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## BOOSTING EARLY STAGE INNOVATIVE NEW VENTURES AND BUILDING ENTREPRENEURIAL ECOSYSTEMS: AN EVALUATION OF A PUBLIC ENTREPRENEURSHIP PROGRAMME IN TRENTINO (ITALY) (SUMMARY)

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≈ SUMMARY ≈

**BOOSTING EARLY STAGE INNOVATIVE NEW VENTURES  
AND BUILDING ENTREPRENEURIAL ECOSYSTEMS:  
AN EVALUATION OF A PUBLIC ENTREPRENEURSHIP  
PROGRAMME IN TRENTO (ITALY)**

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**Topic**

Although there is general agreement about the importance of assessing publicly supported entrepreneurship programmes, the design and implementation of reliable evaluations of such public interventions deserve further theoretical and empirical attention (Audretsch, Grilo and Thurik, 2007), especially in the case of those directed at early stage innovative ventures (Norrman and Bager-Sjogren, 2010). Moreover, although studies of new venture creation have shown that no single pattern of events is common to all new ventures (Carter, Gartner and Reynolds, 1996) our understanding of the venturing process remains highly fragmented (Moroz and Hindle, 2012). Therefore some scholars have argued that we have prematurely measured the impact of entrepreneurship policy initiatives without a good understanding of the actual venturing processes. In this paper we investigate how the design, implementation and evaluation of public initiatives that aim to improve entrepreneurial activity interact with the venturing processes in a specific system.

**Method**

Using mixed methods we study a public initiative called ‘Seed Money’ started by the local government of Trento (Italy) to support the creation of new innovative ventures. We have collected primary and secondary data on the first two editions of the scheme for respectively 23 new ventures in 2009, 40 in 2011, and a ‘control group’ of 4 start-ups. To understand its impact and how venturing is contextually taking place we conducted a static analysis of the 67 ventures at significant points in time, and a dynamic analysis of 12 cases.

**Results and Implications**

Our analysis shows how the scheme boosted the quantity and quality of local entrepreneurial activity. We find positive effects on the processes of new venture creation and early survival. The initiative is accelerating the growth of a few start-ups with stronger teams and organizational processes that were able to access knowledge within and outside the local ecosystem. These ventures appear smart enough to know ‘what they do not know’ and access and absorb better the external knowledge they need. By doing this they become key players in developing further the local entrepreneurial system. Overall, the paper reframes venturing and building entrepreneurial systems as interactive and contextual processes based on experimentation and learning.

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