

Enterprises and Smart Specialization in a Place-Based Approach in Poland. The Case of Polska Zachodnia Macro-Region

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Abstract

Place-based approach is the new paradigm of regional development, with an emphasis on endogenous resources as the essential drivers of growth. Significant substance of territorial dimension of regional development may be related to enterprises. Hence, the main goal of the paper is to assess the value of enterprises in regional development policy in the context of territorial dimension in Poland. Nonprobability sampling has been applied to focus on Polska Zachodnia macro-region (West Poland macro-region), which includes the following voivodships (NUTS 2): Dolnośląskie, Lubuskie, Opolskie, Wielkopolskie, Zachodniopomorskie. Desk research of development strategies, as well as documents related to Regional Operational Programmes 2014–2020 of respective voivodships has been employed. The results show that value of enterprises in regions' mission, vision, and main strategic objective is heterogeneous, mostly with indirect relevancy. However, the substance of enterprises for regional development is high if budgets of respective Regional Operational Programmes for activities related to enterprises are considered. By focusing on smart specialization an attempt is made in Polska Zachodnia macro-region to take advantage of regional capabilities. The findings allow to conclude of a crucial substance of enterprises in place-based approach and provide the basis for better understanding the development challenges of regions.

Keywords: enterprises, smart specialization, place-based approach, regional development strategy, Regional Operational Programme, Poland

Introduction

Changes taking place in an approach to regional development is observed nowadays. Growing importance of territorial dimension (place-based approach) of that development is apparent, particularly in terms of identification of these determinants which contribute in increasing region's competitiveness. Such approach is associated with focusing on broadly-based conditions of a region which have a significant territorial context, in order to identify and use endogenous factors to enhance the growth of the region. One of the fundamental factors in question are enterprises which relevantly affect the level of innovation and entrepreneurship. Yet, understanding the emphases on enterprises is critical in comprehending how such an approach helps to address development challenges of regions. Hence the main goal of the paper is to assess the value of enterprises in regional development policy in the context of place-based approach in Poland, on the base of Polska Zachodnia Macro-Region (West Poland Macro-Region).

1 Enterprises and place-based approach — basic issues

Competitive advantages of region may be constituted by heterogeneous factors. They include among others innovation and knowledge transfer (Szewczuk-Stepień 2014, 174; Zygmunt A. 2014, 14), entrepreneurial activity and SMEs (McCann and Ortega-Argilés 2011, 537; Zygmunt J. 2015, 119–120), sustainable housing development (Mach 2015, 81). As being pivotal in enhancing regional

development, Malik (2014, 130) emphasizes smart specialization and “region’s adaptability to the market environment.” This view is also supported by Baier, Kroll and Zenker (2013, 2) who claim that focus on smart specialization is necessary of regard “the fact that regions are often faced with scarce resources and limited budgets.” Among various smart specialization’s issues it is stressed the meaningful significance of enterprises (Foray, David, and Hall 2011).

Smart specialization is regarded as a key issue of regional development in place-based approach. In this approach an understanding of region changes from traditional meaning (village, city) in favor of region defined by its socio-economic and spatial features.¹ Hence, a concentration on formal administrative divisions shifts towards regional interaction and cooperation leading to the growth (Barca, McCann, and Rodriguez-Pose 2012, 139; Markowski 2011, 75). It involves focusing on regional capabilities together with territorial dimension of public intervention which is regarded as having a significant impact on region’s economic development (Szlachta 2015, 5). Enhancement of regional economy by place-based approach requires an employment of special mechanisms and tools. These should arise from development policy of respective regions, with special regard to enterprises as a driving force of region’s competitiveness.

2 The significance of enterprises in a place-based approach—empirical studies

To analyze the value of enterprises in regional development policy in the context of territorial dimension, nonprobability sampling has been applied. Attention has been focused on these Polish voivodships which are clustered in macro-region Polska Zachodnia. The voivodships in question are as follows:²

- Dolnośląskie (NUTS 2 PL51)
- Lubuskie (NUTS 2 PL43)
- Opolskie (NUTS 2 PL52)
- Wielkopolskie (NUTS 2 PL41)
- Zachodniopomorskie (NUTS 2 PL42)

In accordance with documents of Polish Ministry of Economic Development, it has been assumed that place-based approach should be reflected in development strategies of respective voivodships.³ On the ground of Polish law on principles of conducting development policy it has been also assumed that ways of strategy implementation should be included in Regional Operational Programmes.⁴ Hence, the identification of the enterprises significance in regional development policy with regard to place-based approach has been based on development strategy documents of respective voivodships, as well as documents related to Regional Operational Programmes 2014–2020.

The analysis of vision, mission, and main objective of development policy provide an evidence that in all voivodships in question the issues related to enterprises are recognised as substantial strategic factors (tab. 1). However, references to enterprises are heterogeneous. In majority of voivodships’ visions this relevancy is indirect which means that enterprises are included there implicitly by indicating to “innovative economy,” “economic activity,” “competitive region.” Similar observation applies to voivodships’ missions where only in Opolskie development strategy a direct linkage between region and enterprises has been stressed. Diversity in consideration of enterprises in principles of development strategies appears also in main objective’s conceptualization. In both Dolnośląskie and Wielkopolskie voivodships, this reference is direct whereas in Lubuskie Voivodship such relevancy is indirect, which confirms an essential value of enterprises in regional development policies.

1. See: Koncepcja Przestrzennego Zagospodarowania Kraju 2030, Załącznik do uchwały nr 239 Rady Ministrów z dnia 13 grudnia 2011 r. (poz. 252). Monitor Polski, Warszawa, dnia 27 kwietnia 2012 r.

2. Strategia rozwoju Polski Zachodniej 2020. Przyjęta przez Radę Ministrów 30.04.2014 r., page 4.

3. Strategie ponadregionalne — wymiar terytorialny polityki rozwoju, Ministerstwo Infrastruktury i Rozwoju, Warszawa, marzec 2015 r., page 22.

4. See: Ustawa z dnia 6 grudnia 2006 r. o zasadach prowadzenia polityki rozwoju. Art. 15 ust. 1. DzU z 2006 r. nr 227 poz. 1658 as amended.

Tab. 1. Focus on enterprises in main principles of development strategies

Voivodship	Vision	Mission	Main objective
Dolnośląskie	indirect	lack of reference (either direct or indirect)	direct
Lubuskie	direct	lack of mission	indirect
Opolskie	indirect	direct	lack of main objective
Wielkopolskie	indirect	indirect	direct
Zachodniopomorskie	direct	direct	lack of main objective

Source: Own study on the base of regional development strategies of respective voivodships—i.e., Strategia rozwoju Województwa Dolnośląskiego 2020, Strategia rozwoju Województwa Lubuskiego 2020, Strategia rozwoju Województwa Opolskiego do 2020 r., Strategia rozwoju Województwa Zachodniopomorskiego, Wielkopolska 2020, zaktualizowana strategia rozwoju Województwa Wielkopolskiego do 2020 roku

The important weight which is given to enterprises in regional development policies of voivodships in question is also observable in detailed description of their regional strategies, especially in terms of operational objectives. Such objectives are concerned predominantly on the following issues:⁵

- enhancing relationships between science, enterprises and enterprises environment institutions
- development of entrepreneurial attitudes
- strengthening an infrastructure for research and development
- creation of partnerships, cooperation, networking
- creative sector supporting
- focusing on smart specializations
- readiness and development of investment areas
- supporting research and commercialization of results
- promotion of social economy sector

Based on analysis of regional development strategies it may be said that enterprises play a crucial role in regional development policies of respective voivodships. However, a dimension given to enterprises in strategic documents should be endorsed in substantive plans and actions. This inseparably involves financial aspects, with an appropriate budget for activities on enterprises, in the first instance.

Therefore, the next step of analysis was focused on Regional Operational Programmes, in particular on financial resources which are planned to be allocated for activities related to enterprises in 2014–2020. Within the analysis in question, all activities planned for implementation within Regional Operational Programmes have been examined and those relating to enterprises have been identified. It enabled to categorize these activities in two sections: direct actions and indirect actions. It was assumed that direct actions are these actions within Regional Operational Programmes, in which enterprises have been indicated as a target group/end recipients of support (e.g., such actions as: increase of innovation, internationalization of enterprises, development of products and services in SMEs), while indirect actions have been defined as these actions, in which despite enterprises have not been identified as a target group/end recipients of support, a description of specified action contains a reference to enterprises or to the economic development of region (e.g., such actions as improvement in road transport accessibility, revitalization of degraded areas). In-depth analysis allows to recognize for each voivodships' Regional Operational Programme dozen of activities which directly or indirectly are aimed to strengthen development of enterprises and to empower economic potential of region. On that grounds, an estimation of budget for these activities has been made (fig. 1).

The largest budgets for activities (both direct and indirect) related to enterprises are established in Regional Operational Programmes of Wielkopolskie Voivodship (over EUR 1 783 million) and Dolnośląskie Voivodship (more than EUR 939 million). The amount of financial resources in question in other voivodships remains at a similar level (EUR 418–524 million). Furthermore,

⁵ Own study on the on the base of regional development strategies of respective voivodships—see source of the table 1.

it may be observed that budgets for direct actions exceed respective budgets for indirect activities. Previously observed accuracy is perceivable here, with predominate funds' engagement for direct activities in voivodships: Wielkopolskie, Dolnośląskie, and Zachodniopomorskie.

A detailed analysis of the structure of financing sources related to direct actions leads to the conclusion of an ascendant involvement of EU funds in the planned implementation of these activities. With an exception of the Wielkopolskie Voivodship, it is assumed that the contribution of these funds will be no fewer than 73%. It is expected at the same time that the commitment of funds from other sources (national public funds, private funds) would be of a relatively low level (with an exception of Wielkopolskie and Opolskie voivodships where it is anticipated that the participation of enterprises in co-financing direct actions is respectively 48% and 24%). A dominant share of EU funds in financing activities associated to enterprises is also apparent in the case of indirect actions, and it ranges from 68% in Wielkopolskie Voivodship up to even 92% in Lubuskie Voivodship. A financial involvement of enterprises is narrow (up to 4%) with a greater participation of national public funds (from 8% in Lubuskie Voivodship to 32% in Wielkopolskie Voivodship).

Based on the above it can be stated that companies are considered as an important factor of regional development policy of respective voivodships. However it seems that this conclusion should be empowered by relevancy to total budgets of determined Regional Operational Programmes. Hence, the participation of funds on activities related to enterprises in total budgets was the subject of further research. The results of these studies, by direct and indirect actions are presented on figure 2. The results confirm the thesis of fundamental importance of enterprises in the development strategies of respective voivodships. In each of these voivodships budgets for activities related to enterprises are not lower than 27% (this lowest value applies to Zachodniopomorskie Voivodship). The supreme share of funds for enterprises in the structure of budgets within Regional

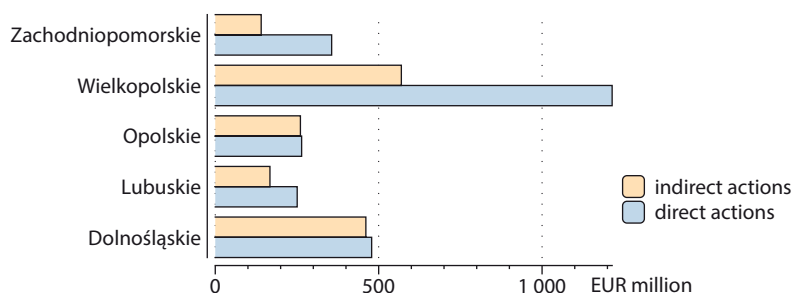


Fig. 1. Budget of respective Regional Operational Programmes for activities related to enterprises

Source: Own study on the base of Regional Operational Programmes documents of respective voivodships — i.e., Szczegółowy opis osi priorytetowych Regionalnego Programu Operacyjnego Województwa Dolnośląskiego 2014–2020, wersja nr 9; Szczegółowy opis osi priorytetowych Regionalnego Programu Operacyjnego — Lubuskie 2020, wersja nr 6; Wielkopolski Regionalny Program Operacyjny na lata 2014–2020. Szczegółowy opis osi priorytetowych Programu Operacyjnego (uszczegółowienie WRPO 2014+), wersja 1.15; Szczegółowy opis osi priorytetowych Regionalnego Programu Operacyjnego Województwa Zachodniopomorskiego 2014–2020, wersja 8.0; Szczegółowy opis osi priorytetowych Regionalnego Programu Operacyjnego Województwa Opolskiego na lata 2014–2020, zakres: Europejski Fundusz Rozwoju Regionalnego, wersja nr 12; Szczegółowy opis osi priorytetowych Regionalnego Programu Operacyjnego Województwa Opolskiego na lata 2014–2020, Zakres: Europejski Fundusz Społeczny, wersja nr 11

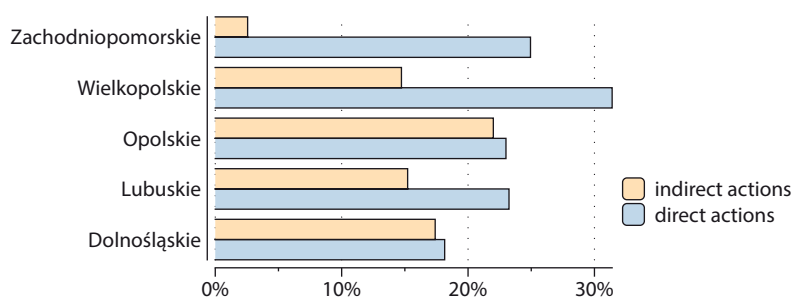


Fig. 2. The share of budget for activities related to enterprises in total budgets of Regional Operational Programmes in respective voivodships

Source: Own study on the base of Regional Operational Programmes documents of respective voivodships (see source of the figure 1)

Tab. 2. Focus on smart specialization in Regional Operational Programmes in respective voivodships

Actions within Regional Operational Programmes	Focus on smart spec.	
	Required	Favored
Dolnośląskie Voivodship		
Strengthening the R&D and implementation potential of universities and research units . . .	×	
Innovative enterprises	×	
Entrepreneurship growth		
• type of projects: Support for infrastructure designed for entrepreneurs	×	
• type of projects: Consulting services for SMEs		×
Internationalization of enterprises		×
Development of products and services in SMEs		
• type of projects: Support for product and process innovation in SMEs		×
Lubuskie Voivodship		
Research and innovation	×	
Entrepreneurship development		×
Creation and development of investment areas		×
Promotion of region and internationalization of SME sector		×
Development of SME sector		×
Development services for micro, small and medium enterprises		×
Opolskie Voivodship		
Innovations in enterprises	×	
R&D infrastructure	×	
New products and services in SMEs		
• sub-action: Support for ICT in enterprises		×
• sub-action: New products and services in SMEs in the border areas		×
Professional activation of unemployed		×
Training, advice for entrepreneurs and employees of enterprises and the adaptability of enterprises	×	
Development of vocational training		
• sub-action: Support for vocational training		×
• sub-action: Support for vocational training in Opole agglomeration		×
Wielkopolskie Voivodship		
Support for R&D infrastructure in science	×	
Empowering the innovative potential of enterprises from Wielkopolskie Voivodship	×	
Support for entrepreneurship and infrastructure for economic development		×
Internationalization of the regional economy		×
Strengthening the competitiveness of enterprises		×
Self-employment and entrepreneurship		
• sub-action: Self-employment and entrepreneurship within Integrated Territorial Investments for development of Kalisko-Ostrowskiej agglomeration.		×
Supporting the professional activity of employees through pro-health actions		×
Investing in the development of education and training infrastructure		
• sub-action: Investing in the development of vocational training infrastructure.		×
• sub-action: Investing in infrastructure development in secondary education		×
Zachodniopomorskie Voivodship		
Research and development projects of enterprises	×	
Development of R&D infrastructure in enterprises	×	
Development of the public research infrastructure	×	
Implementation of R&D results	×	
Enterprises investments supporting the development of regional specialization and smart specialization	×	
Creation and development of infrastructure for economic development		×
Support for enterprises cooperation	×	
Increasing the access to services of Business Environment Institutions		
• type of projects: advice on the development of a strategy of expansion into foreign markets	×	
Investing in education, training and vocational training for skills and lifelong learning.	×	
Infrastructure of vocational education		×

Source: Own study on the base of Regional Operational Programmes documents of respective voivodships—see source of the figure 1

Operational Programmes is scheduled in Wielkopolskie and Opolskie voivodships (respectively 46% and 45%). For direct actions regarding enterprises is planned to be spend an average 24% of the total budget (from 18% in Dolnośląskie Voivodship to above 31% in Wielkopolskie Voivodship). In the case of indirect actions, an average level is 14% (from 2% in Zachodniopomorskie Voivodship up to 22% in Opolskie Voivodship).

An important issue concerning the analysis of the value of enterprises in regional development policy is the verification of Regional Operational Programmes within the scope of smart specialization. Specialization in question is associated with an identification of unique resources of the region, which constitute its development potential. Therefore a stress on enterprises in this respect may be provide a confirmation that enterprises are regarded by regional policy makers as a significant factor of regions' growth. The results of the analysis lead to the conclusion that value of enterprises in smart specialization of respective voivodships is determined by region specificity. However, it was observed that in each Regional Operational Programme significant attention is paid on increasing the potential of those enterprises whose activities could determine a significant development of the region and increase its competitiveness (tab. 2).

It should be emphasized that depending on the voivodship, actions within Regional Operational Programmes regarding smart specialization are variously expressed, as well as in some cases a different focus on smart specialization is apparent. However, the main conclusion here is that in respective voivodships sine qua non in applying for funding for R&D and innovation is a linkage with smart specialization ("required focus on smart specialization"). It should be noted that significant attention is given also to support other activities which may impact on regional competitiveness within smart specialization (e.g., internationalization of enterprises) by giving more preferences to these activities ("favored focus on smart specialization").

Conclusions

The above studies allow to conclude on fundamental value of enterprises as a regional development factor in place-based approach in voivodships which comprise Polska Zachodnia macro-region. It might be also indicated that by focusing on smart specialization an attempt is made to take advantage of regional capabilities of respective voivodships. However, it should be emphasized that the base for these conclusions are largely strategic documents which for the most part represent plans (they concern all 2014–2020 period). Hence the principal research issue is to follow up the findings in the future (after 2020) on the base of ex-post data. Furthermore, in order to identify and analyze profoundly relationships between enterprises and regional development in the context of the place-based approach, it seems appropriate to carry out further research which should focus extensively both on the areas of strategic intervention that create growth and on problem areas for respective regions, including the diagnosis and assessment of mechanisms supporting territorial approach (e.g., integrated territorial investment, integrated operations, joint action plans).

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