

## **Thomas Jordan: Innovation and entrepreneurship - key success factors in a changing business environment**

Summary of a speech by Mr Thomas Jordan, Chairman of the Governing Board of the Swiss National Bank, at the Award ceremony 2018, De Vigier Foundation, Solothurn, 30 May 2018.

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The complete speech can be found in German on the Swiss National Bank's website ([www.snb.ch](http://www.snb.ch)).

For many decades, Switzerland has been among the world's most successful economies. If it is to maintain this position in future, openness to new technology will be essential. In addition to taking over technologies created elsewhere, Switzerland will need to ensure that domestic companies are able to develop their own market-ready innovations.

Various factors can facilitate success on this front, whether in established companies or start-ups. Above-average operating conditions – including low bureaucratic hurdles for the set-up and day-to-day running of companies, reliable patent law and ready access to financing, for example – are crucial. Another important parameter is open market access, not least for foreign competitors; barriers to entry for new firms are extremely harmful to economic wellbeing.

The education system is also a significant determinant of a country's innovative potential. Switzerland invests heavily in high-quality education, both at university level and in the form of specialist vocational training schemes, which helps explain its status as a global leader in research and development.

And finally, it is vital to promote a culture of entrepreneurship. The will to pursue a given business activity and succeed is critical if promising ideas are ultimately to evolve into marketable products or processes. Switzerland cannot be truly ambitious without ambitious entrepreneurs, and surveys suggest that the country still has room for improvement here. Against this backdrop, steps should be taken to cultivate innovative drive and entrepreneurial thinking early on, for instance by encouraging high school students to do projects in which they found their own small companies. Various universities already run programmes designed to assist young researchers in bringing innovative products and services to market. Private initiatives also play a significant role in nurturing entrepreneurship in Switzerland, helping young people learn how to transform an idea into an innovation and operate a business.