

INNOVATIVE MANAGEMENT OF FINANCE AND MARKETING AT ENTERPRISES IN POLAND

Grzegorz Gołębowski*, Robert Nowacki **

Abstract

The purpose is to examine and present the possibilities and results of implementation of innovative solutions in the two functional, different from each other, but interdependent areas of management: finance and marketing management. The analysis concerns enterprises in the Polish market. The article identifies the scale and range of implementation of innovative solutions in finance and marketing management as well as effects of this process for enterprises' competitiveness. In the article, based on the unique findings, there are shown the possibilities of implementation of innovative solutions in the sphere of finance and marketing. There are also shown benefits that activity in this respect may yield.

Keywords: Innovativeness, Competitiveness, Finance Management, Marketing Management, Poland

* *University of Finance and Management in Warsaw, Bureau of Research – Chancellery of the Sejm, Poland*

E-mail: grzegorz.golebiowski@gmail.com

** *University of Finance and Management in Warsaw, Institute for Market, Consumption and Business Cycles Research, Poland*

E-mail: rob.nowacki@wp.pl

1. Introduction

The bases of contemporary concept of enterprise management entail a rational use of the resources every organisation has at its disposal. Variability of the environment being considered both in the context of macro and micro environment, as well as socio-economic development with all consequences thereof, make us look at the subject matter of resources in a way significantly more complex than in the case of classical theories. First of all, one should pay attention to the resource-type approach to the subject matter of managerial processes. Among many enterprise's resources, an important role is played by financial and marketing resources. The former are the grounds for undertaking and carrying out business activity, and the latter are defined as a key for winning customers and gaining success under the conditions of intense competition.

The enterprise management process is a product of impact of many factors. Among them, innovativeness plays a significant role. Creating innovative solutions allows for achievement of competitive advantage, evidences enterprise's competitiveness and its ability to develop in a turbulent environment. An area of implementation of innovations may be any sphere of activity, also the sphere of enterprise management. The scale of opportunities for innovation development in its areas is diversified; nevertheless, in each of them, one can find the room for innovative solutions.

In the period following the introduction market mechanisms to the economy in Poland, there are observed substantial changes taking place in the sphere of enterprises. The change of the pattern of ownership and expansion of foreign capital, which took place in the 1990s, as a manifestation of investment in an obsolete economy, led, in a short period of time, to economic development whose driving force became, to a great extent, international corporations. Polish enterprises, both public and private, were not able to compete effectively with them. It was a result of their low competitiveness whose sources were, *inter alia*, low awareness of the possibility to improve their own standing, lack of capital and organisational abilities in the sphere of management and its improvement (what resulted, *inter alia*, from the only developing sector of business services and lack of skilled staff). Currently, twenty years after commencement of the economic transformation, the situation has not been improved significantly at all. Still, Polish enterprises show considerably lower competitiveness than foreign entities, still losing in competition in the field of management, using the proven and burdened with lower risk but, at the same time, not flexible enough, obsolete, based on rigid structures and methods and not yielding optimum effects concepts and techniques, which are far from whatever innovativeness. The processes of creation, absorption and introduction of innovations in management are, in case of most enterprises, insufficiently developed or not effective enough. The source of this is, *inter*

alia, lack of knowledge on the abilities to implement innovative solutions in the management processes.

2. Theoretical foundation for hypotheses development

The traditional concepts of innovation and enterprises' innovativeness bring these questions to the subject matter of changes in the spheres of product (product innovations) and technologies (innovations in the area of production technologies). At present, there also increase their importance innovative solutions applied in other areas of management. Increase of competition in the market, alleviation of differences between products and transfer of technologies force to seek for sources of competitive advantage in innovativeness of functions of management considered in the traditional chain of value added as auxiliary. Of particular importance is finance and marketing management, which provide wide, though not always correctly identified possibilities of introduction of innovative solutions. In result, enterprises do not demonstrate sufficient involvement in creation and implementation of innovative solutions in these areas. This statement is a premise for formulation of the hypothesis:

One of the reasons for enterprises' low competitiveness is their low innovativeness in the processes of management in the two areas specified.

This study is an attempt to verify the hypothesis. Its goal is an analysis of the state and possibilities of use of innovative solutions in the selected areas of management in the process of formation of enterprise's competitiveness.

In the context of the so outlined importance of innovative solutions in the analysed areas of

management, one should pay attention to one important issue more. These interesting and diversified subject matters have yet not met an adequate interest of researchers in the Polish literature as well as in the one provided within the framework of EBSCO base. In the existing publications, there are, first of all, undertaken issues of technical innovations, whereas not numerous ones treating management innovativeness are focused, as a rule, on one, strictly defined field, not corresponding with other ones. Also in the practical sphere, there is seen lack of empirical investigations related to the defined subject matters. In the opinion of authors, it is worthwhile to make efforts that would allow for grasping the subject matter of innovative solutions in management in a wider perspective, covering the functional areas of management and tying it with the issue of impact on competitiveness formation.

3. Research method

The grounds for the study are surveys carried out in 2009 on the nation-wide sample of 608 enterprises. Implementation of the survey on such a sample allowed maintaining accuracy of survey findings burdened with the maximum statistical error at the level of (+/-) 4.7% (the 90% confidence level). Selection of enterprises for surveys was made by the method of purposive sampling, taking into account the following stratification criteria: enterprise size, branch and location. Distribution of the sample from the point of view of basic criteria differentiating the population is presented by the statement below:

Division criterion	Category	Number	Per cent
Branch of activity	Production	270	44.4
	Trade	170	28.0
	Services	168	27.6
Number of employees	5-9 persons	176	28.9
	10-49 persons	152	25.0
	50-249 persons	154	25.3
	250 and more persons	126	20.7
Scope of activity	Local	216	35.5
	Regional	114	18.8
	National	143	23.5
	International	135	22.2
Capital origin	Exclusively Polish	511	84.0
	Foreign / mixed	97	16.0
Position in the market	Weak	43	7.1
	Medium	379	62.3
	Strong	186	30.6
Economic condition	Very good	61	10.0
	Good	299	49.2
	Satisfactory	229	37.7
	Bad	13	2.1
	Very bad	6	1.0
TOTAL		608	100

The respondents were managers representing top management. The surveys were carried out by the method of direct interview. The objective of the presented surveys was to receive answers to the research questions focused in the three problem areas:

I. Importance of innovativeness in management and competitiveness creation:

- What is awareness of the place and importance of innovativeness and of innovative solutions in the hierarchy of factors shaping enterprises' competitiveness?
- What is the level of enterprises' innovativeness against the background of competitors?
- What is the scale of implementation of innovative solutions at enterprises?
- How does look like the scale of implementation of innovative solutions in individual areas of management?
- What stimulators and barriers of implementation of innovative solutions as tools of competitiveness formation do take place in the sphere of enterprise management?

II. Use of innovative solutions in finance management:

- What are the range, scale and directions of use of innovative solutions at enterprises in finance management?
- How are the procedures of implementation of innovative solutions in finance management carried out?
- How are the consequences and effects of the implemented by enterprises innovative solutions in finance management assessed?
- What is impact of implementation of innovative solutions in finance management on enterprise's competitiveness?

III. Use of innovative solutions in marketing management:

- What are the range, scale and directions of use of innovative solutions at enterprises in marketing management?
- How are the procedures of implementation of innovative solutions in marketing management carried out?
- How are the consequences and effects of the implemented by enterprises innovative solutions in marketing management assessed?
- What is impact of implementation of innovative solutions in marketing management on enterprise's competitiveness?

Each of the research questions was presented in the questionnaire in the form of closed-ended question, with versions of answers based on the nominal or ordinal scales, mostly of the disjunctive nature. In the analyses, apart from the statements illustrating distributions of answers for the whole body of surveyed enterprises, there was taken into account differentiation of the results by volume of employment, considered as the key criterion

differentiating the scale of involvement in creation and use of innovative solutions.

4. Importance of innovativeness in management and creating competitiveness

Undertaking deliberations on the possibility to use innovative solutions in management of enterprise's various resources, one has to consider what is placement of the innovative processes in the system of enterprise management.

Following R. W. Griffin, we have to note that the very enterprise management process is defined as a creative process of formulation and determination of its purposes through the use of different resources functioning in its environment, among which one should mention human, material, financial and information resources (Griffin, 1999). The subject matters of resources may also be considered in another, more expanded treatise, indicating the areas being the subject of managerial processes, *inter alia*, finance, research and development, supplies, production, human resources, knowledge, marketing, logistics (Nowacki, 2010a). In each of them, an enterprise must have at its disposal definite skills, competences and knowledge, which, used in a proper way, become resources stimulating increase of competitiveness.

Such an approach to enterprise's resources treats them as one of the three dimensions of structural processes of management, besides the levels of management connected with the time horizon and degree of materialisation of decisions and actions (which allow for distinguishing strategic, tactical and operational management) as well as the basic functions of the process of management (planning and decision-making, organising, chairing and implementation and control) (Niestrój, 1998). Thus, there is created a system of many variables, which decide effectiveness of action and possibilities of shaping competitive position.

Referral of enterprise's resources management to the phenomenon of competitiveness in a broad sense, with which there is inseparably connected the competitive position, has obvious justification. Referring to the concept of cause and effect chain of competitiveness, one may point out to direct relationships between the resources, competitive position and competitiveness (Nowacki, 2010a and Gorynia, 2000). Just the broadly treated resources together with skills and existing opportunities determine the possessed by an enterprise competitive potential, called competitiveness *ex ante*. Its use consists in shaping the competitive strategy covering various instruments creating competitive advantage. This, in turn, shapes the competitive position, called competitiveness *ex post*. Discounting the effects being achieved in this way, the enterprise increases its resource potential, maximises organisational

competences and opens before itself new market opportunities and challenges. Closing up one cycle of competitiveness formation becomes, at the same time, a foundation for the next cycle, situated at a higher level. In result, the basis for building an ever-lasting competitive advantage is to retain the resource-type advantage over competitors.

In this process of shaping competitiveness, one may see a substantial impact of actions described as innovative. Among many differentiated and often having no common denominator definitions of competitiveness, one may find also such that directly combine it with innovativeness. As an example there can be taken the formulation given by A. J. Abbas, according to whom, competitiveness is “ability of companies to innovativeness and flexibility, manifesting itself in achieving competitive advantage” (Nowacki, 2010b and Moroz, 2003).

The very innovativeness is understood as propensity and ability to implement innovations whose components are the resources remaining at disposal and the methods applied with utilisation thereof. Developing this formulation, one may refer innovativeness to propensity and ability to create and improve the existing products, new technologies and organisations as well as the systems of management and motivations. Thus, there is formed a system of creation and implementation of the four groups of innovative solutions, understood as introduction of something new, unknown or applied for the first time:

- product innovations – meaning launching of a new product or significant improvement of the products offered so far in terms of their characteristics or destination (what may concern the technical parameters, components, materials, software, easier handling by the user and other functional features),
- process (technological) innovations – meaning implementation of new or significantly improved methods of manufacturing or deliveries,
- marketing innovations – meaning introduction in the marketing activity of new or improved solutions as regards the product, its equipment, brand, packaging, positioning, pricing, promotion or a model of business management resulting from the new marketing strategy,

- organisational innovations – meaning application of a new concept of organisation of business activity, organisation of workplaces or organisation of relations with external partners (Bogdanienko, 2004 and Niedzielski, 2007).

Irrespective of the type, innovation is, on the one hand, a result of internal processes taking place in the organisation whose effect is appearance of inventiveness being a result of the existing resources of knowledge and use thereof, and, on the other hand, a premise for undertaking actions of the imitative nature. This is consistent with the Schumpeter’s concept of triad, in which inventiveness (being a product of knowledge) evolves into innovation (that is application of knowledge and inventiveness in undertaken investments), and, that, in turn, just into imitation (being associated with dissemination of innovations) (Duraj and Papiernik-Wojdera, 2010).

Innovation is perceived as a strategic instrument serving building and expanding enterprises’ competitive abilities. It is a key to progress and development, is also a source of inventions in all spheres of life, community, technology and administration (Farazmand, 2004). J.R. Kimberly and M.J. Evanisko explain that innovation may have different meanings. First, it may be understood as a discrete element, which includes development of products, programmes or services. Second, it may be perceived as a process at various levels of advancement. Finally, it may be understood as an organisational capacity (innovativeness and/or innovative abilities) (Evanisko and Kimberly, 1981).

Development of innovations at the enterprise becomes, therefore, one of the key factors of its competitiveness and stimulators of development. The surveys carried out by the authors show that more than 60% of enterprises assess importance of innovativeness in this context as at least great, though, at the same time, only for less than 14% it is the key one (Table 1). In addition, there is an apparent positive correlation between growth of importance of innovation and the enterprise size, particularly as regards recognising the key role of innovative solutions in development and creation of competitiveness (per cent of such indications in case of medium and large enterprises is 2-2.5 times higher than in case of small and micro enterprises).

Table 1. Importance of innovations for development and market position of enterprises

Specification	Total	Enterprise size			
		5-9	10-49	50-249	More than 249
Per cent of indications					
Very great, key importance	13.7	7.4	11.8	18.2	19.0
Great but not decisive importance	46.5	44.9	34.9	53.9	54.0
Minor, in practice low, importance	32.1	37.5	44.7	20.8	23.0
None, immaterial	5.9	9.7	3.9	5.8	3.2
I do not know, difficult to say	1.8	0.6	4.6	1.3	0.8

Source: empirical investigations, 2009.

Based on that, one has high rank managers' awareness as regards impact of innovativeness on the enterprise's position. However, it does not mean that all entities undertake with competitors rivalry in the field of innovations. Part of them focus on other competitive actions, assessing their innovativeness as lower than that of competitors. Such an opinion is specific for almost 18% of enterprises (Table 2). More often this is specific for entities employing up to 49 persons than bigger. Only every fourth enterprise declares greater innovativeness – there are clearly higher percentages of such firms in case of the

biggest organisations (almost 40%) and medium ones (more than 30%). More often higher than that of competitors, innovativeness is indicated by micro enterprises than small ones – they are more flexible from the point of view of readiness to introduce changes. However, in each size category, there prevail entities that describe their innovativeness as approximate to that of competitors. These are companies very cautious in formulating explicit opinions, partly also such that do not want to admit they lose rivalry in this field with competitors.

Table 2. Level of enterprises' innovativeness against competitors

Specification	Total	Enterprise size			
		5-9	10-49	50-249	More than 249
	Per cent of indications				
We are definitely more innovative	4.4	3.4	4.6	5.2	4.8
We are rather more innovative	22.7	19.3	13.8	25.3	34.9
We are equally innovative	54.9	50.0	61.8	57.8	50.8
We are rather less innovative	13.3	18.8	16.4	9.7	6.3
We are definitely less innovative	4.4	8.5	3.3	1.9	3.2

Source: empirical investigations, 2009.

A significant part of the said innovative activity of enterprises accounts for the sphere of management. We deal here with the two definitions, which must be precisely distinguished: managerial innovations and innovations in management. The former refer to changes in methods of management, based on a new or so far unutilised knowledge (Gołębiowski, 2010). There are also elaborations where they are called innovations *sensu stricte* (Flak, 2008). In the context of the previously presented four basic types of innovations, managerial innovations refer to

marketing and organisational ones. In turn, innovativeness in management refers to management of business activity, which is oriented on formation of enterprise's innovativeness (Pomykalski, 2008).

Among the enterprises surveyed, more than $\frac{3}{4}$ implemented in 2007-2009 innovative solutions in various areas of management (Table 3). The most active were in this respect large organisations (more than 92%); significantly greater passiveness was characteristic for small and micro enterprises (less than 70%).

Table 3. Areas of management where enterprises implemented in 2007-2009 innovative solutions

Specification	Total	Enterprise size			
		5-9	10-49	50-249	More than 249
	Per cent of indications				
Labour organisation management	34.0	25.0	26.3	36.4	53.2
Quality management	31.1	24.4	21.7	37.7	43.7
Pricing management	28.1	25.0	26.3	26.6	36.5
Distribution / sale system management	27.8	26.1	19.7	25.3	42.9
Production processes / technology management	27.1	17.0	21.1	35.7	38.1
Finance management	25.8	18.8	20.4	31.8	34.9
Product management	24.0	17.6	15.1	28.6	38.1
Marketing management	23.4	15.9	19.7	27.3	33.3
Customer relationship management	23.4	16.5	16.4	26.0	38.1
Stock / supplies management	22.2	14.8	19.1	26.6	31.0
Human resources management	22.0	17.0	15.8	22.7	35.7
Knowledge management	17.1	18.8	10.5	18.8	20.6
Market communication policy management	11.2	7.4	5.9	11.7	22.2
We did not introduce innovations in management	23.5	34.7	32.2	14.9	7.9

Source: empirical investigations, 2009.

One must pay attention to a wide range of innovative solutions applied at the enterprises surveyed. They concerned several singled out areas of management, and the specific phenomenon is a generally approximate level of innovativeness in almost all areas. The indices related to the top eleven are ranged between 34% and 22%. Most often innovations were implemented in labour organisation management; then, quality management. Definitely the most seldom such actions concerned knowledge management and market communication policy management. It seems to be surprising – the lowest percentages of indications concerned either the area, in which innovativeness is of the key importance for novelty of the very concept of management (knowledge management), or the sphere, which is characterised by a very dynamic development and multiplicity of possibilities of application of new solutions resulting, at least, from development of communication channels.

Being the main area of interest in this article finance and marketing management was a field of implementation of innovative solutions at about ¼ of enterprises. More often such actions were undertaken by large entities – the indices are in their case about twice as high as in case of micro firms.

The premises for undertaking innovative activities in management are mainly development of the enterprise and escalation of competitive phenomena (Table 4). The first, of the endogenous nature, was indicated by more than 37% of entities. Its sources must be looked for in the proactive willingness to undertake market expansion. The second, reactive, has its roots in exogenous impulses forcing enterprises to seek for exits from danger. It is perceived as both appearance of new market players (hence, in the context of quantitative growth of competition – 26.2% of indications) and growing competition as regards the assortment offer (mainly if the form of more and more common extension of the range of products and their diversification by variables not related directly to usefulness, e.g. marketing ones).

Other premises of implementing innovations in management are of considerably lower importance. It is only worthwhile to pay attention that there are more often indicated the reasons lying right in the organisation than coming out from its environment. In the majority of cases (particularly in respect of endogenous reasons), greater awareness as regards stimulators of innovations in management is shown by large enterprises.

Table 4. Reasons for implementation by enterprises of innovative solutions in management

Specification	Total	Enterprise size			
		5-9	10-49	50-249	More than 249
	Per cent of indications				
Company development	37.3	33.5	37.5	35.7	44.4
Quantitative growth of competition in the market	26.2	23.9	27.0	28.6	25.4
Increasing competition as regards the assortment offer	22.2	17.6	21.1	24.7	27.0
Strive after raising effectiveness of processes and resources	14.3	9.7	13.2	16.9	19.0
Strive after minimisation of costs of activities	13.3	9.7	15.8	13.0	15.9
Pressure on the part of customers and business partners	12.8	9.1	13.2	18.2	11.1
Appearing technological and organisational capacities	12.7	6.8	12.5	11.7	22.2
Wish to be distinguished in the market owing to innovations	10.7	9.7	5.9	13.6	14.3
Strive after management rationalisation	8.4	2.8	8.6	12.3	11.1
Appearing demand barriers	8.1	6.3	6.6	9.7	10.3
Wish to create the image of modern company	7.4	5.1	7.9	5.8	11.9
Product diversification	6.4	5.1	4.6	8.4	7.9
Changes in the sphere of consumption	6.3	7.4	2.8	7.1	7.9
Low level of customer loyalty	5.8	4.0	6.6	7.8	4.8
Globalisation and mix of consumer cultures	5.3	4.0	2.6	9.1	5.6
Low market transparency and consumer unawareness	4.9	5.7	3.9	3.9	6.3

Source: empirical investigations, 2009.

5. Innovativeness in finance management

Innovativeness in finance management means search for advantageous possibilities for resource allocation what has to lead to growth of goodwill.

The level of innovativeness in finance management at enterprises is low. 32.6% of them

believe that their level of innovativeness is similar to that of competitors, while 31.4% of answers show that it is difficult to assess it. Greater optimists on this question are representatives of medium and large enterprises (Table 5).

Table 5. Level of enterprises' innovativeness in the sphere of finance management against competitors

Specification	Total	Enterprise size			
		5-9	10-49	50-249	More than 249
	Per cent of indications				
We are definitely more innovative	3.8	2.8	2.6	5.2	4.8
We are rather innovative	16.1	6.8	9.2	21.4	31
We are equally innovative	32.6	26.7	34.2	37	33.3
We are rather less innovative	8.9	11.4	9.9	7.8	5.6
We are definitely less innovative	7.2	10.8	10.5	1.3	5.6
Difficult to say	31.4	41.5	33.6	27.3	19.8

Source: empirical investigations, 2009.

Innovativeness in finance management in practice is recognised as acquisition of new and modern for the enterprise sources of financing its activities (including acquisition of EU funds) as well as use of financial instruments improving liquidity

(Table 6). Almost half of the respondents did not, however, introduce any innovations in the area of finance management. In such a situation, it is difficult to speak of effects.

Table 6. Areas of finance management where enterprises most often implemented innovative solutions in 2007-2009

Specification	Total	Enterprise size			
		5-9	10-49	50-249	More than 249
	Percent of indications				
We did not apply innovations in finance	28.9	39.2	28.9	24	20.6
Acquisition of new sources of activity financing	27.6	23.9	25.7	28.6	34.1
Use of financial instruments improving liquidity	19.1	13.6	15.8	25.3	23
Use of EU funds	16.6	8	15.1	18.2	28.6
Use of modern ways of monetary surplus management	16.4	9.7	15.8	17.5	25.4
Use of modern sources of activity financing	16.1	10.2	17.1	17.5	21.4
Activity financing with capital with lower and lower cost	13.8	17	14.5	9.7	13.5

Source: empirical investigations, 2009.

For approximately 20% of respondents, who implemented innovations in finance management, an effect of those innovations was increase of profits. Reduction of costs of activities became an advantage for 13% of them. Improvement of the company's economic condition, indicated by 11.7% of respondents, ranges in the same area of improvement of activity effectiveness. Taking into account all these

indications together, so understood benefits occurred in case of almost one half of entities. Introduction of innovations led also, *inter alia*, to increase in wages, increase of their share in the market, improvement of goodwill, extension of the assortment offer, increase of the number of customers or development of employees (Table 7).

Table 7. Benefits from implementation of innovative solutions in finance management most often observed at enterprises

Specification	Total	Enterprise size			
		5-9	10-49	50-249	More than 249
Percent of indications					
Increase of profits	19.6	11.4	13.2	27.9	28.6
Reduction of costs of activities	13.0	8.5	11.2	15.6	18.3
Improvement of economic condition	11.7	6.3	10.5	18.2	12.7
Increase of sales	8.7	5.7	9.2	7.8	13.5
Increase in wages	8.2	4.5	4.6	10.4	15.1
Increase of profitability	8.1	5.1	5.3	10.4	12.7
Increase of share in the market	5.3	4	3.3	7.8	6.3

Source: empirical investigations, 2009.

Innovations in finance management are introduced, first of all, by medium and large enterprises. They also gain most benefits therefrom.

Most respondents indicate that innovations in finance management have a great impact on competitiveness. Most often, such opinions are

formulated by representatives of medium and large enterprises. These are the entities where there is noticed correlation between introduction of innovations in this sphere of management and benefits (Table 8).

Table 8. Impact of implementation of innovative solutions in finance management on enterprises' competitiveness

Specification	Total	Enterprise size			
		5-9	10-49	50-249	More than 249
Percent of indications					
Very great	6.5	9.1	4.3	6.1	6.7
Great	50.9	39.4	47.1	61.2	51.1
Minor	25.6	33.3	24.3	20.4	26.7
None	2.5	1.5	4.3	1.0	3.3
Difficult to say	14.5	16.7	20.0	11.2	12.2

Source: empirical investigations, 2009.

6. Innovativeness in marketing management

The earlier presented three-dimension concept of enterprise management situates marketing as one of many functional fields of management. The very marketing management is defined in this context as the whole of decisions and actions connected with formation and exploitation of the sales market as the essential source of enterprise's earnings, taking the central place in the set of all functions and actions of the enterprise and specialised fields of management (Altkorn and Kramer, 1998). Besides, it is characterised by the following features:

- it covers the marketing coordinating and integrating, preparatory, supporting and implementing activities (actions),
- it is carried out by employees of the marketing division,
- it takes place at the same level as other areas of management,

- it utilises the basic tools, which are marketing plans whose subject is fulfilment of individual marketing functions (Andruszkiewicz, 2004).

The key feature of development of contemporary organisations is innovativeness of marketing activities carried out thereby. It is connected with a creative resolution of problems and use of new technologies. Its source is flexibility of reaction to the signals coming from the environment in order to adjust to them and thus to ensure itself competitive advantage. As A. Pomykalski writes, the enterprise's activity should be characterised by developmental dynamism, therefore, the ability to take risk and to exploit opportunities, which are created by new products, new markets and the possibilities of better satisfaction of consumers' needs (Pomykalski, 2005). Thus, a new paradigm of marketing management is created, which means use of knowledge and experience, piled up in the course of strengthening partner relationships with customers, monitoring of the environment (including competitors) and use of the system of data analysis generating information on the market and consumers

in order to create new marketing strategies. Those strategies should take into account, as much as possible, the possibilities to create and implement solutions of the innovative nature.

The carried out surveys show that innovativeness in the sphere of marketing management is assessed at a lower level than in case of the whole activity. Definitely greater or slightly greater innovativeness was declared by less than ¼ of enterprises (Table 9). Influence on such state of affairs is exerted, among other things, by the fact that a significant part of entities – more than 27% – cannot carry out such an assessment at all. Therefore, there is, first of all, lack of sufficient knowledge on

the possibility and conditions for implementation of innovative solutions in marketing, there is also lack of a benchmark issuing from the observation of competitors. It is true that lower innovativeness was declared by merely less than 15% of firms, but it seems that this is only the postulate approach, definitely too optimistic. Greater propensity to admit themselves advantage in marketing innovations relates to large enterprises. They seldom indicate defeat in this field in clash with competitors, definitely more seldom than small enterprises they also declare lack of the possibility to be compared with others.

Table 9. Level of enterprises' innovativeness in the sphere of marketing management against competitors

Specification	Total	Enterprise size			
		5-9	10-49	50-249	More than 249
	Per cent of indications				
We are definitely more innovative	5.9	4.0	7.2	5.8	7.1
We are rather more innovative	18.4	13.1	9.9	22.1	31.7
We are equally innovative	33.7	27.3	34.2	42.2	31.7
We are rather less innovative	7.6	10.8	8.6	3.9	6.3
We are definitely less innovative	7.2	10.2	9.9	3.9	4.0
Difficult to say	27.1	34.7	30.3	22.1	19.0

Source: empirical investigations, 2009.

Innovations in the sphere of marketing management may concern both the instrumental sphere and actions connected with the very concept and organisation of marketing at the enterprise (Table 10). Most often, innovativeness relates to the policy of launch to the market of new brands – this action was indicated by more than 22% of firms. In almost equal degree, it concerns all entities, irrespective of their size. After all, this tendency concerns the majority of actions that are connected with the product policy as a way of needs satisfaction – launch of modified products, with higher usefulness (per cent of indications among all enterprises at the level of 17.4%), or completely new

ones (12.8%). On the other hand, significantly greater are the differences in the case of those statements that refer to the marketing attributes of a non-product nature or connected with product equipment (e.g. packaging, advertising) – in their case, the difference in favour of the largest organisations is even five times greater. There attract attention also the fact that apart from the already mentioned brand policy, as well as improvement of product usefulness, other marketing areas of implementation of innovative solutions do not demonstrate significant differences in frequency of indications.

Table 10. Areas of marketing management where enterprises most often implemented innovative solutions in 2007-2009

Specification	Total	Enterprise size			
		5-9	10-49	50-249	More than 249
	Per cent of indications				
Launch of new brands	22.2	22.2	22.4	22.7	21.4
Improved products, with higher usefulness	17.4	13.6	15.1	22.1	19.8
Change of pricing	14.5	11.9	17.8	11.0	18.3
Change of the way of customer attendance	14.1	10.2	7.9	16.9	23.8
Introduction of new forms of promotion	13.8	13.6	13.8	11.7	16.7
Use of new mass media, advertising means and carriers	13.7	6.3	13.2	13.6	24.6
Completely new products but connected with the previous activity	12.8	11.9	9.2	16.9	13.5

Change of the packaging artwork	12.5	5.1	11.8	11.0	25.4
Change of the system of quality management	11.7	8.0	9.2	16.9	13.5
Change of the product appearance	11.0	8.0	10.5	11.0	15.9
Change of the system of communication with the market	10.2	6.3	12.5	9.1	14.3
Change of the company's advertising strategy	9.9	6.3	9.9	10.4	14.3
Change of the packaging appearance / external parameters	9.5	7.4	8.6	9.7	13.5
Change of the used distribution channels	8.7	6.8	10.5	7.8	10.3
Modernised products but not from the point of view of usefulness	8.6	5.7	7.2	9.7	12.7
Change of the organisation / structure of marketing activities at the enterprise	7.6	4.0	7.2	8.4	11.9

Source: empirical investigations, 2009.

Implementation of innovative solutions in the sphere of marketing management may yield enterprises many benefits. The surveys show that undertaking activities of such a type is free of the risk of absence of positive effects – practically all enterprises, which implemented innovative solutions in marketing management perceived occurrence of positive effects (Table 11). Moreover, there clearly manifest themselves the two areas of those benefits.

The first is of the goodwill nature – every third firm indicated improvement of goodwill. This mainly concerns the largest enterprises (almost 42%), but the percentage of indications referring to the companies employing less than 50 persons, oscillating around 25%, also seems to be satisfactory. The second area refers to the sale effects, described through linked

with one another increments of sales, number of customers or generated profits. All the three parameters achieved around 32% of indications, whereas:

- increase in sales most often was declared by medium enterprises (38% of indications), the least by micro enterprises (28%),
- increase in the number of customers referred to the greatest degree to small and medium companies (37% of indications in each case), definitely more seldom (23.8%) it was declared by large enterprises,
- increase in profits most often occurred at micro companies (36% of indications); the most seldom it was the share of small entities (23.9%).

Table 11. Benefits from implementation of innovative solutions in marketing management most often observed at enterprises

Specification	Total	Enterprise size			
		5-9	10-49	50-249	More than 249
Per cent of indications					
Goodwill improvement	33.0	22.7	26.9	38.0	41.7
Increase in sales volume	32.7	28.0	29.9	38.0	33.3
Increase in the number of customers	32.7	33.3	37.3	37.0	23.8
Increase in profits	31.8	36.0	23.9	34.8	31.0
Increase in firm's competitiveness in the market	17.6	18.7	16.4	18.5	16.7
Improvement of quality of customer attendance	17.6	16.0	11.9	17.4	23.8
Extension of the assortment offer	17.3	16.0	19.4	18.5	15.5
Increase in awareness of the brands offered by the company	15.4	10.7	13.4	14.1	22.6
Increase in the market share	14.2	6.7	9.0	22.8	15.5
Opening new sales markets	12.9	13.3	16.4	10.9	11.9
Increase in company's profitability	11.6	14.7	9.0	13.0	9.5
Product quality improvement	8.5	9.3	7.5	12.0	4.8
Improvement of company's economic condition	8.5	8.0	7.5	9.8	8.3
Increase in wages	6.9	10.7	1.5	7.6	7.1
Increase in labour productivity	6.3	6.7	6.0	6.5	6.0

Source: empirical investigations, 2009.

Among other benefits, it is also worthwhile to mention increase in competitiveness, improvement of

quality of customer attendance and extension of the assortment offer (all took place in more than 17% of

enterprises, as a rule, in the degree approximate in all the size categories – to the greatest degree, differences to the benefit if large firms occurred in case of quality of customer attendance).

In the context of this study, of a particular importance is influence of innovative solutions in marketing management on enterprise's

competitiveness (Table 12). More than two thirds of the enterprises surveyed assess it as important, of which almost 14% as very great. Nearly ¼ declared that it was minor; sporadically there was indicated absence of impact. A little bit more than 8% of the firms surveyed could not give any unanimous answer.

Table 12. Impact of implementation of innovative solutions in marketing management on enterprises' competitiveness

Specification	Total	Enterprise size			
		5-9	10-49	50-249	More than 249
	Per cent of indications				
Very great	13.8	20.0	9.0	13.0	13.1
Great	54.1	48.0	50.7	56.5	59.5
Minor	23.0	25.3	23.9	21.7	21.4
None	0.9	1.3	-	2.2	-
Difficult to say	8.2	5.3	16.4	6.5	6.0

Source: empirical investigations, 2009.

Characteristic are thereby differences dividing individual size categories of enterprises. The very great impact was perceived by micro enterprises (every fifth), most seldom (every eleventh) spoke of it small enterprises. The smallest entities had also the largest per cent of answers characterising the impact as minor (though in this case the differences were negligible) and the least in case of assessment 'great'. Small businesses definitely more often than other entities (almost three times) were giving an evasive answer. Practically there did not take place differences between percentages of indications characterising medium and large enterprises.

7. Conclusions

In the light of the presented findings related to implementation of innovations in the two areas of management, one may see both the common and different elements. Finance management and marketing management are, in practice, in the apparent conflict. From the financial point of view, particularly in a short time-period, expenses related to marketing may appear as ineffective. On the other hand, functioning of the enterprise from the perspective of marketing, where management will be based on the primacy of finance, will be perceived in the similar light. Being out of details, one has to state that this and that area of management is important and improvement of management in this respect will lead to enterprise development (Table 4).

Enterprise managers identify benefits from implementation of innovations in these areas of management differently. Definitely more respondents point out to benefits from implementation of innovations in the area of marketing management than finance management. The basis for such a state of affairs may be number and scope of implemented

innovative solutions (Tables 6 and 10). In this respect, there is advantage on the side of solutions related to marketing management. Another factor is the fact that undertaking innovative activity in marketing management is practically free of risk, what cannot be said of implementation of innovations in finance management.

There is no substantial divergence in assessment of the impact of innovations in finance management and marketing management on enterprise's competitiveness. Nearly two thirds assess it as important. A little bit greater differences can be seen in case of perceiving it as the key factor – impact of innovations in finance management on competitiveness is very great only for 6.5% of the surveyed enterprises and this is by more than half less than in case of marketing management where such a declaration was specific for nearly 14% of respondents.

Among entrepreneurs, one may notice difficulty in evaluation of their level of innovativeness both as regards finance management and marketing management. This may be an effect of lack of knowledge, but also lack of the benchmark issuing from observation of competitive enterprises.

The generally positive opinion on the effects of implementation of innovative solutions in finance management and marketing management leads to reflection why these actions are not undertaken by a bigger number of enterprises. Answers to the question of the existing in this respect constraints do not provide an opportunity for unanimous interpretation. Although almost 60% of entities could point out to occurrence of definite barriers, but others clearly declared absence of whatever limitations – from this group, a relatively large part, none the less, is not, as regards finance and marketing, innovative. Probably the reason for this is, in spite of all, a low level of

awareness of the opportunities and conditions for implementation of innovative solutions (Dolińska, 2010) as well as importance of such actions or belief in effectiveness of one's own efforts.

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