

From Startup to Scale-up: An approach to Andalusian high growth companies through the Social Accounting Matrices

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Much has been written in recent years about entrepreneurship and its role as an engine of economic activity. However, in recent months, public authorities are increasingly focusing on so-called scale-ups, referring with this term to start-ups that experience growth greater than 20% for at least three consecutive years. The general belief is that these companies have a big impact on the economy, especially in terms of job creation, and therefore, in an environment of scarce public resources, the big question is whether to continue devoting public resources to the generation of new ventures, or if these should be directed to the promotion of scale-ups. For this reason, the effect of the entrepreneurial activity in the region and of this type of newly created companies on the regional Andalusian economy and its impact on it has been compared with the effect it would have if instead of creating new companies, existing ones would be scaled. In order to do this, we have developed a multisectoral model, based on Social Accounting Matrices, to measure this impact. The results obtained show that, in absolute terms, scale-ups have a greater impact on the gross domestic product, productive output and job creation than traditional entrepreneurial activity.