interview with Mr. Andrzej Lis

- **New Products:**

- Mechanism for power consumption control in street lights;
- Develop and produce systems especially for certain customers.

- **New Production Process:**

- Find the most cost-efficient supplier;
- Responsive on the demands of their customers;
- Becoming faster.

- **Changes in supply chain**
 - Company works with a large number of suppliers for its components and constantly searches for the best ones
- **New markets**
 - Control street lighting to save money – perfect solution in times of crisis;
 - Niche: its system is a welcome addition for municipalities and companies in electronic fields;
 - Potential for expansion.

- **Changes in Structure**

- Very flexible (small, exists since 2010)
- The structure is mostly informal and not hierarchical

- **Mechanism of innovation**

- R&D Department– closely cooperates with production;
- Mostly top–down.

- **Final remarks – Apanet**

- Apanet Green System Ltd. → new company – small but flexible

- Better response to market demands

Conclusions (1)

- ▶ Substantial difference – innovation in the private and public sector – different criteria;
- ▶ Private sector – innovation = profit;
- ▶ Apanet – ability to adapt, responsive to the market;
- ▶ Different goals – public and private sector;

Conclusions (2)

- ▶ Public sector – constraints to innovation: hierarchy, monopoly on service delivery, political influence;
- ▶ Assessment of effectiveness in public sector – complicated task;
- ▶ Failures – learning process in public organisations / not an actual option in the private sector.

Thank you very much for your
attention



Thank you for your enormous patience!

Vielen Dank fuer eure Geduld!

Merci pour votre patience

Bedankt voor uw Geduld!

Mulțumim pentru răbdarea nemăsurată!

Дякуємо за терпіння!

Köszönjük az óriási figyelmet!

Muchas gracias por vuestra paciencia!

Hvala na pozornosti!

Ви благодарам за вниманието!

Innovation in private and public sector Part 1

-Results of Interviews with companies in Wroclaw-

1. Introduction

2. NGO initiative: Tarcza Foundation

- Overview**
- Results of the interview**

Introduction

- **Innovation in private and public sector**
- **NGO initiative, redefining public policy on primary schools**
- **2 IT companys, providing private and public sector with technology**

NGO Initiative: Tarcza Foundation -Overview-

- **Preventing public schools of closing**
- **Renegotiating the salaries of teachers**
- **Hope to expand it's reach in the future**
- **Drastic change in polish public policy**

NGO Initiative: Tarcza Foundation

-Results of the Interview-

What was the problem that actually determined you to direct your resources into saving schools? Why is it so bad that small schools in Poland get shut down?

- **The schools are from regions with high unemployment rate**
- **Justice for schools and communes**

NGO Initiative: Tarcza Foundation

-Results of the interview-

Why do you consider those small settlements so important?

- **School is meeting place for community**
- **Schools were build by community - workers got not paid**

NGO Initiative: Tarcza Foundation

-Results of the Interview-

The innovation dimension of the project

- **Teachers would lose their jobs if the schools get closed**
- **Accepting delegation because of fear of losing the job**
- **Saving around 200 jobs**

NGO Initiative: Tarcza Foundation

-Results of the Interview-

Problems with the teachers

- **20 – 30 % are resisting**
- **Teachers would give more of themselves for less money**
- **Teachers Union label Tarcza as a „Police Organisation“**

NGO Initiative: Tarcza Foundation

-Results of the Interview-

Financing the Organisation

- **Financed by public funds**
- **Proposition against the Foundation from Teachers Union**

NGO Initiative: Tarcza Foundation

-Results of the Interview-

The decisionmaking chain

- **NGO's are in charge**
- **If an employee doesn't accept the terms, he got fired by the NGO**
- **No teacher was fired because disciplinary reasons**

NGO Initiative: Tarcza Foundation

-Results of the Interview-

Effectiveness indicator

- **27 schools saved**
- **Legal regulations claim 70 pupils**

NGO Initiative: Tarcza Foundation

-Results of the Interview-

Overall conclusion

- **Reasons for saving the schools are questionable**
- **Teachers get less paid**
- **Schools are managed by NGO's**
- **Changes for future payment of teachers in Poland?**

GVC-tax

- Small, local business
- Sells computer systems and fiscal cash registers + service
- The crisis
 - The demand fell by 20/30%
 - Problem with the financial sector – interest rates 12%

The response

- Managed to cope with the problems without lay offs
- Reduced telephone costs, electricity and heating
- New market specialization
- Restructuring of the firm
- Changes in the regulation

Magic Service

- Nation-wide company
- Sells and rents different printing devices + service
- Clients from private sector
- Competitive market
- Crisis
 - Effect of the strategies from other companies

The response

- Reduced the prices
- Offered a competitive service
 - Smallest possible fee
- Innovation
 - New clients
 - Restructuring the company

Conclusion

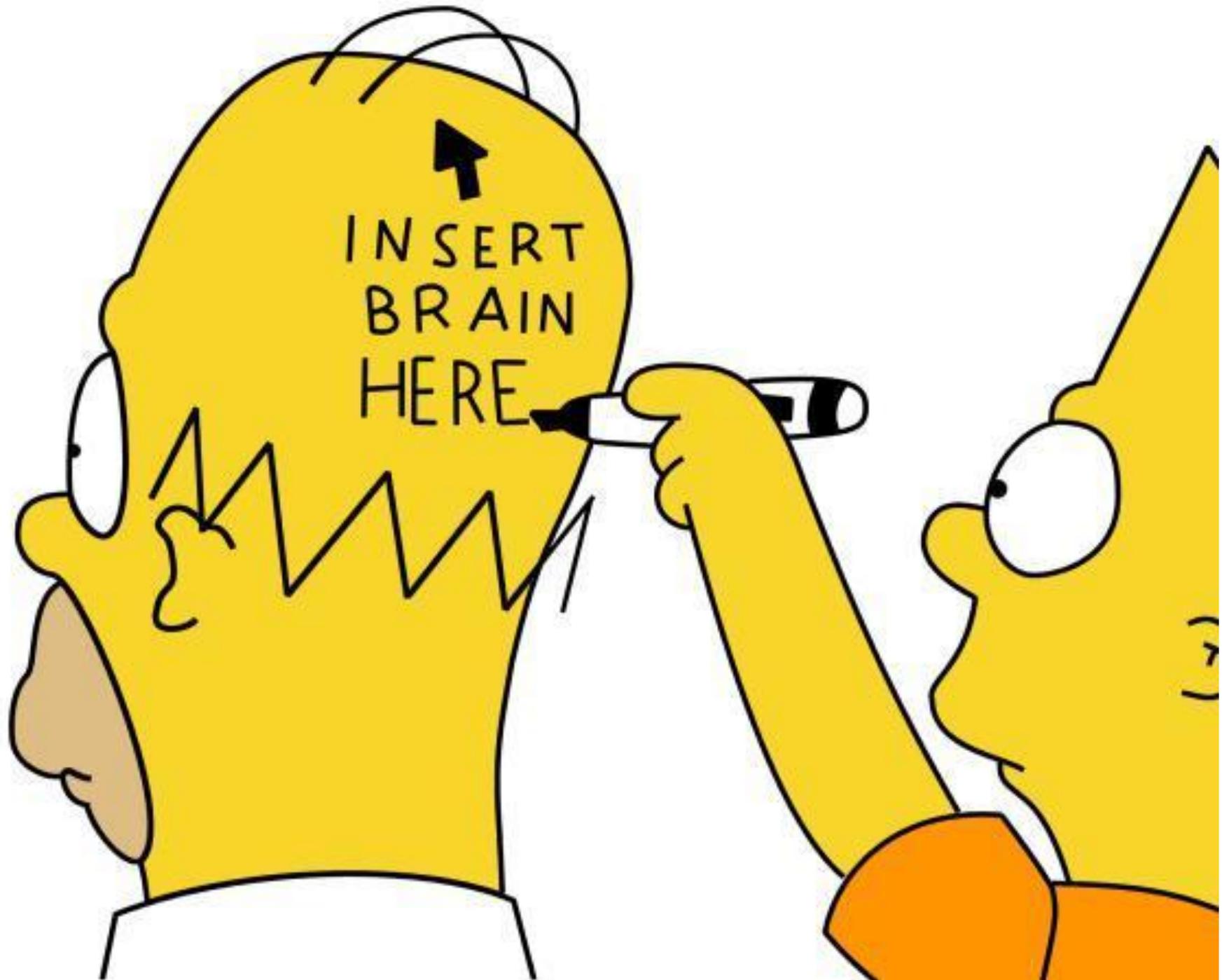
	Tarcza (approach)	GVC-tax	Magic Service
costs	drastic reduction of salaries, more work-hours	overhead costs reduction	-
supply chain	-	-	-
new markets	-	Dell service	Yes
products	-	-	-
structure	drastic change in approach to schooling as a public good – outsourcing to an NGO	new mobile technician department	Yes, a reshuffling of representative offices
mechanism	Lateral: community+state	-	-

Innovation in Public and Private Sector: Case of Poland

By Team D

Kosta Bovan, **Štefan Bako**, Aneta Čedíková, Cristina Maria, Lisa Jahr,
Nguyen Tuan Hiep, Oleksandra Yaremchuk, **Dean Šarčević**

5/7/2014



↑
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Structure

- Introduction to topic
- Topic of research
- Introduction of companies
- Research
- Conclusions

Indroduction

- Innovation => Just in private sector (Borins, 2002)
- Innovation (today) => Private S.+ Public S. + NGOs
- Wha is Innovation?
 - „Creation and implementation of new processes, products, services and methods of delivery which result in significant improvements in outcomes efficiency, effectiveness or quality”

Mulgan & Albury (2003:3)

How (steps) to Innovate?

1. Generate possibilities for innovation
2. Foster innovation
3. Replicate and scale up
4. Analyse and learn

Topics of Research => Questions

1. Innovation in general and innovation mechanisms

What is innovation? What mechanism of innovation is used? Financing?
Cooperation? Top-down v. Bottom-up?

2. Innovation outputs

Outputs of innovation changes? Factors? Barriers/limits?

3. Crisis and innovation

Crisis impact on innovation (more/less)? Production processes? Service costs

GS Media

- Private sector representative
- Polygraphy and Printing (instructions for music instruments)
- 15 years of experience
- Evolution of the business
 - Just printing => whole issue of printing
 - Tradicional polygraphy => digital polygraphy

Wroclawskie Inwestycje

- Public + Private Sector representative (100% owned by Wroclaw City)
 - Special legal status (CofW + Business in construction)
- Trading, organizing, conducting and **managing** the investments in road infrastructure in Wroclaw by outsourcing
- Serving public needs
- Funding from City budget + EU (Regional Programme)

Business Development Dep. Of Konin City

- Responsible for managing business development
- Improve the economic potential of the city (interconnections)
- Aim => improve the living standards of the citizens
=> better business environment!
- How? => Tasks fulfilled by outsourcing! => promotion of the city by NGOs & Local business & Municipality
=> low level of entrepreneurship
- Better conditions for business in long-term run

Konin (interview)

- Innovation => outsourcing of promotion services = NGO (!!!)
=> Narrow view of innovation
- Goal => promotion of economic development of Konin + region
- Funding: City budget + EU
- Top-down project => Governments/labour ministry
 - Room for Bottom-up process (now!!!)
- Barriers: status quo bias of top level + Fear of employees + political struggle + external (media)
- Crisis: „Huge influence“ => necessity to innovate + competition for new financing opportunities

Wroclawskie Inwestycje (interview)

- Innovation with its mere existence
- Sui generis organisation => part of the City=> functioning as company
- No real competition
- Focus on finding best company to cooperate with
- Innovation proces => human capital (high class specialist, mangers)
- Strongly top-down process
 - Role of the city in paramount
- Goal: Find innovative way of implementing cooperation => City/private companies

GS Media (interview)

- Innovation => „innovation in printing process“, „following trends“
- Strict Schumpeterian view on Innovation => changes of technology
- Hard to assess top-down/bottom-up approach (small company)
- Innovation connected to needs of clients => CRM process
- Crisis: shortage in demand => lower expectations of clients => no new clients => but also as opportunity

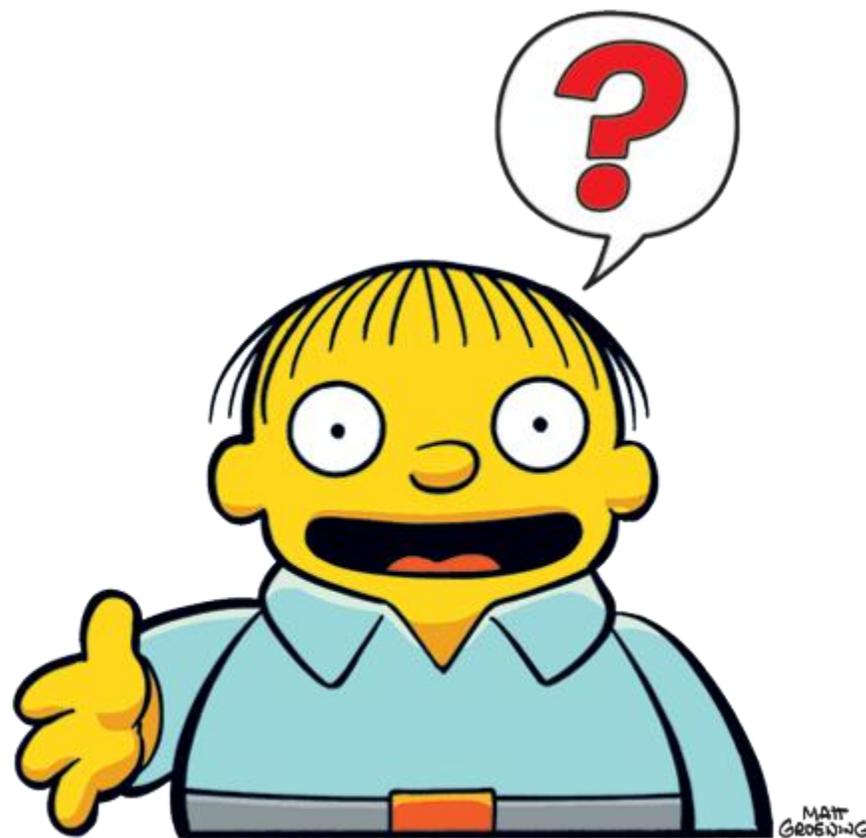
Conclusions/Comparisson

- Mulgan & Albury framework (model)
- Different view of companies on innovation => Public vs. Private sector
- Differences in path of innovation
- Outputs of innovation & barriers
- Crisis affecting them all => different ways

Thank you for your attention 😊



Q & A Time





Enjoy the farewell party



Summer School on Democracy
***Innovation in The Public and Private
Sector in Poland***

**Report on Innovation
The Interviews**

Wroclaw 05.07.2014

E. Group

*Eyen J., Holgerhamelmann M., Kurdagia M., Lebeda P.,
Lutsenko N., Negoita I. C., Pandelea S., Sabou A., Sali E.*

Content

- *Introduction*
- *Comparison (definition, strategy, interaction)*
- *Constraints*
- *Conclusions*

Introduction

3 interviewees:

- **NGOs: Innovator's Club**
- **Private sector: Communication DMW, Graftax**
- **Public Sector: -----**

Defining Innovation

- **“*Innovation* generally refers to *changing* or *creating* more effective processes, products and ideas, and can increase the likelihood of a business *succeeding*.”**

(source: *business.gov.au*)

- **Innovator’s Club:** *“Making things better and simple”*
- **Communication DMW:** *“It is the basic thing to do to stay on the market. You can't stop.”*
- **Graftax:** *“to come up with something new”*

Strategy

- **Innovation strategy**
- **Innovator's Club:** *“water strategy”, flexibility and adaptability*
- **Communication DMW:** *offering better quality services to the customers*
- **Graftax:** *no clear innovative strategy*

Interaction

- **Collaboration with public, private sectors or NGOs**
- **Innovator's Club:** collaboration with both public and private sector – "mediator"
- **Communication DMW:** retailed customers & participation in public bids
- **Graftax:** mainly private sector

“Club of Innovators”

- **NGO** under the auspices of the **Wroclaw University**
- **Founded by Maciej Zarański**
- **Self sufficient & self-financed**
- **It develops proposals to address problems arising from the local governments-
“mediator”**

“Club of Innovators”

Assessment of the Interview

- Principles of the club:
- **create multidisciplinary** project groups
- **identify optimum solutions to the problems**
- **create an innovative platform to cooperate between universities, local authorities and business – “the golden triangle of innovation”**
- **preparing students to enter the labor market**

“Communication DMW”

<http://www.dmw.pl/>

- **Small Private company**
- **Internet, software & hardware**
- **IT services**
- **Retail customers & institutional investors**

“Communication DMW”

Assessment of the interview

- **Recognizing disadvantage** in the price competition – emphasizing the **quality of services**
- **Innovating before and during the crisis**
- **Effective consumer services & supply for the inferior goods market** \uparrow **D in recession** vs \downarrow **D for normal / luxury goods**
- **Increasing profits**

“Graftax”

www.graftax.pl

- **Private accounting firm**
- **Fiscal & financial services**
- **Human resource expertise & manager's reports**
- **Assistance to public / private sectors & individuals**

“Graftax”

Assessment of the interview

- Looking for **an innovative approach** with its clients
- **Addressing new market** during the f. crisis
- Cooperating with **public / private sector**
- Innovative aspect: **opportunities for internships**

Constraints

- *Language*
- *Time & Place*
- *Communication*
- *Too small to fail*
- *Position of the interviewees*
- *Interviewees: non-representative for the sector*

Conclusions

- **Comprehensive insight to innovation**
- **Despite different perceptions and interpretation**
- **Innovation: a conscious aspect of the their strategy**

- **Innovator's Club: it plays a significant role**
- **Communication DMW: it relates to meeting customers' needs**
- **Graftax: it is part of their developing strategy**

THANK YOU
FOR
LISTENING





FINAL REPORT ON THE FIELD RESEARCH CONDUCTED BY TEAM #6

Niccolo Panozzo

Introduction

- ▶ 3 interviews with representatives of the private sector;
- ▶ 2 of them were preceded by presentations that the companies had prepared, explaining how they dealt with the crisis and what innovative measures they had implemented;
- ▶ Sub-groups dealt with each of the interviews and respective summaries.

Overview of the Interviewees (I)

Komunikacja Plus

Komunikacja Plus is a company located in Poland, which offers PR consultancy. They focus their activity on three main areas: business, social and sport.





Overview of the Interviewees (II)

Selena Group

Selena is a company founded in Poland in 1992. It manufactures construction chemicals and is one of the three largest manufacturers of polyurethane foam in the world. It has spread to encompass four continents, several dozen countries and many business areas.

7/31/2014

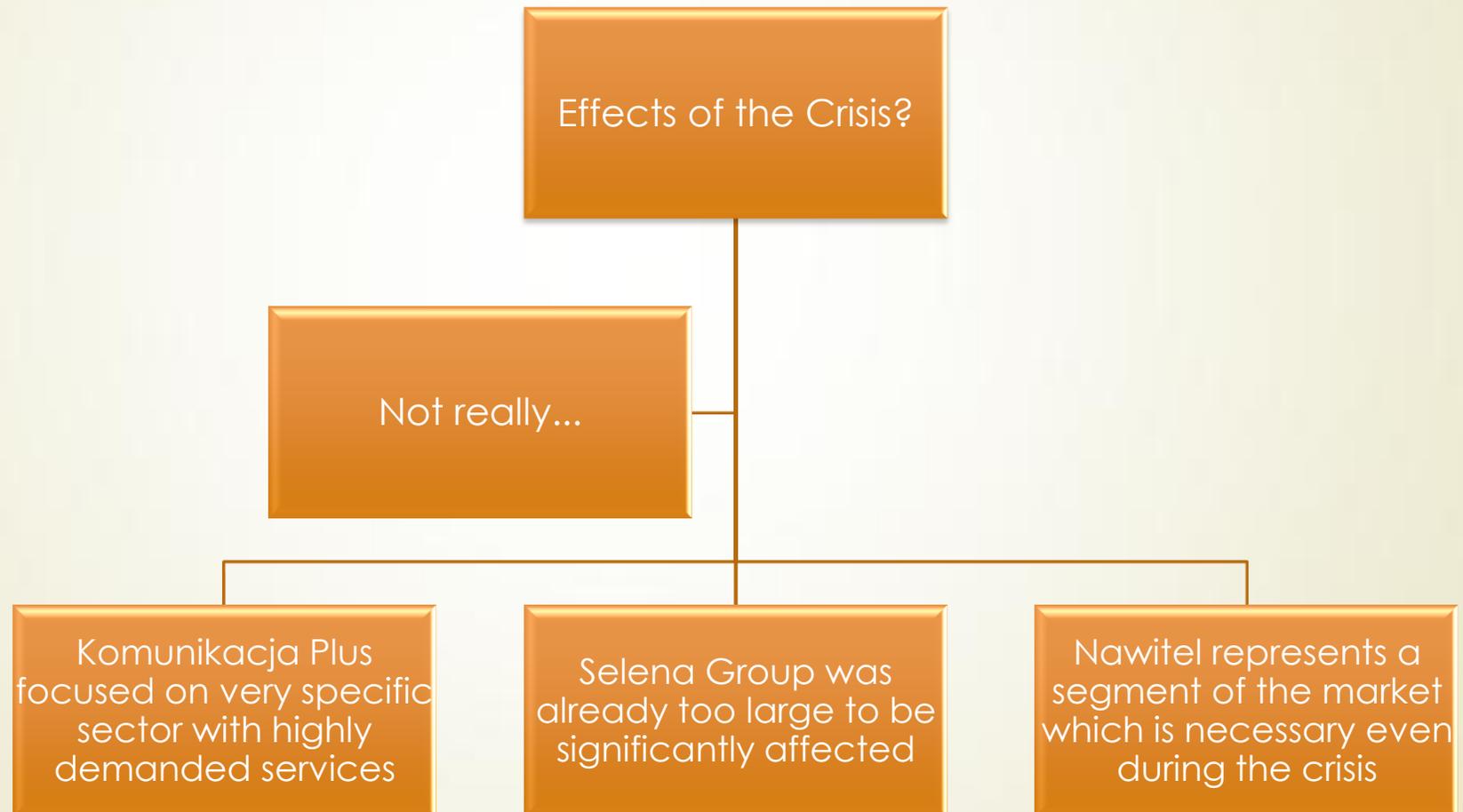
Overview of the Interviewees (III)

Nawitel

The Nawitel Company, founded in 1993, deals with trenchless pipe installation. Their portfolio includes domestic, as well as foreign investors, private, public and municipal partners.



When the crisis struck



Field Research Results (I)

- ▶ In reaction to the crisis, Komunikacja Plus had to cut down on the advertisement and promotion costs in addition to finding a niche that would provide financial security and stability. They were able to find a suitable niche by conducting market surveillance actions and by analyzing the market for public relations intensively. Through these research strategies a suitable niche appeared => **the sponsorship market**.
- ▶ Therefore, they created a unique offer, as they opened a new, sister company, named **Sponsoring Insight**. Sponsoring Insight was developed as a research and consulting agency specialized in consulting on marketing and sponsorship of sports and culture. They also invested in new technologies, creating a unique application that would cater to many large companies in Poland that were interested in sponsorship.

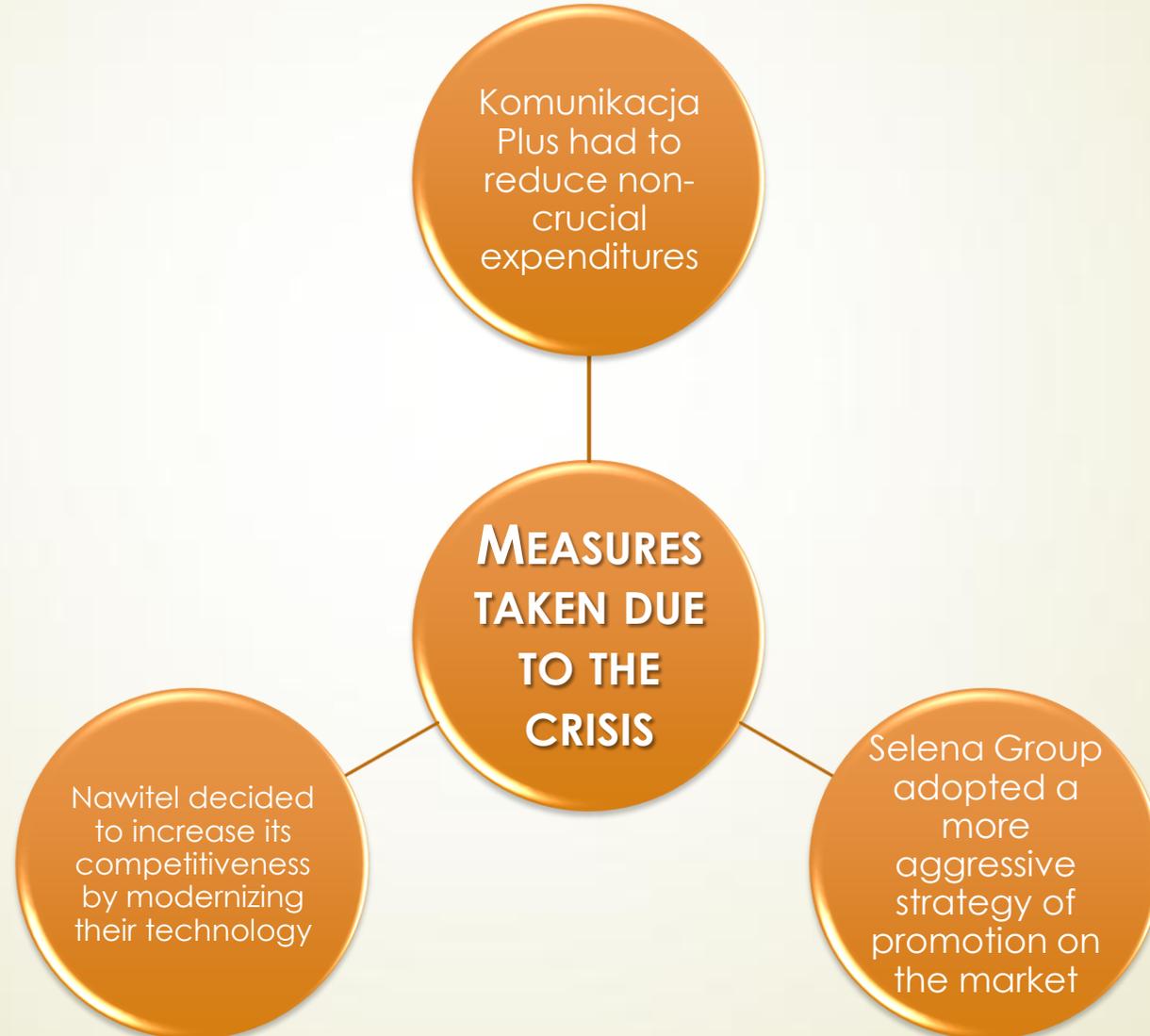
Field Research Results (II)

- ▶ According to their spokesman, the crisis for any company is a lack of demand, so a big global company, particularly the Selena Group, in times of crisis becomes like a “beggar” – more aggressive and always trying to sell you something. Selena Group cut costs but not value or quality of the production.
- ▶ Selena Group overcame the crisis by implementing innovations which helped to improve the productive development of the company to a new level. Innovation is highly important for a big company, even though the Selena representative feels that subsidizing innovation is more costly than its value.

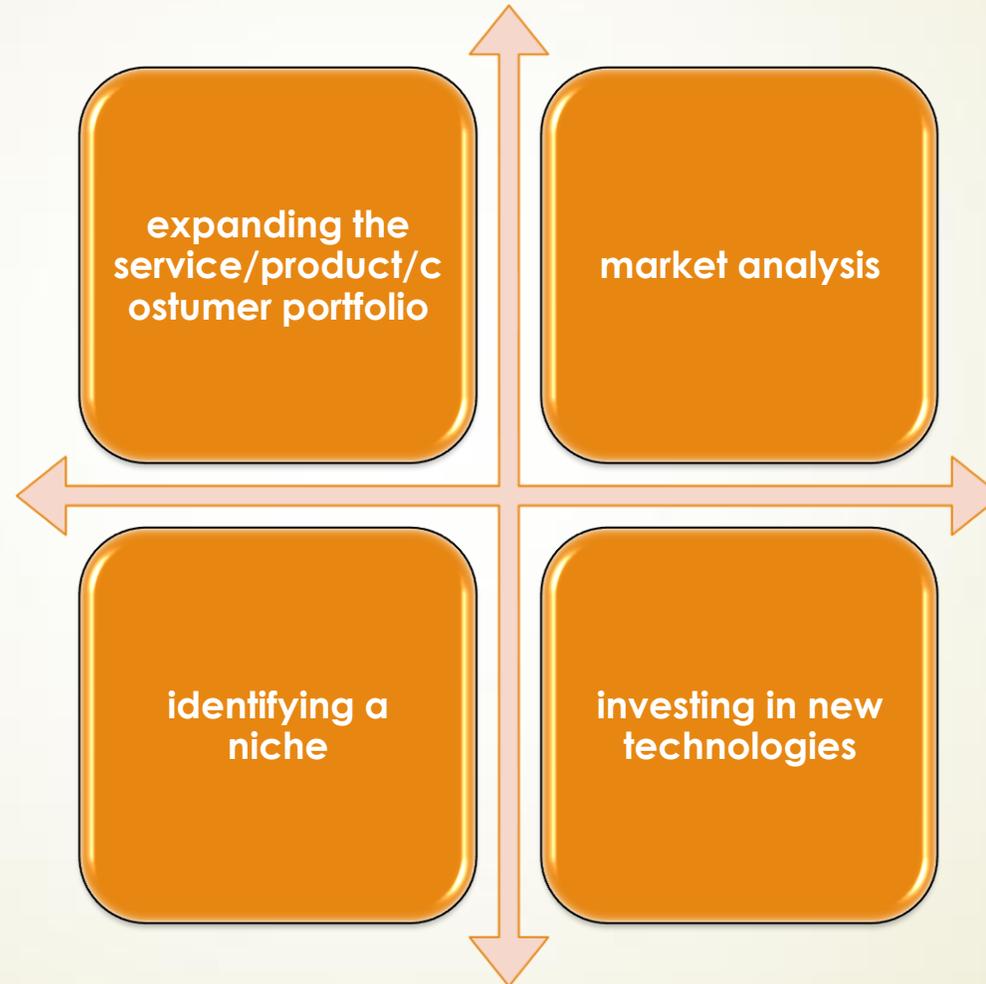
Field Research Results (III)

- ▶ Nawitel took a chance and decided to invest a large part of their budget in order to buy more and better equipment to be more competitive on the market. This mainly explains their means to overcome the crisis and even expand.
- ▶ The interviewee described that in the construction sector, it is necessary to be innovative in order to be competitive on a worldwide level. In addition, it is interesting to note that the company gets special financial support from the European Union to develop their innovation abilities.
- ▶ The most innovative features of Nawitel lie within their activities (e.g. technologies, knowledge, etc.). Most of them are connected with new ecological standards derived from the European Union (e.g. recycling and special fluids).
- ▶ Others are associated with innovative equipment which enables them to develop their products more efficiently.

A Comparative Analysis



Innovation in the Private Sector



Thank you for your attention!

Cristina Manolache, PhD. C. (University of Bucharest, Romania)

Marta Yaremko, PhD. C. (Ivan Franko National University of Lviv, Ukraine)

Zoriana Zazulyak, PhD. C. (Ivan Franko National University of Lviv, Ukraine)

Adam Drnovsky, MA student (FSS MU BRNO, Czech Republic)

Jasmin Kuhn, MA student (University of Koblenz-Landau, Germany)

Lara Querton, MA student (ULB, Belgium)

Niccolo Panozzo, MA student (ULB, Belgium)

Daniel Schumacher, MA student (University of Koblenz-Landau, Germany)

Ines Timis, BA student (Babeş-Bolyai University, Romania)

Delia Chilom, BA student (Babeş-Bolyai University, Romania)