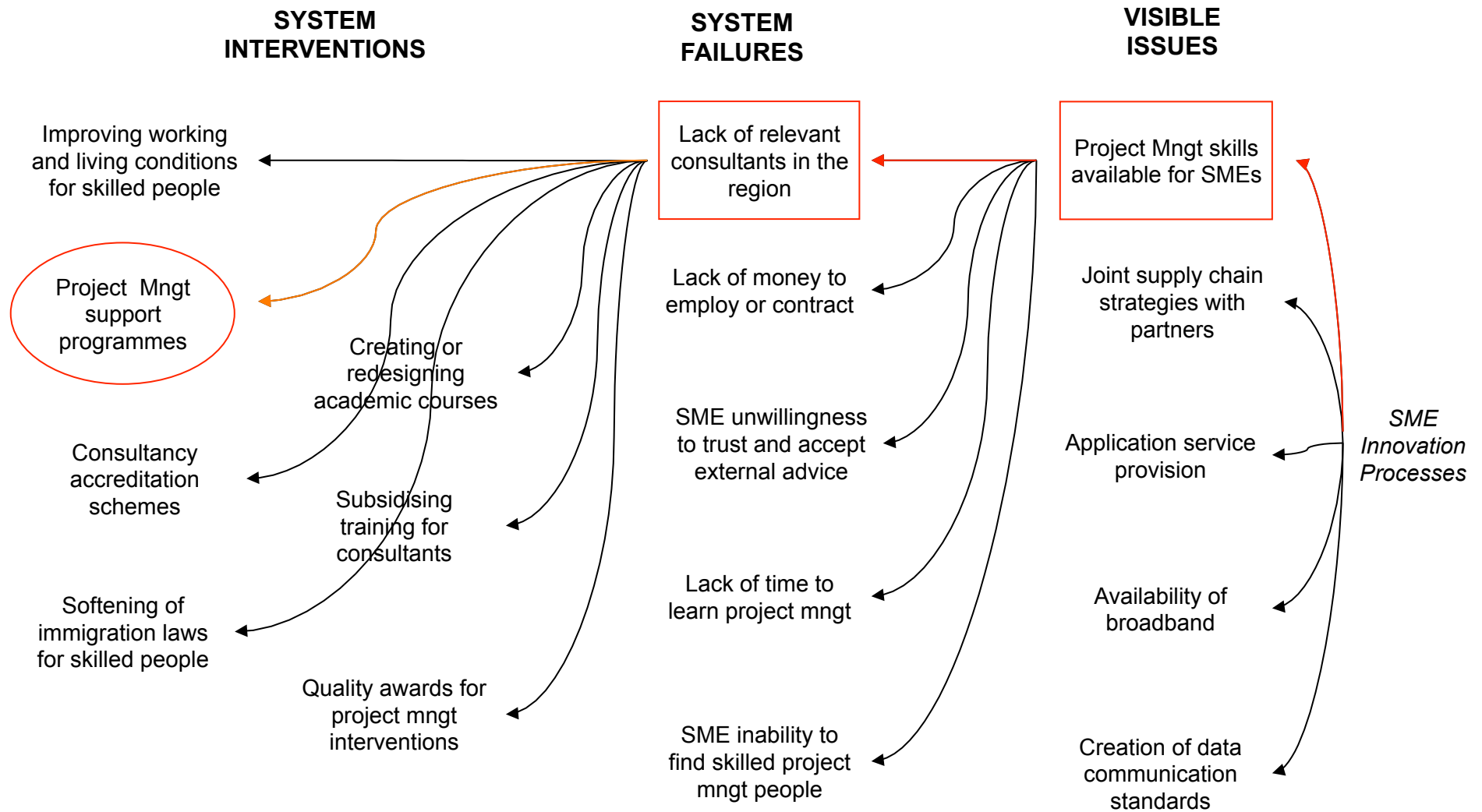


SETTING UP PUBLIC SUPPORT TO SME INNOVATION: Policy, University, Managerial and Research Implications

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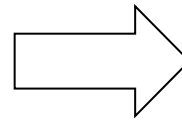
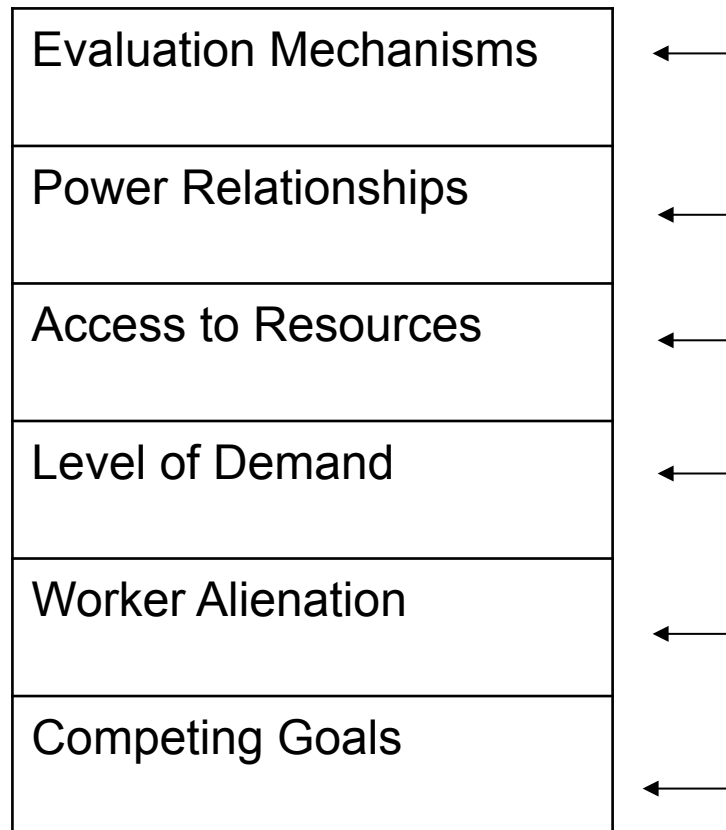


The Systems of Innovation Approach

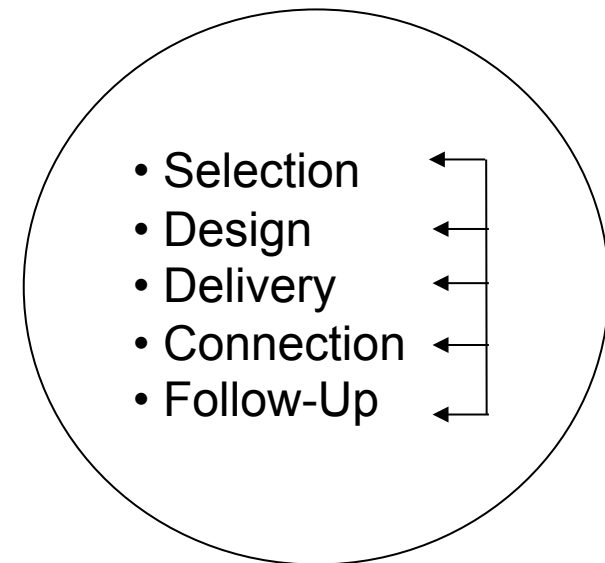


Street-Level Bureaucracy

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

