

# The Challenge of a Knowledge-Based Economy for Small and Medium-Sized Companies and Handicraftsmen

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# What does knowledge-based economy mean?

1. At the time of communication and the Internet, knowledge and knowledge transfer are a key factors of success, also for handicraft and SME`s
2. Knowledge and knowledge transfer are the main sources for 'added value' in our time, for every business.

# What does knowledge-based economy mean?

3. To develop innovative products, solutions, methods, services etc.
4. To introduce innovations into one's own company.
5. To accept knowledge and competences as core factors of success.
6. To overcome obstacles and mental barriers.

# What is the role of knowledge in our time?

1. Knowledge is the key to success in most fields of economy.
2. The lack of knowledge may hinder growth.
3. Therefore companies ( also SME`s) have to use modern methods for enhancing effectiveness and organisational learning.

# What is the role of innovation in our time?

‘Innovation’ means introducing new solutions, new methods, or new things.

This can be done in two directions:

- into a new (international) market
- into the company.

Innovation is the main basis for economic success!

# What are 'innovation indicators'?

1. Investment in development.
2. Number and kind of innovations.
3. Number of highly-educated and qualified people (master in handicraft).

# Networking and 'added value'

Strategy components for success:

1. Regional networks: 87.7 %
2. International networks: 80.4%
3. Flexibility : 92.3 %
4. (Future industrial sectors of Germany, Institut der deutschen Wirtschaft Cologne, 16.04,2007)

# What kind of help do small and medium-sized companies need?

1. Knowledge-based consulting aimed at:
  - Identification of strengths and weaknesses profile.
  - Ranking of factors which are important to guarantee success.
  - Operational plan to introduce knowledge and innovations.

# What kind of help do small and medium-sized companies need?

2. Proposals how to use and to manage regional and international networks for innovation transfer.
3. Proposals how to enter international markets and to use international knowledge and experience.
4. Proposals how to use international funds.

# The Dream of Schwerin

- Develop a web portal as a showcase for each region and basis for new knowledge and methods.
- Provide access and links to key development contacts.
- Create a operational handbook for SME`s with focus on international markets.

# The Dream of Schwerin

By using the experiences of the course  
“Doing Business International” to develop a  
conception for a new course.

The main aims should be:

- To overcome intercultural barriers.
- To find effective ways to enter a foreign market.
- To estimate factors of risk.

# The Dream of Schwerin

- To find solutions for problems by using the knowledge and methods provided by the Chamber of Handicraft of Schwerin.
- To develop the self-consciousness in a way, that he or she can develop an own strategy for a foreign market.
- To overcome gaps of knowledge by using the internet ( or the “Weblex - Conception” of WTA).