

# Entrepreneurial traits and innovation

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# Valorization

In accordance to Article 23 of the Regulation Governing de Attainment for Doctoral Degree in the Maastricht University, the following section discusses the valorization opportunities offered by this Dissertation. Following the corresponding guidelines, these opportunities are analyzed in terms of the social and economic relevance of the thesis, the potential target groups to whom the results can be interesting and the degree of innovativeness of the research methods used.

My research interests are related to the innovation shortfalls that Chile is facing, which prevents the economy from jumping into the next stage of development. From a policy perspective, innovation can be increased by fostering existing firms to be more innovative and by fostering the emergence of new innovative ventures. In this dissertation I focused on the latter strategy by analyzing a set of factors that shape the emergence of innovative entrepreneurship, a small subset of the heterogeneous population of ventures that has the potential to generate larger economic impacts, putting emphasis on the role of the person behind the phenomenon under study, the innovative entrepreneur. The literature has been increasingly discouraging public support towards generic entrepreneurship as there seems to be a flawed belief that more startups will boost economic growth, generate innovation and create growth. Empirical evidence shows that the typical startup is not innovative, creates few jobs and generates little wealth. Investigating the traits of the person that triggers the process of venture creation and how these traits influence the emergence of innovative businesses is a valuable piece of research that can feedback the design of policies aimed at fostering innovation.

Following a market failure approach, entrepreneurship and innovation policies in Chile have mostly relied on supply side financial instruments (for example, promoting the availability of seed and venture capital). But the truth is that the emergence process of innovative ventures starts before a new business organization has been created by an entrepreneur: it starts with the motivation to turn an intention into an action. Therefore, when investigating the determinants of the emergence of innovative ventures in general, and in Chile in particular, we need to

put the entrepreneur back into the analysis in order to broaden our understanding about the role that its (mostly unobservable) traits play in the phenomenon under analysis. This has been the main goal of my thesis.

This thesis showed that observable and unobservable entrepreneurial traits, like motivation, education and social capital, influence the emergence and development of innovative startups in Chile. This finding has important policy implications for the Chilean economy. First, policymakers should take into consideration both observable and unobservable factors when designing policies to promote innovative entrepreneurship. Second, given that access to quality education and social capital is unevenly distributed in the Chilean society, with a few in a better position to launch innovative ventures, policymakers must ensure equitable access to resources. If the playing field is not leveled, the expectations, as Schumpeter suggested, that innovative entrepreneurship can democratize the business sector and promote social mobility could be jeopardized. These findings also advocate for a broader approach to entrepreneurship and innovation policies, which obviously go beyond financial instruments.

Therefore, the results of the thesis have a social and economic relevance that go beyond pure scientific relevance. The findings derived from this research can be of interest not only to the academic community, but also to policy makers and executives of public development agencies in both developing and developed economies. In particular, it can provide interesting insights to decision makers in the field of entrepreneurship and innovation policy.

Regarding the research approach, the complex phenomenon under analysis and the unobservable nature of the entrepreneurial traits studied required a combination of both quantitative and qualitative research methods. This strategy allowed interpreting some of the relationships that were found in the quantitative analysis, like the relationship between a higher educational attainment of the entrepreneur and the innovativeness of the venture. The application of in depth interviews to a number of entrepreneurs allowed bringing new insights regarding the role that education plays in the emergence of innovative entrepreneurship and how it relates to other key factors like social capital. The scope of the messages derived from the research was possible only by combining the findings of both quantitative and qualitative methods.

In terms of the diffusion of the research, some results have been presented in international conferences and workshops. This has constituted an opportunity not only to disseminate the results of this research, but also to receive important comments and suggestions on how to further improve the research. Results were

presented in Lalics, 2013 in Rio de Janeiro, Brazil; in the 7th MEIDE Conference in Santiago, Chile; in the PhD Workshop of the Economics of Innovation, Entrepreneurship and Competition in 2012 in Maastricht, The Netherlands; and in two internal seminars, one in the Economics Department of University of Chile, and in the Public Policies Institute of the Diego Portales University. Some Chapters are currently being reshaped in order to be submitted to journals in the field of entrepreneurship and innovation.