Measuring the impact of entrepreneurship policies: the contribution of the Index of Systemic Conditions for Dynamic Entrepreneurship (ICSEd-Prodem)

Investment, Enterprise and Development Commission 7th Session

Hugo Kantis (Director of Prodem)
Introductory comments on the title of the panel: Measuring the impact of entrepreneurship policy

- **Measuring**: there is an increasing interest ... (governments, multilateral organisms, sponsors of the ecosystem, investors, entrepreneurs, etc.)

- **Impact**: measuring the changes on the “treated” group (vs the group of “control”) that are attributable to the “treatment” (entrepreneurship policy).

  - Not always simple but the ways are rather clear (difference in difference; experiments: RCT).
Introductory comments on the title of the panel: Measuring the impact of entrepreneurship policy

New approach on entrepreneurship policies from the focus on the entrepreneur and/or the firm to the entrepreneurship system

New challenge how to measure (not just) the impact of policies on the “treated” entrepreneurs and/or their “firms” but on the development of “the system”? 
How do we arrive to the Index of Systemic Conditions for Dynamic Entpship?

Is the result of a long term accumulative research effort
2002: we defined the concept of Dynamic Entrepreneurship (i.e.: growth)

2004: we defined the concept of Entrepreneurship System

**Books**

*Entrepreneurship in Emerging Economies: The Role of Development in Latin America and East Asia*

*Developing Entrepreneurship: Strategies and Lessons for Policymakers*

*Inter American Development Bank and the Development Bank of Japan*
2011: can we measure the systemic conditions for dynamic entrepreneurship?
What we did?

We developed the methodology and built the Index based on the handbook of best practices (OECD) and combining information for 56 countries (half of them are “emerging”)

What makes the difference in our Index...?

- Focus: *dynamic entrepreneurship* (new SMEs with high growth potential and aspiration)

- Approach: *systemic* (set of factors) and *context specific* (it captures particular factors that affects developing countries)
The Index provides a tool to policy makers allowing them to...

- Identify strengths and weaknesses in their national entrepreneurship systems
- Define benchmarks with other countries
- Define strategic priorities and main areas where to intervene with policies
- Follow up the changes in their systemic conditions (evolution: after and before the policy)
The Entrepreneurship Development System (Kantis et al 2002 and 2004): 10 dimensions, more than 40 variables

1) Entrepreneurial human capital and determinants
   - Education
   - Social conditions
   - Business Structure

2) Factors that affect business opportunities
   - Demand conditions
   - Value Proposal
   - Opportunity space
   - Entrepreneurial Human Capital

3) Factors that affect firm creation and development
   - Social Capital
   - Finance
   - Norms, regulations and policies
   - Science & Technology platform
Methodology: data sources
Level of development and the Index of Systemic Conditions
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Developing versus developed countries
The Latin American Report 2015 is coming!!!

- Ranking 2015
- The evolution (2012-2015): winners and losers
- Simulations: what if...?
- News that could impact the Index of tomorrow
Acces to the publication :

www.prodem.ungs.edu.ar

Whant to become a knowledge partner?

Why not?

Thanks!!

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