



Emerging forms of entrepreneurship

Executive summary

Introduction

This report examines the availability of quantitative and qualitative information, including their appearance in public and policy discussion, of five emerging forms of entrepreneurship (one-person enterprises, part-time entrepreneurs, parallel entrepreneurs, serial entrepreneurs and business transfers/successions) across Europe. This mapping exercise was done to provide an overview of how much these types of business activity are dealt with at national level.

Policy context

Due to demographic, socio-demographic, economic and technological developments, business activities are diversifying in Europe and specific types of entrepreneurship that are not necessarily 'new' but often not considered as 'traditional businesses' are gaining importance.

While the general public debate on entrepreneurship has been ongoing in Europe for about 30 years, the last decade shows an intensification as well as a shift of focus from general business policy to a discussion of different forms of entrepreneurship. The study on hand provides an overview of the development and status of public/policy discussion, available standardised data and research on selected emerging forms of entrepreneurship.

Key findings

Generally, one-person enterprises are part of the public measures and policy debates in almost all Member States. Policy initiatives aim to promote entrepreneurship by offering entrepreneurial consulting, with some Member States targeting specific groups, for example women or young persons. Policy initiatives also include entrepreneurial education and training, the reduction of administrative burdens or the improvement of framework conditions for doing business.

The notion of part-time entrepreneurs is often associated with one-person entrepreneurs. The part-time entrepreneurial business models are generally considered a temporary and intermediate stage from being employed to becoming an enterprise with employees. It is not very regulated in many countries with regard to tax and social security.

Serial entrepreneurship and business transfers/successions are often interconnected. The focus point of public debates is transfer of family businesses from one generation to the next and the related concern is that many companies and jobs are lost in the transition. Initiatives have been taken to inform and advise about business transfers in due time. Many countries also focus on inheritance tax and costs in addition to reducing the duration of administrative procedures in conjunction with business transfers.

The last form of analysed emerging entrepreneurship, parallel entrepreneurs, is rarely a part of the public discussion.

Standardised statistics on the five entrepreneurial forms are typically found for one-person entrepreneurs, while data on the other four forms of entrepreneurship are more scattered. Statistics on the five emerging entrepreneurial forms are based on many different sources and methods of gathering data. The result is that statistical variables between countries are very heterogeneous and differ in terms of the quality. The sources include data from public registers (business, trade or commercial registers, tax and social security registers), censuses of enterprises or of the population and surveys.

Research focusing on emerging forms of entrepreneurship tends to have the same focus areas as the public debate. Consequently, there are several studies about one-person enterprises as well as business transfers/successions while the other forms are hardly addressed. When going beyond general entrepreneurial research, studies on one-person enterprises focus on topics such as barriers and enablers to becoming self-employed as well as the performance of enterprises, labour market legislation, social security and social rights. Research on business transfers study attitudes and the process of business transfer, potential for growth after the business transfers and the risk of failure.

Commentary

The discussion about the five emerging forms of entrepreneurship treats them as a driver of growth and employment, which runs parallel to the general discussion about entrepreneurship. Beyond that, they are seen as offering access to specialised knowledge in a flexible manner, and/or in relation to innovation.

Surprisingly little research has been devoted across Europe to trends in society and in business that call for new forms of entrepreneurship. Furthermore, the availability of national statistical variables only gives very limited possibilities for doing statistical analysis across the European countries.

More dedicated research and statistics could be an eye-opener for public and policy discussions in highlighting that the emerging forms of entrepreneurship have economic potential, both in terms of business development and labour market contribution.

Further information

The report on *Emerging forms of entrepreneurship* is available online at <http://www.eurofound.europa.eu/emcc/erm/studies/tn1009034s/index.htm>

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