

The Knowledge Strategy of Israel

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**Edna Pasher Ph.D & Associates
Management Consultants**

About our group

- Israeli Management consulting and research group (since 1978)
- Introduced KM to Israel in 1994
- Specialize in strategic renewal of organizations through innovation
- Partners in international research projects (in EU since FP5)
- Practice innovative approaches
- Created and updated Israel's Intellectual Capital Report (1st 1998)



Introduction

“Israel's Intellectual Capital Report presents Israel's core competencies, key success factors, and hidden assets, all of which provide the country with comparative advantages and high growth potential.”

Dr Eli Opper

The Chief Scientist of the Ministry
of Industry, Trade and Labor



Summary of Key indicators in the report – 60 years of independence

Indicators	Israel's position
G.D.P Growth Comparison	5
GCI Indicator (Global Comp. Indicator)	15 (out of 125 countries)
National Expenditure on Education as a percentage of GDP, 2003	1
Availability of Scientists and Engineers	1
Total Expenditures on R&D (percentage of GDP), 2004	1
Venture Capital Availability	2

www.pasher.co.il/articles/intellectualcapital.pdf



Key indicators in the report

Fig. 3 – National Expenditure on Education

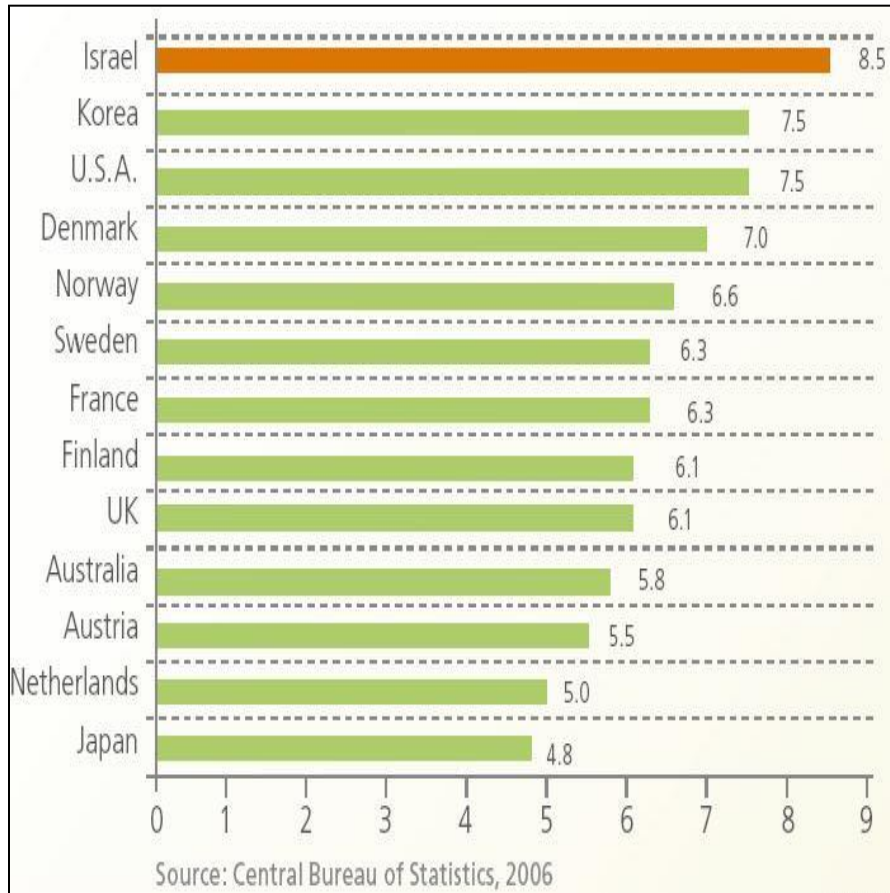


Fig. 4 – Availability of Scientists and Engineers



Key indicators in the report

Fig. 5 – Total Expenditure on R&D



Fig. 6 – Venture Capital availability





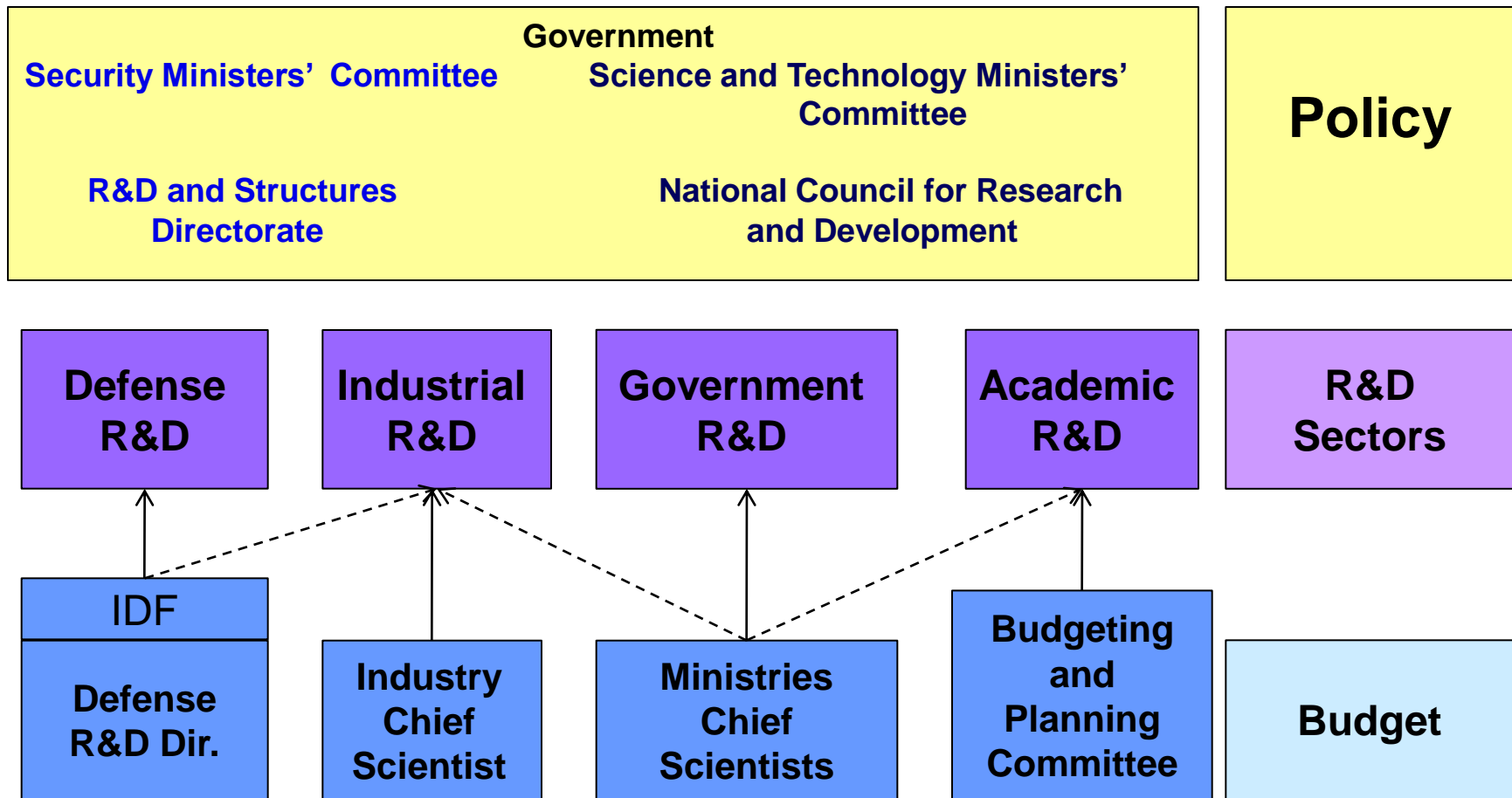
Israel National Council for Research and Development

NCRD's objectives are:

1. To advise the government on scientific issues of national importance, particularly those concerning the national scientific infrastructure
2. To provide scientific guidance for the activities of the Ministry of Science, particularly with regard to the selection of priority research areas
3. To provide a forum for information exchanges and coordinating the R&D policy of various government and public bodies responsible for promoting R&D.



Israel National Council for Research and Development



Israel's R&D support programs

Matimop - Promotes and assists participation of Israeli companies in international bilateral or multilateral cooperation programs for industrial R&D.

ISERD - The program offers Israeli companies and research organizations an opportunity to participate in jointly implemented projects with European counterparts.

Magnet Consortium - Supports the formation of consortia made up of industrial companies and academic institutions, in order to jointly develop generic, pre competitive technologies.



Israel's R&D support programs

- Magnet Consortium** - Supports the formation of consortia made up of industrial companies and academic institutions, in order to jointly develop generic, pre competitive technologies.
- Katamon** - Promote water technology projects by triple cooperation between industrial company,- academic research group and water infrastructure company.
Project's budget is up to US\$1M
- Nofar** - Designed to support applied academic research in biotechnology & nanotechnology in order to adjust it to relevant applications in the industry and promotes the transfer of these technologies to the industry.



Innovation in the traditional industry

Traditional Industries Upgrade Program

Objectives:

- ❖ Provide mentoring and assistance in strategic planning
- ❖ Encouraging R&D Culture
- ❖ Developing High-end products

The Challenges:

- ❖ Encouraging investments in R&D despite lack of resources and harsh competitive environment.
- ❖ Establishing Different evaluation scale for R&D programs submitted by Traditional Industries to the OCS.



Innovation in the traditional industry

A New pilot program meant to incorporate discharged Hi-tech CEOs into the traditional industry was recently launched in Israel.

The program is led by the Israeli ministry of industry trade and labor which is subsidizing 66% of the new CEO salary, thus allowing the traditional industry to benefit from the high quality management knowledge and tools provided by the new CEO.



Facts and Figures

Figure 9 - Industrial Production by Major Branches- 2006

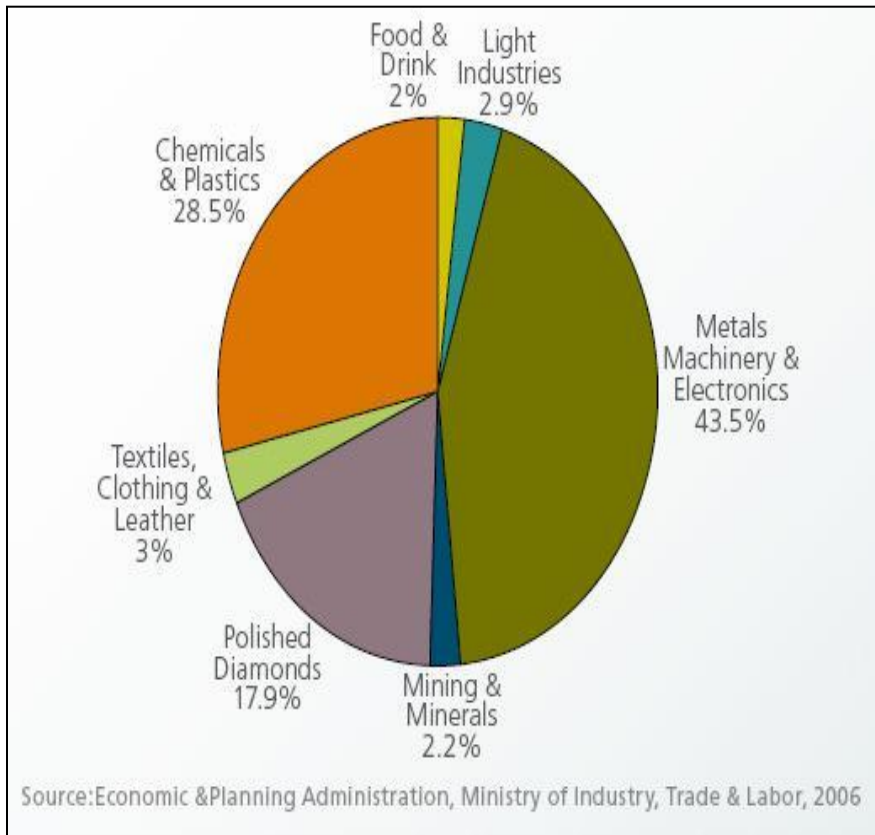
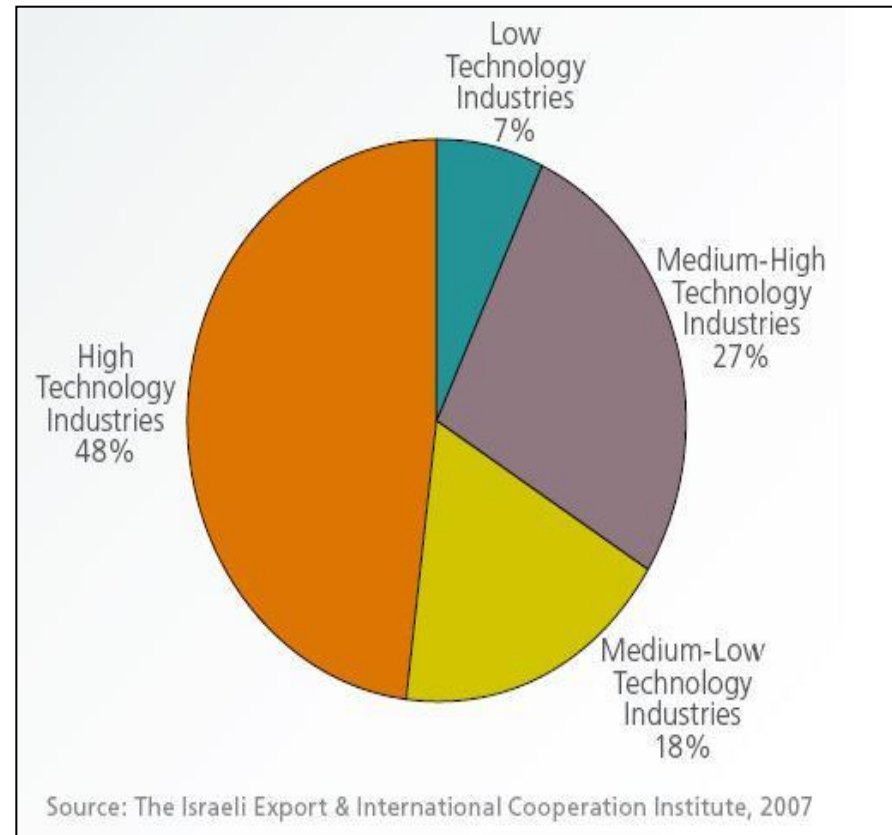


Figure 10 - Manufacturing Exports by Technological Intensity - 2006



Our Secret of success

Diaspora = in Greek means *scattering*

For 2000 years Jews used Diaspora or Exile to describe themselves as scattered and living in many different countries, and out of Israel

The land of Israel -

A unifying symbol of hope for a scattered people – “Next Year in Jerusalem”



Our Secret of success

In the last 100 years Israel has reinvented itself as a living knowledge community:

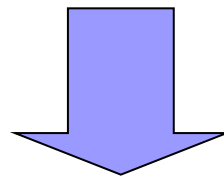
- Immigrants from more than 100 diasporas coming together
- A history and a culture of adjustment and survival
- Historic social capital and admiration for wisdom and education



Our Secret of success

The result:

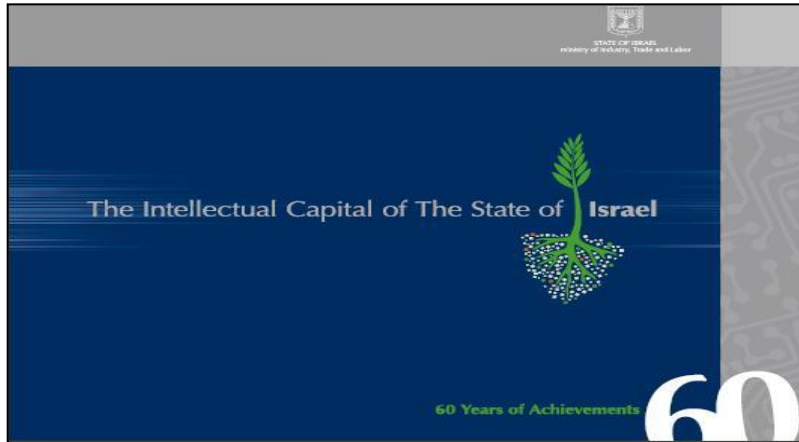
- Forming networks in and out of Israel
- Creating knowledge workers with intrinsic motivation to survive and succeed
- A working community of employees who are not afraid of experimenting and working in a “Chaordic” environment



Creating an Israeli knowledge based
community & economy



From Defense to Health:



From Defense to Security:



Our "Nokia":



The Book “Start-up nation”

DAN SENOR & SAUL SINGER

“Doubt and argument – this is a syndrome of the Jewish civilization and this is a syndrome of today’s Israel”

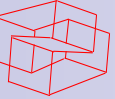
- Amos Oz

“It was not simple to convince people that growing fish in the desert makes sense”

- Professor Samuel Appelbaum

<http://www.startupnationbook.com/>





Thank You

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