

# **Entrepreneurship and SME policies across Europe**

The IPREG mapping/comprehensiveness project

- Method manual for IPREG subproject 2

**The IPREG-2 project:** Entrepreneurship and SME policy across Europe aims to map the politics towards entrepreneurship (E) and Small and Medium-sized Enterprises (SME) in Europe. One goal has been to describe and analyze the comprehensiveness of E/SME policy in European countries. This report describes the method of how this can be done.



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#### **Foreword**

IPREG is the Innovative Policy Research for Economic Growth. It undertakes research leading to a better understanding of how entrepreneurship, innovation and small business can create sustainable economic growth in Europe and its' constituent regions.

IPREG is a European "network of networks" comprising researchers, policymakers and representatives from business organisations interested in Entrepreneurship and SME policy.

IPREG is currently co-ordinating two collaborative projects in Sweden, Flanders (Belgium), Poland, Spain and Austria:

- Estimating the full cost of Entrepreneurship and SME policy
- Mapping Entrepreneurship and SME Policy expenditure, policy focus and perceived impact

Subsequently IPREG will undertake a third project:

• Linking the input of Entrepreneurship and SME Policy to impact- most notably that of enhancing the entrepreneurial vitality of European countries.

The findings of the two current projects will be summarised in nine reports:

- One synthesis report covering all countries
- Individual country reports for Sweden, Flanders (Belgium), Poland and Austria.
- Two technical manuals for each of the current projects
- Two detailed reports for Sweden

This report contains the method manual for the cost mapping/comprehensiveness project and contains a description of the main methodology used in the project to obtain comparable data on policy mapping and comprehensiveness.

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#### 1 Introduction

Each year countries and regions within in the European Union spend billions of euros on innovation, entrepreneurship and SME policies. Such policies, if effective, could play a major role in stimulating enterprise and innovation, which, in turn, leads to wealth and job creation.

However the work undertaken by IPREG¹ to date has suggested that policy-making and implementation in this area lacks both an explicit strategy and reliable evidence of effectiveness. Secondly, IPREG research has emphasized the need to consider the totality of policy measures, rather than each individually, because of their close interaction with one another. Thirdly, IPREG has emphasized the almost total absence of information on the cost of these policies.

The second phase of the IPREG work (IPREG-2) will therefore build upon the networks established in earlier collaborations and deliver clear evidence-based research recommendations designed to improve the impact of entrepreneurship and SME policy in all participating countries.

Specifically three inter-related projects are undertaken. Each country/region:

- will quantify the total budget devoted to entrepreneurship and SME policy;
- will map the expenditure and activities, policy focus and perceived impact within these policy areas;
- will link policy input to impact in terms of enhancing entrepreneurial vitality in the relevant country/region.

This is the manual describing the method for the sub-project 2, the mapping/comprehensiveness project

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<sup>&</sup>lt;sup>1</sup> For more information about IPREG www.ipreg.org.

# 2 The IPREG mapping/comprehensiveness project

#### 2.1 Objective

This project will quantify and analyze the comprehensiveness of Entrepreneurship and SME policies in different regions and countries.

#### 2.2 Purpose

The project will map the policies measures in place in the defined policy sub-areas. The value of the project is to facilitate a discussion within the policy community about whether the current "suite of policies" reflects political priorities.

#### 2.3 Definitions

Entrepreneurship policy and its sub-areas are defined as policy measures taken before start and up to three years after start. After three years the measures taken are seen as examples of SME policies. The policy areas are divided in to the following different subareas.

- Finance Public financing initiatives for the entrepreneurship and SME policy
  areas. In this project issues are raised to what extent a nation or a region are
  working with different public funded initiatives such as guarantee systems, risk
  capital financing including public equity capital and public loans.
- Counseling and information Assistance provided by publicly financed service
  providers to business owners and prospective owners. Counseling could be of
  many different types, such as strategic counseling, operational counseling and pure
  information of tax rules. Most entrepreneurs and SME owners do not separate
  between these different types of activities. Workforce and Management training is
  separately documented below.
- Administrative burden The activities undertaken by government in implementing programs to achieve rule simplifications in the two policy areas. The aim is to get a picture how actively governments are working with programmes for rule simplification.
- *Promotion activities* Activities seeking to promote entrepreneurship and innovation that are supported by public funds. Examples being different programmes for role models, awards or media coverage.
- Target groups Measures taken to stimulate the number of women entrepreneurs, immigrant entrepreneurs, young entrepreneurs, unemployed and elderly in the area of entrepreneurship or SME policy. The project will limit the number of target groups to these five categories. Young entrepreneurs are defined as individuals up to 30 years old. An elderly person is considered to be over 55 years old. Projects are allocated to their main purpose.
- *Policy relevant research* Research aimed at creating knowledge to be used by policy makers or representatives of business organizations or organizations working in the area of entrepreneurship or SME policy.
- Entrepreneurship education Public financed programmes delivered within the education system from elementary school through university level. These include

- enhancing awareness of the entrepreneurial option to teaching business management skills.
- Innovative entrepreneurship This includes public financed projects related to measures taken to stimulate "innovative entrepreneurship" or to enhance product development in existing firms. Examples include programmes to stimulate for spin offs from incubators, universities as well as costs for cluster creation and innovation systems.
- *Training activities* Activities such as the training of SME employees in publicly funded courses. It also includes the public cost of funding the management training of owners and managers in small firms.
- Networking activities Public financed activities which aim to develop network among public providers in the policy areas and which have no direct aim to support entrepreneurs or SMEs.

#### 2.4 Methodology

This project maps the comprehensiveness/coverage of entrepreneurship and SME policies for a country, and for one region in that country. An ordinal scale for each of the sub-areas is used. Furthermore, in project 2 a number of interviews are done, to get a picture of the knowledge in the system and policy priorities among interviewed persons. Furthermore, results from the work should be discussed in seminars and presented in a special report. In brief the following steps are going to be done. In Annex 1 and 2 a more detailed description of the interview guide and the comprehensiveness survey are described.

- 1. Information is derived from official documents that set out entrepreneurship and SME policy. These documents are expected to define overall policy objectives and specific objectives for the different sub-areas. They are also expected to describe the problems faced and how these problems are addressed by the policy package.
- 2. A minimum of 20 interviews should be conducted with policymakers (8), business organizations (7) and the research community (5). No active politician should be interviewed. Respondents are asked to rank the priority given to sub policy areas to give examples of important problems in each area, and how these problems are addressed. Examples are also sought of important measures taken, or not taken, in each area. The interview questions are shown in Annex 1.
- 3. The results from the documents and the interviews are analyzed and presented at a seminar to which the interviewees are invited. Participating countries also participate in a meeting to discuss the findings.
- 4. The comprehensiveness/coverage of policy for each country/region is presented using an ordinal scale procedure. See Annex 2.
- 5. The results from the Comprehensiveness Index is compared with the data on costs and with rankings provided by interviewees. A second seminar is then arranged in the different countries/regions to discuss the results.
- 6. Drafts of country reports are produced, with comparisons made, if appropriate, with earlier findings.
- 7. An overall report for project 2 will be discussed at an IPREG meeting.

### 3 The interview guide

The instructions for doing the interviews are as follows:

- 1. Each partner should present a list of potential persons to be interviewed and the organizations they represent.
- 2. The interviews are going to be carried out before the final mapping (see Annex 2) is done. The process is the following one:
  - Every interview is tape recorded and transcribed. Two or three interviews should be done.
  - It will be optimal to translate the interview guidelines to the language of the country or region. After translation it is important to check against the original version in English so that each question is in line with the English version.
  - For most of the questions an ordinal 4-grade scale is used. 3 and 4 means good or very good knowledge, and 1 and 2 little or no knowledge. There is also a possibility to have a do not know answer.
  - Before the interviews the comprehensiveness survey questions (see Annex 2) are send out to each person to fill in before the interview. In doing this it is important to include the definitions of different policy subareas. At the time for the interview there is a possibility for the interviewed person to give his or her comments to the comprehensiveness survey questions and thereafter the survey is handed over to the interviewers.
  - The first two questions below concerning ranking tables for all nine subareas are also send out before the interviews and should be collected before the other interview questions are raised.
- 3. After interviews official documents describing the entrepreneurship and SME policy areas must be read and analyzed. It is of the greatest importance that everyone who is responsible for interviews has a good picture of different measures taken.
- 4. In the following scheme there is first a description of how interviews should be made and then a description of how to do the final mapping.
- 5. Each interview should start with a presentation of how we define entrepreneurship policy (EP) as well as SME policy and their different subareas. (In the previous study we got different definitions from more or less everyone we asked being the reason why in this project the definition should be clarified in the beginning of the interview). One could ask if our definition is in line with their definition and discuss similar and different views of definitions.

#### 3.1 Interview questions

**Question 1**. In what order would you rank the importance of the different policy subareas? (Ranking figures 1 to 10, where 1 should be given for the highest priority and 10 for the lowest priority). Do two tables for **each** interview, one for entrepreneurship policy and one for SME policy.

#### Entrepreneurship policy

| Finan-<br>cing | Counse-<br>ling | Pro-<br>motion | _ | Research | E-ship educati on | Innovative e-ship | Train-<br>ing | Net-<br>working |
|----------------|-----------------|----------------|---|----------|-------------------|-------------------|---------------|-----------------|
|                |                 |                |   |          |                   |                   |               |                 |

#### SME policy

| Finan-<br>cing | Counse-<br>ling | Pro-<br>motion | _ | Research | E-ship educati on | Innovative e-ship | Train-<br>ing | Net-<br>working |
|----------------|-----------------|----------------|---|----------|-------------------|-------------------|---------------|-----------------|
|                |                 |                |   |          | Not<br>defined    |                   |               |                 |

**Question 2.** If you think about the level of invested resources in each of the areas in what order would you rank the different areas? (The area with most resources invested in should be given the ranking value 1 and the area with least resources should be given the value 10)

#### Entrepreneurship policy

| Finan- | Counse- | Adm.   | Pro-   | Target | Research | E-ship  | Innovative | Train- | Net-    |
|--------|---------|--------|--------|--------|----------|---------|------------|--------|---------|
| cing   | ling    | burden | motion | groups |          | educati | e-ship     | ing    | working |
|        |         |        |        |        |          | on      |            |        |         |
|        |         |        |        |        |          |         |            |        |         |
|        |         |        |        |        |          |         |            |        |         |

#### SME policy

| Finan-<br>cing | Counse-<br>ling | Pro-<br>motion | _ | Research | E-ship educati | Innovative e-ship | Train-<br>ing | Net-<br>working |
|----------------|-----------------|----------------|---|----------|----------------|-------------------|---------------|-----------------|
|                |                 |                |   |          | on             |                   |               |                 |
|                |                 |                |   |          | Not            |                   |               |                 |
|                |                 |                |   |          | defined        |                   |               |                 |

**Question 3. The example of financing.** To what extent do you have knowledge of what measures are taken in this area (to a large extent, some extent, little extent or have no knowledge). Put a value 4 for to a large extent, the value 3 to some extent, 2 to little extent and value 1 for no knowledge.

| Alternatives      | Entrepreneurship policy | SME policy |
|-------------------|-------------------------|------------|
| To a large extent |                         |            |
| To some extent    |                         |            |
| To little extent  |                         |            |
| Have no knowledge |                         |            |

**Question 4.** According to you, what is the main problem that must be solved in the area of financing regarding both the policy areas?

**Question 5.** How important is this problem?

(Vital importance is given value 4, some importance value 3, little importance value 2 and no importance value 1)

**Question 6.** What are according to you the most important measures that **should** be taken to solve this problem? (e g public equity capital for early phases, loan guarantee schemes)

**Question 7.** According to you, which are the most important measures taken within the existing system in the financing area?

Individuals which have been given the value 3 or 4 are assumed to have knowledge of the measures taken in this area, individuals which are given the values 1 or 2 are assumed to more express their attitudes for policy measures in this area. The same is true for all other following subareas.

**Question 8. The example of counseling and information.** To what extent do you have knowledge of what measures are taken in this area (to a large extent, some extent, little extent or have no knowledge). Put a value 4 to a large extent, the value 3 to some extent, 2 to little extent and value 1 for no knowledge.

| Alternatives      | Entrepreneurship policy | SME policy |
|-------------------|-------------------------|------------|
| To a large extent |                         |            |
| To some extent    |                         |            |
| To little extent  |                         |            |
| No knowledge      |                         |            |

**Question 9.** According to you what is the main problem to be solved in the area of counseling and information for **both** the policy areas?

#### Question 10. How important is this problem?

(Vital importance is given value 4, some importance value 3, little importance value 2 and no importance value 1)

**Question 11.**What are according to you the most important measures **that should be taken** to solve this problem?

**Question 12.** According to you, which are the most important measures taken within the existing system in the counseling and information area?

**Question 13. The example of administrative burden.** To what extent do you have knowledge of what measures are taken in this area (to a large extent, some extent, little extent or have no knowledge). Put a value 4 to a large extent, the value 3 to some extent, 2 to little extent and value 1 to no knowledge.

| Alternatives      | Entrepreneurship policy | SME policy |
|-------------------|-------------------------|------------|
| To a large extent |                         |            |
| To some extent    |                         |            |
| To little extent  |                         |            |
| No knowledge      |                         |            |

**Question 14.** According to you, what is the main problem that must be solved in the area of administrative burden for **both** policy areas?

**Question 15.** How important is this problem?

(Vital importance is given value 4, some importance value 3, little importance value 2 and no importance value 1)

**Question 16.** What are according to you the most important measures **that should be taken** to solve this problem?

**Question 17.** According to you, which are the most important measures taken within the existing system in the area of administrative burden?

**Question 18. The example of promotion.** With promotion we mean measures taken to increase the interest of entrepreneurship or to become an entrepreneur or a successful SME owner. Examples could be of role models, awards, media coverage or special TV programs. To what extent do you have knowledge of what measures are taken in this area (to a large extent, some extent, little extent or have no knowledge). Put a value 4 for to a large extent, value 3 to some extent, 2 to little extent and value 1 to no knowledge.

| Alternatives      | Entrepreneurship policy | SME policy |
|-------------------|-------------------------|------------|
| To a large extent |                         |            |
| To some extent    |                         |            |
| To little extent  |                         |            |
| No knowledge      |                         |            |

**Question 19.** According to you, what is the main problem that must be solved in the area of promotion for **both** policy areas?

**Question 20.** How important is this problem?

(Vital importance is given value 4, some importance value 3, little importance value 2 and no importance value 1)

**Question 21.**What are according to you the most important measures **that should be taken** to solve this problem?

**Question 22.** According to you, which are the most important measures taken within the existing system in the area of promotion?

**Question 23.** The example of target groups. In this project we are interested in the following target groups women, young people, immigrants, unemployed people and elderly people. To what extent do you have knowledge of what measures are taken in this area (to a large extent, to some extent, to little extent or have no knowledge). Put a value 4 for to a large extent, value 3 to some extent, 2 to little extent and value 1 to no knowledge.

| Alternatives      | Entrepreneurship policy | SME policy |
|-------------------|-------------------------|------------|
| To a large extent |                         |            |
| To some extent    |                         |            |
| To little extent  |                         |            |
| No knowledge      |                         |            |

**Question 24.** According to you, what is the main problem that must be solved in the area of target groups for **both** policy areas?

**Question 25.** How important is this problem?

(Vital importance is given value 4, some importance value 3, little importance value 2 and no importance value 1)

**Question 26.** What are according to you the most important measures **that should be taken** to solve this problem?

**Question 27.** According to you, which are the most important measures taken within the existing system in the area of target groups?

**Question 28. The example of policy relevant research**. With policy relevant research we mean measures taken to finance research projects from which knowledge can be used in organizations working with new and existing entrepreneurs and SMEs. To what extent do you have knowledge of what measures are taken in this area (to a large extent, some extent, little extent or have no knowledge). Put a value 4 to a large extent, value 3 to some extent, 2 to little extent and value 1 to no knowledge.

| Alternatives      | Entrepreneurship policy | SME policy |
|-------------------|-------------------------|------------|
| To a large extent |                         |            |
| To some extent    |                         |            |
| To little extent  |                         |            |
| No knowledge      |                         |            |

**Question 29.** According to you, what is the main problem that must be solved in the area of policy relevant research for **both** policy areas?

**Question 30.** How important is this problem?

(Vital importance is given value 4, some importance value 3, little importance value 2 and no importance value 1)

**Question 31.**What are according to you the most important measures **that should be taken** to solve this problem?

**Question 32.** According to you, which are the most important measures taken within the existing system in the area of policy relevant research?

**Question 33. The example of entrepreneurship education**. To what extent do you have knowledge of what measures are taken in this area (to a large extent, some extent, little extent or have no knowledge). Put a value 4 to a large extent, the value 3 to some extent, 2 to little extent and value 1 to no knowledge.

| Alternatives      | Entrepreneurship policy |
|-------------------|-------------------------|
| To a large extent |                         |
| To some extent    |                         |
| To little extent  |                         |
| No knowledge      |                         |

**Question 34.** According to you, what is the main problem that must be solved in the area of entrepreneurship education for **the entrepreneurship policy area**?

**Question 35.** How important is this problem?

(Vital importance is given value 4, some importance value 3, little importance value 2 and no importance value 1)

**Question 36.**What are according to you the most important measures **that should be taken** to solve this problem?

**Question 37.** According to you, which are the most important measures taken within the existing system in the area of entrepreneurship education?

**Question 38. The example of innovative entrepreneurship.** To what extent do you have knowledge of what measures are taken in this area (to a large extent, some extent, little extent or have no knowledge). Put a value 4 to a large extent, the value 3 to some extent, 2 to little extent and value 1 to no knowledge).

| Alternatives      | Entrepreneurship policy | SME policy |
|-------------------|-------------------------|------------|
| To a large extent |                         |            |
| To some extent    |                         |            |
| To little extent  |                         |            |
| No knowledge      |                         |            |

**Question 39.** According to you, what is the main problem that must be solved in the area of innovative entrepreneurship for **both** policy areas?

**Question 40.** How important is this problem?

(Vital importance is given value 4, some importance value 3, little importance value 2 and no importance value 1)

Question 41. What are according to you the most important measures that should be taken to solve this problem?

**Question 42.** According to you, which are the most important measures taken within the existing system in the area of innovative entrepreneurship?

**Question 43. The example of training.** With training we mean activities to develop competences and knowledge outside the ordinary school system for new and existing entrepreneurs and SMEs. To what extent do you have knowledge of what measures are taken in this area (to a large extent, some extent, little extent or have no knowledge). Put a value 4 to a large extent, the value 3 to some extent, 2 to little extent and value 1 to no knowledge.

| Alternatives      | Entrepreneurship policy | SME policy |
|-------------------|-------------------------|------------|
| To a large extent |                         |            |
| To some extent    |                         |            |
| To little extent  |                         |            |
| No knowledge      |                         |            |

**Question 44.** According to you, what is the main problem that must be solved in the area of training for **both** policy areas?

**Question 45.** How important is this problem?

(Vital importance is given value 4, some importance value 3, little importance value 2 and no importance value 1)

**Question 46.** What are according to you the most important measures **that should be taken** to solve this problem?

**Question 47. The example of networking.** With networking we mean activities to built networks between different public providers to exchange experiences and develop knowledge of the work different organizations are doing in the two policy areas. To what extent do you have knowledge of what measures are taken in this area (to a large extent, some extent, little extent or have no knowledge). Put a value 4 to a large extent, the value 3 to some extent, 2 to little extent and value 1 to no knowledge.

| Alternatives      | Entrepreneurship policy | SME policy |
|-------------------|-------------------------|------------|
| To a large extent |                         |            |
| To some extent    |                         |            |
| To little extent  |                         |            |
| No knowledge      |                         |            |

**Question 48.** According to you, what is the main problem that must be solved in the area of training for **both** policy areas?

**Question 49.** How important is this problem?

(Vital importance is given value 4, some importance value 3, little importance value 2 and no importance value 1)

Question 50. What are according to you the most important measures that should be taken to solve this problem?

**Question 51.** According to you, which are the most important measures taken within the existing system in the area of networking?

**Question 52.** Is there a concrete policy objective for what to achieve with the measures taken in the entrepreneurship policy area – the SME policy area? (One answer for each policy area)

Question 53. To what extent does the existing system solve the main problem in the two different policy areas (use the 4 grade alternatives)

**Question 54.** Do you have concrete proposals to improve existing public measures in the entrepreneurship policy area? In the SME policy area?

## 4 The Comprehensiveness Index method

In the following issues there are for most of them an ordinal scale that should be fulfilled. The idea is that we should work with a four-grade scale, there 4 is to a large extent, 3 to some extent, 2 to a small extent and 1 to no extent. For some of the issues there are only two possible answers, i e yes or no. All questions should also have a do not know alternative. The final summing up mapping results are done after reading documents, doing interviews and after the seminars. It is important to emphasize that the final mapping should be done by the researchers independent on what the answers are from the interviewed persons.

#### 4.1 Entrepreneurship Policy Framework Actions

| 1. General policy (15 items)   | Answer | Don't<br>know |
|--|--------|---------------|
| To what extent are there policy statements regarding the importance of entrepreneurship to the economy in the central government's national development plan? (1-4)) |        |               |
| To what extent are there policy statements regarding the importance of SMEs to the economy in the central government's national development plan? (1-4)              |        |               |
| To what extent are there policy statements regarding the importance of innovation to the economy in the central government's national development plan? (1-4)        |        |               |
| To what extent are policy objectives for entrepreneurship embedded as a line of action in another policy framework? (1-4)  |        |               |
| In SME policy?   |        |               |
| In Innovation Policy?  |        |               |
| Have specific targets been set for increasing the start-up rate or the number of new entrepreneurs/new businesses? (Yes or No)                                       |        |               |
| Have specific targets been set for increasing the number of growing SMEs? (Yes or No)  |        |               |
| Have specific targets been set for increasing the number of innovations in existing SMEs? (Yes or No)  |        |               |
| To what extent is there a central government budget allocation for entrepreneurship policy measures? (1-4)   |        |               |
| To what extent is there a central government budget allocation for SME policy measures? (1-4)  |        |               |
| To what extent is there a central budget allocation for innovation policy measures? (1-4)  |        |               |
| To what extent is there a definition of the entrepreneurship policy area? (1-4)  |        |               |
| To what extent is there a definition of the SME policy area? (1-4)   |        |               |
| To what extent is there a definition of the innovation policy area? (1-4)  |        |               |
| To what extent are the three policy areas integrated to each other? (1-4)  |        |               |

| 2. Policy structure for entrepreneurship (7 items)  | Answer | Don't know |
|---|--------|------------|
| Is there an agency or administrative unit within central government with primary responsibility for entrepreneurship policy issues? (Yes or No)   |        |            |
| Is there an agency or administrative unit within central government with primary responsibility for SME policy issues? (Yes or No)                |        |            |
| Is there an official politician responsible for entrepreneurship policy issues in the national/central government? (Yes or No)                    |        |            |
| To what extent do responsibilities for the entrepreneurship and SME policy areas exist in the same ministry? (1-4)                                |        |            |
| To what extent do the responsibility for entrepreneurship and SME policy areas exist for the same politician? (1-4)                               |        |            |
| To what extent is there a centrally managed delivery structure for entrepreneurship policy measures to rendering support to regional level? (1-4) |        |            |
| To what extent is there a centrally managed delivery structure for SME policy measures to rending support to regional level? (1-4)                |        |            |

| 3. Performance tracking (6 items)   | Answer | Don't know |
|---|--------|------------|
| To what extent does the government have mechanisms to assess and track measures of 'entrepreneurial climate' and 'entrepreneurial culture'? (1-4) |        |            |
| To what extent does the government evaluate and monitor the impact of entrepreneurship policy measures? (1-4)                                     |        |            |
| To what extent does the government evaluate and monitor the impact of SME policy measures? (1-4)  |        |            |
| To what extent does the government track and report on business dynamics (i.e., the entry, exit, survival and growth rates of enterprises)? (1-4) |        |            |
| To what extent are self-employment, business ownership and business dynamic data disaggregated by gender, age, ethnic origin and region? (1-4)    |        |            |
| To what extent does the government support and publish research on entrepreneurship? (1-4)  |        |            |

# 4.2 Entrepreneurship and SME Sub-Policy Framework Actions

| 1. Access to financing (13 items)   | Answer | Don't<br>know |
|---|--------|---------------|
| Is there a concrete policy objective for pre and early stages financing? (Yes or No)  |        |               |
| To what extent have efforts been made to redirect more of the available supply of capital to pre and early stage financing? (1-4)   |        |               |
| To what extent is there a government-supported micro-financing programme to enable more people to start new businesses? (1-4)   |        |               |
| To what extent is there a government-backed credit-guarantee scheme to reduce the lending risk of new, small, and early-stage enterprises? (1-4)  |        |               |
| To what extent does the government deliver its own loan programmes for new and early stage enterprises? (1-4)   |        |               |
| To what extent does the government deliver its own equity programmes for new and early stage enterprises? (1-4)   |        |               |
| To what extent does the government support the development of angel networks or databases to bridge gaps between entrepreneurs and informal investors? (1-4)  |        |               |
| To what extent does the government stimulate the availability of venture capital funds for early-stage firms? (1-4)   |        |               |
| To what extent has the government relaxed regulations for 2nd-tier stock markets? (1-4)   |        |               |
| To what extent does the central government offer concessionary or favourable tax rates to newly started firms (e.g., VAT exemptions; income tax rebates; reduced corporate tax; accelerated capital cost allowances)? (1-4) |        |               |
| To what extent do special tax credits exist to encourage R&D activity by SMEs? (1-4)  |        |               |
| To what extent are tax incentives used to encourage informal investment in new and growth-oriented firms? (1-4)   |        |               |
| To what extent are tax incentives used to encourage venture capital investments in early-stage ventures (e.g., tax concessions; pooled capital funds)? (1-4)  |        |               |

| 2. Counseling and information services (12 items)   | Answer | Don't<br>know |
|---|--------|---------------|
| Is there a stated policy objective for counseling and information services in entrepreneurship policy? (Yes or No)  |        |               |
| To what extent does the government make provision to ensure that the needs of nascent and early stage entrepreneurs are met through existing service-delivery networks? (1-4) |        |               |
| To what extent are there 'first' or 'one-stop-shops' in place to provide new entrepreneurs with business start-up information, assistance and advice? (1-4)                   |        |               |
| To what extent is there a government-sponsored web portal that provides start-up and other information to nascent and new entrepreneurs? (1-4)                                |        |               |
| To what extent is there a network of business enterprise centers in all regions of the country with the mandate to assist new entrepreneurs? (1-4)                            |        |               |
| To what extent does the government facilitate the development of mentor programmes for new entrepreneurs and growth firms? (1-4)  |        |               |
| To what extent are subsidies available to support the training of new entrepreneurs? (1-4)  |        |               |
| To what extent does the government support the professional development of business advisers and economic development agents? (1-4)   |        |               |
| To what extent are performance standards in place for service providers? (1-4)  |        |               |
| To what extent does the government convene forums for the exchange of best practices among service delivery agents? (1-4)   |        |               |
| To what extent are there forums and horizontal networks for all actors (e.g., educators, regulators, advisers, policy makers, researchers and entrepreneurs? (1-4)            |        |               |
| To what extent has the government implemented initiatives to bridge information gaps between private investors and early-stage entrepreneurs? (1-4)                           |        |               |

| 3. Administrative burden (removing barriers) – (14 items)  | Answer | Don't<br>know |
|--|--------|---------------|
| Is there a clear stated policy objective to ease the process of starting a business? (Yes or No)   |        |               |
| To what extent has the government reviewed the time and cost of starting a new business? (1-4)   |        |               |
| To what extent have business registration procedures been streamlined for new firms? (1-4)   |        |               |
| Does the government use a Single Business Number for new company registrations and ongoing dealings with government departments/agencies? (Yes or No)    |        |               |
| To what extent is there a single point of entry where new entrepreneurs can access information about government regulations and obtain advice? (1-4)     |        |               |
| To what extent does the government have initiatives to reduce/relax the administrative burden for existing SMEs?   |        |               |
| To what extent is there an open competition for the entry of new firms in all sectors? (1-4)   |        |               |
| To what extent does the government protect private firms vis-à-vis competition from public sector enterprises? (1-4)                                     |        |               |
| To what extent have bankruptcy laws been adjusted to reduce the penalties of 'failure' and to increase an entrepreneur's opportunity to restart? (1-4)   |        |               |
| To what extent have bankruptcy laws been adjusted to reduce the penalties of 'failure' and to increase the opportunity for a SME owner to restart? (1-4) |        |               |
| To what extent has the government reviewed barriers to the transfer of businesses? (1-4)   |        |               |
| To what extent has the government undertaken actions to strengthen intellectual property and protection policies? (1-4)                                  |        |               |
| To what extent has the government acted to reduce SME administrative burden? (1-4)   |        |               |
| Has the government set up a 'better regulation unit' to monitor the impact of all new legislation and regulations on new and small firms? (Yes or No)    |        |               |

| 4. Promotion measures (9 items)   | Answer | Don't<br>know |
|---|--------|---------------|
| To what extent is there a stated policy objective to increase broad-based awareness of entrepreneurship and to promote an entrepreneurial culture? (1-4)                      |        |               |
| To what extent does the government sponsor promotion events that profile entrepreneurship? (1-4)  |        |               |
| To what extent does the government sponsor promotion events that profile SMEs? (1-4)  |        |               |
| To what extent does the government alone, or in partnership with private sector organisations, recognise entrepreneurs through national, high-profile award programmes? (1-4) |        |               |
| To what extent does the government alone, or in partnership with private sector organisations, recognise SMEs through national, high-profile award programmes? (1-4)          |        |               |
| To what extent do public financed awards recognise diversity in entrepreneurship (e.g. women, ethnic minorities, youth, etc.)?(1-4)   |        |               |
| To what extent do public financed awards recognise diversity at different stages of business development, including start-ups, young and growing firms? (1-4)                 |        |               |
| To what extent does the government financially engage with the mass media in the promotion of entrepreneurship? (1-4)   |        |               |
| Is a portion of central government's budget allocated for entrepreneurship promotion activities? (Yes or No)  |        |               |

| 5. Target group policie  | es (8 items)  | Answer | Don't<br>know |
|--|---|--------|---------------|
|  | objective to increase entrepreneurial activity levels ne population? (Yes or No)  |        |               |
| groups who may have m  | o-loan programmes exist for under-represented nore difficulty accessing conventional financing norities; young people)? (1-4) |        |               |
| To what extent has the government examined different demographic groups take-up rate of existing business support services and programmes? (1-4) |   |        |               |
| To what extent does the government target initiatives for:   | Women (1-4)   |        |               |
|  | Young people (1-4)  |        |               |
|  | Immigrants (1-4)  |        |               |
|  | Unemployed (1-4)  |        |               |
|  | Elderly people (1-4)  |        |               |

| 6. Policy relevant research (14 items)   | Answer | Don't<br>know |
|--|--------|---------------|
| To what extent does the government have special support for policy-<br>oriented research? (1-4)  |        |               |
| To what extent have there been research of the extent to which entrepreneurship is included in education at school level? (1-4)  |        |               |
| To what extent does the government have special programmes for research in entrepreneurship and entrepreneurship policy? (1-4)   |        |               |
| To what extent does the government support research for evaluation of entrepreneurship policy? (1-4)   |        |               |
| To what extent has the government an advisory group of researchers to discuss development of measures in entrepreneurship policy? (1-4)  |        |               |
| To what extent does the government refer to research results in documents concerning entrepreneurship policy? (1-4)  |        |               |
| To what extent are there regular meetings between researchers and the government to discuss and present recent research knowledge in the area of entrepreneurship? (1-4)   |        |               |
| To what extent is there a specific budget item for research programmes in entrepreneurship policy? (1-4)   |        |               |
| To what extent has the government created a number of centers of excellence in the area of entrepreneurship research? (1-4)  |        |               |
| To what extent are efforts in place to track attitudes of the population towards entrepreneurship-awareness levels and levels of intent to start a business? (1-4)   |        |               |
| To what extent has there been a review of non-wage costs and administrative burdens that prevent new firms from hiring their first employee? (1-4)   |        |               |
| To what extent are business impact assessment tests used to measure the cost of proposed new legislation/regulations and the effects on barriers to entry and growth? (1-4)  |        |               |
| To what extent has the government undertaken a review of financing gaps for new entrepreneurs? (1-4)   |        |               |
| To what extent does the government conduct research on the entrepreneurial activity rates of demographic groups within the population and track the start-up, survival and growth rates for each demographic group of entrepreneurs? (1-4) |        |               |

| 7. Entrepreneurship in the education system (18 items)   | Answer | Don't<br>know |
|--|--------|---------------|
| Is there a policy objective to integrate entrepreneurship into all levels of the education system? (Yes or No)   |        |               |
| To what extent is entrepreneurship included as an element/outcome in National Education Curriculum Guidelines? (1-4)   |        |               |
| To what extent is there a plan/strategy to integrate elements of entrepreneurship into the following levels of the educational system? (1-4)                               |        |               |
| Elementary level?  |        |               |
| Secondary level?   |        |               |
| Vocational/technical level?  |        |               |
| University level?  |        |               |
| To what extent is there a plan to promote the teaching of entrepreneurship in the education system? (1-4)  |        |               |
| To what extent are training programmes being delivered regionally to introduce educators to the strategies of teaching courses/modules on entrepreneurship? (1-4)          |        |               |
| To what extent have teaching materials being developed for the following levels of the education system? (1-4)   |        |               |
| Elementary level?  |        |               |
| Secondary level?   |        |               |
| Vocational/technical level?  |        |               |
| University level?  |        |               |
| To what extent do mechanisms exist for the national sharing of information and experience (e.g., educators' conferences, seminars, databases of resource materials)? (1-4) |        |               |
| To what extent is there public funding support for extra-curricular entrepreneurial activities (e.g., JA, Young Enterprise) to support student ventures? (1-4)             |        |               |
| To what extent are entrepreneurship courses widely offered to college and university students? (1-4)   |        |               |
| To what extent is the government involved in entrepreneurship activities in the school system? (1-4)   |        |               |
| To what extent are private actors involved in entrepreneurship activities in the school system? (1-4)  |        |               |
| Is there a national budget allocation for development and implementation of entrepreneurship/enterprise education initiatives and programmes? (Yes or No)                  |        |               |

| 8. Innovative entrepreneurship (5 items)   | Answer | Don't know |
|--|--------|------------|
| To what extent is there a national incubator strategy with government funding to subsidies the initial funding of incubators in key regions? (1-4)     |        |            |
| To what extent does the government sponsor events that profile innovation systems? (1-4)   |        |            |
| To what extent does the government fund special seed programmes to support the start-up and early stage development of innovative entrepreneurs? (1-4) |        |            |
| To what extent are pre-commercialization funds available to promising new technology based firms? (1-4)  |        |            |
| To what extent does the government provide support to encourage spin-offs companies from university and publicly funded R&D? (1-4)                     |        |            |

| 9. Training activities? (5 items)  | Answer | Don't |
|--|--------|-------|
|  |        | know  |
| To what extent has the government a specific objective for training activities in the area of entrepreneurship policy? (1-4) |        |       |
| To what extent has the government introduced special training activities for   |        |       |
| start-ups? (1-4)   |        |       |
| To what extent has the government supported training activities for young  |        |       |
| firms? (1-4)   |        |       |
| To what extent has the government a specific objective for training  |        |       |
| activities in the area of SME policy?  |        |       |
| To what extent has the government supported training activities for SMEs?  |        |       |

| 10 Notworking activities? (4 items)                                      | Answer | Don't |
|--|--------|-------|
| 10. Networking activities? (4 items)                                     |        | know  |
| To what extent has the government a specific objective for networking    |        |       |
| activities in the area of entrepreneurship policy? (1-4)                 |        |       |
| To what extent has the government a specific objective for networking in |        |       |
| the area of SME policy? (1-4)  |        |       |
| To what extent has the government supported networking activities for    |        |       |
| young firms? (1-4)   |        |       |
| To what extent has the government supported networking activities for    |        |       |
| SMEs? (1-4)  |        |       |



The Swedish Agency for Growth Policy Analysis (Growth Analysis) is a cross-border organisation with 60 employees. The main office is located in Östersund, Sweden, but activities are also conducted in Stockholm, Brussels, New Delhi, Beijing, Brasilia, Tokyo and Washington, D.C.

Growth Analysis is responsible for growth policy evaluations and analyses and thereby contributes to:

- stronger Swedish competitiveness and the establishment of conditions for job creation in more and growing companies
- development capacity throughout Sweden with stronger local and regional competitiveness, sustainable growth and sustainable regional development.

The premise is to form a policy where growth and sustainable development go hand in hand. The primary mission is specified in the Government directives and appropriations documents. These state that the Agency shall:

- work with market awareness and policy intelligence and spread knowledge regarding trends and growth policy
- conduct analyses and evaluations that contribute to removing barriers to growth
- conduct system evaluations that facilitate prioritisation and efficiency enhancement of the emphasis and design of growth policy
- be responsible for the production, development and distribution of official statistics, facts from databases and accessibility analyses.

#### **About the Working paper/Memorandum series:**

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#### **Other series:**

Report series – Growth Analysis' main channels for publications.

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