

Innovation Vouchers

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Innovation voucher is a credit note that allows innovative SMEs or entrepreneurs to work with knowledge providers, such as universities and research intuitions, on innovative projects. Innovation vouchers can provide SMEs with opportunities to obtain new and persuasive evaluative information to improve investment decisions.

Keywords: innovation vouchers ; sustainable growth ; small and medium-sized enterprises

Previous studies held that innovation vouchers could contribute to knowledge. Matulova ^[1] found that innovation vouchers could encourage SMEs to purchase knowledge-intensive services from universities or research organizations. Under knowledge-intensive services, SMEs could cooperate with these organizations on R&D projects and share information. Thus, SMEs could gain access to professional information and knowledge. Sala ^[2] demonstrated that innovation vouchers can provide high-tech SMEs with opportunities to collaborate with research organizations. These enterprises can be encouraged to increase their R&D investment to achieve better innovation performance. Then, the increase of knowledge flow and stock benefits an enterprise with a remarkable ability to enhance innovation activities and financial performance ^{[3][4][5]}. Albort-Morant ^[6] stated that obtaining knowledge from a research organization could increase knowledge and contribute to innovation.

Existing research provides abundant evidence that knowledge is an essential resource for enhancing enterprise innovation and financial performance ^[7]. Ben et al. ^[8] found that obtaining external knowledge is positively related to innovation and financial performance. De Silva ^[9] highlighted that knowledge sharing with collaborators could increase firms' value through innovation. Papazoglou and Spanos ^[10] researched the length of time that it takes for knowledge convert to gains, and they found that knowledge could positively influence financial performance after patents were applied for one year. Therefore, in light of the existing studies, we intend to explore whether the innovation vouchers could increase knowledge in SMEs and then improve innovation performance and financial performance.

In addition to that, the innovation voucher policy can help enterprises reduce their R&D costs during innovation activities. The innovation voucher programme is one type of discount voucher with monetary value, often ranging from 10,000 RMB to 500,000 RMB (approximately \$1400–71,000). By using these vouchers, high-tech SMEs may collaborate on innovation with research organizations such as universities at a lower cost ^[11]. For example, suppose an innovation voucher is worth \$9000, and collaborative assistance in an important innovation project provided by a university costs \$18,000. In that case, a high-tech SME pays only \$9000 to the service provider, and therefore the collaboration cost is lower. This means that innovation vouchers can be an alternative funding source for high-tech SMEs' R&D investment, especially when these enterprises face financial constraints ^[12]. As a result of this reduction in R&D costs, managers may have more incentive to pursue innovation activities ^[13]. Thus, innovation vouchers play a "financing assistance role" that can increase innovation performance. Then, with the increase of innovation, the financial arrangement is improved. We propose that innovation vouchers could increase financial performance in high-tech SMEs.

Despite the effect of innovation vouchers on innovation performance, we attempt to investigate further whether innovation vouchers can positively influence financial performance, and whether innovation vouchers improve financial performance through innovation.

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