

# INTRODUCTION

This book is devoted to the fascinating issues in small and medium size enterprises in contemporary economy. Although most of research and analyses concern Poland, the book is enriched by several foreign studies from Estonia, Lithuania, Finland, Sweden, Germany and the UK. A wide variety of problems is covered here, but since there exists a vast amount of aspects regarding SMEs, only major issues could be selected. Each of them is examined in one of the five arts that constitute this book.

The book starts with the part dedicated to strategy and management of SMEs. First, Teder and Venesaar explain the strategy formulation in smaller firms from both theoretical and empirical point of view. Their conclusion from the research in Estonia described in detail in this chapter, sheds light on the relations between characteristics of company, owner-manager, environment and strategy formulation. The authors stress that growing organisation needs to have formalised plans to survive on the market.

Wasilczuk also tries to define the role of strategy in growing firms. The material presented in her chapter explains the process of strategy formulation in smaller firms. It is apparently quite different from what is known about this subject from the literature, which is mostly based on corporations, not on SMEs. Her research conducted among small firms in Poland supports the Teder and Venesaar conclusion about the importance of having strategy in growing small firms.

Since having a small firm means risk and along with the growth of a firm the need for managing risk is increasing, Skorupski proposes a new solution for risk management support. New standards of auditor's work are described and a new organizational structure for a company is proposed.

The second part of the book describes various aspects of networking in modern economy. Sudolska looks at the benefits of inter-firm cooperation showing the vast complexity of relationships that occur nowadays between a company and all the elements of its environment: suppliers, customers, competitors and other entities. Regardless of the fact that inter-firm cooperation may be adopted by a company for many various reasons, it is always induced by a certain kind of synergy effect. The quest for obtaining and maintaining a sustainable comparative advantage in modern economy leads inevitably to cooperation between companies. The chapter concludes with selected benefits resulting from such a collaboration.

Franchising systems have already become one of major examples of networking in economy. Increasing scale of franchising systems operations makes them more and

more important for economic development of any country. Therefore, Zieba explores main determinants for the development of franchising operation. Six crucial elements are identified and described in this chapter, starting with general economic development and reaching more sociological aspects such as economic individualism and perception of entrepreneurs in the society.

In the last chapter of this part of the book Najda challenges the idea of networking as a universal remedy for all organisational problems, which seems to be predominant in the literature. Networking and virtual organisations should be perceived as a source of not only benefits, but also uncertainty. If such organisations are to be successful, the points of risk taking should be identified and the ways of risk mitigating should be elaborated. While networking and virtual organizations become more and more widespread, their risky side should be researched to a far greater extent. Najda contributes to this issue by indicating the categories of risk specific for such organisations and the ways of risk reduction.

The next part of the book focuses on selected aspects of academic entrepreneurship. First, Dominiak analyses determinants of academic entrepreneurship. He states that academic entrepreneurship is highly differentiated on all four levels that can be analysed: international, national, institutional and individual level. Analysis is performed at all the levels and the fundamental factors influencing academic entrepreneurship are indicated. Then a general framework involving culture, tradition, history and policy is proposed showing discrepancies between the two different worlds: the world of academia and the world of business.

Wyrwinski focuses on just one aspect of academic entrepreneurship, which is spin-off creation. This chapter sheds light on this problem with regard to the vicinity of Gdansk University of Technology. The existing university spin-offs are identified and described. Then the key factors facilitating spin-off creation and growth are presented and analysed. The chapter is concluded with some future research recommendations.

Marginean looks at science parks in the UK, trying to assess their performance. First, she describes science parks definition and history. Then she analyses on-park companies and compares them with the off-park ones. Next, the Oxford Science Park is presented as an example of one of the European leading centres of enterprise and innovation. A few remarks on the role of science parks in the UK conclude this chapter.

One of the most important factors influencing the operation of SMEs is environment. There is no author, who would not stress the significance of this factor for every firm operating in economy. Therefore, company environment is the subject matter of the fourth part of the book. However, the impact of environment on small firms operation is only one-way. A single owner-manager of a firm has no possibility to influence the environment. There are four dimensions of environment which should be mentioned: political, economical, social and technological.

Many researches proved that one of the most important elements of environment is innovation. Zastempowski reports the research conducted in Kujawsko-Pomorskie Province among 119 companies. The main aim of the investigation was to evaluate the degree of stimulating or hindering the impact of political and economical factors on innovation activities. The next chapter compares the support system for SMEs innovation-oriented activities in France and Poland. The structures of both supporting systems are explained by Parteka and Popowska. Two following chapters present banking environment for small firms. Glodek tries to explain why owners are reluctant to take

loans. His report from the investigation in Lodz region is preceded by explanation of different approaches to analyse the finance use decision. On the other hand, Moore is looking at the financial problems from a different point of view. He proposes new solutions for smaller firms financing which should suite both owners and bankers – pooling financial needs.

From the description of SMEs situation in different countries presented above there comes a conclusion about the necessity of support systems for those firms. This is the leitmotiv of the last part of the book. Miettinen explains how the mentoring programme operates in Finland. He stresses the need for continuity of such a programme. Moreover, he also highlights the importance of training mentors in order to increase and update their knowledge not only with regard to how to manage firms, but also how to build a fruitful relationship between a mentor and a mentee.

Starnawska provides some information about supporting networks in Poland as well as in other countries (Denmark, Japan, Germany, New Zealand and others). She postulates for undertaking an effort to evaluate the efficiency of such networks in supporting SMEs sector.

Ropega looks more closely at one type of the supporting programmes that aims at increasing knowledge among potential owners-managers in Poland. He stresses the importance of initial process in a small firms creation stage which influences the future activities of such entities. That is why, in his opinion, such programmes as workshops, pre – incubation and cooperation between academic and business will result in higher survival rate of small firms in the future.

New information technologies and the opportunities they create for SMEs in Lithuania are investigated by Pabedinskaite and Jurkenaite. Their thorough analysis of small firms situation and their environment in Lithuania is very interesting as there are not many publications on this topic. Additionally, a description of different models of e-business is given along with data on the use of e-business in Lithuania. There are some barriers cited by the authors (lack of security, insufficient IT development, low customers demand etc), but nevertheless the number of owners-managers using this helpful tool in their business is increasing.

Wallmon looks into very significant and complex issues regarding family businesses. Their importance for modern economies calls for an adequate support for them. In this chapter all considerations are made with regard to Sweden, but they can be easily applied to any other country.

The role of SMEs in contemporary economy is getting more and more attention. New forms of enterprises emerge, the complexity of relationships increases and new trends are set by internationalisation and globalisation processes. Along with the increased attention of researchers, new problematic aspects are identified and explored. This publication is aimed at making the readers acquainted with the current problems faced by enterprises operating in modern economy and inspire them to further investigations in this matter.

