Abstract: Various resource constraints of small and medium-sized enterprises (SMEs) highlight the strategy of cooperation for innovation as it enhances organizations’ options and breadth of knowledge sources. Nevertheless, research lacks guidance on why, with whom, and how to cooperate and has so far not provided a comprehensive overview of the characteristics of cooperation to foster SMEs innovativeness. To build a conceptual body of knowledge for further iterations, we conducted a structured literature review since, to our best knowledge, there is as yet no structured knowledge on cooperation for innovation among SMEs that could have served as the basis of a taxonomy. Our taxonomy delineates the design options for practitioners and advises that one select organization-specific parameters. With this taxonomy, we conceptually structure existing research and empower practitioners to analyze their current cooperation projects, reconsider them, and gain knowledge to design new ways of cooperation that best suit their aims.

Keywords: Small and medium-sized enterprises, SMEs, Taxonomy, Innovation, Cooperation