

# The Role of Subregions in Modelling Regional Competitiveness — a Case Study of the West Subregion in Śląskie Voivodship

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## Abstract

*The article elaborates on the role and possible actions to be taken by subregions in order to influence regional competitiveness. The objective of the article is to find the answer to the question of how the subregions defined as associations of smaller territorial units can contribute to investment competitiveness at a larger, regional level. Desk research and literature review analysis of the West Subregion in Poland shows that subregions can not only effectively support development of territorial units, which they embrace, but also contribute to the development of bigger territorial units, like a voivodship. Taking into account the fact that subregions in mature and complex organizational form, as in the example of the West Subregion, are a relatively rare phenomena in Poland, they provide a tapestry of good practices to follow. With relatively small operational costs the subregions' role in providing information, lobbying for development issues, stimulation of local engagement and providing training, strategic management and cooperation development, is an example of modelling regional competitiveness based on the model of the region acting as an entrepreneurial organization.*

## Introduction

Regions, due to the beneficial approach to utilization of available development resources, create the competitive environment, which enables achievement of competitive advantage for companies which locate their activity within the region. The regional competitive environment can also provide advantages for its inhabitants, which are not available outside of the particular region. In relation to this, regional competitiveness, within an economic understanding, is the ability of regions to compete for new companies and new inhabitants. A particular example of regional competitiveness is stimulation of Foreign Direct Investments influx, and enhancement of probability for location of business in a particular region, which creates new jobs, and attracts new inhabitants. Regions can be delimited based on many possible approaches. For example, the system of spatial hierarchy in the European Union, which applies to the territorial units mentioned within this article, enumerates the following types of territorial units:

- Macroregions — (NUTS 1 level), which are the biggest units of territorial division, for example a country consists of several macroregions
- Mezzoregions — (NUTS 2 level), which are also called basic regions, in the case of Poland the mezzoregions are voivodships (16 major administrative territorial units)
- Submezzoregions — (NUTS 3 level), which are also called subregions, of which a voivodship consists. Submezzoregions in the case of Poland are not official administrative territorial units, however they consist of counties (Polish: powiat) and communes (Polish: gmina), which belong among administrative territorial units. This type of territorial unit is analysed in the article in particular

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\* [West Subregion... in Polish: Subregion Zachodni Województwa Śląskiego — Ed.]

- Microregions — (NUTS 4 level), which in the case of Poland are counties
- Locoregions — (NUTS 5 level), which in other words are called local regions. Their example in the case of Poland are communes (Kłysik-Uryszek 2010).

In relation to the above mentioned classification, within the article it was assumed that the term ‘regional competitiveness’ should refer to the mezzoregional level, which means that it should be analysed from the point of view of an entire voivodship. In the research works dedicated to the subregional level, it is considered that the subregional level is not sufficiently utilized and exposed in the practice of regional development management, but can be a source of substantial advantages in modelling regional competitiveness (Niedziółka 2008).

Considering this thesis, the main aim of the article is to present the possibilities of modelling regional competitiveness by initiation of competitiveness enhancing actions by Polish territorial units smaller than the voivodship, but bigger than a single county or commune, and to answer the question of how the subregions can be useful in modelling regional competitiveness referred to the level of the voivodship. For this purpose, desk research and literature review methods were applied. The literature review included thorough analysis of official annual activity reports of the West Subregion. The activities of the West Subregion relevant to the article’s objectives were presented in the form of case studies.

The West Subregion is an example of a bottom-up created and officially registered subregion located in Śląskie Voivodship in Poland, which at the moment of conducting research for this article consisted of 25 administrative territorial units, such as counties and communes. The presented case studies are based on analysis of official annual activities reports of the West Subregion for the years 2002–2010 and in particular includes the types of activities enhancing regional competitiveness.

## 1 Subregional activities enhancing regional competitiveness

Subregions can emerge as a result of delimitation performed for statistical purposes, as in the case of territorial unit classification within the European Union, in which the subregions consist of NUTS 4 level territorial units, but also as an example of the bottom-up activity of territorial units, whose complexity exceeds the borders of administrative units, as in the example of voluntarily created local territorial partnerships. It needs to be pointed out that within the system of territorial classification in the European Union, there are objectively existing territorial units, but also those which have been delineated in an unnatural manner as for administrative or statistical purposes (Niedziółka 2008; Kłysik-Uryszek 2010).

Analysed within the article, subregions created from the bottom-up can be established by a group of counties (NUTS 4 level) or communes (NUTS 5 level), and therefore in the Polish context create new territorial target for attracting investment and inhabitants. The subregional level can be an intermediary level for management and conducting development policy, between the level of voivodship and the level of counties and communes.

It could be assumed that due to the area of possible impact, the subregional management level could better suit those undertakings in which complexity exceeds the area of a single county or commune, which will be investigated in a later part of the article. The possible examples of actions fulfilling the above-mentioned condition include:

- construction and operation of infrastructure the nature of which is bigger than microregional, but smaller than mezzoregional, e.g. a road, the route of which is located among several counties and communes
- construction and operation of water and wastewater infrastructure as in the area mentioned above
- creation and management of a system of services for investors interested in investment in a subregion’s area
- organization and maintenance of commuter transport systems to a local centre of gravity, which is a subregional development centre
- creation of support programs or applying for co-financing of investments, in which the targeted impact area is planned to exceed the level of a single county or commune

From the point of view of practical application of the above-mentioned undertakings, some of them are possible to be performed at subregional level by bottom-up created partnerships or inter-municipal agreements for implementation of particular tasks or development goals. An example of such a subregional partnership is presented within the case study in a later part of the article.

As regional competitiveness is linked with the category of demand for investments or place of residence, the actions modelling regional competitiveness can be analogical to the actions of typically market-driven entrepreneurial organizations. The examples of activities of contemporary entrepreneurial organizations, which consist of business entities, and the regions acting as entrepreneurial organizations, has been presented in the table below.

**Tab. 1.** Business entities and regions as entrepreneurial organizations

Entrepreneurship organization— characteristic features	Economic entity— company—examples of entrepreneurial actions	Territorial unit— region or subregion—examples of entrepreneurial actions
Support of entrepreneurship	Support of internal corporate entrepreneurship	Support of individual entrepreneurship and entrepreneurship of companies
Knowledge-based development model and education enhancement	Employee trainings and creation of knowledge management systems	Creation of education and knowledge diffusion systems for inhabitants
Stimulation of innovativeness and adaptability to environment	Support of research and development activity, new business incubation and commercialization of newly developed products	Support of cooperation of science and business and co-management of economic change affecting territorial units
Increase of the number of stakeholders and area of impact	Enlargement of existing market and entrance to new markets and new segment of clients	Active lobbying and acquisition of new investors and inhabitants
Strategic management approach toward development goals	Target-based management, which agilely reacts to the market changes	Decision making process taking the future into account and effective usage of available internal and external development resources
Effective organizational model	Model guaranteeing profitability and flexibility, including (e.g., outsourcing of non-value adding services in the value chain of the company)	Territorial integrity and objective existence, strategic alliances with partnership cities and regions supporting fulfilment of established development needs

*Source:* Author's analysis based on Dziemianowicz et al. (2000), Oblój (2007), and Pilewicz (2012) publications

Regarding sensitivity and reactions to changes in the external development environment, the subregions representing features of entrepreneurial organizations belong to the entities which in particular are able to influence their own competitiveness. To summarize the features of entrepreneurial organizations indicated in the table above with regard to the territorial units, the subregions representing features of entrepreneurial organizations can be the entities which:

- Stimulate and support individual and economic entrepreneurship.
- Learn and support knowledge diffusion.
- Stimulate and support innovativeness and adaptability to the changes in environment.
- Actively attract new investments and inhabitants.
- Are agile in reacting to changes and strategically manage their development goals.
- Objectively exist and their area can be delineated in manners other than for administrative and statistical purposes (Pilewicz 2012).

The above-mentioned features are characteristic for regions that are able to enhance their competitiveness, construct the model of region as an entrepreneurial organization, and are confirmed

within literature dedicated to regional development. Below can be found arguments which justify the selection and importance of the proposed features of regions as entrepreneurial organizations:

- Stimulation of entrepreneurship—it is considered that “entrepreneurship defines a commune’s development potential. It is an active development factor of each commune. Entrepreneurship must embrace a supportive climate, which is an organizational culture being a stimulant of its development. A commune which does not support entrepreneurship is like an investor without financial resources.” (Kuciński 2010, 72)
- Learning and knowledge diffusion—it can be found in regional development literature, that “regions of low investment attractiveness have limited possibilities of entrepreneurship development, mainly due to the lack of demand, lack of capital, but also often because of fear of new market entrances and lack of knowledge.” (Godlewska 2011, 18) Therefore, in the times of a knowledge-based economy, the analysis of the learning processes and adjustment of education processes to an expected socio-economic development model are important for development and it requires consideration of the role of institutions in creating a subregional system of education. Regarding the stimulation of regional competitiveness, particular meaning could be attributed to support of diffusion of know-how, which is practical knowledge regarding the methods of manufacturing goods or delivering services. It is considered that in the case of regional competitiveness “the secret of success lies in non-codified knowledge, which is used by competing companies in relation to other competing entities. Then the synergetic effects of bridging human capital with social capital at the territory takes place.” (Godlewska 2011, 17)
- Stimulation and support of innovativeness—in times of shrinking distances in human capital mobility, mobility of capital, goods and services, it is the innovativeness, which is considered the source of sustainable economic growth. Innovations in this meaning should be understood as researching and testing new solutions in areas of organization, marketing, production, including their further implementation or commercialization, which enables utilization or working out new or enhanced solutions, products or services within a defined area (Geodecki et al. 2012).
- Attraction of new investments and inhabitants—attraction of new investments and inhabitants is vital not only due to demographic changes affecting territorial units and human capital migrations resulting in the need for new inhabitants in the regions. Attraction of new investments and inhabitants is particularly important for the territorial units which are believed to be path-dependent, which means that they are considered to be irreversibly dependent on one permanent institutional, economic and social system, which is immune to any kind of changes (Gwosdz 2003).
- Agility—understood as adjustment to the changes in the development environment of a region without incurring unnecessary losses, and strategic management toward development goals; it is thought that the strategic management and planning does not make the decisions, which are made necessarily right, but enables the making of decisions with a view to the future, and provides wider perspective for development goals achievement (Osborne and Gaebler 1994).
- Objectivity of existence—due to the other than administrative or statistical methods of delimitation, it is possible to find the existence and to delimit the impact area of any voluntarily created subregion (Niedziółka 2008).

In relation to the main aim of the article, which is to present modelling possibilities of regional competitiveness by subregions, below are presented the features of the regions implementing the model of entrepreneurial organization together with the possible actions indicating those features and the advantages for a subregion’s stakeholders, including investors and inhabitants. It may be assumed that the aggregation of advantages created by a subregion for its stakeholders determines its competitiveness.

The possible actions listed in table 2 and advantages for a region implementing the model of entrepreneurial organization are consistent with the contemporarily discussed concept of self-government value management (Filipiak 2011). In the light of self-government value management it is pointed out that self-government should match its activity to the expectations of its stakeholders and pay attention to each of them, regardless of whether it is a potential investor or inhabitant, because the direction of self-government development is up to self-government stakeholders.

**Tab. 2.** Features of a region as an entrepreneurial organization, possible actions and advantages for investors and inhabitants

Feature of region as entrepreneurial organization	Possible actions at subregional level	Advantages for investors and inhabitants
Support of entrepreneurship	Availability of institutions providing financing, guarantees or equity for new investments Availability of investment exemptions (e.g., in the form of regulated by local law exemption from real estate tax for the investments of preferred character)	Easier access to capital and financial security for planned investments Lower costs of operating and new business development
Knowledge-based development model and education enhancement	Availability of education and skills enhancement system for the inhabitants	Access to qualified employees, education and trainings
Stimulation of innovativeness and adaptability to environment	Availability of institutions supporting cooperation of academics or non-government organizations with business	Access to know-how that may have impact on the competitiveness of a particular company
Increase of the number of stakeholders and area of impact	Presence of investor and export public support services Active territorial marketing, including presence of the subregion at investment fairs, economic missions and events	Access to information on investment offers, local subcontractors, business partners or conditions for doing business in a particular area Additional possibility of promotion among the stakeholders of a company
Strategic management approach toward development goals	Existence of coalitions/alliances for socio-economic development consisting of public, private and non-governmental entities Existence of a strategic management system and decision making system to answer unplanned challenges in a subregion's development environment, including instruments of an informational character for the subregion's stakeholders	Access to economic partners, exchange of know-how, availability of support and possibility of local development policy creation Bigger possibility of additional public and non-governmental sector support related to economic activity in the case of unplanned challenges in the development environment
Effective organizational model	Territorial tightness, presence of partnership cities and regions	Access to the resources and the benefits of the presence of network organizations, including access to external know-how and markets

*Source:* Author's analysis based on Dziemianowicz et al. (2000), Pilewicz (2012), and Bonclawek et al. (2012) publications

## 2 Subregions implementing the model of entrepreneurial organization and regional competitiveness — case studies from the West Subregion

An example of subregional activity modelling regional competitiveness was identified in Śląskie Voivodship due to the Subregions Development Programme of Śląskie Voivodship, an initiative awarded by the Ministry of Regional Development in Poland in a competition for the best practices in strategic management of regions in 2012.<sup>1</sup> The essence of this acclaimed programme, which is a

1. Results of Ministry of Regional Development competition “Dobre praktyki zarządzania strategicznego rozwojem” organizowanego w ramach projektu „Zarządzanie strategiczne rozwojem — poprawa jakości rządzenia w Polsce” (Good practices in strategic management in development policy) organized within the project “Strategic management

clear example of a strategic management approach toward the development goals indicated in table 1 and table 2, was the solution guaranteeing selection and utilization of 15% of the support provided within the Regional Operational Programme of Śląskie Voivodship 2007–2013 (regional development program co-financed with European Union Structural Funds) directly by four subregions of Śląskie Voivodship. As a benchmark, it was a highly unique example of direct subregion engagement in management and implementation of Structural Funds in the 2007–2013 European Union (EU) programming perspective in Poland. As EU Structural Funds implementation is mainly the task of voivodships, Śląskie Voivodship was considered innovative in terms of its approach to Structural Funds management at regional level. This factor encouraged the author of the article to analyse the phenomenon of the initiator of the Subregions Development Programme of Śląskie Voivodship. The West Subregion exists since the year 2002 and at the moment of this research consisted of 25 various territorial units including counties (NUTS 4 level) and communes (NUTS 5 level).<sup>2</sup>



**Fig. 1.** Location of the West Subregion in Poland and the borders of 16 Polish voivodships

Source: Own drawing basing on the West Subregion official Internet Portal [a:] [http://6.www.subregion.pl/o\\_regionie](http://6.www.subregion.pl/o_regionie)

The West Subregion is located in the south-west part of Śląskie Voivodship, and its main development centre — the city of Rybnik — is situated approx. 50 km from Katowice, the capital of Śląskie Voivodeship. The full name of the West Subregion is „Związek Gmin i Powiatów Subregionu Zachodniego Województwa Śląskiego z siedzibą w Rybniku”<sup>3</sup>. The subregion operates in the organizational form of association, and its source of funding includes the membership fee paid by its members, which finances the activities of the association. According to its official charter, the aims of the West Subregions are:

- to increase innovativeness and competitiveness of the association’s economy
- to develop interregional cooperation
- to increase the level of education of inhabitants and their adaptability to socio-economic changes<sup>4</sup>

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of development policy—enhancement of governance quality in Poland), [a:] [http://www.mrr.gov.pl/rozwoj\\_regionalny/polityka\\_rozwoju/projekt\\_zarzadzanie\\_strategiczne\\_rozwojem/dobre\\_praktyki/strony/default.aspx? M=N](http://www.mrr.gov.pl/rozwoj_regionalny/polityka_rozwoju/projekt_zarzadzanie_strategiczne_rozwojem/dobre_praktyki/strony/default.aspx? M=N), [accessed 2013.02.12.02].

2. The West Subregion as for 2013.02.12 consisted of the following administrative units: cities with the rights of county: Jastrzębie Zdrój, Rybnik, and Żory; counties: raciborski, rybnicki, and wodzisławski; communes: Czerwionka-Leszczyny, Gaszowice, Gorzyce, Jejkowice, Kornowac, Krzanowice, Krzyżanowice, Kuźnia Raciborska, Lubomia, Lyski, Marklowice, Mszana, Nędza, Pietrowice Wielkie, Pszów, Racibórz, Radlin, Rudnik, and Rydułtowy. Official West Subregion Internet Portal, [a:] [http://6.www.subregion.pl/o\\_regionie](http://6.www.subregion.pl/o_regionie), [accessed 2013.01.12].

3. English translation: Association of Communes and Counties of the West Subregion in Śląskie Voivodship based in Rybnik.

4. See: Związek Gmin i Powiatów Subregionu Zachodniego Województwa Śląskiego z siedzibą w Rybniku. Statut, Załącznik do Uchwały nr 4/2011 Zgromadzenia Ogólnego Związku z dnia 18 marca 2011 r. (Charter of Association of Communes and Counties of the West Subregion in Śląskie Voivodship based in Rybnik, Annex to Resolution no. 4/2011 of General Assembly of the Association from 18 March 2011), article 4, [a:] [http://6.www.subregion.pl/\\_files/statut\\_zwizek\\_subregionu\\_zachodniego\\_z\\_siedzib\\_w\\_rybniku\\_180311\\_.docx](http://6.www.subregion.pl/_files/statut_zwizek_subregionu_zachodniego_z_siedzib_w_rybniku_180311_.docx) [accessed 2013.0.6.05].

As per its official charter, the West Subregion performs its tasks by:

- expressing opinions of the West Subregion's members for government administration;
- development of cooperation between local self-governments and the regional council (sejmik wojewódzki, a legislative body at voivodship level), board of the region (zarząd województwa, an executive body at voivodship level), and members of Polish parliament;
- applying for co-financing of subregional initiatives from national and European Union funds;
- implementation of common investment projects, consulting and exchange of experience in the area of economic development.<sup>5</sup>

Based on the analysis of official annual activity reports of the West Subregion from the years 2002–2010, it is possible to select and outline at least several functions of this subregion, which support development of regional competitiveness. Based on the analysis of the West Subregion activity, the following functions can be indicated:

- Informative function—corresponding with the feature of a region as an entrepreneurial organization “Increase of the number of stakeholders and area of impact” indicated in table 1 and table 2 within the article
- Lobbying function—corresponding with the feature of a region as an entrepreneurial organization “Strategic management approach toward development goals” indicated in table 1 and table 2 within the article
- Education and training function—corresponding with the feature of a region as an entrepreneurial organization “support of entrepreneurship” and “knowledge-based development model and education enhancement” indicated in table 1 and table 2 within the article
- Marketing function—corresponding with the feature of a region as an entrepreneurial organization “increase of the number of stakeholders and area of impact” indicated in table 1 and table 2 within the article
- Strategic development management function—corresponding with the feature of a region as an entrepreneurial organization “strategic management approach toward development goals” indicated in table 1 and table 2
- Cooperation development function—corresponding with the feature of a region as an entrepreneurial organization “strategic management approach toward development goals” indicated in table 1 and table 2 within the article

Below are presented examples of activities within each of the identified functions of the West Subregion.

## 2.1 Informative function

An example of informative function implementation by the West Subregion includes the launch of a consultancy point for entrepreneurs and support of business activity by provision of information and the documentation needed for usage of financial and guarantee instruments.<sup>6</sup> As another example of the informative function, there is the launch of a web portal called [subregion.pl](http://subregion.pl) in 2003, which contains information on activity of the West Subregion members.<sup>7</sup> As a result of informative function development, since 2007 the West Subregion has been issuing and distributing via e-mail the “Informative Bulletin” to key institutions of Śląskie Voivodship, which consists of information on the most important initiatives, calls for investment financing and tourist attractions of the subregion.<sup>8</sup> Worth pointing out is the fact that since 2010, the “Informative Bulletin” includes

5. Ibid., article 5.

6. See: Sprawozdanie z działalności Związku Gmin i Powiatów Subregionu Zachodniego Województwa Śląskiego z siedzibą w Rybniku za 2003 rok (Annual Activity Report of Association of Communes and Counties of the West Subregion in Śląskie Voivodship Based in Rybnik for 2003), page 1., [@:] [http://www.subregion.pl/\\_files/sprawozdanie\\_z\\_dzialalnoci\\_2003.doc](http://www.subregion.pl/_files/sprawozdanie_z_dzialalnoci_2003.doc) [accessed 2013.06.05].

7. Ibid., page 3.

8. See: Sprawozdanie z działalności Związku Gmin i Powiatów Subregionu Zachodniego Województwa Śląskiego z siedzibą w Rybniku za 2007 rok, Załącznik nr 1 do uchwały 8/2008 Zarządu Związku (Annual Activity Report . . . for 2007), page 7, [@:] [http://www.subregion.pl/\\_files/sprawozdanie\\_z\\_dzialalnoci\\_2007.doc](http://www.subregion.pl/_files/sprawozdanie_z_dzialalnoci_2007.doc) [accessed 2013.06.05] and further editions of annual activity reports available at <http://www.subregion.pl/index.php?id=66>.

information on juridical changes and self-government issues, which aims to influence the efficiency of its performance.<sup>9</sup>

## 2.2 Lobbying function

The aim of the lobbying function is active representation and taking care of subregional development issues, in particular at above-local level. The examples of the West Subregion lobbying activities include among others lobbying for change of the regional road status for the section of Racibórz-Pszczyna to national road status, which in 2003 included establishment of a self-government — parliament working group, the meetings of which resulted in expression of support by the members of parliament for change of the above-mentioned regional road status to national.<sup>10</sup> The actions focused on changing regional road status were continued in 2004 and included the meeting with the regional representative of the General Directorate for National Roads and Motorways (the central authority managing national roads and motorways in Poland), presentation of the issue at the regional council, and a presentation of the issue to the minister responsible for infrastructure development.<sup>11</sup> In addition, in 2005, the West Subregion within the lobbying function presented its position for toll-free usage of the A4 motorway in the area of the Silesian Agglomeration.<sup>12</sup>

## 2.3 Education and training function

Within the education and training function, the West Subregion in 2003 established cooperation with County Work Offices within the subregion and co-organized Entrepreneurship Fairs in the Theatre of Rybnik Region (Polish: Teatr Ziemi Rybnickiej),<sup>13</sup> which in 2004 were conducted in 6 cities of the subregion.<sup>14</sup> In the same year, the West Subregion organized trainings on the Public Benefit and Voluntary Service Act, applying for funds and project management in the culture development area or preparation and actualization of territorial unit development strategies.<sup>15</sup>

## 2.4 Marketing function

The marketing function is tightly linked with regional competitiveness enhancement due to the impact on a region's promotion among its stakeholders. One of the crucial regional competitiveness actions within implementation of the marketing function was the creation in 2004 of a joint investment offer by the West Subregion, which included preparation of maps of the subregion, of poviats and investment plots in cohesive format.<sup>16</sup>

In the following years, information on business activity possibilities within the subregion was provided in the form of a business-dedicated internet portal “biz.subregion.pl”, and a telephone line and an e-mail address enabling potential investors to contact the subregion authorities.<sup>17</sup> It is

9. See: Sprawozdanie z działalności Związku Gmin i Powiatów Subregionu Zachodniego Województwa Śląskiego z siedzibą w Rybniku za 2010 rok, Załącznik nr 1 do uchwały nr 10/2011 Zgromadzenia Ogólnego Związku z dnia 21 czerwca 2011 r. (Annual activity report . . . for 2010), page 11, [[:]] [http://www.subregion.pl/\\_files/sprawozdanie\\_2010.doc](http://www.subregion.pl/_files/sprawozdanie_2010.doc), [accessed 2013.06.05].

10. See: Sprawozdanie z działalności Związku Gmin i Powiatów Subregionu Zachodniego Województwa Śląskiego z siedzibą w Rybniku za 2003 rok (Annual activity report . . . for 2003), page 2, [[:]] [http://www.subregion.pl/\\_files/sprawozdanie\\_z\\_dzialalnoci\\_2003.doc](http://www.subregion.pl/_files/sprawozdanie_z_dzialalnoci_2003.doc), [accessed 2013.06.05].

11. See: Sprawozdanie z działalności Związku Gmin i Powiatów Subregionu Zachodniego Województwa Śląskiego z siedzibą w Rybniku za 2004 rok (Annual activity report . . . for 2004), pages 1, 4–5, [[:]] [http://www.subregion.pl/\\_files/sprawozdanie\\_z\\_dzialalnoci\\_2004.doc](http://www.subregion.pl/_files/sprawozdanie_z_dzialalnoci_2004.doc), [accessed 2013.06.05].

12. See: Sprawozdanie z działalności Związku Gmin i Powiatów Subregionu Zachodniego Województwa Śląskiego z siedzibą w Rybniku za 2005 rok (Annual activity report . . . for 2005), page 5, [[:]] [http://www.subregion.pl/\\_files/sprawozdanie\\_z\\_dzialalnoci\\_2005.doc](http://www.subregion.pl/_files/sprawozdanie_z_dzialalnoci_2005.doc), [accessed 2013.06.05].

13. See: Sprawozdanie z działalności Związku Gmin i Powiatów Subregionu Zachodniego Województwa Śląskiego z siedzibą w Rybniku za 2003 rok (Annual activity report . . . for 2003), page 3, [[:]] [http://www.subregion.pl/\\_files/sprawozdanie\\_z\\_dzialalnoci\\_2003.doc](http://www.subregion.pl/_files/sprawozdanie_z_dzialalnoci_2003.doc), [accessed 2013.06.05].

14. Ibid., page 3.

15. See: Sprawozdanie z działalności Związku Gmin i Powiatów Subregionu Zachodniego Województwa Śląskiego z siedzibą w Rybniku za 2004 rok (Annual activity report . . . for 2004), page 5, [[:]] [http://www.subregion.pl/\\_files/sprawozdanie\\_z\\_dzialalnoci\\_2004.doc](http://www.subregion.pl/_files/sprawozdanie_z_dzialalnoci_2004.doc), [accessed 2013.06.05].

16. Ibid., page 6.

17. See: Sprawozdanie z działalności Związku Gmin i Powiatów Subregionu Zachodniego Województwa Śląskiego



also a clear example of development of investor and exporter public support services aimed to increase the number of stakeholders and the area presented in table 2 in this article. Implementing the marketing function, in 2006 the subregion started execution of a project co-financed within the EU INTERREG III A initiative, which covered complex tourism and promotion of bicycling in the West Subregion, which was accompanied by the distribution of 15 000 subregional maps and 4 000 tourism guides.<sup>18</sup> Additionally, a billboard promotional campaign in Katowice in Poland, and Ostrawa in Czech Republic agglomerations was launched and an internet portal “rowery.subregion.pl” was created. This Internet portal, dedicated to bike riding, provides information on subregional biking routes and sightseeing attractions in the subregion. The implemented project covered approx. 530 km of bike routes and the number of “rowery.subregion.pl” visits of the portal exceeded initial expectations by 1000% (20 000 visits per month versus the projected 2 000 visits).<sup>19</sup> This activity of the West Subregion confirms the effectiveness of regional stakeholders attraction by the subregion.<sup>20</sup>

## 2.5 Strategic development management function

Strategic development management refers to setting long-term development goals and assuring appropriate financial resources to achieve them. In relation to carrying out this function, the subregion participated in the creation and consulting process of Śląskie Voivodship Development Strategy for the years 2000–2020 and drafting of the Regional Operating Programme of Śląskie Voivodship for the years 2007–2013.<sup>21</sup>

Preparation of West Subregion Development Programme within the Regional Operating Programme of Śląskie Voivodship for the years 2007–2013 belongs to one of the most important achievement of the West Subregion. The programme was accepted by the local self-governments and the institutions responsible for implementation of European Union Structural Funds.<sup>22</sup> This is an example of activity of a subregion aimed at enhancement of the entire regio’s competitiveness. Within the West Subregion Development Programme, cities and communes of the West Subregion got access to more than PLN 230 million of co-financing for the projects considered to be crucial for their development.<sup>23</sup> The aims of the projects which received co-financing include such development priorities as a digitally inclusive society, support of regional growth centers, revitalization of degraded areas, development of tourism and cultural infrastructure, and environmental quality enhancement.

Other activities of the West Subregion classified under the strategic development management function include initiation of the Integrated Passengers Communication System in the West Subregion, which refers to the establishment of co-operation between local transportation operators and initiation of works aiming at preparation of a subregional communication model using a single city transportation ticket, such as an electronic transportation card for the subregion.<sup>24</sup>

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z siedzibą w Rybniku za 2006 rok, Załącznik nr 1 do uchwały 9/2007 Zarządu Związku (Annual activity report . . . for 2006), page 4, [a:][http://www.subregion.pl/\\_files/sprawozdanie\\_z\\_dzialnoci\\_2006.doc](http://www.subregion.pl/_files/sprawozdanie_z_dzialnoci_2006.doc), [accessed 2013.06.05].

18. *Ibid.*, page 5.

19. *Ibid.*, page 6.

20. [In the journal (in both Polish and English texts) European practice of number notation is followed—for example, 36 333,33 (European style) = 36 333.33 (Canadian style) = 36,333.33 (US and British style). Furthermore in the International System of Units (SI units), fixed spaces rather than commas are used to mark off groups of three digits, both to the left and to the right of the decimal point.—Ed.]

21. See: Sprawozdanie z działalności Związku Gmin i Powiatów Subregionu Zachodniego Województwa Śląskiego z siedzibą w Rybniku za 2005 rok (Annual activity report . . . for 2005), page 5, [a:] [http://www.subregion.pl/\\_files/sprawozdanie\\_z\\_dzialnoci\\_2005.doc](http://www.subregion.pl/_files/sprawozdanie_z_dzialnoci_2005.doc), [accessed 2013.06.05].

22. See: Sprawozdanie z działalności Związku Gmin i Powiatów Subregionu Zachodniego Województwa Śląskiego z siedzibą w Rybniku za 2007 rok, Załącznik nr 1 do uchwały 8/2008 Zarządu Związku (Annual Activity Report . . . for 2007), page 3, [a:] [http://www.subregion.pl/\\_files/sprawozdanie\\_z\\_dzialnoci\\_2007.doc](http://www.subregion.pl/_files/sprawozdanie_z_dzialnoci_2007.doc) [accessed 2013.06.05].

23. See: Sprawozdanie z działalności Związku Gmin i Powiatów Subregionu Zachodniego Województwa Śląskiego z siedzibą w Rybniku za 2008 rok, Załącznik nr 1 do uchwały nr 9/2009 Zarządu Związku z dnia 8 maja 2009 r. (Annual activity report . . . for 2008), page 3, [a:] [http://www.subregion.pl/\\_files/sprawozdanie\\_z\\_dzialnoci\\_2008.doc](http://www.subregion.pl/_files/sprawozdanie_z_dzialnoci_2008.doc), [accessed 2013.06.05].

24. See: Sprawozdanie z działalności Związku Gmin i Powiatów Subregionu Zachodniego Województwa Śląskiego z siedzibą w Rybniku za 2009 rok, Załącznik nr 1 do uchwały nr 3/2010 Zgromadzenia Ogólnego Związku z dnia

## 2.6 Cooperation development function

As the West Subregion reinforces its structure by including new members since its creation, it carries out the function of cooperation development. Within this function, the West Subregion establishes and fosters relationships with entities which enhance its competitiveness, including — e.g., alliance with the Guarantee Fund from Katowice providing financing for the business units located in the subregion,<sup>25</sup> or establishment of a working group for the European Territorial Cooperation Group responsible for development of transborder cooperation projects with the Czech Republic.<sup>26</sup>

The proper direction of the regional competitiveness enhancement activities of the West Subregion have officially been confirmed in the research of the Institute for Market Economics on the investment attractiveness of Polish voivodeships and Polish subregions in 2012. Within the cited research, the West Subregion was ranked 2nd in Poland as the best location for industrial business development due to well-educated human capital, attractive investment plots and well-prepared investment opportunities.<sup>27</sup>

## Conclusions

The examples of activities performed by the West Subregion presented within the article indicate that it implements a model of entrepreneurial organization, which thanks to the recognition of needs and engagement with various kind of entities, may effectively support modelling of voivodeship competitiveness. Based on the analysed example of the West Subregion, it can be stated that voluntary engagement for common implementation goals may positively influence the condition of infrastructure, education level of inhabitants, or quality of local administration, therefore enhancing the investment and residential competitiveness of a region. As per example of the West Subregion, the subregions do not have to be delimited for statistical or administrative purposes only, and should be included in strategic regional development.

In 2007–2013 in Poland the seeding activity for bottom-up created subregions was supported by Operational Programme Human Capital 2007–2013, of which submeasure 8.1.2 was envisaged for “Support of adaptability processes and a region’s modernization period”. The submeasure has been co-financing other subregional partnerships, in the aim of preparing regions for changes in their macroeconomic environment. Therefore it can be stated that fostering the regions as entrepreneurial organizations has been recognized as a valid public policy priority and has been supported with public funds.<sup>28</sup>

To sum up the advantages of subregional competitiveness enhancing activities and their relatively low operational costs, it should be pointed out that coordination of the activities of counties and communes in the form of subregions may offer for the regional stakeholders benefits which are not possible on the scale of a single county or commune. Therefore they may compete with other territorial units at a level previously unattainable, which resembles a blue ocean strategy of companies competing in business (Kim and Mauborgne 2005). As per analysis of official annual activity reports, the case study of the West Subregion in Poland provides a wealth of good practices, which might be considered by other territorial units which aim to increase their investment and residential competitiveness by working together in an entrepreneurial manner. Taking the above mentioned arguments into account, and the growing importance of regions in the next European

14 czerwca 2010 r. (Annual activity report . . . for 2009), page 5, [a href="http://www.subregion.pl/\_files/sprawozdanie\_z\_dzialalnoci\_2009.doc">@:]http://www.subregion.pl/\_files/sprawozdanie\_z\_dzialalnoci\_2009.doc, [accessed 2013.06.05].

25. See: Sprawozdanie z działalności Związku Gmin i Powiatów Subregionu Zachodniego Województwa Śląskiego z siedzibą w Rybniku za 2003 rok (Annual activity report . . . for 2003), page 1, [a href="http://www.subregion.pl/\_files/sprawozdanie\_z\_dzialalnoci\_2003.doc">@:] http://www.subregion.pl/\_files/sprawozdanie\_z\_dzialalnoci\_2003.doc, [accessed 2013.06.05].

26. See: Sprawozdanie z działalności Związku Gmin i Powiatów Subregionu Zachodniego Województwa Śląskiego z siedzibą w Rybniku za 2005 rok (Annual activity report . . . for 2005), page 9, [a href="http://www.subregion.pl/\_files/sprawozdanie\_z\_dzialalnoci\_2005.doc">@:] http://www.subregion.pl/\_files/sprawozdanie\_z\_dzialalnoci\_2005.doc, [accessed 2013.06.05].

27. The West Subregion in this research has been delimited with the subregional classification of the Central Statistical Office of the Republic of Poland (Polish: Główny Urząd Statystyczny) — which in this case covers the area of the West Subregion, Instytut Badań nad Gospodarką Rynkową, and Nowicki (2012, 22–24) publication.

28. Detailed Description of Operational Programme Human Capital 2007–2013, Warsaw 2012, p. 259–268.

Union programming period in direct implementation of Structural Funds<sup>29</sup>, it seems reasonable to deepen the knowledge on the mechanisms of subregions' functioning, and support the activities aimed at their initiation promotion, and development.

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