

**Entrepreneurship and Janus Government Policy:  
Should Government Lead, Follow, or Get Out of the Way?**

**Dr. Steven W. Bradley**



**Abstract:** Entrepreneurship has become an important focus of public policy because of its connection to economic growth and employment creation. There is a growing recognition of new firms as drivers of innovation and more competitive markets that benefits consumers. At the same time, there is a normative drive among policy makers that limits new entrants for consumer protection through regulations, licensing, and disclosure laws. Governments also create national strategy directing resources toward specific industries predicted to be important to future growth. What role should government take with regard to entrepreneurship and what evidence do we have of individual and cumulative effects of policy? I will briefly present results from two studies for discussion on this topic.

**Study 1:** I will present results from a study of all US business incubators during 1994 to 2007. We compare the survival rates of firms in U.S. business incubators to a matched set of independent firms during 1994 to 2007 with some surprising findings.

**Study 2:** This study investigates policy effects on decision makers' evaluations of opportunities through variance in financial returns, regulatory burden (use fees) and autonomy (reporting requirements). The result is a novel conceptualization of how decision makers use indicators of financial and psychological returns independently and together to discern the personal attractiveness of pursuing a product development opportunity. These conceptualizations are tested using a conjoint experiment where 126 entrepreneur-managers made 2,268 opportunity evaluation decisions.

**Biography:**

Dr. Steven Bradley holds the T. Stevens Chair of Entrepreneurship and Private Enterprise at Baylor University. He is also the Faculty Director of the Baugh Center Entrepreneurship & Free Enterprise. He received his Ph.D. in Entrepreneurship with a minor in Business Strategy from the Indiana University. He received his Masters Degree in Mechanical Engineering and his Bachelors Degree in Chemical Engineering from the University of Texas.

His broad research interest is how resource constrained new firms survive, profit and grow. This work has included studies of microcredit firms from several developing countries. Dr. Bradley also teaches the social entrepreneurship and economic development class at Baylor. This course has directed his more recent research focus towards the importance of institutions and policy on entrepreneurial opportunity.

Prior to academia, Steve had extensive practical experience as an entrepreneur having founded businesses in the areas of engineering consulting, real estate, product development and sales. On a personal note, Steve has been married for 20 years this summer, has 4 children, 2 cats, 1 dog, 3 gerbils and no hobbies.