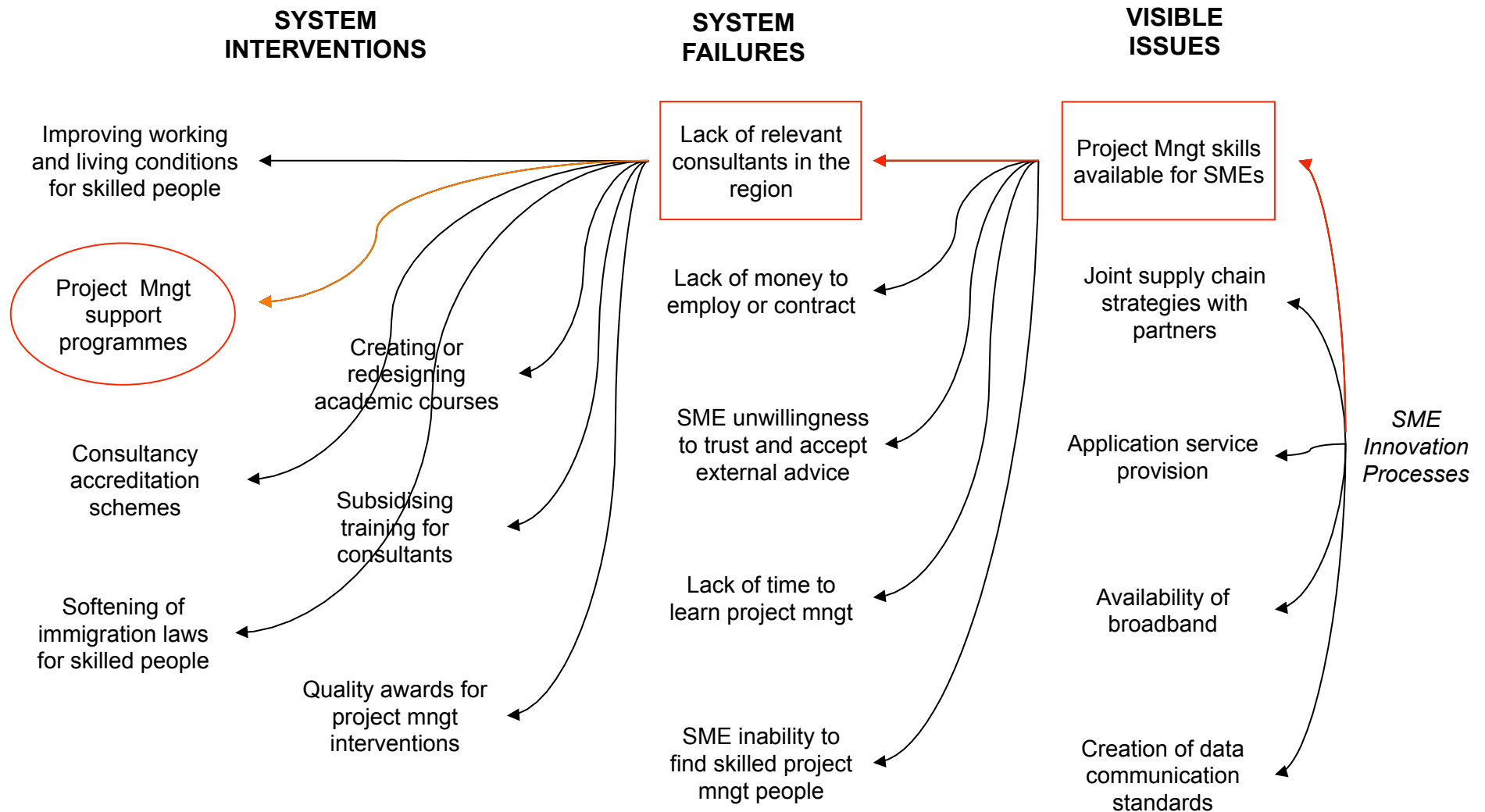


SETTING UP PUBLIC SUPPORT TO SME INNOVATION: Policy, University, Managerial and Research Implications

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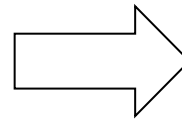
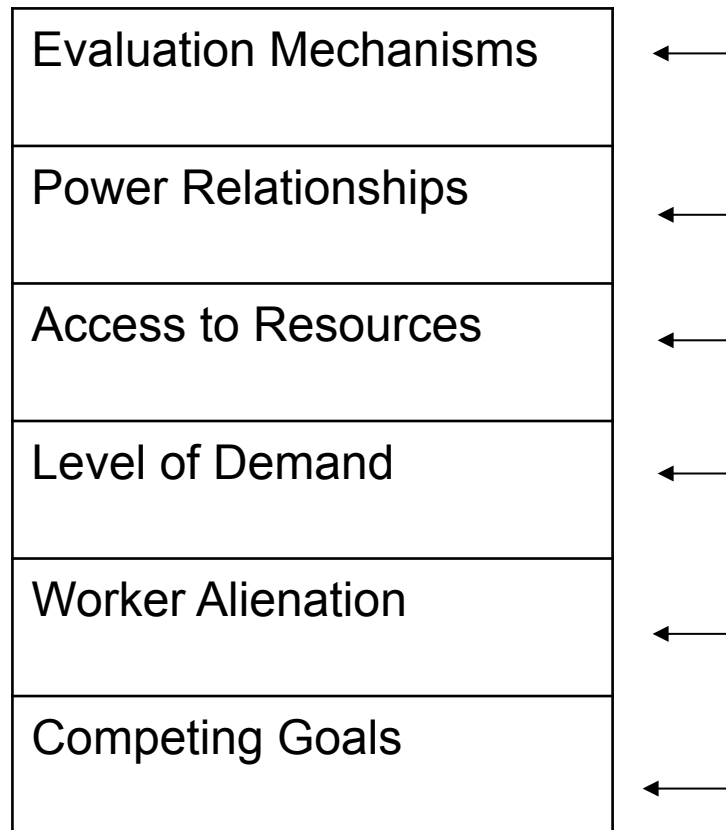


The Systems of Innovation Approach

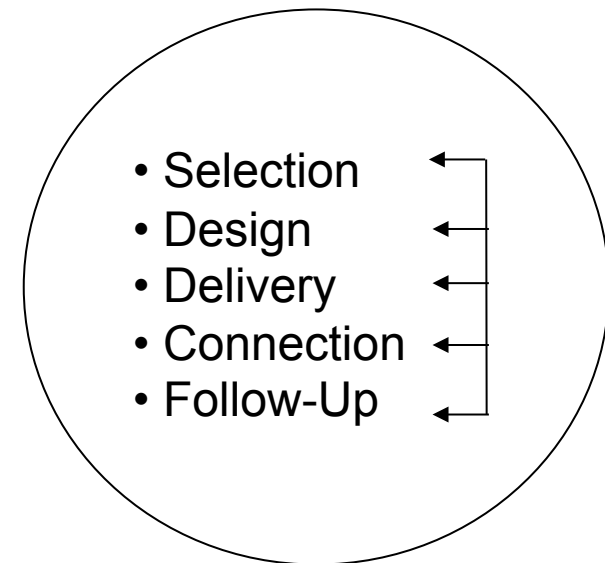


Street-Level Bureaucracy

Programme Context Components



Assistance Process



A Worrying Situation

- Evaluation
 - Most of the public funding schemes use similar evaluations
- Power
 - SMEs tend to depend on external support
- Resources
 - Policy imperative of providing little resources but setting stretching targets
- Demand
 - Inherent low demand for programme services related to innovations
- Alienation
 - Insufficient Resources: Few barriers addressed
 - Poor Evaluations: No follow-up and connection activities

How could Programme Contexts be Improved?

Diagnostic Analysis

Example 1

- Problem
Programme services
- Theoretical Base
e.g. Poor evaluation designs
- Underlying system failures
e.g. Quantitative design with poor validity
- Public or Private interventions
e.g. New design based on the outcome of the innovation process and the programmes' actions and inactions

Actors:

DG Regional Policy, HM Treasury and HEFCE

Diagnostic Analysis (cont.)

Example 2

- Problem
Programme services
- Theoretical Base
e.g. Low access to resources by programmes
- Underlying system failures
e.g. Political imperative of providing little resources but setting stretching targets
- Public or Private interventions
e.g. Professional accreditation

Actors:

Professional Associations or Public-Private Partnerships

Diagnostic Analysis (cont.)

Example 3

- Problem
 Programme services
- Theoretical Base
 e.g. Low demand for programme services
- Underlying system failures
 e.g. Services oriented to innovations
- Public or Private interventions
 e.g. Awareness campaigns

Actors:

Objective 2 Partnerships, RDAs and Sub-Regional Economic Partnerships

System Actions

| <i>Programme Context Component</i> | <i>System Interventions</i> | <i>Actors</i> |
|------------------------------------|----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| Evaluation | Adoption and assistance process evaluations | DG Regional Policy - Department for Business, Innovation and Skills - HEFCE |
| Evaluation | Third-Party evaluators | Non-Departmental Public Body , which could sub-contract private specialist evaluators |
| Power | SME empowerment | SME associations |
| Power | Market competition simulation for programmes | DG Enterprise and Industry - Department for Business, Innovation and Skills Funding Bodies GOs for the English Regions – RDAs - HM Treasury |
| Resources | Sector and functional area focused services | Public bodies in charge of SME policies Funding bodies Regional delegates |

System Actions (cont.)

| <i>Programme Context Component</i> | <i>System Interventions</i> | <i>Actors</i> |
|------------------------------------|-------------------------------------------------|---------------------------------------------------------------------------------|
| Resources | Professional accreditation | Professional associations or public-private partnerships |
| Demand | Awareness campaigns | Objective 2 Partnerships – RDAs – Sub-Regional Economic Partnerships |
| Demand | Simplification of contractual procedures | Funding bodies Regional delegates |
| Alienation | More comprehensive set of services | Public bodies in charge of SME policies Funding bodies Regional delegates |
| Alienation | Modification and reduction of numerical targets | Public bodies in charge of SME policies Funding bodies |

Conclusions

- Programmes depend on cross-boundary actions taken in the system of innovation
- Programmes depend on political and negotiated decisions
- SME associations and universities must strengthen their 'joint' participation in the policy process
- The research of system issues require a multidisciplinary and methodologically pluralist perspective
- The research focus on problems, and not disciplines, which gives practical relevance to this kind of research

Thank you

