Preface and acknowledgements

This volume is the result of a three-year research project funded by the Italian Ministry of Education and Research. The project involved 11 teams operating in different Italian universities from various parts of the country, and its main goal was to understand the main determinants of firms’ growth in high-technology sectors.

The topic is of particular concern to Italian policymakers, given the notorious dwarfism of Italian companies (90 per cent of the companies have less than five employees) and the particularly high level of youth unemployment (44.5 per cent at the time of the writing of this book). Identifying the determinants of firm growth in high-technology sectors has been considered particularly crucial for the future of the Italian economy, so much so that the project was one out of only eight financed in 2010 in the Management/Economics and Statistics area, and it received the highest budget.

Large Italian companies (leaving aside banks and media services) operate primarily in both the medium- and low-tech manufacturing sectors, which are typically mature industries that are facing extreme difficulties in absorbing the younger generations of highly educated Italian students. Small companies are predominantly family businesses that rely on the activities of the family members and hardly follow trajectories of sustainable growth, opting for a small, easier to manage, size. High-tech companies, both manufacturing and service, though growing in number and size, today represent only a tiny fraction of the country’s value added.

In the past few years, rather late in comparison with other advanced countries, a conspicuous number of start-ups have appeared on the business stage, mostly driven by business plan competitions organised by universities, incubators within technology parks or as the result of spin-off processes from established companies. While most of these companies stay small (the list of the best start-ups of 2015 includes companies with an average of three employees), a good number of those established in the last ten years have reached an interesting size, different rounds of venture funding and an established presence in the international arena.

Besides being among the slowest growth economies of the OECD, Italy has been systematically included among the medium–low innovative
Fast growing firms in a slow growth economy

countries (see, for example, subsequent editions of the Innobarometer by CORDIS, or the various results of the CIS surveys), mainly as a result of a lack of a supportive Innovation System. Among others, the reasons are to be found in the low public and private investments in R&D, the underdeveloped venture capital industry, the various obstacles that the public administration poses in starting a business and the rigidity of the labour market.

Understanding the conditions under which a number of companies in the high-technology sectors have succeeded in proceeding along trajectories of high growth through innovation, despite the adverse conditions, is therefore of great interest both for theory-building and for the managerial implications of the phenomenon.

This book is entirely based on novel research. With respect to its theoretical foundations, the book adopts an eclectic approach, as it relies on a variety of perspectives, consistent with the desire to capture a multifaceted phenomenon. We seek an integrative approach, which may help to overcome the lack of consistent results and comprehensive conceptualisations characterising the state-of-the-art literature on this topic.

Given the different research specialisations of the teams participating in the project, we organised the study according to three main pillars, namely contexts, actors and strategies. Due to the shortage of companies with histories of outstanding performance in the country, we have been in the interesting position of studying a good section of the population of young outliers. The research team analysed 66 companies in depth and carried out a survey on nearly a thousand companies established in the last seven years. The cases included in this book are those that, among others, represent instances of how the absence of a National Innovation System might not be an obstacle to growth in high-technology sectors.

At this point, it is customary to acknowledge the help and advice of those who anonymously reviewed the project proposal and the draft chapters, and those who commented on parts of the book presented at conferences and seminars. Notably, we thank Robert Garret, Stephen Syrett, Elias Hadjielias, Vangelis Souitairs, Elisa Salvador, Mitja Ruzzier, Uriel Stettner, Antti Johannes Kauppinen and Aard Groen. We also thank our Scientific Committee, made up of some of the most renowned Italian scholars in the Economics, Management and Engineering fields who supported in planning and concluding the project, namely Giovanni Costa, Alberto Felice De Toni, Enzo Rullani, Riccardo Varaldo and Enrico Zaninotto.

We apologise if we were not able to fully exploit the excellent advice we received.