
From the Editors

This special issue of the journal tries to shed light on how innovation processes occur in less developed regions by examining which factors affect these processes and how they differ substantially between the less developed and the more developed areas in Europe. There are significant differences in innovation capacity among the lagging-peripheral and the more developed regions. Recently, the downgrading of traditional manufacturing and districts-based models in Europe has also highlighted the importance of enhancing relationships between the global and local-regional networks of entrepreneurs and innovators. The transfer of resources alone is not enough to create competitive regional economies in a global world. In this regard, innovation policy may be crucial in designing new paths for development and increasing innovation in peripheral regions.

The issue consists of six articles. All of the papers focus on analyzing various aspects of the less developed and peripheral areas within a European context, and look at innovation issues from different research perspectives and methods. In particular, four papers are related to innovation in SMEs and Smart Specialisation Strategy, innovation and the regional allocation of coordination–participation in projects across EU regions, innovation policy and firm absorptive capacities, and innovation linkages with path development in rural areas. One article is based on the relationship between family firms and the propensity to invest in innovation, comparing the more and less developed macro geographical areas. The final paper concerns the nexus between policy planning and the local business ecosystems' innovative and competitive competence.

The first paper by Lukasz Arendt and Wojciech Grabowski focuses on indirectly assessing the impact of innovation policies conducted in Polish NUTS 2 regions within the framework of Regional Innovation Systems and Smart Specialisation Strategy. Interestingly, the authors combine firm-level data with meso data in a multilevel setting and observe that Polish SMEs in less developed regions mostly depend on in-house capabilities, rather than on regional innovative potential, to introduce different types of innovations. Another observation is that Polish SMEs are more likely to innovate if they have an R&D department, a higher quality of labor, realized investments and

they use ICT. Finally, regional policies in these less-developed regions should focus more on linking firm-level factors with regional innovation systems, so as to enhance companies' innovation capacity.

The article by Pedro Varela-Vázquez, Manuel González-López and María del Carmen Sánchez-Carreira presents a consistent descriptive analysis concerning the regional allocation of coordination and participation in projects under the 6th and 7th Framework Programmes (FPs), as well as the funds allocated by the ongoing Horizon 2020. By comparing the 6th and 7th FPs, the authors show the existence of a slight reduction in the disparities, in particular, due to the higher participation of regions from Spain, Portugal, and Italy. The results show some interesting insights, as it emerges that developed regions account for most of the participation in projects and funds from the FP instruments. Concerning less developed regions, an uneven geographical distribution of projects and funds leads to the reinforcement of pre-existing industrial and innovation hubs.

The third paper is by Marco Pini. The author investigates whether, in less developed regions, family businesses run by outside managers show a higher propensity to innovate (investing in Industry 4.0) than those where the managers are family members. This research focuses on the impact of digital innovation between the less developed Italian regions (Southern) and the more developed regions (the Centre-North). The results show that in Southern Italy, family businesses are more likely to invest in digital technologies when the firm is run by an external manager and spends on R&D. However, in less developed regions, R&D requires new competencies and capabilities. Hence, innovation policies should be based on specific "innovation patterns" defined within individual regions, not only in terms of R&D incentives, but also in encouraging a policy mix approach that is not entirely based on R&D and technology issues.

The fourth paper, written by Agnė Paliokaitė, refers to the "regional innovation paradox," i.e. the low absorption capacity of public funds for innovation shown by less developed region. The author has carried out an analysis of innovation policies applied to central and eastern European countries between 2007 and 2013. She finds that policies hardly promote structural changes as they mainly focus on improving the capacities of mature sectors and on adopting existing technologies. In this sense, the results suggest that a more tailored approach to innovation capacity building is needed, taking into account the current capacity levels within the target groups.

The fifth paper, by Merli Reidolf and Martin Graffenberger, analyses the role of local resources for firm innovation and path development in rural areas. Based on the case of Estonia, they find that rural resources (physical, human, immaterial, social and community, and financial) have the potential to extend and upgrade regional development paths, and to enrich existing

paths with additional functions. However, merely relying on rural resources to facilitate substantial changes in regional paths does not suffice.

Finally, the sixth paper which has been written by Charis Vlado and Dimos Chatzinikolaou analyses the case of business ecosystem policy from a physiological and evolutionary perspective, the so-called “Strategy, Technology and Management” which represents the organic center of the produced innovation, inside a socioeconomic organism. By studying the case of the Eastern Macedonia and Thrace region, one of the less developed regions in Greece, they present an introductory and qualitative field research. The authors outline a new possible direction for policy planning and implementation in order to expand the local business ecosystems’ innovative and competitive competence, especially in the context of a less developed region, by the usage of the ILDI (Institutes of Local Development and Innovation) mechanism.

We would sincerely like to thank the authors for their contributions to this special issue. The articles offer us the opportunity to evaluate various facets underneath innovation issues within the context of different peripheral areas. We also thank all the reviewers for their commitment, and for contributing to improving the quality and reliability of the articles. Finally, our special thanks go to the Editor in Chief, Prof. Anna Ujwary-Gil, for her tireless and valuable effort in producing this journal. And, lastly, we hope that all of our readers around the world find these articles an inspiration to conduct more research on these topics in the future.

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