

Factors of the Entrepreneurship Environment in the Context of Innovation Development of SMEs in the Latvian Market

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Abstract

In modern conditions, innovative projects and commercialization of technologies is one of the most important factors in ensuring sustainable business development and play an important role in building a knowledge-based economy. SMEs represent a significant part of the national economy, approximately 99.8%. The problem of innovative development and growth is actual for small and medium sized enterprises. The purpose of this paper is to analyze an entrepreneurship environment and conditions conducive to the innovative development of SMEs in Latvia. This study examines a factors of entrepreneurship environment in the context of innovation development of small and medium-sized enterprises in the Latvian market. The methodological basis of the paper consists of analysis of scientific literature and publications, data of statistical reports, normative acts of the EU and the Republic of Latvia. According to a survey of SMEs and banks conducted by the Bank of Latvia, 13% of SMEs surveyed identified a lack of innovation as a factor that significantly limits SME growth. In addition, according to Eurostat, almost 90% of companies in Latvia indicate that they do not have a compelling reason for innovation, while around 7% considered the issue of innovation but the obstacles were too significant.

Keywords

SMEs, innovation, entrepreneurship environment, startup

Biographies

Inese Ratanova is a PhD student of the Doctoral Programme on Management Science, sub-sector Business Management, at the University of Latvia, and senior lecturer at the Baltic International Academy. She earned bachelor's professional degree in Entrepreneurship Management from the Baltic International Academy, and Master's degree in Economics from the University of Latvia. She has experience in project coordination and management. She was a team member of the FX Group start-up based on an invention by Riga Technical University scientists. FX Group was born in the Reactor of Commercialization platform after Deep Tech Atelier 2018, organized by Latvian Investment and Development Agency. She holds a Controller Diploma from joint programme of Controller Academy & German Business School and has practical experience in general management and finance. The main topics of scientific researches and publications in EBSCO are in the field of project management, SMEs, controlling. Her main scientific and research interest focuses on studies in the field of innovative and sustainable development of entrepreneurship and SMEs, entrepreneurship environment ecosystem, commercialization of technologies, open innovation and start-up, business management using the concept of controlling.

Inesa Voroncuka is a Professor, Director of the Doctoral Programme on Management Science, Head of the Department of Public Administration, Demography and Socio-Economic Statistics of the Faculty of Business, Management and Economics at the University of Latvia. She earned both the Master's degree in Economics and the PhD in Economics Science at the University of Latvia. Post graduate studies in economics were continued at the University of Latvia. She is a candidate of economic science (Dr.oec.) from Moscow Statistical Institute, Russia, topic of doctor's dissertation: Economic efficiency of information management system. The main topics of scientific researches and publications in Scopus, Web of Science, EBSCO address knowledge management in organisations and their effect on entrepreneurship, Public administration, Human Resource Management, Job Analysis and Performance Evaluation. She is member of several professional organizations, such as American Society for Public Administration (ASPA, Washington, DC, 20005-3885, USA); programme-manager in Project Management Training Centre, Riga, Latvia; member of NISPAcee, Bratislava, Czech Republic; member of Volunteer organisation, Culver City Senior Centre 4153 Overland venue Culver City, CA, 90230, USA.