Towards Exponential Growth In Jamaica
Dialogue on policies and instruments to unleash innovation

November 20th and 21st, 2018
Main takeaways
Support for entrepreneurship – conceptual framework

• **Start-ups** are temporal organizations that are experimenting with new products that will yield a product-market fit → they are **NOT SMEs**

• **Private sector investors** will be more willing to come in at earlier stages of start-up development when they can rely is a **strong eco-system of support for start-ups**.

• Building an **eco-system of support for start-ups** is a wicked problem that **requires acting on many fronts at the same time** → if one part of the eco-system is missing, the whole system fails.

• In an eco-system that supports start-ups, it is important to **align intermediaries’ incentives** by rewarding them **with the results** of their action, and not by the inputs into the system.
Implications for Jamaica

1. Distinguish support for SMEs from support for dynamic start-ups, which require very different instruments

2. Focus on building the eco-system requires a culture of entrepreneurship, support for experimentation, pipeline of innovative ideas, availability of human capital, financing

3. Review incentives being offered to intermediary institutions, and mechanisms to track results
Ruta N

• Ruta N’s main objective it to strengthen entrepreneurship and innovation in the city of Medellin, as a platform for growth and job creation

• Ruta N has very concrete results’ indicators that guide its work, expressed by % of investment in R&D/GDP of the city, job creation, number of firms created, and R&D effort in firms, among others.

• Focused on 3 markets (not sectors) where they see potential for Medellin: energy, life sciences and ICT

• Focused on 3 topics: human talent, financing and platforms to support innovation and entrepreneurship.

• It’s first activities focused on enhancing a culture for entrepreneurship that encouraged diverse thinking and cultivated open innovation
Ruta N – coordination and alignment

• Ruta N’s mandate is to execute a 10-year development plan which was developed in a participatory manner with the private sector, academia and government of the city, and which establishes its expected results, a budget, and strategy

• Ruta N coordinates with other public sector bodies supporting economic development in the city by cross-directorship at different boards

• Ruta N works in partnership with the private sector, the government of the city of Medellin and academia. Of the 11 seats of its BOD, 8 are held by private sector, 1 by academia, 1 by director of Ruta N and 1 by the mayor of the city
Implications for Jamaica

• Establishing clear milestones that guide the work of the eco-system of support for entrepreneurship and/or innovation
• Develop mechanisms for coordination and alignment of the work of different institutions involved in the eco-system
• Cultivate strong buy-in from the private sector for innovative activities
• Develop mechanisms that bring diversity into the entrepreneurial landscape – ideas and entrepreneurial initiatives from across the social and gender spectrum, as well as from abroad
Issues discussed at the Jamaica tables

• Scant support for the initial stages of entrepreneurship in Jamaica – the result is that investors come at a very late stage

• Concern about recognition of creative talent

• Intellectual property not capitalized upon – concern about the lack of awareness of commercialization/monetization opportunities

• Actors in the eco-system could be better aligned → DBJ in an excellent position to coordinate. How to make governance responsive to needs of the private sector?

• Open innovation could be widely used to stimulate a culture of entrepreneurship
Coordination and alignment – ideas from Jamaica

• Dedicated financing for entrepreneurship and innovation that is stable across administration
• Strong push for a culture of entrepreneurship
• Improve focus of each organization of the eco-system, and alignment between them
• Improve awareness in government agencies about the importance of entrepreneurship ➔ planning must include a broad base of entrepreneurs ➔ public-private dialogue is very important
• Seek ways to support potential dynamic entrepreneurs across all social strata and gender ➔ connectivity important