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## Editorial

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Cluster research has emerged over the past decade with the prominence of successful clusters such as Silicon Valley in the USA, the ICT cluster in Bangalore, India and the financial districts of London and New York. These examples suggest that the development of clusters can facilitate a more holistic and strategic view of the relationship between the different types of cluster actors through locating in geographical proximity or even virtual proximity. Questions such as how and why clusters are formed, what is the role and contribution of small business in the cluster development process and whether clusters can be shaped to contribute more directly to regional prosperity are important areas to investigate.

The contribution of small business to regional economies is a major consideration as a vehicle for fostering economic growth. Clusters may offer a way to improve the prosperity of small firms and better harness the energies of those involved in the small business sector. Competitive advantages that can be realised by single firms because they are located in a cluster are not only important for the firm itself, but also important for government and policy developers since the willingness of single firms to contribute to the performance of a cluster is central for the development of a cluster.

The research papers in this Special Issue explore the dynamics of regional clusters in the globalised economy. In this regard, the goal is to describe and analyse industry clusters in relation to the role and contribution of small- and medium-sized business. Understanding the effects of clustering and the outcomes for regions will contribute to furthering our knowledge of the prospects and pitfalls of cluster development and promotion. The six papers comprising this Special Issue contribute to these aims.

In the first paper, Rebecca Mitchell, John Burgess and Jennifer Waterhouse deal with 'Proximity and knowledge sharing in clustered firms', thereby addressing a deficit in the current cluster literature. Their approach is to theoretically investigate the different proximity dimensions of knowledge sharing in clusters. The specific objective of this interesting paper lies in fostering a better understanding of the utility of relational and geographic proximity dimensions with regard to the nature of knowledge sharing in clusters. A fruitful perspective is added to the current literature that lacks an in-depth understanding of mechanisms through which proximity may lead to knowledge-related advantages for cluster actors. The main result of this study is a conceptual framework that enables the categorisation of the contribution of different proximity dimensions with regard to knowledge-based value creation in clustered organisations.

The title of the second paper by Mads Bruun Ingstrup is 'The role of cluster facilitators'. The paper deals with one highly relevant issue of cluster research and practice, namely the role and effectiveness of actors that want to establish and support the development of clusters. Here the aim of Mads Bruun Ingstrup is not only to show the important role a cluster facilitator may play but also to come to a systematic understanding of this role. He points out the potential beneficial outcomes for firms as well as for regions which go along with the clustering of firms in certain industry sectors. This leads him to highlight the crucial role a cluster facilitator may play. However, he also argues that it is highly relevant to understand the possible contributions of such an actor to come to helpful cluster support processes. Building on the findings regarding this topic from the literature and three case studies from Scandinavia, Mads Bruun Ingstrup suggests a conceptual framework for identifying and categorising the specific role of cluster facilitators. This leads to a structured and insightful basis to come to pragmatic implications for Public Policy actors regarding cluster development and support.

Eastern European cluster cases are empirically investigated in Kornelia Kozovska's paper with the title 'The role of regional clusters and firm size for firm efficiency in knowledge- and technology-intensive sectors in Eastern Europe'. By selecting cluster cases from Poland and Romania, she contributes in-depth insights from country contexts that are still neglected in international cluster research. The focus of Kozovska's investigation is on the impact of regional clusters on firm-level productive efficiency particularly in knowledge- and technology-intensive (KTI) sectors. She aims to contribute relevant findings regarding the impact of being located in regional clusters on firms' productivity, efficiency and innovative activity to better guide effective policy intervention regarding cluster development. Data on cluster location from the European Cluster Observatory which are matched with firm-level financial data from the Amadeus database (published by Bureau Van Dijk) build the basis for this interesting investigation. The findings suggest a statistically significant presence of a cluster effect that has positive impact on the reduction of technical inefficiency of firms. Regarding the effect of larger firm size the results are inconclusive showing the relevance for future research in this area. This is also the case regarding the finding that the observed coefficients of the R&D intensity variable imply consistently that higher R&D intensity decreases firms' efficiency. In summary, the paper delivers a timely and relevant contribution to cluster research in general and also gives insights into clusters in countries that have been neglected in cluster research.

An Australian-based manufacturing and engineering cluster is analysed in the fourth paper of this Special Issue, it is contributed by Julia Connell and Ranjit Voola. They focus on the implication of cluster size in the context of collaboration and competitive advantage realisation in clusters. Specifically, the study investigates how the members of the analysed Australian manufacturing and engineering cluster share knowledge by networking and thereby are enabled to further establish competitive advantage. The data are collected at two points in time, namely in 2004 and in 2008, thereby a longitudinal perspective becomes possible and processes of development can be analysed. Using the 'relationship marketing orientation' (RMO) framework as the structure for the investigation, surveys and interviews have been conducted among the members of the cluster. In general, the results for the investigated years have been similar. However, the mean scores for several of the items (such as trust amongst members and competitive advantage) were lower in 2008 than in 2004. This specific finding in the context of the fact that the cluster has grown immensely in the four-year period of the study (it grew from 64 members in 2004 to 130 in 2008) shows that it is highly relevant to also bring potential benefits for cluster members especially due to informal interaction in the context of cluster size.

The following paper by Sumit Mitra and Michael Thorpe, country-wise goes to the United Arab Emirates, deals with regional development and government policy especially in the context of the so-called 'Dubai Model'. The focus is on the potential of competitive advantage realisation of firms embedded in clusters. The paper outlines different typologies that highlight cluster differences in terms of structure and internal dynamics and also takes into account the life-cycle dimension of cluster development. Building on this basis, public policy implications regarding cluster initiation and their sustainable development are derived and set in the context that clusters are an integral and growing feature of regional policy formulation by governments. This is further illustrated by the case of the 'Dubai Model' of regional development. Particularly, the experiences of the Dubai Media City and the Dubai Logistics City are described and

critically reflected. The paper contributes interesting findings regarding the potential of establishing free zones in terms of nascent clusters in the context of industry planning.

Finally, a research note by Alexander Bode, Tobias B. Talmon l'Armée and Simon Alig discusses the differences and similarities of the cluster concept and the network concept. Building on this literature-based discussion, they come to an integrated concept of clusters. The point of reference is the broad and inter-disciplinary investigation of clusters and the underlying elements from different perspectives and with various aims and units of analysis. Thus, Bode et al. address a highly relevant issue in cluster research, where the cluster concept is often still used in a blurred fashion. Researchers as well as practitioners may profit from a clearer and more structured understanding of what actually are the underlying relevant elements of clusters. This understanding could foster more compatible research and thereby provide more fruitful theoretical and pragmatic implications. Using the extensive network literature as a pool of knowledge to enhance a useful cluster concept in a sense-making approach and leads to first insights how to integrate the two concepts.

This Special Issue on industry clusters of the *Int. J. Globalisation and Small Business* has explored new territory in cluster research in terms of new country contexts, new actors and development of clusters over time. We would like to express our appreciation to the reviewers for their efforts in regard to this issue. We hope this issue is one more step in advancing the field of cluster research.