

PROFESSIONAL SERVICES IN CLUSTER ORGANIZATIONS

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Abstract: *The article describes the aspect of cluster management organizations. It concerns the cluster organizations offering professional services that are undertaken for the benefit of members and cluster initiatives. This approach allows better adjustment of supply of services to the needs and expectations of cluster's members (entrepreneurs, academia and government). Differentiation of these entities means that cluster participants have different expectations about the effects that are the result of their involvement in the cluster. Even more cluster organizations operate in relation of competition (cooperating and competing at the same time) and the nature of the organization they take from the network. It determines this cluster organizations management as well as cluster services.*

Key Words: *cluster, cluster management, marketing in services, professional services*

JEL Classification: *M13, M31*

1. ADMISSION

In today's economic reality and more often small and medium-sized companies operate under the different network structures. One of these structures are clusters which are understood as a geographically concentrated cluster of interconnected companies, specialized suppliers, service providers, firm in related industries and associated institutions in particular fields, competing with each other but also cooperating. [1] Cluster is a variation of the network occurs in a specific geographic location where is some kind of community and increases the frequency and significance of the interaction. [2] The role of crosslinking in the cluster takes cluster organization that works on behalf of and for the development of the cluster. Organization of cluster is presented in the perspective of network management organization, which focused on the implementation of innovations, offers cluster participants' services. These „cluster services“ are related to activities that shape the flow of information, exchange knowledge and experience, human resource development (training, recruiting managers and experts), measures of marketing communication and participation in national and international projects. In order to achieve high efficiency of cluster services organizations offer services that are an answer on expectations of actors in the cluster.

2. CLUSTER ORGANIZATIONS

Trends in the development of cluster in Europe are mostly related to:

- world class clusters (clusters that compete in the global market), thus increasing expansion and internationalization of enterprises belonging to the cluster, thus, increasing cooperation between cluster organization and managers,
- cluster management including partial improvement of skills of managers and cluster organizations,
- cluster brand positioning all over the world,
- disseminate information on the highly innovative and competitive products and enterprises, the most developed regions in Europe.

Managing a cluster organization concerns the activities that take the nature of network organizations. Network management in the literature is a collection of interrelated companies, working together, providing each other with services or delivering products based on the contractual relationship.[3] Network organization is one whose actions are explained by theory of networks, networking organizations and links described by the theory of organization and management system, therefore, the cluster organization draws from network theory. It is flexible system that develops with maturation of the cluster and is the result of the impact of the inter relations. E. Michalski [4] argues that characteristic of the cluster is simple and modest organizational structure, which is heads by SME owner or a manager of a leading company. This team develops the principles of cooperation and strategies for its development.

The development of network structures in cluster is discernible in European countries, where by introducing an animator, government have sought to increase activities between science, business and government. Animator in cluster (in the Danish model named as the network broker) is a person who takes action to stimulate contacts and cooperation between entities of the cluster which bring mutual trust, overcoming prejudices conflicts of interest and initiative to develop strategy. [5] Animator provides information about benefits, contacts, financial resources, etc. Therefore his role is to build a trust in a cluster though the available instruments (access to external finance, government and venture capital, public and business-related organizations such as universities, research institution). Trust affects formations of a network of companies in the cluster. Animator is working for the development of the cluster and he is a manger of a cluster organization which carries out the objectives set by the cluster members.

Building a cooperation among small and medium sized companies, government and universities Danish Business Development Agency was running a program, which aim was to increase the competitiveness of small and medium enterprises in at least two selected by the cluster areas. In this model a significant role is attributed to a specially

trained by the government network brokers, whose task was to identify the members and the formation of network. Coordinating other cluster activities was remitted to governmental associations and other organizations set up by its members.

In the Netherlands, the development of cluster was closely associated with the development of innovation policies aimed at building links between universities and enterprises. Its implementation uses the Danish experience of cluster development with network broker, which aimed to increase the role of research institution in the economy. Impact of government policy has led to establish an intensive business and scientific cooperation.

In Poland cluster organizations appears as a result of the small and medium companies concentrated around the network broker- association, company, university, local government or around company who is a leader in the region. Both cases collaborate with R&D, while the government acts as an mediator, which support networks.

As a result, the formation of the cluster structure can be seen as a network, in which animator (network broker or the leader), needs to combine the aims and objectives of various entities. To be able to manage it they offer services to the cluster members.

3. PROFESSIONAL SERVICES

A service is a result of what customers want. Services are generally obtained by engaging in an interactive process with the provider. [6] Much like manufacturing a product composed of hundreds or thousands of components, services similarly consist of hundreds or thousands of components. However, unlike a product, service components are a combination of processes, people skills, and materials that must be appropriately integrated to result in the 'planned' or 'designed' service. [7] Unique features of services are [8]:

1. services are not tangible, which means that they have not physical form and they can not be physically touched,
2. services are not separable from consumption, which means that they occurs at the same time,
3. services can not be stored or inventoried, which make them assemble most of the time,
4. services cannot be owned, most of them are used on the spot, they are not transportable and exportable,
5. services are complex experience, they are happening over time and across several Touchpoints,
6. service quality is difficult to measure, that's why it's difficult to control the quality.

Services produced in cluster networks are a factor that develop the ability to built a management competence in the cluster. Usually this services arise as a result of the needs of one or several partners in the cluster. Then they are approved by the board of the cluster organization and then they are offer to cluster members. The result of a new service is added value, which concern both- members and the cluster organization. Added value may provide appropriate conditions for the intensification and/or stabilizing the interaction between partners, shortening the time spent by cluster members at various meetings and travels, reduc-

ing cost by implementing high quality solutions for cluster companies.

In this perspective the role of professional services, which are performed for the benefit of entities operating in the cluster, by using specialized knowledge, is to solve the problem posed by the customer - cluster member. Provision of professional services requires first and foremost expertise and high qualifications gained and supported by document education and experience. Due to their specific professional services and specific difficulties, such as:

- guaranteeing the quality of services offered,
- the inability to see and try out the service before buying it,
- presenting the offer and description of the service product.

The most important role in cluster services is to design a service which is an answer on cluster members expectation and afterwards keep a high quality of this service. The difficulty of guaranteeing the quality of professional services are related to the participation and role of the recipient- cluster participant. High quality provision depends mainly on the expectations of the buyer and acceptance of the quality criteria. In the situation when the customer expectations are less clearly formulated, the more difficult to fulfil them. Therefore, from the demand point of view is hindered decision- making the cluster relating the choice of service providers- the organization managing the cluster, as well as the process of professional service.

The process of cluster service may be as follows, Figure 1. First applicant (cluster member) submits the idea of a new service to the organization of the cluster. Second the organization, choose and submits the form to the selected members of the cluster organization. Third interested members contact with the cluster organization. Fourth the organization coordinates the interaction between interested entities, convening a meeting. Fifth the organization provides feedback to applicants on the participation of actors in action, and also provides information about what action should be made to increase the number of participants in the initiative. Sixth step is to introduce services for selected members.

In addition, the quality management of selected professional services is complicated by a high degree of innovation, which increase the uncertainty. It is a result of the cluster strategy and effect of providing the service. Additionally, the information asymmetry that exist between provider (cluster organization) and recipient (cluster members) causes difficulties in the process of providing service. The more specialized skills are involved in customer service, the more difficult to assess the final effect of the process benefit and thus increases the risk of purchasing a particular service professional.

Customer participation in the professional services is an important aspect. The necessity of interaction between the organization managing the cluster and the cluster members is different for different services. It's also changing in various stage of the service. But almost always the customer participates in defining problem, choosing a solution and developing the problem, and often in the process of developing and implementing this solution.

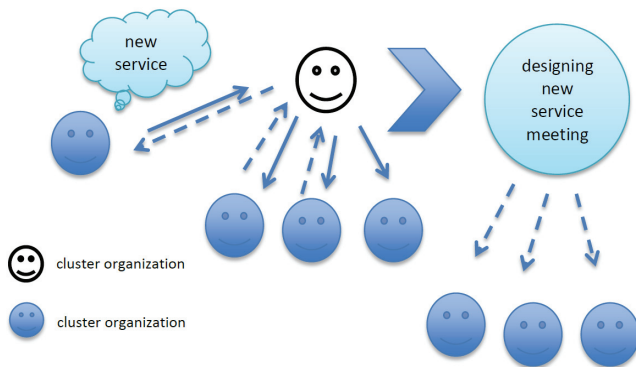


Figure 1 Service process in cluster organization
Resource: Developed by author

The result of the Competence Initiative Deutschland [10] allowed to extract the best services provided in German cluster organization:

- human capital recruitment and promotion of the cluster - an area of demand for highly qualified employees that meet the requirements of the cluster and providing highly qualified staff at low cost and minimal expenditure,
- training on basic and advanced concentrated on promoting young, talented employees with the cluster key competences and skills,
- financing innovations and start –up, venture funding, sponsorship, patents, infrastructure and seminars,
- adoption of a common public relations policy members of the cluster, the development of marketing analysis, financing of public relations, search for national and international partners to undertake new activities and projects,

- communication and exchange of experience, collecting and processing information, organizing work group meetings, procurement of permits for the development of infrastructure such as building permits, equipment, laboratory physical transportation of products, the exchange of knowledge through the use of online platform and knowledge banks.
- The organization has identified a group of five core services that are offered to promote cooperation between different people and to demonstrate the high quality of inter- organizational relationships and cutting initiatives operating with and outside the cluster.

4. CONCLUSION

In conclusion we can say that cluster organizations can build a service for members of the cluster according to the strategy of development and may also provide services, which are a result of cluster members activities. Services should meet needs of members of the cluster and need to be delivery in a high quality processes. Offering a service may be performed by entities operating in the cluster (internal orientation) as well as others (external orientation). Services provide specialized knowledge and skills that is essential to the development of the cluster. Both solutions are building network and relations between actors concentrated in the cluster.

Leveraging the power of linking entities within the cluster organization, cluster management organization shapes their competence. This can be seen in the development and implementation services. These services should be professional in nature, and should be designed and implemented in accordance with the needs of cluster members. Tailored to high efficiency and effectiveness of the organization's cluster activities.

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