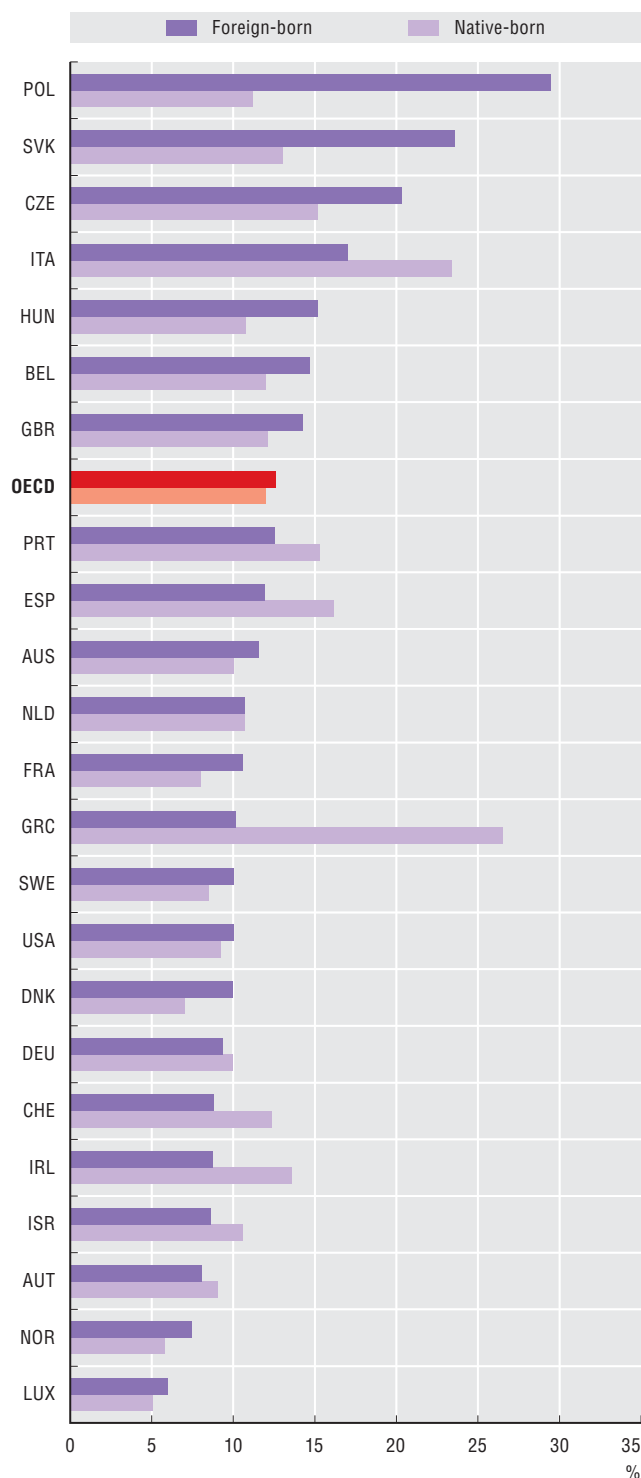


5. UNLEASHING INNOVATION IN FIRMS

9. Entrepreneurial talent and culture

Self-employed by place of birth, 2007-08

As a percentage of all employed persons, two-year average



Source: OECD (2011), *International Migration Outlook 2011*, OECD Publishing, Paris.

StatLink  <http://dx.doi.org/10.1787/888932487495>

Entrepreneurship empowers people to take their future into their own hands, whether through self-employment or by creating a firm that employs other individuals. A country's entrepreneurial activity ranges from self-employment to the creation of high-growth firms. While data is not available for all these types of entrepreneurs, self-employment data is available and helps shed some light into the diversity of entrepreneurs in a country.

Foreign migrants often pursue entrepreneurial activities in their country of residence. The potential contribution of migrant entrepreneurs to the host-country's economic growth has drawn the attention of policy makers and several OECD countries have introduced specific migration policies to support them. While a first type of measures consists in supporting migrant entrepreneurs already established in the host country, a second type includes specific admission policies that regulate the entry and stay of foreign entrepreneurs and investors. Self-employment ratio is indeed higher among the foreign-born population than the native-born population in most of the OECD countries over the 2007-08 period. This share is particularly high in Poland, the Slovak Republic and the Czech Republic.

Enabling people throughout the economy and society to become entrepreneurs will provide new ideas, knowledge and capabilities, and enhance the influence of market demand on innovation. Developing entrepreneurial talent is important for turning innovations into opportunities which create value, jobs and economic growth. There are no internationally comparable data on the gender dimension of entrepreneurship; however surveys from the Global Entrepreneurship Monitor (GEM) Consortium provide insights on entrepreneurial activity of women in different countries. This data shows that the share of women entrepreneurs has increased between 2005 and 2010, however women still represent on average one third of entrepreneurs, except in Mexico and the Russian Federation where they are on a par with men.

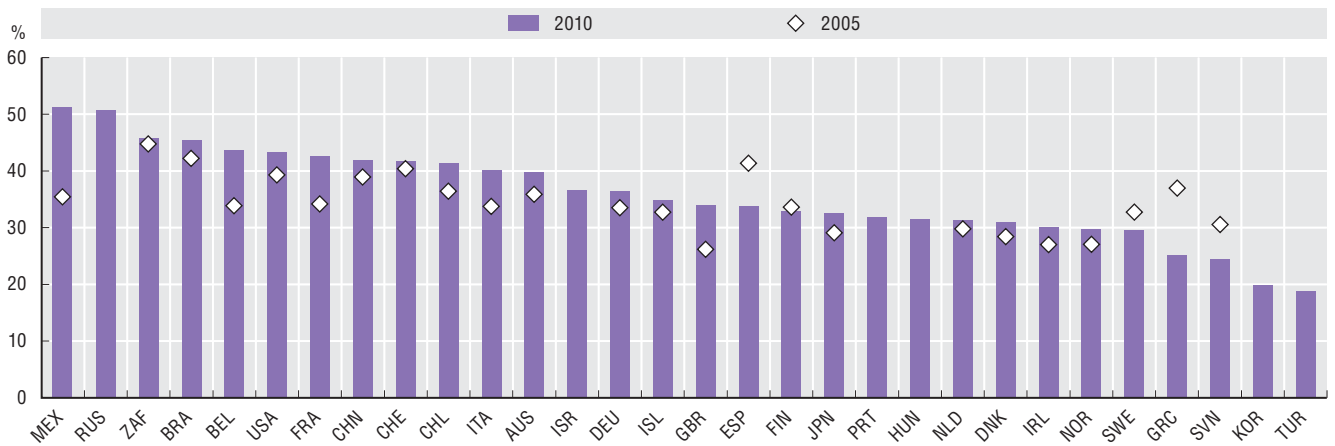
Contrary to popular belief, the majority of entrepreneurs start companies later in life. On average across countries, half of entrepreneurs are over 45 years old. In addition, the average age of entrepreneurs increased from 2005 to 2010.

Definitions

Self-employed persons are those who work in their own business, professional practice or farm for the purpose of earning a profit. They may or may not have employees. *Entrepreneurially active population* is defined by GEM as adults in the working-age population who are actively involved in business start-ups (nascent entrepreneurs or owner-managers of new firms) and business owners who have paid salaries and wages for more than 42 months (established business owners).

Women entrepreneurs, 2005 and 2010

As a percentage of all entrepreneurs

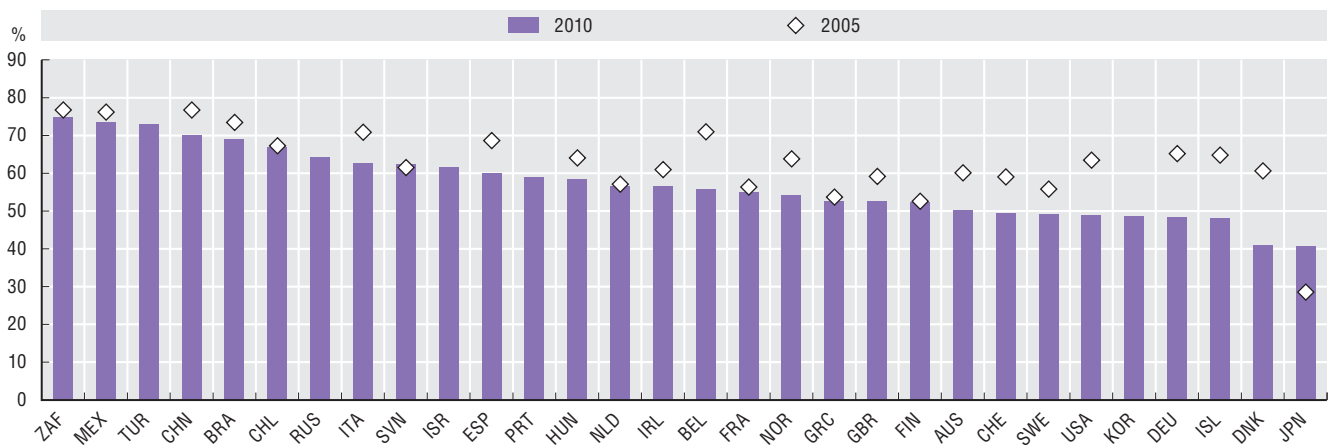


Source: GEM, Global Entrepreneurship Monitor Database, July 2011.

StatLink <http://dx.doi.org/10.1787/888932487514>

Entrepreneurs aged less than 45 years-old, 2005 and 2010

As a percentage of all entrepreneurs



Source: GEM, Global Entrepreneurship Monitor Database, July 2011.

StatLink <http://dx.doi.org/10.1787/888932487533>

Measurability

While several proxies have been used to determine the level of entrepreneurship in countries, more work is needed to develop metrics that provide a complete picture of entrepreneurial activity.

Data on self-employment is based on the European and national labour force surveys whose concepts and definitions are based upon the ILO's guidelines to guarantee international comparability. Indicators on entrepreneurial characteristics by gender and age are derived from the Global Entrepreneurship Monitor (GEM) survey which collects information on personal assessments, attitudes and perceptions, in addition to intentions of starting a business. Run by national teams, the GEM survey is conducted among at least 2 000 people within a country's adult population. See www.gemconsortium.org for more details on the methodology.



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