



OECD REVIEWS ON ENTREPRENEURSHIP, SMES AND LOCAL DEVELOPMENT

FINDINGS FROM ROUND ONE CASE STUDIES

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Presentation structure

- Objectives of the OECD reviews
- Analytical framework – system problems
- Method
- Common findings
- Key recommendations



Review objectives

- Strengthen innovation and entrepreneurship performance
- Understand the problems that affect innovation and entrepreneurship at local level
- Recommend policy improvements
- Provide inspiration from international best practice



Analytical framework – system problems 1

Type of problem	Nature of problem
1. Infrastructure	Infrastructure is lacking for knowledge generation and transfer (ICT, universities, science parks, research and training premises)
2. Institutions (normative, regulatory)	Regulations, cultures and incentives are poorly adapted to the needs of innovation
3. Learning	SMEs lack skills and capabilities to absorb knowledge



Analytical framework – system problems 2

Type of problem	Nature of problem
4. Network	Local linkages are lacking among knowledge explorers and exploiters. Global linkages are lacking with external knowledge sources and outlets. Links are lacking across related variety sectors
5. Complementarity	Local assets and capabilities may not complement each other
6. Transition and lock-in	Firms, individuals, institutions, policies are unable to adapt to change by switching away from their existing technologies, structures and capabilities



Reviewed localities

- Lombardy, Italy
- Marche, Italy
- Trentino, Italy
- Andalusia, Spain
- Cantabria, Spain
- New Federal States, Germany
- Magdeburg, Germany
- West Midlands, UK
- Agder, Norway
- Sinaloa, Mexico



Methodology for the case studies

- Meeting with local partner
- Local diagnostic study
- Policy assessment framework (fed by a questionnaire)
- One-week study visit to meet stakeholders
- Report drafting
- Final policy workshop and action planning with stakeholders



Thematic areas

- Entrepreneurial culture
- Entrepreneurship skills
- Workforce skills
- Access to finance
- Business support infrastructure
- Innovation and knowledge networks
- Strategy and policy delivery



Networking and complementarity problems were common

- Cantabria: mismatch between cluster focus and university specialisation
- Andalusia: research agenda only influenced by university
- Magdeburg: strongest local sector (food industry) excluded from publicly supported knowledge transfer policy
- Most regions: innovation policy too much based on R&D promotion (even where R&D activity was low)



Emerging lock-ins were also common

- Agder: reliance on a few MNEs in oil and gas and mineral extraction
- Marche: challenge of transforming and upgrading the four industrial districts to meet global competition
- Cantabria: automotive suppliers needed to to move up the value chain



Business infrastructure was strong

- There was a host of incubators, science parks, technology centres in the regions examined
- Some risks, though:
 - Policy dependency
 - Overlapping of institutions



Some key policy recommendations

- Bear in mind the interdisciplinary and interactive nature of innovation today.
- Foster industry-university co-operation through a range of policy options.
- Take into consideration the specialisations of local universities when designing innovation policies.
- Improve the career prospects of university researchers involved in technology transfer.
- Concentrate resources in the promotion of centres of excellence to attain critical mass.