

Policy intervention on innovative entrepreneurship

How does policy intervention affect innovative entrepreneurship?

Advances in the understanding of the role of innovative entrepreneurship in addressing socio-economic challenges have led to a different understanding of the expected contributions and outcomes of innovative entrepreneurship and related policy. The expansion of the number of deployed instruments, pursued objectives, and actors involved in innovative entrepreneurship policy has increased the complexity of the policy landscape, and enhanced the risk of inconsistencies and redundancies between programs. Achieving coherence and balance in the set of policies affecting innovative entrepreneurship, and coordinating the various actors involved in these policies have, consequently, become increasingly important for policy efficiency.

What are the policy questions regarding policy intervention for innovative entrepreneurship?

Common policy challenges include:

- Where can public intervention be most effective in support of innovative entrepreneurship? (see [Policy rationales and objectives for innovative entrepreneurship](#) [1])

→Policy rationales and objectives for innovative entrepreneurship (see [Policy rationales and objectives for innovative entrepreneurship](#) [1]) deal with objectives and rationales for policy in support of innovative entrepreneurship.

- What instruments can governments use to achieve the policy objectives they have set?(see [Supply-side policy instruments for innovative entrepreneurship](#) [2], [Demand-side policy instruments for innovative entrepreneurship](#) [3] , [Connectivity policy instruments for innovative entrepreneurship](#) [4] , and [Provision of knowledge services](#) [5])

→Supply-side policy instruments for innovative entrepreneurship (see [Supply-side policy instruments for innovative entrepreneurship](#) [2]), Demand-side policy instruments for innovative entrepreneurship (see [Demand-side policy instruments for innovative entrepreneurship](#) [3]), Connectivity policy instruments for innovative entrepreneurship (see [Connectivity policy instruments for innovative entrepreneurship](#) [4]) and Provision of knowledge services (see [Provision of knowledge services](#) [5]) include examples of instruments that can be deployed to achieve policy objectives.

- How can governments ensure efficient coordination between the various actors involved in innovative entrepreneurship policy? (see [Policy-making contexts for innovative entrepreneurship](#) [6] and [Institutional governance](#) [7])

→Institutional governance (see [Institutional governance](#) [7]) refers to the set of publicly defined institutional arrangements, including incentive structures and norms, that shape the ways in which various public and private actors interact when allocating and managing resources.

- How can governments achieve coherence and balance in policy portfolio? How can they avoid inconsistencies and redundancies between individual instruments and create synergies between them? (see [Policy-making contexts for innovative entrepreneurship](#) [6] and [Strategy](#)

[and policy coherence](#) [8])

→Strategy and coherence of policies (see [Strategy and policy coherence](#) [8]) deal with coherence in expectations, rationales and instruments deployed within a policy portfolio.

- What policy capacities and resources are needed to achieve policy objectives? (see [Policy-making contexts for innovative entrepreneurship](#) [6])

→Policy-making contexts (see [Policy-making contexts for innovative entrepreneurship](#) [6]) cover various dimensions affecting the capacity to design and conduct effective policies in support of innovative entrepreneurship, including dominant policy models and ideas, administrative capacities, public budgets, policy arenas, and strategic policy intelligence.

What are main policy approaches to address policy intervention for innovative entrepreneurship challenges?

The main policy approaches to address challenges associated to policy intervention for innovative entrepreneurship deal with:

Institutional governance (see [Institutional governance](#) [7]) by:

- Ensuring the coherence of policies in support of innovative entrepreneurship.
- Involving various stakeholders, such as innovative entrepreneurs, in the policy process for wider impacts.

Strategy and coherence of policies (see [Strategy and policy coherence](#) [8]) by:

- Ensuring co-ordination between the local, regional and national levels at different stages of the policy cycle and with other policies of the policy portfolio.
- Adapting the policy portfolio to country specific characteristics, as well as small/new ventures' characteristics.

Policy-making contexts for innovative entrepreneurship (see [Policy-making contexts for innovative entrepreneurship](#) [9]) by:

- Developing expertise and integrating new competencies within the public administration, to adapt to policy needs and instruments (e.g. skills for innovation- and small businesses-oriented procurement).
- Using external competencies and expertise when necessary (e.g. using external experts to evaluate grant applications).
- Integrating evaluation into the policy process (including policy definition, implementation and improvement) by adopting a comprehensive approach to evaluation and taking into account

interaction between policies.

References

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- OECD (2011), Business Innovation Policies: Selected Country Comparisons, OECD Publishing, Paris. <http://dx.doi.org/10.1787/9789264115668-en> [11]
- OECD (2010), SMEs, Entrepreneurship and Innovation, OECD Studies on SMEs and Entrepreneurship, OECD Publishing, Paris. <http://dx.doi.org/10.1787/9789264080355-en> [12]

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Policy instruments

Strategy and policy coherence

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