

Foreword

Firms that scale up are central drivers of employment and income growth across OECD economies and have been the subject of significant policy focus in recent decades. However, despite this, a full understanding of the factors of success and indeed the role of policy remains somewhat elusive, in large part reflecting limited or mixed evidence. In some countries the approach is to identify, and provide support to potential winners, (typically in a given, e.g. hi-tech, activity) whilst in others, the focus is on ensuring the right universal framework conditions.

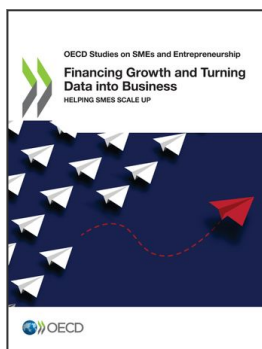
“Financing growth and turning data into business. Helping SMEs scale up” considers the variety of existent scale up policy approaches across OECD economies. In particular, the report discusses a number of dimensions that are central to effective scale-up policy design and, on that basis, proposes a set of conceptual key elements to identify relevant policy measures. In addition, the report takes a deep-dive into two specific determinants of success for scaling up, i.e. access to scale up finance and SME data governance, drawing on findings from the first report in this series, *Understanding Firm Growth: Helping SMEs scale up*, released in November 2021. At this stage, the work is not normative in terms of identifying effective scale up policies, but rather provides a stocktake of measures implemented by countries in the above areas. It recognises the need for more evidence to inform policy design, and stresses the importance of addressing the cross-cutting nature of policies that can support SME growth.

Chapter 1 discusses the broader context of the scale up policy space by recalling a number of definitions and theoretical notions around SME size, growth and performance. On that basis, it proposes to organise the monitoring of national policies mixes and institutional arrangements in place to promote scaling up across the OECD by focusing on a set of SME growth drivers, grouped under three overarching pillars i.e. innovation, investment and network expansion.

Chapter 2 focuses on financing SME growth, with a particular emphasis on diversified solutions going beyond equity capital. Drawing on a review of 709 policies and 210 institutions across the OECD, it reveals a possibly high fragmentation of the scale up finance policy mix, and, in turn, potential challenges for scalers to navigate and decrypt the various offers, as well as for policy makers in designing optimal policies.

Chapter 3 focuses on improving SME data governance, from access to protection to use, and provides insights on how governments intend to upgrade, or are upgrading, SME data practices to create a supportive data environment. A comparison of 487 policies across 209 institutions in the OECD area reveals a strong policy focus on developing an internal data culture and new data-related skills. However, despite the particular challenges faced by small businesses, SME policy considerations are rarely central in national policy mixes.

This report was developed by the OECD Centre for Entrepreneurship, SMEs, Regions and Cities (CFE), as part of the Programme of Work and Budget of the OECD Committee on SMEs and Entrepreneurship (CSMEE). Chapter 3 contributes to the OECD Horizontal Project on Data Governance for Growth and Well-being, and notably to its module on *Data Shaping Firms and Markets*. The final report [CFE/SME(2022)13/ANN1/REV1, CFE/SME(2022)13/ANN2/REV1, and CFE/SME(2022)13/ANN3/REV1] was approved by written procedure by the CSMEE on 26 September 2022.



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