

Inclusive entrepreneurship trends and policies in Austria

This profile presents data on self-employment and entrepreneurship by women, youth and seniors in Austria, and recent inclusive entrepreneurship policy developments such as increased support for youth entrepreneurship in the education system.

Key trends: The self-employment rate has been stable over the past decade but was below the European Union average in 2016 (10.8% vs. 14.0% for the EU). This was true for key social target groups such as women, youth and seniors. However, the Total early-stage Entrepreneurial Activities (TEA) rate was above the European Union average between 2012 and 2016 (9.2% vs. 6.7% for the EU), indicating that Austrians were more likely to be involved in starting or managing a new business (i.e. less than 42 months old). Women were particularly active in early-stage entrepreneurial activity relative to the EU benchmark. The level of “necessity” entrepreneurship is low in Austria compared to the EU average: only 12.0% of Austrian entrepreneurs who were involved in starting or operating a new business were motivated to start the business because they had no better options for work during the period 2012-16. This was substantially lower than the EU average of 22.1%. Moreover, women, youth and seniors were more likely than the European Union average to believe that they had sufficient entrepreneurship skills.

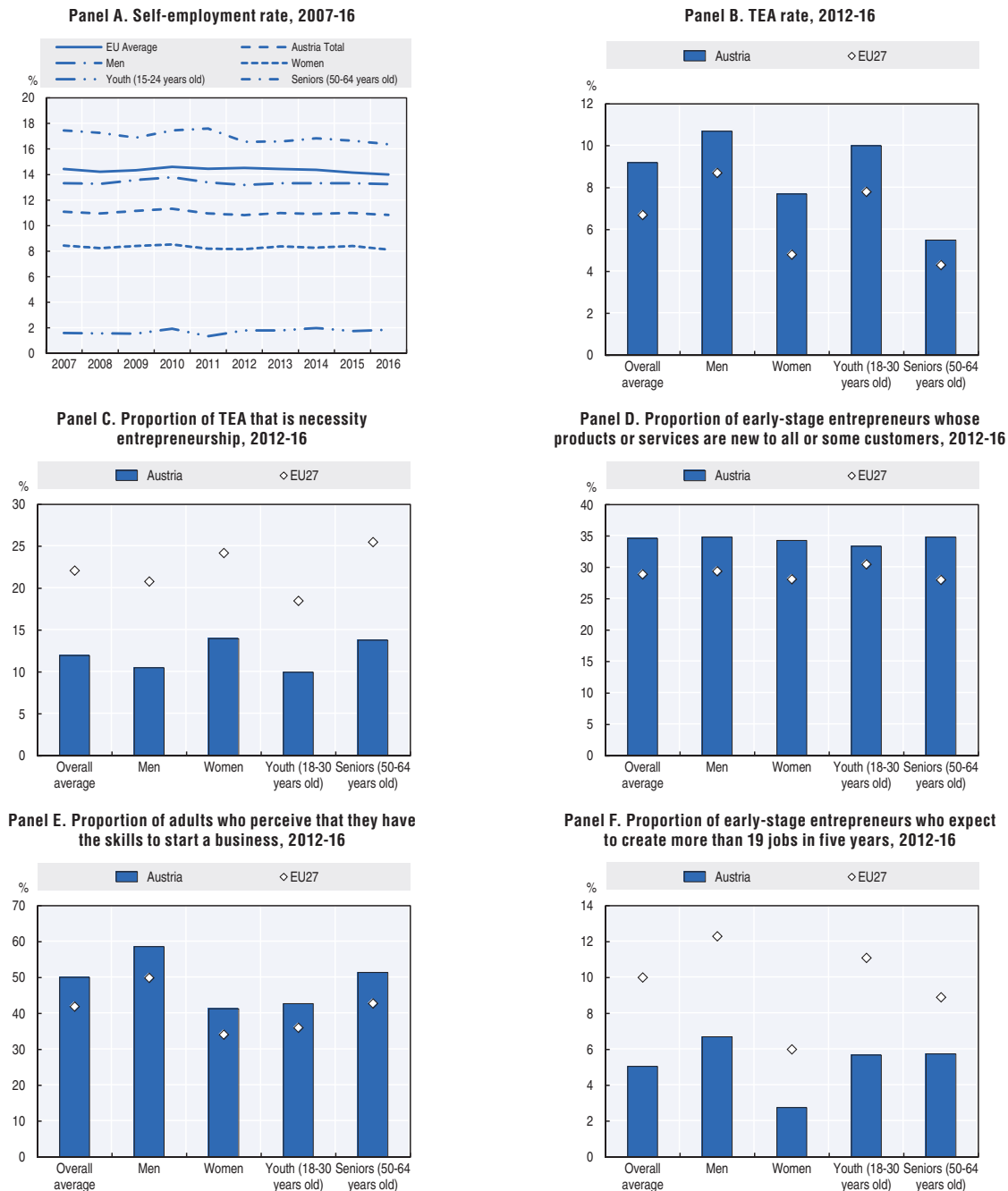
Hot issue: An ongoing policy debate is taking place on the extent to which tailored entrepreneurship policies and programmes are needed for different social target groups. Currently, national entrepreneurship policies do not explicitly address target groups other than youth, although there are national action plans available for gender equality and integration, calling for action to improve also entrepreneurship among women and migrants. On one hand, most current initiatives and measures are open to all (potential) entrepreneurs regardless of the target group; on the other hand, specific needs might not be addressed by general measures, as each target group has different barriers to entrepreneurship. Tailored approaches, however, typically require more resources.

Recent policy developments: Entrepreneurship promotion and education in schools is increasingly available, both through classroom work and extra-curricular projects (e.g. student enterprises). Furthermore, entrepreneurship is actively promoted as employment opportunity for young people in the frame of the European SME week (“Europäische KMU Woche”) which takes place in all European Union Member States at the end of November. The European SME week in Austria is organised by the Austrian Federal Economic Chamber (WKO), WIFI-Unternehmerservice and supported by the Ministry of Science, Research and Economy (BMWFW) and regional partners. During this week, numerous events are organised; there were approximately 30 events in 2016. The objectives of the SME week are, among others, to encourage young people to take the step into entrepreneurship and to learn about support options. For instance, successful entrepreneurs are presented as role models who talk about different topics and share their experiences. Starting in the school year 2014-15, Austrian students in technical and vocational schools were required to implement a project in their last year before graduation. The aim of the platform “Start your project” (*StartedeinProjekt*) is to support students with ideas, project management and financing. It provides a handbook, workshops for school classes and a crowdfunding platform. Start your project is a project of the bank *Erste Group Bank AG*, Initiative for Teaching Entrepreneurship and the Vienna School Board (*Stadtschulrat Wien*). Furthermore, in October 2016, in the frame of the Business Start-up Day (*Jungunternehmertag*), organised by the interest group for Business Start-ups (*JungeWirtschaft*) of the Vienna Economic Chamber, a special day for students was organised.

The full Country Assessment Note can be found at: www.oecd.org/cfe/leed/inclusive-entrepreneurship.htm.

Key inclusive entrepreneurship data

Figure 9.1. Entrepreneurship and self-employment data for Austria



Notes: 1. The self-employment rate is defined as the number of self-employed people (15-64 years old) divided by the number of people in employment. 2. The TEA rate is the proportion of adults (18-64 years old) involved in setting up a business or managing a business that is less than 42 months old. 3. Necessity entrepreneurship is defined as entrepreneurship activities that were launched because the individual did not have other options in the labour market. 4. Early-stage entrepreneurs are those who are in the process of setting up a business or manage a business that is less than 42 months old. 5. In Panels B, C, D, E and F, the population covered are those 18-64 years old.

Sources: Panel A: Eurostat (2017), Labour Force Survey, available at: <http://ec.europa.eu/eurostat/web/lfs/data/database>; Panels B, C, D, E, and F: GEM (2017), Special tabulations of the Global Entrepreneurship Monitor adult population survey, 2012-16.

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Reader's guide to the country profiles

This section of the book provides a short overview of inclusive entrepreneurship trends and recent policy actions in each European Union Member State. Each Country Profile highlights recent trends for key inclusive entrepreneurship indicators, focusing on activity rates, quality and barriers to business creation for people in under-represented and disadvantaged groups, drawing on a set of charts (see below). In addition, the Country Profiles briefly describe a current policy issue relevant for inclusive entrepreneurship policy development. Finally, each Country Profile describes a recent policy action that was introduced to support the unemployed, women, youth or seniors in business creation and self-employment.

The country overviews are complemented with a common set of country-specific data that benchmark key inclusive entrepreneurship indicators against the European Union average and over time. Data are presented for men, women, youth, seniors and the overall population total. These data help to show the scale of the challenge and its recent evolution. All Country Profiles contain six figures (except for the Malta profile, which does not participate in the Global Entrepreneurship Monitor survey):

Panel A: Self-employment rate, 2007-16. This presents the proportion of those in employment who are self-employed.

Panel B: Total Early-stage Entrepreneurship Activity (TEA) rate, 2012-16. This presents the proportion of the population who is actively involved in starting a business or who is the owner-operator of a business that is less than 42 months old.

Panel C: Proportion of TEA that is necessity entrepreneurship, 2012-16. This presents the proportion of early-stage entrepreneurship that was launched due to a lack of other opportunities in the labour market.

Panel D: Proportion of early-stage entrepreneurs whose products or services are new to all or some customers, 2012-16. This presents the proportion of early-stage entrepreneurs who self-report that they offer products and/or services that are new to potential customers.

Panel E: Proportion of adults who perceive that they have the skills to start a business, 2012-16. This presents the proportion of the population who believe that they have the knowledge and skills needed to start a business.

Panel F: Proportion of early-stage entrepreneurs who expect to create more than 19 jobs in five years, 2012-16. This presents the proportion of early-stage entrepreneurs who anticipate the creation of at least 19 additional new jobs over the next five years.



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