



ENTREPRENEURSHIP IN IRELAND

2016

Global Entrepreneurship Monitor (GEM)





A SURVEY OF ENTREPRENEURSHIP IN IRELAND

GLOBAL ENTREPRENEURSHIP MONITOR (GEM)
THE 2016 SURVEY OF ENTREPRENEURSHIP IN IRELAND

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The Global Entrepreneurship Monitor (GEM) is the world's foremost study of entrepreneurship.

GEM is unique.

- GEM collects primary data on entrepreneurship.
- GEM focuses on the individual entrepreneur.
- GEM allows for international comparisons as data is collected in the same format across the world.

GEM is a trusted resource of data, analysis and expert opinion on entrepreneurship for key organisations such as the United Nations, World Economic Forum, World Bank, and the Organisation for Economic Co-operation and Development.

The sponsorship of Enterprise Ireland, with the support of the Department of Enterprise and Innovation funded the inclusion of Ireland in the 2016 GEM research cycle.

The Irish GEM team would like to thank the two thousand members of the public who participated in the GEM survey and the entrepreneurs and expert informants that were consulted as part of this research project.

The findings of this independent report do not necessarily represent the views of Enterprise Ireland or the Department of Jobs, Enterprise and Innovation. Although data used in this report is collected by the Global Entrepreneurship Monitor consortium, its analysis and interpretation is the sole responsibility of the authors. The authors, for their part, have attempted to ensure accuracy and completeness of the information contained in this publication. No responsibility can be accepted, however, for any errors or inaccuracies that occur.

AUTHORS



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Paula is also the director of Going for Growth, which is focused on peer support as a means of assisting female entrepreneurs who wish to grow their businesses. Designed to address a gap in enterprise development, the Going for Growth initiative has been supported from the beginning by Enterprise Ireland. KPMG has more recently become involved in also sponsoring the initiative. Nine cycles have now been completed and over 500 female entrepreneurs have availed of the opportunity to be supported to realise their growth ambitions. Going was Growth was awarded the European Enterprise Award 2015, Investing in Entrepreneurial Skills, and featured extensively in a book *Inclusive Business Creation – Good Practice Compendium*, published in May 2016 by the OECD and European Commission.

ACORNS was designed, developed and implemented by Fitzsimons Consulting to support early stage female entrepreneurs living in rural Ireland. The innovative initiative was funded under the CEDRA 2015 Rural Innovation and Development Fund through the Department of Agriculture, Food and the Marine. Following the successful conclusion of the pilot, Fitzsimons Consulting was awarded the contract to further develop and implement the initiative. ACORNS 2 has now been completed and ACORNS 3 will get underway in the autumn. Participants from the pilot and ACORNS 2 are being offered the opportunity to participate in a further development phase.

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COLM O'GORMAN is Professor of Entrepreneurship at Dublin City University Business School.

His research focuses on entrepreneurship, innovation, and growth in new firms and in small and medium sized enterprises (SMEs). Specifically he has studied the growth strategies of SMEs, the nature of managerial work in high growth SMEs, mission statements in SMEs, and internationalisation processes in International New Ventures, and in SMEs.

He has explored the emergence of high-tech firms in the context of cluster dynamics, including a study of the factors that led to the rapid emergence of the software industry in Ireland during the 1990s. He has examined innovation processes in large firms.

Colm has published in international peer-reviewed journals such as Entrepreneurship and Regional Development, European Planning Studies, Journal of Small Business Management, International Marketing Review, Organisational Dynamics, R&D Management, Small Business Economics, and Venture Capital. He has completed several European Union funded research projects. He is co-author of 'Enterprise in Action', a text book on entrepreneurship for Irish students. He has co-authored eight teaching cases studies on entrepreneurship published by the European Case Clearing House, including several award winning cases.

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FOREWORD



Entrepreneurs are vital to maintain our recovery and build a sustainable economy of opportunity. Our vision is for Ireland to be among the most entrepreneurial nations in the world and to be a world-class place to start and grow a business. The task for Government is to be an active facilitator within the Irish entrepreneurship ecosystem.

The GEM 2016 report provides very timely research which will inform our current mid-term review of the National Policy Statement on Entrepreneurship and other strategic thinking. It will assist us in identifying where progress towards targets is being made and those areas which are still in need of further attention.

The National Policy Statement on Entrepreneurship is a comprehensive national plan for entrepreneurship. It sets out the Government's strategic objectives and covers the six important elements that impact on entrepreneurs and start-ups.

This plan aims to deliver an ambitious but realistic increase in the numbers of start-ups in Ireland over the next five years with a key target to double the jobs impact of start-ups in Ireland over that period.

The rate of early stage entrepreneurship in Ireland has now returned to the levels observed pre-recession. Many Irish entrepreneurs expect to be employers and growth aspirations are more common in Ireland than they are in most comparator countries.

As is the case in most countries, there are more male entrepreneurs than female. However, the rate at which women are early stage entrepreneurs in Ireland is at the highest it has been since we started GEM research cycles fifteen years ago.

It is also interesting to note, that the gap between men and women narrows as one moves from actively planning to start a new business to actually establishing a new business in Ireland.

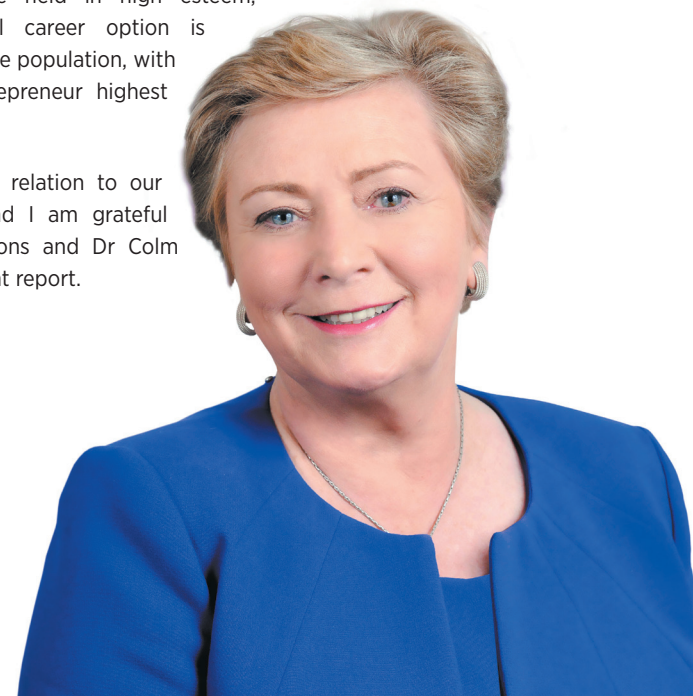
Our many initiatives to encourage female entrepreneurship, including Enterprise Ireland's dedicated Female Entrepreneurship Unit, will further help reduce this gender gap.

Ireland is fortunate in the age profile of its people, with many aged in the most entrepreneurial age groups. In Ireland rates of entrepreneurship are 12% for those aged between 25 and 44. This rate is above the EU average. There is also an increase in early stage entrepreneurial activity among those aged between 55 and 64 and Ireland now ranks second across Europe for that category.

Successful entrepreneurs are held in high esteem, although an entrepreneurial career option is considered by just over half the population, with aspiring to become an entrepreneur highest among those aged 25 to 34.

This report is very useful in relation to our entrepreneurship strategy and I am grateful to its authors Paula Fitzsimons and Dr Colm O'Gorman for another excellent report.

Frances Fitzgerald T.D.
Tánaiste and Minister for
Enterprise and Innovation
July 2017



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ENTREPRENEURSHIP IN IRELAND



EARLY STAGE ENTREPRENEURS

Ireland had relatively high rates of entrepreneurship in 2016, as measured by the TEA index.

The levels of entrepreneurship in Ireland have now returned to the levels observed pre-recession. During the Celtic Tiger period of 2003 to 2007 as many as 8 in every 100 people, in the age group of 18 to 64 years, was active as either a nascent entrepreneur or a new business owner. This reduced to about 7 in every 100 during the financial crises (2008 to 2012), growing again to 8 in every 100 during the period 2013 to 2015. In 2016, 11 in every 100 people was active as a nascent entrepreneur or a new business owner.

In many developed European economies, such as France, Germany, Spain and Sweden rates of entrepreneurship are much lower than in Ireland. Rates of entrepreneurship in Ireland are more similar to the US than, for example, Germany.

Early stage entrepreneurship is measured by the TEA Index. The TEA Index consists of two groups of entrepreneurs: nascent entrepreneurs and new business owners.

Nascent entrepreneurs are people who are at a very early stage, for example, planning the start-up, organising the start-up team, saving money for a start-up, as well as those that have progressed further and recently started the new business, but have not paid salaries for more than 3 months.

New business owners are people who have started a new business since January 2013, and have paid salaries for at least three months. These entrepreneurs at least part own and manage the new business.

NEW BUSINESS OWNERS

In Ireland, there was an estimated 35,000 new business owners in 2016.

1 in every 23 people in Ireland (aged 18 to 64 years) is a new business owner. This is similar to the US (1 in every 25 people), and high compared to many other European countries, where the average is 1 in every 29 people.

INTRAPRENEURS

1 in 13 employees report they are currently active in the development of new activities for their employer, for example developing or launching new goods or services, setting up a business unit, a new establishment or subsidiary. This is high relative to other European countries.

Ireland is one of seven countries that scores above the European average for both rates of entrepreneurship (new business owners) and rates of intrapreneurship (employees engaged in entrepreneurship for their employer).

Ireland ranks 5th highest in Europe on the TEA Index

Ireland ranks 6th highest in Europe for new business owners

Ireland ranks 3rd highest in Europe for intrapreneurs

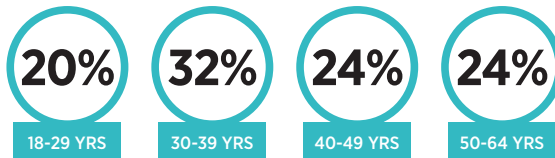
WHO ARE THEY?

EDUCATION

71% HAVE POST SECONDARY EDUCATION



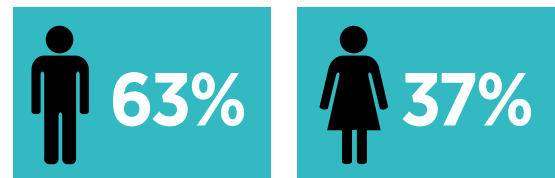
AGE



RESOURCES (HOUSEHOLD INCOME)



GENDER



MOTIVES



START-UP TEAMS

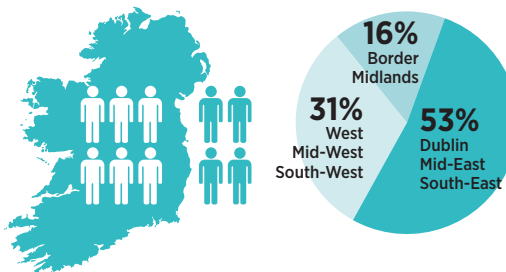


35,000
NEW BUSINESS OWNERS IN 2016

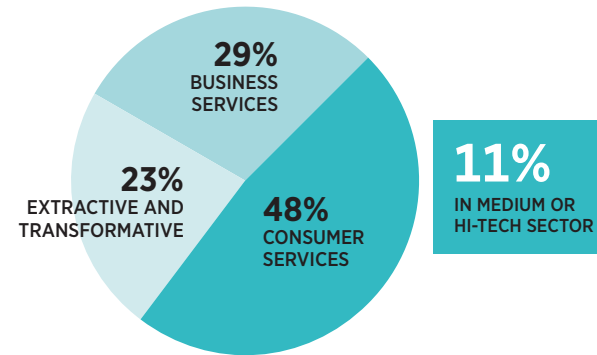
PLACE OF BIRTH AND CURRENT RESIDENCE

4 IN 10 BORN OUTSIDE IRELAND

REGION OF RESIDENCE



SECTORS



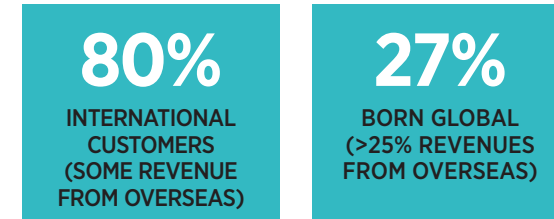
JOBS IMPACT

70% WILL BE AN EMPLOYER WITHIN 3 1/2 YEARS OF STARTING

JOBS EXPECTATIONS

39% EXPECT TO HAVE 10+ JOBS IN 5 YEARS

INTERNATIONAL ORIENTATION





EXITS

As well as high levels of entrepreneurship in Ireland, there are many owner-managers that exit a business each year. These businesses may continue, for example when a business is sold or when it is passed on to a family member, or they may discontinue.

In Ireland, 1.8% of people report they have recently exited a business that was discontinued.

Lack of profitability is the most cited single reason for exiting in Ireland (30% of all exits), when the business was discontinued. Family reasons, personal reasons, and finding another job or business opportunity account for half of all exits (49%). A problem in getting finance was the primary reason for exiting in 11% of exits.

Of those in Ireland that recently exited a business that was discontinued, two thirds reported that they were now in employment (including full-time, part-time and self-employment) with one fifth reporting they were seeking employment. Irrespective of their current employment status, nearly one third of those that exited are now working on a new business (i.e. can be classified as a nascent entrepreneur).

ASPIRATIONS

In Ireland, 1 in every 6 people aspires to start a business in next 3 years. For those not currently an entrepreneur or owner-manager, 1 in every 8 aspires to start a business. This is three times more than the number that have recently started. In all countries many more people aspire

to start a business in the future, compared to the number that have recently started.

INFORMAL INVESTORS – FINANCING ENTREPRENEURS

The number of informal investors in Ireland is relatively low. Informal investors are those that provide funds to others that are starting a business.

Ireland ranks 18th in Europe. In 2016 just 1 in 27 people have provided funds to some else's new business in Ireland in the past 3 years. However, the average amount invested in Ireland is relatively high – an estimated €30,000, compared to an average in Europe of €21,500.

Typically informal investors provide funds to someone known to them, such as a family member, a relation, a work colleague, or a friend. In Ireland, more than 9 in every 10 informal investors reported that they had provided funds to a family member, a friend or a work colleague.

About 7% of informal investors could be described as “Business Angels” – those that invest in a “stranger’s” business. There were nearly 8,000 business angels in Ireland in 2016.

Extrapolating to the population suggests that informal investors in Ireland provided between €0.3 billion and €1.1 billion (estimate based on median and mean investment respectively) to entrepreneurs in 2016. This is in addition to the money that entrepreneurs use to fund their own businesses.

Lack of profitability is the most cited single reason for exiting a business in Ireland

Aspiration to become an entrepreneur is highest among those aged 25 to 34 in Ireland

Ireland ranks 18th in Europe for informal investors



Most Irish people have high regard for successful entrepreneurs

The perception that entrepreneurship is a good career choice is lower in Ireland than the US

In the US, Canada and Australia more people perceive opportunities and more people are confident in their entrepreneurial capabilities

“Fear of failure” a barrier for as many as 4 in every 10 Irish people

1 in 2 entrepreneurs in Ireland are focused on consumer services

ATTITUDES & PERCEPTIONS TO ENTREPRENEURSHIP

Popular culture in Ireland is very supportive of entrepreneurship. It is highest in Europe in terms of popular regard for successful entrepreneurs. Successful entrepreneurs have always been held in high regard, whether Ireland was in growth phase or in recession. Regard for successful entrepreneurs is higher in Ireland than it is in the US - 83% compared to 74%.

As evidence of a supportive culture, many Irish people (7 in every 10) report that there are many stories of successful entrepreneurs in the media. 3 in every 10 Irish people have a role model in that they know a recent entrepreneur.

In Ireland, a little more than half (56%) of people perceive entrepreneurship as a good career choice. This is lower than the US, where nearly two-thirds (64%) see entrepreneurship as a good career choice, and much lower than the Netherlands (78%).

The perception of becoming an entrepreneur as a good career choice declined sharply during the recent economic crisis in Ireland. During the crisis, just half (50%) of people considered entrepreneurship as a good a career choice. In contrast, during the “Celtic Tiger” period of 2003 to 2007 two-thirds of people regarded entrepreneurship as a good career choice.

In Ireland, less than half of people (45%) see entrepreneurial opportunities in their local area - though this is higher than the norm across Europe (37%). In Ireland, less than half of people (45%) believe they have the skills to start a business (European norm is 45%). In the US, Canada and

Australia more people perceive opportunities and more people are confident in their entrepreneurial capabilities (compared to Ireland).

Fear of failure would prevent 4 in every 10 Irish people (38%) from starting a business. This is similar to the US (35%) and many other European countries (European average is 46%).

Of the group of people in Ireland that perceive entrepreneurial opportunities in their local area, 4 in every 10 (40%) report that fear of failure would prevent them starting a business.

IMPACT OF ENTREPRENEURS – SECTOR FOCUS

The sector focus of the ideas and activities of nascent entrepreneurs and new business owners differs across countries. Irish entrepreneurs are particularly focussed in recent years on consumer services sectors, such as retail, motor, lodgings, restaurants, personal services, health, education, recreation.

One in four Irish entrepreneurs is focused on the business services sector which includes finance, insurance, real estate, and all business services. About one in five Irish entrepreneurs is in ‘transformative’ sectors, activities such as construction, manufacturing, transport, wholesale, utilities.

Using OECD sector classification, the ideas or new businesses of nearly 1 in every 12 entrepreneurs in Ireland are in “medium” or “high” technology sectors. This is similar to many other European countries. However, in some countries more entrepreneurs are in medium and



high tech sectors - 1 in 7 entrepreneurs in Switzerland and 1 in 8 entrepreneurs in the UK.

JOBS IMPACT

Most nascent entrepreneurs and new business owners (83%) in Ireland are already employing someone, or expect to become an employer within the next five years. This was even the case during the recession, when at least 7 in every 10 entrepreneurs reported that they were already or expected to be an employer. It is also high relative to other countries.

Many Irish entrepreneurs have high growth expectations. 3 in every 10 entrepreneurs expect to employ 10 or more, and to double the number of jobs, within 5 years. 2 in every 10 entrepreneurs in Ireland have very high growth expectations, that is, they expect to employ 20 or more within 5 years. High growth (in jobs) expectations are more common in Ireland than in most other European countries.

INTERNATIONAL ORIENTATION

Most nascent entrepreneurs and new business owners in Ireland have an international orientation in that they expect some revenues from international customers. Just one in five Irish entrepreneurs (22%) expects to have no revenue from customers from outside of Ireland (average in Europe is 40%). This differs from the “Celtic Tiger” time, when strong consumer demand meant that many more entrepreneurs were exclusively focused on the Irish Market. For example, in 2007 more than 4 in 10 entrepreneurs were exclusively focused on the Irish market, compared to just 2 in every 10 entrepreneurs in 2016.

However, for “Born Globals”, those that expect to be very international - more than 25% of revenues from overseas customers, the number in Ireland (25%) is similar to the European average (22%).

INNOVATION

The ideas of most nascent entrepreneurs and new business owners tend not be very innovative in that they typically provide a product/service that is familiar to customers, have competitors, and use established technology.

In Ireland, a significant minority of entrepreneurs are innovative on one of three innovation measures: newness of product, extent of competition, and newness of technology.

WHO ARE THE ENTREPRENEURS?

In 2016 nearly 15 in every 100 of those born overseas but living in Ireland was an entrepreneur (nascent entrepreneur or a new business owner). In comparison, about 9 in every 100 of those born in Ireland was an entrepreneur.

For those not currently an entrepreneur, those born overseas are more likely to aspire to start as business, more than 2 in every 10, compared to less than 1 in every 10 of those born in Ireland.

Over the years the majority of nascent entrepreneurs and new business owners in Ireland have been aged between their late twenties and mid-forties. Given the age profile of Ireland’s growing population, Ireland is characterised by a demographic that produces a “demographic dividend” – in that many people in Ireland are in the more entrepreneurial

Many Irish entrepreneurs have high growth expectations

High growth expectations are more common in Ireland than in most other European countries, Australia or Canada

Most entrepreneurs in Ireland have an international orientation

The ideas of most entrepreneurs tend not be very innovative

Immigrants in Ireland are more entrepreneurial

1 in 7 entrepreneurs in Ireland is aged between 55 and 64 years



7 in 10 entrepreneurs in Ireland have post-secondary education

The strongest primary motivation cited by entrepreneurs in Ireland is “to increase income”

Declining number of owner-managers of an established business in Ireland

age groups. In Ireland rates of entrepreneurship are as high as 12% for those aged between 25 and 44 years.

High rates of entrepreneurship in Ireland are also evident among older age groups. Ireland ranks 2nd in Europe in terms of senior entrepreneurship, those aged between 55 and 64 years, with 1 in every 7 Irish entrepreneurs classified as a senior. This was not always the case. For example, in the 55 to 64 age group about 1 in every 20 people (4.8%) in 2010, compared to 2 in every 20 people (9.4%) in 2016, were entrepreneurs.

In contrast, Ireland ranks 8th in Europe in terms of youth entrepreneurship - those aged between 18 and 24 years. 1 in 9 entrepreneurs in Ireland is a youth entrepreneur. In the Netherlands nearly 1 in every 4 is a youth entrepreneur.

In Ireland, rates of entrepreneurship are generally higher for those with more education. 7 in every 10 entrepreneurs in Ireland have post-secondary education.

Ireland has the 5th highest rate of entrepreneurship in Europe for people with graduate education.

MOTIVATION

The strongest primary motivation cited by nascent entrepreneurs and new business owners in Ireland is “to increase income”. In Ireland, 1 in every 5 entrepreneurs is motivated by a “desire to be independent”. In comparison, more entrepreneurs in Switzerland, 1 in every 2 entrepreneurs, and the US, 1 in every 3 entrepreneurs, is motivated by a “desire to be independent”. In Ireland, nearly 1 in every 4 entrepreneurs cites “no better

alternative” or “seeking to maintain income” as their primary motive for their entrepreneurship.

Using a binary “Opportunity” versus “Necessity” categorisation, Irish entrepreneurs are predominately motivated by opportunity (83%), as compared to necessity (16%).

Responding to a perceived opportunity was always the dominant reason for individuals in Ireland to become involved in entrepreneurship. At the time of the recent crisis, however, the number of those becoming an entrepreneur through necessity increased substantially. For example in 2010, this was the case for as many as 3 in every 10 entrepreneurs. As the opportunity for alternative employment has picked up, the rate of those turning to entrepreneurship out of necessity has declined. The level of necessity entrepreneurs, however, is still higher than it was during the peak of the Celtic Tiger, when, for example it was as low as 6% in 2007.

OWNER-MANAGERS OF ESTABLISHED BUSINESSES

Established owner-managers are those that own and manage a business that they were involved in starting. That is, these individuals started a business in the past and have retained both management and ownership roles. As such, this measure is different from measures of self-employment and the general usage of the term owner-manager, which would include, for example, individuals that acquire a business and subsequent generations that take over the running and ownership of a family business.



In Ireland, about 1 in 25 people (4.4%) reported that they are an owner-manager of an established business (at least 3.5 years old). The number has declined in recent years. For example, the number in 2007 was double the number in 2016. The latter is low in a European context.

Of these Irish owner-managers, 7 in every 10 are aged between 45 and 64. This is high relative to other countries.

1 in 8 Irish owner-managers are active in medium or high technology sectors. Irish owner-managers have high growth expectations. 1 in every 10 expects to employ ten or more, and to increase the number of jobs by 50%, within 5 years. Irish owner-managers are very active in international markets. 1 in 4 has, or expects to have, more than 25% of their revenues from customers outside of Ireland within the next five years.

DOES GENDER MATTER IN ENTREPRENEURSHIP?

In 2016 Ireland was characterised by a relatively high number of women that are nascent entrepreneurs and new business owners. The rate of entrepreneurship for women in Ireland is 7th highest in Europe. At 1 in every 14 women in Ireland, the number of entrepreneurs among women in 2016 is the highest noted since the Global Entrepreneurship Monitor research started in the year 2000. At 1 in every 7 men, the number of entrepreneurs among men in 2016 has returned to the very high rate noted in 2005.

When the rate of nascent entrepreneurs and new business owners is relatively high in Ireland, it tends to reflect a particularly high level of entrepreneurial activity among

men. The rate of entrepreneurial activity among women has tended to be lower but more constant.

Men are much more likely to be a new business owner in Ireland – 1.7 times more likely than a woman. There were an estimated 1,800 men and 1,100 women new business owners every month in Ireland in 2016.

Men and women differ in terms of their perceptions of entrepreneurial opportunities and their self-belief that they have the skills and knowledge required to start a business.

More men (51% of all men) than women (40% of all women) perceive opportunities to start a business in Ireland. There are countries where the perceptions of entrepreneurial opportunities are similarly high among both men and women, for example Finland and Canada. As is the case in many European countries, in Ireland many more men (55% of all men) than women (35% of all women) believe they have the skills and knowledge to start a business.

In Ireland about half of all men (49%), compared to four in every ten women (38%) believe that “it is easy to start a business”.

Perhaps because of these differences between men and women in terms of perceptions of opportunities to start a new business and perceptions of knowledge and skills required to start a business, aspirations to start a business in the near future are much higher among men than women.

For those men and women that are not currently active as entrepreneurs, 19% of men and 8% of women, aspire to start a business within the next three years.

Women in Ireland rank 7th highest in Europe for entrepreneurship

There are many more men than women new business owners in Ireland

More men than women perceive opportunities to start a business in Ireland

More than twice as many men than women aspire to start a business in Ireland



Nearly 1 in 3 women (entrepreneurs) are active in the 'Government, health, education and social services' sector

Men and women differ in terms of growth expectations but are similar in international orientation

More men are informal investors; are more likely to invest outside the family; and provide more funds

The ideas and new businesses of men and women differ in terms of sectors of activity.

In Ireland consumer services sectors, such as retail, motor, lodgings, restaurants, personal services, health, education, and recreation are the dominate focus of current entrepreneurial activity. These activities are more important to women than they are to men. Consumer services sectors account for two thirds (66%) of ideas and businesses of women compared to half (48%) for men.

In contrast transformative sectors, which include activities such as construction, manufacturing, transport, wholesale, utilities are twice as important for men as they are for women. Of all entrepreneurs, 2 in every 8 men (25%), compared to 1 in every 8 women (13%), are focussed on transformative sectors.

To illustrate the differences in the ideas and new businesses of men and women, at one extreme, nearly one third of women (32%) are active in Government, health, education and social services, compared to just 13% of men. At the other extreme, just 1% of women, compared to 10% of men, are in Construction and mining.

The Retail trade, hotels, and restaurants sector is equally important to men and women - the focus of activity for about 1 in every 4 entrepreneurs.

In Ireland both men (85%) and women (79%) that are nascent entrepreneurs and new business owners are, or expect to be, employers.

However, men and women differ in terms of growth expectations. In Ireland of all entrepreneurs, 36% of men

and 21% of women, expect to employ 10 or more and to double the number of jobs within 5 years.

Men and women entrepreneurs do not differ in terms of their international orientation.

Men in Ireland are more likely than women to have provided funds to someone else's business in the past three years. In Ireland, 5 in every 100 men, compared to 2 in every 100 women, is an informal investor.

In Ireland, men more often provide funds to a work colleague, friend, or stranger (66%), rather than to a close family member or relative (34%). For women, in contrast, more provide funds to a close family member or relative (63%), than to a work colleague, friend, or stranger (37%). Men may provide as much as three times more finance when providing funds.

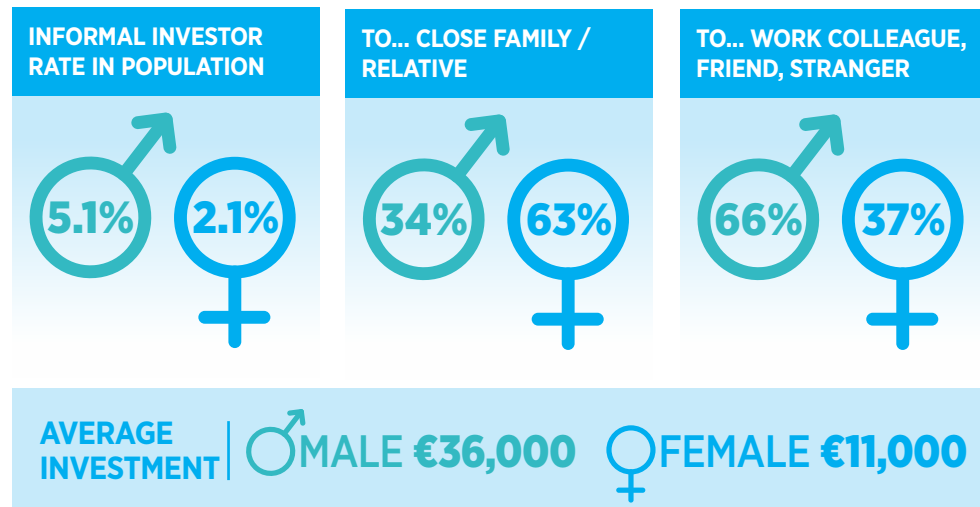
RATES OF ACTIVITY IN POPULATION

	Male	Female
Nascent entrepreneurs	10%	4.2%
New business owners	5.5%	3.2%
Early stage entrepreneurs (TEA)	14.5%	7.3%
Established owner-managers	5.8%	3%
Exited a business (not continued)	2.5%	1%
Aspire to start a business	19%	8%

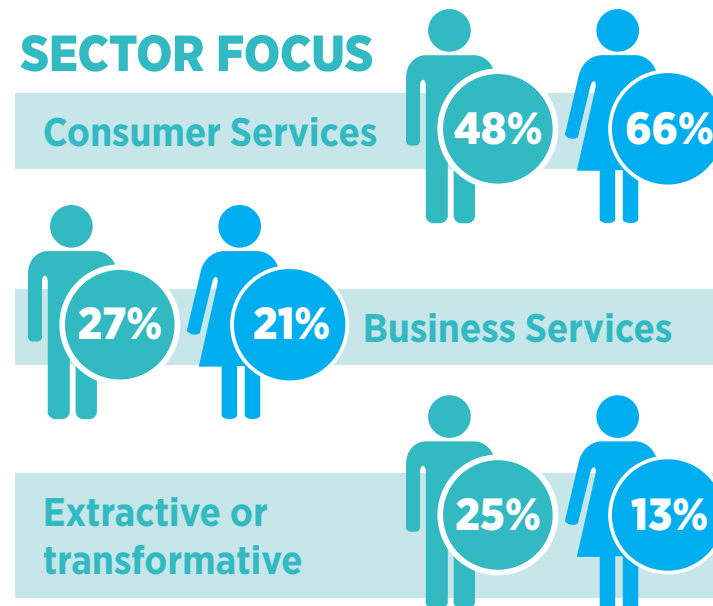
IMPACT OF EARLY STAGE ENTREPRENEURS

	Male	Female
Any jobs now or expected in 5 years	85%	78%
Expects more than 10 jobs in 5 years	36%	21%
International in outlook (More than 25% revenues from overseas)	25%	27%

INFORMAL INVESTORS



SECTOR FOCUS





Government policy and programmes are perceived as a general strength

Access to finance was mentioned as a constraint by entrepreneurs

Dynamic start-up ecosystem in Ireland was considered a strength

High start-up costs and high costs of running a business cited as constraint by some experts and entrepreneurs

ECO-SYSTEM FOR ENTREPRENEURS

The assessment of a country's entrepreneurial eco-system is based on a survey of key informants of experts and entrepreneurs. In Ireland over half of these key informants are entrepreneurs. All comments quoted are from Irish entrepreneurs and experts.

In Ireland, government policy was noted as a general strength by experts and entrepreneurs. Many government funded programmes were specifically mentioned as strengths.

However, some entrepreneurs and experts noted constraints such as the focus of government policy, perceiving a focus on MNCs instead of indigenous businesses, though for others the focus from State agencies on encouraging start-ups in specific industries such as medical devices and software was a positive. Some commented on how elements of the taxation system and government regulations negatively impacted entrepreneurs.

Comments from Irish entrepreneurs and experts on government funded programmes and supports for entrepreneurs were not uniformly positive. By way of example, "Whilst funding from Enterprise Ireland is great, there is too much time spent by start-ups trying to achieve funding" and insufficient "Network supports - especially for women, over 50s and those in rural areas".

Entrepreneurs and experts in Ireland suggested that the system of incubators, R&D supports and Enterprise Ireland programmes in the Institutes of Technology and the universities supported high-tech entrepreneurship and technology transfer.

Entrepreneurs and experts had recommendations for government in areas of taxation policy and public procurement. For example, "Ensure the tax system does not discriminate against entrepreneurs" and "Better tax breaks and incentives for self-employed who take risk and create jobs".

Access to finance was mentioned as a constraint by many entrepreneurs and experts. Specific comments referred to access to bank finance and the requirement for "personal guarantees". Some aspects of the financing eco-system in Ireland were considered as strengths, such as access to finance from Enterprise Ireland, various accelerators, and the Local Enterprise Offices.

Suggestions for improving access to finance for entrepreneurs in Ireland referred to using the tax system to encourage private investment and the suggestion that the use of personal guarantees by Irish banks be reviewed.

The dynamic start-up ecosystem in Ireland was considered a strength by some entrepreneurs and experts. However, some noted less positive aspects of the culture for entrepreneurship in Ireland, such as "Risk aversion" and a "Lack of ambition among many entrepreneurs".

Strengths in Ireland's entrepreneurial eco-system also included opportunities for mentoring from experienced entrepreneurs and the availability of incubation space, enterprise centres and technology parks.

However, some entrepreneurs and experts commented specifically on "High start-up costs, accounting, legal, rent, rates, employing people", "High costs of running a business - overheads, staff costs", "Cost of rental of premises", "High cost of insurance" and a "Shortage of suitable premises".



GLOBAL ENTREPRENEURSHIP MONITOR : **SURVEY OF ENTREPRENEURSHIP IN IRELAND 2016**

RATES OF ENTREPRENEURSHIP, INTRAPRENEURSHIP, AND EXITS

ENTREPRENEURSHIP ACTIVITY

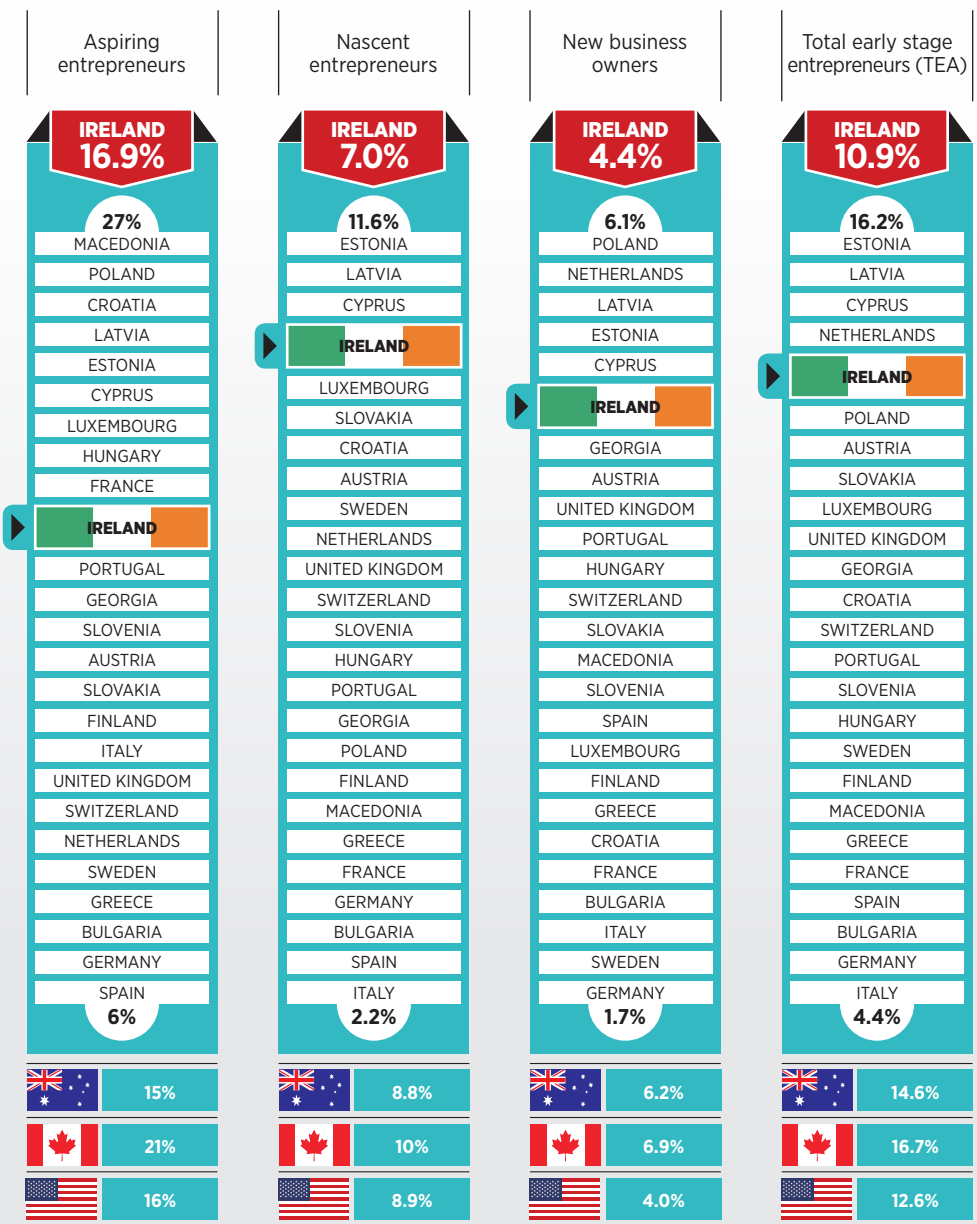


TABLE A IN THE COMPARATIVE INTERNATIONAL DATA SECTION CONTAINS FULL DATA FOR EACH COUNTRY

Ireland ranks 6th highest in Europe for new business owners.

1 in every 23 people in Ireland has been actively involved in a recent start-up. This is similar to the US (1 in every 25) and high compared with many other European countries, an average of 1 in every 29.

An estimated 2,900 people per month were new business owners in Ireland in 2016.

Ireland ranks 5th highest in Europe for total early stage entrepreneurship (TEA).

Ireland's rate of TEA is high in 2016, compared to the average in the past 5 years (7.7%).

In many developed European economies, such as France, Germany, Spain and Sweden rates of entrepreneurship are much lower than in Ireland.

Rates of entrepreneurship in Ireland are more similar to the US than, for example, Germany.

Across Europe many people aspire to start a business. In Ireland, 1 in every 6 people aspires to start a business in next 3 years. For those not currently an entrepreneur or owner-manager, 1 in every 8 aspires to start a business. This is three times more than the number that have recently started.

INTRAPRENEURSHIP ACTIVITY



TABLE B IN THE COMPARATIVE INTERNATIONAL DATA SECTION CONTAINS FULL DATA FOR EACH COUNTRY

Intrapreneurs are employees involved in the development of new activities for their employer (e.g. currently developing or launching new goods or services).

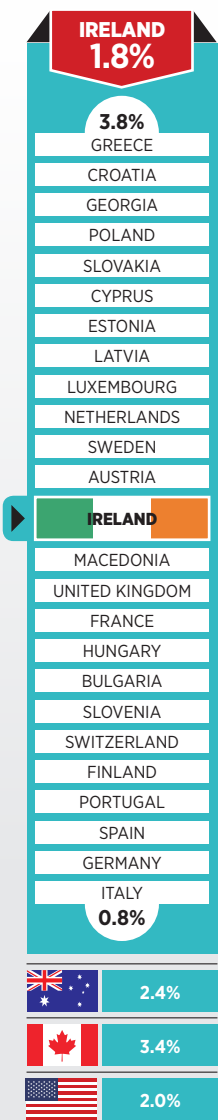
Ireland ranks 3rd highest in Europe for intrapreneurs.

1 in 13 employees in Ireland are currently active in the development of new activities for their employer.

Ireland is one of seven countries that have both high rates of intrapreneurs and high rates of new business owners (entrepreneurs).

BUSINESS EXITS: RATES AND REASONS

Entrepreneurs exited in last 12 months and business discontinued



Reasons (discontinued businesses) - Top 3 in Ireland



TABLE C IN THE COMPARATIVE INTERNATIONAL DATA SECTION CONTAINS FULL DATA FOR EACH COUNTRY

Exits refer to owner-managers that have exited a business (new or established) in the past twelve months. The business may have either closed (discontinued) or continued (e.g. the business is sold or passes to a family member).

As well as high levels of entrepreneurship in Ireland, there are many owner-managers who have recently exited a business that was discontinued.

Lack of profitability is the top cited single reason for exiting in Ireland- accounting for 30% of all exits.

Family reasons and personal reasons account for one fifth of all exits (19%).

11% cited problems in getting finance as the primary reason for closing their business.

Of those that had recently exited a business, two thirds reported that they were in employment (full-time, part-time or self-employment). One fifth was seeking employment.

Nearly one third of those that had recently exited a business were also now active as a nascent entrepreneur.



GLOBAL ENTREPRENEURSHIP MONITOR : **SURVEY OF ENTREPRENEURSHIP IN IRELAND 2016**

INFORMAL INVESTORS – FINANCING ENTREPRENEURS

INFORMAL INVESTORS: RATES AND AMOUNTS



TABLE D IN THE COMPARATIVE INTERNATIONAL DATA SECTION CONTAINS FULL DATA FOR EACH COUNTRY

Informal investors refer to those that have provided funds in the past three years to a new business started by someone else.

The number of informal investors in Ireland is relatively low. Ireland ranks 18th in Europe.

1 in 27 people have provided funds to someone else's new business in the past 3 years in Ireland.

9 in every 10 Irish informal investors provide funds to entrepreneurs they know – such as a family member, a friend, a neighbour, or a work colleague.

As few as 1 in 14 informal investors are investing in a stranger's business. These 8,000 people are referred to as "business angels".

The average amount of money provided by an informal investor in Ireland is relatively high – an estimated €30,000 in the past 3 years, compared to an average in Europe of €21,500.

Extrapolating to the general population suggests that each year in Ireland informal investors provide between €0.3 billion and €1.1 billion. [Estimates using median and mean investment amounts respectively].

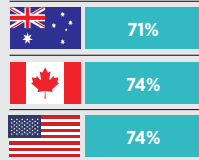
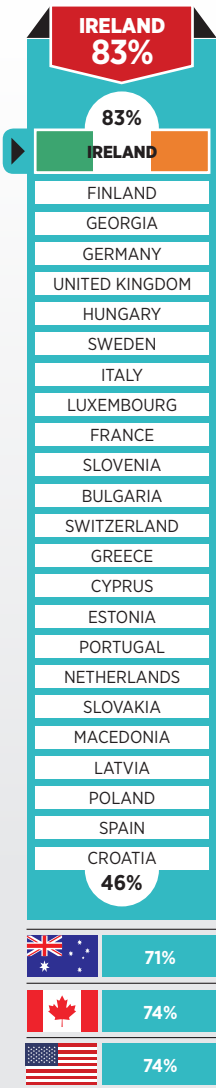


GLOBAL ENTREPRENEURSHIP MONITOR : SURVEY OF ENTREPRENEURSHIP IN IRELAND 2016

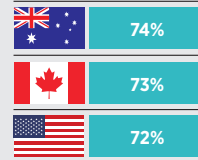
ATTITUDES & PERCEPTIONS TO ENTREPRENEURSHIP

CULTURE SUPPORTING ENTREPRENEURSHIP IN THE GENERAL POPULATION

Successful entrepreneurs are held in high regard



There are many stories of successful entrepreneurs in the media



Entrepreneurship is a good career choice

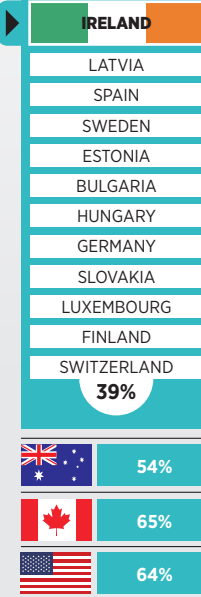
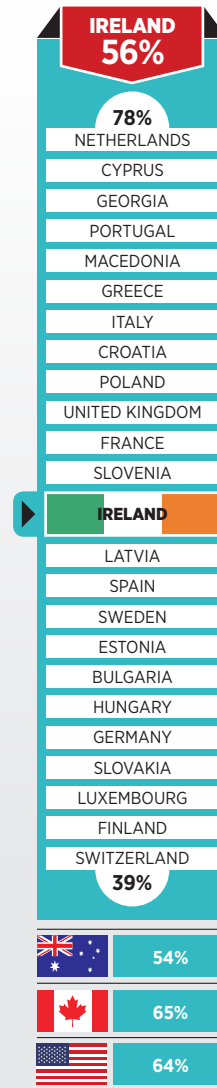


TABLE E IN THE COMPARATIVE INTERNATIONAL DATA SECTION CONTAINS FULL DATA FOR EACH COUNTRY

The culture in Ireland is very supportive of entrepreneurship – the highest in Europe in terms of popular regard for successful entrepreneurs.

Positive regard for successful entrepreneurs is more common in Ireland than it is in the US, Canada or Australia

Many Irish people are aware of stories of successful entrepreneurs in the media.

Just over half of Irish people perceive entrepreneurship as a good career choice.

The perception that entrepreneurship is a good career choice is relatively low in Ireland and is much lower than the Netherlands (78%).

In the years before the economic crisis, more Irish people perceived entrepreneurship as a good career choice. [An average of 67% for 2003 to 2007, compared to an average of 51% for 2012 to 2016].

*Austria not included

PERCEPTIONS OF OPPORTUNITIES AND CAPABILITIES IN THE GENERAL POPULATION

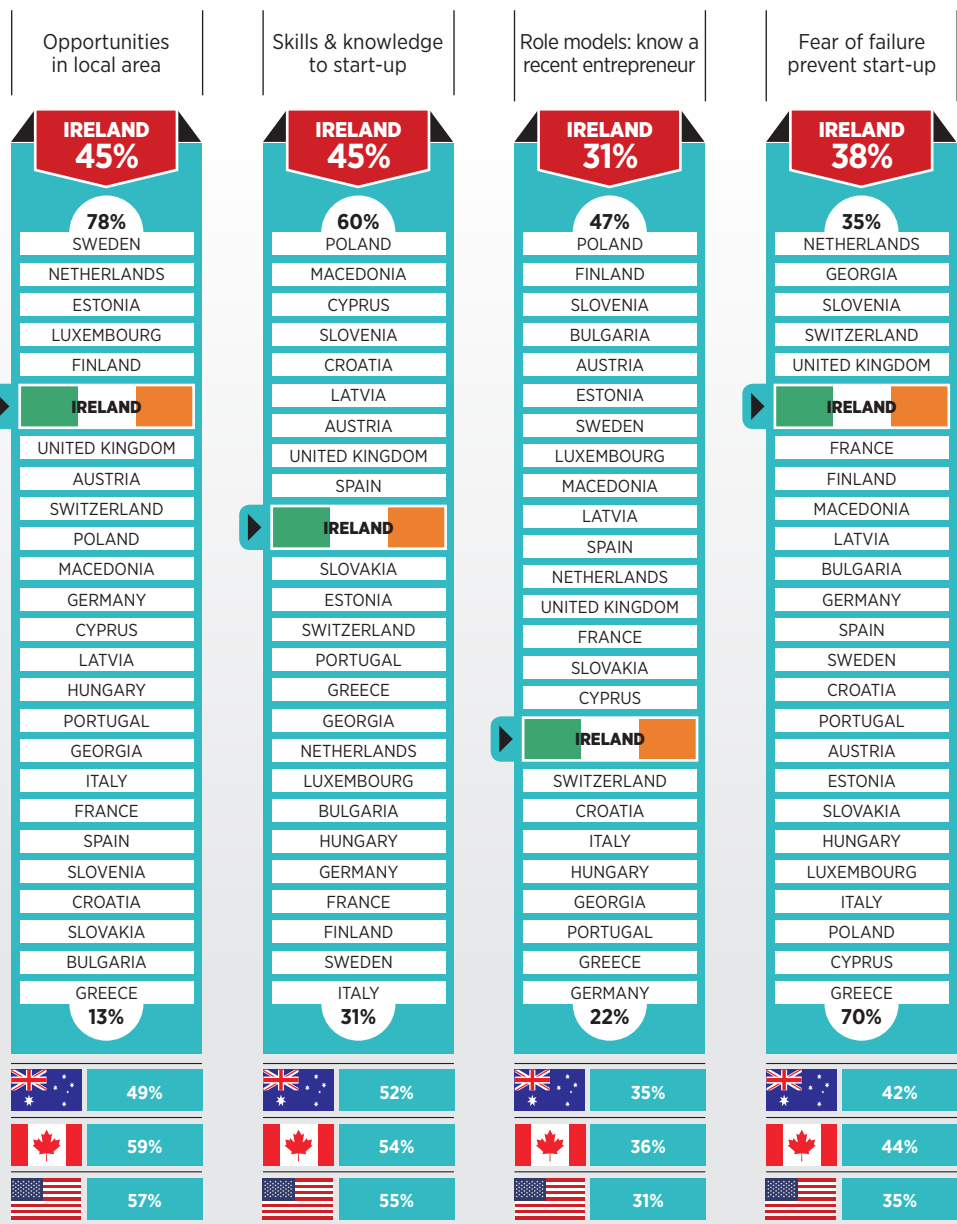


TABLE F IN THE COMPARATIVE INTERNATIONAL DATA SECTION CONTAINS FULL DATA FOR EACH COUNTRY

Less than 1 in every 2 people in Ireland see entrepreneurial opportunities in their local area - though this is higher than the norm across Europe.

The perception of entrepreneurial opportunity in Ireland in 2016 is as high as it was during the “boom”. During the economic and financial crisis, the perception of opportunity was much less common, just 1 in every 4.

Of the people in Ireland that perceive opportunities for new businesses, as many as 4 in every 10 report that a “fear of failure” would prevent then starting a business.

Less than half of people in Ireland believe they have the skills and knowledge to start a business. This is the norm across European.

In the US, Canada and Australia more people perceive opportunities and more people are confident in their entrepreneurial skills and knowledge, compared to Ireland.

Fear of failure would prevent nearly 4 in every 10 Irish people from starting a business. This is similar to the US and many other European countries.

Three in ten Irish adults have an entrepreneurial “role model”, in that they know a recent entrepreneur.



GLOBAL ENTREPRENEURSHIP MONITOR : SURVEY OF ENTREPRENEURSHIP IN IRELAND 2016

IMPACT OF ENTREPRENEURS - SECTOR, JOBS, INTERNATIONALISATION, INNOVATION

IMPACT: SECTORS (EARLY STAGE ENTREPRENEURS)

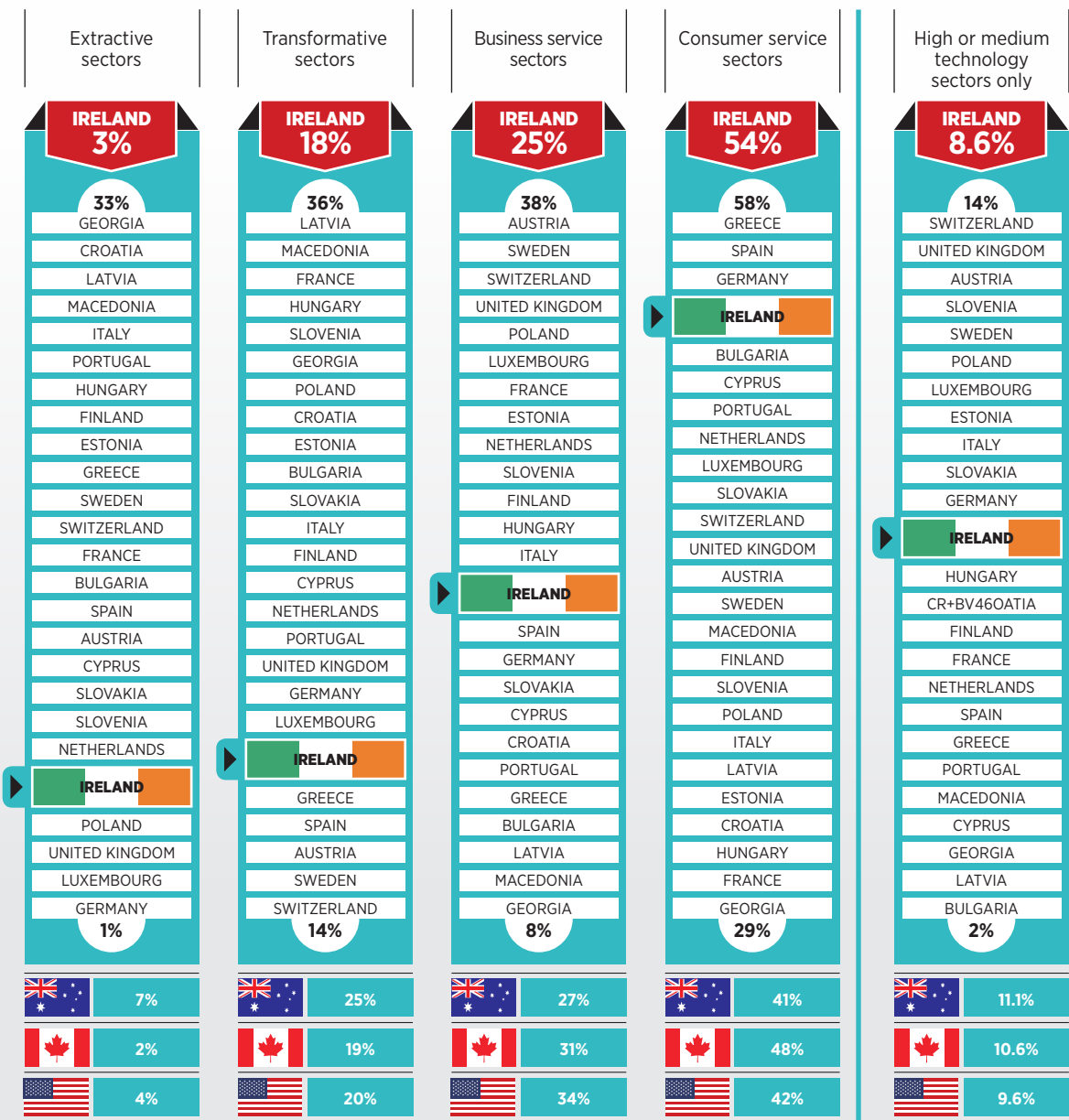


TABLE G IN THE COMPARATIVE INTERNATIONAL DATA SECTION CONTAINS FULL DATA FOR EACH COUNTRY

The sector focus of the ideas and activities of entrepreneurs differs across countries.

Irish nascent entrepreneurs and new business owners are focused on consumer services sectors to a greater extent than entrepreneurs in many other countries.

1 in every 4 Irish entrepreneurs is focused on the business services sector, which includes finance, insurance, real estate, and all business services.

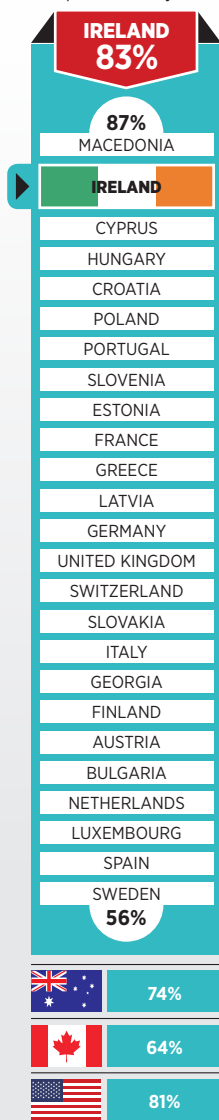
About 1 in every 5 Irish entrepreneurs is focused on transformative sectors, activities such as construction, manufacturing, transport, wholesale, utilities.

Medium and high technology sectors are the focus of the ideas or new businesses of nearly 1 in every 12 Irish entrepreneurs. [OECD classifications].

The rate of technology entrepreneurship in Ireland is similar to many other European countries. However it is lower than Switzerland (1 in every 7 entrepreneurs) and the UK (1 in every 8 entrepreneurs).

IMPACT: JOBS AND JOBS GROWTH ASPIRATIONS (EARLY STAGE ENTREPRENEURS)

Early stage entrepreneurs with any jobs now or any jobs expected in five years



5 year jobs growth expectations (10+ jobs and to increase jobs by 50%)



5 year jobs growth expectations (20+ jobs)



TABLE H IN THE COMPARATIVE INTERNATIONAL DATA SECTION CONTAINS FULL DATA FOR EACH COUNTRY

8 in every 10 Irish nascent entrepreneurs and new business owners are already employers, or expect to become employers within the next five years. This is high relative to other countries.

Many Irish entrepreneurs have high growth expectations.

High growth expectations are more common in Ireland than in most other European countries, Australia or Canada.

3 in every 10 Irish entrepreneurs expect to have 10 or more jobs and to double jobs within 5 years.

2 in every 10 Irish entrepreneurs have very high growth expectations, in that they expect to have 20 or more jobs within next 5 years.

IMPACT: INTERNATIONAL ORIENTATION (EARLY STAGE ENTREPRENEURS)



TABLE 1 IN THE COMPARATIVE INTERNATIONAL DATA SECTION CONTAINS FULL DATA FOR EACH COUNTRY

Nearly 8 in every 10 nascent entrepreneurs and new business owners in Ireland have an international orientation in that expect some revenues from international customers.

An international orientation is higher in Ireland than most other European countries. Across Europe, the average is 6 in every 10 entrepreneurs.

“Born Globals”, entrepreneurs that expect to have more than 25% of revenues from overseas customers, account for 1 in every 4 Irish entrepreneurs. This is similar to the norm in Europe.

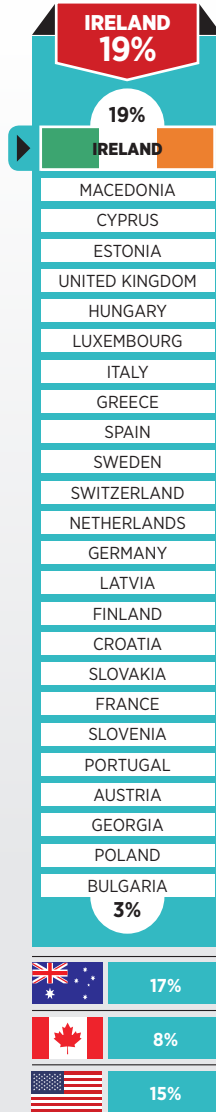
2 in every 10 Irish entrepreneurs are focussed exclusively on the domestic market.

IMPACT: INNOVATIVENESS (PERCEPTION OF EARLY STAGE ENTREPRENEURS)

Product/service is new to all of our customers



No businesses offer the same product/service



Business uses the very latest technology (available less than 1 year)

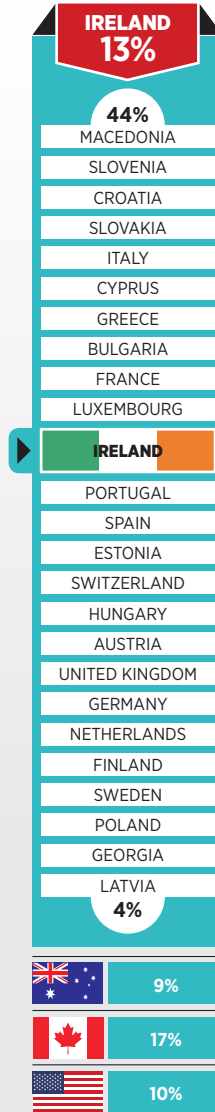


TABLE J IN THE COMPARATIVE INTERNATIONAL DATA SECTION CONTAINS FULL DATA FOR EACH COUNTRY

Across most countries, the ideas and businesses of entrepreneurs tend not to be very innovative.

Most entrepreneurs provide a product/service that is familiar to customers, have competitors, and use established technologies.

1 in every 6 nascent entrepreneurs and new business owners in Ireland perceive they have a product/service that is new to all customers.

1 in every 5 entrepreneurs in Ireland believe that they have no competing business offering the same product/service.

1 in every 8 entrepreneurs in Ireland believe they are using the very latest technology.

In Ireland, a significant number of entrepreneurs have ideas and businesses that they perceive to be innovative on one of these measures – in that they have a relatively new product; they face few competitors; or are using new technology.



GLOBAL ENTREPRENEURSHIP MONITOR : **SURVEY OF ENTREPRENEURSHIP IN IRELAND 2016**

WHO ARE THE ENTREPRENEURS?

WHY START A NEW BUSINESS? PRIMARY MOTIVE

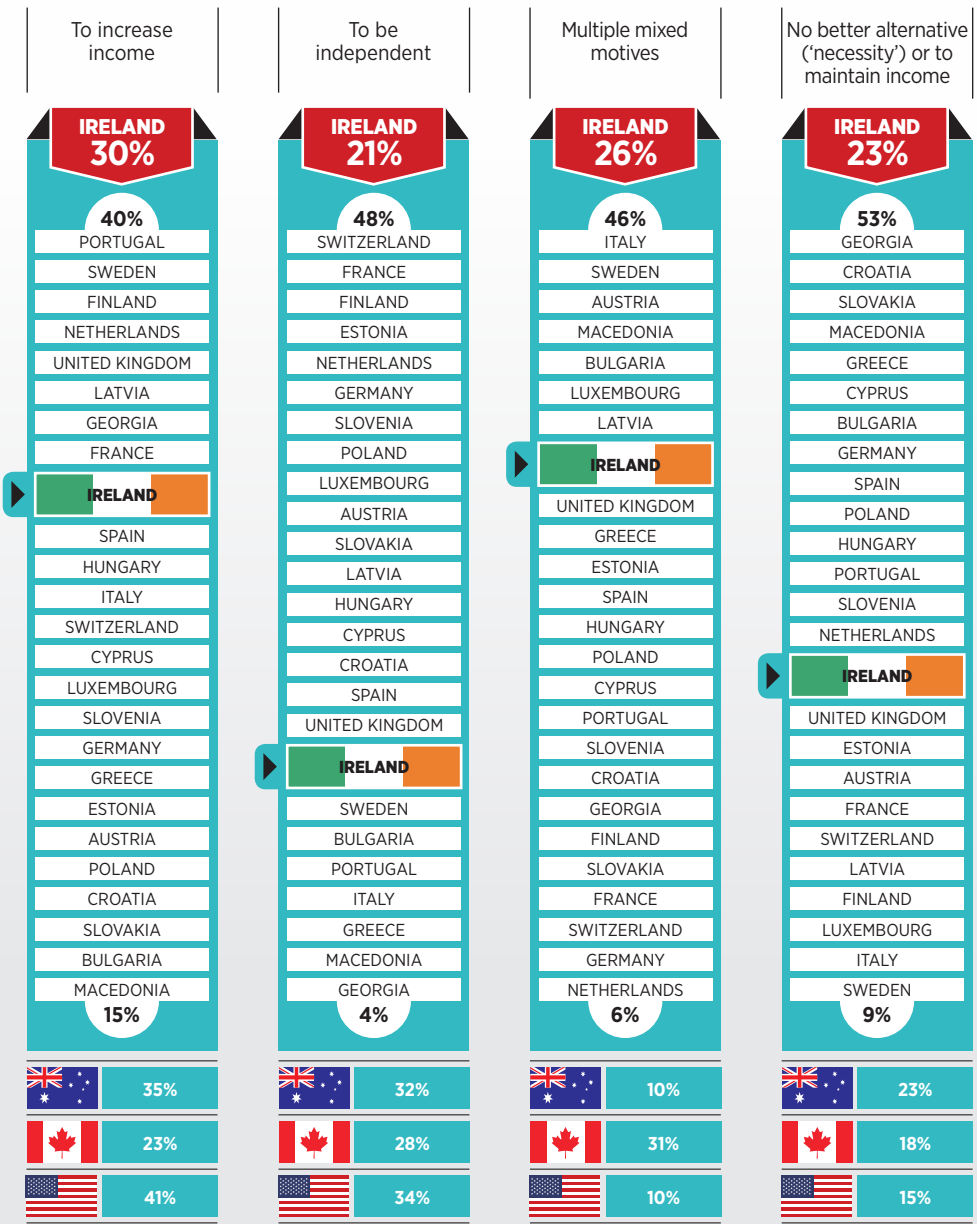


TABLE K IN THE COMPARATIVE INTERNATIONAL DATA SECTION CONTAINS FULL DATA FOR EACH COUNTRY

The desire to “to increase income” motivates 3 in every 10 nascent entrepreneurs and new business owners in Ireland. This is the most common “primary” motive in Ireland.

“See no better alternative” or “seeking to maintain income” is the primary motive for at least 2 in every 10 entrepreneurs in Ireland.

The “desire to be independent” is the primary motive for 1 in every 5 entrepreneurs in Ireland.

In Switzerland and the US the “desire to be independent” is a much more common motivation - 1 in every 2 entrepreneurs in Switzerland and 1 in every 3 entrepreneurs in the US.

More generally, about 5 in every 6 Irish entrepreneurs is motivated by “opportunity”, compared to about 1 in 6 motivated by “necessity” in that they see no better alternative for work.

WHEN START? YOUTH AND SENIOR ENTREPRENEURS

Rate of youth entrepreneurship (18-25 years)



Rate of senior entrepreneurship (55-64 years)



TABLE L IN THE COMPARATIVE INTERNATIONAL DATA SECTION CONTAINS FULL DATA FOR EACH COUNTRY

Ireland ranks 8th highest in Europe in terms of youth entrepreneurship.

1 in every 9 entrepreneurs in Ireland is young – aged between 18 and 24. In the Netherlands nearly 1 in every 4 entrepreneurs is young.

Ireland ranks 2nd highest in Europe in terms of senior entrepreneurship.

1 in 7 Irish entrepreneurs is a senior – aged between 55 and 64.

Over half of all nascent entrepreneurs and new business owners in Ireland are aged between 25 and 44 years.

WHO STARTS? EDUCATION LEVELS

Rate of entrepreneurship for those with graduate education



Early stage entrepreneurs with post secondary education



TABLE M IN THE COMPARATIVE INTERNATIONAL DATA SECTION CONTAINS FULL DATA FOR EACH COUNTRY

Ireland ranks 5th highest in Europe for the rate of entrepreneurship among those with a graduate education.

Rates of entrepreneurship are generally higher for those with higher levels of education in Ireland.

7 in every 10 nascent entrepreneurs and new business owners in Ireland have some form of post-secondary school education.



GLOBAL ENTREPRENEURSHIP MONITOR : **SURVEY OF ENTREPRENEURSHIP IN IRELAND 2016**

OWNER-MANAGERS OF ESTABLISHED BUSINESSES

OWNER-MANAGERS OF ESTABLISHED BUSINESSES

Owner-managers of established businesses

% of owner-managers of established businesses aged 45-64

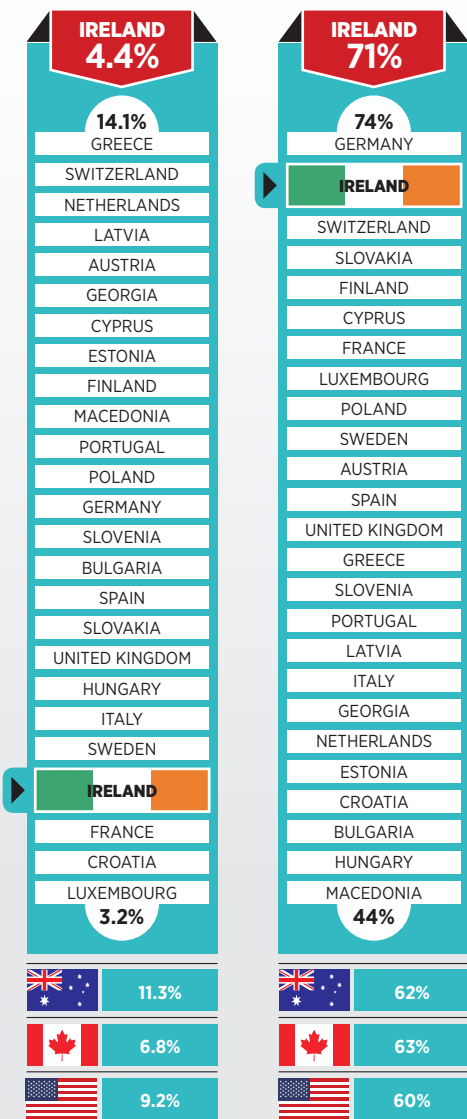


TABLE N IN THE COMPARATIVE INTERNATIONAL DATA SECTION CONTAINS FULL DATA FOR EACH COUNTRY

Owner-managers of established businesses are those that continue to own and manage a business that they started prior to 2013.

The rate of owner-managers of established businesses in Ireland is relatively low, compared to European countries, Australia, Canada and the US.

The rate of owner-managers of established businesses in Ireland in 2016 is low compared to previous years

7 of every 10 owner-managers of established businesses in Ireland are aged between 45 and 64 years. This is high relative to other countries.

Owner-managers in Ireland are well educated. 7 of every 10 have some form of post-secondary school education.

2 in every 3 owner-managers in Ireland are among the top 1/3 of all households based on income.

Approximately 8 in every 10 was born in Ireland, and 1 in every 10 was born in the UK. Just 7% were born outside of Ireland or the UK.

2 in every 3 see opportunities for new businesses.

1 in every 2 believes that "it is easy to start a business in Ireland".

1 in every 2 believes that "entrepreneurship is a good career choice".

Owner-managers support other entrepreneurs - in that 8% have provided funds to an early stage entrepreneur in the past 3 years.

OWNER-MANAGERS OF ESTABLISHED BUSINESSES IMPACT: SECTOR, GROWTH EXPECTATIONS, INTERNATIONAL ORIENTATION

High or medium technology sectors only



Expect 10 or more jobs within the next 5 years and to increase jobs by 50%



26% or more of revenues from customers outside the country

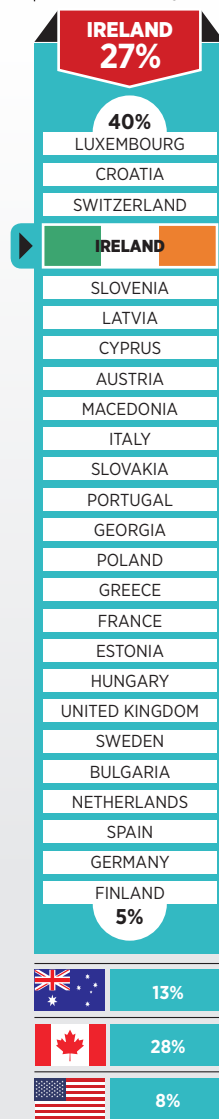


TABLE O IN THE COMPARATIVE INTERNATIONAL DATA SECTION CONTAINS FULL DATA FOR EACH COUNTRY

Medium and high technology sectors are the focus of nearly 1 in every 8 owner-manager. [OECD classifications].

This focus by owner-managers on medium and high technology sectors in Ireland is high relative to other European countries.

Irish owner-managers have high growth expectations relative to other countries. In this they are similar to early stage entrepreneurs.

1 in every 10 owner-managers in Ireland expects to have 10 or more jobs and to increase jobs by 50% within 5 years.

Irish owner-managers are active in international markets.

1 in every 4 owner-managers in Ireland has, or expects to have, more than 25% of revenues from customers outside the country within the next five years. This is a similar rate to early stage entrepreneurs



GLOBAL ENTREPRENEURSHIP MONITOR : **SURVEY OF ENTREPRENEURSHIP IN IRELAND 2016**

DOES GENDER MATTER IN ENTREPRENEURSHIP?

GENDER: ENTREPRENEURIAL ACTIVITY



TABLE P IN THE COMPARATIVE INTERNATIONAL DATA SECTION CONTAINS FULL DATA FOR EACH COUNTRY

Ireland is characterised by a relatively high rate of nascent and new business owners for both men and women.

The rate of entrepreneurship for women in Ireland is 7th highest in Europe.

Men are much more likely to be entrepreneurs - twice as likely in Ireland.

Both men (85%) and women (79%) entrepreneurs in Ireland are, or expect to be, employers.

Men and women in Ireland differ in terms of growth expectations. 36% of men who are entrepreneurs, expect to have 10 or more jobs and to double jobs within 5 years.

An estimated 1,800 men and 1,100 women were involved in a start-up every month in Ireland in 2016 [new business owners].

GENDER: PERCEPTIONS OF OPPORTUNITIES AND SKILLS (GENERAL POPULATION)

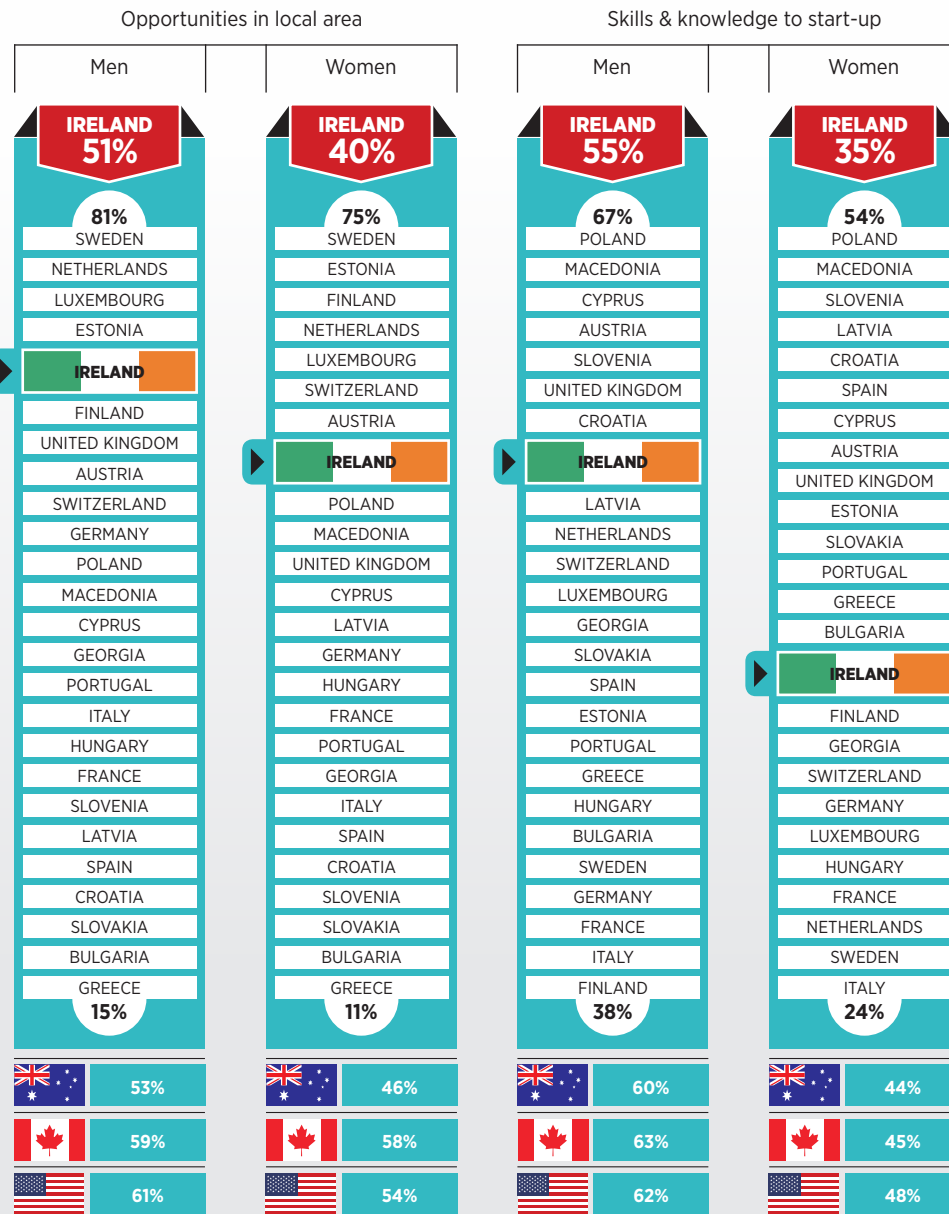


TABLE Q IN THE COMPARATIVE INTERNATIONAL DATA SECTION CONTAINS FULL DATA FOR EACH COUNTRY

More men than women in Ireland perceive opportunities to start a business. This is the case across many European countries.

There are countries such as Finland and Canada where many people perceive opportunities but unlike Ireland, there are no difference between men and women. In Finland, 1 in every 2 men and 1 in every 2 women perceive opportunities to start a business

Many more men than women in Ireland believe they have the skills and knowledge to start a business. This is also the case across many European countries, Australia, Canada and the US.

5 in every 10 men, compared to 4 in every 10 women, in Ireland believe “that it is easy to start a business”.



GLOBAL ENTREPRENEURSHIP MONITOR : **SURVEY OF ENTREPRENEURSHIP IN IRELAND 2016**

ECO-SYSTEM FOR ENTREPRENEURS

THE ECO-SYSTEM: POLICY AND PROGRAMMES

GOVERNMENT POLICY

GOVERNMENT CONCRETE POLICIES, PRIORITY AND SUPPORT FOR ENTREPRENEURS

(HIGH: SCORE 7.5-8.5)

(HIGH: SCORE 6.5-7.5)

(HIGH: SCORE 5.5-6.5)

FRANCE

(MEDIUM: SCORE 4.5-5.5)

ESTONIA	NETHERLANDS
FINLAND	PORTUGAL
IRELAND	SWITZERLAND
LUXEMBOURG	

(LOW: SCORE 3.5-4.5)

AUSTRIA	POLAND
CYPRUS	SLOVENIA
GERMANY	SWEDEN
LATVIA	UK

(LOW: SCORE 2.5-3.5)

BULGARIA	ITALY
CROATIA	MACEDONIA
GREECE	SLOVAKIA
HUNGARY	SPAIN

(LOW: SCORE 1.5-2.5)

COMPARATOR COUNTRIES

AUSTRALIA (4)
CANADA (5)
USA (4)

GOVERNMENT POLICIES (E.G. PUBLIC PROCUREMENT) CONSISTENTLY FAVOR NEW FIRMS

(HIGH: SCORE 7.5-8.5)

(HIGH: SCORE 6.5-7.5)

(HIGH: SCORE 5.5-6.5)

(MEDIUM: SCORE 4.5-5.5)

FRANCE
SWITZERLAND

(LOW: SCORE 3.5-4.5)

ESTONIA
LUXEMBOURG
NETHERLANDS
SLOVENIA

(LOW: SCORE 2.5-3.5)

AUSTRIA	IRELAND	PORTUGAL
CYPRUS	ITALY	SLOVAKIA
FINLAND	LATVIA	UK
GERMANY	POLAND	

(LOW: SCORE 1.5-2.5)

BULGARIA	MACEDONIA
CROATIA	SPAIN
GREECE	SWEDEN
HUNGARY	

COMPARATOR COUNTRIES

AUSTRALIA (3)
CANADA (3)
USA (3)

GOVERNMENT PROGRAMMES

GOVERNMENT PROGRAMMES FOR ENTREPRENEURS

(HIGH: SCORE 7.5-8.5)

(HIGH: SCORE 6.5-7.5)

(HIGH: SCORE 5.5-6.5)

AUSTRIA	LUXEMBOURG
FRANCE	NETHERLANDS
GERMANY	SWITZERLAND

(MEDIUM: SCORE 4.5-5.5)

ESTONIA	PORTUGAL
FINLAND	SPAIN
IRELAND	SWEDEN

(LOW: SCORE 3.5-4.5)

LATVIA	SLOVENIA
MACEDONIA	UK
POLAND	

(LOW: SCORE 2.5-3.5)

BULGARIA	HUNGARY
CROATIA	ITALY
CYPRUS	SLOVAKIA
GREECE	

(LOW: SCORE 1.5-2.5)

COMPARATOR COUNTRIES

AUSTRALIA (4)
CANADA (5)
USA (4)

GOVERNMENT PROGRAMMES AIMED AT SUPPORTING NEW AND GROWING FIRMS ARE EFFECTIVE

(HIGH: SCORE 7.5-8.5)

(HIGH: SCORE 6.5-7.5)

(HIGH: SCORE 5.5-6.5)

AUSTRIA
GERMANY
LUXEMBOURG
SWITZERLAND

(MEDIUM: SCORE 4.5-5.5)

ESTONIA	NETHERLANDS
FRANCE	PORTUGAL
IRELAND	UK

(LOW: SCORE 3.5-4.5)

FINLAND	SLOVENIA
LATVIA	SPAIN
MACEDONIA	SWEDEN
POLAND	

(LOW: SCORE 2.5-3.5)

BULGARIA	HUNGARY
CROATIA	ITALY
CYPRUS	SLOVAKIA
GREECE	

(LOW: SCORE 1.5-2.5)

COMPARATOR COUNTRIES

AUSTRALIA (4)
CANADA (5)
USA (5)

THE ECO-SYSTEM: FINANCIAL SUPPORTS, TECHNOLOGY TRANSFER AND EDUCATION

FINANCIAL SUPPORTS

FINANCIAL ENVIRONMENT FOR ENTREPRENEURS

(HIGH: SCORE 7.5-8.5)

(HIGH: SCORE 6.5-7.5)

(HIGH: SCORE 5.5-6.5)

NETHERLANDS

(MEDIUM: SCORE 4.5-5.5)

AUSTRIA	LATVIA
ESTONIA	POLAND
FINLAND	PORTUGAL
FRANCE	SLOVAKIA
GERMANY	SWEDEN
HUNGARY	SWITZERLAND
IRELAND	UK

(LOW: SCORE 3.5-4.5)

BULGARIA	MACEDONIA
CROATIA	SLOVENIA
GREECE	SPAIN
ITALY	
LUXEMBOURG	

(LOW: SCORE 2.5-3.5)

CYPRUS

COMPARATOR COUNTRIES

AUSTRALIA (4)
CANADA (5)
USA (7)

TECHNOLOGY TRANSFER

THE SCIENCE AND TECHNOLOGY BASE EFFICIENTLY SUPPORTS THE CREATION OF WORLD-CLASS NEW TECHNOLOGY-BASED VENTURES IN AT LEAST ONE AREA (OF TECHNOLOGY)

(HIGH: SCORE 7.5-8.5)

(HIGH: SCORE 6.5-7.5)

(HIGH: SCORE 5.5-6.5)

ESTONIA	NETHERLANDS
FRANCE	SWEDEN
IRELAND	SWITZERLAND
LUXEMBOURG	UK

(MEDIUM: SCORE 4.5-5.5)

AUSTRIA	LATVIA
FINLAND	POLAND
GERMANY	PORTUGAL
HUNGARY	SPAIN
ITALY	

(LOW: SCORE 3.5-4.5)

CYPRUS
GREECE
MACEDONIA
SLOVENIA

(LOW: SCORE 2.5-3.5)

BULGARIA
CROATIA
SLOVAKIA

COMPARATOR COUNTRIES

AUSTRALIA (5)
CANADA (6)
USA (6)

ENTREPRENEURSHIP EDUCATION

ENTREPRENEURIAL LEVEL OF EDUCATION AT VOCATIONAL, PROFESSIONAL, COLLEGE AND UNIVERSITY

(HIGH: SCORE 7.5-8.5)

(HIGH: SCORE 6.5-7.5)

(HIGH: SCORE 5.5-6.5)

ESTONIA
FRANCE
NETHERLANDS
SWITZERLAND

(MEDIUM: SCORE 4.5-5.5)

AUSTRIA	LATVIA
CYPRUS	MACEDONIA
FINLAND	PORTUGAL
ITALY	SLOVAKIA

(LOW: SCORE 3.5-4.5)

BULGARIA	IRELAND
CROATIA	SLOVENIA
GERMANY	SPAIN
GREECE	SWEDEN
HUNGARY	UK

(LOW: SCORE 2.5-3.5)

POLAND

COMPARATOR COUNTRIES

AUSTRALIA (4)
CANADA (5)
USA (5)

THE ECO-SYSTEM: CULTURE, SUPPORTING SERVICES AND INFRASTRUCTURE

Cultural, social norms and society support for entrepreneurs

(HIGH: SCORE 7.5-8.5)

(HIGH: SCORE 6.5-7.5)

(HIGH: SCORE 5.5-6.5)

ESTONIA
NETHERLANDS
SWITZERLAND

(MEDIUM: SCORE 4.5-5.5)

FINLAND SWEDEN
IRELAND UK
LATVIA

(LOW: SCORE 3.5-4.5)

AUSTRIA GREECE PORTUGAL
BULGARIA ITALY SLOVAKIA
CYPRUS LUXEMBOURG SPAIN
FRANCE MACEDONIA
GERMANY POLAND

(LOW: SCORE 2.5-3.5)

CROATIA
HUNGARY
SLOVENIA

COMPARATOR COUNTRIES

AUSTRALIA (4)
CANADA (5)
USA (7)

Professional and commercial infrastructure access for entrepreneurs

(HIGH: SCORE 7.5-8.5)

(HIGH: SCORE 6.5-7.5)

(HIGH: SCORE 5.5-6.5)

AUSTRIA LATVIA
ESTONIA LUXEMBOURG
FINLAND NETHERLANDS
GERMANY SWITZERLAND

(MEDIUM: SCORE 4.5-5.5)

BULGARIA **IRELAND** SLOVENIA
CYPRUS MACEDONIA SPAIN
FRANCE POLAND SWEDEN
GREECE PORTUGAL UK
HUNGARY SLOVAKIA

(LOW: SCORE 3.5-4.5)

CROATIA
ITALY

(LOW: SCORE 2.5-3.5)

COMPARATOR COUNTRIES

AUSTRALIA (5)
CANADA (6)
USA (6)

Physical infrastructures and services access for entrepreneurs

(HIGH: SCORE 7.5-8.5)

AUSTRIA NETHERLANDS
ESTONIA SWITZERLAND
FINLAND

(HIGH: SCORE 6.5-7.5)

BULGARIA POLAND
FRANCE PORTUGAL
HUNGARY SLOVAKIA
LATVIA SLOVENIA
LUXEMBOURG SWEDEN

(HIGH: SCORE 5.5-6.5)

CROATIA MACEDONIA
CYPRUS SPAIN
GERMANY UK
GREECE

(MEDIUM: SCORE 4.5-5.5)

IRELAND
ITALY

(LOW: SCORE 3.5-4.5)

(LOW: SCORE 2.5-3.5)

COMPARATOR COUNTRIES

AUSTRALIA (7)
CANADA (7)
USA (7)



GLOBAL ENTREPRENEURSHIP MONITOR : SURVEY OF ENTREPRENEURSHIP IN IRELAND 2016

POLICY INITIATIVES FROM OTHER COUNTRIES

Each of the Policy Briefs that appear in this section was prepared by the relevant National GEM team. These and other Policy Briefs are published in *Global Entrepreneurship Monitor Policy Briefs 2017*, edited by M. Herrington and available for free download at www.gemconsortium.org. The Policy Briefs included are reproduced with only minor editing.



HELPING IMMIGRANTS GET STARTED

GERMANY

Germany is home to a high number of migrants and refugees. Germany has long welcomed migrant labour and with the recent influx of migrants to Europe over a million refugees had entered the country as of March 2016.

Migrant entrepreneurs are a valuable source of employment in Germany. A 2014 study by the Friedrich Ebert Foundation revealed that migrant entrepreneurs create 2.2 million jobs in Germany and that one in six businesses in Germany is owned by someone with an immigrant background. Importantly, migrants found about half of all start-ups in the country.

The Netzwerk IQ's Integration through Qualification programme is a countrywide initiative with regional nodes. Run since 2005, it is funded by two federal ministries, the Federal Ministry for Labour and Social Affairs, and the Federal Ministry for Education and Research. The initiative receives about €7 million a year.

The programme provides information and support to immigrants, who often battle with language difficulties or with their work qualifications not being recognised in Germany. The idea is that helping them to source work and get started in entrepreneurial activities may help immigrants to integrate into German society. Among other things, the initiative develops modules and curricula for language classes which can be adopted by companies and advice centres, and facilitates access to training opportunities.

In addition, the initiative's platform "We're Setting up Business in Germany" provides prospective entrepreneurs with information in a

number of languages on how to start a business. Complementing this, an expert forum on migrant economy associated with the initiative provides policymakers with insight into the current issues and developments relating to migrant entrepreneurship in Germany.

Between the initial years of 2005 and 2007, IQ network supported more than 12,500 migrants to improve their work situation. Between August 2012 and September 2015 about 55,000 people used the programme to get help on the recognition of foreign qualifications.

STIMULATING YOUTH ENTREPRENEURSHIP



AUSTRIA

With its focus on research, technology and innovation, the Austrian government aims to significantly increase the country's innovation capacity up to 2020, making use of a variety of innovative initiatives. It requires, among other things, interventions to promote entrepreneurship as a career option among youth.

Currently only about 1 in 10 people that are involved in early-stage entrepreneurial activity are aged between 18 and 24 years, a rate which has remained fairly stable since 2007. Over the same period, the rate has increased significantly for those aged 25 to 34.

Under the Austrian Federal Promotional Bank's "aws First" programme, launched in 2014, students between 18 and 26 years who are still at school or have completed their education can apply for training and tailor-made mentoring to help them find their footing as entrepreneurs.

The programme is funded by the National Foundation for Research, Technology and Development. Participants are selected as teams and then assisted in a "start-up lab" setting to develop and refine their ideas into viable business models. The main focus is on personal development, strengthening of entrepreneurial skills, establishing a network and developing a successful business model as well as a well-engineered prototype.

The business lab runs for a period of one year with eight to ten teams being chosen to participate in the programme. The first half of the period is dedicated to developing a well-founded business model. All teams pitch their ideas and business models to a panel of judges, who assess the quality and viability of their ideas. Based on their assessment, the panel then decides how much project budget each team should receive. The teams devote the remainder of the programme to building and optimising their business idea or solution.

Young entrepreneurs admitted to the start-up lab receive a monthly scholarship to help cover their basic costs of living, allowing them to focus on and dedicate their energy towards their projects. Additionally, all teams are provided with a project budget (€20,000) enabling them to build a prototype and – in a second step – to refine and optimise it, after having tested it on the market.

An experienced mentor, who is also an entrepreneur, accompanies the team throughout the year and also introduces the potential entrepreneurs to their personal networks of founders and business professionals. Guided training sessions are designed to develop each team's business idea further, while additional workshops, covering all important entrepreneurial topics, are also provided.

To support participants further in connecting with other like-minded founders, while working on their project, office space in a local co-working space is made available to them. Different networking events also allow teams to gain first-hand insight into the start-up scene and to connect with other founders.

Based on the programme's first call in 2014/15, the initiative is showing some success. Half of the teams that took part (five of the 10) in the one year programme expressed a strong interest in founding their own company. Those teams continue to work on their business idea, which was developed and refined during the start-up lab. One team has already founded a company and is currently marketing its first product, which is ready for production. The team is currently searching for a partner to help efficiently scale up its output.

By supporting young people with their innovative projects and ideas, as well as by actively promoting the benefits of the programme to youth, "aws First" has had a widespread positive effect on entrepreneurship awareness in the country, reaching out well beyond the initial target group.



BOOSTING YOUTH ENTREPRENEURSHIP

PORTUGAL

Recently, the government of Portugal has launched various programmes in a bid to increase the number of young people that enter self-employment or start their own business. The initiatives include mentoring and technical support, funding and innovation support. They include:

- **THE PROGRAMME OF SUPPORT FOR ENTREPRENEURSHIP AND CREATION OF EMPLOYMENT (PAECPE)**

Launched by the IEFP (Employment and Vocational Training Institute) in 2009, the programme allows young entrepreneurs to access credit lines granted by banking institutions, providing the full unemployment subsidy in one instalment and technical support in the creation and consolidation of entrepreneurial projects. Those up to the age of 35 years are eligible to benefit (as are those of any age who are unemployed and those who are self-employed and whose income has been below the national minimum wage) and can receive up to 200,000 euros per company through two credit lines: Microinvest and Invest+.

- **PASSPORT FOR ENTREPRENEURSHIP (PASSAPORTE PARA O EMPREENDEDORISMO)**

The initiative was launched in 2012 by IAPMEI (the Portuguese Agency for Competitiveness and Innovation). It is aimed at helping young entrepreneurs (up to the age of 34) to develop innovative entrepreneurial projects that are still at the concept phase, by providing technical and financial help. By the end of 2015, Passport for Entrepreneurship had received more than 3,500 applications, corresponding to more than 2,000 business

ideas. The programme provides a monthly scholarship of nearly 700 euros for a period of between four to 12 months, and includes access to mentoring through the country's National Network of Mentors (Rede Nacional de Mentores) as well as access to other technical assistance.

- **THE YOUTH INVEST PROGRAMME (PROGRAMA INVESTE JOVEM)**

The Youth Invest Programme, launched by IEFP in 2015, aims to help young entrepreneurs and innovators to create their own companies. The initiative provides financial and technical support to help in the development of new skills. It is available for young unemployed people from 18 to 30 years, with financial support covering up to a maximum of 75% of the total eligible investment in the new company.

- **IGNITION PROGRAMME**

Launched in 2012 by the Portuguese government's venture capital firm Portugal Ventures, the programme aims to invest 20 million euros a year in high-tech start-ups. The programme partners with a network of 48 organisations that include incubators and other business development providers. Projects selected can benefit from a capital investment of up to 750,000 euros, covering up to maximum of 85% of the total funding needs of each project. Up to June 2016, 15 calls for funding had been held. In all, 2,960 entrepreneurs took part in the first 14 calls, submitting 964 projects. As of the end of 2014 the initiative had invested 25 million euros in 43 start-ups (which had grown to 60 start-ups by May 2016).

• START-UP PORTUGAL

The initiative, launched in March 2016, aims to support and create a new entrepreneurial ecosystem in Portugal that attracts new national and foreign investors to co-fund start-ups, as well as promoting them in international markets. The programme will offer a start-up voucher which will provide university students who are completing their courses or that have recently graduated with a monthly subsidy to start their own businesses. The Momentum Programme will offer young graduates that have benefited from a social action grant incubation space and a monthly allowance.

Between 2010 and 2012 the PAECPE programme gave out 7,940 grants totalling over 8.8 million euros and 4,423 loans totalling 10.5 million euros. Existing evaluations indicate that the programme has had some success in supporting the unemployed to create their own businesses.

A European Commission evaluation noted that the design of PAECPE, in principle, allows significant success, particularly in relation to the mix of support measures: guaranteed loans plus conversion of unemployment subsidy plus training and counselling plus complementary subsidies.

In another evaluation, 57% of the programme's beneficiaries reported that if it wasn't for the programme they would not have been able to start their own business, while the same evaluation also found that the survival rate of those assisted was about 90%.

Between 2009 and 2013 the programme benefited 1,705 businesses that created 3,973 jobs. Each job created by the

subsidies or loans is expected to have a direct cost between 2009 and 2020 of between three to five months of the unemployment subsidy that the government would have spent over the same period.

However, the evaluation noted that the programme utilised just 57% of its budget between 2009 and the end of 2013, suggesting that it was difficult to find enough entrepreneurs to fund. It said that restricting the programme to only unemployed persons effectively limited the potential beneficiaries. In addition, the low interest rates offered by the programme might also have dissuaded banks from playing a bigger role in the programme.

Despite some success, Portugal continues to experience one of the highest levels of youth unemployment in Europe – although this has fallen from a high of 40.7% in February 2013, to 29.9% in April 2016. In addition, between 2012 and 2013 the percentage of adults involved in early-stage entrepreneurial ventures experienced a bigger increase among those aged 35 to 44, than it did for those aged 18 to 24 or 25 to 34, according to GEM data.



GLOBAL ENTREPRENEURSHIP MONITOR : **SURVEY OF ENTREPRENEURSHIP IN IRELAND 2016**

COMPARATIVE INTERNATIONAL DATA



TABLE A - ENTREPRENEURSHIP ACTIVITY

	Aspiring entrepreneurs	Nascent entrepreneurs	New business owners	Early stage entrepreneurs (TEA)
	% of adults	% of adults	% of adults	% of adults
Austria	13.0	6.0	3.7	9.6
Bulgaria	8.7	2.6	2.2	4.8
Croatia	22.3	6.0	2.4	8.4
Cyprus	20.1	7.6	4.5	12.0
Estonia	21.7	11.6	4.8	16.2
Finland	12.0	4.3	2.7	6.7
France	17.2	3.1	2.3	5.3
Georgia	15.3	4.6	4.3	8.6
Germany	8.1	2.9	1.7	4.6
Greece	9.3	3.2	2.6	5.7
Hungary	18.1	4.8	3.2	7.9
Ireland	16.9	7.0	4.4	10.9
Italy	11.6	2.2	2.2	4.4
Latvia	22.3	9.7	4.9	14.2
Luxembourg	18.3	6.4	2.9	9.2
Macedonia	26.6	3.4	3.1	6.5
Netherlands	10.9	5.7	5.4	11.0
Poland	23.5	4.6	6.1	10.7
Portugal	15.9	4.7	3.7	8.2
Slovakia	12.8	6.4	3.2	9.5
Slovenia	14.3	5.1	3.1	8.0
Spain	6.1	2.3	2.9	5.2
Sweden	10.4	5.8	1.8	7.6
Switzerland	10.9	5.1	3.2	8.2
United Kingdom	11.3	5.2	3.7	8.8
Australia	15.4	8.8	6.2	14.6
Canada	21.2	10.0	6.9	16.7
USA	16.4	8.9	4.0	12.6
European average	15.1	5.2	3.4	8.5

TABLE B - RATES OF INTRAPRENEURSHIP

	Intrapreneur in past 3 years % of adults	Intrapreneur in past 3 years % of adults in employment	Intrapreneur now % of adults	Intrapreneur now % of adults in employment
Austria	7.3	10.9	6.1	9.0
Bulgaria	0.9	1.3	0.7	1.0
Croatia	5.3	10.4	4.2	8.3
Cyprus	5.6	7.8	5.1	7.1
Estonia	6.3	8.6	4.6	6.3
Finland	5.6	8.0	4.5	6.5
France	3.6	6.3	2.9	5.1
Georgia	0.5	1.6	0.3	1.1
Germany	5.1	7.5	3.6	5.3
Greece	1.4	3.4	1.3	3.1
Hungary	3.0	4.4	2.1	3.1
Ireland	6.2	9.2	5.1	7.5
Italy	2.1	4.4	1.8	3.9
Latvia	4.5	6.5	3.6	5.1
Luxembourg	7.2	10.2	5.0	7.0
Macedonia	1.4	3.1	1.1	2.3
Netherlands	7.6	10.4	5.1	7.0
Poland	5.2	8.7	3.9	6.6
Portugal	2.4	4.1	2.0	3.5
Slovakia	2.2	3.7	1.9	3.2
Slovenia	4.7	8.0	4.3	7.3
Spain	2.7	5.5	2.4	4.9
Sweden	6.1	7.7	4.6	5.8
Switzerland	6.1	9.1	5.0	7.3
United Kingdom	7.0	9.8	5.4	7.5
Australia	9.0	13.4	7.6	11.2
Canada	5.9	8.5	4.9	7.0
USA	7.0	10.4	5.4	8.0
European average	4.4	6.8	3.5	5.4

TABLE C - BUSINESS EXITS: RATES AND REASONS FOR DISCOUNTED BUSINESSES

	Entrepreneurs exited in last 12 months and business CONTINUED % of adults	Entrepreneurs exited in last 12 months and business DISCONTINUED % of adults	Opportunity to sell the business %	Business was not profitable %	Problems getting finance %	Found another job or business opportunity %	Exit was planned in advance %	Retirement %	Family or personal reasons %	Consequence of single incident %	Government/ tax policy/ bureaucracy %
Austria	1.3	2.0	15	23	10	11	11	7	16	4	3
Bulgaria	0.5	1.4	3	42	12	12	9	3	12	3	3
Croatia	0.9	3.4	2	25	12	6	3	8	26	1	16
Cyprus	1.1	2.9	1	48	17	9	3	0	16	0	7
Estonia	1.5	2.7	9	37	6	16	6	2	12	4	8
Finland	0.7	1.2	5	20	3	15	15	25	10	3	5
France	0.5	1.5	3	27	18	10	0	18	12	3	9
Georgia	0.8	3.1	0	44	22	4	4	0	17	2	6
Germany	0.5	1.1	0	11	3	9	8	4	44	4	14
Greece	0.3	3.8	0	74	14	1	0	8	4	0	0
Hungary	0.6	1.4	0	24	22	20	5	6	15	0	7
Ireland	1.3	1.8	12	30	11	16	4	3	19	2	4
Italy	0.4	0.8	0	29	18	0	0	7	10	9	26
Latvia	0.8	2.5	4	39	7	5	9	3	13	0	21
Luxembourg	1.0	2.2	7	29	16	18	7	2	8	1	12
Macedonia	0.5	1.6	10	28	19	8	0	2	0	3	31
Netherlands	0.6	2.1	0	39	2	20	10	7	21	0	1
Poland	0.7	3.1	2	22	10	24	9	2	21	3	7
Portugal	0.7	1.2	6	50	15	2	2	0	23	4	0
Slovakia	1.3	3.0	3	41	10	13	0	5	15	4	10
Slovenia	0.7	1.3	3	40	10	13	3	12	13	3	4
Spain	0.4	1.2	5	47	8	9	1	6	18	0	7
Sweden	0.7	2.1	14	23	3	14	18	2	17	5	4
Switzerland	0.5	1.3	9	26	7	13	0	11	30	2	2
United Kingdom	0.7	1.6	1	22	9	29	9	6	20	2	3
Australia	1.1	2.4	9	18	4	20	7	5	23	2	12
Canada	2.8	3.4	23	20	10	11	2	12	12	3	6
USA	1.3	2.0	6	20	7	16	5	3	25	3	15
European average	0.8	2.0	5	34	11	12	5	6	16	2	8



TABLE D - INFORMAL INVESTORS: RATES AND AMOUNTS

	Informal investors % of adults	Total invested in past 3 years Euros
Austria	8.7	19,000
Bulgaria	3.2	6,000
Croatia	4.4	17,000
Cyprus	3.8	25,000
Estonia	7.0	6,000
Finland	3.5	7,000
France	3.9	25,000
Georgia	4.3	1,000
Germany	3.9	39,000
Greece	3.5	67,000
Hungary	4.7	9,000
Ireland	3.7	30,000
Italy	3.1	29,000
Latvia	6.7	8,000
Luxembourg	7.9	53,000
Macedonia	7.8	9,000
Netherlands	4.2	23,000
Poland	4.2	9,000
Portugal	2.1	27,000
Slovakia	6.3	14,000
Slovenia	4.3	12,000
Spain	3.3	20,000
Sweden	6.9	15,000
Switzerland	6.8	35,000
United Kingdom	3.2	32,000
Australia	4.8	50,000
Canada	8.9	24,000
USA	6.1	15,000
European average	4.8	21,000



TABLE E - CULTURE SUPPORTING ENTREPRENEURSHIP IN THE GENERAL POPULATION

	Successful entrepreneurs are held in high regard % of adults	There are many stories of successful entrepreneurs in the media % of adults	Entrepreneurship is a good career choice % of adults
Austria	n/a	n/a	n/a
Bulgaria	67	41	53
Croatia	46	47	62
Cyprus	66	42	73
Estonia	64	53	53
Finland	83	71	40
France	69	45	57
Georgia	80	58	71
Germany	79	50	52
Greece	66	39	64
Hungary	71	41	53
Ireland	83	72	56
Italy	70	52	63
Latvia	58	56	55
Luxembourg	70	46	42
Macedonia	59	61	65
Netherlands	60	57	78
Poland	56	58	62
Portugal	63	69	69
Slovakia	60	61	51
Slovenia	69	66	57
Spain	51	50	54
Sweden	70	62	54
Switzerland	66	58	39
United Kingdom	77	61	59
Australia	71	74	54
Canada	74	73	65
USA	74	72	64
European average	67	55	58



TABLE F - PERCEPTIONS OF OPPORTUNITIES & CAPABILITIES IN THE GENERAL POPULATION

	Opportunities in local area	Skills & knowledge to start-up	Role models: know a recent entrepreneur	Fear of failure prevent start-up
	% of adults	% of adults	% of adults	% of adults
Austria	42	50	40	46
Bulgaria	21	40	40	44
Croatia	25	50	31	46
Cyprus	36	52	32	59
Estonia	52	44	38	47
Finland	49	36	44	40
France	29	36	33	40
Georgia	30	42	25	36
Germany	38	37	22	44
Greece	13	42	23	70
Hungary	30	38	27	50
Ireland	45	45	31	38
Italy	29	31	28	53
Latvia	32	50	36	43
Luxembourg	50	41	37	51
Macedonia	38	54	36	42
Netherlands	54	41	35	35
Poland	39	60	47	58
Portugal	30	42	25	46
Slovakia	23	44	33	49
Slovenia	25	52	42	36
Spain	26	47	36	45
Sweden	78	36	37	45
Switzerland	41	43	31	36
United Kingdom	42	48	33	36
Australia	49	52	35	42
Canada	59	54	36	44
USA	57	55	31	35
European average	37	44	34	46



TABLE G - IMPACT: SECTORS (EARLY STAGE ENTREPRENEURS)

	Extractive sectors	Transformative sectors	Business service sectors	Consumer service sectors	High or medium technology sectors only
	%	%	%	%	%
Austria	4	15	38	43	12.5
Bulgaria	6	26	14	54	2.1
Croatia	16	29	21	34	8.2
Cyprus	4	22	22	52	4.9
Estonia	8	28	29	35	9.5
Finland	8	23	27	41	8.2
France	6	32	31	31	7.8
Georgia	33	29	8	29	3.5
Germany	1	19	25	55	8.9
Greece	8	17	18	58	7.0
Hungary	9	32	27	33	8.5
Ireland	3	18	25	54	8.6
Italy	14	24	27	36	9.1
Latvia	15	36	13	35	3.4
Luxembourg	1	18	33	48	9.6
Macedonia	15	34	10	41	5.4
Netherlands	3	20	28	49	7.6
Poland	2	29	33	36	9.8
Portugal	11	20	19	50	5.8
Slovakia	3	25	25	47	9.0
Slovenia	3	29	28	40	11.2
Spain	4	16	25	55	7.5
Sweden	7	14	38	42	10.9
Switzerland	6	14	36	44	13.9
United Kingdom	1	20	35	44	13.0
Australia	7	25	27	41	11.1
Canada	2	19	31	48	10.6
USA	4	20	34	42	9.6
European average	8	24	25	43	8.2



TABLE H - IMPACT: JOBS & JOBS GROWTH ASPIRATIONS (EARLY STAGE ENTREPRENEURS)

	Any jobs now or any jobs expected in 5 years %	Expects 10 or more jobs within 5 years and jobs growth of at least 50% %	Expects 20 or more jobs within 5 years %
Austria	62	10	7
Bulgaria	61	11	5
Croatia	79	26	10
Cyprus	81	16	10
Estonia	74	21	8
Finland	63	13	6
France	74	18	8
Georgia	64	18	10
Germany	72	16	10
Greece	74	6	2
Hungary	81	28	20
Ireland	83	31	19
Italy	65	17	6
Latvia	72	27	10
Luxembourg	58	15	6
Macedonia	87	15	6
Netherlands	59	12	3
Poland	76	25	12
Portugal	76	15	11
Slovakia	67	19	13
Slovenia	76	18	7
Spain	57	7	4
Sweden	56	9	4
Switzerland	71	23	15
United Kingdom	71	23	12
Australia	74	19	10
Canada	64	12	11
USA	81	30	21
European average	71	18	9



TABLE I - IMPACT: INTERNATIONAL ORIENTATION (EARLY STAGE ENTREPRENEURS)

	No revenues from customers outside country	1-25% of revenue from customers outside country	25-75% of revenue from customers outside country	76-100% of revenue from customers outside country
	%	%	%	%
Austria	25	42	18	15
Bulgaria	55	38	2	4
Croatia	16	45	24	14
Cyprus	44	29	17	10
Estonia	39	44	10	7
Finland	60	27	6	8
France	38	42	17	4
Georgia	48	35	10	8
Germany	32	47	15	7
Greece	31	38	11	20
Hungary	33	44	15	8
Ireland	22	52	16	9
Italy	46	25	21	8
Latvia	49	23	19	8
Luxembourg	27	43	17	13
Macedonia	74	11	9	6
Netherlands	57	31	5	6
Poland	44	43	6	8
Portugal	26	44	17	14
Slovakia	43	41	9	7
Slovenia	42	29	14	15
Spain	72	17	6	4
Sweden	40	41	12	8
Switzerland	16	51	24	9
United Kingdom	33	48	14	5
Australia	35	50	6	8
Canada	22	42	20	15
USA	15	75	8	2
European average	40	37	13	9

TABLE J - IMPACT: INNOVATIVENESS (PERCEPTIONS OF EARLY STAGE ENTREPRENEURS)

	Product/service is new to none of our customers %	Product/service is new to some of our customers %	Product/service is new to all of our customers %	Many businesses offer the same product/service %	Few businesses offer the same product/service %	No businesses offer the same product/service %	Businesses uses no new technology %	Businesses uses new technology (available 1-5 years) %	Businesses uses the very latest technology (available less than 1 year) %
Austria	45	44	11	51	43	6	73	16	10
Bulgaria	70	26	4	68	29	3	43	38	18
Croatia	72	17	11	44	48	8	39	33	27
Cyprus	43	32	24	54	32	14	55	23	23
Estonia	53	36	11	47	41	13	71	19	10
Finland	48	34	18	64	28	8	79	14	7
France	49	33	18	47	46	7	65	17	18
Georgia	73	18	9	60	35	5	83	13	4
Germany	62	27	12	53	39	9	77	13	10
Greece	62	23	16	56	34	11	56	24	19
Hungary	68	24	8	56	33	11	78	12	10
Ireland	46	38	16	33	47	19	56	31	13
Italy	32	38	31	65	24	11	51	26	23
Latvia	57	29	14	51	40	9	86	10	4
Luxembourg	32	54	14	46	43	11	64	20	16
Macedonia	75	12	12	57	28	15	36	20	44
Netherlands	58	30	12	50	40	10	76	16	8
Poland	42	42	16	65	30	5	72	23	5
Portugal	68	27	6	54	40	6	66	21	13
Slovakia	56	34	10	60	32	8	49	24	27
Slovenia	56	26	18	47	46	7	55	16	29
Spain	64	24	13	57	32	11	68	20	12
Sweden	55	39	6	43	47	10	76	18	6
Switzerland	56	30	14	43	46	10	76	13	10
United Kingdom	49	34	17	47	41	12	71	19	10
Australia	57	25	18	34	49	17	71	20	9
Canada	44	42	15	40	53	8	59	24	17
USA	52	32	15	38	46	15	72	19	10
European average	56	31	14	53	38	10	65	20	15

TABLE K - WHY START A NEW BUSINESS?

	MOTIVES			PRIMARY MOTIVATION				
	Motivated by opportunity	Motivated by necessity	Motives not given	To increase income	To be independent	Multiple mixed motives	No better alternative (necessity) or to maintain income	
	%	%	%	%	%	%	%	
Austria	79	16	5	22	27	32	19	
Bulgaria	68	31	1	17	19	30	34	
Croatia	66	30	3	20	21	13	46	
Cyprus	74	24	2	26	23	16	35	
Estonia	80	18	3	24	37	19	20	
Finland	86	7	7	34	39	12	15	
France	85	11	3	31	42	10	18	
Georgia	49	51	0	31	4	12	53	
Germany	76	22	3	25	35	8	32	
Greece	65	34	1	24	12	23	41	
Hungary	77	20	3	29	25	17	29	
Ireland	83	16	2	30	21	26	23	
Italy	86	11	3	29	13	46	12	
Latvia	83	14	3	31	26	28	15	
Luxembourg	84	11	4	26	31	30	13	
Macedonia	55	39	6	15	12	31	42	
Netherlands	78	21	1	32	36	6	25	
Poland	71	27	2	20	33	17	30	
Portugal	78	21	1	40	16	15	29	
Slovakia	55	40	5	18	26	11	45	
Slovenia	76	22	3	26	34	13	27	
Spain	70	26	4	29	21	18	31	
Sweden	89	5	6	37	20	33	9	
Switzerland	83	14	3	26	48	9	17	
United Kingdom	83	13	3	32	21	26	21	
Australia	80	17	3	35	32	10	23	
Canada	80	14	6	23	28	31	18	
USA	88	11	1	41	34	10	15	
European average	75	22	3	27	26	20	27	

TABLE L - WHEN START? (AGE OF EARLY STAGE ENTREPRENEURS)

	Age 18-24 (YOUTH)	Age 25-34	Age 35-44	Age 45-54	Age 55-64 (SENIOR)	Age 18-24 (YOUTH)	Age 25-34	Age 35-44	Age 45-54	Age 55-64 (SENIOR)
	RATES BY AGE GROUP					% OF ALL ENTREPRENEURS				
	%	%	%	%	%	%	%	%	%	%
Austria	10.6	12.6	11.3	8.8	5.0	15	28	24	23	10
Bulgaria	4.4	8.6	5.0	3.6	2.5	12	38	23	16	11
Croatia	8.6	12.9	11.5	6.6	2.9	13	33	28	18	7
Cyprus	9.9	17.7	12.6	10.0	6.6	13	38	23	17	9
Estonia	24.6	27.0	16.5	10.7	4.2	19	39	23	14	5
Finland	5.2	8.7	11.0	4.9	3.6	11	28	33	16	12
France	3.9	9.7	5.5	4.8	2.4	10	37	23	20	10
Georgia	6.3	10.6	7.0	12.1	5.9	11	28	17	30	13
Germany	4.2	5.0	5.7	4.8	3.2	10	21	24	28	16
Greece	1.3	5.7	6.5	10.4	3.3	4	24	25	37	10
Hungary	8.1	11.1	9.2	8.7	2.9	13	28	29	22	8
Ireland	9.4	11.9	11.3	10.8	9.7	11	29	25	20	14
Italy	3.8	4.5	5.2	5.5	2.5	10	19	28	32	11
Latvia	24.8	18.4	16.3	9.7	5.7	21	31	25	15	8
Luxembourg	5.3	13.3	10.5	9.1	5.2	7	33	27	23	10
Macedonia	6.9	7.5	10.4	4.9	2.2	16	27	35	16	6
Netherlands	18.8	13.3	10.9	7.8	7.4	24	24	21	17	14
Poland	11.7	18.7	8.9	6.0	7.4	14	41	18	11	16
Portugal	4.4	13.4	9.6	7.4	4.0	7	35	28	20	10
Slovakia	0.4	5.4	14.3	13.2	10.7	1	13	36	28	23
Slovenia	12.8	13.2	8.6	6.2	2.0	17	35	24	18	5
Spain	2.6	7.8	6.1	4.7	3.2	5	31	31	22	11
Sweden	4.4	9.4	8.6	7.8	6.5	9	28	24	23	17
Switzerland	3.4	8.2	10.3	9.5	7.4	5	21	28	29	17
United Kingdom	8.2	9.8	9.9	8.1	7.7	14	25	24	21	16
Australia	9.4	15.1	18.7	16.1	11.5	10	25	28	23	15
Canada	14.6	22.3	19.4	16.2	10.7	12	26	24	24	13
USA	10.7	15.6	16.8	11.7	7.3	13	26	28	22	11
European average	8.1	11.4	9.7	7.8	5.0	12	29	26	21	12



TABLE M - WHO STARTS? EDUCATION LEVELS

	Some secondary education	Secondary school completed	Post- secondary	Graduate education	Early stage entrepreneurs with post secondary education
	%	%	%	%	%
Austria	9.8	8.6	11.4	14.5	19
Bulgaria	3.7	5.5	5.3	n/a	18
Croatia	1.5	8.8	12.6	9.7	27
Cyprus	8.2	10.1	12.9	14.1	67
Estonia	13.2	14.0	24.2	13.4	48
Finland	3.0	5.9	9.0	8.7	46
France	3.2	4.3	5.1	7.6	81
Georgia	7.1	7.7	9.2	9.8	59
Germany	1.9	4.7	7.1	n/a	47
Greece	3.9	4.0	7.0	18.9	60
Hungary	5.1	6.9	10.1	14.3	55
Ireland	6.6	10.1	10.7	15.0	70
Italy	3.7	3.9	n/a	7.5	27
Latvia	14.1	13.0	18.8	11.9	41
Luxembourg	8.0	7.7	8.9	14.3	58
Macedonia	2.0	6.6	8.6	7.4	37
Netherlands	9.5	12.8	11.7	16.9	33
Poland	5.6	9.2	12.0	14.5	59
Portugal	5.6	7.7	10.8	15.1	44
Slovakia	4.8	9.0	11.6	18.9	39
Slovenia	4.5	7.8	9.6	8.6	51
Spain	2.5	5.5	6.2	9.2	47
Sweden	6.6	6.4	8.8	11.1	57
Switzerland	3.5	6.3	11.5	11.5	56
United Kingdom	6.5	9.5	9.5	10.4	55
Australia	10.3	10.3	17.6	11.8	76
Canada	6.7	13.6	17.3	22.3	82
USA	10.1	10.6	13.1	14.0	79
European average	5.8	7.8	10.5	12.3	48

TABLE N - OWNER-MANAGERS OF ESTABLISHED BUSINESSES

	Owner-managers % of adults	Age 18-24 %	Age 25-34 %	Age 35-44 %	Age 45-54 %	Age 55-64 %
Austria	8.8	7	10	22	38	23
Bulgaria	6.2	2	19	34	20	24
Croatia	4.2	8	26	18	24	25
Cyprus	8.2	1	13	22	28	35
Estonia	7.8	1	17	29	29	24
Finland	7.3	3	9	24	32	32
France	4.3	n/a	12	24	36	27
Georgia	8.6	5	15	27	31	22
Germany	7.0	2	8	17	45	28
Greece	14.1	6	13	24	37	21
Hungary	5.5	3	11	42	20	25
Ireland	4.4	1	7	20	41	30
Italy	5.2	2	12	33	31	22
Latvia	9.5	6	16	24	33	21
Luxembourg	3.2	6	15	18	45	17
Macedonia	7.2	10	19	27	25	19
Netherlands	10.2	6	14	28	29	23
Poland	7.1	n/a	11	27	35	27
Portugal	7.1	4	15	26	33	23
Slovakia	6.1	n/a	7	26	32	34
Slovenia	6.7	3	8	33	34	22
Spain	6.2	1	9	29	34	27
Sweden	4.5	1	9	28	30	31
Switzerland	11.1	1	8	24	39	28
United Kingdom	6.1	1	11	28	30	30
Australia	11.3	2	11	26	34	27
Canada	6.8	10	10	16	29	35
USA	9.2	4	11	25	31	29
European average	7.1	4	13	26	33	26

TABLE O - IMPACT: SECTOR, GROWTH EXPECTATIONS, INTERNATIONAL ORIENTATIONS (OWNER-MANAGERS OF ESTABLISHED BUSINESSES)

	SECTOR				TECHNOLOGY SECTORS	JOB GROWTH	INTERNATIONAL ORIENTATION			
	Extractive sectors	Transformative sectors	Business service sectors	Consumer service sectors	High or medium technology sectors only	Expect 10 or more jobs within 5 years and jobs growth of at least 50%	No revenues from customers outside country	1-25% of revenue from customers outside country	25-75% of revenue from customers outside country	75-100% of revenue from customers outside country
	%	%	%	%	%	%	%	%	%	%
Austria	9	16	43	32	19	3	31	50	11	8
Bulgaria	8	29	10	53	4	2	55	34	7	4
Croatia	25	31	16	28	5	6	14	49	22	14
Cyprus	4	35	16	45	2	2	45	35	7	12
Estonia	20	22	31	27	11	4	48	37	5	10
Finland	22	31	17	30	8	4	67	28	4	1
France	13	27	29	31	10	3	37	47	13	3
Georgia	54	24	5	18	1	3	57	26	5	12
Germany	4	33	25	37	5	2	56	38	3	3
Greece	7	24	14	54	6	1	42	42	8	8
Hungary	11	14	38	38	10	9	45	41	10	4
Ireland	9	19	39	33	12	10	26	47	17	11
Italy	11	28	27	33	10	1	46	36	14	4
Latvia	21	29	15	35	5	5	42	38	8	12
Luxembourg	11	11	40	38	14	4	15	45	27	13
Macedonia	9	34	14	43	6	4	58	23	13	6
Netherlands	14	37	20	29	7	4	56	34	4	5
Poland	10	35	21	35	9	5	46	38	10	6
Portugal	7	24	29	40	11	2	26	56	12	5
Slovakia	3	26	33	38	8	7	40	42	12	6
Slovenia	9	39	31	21	20	6	35	41	11	13
Spain	8	24	25	43	7	1	74	19	5	2
Sweden	12	18	41	29	11	2	56	32	5	6
Switzerland	6	26	26	42	9	2	12	59	23	5
United Kingdom	5	30	32	33	8	4	39	48	11	2
Australia	15	22	41	22	20	6	37	49	8	5
Canada	4	19	42	35	11	3	18	54	14	14
USA	6	28	35	31	8	7	22	69	4	4
European average	12	27	25	35	9	4	43	40	11	7



TABLE P - GENDER: ENTREPRENEURIAL ACTIVITY

	EARLY STAGE ENTREPRENEURS			OWNER-MANAGERS OF ESTABLISHED BUSINESSES		
	Rate for men %	Rate for women %	Rate as a ratio Men:Women	Rate for men %	Rate for women %	Rate as a ratio Men:Women
Austria	11.2	8.1	1.4 : 1	11.7	5.9	2.0 : 1
Bulgaria	5.4	4.3	1.2 : 1	7.8	4.6	1.7 : 1
Croatia	11.2	5.6	2.0 : 1	5.9	2.6	2.3 : 1
Cyprus	17.0	7.3	2.3 : 1	11.3	5.4	2.1 : 1
Estonia	20.8	11.7	1.8 : 1	9.9	5.7	1.7 : 1
Finland	7.8	5.6	1.4 : 1	9.4	5.1	1.9 : 1
France	7.3	3.4	2.1 : 1	5.7	2.9	2.0 : 1
Georgia	10.9	6.5	1.7 : 1	10.9	6.6	1.7 : 1
Germany	6.0	3.1	1.9 : 1	9.6	4.4	2.2 : 1
Greece	6.6	4.8	1.4 : 1	17.5	10.8	1.6 : 1
Hungary	10.9	5.0	2.2 : 1	7.0	4.1	1.7 : 1
Ireland	14.5	7.3	2.0 : 1	5.8	3.0	1.9 : 1
Italy	5.6	3.3	1.7 : 1	7.9	2.6	3.0 : 1
Latvia	18.9	9.6	2.0 : 1	12.3	6.9	1.8 : 1
Luxembourg	11.7	6.5	1.8 : 1	4.1	2.3	1.8 : 1
Macedonia	9.3	3.7	2.6 : 1	9.0	5.4	1.7 : 1
Netherlands	13.3	8.6	1.5 : 1	15.4	5.0	3.1 : 1
Poland	13.3	8.1	1.6 : 1	9.3	4.9	1.9 : 1
Portugal	10.4	6.1	1.7 : 1	10.2	4.2	2.5 : 1
Slovakia	11.3	7.6	1.5 : 1	8.2	4.0	2.0 : 1
Slovenia	10.8	5.1	2.1 : 1	9.7	3.6	2.7 : 1
Spain	5.8	4.7	1.2 : 1	7.3	5.1	1.5 : 1
Sweden	8.8	6.3	1.4 : 1	5.8	3.0	1.9 : 1
Switzerland	11.0	5.3	2.1 : 1	12.7	9.4	1.4 : 1
United Kingdom	12.0	5.6	2.1 : 1	8.0	4.1	2.0 : 1
Australia	17.7	11.5	1.5 : 1	14.5	8.1	1.8 : 1
Canada	20.3	13.3	1.5 : 1	7.1	6.4	1.1 : 1
USA	14.8	10.5	1.4 : 1	10.9	7.6	1.4 : 1
European average	10.9	6.1	1.8 : 1	9.3	4.9	1.9 : 1

TABLE Q - GENDER: PERCEPTIONS OF OPPORTUNITIES AND SKILLS (GENERAL POPULATION)

	Opportunities in local area % male adults	Opportunities in local area % female adults	Skills & Knowledge to start-up % male adults	Skills & Knowledge to start-up % female adults	Role models: know a recent entrepreneur % male adults	Role models: know a recent entrepreneur % female adults	Fear of failure prevent start-up % male adults	Fear of failure prevent start-up % female adults
Austria	45	40	59	40	43	37	41	51
Bulgaria	23	19	45	35	42	38	41	47
Croatia	27	22	56	44	33	28	41	51
Cyprus	37	35	63	42	36	29	53	64
Estonia	51	53	49	38	40	37	40	54
Finland	48	51	38	33	47	41	35	47
France	31	27	43	29	37	29	38	43
Georgia	34	25	51	33	31	20	28	43
Germany	42	33	44	31	25	20	39	49
Greece	15	11	48	35	26	19	69	72
Hungary	31	29	47	30	29	25	45	54
Ireland	51	40	55	35	34	28	35	41
Italy	32	25	39	24	33	23	51	56
Latvia	29	35	55	45	36	35	35	50
Luxembourg	54	45	51	30	42	32	48	55
Macedonia	39	38	63	45	43	29	39	44
Netherlands	63	45	55	27	39	30	33	38
Poland	40	39	67	54	51	44	55	62
Portugal	33	26	49	36	29	21	40	52
Slovakia	26	20	51	37	33	33	45	54
Slovenia	29	21	58	45	48	36	33	39
Spain	28	23	50	44	38	33	42	48
Sweden	81	75	44	26	41	34	42	49
Switzerland	42	41	54	32	38	25	30	42
United Kingdom	47	37	57	39	36	30	33	39
Australia	53	46	60	44	36	34	38	46
Canada	59	58	63	45	40	33	42	46
USA	61	54	62	48	34	27	32	38
European average	39	34	52	36	37	30	41	50



GLOBAL ENTREPRENEURSHIP MONITOR : **SURVEY OF ENTREPRENEURSHIP IN IRELAND 2016**

GEM GLOBAL RESULTS



ENTREPRENEURIAL ACTIVITY BY COUNTRY

PERCENTAGE OF POPULATION AGED 18-64

Region	Country	Nascent entrepreneurs	New business owners	Early stage entrepreneurial activity (TEA)	Owner-managers of established businesses
		%	%	%	%
AFRICA					
	Burkina Faso	21.2	13.5	33.5	28.0
	Cameroon	17.8	10.9	27.6	15.2
	Egypt	8.2	6.6	14.3	6.1
	Morocco	1.3	4.3	5.6	7.5
	South Africa	3.9	3.3	6.9	2.5
ASIA & OCEANIA					
	Australia	8.8	6.2	14.6	11.3
	China	4.5	6.1	10.3	7.5
	Georgia	4.6	4.3	8.6	8.6
	Hong Kong	5.0	4.7	9.4	6.1
	India	3.9	6.8	10.6	4.6
	Indonesia	3.9	10.4	14.1	15.3
	Iran	6.9	6.2	12.8	11.6
	Israel	7.0	4.5	11.3	4.0
	Jordan	4.1	4.6	8.2	2.7
	Kazakhstan	6.9	3.4	10.2	2.4
	Korea	3.7	3.0	6.7	6.6
	Lebanon	9.5	12.1	21.2	20.1
	Malaysia	2.0	2.8	4.7	4.7
	Qatar	4.3	3.6	7.8	3.0
	Saudi Arabia	3.7	7.7	11.4	2.3
	Taiwan	3.6	4.7	8.2	7.7
	Thailand	5.2	12.6	17.2	27.5
	Turkey	8.9	7.6	16.1	9.4
	United Arab Emirates	1.3	4.4	5.7	1.9



Region	Country	Nascent entrepreneurs	New business owners	Early stage entrepreneurial activity (TEA)	Owner-managers of established businesses
		%	%	%	%
EUROPE					
	Austria	6.0	3.7	9.6	8.8
	Bulgaria	2.6	2.2	4.8	6.2
	Croatia	6.1	2.5	8.4	4.2
	Cyprus	7.6	4.5	12.0	8.2
	Estonia	11.7	4.8	16.2	7.8
	Finland	4.3	2.7	6.7	7.3
	France	3.1	2.3	5.3	4.3
	Germany	2.9	1.7	4.6	7.0
	Greece	3.2	2.6	5.7	14.1
	Hungary	4.8	3.2	7.9	5.5
	Ireland	7.0	4.4	10.9	4.4
	Italy	2.3	2.2	4.4	5.2
	Latvia	9.7	4.9	14.2	9.5
	Luxembourg	6.4	2.9	9.2	3.2
	Macedonia	3.4	3.1	6.5	7.2
	Netherlands	5.7	5.4	11.0	10.2
	Poland	4.6	6.1	10.7	7.1
	Portugal	4.7	3.7	8.2	7.1
	Russia	3.2	3.0	6.3	5.3
	Slovakia	6.4	3.2	9.5	6.1
	Slovenia	5.1	3.1	8.0	6.7
	Spain	2.3	2.9	5.2	6.2
	Sweden	5.8	1.8	7.6	4.5
	Switzerland	5.1	3.2	8.2	11.1
	United Kingdom	5.2	3.7	8.8	6.1



Region	Country	Nascent entrepreneurs	New business owners	Early stage entrepreneurial activity (TEA)	Owner-managers of established businesses
LATIN AMERICA & CARIBBEAN		%	%	%	%
	Argentina	8.9	5.7	14.5	7.9
	Belize	18.7	10.7	28.8	5.3
	Brazil	6.2	14.0	19.6	16.9
	Chile	15.6	9.3	24.2	8.0
	Colombia	16.3	11.3	27.4	8.9
	Ecuador	22.4	11.0	31.8	14.3
	El Salvador	8.0	6.7	14.3	11.5
	Guatemala	12.2	8.6	20.1	9.1
	Jamaica	4.1	5.8	9.9	8.2
	Mexico	6.1	3.6	9.6	7.5
	Panama	8.6	4.7	13.2	4.4
	Peru	19.9	5.7	25.1	6.1
	Puerto Rico	8.5	2.0	10.3	1.6
	Uruguay	10.1	4.2	14.1	7.4
NORTH AMERICA		%	%	%	%
	Canada	10.0	6.9	16.7	6.8
	USA	8.9	4.0	12.6	9.2



GLOBAL ENTREPRENEURSHIP MONITOR : **SURVEY OF ENTREPRENEURSHIP IN IRELAND 2016**

METHODOLOGY AND DEFINITIONS



METHODOLOGY AND DEFINITIONS

THE GLOBAL ENTREPRENEURSHIP MONITOR

The aim of GEM is to consider why some countries are more 'entrepreneurial' than others. GEM began in 1999 as a joint project between Babson College (USA) and London Business School (UK). 17 years on, GEM is the richest resource of information on the subject, publishing a range of global, national and 'special topic' reports on an annual basis (www.gemconsortium.org).

In numbers, GEM is:

- 200,000+ interviews a year
- 100+ countries
- 500+ specialists in entrepreneurship research
- 300+ academic and research institutions
- 200+ funding institutions

In each economy, GEM looks at two elements:

- The entrepreneurial behaviour and attitudes of individuals
- The national context and how that impacts entrepreneurship

The annual GEM research cycle involves an adult population survey and a key informant survey.

ADULT POPULATION SURVEY

The GEM model is primarily based on an adult population survey (APS). Professional survey research firms in each country administer the adult population survey, which are based on a random sample of approximately 2,000 adults.

The main questions in the APS are identical in each country. For the purposes of the research, GEM uses a very comprehensive definition of entrepreneurship, which encompasses any type of entrepreneurial initiative, including self-employment.

Sampling procedures vary somewhat, but all of the survey firms are able to provide samples that are, when properly weighted, representative of the adult population in each country in terms of key demographics and geographical coverage. In Ireland the survey is confined to those aged 18 to 64 inclusive. In the tables, percentages have been rounded and in some instances do not sum to 100%.

Telephone interviews are utilised in Ireland, as in most of the developed countries. In Ireland a random telephone survey was carried out in June 2016, involving calls to both landlines and mobile phones. As GEM concentrates on the entrepreneurs themselves rather than their businesses the respondents are interviewed at home rather than in their workplace.

The manner of the running of APS across all countries is coordinated by Global Entrepreneurship Research Association (GERA) based in Babson College, USA. GERA also combines the outputs from the individual country surveys to produce a master dataset. The analysis and interpretation of this data at national level is the responsibility of



the national team.

KEY INFORMANT SURVEY

Key informants are experts and entrepreneurs. In each country at least 25% of the key informants are entrepreneurs, though in Ireland, over half are all key informants are entrepreneurs.

Expert informants are chosen by reputation and referrals to represent the nine entrepreneurial framework dimensions in the GEM model. These are Finance, Government Policies, Government Programmes, Education and Training, R&D Transfer, Commercial Infrastructure, Internal Market Openness, Physical Infrastructure and Culture and Social Norms.

The key informants are asked to complete a detailed questionnaire. The questionnaire used is identical in all countries involved in the survey. The questionnaire is similar to the adult population survey and also includes an additional range of topics relating to the entrepreneurial framework conditions, the entrepreneurial capacity and opportunity recognition perceptiveness of the adult population, as well as other socio-demographic items.

In Ireland, there are approximately 50 on the key informant panel and new members are added to the panel as required each year.

GEM DEFINITIONS

Aspiring entrepreneurs are those who expect to start a business in the next three years. The rate is for those in the adult population aged 18-64 years inclusive.

Nascent entrepreneurs are those actively planning a new venture. These entrepreneurs have done something during the previous twelve months to help start a new business, that he or she will at least part

own. Activities such as organising the start-up team, looking for equipment, saving money for the start-up, or writing a business plan would all be considered as active commitments to starting a business. Wages or salaries will not have been paid for more than three months in respect of the new business. Many of these people are still in fulltime employment. The rate is for those in the adult population aged 18-64 years inclusive.

New business owners are entrepreneurs who at least part own and manage a new business that is between 4 and 42 months old and have not paid salaries for longer than this period. These new ventures are in the first 42 months after the new venture has been set up. The rate is for those in the adult population aged 18-64 years inclusive.

Total early stage entrepreneurial activity rate (TEA rate) refers to the total rate of early stage entrepreneurial activity among the adult population aged 18-64 years inclusive. In some instances, this rate is less than the combined percentages for nascent and new business owners. This is because, in circumstances where respondents qualify as both a nascent and a new business owner, they are counted only once.

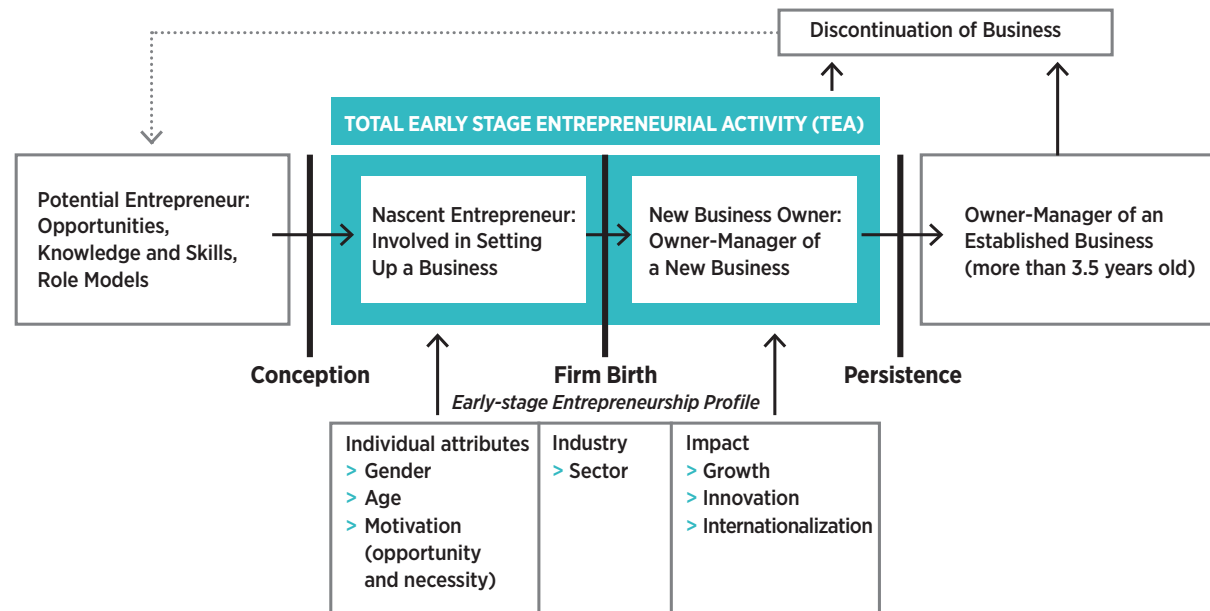
Owner-managers of established businesses are those that have set up businesses that they have continued to own and manage and which has paid wages or salaries for more than 42 months. The rate is for those in the adult population aged 18-64 years inclusive.

Intrapreneurs (entrepreneurial employee activities) are employees that develop new products/ services, or set up a new business entity, for their employer. It does not include, for example, work on optimising internal operations of a firm. Respondents are asked if they are actively involved in and had a leading role in either idea development for a new activity or in preparation and implementation of a new activity. The rate is for those in the adult population aged 18-64 years inclusive.



THE ENTREPRENEURSHIP PROCESS

GEM describes entrepreneurial activity as a process and measures different phases of this process from conception through firm birth to persistence. This is described graphically as follows.



Source: Adapted from Global Entrepreneurship Monitor 2016 Global Report

