

## **Abstract**

This thesis provides insight into factors that influence the innovation activity of small and medium enterprises (SMEs) in the Czech Republic. Its key part analyzes a survey conducted among over eleven hundred Czech SMEs. A model of determinants of innovations is constructed and estimated. Own R&D is identified as a key driver of innovations for the firms. Other important factors include investment into technology, improvement of quality of a product or service or presence on foreign markets. Barriers to innovations and external factors with negative impact as perceived by the firms do not prove to constitute a real inhibitor of innovative activities.

**Keywords:** SME, innovation, entrepreneurship, small and medium enterprise

**Author's e-mail:** [marek.ehrenberger@gmail.com](mailto:marek.ehrenberger@gmail.com)

**Supervisor's e-mail:** [strielkowski@fsv.cuni.cz](mailto:strielkowski@fsv.cuni.cz)