

MANAGEMENT OF ECONOMIC AND SOCIAL IDENTITIES ON BOTH REGIONAL AND ENTERPRISE LEVELS WITHIN THE CONTEMPORARY GLOBALIZING REALITY

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The paper presents the concept of social and economic identity building. The basics of this concept are derived from theses and references to social spaces theories, theory of spatial flows and theory of new strategic management paradigm. The application of these concept in the field of shaping economic and social identities of regions and enterprises is introduced in the article. The authors present the concrete cases of social identity building in the international corporations and regions which are implementing regional innovative strategies. The outcomes of inter - correlations analyses of different levels of social capital which were obtained during the regional innovation strategies implementations and regional innovative systems development are presented. The authors portray also the model of management by values as the tool for shaping identity on regional and enterprise levels.

1. Management of region's identity – as knowledge processes management in fields of regional community's activity

Regions “**begin to be**” while “**happening**” and they are considered and understood by the external decision-makers, strategists, competitors, as well as by the members of regional communities through the processes of “**constructing**” the answers for the three following questions – called later as the identity questions of region: 1) What the region is? 2) How to understand the region and how to evaluate the changes in region; what does the regional development mean? 3) Who these changes serve to; to what extent the regional development does fulfil needs and expectations of regional community members?

In thesis which directs considerations of this paper, there are deliberately used expressions such as: regions “begin to be”, regions “happen” and “constructing” the answers. First two expressions reflect the contemporary genesis and view on defining region as “beginning to be” the system of people's activity processes in fields of human activity in region. It is considered with

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reference to the concept – theory of social system as it is undoubtedly a region. The Sztompka's concept of "field" society (Sztompka 2002) replaces the static visions of societies understood as the social entities existing within durable structures (and within the fixed culture), and it indicates, that everything that exists in the society can be considered as: "unceasingly changeable, fluctuating and configurating culturally the formed human activities with reference to the others' activity". Hence, instead of social life – the existence of society, P. Sztompka writes about "beginning to be a society" (Sztompka 2002: 527).

This field or occurrence orientation recognises that the societies are unceasingly changed as the field is filled with number of social occurrences. Within this field groups, human entities realise mutually culturally determined as well as structurally directed activities. During this process they improve and create groups, social structure and culture by themselves, which are the context for the future actions. According to this, the society, including the regional communities, does not "exist" but it continuously "begins to be" (Stachowicz 2007: 70-71).

The fields of social activity named later as **PPK** can be understood as structured processes of people's activity in region (organised social groups) in a form of particular organisations, institutions, enterprises and their networks, clusters, metropolises. More information about it is included in chapter 1.1.

On the other hand, the category of knowledge "constructing", being more precise "constructing" the environment of organisation (PPK's environment), refers to the constructivistic and autopoietic understanding of knowledge. Cognitive processes within organised social groups such as enterprises (and regional communities) are the driving forces of self-organising of those entities as well as of their development processes. This concept was applied in social systems by Luhmann (Luhmann 1986) and formulated by Maturana and Varela (Maturana and Varela 1980). Cognitive processes, processes of "constructing" the knowledge (incl. organisational knowledge) build their own environment of the system and create the system at the same time.

As the structuralists taught (Piaget 1972) and H. Maturana and F. Varela (Maturana and Varela 1980) argued, the cognition is the act of world creation and it determines the living. Organisation, with the aim to exist and develop, should not build the cognitive processes as the processes of learning, but should construct those processes as determining the process of coming into being and recreating "knowledge", which may be understood not as better and better reflection of reality, but as "processes" assuring self-organising – as the precondition for existing and development of organisation.

The constructivistic concept of cognition, as the basis for functioning and development of organisation, was developed by G. von Krogh, K. Scoluma, J. Roos (Krogh et al. 1994) in their so-called corporate epistemology, within which they formulated the principles, mechanisms and conditions for creating and

development processes of organisational knowledge, as the autopoietic processes, knowledge self-organising processes in organisation.

Constructivism recognises the cognition as the act of constructing but not representing the world. Knowledge connected with our minds and previous human experiences constructs the world in numerous ways. According to A. Mazur and M. Jaksa: "The organisational knowledge is the process of adjusting the key distinction for organisation. The organisational knowledge as the knowledge which is shared among the members of particular organisation enable for collective distinguishing in result of observations conducted by the members of organisation. Those distinctions emerge during everyday conversations and they are sustained or analysed in cycles of everyday conversations. They enable to develop new knowledge [...]. Language is considered as the instrument of knowledge development as the language develops alongside with the knowledge" (Mazur and Jaksa 2004: 39). The basic two preconditions for sustaining the autopoietic process (within which the knowledge may be combined with another) are the process of self-referring as well as the process of knowledge combining.

Those processes are the new ground for new competences of managers within their new functions of management – knowledge management. The precondition for their existence and development of organisation as the field of human activity in which the organisation "begins to be" and "happens" is assuring the autopoietic character of processes of creating and building its organisational knowledge (Stachowicz 2007: 73-74).

The concept of knowledge as a causative factor is the other thesis of "beginning to be" an organisation and of "constructing" its identity by the author and his concept-theory of explanation in a form of answers for identity questions. This concept is presented in chapter 1.1. in this paper.

"Beginning to be" a region, as this region's identity constructing through popularisation and answering the following questions: What the region is? What is its genesis? – is the movement towards the discussion about the ontological and epistemological assumptions of region – as the determined entity of organised social group, as it was mentioned previously by the Sztompka's concept as well as by M. Castells (Castells 1997).

Regions become specific economic entities, which organise human activity, not only in networks of connections between region and its economic, political, social or cultural environment, but also in networks of flows of people's knowledge capital in economic, social and cultural space of a region.

Regions are systems of mutually connected networks of various processes of human activity, which are organised for various purpose of human activity in region.

The society is concentrated around flows of capital, information, technology, interactions, ideas and values. M. Castells proposes a new concept

that contemporarily we can observe a new spatial form which is characteristic for social practices and dominates in social network of characteristics of this space (Castells 2000).

Region's identity, as M. Castells stated (Castells 1997: 412), can be described as: "people's source of meaning and experience... it refers to social actors...".

Regions "begin to be" while "happening" as organized human activities within fields as: administrative authority, economic authority organising human activity, knowledge about the ways of rational, effective and ethical organising of people's activity and particularly people's competences for co-operating and co-acting (social capital), while the knowledge streams, which construct and build the organisational knowledge in fields of human activity are the fundamental driving force for "beginning to be" a region (Stachowicz 2007). The process of knowledge constructing and development in PPK is subordinated to three criteria of "progress"-development of innovativeness and ethical fulfilling the needs of region's inhabitants – the growth of their living quality.

With a view to rationalisation of strategic management processes in European regions (incl. Poland), there were conducted the consequent research and development programmes. The aim of these programmes is to assure the rationalisation of strategic process in the regions for constructing and implementing regional development strategies. The dominating strategy towards the entrepreneurial regional development is the **Regional Innovation Strategy (RIS)**.

The beginning of the Regional Innovation Strategy in Europe can be dated back to 1994 when the European Union initiated the RIS projects. Their objectives were to develop the capacity of European regions to enhance their innovativeness and competitiveness. The Regional Innovation Strategy projects provide regions with a unique approach to the promotion of innovation, including following steps: 1) initiating regional dialogue, 2) direct involvement of all relevant organisations, 3) analysis of regional innovation needs and capacities, 4) selection of priorities for innovation support, 5) development of action plans and pilot projects.

The entrepreneurially oriented/innovative region 'begins to be' in the network of the regional organisations, institutions and regional undertakings as an effects of RIS implementation. The network of these organisations and institutions, which are oriented towards RIS (which are the RIS results as well as), is a significant subsystem. This significant network as a space in which an entrepreneurially oriented region is constituted, is described as **Regional Innovation System (RSmI)**.

Development of region is considered as building an entrepreneurial region. Entrepreneurship of region is a systemic examination of processes of human activity in regions, which can be measured by competences of people

who act in various networks (centres of activity), in areas in which the region 'begins to be'. Various strategies lead to achieving exemplary characteristics of entrepreneurial region. Three groups of characteristics, which do not cover each other, establish the identity of entrepreneurial region: 1) pro-developing – which cause particular growth of value and human activity; 2) innovative character of these activities; 3) dominance of value of progress in quality of inhabitants' living in region (value of social responsibility, value of creating the regional citizenship society).

Concepts-philosophies of region recognition presented above and its criterion of development are the effects of contemporary requirements for practice of strategic management and popularising the awareness of the facts that the intellectual capital and processes of constructing knowledge in region are the key distinctions of its identity and development as well as that organising the processes of human activity in region is subordinated to the criteria of rationalisation the knowledge processes – from this it follows the popularity of network forms of organising (clusters, networks of co-operation etc.). However, before there the needs of assumption changes of ontological and epistemological searching for answers of identity questions accumulated we could experience the compound process of radical transformations of those assumptions – changes of paradigm. Initially the regional community was understood as a particular demographic creation, entity of individuals, separated because of the bureaucratic-administrative rationality.

On the other hand, the region was considered as entity and understood as specific system directed towards the economic purposes. Similarly, also the perception of human, inhabitant's needs was evolving from objectivity to the subjectivity. This evolution was also connected with the progress of research methodology, as well as of future practices, tools, functions of strategic management in region¹.

¹ The term of "region" was evolving through the years and there are still various views on this category that differ as for example the following. By some authors region is understood as "closed", "bounded" and territorial entity (Hudson 2007; MacLeod and Jones 2007; Lagendijk 2007), by others it is considered as geographical entity constituted by spatialized social relations stretched over space and manifest in material discursive and symbolic form (Allen and Cochrane 2007; Amin 2004; Lagendijk 2007). However, A. Pike mentions that region can be defined by its "linkages and relations within and without any predefined territorial boundary. In this sense, regions are seen as open, porous and "unbounded". The topographical space of absolute distance is displaced by topological understandings of relative and discontinuous space, emphasizing connections and nodes in networks" (Pike 2007: 1144). Moreover, region may be seen as the object or the subject of state policies or even both (Hudson 2007: 1152).

1.1. Discussion on processes of constructing identity

Answers for identity questions is the key knowledge, which constructs its own key potential of social activity fields in which region “happens” and within which it “begins to be”. The knowledge, as the answer for those identity questions, is constituted by the factors which shape regional differentiation from the environment as well as factors of its diagnosis and development evaluation. This knowledge is personalised at decision-makers, administrative authorities of state, European Union, as well as at competitors and co-operators of a region. The knowledge as the answer for identity questions is the key factor of shaping the behaviours of those mentioned actors – stakeholders. The answers for those identity questions are being shaped as the personalised knowledge (tacit knowledge) of people who act within fields of social activity. This knowledge determines the potential, attitudes, motivation, engagement and behaviours. The external perception by those external actors of a region is being transformed into their actions, decisions, and it is capitalised (evaluated) in a form of various kinds of sets of quantitative indicators and qualitative characteristics, whereas the perception of a region, its development and the extent of fulfilment the needs of its inhabitant’s living quality is being constructed as knowledge of those people, being more precise as their preferable dominant values, social norms and it reveals in their attitudes as well as behaviours. The perception of a region by its external actors as the knowledge (answers for identity questions) we will call as the **external identity (Ie)** and the analogical perception by the region’s inhabitants as the **internal identity (Ii)** of a region. Internal identity of a region being shared among the community members and expressed by the shared values, norms, rituals (cultural artefacts) builds the regional organisational culture as its particular cultural community characteristic.

Region “begins to be” and “happens” in many various types of deliberately organised human activity. The activity is directed towards the economic, governmental and quality of inhabitant’s living purposes, but also toward especially important and dominant aim for rationalisation of knowledge processes for creating and developing innovative solutions in region. Each of those types of activity is being organised within the fields of social activity, is being structurally tied into networks of those fields of activity.

Hence, we can say about the networks of **PPKs** (fields of human activity) directed toward economic, innovative, governmental and social purposes. From this point, we will consider the internal and external identities of those distinguished networks – the identity of a region as an economic system, social system, innovative system, governmental system etc.

We want to say about the regional identity as the resultant synthesis of internal and external identity. This synthesis emerges in the process of people’s

activity, more precisely, in centres of human (social) activity, and then, we want to name the knowledge process which happens within the structure with feedback between regions (members of regional community) and its external stakeholders and *vice-versa*.

2. Assumptions of the concept of “beginning to be” a region

The identity of an enterprise presented in the literature of organisations is defined in various ways. However, in this paper the emphasis is put on the socio-cultural identity of enterprise in understanding of J. Elsbach and R. Kramer (Elsbach and Kramer 1996), who describe the identity of enterprise as main distinctions such as core values, organisational culture, characteristics of manufacturing processes and products. Socio-cultural identity of enterprise can be and should be shaped in organisation as managing of socio-cultural identity of enterprise means to manage the processes of creating the individual behaviours of participants with the aim to achieve the intended and planned organisational behaviours of an enterprise. The instrumentarium for managing the socio-cultural identity is constituted by the process of Management by Values (Stachowicz-Stanusch 2004: 26-27).

The category of “organisational identity” is distinguished from the “image” of an enterprise. As the identity refers to the enterprise’s characteristics which are perceived as distinctive by the participants of particular organisation, the image of enterprise presents rather the exogenous appraisal of enterprise according to others and the beliefs of organisational members about the essential characteristics differentiating their enterprise in environment from the set of other organisations (Dutton and Dukerich 1991; Dutton et al. 1994).

The synthesis of considerations discussed in this paper, but more significantly, the synthesis of results of research conducted in research projects as well as in various project undertakings for elaborating and implementing Regional Innovative Strategy of *Slaskie* Voivodeship (Poland) is the concept of “beginning to be” of a region. Immodestly saying, we would like to name this concept as philosophy, as its formulation is based on philosophical approach (questions about ontological, epistemological aspects) to the analysed reality, as the region. As it was previously indicated, this concept is constituted of three theories: “fields” of “beginning to be” of a social system (Sztompka 2002), theory of knowledge in its constructivistic, autopoietic understanding as well as the theory of “positive economy”.

The assumptions for the concept – philosophy of “beginning to be” of a region:

1. Region as a distinguished system of human activities “begins to be” as well as it “happens”.

- 1.1. Fields of human activity are: Authority X Knowledge X Social Capital.
- 1.2. The factors of PPK are: organisational, cognitive and social drivers.
2. The key causative force for stimulating and determining the others, the “energy of their activity” are processes – the streams of knowledge.
 - 2.1. The streams of knowledge accelerate, incline, condition the flow, inflow to PPK of the needless resources for undertaking and carrying out of deliberate and organised activities in those fields.
3. The streams of knowledge inflowing to PPK as well as those functioning within PPK in categories of autopoietic knowledge understanding formulate organisational knowledge of particular elements of PPK.
 - 3.1. Sustaining of autopoietical character of those streams determines the creation and development of those individuals constituting PPK.
4. The structure of linkages of organisations, institutions, people constituting PPK has the character of network structure.
 - 4.1. The network structure is the result of strives to sustaining the autopoietical character of knowledge in PPK. In practice, it is revealed in contemporary promulgation of various cluster organisational structures.
 - 4.2. The network structure of internal organisations creating PPK is the effect of aspiring to rationalisation of learning processes and the autopoietic character of the internal streams of knowledge inside the organisation.
 - 4.3. Various types of human activity in a region are different subsystems of economic activity (regional system of economy), administrative activity (administrative system, formal-legal system, self-governmental system), innovative activity (regional innovation system – RSml), etc.
5. Region is the network of networks of PPKs identical with and distinguished from the environment possessing its own mechanisms of development and changes.
 - 5.1. Region as a determined entity has been distinguished and is characterised with particular knowledge potential of members of regional communities about the genesis of a region, mechanisms of its development and its influence on their quality of living – knowledge as an important determinant of their behaviours and activities. Region as a determined and identical entity possesses its own external identity as the knowledge potential (answers for regional identity questions), knowledge of its administrators, strategists, decision-makers etc, who play a significant role in actions and behaviours of regional community.
 - 5.2. The internal identity (Ii) of the organised social group (organisation, region) as the answers for identity questions (see: previously indicated

questions in this paper) means: indicating the potential possibilities of intentions (actions) realisation – the level of aspiration and satisfaction of taken activities (actions) of this social group (PPK, organisation, region) members. Internal identity (Ii) is an essential (causative) component of individual knowledge of organisation (region) participants. Internal identity (Ii) builds the social capital of PPK of organisation and region. The participation of internal identity (Ii) in shaping social capital of members (Ii of regional group, groups of organisations or regional communities) is the precondition of sharing this knowledge within the group and it is a mechanism of construction and changes of organisational culture as change of values, social norms, attitudes and cultural artefacts.

- 5.3. The external identity (Ie) – the image of PPK of organisations, regional communities – is the valuable knowledge of external observers, stakeholders in comparison with the PPK of regional organisations, observers, stakeholders. This knowledge is the basis for distinguishing PPK of regional organisations from the others.
6. The regional identity can be considered as the resultant synthesis of internal and external identity. This synthesis emerges in the process of people's activity, more precisely, in centres of human (social) activity, and then, we want to name the knowledge process which happens within the structure with feedback between regions (members of regional community) and its external stakeholders and *vice-versa*.
7. Regional identity management means the rationalization of knowledge processes which construct both internal and external identity in their mutual feedback (their "overlapping", their synthesis).

3. Constructing the identity of an innovative region. Case: *Slaskie* Voivodeship (Poland)²

The key factor for regional development toward the entrepreneurially oriented region is the innovativeness of its communities. Human activities in region for the innovation creating, transformation and exploitation of innovations are the basic practice of the strategic management rationalisation for the regional development. Similarly to organisations in which professional managing actions for rationalisation of knowledge processes are the new function of innovation management, also in region we become aware of the necessity of distinguishing the separate functions of actions called the innovation

² The paper was prepared with the participation of: M.Sc.Eng. Anna Sworowska, The Silesian University of Technology.

management in region. In **Regional Innovation Systems**³ there are distinguished specialised organisations and institutions (i.e. Steering Committee, Managing Unit, Coordination Unit) of innovation management, there are also being sought for capable managers, leaders for realising those functions.

Innovation management in region is an essential challenge for strategic management as we can observe the lack of appropriate methods, experiences and tools within this field.

The RIS-NAC project has resulted in RIS-Silesia project. Its aim was to elaborate a coherent Regional Innovative Strategy of the *Śląskie* Voivodeship⁴. The vision of Regional Innovation Strategy is to: “support development of a constructive climate for innovation in the *Śląskie* Voivodeship in a way that creativity and synergy through co-operation in the process of elaborating, improving and implementing innovative solutions will contribute to a raise of the region’s innovative level strengthening the competitiveness of the region’s economy in comparison to other regions in the European Union”. One of its strategic areas is: “assuring efficient Regional Innovation System based on mutual confidence, creativity and excellence”. It can be achieved by fulfilling following strategic objectives: developing partnership co-operation in favour of innovation (developing sector cooperation with SMEs, creating flexible network structure in favour of innovation, supporting foresight) and supporting development of new innovative products and companies (promoting industrial design and product development, increasing the use of industrial property right, supporting innovative culture in education system, supporting setting up of innovative companies, facilitating technology transfer)⁵.

In process of elaborating and implementing the Regional Innovation Strategy of the *Śląskie* Voivodeship 2003-2013 a vital role was played by units of management and monitoring structure as well as by regional experts group.

³ Following P. Cooke³, we may denote the innovation system as a system that ‘incorporates the R&D functions of universities, public and private research institutes and corporations, reflecting a top-down model of innovation’ (Cooke et al. 2007: 300). However, it is a narrow approach, which is determined by demand factors, as it is a supply (science push)-driven model. A broad understanding of IS takes into attention ‘all parts and aspects of economic structure and the institutional set-up affecting learning as well as searching and exploring’.

We propose a following definition: **Regional Innovation System** (functionally limited to the economy of a region), denoted as **RSmI** in economy, is a group of all organizations, institutions participating in processes of innovation generation (generating and transferring knowledge) for the need of economy development of a region (needs of regional development strategy realization) (Stachowicz and Bojar 2008).

⁴ Regional Innovation Strategy of the *Śląskie* Voivodeship 2003-2013, Sejmik of the *Śląskie* Voivodeship, Katowice 2004. Detailed characteristics of *Śląskie* Voivodeship are presented in Appendix A.

⁵ More detailed information about the chosen elements of Regional Innovation System of *Śląskie* Voivodeship is included in Appendix B.

The first one consisted of two entities: a coordination unit and a managing unit. Within the first one of mentioned units there was also prepared the project of Self government of *Śląskie* Voivodeship – INNOBSERVATOR SILESIA I.

The rationalisation of knowledge management processes for the requirements of elaborating and implementing Regional Innovation Strategy in the region is an original example of constructing the identity of innovative region. For those purposes there was elaborated the methodology of regional identity constructing as the subsystem of a broader methodology of **Development Navigator of Regional Innovation System**, which is based on following assumptions:

- a) The instruments of this development management process are as follows: relations of cooperation networks organizing, relations of social capital building and relations of knowledge management in region.

These three instruments are the basic dimensions of relations constituting the structure of RSml.

- b) The criteria of effectiveness of this development management process are as follows:
 - directing to the integration of mutual influence of all those instruments in all stages of RIS-Silesia implementing process and building RSml coordinated with this process (assuring of the high level of the Regional Strategic Intelligence -IRE),
 - the implicit necessity of strategic orientation of regional innovation strategy building process in accordance with the RIS-Silesia objectives (widely speaking RSml),
 - the necessity of participation in these processes of regional innovation development leaders, such as personalities and experts groups having special values, competences for changes and development realizing in our region. In Silesia Region there were and there are a lot of such leaders. They should be found and suitably exploited in RIS Unit work.
- c) Social capital of a region, defined in a dynamic and complex way, is recognized as a driving force – technology of management of rational RSml development.

We would like to describe the above approach with „3S”: strategically integrated, strategically coherent, strategically oriented by the leader.

The concept of Development Navigator of Regional Innovation System⁶ was used in evaluating as well as in constructing clusters organizing processes.

The assumptions of methodology of constructing the identity of innovative region are presented below in Figure 1.

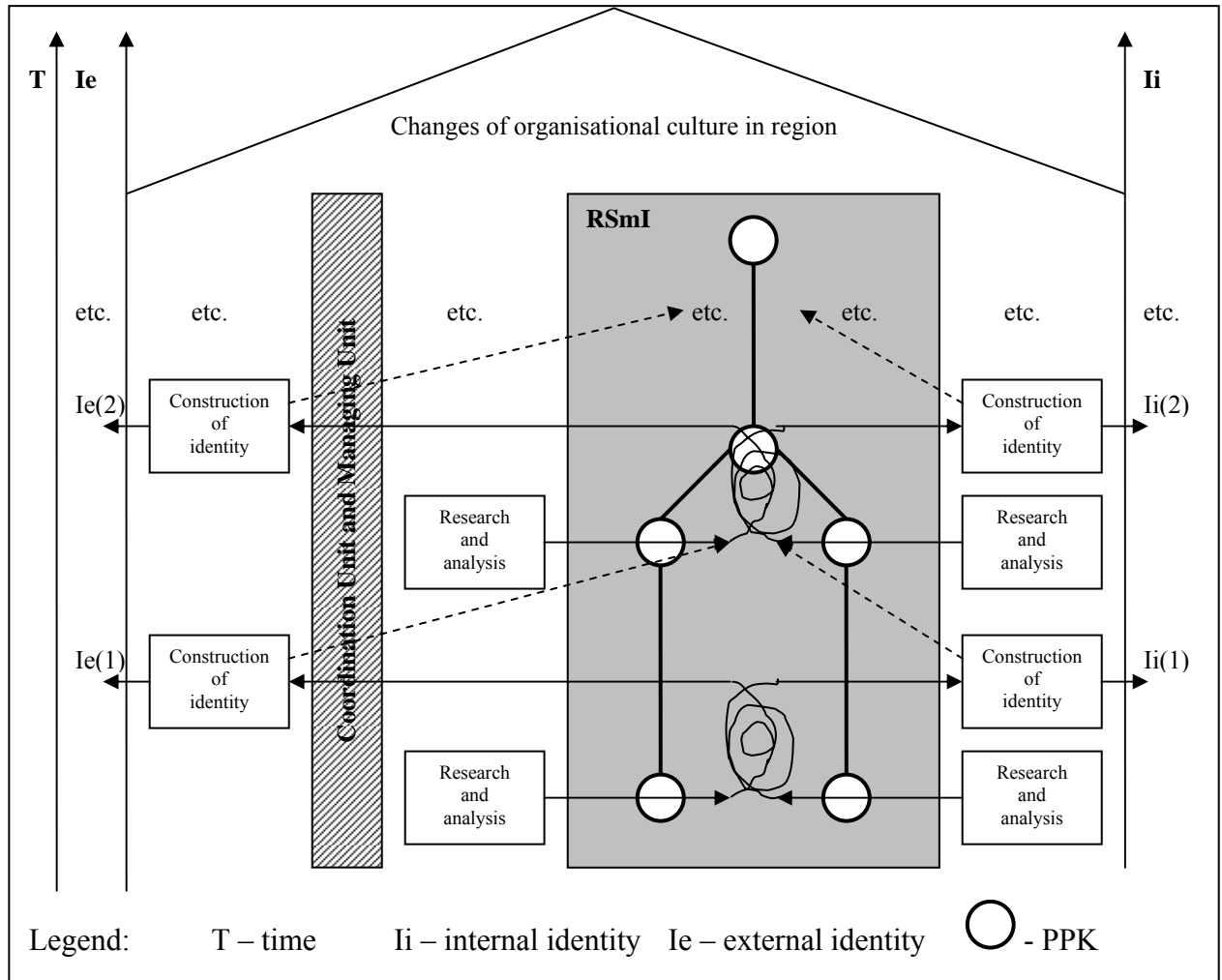
The methodological assumptions are as follows:

1. The process of constructing the identities necessary for analyses and research purposes is conducted through the rationalisation process of implementing innovation strategy in region.
2. Applied techniques and tools were elaborated with a view to the requires of their exploitation for rationalisation of constructing the identity of the other subsystems as well as of particular organisations, especially networks (clusters).
3. The research procedure consists of modules of research, project, decision undertakings and is subordinated to the periods of planning and reporting.

⁶ Stachowicz J.: Recommendations for monitoring of the Regional Innovation Strategy of Śląskie Voivodeship 2003-2013 and The Executive Programme 2005-2008 conducted in 2007, report prepared for the RIS-Silesia Coordination Unit of Marshal' s Office of Śląskie Voivodeship.

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Figure 1. Process of constructing the identity of Regional Innovation System



The description of research – project – decision work procedure is presented below:

Module 1: Diagnostic research

Research and analyses of knowledge level (answers for the identity questions). These research and analyses were conducted in the context of broader needs such as intellectual capital and social capital of organisations constituting RSmI and networks of those organisations.

This research was not conducted with the aim to get the static information about the level of knowledge of the participants but it was of problematic character – research of the influence of state of this knowledge on the attitudes and behaviours of people, participants.

Research tools and instruments of analyses:

- a) Interview questionnaires for:
 - positive interpersonal and organisational trust level analysis,
 - organisational learning barriers and innovativeness level analysis,
 - efficiency and effectiveness of structural solutions analysis,
- b) workshops, task groups.

Module 2: Synthesis research

Designing the answers for the set of questions: in what way the change of trust level will affect the knowledge level and the learning barriers in these team of participants? Then, to what extent it will influence on organisational and structural solutions?

- a) The qualitative evaluation of those influences constitutes the factors of appraisal of the internal identity level. In this module there were planned some designing and rationalising tasks. The criterion of these rationalisation was to search for such solutions as for example organisational solutions, and then such solutions for knowledge and learning management system, that will assure the sustain of continuously increasing trust level. This aspiration to the mutual harmony, integration of those three kinds of solutions was named as the criterion of maximum strategic intelligence⁷.

The second module connected with constructing the external identity is similar in its structure to the set of analyses conducted previously for the internal identity constructing but there the main applied tool is the implemented system of monitoring the RIS strategy – INNOBSERVATOR SILESIA I.

The aim of this project was to increase the knowledge level of institutions which implement RIS by creating the information base about innovations and making it accessible. The methodology of regional monitoring of innovation was based on the mutual exchange of experiences with the French region (Lorraine). Works within this project resulted in reports about the integrated economic

⁷ Strategic Intelligence describes the integration level of three following factors – driving forces – which establish the process of forming the entrepreneurial region: organisational factor (also described as organisational proximity – *OProximity*), social factor and potential of social capital (also described as social proximity – *SProximity*) and cognitive factor (also described as cognitive proximity – *CProximity*). Regional Strategic Intelligence reflects regional potential to generate and implement innovations and absorb knowledge and resources from outside.

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structure of *Śląskie* Voivodeship, the analysis of growing sectors in *Śląskie* Voivodeship, reports of conducted questionnaires research as well as data used for preparation of Regional Innovation Scoreboard that will be coherent with European Scoreboard.

The mutual synthesis of knowledge level, which constructs both internal and external identity reveals in the changes of organisational culture in region. We should believe, that those changes will direct toward the expected positive cultural changes in region.

4. Conclusions

Management of constructing the regional identity processes in region are substantial but decision-makers and strategists are not conscious enough of that fact. Their functions, their actions and knowledge currently influence the rationalisation of development processes in a significant way. We suppose that presented methodology can be a rational and applicable instrument for identity changes toward desired direction.

The region emerges and develops (a specified identity of region is being shaped, i.e. the identity of highly developed and entrepreneurially oriented region) in network of capital, knowledge and idea network. Nodes of these networks are constituted by metropolises and the mechanisms which stimulate these processes of regions' "beginning to be", are meta-networks of capital flow as it is a driving force of meta-network of ideas and knowledge flow.

All regions (not only the regions of rich countries) have the potential for the development towards the entrepreneurially oriented regions. Constructing of the regional strategic intelligence is the rational way to reach this strategic objective of "beginning to be" an entrepreneurially oriented region.

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Appendix A

Table 1: Summary of *Ślaskie* Voivodeship

BASIC CHARACTERISTICS	SLASKIE	BASIC CHARACTERISTICS	SLASKIE
Area	12.300 km ²	Employment in agriculture	12.6% of population
Population	4.8 m. inhabitants (ranked 2 nd)	State-owned enterprises	294 (ranked 2 nd)
Population density	393 inhabitants/sq (ranked 1 st)	Companies with foreign capital	19,604 (ranked 2 nd)
Urbanization	79.3%	Natural persons in business activity	412115 (ranked 2 nd)
Migration	- 2.1 (ranked 15 th)	Contribution to Poland's export	16.5 % (ranked 7 th)
Gross Domestic Product (GDP) per capita	110.1% on average (ranked 2 nd)	Rate of unemployment	16.5% (ranked 7 th)
Gross added value per employee	115.8% on average (ranked 3 rd)	Population with higher education	7,0%
Gross added value in agriculture	1.7%	Innovation spending in industry	17.0% of national spending
Gross added value in industry and construction	40.9%	R&D spending	8.3% of national spending on R&D
Gross added value in services	46.7%	Employment in R&D	9.6% of national total

Source: Robert Pollock, CIMPAN, The Regional Dimension, ECORYS-NEI, Rotterdam 2003, p. 22

Appendix B

The chosen elements of **RSmI** in *Ślaskie* Voivodeship:

- universities (over 10 public universities)
- technology incubators (4)
- industry parks (12)
- special economic zones (1 with 4 sub-zones)
- sectoral clusters and networks (4)
- R&D units (over 130)
- science and technology parks (5)
- entrepreneurship incubators (13)
- technological clusters (2)
- centres of advanced technologies (2)
- technology platforms (coordination office located in *Ślaskie* Voivodeship - 4)