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THE MISSING ENTREPRENEURS 2017: POLICIES FOR INCLUSIVE ENTREPRENEURSHIP IN IRELAND

Thomas M. Cooney

Technological University Dublin, thomas.cooney@tudublin.ie

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Inclusive entrepreneurship trends and policies in Ireland

This profile presents data on self-employment and entrepreneurship by key target groups of inclusive entrepreneurship policies in Ireland such as women, youth and seniors. It also briefly describes recent inclusive entrepreneurship policy actions such as the new measure “Training for Women Returning to the Workforce and Women’s Entrepreneurship.”

Key trends: Although the self-employment rate in Ireland was approximately equal to the European Union average in 2016 (14.6% vs. 14.0%), the self-employment rate for several of the key social target groups was below the EU average: women (6.9% vs. 9.9% for the EU) and youth (1.9% vs. 4.2% for the EU). Seniors, however, were more likely to be self-employed in 2016 (24.6% vs. 18.5% for the EU). Men were three times more likely than women to be self-employed (21.2% vs. 6.9% for women), which is a greater gap than in most European Union Member States. The Total early-stage Entrepreneurial Activities (TEA) rate was slightly higher than that of the European Union over the 2012-16 period (8.5% vs. 6.5% for the EU), suggesting that the Irish are more active in starting and managing businesses that are less than 42 months old. Men were much more active than women in starting a business or managing a new one over this period (11.3% vs. 5.6% for women).

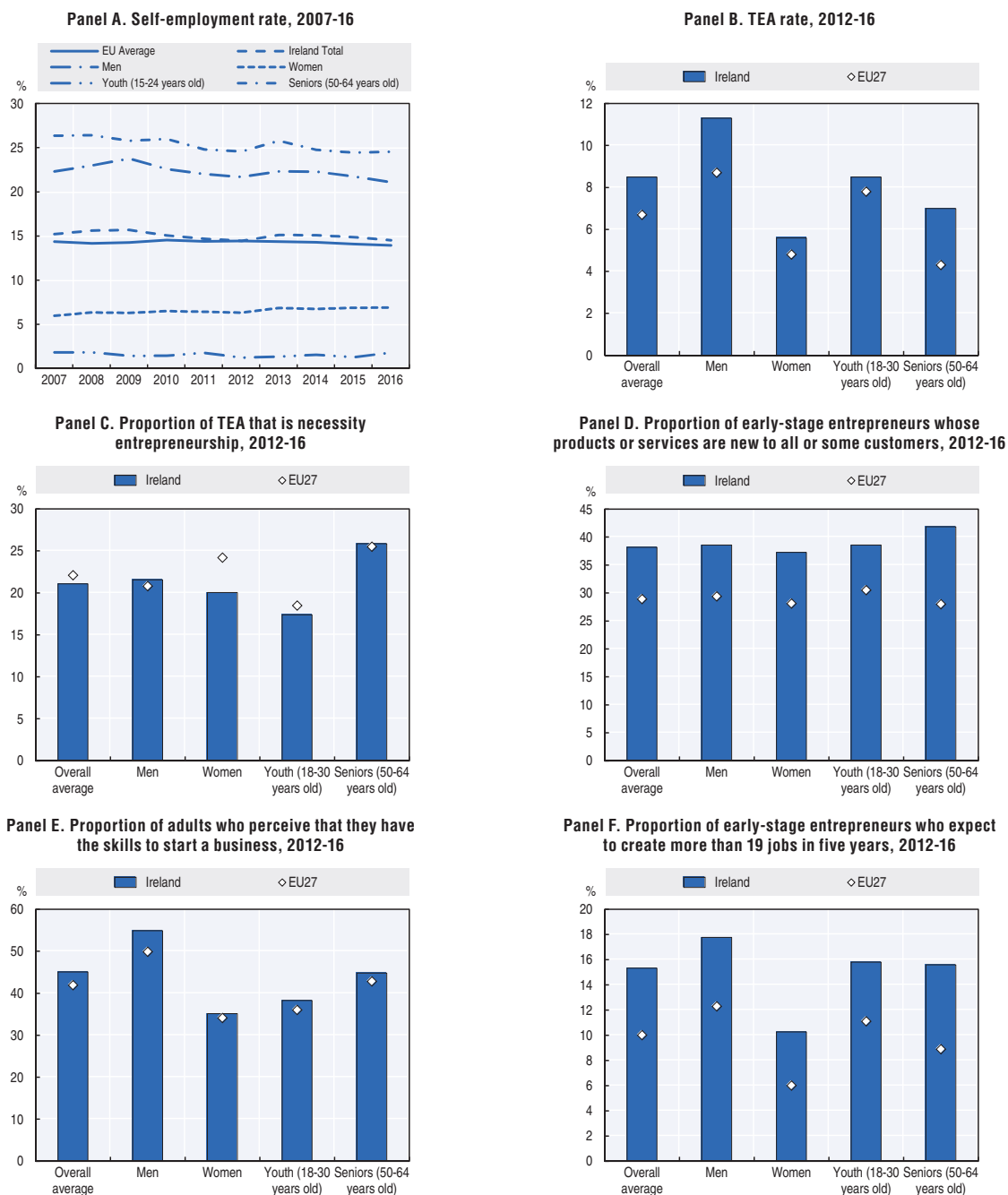
Hot issue: Gathering accurate data on business start-up rates based on gender is difficult because no agency has the responsibility for collecting and analysing this data. The situation has been exacerbated by the reduction of public budgets due to austerity measures. The Central Statistics Office could gather profile data of entrepreneurs that start a business, maintain a database regarding active and inactive businesses and publish annual reports utilising the profile information. Such information could support for future policy developments, notably on the integration of tailored inclusive entrepreneurship support measures in the National Policy Statement on Entrepreneurship.

Recent policy developments: Entrepreneurship policy in Ireland was part of broader SME policy until recent years when in 2013 the Minister for Jobs, Enterprise and Innovation established an advisory group – “Entrepreneurship Forum” – and asked it to offer recommendations on enhancing the rate of entrepreneurial activity. The Entrepreneurship Forum report (2014) led the Department of Jobs, Enterprise and Innovation to publish the first National Policy Statement on Entrepreneurship (2014). This document detailed the three primary goals to increase the number of start-ups by 25% (3 000 more start-ups per year); to increase the survival rate in the first five years by 25% (1 800 more business survivors per annum); and, to improve the capacity of start-ups to grow-to-scale by 25%). As a result, the Department incorporated numerous measures into the subsequent “Action Plan for Jobs” in 2015. These documents are the basic pillars of all entrepreneurship-related policy decisions in recent years and continue to influence enterprise support agencies and the development of the entrepreneurship ecosystem. For example the Gender Equality Division in the Department of Justice and Equality has successfully secured funding from the European Social Fund to operate a positive action measure for 2014-20, entitled “Training for Women Returning to the Workforce and Women’s Entrepreneurship.” The objective of the activity is to support a cohort of those women who are currently detached from the labour market (neither employed nor unemployed) in order to assist their return to the labour market. This will be done by offering them a locally delivered development course focusing on self-development and work related skills.

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

Key inclusive entrepreneurship data

Figure 22.1. **Entrepreneurship and self-employment data for Ireland**



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.

StatLink <http://dx.doi.org/10.1787/888933625300>

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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