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Rosić was the founder and the first President of OKUD Svetozar Association, functioning within the University of Kragujevac, one of the which was the promotion of culture abroad. Numerous visits abroad, d, not only gave the members of this Association lots of satisfaction, a splendid opportunity to promote Serbia abroad.

The figure of Professor Rosić

u Rosić was always full of energy and enthusiasm in any work he e was very well known for being good-natured, for his optimism and as well as his witty comments. He was noted for his friendly approach he was an outstanding lecturer. On top of that, he had exceptional or-skills. He avoided easy compromises and was always ready to help ndvice to others. He was also the person who inspired in many ways of people. He often liked to quote a well-known saying: 'Let's do eve the best of our abilities, and if we are unable to do something well, let's ll.'

in Rosić was awarded the medal of the University of Economics in his lifetime achievements and activities in Poland.

VERICA BABIĆ, JELENA ERIĆ

Innovation Processes Through SME's Networking

Introduction

Today, the difference in development levels between some regions and countries throughout the world is rather interpreted by their ability to generate and apply new knowledges than by the rate of investment and other incentives. Underdeveloped countries and regions are increasingly facing the need to create strategies, policies and institutional environment which would promote local innovations effectively and enable the diffusion of knowledge with the aim to support the development of modern industry and top technologies.

Actually, the generation and improvement of knowledge represent a critical point in the activities of enterprises. In order to be able to conduct this development activity more successfully, enterprises have begun to connect within the networks which would in process enable them with the access to the critical resources of knowledge and achievements of other enterprises. Identifying the conditions that affect the raising of the level of knowledge in such networks is essentially important, especially in the early stages of network development. Competitiveness and growth of the world economy are connected not only with the development of local innovative capacities but also with the ability of small and medium enterprises to participate in the networks of information and production resources¹.

¹ *OECD Financing Innovative SME's In A Global Economy*, 2nd Conference of ministries for SME's development, Istanbul, June 2004.

es and adopt new technologies. Small and medium enterprises are still faced numerous problems in the process of development of integrated network of knowledge. Not only is that cooperation between enterprises from specific field needed for network formation, but also it is necessary to provide institutional support and the support of government bodies, trade associations, local communities and universities.

ly, it could be said that networks by their nature involve the acquisition, transfer, generation and use of knowledge. In the early stages of network formation, members learn to cooperate. In this phase, problems often occur in communication between certain members who have yet to adjust to new ways of doing business. They generate new knowledge not only to achieve strategic objectives of the network, but also to enhance the development capacity and opportunities for future action. This way they affect the future orientation of the network as a single unity. In addition, although the diversity of members presents a big challenge for the network, at the same time it is its an essential comparative advantage. The wide range of diverse ideas, views and attitudes lead to a series of innovative solutions and contributes to their quality.

Abstract

Today's knowledge-intensive and networked society the ability to manage knowledge flows is vital for companies to gain a competitive advantage. To be able to create knowledge, organizations have begun to operate in networks that offer access to the critical resources and expertise of organizations. The objective of this paper is to increase the understanding and knowledge management innovation process and creation of innovative SME's networks. The issues around SME's which have been explored in this paper, are innovation and knowledge integration. Knowledge management activities in SME's network can be of either a facilitating or intervening nature and that the different network types display a generic pattern regarding the mix of knowledge management activities.

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Finally, it could be said that networks by their nature involve the acquisition, transfer, generation and use of knowledge. In the early stages of network formation, members learn to cooperate. In this phase, problems often occur in communication between certain members who have yet to adjust to new ways of doing business. They generate new knowledge not only to achieve strategic objectives of the network, but also to enhance the development capacity and opportunities for future action. This way they affect the future orientation of the network as a single unity. In addition, although the diversity of members represents a big challenge for the network, at the same time it is its an essential comparative advantage. The wide range of diverse ideas, views and attitudes leads to a series of innovative solutions and contributes to their quality.

Abstract

In today's knowledge-intensive and networked society the ability to manage knowledge flows is crucial for companies to gain a competitive advantage. To be able to create knowledge, organizations have begun to operate in networks that offer access to the critical resources and expertise of other organizations. The objective of this paper is to increase the understanding and knowledge of the management innovation process and creation of innovative SME's networks. The issue areas in SME's which have been explored in this paper, are innovation and knowledge integration. Knowledge management activities in SME's network can be of either a facilitating or intervening nature and that the different network types display a generic pattern regarding the mix of knowledge management activities.

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