



# European Green Paper on Entrepreneurship

## South East England Regional Response

to

## EU Consultation Document

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**This document has been prepared in consultation with local partners around the region  
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## Overview & Introduction

South East England welcomes the Green Paper and the debate that it has stimulated about this fundamental driver of competitiveness. We agree that entrepreneurship is as much a product of culture - a way of life – and believe that in order to deliver a change in culture, it is important to think locally and regionally.

The region is the most successful regional economy of the fourth largest national economy in the world, on the doorstep of one of the world's three great global cities. Our region is undoubtedly the locomotive of the UK economy with an estimated GDP of £140 billion in 2002. In 1999-2000 this region made a net contribution of £17 billion to the Exchequer – far more than any other UK region including London.

The South East England Development Agency (SEEDA)<sup>1</sup> and the South East England Regional Assembly<sup>2</sup> have worked closely with the Small Business Service (SBS)<sup>3</sup> for the South East to assemble a response.

SBS has undertaken a regional consultation with a wide range of interested parties including: the South East England Economic Partnerships; regional business support organisations (such as Business Link Organisations; Enterprise Agencies); local Government (county/unitary and district economic development officers); Higher and Further Education; and businesses. The responses to the consultation have been analysed and incorporated into this document.

South East England's Regional Economic Strategy<sup>4</sup> identifies the importance of entrepreneurship and includes a strategic priority to accelerate new business start-ups and improve the survival rate of young companies. It states:

*'For the South East to remain one of the world's top performing regions for business competitiveness, it needs to encourage an increase in the business birth rate and in the number of companies surviving. This is particularly important during the early years of operation, which are critical in terms of building an effective foundation for sustained growth.'*

The region is fully committed to playing its role in helping the EU achieve the targets set out in the Lisbon Agreement. The Union's aim "to become the most competitive and dynamic knowledge based economy in the world" by 2010, is in resonance with the South East's aim for the region to become one of the top 15 regional economies in the world by 2012.

The South East economy is dominated by small businesses and is highly reliant on a high business birth rate, which contributes to the net growth of jobs in the region every year. In voluntary and community sectors there is an increasing recognition of the value of social enterprise in launching new organisations, networks, and partnerships that require similar collections of self-starter and entrepreneurial skills.

The South East is actively involved in a range of research including the Global Entrepreneurship Monitoring project (GEM) and is using the local outcomes of these projects to guide it in its policy making. GEM states that in a highly successful region like the South East, necessity entrepreneurship<sup>5</sup> is minimal. It is therefore important that the environment for opportunity

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<sup>1</sup> SEEDA is the non-departmental government body charged with developing and implementing regional economic strategy. SEEDA is the lead English RDA in the areas of manufacturing, science, and innovation, and is currently developing its proposals for the DTI innovation review, which will include concerns about business formation and expansion.

<sup>2</sup> The Assembly is the "voluntary regional chamber" for the South East. It was established to give a representative voice to the South East region which covers Berkshire, Buckinghamshire, East and West Sussex, Hampshire, Isle of Wight, Kent, Oxfordshire, and Surrey. The Regional Assembly is made up of 111 members including elected councillors nominated by the region's local authorities and 37 representatives from other sectors of the community (including business, trades unions, education, housing, health, sports, culture, tourism, faith groups, environmental, community and voluntary organisations).

<sup>3</sup> SBS (South East) is the regional representatives of the executive agency of the Department of Trade and Industry responsible for the small business agenda.

<sup>4</sup> Regional Development Agencies in the UK are charged by Government to develop and implement a Regional Economic Strategy (RES) as a basis for regional economic development. A copy of the RES is provided with this document.

<sup>5</sup> Necessity entrepreneurs – are individuals who have no other choice but to set up a business to survive.

entrepreneurship is cultivated to optimise new business creation and the exploitation of new market opportunities.

Other active policy development includes on going strategic development of Enterprise Hubs and Gateways, where engagement with local communities, sector groups and international comparison is helping enhance the support given to start-ups and expansions.

The Region has significant pockets of deprivation, not just in the well-recognised areas of deprivation in parts of Kent and along the South Coast. Deprivation is hidden in rural communities and in the more prosperous parts of the region too, often in specific demographic and ethnic groups. Entrepreneurship is viewed in the South East as a key tool in the battle to improve social and economic inclusion. Higher levels of entrepreneurship have the potential to substantially improve the sustainability of communities; small usually equals local, and big usually means multinational and reduced benefits to the local economy.

Higher levels of entrepreneurship and an improved entrepreneurial culture in the region is essential if we are to harness, and add value to, the large amount of intellectual property generated by the Region's leading role in research. We see a very positive role for universities and research establishments in encouraging entrepreneurship, both within their own establishments and the communities in which they are located.

South East England is addressing such needs through its RES and the Framework for Regional Employment and Skills Action (FRESA) through the following priority objectives:

- Priority 1 of the RES – *Enterprise: accelerate business start-ups and improve the survival rate of young companies* -aligns strongly with the aspirations behind the Green Paper.
- Priority 4 of the RES – *Skills for prosperity* – has the promotion of management and entrepreneurial development as a key action.
- FRESA objective 3 addresses how the South East intends to improve the supply and skills of entrepreneurs to expand the small business economy.

Key themes of the FRESA<sup>6</sup> Objective 3 are:

- Building an 'education for enterprise' culture in schools/colleges/universities
- Coherent 'entrepreneurship' development programme across the region and especially in regeneration areas.
- Stronger research base on business birth-rate, survival rates, and connection with relevant knowledge and skills
- Effective business advice and support geared to supporting successful start-ups.

Detail about some of the initiatives being developed and already underway in the South East is contained in our detailed response to the 10 questions proposed by the European Commission in it's Green Paper (see below).

## Concluding statement

The successful development of initiatives supporting entrepreneurship above all requires the joined up approach of the actors and institutions involved. Within the South East there is an attempt being made to promote networking of major industries, SMEs, schools, universities and research organisations, NHS, Learning and Skills Councils, Venture Capitalists, etc. to achieve the desired culture change and environment to support entrepreneurs. In order to achieve sustainable development a balance has to be struck between the financial, economic, social and environmental issues. The regional bodies work hard to co-ordinate and achieve this balance in the South East of England and European initiatives and policies should seek to re-enforce and complement the region's efforts.

<sup>6</sup> A copy of the FRESA is provided with this document.

## Specific questions posed by the Green Paper:

### **Question 1 – What should be the key objectives for an agenda for entrepreneurship in the European Union and how should these relate to other political ambitions? How can we build a model for entrepreneurship in an enlarged Europe?**

In order to determine what the objectives should be, we have considered what motivates an entrepreneur. In the current climate in the South East of England, we found that self-fulfilment followed by the opportunity to be your own boss and the chances to turn your ideas into a reality are the main motivations. But, it is recognised that the reasons for motivations will be different, depending on the individual entrepreneur and their circumstances. This highlights the need to create a sustainable entrepreneurial culture, which encourages and supports the desire to become an entrepreneur.

The key objectives for Europe should be to focus on aligning all EC Member States national policy to ensure that it no more burdensome to set up a business or take forward innovation in one member state than it would be in another (see Q5). Any model for entrepreneurship should be sufficiently flexible to reflect the diversity of the community and not simply a “one size fits all” provision.

We agree with the Commission that entrepreneurship is as much a matter of culture as a frame of mind, and believe that both of these can be best tackled at a local or regional level. We therefore feel strongly that the responsibility for delivering the agenda for entrepreneurship should be sub-regional and regional driven, with Member States setting national framework and priorities within an overall umbrella European framework. Nationally this has been recognised in the UK where the RDA's, working with the SBS, are charged with putting in place the means of achieving better co-ordination in the development and delivery of regional and local start-up services. SEEDA's Enterprise Hubs and Enterprise Gateways are being established with due regard to these geographical and social concerns. Gateways (6 approved to-date) are responding to the broader economic needs of disadvantaged areas whereas Hubs (target 20 operational by 2004) are responding to the more specialised (knowledge and locational) requirements of high-tech sectors such as life sciences.

Therefore Europe's role should be to:

1. Set the right pan-European frameworks, to stimulate and encourage the development of entrepreneurship. Entrepreneurship is an issue which cuts across most policy areas. It is important when developing different policy areas e.g. Regional Policy; Agriculture; Social Policy; employment agenda; competition etc. that the importance of entrepreneurship should be considered.
2. Europe should put a special emphasis on helping regions and local support organisations to learn from each other in areas such as signposting of business support services etc.
3. All European prospective recommendations, guidelines and regulations should be subject to assessment of their impact on entrepreneurship. This assessment should include consultation with SMEs through the EU Office for the Envoy for SMEs and intermediate organisations such as Small Business Europe and regional business support organisations and agencies.
4. Special effort should be made to reduce red tape and the bureaucratic burden on start-ups and young companies. Not only by examining EU regulatory issues but also by setting guidelines for national policies in the area.
5. Attention should be given to the opportunity for exploiting commercial ideas put on the shelf by large firms when these fall outside core business strategy.

**Question 2 – How can we improve the availability of finance (tax measures, public-private partnerships, stronger balance sheets, guarantees) and what alternatives to bank loans should be promoted (business angel finance, leasing, factoring, and micro-loans from non-bank lenders)? How can entrepreneurs be supported in obtaining external finance?**

Our consultation indicated that the respondents felt that it is not so much an issue of improving the availability of finance but rather that the current finance schemes are too inflexible, avoid risks and that access to the finance is complex. Tax regimes more sympathetic to entrepreneurs and schemes supporting the cost of the applying for finance could be potential solutions to these problems.

The early years of any business are the most crucial in a company's development. Therefore financial relief or incentives must be available during the first 2 years of a business start-up. Innovative ways of supporting start-ups have to be developed, particularly early seed corn funding to encourage individuals to become entrepreneurs. Nevertheless in our experience, there can also be an issue with continuation funding for young companies that are seeking to expand.

If Europe is going to develop special initiatives to encourage entrepreneurship there will need to be a common and agreed understanding of the term "business start-up", in the same way as there is a common European definition of SME.

Furthermore we believe that:

1. Revision of the State Aid regulations is essential. It is important to make them more easily understood (especially definitions of 'market failure' and 'distortion' etc). There is a strong argument for harmonising State Aid limits between the leading and lagging regions in this field as far as entrepreneurship is concerned. Start-up companies in high cost leading regions tend to relocate on expansion to the lower cost lagging regions.
2. Europe should provide a framework for learning from each other to identify how finance has been made available to entrepreneurs in different Member States. If the Interreg programme was strengthened further it could provide it could provide an excellent vehicle to achieve this.

**Question 3 – Which factors most hinder growth ((lack of) mutual recognition and EU rules or their (non-) implementation at national level, national tax provisions or the situation on the labour markets)? What actions are best suited to supporting growth and internationalisation (trade missions, market analyses, clustering and networking, information and consultancy services)?**

In addition to lack of accessible finance, addressed in question 2, the respondents considered that excessive/overcomplicated bureaucracy (employment law; health and safety; and social provisions) and red tape (both national and European) are the main culprits in hindering growth. There are lessons to be learnt from other Member States on how to simplify bureaucracy e.g. in the field of taxation, the process of generating VAT returns seems to vary tremendously.

Other factors included in the responses were:

- fear of the unknown and/or failure,
- lack of support (both business and personal),
- lack of and cost of premises,
- lack of appropriate role models,
- inexperience,
- insufficient skills,
- high workloads and expectations in the UK.

We recognise that some of these reasons from the respondents are perceptions rather than reality. If we want to create a positive entrepreneurship culture we need to deal with perceptions as well as reality.

The EU must play its part in being seen to develop an environment, which does not exclude SME's. One specific example is that young SMEs are unable to bid under the current EU Procurement rules, as one of the eligibility criteria is for bidders to have been trading for a minimum of 3 years. This means that young companies cannot bid for a whole range of public contracts. It is unrealistic to expect local public bodies, such as councils, to take more risks with the placement of their contracts. Risks of working with young companies could be managed if funds could be provided to regional bodies to offer guarantees for public bodies that contract with young SMEs that have undergone a 'health-check'. Health-checks like this already exist in the UK in the Small Firms Loan Guarantee Scheme, perhaps these could form the basis for such a guarantee scheme.

The EU should also look at its own operations. The process of applying for and the payment of EU funding is too time consuming and slow for start ups which impacts on cash flow. In particular grants/invoices are paid too slowly.

The EU should play an enabling role in the dissemination of innovative and leading edge provisions developed by regions and individual Member States. For example, the SBS and SEEDA have recently completed a successful pilot for an electronic-mentoring (e-mentoring) for SME's in the South East of England. The opportunity for rolling this out nationally or throughout Europe is something that should be explored.

Again we feel that there are State Aid issues that need to be addressed:

- The uneven application of State Aid rules between member states disadvantages entrepreneurs that wish to operate in the single market.
- A simple and wide ranging block exemption of a suite of actions supporting entrepreneurship would greatly assist organisations that are trying to stimulate entrepreneurship.

**Question 4 – To ensure high quality businesses, what training and support should be offered for a business start-up (basic training – compulsory or voluntary, incubators, mentoring) and business development (networks, courses, mentoring, distance learning, e.g. e-learning)? Should there be services tailored to the needs of specific groups (women, ethnic minorities, unemployed or socially disadvantaged people) or businesses (knowledge-based activities)? Should the quality of delivery of support services be improved (using ICTs, professional standards)?**

It is recognised that a range of skills are required to start a business. We do not believe that these should be addressed by the introduction of prescriptive training programmes, as individual needs will be different.

The South East believes that it is important to support and enable ambitious entrepreneurs during all the development stages of their business idea. All relevant organisations need to work together to effectively co-ordinate and link their activities and initiatives to provide a seamless service which meets the needs of fast growing and evolving start ups. Especially important is the ability to develop effective management skills to guide an organisation's development. These services need to be readily accessible across the region. In particular, support must be available in areas of economic decline and regeneration as new business formation is key to remedying local unemployment and revitalising communities.

The support should also recognise the fact that many of the present work force will work to the age of 70 and that entrepreneurship in the "third age" is already and increasingly an important factor. The South East has some specific examples of how these support services can be successfully developed – e.g. in the cultural and creative industries. The Arts Council South East have developed an initiative called COP (Creativity of Older People) which makes the support of older entrepreneurs a strategic priority.

It is very important in areas where there are high employment rates, such as South East England, for the economy to take a totally inclusive approach to the development of its labour force. We would therefore strongly recommend that any framework offered by the Commission takes into full consideration the specific needs of all sections of society for example women, minority groups and rural communities when encouraging entrepreneurship.

Individual entrepreneurs need strong signposting advice and guidance towards business support services, such as those offered via the Business Link Brand. These services must include starter premises, finance, mentors, advisers, and networks. SEEDA's Enterprise Hub initiative is an excellent example of how to integrate all of these services for the benefit of start-ups and young businesses. The Enterprise Hub concept has won peer recognition in the EURADA benchmarking programme and it has been recognised as one of the best initiatives of its type in Europe.

We believe that:

1. Training and service must be demand and needs led rather than compulsory.
2. Training alone will not create entrepreneurs but it can be an important factor in cultivating them.
3. Entrepreneurship needs to be embedded in education from the earliest age, and throughout, to be included in degrees (of whatever nature) and maybe all degrees should have work experience periods built in.
4. The development of entrepreneurial skills at an early age can be profitably linked to the development of citizenship. The South East England Regional Assembly recently ran a highly successful pilot project on citizenship where they used the setting up and running of a new company to engage school children in citizenship issues.
5. In the experience of the South East Clusters, networks and mentoring are most beneficial for companies. The South East's experience of transnational clusters has also been very positive and the EU's Framework 5 Virtual Institutes programme offers a good model for such clusters. The South East is leading a European Virtual institute for the composite materials industry.
6. Training provision to meet specific sector needs and skills shortages. For example, in our region we have established a South East BioSkills taskforce which has pulled together all of the parties associated with the biotech sector to identify the sector's skills shortages and to develop a plan to address those needs.
7. Mentoring is universally recognised as an effective means of facilitating business-to-business transfer of experience. The South East's experience has shown that E-mentoring, as piloted in the region, has the potential to be a highly cost effective and efficient method of engaging a wider range of participants in the process of mentoring.
8. In respect of women and minority groups we believe it is important for the EU to strengthen its programmes such as EQUAL and to continue focusing part of ESF on gender or ethnic or specific groups of the population.

**Question 5 – Are the obstacles and incentives for business development and growth in the European Union similar for entrepreneurs in the Candidate Countries, and does the forthcoming enlargement call for specific measures in the Candidate Countries?**

The needs of the Candidate countries will in some ways be different as they have a higher rate of 'necessity' entrepreneurship and have, on the whole, come from a low overall entrepreneurship base.

As answered in question 1 it is important that the EU establishes a common framework throughout Europe, including new Member States. It is important to have a framework which ensures a degree of flexibility for the local environment rather than a prescriptive range of policies.

Existing Member States can have a very positive role to play in working with Candidate Countries as they develop their own approaches to entrepreneurship. The EU should look at ways in which they can assist local and regional actors from the existing EU countries to work with candidate country counterparts, possibly through the enlargement and improvement of the Interreg programme. The example given above on Virtual Institutes with the aim of international clustering of business sectors would prove another useful tool in encouraging entrepreneurship in the new Member States.

**Question 6 – What can EU Member States do to make the balance between risk and reward more favourable to promoting entrepreneurship (reducing the negative effects of bankruptcy, making more social benefits available for entrepreneurs, reducing the tax burden either in terms of administration or rates)?**

Becoming an entrepreneur can be made less painful by streamlining bureaucracy and an easier/fairer taxation system with more financial relief/rewards/incentives, particularly in the earlier years.

It is also important to improve bankruptcy laws (currently underway in the UK) – we need a more effective balance between a litigation/financial driven bankruptcy process that discourages fraud and policy that encourages entrepreneurs to start businesses.

Society's impression of failure in business is a key difference between the US and Europe. There are many reasons why companies fail, some of which are completely outside the control of the entrepreneur. In fact, the enlargement of Europe could well be one of the factors which stimulates increased bankruptcy rates in certain sectors as business moves to lower cost operations in the new Member States.

It is felt that Europe needs to move towards the American approach of considering business failure as just that - rather than personal failure and a blemish on someone reputation. This is very much a matter of addressing cultural and legal issues.

Issues that need addressing include:

1. The public's understanding of risk and why businesses fail.
2. Society's perception and judgement of failure
3. Financial Institutions' attitude to failure (proper safeguards need to be in place to guard against fraud etc. but society needs to recognise that failed entrepreneurs who have tried, done nothing wrong, but failed - will probably do better next time).
4. Bankruptcy rules need to be reviewed to make it less of a stigma and reduce the administration costs of the process.

**Question 7 – How might more prospective entrepreneurs be encouraged to consider taking over rather than starting a new firm (buyers and sellers databases or marketplaces, special training for family-owned businesses, management or employee buy-outs)?**

Venture Capitalists, Banks, accountants and other financial institutions already place a key role in this.

An independent, possibly EU backed, register/database of businesses looking for buyers would facilitate prospective entrepreneurs who wish to consider taking over existing companies. Local business support organisations could act as the point contact with a prospective seller of a business. The register could then be used to determine the market for the sale of the business e.g. locally for businesses with local customer base through to Europe wide for international businesses.

Specialist assistance is needed in the area of family owned businesses. Within the South East region there is a Family Business Centre, run by Business Link Berkshire and Wiltshire, which is a one-stop shop offering business services that recognise the unique issues that face family

businesses e.g. succession planning. Based on its success, there are plans to roll out a National Family Business Centre for the whole of England. This is something which could be a model for other parts of Europe.

Other issues that need addressing include:

1. The benefits of encouraging an entrepreneur to take over a business (failing or otherwise) need to be quantified both in terms of social and economic costs to society.
2. There is a need to quantify the social costs of business failures, which could justify measures to support the new owner during the take-over period, especially if they are employee buy-outs.

**Question 8 - How can spin-offs be made more attractive (management buy-outs, showcasing, specialised advice, tax or other provisions for employees and their employers whilst starting a business)?**

The creation of spin-offs from larger organisations (both commercial and public) is a very effective way of stimulating an entrepreneurial culture within these organisations.

Around Europe, Higher Education Institutes (HEI) knowledge is not being fully commercially exploited - it is necessary for Member States to continuously review activities in this area. In the UK the Lambert Review is aimed at identifying areas for change within the UK higher education / business realm – including spin-outs. Part of the core funding from Member States for Higher Education should be aimed at driving a culture change towards supporting entrepreneurship, not just in their students but also in their staff. Europe's role should be to identify and promote best practice around the EU, such as programmes like Leonardo.

Corporate venturing for spin-outs is a crucial area. Awareness of the benefits of corporate venturing needs to be raised, in employers and employees, and the process supported and encouraged. In particular, initiatives encouraging investments in employee businesses instead of redundancy should be explored and promoted.

**Question 9 – How can education support the development of the awareness and skills necessary for developing an entrepreneurial mindset and skills (entrepreneurship training as part of a school's curriculum, getting entrepreneurs into the classroom, apprenticeships for students to work with experienced entrepreneurs, more entrepreneurial training in universities, more MBA programmes, matching entrepreneurial training with public research programmes)?**

The development through education and training featured highly in the responses to our consultation. With regard to education, entrepreneurship needs to be embedded into education to underline the overall purpose of education – to improve the economic prosperity of the individual and region/nation. It is seen as a vital area requiring attention if we are to improve the environment for entrepreneurs in Europe. Education needs to recognise and value the linkages between creativity, innovation and entrepreneurship and the role it plays in society. It is important to embed entrepreneurship and all its aspects into all subjects. We believe entrepreneurial skills should be mainstreamed into school curricula from as young an age as possible. Entrepreneurship is similar to learning a language, the earlier you start the more successful you will be at an earlier age – and for longer!

Examples of how entrepreneurship could be taught in schools includes: using drama situations to relay the messages, competitions/projects involving setting up your own business and the Assembly's Citizenship project mentioned under question 4. This could be completed with entrepreneurship being taught at colleges and University in partnership with existing business people.

Work to stimulate and embed a culture of entrepreneurship must be a key priority for the supply side. Schools, colleges and universities in conjunction with organisations such as education business link organisations and business representative bodies, must support the development of the right skills and mindset for individuals in formal education and for those training or in the workplace and encourage young entrepreneurs to harness their ability to commercialise innovative ideas.

An example of this is the Hatcheries programme, (Graduate research ideas in science and technology GRIST) has been approved in 2003 and involves collaboration between three universities (Surrey, Kent and Brighton) to develop and promote best practice, building on the experience of other countries such as the Netherlands (Twente) and Belgium (Louvain-la-Neuve), and through Surrey's involvement the in the SET project which also involves Southampton, Bath and Bristol Universities.

Intermediaries, such as Trade Associations, Sector Skills Councils and Chambers of Commerce, should be charged with ensuring there is a reliable stream of intelligence from small business on how the supply side of the labour market can be improving its services to help bring through individuals ready, willing, and able to take-on the small business option with a strong likelihood of successful survival and growth.

Educational establishment, at all levels, need to learn how to engage business in their concerns and the development of their courseware. This means learning how to spell out the benefits to business.

The table below presents a framework for the skills development for entrepreneurship and innovation that has been agreed in the English RDAs.

**Progressive Skills Development Support for Entrepreneurship and Innovation**

*(taken from RDA Science and Innovation Strategy 2002)*

Level	Location	Skills	Barriers	Facilitators
1	Schools	Priming for entrepreneurship. Develop awareness and appreciation of entrepreneurship and the need for innovation	Staff development for teachers. Not in core curriculum.	National and regional centres of excellence for teacher development. Student mentors. Flexibility of curriculum for skills development.
2	Further Education Institutions	Development of entrepreneurship, trade and technology support skills (e.g. lab technician, business skills etc)	Course development and culture shift needed.	Centres of regional excellence. Distance learning modules. Mentoring.

3	University undergraduate programmes	Higher skills development, including entrepreneurship through courses and projects.	Course development needed, and HEI culture shift needed	International and regional academic exchanges for best practice. Enterprise clubs, sponsored Enterprise challenge competitions.
4	Hatcheries (supporting graduate ideas)	Concept development of graduate ideas	Funding, laboratory and office space academic and general support.	RDA Hatchery grants, HEI business development offices, exchange programmes. Co-location with academic departments.
5	Enterprise Hubs, Gateways and Innovation Centres	Develop commercialisation. Grow team to small company (typically 2-6 staff).  Staff development, particularly for multi-skilling.	Laboratory and offices. Technician and research support. Economies of scale.  Management, IPR advice, and Seed Funding	Dedicated and managed buildings for co-location of small firms with strong academic links and supporting instrumentation. Mentoring, business boffins and on-line learning. IP and commercialisation task force. Venture capital, business angels and government grants (e.g. SMART), University Challenge funds.
6	Science and Technology Parks	Implement manufacturing. Company becomes self-reliant, but benefits from adjacent HE facilities.	Funding, location, services Technician and research support. Attracting critical mass of expertise.  Opportunities for expansion to other locations.	Venture Funding, (including RDA Venture Funds). Strong academic consultancy and technical links. Sector specialisation. Accelerators within and across RDA regions in UK and in partner global regions.

**Question 10 –What could business organisations, the media and public authorities do to promote entrepreneurship (role models, media campaigns, open door days of firms, award schemes for entrepreneurs) and at what level (European, national, regional or local)?**

The public perception towards entrepreneurs needs to be addressed. The public:

- do not recognise the fact that entrepreneurship is around them in every walk of life from the window cleaner to the owner of the multinational.
- have little idea of the risks that individuals are taking, particularly given the current stigma around those that fail.

We need to celebrate the rich diversity of entrepreneurs in our society and find ways of raising their profile to the general public.

An award scheme may be one way of achieving this where there could be a whole array of different levels of awards from local to European. This could incorporate a financial reward and could be co-funded by the EU. There is currently no compensation for those willing to share their experiences with others. The caveat to the above is that the winner's time should not be over exploited. It may be best, wherever possible, to build any awareness raising activities around their business activities. Equally there might be a nationally funded scheme to recompense winners for time out of their business.

Other points that need to be addressed include:

1. Changing the attitude of the general public and certain professions towards business people who fail.
2. Identifying and promoting role models that have failed and then gone on to succeed – showing how and what they learned from their experiences.
3. Building up a realisation that entrepreneurship includes low tech and small businesses such as the window cleaners, hairdressers, and your corner shop etc.
4. Recognising the value of social entrepreneurs – delivering public services through an enterprise; e.g. OAP lunch clubs, crèches run by the mothers that needed them.
5. Use of media and TV to explain key concepts – what is entrepreneurship? Mainstreaming the concepts into existing popular TV programmes e.g. Soap Operas and TV games.