

# The Role of Venture Capital to support Entrepreneurship

## BASIC DATA

**Project Title:** The Role of Venture Capital to support Entrepreneurship  
**Research Field:** Social sciences  
**Main Discipline:** 10204 Science of management  
**University or college:** HES de Suisse occidentale - HES-SO

## CONTEXT

Europe is facing an economic and political crisis. This impacts directly the situation of Romania. **Foreign Investments and Venture Capital (VC)** seem to **decrease** at both Institutional and Private Level. **Principal-Agency Theory** comes into play and Governance between Venture Capitalists and Entrepreneurs seems to be challenged. Sustainable entrepreneurship is more important than ever. The situation to attract VC has changed tremendously. It is **important to reanalyze** and understand the status quo of the new investments perspectives and the new entrepreneurial conditions in Romania.

**The objective** of this research project is to **better understand** and put into value the **role of vc/svc/cdvc** (venture capital/ social venture capital/ community development venture capital) driven innovation policies in building the favorable environment for a sustainable growth (development) of underdeveloped regions from Romania, by generating creative-innovative economic and/or social enterprises.

## RESEARCH OBJECTIVES

1. **Identification and analysis** of objective and subjective **attractors and repellers**, meaningful for generation of VC/SVC/CDVC driven innovation, in the context of competition with other ways of innovation: corporate, entrepreneurial, financed from public funds or mixed funds
2. **Conceiving of a theoretical model and of a methodology for evaluation**, quantification and characterization of a Regional VC Implementation Readiness (RVCIR) and the experimental application of the built model for the case of development regions in Romania
3. **Design of a policy recommendations guide** for diminishing the repellers and for cultivating / putting into value of the objective and subjective attractors meaningful for the generation of VC/SVC/CDVC driven innovation in underdeveloped regions
4. **Design and initialization of pilot model for continuous learning** and specification of appropriate learning instruments needed to implement the policy recommendations.

## SCHEDULE

The research will take **22 months** and will be deployed in **3 phases**

### 1st phase: 7 months

- **Preparative activities:** inventory of data sources for analysis, preparation of interview guide and working protocol and preparation / training of the research team.
- **Action-research iteration:** to present and negotiate with VC actors of a test-project, anteriorconceived by the Romanian team. After this action-research exercise will be upgraded the interview guide and will start the interview with Swiss VC actors needed for the situational analysis.
- **Collection, processing and analyzing data** (desktop and field research) at European level (desktop research), national and at the level of the 8 Romanian development regions (desktop and field research).
- **Final analysis and synthesis of the research findings:** discussion and validation of data from the perspective of there utility to practice for relationship with Swiss VC actors

### 2nd phase: 8 months

From the situational analysis, based on Participative Roles in Regional Innovation (PRRI) model will be determined a methodology for evaluation, quantification, characterization and presentation of a RVCIR, useful for the decisions of the VC actors, elaboration of development policies of VC driven innovation at regional level and the elaboration of the programs for academic (professional) forming/ specialization at regional level

- **To design activity of the methodology and of instruments** needed to operationalize a system for RVCIR periodical report

### 3rd phase: 7 months

- The **Policy recommendations** guide for attracting VC in underdeveloped regions
- The **lifelong learning model and specification of the training tools** - appropriated to the application of policy recommendations and organized
- A pilot cycle of **post-university formation in the field of VC driven innovation** at the Faculty of International Business and Economics (FIBE) of ASE Bucharest a final validation and reflection group in Bucharest

## APPLICANTS

### Main Applicant:

#### Prof. Dr. Thomas Straub

is Professor of Strategic Management & Entrepreneurship in the Public Innovation and Sustainable Management Institute at the University of Applied Sciences Western Switzerland, School of Business Administration Fribourg, Switzerland. At the same time he is Associate Professor at the University of Bucharest, UNESCO Department, Romania. Furthermore he is the Director of the Certificate of Advanced Studies, Modern Management for Non Profit Organizations' at HEC, University of Geneva



### Other Applicant

#### (Romanian Partner)

#### Prof. Dr. Mihai Korca

is professor of International Business Environment Analysis at the Bucharest University of Economics Studies (ASE – Bucuresti). He is also associate professor at the University of Bucharest, UNESCO Department and at the National School of Political and Administrative Sciences, Bucharest, Romania. His research interests are interdisciplinary ones, covering themes of applied statistics, entrepreneurship and entrepreneurship education, economics of SMEs, university strategic management and internationalisation of higher education



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