



Preliminary findings on the SMEs needs and barriers to RTD and innovation

What is it for?

An important question to which MaPEeR SME wants to provide an answer is: **“How to increase the participation of small and medium-sized enterprises (SMEs) in RTD&I support programmes?”**

A simple answer to that question would be: “In designing SME friendly RTD&I programmes with attractive characteristics responding to SMEs needs and RTD&I programmes which help to overcome barriers which SMEs face when undertaking RTD&I activities.”

But which are those characteristics, those needs and those barriers? In order to find out those factors and to help policy makers in Europe (EU-27 + Bosnia and Herzegovina) to boost SME’s research and innovation activities, MaPEeR SME project conducted a survey to investigate about above mentioned issues.

Main national and regional RTD&I programmes for SMEs in Europe (EU-27 + Bosnia and Herzegovina) were identified in an earlier step of the project and analysed in depth via questionnaires and interviews by SMEs. Another aim of the study was to find commonalities and differences in SMEs’ participated in RTD programmes or not . From these findings policy recommendations for addressing SME needs through specific RTD&I programmes should be derived.

The overall amount of responses that were gathered constitutes a rather small sample. However, the scope of the questionnaire survey was mostly to support the Study’s qualitative analysis that included among others in-depth interviews with SMEs Stakeholders and reflects respective trends identified rather than to act as a large quantitative exercise.

Which are the key outcomes so far?

As of date of 03.02.2011 in total, 615 SMEs have participated so far in the survey of which 244 are RTD programme inactive SMEs and 371 are RTD programme active SMEs.

SME profile of surveyed RTD programme active/inactive SMEs

Additional benefits of the MaPEeR SME project are:

- Europe-wide survey of RTD programmes for SMEs
- Qualitative and quantitative analysis of the surveyed programmes
- Definition of SME profiles per specific geographic regions
- Analysing of programmes matching the needs of SMEs in general and per regions
- Description of good practice programmes

If you want to contribute to the studies MAPEER SME is conducting, please, do not hesitate to contact us at **mapeer-sme@ivs.hu**

SME profiles of surveyed SMEs

	RTD programme active SMEs (n=351)	RTD programme inactive SMEs (n=223)
Located in a technology park	29%	26%
Year of foundation	Median: 1999	Median: 2000
FTE (full time employees) dedicated to RTD activities	65% dedicated more than 10% and 27% more than 50%	34% dedicated more than 10% and 9,9% more than 50%
Annual RTD expenditure to total expenditure	67% more than 11% and 22% more than 50%	37% more than 11% and 8% more than 50%
RTD income in relation to total income	46% generate more than 10% and 16 more than 50%	19% generate more than 10% and 6 more than 50%
Competition	62% judge their competition as strong to very strong	66% judge their competition as strong to very strong
Internationalization	67% sell goods in EU member states and 48% outside Europe	55,6% sell goods in EU member states and 35% outside Europe
Current sales from new or substantially improved products/processes	75% generate more than 11% and 39% more than 50%	65% generate more than 11% and 34 more than 50%
Job creation /sustainment as a result of introducing new or substantially improved products or processes	35% more than 5 new jobs	17% more than 5 new jobs
Own RTD department	50%	26%
Patents	None: 53%; EU: 31%; US: 14%	None: 72%; EU: 16%; US: 7%
RTD and innovation strategy defined	61%	30%
Development of totally new products/Processes	53	49%
Satisfied with internal RTD	52%	44%
Devotion of resources on RTD&I (n=565)	50% devoted more resources on RTD nowadays than 5 years ago	37% devoted more resources on RTD nowadays than 5 years ago

Source: MaPEeR SME Survey (2010)

As it can be seen in the above table there are mayor differences between both groups of SMEs regarding the affinity to RTD activities. When comparing both groups one can see for example that 65% of RTD programme active SMEs dedicate more than 10% of their full-time employees to RTD on the other hand only 34% of RTD programme inactive do so. The same is true for the proportion of annual RTD expenditure of total expenditure and the proportion of RTD income of total income. But on the other side almost the same amount of programme active and inactive SMEs get a proportion of more than 11% of their current sales from new and improved products/processes. That means in general RTD and innovation activities are important for both groups of SMEs. These interesting results will be further analysed in the MaPEeR SME project

Preliminary Factors for designing SME-friendly RTD&I programmes

Based on the SME questionnaires and of interviews conducted with SME associations and RTD programme active and inactive SMEs in all EU-27 Member States and Bosnia Herzegovina **below mentioned main factors could be defined** that might determine if a RTD&I programme is SME-friendly and can therefore be considered as a Good practice programme:

Factor	Recommended means
1) Financial aspects	· high funding rate · short time to funding · additional funding opportunities · and simple access to loans
2) Administrative processes	· transparency · easy reporting requirements · simple application procedures · short time-to-contract periods · good guidance of responsible programme officers
3) Good promotion of RTD&I programmes	· High visibility and easy to understand information about available programmes · clear communication of RTD&I programme benefits
4) Programme design suitable to size, to RTD activity of SMEs and to the development idea of the SME	· Small multinational consortium in EU RTD&I programmes · programmes target differently at high RTD intensive firms and at low RTD intensive firms, · integrating SMEs in the relevant policy making.
5) Proactive measures to increase awareness of RTD&I programmes	· Proactive contacting of especially low RTD intensive firms
6) Supporting market oriented activities	· Developing of measures to support the access to markets and to enhance the commercialization of R&D results · Short time-to-contract · Short time-to-funding periods · include the support of marketing and distribution measures into the RTD programme structure for SMEs

Source: MaPEeR SME Survey (2010)

For further information on MaPEeR SME activities in your country please contact:

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