GEM Scotland Report 2011

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Mission

To provide excellent teaching that motivates and equips students to engage in entrepreneurial behaviours and to be influential in the development of best practices in entrepreneurship education.

To produce research of high academic quality that is influential and relevant to policy and practice.

To engage in useful knowledge exchange with enterprises whereby best practices can be both shared with and informed by industry partners.
Global Entrepreneurship Monitor
Scotland 2011

Professor Jonathan Levie
Hunter Centre for Entrepreneurship
University of Strathclyde
GEM Scotland Report 2011

Contents

Entrepreneurial Attitudes, Activity and Aspirations
Entrepreneurial Employee Activity
Entrepreneurship and Multiple Deprivation
Start-up Challenges and Rewards
Entrepreneurship Policy and Programmes Review
GEM and Entrepreneurship Policy in Scotland
Total Early-stage Entrepreneurial Activity (TEA): How Scotland compared to other innovation-driven economies in 2011
Perception of entrepreneurship as a good career choice and the status of successful entrepreneurs, 2011
Many Different forms of Entrepreneurial Activity….
Solo/Low versus Medium/High Job Expectation early-stage Entrepreneurial Activity in the UK and Scotland
Private sector entrepreneurial employee activity (PEEA) versus TEA rates in innovation-driven economies in 2011
PEEA rates by employment size class in the UK and Scotland

% of private for-profit sector employees currently leading new business activity for their employer

Private for-profit sector employer size class (divided into four equal sized groups of employees)

UK | Scotland
---|---
less than 30 | 8
30 to 199 | 12
200 to 2499 | 11
at least 2500 | 15
Levels of entrepreneurial activity by multiple deprivation in Scotland, 2011

% adults aged 18 to 64

Less Deprived Quintiles

More Deprived Quintiles

1
2
3
4
5

established

new

nascent

intenders

no activity or intention
Biggest barriers to starting a business cited by non-entrepreneurial adults in Scotland, 2010

- Getting finance for the business
- Lack of interest in starting a business

% of non-entrepreneurial adults aged 18 to 64

Less Deprived Quintiles

More Deprived Quintiles
% who agree there are good opportunities for starting a business in their local area, Scotland, 2011
Biggest barriers to starting a business perceived by non-entrepreneurs and difficulties in starting a business reported by entrepreneurs

<table>
<thead>
<tr>
<th>Barrier/Difficulty</th>
<th>Biggest barrier (non-entrepreneurs)</th>
<th>Biggest difficulty (entrepreneurs in 2011)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Getting finance for the business (2005 to 2010)</td>
<td>51, 50</td>
<td>46, 43</td>
</tr>
<tr>
<td>Lack of interest in starting a business (2004 to 2010)</td>
<td>17, 19</td>
<td>2, 0</td>
</tr>
<tr>
<td>Loss of security/income from current job (2008 to 2010)</td>
<td>14, 15</td>
<td>4, 2</td>
</tr>
<tr>
<td>Lack of skills/knowledge (2004 to 2010)</td>
<td>13, 12</td>
<td>28, 14</td>
</tr>
<tr>
<td>Age (2004 to 2010)</td>
<td>9, 10</td>
<td>0, 1</td>
</tr>
<tr>
<td>Not having an idea for a business (2004 to 2010)</td>
<td>10, 10</td>
<td>3, 4</td>
</tr>
<tr>
<td>The time commitment it would require (2004 to 2010)</td>
<td>11, 10</td>
<td>8, 6</td>
</tr>
<tr>
<td>The economic climate at the moment (2010 only)</td>
<td>6, 9</td>
<td>10, 9</td>
</tr>
<tr>
<td>The chance that the business might fail (2004 to 2010)</td>
<td>8, 7</td>
<td>4, 2</td>
</tr>
<tr>
<td>Fear of debt (2008 to 2010)</td>
<td>4, 5</td>
<td>6, 1</td>
</tr>
<tr>
<td>The complexity of regulations (2004 to 2010)</td>
<td>3, 3</td>
<td>16, 13</td>
</tr>
<tr>
<td>Getting customers</td>
<td>0, 0</td>
<td>8, 12</td>
</tr>
<tr>
<td>Getting staff</td>
<td>0, 0</td>
<td>6, 25</td>
</tr>
</tbody>
</table>
### Perception of working conditions and satisfaction with work among employees and the self-employed, Scotland, 2011

<table>
<thead>
<tr>
<th>Percentage agreeing strongly versus all other opinions</th>
<th>Full time employee</th>
<th>Part time employee</th>
<th>Self-employed</th>
</tr>
</thead>
<tbody>
<tr>
<td>I can decide on my own how I go about doing my work</td>
<td>46</td>
<td>27</td>
<td>87</td>
</tr>
<tr>
<td>The work I do is meaningful to me</td>
<td>67</td>
<td>49</td>
<td>87</td>
</tr>
<tr>
<td>At my work, I am not exposed to excessive stress</td>
<td>13</td>
<td>33</td>
<td>45</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Percentage very satisfied versus all other opinions</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall, how satisfied are you with your current work?</td>
<td>31</td>
<td>32</td>
<td>68</td>
</tr>
<tr>
<td>Overall, how satisfied are you with your current work income?</td>
<td>14</td>
<td>11</td>
<td>46</td>
</tr>
</tbody>
</table>
Distribution of household income among employees and business owner-managers, Scotland, combined 2002-2011 GEM database

N= 10,584
The long slow decline in Scotland’s early-stage entrepreneurial activity rate was arrested in 2011. Entrepreneurial employees are relatively scarce in Scotland’s smaller businesses. Multiple deprivation adversely affects local business start-up rates in Scotland. The biggest difficulties that Scotland’s entrepreneurs face are access to finance, staff and start-up skills. In Scotland, entrepreneurs are more empowered at work and are more satisfied with their work and work income than employees.