Welcome

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GEM Scotland Report 2014

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Entrepreneurial Attitudes, Activity and Aspirations

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Total Early-stage Entrepreneurial Activity (TEA): How Scotland compares to other innovation-driven economies

[Graph showing percentage of adult population between 18-64 years engaged in entrepreneurship across various countries in 2014. Scotland is highlighted.]
TEA rates in Scottish local authority areas, 2003 to 2014
Know someone who started a business in last 2 years, by Scottish local authority areas, 2003 to 2014
Rates of perception of opportunity in Scottish local authority areas, 2003 to 2014
Rates of perception of media coverage of successful new business creators in Scottish local authority areas, 2003 to 2014
Entrepreneurial attributes in Scotland by family business background & gender, 2012 - 2014

- Know someone who started a business in past 2 years
- Good opportunities for starting a business in the next 6 months
- Have knowledge, skills to start a business
- Fear of failure would prevent me starting a business (among those...)

- Worked in parent’s business
- Parent ran a business
- Parents did not run a business
TEA rates in Scotland by family business background & gender, 2008-2014
Family business background, education and gender, 2008-2014
Do you think there are adequate sources of external start-up funding in your region?

% who agree
Do you think there are adequate sources of external start-up funding in your region?

% who don’t know
Invested in someone else’s new business in last 3 years
## Effect of attributes on odds of becoming an early-stage entrepreneur in Scotland, combined 2008 to 2014 database

<table>
<thead>
<tr>
<th>Attribute</th>
<th>Additional no. of early-stage entrepreneurs per 100 entrepreneurs if:</th>
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<tbody>
<tr>
<td>No. of early-stage entrepreneurs per 100 non entrepreneurs with the base case for each variable modelled (year effects controlled)</td>
<td>2.5</td>
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<tr>
<td>Know someone who has started a business in the last two years</td>
<td>+7.3</td>
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<tr>
<td>Age 45 to 54 (versus 18 to 24)</td>
<td>+2.3</td>
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<tr>
<td>High versus middle income ($\text{\textsterling}100,000+ vs \text{\textsterling}17,500 to \text{\textsterling}99,000$)</td>
<td>+2.2</td>
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<tr>
<td>Worked in the family business (vs no family bus. background)</td>
<td>+1.9</td>
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<tr>
<td>Perceive good opportunities to start a business in the local area</td>
<td>+1.8</td>
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<tr>
<td>Did not work in family business (vs no family bus. background)</td>
<td>+1.8</td>
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<tr>
<td>Being male (versus female)</td>
<td>+1.7</td>
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<tr>
<td>Being a graduate (versus no or school-level qualifications)</td>
<td>+1.4</td>
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<td>Born elsewhere in the UK (versus Scots born or migrant)</td>
<td>+1.0</td>
</tr>
<tr>
<td>Agree “you will often see stories in the public media about successful new businesses”</td>
<td>+0.8</td>
</tr>
<tr>
<td>Graduate + did not work in the family business</td>
<td>+0.7</td>
</tr>
<tr>
<td>Vocational/other education + did not work in the family business</td>
<td>-1.5</td>
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<tr>
<td>Established business owner-manager</td>
<td>-2.1</td>
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GEM Scotland 2014 Summary

• Subdued TEA rate may be due to timing (referendum)
• Edinburgh and remote rural areas have highest TEA rates
• People with a family business background are more entrepreneurial; family spinouts more growth-oriented
• Funding supply perceptions improving as start-up costs decline
• Evidence for government policy focus on networking, role models and communication of benefits of entrepreneurship