

REGIONAL ACTIONPLAN

Hungary

final version
November of 2020.





Summary

| | |
|--|----|
| Executive summary | 2 |
| 1. Main domestic (regional) challenges and needs | 3 |
| 1.1. Domestic lessons learned from the ISE Monitor | 3 |
| 1.2. Assessment of questionnaires with experts and companies..... | 5 |
| 1.3. Lessons learned from the Round Table | 6 |
| 2. Vision of increasing the level of service exports | 7 |
| 2.1. Economic situation in the light of statistics | 7 |
| 2.2. SWOT analysis | 8 |
| 2.3. Vision | 8 |
| 2.4. Strategic objectives, target system | 9 |
| 3. Actions on regional challenges | 10 |
| 4. Examination of the fit with the National Strategy for Research and Development and Innovation | 16 |



Executive summary

This document was created to help Hungarian manufacturing companies develop services and/or export efforts related to their products. The action plan is one of the sections of a complex package implemented in the ProsperAMnet international project, which includes the Service Monitor to explore the internal position and development directions of companies and the Services Export Radar, which provides up-to-date export market information, driven by Artificial Intelligence.

The Action Plan first sought the answer to what business environment companies operate in, what challenges they face and, where appropriate, how they respond to them. The needs of companies and the general economic situation have been mapped using the following tools:

- a) analyses and feedback from companies using the Service Monitor developed in the framework of the project;
- b) lessons learned from questionnaires with business advisory organizations and certain companies;
- c) what has been said on the business round table organized;
- d) an analysis of the series of data published by the Hungarian Central Statistical Office;
- e) analysis of strengths, weaknesses, opportunities and threats;

In summary it can be said that Hungarian or at least developed manufacturing companies operating in Hungary take advantage of the possibility of providing services that complement their products, responding to market needs. At the same time, they have to face a number of challenges, such as the irregularity or lack of information on development and enlargement, the limited room for maneuvers of business support advisory organizations or the internal shortcomings of companies (long-term strategy, language skills).

This detailed and varied approach has led to the formulation of the overall target set of the Action Plan, followed by a detailed and prudent development of the measures covered by the objectives.

| | | | |
|-------------------|--|---|---|
| overall objective | Improving the external and internal position of domestic manufacturing companies in order to develop and expand their services business | | |
| sub-targets | <i>I. Expanding training opportunities</i> | <i>II. Developing attitudes in the business sector</i> | <i>III. Support policy in focus</i> |
| specific measures | 1. Commercial and marketing training for employees of SMEs 2. Enhancing language skills for SME management 3. Competence development trainings for SME staff | 4. Developing a modern toolbox of BSOs to keep pace with SMEs 5. Launching awareness-raising actions and activities for SMEs | 6. Launch unobstructed “infotube” for easy and direct access to information 7. Establishment and operation of the Cooperation Forum - Business Round Table |

In the action plan, great emphasis was placed on identifying links with the so-called Regional Innovation Strategy - the National Research and Development and Innovation Strategy in Hungary.



1. Main domestic (regional) challenges and needs

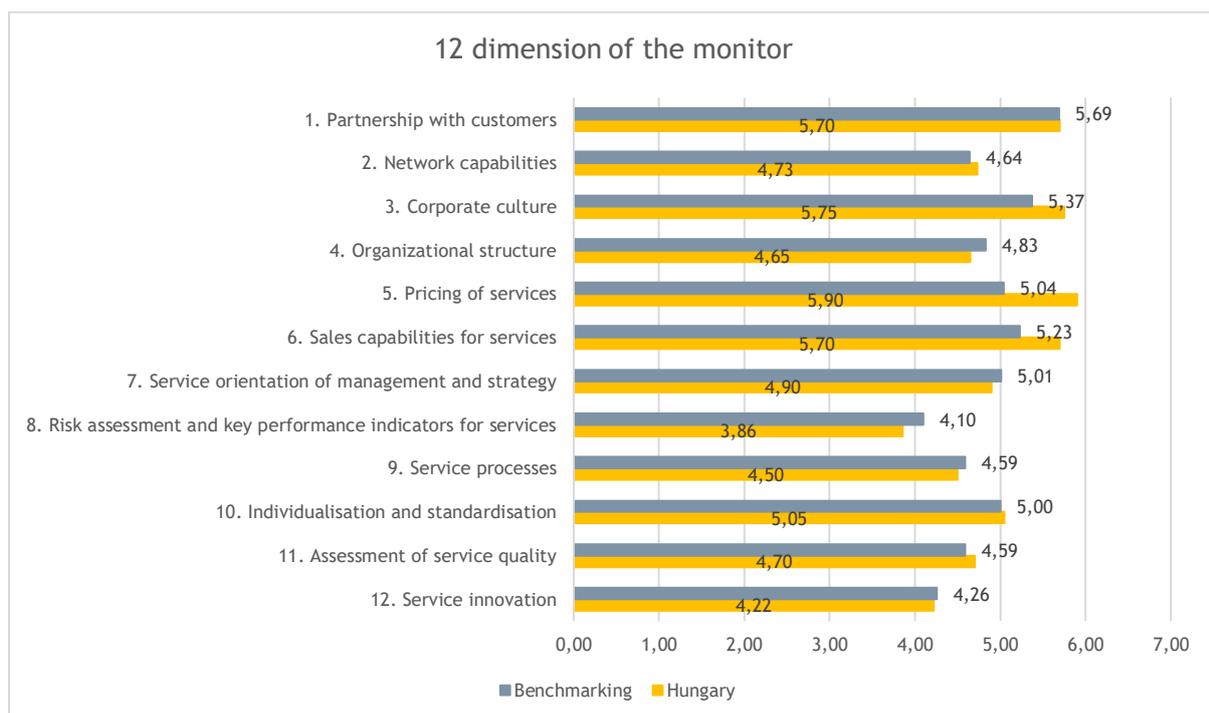
ProsperAMnet’s main objective is to support Central European manufacturing companies in becoming the best service providers in their business. To achieve this goal, 10 partners from 7 countries have come together to create favorable conditions for companies to enter the export market by developing and implementing more tools. The devices referred to are:

- 1) ISE Monitor, which is a self-assessed analysis of the current situation and future possibilities of manufacturers;
- 2) the present regional action plan, which makes findings and suggestions on the basis of surveys and research with companies and business representative organizations,
- 3) the service RADAR, which, based on the teaching method of artificial intelligence, ensures access to relevant information for companies in the central European export market.

This study will be carried out in the 7 partner countries, namely Germany, Austria, the Czech Republic, Slovakia, Hungary, Slovenia and Italy. The main objective of all seven countries is to assess macroeconomic conditions, the current situation of manufacturing companies and their ideas for expansion, growth and development. On this basis, the Action Plan sets out possible development directions and formulates recommendations in the form of a plan of action to ensure that manufacturing companies are placed in a better position on the service export market.

1.1. Domestic lessons learned from the ISE Monitor

The online application called the ISE monitor is a detailed questionnaire, a self-assessment-based survey that enables manufacturing companies to determine the current level of their service portfolio and their potential for development. The questionnaire asks questions in 12 different dimensions and 4 performance indicators, on the basis of which a detailed assessment will be made.

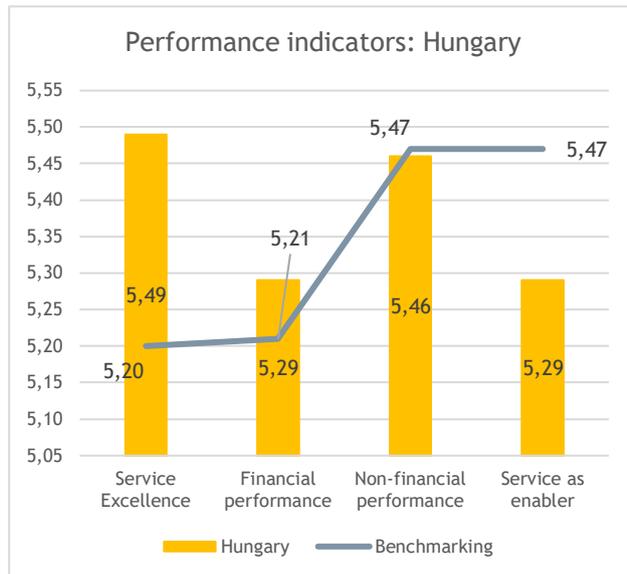




In the framework of the project, 379 companies filled the monitor, of which 8 were Hungarian companies. The two illustrated figures summarize the views and claims of the entire business community and Hungarian companies.

In both cases, there is no significant difference between benchmarking and the Hungarian situation, but there are minor differences in each category.

- A. Specificities in the 12 dimensions, highlighting the differences above the average in Hungary:
- 1) Partnership with customers: Direct and long-term contact with customers is important;
 - 2) Network capabilities: It is important to build a good personal relationship with service providers, as well as contractually specifying responsibilities and how to provide service providers with information on the risks involved;
 - 3) Corporate culture: Long-term thinking is valuable; Companies have a clear definition of what values are important in the service area; Good services are of fundamental value in corporate culture, and employees are encouraged to represent them when dealing with customers;
 - 4) Organizational structure: The importance of cooperation between production and service departments;
 - 5) Pricing of services: Prices support the objectives to be achieved in the service market, which also reflect the level of value of services, not merely to offset expenditure; Hungarian companies are particularly careful to include the price of services in the price of products, while at the same time being transparent and preferably not providing services for free;
 - 6) Sales capabilities for services: The primary tasks of the retailers employed include mapping the real needs of customers, clear and concise communication of information about services, flexibility and technical/professional knowledge;
 - 7) Service orientation of management and strategy: Management (management) represents a service-oriented approach within the company;
 - 8) Risk assessment and key performance indicators for services: Decision-makers attach particular importance to assessing commercial risks in the service market;
 - 9) Services processes: Coordinating the operational processes of the departments within the company;
 - 10) Individualization and standardization: Seeking, where possible, to standardize services in order to reduce costs; However, in the case of individualized services, care is taken to ensure that their cost is higher than its cost; When developing services, they seek to ensure that services reflect the individual needs of customers;
 - 11) Assessment of service quality: In order to improve the quality of services, Hungarian companies consider special actions, analysis of customer feedback and, on the basis of these, concrete measures aimed at improving the quality of services;
 - 12) Service innovation: Seek to involve customers in the process of developing services and work together in development;
- B. Specificities of the 4 performance indicators, also focusing on differences above average in Hungary:
- 1) Service excellence: Hungarian companies are more than average capable of providing their services in an economically efficient manner; In addition, all their corporate departments are committed to providing high-quality services and ultimately believe that they have higher quality services than their competitors;
 - 2) Financial performance: The services business contributes to financial results;
 - 3) Non-financial performance: Hungarian companies are better than average to keep most of their customers, who are also very satisfied with the quality of services



4) The service as an option: Services enable Hungarian companies to be successful in their product business;

Based on the above, we can say that in all dimensions and for all indicators there are aspects in which Hungarian companies value their own capabilities above the average level. The question arises as to how much this covers reality.

1.2. Assessment of questionnaires with experts and companies

Knowledge of the professional position of the manufacturing companies concerned, on the one hand, and the organizations familiar with the domestic business sector on the other, is essential for the preparation of the study. We have prepared so-called in-depth interviews with manufacturing companies as well as our associates. The responses further nuance the overall picture of domestic economic and social relations.

Three different manufacturing companies were interviewed, each providing some kind of service as well as their products. One of them is a start-up company.

The most important issues related to services and exports to them were the following:

a) Competitors:

- Who are the potential competitors?
- What kind of activity are you engaged in?
- What marketing strategy is used to win their customers (e.g. website availability, quantity and quality of information)?
- What is their level of preparedness/skilled?
- What kind of developments are you thinking about, the possible directions of their innovation?

b) Customers:

- What kind of, structured products are you interested in?
- What special needs do they have in the field of services?
- What are the expectations of the product manufacturer/service company?

c) Regulators of destination countries:

- What standards apply to manufactured products in the country of destination?
- If products are installed (e.g. in a building or component), what standards or regulators apply to the quality and technical design of the products?
- There are country-specific products, are there any similar products in the country of destination?
- What specific legal environment applies to the export company entering the country?



In addition, we visited our organizations which took part in professional/strategic partnerships in the project, on the one hand the Municipality of Székesfehérvár and the Deputy State Secretary of the Ministry of Finance for the implementation of Economic Development programs instead of the Ministry of National Development that existed 2 years ago.

- Both actors play an indirect role in the development of products and services of manufacturing companies: Launch different actions, programs and initiatives and, where appropriate, assist firms in accessing grants.
- The main problem is that:
 - few end-product companies and experience has shown that the introduction of ancillary services is mainly available to manufacturers engaged in the production of final products;
 - a smaller part of a small number of companies can actually be addressed, calculated on the basis of results, with various actions aimed at facilitating service development and exports;
- To achieve the success of manufacturing companies, it is necessary to increase the overall level of language skills among the executives of manufacturing companies, to strengthen the strategic approach and to a certain degree of change of approach. In addition to increasing the proportion of services, the most important is to generalize or increase the scope of certain types of services, such as the establishment of a service network, the provision of continuous remote monitoring and maintenance, and the extension of the range of warranty services.

1.3. Lessons learned from the Round Table

Last but not least, there was also a roundtable discussion with other business figures, such as the management organizations of chambers of commerce and industry or clusters.

The main findings of this roundtable discussion were as follows:

- Hungarian businesses find it difficult to move if the aim is to enter the export market;
- obstacles that are difficult to overcome include the problem of acquiring knowledge of the target market and the lack of a high level of language skills at the management level;
- the majority of firms find it difficult to ensure continuity, commitment to development and at least a medium-term strategy (3-5 years) in relation to initiatives already under way (in this case).
- at international exhibitions and fairs, companies who assess potential partners through several weeks or months of preparatory work before the program are able to establish contacts;
- additional conditions for entry into the market: An accurate idea of what they would like to offer and to whom, with modern and efficient means of communication, to inform potential consumers (e.g. a website in English), and not least to “give” digitalization in the realization of the company’s products and services;



2. Vision of increasing the level of service exports

Before formulating a vision of service exports, which outlines a realistic perspective for Hungarian companies from a domestic perspective, it is important to examine the situation also in the light of economic data series and indicators.

2.1. Economic situation in the light of statistics

The following summary is based on the STADAT time series database of the Hungarian Central Statistical Office (<http://www.ksh.hu/?lang=en>).

In Hungary in the period 2003-2018 there were around 700,000 companies, of which in the last 10 years the percentage of companies (NACE 26-27-28) belonging to machinery and machinery was less than 1 %. In the period 2013-2018, product imports increased steadily, amounting to HUF 9 thousand billion over 6 years, reaching HUF 31 thousand billion in 2018. Between 34 % and 35 % of this came from products belonging to the companies with 26-27-28 NACE code. The weight of these three categories of product imports within the manufacturing industry is steadily decreasing, but still exceeds 60 % in 2018. As regards exports, the value of the products also increased by HUF 9 thousand billion over the same period, and by 2018 it exceeded HUF 33 thousand billion. Between 34 % and 35 % of the products produced and exported in all economic sectors came from the manufacturing industry, in which the three sectors concerned accounted for around 65 % of all manufacturing products.

Looking at the situation in terms of destination countries in the period 2012-2019, it can be said that the balance of total imports of exports was positive, i.e. that each year over the 8 years it exceeded the value of exports to imports, but this amount, if not spectacular, indicates a continuous decrease (export-import ratio decreased by HUF 500 billion compared to 2012, to HUF 1400 billion in 2019). The reason for the fall is due to a decrease in exports to non-EU countries, which also shows a negative balance. By country group, exports to and imports to Asian countries resulted in a decrease: While the value of imports continues to increase (almost doubled in 8 years), exports are stagnating. External trade within the EU (with 15 old Member States, new 12 countries) and US countries are steadily growing, Hungary is making the largest turnover with the old 15 countries (by 2019 it reached exports of HUF 20.500 billion and imports of HUF 18.000 billion).

External trade in services in Hungary produces volumes and value in volume and value compared to the trade of goods. Looking at the period 2014-2018, it can be seen that the value of the forint shows a dynamic increase: in 5 years, the import of services increased by HUF 1.3 billion, including the import of services in the manufacturing sector, which is steadily decreasing compared to 30 % in 2014 (by 2018 it reached 25 %). The same cannot be said with regard to exports: : the value of services increased by HUF 2.2 billion over the 5 year period, and the share of imports of services affecting the manufacturing industry increased by 3.5 percentage points, reaching 16 %. In terms of ownership structure, it is important to know that 83-85 % of exports and imports are carried out by foreign-owned companies, while domestic companies cover ~15 % of the service import-export market. When examining the size of the company, 85 % of the value of the service imports is represented by companies of 250 or more, while 78 % of the export value is realized at the same size.



2.2. SWOT analysis

In the process of setting strategic goals, an important step is to summarize the findings so far - coming from different sources - which incorporates what has been done so far into a kind of system. For the summary, the frequently used SWOT analysis is used.

| <i>Strengths</i> | <i>Weaknesses</i> |
|--|---|
| <ul style="list-style-type: none"> - service-orientated manufacturing companies; - a strong commitment to exports among domestic companies; - a high level of evaluation (price, quality) of the services offered by manufacturing companies; - example of larger companies (large of turnover, volume of goods and services) for SMEs in the field of export; - available financial resources, advisory/mentoring programs to achieve export objectives of domestic enterprises (EU grants, domestic programs) | <ul style="list-style-type: none"> - lack of foreign language skills among business managers in target markets; - relevant information difficult to obtain for exit to the export market; - the availability of professional support and financial resources is difficult to reach the relevant companies wishing to export; - cooperation/coupling difficulties among companies to exit to the export market; - lack of motivation, lack of professional knowledge in highlighting the benefits of companies and presenting them on the international market; |
| <i>Opportunities</i> | <i>Threats</i> |
| <ul style="list-style-type: none"> - international cooperation initiatives (e.g. ProsperAMnet) to strengthen the position of manufacturing companies; - a stable and constantly expanding European Union market; - the availability of innovative solutions in the service-oriented business and in the digitalization of production; | <ul style="list-style-type: none"> - loss of growth due to environmental, health and geopolitical events with unexpected and unpredictable consequences; - applying specific macroeconomic policies in some Member States rather than planned single market rules at EU level; |

2.3. Vision

Based on the above and the situation described in the previous chapters, the following realistic vision can be outlined for the Hungarian manufacturing companies.

By 2025, a large number of Hungarian manufacturing companies are forward-looking and have a corporate strategy, they will realistically assess their internal resources and external conditions in order to develop services related to their products and become competitors for companies already present on the export market.

Business consultancy firms are up to date with the information requested by manufacturing companies and are prepared for applications to encourage and provide services to companies.

Organizations and institutions operating at different economic and territorial levels that influence the functioning of businesses work together in a transparent manner to support companies' expansion and growth efforts.



2.4. Strategic objectives, target system

To achieve the vision, a target system that relies on companies' internal and external resources, is in line with the development directions of individual companies and addresses all market players to achieve results.

| | | | |
|-------------------|--|---|---|
| overall objective | Improving the external and internal position of domestic manufacturing companies in order to develop and expand their services business | | |
| sub-targets | <i>I. Expanding training opportunities</i> | <i>II. Developing attitudes in the business sector</i> | <i>III. Support policy in focus</i> |
| specific measures | <ul style="list-style-type: none"> 1. Commercial and marketing training for employees of SMEs 2. Enhancing language skills for SME management 3. Competence development trainings for SME staff | <ul style="list-style-type: none"> 4. Developing a modern toolbox of BSOs to keep pace with SMEs 5. Launching awareness-raising actions and activities for SMEs | <ul style="list-style-type: none"> 6. Launch unobstructed "infotube" for easy and direct access to information 7. Establishment and operation of the Cooperation Forum - Business Round Table |

The overall and sub-targets and actions set out can be achieved through the following actions.



3. Actions on regional challenges

| 1. Expanding training opportunities | | | |
|-------------------------------------|---|--|--|
| | 1. Commercial and marketing training for employees of SMEs | 2. Enhancing language skills for SME management | 3. Competence development trainings for SME staff |
| Name of the action | Launch tailor-made training in commerce (including management of various commercial applications) and marketing. | Provide personalized language training for company management members. | Introduction of tailor-made skills developers (introducing within and with customers, management approach, efficient communication, learning techniques to facilitate stress relief and successful solution of tasks) for company employees. |
| Aim of the action | Acquiring greater practice is to present the manufacturing company's own business portfolio in a broad, awareness-raising manner. | Acquiring certain foreign language skills in the languages of destination countries that companies consider to be actual or potential export markets. | Expanding staff with knowledge that makes them more efficient in their work and at the same time learning a balanced, assertive and resilience behavior. |
| Target groups to be involved | Relevant or potential employees of SMEs, manufacturing companies, adult training organizations, training institutes and private companies, business advisory organizations (to facilitate needs assessment), marketing organizations. | Relevant managers of SMEs, manufacturing companies, adult training organizations, training institutes and private companies. | Relevant or potential employees of SMEs, manufacturing companies, coaching companies, companies organizing and conducting trainings on topics. |
| Milestones / steps | <ol style="list-style-type: none"> 1. Mapping the needs of companies engaged or interested in training; 2. The development of tailor-made training packages or the search and use of those available on the market; 3. The involvement of relevant staff in the training program, which is consistent with the performance of work tasks and private life; 4. The immediate or parallel application of acquired knowledge in the company's business policy; | <ol style="list-style-type: none"> 1. Mapping the foreign language needs of companies engaged or interested in training; 2. The development of tailor-made language training packages or the search and use of those available on the market; 3. The involvement of relevant managers in the training program, which is consistent with the performance of work tasks and private life; 4. The immediate or parallel application of acquired knowledge in the company's business policy; | <ol style="list-style-type: none"> 1. Mapping the needs of companies engaged or interested in training; 2. The development of tailor-made training packages or the search and use of those available on the market; 3. The involvement of relevant staff in the training program, which is consistent with the performance of work tasks and private life; 4. The immediate use of acquired knowledge in the performance of tasks; |



| 1. Expanding training opportunities | | | |
|--|--|---|--|
| | 1. Commercial and marketing training for employees of SMEs | 2. Enhancing language skills for SME management | 3. Competence development trainings for SME staff |
| Timeframe planned | 20 to 30 suitable training periods for training once a week. | The program is 3 years old: One, two or three weekly training packages in the light of the initial level of foreign language proficiency in the first year; - one or two suitable training packages per week in the second year; - one suitable training package per week from year to third; | 20 to 30 suitable training periods for training once a week. The training programs include the possibility of national and international study trips. |
| Possible impacts and assessment method | The knowledge of the staff involved in the training is expanded, which the company can immediately use in raising awareness of their products and services (both on the domestic and international markets). This will increase the opportunities for companies to win new business partners, resellers or consumers, thereby increasing revenue and profit. Method of measuring impacts: – obtaining a diploma after the successful examination of the staff, – better management of websites, social media, databases, – more spectacular, more ambitious marketing approaches to reach customers; – the evolution of turnover, expenditure and profits in the annual accounts. | The foreign language skills of the leaders involved in the training are expanded, which the company can immediately use in connection with business and communication with partners. This will increase the opportunities for companies to win new business partners, resellers or consumers, thereby increasing revenue and profit. Method of measuring impacts: - obtaining a certificate after the successful examination of the staff, - successful business and effective communication with foreign language partners, - the evolution of turnover, expenditure and profits in the annual accounts. | The knowledge of the staff involved in the training is increased and can be used immediately in the performance of their daily tasks. The result is: Deeper and more comprehensive knowledge of the company's internal operation, more efficient work, balanced behavior, increased commitment to the company, loss of fluctuation. This increases the chances of companies gaining higher revenues/profits. Method of measuring impacts: - obtaining a diploma after the successful examination of the staff, - faster and effective work, - the evolution of turnover, expenditure and profits in the annual accounts. |



| <i>I. Expanding training opportunities</i> | | | |
|--|---|--|---|
| | 1. Commercial and marketing training for employees of SMEs | 2. Enhancing language skills for SME management | 3. Competence development trainings for SME staff |
| <i>Resources requested / cost envelope</i> | 1. The planning of training costs among the expenditure of the companies concerned; 2. Providing staff with bonuses to complete the training and pass a successful examination; 3. Wage support for extra-time training (payment of travel expenses, contribution to the payment of childcare); | 1. The design of the foreign language training fee among the expenditure of the companies concerned; 2. Granting bonuses to staff to participate in training and pass successful examinations; 3. Wage support for extra-time training (payment of travel expenses, contribution to the payment of childcare); | 1. The planning of training costs among the expenditure of the companies concerned; 2. Providing staff with bonuses to complete the training and pass a successful examination; 3. Wage support for extra-time training (payment of travel expenses, contribution to the payment of childcare); |
| <i>Sustainability</i> | Regular involvement of training courses among the staff's tasks: the aim is to ensure the chances of updating and further development. | Uninterrupted provision of language courses: The aim is to ensure the chances of updating and further development. | Regular realization of training courses among the staff's tasks: The aim is to ensure the chances of updating and further development. |

| <i>II. Developing attitudes in the business sector</i> | | |
|--|---|--|
| | 4. Developing a modern toolbox of BSOs to keep pace with SMEs | 5. Launching awareness-raising actions and activities for SMEs |
| <i>Name of the action</i> | Expand the tools of BSOs for collecting and intermediary own information and ensuring access to databases that are relevant to the subject, even confidential. | Launch and promote programs, initiatives that respond to the interests of Hungarian companies, in order to make companies open to novelties and innovations. |
| <i>Aim of the action</i> | Contribute to the development of the service portfolio of manufacturing companies and strengthen their intention to export by using the toolbox. All this in such a way that organizations know the changing expectations and needs of companies accurately and up to date. | The aim is to support manufacturing companies in their intention to take their initial steps in the service export market. |
| <i>Target groups to be involved</i> | SMEs, business advisory organizations, interest representatives, grant institutions. | SMEs, BSOs, interest representatives, grant institutions. |



II. Developing attitudes in the business sector

| | 4. Developing a modern toolbox of BSOs to keep pace with SMEs | 5. Launching awareness-raising actions and activities for SMEs |
|---|---|---|
| <i>Milestones / steps</i> | <ol style="list-style-type: none"> 1. The search for modern information and mediation applications and methods. 2. Searching for databases concerning service development/export (including payers). 3. Selecting the relevant of the different applications, learning how to use them and ensuring access to them to manufacturing companies; 4. Request feedback from manufacturing companies on the effectiveness and usability of the opportunities provided; | <ol style="list-style-type: none"> 1. Search for Hungarian manufacturing companies interested in exports; 2. Identify and collect the needs of Hungarian service-oriented manufacturing companies; 3. In cooperation with the members of the target group, developing programs and actions to respond to needs: Online events, support schemes, partner research opportunities, etc. 4. Coordinated and continuous promotion of programs and actions, and targeted awareness-raising; |
| <i>Timeframe planned</i> | 3-4 months for the search and adaptation of applications, methods and databases, the operation of the systems is continuous. | On an annual basis, at least one action, the launch or the maintenance of at least one action per quarter. |
| <i>Possible impacts and assessment method</i> | <p>The systems used by consultancy firms provide companies with relevant information that enables them to prepare themselves for entry into the export market.</p> <p>Methods for measuring impacts:</p> <ul style="list-style-type: none"> - number of applications and databases used in practice - number of companies involved - increase in export earnings | <p>The involvement of manufacturers in programs, actions, obtaining relevant information, thus preparing in-house for entry into the export market, and finally taking the initial steps.</p> <p>Methods for measuring impacts:</p> <ul style="list-style-type: none"> – number of companies involved – increase in export earnings |
| <i>Resources requested / cost envelope</i> | Ensure and apply the budget allocated from the budget of the EU Member State funds and the domestic budget of organizations aiming at encouraging exports and supporting Hungarian businesses. | Ensure and apply the budget allocated from the budget of the EU Member State funds and the domestic budget of organizations aiming at encouraging exports and supporting Hungarian businesses. |
| <i>Sustainability</i> | The main goal is to maintain the program without interruption, by ensuring renewal and adapting to constantly changing needs. | The main goal is to maintain the program without interruption, by ensuring renewal and adapting to constantly changing needs. |



| III. Support policy in focus | |
|-------------------------------------|--|
| | <p>6. Launch unobstructed “infotube” for easy and direct access to information</p> <p>7. Establishment and operation of the Cooperation Forum - Business Round Table</p> |
| <i>Name of the action</i> | <p>Facilitating the access to data and information supporting service development and exit to the export market in such a way that information about different decision-making levels is collected in a uniform, open and direct manner in Hungary.</p> <p>A virtual forum for decision-makers at different levels to support the operation and development of businesses, with which they can publish their current intentions and support programs.</p> |
| <i>Aim of the action</i> | <p>The aim is to achieve transparency and completeness in the flow of information in such a way that information providers are grouped into a system.</p> <p>The aim is to ensure that manufacturing companies receive as much relevant information as possible about service development and exports, and that decision-makers have up-to-date data on the needs and directions of development expressed by companies.</p> |
| <i>Target groups to be involved</i> | <p>Advisory and advocacy organizations at county level (e.g. chambers, business development foundations, EEN), regional organizations (e.g. clusters of enterprises), institutions and authorities supporting development at national level (e.g. HEPA, the managing authorities in certain ministries managing economic recovery support resources) and self-organized enterprise communities (e.g. HUBs).</p> <p>Manufacturing companies, organizations at local level, institutions (e.g. decision-makers in the field of economic development), advisory and representative organizations at county level (e.g. chambers, business development foundations, EEN), regional organizations (e.g. clusters of enterprises), institutions and authorities supporting development at national level (e.g. HEPA, managing economic recovery support resources in certain ministries), and self-organizing communities.</p> |
| <i>Milestones / steps</i> | <p>1. Survey and selection of databases and information channels of organizations and institutions at territorial level or in the community 2. Transparency and ‘interconnection’ of these channels, i.e. an indication of the appropriate reference points on the website of each organization concerned; 3. Expanding the scope of the existing customer relationship points by redirecting to the relevant organization and institution in the case of advancing interests;</p> <p>1. I invite these decision makers and official representatives and company leaders to participate in the forum/round table; 2. Mapping and publishing the professional views of stakeholders and information on their funding opportunities; 3. Regular convening of the Round Table/Forum and integrating the proposals for development into their own portfolios;</p> |
| <i>Timeframe planned</i> | <p>After installation of the system, the uninterrupted operation of infotube by ensuring that all relevant organizations and institutions themselves ensure that the information and databases it recommends are kept up to date.</p> <p>Regular convening of the virtual round table/forum, quarterly in the first and second years, then every six months thereafter. The aim is to understand and adopt the system by all actors.</p> |



III. Support policy in focus

| | 6. Launch unobstructed “infotube” for easy and direct access to information | 7. Establishment and operation of the Cooperation Forum - Business Round Table |
|---|---|---|
| <i>Possible impacts and assessment method</i> | <p>Several successful businesses in individual business and export markets. Method of measuring effect:</p> <ul style="list-style-type: none"> - an increase in the prosperity of the service business: More services provided to a higher standard; - several exporting firms; - the increase in export revenues of domestic enterprises; | <p>Several successful businesses in individual business and export markets. Method of measuring effect:</p> <ul style="list-style-type: none"> - an increase in the prosperity of the service business: More services provided to a higher standard; - several exporting firms; - the increase in export revenues of domestic enterprises; |
| <i>Resources requested / cost envelope</i> | <p>Institutions and organizations shall allocate resources from their own budgets to start the system and extend the scope of customer service.</p> | <p>The launch and operation of the Round Table/Forum does not require any specific resources, and additional expenditure on modifying and expanding the respective tasks of each player should be earmarked in the budget.</p> |
| <i>Sustainability</i> | <p>All relevant organizations shall ensure that relevant information is accessible and transparent so that the other institutions that make up the system can also receive a reference point.</p> | <p>Uninterrupted operation of the round table/forum (regular meetings).</p> |



4. Examination of the fit with the National Strategy for Research and Development and Innovation

The National Strategy for Research and Development and Innovation was established and adopted in 2013, which was finally renewed in 2019. On the basis of the renewed document, the 2019 National Research, Development and Innovation Fund program strategy was announced with specific items and envelopes.

We now want to compare the renewed strategy with the target system of our study.

| <i>Priorities of NSRDI</i> | <i>Specific aims</i> | <i>Aims / measures of RAP</i> | <i>Reason for fit / connection</i> |
|---|--|--|---|
| A. Efficient and value-oriented knowledge bases | SC1. Continuous and predictable long-term financing, encouraging performance language | | |
| | SC2. Ensuring quality human resources | | |
| | SC3. Strengthening cutting-edge research and promoting excellence in researchers | | |
| | SC4. Support for efficient and quality-oriented research work | | |
| | SC5. Laying the foundations for research to support the needs of local communities and economy | III. Support policy in focus / 6. Launch unobstructed “infotube” for easy and direct access to information AND 7. Establishment and operation of the Cooperation Forum - Business Round Table | Available research results are essential for the proper functioning and long-term maintenance of the measures envisaged in the Action Plan, which aim to get to know the needs of economic operators. |
| B. Flow of knowledge: transparent, durable co-operations | SC1. Promoting intersectoral labour mobility between researchers and developers | | |
| | SC2. Knowledge transfer from industrial-research-institutes | | |
| | SC3. Systemic introduction of open innovation | | |
| | SC4. Transfer of efficient knowledge models and technology transfer models | | |
| | SC5. Strengthening IPR protection | | |
| | SC6. Effective participation in EU and international knowledge flows | | |
| | SC7. Multidisciplinary research | | |



| <i>Priorities of NSRF</i> | <i>Specific aims</i> | <i>Aims / measures of RAP</i> | <i>Reason for fit / connection</i> |
|--|---|--|--|
| C. Broad-based, balanced use of knowledge | SC1. Support for the availability of competent staff | I. Expanding training opportunities / all three measures | In the context of strengthening entry and position on the service and export markets, it is essential that Hungarian companies have adequate preparedness (in the form of up-to-date, continuously developed knowledge material). |
| | SC2. Supporting the spread of RDI-based thinking | II. Developing attitudes in the business sector / 5. Launching awareness-raising actions and activities for SMEs | It is justified for Hungarian companies to organize actions and programs that will increase their needs in terms of getting to know and apply solutions in the XXI. century: not only in production, but also in corporate governance and in the direction of development. |
| | SC3. Promoting the spill-over of innovation | | |
| | SC4. Stronger Internationalization | Target system for the full RAP | One of the main objectives of all measures is to put Hungarian companies in a stronger position on the international market with their goods and services produced. |
| | SC5. Facilitating participation in domestic and global value chains | II. Developing attitudes in the business sector / 4. Developing a modern toolbox of BSOs to keep pace with SMEs | It is also appropriate to include in the notion of value chains that domestic organizations playing an active role in business development should have the appropriate means to effectively perform the advisory role. |
| | SC6. Production of higher added value in the country | Target system for the full RAP | One of the main objectives of all the measures is to ensure that Hungarian businesses realize products and services with higher added value. |

Following the above investigation, the positive result was that the points of the regional action plan for service development and export of services in Hungary coincided with the intentions of the national innovation strategy.

The expected results of the regional action plan should be preceded by the open and targeted promotion of this plan and its acceptance by the relevant companies and organizations.