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## Impact of the EMPRENDE EN 3 programme on the creation of companies in Spain

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# 1. Summary.

The phenomenon of entrepreneurship has been growing and acquiring greater importance in recent decades, both for the private sector and for national and international governments. This great relevance is due to the importance that this activity has in the impact on job creation and the economy.

This paper will draw a theoretical framework where analyses the policies and tools that governments carry out to encourage entrepreneurial activity. Also, an analysis of the current entrepreneurial situation in Spain will be done. It then, carries out an empirical analysis of the Emprende en 3 platform, which aims to speed up the procedures for creating companies. The analysis will consist of studying the relationship between joining the programme and the creation of companies in the municipalities of Spain.

# 2. Introduction.

Entrepreneurship consists of the creation of a new company by an individual, who assumes the risk. It is usually related to innovation and source of new ideas, goods or services.

The concept of entrepreneurship is very broad and very different depending on the country. It is known that in the U.S. entrepreneurship is very important and has a good reputation, having one of the best "laboratories" of entrepreneurship in the world: Silicon Valley. However, in Spain, in spite of the fact that it has improved in recent years, this type of activity or job opportunity is not so well regarded, and young people prefer to look for something safe rather than to take risks.

As we have said, the situation has improved in Spain in recent years. This is due to the implementation of the Law on Entrepreneurs in 2013. Before this law, there was no specific law on this subject, but there were measures integrated in other laws, which shows us the importance that the government gave to it.

It is of great importance that governments create policies to encourage entrepreneurial activity as it serves as an agent for boosting employment and the economy.

Therefore, the implementation of a law by both international and national governments is necessary. Entrepreneurship laws have the fundamental objective of providing incentives for entrepreneurial activity. To this end, they create numerous strategies and tools that help entrepreneurs to carry out their activities. Those tools can be numerous and oriented to different departments such as financing, business creation laboratories, help to business plans, marketing support, technical support, help in the process of company creations, among many others. In this project we will analyse the different policies that have supported the entrepreneurial activity in Spain. Specially we are going to have a deeper research in the tool Emprende en 3.

Emprende en 3 is a public instrument that was initiated with the Law of entrepreneurs of 2013 and aims to speed up the procedures for creating companies in local councils. It is one of those numerous tools that aim to incentive the entrepreneurial activity and it is of great importance here in Spain as it avoids numerous bureaucratic steps, one of the biggest problems in company creation in Spain.

The paper will start with a theoretical framework on entrepreneurship and the policies that facilitate or hinder it. We will then make an analysis of the current situation. And finally we will analyse the impact of Emprende en 3.

### **3. Methodology.**

Firstly, a general research of the subject has been made in order to form a structure that we will describe below.

Firstly, we made the theoretical framework in which a quick description and definition of the concept of entrepreneurship is made. Then, going deeper into the heart of the matter, we carry out an analysis of the suitability of public policies on entrepreneurship, based on the documents of authors and experts.

Secondly, we make an analysis of the current situation of entrepreneurship in Spain based on the GEM Report 2019. Next, we make an analysis of the Law of Entrepreneurship of 2013, based on the GEM Report of 2013.

Thirdly, following the objective of the work, we make an analysis of the Emprende en 3 program at a national, regional and local level. An analysis is made of the relationship between joining the programme and the number of company creation and/or the number of active companies. For this purpose, we take data from the Instituto Nacional de Estadística (INE) and from the Ministerio de Hacienda.

Finally, some conclusions are drawn.

### **4. Theoretical framework.**

#### **4.1. The concept of entrepreneurship.**

To get started with the topic of entrepreneurship it is necessary to define and develop the concept. Although defining the concept of entrepreneurship is very difficult as it is a very wide concept, we will have a look at different sources to develop it, these sources are: (Ramírez, 2009; Suárez & Vásquez, 2015 and Cuervo et al., 2006).

The word/concept of entrepreneurship has a long history, we will have a look at the introduction of the concept of entrepreneurship and then have a deeper approach of today's concept.

The origin of the word comes from the French word entrepreneur (pioneer) that means “to do something” or “to undertake”, normally a business venture (Russell, 2020).

Even though the concept comes from earlier times that was used in other fields, it became important in the economic branch as it was developed from the 18<sup>th</sup> century when the current economy began with the physiocrats. At this time, Richard Cantillon (1756), one of the most representative authors of this movement, defines the entrepreneur as the person who buys products at a given price, combines them successfully to obtain a new product and then sells it at uncertain price, not possessing, therefore, a secure return and must assume the risk and uncertainty in the market.

As Suarez and Vasquez explain (2015) from the first introduction of the concept to the present, there have been many definitions by economic theorist. Resuming what those authors expose, these perspectives can be classified into three streams: one is established by those who focus on the person who, in the face of uncertainty, assumes calculated risks generating imbalance and becomes responsible for making decisions even when these are not favourable at a given moment. On the other hand, there are authors like Jean- Baptiste Say who maintain that the entrepreneur is an organizer or manager of the factors of production, which are in constant relation to the resources and opportunities of the environment. Finally, those economist who take it as an innovative trend, which sustain and point to an entrepreneurial person as one who possesses characteristics of leadership, which allow you to detects and take advantage of opportunities within the organization and of the environment, to be a promoter of change with a vision of the future and clear objectives.

It is important to highlight the position of Israel Kirzner, a Nobel Prize-winning Austrian economist. Kirzner sees entrepreneurship as a key tool for good economic growth which seeks a balance in market forces. Unlike Schumpeter, who considered the entrepreneur to be a creative person, Kirzner, perceives the concept of entrepreneurship as an opportunity where the individual is able to observe situations of imbalance and be able to benefit from them through the use of technologies that may or may not be available (Kirzner, 2008).

During the 2000's, the concept of entrepreneurship was defined by two researchers, experts in the subject, Shane and Venkatraman (2000), where they defined it as the discovery, evaluation and exploitation of opportunities like new products, services and productive processes that did not exist before. These economists link the concept to the business process which involves the identification and evaluation of opportunities; the decision to exploit them by oneself or to sell them, the efforts to obtain resources and the development of the strategy and organization of the new business project.

One of the last of defining the concept was Andy Freire (2012), one of the most prestigious entrepreneurs in the last decade. Freire conceives entrepreneurship as the result of the process of creating new organizations or companies in which the entrepreneur detects an opportunity, creates an organization and becomes part of it. The entrepreneur is the person who detects an opportunity and creates

an organization. Freire describes numerous characteristics for the entrepreneur and also states that an academic and learning process is necessary to train the individual. (Suárez & Vasquez, 2015).

Although each stream defines it in its own way, we see that they all agree on two ideas: the idea that an individual is developing something new and that the individual is taking a risk. That means, not every person that creates a firm is an entrepreneur, you will be classified as entrepreneur in the case you innovate, you create something new or if you are able to recognize and opportunity and achieve it. It is also worth to say that nowadays entrepreneur can be also an individual that for example creates a new production process in a company.

### **Why entrepreneurship so important?**

It is an essential element for the progress of an economy as it is structured in various ways: a) identifying, evaluating and exploiting business opportunities; b) creating new companies and/or renewing and energizing existing ones; and c) boosting the economy (innovation, competition, job creation) improving the well-being of society.

For a good development of the enterprise it is necessary four factor that may help it, as Stevenson (2000), one of the gurus of the enterprise, exposes: 1) entrepreneurship takes place in communities that have mobile resources; 2) Entrepreneurship is relevant when community member reinvest the excess of capital in projects that have been developed by other members; 3) entrepreneurship develops in those communities where other members of the community rejoice in the success achieved by others and 4) entrepreneurship is significant in the communities where change is not rejected.

In this section we have defined and analysed the evolution of the concept of entrepreneurship, which is necessary to be able to contextualize the project. We have also seen how important this individual can be in our society. Now we will move on to see how public policies can facilitate entrepreneurship.

## **4.2. Policies of support.**

Having made an introduction on the concept of entrepreneurship, we now turn to the topic that concerns us: the policies that countries carry out to facilitate entrepreneurship. Governments need to carry out policies to encourage entrepreneurship and to create an entrepreneurial culture in a country.

### **4.2.1. Contextualization.**

In this section we will present a series of proposals made by the CEOE in relation to entrepreneurship. The objective of this section is to contextualize, through these proposals, the political situation of entrepreneurship in Spain and to see what weaknesses and opportunities for improvement the experts find in it.

The phenomenon of entrepreneurship has been a growing issue in recent decades both nationally and internationally. At the European level, there is a

commitment to "the Innovation Union" as a strategy for 2020. The aim is to improve conditions and access to funding for research and innovation, ensuring that innovative ideas can be transformed into products and services that generate growth and employment. The economic reality is that investment in R&D will reach 3% of the EU's GDP by 2020. (CEOE, 2014)

In the analysis of the state of innovation (CEOE, 2014) a set of proposals on the policies are proposed by the Spanish Business Organization (CEOE). Hereafter we are going to have a look at some of them.

- The CEOE proposes to encourage Public-Private collaboration.

Establishing a link between innovation and industry is necessary to improve this relationship so that research can be transferred into business realities. In addition, it proposes greater participation by business organisations in the configuration of plans, for greater adaptation to the real needs of companies.

- It proposes greater participation by Spanish PYMEs in R&D activities. It is necessary that these companies also participate in this type of project together with universities and research bodies since they are the ones that shape most of our business network.
- Maintain and strengthen support for national technology platforms as an instrument for structuring the science-technology-business system.
- Supporting innovation from the seed of the company (Start-up, Spinoff, etc.).
- Adapt the research of universities and research centres.

Universities and research centres are able not only to generate knowledge but also to transfer it and encourage research to become business projects. In addition, it is necessary that the curricula of universities are adapted to the needs of business.

- Promote the culture of entrepreneurship and innovation from the earliest stages of education.
- Encourage collaboration between Technology Centres, universities, research centres and companies with a technology and knowledge transfer channel.
- To develop new models of collaboration, both between the public and private sectors, and between companies themselves. A joint collaboration can have a higher benefit for the whole society.
- To socially value risk, entrepreneurship and innovation as pillars of a new productive model.



- Prioritise the stability and uniformity of the Spanish tax system to support R&D and improve tax incentives through deductions, subsidies, etc.
- Promote Information and Communication Technologies (ICTs) to achieve greater efficiency and competitiveness at the administrative, educational and business levels.
- In relation to financing, it is proposed to adapt interest rates, repayment terms and guarantee conditions. To increase the percentage of financing, especially in terms of innovation.
- Attract private capital to finance research projects. Facilitate and promote new alternative financing mechanisms through participatory financing platforms (Crowdfunding).
- Promote the use of Innovative Public Procurement (CPI in Spanish).
- To increase financial support for internationalisation processes.
- Harmonisation and simplification of administrative procedures for managing aid to companies between the general administration and the Autonomous Communities. Also to harmonize the systems of governance between universities, research centres and companies to give an agile, flexible and interactive response.
- Promoting the use and dissemination of support programmes for entrepreneurs.
- Coordinate the strategy, planning, programming and allocation of resources of the various state bodies to avoid duplication and inefficiency, allocating resources where they are most effective.

These are a set of proposals from the CEOE in relation to innovation and entrepreneurship. Although these points are proposals for improvement by the CEOE, most of them are the basis on which entrepreneurship policies are developed at European, national and regional level and allows us to understand in which line are Spanish policies oriented.

#### **4.2.2. Evolution of entrepreneurship in Spain. Ortega (2012)**

In the following part we are going to analyse and develop some of the analysis and opinions of experts about the policies that Spain and Europe have implemented and how can be improved.

It is interesting to see how governments have been transforming their policies during the history of Spain depending on the necessities and goals that were appearing. If we have a look at Ortega (2012), he explains in his article the origin of the entrepreneurship and makes an assessment of the evolution of the entrepreneurial policies in Spain.

The origin of entrepreneurship policies dates back to 1950, with the PYME policy in which industrialized countries began to support small entrepreneurs. It is at that time that politicians began to be more sensitive to weaker entrepreneurs and those from more disadvantaged sectors. These first actions consisted of subsidies, micro-credits, advisory services, among others.

In the economic panorama drawn by the oil crises, the growing economic interdependence and the technological development, knowledge replaces capital as the main source of competitiveness. And as a result, the government is changing policies and are abandoning the big scale policies and are becoming more promoting and fostering.

The object of the action is not oriented in the entrepreneurial dynamic, but more on the new business activity. The promotion instruments are characterized by acting mainly at the level of business organization: business incubators, seed capital funds, guarantees, incentives for the constitution of spin-offs, among others.

Since the 2000s, public action has aimed to disseminate the entrepreneurial culture throughout society. This strategic orientation includes general administrative activity, so that the scope of public action in favour of entrepreneurship covers areas such as the education system, business culture and the values of society. (Ortega, 2012)

The role of governments and the administration is to foster environments that increase the flow of new entrepreneurs, along with the conditions that allow them to create and develop their businesses successfully. Consequently, entrepreneurship policy is not the responsibility of a particular public body or ministry, but of the administration as a whole.

Some of the actions that governments carried out are the adaptation of education to familiarise students with the entrepreneurial spirit, elimination of barriers to entry and exit in the productive system, promotion of the presence of entrepreneurial culture in the media, adaptation of the fiscal framework to the needs of new companies, etc.

As we said, it was in the 2000s that a more entrepreneurial-oriented policy was initiated. However, over the years, despite good government initiatives, there has still been much criticism of its policies: restrictions on credit, little innovative entrepreneurship, a high percentage of entrepreneurs due to need, administrative obstacles to the creation of companies and weak dissemination of entrepreneurial culture from the education system.

As Ortega (2012) exposes, the deployment of actions by the administration has had little success in promoting entrepreneurship, largely because most of the efforts made have continued to respond to a policy of new companies rather than a genuine policy of entrepreneurs.

One of the main problems in Spain is the institutional dispersion, the lack of coordination and the scarcity of collaboration bridges with the private sector. (Ortega, 2012)

Ortega (2012) gives some example about countries where there is a dynamic of high-potential entrepreneurship such as the United States and the United Kingdom, thanks to the large national public-private partnership programmes (Startup Britain and Startup America), or the spectacular increase in the business birth rate in France in the midst of the crisis resulting from the application of the Entrepreneur's Statute. Those tools seem to indicate that entrepreneurship policy can become a powerful instrument for economic reactivation if it is properly configured.

#### **4.2.3. Basic pillars for entrepreneurship.**

Spain has a great potential to generate knowledge and companies, but it's necessary to makes a change in their policies. The following six pillars that Gómez & Mitchell (2014) present are the base of a good entrepreneurial and innovation policy to Spain be more efficient in their policies: 1) public institutions coordinated among themselves and with other actors in the system; 2) financing based on grants, tax exemptions or seed capital; 3) human talent to lead entrepreneurial projects; 4) the development or transfer of scientific and technological advances through research; 5) propagating a culture of innovation and entrepreneurship that is understood as welfare and development for society and 6) a competitive environment that facilitates the generation of entrepreneurship and the consolidation of companies.

#### **4.2.4. How was the entrepreneurial policy in Spain?**

Until 2013 there was no specific law on entrepreneurship. However, Spain has implemented policies and measures to encourage entrepreneurship. In this section we will see how some authors analyse these policies.

Although on a theoretical basis might be very simple, governments have to deal with a lot of variables and actors to carry out policies that meet the pillars mentioned above. In the following part we are going to analyse how the Spanish government has developed entrepreneurial policies between 2000-2013.

As explained by Buesa (2012), technology policies in Spain in the period 2000-2010 have focused on granting companies tax incentives, subsidies and credits under privileged conditions in which the administration usually takes the risk of the financed projects. They also encourage the development of technologies in specific and unspecific sectors and the cooperation of activities between companies.

Buesa makes an assessment of the policies taken during 2000-2010. We are going to have a look at them.

Firstly, he assesses that obtaining public aid has been positively associated with the size of the company, its level of investment, its ease of financing innovation

and its organisational capacity to develop successful technologies on the market. As mentioned above, Buesa also considers that established innovators have been boosted, but the emergence of companies capable of assuming the risk of innovation has not been given as much consideration.

Secondly, the author notes that during those years, entrepreneurs have received extra help with financing, either through subsidies or through tax incentives.

Thirdly, he considers that technology policy programmes have had positive effects on the behaviour and results of companies. He gives the example that tax incentives increase the probability of innovation by 20%.

Buesa also highlights the MARCO program of EU, which allows companies to build up technological capabilities and increase their tangible assets by 40%. This in turn has led to a 12% increase in the productivity of companies benefiting from these European policies.

However, the author recognises fails in the design of the policies that may limit their impact. For example, in the case of tax incentives, which are ineffective for 10% of the companies that could benefit from them. He also notes that there is a fail in policies that help cooperation between company, supplier and customer. And in the subsidization of high-tech companies.

In summary, "the technology policy that has been implemented over the last few years shows a generally positive balance, although its instrumental design could be improved to exploit its full potential." (Buesa, 2012)

For their part, Martinez & Larrambeber (2015) analyse the implementation of European entrepreneurship policies in Spain.

In the authors' analysis of these policies, they observe that the Spanish state has implemented entrepreneurship policies in strict accordance with the proposals of the European institutions. They conclude that the Spanish state's policies as a whole are oriented towards self-employment, which favours entrepreneurship. However, they criticize that the instruments chosen by the Spanish government in the 2010-2013 period could have acquired other characteristics because they were too centralized on the mercantile form of creating employment. They consider that the policies to promote entrepreneurial activity should not be from unemployment to individual entrepreneurship, it should aim to sustain and growth in start-ups.

Following the CEOE (2014), it considers necessary actions that improve the capacity to create companies and support measures for entrepreneurial initiatives. It is very important to create an environment that favours entrepreneurship, for which it is necessary to implement measures on cultural, economic, geographical, institutional and regulatory policies.

One of the main problems that the CEOE encounters in Spanish policy is the problem of communication and coordination between the state and the Autonomous Communities. This arises from the legislation in which the state has

regulatory competence for employment policies, but it is the Autonomous Communities that have the power to implement them, which leads to variations between theory and practice, especially if we compare different Autonomous Communities.

#### **4.2.5. The necessity of establishing an entrepreneurial culture from the beginning.**

In her publication at the Ministry of Industry, Trade and Tourism, Blasco (2014) highlights the importance of entrepreneurship as an element of economic growth and development and comments that institutional, economic and administrative factors of a country are important. Companies will be favoured when legislation is homogeneous and uniform throughout the territory, and administrative and regulatory obstacles are eliminated.

The government and the administration should be oriented towards the social recognition of entrepreneurs as creators of wealth and employment and should also carry out the development and integration into the educational model and programs that give value to entrepreneurship among future generations.

The best way to establish an entrepreneurial culture is through education. From the beginning of the learning process, the acquisition of aptitudes, skills and competences necessary for the generation of entrepreneurs is encouraged. At the end of the career, university students are encouraged to find an attractive professional alternative in which to develop their creative potential and knowledge.

As Blasco (2014) explains the Business Growth Program (SGIPYME) intends that all universities have this university entrepreneurship program, always with the support of the general administration in which entrepreneurship is presented as an interesting activity and which provides the necessary tools to develop it.

According to Blasco (2014), the Law for the Support of Entrepreneurs and their Internationalization (LAEI) and the Law for the Guarantee of Market Unity (LGUM) have given an impulse to the existence of a favourable environment for the creation and development of enterprises.

The LAEI is the instrument that in recent years has promoted the greatest number of new developments in entrepreneurship. The contact tools are the Information Centre and Network for the Creation of Companies (CIRCE) and the Entrepreneurship Service Points (PAE). These two tools offer information, advice and electronic processing services. In addition, the PAE offers a service of support for the start, development and end of the activity for new companies. Within the PAE we find an electronic service for these services in which we find the "Emprende en 3" platform, which we will comment on later. Support is also given through the Ministry of Justice, allowing a company to be created in 48 hours and speeding up any type of procedure.

As we have seen, education has a great importance as the basis for entrepreneurship, and specially to universities and research centres. Guerrero

and Urbano (2012) make an analysis of how Spanish universities can improve entrepreneurial activities through the transfer of knowledge and technology.

For the authors, entrepreneurship and knowledge are of great importance for further economic growth. To this end, they give great importance to the transfer of technology and knowledge and give even greater importance to universities. For them, the university has a role as a producer and disseminator of knowledge that not only supports entrepreneurship but also develops administrative techniques, competitive strategies and an entrepreneurial culture.

The authors aim to identify the best strategies for knowledge and technology transfer. To this end, they have divided the strategies into three types: educational, research and entrepreneurial. The university is defined as a natural incubator that provides support structures for academics and students to initiate new intellectual and commercial projects that will eventually result in social development and economic growth.

As we have already mentioned, importance is given to the relationship between the entrepreneurial university, the government and the industry. To this end, the following strategies are defined.

In the first place the academic ones. The objective of the entrepreneurial universities, among others, is to create entrepreneurs who generate employment. To this end, in 2006 a reform of higher education was made to improve the entrepreneurial spirit. Entrepreneurship programs, scholarships, training agreements, internships, among others, were implemented. For the authors it was a good example of a strategy that has had good results.

In second place are the research activities. Another of the objectives of entrepreneurial universities is to become a source of innovation for the economy and society, being the starting point for the development of business ideas or new companies. Universities have been regarded as important organisations within national innovation systems. That is why many science parks, research institutes and technology transfer offices have been created to increase knowledge and technology that can be transferred to industry.

Finally, entrepreneurial activities. Currently, entrepreneurial universities are focused on strengthening an entrepreneurial position. That is why they get involved in partnerships, alliances or networks of organizations to promote or improve the generation and exploitation of business activities. Governments have increasingly seen science as a vehicle to energize national and regional economies and thus provide them with more resources. One example is incubators that provide space and try to combine technology, capital and knowledge to promote entrepreneurial talent.

About the comparative of entrepreneurial culture, Larraza-Kintana & Contín-Pilart & Castro (2018) make a comparative analysis. In relation to entrepreneurial activity, the US is clearly superior to all European countries. And specially they have a strong power in TEA with high-potential, those companies that expect in the next years to have more than 10 employees and increase 50% of their

turnover. In this index Spain is far below the average countries because, according to the authors, Spanish companies only want to serve the local market.

The authors compare the ecosystem in which large companies are born, such as Silicon Valley, with an entrepreneurial ecosystem with a focus on culture and the environment, the role of governments, the presence of universities, technology parks, physical infrastructure and access to sources of capital.

However, the authors believe that there is not only one successful ecosystem model for business creation. The document also gives a really interesting example of the entrepreneurial ecosystem that was created in Madrid in relation to the transport of people, where a large number of companies were created for this purpose. This ecosystem, unlike that of Silicon Valley, was driven by the characteristics of the environment, customer needs, technology and the role of government which tells us that it is possible to create an entrepreneurial environment depending on its characteristics. The authors highlight the role of governments (national and regional), which have facilitated the development of the ecosystem by granting permits and authorizations, the entry of new actors into the market and not so much from their financing.

#### **4.2.6. Successful measures.**

A more current report that gives us the example of a quite successful model is the one presented by Casado Ruiz et al. (2017), on the measurement of the social and economic impact of public policies of entrepreneurship in Andalucía, we can observe the economic and strategic reality of public policies that have been carried out. These entrepreneurship policies have been very successful and have been taken as an example by European and international institutions.

The public financed institution that executes all these policies is Andalucía Emprende. We will now comment on the implementation of some policies in 2015.

- Implementation of 23 telematic tools for the daily management of companies and long-term planning of the activity.
- Insertion in the labour market of young people under 30 years of age by doing work experience in companies that are members of Andalucía Emprende.
- Development of business recognition initiatives and meetings for entrepreneurs: forums, awards, meetings, etc.
- Carrying out specific programmes to promote, create and consolidate businesses: local entrepreneurship plans, employment and solidarity entrepreneurship launchers, international programmes for entrepreneurs, business accelerators, etc.
- Launching of eight research projects on entrepreneurship, entrepreneurial dynamism and good practices.

- Contracting of a communication campaign in the regional media, diffusion in the media of entrepreneurial experiences, etc.

Having seen the strategies carried out by Andalucía Emprene, it is interesting to talk about the economic impact of this type of activity. Taking as an example also the year 2015, we observe that the public investment made was 40.2 million euros. The authors have made an analysis of the impact of this investment and the result obtained is that it generated 271.39 million euros, in other words, for every euro invested in Andalucía Emprene, 6.75 euros were generated. They qualify this result as a positive one.

Zabala-Iturriagagoitia (2017) makes an interesting analysis of how public procurement, also known as Innovative Public Procurement (CPI) can serve as a great stimulator of entrepreneurial activity and boosting the economy.

In European Union countries, public procurement represents between 15 and 20% of GDP, which is a high percentage of expenditure.

Public procurement normally consists of the purchase of existing goods or services. However, in recent decades a figure called Innovative Public Procurement (CPI) has appeared by which governments open an invitation to apply for a non-existent product in which many companies can participate in its production through innovation activities. It is at this point that entrepreneurship enters. Innovative public procurement can open up new market opportunities and new technological opportunities that can be satisfied by new organizations that have to carry out R&D activities to develop new products.

The author highlights that these innovative public procurement announcements should not only be made to companies, but also announced in universities and research centres, which would allow an improvement in knowledge and technology, as well as an increase in competition.

However, if there is not a good strategy for announcing these public purchases, it will be the large companies or multinationals that develop this type of product. Therefore, it is necessary to carry out policies that allow new market agents to enter.

#### **4.2.7. Today's plans.**

So far we have analysed the different policies that have been implemented in recent years. Next, I would like to summarize the Youth Employment Shock Plan 2019-2021 presented by the Ministry of Labour in Spain, through the SEPE.

One of the fundamental and most extensive axes of this programme is entrepreneurship. It aims to promote entrepreneurship, self-employment and the social economy, as well as the generation of employment, entrepreneurial activity and the revitalization and promotion of local economic development.

The programme divides the entrepreneurship axis into 5 objectives that we will comment on below.



In the first place we find the promotion of entrepreneurship, self-employment and social economy of young people.

The government's objective is to use young people to find a driving force for the companies that make up the social economy. It intends to implement agreements or arrangements with local corporations with the aim of strengthening the entities that make up the social economy, by promoting the participation of young people and entrepreneurship in this type of enterprise. It is also intended to support small family businesses to continue their activity in this type of social economy.

Secondly, to promote, within the activation and insertion policies, entrepreneurship, self-employment and new job opportunities offered by the digital economy and the different formulas of the social economy.

Activities will be promoted to carry out pilot programmes with leading companies with experience in startup programmes with the collaboration of business incubators.

Thirdly, training and advice for entrepreneurs on the purpose of the business and on microenterprise management techniques.

Fourthly, to promote measures aimed at generating employment, business activity and stimulating and boosting local economic development.

Finally, the last objective is to establish collaboration frameworks with productive sectors and territorial entities that facilitate a comprehensive approach to employment policies and training detections, as well as the representative organizations of self-employment and the social economy.

The objective is to form collaboration agreements with intersectoral organizations of the self-employed.

These are the measures presented by the government for the improvement of youth entrepreneurship, they are oriented towards the support of the social economy and despite not having mentioned it, great importance is given to the improvement of female entrepreneurship, which is below that of male entrepreneurship.

In summary, the process of implementing entrepreneurship policies is quite complicated and Spain has been quite inefficient in some cases. The 2013 law may have been a step forward in this phenomenon but the lack of reports does not allow us to have an expert opinion. However, visiting blogs from entrepreneurs, those who are really the subject of these policies, they comment that support for entrepreneurship has increased a lot but that there is a great lack of information. They say that there are many organisations, tools, aids, etc. but that there is little publicity and much difficulty in obtaining them. It is the same opinion that European experts have, first the inefficiency of the implementation of policies and secondly the little support for the growth of a start-up.

## **5. GEM Report Spain 2018-2019.**

Before analysing the impact of *Emprende en 3*, I would like to have a clear vision of the current entrepreneurship situation in Spain, it is necessary to analyse the GEM report 2018-2019. The GEM is the Global Entrepreneurship Monitor that pretends the understanding of the entrepreneurial activity in our society and its evolution over time.

In this report a study of the entrepreneurial phenomenon in Spain is carried out and compared to other 49 countries participating on the GEM. They use a sample of 23.100 people in representation of the adult population between 18 and 64 years that were surveyed about entrepreneurship activity. In addition, they take the opinion of 36 experts who develop different aspects of the entrepreneurship.

It is necessary to inform that the report differentiates between two groups: involved population (*Población involucrada*) as those people who are in the process of starting a business or who have a business already established and non-involved population (*Población no involucrada*) those who are not related to any entrepreneurial activity.

### **5.1. Entrepreneurial profile:**

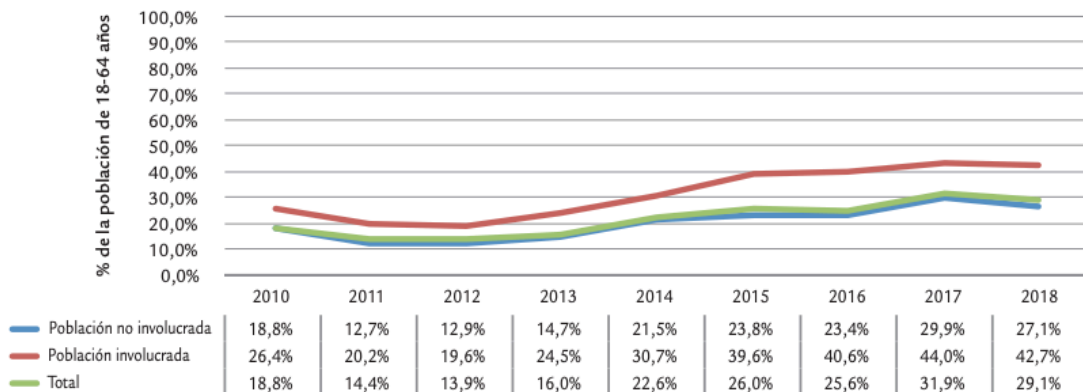
If we analyse the results of the surveys carried out to 23.100 people, we observe that 6.4% of the population between 18 and 64 years old claims to have been involved in entrepreneurial initiatives in the last 3.5 years. Resuming, the common profile of the entrepreneur is a person between 35 and 44 years old, with a slightly higher tendency to be male and with high level of education.

### **5.2. Perception of entrepreneurship:**

As mentioned above, one of the bases for good entrepreneurship in a country is a good perception of entrepreneurship. Entrepreneurial activity is usually the reflection of the population's perceptions of their entrepreneurial skills and of the existing entrepreneurial culture. An essential background to the decisions to start-up is the identification of a business opportunity. Those business opportunities are subjective, that means, some people will see some business opportunities as profitable whereas others not even think about it.

From the report, different lessons can be drawn. First, only 29,1% of the population considers that the market offers good business opportunities. However, as we may observe on the chart, those involved population have a higher perception than others. Despite the fact that in the last year the index decreased, we see how the evolution of the last decade has been positive, which indicates that people perceive that the current environment offers better opportunities for entrepreneurship.

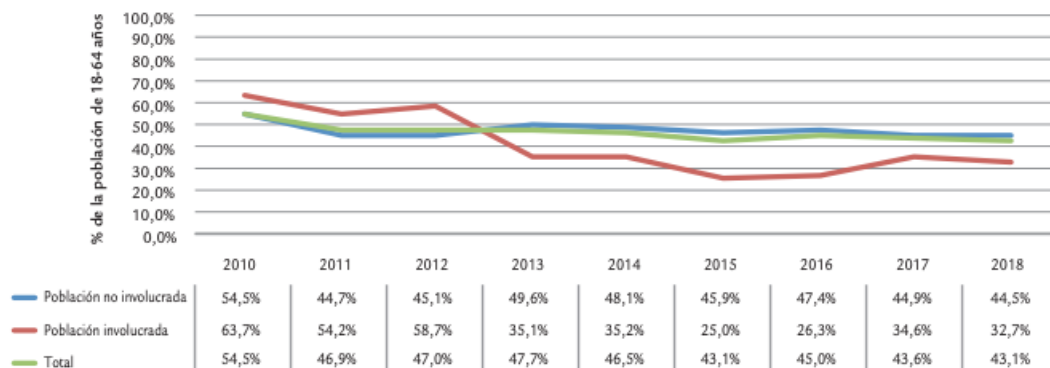
Figure 1. Evolution of the perception of opportunities for entrepreneurship in the next 6 months.



Fuente: GEM España, APS 2018.

When an individual starts a new business in conditions of uncertainty and lack of knowledge, he or she is taking a risk. This factor translates into the fear of failure. According to the report, 43,1% of the populations sees fear of failure as an obstacle. However, as we may observe in the following graph, this index has had a positive evolution in recent years, indicating that the Spanish population has been losing its fear of failure.

Figure 2. Evolution of the perception of fear of failure as an obstacle to entrepreneurship.



Fuente: GEM España, APS 2018.

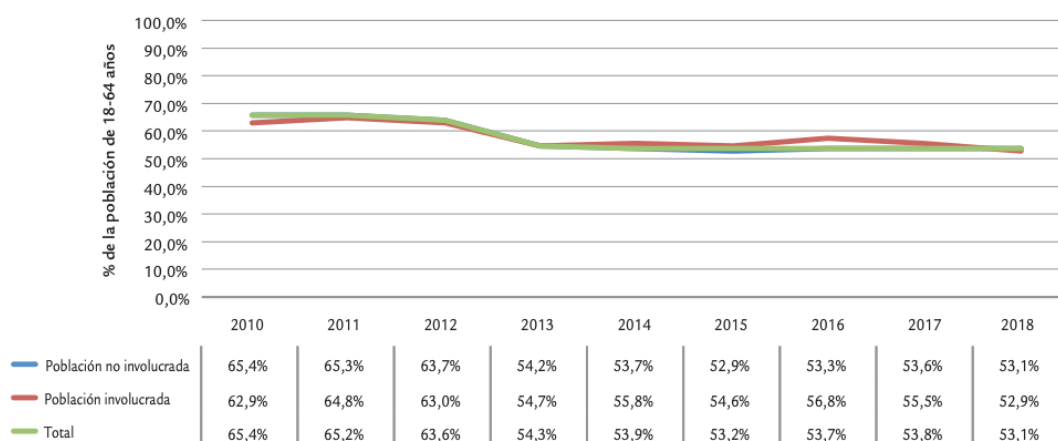
## Entrepreneurship culture:

There are contexts that are very favourable to the entrepreneurial culture, where entrepreneurs are admired and enjoy a high status, while in other cultures entrepreneurship is not so encouraged and entrepreneurs do not have such a positive image.

A relevant indicator is to see what people think about entrepreneurship as a career option and how desirable is it as a profession. If we look at the following graph, 53,1% of the population between 18 and 64 years old consider entrepreneurship to be a good professional option. We observe that from 2012, probably as a result of the economic crisis, there is a slight decrease in the curve,

as people are more aware of the risks and difficulties that entrepreneurs assume, and it becomes a not so attractive option. However, this evolution remains very constant for the rest of the years.

Figure 3. Evolution of the opinion that entrepreneurship is a good professional option.



Fuente: GEM España, APS 2018.

### 5.3. Conditions for entrepreneurial activity in Spain:

As we have said, the report is divided into two parts: the part of the results on sample surveys and the part of the expert opinion on the subject.

In the second part, the experts are interviewed about the conditions that hinder entrepreneurial activity in Spain and those that favour it.

In the case of the obstacles, we find mainly three. The first and most important is the lack of funding from the authorities where we find difficult access to public funding instruments. Moreover, the capital usually comes mostly from own or family funds. In second place we find the government policies as an obstacle. The high bureaucracy, the high taxes and the lack of regional unanimity make the process of entrepreneurship very difficult to carry out. Finally, the lack of education and training means that there is little entrepreneurial culture in the country.

With regard to the conditions that have favoured entrepreneurial activity, there are also three. The first of these is the precariousness of self-employment and unemployment has been the driving force. Secondly, the importance of R&D as a favourable condition since it is closely linked to the identification of opportunities. And finally, the experts consider that there is an effort on the part of the public administrations with programmes aimed at the creation and acceleration of new companies.

As a conclusion of this report, we can say that analysing the different indexes that we have exposed, the evolution of entrepreneurship in Spain is quite positive. We can therefore create a positive relationship between the implementation of public

policies, including the Law of entrepreneurs of 2013, with the growth of entrepreneurial activity. However, according to the experts there are still things to improve, among which is the high bureaucracy to create a company and that is directly related to our subject that is the platform *Emprende en 3* as this one aims to save steps in the creation of companies, which we will analyse later.

Next we will see a brief analysis of how the Law of entrepreneurs of 2013 has helped entrepreneurial activity, and then see the impact of the *Emprende en 3*.

## **6. Legal framework.<sup>1</sup>**

To have a better understanding of the context in which an entrepreneur is living in Spain, it is necessary to analyse the “Ley de apoyo a emprendedores y su internacionalización” created in 2013.

We will do an analyse of the law based on the GEM report of 2013 and the law itself.

This law was created at a time of deep crisis, in which more than 1,9 million companies were destroyed between 2008 and 2012. Moreover, unemployment among under 25 years old was twice as high as the EU average. Therefore, a change of mentality was needed in which society values more entrepreneurial activity and risk taking which is done through education. There was also a need to simplify all the legal and statutory regulations of the business environment, which was very extensive and diversified.

The law is divided into 5 titles. The law is quite extensive, so, with the help of the GEM report, we will summarise it in several important points.

### **I. Support for entrepreneurship.**

Firstly, education in entrepreneurship is necessary to promote the culture of entrepreneurship. These articles describe that teachers and universities will have the knowledge and tools necessary to help the development of entrepreneurship. Secondly, the law puts a limit on the entrepreneur's responsibility, with some conditions. Thirdly, the figure of a Successive Formation Limited Company is created, in which it is permitted to create limited companies with a capital of less than 3,000 euros with a series of conditions. Fourthly, it facilitates and speeds up the procedures for starting, exercising and ceasing business activity through specialised attention. This last point is where the platform of *Emprende en 3* was created.

### **II. Fiscal support and Social Security.**

In the second title the fiscal and social security supports are developed. Firstly, it establishes a special cash-flow regime to reduce the problems of liquidity and access to credit for businesses. Secondly, deductions for R&D and technological

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<sup>1</sup> See: <https://www.boe.es/buscar/act.php?id=BOE-A-2013-10074>. Retrieved at: March 2020.

innovation (IT) activities are also allowed with the aim of bringing the situation into line with Europe. Fourthly, the Patent Box tool has been created, which favours the assignment of patents and other rights derived from industrial property in exchange for deductions of up to 60%. Fifthly, it is intended to give greater importance to business angels. Finally, the use of flat rates in social security contributions to reduce the cost of starting a business activity.

### III. Financial support for entrepreneurs.

On the one hand, it is intended to carry out refinancing agreements with companies in precarious situations. And on the other hand, the creation of a new instrument called Internationalization Bond with the aim of helping the company's expansion.

### IV. Support for growth and development of business projects.

Firstly, a reduction in the administrative burdens faced by entrepreneurs, such as exemption from municipal licences or exemption from inspection requirements. Secondly, to facilitate the access of entrepreneurs to public contracts with a series of limitations and guarantees. Finally, the accounting requirements for smaller companies are reduced, provided that certain requirements are met.

### V. Internationalization of the Spanish economy.

This title aims to attract foreign investors and entrepreneurs by facilitating their residence permits. A one-year residence permit is granted to those foreigners who want to carry out the previous procedures to develop an entrepreneurial activity.

Having made this brief analysis of the law for entrepreneurs, in which we have known in a general way the strategies and tools that the government carries out and in the context in which an entrepreneur moves in Spain, we move on to the purpose of the work in which we are going to analyse the impact of the implementation of one of these tools: the platform *Emprende en 3*.

## **7. *Emprende en 3* (EE3).<sup>2 3</sup>**

Up to now we have seen the public policies that support entrepreneurship and the evolution of entrepreneurial activity in Spain. Although we have seen some real instruments that governments use to encourage entrepreneurial activity, we have not analysed any of them in depth. What we are going to do in this section is to look at one of these instruments: *Emprende en 3*.

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<sup>2</sup> See: <https://www.boe.es/buscar/doc.php?id=BOE-A-2013-5889>. Retrieved at: April 2020.

<sup>3</sup> See: <https://administracionelectronica.gob.es/ctt/ee3#.Xrp69BMzafV>. Retrieved at: April 2020.

The aim of the work is to find out about the Emprende en 3 programme (Start-up in 3) and to understand the impact of this programme.

## **7.1. What is Emprende en 3?**

“Emprende en 3 is a technology platform that streamlines business creation start-up procedures, linking existing platforms through a single point of access, and connecting all the local authorities in the country.” (Small Business Act, European Commission, 2020)

The program aims to reduce the time companies take to set up and start up operations, by unifying existing technology platforms and being more flexible in the licensing requirements of the applicable regulations. In other words, by joining Emprende en 3, the licenses prior to the start of activity are replaced by the Responsible Statements (Declaración Responsable), so that the activity can be started with just that document, in which the entrepreneur declares to meet the requirements of the regulations.

This program is born in a context where Spanish bureaucracy and time are one of the biggest obstacles for citizens, especially when creating companies. It is in 2012 when a set of proposals to reduce bureaucratic obstacles in public administrations arises, among which are the obstacles faced by citizens when setting up companies.

It is in this context the Ministry of Finance and Public Administration, together with the Ministry of the Presidency, the Ministry of Industry, Energy and Tourism and the Ministry of Economy and Competitiveness, in coordination with the Spanish Federation of Municipalities and Provinces, has developed the administrative simplification project Emprende en 3.

Emprende en 3 was approved on the 24th of May 2013 and aims to establish the electronic model of Responsible Declaration and also an electronic platform that enables the electronic processing of the responsible declarations of those entrepreneurs or businessmen who wish to start their activity.

Although this program is led by the national government, are the local entities that are in charge of their implementation. In the law by which this program was approved, it refers to a series of conditions that local entities must comply with. Nine conditions are exposed of which we will highlight the following one:

The fifth condition states that the local authorities must guarantee the correct exercise of the rights of citizens and companies to carry out their business or commercial activity and to have the material and personal means that are adequate.

They also require that the acceptance of any request, written or communication made through the platform, takes place within 24 hours of receipt.

The management of the declaration of responsibility, including all the necessary procedures, will be carried out within a maximum of three working days.

I wanted to highlight this condition because I believe that it best represents the goal of this programme: to provide a solution to the high level of bureaucracy and delays in managing the creation of a company. Through this condition, local bodies are obliged to respond to any procedure in a very short time.

## **7.2. How does it help?**

As we have already said, the goal of *Emprende en 3* is to speed up as much as possible the procedures for creating a company. To this end, administrative control is carried out *a posteriori* on the basis of the application of the necessary laws.

The programme allows these procedures to be carried out electronically and without the need to move, and therefore offers a series of important advantages in the process of creation, start-up and expansion.

The advantages that the entrepreneur obtains with this program are the agility and speed in the process of creating a company, by joining the start of activity to the process of creating a company. Possibility of processing responsible statements and previous communications independently. And a universal access (Internet) and no need to move.

On the behalf of the administrations, in addition to a boost in the economic activity of the municipality, the advantages are the use of a centralized platform without implementation, use or maintenance costs. Unification of the previously existing electronic platforms and the creation of a single point of access for the administration (local, regional and national) and a greater efficiency and agility, by registering and classifying the information online.

The greatest obstacle to the implementation of this programme is the resolution of any conflict between the state and the regions. The Autonomous Communities have been the vehicle for collaboration between these institutions and with the help of the Chambers of Commerce and the Federations of Municipalities.

I would like to point out that this platform won an award in 2014 at the European Business Awards in the category Improving the Business Environment in which exceptional initiatives supporting entrepreneurship are recognized and rewarded. These awards are intended to increase the entrepreneurial culture and encourage the creation of successful tools.

## **7.3. Member companies and impact.**

Up to now we have seen the theoretical part and the advantages that the program can provide. Now we will move on to see the reality of this program. Through the analysis of data, we will be able to see the impact of the implementation of *Emprende en 3*.

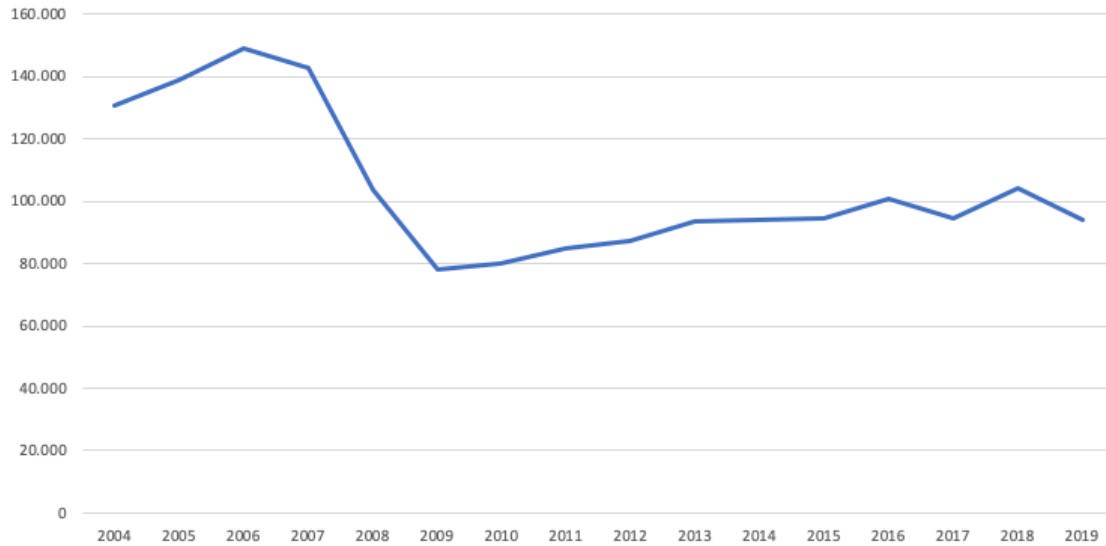
The analysis process consists of evaluating the impact of the platform. To do this, we will carry out an analysis of the impact at national and regional level on the



creation of companies in recent years. Next, we will analyse the list of municipalities that have joined and not joined the programme and their index of active companies.

Firstly, we are going to see the trends of the creation of companies both at national and regional level.

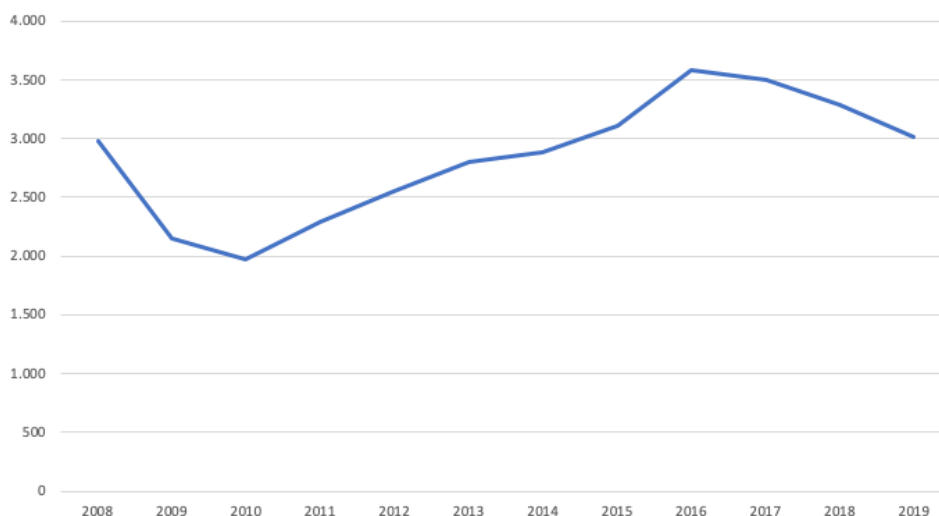
Figure 4. Trends in company creation in Spain.



Own elaboration. Data source: INE

In this graph we can observe the number of companies that were created each year in Spain. We can see that in periods prior to the crisis the trend was quite positive, with more than 140,000 companies being created in one year. However, the crisis had a strong impact on creation of companies falling dramatically to 80,000 in 2009. In the periods of economic recovery, we may observe that creation of companies has a rising trend, however, it is very slight and far away from pre-crisis levels.

Figure 5. Trends in company creation in Balearic Islands.



Own elaboration. Data source: INE

In relation to the Balearic Islands, we see a similar trend. We observe that the impact of the crisis made that less than 2,000 companies were created in one year. However, unlike the whole of Spain, in the Balearic Islands, the recovery period was quite strong. We see that in 6 years there was a growth reaching levels higher than pre-crisis and achieving more than 3,500 companies created in 2016. Nevertheless, at that peak of the curve a slightly downward began.

Having analysed the data on companies created at national and regional level, it is necessary to make a more specific analysis. As we know, for a company to use *Emprende en 3*, the city council of the company must be a member of the program. We will now analyse the list of local councils that have joined the program.

Looking at the following table it shows the number of local councils that have joined the programme in the Balearic Islands since its implantation. We see that the greatest number of adhesions were in 2014 and 2015, with 19 and 6 respectively. However, in recent years the program has had little or no relevance in the municipalities of the Balearic Islands.

Table 1. Number of member councils adhered to *Emprende en 3* (IB).

	2013	2014	2015	2016	2017	2018	2019
New member councils (IB)	1	19	6	1	1	0	0

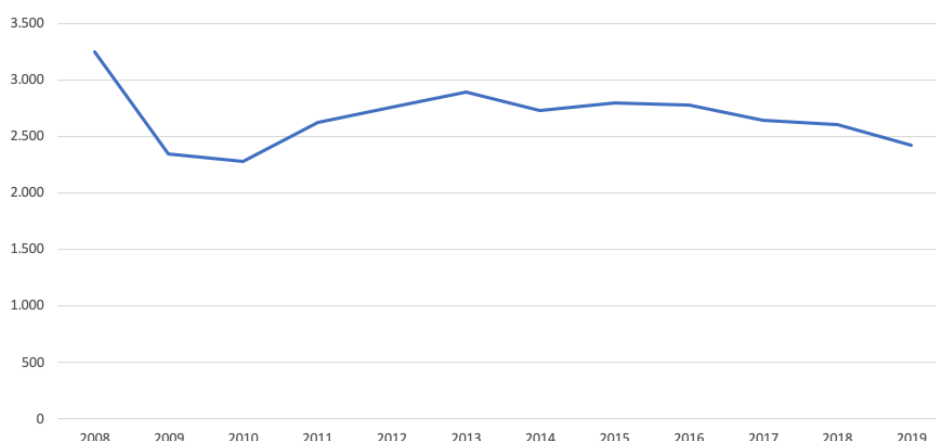
Own elaboration. Data source: Ministerio de Hacienda y administración pública.

With regard to the information obtained, we have seen that a total of 28 town councils have joined the programme out of the 67 municipalities on the islands, that means a 41,79%. The adhesions have been in all the islands, being Mallorca the highest due to the greater number of municipalities.

Compared to the other 16 Autonomous Communities, the Balearic Islands is in a pretty good position since in 2019 41.79% of its municipalities were members. There are only 5 Autonomous Communities that are above this figure, the largest being Murcia with 84.44% in 2019. The rest of the Autonomous Communities are well below this figure, with La Rioja being one of the lowest with only 2.87%.

To make a comparison between Autonomous Communities we have chosen the following graph where we can see the evolution of business creation in Murcia, the community with the most members of the program. In the periods of the beginning of the crisis we see that it has the same tendency as the Balearic Islands with a strong fall at the beginning and a slight recovery since 2010. However, unlike the Balearic Islands, the creation of companies for the rest of the years is quite slight, furthermore, in 2013 a recession begins, reaching levels similar to those of 2009.

Figure 6. Trends in company creation in Murcia.



Own elaboration. Data source: INE

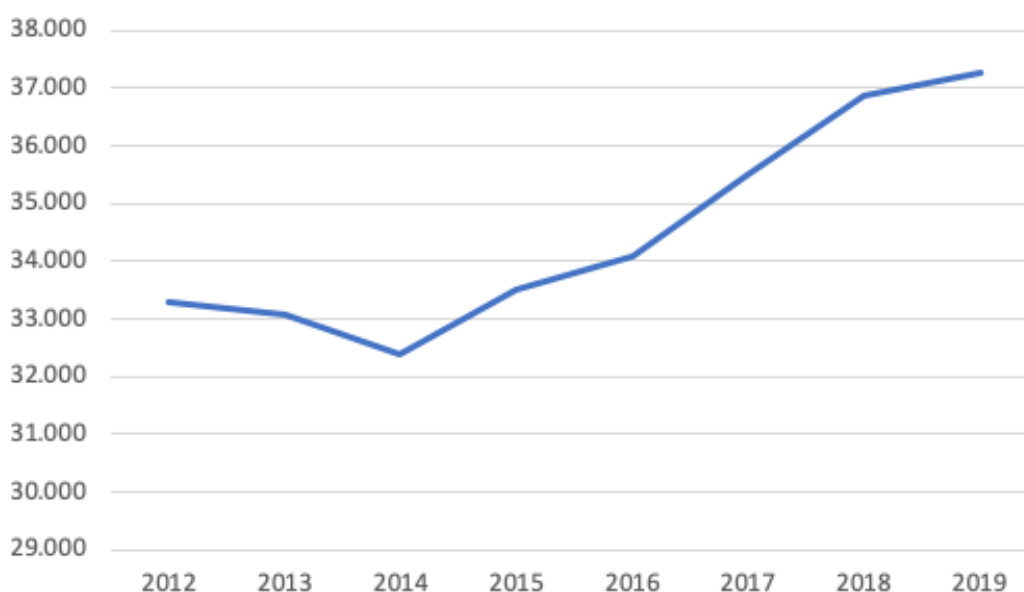
This makes us doubt the effectiveness of the program. However, there may be thousands of factors that condition the creation of companies.

To carry out a more specific analysis, we will carry out a comparative study of town councils in the Balearic Islands that have or have not joined the Emprene en 3 program and their number of active companies in the municipality.

We will first compare the most populated municipalities on each island, and then choose municipalities with smaller populations to make the same comparison.

First of all we are going to analyse the most populated municipalities of Mallorca. The first municipality will be Palma. Since it is the most populated town of all the islands and there is no other municipality with a similar number of inhabitants, we are going to analyse it independently.

Figure 7. Trends in the number of active companies in Palma.

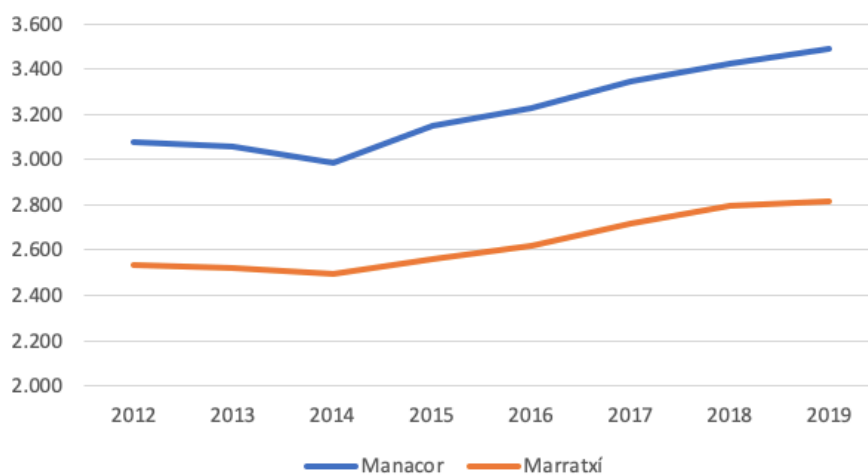


Own elaboration. Data source: INE

We can see that the chart starts with a downward trend until 2014. However, from that moment there is a great increase in the number of active companies in Palma, reaching a maximum in 2019 with more than 37,200 companies. It was just in 2014 when Palma joined the programme *Emprende en 3*, therefore we can find a positive correlation between the number of active companies and the programme, in addition to other policies to incentive the creation of companies or the growth of companies.

Next we will make a comparison of the two most populated municipalities of Mallorca: Manacor and Marratxí. The municipalities have 43.808 and 37.193 inhabitants respectively. In relation to the program, Manacor is not adhered and Marratxí adhered in 2014.

Figure 8. Trends in the number of active companies in Manacor and Marratxí.

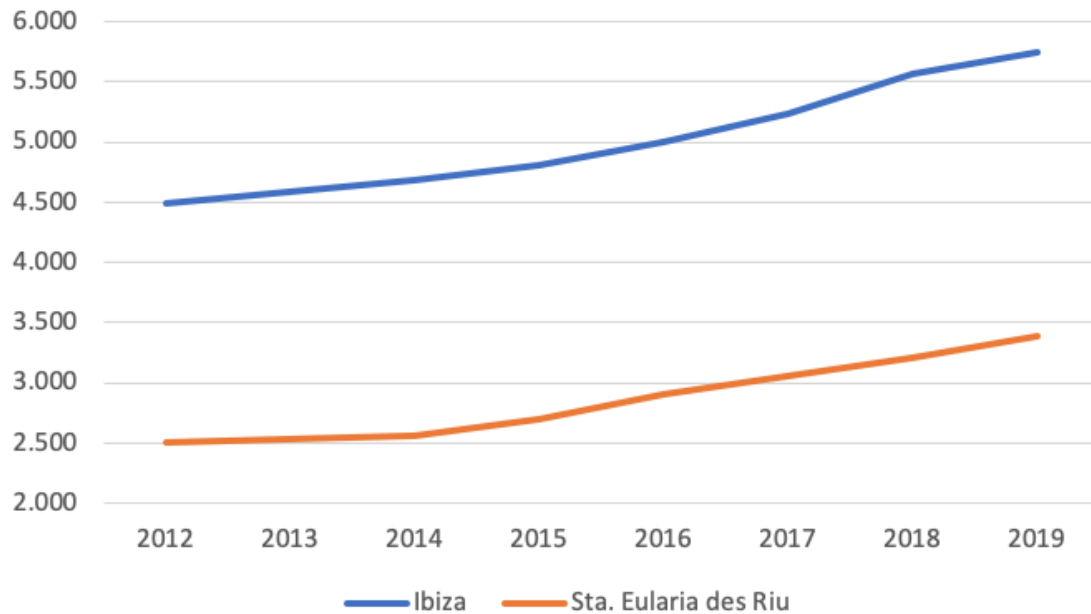


Own elaboration. Data source: INE

First of all we see that the number of companies in Marratxí is lower than in Manacor, probably because of the smaller population. However, we see that the trends are quite similar with a slight decrease until 2014 and a recovery until 2019. We can emphasize that the recovery of Manacor is better than that of Marratxí, so the program did not have as much effect on the latter municipality.

Secondly, let's look at the island of Ibiza. The municipalities chosen are Ibiza with 49.783 inhabitants and Sta. Eularia des Riu with 38.015 inhabitants. Ibiza has adhered to the program since 2015 and the other has not.

Figure 9. Trends in the number of active companies in Ibiza and Sta. Eularia des Riu.

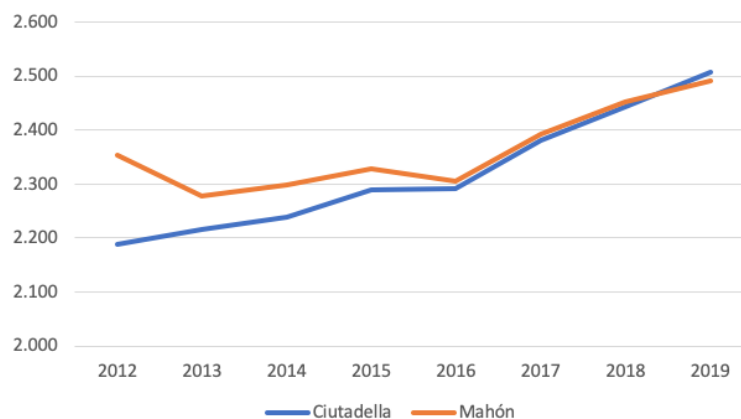


Own elaboration. Data source: INE

In this graph, as in the previous one, we see a difference in the number of active companies between the municipalities. We see that the municipalities have the same trend, however, unlike the other municipalities analysed, in these we do not see a downward trend in the first years, but rather a stable number. From 2013-2014 we do see a growth, being higher in Ibiza with a maximum of 5,743 companies.

Finally, we will analyse the most populated municipalities of Menorca. The municipalities are Ciutadella with 29,840 inhabitants and Mahón with 29,040. Despite the fact that the number of inhabitants is quite similar in the two municipalities, neither of them is adhered to the program, which hinders us from comparing the impact. In any case, we will analyse the graph to compare it with the municipalities of other islands.

Figure 10. Trends in the number of active companies in Ciutadella and Mahón.



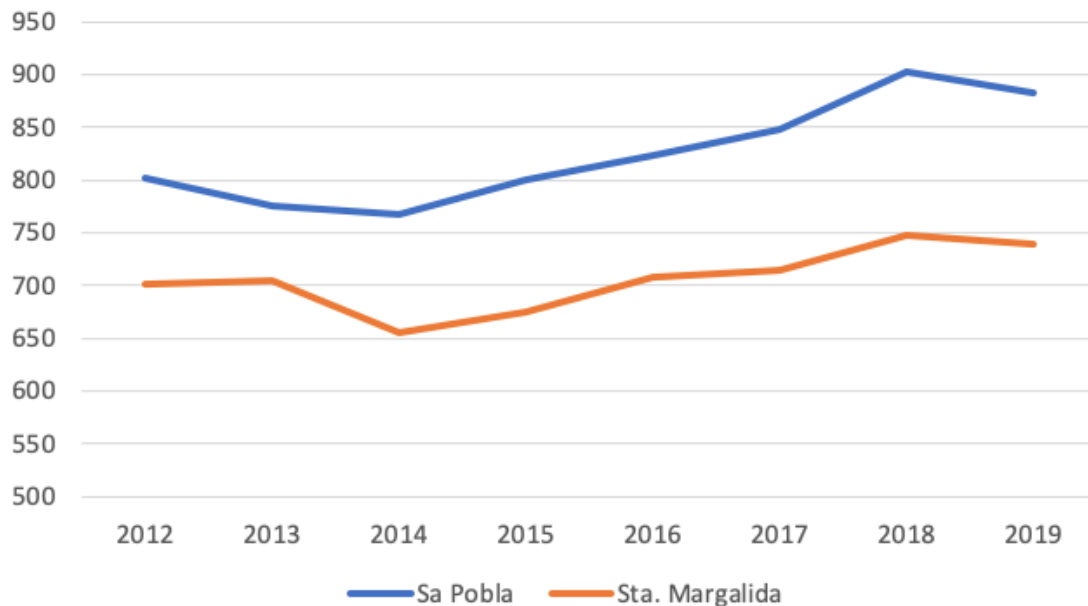
Own elaboration. Data source: INE

Even though none of the municipalities have signed up to the program, it's a pretty interesting graph. We see that on the one hand Ciutadella has not had any downward trend, and that since 2012 it has been increasing its number of active companies, surpassing Maó in 2019 with 2,507 companies. However, Mahón, on the other hand, has had ups and downs and has been on an upward trend since 2016, but is slightly below Ciutadella in 2019.

In this second part, we will analyse selected municipalities on each island with a population smaller than that analysed. We will choose municipalities that have adhered and that have not adhered to the program in order to make the comparison.

Firstly, in Mallorca, we have selected the towns of Sa Pobla and Sta. Margalida where the population is 13.475 and 12.485 inhabitants respectively. Sa Pobla does adhere to the program and Sta. Margalida does not.

Figure 11. Trends in the number of active companies in Sa Pobla and Sta. Margalida.

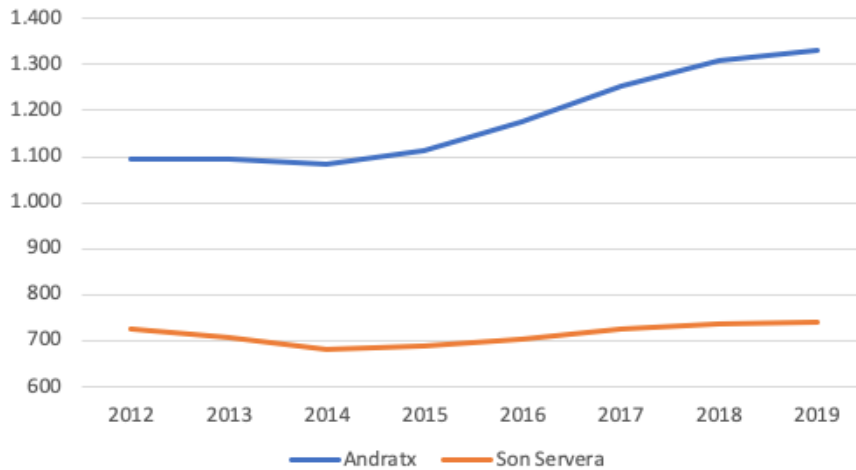


Own elaboration. Data source: INE

In the graph of these two municipalities we can see that there is a downward trend until 2014, slightly more pronounced in Sta. Margalida. In the years after 2014, we see that the two municipalities have a growth, although it is remarkable that Sa Pobla, which is adhered to the program, has a higher growth rate creating 134 companies, when Sta. Margalida created just 92. In this case, we can find a positive correlation with the *Emprende en 3* programme and the creation of companies.

On the same island, Mallorca, being the largest, I have selected two more towns: Son Servera and Andratx. These towns have 11,568 and 11,271 inhabitants respectively. Son Servera is adhered to the program and Andratx is not.

Figure 12. Trends in the number of active companies in Andratx and Son Servera.

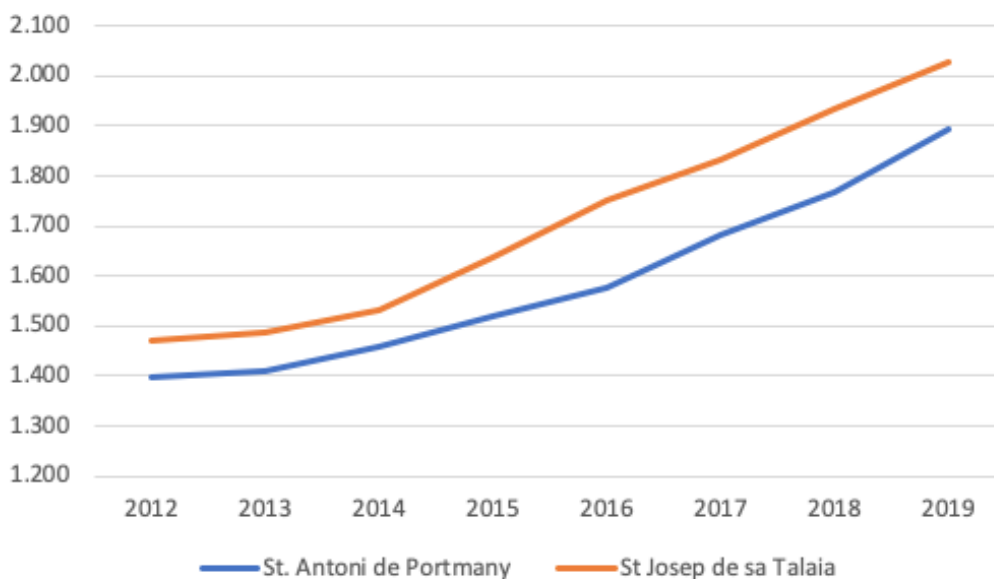


Own elaboration. Data source: INE

This chart is pretty surprising. We see that although the population in the two municipalities is quite similar, the number of active companies in Andratx is much higher than in Son Servera. Furthermore, in Son Servera, which is a member of *Emprende en 3*, it maintains a fairly stable figure over the years. On the other hand, from 2014 Andratx grows strongly from 1,083 companies to 1,332. In this case, we see that the programme has no effect on the target population and that it is the other municipality that is growing.

Secondly, we are going to analyse two municipalities in Ibiza. These municipalities are St. Antoni de Portmany with 26,306 inhabitants and adhered to *Emprende en 3* and St. Josep de sa Talaia with 27,413 inhabitants and not adhered to the program.

Figure 13. Trends in the number of active companies in St. Antoni de Portmany and St. Josep de sa Talaia.



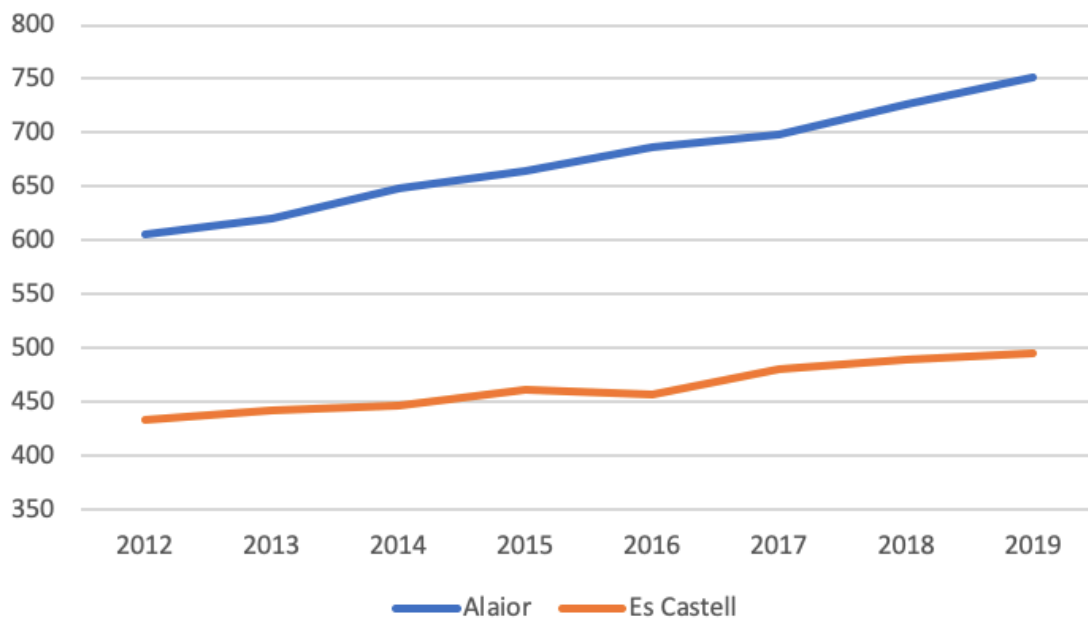
Own elaboration. Data source: INE

In this last graph we see that the trend is practically the same. Moreover, the number of companies is quite high compared to, for example, Andratx and Son Servera, as the lowest number is 1,398 companies. In relation to the evolution we see that it has no downward trend and that since 2012 the trend is strongly high for the two municipalities, having St Josep de sa Talaia a higher number of companies. The growth is quite surprising since in the case of St. Antoni de Portmany the growth from 2012 to 2019 is 35.26% and in the case of St. Josep de sa Talaia, the growth is 37.91%.

We see that there is no difference in the influence of *Emprende en 3* since the trend is almost the same for the two municipalities.

Finally, we will analyse two municipalities in Menorca: Alaior with 7,434 inhabitants and adhered to the program and Es castell with 9,065 inhabitants and not adhered to the program.

Figure 14. Trends in the number of active companies in Alaior and Es Castell.



Own elaboration. Data source: INE

Firstly, we can see that in this graph the number of companies in Alaior is considerably higher than in Es Castell, probably due to the fact that Alaior has a lot of coastal areas with tourist establishments. We find differences in relation to the trends. We see that Alaior has a growing trend at a higher rate than Es Castell, growing in those seven years by 24.09%. In contrast, Es Castell has a fairly flat growth rate, growing by 14.05% in seven years.

As we have mentioned, Alaior is member of *Emprende en 3* and we can see that it has a good growth in the number of companies. However, this growth starts in 2012, when the program had not yet started and continues until 2019. Therefore, it is quite difficult to confirm that the growth since 2014 is influenced by the adherence to the program.



This was the analysis we were able to carry out. We have analysed statistics at national, regional and local level. The most significant are those at the local level, since they are directly related to the *Emprende en 3* programme. In the following section we will draw the conclusions from this analysis.

## **8. Conclusions.**

In the process of this work we have analysed the practices that can favour entrepreneurship in a society. As we have seen, it is a rather complicated process in which numerous factors have to be taken into account and which cannot always satisfy an entire community. Spain finds many deficiencies in its entrepreneurship policies such as high bureaucracy, lack of communication between public entities, lack of communication between the public and private sectors, among many others. However, it should be noted that the Law of Entrepreneurs of 2013 was a first step towards improving this activity.

We have seen how, according to the GEM report, Spain on the one hand has improved since the crisis in relation to the perception of opportunities. On the other hand, the entrepreneurial culture has worsened slightly because the perception of risk is much higher in post-crisis periods.

In relation to the issue that concerns us, the platform *Emprende en 3*, we have also drawn some conclusions. We have analysed both at national, regional and local level the relationship between business creation and the implementation of the programme. I have realised that it is quite complicated to correlate one with the other as we do not have the data necessary to find a direct relationship. Moreover, as this is a post-crisis period, the trend is upwards in almost all the data analysed and this trend starts in 2012 (before the implementation of the programme). Also we find few differences between councils that have joined the programme and those that have not. However, we can say that surely this platform has contributed to the overall growth of business creation and the economy in some regions such as the Balearic Islands, or specifically in Palma, where we see that since 2014 the growth of active companies was quite strong. However, in other regions such as Murcia, which, in the absence of a case-by-case analysis, we see that since 2014 there is a slight downward trend.

It is necessary to work on the entrepreneurial activity since it is a great booster of job creation and of the economy as we have seen in some cases. And for purpose it is necessary to work from the beginning of education, so that society grows with an entrepreneurial mentality.

It would have been interesting to know a personal assessment of a company in relation to the platform, but due to a lack of data and contacts it has not been possible to do so.

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