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**“THE METAPONTUM AGRO-FOOD DISTRICT OF QUALITY”: A
CASE STUDY OF KNOWLEDGE, INNOVATION AND
IMPROVEMENT OF HUMAN CAPITAL IN TERRITORIAL RURAL
DEVELOPMENT**

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“THE METAPONTUM AGRO-FOOD DISTRICT OF QUALITY”: A CASE STUDY OF KNOWLEDGE, INNOVATION AND IMPROVEMENT OF HUMAN CAPITAL IN TERRITORIAL RURAL DEVELOPMENT

Abstract

The aim of this research is to find a concrete construction methodology of the Metapontum Agro - food district by three main phases: **awaking** of the operators and the institutional stakeholders (got together in the district's local web); **economic-territorial analysis**; **experimentation**. This last phase will be the final step of the project, i.e. creation of the *Development Centre - Formative laboratory*, where both new methodologies of services' spreading on enterprises and new methodologies of formation-information for operators and new potential entrepreneurs will be tested.

This new methodology, based on the Learning Organization, **set in the usual “district approach” to the local development**, will employ information technology, solutions regarding the economic and the agricultural field, as well as training of human resources; this will follow the *PSR 2007 – 2013* of Basilicata Region and the rural development program (PIT for the district). Therefore, after the analysis to identify the territorial organization of local development we can plan the new model of district, beginning from integrated supply chain.

This will facilitate the construction of a Society of District - Service Center can organize territorially local development and to optimize the planned investments from financial instruments offered by the PSR, to provide horizontal services (training, promotion, internationalization, etc.) to member companies to increase efficiency of management effectiveness.

In this context, based on the development of knowledge and ability to do business, underpinning the organization of the Center to ensure improved outcomes for companies and local business.

Key words: The Metapontum Agro-food district of quality, Concrete construction methodology of agro - food district, Creation of the shop of development, Formative laboratory, Information technology training of human resources solutions, Rural Development Program

Introduction

The Metapontum Agro-food district of quality was acknowledged by Basilicata Region according to the D.G.R. nr.1256 of 24/05/2004 ; then it was established by the D.C.R. nr. 855 of 12/10/2004 according to the L.R. 1/2001.

The Metapontum plain stretches along the Jonio Sea; there are 12 towns in the province of Matera: Policoro, Scanzano Jonico, Nova Siri, Pisticci, Bernalda, Rotondella, Montescaglioso, Montalbano Jonico, Tursi, Colobraro, Valsinni and San Giorgio Lucano. The District has opened the organization and the orientation of the agricultural sector by interaction of several socioeconomic components of this area for all the inhabitants, and also by highlighting the multifunctional role of the agro-food system.

The opportunities offered by the District are very important; they are above all linked with the strengthening of the producers' contractual positions (to the market, the institutions, the credit system), the finishing of the main food chains of this area, the increase of the VA and the employment in the food chains, i.e. the increase of the communications in and out them.

The expected results would be: the improvement of this area and its agricultural production, the increase of skill to catalyze available resources, because of the consultation among the several present suitors (i.e. institutional suitors or socioeconomic ones).

The District represents an economic entity, built up by the entrepreneurs, which must answer for the area's governance in order to improve the self-development of the enterprises. It must consider the growing importance of natural resources and renewable ones for the development opportunities of the Metapontum area and its factories, which depend on these natural resources.

The Metapontum district aims at greatest involvement of entrepreneurs and operators by linking entrepreneurs and local organizations, developing social capital and a skill system in order to get a District Society, which can also be a District Service Centre.

Thus, the District must guarantee its governance of the local development through its Development Program, based on Training, Research, Transfer of Product and Method's Innovations.

Knowledge as source of competitive advantage: the intellectual capital

The complexity and the dynamism of the economic-productive, political-institutional and socio-cultural field in the last decade highlighted that the competitiveness of enterprises, systems of enterprise and of every organizing system is not based on traditional tangible goods and financial capitals only, but also on knowledge sources: these intangible sources guarantee bearable and lasting competitive differentials.

The same new economy's ideas are based on man and technology: the first one as main producer of value and richness in societies and organizations; the second one as spreading tool of knowledge and information or as business accelerator.

Organizations are understanding that their competitive skill are more and more linked with skill at identifying, getting, developing and running intangible and cognitive goods,

which can bear the development of distinctive abilities.

Researches become different from the first ones in the theoretical study about value production of knowledge:

According to **Resource-Based View**, the competitive advantage comes from resources (material and immaterial productive factors that the enterprise can exploit, because they belong to the enterprise or because they are controlled by it) and their exploitation. These resources are heterogeneous, matchless, critical, irreplaceable and rare.

In accordance with the **Competence-Based View** the enterprise's meaning is the skill to create, transfer, put together, complete and involve the knowledge subtending the abilities, which are a part of products and service offered by the enterprise to the market.

As a result, the competitive advantage comes from:

- Key abilities, i.e. coordination of technological and operative knowledge by collective learning;
- Dynamic abilities, i.e. organization of learning, adapting, modifying and improving yourself in order to satisfy your competitive field's need.

The **Knowledge-Based View** describes the enterprise as an institution for goods and service production, which can create conditions for integrating specialist knowledge from several sources. Exchange, sharing, and transfer of unspoken or spoken knowledge are important processes for value creation by the enterprise.

The difference between unspoken knowledge and spoken one is clear.

According to the **Learning Organization**, the enterprise is an organization aiming at creating, getting and communicating knowledge, in order to get better skills to adapt and answer to external problems.

On the contrary, the **Knowledge Creating Company's** theory describes the enterprise as a system which can create new knowledge by knowledge conversion, spread them on the enterprise and transform them in products, service and system. As a matter of fact, the competitive advantage involves both spoken knowledge and unspoken one, but also a knowledge conversion process.

In the last decade the concept of intellectual capital had been introduced and developed as new interpretive category of cognitive resources, whose role and importance for the competitive development of organizations had been analyzed.

So, the strategic importance of cognitive and intangible resources and their interrelationships in value creation processes of specific organizing systems, such as the agro-food organizations, are very interesting to analyze. "Valuating and managing the intellectual capital represent the only lever in order to hold up the dynamics of development and welfare creation. According to the present Knowledge Economy, the Italian economic-

productive system, and above all the Southern one, can hold up its dynamics of development and begin new value creation paths, only if it can exploit and manage the rich intangible resources heritage of entrepreneurial systems” (Schiuma G., 2007).

Today the competitive abilities of local productive systems and public or private organizing systems are based on skills to define and develop managerial strategies and actions, aiming at developing, attracting and exploiting cognitive and intangible resources, which can create competitive advantage.

In order to understand how the economic development dynamics are changing themselves and how they can be transformed to hold up value and welfare local creation processes, you are supposed to understand how the local productive systems can change themselves to **intelligent areas**. According to the **knowledge economy**, the development dynamics of organizations and local systems are based on exploitation of cognitive and intangible resources and intangible facilities. As a matter of fact, the only financial and structural resources cannot guarantee virtuous circles of economic increase. The supportable economic development dynamics are going to be more and more led by those territories which will be able to develop system intelligence and work according to this intelligence.

As a result, very important is the skill to manage and develop the intellectual capital as human, social and organizing capital. It becomes the key interpretation for denoting cognitive and intangible resources having an important role to describe the value of a local productive system. In conformity with these ideas, the Metapontum District has to lead its Program of District Development.

The building of the District

The aim of this paper is to research and apply a new methodology which can awake, analyze and so try out the building of the District.

The project is divided into three phases: awaking of the operators and the institutional stakeholders; economic-territorial analysis; experimentation.

The **awaking** means to tell the entrepreneurs about the building of the District and everything is linked with it. During this phase you are supposed to involve the most of the local productive system enterprises, and to have relationships with the professional organizations (OOPP) and Producers’ Organizations (OP), in order to plan all the programmed activities in the best way.

The **economic-territorial analysis** needs a deep study about the territory, the factories and the agricultural markets and the local opportunities or their lack.

To conclude, the **experimentation** aims at evaluating the results and building the District by creating a Development Centre and Formative Laboratory, which can

highlight the intellectual capital's role of its local productive system.

The aim is the development of the organization's performances and the exploitation of human knowledge and resources.

This project idea is based on the **Learning Organization**; it exploits a flowing method for problem solving at different levels.

“An organization can learn when its members allow the sharing of information, experiences, discoveries and evaluation, in order to build a common heritage for all the staff” (Contò, 2008). In this way, knowledge managed as competitive advantage, faster making-decisions process of the organization and increase of competitiveness become possible.

The organizations need to develop the collective and the individual skills, and to interact among enterprises to prime those development process which increase competitiveness in the all enterprise system.

So, the task of this project is to cause a lever effect for developing all the area, and above all the agro-food field. This task finds expression in the realization of a “**laboratory for professionalism development of linked industries to agro-food of quality**”, that supports the skill quality and the permanence in the work market by the enrichment of the individual and collective socio-technical heritage.

In conformity with this vision, the experimentation of the “**Service Centre of the Metapontum Agro-food District of Quality**” happens for spreading activities of:

- Territorial Coordination
- Spreading of Real Service
- Exploitation of the District Resources
- Technological Transfer and higher Formation.

The task of the experimental structure is based on:

- a Development Centre (territorial centre and informatics one)
- a Learning Laboratory.

It is supposed to be an interface among the local industries and the spreading service organizations.

The Service Centre will be an entrepreneurial suitor aiming at collecting the district enterprises around on line spread service and giving them efficiencies, large economies and opening to new markets reachable thanks to new technologies.

The tasks of the Territorial Centre are:

- spreading the project over the area by communication actions and meetings;
- welcoming and giving information;

- being an interface and a meeting place between the technical secretary and the centre users;
- spreading service.

The experimentation will deal with the following service:

- content management as support of District innovation processes;
- internationalization;
- spreading of quality certifications and systems of food chain traceability;
- local marketing;
- transfer of technological innovations;
- cooperative work;
- helping to enterprise creation;
- access to contributes, funding and tax relieves.

The experimental structure will work as “Learning Laboratory” by:

1. spreading of blended formative paths (room/fad);
2. realization of workshops in itinere.

The spreading of formative paths aims at:

- creation of development helper for workers coming from several public and private local organizations, and also for managing of new intervention methodologies exploiting all the local resources;
- orienting the promotion and the creation of new enterprises in order to integrate knowledge of a young target with technical-specialist one needed by the creation of new entrepreneurial actions.

The aims of the Formative Laboratory are:

1. covering the professional skill gaps of the agro-food field;
2. promoting the spreading of a “district culture”.

The first aim will be reached by methodologies and technologies for the Far Formation. The second one will be reached by methodologies aiming at increasing Learning Organization processes, such as the Harold Methodology.

An organization becomes a *Learning Organization*, if it has shared visions and knowledge, and brain models, getting ready to:

- experiment and apply new knowledge;
- learn from past experiences for gaining from mistakes and successes;
- learn from others;
- make bigger the external learning places;

- fast spread the learning results for sharing them with whom works in the organization.

The Harold Methodology had been developed for increasing the learning potential of organizations; it aims at influencing their cross-activities, such as:

- communication and listening ways;
- team-working;
- information sharing and decisions-making.

Thus, the methodology's task is to give to the district PMI the needed skills for modifying their organization and above all their organizing culture in order to a "constant learning".

Thanks to this district model, you create a methodology which can put together agro-economic, informatics and human resources formation solutions, as stated in the Development Program of the Metapontum Agro-food District of Quality.

The district organization of the local development

In conformity with the new development perspectives of the agricultural field, the role of the local productive systems is very important for local development and investment policies. The districts and the local productive systems are new entries into the new programmatic model of the UE's development policy, because they have a fly-wheel role in its applying; as a matter of fact, this policy is based on territorial-making actions. For instance the Rural Development Policy, which is a strong point in the 2007-2013 planning system, is based on a strategic, integrated and territorial approach, and on the main role of the local partners in the development strategies promoting. So, the UE's rules about the rural development and the Common Market Organizations (OCM) apply for consultation and partnering strategy, involving the stakeholders in all the planning and realization steps of those programs.

It means to adopt dialogues and comparisons among regional administration, local organizations and socio-economic forces, in order to make shared choice and so to create more efficient investments and skills to control the executive processes and their results. In this way, the local productive systems become **territorial organizers of joining of each factory to the PSR: they promote and enliven the area for searching factories and projecting with them the Food Chain Integrated Programs.**

According also to the birth of Local Communities and the Leader approach promoted by the PSR thanks to the Local Action Groups (GAL), the Metapontum District can realize the territorial organization model of the rural development. The common starting point is the homogeneity of the socio-economic and productive context of this area. On the contrary, the tasks of the several local operators are different and

complementary: **technical tools of operative support (District and GAL)**, linking the administrative organizations (the Provinces) with the enterprises, are controlled by the **Planning Organization (the Region)**, making programmatic choices thanks to consultation and territorial-making actions.

These technical tools are divided into **territorial promotion tools (GAL)**, linking with the territory and the III and IV PSR's Axis, and economic-productive ones for the factories development (the District), linking with local factories and the I and II PSR's Axis (food chain programs, factory investments, innovations transfer for local factories – factory impact – and common service development, i.e. creation of the Service Centre for the same local factories – territorial impact).

The interaction between these technical tools of operative support (**GAL agreement pact - District**) allows enterprises and territory to share development ideas and projects. Thus:

- you need to develop two different organisms having different and complementary tasks, because the GAL cannot manage the I and II Axis' rules with all the first pillar's activities: i.e. OCM and OP (on the contrary, the District can do it);
- the District aims at promoting and creating local networks among the vertical subjects (food chain factories), and between them and the development transversal subjects (Cities, Banks, Universities, service, professional classes, etc...). I.e. they manage the relationships between users and providers of: research, technological innovations, streets, facilities, energy, transports, logistics, credit, factory consulting, etc...;
- So, the local suitors and stakeholders (the Province and OOPP) apply the rural and productive development policies (sectorial: cereals, oil, wine, milk, etc...) by two different tools: the GAL (for everything dealing with the III and IV PSR's Axis) and the District (for every main action of the I and II Axis, and above all for linking factories with themselves and the outside).

According to this context, the Centre and the Laboratory become the operative tools which the district can manage as territorial organizer of the local development.

In this view, the trial of the "Service Center of the District Food Quality of Metapontino" takes place with the aim of providing a set of priority activities:

- Local Coordination
- Provision of real services
- Use of Resources District
- Technology Transfer and Higher Education and promote the implementation of appropriate strategies for territorial development and sustainable integrated rural character, based on the determination made by the District Development Program.

The function of the experimental structure is composed of:

- Development of an *Development Office (Development Desk and ICT Desk)*;
- A learning laboratory.

It has the intent to act as an interface between the firms in the region and local agencies can deliver services.

The Service Center will serve as a business entity seeking to aggregate their businesses in the district around a set of services delivered online and to provide the community aggregate efficiencies, economies of scale and openness to new markets that the use of new technologies allow today to achieve. Will also play an active role in external markets with the aim to raise awareness and promote the spread of land resources and collect efficiencies and economies of scale that the Internet makes possible.

The Development Office is the main instrument of Service Center of the District Food Quality of Metapontino, with which the territory can inform, make requests and receive advice and personalized services.

The operation of the facility area are:

- Animate and disseminate within the project through appropriate communication activities and conferences;
- Get involved and provide information;
- Act as an interface and place of meeting between the Technical Secretariat and the users of the Facility;
- Deliver services. The trial will cover the following services:
- Content management to support innovation processes in the district;
- Internationalization;
- Dissemination of the certificates of quality and traceability systems;
- Marketing planning;
- Transfer of technological innovations;
- Cooperative work;
- Assist in creation of enterprise;
- Access to grants, loans, facilities.

The structure will serve as experimental "learning laboratory" through:

1. the provision of training in blended mode (classroom / fad);
2. the realization of workshops pitches.

The provision of training is aimed at:

- Creation of the position of facilitator of development, open to staff from various public and private structures operating on the territory of reference regarding the utilization of methods of intervention for the enhancement of local economies, using for this purpose all the resources of the territory;

- Guiding and promoting the creation of new enterprises, with the aim of integrating the basic knowledge of the younger market with the knowledge and technical expertise necessary for the emergence of new business initiatives in the social fabric and support in start-ups.

The objectives of the workshop training consist of:

1. Bridging the gap in skills identified in the agricultural sector;
2. Facilitate the spread of a "culture district."

The first objective will be achieved through the use of methodologies and technologies for Distance Learning;

The second objective will be attained by the application of methodologies aimed at enhancing the processes of learning organization, such as, for example, Methodology Harold. Become a Learning Organization if an organization is able to achieve shared visions, knowledge and shared mental models, by providing:

- to experiment and apply new knowledge;
- to learn from past experiences in order to benefit from the mistakes made and successes achieved;
- to learn from others;
- to broaden the opportunities for learning outside environment;
- to spread, quickly and effectively, learning outcomes, for they are shared by those working in the organization.

Harold - methodology was specifically developed to enhance the learning potential of organizations and seeks to influence some cross-organization activities, such as:

- modes of communication and listening;
- teamwork;
- information sharing and decision making.
- Objective of the methodology is thus to provide SMEs with the skills necessary for the district change its organization and in particular its organizational culture perspective of a system of "lifelong learning".

Through the proposed district model is constructed, therefore, a methodology capable of putting together the solutions of an economic - agriculture, IT and human resources training, in line with the strategies defined in the Development Program of the District Quality of Food Metapontino.

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