

“Introductory Remarks: Where do we stand and where are we heading”

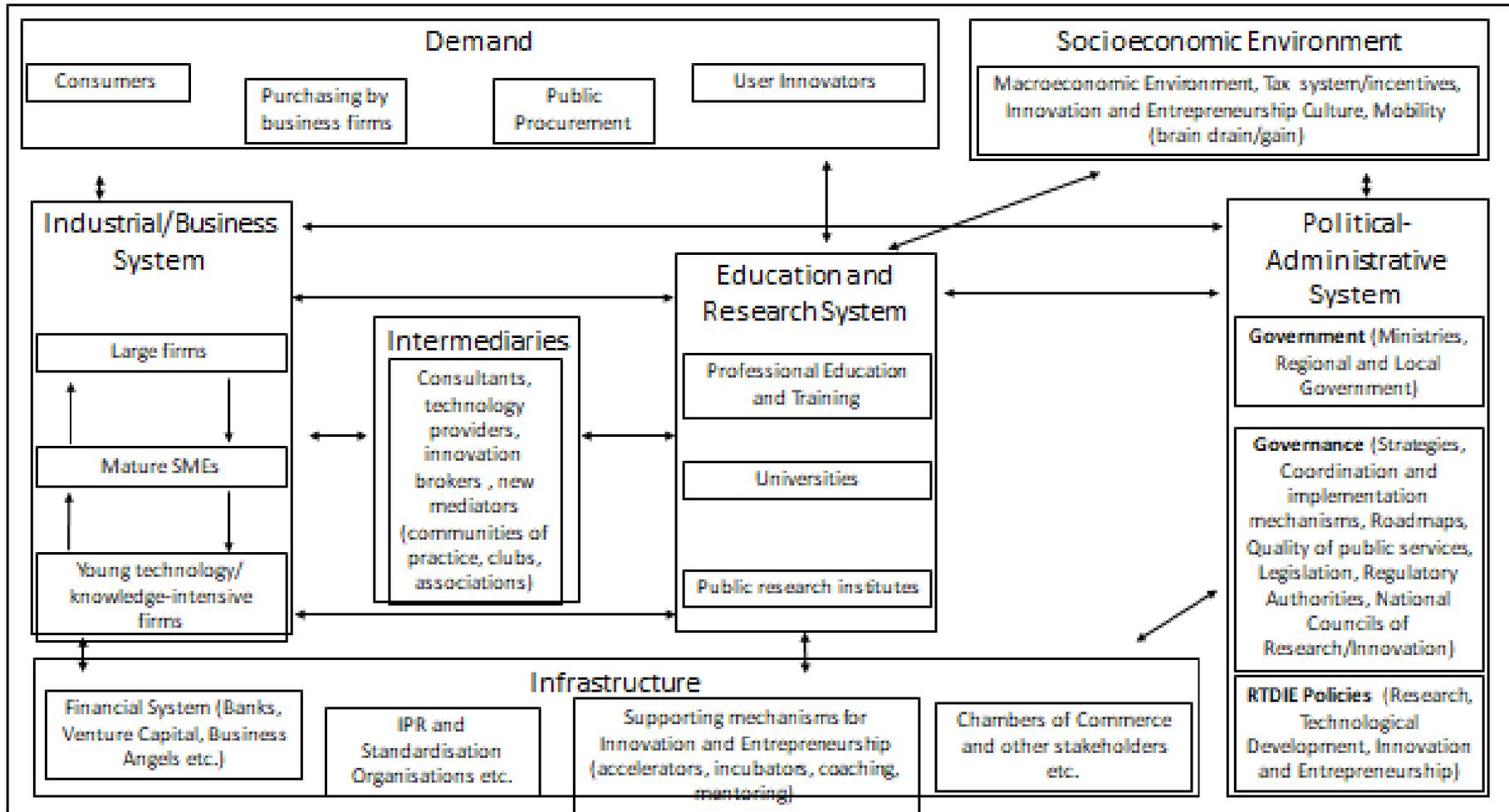
Session: A new era for the Greek ecosystem of Innovation and Entrepreneurship ?

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The Greek ecosystem of Innovation and Entrepreneurship: Entering a new phase, but can this development be considered as a new era?

- Entrepreneurship is a very **heterogeneous** concept. Entrepreneurial activity a very diversified practice leading to all sorts of species and behaviours.
- Quantity vs. Quality?
- Focus on Knowledge intensive innovative entrepreneurial ventures both in High-tech and Low-tech sectors in Manufacturing and services.
- The number(s) for startups: 1127 (Grant Thornton, 2017), 1000 (Marathon), 600 (other estimates), 100 (Big Pie, 2013-2017)
- From raising awareness and competition/awards to acceleration and incubation.
- First remarkable success stories.
- From Appreneurship (a lot of simple easily imitated apps) to more sophisticated Knowledge Intensive Entrepreneurship and Deep technology Ventures.

Broadening involvement and engagement in terms of actors

- Innovation and Entrepreneurship Units-→ Incubators
- Not only start-ups and spinoffs, but also technology transfer schemes.
- Not only startups but also grownups.
- An interest and initial commitment from the Large Firms and the Sectoral Associations of Firms in Greece (a variety of initiatives) leading to new practices and schemes.
- The innovation chain: Filling gaps and establishing links.
- Equifund as a “Fund of Funds” and the creation of 9 funds for seed capital, innovation promotion and business growth capital. The role of incubators and business angels.

The Greek ecosystem of Innovation and Entrepreneurship: Entering a new phase

- What is missing and how much does this matter.
- Mobilisation of research teams (“B2B” type).
- From research contracts to products (plus services).
- The importance of “individualised coaching schemes”. The role of mentors and business angels.
- Availability and systematic organisation of human networks (coaches, mentors, evaluators). The network of graduates (Alumni Networks, ad-hoc networking): a great way for graduates to advise, mentor, and connect with current students.
- International Cooperation. From benchmarking to benchlearning
- Overloading the funding schemes with immature concepts and not well elaborated/ prepared ventures.

IP Protection: A crucial area

- IP protection? Urgent need for clarification of the IP regime in Greek Universities.
- Recent considerable changes initiated by the Hellenic Industrial Property Organization (OBI) regarding the patent attorneys, the Academy etc.
- First patent and then publish? A critical decision for researchers.
- Achieving a balance between IP protection and Open Innovation.
- To patent or not patent? A fundamental dilemma for startups.

Entrepreneurial culture

- Learning is not just schooling.
- Not only the formal programme but also the tacit programme and the smell of the place.
- Failure is not a sin.
- Failure should be considered as a learning process, a continuous source of renewed inspiration and a driving force.
- Entrepreneurial ventures should be viewed as processes of working with groups as teams.

The system of production and entrepreneurship

- **The size** : Too many micro firms (particularly with 1-4 employees) and high self-employment compared to other EU countries. Even within the group of larger firms, most are SMEs and only a small number of actually large firms.
- **The survivors during the crisis (among the top 2000+ larger firms)**: Those of the established (incumbent) firms that are doing some research, invest in technology upgrading, develop innovations, invest in human capital performed better during the crisis.
- Among the **young firms**, those that performed better were oriented to link (or “plug in”) with international networks of innovation (i.e. new firms active in mobile applications and content).
- The majority of the **newly founded firms** during the crisis were active in very conventional activities with low knowledge content, aiming exclusively to the local market and to the last stage of consumption (very little B2B).

What is at stake in Greece regarding the entrepreneurial-business system?

- What kind of firms is needed for entering a new trajectory of economic growth and development in the aftermath of a long and deep crisis?
- A new effort for catch-up and convergence within the Eurozone.

Demographic characteristics of Greek businesses*

	Number of enterprises			Number of persons employed			Value added		
	Greece		EU-28	Greece		EU-28	Greece		EU-28
	Number	Share	Share	Number	Share	Share	Billion €	Share	Share
Micro	669 773	96.7 %	92.7 %	1 225 566	58.7 %	29.2 %	18	37.4 %	21.1 %
Small	20 058	2.9 %	6.1 %	361 207	17.3 %	20.4 %	10	20.9 %	18.2 %
Medium-sized	2 455	0.4 %	1.0 %	228 692	10.9 %	17.3 %	8	16.6 %	18.5 %
SMEs	692 286	99.9 %	99.8 %	1 815 465	86.9 %	66.9 %	37	74.8 %	57.8 %
Large	400	0.1 %	0.2 %	273 587	13.1 %	33.1 %	12	25.2 %	42.2 %
Total	692 686	100.0 %	100.0 %	2 089 052	100.0 %	100.0 %	49	100.0 %	100.0 %

* Figures are estimates for 2014 produced by DIW Econ, based on 2008 – 2012 figures from the Structural Business Statistics Database (Eurostat). The data cover the ‘non – financial business economy’, which includes industry, construction, trade and services (NACE Rev. 2 sections B to J, L, M and N), but not enterprises in agriculture, forestry and fisheries, as well as the largely non – market service sectors, such as education and health.

Source: Small Business Act, Fact Sheet 2014, European Commission

Global Entrepreneurship Monitor

Early stage entrepreneurship

- A non-profit academic research consortium aiming at measuring early stage entrepreneurial activity in more than 60 countries
- Some 61,4% of early stage entrepreneurs respond that none of their customers will consider their products / services as new and unfamiliar (*50,6% in innovation countries*).
 - But also a 15,6% respond that all their customers will consider their products new and unfamiliar (*16,9% in innovation countries*).
- A 56% of early stage entrepreneurs use technologies or procedures for their products / service that have been available longer than 5 years. (*65,3% in innovation countries*)
 - But 19,3% respond that they use technologies that are available less than one year
- A 55,3% of early stage entrepreneurs join a market where there are many other businesses offering the same products or services to your potential customers - high competition (51% in innovation countries)
 - But also 10,5% respond that they launch their venture in niche markets

Classification: Innovative Performance

Source: Field Research among the 2000 largest Greek firms

Typology		Category A: «highly innovative» Product innovation AND process innovation	Category B: the «average innovative» Either product OR process OR organizational innovation	Category C: the «Low innovative» No innovation at all
How many?	2011	<u>21,9% of the sample</u>	<u>48,6%</u>	<u>29,5% of the sample</u>
	2013	<u>13,6% of the sample</u>	<u>42,2%</u>	<u>44,2% of the sample</u>
Differences		<ul style="list-style-type: none"> ✓ 61% large firms ✓ 86% applies vocational education and training ✓ 30% conducts some R&D in house 	<ul style="list-style-type: none"> ✓ 46% large firms ✓ 79% applies vocational education and training ✓ 25% conducts some R&D in house 	<ul style="list-style-type: none"> ✓ 33% large firms ✓ 60% applies vocational education and training ✓ 14% conducts some R&D in house

What kind of firms are missing from the Greek ecosystem?

- New/ young knowledge intensive entrepreneurial ventures (start-ups, spin offs, spinouts).
- Innovative Business Development within existing enterprises (Corporate Entrepreneurship for technology and organizational upgrading).
- Existing firms which promote technological and organisational upgrading collaborating with universities and research centres.
- Young well trained scientists and engineers combining their disciplinary background with a new mindset, skills and capabilities and perceptions open to the world, who can provide knowledge intensive services as specialists, knowledgeable professionals and experts.

Funding and broad consensus are **prerequisites**

- A reasonable **national public investment programme** to support the strategy for growth, employment and structural competitiveness supplementary to necessary European initiative.
- A system of **facilitating** and **enabling** investments of all kinds to be designed and implemented effectively.
- The necessary **restructuring** and **re-orientation** of the banking system.
- A system of funding for the promotion of tech startups, spinouts and knowledge intensive entrepreneurial ventures and grownups in cooperation with coaching and mentoring mechanisms.
- A new **social** and **political** deal for promoting this strategy is an absolute must.