

Firm Performance and Multi-Scale Territorial Resources in Wallonia: Towards a Model using Business Accounting?

P.-F. WILMOTTE et J.-M. HALLEUX

ECOGEO Economic Geography Unit, UR SPHERES, Université de Liège

PhD project and aim of this research

Why? In Europe (and in Wallonia), most public policies related to regional development and economic development aim to stimulate/reinforce the “territorial resources” in order to improve the competitiveness of the (Walloon, Belgian or European) firms. For instance, in Wallonia, one of the key action of the Marshall Plan (i.e. the main regional strategy in the domain of economic development) aims to “mobilize the territory” (in French, « mobilisation du territoire à destination du développement économique »). In this perspective, our objective is to quantify and analyse the territorial resources that impact the performance of Walloon or Belgian firms, with the final aim to advice the policy makers and to improve the related public policies. This topic is related to questions such as:

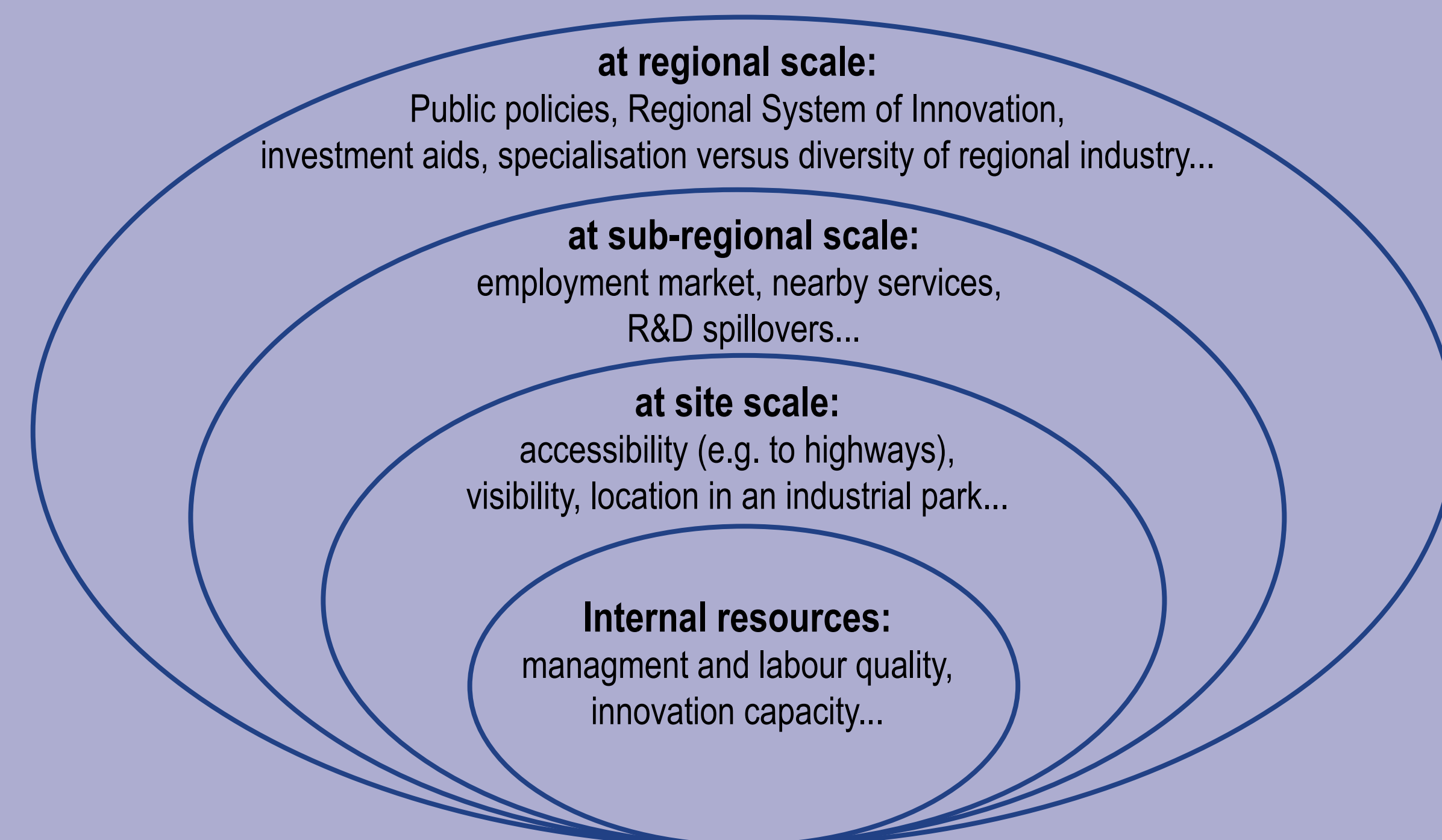
- Does a better accessibility of economic estates improve the performance of firms?
- Are cultural amenities (in order to attract talents) and land prices (in order to reduce their costs) strategic competitive advantages for firms?

Main goal of PhD project: highlighting the territorial resources influencing the performance of Walloon (Belgian) firms in four steps:

1. Literature review
2. Analysis of business accounting coupled with indicators of territorial resources (the purpose of this poster)
3. Hedonic model of property prices for the Walloon firms
4. Survey of the “territorial” needs of business owner

Multi-scale territorial resources?

We mean the specific features of the territories that affect the ability of companies to develop their business.



Classified by categories:

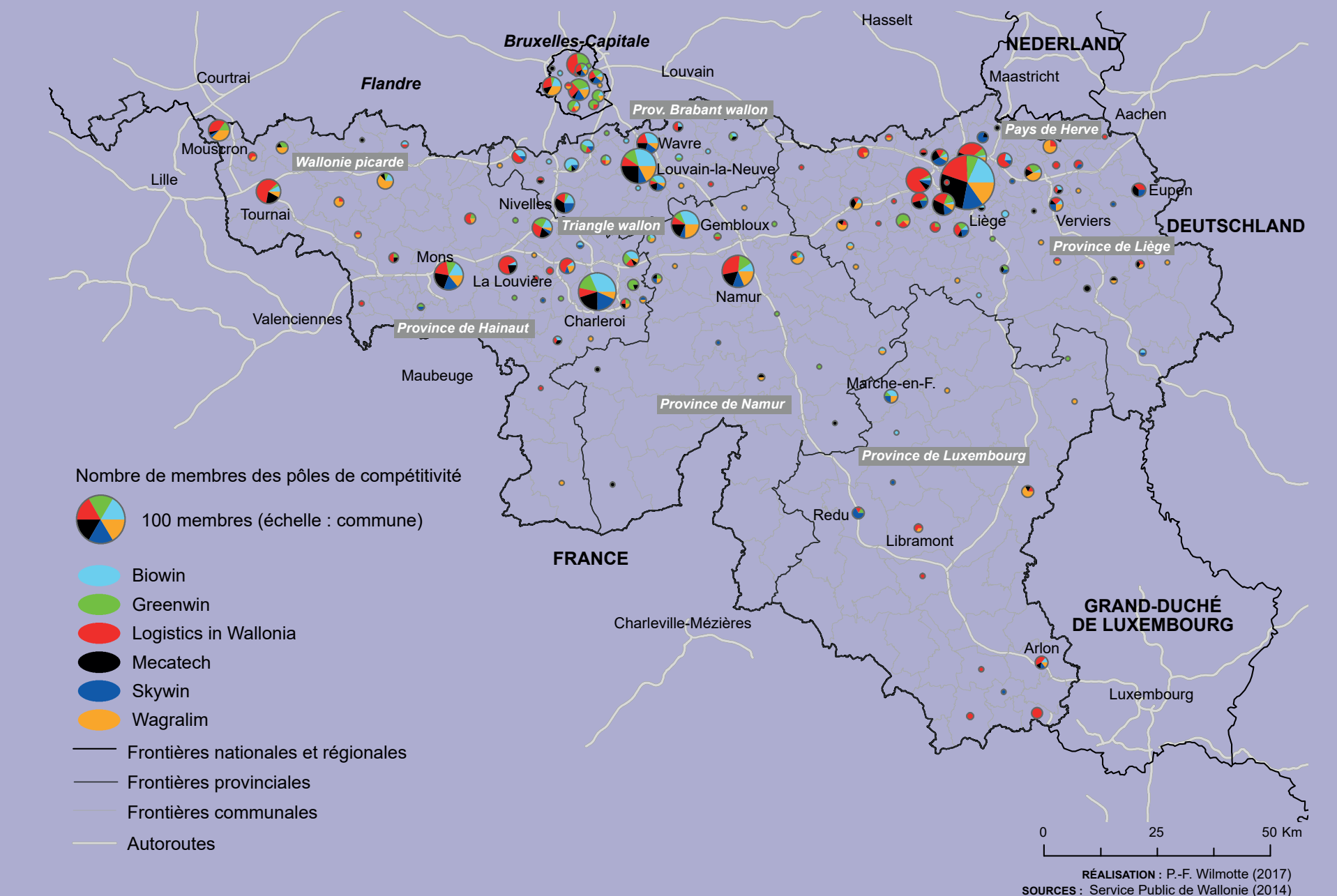
- Accessibility and connectivity
- (Large) employment/population basin
- Governance
- Urban attractiveness
- Labour market
- Venture-capital
- Governance
- Specialisation versus Diversity
- R&D, Regional Innovation System
- ...

The viewpoint is related to the “differentiated advantages” (Pecqueur, 2014) or the “resourceful region” (Nijkamp, 2016), an original combination of all these kinds of resources.

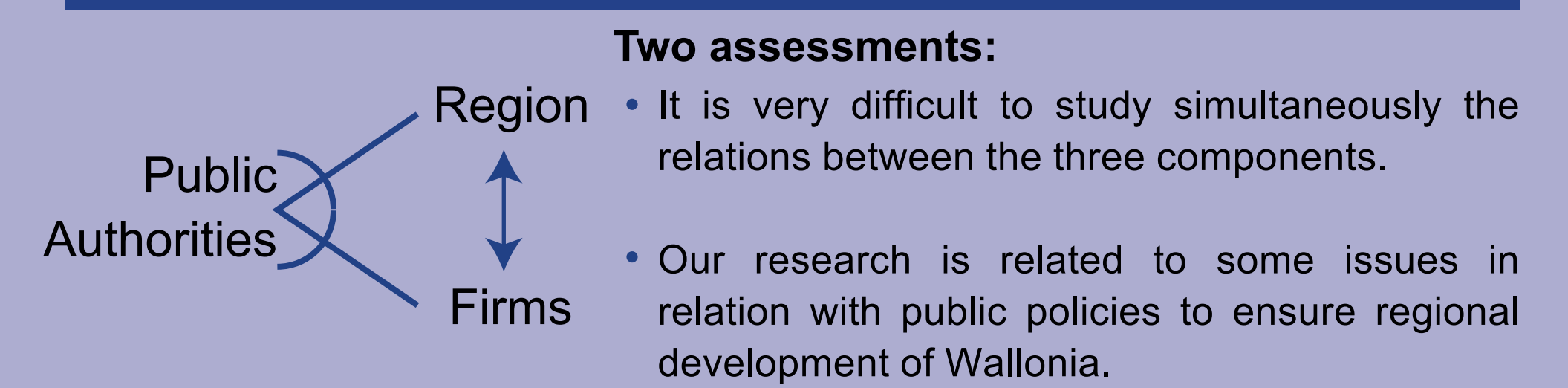
Study area

Wallonia because of the availability of data: we can use a Walloon database on firm’s accounting information.

The map illustrates the geography of Walloon clusters, reflecting the unequal economic development of the region and we postulate an unequal territorial resources endowment.



Firm performance?



We adopt a public authorities viewpoint

... So what are their objectives and the main weaknesses of Walloon regional development?

- Shortage of enterprises in comparison with other regions
- Lack of enterprises with a medium competitiveness
- Firms do not produce enough added value

That is why added value is used to measure the performance.

Towards a sample of enterprises? From the database of Belgian National Bank to our specific database



Main references

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- Pecqueur B. (2014). Esquisse d’une géographie économique territoriale. *L'Espace géographique* 43(3), pp. 198-214.
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Perspectives // Methodology

Multivariate statistics analysis:

- Statistics model: multiple linear regression
- Individual: all Walloon firms selected in our sample
- Dependent variables: Value added
- Explanatory variables:
 1. Some variables related to the internal resources of the firms
 2. Some variables related to the multiscale territorial resources: the three other scales

P.-F. WILMOTTE, PhD-student in economic geography (IWEPS fellowship)

🏠 Institut de géographie (B11), Quartier Village 4, Clos Mercator 3, 4000 Liège

✉ pfwilmotte@uliege.be