



GEM Scotland Report 09 Launch

7 June 2010

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Hunter Centre for Entrepreneurship

Mission

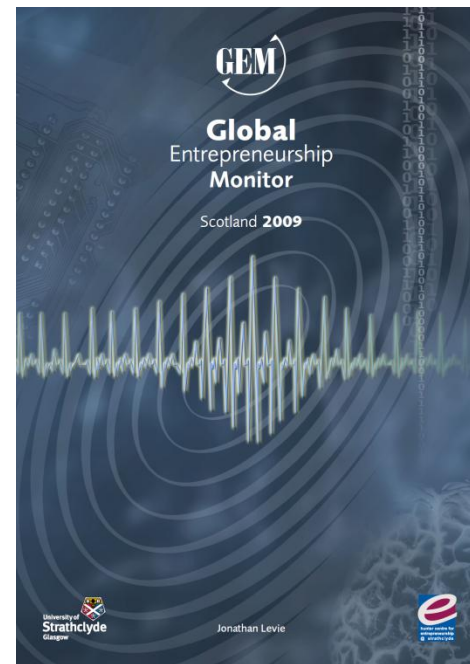
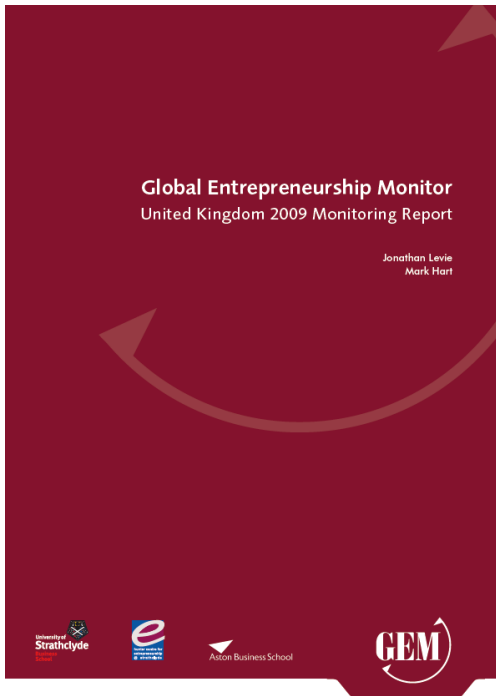
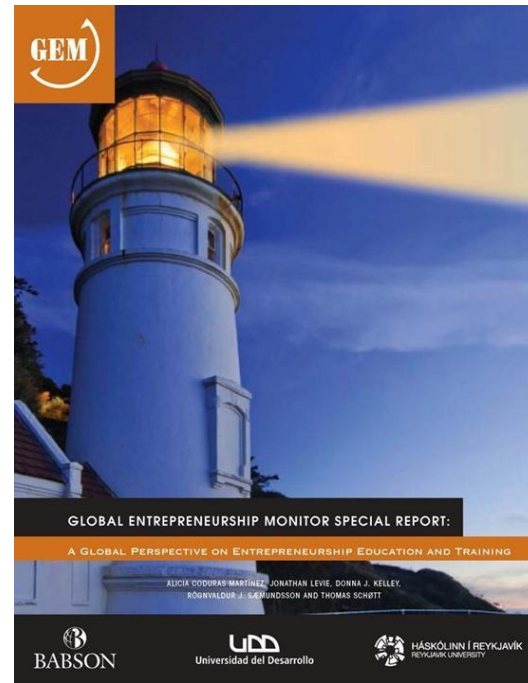
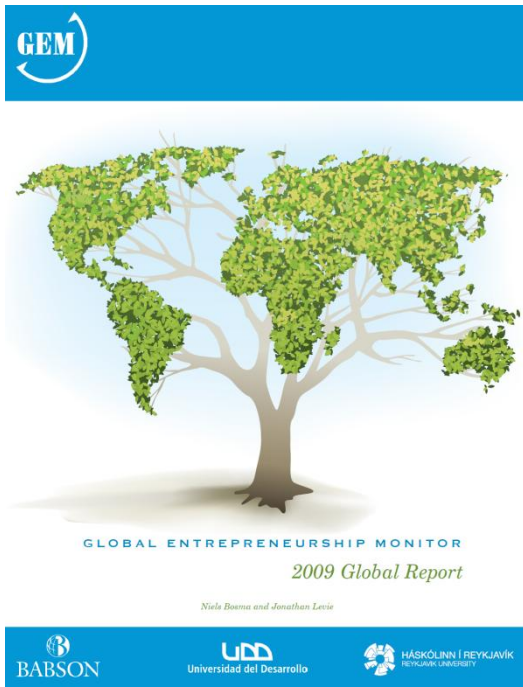
- To provide excellent teaching that motivates and equips students to engage in entrepreneurial behaviours and to be influential in the development of best practices in entrepreneurship education
- To produce research of high academic quality that is influential and relevant to policy and practice
- 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 2010*

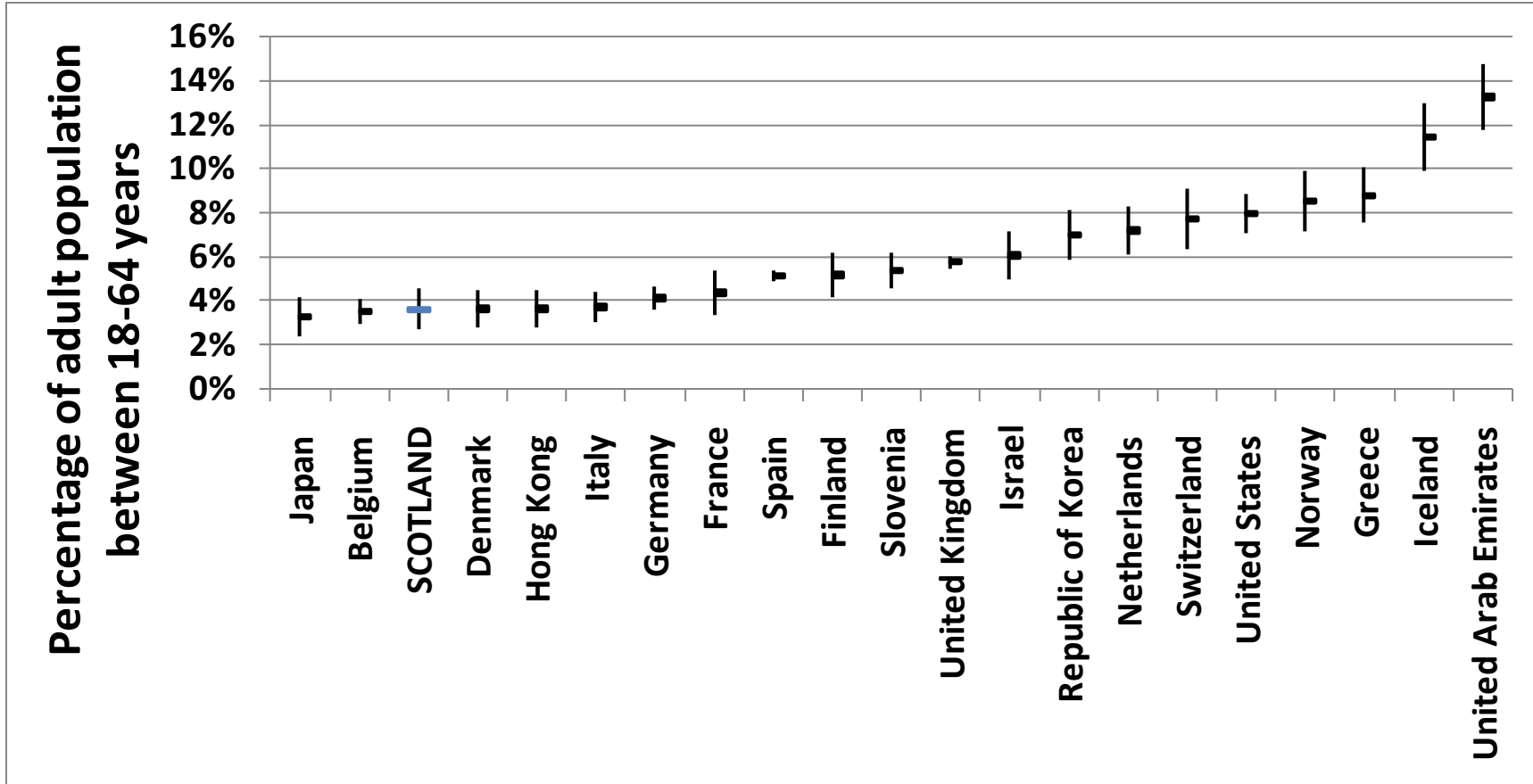


Jonathan Levie
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Total Early-stage Entrepreneurial Activity (TEA): How Scotland Compared to other innovation- driven economies in 2009



Source: GEM 2009 adult population surveys

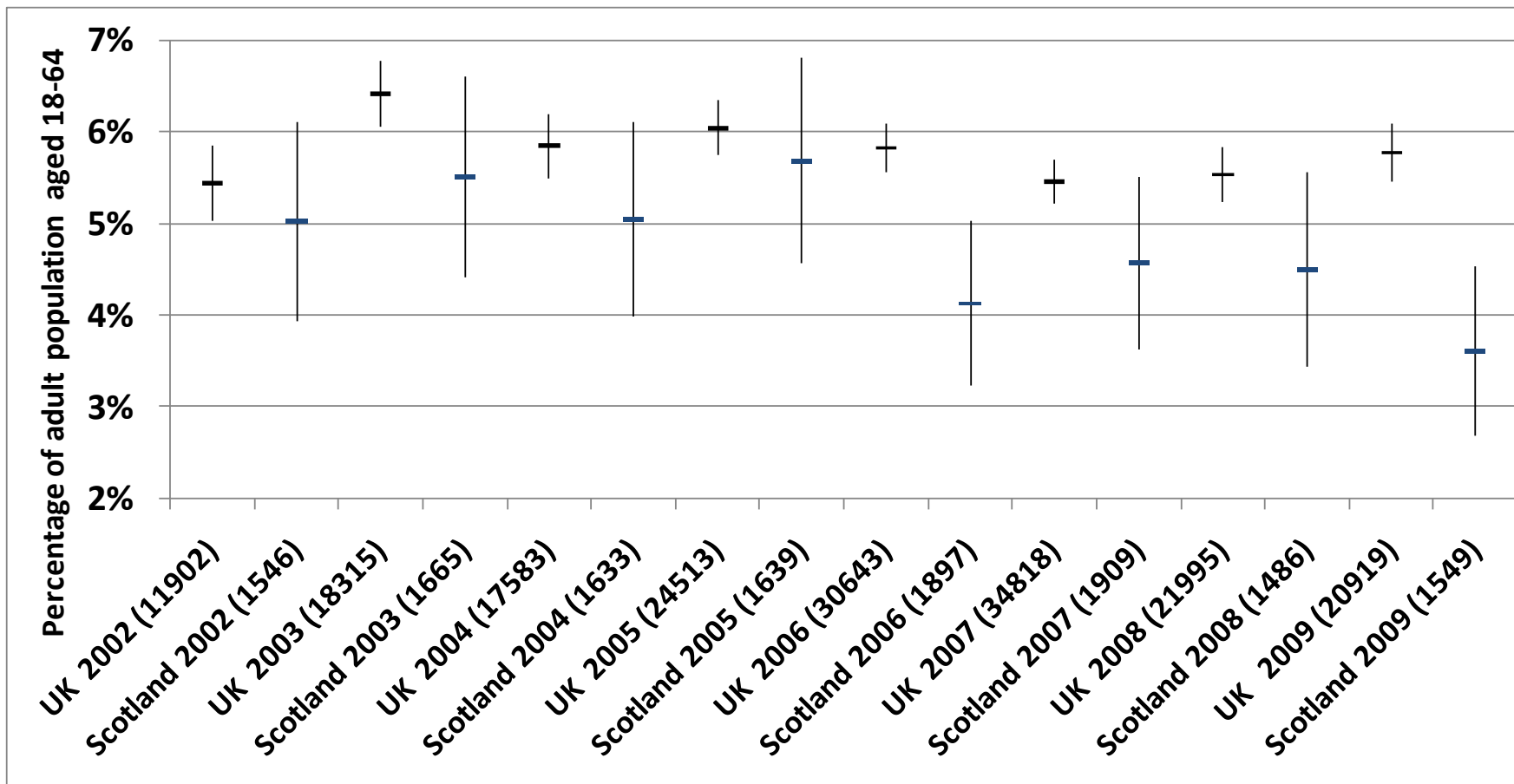
TEA rates in Scotland & benchmark countries



	TEA		% change	Scottish TEA as a % of other TEA rates	
	2008	2009		2008	2009
Scotland	4.4	3.6	-18%	n/a	n/a
UK	5.6	5.8	4%	79%	62%
High income/ innovation- driven nations	6.7	6.3	-6%	66%	57%
Arc of Prosperity nations	7.6	7.2	-5%	58%	50%

Source: GEM 2008 and 2009 adult population surveys

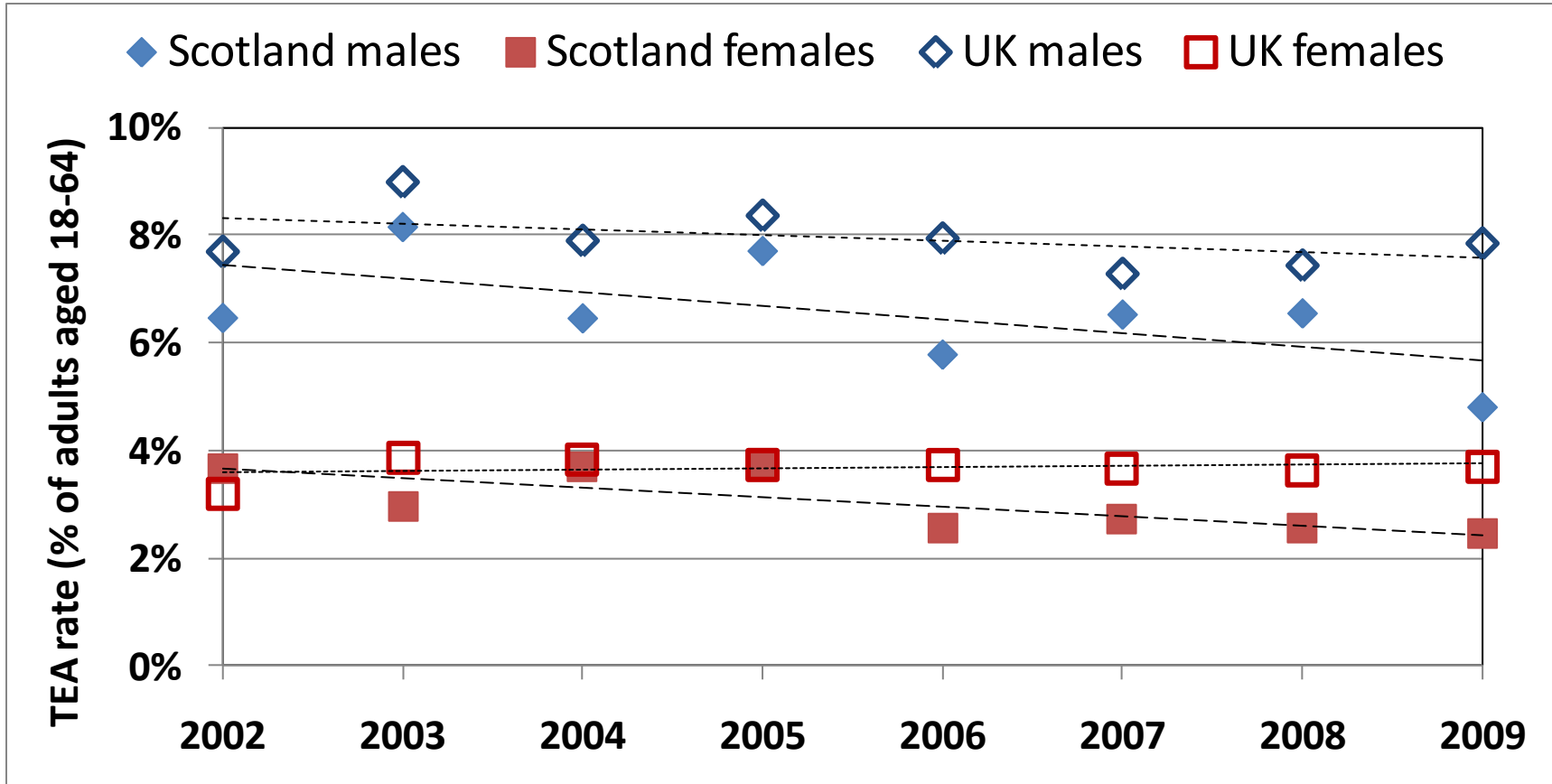
Eight year trend in TEA UK and Scotland



Source: GEM 2002 to 2009 adult population surveys

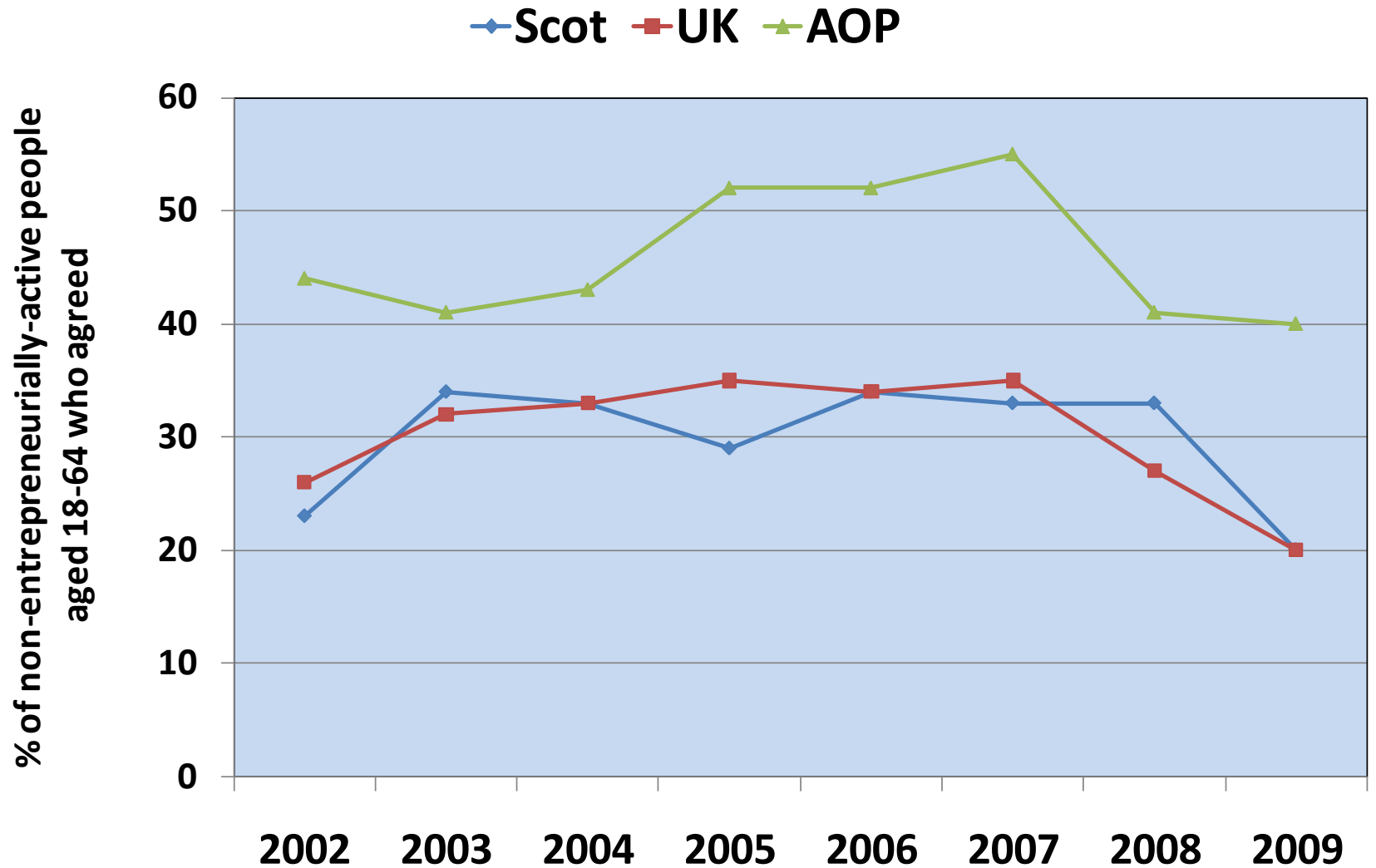


UK and Scottish Male and Female TEA rates 2002 to 2009



Source: GEM 2002 to 2009 adult population surveys

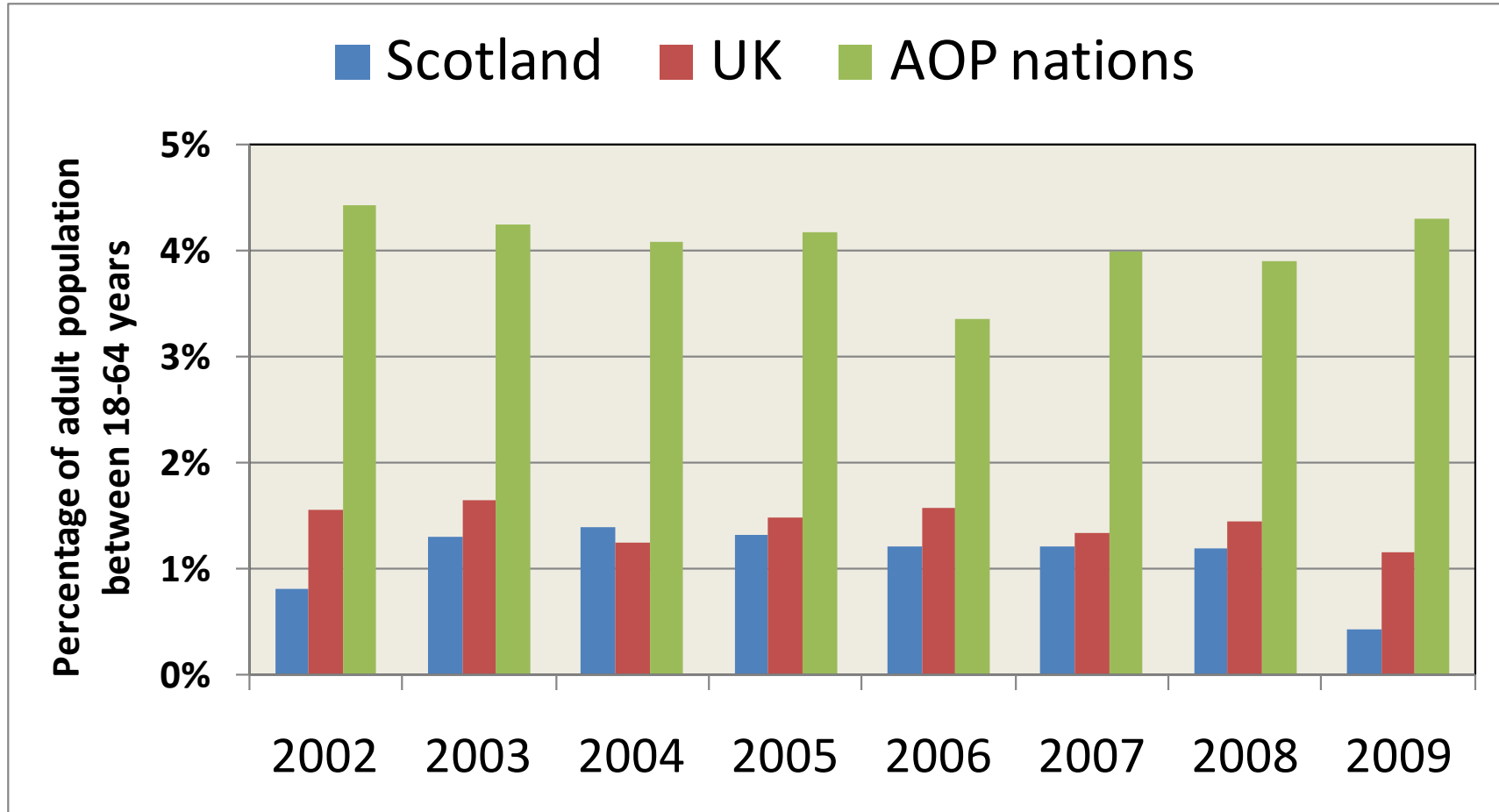
“There are good opportunities for starting a business in my local area in the next 6 months”



Source: GEM 2002 to 2009 adult population surveys



Informal Investment rate in Scotland, UK and Arc of Prosperity nations, 2002-2009



(% of respondents aged 18-64 who invested in someone else's new business in the last three years)

Source: GEM 2002 to 2009 adult population surveys



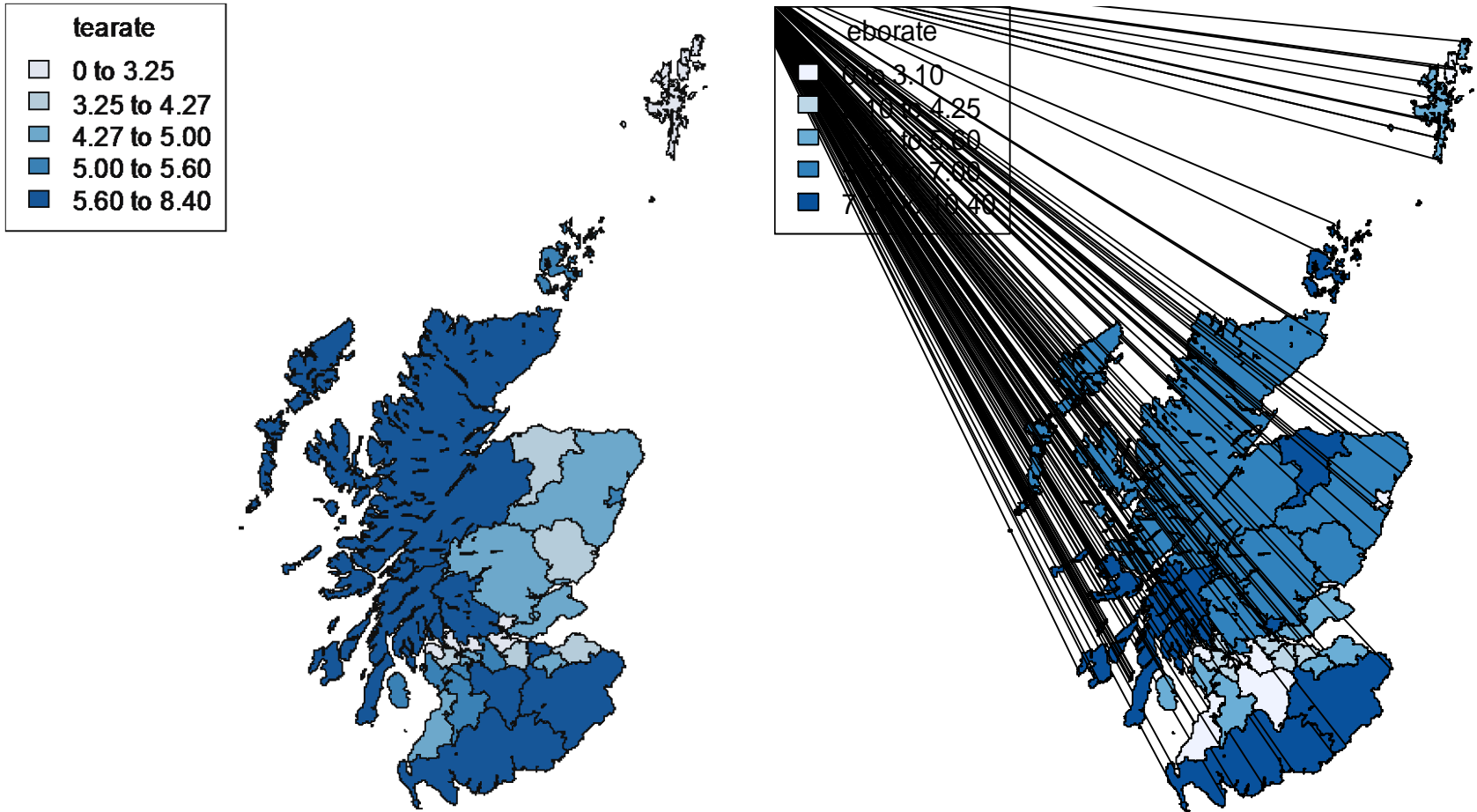
Distribution of early-stage entrepreneurs and established business owner-managers in Scotland and the UK, by business location

	Early-stage		Established	
	Scotland	UK	Scotland	UK
% Home based	58	58	60	59
% Separate premises	36	33	35	35
% Mobile service	6	9	5	7
Total	100	100	100	100
No. entrepreneurs in sample	153	3039	167	3232

Source: GEM UK 2007 and 2008 adult population survey



TEA rate and EBO rate estimates for Scottish local authorities, by quintiles, 2003-2008



Source: GEM UK 2003 to 2008 adult population surveys

Gain in intention and activity from business or enterprise training, by source of training



		School		College or university		Work placement		Gov. agency	
		Scot	UK	Scot	UK	Scot	UK	Scot	UK
Intend to start a business in three years time (non-entrepreneurs only)	No training	4.5%	6.1%	3.6%	5.7%	3.8%	5.1%	4.5%	6.3%
	Compulsory training	5.3%	9.7%	14.6%	11.8%	7.8%	7.7%	3.8%	10.3%
	Gain from training (times)	1.2	1.6	4.1	2.1	2.1	1.5	0.8	1.6
	Corrected gain	0.6	1.0	2.2	1.7	1.2	1.4	1.1	1.6
TEA rate	No training	4.8%	6.5%	3.5%	5.7%	4.4%	6.7%	4.1%	5.9%
	Compulsory training	3.1%	7.2%	9.2%	8.0%	3.5%	5.3%	7.9%	5.7%
	Gain from training (times)	0.6	1.1	2.7	1.4	0.8	0.8	2.0	1.0
	Corrected gain	0.6	1.0	2.6	1.4	0.7	0.8	1.8	1.2

Source: GEM UK 2006 and 2007 adult population surveys



Gain in intention and activity from training in starting a business, by source of training

		Scotland	UK	Denmark	Ireland	Iceland	Finland
Expect to start a business in the next 3 years (non-entrepreneurs only)	No training	2.5%	3.8%	4.3%	4.3%	8.6%	2.4%
	Compulsory training	8.6%	11.3%	8.3%	13.3%	14.7%	7.2%
	Gain from training (times)	3.43	2.97	1.94	3.08	1.71	2.95
TEA rate	No training	3.7%	4.2%	4.2%	5.5%	7.4%	4.4%
	Compulsory training	7.4%	10.4%	4.9%	9.1%	16.4%	6.3%
	Gain from training (times)	2.01	2.49	1.2	1.7	2.2	1.4

Source: GEM UK 2008 adult population survey

Some Implications for Policy



- Home-based business
 - the Model Revised Scottish Secure Tenancy Agreement states: “*You and anyone living with you must not run any kind of business from the house.* However, if you ask us, we may give permission... If we give permission, we may also increase your rent.”

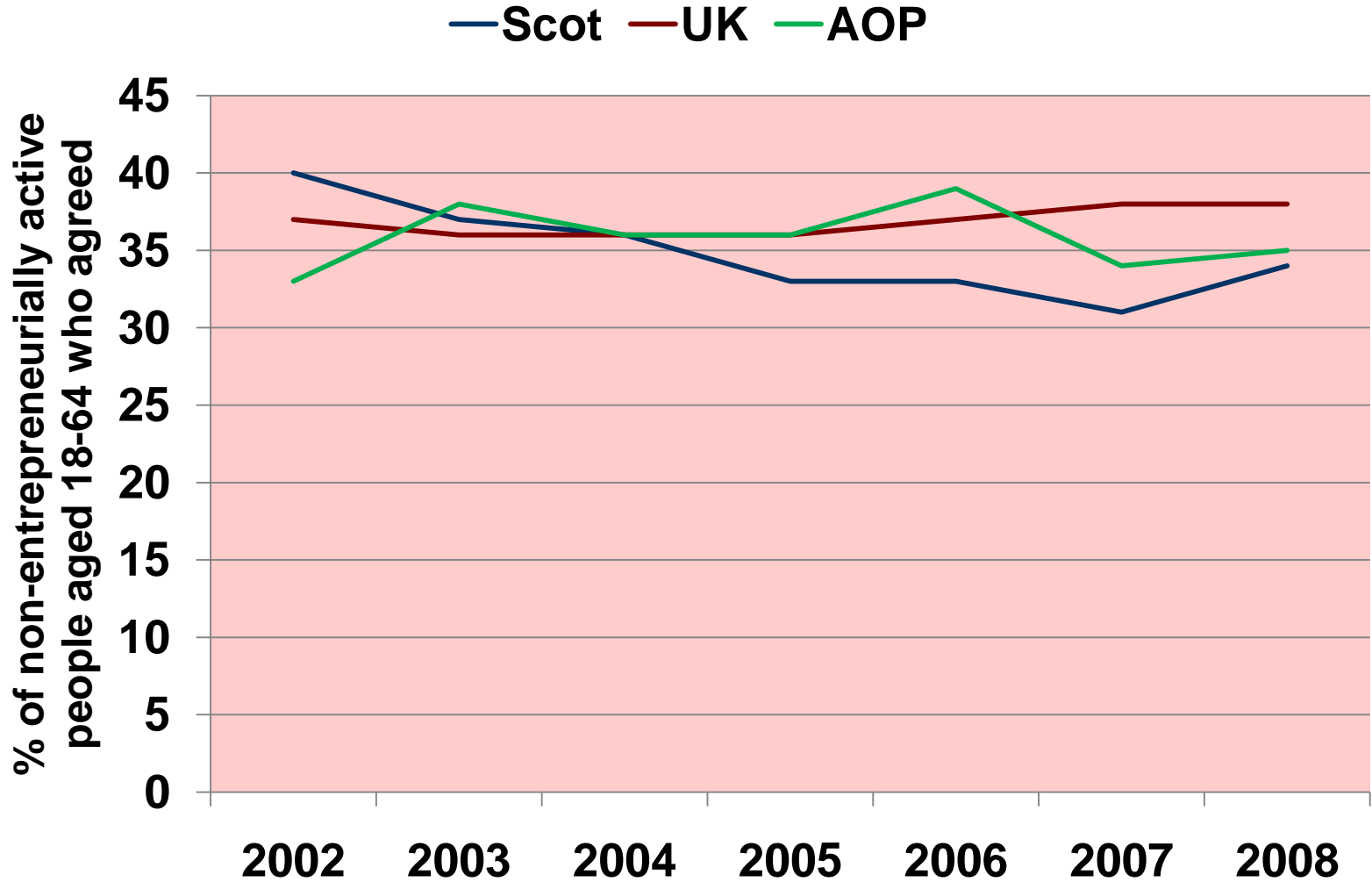


Some Implications for Policy

- Entrepreneurship training
 - E-ship training can double the rate of startup of graduates from further and higher education, *even if it isn't voluntary*
 - *Should we make this an integral part of courses at third level?*

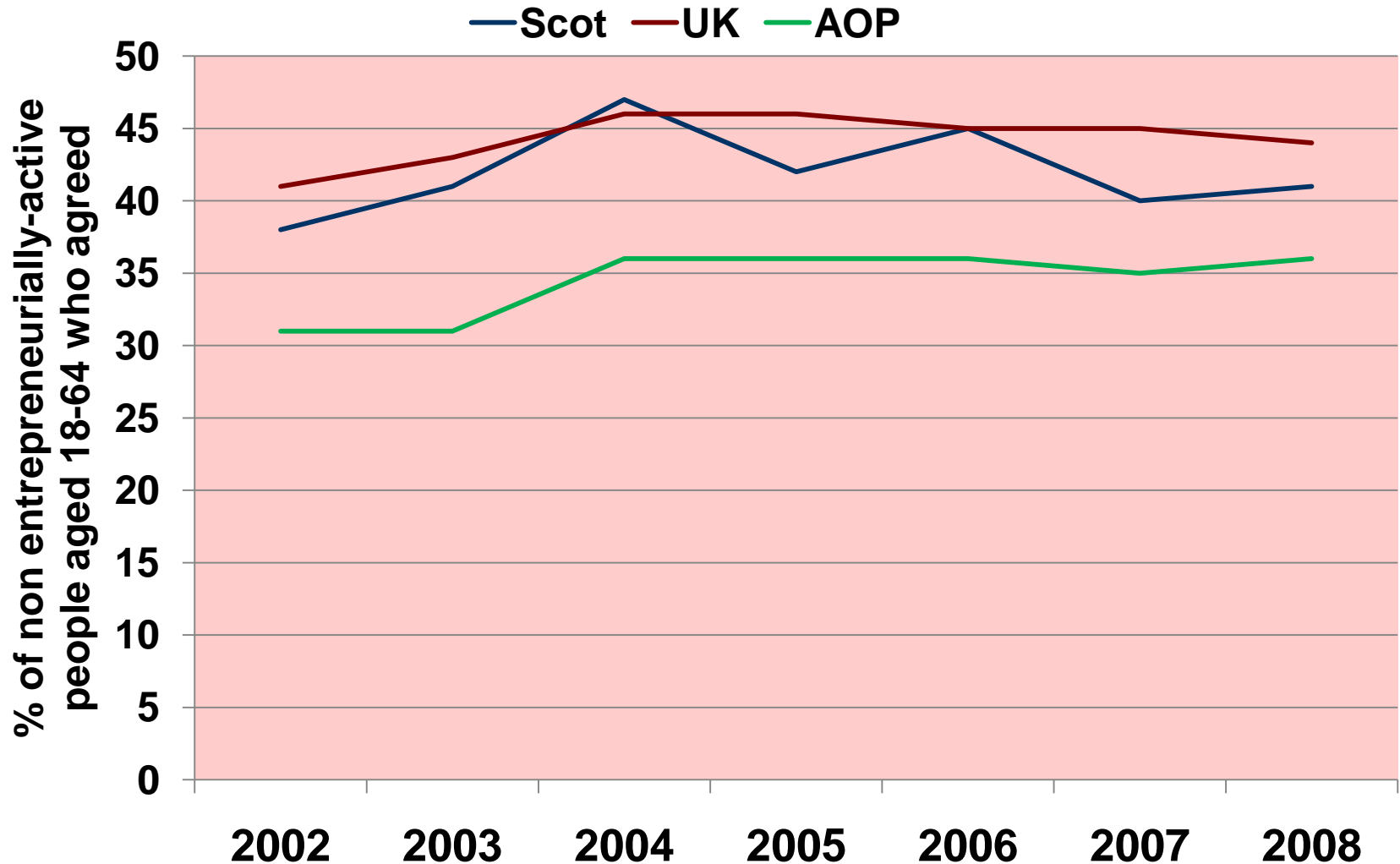


“Fear of failure would prevent me starting a business” (among those who see opportunities)



Source: GEM 2002 to 2008 adult population surveys

“I have the knowledge, skills and experience needed to start a business”



Source: GEM 2002 to 2008 adult population surveys



TEA rates for Scotland and the UK, 2002 to 2008, showing 95% confidence intervals and sample sizes

