



Research Article

Leadership Strategies for Implementing Innovation in Romanian SMEs

Daniel RUSU and Maria FRANGIEH

Bucharest University of Economic Studies, Bucharest Romania

Correspondence should be addressed to: Daniel RUSU; rusumdaniel@gmail.com

Received date: 30 March 2021; Accepted date: 21 June 2021; Published date: 30 August 2021

Academic Editor: Marius Daraban

Copyright © 2021. Daniel RUSU and Maria FRANGIEH. Distributed under Creative Commons Attribution 4.0 International CC-BY 4.0

Abstract

In this article, the main stated objective is to explore the specific innovation strategies used in SMEs by responsible leaders in order to implement innovation to meet the established performance objectives. The case study involved managers of randomly chosen SMEs, who have experience and practice extremely relevant in the specific process of implementing innovation in the companies they lead. In order to understand, to obtain a leadership vision and a better perspective of the necessary innovation strategies in order to improve the obtained results, related to the assumed performance objectives, the interviews with the participants were carried out. Detailed and complementary research of internal documents, policies, procedures and press releases provides very special information on the implementation of innovation practices in the workplace which supports the optimization of productivity compared to the performance objectives set compared to the results obtained. It is especially important the role played by senior management in order to identify customers as fundamental resources for the organization, recognizing ideas as a starting point for innovation and promoting innovative organizational culture.

Keywords: Innovation, Leadership, SMEs, Strategy

Introduction

According to Katua (2014), small and medium enterprises (SMEs) are the engine of growth and development from an economic point of view, because they show a decisive contribution to the production of gross domestic product of each country and represent the largest employer in the world. According to Xie et al. (2013), although several

studies have been conducted on innovation in SMEs in developed countries, there is certainly not much information on innovation in SMEs in developed countries. Al-Ansari et al. (2013), in a study conducted in Dubai, acknowledged that innovation has had a positive impact on the performance of SMEs. Even in these conditions, the respective authors failed to study the way in which the SME managers used the innovation in

order to improve the organizational performances or to increase the organizational profitability.

Improving performance is achieved with the help of the potential of innovation. Under these conditions, an inefficient and defective implementation of innovation does not produce the expected results, especially for SMEs. According to Shrirame and Soni (2015), SMEs are a significant part of global and local economies and worldwide represent almost 90% of all companies. According to Arshad and Arshad, (2019), Xie et al. (2013), despite the roles played by SMEs in the global and local economy, very few researchers have managed to address the topic of implementing innovation in SMEs, especially in SMEs in the developing countries. The lack of research into the implementation of innovation in SMEs operating in developing countries calls for further studies to address this inconsistency. This research is particularly important due to the lack of studies dealing with the issue of implementing innovation in SMEs and especially in SMEs in emerging market economies. The results of this study may contribute to global and local economic growth. Examining specific strategies for the successful implementation of innovation in SMEs could lead to effective and beneficial guidance for SME managers. They can use them with real success in order to achieve the performance objectives assumed by the companies they lead. In order to increase competitiveness and improve the performance of SMEs by implementing innovation, company managers can use the results of this research.

The objective and question of this research

Despite the fact that SMEs in Romania represent 97% of all enterprises, innovation is implemented in only 14% of them. The absence of specific innovation strategies frustrates the efforts of SME managers in achieving the performance objectives for their companies and implicitly affects their performance. The purpose of this multiple qualitative research was to explore the strategies that successful SME managers use to implement innovation in the organi-

zations they lead to achieve their performance goals. The target sample used was represented by six managers from five SMEs in Romania, who managed to successfully implement innovation within the organizations they manage in order to achieve the assumed performance objectives.

For this research, the general question used was the following:

RQ1. What are the strategies used by SMEs to implement innovation to improve performance?

To answer this question, a multiple qualitative case study was used.

Sampling and design of research

The strategies used by successful SME managers to implement innovation in the organizations they lead in order to achieve the assumed performance objectives are explored with the help of a qualitative methodology underlying this research. Given the exploratory feature that defines this research and due to the lack of information on the innovation of SMEs in developing countries (Xie et al., 2013), this qualitative research was more indicated than mixed research or quantitative research. The design required for the research related to this study is represented by a multiple case study. In the opinion of Yin (2018), the use of a multiple case study project is indicated in the situation where the researcher exposes various cases under study in the absence of clearly expressed boundaries between context and phenomenon. Moreover, according to Yin (2018), the design of this case study is suitable for gathering important and rich data using those questions related to a current process over which the scientist has no control.

The approach in order to collect preliminary data and information consisted in conducting semi-structured face-to-face interviews. In the opinion of Yin (2018), those participants who have correct knowledge and are very well informed can contribute with important data to the study. In order to choose the participants, sampling is used intentionally. The selected population is made up of those SME managers who successfully

implement innovation in their organizations. According to Gibbins et al. (2014), interviews could be extended with new participants until new information no longer appears. A data saturation was obtained when six managers from five distinct SMEs were interviewed.

A review of academic and professional literature: In this review of the literature, the article used a meditative and reflective treatment of different and diverse studies related to the way in which innovation influences the performance of SMEs worldwide and the way in which the managers of those SMEs gain from implementing innovation. The article focuses on the role of SME managers in cultural change and innovation, the role of innovation in improving the performance of SMEs, the role played by SMEs in economic growth and development, the definition of innovation, SMEs from Romania, the theory of resource-based vision (RBV) and the theory of company development.

RBV theory and company development theory

The theory of company development was created and developed by Penrose in 1959 (Penrose, 1959). In the opinion of Kor et al. (2016), Penrose helped both indirectly and directly develop the fundamental notions presented by the current RBV of companies. Moreover, Bauman-Vitolina and Cals (2013) established that the theory of company development requires both the use and realization of resources as a necessary and imperative condition for growth and development. The realization and constitution of resources implicitly defines the existence and presence of resources while their use is the way in which managers in SMEs implement resources. In conclusion, one can conclude Penrose's vision regarding the company through the existence of adequate resources but also through the appropriate use of those resources. When Wernerfelt (1984) initiated and used the concept of RBV regarding the company, he stated that companies are able to achieve performance and success of above average value when they recognize, establish and acquire a critical set of resources. However, Wernerfelt

did not provide authorizations and competencies regarding the method used by SMEs to search for new resources or to combine existing resources in different ways. Under these conditions, Barney (1991) refined and styled the RBV theory by characterizing the specific defining elements regarding the critical resources. Barney (1991) stated, in this particular refinement, that firms would be able to achieve and sustain their competitive advantage only to the extent that they had irreplaceable, inimitable and scarce resources (VRIN).

Barney (1995) also presented a better and more efficient version for the VRIN model under the name of VRIO after the introduction of two changes. According to Barney, imitation can occur when resources are duplicated or when those resources are substituted. In conclusion, in the VRIN model, Barney replaced "I" and "N" with a single "I". Also, the existence of VRI or VRIN resources alone is not enough, according to Barney. In order to utilize VRI capabilities and resources, firms are required to implement an "O" form of organization (Barney, 1995). Organizational resources contain a formal reporting structure, specific management control systems and compensation policies. The change of the VRIN type model into the VRIO type model is determined by the introduction within the RBV theory of the organization dimension.

The RBV theory is right in order to study how to implement innovation in SMEs by examining the way in which these companies use their capabilities and resources for innovation. In the opinion of Carraresi et al. (2016), innovation is one of the specific capabilities of SMEs. Moreover, according to Bauman Vitolina and Cals (2013), the ability to produce innovation belongs to special skills and responsibilities, particularly difficult to imitate by other companies. In conclusion, in the opinion of De Zubielqui et al. (2014), innovation acts as a mediator between performance and resources. According to Hadjimanolis (1999), RBV theory applies mainly to SMEs, because the company's resources implicitly dictate the level of innovation. According to Eniola and Ektebang (2014), RBV theory manifests a special

specificity regarding the study of the significance of intangible assets, such as experience and managerial skills. The RBV theory, administered in this research, states that the recommendations proposed by this theory are likely to facilitate participants to explore the strategies used by SME managers to implement innovation in their organizations to achieve specific performance objectives.

The nature and specificity of SMEs

Today there are quite different definitions given to SMEs, definitions that are correlated with different criteria. There is still no unified and common definition for SMEs (Berisha and Pula, 2015; Ndesaulwa and Kikula, 2016). Although the definitions differ between organizations and countries, there are several common factors that define the size of some enterprises. For example, in the opinion of Ndesaulwa and Kikula (2016), the total investment, the total turnover as well as the total number of employees represent the parameters that substantiate the definition given to SMEs. Similarly, according to Petkovska (2015), the definition given the size of an enterprise is in direct accordance with the net profit obtained, total assets, annual revenues and the total number of employees. According to Katua (2014), the definition given to SMEs is correlated with the size of the balance sheet, income or the total number of employees.

Various statistical agencies, institutions, organizations, banks and governments have defined SMEs differently. For example, according to Katua (2014), in Canada and the USA, SMEs can have a maximum of 500 employees. According to the European Commission, (2014), an SME in the European Union can employ up to 250 employees, can have an annual income of up to 50 million euros and / or a total asset of up to 43 million euros. Even in these conditions, several European countries propose different definitions for SMEs. According to Katua (2014), in Germany an SME can employ a maximum of 250 employees, and in Belgium the maximum number of employees in an SME should not exceed 100. Pakistan is another different case due to the lack of a common definition given to SMEs. According to

Syed et al., (2012), the Provincial Departments of Labor, the Federal Bureau of Statistics and the State Bank of Pakistan use different definitions of SMEs. Each organization or government can express its own definition of an SME. These differences can lead to misalignments and misalignments in the effort to support and sustain SMEs. In defining and classifying SMEs, a unifying and unitary principle can consistently support the research of strategies for growth and development of performance in SMEs by achieving significant associations in the literature.

In addition to the financial factors as well as the number of employees that the company establishes, the definition given to SMEs is also influenced by the field in which the SME operates. According to Katua (2014), the reasoning on which this is based is related to measuring the size of the enterprise in correlation with the market and the sector. For example, in Romania, in the production sector, an SME can have a maximum of 250 employees.

The role of SMEs in economic development: Both in developing countries and in developed countries, SMEs make a major contribution to the economy. The essential role played by SMEs in the process of growth and development of national economies is underlined by Nitescu (2015). SMEs have been described by Eniola and Ektebang (2014) as the driving force for economic growth and development. In the opinion of Mabhungu and Van der Poll, (2017); Valaei et al., (2017), the role played by SMEs in the process of development and economic growth has multiple aspects and indirectly derives from various factors such as contribution to GDP, poverty reduction and job creation. A strong SME sector reduces poverty, optimizes the state of the economy, reduces unemployment, creates new jobs and develops innovation.

Most businesses around the world are SMEs. According to Shrirame and Soni (2015), over 90% of all enterprises in the vast majority of countries are represented by SMEs. Similarly, according to Çela and Gaspari (2015), within the European Union, nine out of ten enterprises are represented by SMEs. According to Bayarçelik et al.

(2014), out of the total number of enterprises present in Italy, France and Japan, respectively, 99% represent SMEs. Moreover, according to Arshad and Arshad (2019), almost 90% of all enterprises in Pakistan are SMEs. Given that more than 90% of all enterprises worldwide are represented by SMEs, they make a significant contribution to the GDPs of those countries. Therefore, according to Katua (2014), the contribution of SMEs to national GDPs is 55, 60 and 57% in Japan, China and Germany, respectively. Moreover, according to Pulka et al., (2018), SMEs in South Korea as well as those in Singapore contribute 55 and 49%, respectively, to national GDP. According to the Organization for Economic Cooperation and Development, (2017), within each country of this organization, SMEs make a contribution between 50 and 60% to the national GDP for each country. Given that they are a strong contributor to GDP and illustrate the largest population of enterprises, SMEs are true job seekers and also represent the majority of employers. According to Olughor (2015), almost 75% of the total workforce present in any country is employed by IMs. In agreement with Çela and Gaspari (2015), Katua (2014), within the European Union, two out of three employees are employed by SMEs. In conclusion, in the sustained efforts to reduce unemployment by creating new jobs, reducing poverty and improving living conditions, a particularly important role is played by SMEs.

The importance of innovation and SMEs in the EU economy

According to the Annual Report on SMEs for 2017/2018 prepared by the European Commission, SMEs illustrate 99% of all businesses operating in the EU non-financial enterprises sector, representing 66% of all jobs, as well as 57% of value added in the EU non-financial firms' sector.

Horizon 2020 is the eighth framework program developed for research by the EU. It has a budget of 76.4 billion euros, estimated for the entire period from 2014 to 2020 and illustrates the largest public program in the world for innovation and research. This unique program places a strong emphasis

on innovation, greater than any of the previous programs, providing substantial funding to promote entrepreneurship through innovation as well as for specific development and research activities, testing and development of prototypes accomplished through initiatives of enterprises. The SME Instrument was developed through the Horizon 2020 research framework program with the stated aim of supporting innovation in SMEs. It provides non-reimbursable financing to companies with high potential, with the aim of supporting the process of developing a feasibility study (phase 1) as well as in carrying out development, research and market testing activities (phase 2). Moreover, it provides assistance through specific in-road and mentoring activities or through complementary services necessary for the development of the enterprise (phase 3). The SME tool creates an element of originality, as it allows companies belonging to this segment to assist as sole beneficiaries, not being part of a specific consortium, as, in principle, it stipulates the framework programs for researchers. The budget allocated to the SME instrument is EUR 3 billion, representing 33% of the target set for SMEs throughout this Horizon 2020 program. The Europe 2020 strategy emphasizes the importance of innovation in terms of employment as well as activating growth in the EU. A flagship initiative of the strategy is re-presented by "an Innovation Union" which aims to "form an environment conducive to innovation, in which formidable views can be more easily translated into services and products that produce jobs and economic growth.

Definition of innovation

The definition given to innovation has always been a complex one, the last ten years adding to this confusion rapid changes in the technological, social and political facets of life. For example, scientists in Italy, from the Research Institute for Sustainable Economic Growth, the National Research Council (CNR-IRCRES, 2018) define innovation as something that is simultaneously complex and simple. They are listed by Popa et al. (2010), 17 different definitions given to innovation. According to Bertoni and

Tykvová (2015), innovation is defined as an economic application for an invention made with the help of a financial transaction involving the new service, product, process or device. According to Moen et al. (2019), as the number of patents as well as the necessary innovation measures such as development and research are not administered for all firms, it is very possible that they do not correspond to an appropriate measure for innovation. Moen et al. (2019) used the intrinsic perceptions of managers regarding the specific innovation activities carried out in their enterprises. The conclusion that the definition given to innovation could differ in different managers appears precisely due to the use of managers' perception in measuring innovation. The diversity and complexity that characterize the term innovation could be the main reasons that ultimately determine the large number of definitions given to innovation.

Despite the diversity of multiple characterizations and definitions given to innovation, there are several common repetitive specificities within these definitions. For a start, innovation implies change. The degree of change also determines the category of innovation, for example radical and incremental. The change could also involve the introduction of an improvement. In other words, the change could create a certain added value for the user. Last but not least, innovation can go beyond a simple introduction of ideas in the realization and implementation of added value. In conclusion, we can describe innovation as the process of implementing change that establishes optimizations and provides the user with a certain added value.

The attributions of innovation in optimizing the performance of SMEs

According to Farsi and Toghraee (2014), innovation is a significant element for the growth and survival of SMEs. According to Hajar (2015), innovation has a positive influence on the company's performance. According to Kotey (2014), Schiliro (2015), in the longer term, the success of SMEs is closely dependent on their innovation. Where innovative culture is associated with a good strategy, this is a superior approach

to improving performance in SMEs. According to Boachie-Mensah and Acquah (2015), innovation is a corporate strategy that could lead to a competitive advantage by building a good reputation, optimizing market performance and producing much better products. According to Ndesaulwa and Kikula (2016), in the longer term, only companies that prove to be innovative will be able to survive risky and turbulent environments and will also be able to continue to remain efficient and effective in meeting customer requirements. According to Ndesaulwa and Kikula (2016), even if innovation is not sufficient to ensure the success and survival of SMEs, it is still a particularly important element in achieving the success of SMEs. In conclusion, SME managers need to embrace innovation as an integral and constitutive section of their business strategies.

The role of SME managers in cultural change and innovation

Innovation management is a particularly important research sector because of the contribution it makes to the optimization process in terms of gaining a competitive advantage. According to Shafique and Kalyar (2018), leaders who manifest a clear conception are able to stimulate their employees to surpass and advance what is required of them and thereby innovate. According to Schiliro (2015), innovation is much more than anything else about mentality and culture. According to Zhai et al. (2018), within the companies they run, SME managers are forced to particularly promote risk tolerance and the spirit of innovation. Also, in the opinion of Naranjo-Valencia et al. (2016), organizational culture that is related to behavior and people can hinder or encourage innovation. In conclusion, SME managers must make efforts and intentional efforts to manage and encourage innovation.

Adaptation and examination of data collection

The data sources used were primary as well as secondary. The main source used is the semi-structured interviews with SME managers who have successfully implemented innovation in the organizations they repre-

sent. Absolutely all the interviews were conducted in the second half of 2019 with managers of SMEs in Romania. In order to direct the interviews of this study, we developed a certain interview protocol. All interviews consisted of eight main questions, with some analysis questions after absolutely all the main questions. In order to improve the credibility of the study, the research of each member was used with priority to certify that the answers of all participants represent the basis for studying the data obtained and not the prejudices of the researchers. The collateral source of information was represented by press releases, review sites, websites owned by SMEs as well as internal documents of SMEs. In order to improve the validity through methodological triangulation, we used secondary data.

A unique challenge occasioned by qualitative research is represented precisely by the specific organization of the data collected for research. According to Houghton et al. (2015), in qualitative research, researchers use software dedicated to data-assisted qualitative analysis in order to manage the overwhelming data obtained from research. In order to analyze and organize all the data collected, we used Microsoft Excel and Microsoft Word. For each of the participants, in order to ensure confidentiality, we used a certain unique alphanumeric symbolization. Therefore, P1C1 refers to the first participant in the first SME and identically, P × Cy refers to the × participant in company.

For the data analysis stage, the five-step Yin protocol was followed. In order to guarantee the confidentiality and the private character, we reproduced the interviews alone, in the compilation stage. I used Microsoft Excel to group the codes by topic as well as Microsoft Word to encode the data, immediately after the interview transcription stage. The transcripts of the interviews were split into information and a unique coding was given to each piece of information during the disassembly stage. This re-assembly and reassembly step includes resetting the data that are encoded within different groups. The codes were rearranged and the emerging patterns or themes were observed. In the data interpretation stage, this interpretation was made by striving to constitute a

new narrative that would more comprehensively describe all the data that are collected. Based on the interpretation of the themes as well as the resulting codes, the conclusions obtained were supported during the closing stage.

According to Guba (1981), there are four main criteria absolutely necessary in order to judge the rigor of qualitative research, namely: confirmability, reliability, transferability and credibility, respectively. In the opinion of Leung (2015), these criteria supported by Guba have a wide acceptability regarding the evaluation of the quality of qualitative research. In order to demonstrate the reliability and validity of the study, we used these criteria of Guba. The necessary strategy used in terms of study reliability is made up of several and more diverse actions. For a start, the details necessary to carry out the study were recorded and established in order to allow other interested researchers to repeat it them and to access similar conclusions. We also used a methodological triangulation in order to analyze the data collected with the help of interviews, in correlation with secondary data sources. Moreover, in order to capture the correct and exact details that the participants wanted to communicate but also to obtain feedback from them, we revealed the entire analysis to all participants. In order to improve credibility, data from press releases, website reviews, SME websites as well as SME internal documents were used as secondary data sources, and naturally we researched the connection between these data sources. We have provided a detailed characterization of the specific context of this case study that will allow readers to make informed decisions regarding the recommendation to apply the findings to other case studies. The data saturation limit was reached when six managers from five different SMEs were interviewed.

Description of the findings

The examination of secondary and primary data resulted in five important topics. A strong impact in terms of the successful implementation of innovation has a corporate culture, which in turn is seriously influenced by SME managers.

Theme number 1: the attributions of innovation in the process of survival and competition

According to Farsi and Toghraee (2014), innovation is a significant and necessary element for the growth and survival of SMEs. In this direction, all participants noted that innovation is the main element needed to grow and develop a competitive attitude on the part of the company. The need of SMEs to have the strength to offer and specially to create a recommendation with a special significance to the competition and which also encourages profitability and future growth are aspects equally highlighted by the participants. Furthermore, the participants highlighted the requirement that in order for SMEs to receive and accumulate opportunities, they are obliged to differentiate themselves. Finally, according to the participants, in the absence of innovation, competence and survival training become very important when SMEs are a technology company. This is because technology companies are simply forced to keep up with the progress of technology at a much faster pace than other companies. This topic appears 46 times in the transcripts of the interview and represents 16% of the total

In the opinion of Asare (2014), by absorbing innovation within their organization, SME managers can develop their competitiveness skills. According to Hajar (2015), innovation has a positive influence on the company's performance. According to the P1C3 coded participant, in order to survive in a technology-only market, innovation should be positioned within the specific DNA of the organization, given the rapid change in technology.

According to De Zubielqui et al. (2014), innovation manifests itself and acts as an element of mediation between performance and resources. Some interviewees used innovation to gain a competitive advantage, to improve response and ordering speeds, and to automate existing processes, by differentiating the company from other similar companies. When an existing process is automated, it saves effort for employees, improves the customer experience, saves valuable time for customers and employees as

well as paper for the company. The innovation was used by the other participants in order to transform the disadvantages into advantages, in order to differentiate the company from other companies and also to be able to quickly increase the delivery speed. The innovation was used by each participant for a different reason and in a different way. Among the main driving factors in terms of innovation, we can list the optimization of efficiency, cost reduction, a differentiating factor and gaining competitive advantage. Together, all of these vectors contribute to better performance.

Within the competition, the RBV theory aligns with the attributions of innovation. One of the inimitable (I) and rare (R) resources is represented by innovation. According to Barney (1991), the implementation of a single strategy to build value generates competitive advantage and the sustained competitive advantage occurs when a single strategy for value creation is implemented, a strategy that in no way can be copied by other companies. According to Baumann-Vitolina and Cals (2013), the ability to produce innovation belongs to special skills, very difficult to duplicate from other companies. According to Norek (2014), many specific innovation activities in SMEs become inefficient. In conclusion, innovation is a rare (R) resource that only a few SMEs have. Resources that are difficult to duplicate from other firms are inimitable and scarce resources (R). According to Barney (1995), if firms can use their inimitable, scarce and valuable resources, they could achieve and sustain their competitive advantage. In the opinion of De Zubielqui et al. (2014), innovation functions and acts as a functional mediator between performance and resources. By using VRI resources within their companies, innovation can be used by SME managers to gain a sustainable competitive advantage. The crucial role that innovation plays in terms of survival as well as SME competition is in line with the VRIO framework in RBV theory.

Theme number 2: to achieve innovation, the starting points are represented by ideas

The importance of a good concept or a special idea as a starting point for their innovation was emphasized by each of the participants. The most important starting point for innovation is the ideas, as mentioned by the participants. For example, some participants considered that the foundation of a business's success is the overriding idea. According to Rua and França (2017), innovation is the encouragement of new ideas and creativity that are able to lead to new products, services and processes. Ideas make a major contribution to successful innovation. That topic appears in the transcripts of the interview 26 times, representing 9 percent of the total codes

The innovation-specific process has several special and distinct phases. In the opinion of Heikkilä et al. (2018), each innovation process consists of the following four distinct stages: the initiation of innovation, the representative idea, the experimentation of the idea and the implementation. In an identical way, according to Perry-Smith and Manucci (2017), the journey of innovation begins with the generation of the idea and ends with the stage of implementation of that idea. Similarly, Grzegorz and Robert (2018) defined the fact that the first step in the innovation process is the identification of ideas. In conclusion, the generation of ideas or the idea represents the first step that follows the initiation stage of the innovation requirement determined by some defining and characteristic needs. Considering all these aspects, in the absence of an adequate and eloquent implementation of the ideas, it is not possible to achieve and implicitly obtain innovation. According to Halim et al. (2014), innovation is the efficient implementation of a good idea. In order to innovate, the main indispensable and imperative condition is a good idea. In order to obtain the advantages presented by innovation, it is necessary to implement a good idea.

Ideas can come from different sources, such as customers, employees but also senior management. In conducting the interviews,

all participants found that most of the ideas they expressed had as their main source of inspiration the specific needs of employees and customers, with the aim of achieving customer experiences without hindrance and improving conditions. According to Benbya and Leidner (2018), large companies such as Citibank, Shell and IBM, are accumulating a number of innovative ideas from business partners, employees and customers. In the opinion of other participants, the design of ideas can be done by visualizing the problems in different ways. Many times, the use of an old idea in a new way has justified the emergence of innovation. Even though the participants used various methods to obtain and generate ideas, all these participants agreed on the primary role that ideas play in obtaining innovation.

According to Hargadon and Sutton (2000), the main particularly valuable resources that a company has are mainly represented by ideas as well as by the innovation generated by them. In the opinion of De Zubielqui et al. (2014), ideas can generate a certain impact in terms of firm performance only insofar as innovation plays a mediating role on these ideas. According to RBV theory, ideas are considered valuable resources that have the ability to improve a company's performance. Given that innovation-producing ideas are valuable resources, they have the ability to provide a certain competitive advantage to companies. Even in the situation where other different companies strive to reproduce exactly the same ideas, the unique way of implementation, mediated by innovation, of those ideas produces inimitable, valuable and even unique results. The difference is made precisely by the way in which these ideas are implemented, used and encouraged through organizational innovation. The inimitability as well as the originality of the resources generate the obtaining of the sustainable competitive advantage and the valuable and unique resources offer competitive advantages to the companies. In conclusion, according to the RBV theory, the company generating ideas necessary to fuel innovation will undoubtedly be able to obtain the sustainable competitive advantage.

Theme number 3: the role presented by top management in promoting innovative culture

Almost 49 percent of all codes generated from the data provided by the interview are related to the role of corporate culture and top management in promoting innovation. In total, the participants agreed on the key role played by corporate culture in facilitating and supporting the innovation implementation process. According to Szymańska (2016), corporate culture is the unmistakable, inimitable and unique feature for every organization, with a consistent influence from senior management. According to Sattayaraksa and Boon-itt (2018), managers can encourage employees to develop and implement ideas through open communication with employees. As we specified in Table 2, the topic appears 137 times in the transcripts of the interview, which represents 49 percent of all codes (Table 3). Under this title appear the following four sub-themes, namely: ideas from employees, tolerance of failure and tolerance for risk, corporate culture and clear objectives. These sub-themes are fully connected with the help of innovative corporate culture as well as the influence of top management in the direction of drawing such an innovative culture. Table number 4 includes the percentage and number of occurrences related to the four sub-themes. According to Nwosu et al. (2016), the insufficient focus on business as well as the absence of extremely clear missions and visions regarding SME managers lead to the failure of some SMEs. According to Wikhamn et al. (2018), managers can encourage the implementation process in terms of innovation by accepting and admitting flexibility, communicating the strategy to employees as well as by characterizing and defining an explicit strategy for innovation. According to the opinion of all participants, before the start, it is absolutely necessary to set a certain goal.

Also, according to the participants, the most important thing is to have a certain vision. According to Shafique and Kalyar (2018), employees can be stimulated by leaders who show a clear vision in overcoming each time the tasks required to be performed and also to be able to innovate. Moreover, in the opinion of the participants, the company

must show a realistic vision. For example, many SMEs have visual cues, which set out the brand values, the purpose of the brand and the stated ambition of that brand, respectively. A duplicate of the respective visual index is received by each of the employees. The transparency of all objectives entitles all employees to direct all their efforts in a single direction in order to achieve all the expected progress.

The strategic objectives assumed by the company must be supported and adjusted by the corporate culture. According to Maher (2014), organizational culture is a major factor that greatly influences the pace and cadence of innovation. According to Naranjo-Valencia et al. (2016), the organizational culture associated with people and especially with their behavior can hinder or encourage innovation. According to several participants, their recruitment process gives a greater weight in terms of the desire to adopt change and the attitude shown by the candidate. In this sense, it is especially important to be able to recruit employees who show a desire to gradually adopt the changes. According to Schiliro (2015), more than anything else, innovation is about mentality and culture. According to Szymańska (2016), there is often a cultural mismatch behind a relatively low level of implementation of innovation in SMEs.

According to Zhai et al. (2018), the spirit of risk tolerance as well as that of innovation is required to be promoted in SMEs by their managers. Moreover, according to many participants, top management only accepts mistakes as long as employees learn from them. In this context, most of the participants specified that they could accept mistakes but had to learn how to avoid them in the future. For example, different participants argued that when mistakes are made, it is especially important that they deviate from the mistake and move on. In the opinion of other participants, monthly competitions were organized for the selection of ideas. According to Olmos-Peñuela et al. (2017), managers have the necessary responsibilities to develop a culture of high innovation, by encouraging employees to present and support their ideas and by tolerating failures and mistakes when implementing those ideas.

In order to achieve the expected success of the innovation implementation process, the role of top management in the process of establishing an innovative corporate culture is particularly important. According to Sattayaraksa and Boon-itt (2018), by accepting employee disagreement and through sincere and open communication, managers can stimulate employees in the development and implementation of ideas. Some participants argued that, through the recruitment of employees from different backgrounds as well as from different countries, they supported diversity. In order to confirm this statement, the LinkedIn profiles of employees as well as companies - in order to establish the level of diversity - it was found that within the different groups of employees, eight such employees came from six different countries. In the opinion of Benbya and Leidner (2018), through the promotion of collaboration, diversity and experimentation, the culture of innovation can be encouraged by managers.

According to Szymańska (2016), corporate culture is the unique feature of each of the organizations and is mostly influenced by senior management. In conclusion, corporate culture cannot be easily copied by other companies. Moreover, it will bring added value to the company precisely that corporate culture that promotes innovation with priority. Resources that are non-transferable are able to support the competitive advantage while resources that are valuable can bring a competitive advantage to the company. In conclusion, RBV's theory is in full agreement with the importance of corporate culture in improving the company's performance.

Theme number 4: seeking honest feedback, evaluating ideas and testing ideas

In the opinion of the participants, absolutely always their CEO was open with each of the employees to discuss all the ideas, including the discussions about the concepts and ideas generated by him, which presented transparency and objectivity to rejection or acceptance. Rather, all participants guided that any kind of criticism and any kind of opinion from others should always be considered good feedback. In addition, in the

opinion of the participants, managers should identify all persons who do not agree with their opinion and at the same time seek the interpretation of the real reasons that support that disagreement. The respective topic appears 54 times in the transcripts of the interview, which represents 19% of all codes.

In the opinion of Nyoni and Bonga (2018), the lack of availability on the part of several SME managers to benefit from criticism as well as to comply and at the same time listen to these criticisms, is one of the true and consistent reasons for a high mortality rate among SMEs. According to Sattayaraksa and Boon-itt (2018), through a more open communication as well as by accepting the disagreement expressed to the employees, the respective managers can directly encourage and stimulate the employees in the implementation but also in the development of new ideas. In conclusion, SME managers could be much more receptive to differences of opinion and at the same time could encourage all employees to provide honest feedback.

In the opinion of Wikhamn et al. (2018), especially for the success necessary for innovation, it is particularly important and necessary to test new ideas. In this research, in the participant's opinion, he always tests the ideas on a small scale, in order to ensure that it can be detached. In order to establish and correctly determine the real potential for success, almost all participants mentioned the importance and need to choose the right people to try new products and the importance of their supervision in order to receive instant and correct feedback. According to Perry-Smith and Mannucci (2017), the journey of an idea resides in the following four distinct phases: the generation, elaboration, promotion and implementation of ideas. According to Perry-Smith and Mannucci, (2017), the process of developing ideas is a consistent evaluation of new ideas. In conclusion, SME managers could accept, for their own ideas, criticisms from their employees and, at the same time, could have a sincere and open discussion with them.

In the opinion of Hargadon and Sutton (2000), ideas as well as innovation obtained with the help of those ideas are considered as some of the extremely valuable resources that a company can have. Moreover, according to De Zubielqui et al. (2014), when ideas benefit from mediation from innovation, those ideas can have a significant impact on the performance obtained by companies. In total agreement with the RBV theory, the improvement of the performances obtained by a company can be achieved by considering and appreciating the ideas as valuable resources. Given that innovation-producing ideas are valuable resources, they can bring a competitive advantage to companies. Evaluating and testing ideas are effective ways to ensure that the idea has potential and value. RBV theory presents an alignment with the valuable resources represented by the ideas that present a real commercialization potential.

Theme number 5: the customer seen as a resource of the company

Customers represent a main resource of the company, being at the same time users but also buyers of those products. In the opinion of Tobiassen and Pettersen (2018), customers can make significant contributions to the innovation process from its beginning to its end. Also, according to Wikhamn et al. (2018), customers can be encouraged by SME managers in the direction of presenting ideas and direct participation in the innovation process through continuous communication. According to Tottie et al. (2016), in order to continuously improve their products, companies are obliged to achieve a continuous collaboration with their customers. That topic appears 37 times in the transcripts of the interview, representing 14% of all codes

In the opinion of Tobiassen and Pettersen (2018), in the innovation process, the effective involvement of customers provides the company with a complementary competence and at the same time brings solutions in full complementarity and compliance with the real needs and demands of customers. In the opinion of those stated, for example, by the participants in the study, they show special attention to their clients and want them to be treated as their friends are

treated. In the opinion of Fidel et al. (2016), when companies are engaged in continuous communication with their customers, they may be in a better position to respond and at the same time identify new market opportunities to their competitors, which will ultimately add value to the company and customers. In the opinion of several interviewees, the more difficult points as well as the specific needs of the clients represent an invaluable and valuable contribution for innovation. Moreover, in order to obtain a realistic feedback from customers about the products of the competition but also the products of the company, a large part of the participants used the review sites as well as the socialization ones.

A win-win mentality between the company and the customer is always a good relationship with customers. In the opinion of Ueki (2017), there is a significant correlation between product innovation and customer relationships developed. According to Abrell et al. (2016), the knowledge held by customers includes detailed information on the requirements in relation to new services or products but also on the difficulties caused when leaving certain services or products. According to Szymańska (2017), because companies could guarantee a certain level of sales and customers can meet their needs, obviously both companies and customers have to gain from direct communication. The proximity to the customer directly supports the company in order to improve several products from the current range and plan others in the future.

For a company, a customer can often be a substantial and valuable resource. In the opinion of Fidel et al. (2016), in order to improve innovation, companies can use the knowledge provided by customers as a strategic resource. In order to improve the current position held as well as to be able to compete in the future for a better position, the knowledge provided by customers can obviously be used by the company. Customers could be categorized as inimitable and valuable because they are different and offer a certain value to the company. In conclusion, the client as a source is aligned with the RBV theory. Moreover, according to Fidel et al. (2016), companies that are involved in continuous communication with

their customers could be in a better position to identify and respond, well ahead of competitors, to the new challenges and opportunities of the market. Such a capacity gives a certain sustainable competitive advantage to the company, an advantage aligned with the RBV theory.

Recommendations for future actions

SME managers, in order to adopt innovation, can assimilate the following guidelines, resulting from this study.

Stimulating employees in generating new ideas

To achieve innovation, ideas are real starting points. SME managers could encourage employees to appear every time one of them has an idea. In order to send an idea from employees, SME managers can provide various communication channels, such as regular meetings, monthly contests, certain idea reporting systems, a specific e-mail address for ideas or a simple box for suggestions. Encouraging and empowering employees in presenting ideas is a win-win situation for both parties, in which management receives free ideas that improve the performance of the company and employees will naturally feel the appreciation from top management.

Creating an innovative corporate culture

The main factor that influences the corporate culture is represented by the top management. In order to promote innovation, SME managers must initiate and develop a specific culture in accordance with their objectives. In order to promote innovation, it is imperative to admit and authorize employees to try and experiment with new things that could fail or succeed. In conclusion, SME managers could admit and accept a certain degree of failure but also a certain degree of risk.

Communicating and formulating clear objectives as well as a clear vision

For starters, the first thing SME managers could do would be to formulate clear goals as well as a clear vision needed for absolutely all employees of the company. Employees are encouraged to work precisely

because of the clarity of objectives. In addition, when a group of people focus on a certain set of clear goals, there is a better chance of achieving them.

Testing and evaluating new ideas

In order to achieve innovation, the starting points are always represented by ideas. But not all ideas can reach the marketing stage. SME managers could identify an objective way to evaluate all ideas, unrelated to the person who submitted the idea. After the evaluation stage, before full commercial implementation, SME managers could test those ideas. The objective of this test is given by the evaluation of the response received from customers as well as by the need to measure market needs. SME managers could identify new alternatives for testing, alternatives that have a minimal impact from a financial point of view.

Accepting criticism and identifying honest feedback

As a stage of evaluating ideas, SME managers are required to ask honest and especially sincere feedback from everyone else around them. A simple idea that comes from a CEO could receive a high rating just for coming from the CEO. By developing an objective but also transparent analysis in order to evaluate ideas, SME managers could avoid granting such a privilege. An alternative to gaining objectivity and transparency is achieved by exposing ideas without mentioning the holder of each idea. Rather than bypassing them, SME managers may find those different from them. A good source of new knowledge can be criticism.

Identifying and maintaining constant communication with customers

Strategic resources for companies are represented by customers as well as their knowledge. In order to benefit from these resources, SME managers must maintain constant communication with their customers. Customers have valuable information about the problems that current products have, information that can be used by SME managers to optimize those products. Based on the needs generated by their customers,

SME managers can more easily design future products.

Guidelines for further research

The results obtained from this research can support SME managers in formulating the strategies needed to implement innovation in their companies. The study population structure consisted of six SME managers from five SMEs. In order to choose the participants, the specific category or sector of the SME was not taken into account. Subsequent studies and research may analyze specific issues of innovation implementation in a given sector, such as telecommunications, construction, real estate, IT, trade, production or tourism. Such research addressed to a specific sector could lead to specific implementation strategies, with much greater relevance and addressability to that specific sector. In conclusion, such strategies could certainly be much more effective towards a particular sector than those identified in this research. Taking into account all categories of SMEs, micro, small and medium, studies can be much more optimally targeted and coordinated. A certain manager cannot fully implement all the conclusions of these research studies, given the limited resources. In conclusion, future quantitative studies could focus on identifying the link between these findings and optimizing the performance of SMEs. The actions with the greatest impact in terms of company performance could be identified by such a study.

References

- Abrell, T., Pihlajamaa, M., Kanto, L., Brocke, J. and Uebernickel, F. (2016), "The role of users and customers in digital innovation: insights from B2B manufacturing firms", *Information & Management*, Vol. 53 No. 3, pp. 324-335
- Al-Ansari, Y., Pervan, S. and Xu, J. (2013), "Innovation and business performance of SMEs: the case of Dubai", *Education, Business, and Society: Contemporary Middle Eastern Issues*, Vol. 6, pp. 162-180
- Arshad, M. and Arshad, D. (2019), "Internal capabilities and SMEs performance: a case of textile industry in Pakistan", *Management Science Letters*, Vol. 9 No. 4, pp. 621-628
- Asare, A. (2014), "Strengthening innovation performance among SMEs in Tema Metropolitan of Ghana", *OIDA International Journal of Sustainable Development*, Vol. 7 No. 9, pp. 19-28, [Online], (Retrieved October 10, 2018), <http://www.oidaijsd.com>
- Barney, J. (1991), "Firm resources and sustained competitive advantage", *Journal of Management*, Vol. 17 No. 1, pp. 99-120
- Barney, J. (1995), "Looking inside for competitive advantage", *The Academy of Management Executive*, Vol. 9 No. 4, pp. 41-61, [Online], (Retrieved July 2, 2019), <http://www.jstor.org/journal/acadmanaexe2>
- Bauman-Vitolina, I. and Cals, I. (2013), "Theoretical framework for using resource-based view in the analysis of SME innovations", *European Scientific Journal: Special Edition*, Vol. 1 No. 1, pp. 174-182
- Bayarçelik, E., Taşel, F. and Apak, S. (2014), "A research on determining innovation factors for SMEs", *Proceedings of the 10th International Strategic Management Conference*, Vol. 150, pp. 202-2211
- Benbya, H. and Leidner, D. (2018), "How Allianz UK used an idea management platform to harness employee innovation", *MIS Quarterly Executive*, Vol. 17 No. 2, pp. 139-155, [Online], (Retrieved November 17, 2018), <http://www.misqe.org>
- Berisha, G. and Pula, J. (2015), "Defining small and medium enterprises: a critical review", *Academic Journal of Business, Administration, Law and Social Sciences*, Vol. 1 No. 1, pp. 17-28, [Online], (Retrieved July 4, 2019), <http://iipcl.org/>
- Bertoni, F. and Tykvová, T. (2015), "Does governmental venture capital spur invention and innovation? Evidence from young European biotech companies", *Research Policy*, Vol. 44 No. 4, pp. 925-935
- Boachie-Mensah, F. and Acquah, I. (2015), "The effect of innovation types on the performance of small and medium-sized enterprises in the Sekondi-Takoradi metropolis", *Archives of Business Research*, Vol. 3 No. 3, pp. 15-46
- Carraresi, L., Mamaqi, X., Albisu, L. and Banterle, A. (2016), "Can strategic capabilities affect performance? Application of

- RBV to small food businesses”, *Agribusiness*, Vol. 32 No. 3, pp. 416-436
- Çela, M. and Gaspari, A. (2015), “Small and medium enterprises; where does Albania stand?”, *European Scientific Journal: Special Edition*, Vol. 1, pp. 114-126, [Online], (Retrieved July 15, 2018), <http://eujournal.org/index.php/esj/index>
 - CNR-IRCRES (2018), “The innovation guide for companies in the United Arab Emirates: towards UAE vision 2021”, [Online], (Retrieved August 19, 2018), <http://www.economy.gov.ae/english/Media-Section/Pages/Publications.aspx>
 - De Zubieli, G., Lindsay, N. and O’Connor, A. (2014), “How product, operations, and marketing sources of ideas influence innovation and entrepreneurial performance in Australian SMEs”, *International Journal of Innovation Management*, Vol. 18 No. 2, pp. 1-25
 - Dubai SME (2014), “The state of small & medium enterprises (SMEs) in Dubai”, [Online], (Retrieved September 13, 2018), http://www.sme.ae/StudiesAndResearchDocument/SME_Report_English.pdf
 - Eniola, A. and Ektebang, H. (2014), “SME firms’ performance in Nigeria: competitive advantage and its impact”, *International Journal of Research Studies in Management*, Vol. 3 No. 2, pp. 75-86
 - European Commission (2014), “A recovery on the horizon: annual report on European SMEs 2012/ 2013”, [Online], (Retrieved July 4, 2019), <http://ec.europa.eu/docsroom/documents/16149/attachments/1/translations/en/renditions/native>
 - Farsi, J. and Toghraee, M. (2014), “Identification the main challenges of small and medium sized enterprises in exploiting of innovative opportunities (case study: Iran SMEs)”, *Journal of Global Entrepreneurship Research*, Vol. 4 No. 4, pp. 1-15
 - Fidel, P., Cervera, A. and Schlesinger, W. (2016), “Customer’s role in knowledge management and in the innovation process: effects on innovation capacity and marketing results”, *Knowledge Management Research & Practice*, Vol. 14 No. 2, pp. 195-203
 - Gibbins, J., Bhatia, R., Forbes, K. and Reid, C.M. (2014), “What do patients with advanced incurable cancer want from the management of their pain? A qualitative study”, *Palliative Medicine*, Vol. 71 No. 1, pp. 71-78
 - Grzegorz, S. and Robert, S. (2018), “The use of marketing innovations among SMEs”, *Journal of Fundamental and Applied Sciences*, Vol. 10 No. 3S, pp. 257-267
 - Guba, E. (1981), “Criteria for assessing the trustworthiness of naturalistic inquiries”, *Educational Communication and Technology Journal*, Vol. 29 No. 2, pp. 75-91
 - Hadjimanolis, A. (1999), “Barriers to innovation for SMEs in a small less developed country (Cyprus)”, *Technovation*, Vol. 19 No. 9, pp. 561-570
 - Hajar, I. (2015), “The effect of business strategy on innovation and firm performance in small industrial sector”, *The International Journal of Engineering and Science*, Vol. 4 No. 2, pp. 1-9, [Online], (Retrieved March 15, 2018), <http://www.theijes.com>
 - Halim, H., Ahmad, N., Ramayah, Y. and Hanifah, H. (2014), “The growth of innovative performance among SMEs: leveraging on organisational culture and innovative human capital”, *Journal of Small Business and Entrepreneurship Development*, Vol. 2 No. 1, pp. 107-125, [Online], (Retrieved July 9, 2018), <http://jsbed-net.com>
 - Hargadon, A. and Sutton, R. (2000), “Building an innovation factory”, *Harvard Business Review*, Vol. 78 No. 3, pp. 157-168, [Online], (Retrieved September 5, 2018), <http://hbr.org>
 - Heikkilä, M., Bouwman, H. and Heikkilä, J. (2018), “From strategic goals to business model innovation paths: an exploratory study”, *Journal of Small Business and Enterprise Development*, Vol. 25 No. 1, pp. 107-128,
 - Houghton, C., Murphy, K., Shaw, D. and Casey, D. (2015), “Qualitative case study data analysis: an example from practice”, *Nurse Researcher*, Vol. 22 No. 5, pp. 8-12
 - Katua, N. (2014), “The role of SMEs in employment creation and economic growth

- in selected countries”, *International Journal of Education and Research*, Vol. 2 No. 12, pp. 461-472
- Kor, Y., Mahoney, J., Siemsen, E. and Tan, D. (2016), “Penrose’s the theory of the growth of the firm: an exemplar of engaged scholarship”, *Production and Operations Management*, Vol. 25 No. 10, pp. 1727-1744
 - Kotey, N. (2014), “Small business innovation in the hostile environment of Australia’s drought stricken rural communities”, *Australasian Journal of Regional Studies*, Vol. 20 No. 2, pp. 325-351
 - Leung, L. (2015), “Validity, reliability, and generalizability in qualitative research”, *Journal of Family Medicine and Primary Care*, Vol. 4 No. 3, pp. 324-327.
 - Mabhungu, I. and Van der Poll, B. (2017), “A review of critical success factors which drives the performance of micro, small, and medium enterprises”, *International Journal of Business and Management*, Vol. 12 No. 6, pp. 151-164
 - Maher, L. (2014), “Building a culture for innovation: a leadership challenge”, *World Hospitals and Health Services: The Official Journal of the International Hospital Federation*, Vol. 50 No. 1, pp. 4-6
 - Moen, Ø., Tvedten, T. and Wold, A. (2019), “Exploring the relationship between competition and innovation in Norwegian SMEs”, *Cogent Business & Management*, Vol. 5 No. 1, pp. 1-15
 - Naranjo-Valencia, J., Jiménez-Jiménez, D. and Sanz-Valle, R. (2016), “Studying the links between organizational culture, innovation, and performance in Spanish companies”, *Revista Latinoamericana de Psicología*, Vol. 48 No. 1, pp. 30-41
 - Ndesaulwa, P. and Kikula, J. (2016), “The impact of innovation on performance of small and medium enterprises (SMEs) in Tanzania: a review of empirical evidence”, *Journal of Business and Management Sciences*, Vol. 4 No. 1, pp. 1-6,
 - Nitescu, D. (2015), “A new beginning for SMEs development?”, *Theoretical and Applied Economics*, Vol. 22 No. 3, pp. 39-52
 - Norek, T. (2014), “Efficiency of innovation processes in Polish small and medium-sized enterprises (SMEs): a proposed assessment method and results of empirical research”, *International Journal of Business & Management Studies*, Vol. 4 No. 2, pp. 54-60
 - Nwosu, M., Osuagwu, O., Abaenewe, Z., Ndugbu, M. and Sani, F. (2016), “Small and medium scale enterprises in Nigeria: challenges and prospects for national economic development”, *Journal of Business Management and Economics*, Vol. 4 No. 1, pp. 23-37
 - Nyoni, T. and Bonga, W. (2018), “Anatomy of the small & medium enterprises (SMEs) critical success factors (CSFs) in Zimbabwe: introducing the 3E model”, *Journal of Business and Management*, Vol. 1 No. 2, pp. 1-18
 - Olmos-Peñuela, J., García-Granero, A., Castro-Martínez, E. and D’Este, P. (2017), “Strengthening SMEs’innovation culture through collaborations with public research organizations. Do all firms benefit equally?”, *European Planning Studies*, Vol. 25 No. 11, pp. 2001-2020.
 - Olughor, J. (2015), “Effect of innovation on the performance of SMEs organizations in Nigeria”, *Management*, Vol. 5 No. 3, pp. 90-95
 - Organization for Economic Cooperation and Development (2017), “Enhancing the Contributions of SMEs in a Global and Digitalized Economy”, *Organization for Economic Cooperation and Development, Paris*, [Online], (Retrieved July 17, 2019), <http://www.oecd.org/mcm/documents/C-MIN-2017-8-EN.pdf>
 - Penrose, E.T. (1959), *The Theory of the Growth of the Firm*, John Wiley, New York, NY.
 - Perry-Smith, J. and Mannucci, P. (2017), “From creativity to innovation: the social network drivers of the four phases of the idea journey”, *Academy of Management Review*, Vol. 42 No. 1, pp. 53-79
 - Petkovska, T. (2015), “The role and importance of innovation in business of small and medium enterprises”, *Economic Development*, Vol. 17 Nos 1-2, pp. 55-74
 - Popa, L., Preda, G. and Boldea, M. (2010), “A theoretical approach of the concept of innovation”, *Managerial Challenges of the Contemporary Society*, Vol. 1 No. 1, pp. 151-156

- Pulka, B., Ramli, A. and Bakar, M. (2018), "Marketing capabilities, resources acquisition capabilities, risk management capabilities, opportunity recognition capabilities and SMEs performance: a proposed framework", *Asian Journal of Multidisciplinary Studies*, Vol. 6 No. 1, pp. 12-22,
- Rua, O. and França, A. (2017), "The linkage between intangible resources and export performance: the mediating effect of innovation", *International Journal of Innovation*, Vol. 5 No. 3, pp. 1-15.
- Sattayaraksa, T. and Boon-itt, S. (2018), "The roles of CEO transformational leadership and organizational factors on product innovation performance", *European Journal of Innovation Management*, Vol. 21 No. 2, pp. 227-249
- Schiliro, D. (2015), "Innovation in small and medium enterprises in the United Arab Emirates", *International Journal of Social Science Studies*, Vol. 3 No. 5, pp. 148-160
- Shafique, I. and Kalyar, I. (2018), "Linking transformational leadership, absorptive capacity, and corporate entrepreneurship", *Administrative Science*, Vol. 8 No. 9, pp. 1-17
- Shrirame, A. and Soni, L. (2015), "Examining role of innovation in changing landscape of MSMEs in India", *Proceedings of the International Conference on Issues in Emerging Economies (ICIEE)*, Vol. 5 No. 4, pp. 182-188, [Online], (Retrieved November 15, 2018), <http://www.abrmmr.com>
- Syed, A., Ahmadani, M., Shaikh, N. and Shaikh, F. (2012), "Impact analysis of SMEs sector in economic development of Pakistan: a case of Sindh", *Journal of Asian Business Strategy*, Vol. 2, pp. 44-53
- Szymańska, E. (2017), "User-driven innovation - the concept and research results", *Proceedings of the 7th International Conference on Engineering, Project, and Production Management*, Vol. 182, pp. 694-6700
- Szymańska, Y. (2016), "Organizational culture as a part in the development of open innovation: the perspective of small and medium-sized enterprises", *Management*, Vol. 20 No. 1, pp. 142-1154
- Tobiassen, A. and Pettersen, I. (2018), "Exploring open innovation collaboration between SMEs and larger customers: the case of high-technology firms", *Baltic Journal of Management*, Vol. 13, No. 1, pp. 65-83.
- Tottie, M., Lager, T. and Nordqvist, S. (2016), "From customer understanding to product understanding: collaboration with industrial lead users in a B2B context", *Journal of Business Chemistry*, Vol. 13 No. 2, pp. 64-79, [Online], (Retrieved August 24, 2018), <http://www.business-chemistry.org>
- Ueki, Y. (2017), "The roles of top management characteristics, human resource management and customer relationships in innovations: an exploratory analysis", *Asian Journal of Technology Innovation*, Vol. 25 No. 2, pp. 206-227,
- Valaei, N., Rezaei, S. and Ismail, W. (2017), "Examining learning strategies, creativity, and innovation at SMEs using fuzzy set: qualitative comparative analysis and PLS path modeling", *Journal of Business Research*, Vol. 70, pp. 224-233
- Wernerfelt, B. (1984), "A resource-based view of the firm", *Strategic Management Journal*, Vol. 5 No. 2, pp. 171-180
- Wikhamn, W., Armbrecht, J. and Wikhamn, B. (2018), "Innovation in Swedish hotels", *International Journal of Contemporary Hospitality Management*, Vol. 30 No. 6, pp. 2481-2498
- Xie, X., Zeng, S., Peng, Y. and Tam, C. (2013), "What affects the innovation performance of small and medium-sized enterprises in China?", *Innovation: Management, Policy & Practice*, Vol. 15 No. 3, pp. 271-286.
- Yin, R. (2018), *Case Study Research and Applications: Design and Methods*, 6th ed., Sage, Thousand Oaks, CA.
- Zhai, Y., Sun, W., Tsai, S., Wang, Z., Zhao, Y. and Chen, Q. (2018), "An empirical study on entrepreneurial orientation, absorptive capacity, and SMEs' innovation performance: a sustainable perspective", *Sustainability*, Vol. 10 No. 2, pp. 1-14,