

**EU-SPRI Early Career Researcher Conference (ECC) Turin, Italy
September 24th-25th, 2019**

The changing entrepreneurial finance landscape: challenges for policy



During the last decade, an extensive empirical and theoretical literature has highlighted how access to external finance is a steep barrier to overcome for new ventures and small and medium enterprises (SMEs), being often the single most important constraint on their growth. This holds in particular for high-tech sectors where markets for radically new products are not established and investment bears high risk (Guiso, 1998; Hall, 2002; Ughetto, 2008). Firm financial constraints have a significant impact upon the pace of country-level and regional economic development and technological change, particularly where the distribution of firm size is heavily skewed towards SMEs (Carpenter and Petersen, 2002; Fritsch and Storey, 2014).

The global financial crisis, which struck most of the world's national and regional economic systems, has led to calls for a further reflection on the evolution of the financial system and of the financing instruments to sustain entrepreneurship and firms' growth (Lee et al., 2015). The pressing financial needs of SMEs, together with the growing and ever-changing opportunities for investors, have induced the rise of new modes of financial intermediation beside the traditional sources and often in combination with them. Many new equity and debt based financing opportunities are now available for SMEs, including crowdfunding (CF), crowdlending (CL), easy access to business angels (BAs) and governmental VC finance, hybrid and innovative finance schemes (e.g. participative loans). The digital revolution has also accelerated the use of alternative sources of finance for start-ups, which both complement and compete with traditional sources.

Although academic research on entrepreneurial finance is gaining momentum in understanding the dynamics of financing and its effects on firms' growth, the challenges occurring in the entrepreneurial finance landscape have received less attention than necessary. Studies in entrepreneurial finance that explore the several financial tools available to SMEs and new ventures have not performed a carefully nuanced analysis of the regulatory institutional conditions that may affect the entrepreneurial finance landscape, nor they have examined the interdependencies between new financial channels and policy schemes to support SMEs and startups. Moreover, while governments and the EU are increasingly considering these new players as important mechanisms to alleviate the financing difficulties of innovative businesses, integrated entrepreneurial finance policies at the EU level have not yet been implemented. The integration of entrepreneurial financing policies at EU level is an urgent need, which involves a complex and articulated process of harmonization in legislations and tax regimes across different countries. While in the US public policy has increasingly considered these new technologies, players and instruments as fundamental mechanisms to alleviate the financing constraints of start-ups and SMEs (see the Jumpstart Our Business Startups (JOBS) Act in 2012), Europe still lags behind in the formulation of an integrated regulatory environment for entrepreneurial finance.

The new scenario is characterized by a high level of complexity: on the one hand new investment approaches, valuation methods, and business models of entrepreneurial financing are emerging, on the other hand differences across countries in terms of regulations (e.g. tax regimes, bankruptcy laws, legislations on equity crowdfunding) are still in place. This situation calls for integrated policies, especially in the light of a new reconfiguration of financial

markets following the exit from the EU of the largest equity market in Europe (UK) and following the policy reshaping that is currently operationalized by the European Commission for the next EU Framework Programme (FP9).

Reflecting the breadth of financial instruments that are potentially available to new ventures (e.g. VC financing, BAs, CF, CL, proof-of-concepts), the conference will deal with the changing ecosystem of entrepreneurial finance, currently transformed by the Fintech revolution and by the entrance of new actors in the arena and will investigate the challenges (and opportunities) this new financial environment creates for policy makers.

Some broad topics that might be addressed in papers submitted to the conference include:

- ✓ Public policy towards the financing of high-tech entrepreneurship and innovative firms
- ✓ The role of the Fintech revolution in the changing eco-system of entrepreneurial finance
- ✓ The effects of the financial crisis on SMEs and new ventures
- ✓ New forms of entrepreneurial finance (e.g. proof-of-concepts, ICOs)
- ✓ The relationship between different forms of finance (crowdlending, crowdfunding, business angels, venture capital)
- ✓ The role of location and institutional characteristics in shaping the ecosystem of actors (and their relationships) surrounding start-up financing
- ✓ Entrepreneurs and investors' social capital and positioning into a network
- ✓ Business models and different sources of financing
- ✓ Policy challenges and the integration of European entrepreneurial finance policies
- ✓ The impact of the digital transformation on regional equity gap
- ✓ Financial markets, regulatory framework and the provision of finance for SMEs
- ✓ Crowdfunding: opportunities, challenges and critical factors
- ✓ Venture capital, innovation and high-tech start-ups performance
- ✓ Macro perspectives on financial markets, innovation, high-tech entrepreneurship and economic growth
- ✓ Innovative policy tools to finance innovative and high potential SMEs

Organizing Committee

- ✓ Elisa Ughetto (Politecnico di Torino) - Scientific Coordinator
- ✓ Annalisa Croce (Politecnico di Milano School of Management) - Scientific Coordinator
- ✓ Massimo G. Colombo (Politecnico di Milano School of Management)
- ✓ Emilio Paolucci (Politecnico di Torino)
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- ✓ Francesca Tenca (Politecnico di Milano School of Management)
- ✓ Daniele Battaglia (Politecnico di Torino)
- ✓ Antonio DeMarco (Politecnico di Torino)

Keynote Speaker: [Rosemarie Ziedonis \(Questrom School of Business, Boston University\)](#)

Rosemarie Ziedonis is an Associate Professor of Strategy and Innovation at Questrom. She has a Ph.D. in Business and Public Policy from UC Berkeley's Haas School of Business and an undergraduate degree in economics from the University of North Carolina, Chapel Hill. Prior to joining Questrom, she served on the faculty at the University of Oregon, the Wharton School, and the University of Michigan's Ross School of Business, where she co-directed the Program for Law, Economics, and Technology. Her research examines the value and strategic use of intellectual property, and broader aspects of innovation policy and management. Findings from her studies have been published in a wide range of journals including the Journal of Financial Economics, Organization Science, Management Science, the Rand Journal of



Economics, Research Policy, Science and the Strategic Management Journal. She is an Associate Editor at Management Science, and a Research Associate at the National Bureau of Economic Research.

Target audience

The conference aims at involving a selected group of scholars. The participation from scholars at the Assistant Professor level, at the post-doc level, or at early stages of their career is particularly encouraged. PhD candidates at the final stage of their dissertation are also encouraged to attend.

Submissions and selection

Participants are invited to submit a full paper or an extended abstract and their CV. Full papers should be no longer than 30 pages, including figures and tables. Extended abstracts should be no longer than 3,000 words and clearly specify the objective of the study, its approach and results. The CV should indicate the PhD dissertation topic for PhD students and the main research projects for research assistants and post-doctoral researchers. Full papers/extended abstracts and CVs should be submitted by email to the following address ecc-conference@polimi.it as PDF files.

Participants will be selected basing upon the quality of the submitted paper/extended abstract, the coherence with the conference theme, and their CV. Once acceptance will be notified, participants should confirm their participation and send the final version of their full paper.

Main deadlines

Deadline for full papers/extended abstracts submission	June 2nd, 2019
Notification of acceptance	June 30th, 2019
Deadline for sending full papers and registration (including the payment of the fee)	August 25th, 2019
Conference	September 24th-25th, 2019

Conference venue

Politecnico di Torino, Energy Center

Via Paolo Borsellino 38/16 - 10138 Torino (Italy).

Conference fee

EU-SPRI members: the conference is free of charge. The organization will cover accommodation for two nights, coffee breaks, lunches, conference material and the conference dinner. Accommodation for early career delegates will be provided close to the conference venue.

Non EU-SPRI members: the conference fee is 205 € (includes conference material, coffee breaks, lunches, and conference dinner). Participants from outside EU-SPRI forum are advised to book their accommodation in Turin.

For all details, paper submission and conference registration please follow the link below:

<https://www.eko.polimi.it/index.php/euspri2019/EUSPRI2019>

For information regarding conference registration and payment and any other questions, please contact the conference organizers: ecc-conference@polimi.it