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

November 22nd and 23rd, 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 Barbados

1. Distinguish the needs of:
   1. needs-based entrepreneurs vis-à-vis opportunity-based entrepreneurs,
   2. SMEs from dynamic start-ups

as these 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 is 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 Barbados

• 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 Barbados tables

• Culture of entrepreneurship → Barbados is structure oriented, static, risk averse, reflected in scant equity finance
• Start from the objectives in mind → example from Medellin
• Many agencies, little alignment → can national entrepreneurship strategy help coordinate? Who leads?
• To strengthen the eco-system, the quality of intermediaries may need to be improved
• Scant knowledge available to entrepreneurs about existing support services
• Very positive → a lot of focus on how to mainstream entrepreneurship-related topics within secondary and university school system
Coordination and alignment – ideas from Barbados

• A very positive context → strong commitment from the highest levels of government on entrepreneurship and innovation as a way to move Barbados forward

• A directory could help reaching out to entrepreneurs with portfolio of support services

• Discussion of how strategic to be in terms of knowledge generation, given limited resources → choose sectors to focus on, like Ruta N

• Use real-time data to establish milestones for the eco-system, understand business innovation practices, and measure the maturity of the eco-system