

## The Way into the Digital Age Cluster Strategy of Hamburg@work 2018 – 2025

(Summary)

### Part 1. Shooting for the Moon

In the Big Thinking Lingo of the Silicon Valley there is the so-called "Moonshot" or also "MTP - Massive Transformative Purpose" called. A Moonshot describes the ambitious and visionary goals - often with a single "Highly Aspirational Tagline" - for which you get up every morning. The Moonshot does not stand for what is possible from today's point of view, but for something you want to be different in the future.

"The network for a new world" is the visionary slogan that Hamburg@work has chosen: We get up every morning to create the network for a new world: digital, forward-looking, inspirational and driven by a mission.

In view of this vision of the future, Hamburg@work 2017 - in the year of its 20th anniversary - formulated a strategic vision whose central goal is to be achieved by 2025 through a defined strategy process.

#### Strategic Vision 2025

In 2025, Hamburg@work and its DigitalCluster.Hamburg will network those companies along digital value chains that provide participatory transformation in the Focus clusters and thus enable a cross-technology digital platform for users and providers in the context of business and administration for SmartCity Hamburg.

#### Mission statement

In the DIGITALCUSTER.HAMBURG Hamburg@work bundles EXPERTISE for the DIGITALE TRANSFORMATION. The members of the cluster are happy to pass on this KNOWLEDGE, participatively and in an open INNOVATION CULTURE in their own NETWORK and to the COOPERING CLUSTERS. This is the mission statement of Hamburg@work derived from the strategic vision.

Digital transformation involves the digitization and automation of core processes, including changes in the framework conditions in business, government and society. The willingness of all participants to make the necessary changes is the most important prerequisite for



digitisation processes in companies. A successful digital transformation requires the strengthening of companies, employees and executives as well as social systems.

The common and primary goal of the players in the DigitalCluster. Hamburg is to communicate the need for the necessary upgrading and to accompany it in all its facets.

# Part 2. New strategy process after 20 successful years cluster management

The association was founded on 13 August 1997 as Förderkreis Multimedia e.V. (Multimedia Association). At that time it was the supporting association for the "Haus der Multimedia-Produzenten" (House of Multimedia Producers) of a municipal themed property with the character of a business incubator in Hamburg-Ottensen.

Parallel developments of the Hamburg Senate (Amt Medien) in the form of the "Landesinitiative Multimedia-City Hamburg" and the Hamburg Economic Development in the form of a multimedia industry meeting called "Treffen der Hamburger Online-Kapitäne" (Meeting of Hamburg Online Captains) quickly led to a consolidation of activities in a first Hamburg cluster initiative called "Hamburg-newmedia@work". The organisational implementation took place within the framework of a Public-Private-Partnership (PPP) between Amt Medien (at that time the economic authority), Hamburgische Wirtschaftsförderung as a public partner on the one hand and Förderkreis Multimedia as a private partner on the other.

After the New Economy bubble burst, the partnership was continued under the name "Hamburg@work". In this context, the association was renamed "Hamburg@work". In addition to media and multimedia, a further priority area was included in cluster work with the beginning digitalisation of the economy. The public-private partnership was continued unchanged into 2014 with a focus on "digitization in the media industry".

#### Strategy building process

With 20 years of experience in networking companies from the media, IT and telecommunications sectors, Hamburg@work finally marked a turning point in terms of content in autumn 2017 and thus gave the go-ahead for its very own transformation: After 20 years, the cluster management organisation of a former vertical sector cluster of the media industry was to become a horizontal digital cluster with a higher thematic focus - above the Hamburg sector clusters.

The process initiated by the spin-off of the PPP initiative Hamburg@work to create a new strategy for Hamburg@work as a DigitalCluster.Hamburg was actively tackled in mid-2015. The completely revised content of the repositioning was developed in line with practical requirements and introduced step by step in phases.



In the years 2015 - 2017, the necessary process steps for the introduction of the cluster strategy were implemented and have been consistently further developed since then. The presentation of the new positioning in the cluster public took place on the occasion of the 20th anniversary of Hamburg@work on 07.09.2017 at the **20th Anniversary Summit in** front of 650 participants.

The new congress format is called **Disrupt Now! Future Summit** and complementary **Disrupt Now! Future Lectures will** continue as the central congress of the DigitalCluster from 2019.

The development process for implementing the new strategy of Hamburg@work is considered completed with the Summit. The Hamburg@work committees have adopted the binding cluster strategy for the years 2018 to 2025.

As part of the further implementation of the cluster strategy, the aim is to obtain a "Quality Label for Cluster Organisations" from the "European Cluster Excellence Initiative (ECEI)". The gold label and the process for obtaining it are intended to improve the excellence of the cluster organisation and provide an opportunity to demonstrate this excellence to the interested public. Ultimately, the label documents the implementation and continuous improvement of the processes.

#### Conclusion on the strategy development process

The main reason for the development of a new cluster strategy was the superficial changes in content cooperation in the previous strategic New Media segment. On the second - much more important - look, it was the incipient change that is taking place in the economy today, with a combination of digital and physical elements, to create new **sources of value**. The experience gained since 1997 in the "New Media" segment with regard to new value chains, value systems and new cross-sectional technologies forms the basis for the use of the knowledge required for digital transformation, even outside the existing cluster boundaries.

In numerous workshops and discussions with consultants, scientists and committed cluster participants as well as findings from studies, it became clear which potentials and new strategic segments for Hamburg@work result from the economic change and have flowed into the strategy development process.

**Industries and branches of industry** reach different points on the transformation curve. The change that has already taken place in the media, technology and telecommunications sectors is more than three times as high as in the industrial sectors at the end of the scale.

As a result, the move away from the previous ties to the media industry was only logical.



Figure: Study by Bain on Digital Transformation (2014)

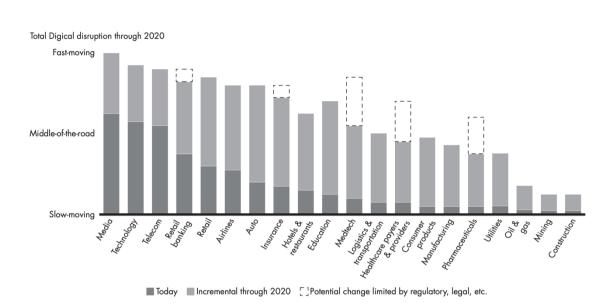


Figure /: Projected Digical transformation by industry through 2020

The greatest changes are yet to come. The next few years will bring more digital innovations to most industries worldwide than they have seen in the past. Even today's early adopters will continue to change in the future.

The most important Hamburg industries are also affected by this. Cooperation in digital topics with established Hamburg clusters (logistics, aviation, healthcare, renewable energies, etc.) therefore offers additional potential.

The figure above shows extremely clearly the potentials in the individual sectors, which go far beyond the year 2020. In addition to the visualized **benchmarking of** the chart, it should also be mentioned that some industries are slowed down by external factors. This is the case wherever regulations, regulations, legislative procedures or liability issues slow down the pace of innovative change.

The challenge for Hamburg@work and its member companies is to analyse the specific part of the value chain of each industry and determine which parts are best suited for digital innovation.

In constant exchange and cooperation with the (other) clusters of the Hamburg innovation system, it is to be ensured that the cluster's own strategy in the sense of **linked strategies is** consistent with the other strategies at sectoral and regional (and perhaps even beyond) level.



## Part 3. Central elements of the new cluster strategy

#### Diagonalisation of the economy as a guiding principle in terms of content

The content of Hamburg@work's mission statement and the resulting choice of topics follow the not (only) scientific insight that the organisational principle of the economy is changing due to digitisation processes:

Over a period of 150 years, production processes were broken down into value chains, enormous efficiency potentials were realised through division of labour and specialisation, and reassembled through trade and logistics. This has led to the formation of highly efficient verticals: Aviation industry, health economy, media economy, maritime economy, etc. or also service industries such as banks or insurances.

So far, all social systems and subsystems have been aligned with this organizational principle: the education system, the innovation system, the leadership culture, etc..

This historical logic is currently being inverted into its opposite. Digitalization is the most significant transformation of the economy and society since industrialization.

A technological leap into a new quality of process organization simultaneously changes almost all social, ethical and cultural relationships. The principle of digitization is the ultimate networking of areas of life and industries through the immediate and mobile exchange of data. The dynamics of the networking process are necessarily exponential and so is the resulting disruption.

The traditional verticals (industries) are increasingly linked by a series of digital innovations. Platforms, AI, blockchain and other technological innovations draw horizontal connections into the existing framework of verticals. The result is integration and networking - not only between sectors and industries, but also between technologies. For example, the new platforms will increasingly interact with AI and Blockchain. And so new fields for innovation, business models and markets emerge <u>diagonally</u> to the verticals and cross-sectional technologies.

Professor Vöpel describes this process as the "diagonalization of the economy". This approach forms the scientifically founded, content-related mission statement of Hamburg@work.

#### Strategic positioning as DigitalCluster.Hamburg

Hamburg@work is positioned as a digital cluster in northern Germany and as a platform for all companies actively implementing digital transformation - across all industries and business clusters.

Hamburg@work Cluster-Strategie 2025 (Summary) EN.docx

<sup>&</sup>lt;sup>1</sup> Prof. Dr. Henning Vöpel, Director of the Hamburg Institute of International Economics, Prof. Dr. Henning Vöpel, Prof. Dr. HSBA Economics, Scientific Advisory Board Hamburg@work



From now on, Hamburg@work will take over the continuous expansion of a higher-level digital platform above the vertical focus industries and across technologies in the context of new cross-sectional technologies.

As a cross-industry digital cluster, Hamburg@work bridges the gap to companies in the economic sectors that are important for Hamburg, combining the interests of established and young companies and the range of topics from strategic lines to daily implementation.

As a cluster management organisation, Hamburg@work offers its members clear orientation and tangible added value for their entrepreneurial activities and uses the resulting thought leadership for extensive knowledge transfer between universities and research institutions and the companies among the cluster participants.

Hamburg@work supplements the following landscape of vertical clusters in Hamburg with (s)a horizontally positioned digital cluster:

- nextmedia.Hamburg\*\* (1997)
- Hamburg Aviation\* (2001)
- Logistics Initiative Hamburg\* (2006)
- Life Science North (2006)
- Healthcare Industry Hamburg\* (2009)
- Hamburg Creative Society (2010)
- Renewable Energy Hamburg (2011)
- Maritime Cluster (2011)
- \*The clusters marked with an asterisk are already working together across clusters.
- \*\* The close cooperation with nextmedia.hamburg continues even after the spin-off.

Without exception, the vertical cluster organisations mentioned above are based on industry structures or on the existing official structures for the support of these industries, which provide financial support to cluster organisations with budget funds. All of them are set up in a PPP model that represents the private sector through a cluster association or a cluster society.

#### Content Strategy of the DigitalCluster

In the Digital Cluster. Hamburg, Hamburg@work bundles the expertise of its member companies for digital transformation. The members of the cluster share this knowledge participatively and in an open innovation structure within their own network and with cooperating clusters.

In communication, it is important to prove, present and pass on this expertise. THOUGHT LEAD-ERSHIP is therefore the determining topic for the content strategy of Hamburg@work.

Thought Leadership includes in particular the topics:

- Technical Automation of Core Processes, Big Data, Artificial Intelligence and Robotics
- Training of companies and their employees and managers
- Strengthening social systems
- Creation of necessary political framework conditions



Willingness to make necessary changes as the most important task

Hamburg@work summarises the "collective" thought leadership of its member companies in the following subject areas:

- 1. Technology 4.0
- 2. Company 4.0
- 3. Working environment 4.0
- 4. Company 4.0
- 5. Government and regulation 4.0

All topics presented by Hamburg@work will in future be classified into the aforementioned subject areas and communicated accordingly.

See also the detailed concept "Content Strategy".

#### Cluster organisation strategy

A direct control of all cluster activities without exception would overwhelm the cluster management team in many respects. The participatory positioning above the industry clusters does not allow for comprehensive content support in a broad spectrum of industries. In addition, the cluster organisation would be uneconomically inflated by a large number of "industry specialists".

On the other hand, Hamburg@work has had very good experience in the past with focus groups that concentrate on special topics, network actors, provide topics and space for cooperation and are integrated into the Hamburg@work platform.

The cluster organisation strategy therefore provides for the expansion and development of further focus groups, for which the term "clubs" is chosen in communication.

A good example of this is the former focus group "Crossmedia", which developed and carried out the "Neptun Crossmedia Award" for Hamburg@work in 2004. In the meantime, with the spin-off of Neptun Award GmbH in August 2015, the organization and execution of successful "Neptun Awards" and "Neptun Days" has been transferred to a GmbH subsidiary in which the Hamburg@work association holds 37.2% of the shares. The Neptun Award GmbH continues to work on the platform of Hamburg@work and uses its resources for the realisation of its events. <a href="https://www.neptunaward.de">www.neptunaward.de</a>

All clubs are represented on the legal, technical, communicative and organizational platform of Hamburg@work and will be provided with appropriate resources.

Club members are active participants who contribute and participate, inspire and learn from each other. The clubs, as well as the Neptun Award GmbH, are run by honorary members of the Management Board of Hamburg@work. All members of the Management Board enjoy a special involvement in the work and thus the orientation of Hamburg@work.



There are already three clubs existing:

#### IT executive club

The IT Executive Club has set itself the task of strengthening networking among ClOs and IT managers. Together with decision-makers from IT-using companies, education and science, the club creates a closed platform for the exchange of ideas - but also to promote a broader perspective.

Transparency and trust are important and discretion and commitment are an absolute must. Therefore, the access to the club is not public and can only be established by personal invitation of the founders and members.

Club evenings, learning journeys and cooperation events are offered. In addition, the IT Executive Club's events complement the annual Hamburg IT Strategy Days<sup>2</sup> www.it-strategietage.de organised by Hamburg@work this year.

#### women's club

Diversity by Hamburg@work: The Women's Club was founded in 2016 on the initiative of female managers in the Hamburg@work DigitalCluster. Female Leadership is the central topic, which is offered exclusively for women by Hamburg@work with different contents in the different event formats. The events with up to 200 participants are designed by women exclusively for women.

The series of events is intended to stimulate the exchange of experience, new ideas and impulses. Members and (still) non-members will be brought together at the events. Guests are welcome to make new network contacts, exchange experiences with members and contribute ideas and impulses.

The target group are female members of the Hamburg@work DigitalCluster and experts from the digital and media industry. Since 2017, events have also been offered jointly with the Aviation WoMen of the Hamburg Aviation Cluster.

#### Agile HR Club

The "employee dimension" is increasingly becoming the decisive competitive factor in the digital world. "Human resources become human potentials. Under the motto "Surviving the War for Talents" the Agile HR Club deals with working life and matchmaking of people and tasks that are diverse and varied and require spontaneous and complex problem solving, as well as real

<sup>&</sup>lt;sup>2</sup> Flagship of Hamburg@work: German-speaking Lead Conference for CIOs



creativity and deep human contacts. Because only these tasks - despite all digital automation - will remain in human hands in the long term.

In the Agile HR Club, Hamburg@work bundles all its activities and aspects that deal with modern, agile HR work. As participants, the HR managers of our member companies are invited, who are open to new approaches and possibilities of the digital economy in their area of responsibility. In order to encourage exchange among recruiters and open discussion, recruiters and HR consultants do not have access to the club.

The constituent kickoff events in September 2018, which were mainly organised by personnel from participating companies, were very positive and met with a great response. As a result, it was decided to first ask the companies about their ideas and to develop corresponding work packages in working groups. A first working group was carried out in May 2019.

#### Communication strategy, CRM of the DigitalCluster

Modern, targeted communication with members and other actors in the digital cluster and the analysis of usage behaviour were not feasible due to a distributed data landscape. The obsolete systems used by Hamburg@work so far were partially redundant with regard to their databases and could only be reconciled manually - with errors.

The consolidation of data from the existing system landscape - with the creation of a central data repository with data quality management - is the focus of the communication strategy. PIMCORE is the new, award-winning content, data management and multi-channel publishing suite from Hamburg@work.

PIMCORE is a publishing system with an integrated platform, with which any type of content can be conveniently managed, from documents and images to the most complex product and data structures. Apart from a browser, no other software is required for this.

In the future, Pimcore will be used as a central CRM and communication database for member and user administration. Due to its diverse application possibilities, it offers considerable advantages for the use of content control. Pimcore's flexible database allows all data and information about members to be bundled centrally and expanded with new information.

Due to the reduction of systems and interfaces, data and information will no longer be managed redundantly in several systems. The old Copernica CRM and newsletter system was replaced by CampaignMonitor with an interface to the Pimcore Customer Management Framework.

The booking of events and the sale of tickets will be handled directly by the Pimcore E-Commerce Framework without the (old) platform Eventbrite. The club manager - the "ERP system" of the club - was connected via a web service. In this way, the individual solutions used by Hamburg@work were combined into a single system landscape, resulting in a considerable reduction in administrative effort.



By centrally managing all member and user-related data, you can quickly and efficiently identify topics and trends for potential events and news campaigns. Based on the information stock in the database, members and users with identical interests can be selected and provided with the relevant information. This information can also be used to promote networking among members and attract new members from the circle of "only" registered users.

Via an integrated content management system (CMS) and user administration, specific and personalized content can be offered to members in the member area of the Hamburg@work website. In this way, the added value of a content curation can unfold its full effect. Members of the DigitalCluster will receive a news feed in the future that is tailored to their specific interests. The feed helps you to find your way in the flood of information on the Internet better and to save time in obtaining information. The users of the member area are also enabled to send each other articles and to evaluate the information content.

Since this advantage is only available to members, it is a further incentive to become a committed member of Hamburg@work.

The Community Manager of the cluster (member support) promotes cooperation and networking among members. The Community Manager's work in Pimcore, which supports user profiles enriched by usage data with relations to all relevant entities.

Over the period of use, Pimcore also enables the definition of personas, i.e. user models that characterize the characteristics of members and users in the target group of Hamburg@work. Personas have goals and behaviours, they have preferences and expectations. In order to develop these, analytical methods are required in order to collect suitable user data, such as the exact analysis of user behaviour on the website or participation in events offered by Hamburg@work. If this data is available, the user groups can be determined and addressed more specifically via content and events.

The system has been introduced gradually since the beginning of 2018. The old systems have already been replaced except for the use of Eventbrite. The range of functions is continuously extended.

## Part 4. Focus of the new cluster strategy

#### Focus 1: Improving the ability to innovate

The striving to improve cooperation in the DigitalCluster at Hamburg@work essentially focuses on the following points:

 To upgrade the skills of managers and employees to carry out digitisation projects in the company



- Implementation of cross-cluster events with Hamburg industry clusters
- Increasing the ability to innovate through digitization
- Increase the share of R&D projects: Project SmartSquare

#### Focus 2: Exploring business opportunities

The comprehensive topic setting of the "Thought Leadership" aims to show the cluster participants how digitization affects the increase of business and market opportunities. The communication channels of Hamburg@work, including the use of event formats, play an important role in exploring business opportunities. It is not uncommon for specialist events to be followed by bilateral discussions between the participants.

In particular, the committed participants have the role to point out trends, successful models and technologies and to communicate them at Hamburg@work events: Priority HIGH.

#### Focus 3: Promoting entrepreneurship

The support and promotion of entrepreneurship in companies is based on the fact that Hamburg@work has numerous established companies in its network who are happy to pass on their know-how to young companies and start-ups and from whom young entrepreneurs can learn. Hamburg@work also provides support in the search for capital and arranges interviews with equity investors.

The Women's Club's "Hamburg@work Entrepreneur Lunch" regularly brings together (no more than) 15-20 women entrepreneurs from the digital and media industry at a table to exchange ideas on current trend topics as part of a business lunch. Inspirational impulse lectures by experts provide a good basis for stimulating discussions. In the small circle of participants, specific questions are asked, in-depth discussions are held and, ideally, new business relationships are established. This CXO event only for women leads to an intensive exchange of experiences and new ideas and gives further impulses.

The Hackers & Founders@work event is the meeting place for Hamburg tech founders at Hamburg@work. Meetings take place at regular intervals and offer participants the unique opportunity to network and gather know-how. There is a lot of valuable exchange of experience and tips from experienced founders and exciting speakers from the start-up scene. Each start-up presents its business idea, which is assessed by an experienced entrepreneur.

In future, the topics developed in the "Agile HR Club" will also be offered in separate events for young entrepreneurs, who often postpone their personnel work when setting up their companies.



#### Focus 4: Continuing education in the field of digitisation

Within the framework of the Agile HR Club of Hamburg@work, concrete plans are being developed to establish a Hamburg@work Academy and to develop curricula tailored to thought leadership. Academy launch: Not before Q3/Q4 2019 (soft launch).

An academy concept and the curriculum are currently being developed.

#### Focus 5: Marketing and Branding

The central and currently most important goal pursued by most members of Hamburg@work is to increase the visibility of their company in the DigitalCluster and beyond. The companies hope to improve their own business and market opportunities and thus their competitiveness. The increasing shortage of skilled workers means that the topic of employer branding and marketing is also becoming increasingly important.

The constant expansion of communication tools and the further development of the communicative reach of Hamburg@work therefore have top priority at Hamburg@work. This includes classic media work, the use of social media, the Hamburg@work website (German/English), regular newsletters, special newsletters and invitations to various target groups as well as the presentation of the member companies with their specialist know-how on-site at the Hamburg@work events.

Hamburg@work uses the "individual" thought leadership of its committed member companies and presents it as the "collective" thought leadership of the DigitalCluster to its own members and non-members.

Thought leadership and communication mix continuously improve the visibility of the DigitalCluster. Hamburg and its positioning in the spectrum of all Hamburg clusters.

#### Focus 6: Improving the framework conditions for the DigitalCluster

A detailed statement has already been made on the fact that the repositioning as a digital cluster has resulted in changed framework conditions. The existing <u>vertical</u> cluster organisations in Hamburg are oriented without exception to branch structures or to existing official structures for the support of these branches, which financially support cluster organisations with budget funds.

Due to the likewise <u>vertical</u> silo structure of public authorities (general), there is also a lack of an official "mirror" for the horizontal digital cluster in the Hamburg public authority landscape. Even the Hamburg Senate Chancellery "only" covers the internal part of the digitization of administrative processes with the Office for IT and Digitization.

The primary goal of Hamburg@work's lobbying work for the City of Hamburg is to change this situation and achieve an (official) partnership with the Senate Chancellery. An unofficial partnership is already lived due to the high profile and historical connections of the participants.



A first milestone success was already achieved at the end of 2018 when the CDO of the Free and Hanseatic City of Hamburg and head of the Office for IT and Digitisation accepted the invitation and appointment to the advisory board of the IT-Executive Club of Hamburg@work.

#### Focus 6: Expansion and further development of the cluster

Strengthening cooperation among the committed cluster members is one of the focal themes of Hamburg@work. Hamburg@work has long initiated cooperation, projects and occasional start-ups through its work.

The cluster management has noticed increased cooperation since the realignment.

Before the repositioning (in times of concentration on the media industry), it often remained with initial sparks. Hamburg@work was rarely continuously included. Frequently there was also a lack of documentation of a participation by Hamburg@work.

Strengthening cooperation and documentation is given medium priority: Priority MEDIUM.

An increase of the share of private financing of the DigitalCluster has <u>no priority</u> at Hamburg@work, as the cluster is currently 100% privately financed: Priority ZERO.

On the other hand, <u>partial</u> public funding is desirable. However, public funds have no relevance for the continued existence of the cluster, as financing from private funds is secured. A proportionate public financing of selected projects, however, supports the importance and recognition of the cluster in the political arena and among the companies involved in the project.

#### Focus 7: Internationalization

The expansion of international partnerships primarily serves the objective of giving cluster participants the opportunity to look beyond their national horizons and to expand their own innovative capacity, business and market opportunities. "Learning from the Best" is the keyword here.

International partnerships, Learning Journeys and Travelling Conferences promote not only the possibility of participating in international projects, but also cohesion within the group of project participants. A "travel group" assembled by Hamburg@work in 2014 for a delegation trip of the Hamburg Senator for Economics to New York and Boston led to recurring meetings of the participants even after the trip and gave the impetus for the cooperation between HafenCity University (HCU) and the Massachusetts Institute of Technology (MIT), which led to MIT's participation in the CityScience Lab at HCU.



In May 2018, a cooperation agreement was signed with Silicon Cape Initiative, which will lead to a first Learning Journey to the Western Cape region of South Africa in autumn 2019.

2019 started with a similar agreement with the largest Latvian IT association LIKTA. The cluster manager makes a first return visit in May 2019.

Both agreements met with a high political response. The agreement with South Africa was signed in the presence of the Prime Minister of the Western Cape Province and the Hamburg Senator for Economic Affairs, with the Latvian LIKTA Association in the presence of the Presidents of Latvia.

#### Focus 8: Financing and composition of the cluster

In addressing the cluster actors, care has been and will continue to be taken to ensure that there is a balanced composition between business and science and state institutions in the digital cluster, which promotes interaction between the actors and thus economic and social development in the region.

The activities of the cluster are financed exclusively from private funds, which also reflects the fact that the largest share of cluster actors in 2018 (75.4%) comes from the business sector.

Die übrigen Anteile betragen: Research & Education 4,0%, Intermediates 15%, Marketing & Communication 3,2% und Government and Public Administration 2,2%

#### Further priorities

The changed demands on work, company and management are also implemented within the company's own organisation. Leadership is achieved through values and objectives that reflect the success of the cluster organization as a whole.

#### Leadership culture in the management team

One of the current and future major challenges for managers, in addition to digitizing their businesses and their own work areas, is the concrete, visible, tangible and sustainable transformation of their own leadership behavior and thus often also their own mindset.

This also applies to Hamburg@work as an organisation. Leadership culture at Hamburg@work is thus becoming a strategic component in Cluster Management. Especially in a small team, the question arises: How will managers be more agile, faster, more flexible and more innovative in their leadership work in the future?



Central points of Hamburg@work's own leadership transformation are agile working methods, lifelong learning in practice and a balanced work-life balance of the team members. The strategic success factors of leadership at Hamburg@work include agility, participation, trust, networking and openness to one another.

Hamburg@work provides a wide range of input for individual competence expansion through learning and training settings that enable sustainable transformation:

Hamburg@work shares its diversity of topics and the broad expertise of its thought leadership in the DigitalCluster and passes this on to cluster participants at around 60 events each year from Hamburg@work.

The existing thought leadership is also used for continuous further training in the cluster management team. The team thus experiences "lifelong learning" on the job. Targeted training courses that are necessary for the job - and are not included in the Hamburg@work portfolio - complement these training opportunities.

These measures counteract possible weaknesses in team competence and, together with the work-life balance practised, prevent unhealthy fluctuation in the team. This offer has also been anchored in the employment contract since 2017.

Change management and structural change in the digital industry are implemented in the Hamburg@work organisation in such a way that the work is also value-oriented to a high degree, instead of constantly introducing new tools, metrics and targets in a result-oriented manner.

As an employer, Hamburg@work supports measures and offers for the compatibility of family and career within the scope of its operational possibilities. In this spirit, Hamburg@work also supports flexible working time arrangements that meet the individual needs of employees and enable them to take advantage of career opportunities and distribute childcare and child-raising tasks as well as private household chores.

In order to support the compatibility of family and career, employees are not bound to observe certain working or office hours. Operational requirements and possibilities are taken into account responsibly.

# Part 5. Performance Monitoring of the Cluster Management organization

Until the end of 2017, Hamburg@work was governed exclusively by the old control system developed for the Hamburg@work initiative (since 2013: nextMedia.Hamburg initiative) together with the Media Office of the Free and Hanseatic City of Hamburg. This system of indicators, by which the progress and degree of fulfilment with regard to important objectives or critical success factors is measured, also applied without restriction to the Hamburg@work organisation.



The control system was adapted to the new orientation by means of a realignment. The old and the new system are (partially) congruent, since Hamburg@work is still THE company network connected with nextMedia.Hamburg and will therefore continue to supply KPIs to the nextMedia.Hamburg initiative in the future.

The currently valid interim KPIs were derived from the previous control system and extended to include financial KPIs and personal KPIs for the managing director.

The defined KPIs pay measurably into the respective focus targets (Part 4).

The interim control system for Hamburg@work will therefore only apply temporarily. The joint steering committee of the Hamburg clusters - Co-Learning Space (CLS) - suggested the development of a control system with uniform KPIs for all Hamburg clusters.

#### Financial Key Performance Indicators

Since Hamburg@work is a private cluster that is managed according to economic criteria and acts accordingly, all KPIs must take the economic aspects into account. The corporate structure of Hamburg@work does not focus on the determination of profits. There is no shareholder with an interest in the absorption of profits. Any profits can therefore be invested immediately in new aspects to increase the range of services offered by the cluster organisation.

For this reason, the control system focuses primarily on the liquidity of the organization required to finance the range of services with weekly cash flow controls.

The development of membership figures therefore focuses less on the number of policies than on the increase in liquidity from premium income (income from premium income). In this respect, a balanced relationship between paying, compensating and (necessary) dues-free members must be ensured.

The same applies to events, projects and other services of Hamburg@work that are decided according to economic criteria. Liquidity from all services (total performance of sales revenues) is the second financial key performance indicator.

#### Personal Key Performance Indicators for the Cluster Manager

The cluster manager receives personal guidelines that are oriented to the economic success of the cluster's organization at the end of the fiscal year.

# General Key Performance Indicators Maintenance of the network within the Digital Cluster

The member network of Hamburg@work has been maintained at a high level for many years and is to be continuously developed further. As a B2B network, companies are primarily to be



gained as members. A balanced relationship between companies (industry), university institutions and authorities / government institutions must be ensured.

Start-up companies should be given an incentive to enter with special conditions. Memberships for young people / students should round off the offer.

#### knowledge sharing

The transfer of specialist knowledge takes place under the heading "Thought Leadership", in particular via the event formats of Hamburg@work. Events with the character of working groups, in which the members jointly develop or implement topics, are of particular importance for the further development of the cluster.

The topics of the member companies from as many industries as possible are to be taken up and implemented, so that a very precise address of individual target groups can be achieved.

The most important target groups are grouped together in specialist groups (clubs).

#### Accompaniment of talent and specialist searches

The biggest problem currently facing companies in the digitalization of core processes is the recruitment of talent and specialists. The labour markets are "swept away" when it comes to finding the "right" employees.

Hamburg@work accompanies the talent and specialist searches through appropriate programmes to be developed by Agile HR Club.

Due to the complexity of the talent and specialist searches, this is to be implemented in the medium term and the corresponding KPIs developed.

#### Marketing of the DigitaCluster.Hamburg

The DigitalCluster. Hamburg is primarily marketed via online-supported channels. These include

- Press marketing (press releases)
- Online Communication Website
- Online Communication Social Media
- newsletter dispatch
- invitation mailings

In marketing, care should be taken to ensure that the Hamburg location and the member companies are (co-)marketed.



Implementation of projects to strengthen the topic dynamics and to increase the attractiveness of the member companies and the location as well as to control the organisation.

In the sense of successful project implementation, the project focuses on projects that are jointly developed by member companies. Through international cooperation, international partners are to be involved vice versa.

With a view to its own organization, the development and implementation of processes to optimize the use of databases and the generated user data should be accelerated.

# Part 6. First evaluation of the new strategy by SWOT analysis 2018

With the help of a SWOT analysis, the introduction of the new strategy was evaluated in mid-2018. The analysis is again based on feedback from the circle of members, numerous discussions between board members and employees with potential and new members, e.g. at the "Welcome onBoard Dinners" for new member companies held since 2015.

A detailed review with a comprehensive evaluation of the Digital Cluster Strategy and its implementation is planned for the end of 2019.

#### (Previous) Conclusion after just under two years

A good one and a half years after the implementation of the new digital cluster strategy, it is clear that the new cluster strategy has been fully accepted and welcomed as valuable. It has found extensive support from the cluster actors.

The transformation of companies, economy and society that goes hand in hand with digitisation and the resulting change in the organisational principle of the economy with its diagonal structures is seen as an opportunity to build a modern vertical digital cluster that gives Hamburg@work new content, values and a future.

The existing strengths could be used to neutralise and avert risks and dangers. Hamburg@work's reputation, which has grown over 20 years, has led to the necessary measures being successfully communicated and accepted. The existing demanding and well-attended event formats could be recharged with the contents of thought leadership.

New opportunities were pursued that fit well with the strengths of the existing organisation. The fact that the industry clusters established in Hamburg have largely given little importance to digitization led to Hamburg@work being quickly and almost "naturally" regarded as competent to assume the role of a digital cluster.



The existing membership structure, which has its roots in information technology, as well as Hamburg IT Strategy Days, which have been organised by Hamburg@work for 16 years, and the reputation of the IT Executive Club have underlined the competence in the field of (technical) digitisation.

Existing weaknesses were eliminated in order to take advantage of new opportunities and transform risks into opportunities. The lack of communication, which had led to confusion and a growing lack of understanding during the spin-off of nextmedia.hamburg, was captured by the "Big Bang" in communication for the 20th anniversary and the "20th Anniversary Future Summit".

The new positioning was effectively presented with the forward-looking statement "The next 20 Years". The reduction in the administration required for official cooperation, the reduction in reporting and the elimination of events financed jointly with the authorities (together with other savings) could be used to establish new formats and specialist groups (clubs).

The "turn around" achieved in the number of members (admissions outweigh resignations: 2016 +24, 2017 +33, 2018 +44) also ensured that the existing weakness of the loss of members and the resulting loss of contributions did not lead to financial difficulties. The loss of members was already fully offset in 2017 and 2018 and appropriate growth was again achieved.

### Part 7. The next process steps

The first year after the introduction of the new cluster management strategy has shown that Hamburg@work with the DigitalCluster.Hamburg is on the right track into the digital future.

The strategic planning tools used so far, continued strategy meetings with committed and experienced cluster participants will further refine and benchmark the cluster strategy. The permanent inclusion of relevant cluster companies in the strategy process is essential.

Hamburg, December 2018