

Finland hosted a workshop on entrepreneurship on 11 April 2003

The objectives of the workshop were twofold: to learn more on effective policy measures on entrepreneurship and to feed the lessons learned at the workshop to the Micro-Policies for Growth project.

Data analysis

- New data shows that start-up rates may not differ much across countries. Existing differences can often be attributed to cyclical conditions and structural differences, notably in the contribution made by dynamic sectors, such as ICT-related industries.
- Cross-country differences do exist in the growth and survival of firms.
- Share of high-growth firms is still not well documented but the anecdotal evidence suggests that it differs across countries.
- These high-growth firms are key for job-creation and productivity.

Policy analysis

- Bankruptcy legislation should be part of the policy tool box and can have a big impact on re-starters. However, the overall impact on entry might be limited.
- Taxes are a powerful tool to increase start-ups and can create employment in depressed regions but they are expensive.
- High-growth firms need role models and incentives (they do react to policy)
- Some countries might need a shift in policy focus. Today most countries focus on increasing start-up rates by reducing administrative barriers and providing support for new firms. Reducing administrative barriers is a no-regrets policy and is important but there might be a decreasing return to further reductions in the best countries. The barriers have a threshold effect; if for example barriers are below a given level then further reduction will have no effect. On start-up activities.

We need for more analysis on:

- Today, we know more about the people wanting to start a firm from household surveys but we have done very little work combining the hard data from personal and business registrants with the more soft data from the surveys.
- We also need to develop more and better indicators of performance for example international comparable data on generation of high-growing firms and comparable start-up rates for more countries.
- We should do more work on the link from entrepreneurship to productivity growth
- It looks like some patterns can be found in the business environment that spurs entrepreneurship. This should be examined further
- We need more work on which micro-policies top-performing countries are using to facilitate high-growth firms
- Finding new ways of evaluating policies by designing future evaluation schemes at the same time we design the policies themselves.