Advancing Innovation in ECA 2007
Session 3, September 17th:
“Public – Private partnerships for promoting Innovation”

Public support to innovation-oriented business incubators in transition economies

Gunnar Due-Gundersen
Chief of Operations
Sintef International Operations
Some practical experiences from an incubator establisher

- General reflections around Public – Private partnership
- Challenges related to Public incubator support
- Public support and its impact on your business incubator
- Practical, case study from transition countries of how to secure Public support to your business incubator

Although an incubator is used as example - the topics are assumed relevant to most drivers of innovation
Public support to Business incubator

- Business start up programmes
- Networking, communication
- Technology, industrialization
- Site selection, property acquisition
- Financial resource accessibility
- Marketing, internationalization
- Business taxation
- Legal, financial harmonization
- Business friendliness

Public - Private partnerships
Public support to innovation oriented business incubators

Who is responsible for establishing Public – Private partnerships supporting the business incubator?

All actors?
Public sector?
Private sector?
The incubator?

Who has most to gain by Public support?

😊
You, and only you!!!
Define Public, Private and ALL your stakeholders

- Plot all your stakeholders, now – don't wait
- Prioritise your stakeholders in accordance with your incubator needs and requirements
- Make your action plan for cooperation
- Engagement, participation and ownership are key elements
- Be proactive – be in front
- Support has to be taken – not expected to be given

“A winner has many fathers, a looser is parentless”
You have everything to gain

GDG
Public support and main incubator stakeholders

Who are your Public supporters?
Some challenges in Public business incubator support

- Different objectives and motives
- Conflicting underlying motives
- Lack of sustainable participation
- Competition with other mechanisms for stimulating innovation
- Changes within strategies, politics, organisations or support schemes

When you succeed in manoeuvring your incubator through this abstract scenario, what may you gain?

How to tackle all this?
Business incubator establishment, historical approach

Traditional time phasing – uncovered risk based

30 / 40%  60 / 70%

Preparation  Planning, Organisation  Implementation
Business incubator establishment, the Public support approach

Public support time phasing – risk reduction based

60 / 70% 30 / 40%

Preparation Planning, Organisation Implementation

Stabilisation, Operation

60 / 70% 30 / 40%
The overall objective: Support the growth, higher level of employment and poverty reduction by supporting SME sector development in the Republic of Moldova.

Key words: SME development / entrepreneurship / business incubators / business center / SME financing / Portal / networking

Target groups: institutional framework / Partnership for SME development, SMEs and entrepreneurs with sound business ideas

Project duration: 2nd phase: May – December 2007

Expected main project results – second phase, 2007:
- Institutional support to the Department for Small and Medium Sized Business Development provided;
- Preparation for the opening of the Pilot Business Incubator started;
- Training Programmes provided;
- Portal developed and operational.
Result orientation – a mechanism for success

- **Result 1:** INSTITUTIONAL SUPPORT TO THE DEPARTMENT FOR SME DEVELOPMENT PROVIDED
- **Result 2:** PREPARATION FOR THE OPENING OF THE PILOT BUSINESS INCUBATOR
- **Result 3:** TRAINING PROGRAMMES ESTABLISHED
- **Result 4:** SMALL BUSINESS INFO PORTAL DEVELOPMENT & OPERATIONAL

Split the overall objective into defined, manageable and understood areas of results – what are you expected to deliver?
## MAIN ACTIVITIES

### Result 2: PREPARATION FOR THE OPENING OF THE PILOT BUSINESS INCUBATOR

<table>
<thead>
<tr>
<th>Activity</th>
<th>Responsible</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1. Incubator Tenant: Role Definition &amp; Concretisation</td>
<td>Lucia, Gunnar, Liliana</td>
</tr>
<tr>
<td>2.2. Organize pre-incubation information and training</td>
<td>Angela &amp; Lilana</td>
</tr>
<tr>
<td>2.3. Publishing of the announcement for the future tenants/ incubator</td>
<td>Lucia</td>
</tr>
<tr>
<td>2.4. Defining the selection criteria for the tenants</td>
<td>Lucia &amp; Gunnar</td>
</tr>
<tr>
<td>2.5. Prepare and uphold the Introductory Seminar for the future tenants (GO TO MICRO)</td>
<td>All, Gunnar, Lucia, Cathrine, Angela</td>
</tr>
<tr>
<td>2.5. Preparation for selection of tenants (GO TO MICRO AP)</td>
<td>Gunnar, Iulia, Lucia, Liliana</td>
</tr>
<tr>
<td>2.6. Recruitment of tenants</td>
<td>Lucia &amp; Liliana Soroca, Jan</td>
</tr>
<tr>
<td>2.7. Preparation of contracts between Incubator-donor-owner-tenants</td>
<td>Lucia &amp; Tanja</td>
</tr>
<tr>
<td>2.8. MoU with Local Public Administration (Soroca)</td>
<td>Gunnar, Lucia, Liliana</td>
</tr>
<tr>
<td>2.9. Publishing the tender for the construction company</td>
<td>Lucia &amp; Liliana Soroca</td>
</tr>
<tr>
<td>2.10. Legal contract for the construction company</td>
<td>Lucia &amp; Tanja, Gunnar</td>
</tr>
<tr>
<td>2.11. Define role/job description of Incubator Manager</td>
<td>Lucia and Gunnar</td>
</tr>
<tr>
<td>2.12. Engagement of the construction company</td>
<td>Gunnar, Lucia, Iulia, Jan</td>
</tr>
<tr>
<td>2.13. Ownership of BI (GO TO MICRO)</td>
<td>Gunnar, LPA Soroca, Iulia</td>
</tr>
<tr>
<td>2.14. Publishing the announcement for the BI Manager</td>
<td>Angela &amp; Liliana</td>
</tr>
<tr>
<td>2.15. Selection of the Management Board</td>
<td>Shareholders, Gunnar, Iulia</td>
</tr>
<tr>
<td>2.16 Selection of the Incubator Manager</td>
<td>Management Board, Gunnar, Iulia</td>
</tr>
<tr>
<td>2.17. Job description of the incubator staff</td>
<td>Tanja, Lucia, Gunnar</td>
</tr>
<tr>
<td>2.18. Interviews and recruitment of staff</td>
<td>Gunnar, Iulia, Lucia, Incub Manager</td>
</tr>
<tr>
<td>Main Activities, (tbd: to be defined)</td>
<td>2007 / 2008</td>
</tr>
<tr>
<td>--------------------------------------</td>
<td>-------------</td>
</tr>
<tr>
<td><strong>Milestone 1: Define action plan</strong></td>
<td></td>
</tr>
<tr>
<td>1.1 Exact definition and practical concretisation of Business incubator concept</td>
<td></td>
</tr>
<tr>
<td>1.2 Organize pre-incubation information and training</td>
<td></td>
</tr>
<tr>
<td>1.3 Start defining and producing objectives, methodology, tools, criterias etc.</td>
<td></td>
</tr>
<tr>
<td>1.4 Meeting with local authorities, Soroca</td>
<td></td>
</tr>
<tr>
<td>1.5 Meeting with local authorities, Soroca (donor)</td>
<td></td>
</tr>
<tr>
<td>1.6 Organize pre-incubation information and training</td>
<td></td>
</tr>
<tr>
<td>1.7 Define possible engagement, participation of central authorities / institutions</td>
<td></td>
</tr>
<tr>
<td>1.8 Definition of and meeting with stakeholders, Soroca</td>
<td></td>
</tr>
<tr>
<td>1.9 Selection and preparation of marketing tools and alternatives, Soroca</td>
<td></td>
</tr>
<tr>
<td>2.0 Preparing (draft) the Agreement on Cooperation with LPA Soroca</td>
<td></td>
</tr>
<tr>
<td>2.1 Signing the Agreement on Cooperation with LPA Soroca</td>
<td></td>
</tr>
<tr>
<td>2.2 Preparation of introductionary seminar; concept, documentation, presentations</td>
<td></td>
</tr>
<tr>
<td>2.3 Marketing of introductionary seminar, Soroca</td>
<td></td>
</tr>
<tr>
<td><strong>Milestone 2: Seminar for entrepreneurs, Soroca</strong></td>
<td></td>
</tr>
</tbody>
</table>
From Case study: “ENTRANSE 2 Your Business”
Public support based approach

1. Objective of the project
2. Results to be defined
3. Action plans; at macro and micro levels for each Result type
4. Make plan for cooperation
5. Engagement, participation and ownership are key elements for Public support
6. Macro / micro action plans to be dynamic, reflecting real time status, with changes, additions and deletions

The action plan is your core for Public support and successful operation

Go back to basics, break things down, simplify, visualise, even provoke
Business incubator establishment,  
Public support based approach

Continuous preparation, planning, development
Lessons learned and conclusion

- Define your Public supporters
- Build and use your action plan
Get on with it!

Thanks for your attention