

Networking for Innovation in the Sarah Baartman District Municipality

In the Sarah Baartman District Municipality (SBDM), private and public enterprises interact and cooperate with each other in joint business activities, though this does not occur frequently. Where networking occurs, the primary motives include business goals, such as profitability, sustainability, competitiveness and related measures of success.

The interaction and cooperation among some of the enterprises in the SBDM also concentrate on finding new solutions to socioeconomic problems such as global warming. This refers to the enterprise network for innovation, which is primarily concerned with innovative methods of doing things. *Results from our recent study shows that two out of five innovators interviewed are actively involved in networks for innovations.*

To understand and fully exploit all the benefits of networking for innovation for the benefit of all, it is important to understand the defining features of these networks. It is therefore crucial to answer questions such as: What enterprise types are at the forefront of networking for innovation? How are these innovation networks established or how are they composed in terms of participants? How do SBDM networks for innovation operate?

The insights are gathered from the interviews conducted in the SBDM with local actors, such as municipal officials, stakeholders, NGOs, and the innovators.

How was this research undertaken?

Before this study, SBDM did not have one centralised database of innovative enterprises in the district. Overcoming this information gap was critical but not an easy task. To identify local enterprises involved in innovation activities, we used the advantages of a referral strategy. This process of inviting enterprises to take part in a survey of local innovation practices exploits the idea that innovators are aware of each other but might not know the details of what happens in another enterprise.

The referral process included both expert referral (municipal, NGO and government officials), as well as peer referral (other innovators). Expert or stakeholder referral was done through accessing databases of the enterprises from these local stakeholders.

To understand the networking behaviour within the district, the enterprises were asked several questions including: whether or not interactions are established with other enterprises for the purpose of sharing knowledge and innovating; if interactions were established, were these formal or informal; and whether any benefits were realised from the interactions or engagements.

Networking is an important catalyst for innovation because ideas are exchanged. This is because knowledge sharing networks among different actors enlarge the pool of new ideas, knowledge and information. This enlarged pool of knowledge and ideas can be used for innovation or to solve various socioeconomic problems faced by a particular society and so to understand networking behaviour with the district.

What have we learned?

There is a low level of networking and information exchange occurring in the SBDM. Only around a third, 39%, of those interviewed reported that their innovation activities were dependent on interactions or networking with other enterprises or agencies.

“A network involves a group of individuals(?) who interact formally or informally in order to exchange ideas, knowledge and experiences for the purpose of advancing and developing their own knowledge, as well as the capabilities necessary to strive in innovation competition.”

Networking in the district occurs predominantly within formal arrangements (62%) and less within informal arrangements (42%), were both differ with contractual arrangements. Those involved and participating in networks do so mainly with other innovators, input suppliers, buyers of products, government departments, suppliers of inputs, universities, associations, etc. However, this occurs within similar industries and sectors and rarely across the industries, such as between the private sector and NGO's or public sector with research institutions. Furthermore, networking takes place regularly beyond geographical boundaries. That implies that many SBDM innovators, particularly those in the private sector, collaborate with others in the same industry, but in other districts and provinces, mostly within the Eastern Cape province. Only 24% network outside of these boundaries as a result of their business headquarters being based in different provinces and even 5% have international networks.

Networking among similar industries, within local or neighbouring geographical limits, is subject to fewer or limited information flows, resulting in slow or step-by-step sorts of innovation. Actors who network across industries, across geographical boundaries, and across borders are more likely to be exposed to a greater range of information and diversified expertise.

Finally, many of the few innovators involved in networking, 61%, indicated that networking activities are effective and produce positive outcomes such as manufacturing at no extra cost.

What are the learnings for the future?

It is crucial for the SBDM to promote networking for innovation. Continuous engagements in the form of innovation forums can promote networking for innovation outside of industry and sector boundaries. This will not only bring together players from the same industry, but also those across different industries and sectors, widening the information pool and best practice from other innovating enterprises. Additionally, these forums can set a developmental agenda for the district where innovation contributes to the economic and social wellbeing of the district.

Suggested citation:

Bolosha, A., Jacobs P and Bulagi M. (2022). Mapping the innovation networking dynamics in the Sarah Baartman Municipality Briefing Note. Human Sciences Research Council: Pretoria

This Briefing Note was derived from the report that was submitted to Department of Science and Innovation titled “Sinyolo, S., Mokhele, T., Mpyana, M., Nyezi, K., Bolosha, A., Dyantyi, P., Booyis, M., Dlamini, S., Ramigo, P., Maila, M., Molewa, O., Ubisi, N., Lekomanyane, P. & Jacobs, P. (2020). Mapping the Innovation Landscape of the Karoo Region with Local Innovation Advancement Tools. Consolidated Final Report. Human Sciences Research Council, Pretoria. Commissioned by Department of Science and Innovation.”

Available from: https://www.dst.gov.za/images/2020/Karoo_innovation_mapping_phase_1_final_report.