



# Inclusive Entrepreneurship Policies: Country Assessment Notes

Austria, 2018



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## FOREWORD

Inclusive entrepreneurship policies aim to offer all people an equal opportunity to create a sustainable business, whatever their social group. This is an important requirement for achieving the goal of smart, sustainable and inclusive growth set out in the Europe 2020 strategy. It is also a means to respond to new economic challenges, to create jobs and to fight social and financial exclusion. Among the key targets of inclusive entrepreneurship policies and programmes are women, youth, older people, the unemployed, migrants and people with disabilities, who all continue to face challenges in the labour market and are under-represented or disadvantaged in entrepreneurship activities. ‘The Missing Entrepreneurs’ series of publications of the Organisation for Economic Co-operation and Development (OECD) and the European Union discuss how public policies and programmes can support inclusive entrepreneurship. This includes refining regulatory and welfare institutions, facilitating access to finance, building entrepreneurship skills through training, coaching and mentoring, strengthening entrepreneurial culture and networks for target groups, and putting strategies and actions together for inclusive entrepreneurship in a co-ordinated and targeted way. Governments are increasingly recognising the challenge of inclusive entrepreneurship, but there is still much to do to spread good practice.

In Austria, older people are more likely to be self-employed than other groups (15.4% over the last five years compared to the 10.6% national average). Women and youth are quite active in setting up or running new businesses. Over the period 2013-17, 10.5% of youth and 7.7% of women were engaged in starting or managing a new business in Austria, which was above the European Union averages for these groups (7.7% for youth and 4.9% for women). A wide range of entrepreneurship policies and programmes are in place to support business creation. The majority of them seek to facilitate the acquisition of entrepreneurship skills and to improve access to start-up finance. However, more tailored support for the relevant target groups (e.g. women, seniors, migrants, and people with disabilities) is needed to promote self-employment in these groups. In addition, there is room to strengthen the impact of inclusive entrepreneurship policies and programmes by increasing awareness about existing initiatives and reinforcing linkages across them.

This note is the third country assessment note prepared by the OECD in collaboration with the Directorate-General for Employment, Social Affairs and Inclusion of the European Commission on the state of inclusive entrepreneurship policies and programmes in each European Union Member State. Each note provides an overview and assessment of policies and programmes that support people from under-represented and disadvantaged groups in business creation and self-employment and suggests policy actions to address gaps in the support system and to improve the quality of available support offers. The notes cover national-level policies and programmes and, where relevant, sub-national initiatives and actions by the non-governmental sector. The 2018 notes include an additional section on female entrepreneurship support, which provides an overview of the entrepreneurship activity levels, obstacles faced and policy responses.

The notes are part of a wider programme of work by the OECD and the European Commission that includes “The Missing Entrepreneurs” publications, the Better Entrepreneurship Policy Tool ([www.betterentrepreneurship.eu](http://www.betterentrepreneurship.eu)), a series of Policy Briefs on specific target groups, policies and issues, and country reviews of youth entrepreneurship and women entrepreneurship. For more information please refer to: [www.oecd.org/employment/leed/inclusive-entrepreneurship.htm](http://www.oecd.org/employment/leed/inclusive-entrepreneurship.htm).

## ACKNOWLEDGEMENTS

This note is part of a series of notes on country-level inclusive entrepreneurship policies and programmes prepared by the Organisation for Economic Co-operation and Development (OECD) for the European Commission. These notes were prepared as part of the programme of work of the OECD Local Economic and Employment Development (LEED) Programme of the Centre for Entrepreneurship, SMEs, Regions and Cities (CFE) led by Lamia Kamal-Chaoui, Director. They provide an overview of current and planned policy actions and identify some actions that could be implemented to address gaps in the current support offering, or improve current offerings.

This note was prepared by Eva Heckl and Karin Petzlberger of the Austrian Institute for SME Research. David Halabisky and Cynthia Lavison of the CFE undertook additional drafting and editing of the note under the direction of Dr. Jonathan Potter, also of the CFE. A steering group was consulted during the preparation of this note. The steering group was co-led by the OECD and Maria Christine Zoder of the Federal Ministry of Science, Research and Economy. Much of the data contained in this note were prepared under the direction of Dr. Jonathan Levie of the Global Entrepreneurship Monitor. This note benefited from feedback and suggestions provided by Guy Lejeune of the Directorate-General for Employment, Social Affairs and Inclusion of the European Commission.

## TABLE OF CONTENTS

KEY MESSAGES .....	6
1. INCLUSIVE ENTREPRENEURSHIP OBJECTIVES AND TARGETS.....	7
2. KEY INCLUSIVE ENTREPRENEURSHIP INDICATORS .....	8
2.1. Labour market context .....	8
2.2. Self-employment and entrepreneurship rates .....	8
2.3. A profile of the self-employed .....	11
2.4. Barriers to business creation .....	14
2.5. Entrepreneurship performance .....	15
3. ASSESSMENT OF CURRENT AND PLANNED INCLUSIVE ENTREPRENEURSHIP POLICIES AND PROGRAMMES .....	18
3.1. Policy framework .....	18
3.2. Government regulations .....	18
3.3. Financing entrepreneurship .....	19
3.4. Entrepreneurship skills .....	21
3.5. Entrepreneurial culture and social capital .....	24
4. OVERVIEW OF WOMEN’S ENTREPRENEURSHIP .....	26
5. POLICY RECOMMENDATIONS .....	28
6. REFERENCES .....	29
ANNEX: METHODOLOGY .....	30

## KEY MESSAGES

- A wide range of entrepreneurship policies and programmes are currently in place to support business creation. The majority of these initiatives aim to facilitate the acquisition of entrepreneurship skills and improve access to start-up financing. While these policy actions are considered to be of high quality, they rarely offer tailored support for groups that are under-represented or disadvantaged in entrepreneurship such as women, migrants, people with a disability and older people.
- The share of entrepreneurial activities driven by “necessity” rather than “opportunity” is far lower in Austria than across the EU (12.5% vs. 20.3%). This holds true for all target groups such as women, youth and seniors. Entrepreneurs from all key target groups (i.e. women, youth, and seniors) are more likely than the EU average to report offering innovative products and services, and to export to other countries. However, Austrian entrepreneurs – notably women – were half as likely as the EU average to expect to create at least 19 jobs over the next five years.
- While entrepreneurship support is generally strong and reasonably comprehensive, there is room to strengthen access to it by people from under-represented and disadvantaged groups. The following key recommendations are offered: (i) include inclusive entrepreneurship in overall entrepreneurship and employment strategies; (ii) use female entrepreneurship role models to encourage women to start businesses in sectors with growth potential; (iii) strengthen the linkages between financial supports and entrepreneurship training, and coaching and mentoring; and (iv) offer more support to senior entrepreneurs.

## 1. INCLUSIVE ENTREPRENEURSHIP OBJECTIVES AND TARGETS

The Work Programme of the Austrian Government 2017-2022 (*Zusammen. Für unser Österreich. Regierungsprogramm 2017-2022*)<sup>1</sup> lays out the principles, measures and actions to be implemented by the government during this period. The programme covers a wide range of policy issues, including business creation. Key objectives related to entrepreneurship include facilitating business registration (e.g. by allowing for online setup), improving access to finance for entrepreneurship and reducing bureaucratic and administrative burdens for enterprises. However, groups that are under-represented or disadvantaged in the labour market (e.g. women, youth, the unemployed, seniors or migrants) are not specifically mentioned in the context of self-employment.

The Start-up Country Strategy<sup>2</sup> (*Gründerland-Strategie*) is highlighted in the annual Economic Report<sup>3</sup> of the Federal Ministry for Digital and economic Affairs (BMDW) as a crucial policy to foster entrepreneurship. The Start-up Country Strategy was launched in 2015 and is a road map of 40 measures related to innovation, business financing, entrepreneurship networks, regulations and infrastructure aiming to make Austria the most “start-up-friendly” country in Europe. Measures include instruments to increase innovation activities, tools to improve financing and a reduction red tape for new start-ups. However, the strategy does call for tailored approaches to support groups such as women, youth, older people, immigrants or the unemployed.

The objective to foster entrepreneurial spirit is highlighted in the report on the state of small and medium-sized enterprises (SMEs) of the Industrial Federation in Austria (*Mittelstandsbericht*),<sup>4</sup> which is prepared biannually by the Federal Ministry for Digital and Economic Affairs (BMDW). The report outlines recently implemented or intended measures to promote SMEs (including founding-fellowships for academic spin-offs) structured along the ten principles of the Small Business Act (SBA). It describes the relative performance of Austria in achieving the SBA goals in comparison with the other EU Member States as well as recommendations on where and how to improve performance.

In addition to these broad strategies, several group-specific policies seek to enhance entrepreneurship and entrepreneurial behaviour within respective groups. For example, the Austrian Youth Strategy (*Österreichische Jugendstrategie*) aims to address youth inclusion into society and the labour market, including strategic goals such as increasing youth-led start-ups and developing entrepreneurship education. Similarly, the Austrian Strategy for Lifelong Learning (“LLL: 2020”) outlines actions to improve learning across all stages of life. One of the cross-cutting competences highlighted in the strategy is “entrepreneurial competences”.

Several National Action Plans (NAPs) have been elaborated by the government and touch on integration of target groups into the labour market. For example, the NAP for gender equality (*NAP Gleichstellung*) from 2010 states that female entrepreneurs would benefit from improved access to grants for start-ups and increased support for women’s start-ups. The NAP for integration (*NAP Integration*) from 2010 explicitly endeavours to support entrepreneurship of long-term residents with a migration background as well as migrants.

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<sup>1</sup>[www.bundeskanzleramt.gv.at/documents/131008/569203/Regierungsprogramm\\_2017%E2%80%932022.pdf/b2fe3f65-5a04-47b6-913d-2fe512ff4ce6](http://www.bundeskanzleramt.gv.at/documents/131008/569203/Regierungsprogramm_2017%E2%80%932022.pdf/b2fe3f65-5a04-47b6-913d-2fe512ff4ce6)

<sup>2</sup> [www.bmdw.gv.at/Presse/Documents/BMFWF\\_Land\\_der\\_Gruender\\_NEU.pdf](http://www.bmdw.gv.at/Presse/Documents/BMFWF_Land_der_Gruender_NEU.pdf).

<sup>3</sup>[www.bmdw.gv.at/Wirtschaftspolitik/Wirtschaftspolitik/Documents/Wirtschaftsbericht\\_WEBversion\\_neu\\_GW\\_65%20HW26.pdf](http://www.bmdw.gv.at/Wirtschaftspolitik/Wirtschaftspolitik/Documents/Wirtschaftsbericht_WEBversion_neu_GW_65%20HW26.pdf).

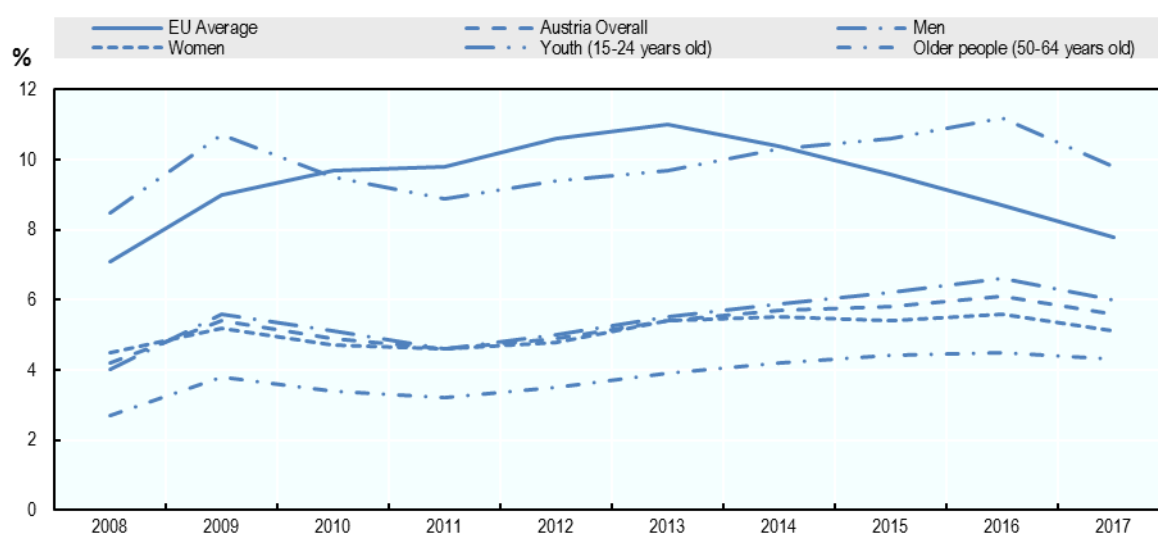
<sup>4</sup> [www.bmdw.gv.at/Unternehmen/Documents/Mittelstandsbericht\\_barrierefrei\\_15.11\\_Version3.pdf](http://www.bmdw.gv.at/Unternehmen/Documents/Mittelstandsbericht_barrierefrei_15.11_Version3.pdf)

## 2. KEY INCLUSIVE ENTREPRENEURSHIP INDICATORS

### 2.1. Labour market context

The Austrian labour market has been relatively resilient through the global economic crisis; the unemployment rate increased less dramatically than in many countries and remained below the European Union (EU) average over the 2008-17 period (Figure 1). However, the unemployment rate increased steadily between 2011 and 2016 while the EU average had been on a downwards trend. The trend seems to be reversing. The unemployment rate in Austria was 5.6% in 2017, down from 6.1% the previous year.

Figure 1. Unemployment rate, 2008-17



Source: Eurostat (2018), Labour Force Survey.

Similar trends in the unemployment rate among women, youth and older people are observed. Unemployment rates among men and women have been quite similar over the past decade, however, women's unemployment has slowed down after 2013 resulting in a lower unemployment rate than men in recent years, including after unemployment rates decreased for both genders in 2017 (5.1% vs. 6.0%). Unemployment among older people was quite low in 2017 (4.3%), under the national average (5.6%) and the EU average for this age group (5.8%). As in other EU countries, unemployment was highest among the youth (9.8%) – 1.8 times the national average in 2017. Nonetheless, youth unemployment had decreased compared to the previous year, and this figure remains quite low by regional standards; it was the fourth lowest youth unemployment rate in the EU in 2017.

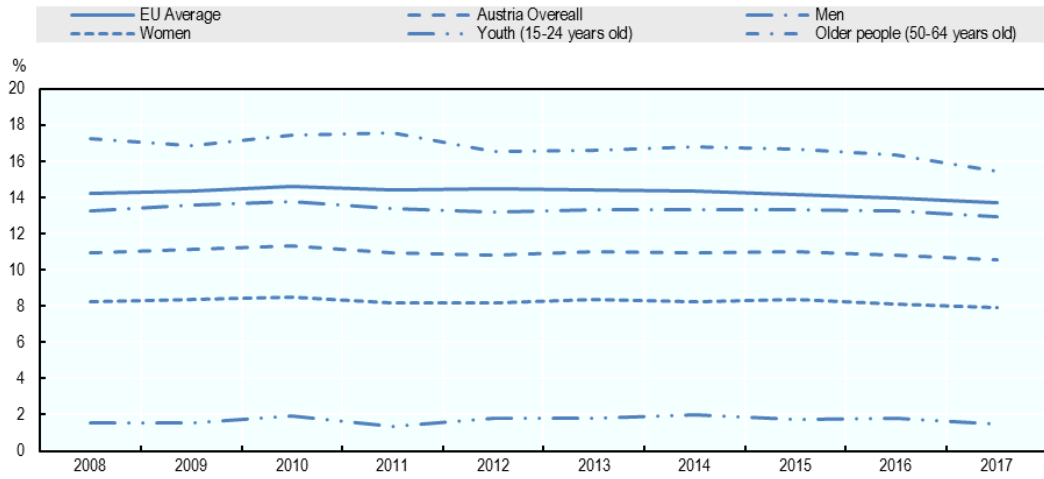
### 2.2. Self-employment and entrepreneurship rates

The self-employment rate remained constant over the past decade but was below the EU average in 2017 (10.6% vs. 13.7%). Men had a higher rate of self-employment than women in 2017 (12.9% vs. 7.9%), as had been the case over the past decade. The self-employment rate of older workers has been decreasing slightly over the past few years and was below the EU average for this group in 2017 (15.4% vs. 17.9%). Nevertheless, it remained the highest of all demographic groups observed in Austria. Workers under the age of 25 had the second lowest self-employment rate in the EU for this age group, and the lowest of all groups in Austria (1.5%) (Figure 2a).

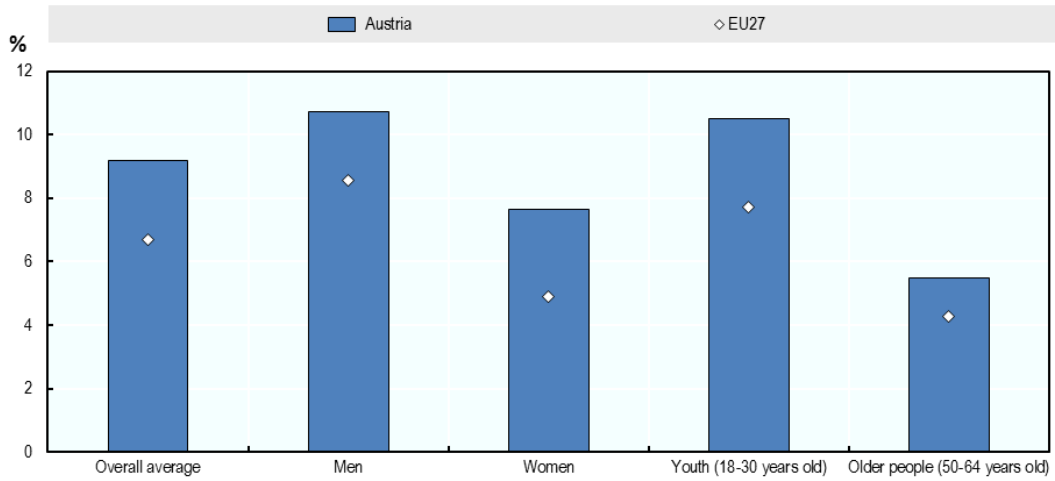


**Figure 2. Entrepreneurship rates by target group**

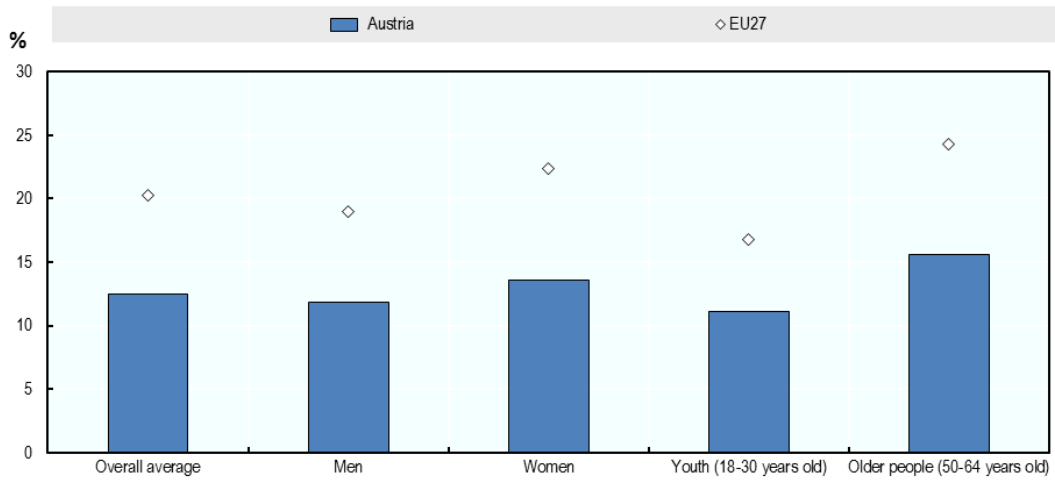
**a. Self-employment rate, 2008-17**



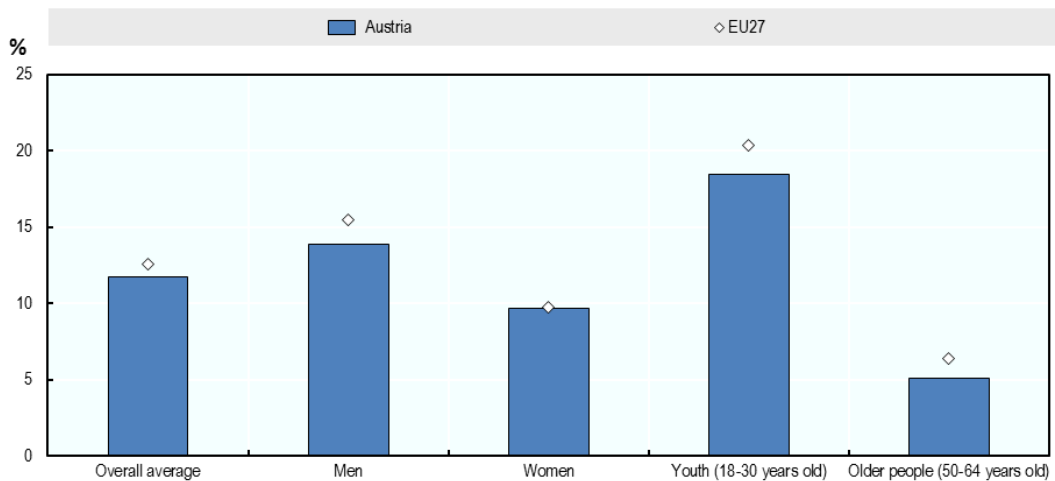
**b. TEA-Rate, 2013-17**



c. Proportion of TEA that is necessity entrepreneurship, 2013-17



d. Proportion who expect to start a business in the next 3 years, 2013-17



Note: The self-employment rate is defined as the proportion of those in employment who are self-employed. The TEA rate is the Total early-stage Entrepreneurial Activity rate, which is defined as the proportion of the population actively involved in pre-start-up activities and those who have started a new business within the last 42 months. The proportion of TEA that is necessity entrepreneurship is the proportion of entrepreneurs involved in setting-up a new business or operating a business that is less than 42 months old, who were motivated to start their business because they had no better options for work. Data for panels b, c, and d were pooled for the period 2013-17, producing an unweighted average. The EU27 average in panels b, c, and d covers all EU Member States except Malta because it is not covered by the GEM survey.

Source: Panel a contains data from Eurostat (2018), Labour Force Survey; Panels b, c, and d contain data from the 2013 to 2017 Global Entrepreneurship Monitor household surveys that were tabulated for the OECD (2018).

The Total early-stage Entrepreneurial Activities (TEA) rate estimates the share of the active population that is involved in starting or managing a new business. In Austria, the TEA rate was 9.2% during the period 2013-17, noticeably above the European Union average (6.7%) (Figure 2b). Similar to what can be observed at the EU level, men (10.7%) and youth (10.5%) displayed the highest TEA rates while women (7.7%) and older people (5.5%) were slightly less likely to be involved in pre start-up activities or managing young businesses. Overall, the TEA rate was consistently above the EU average for all groups. Women, in particular, displayed the fifth highest TEA rate in the EU.

Statistics Austria data show that there are only small differences in the self-employment rates<sup>5</sup> of people with migration background (8%) and those without (9%) (Fuchs et al., 2017). In 2016, first generation migrants had a higher self-employment rate (9.1%) than migrants of the second generation (6.2%). Furthermore, the percentage of migrants in Austria who are involved in early-stage entrepreneurship activities (TEA) was 11.3% in 2016, which was above the population average (Johanneum Research, 2017).

Data on entrepreneurs with disabilities is scarce in Austria. According to the Ministry of Labour, Social Affairs, Health and Consumer Protection there were 3 624 self-employed people with a disability in 2017.<sup>6</sup>

The level of “necessity” entrepreneurship is substantially lower in Austria compared to the EU average (20.3%). Only 12.5% of Austrian entrepreneurs who were involved in setting-up a new business or running a business that is less than 42 months old did so because they had no employment alternative (Figure 2c). This observation holds true across all groups.

In the recent past Austrians were slightly less likely than the EU average to expect to create a new business in the future (11.7% vs. 12.6%). The highest share of potential founders in Austria was found among the youth (18.4%). While youth also displayed a relatively high TEA rate, young Austrians had the lowest self-employment rate of all groups observed. This reflects, in part, the differences between these measures. The self-employment rate reflects the stock of self-employed workers at a given time while the TEA rate is a dynamic measure capturing recent creations. Finally, “expectations for business creation” reflect unrealised intentions.

### **2.3. A profile of the self-employed**

The most common sectors of activity among the self-employed in Austria in 2017 were Agriculture, forestry and fishing (19.6%), Wholesale and retail trade (13.1%) and Professional, scientific and technical activities (12.1%). The distribution of self-employed workers by economic activity differed from the EU average to some extent. The concentration of self-employed workers was higher than average in agriculture (19.6% vs. 14.1%), Human health and social work (8.4% vs. 6.5%) and Information and communication (4.8% vs. 3.3%). On the other hand, the wholesale and retail trade sector – which was the most common area of activity for self-employed workers at the EU level – concentrated a smaller share of workers in Austria (13.1% vs. the 15.4% EU average). The construction sector was also much less important in Austria (7.6%) than on average across the EU (13.2%).

The distribution of self-employed workers across sectors varies across target groups. Self-employed women were much more active than men in the field human health<sup>7</sup> and social work (14.9% vs. 4.8%), which was the second most common activity for this group. They were also very active in in other service activities (12.4%), much more so than their male counterparts (2.1%). The distribution of older self-employed workers roughly mirrored the overall national distribution (Figure 3a). No information on the sectoral make-up of younger self-employed workers was available for Austria.

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<sup>5</sup> Non-agricultural sectors.

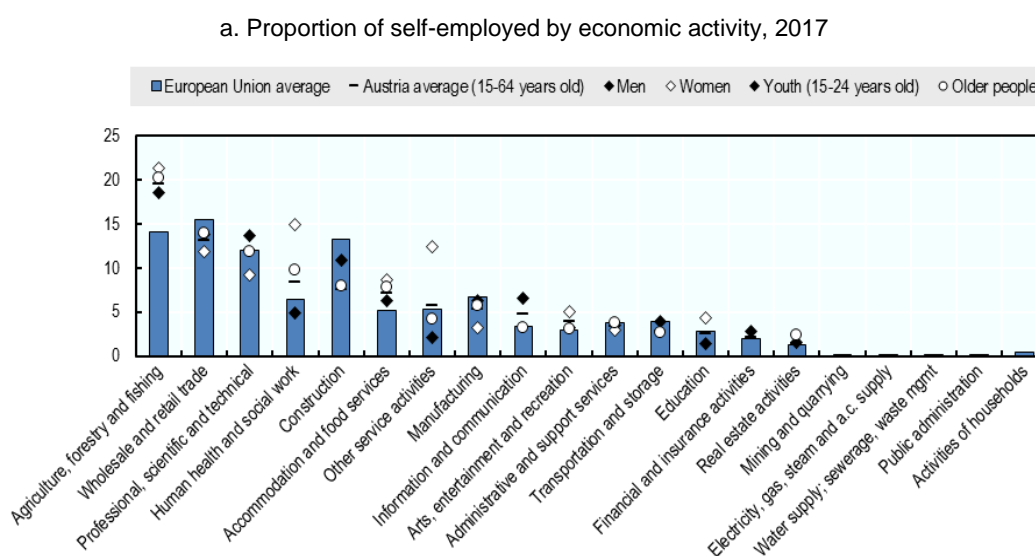
<sup>6</sup> [www.dnet.at/elis/Tabellen/arbeitsmarkt/behinderte\\_jahr.pdf](http://www.dnet.at/elis/Tabellen/arbeitsmarkt/behinderte_jahr.pdf).

<sup>7</sup> This number includes 58 890 women who worked as self-employed in the association Counselling and Nursing Services in 2017.

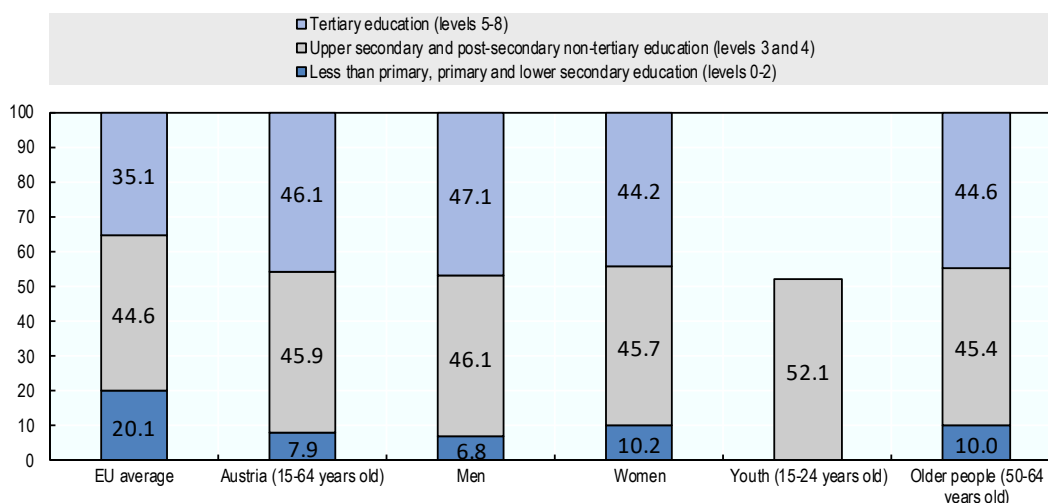
In 2017, self-employed workers in Austria were, on average, more educated than their EU counterparts. The proportion of self-employed workers having completed tertiary education (46.1%) was the third highest in the EU, significantly above the EU average (35.1%) (Figure 3b). The share of self-employed workers with secondary education was slightly above the EU average while the share of self-employed workers holding a lower secondary degree or lower (7.9%) was less than half the EU average (20.1%). Within Austria, the distribution of self-employed workers across educational attainment levels varied relatively little between female, male and older entrepreneurs. Nonetheless, the share of self-employed workers with lower levels of qualifications was noticeably higher among women (10.2%) and older workers (10.0%) than among men (6.8%).

The occupational distribution of self-employed workers in Austria reflects to some extent their sectors of activity and educational achievements. Nearly one quarter (24.8%) of self-employed workers are Professionals and 19.5% are Skilled agricultural, forestry and fishery workers, above the EU average for these occupations (21.0% and 13.8% respectively). Technicians were also much more common among Austrian self-employed workers than the EU average (16.7% vs. 11.7%). Conversely, craft work is a much more common activity among the self-employed at the EU level (16.0%) than in Austria (10.9%). There are a few notable differences between men and women in the distribution of self-employed workers by occupation in Austria, including two sizable gaps: 22.3% of self-employed women are service and sales workers, while only 12.6% of self-employed men report this occupation. On the contrary, self-employed men were 4.5 times more likely (15.1%) than self-employed women (3.3%) to work as craft and related trade workers in 2017. The occupational makeup of older self-employed workers in Austria did not diverge significantly from the national average (Figure 3c).

**Figure 3. Characteristics of self-employed workers by target group**



### b. Proportion of self-employed by educational attainment, 2017



### c. Proportion of self-employed by occupation, 2017



Note: The self-employment rate is defined as the proportion of those in employment who are self-employed.

Source: Eurostat (2018), Labour Force Survey.

Various national data sources provide further details on self-employment and entrepreneurship activities. In 2015, 40% of all active enterprises<sup>8</sup> (sole proprietorship) were led by women - a proportion that has increased constantly since 2007 (31%) (Statistics Austria, 2015). In 2017, the share of women among all business entries was 52.2%, and thus substantially higher than in 2007 (36%). However, the proportion of women-led enterprises among business closures has risen markedly over the same period (from 34% to 50%).

<sup>8</sup> A company is considered economically active if it achieved sales and / or had employees at any time between 1 January and 31 December of the reporting year. In 2015, there have been approx. 385 500 active enterprises in Austria (preliminarily reference numbers).

In 2017, 46.4% of the 381 528 active members of the Austrian Federal Economic Chamber (WKO) were women.<sup>9</sup> According to WKO member statistics, women managed 176 930 businesses in Austria. This number is somewhat distorted by the high number of self-employed women in the association of counselling and nursing services (*Personenberatung und Personenbetreuung* (58 890 in 2017), which made up 33% of women-led ventures in 2017. The share of women owners was highest in crafts and trades (41%) as well as tourism and leisure (41%) but lowest in transport and communications (13%) and industry (10%) (WKO, 2018a). According to the member statistics of the Austrian Federal Economic Chamber, in 2017, the greatest concentration of women entrepreneurs could be found in the categories “counselling and nursing services” (93%), “hairdressing” (82%) and “pedicurist, masseur and cosmetician” (80%).

Older citizens represent a sizable share of business owners: 21.7% of all entrepreneurs were between 55 and 64 years old in 2017 while 6.6% were 65 years or older (WKO, 2018b). Moreover, 5.6% of new businesses established in 2017 were set up by people above the age of 60, a considerable increase compared to what was measured in 2000 (1.1%). Similarly, a survey by the Austrian Institute of SME Research (*KMU Forschung Austria*) indicates that 5% of female and 7% of male self-employed respondents were “Silverpreneurs”, i.e. they were self-employed although already retired (Heckl et al., 2018).

The Global University Entrepreneurial Spirit Students' Survey (GUESS Survey) found that only 4% of Austrian students intend to found their own business directly after graduation in 2016, while another 1% aimed to take over an already existing company (Kailer et al., 2017). However, 23% of students wanted to work in their own company five years after graduation and another 4% aim to take over one. About 8.1% of the Austrian respondents of the GUESS Survey were nascent founders, meaning that they were in the process of trying to start their own business or to become self-employed. 45% of these nascent founders were women, almost a third of them studied Law or Economics. A quarter of these nascent founders planned to set up their own company within the next one to six months while 42% saw 19 to 24 months as a realistic period for launching their business.

#### **2.4. Barriers to business creation**

About 44.0% of Austrians report that a fear of failure had been an obstacle to business creation during the 2013-17 period (Figure 4a), slightly under the EU average (46.2%). Within the Austrian population, a fear of failure was reported most frequently by women (50.7%) and youth (46.6%), close to the average EU rates for these groups. By contrast, men and older people were slightly less concerned about being unsuccessful than their EU counterparts.

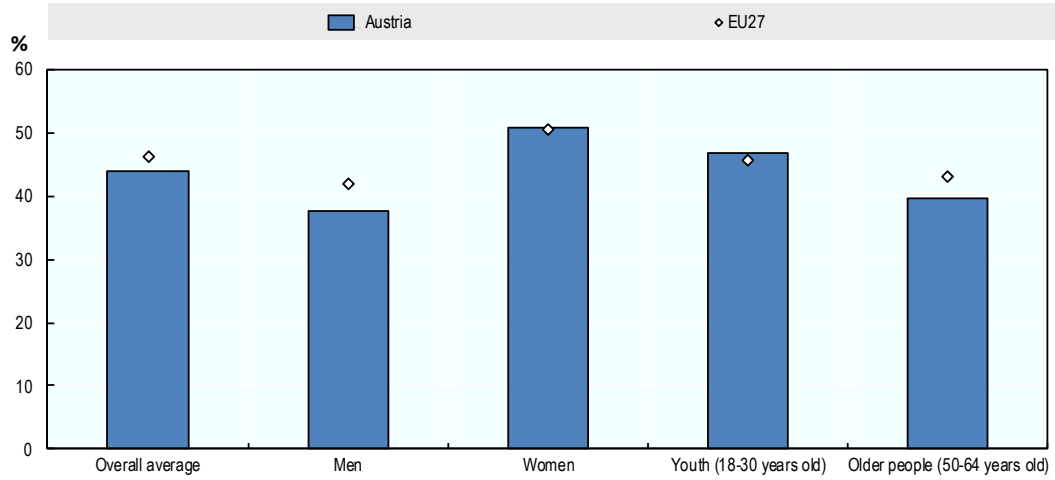
Austrians (50.2%) were more confident that they have the skills and knowledge to be successful in business creation than the EU average (41.9%) between 2013 and 2017. This holds true across all groups (Figure 4b). Men were the most likely to report to have skills needed for business creation (59.1%), followed by older people, who were also confident in their entrepreneurship skills (51.0%).

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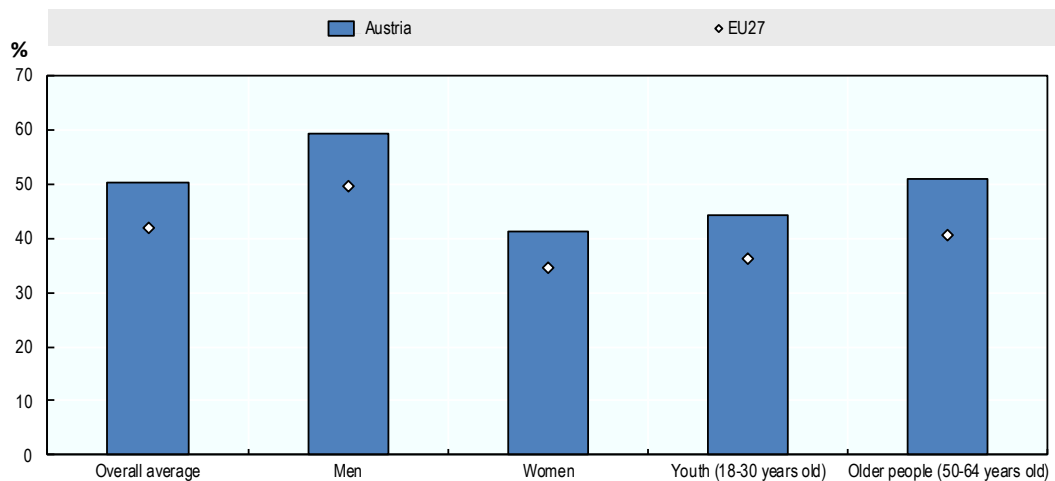
<sup>9</sup> Every single person who is entitled to operate an independent business venture in crafts and trades, industry, mining, finance, banking and insurance, transport, information and communication, broadcasting, tourism and leisure, as well as other services, is a member of the Federal Economic Chamber under Austrian law.

**Figure 4. Barriers to entrepreneurship by target group**

a. Proportion who report that a fear of failure prevents them from starting a business, 2013-17



b. Proportion who perceive that they have the skills to start a business, 2013-17



Note: Data were pooled for the period 2013-17. Responses were weighted to reflect the population in each year, but no weighting was used when pooling the time series data, i.e. all years have the same weight regardless of the sample size in each year. The EU27 average covers all EU Member States except Malta because it is not covered by the GEM survey.

Source: GEM (2018), special tabulations of the Global Entrepreneurship Monitor's household surveys from the 2013 to 2017.

## 2.5. Entrepreneurship performance

More than one-third (35.4%) of new Austrian entrepreneurs reported that they offered innovative products and services to their customers during the 2013-17 period (Figure 5a). This was above the EU average (27.6%). There was little variation across the target groups (i.e. men, women, youth and older people) over this period.

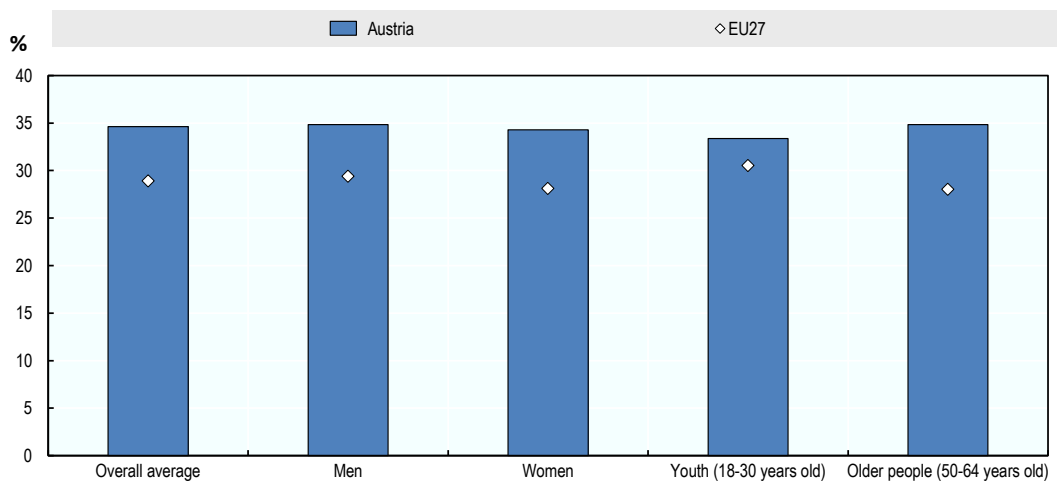
Approximately 71% of Austrian entrepreneurs sold to customers in other countries between 2013 and 2017, which was above the EU average for this period (57.4%) (Figure 5b). All target groups in

Austria were more likely than the averages for the EU to export – especially men (75.0%) and youth (73.6%).

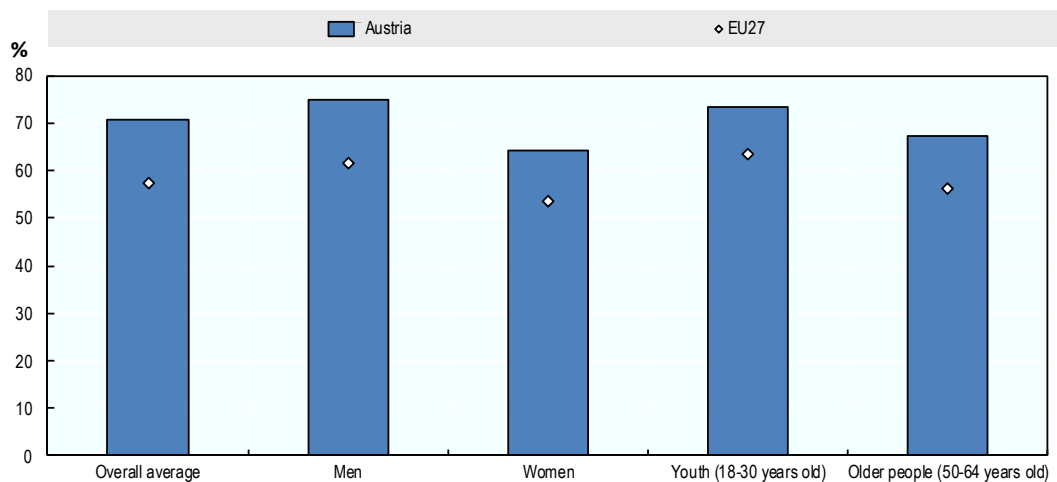
Despite these facts, Austrian entrepreneurs were considerably less likely to expect to create a substantial number of jobs in the near future than the EU average (5.6% vs. 9.7%). Over 2013-17, 6.8% of men, 7.1% of youth and 6.2% of older entrepreneurs anticipated to create at least 19 new jobs within the next five years. Women were the least likely to expect to create this number of positions (3.9%).

**Figure 5. Self-employment and entrepreneurship activities by target group**

a. Proportion of new entrepreneurs whose products or services are new to all or some customers, 2013-17

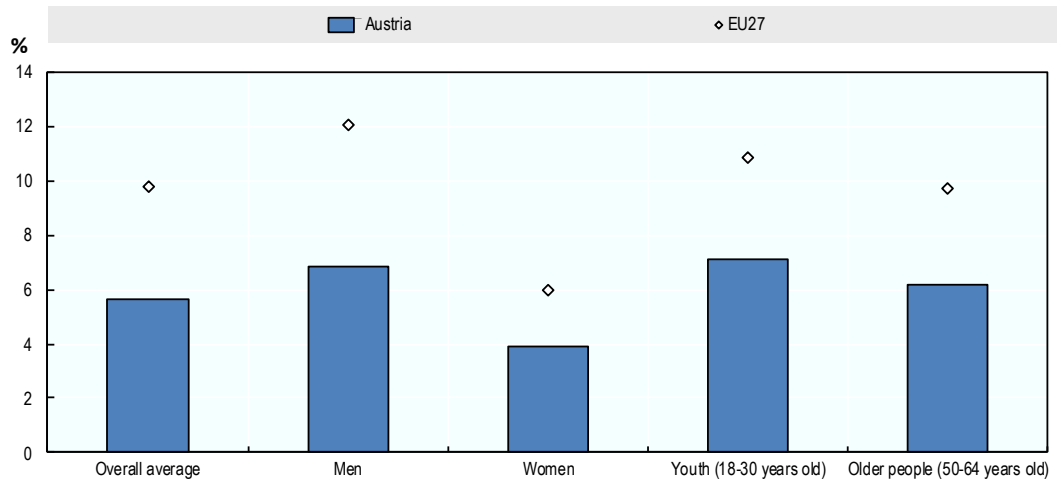


b. Proportion who sell to customers in another country, 2013-17





c. Proportion of early-stage entrepreneurs who expect to create more than 19 jobs in 5 years, 2013-17



Note: Data were pooled for the period 2013-17. Responses were weighted to reflect the population in each year, but no weighting was used when pooling the time series data, i.e. all years have the same weight regardless of the sample size in each year. The EU27 average covers all EU Member States except Malta because it is not covered by the GEM survey.

Source: GEM (2018), special tabulations of the Global Entrepreneurship Monitor's household surveys from the 2013 to 2017.

### 3. ASSESSMENT OF CURRENT AND PLANNED INCLUSIVE ENTREPRENEURSHIP POLICIES AND PROGRAMMES

#### 3.1. Policy framework

The Work Programme of the Austrian Government 2017-22 (*Zusammen. Für unser Österreich. Regierungsprogramm 2017-2022*) includes measures to facilitate business creation. In addition, the Austrian entrepreneurship strategy “Start-up Country” (*Gründerland-Strategie*) guides SME and entrepreneurship policy overall. A new start-up Package focused on innovative start-ups has also been launched by the Austrian Government in 2015. However, neither explicitly addresses the key social target groups of inclusive entrepreneurship, i.e. women, youth, older people, immigrants and the unemployed.

Nonetheless, a number of schemes seek to support people from under-represented and disadvantaged groups in business creation and self-employment. For example, one of the eight key competences identified in the Austrian Lifelong Learning Strategy “LLL: 2020” is “entrepreneurial competences” – it is a cross-cutting issue in all ten action lines that are dealing with learning in all phases of life. One of the target groups of “LLL:2020” are young people: since 2004, the strategy supports entrepreneurship education in schools and awareness raising measures.

Another policy related to promoting entrepreneurship for youth is the Austrian Youth Strategy (*Österreichische Jugendstrategie*) launched 2012. One of the strategic goals is that “Austria will raise more company founders under the age of 30”. The strategy calls for more entrepreneurial learning, an increased use of practice firms, and special provisions for young people setting up a business.<sup>10</sup>

The national action plan Integration (*Bericht zum nationalen Aktionsplan für Integration*)<sup>11</sup> calls for targeted actions to foster and support self-employment by migrants, but precise actions are not specified.

The Business Start-up Programme (*Unternehmensgründungsprogramm UGP*) of the Austrian Public Employment Service (*Arbeitsmarktservice AMS*) supports entrepreneurship among the unemployed. The UGP aims to assist unemployed persons with a business idea in taking up a sustainable self-employment.

Although the promotion of entrepreneurship generally is a clear objective of the Austrian government, entrepreneurship of target groups as women, migrants, older people, and people with disabilities) is not clearly addressed in national strategies and action plans.

#### 3.2. Government regulations

The Austrian Social Insurance Authority for Business (SVA) is responsible for the social insurance of all self-employed persons with the exception of those employed in agriculture. Insurance

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<sup>10</sup> Bundesministerium für Wirtschaft, Familie und Jugend (Hg.): Jugendstrategie: Strategische Ziele 2013 – 2020, Wien 2013; [www.bmfj.gv.at/jugend/jugendstrategie.html](http://www.bmfj.gv.at/jugend/jugendstrategie.html).

<sup>11</sup>[https://www.bmeia.gv.at/fileadmin/user\\_upload/Zentrale/Integration/NAP/Bericht\\_zum\\_Nationalen\\_Aktionsplan.pdf](https://www.bmeia.gv.at/fileadmin/user_upload/Zentrale/Integration/NAP/Bericht_zum_Nationalen_Aktionsplan.pdf).

protection is made up of pension insurance and health insurance schemes. In Austria, social insurance is organised on the basis of the compulsory insurance principle. This means that any person who performs a job subject to insurance is required to pay compulsory insurance contributions.

There is “particular support” (*Besondere Unterstützung*) for the self-employed and entrepreneurs who are in a difficult situation. For example, they are eligible to receive unemployment benefits if they have paid voluntary unemployment insurance contributions for a specific amount of time before closing their business. They are also entitled to interim benefits (*Überbrückungshilfe*) in case of severe, unpredictable events, e.g. long-lasting illness or natural disasters. Moreover, they can receive support through SVA case managers when they face circumstances that threaten their business activity, e.g. a combination of health-related, medical and economic, professional and social restrictions.

Two regulatory measures are aimed specifically at women entrepreneurs. A female entrepreneur is entitled to a “maternity allowance for women entrepreneurs” (*Wochengeld für Unternehmerinnen*) to the amount of EUR 53.96 (as of 2018) per day if she employs an appropriate worker at least four days per week, or to the amount of 20 hours per week to her own relief in the claiming period. The total duration of the maternity leave (*Mutterschutz*) is usually eight weeks before birth and eight weeks after birth. Instead of the maternity allowance, women entrepreneurs are entitled to make use of “operational support” (*Betriebshilfe*), meaning that qualified replacement provided by the regional Operational Support Association (*Betriebshilfeverein*) carries out the work.

### 3.3. Financing entrepreneurship

There are numerous grants for business creation, takeovers or specific industries (e.g. creative industries, high-tech industries) in each of the nine Austrian provinces, which are open to all entrepreneurs. A quick-check has been established facilitating the overview of grants and loans for entrepreneurs. Examples include the funding schemes for new launches and start-ups by the Austrian federal promotional bank (*Austria Wirtschaftsservice aws*).<sup>12</sup> An essential part of this start-up programme is that innovative Start-ups are exempted from paying auxiliary wage costs for their first three employees during three years. Although the programme is open to all innovative start-ups, the “Start-up report” found that innovative new firms are mostly founded by young people.

While there are no grant schemes that are specifically tailored for women, older people, the unemployed and immigrants, there are schemes for youth and people with disabilities. Examples include the “Your Projects” (*Eure Projekte*) programme, which provides grants up to EUR 500 to 14-24 year olds. The programme is implemented by the Ministry of Families and Youth (BMFJ) and the *Bundesnetzwerk Österreichische Jugendinfos*. Furthermore, young people between 18 and 26 years old can make use of the programme “aws First”, which is implemented by the Austrian Federal Promotional Bank (aws). The programme supports potential entrepreneurs by providing professional coaching, training and co-working spaces, as well as by supplying them with one-year scholarships and a project budget.

People with disabilities can apply for two different grants, offered by the Federal Office of Social and Disability Affairs (*Sozialministeriumservice*). The Business start-up grant (*Zuschuss zur Begründung einer selbstständigen Erwerbstätigkeit*) is a one-time grant with the purpose of starting a business. The grant compensates up to 50% of the expenditures connected with the business launch if self-employment is meant to be the primary source of revenue for an entrepreneur with a disability and their dependents. In addition, the “grant to cover current disability-related additional expenses of

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<sup>12</sup> <http://www.aws.at>

entrepreneurs” (*Zuschuss zur Abgeltung eines laufenden behinderungsbedingten Mehraufwandes von UnternehmerInnen*) aims to ensure the sustainability of existing self-employed activities among people with disabilities. The grant compensates for disability-related additional expenses when the existence of the company is at risk. It is paid as a monthly lump sum (EUR 257 in 2018) and may be doubled in special circumstances.

In addition to grants, prospective entrepreneurs can also access the Microcredit programme (*Der Mikrokredit*). Established in 2010, the programme is open to all adults who are not regularly employed, live in poverty or are at risk of being laid off. The scheme has been initiated by the Ministry of Labour, Social Affairs, Health and Consumer Protection (BMASGK), with contributions from private banks. It is implemented by ÖSB Consulting in co-operation with the Austrian federal promotional bank (aws). From 2010 to 2017, 586 micro-loans have been disbursed with an average amount of EUR 11 292.

There are also a number of different loan guarantee schemes in Austria, most notably awarded by aws. In general, they are open to all without distinctions of target groups.

Business angel investment in entrepreneurs is supported with the programme “aws i2 Business Angels”. It is implemented by aws and offers a nationwide matching service between equity-seeking entrepreneurs and private investors. With the “Business Angels Fund”, aws also provides financing for selected business angels by doubling (i.e. matching) their equity for future investments. In principle, both business angel programmes are open to all. In addition, the Austrian Angels Investors Association (AAIA) is an umbrella organisation for angel investments in Austria.

For immigrant entrepreneurs, the private sector business accelerator “*Immipreneurs of Austria*” (IoA) is one of the main support structures. It helps first generation migrant entrepreneurs through consulting and financial support. IoA limits the initial investment to EUR 50 000. However, the amount can be doubled to EUR 100 000 over a period of two years if agreed milestones are reached.

Another growing investment mechanism is crowdfunding. Since 2015, the Austrian Alternative Financing Act (*Alternativfinanzierungsgesetz*), is the legal basis for financing SMEs through crowdfunding and citizen participation models. In October 2017, there were 15 national crowdfunding platforms in Austria which were listed on the website of the WKO.<sup>13</sup> However, few specifically addressed the target groups of inclusive entrepreneurship. One example of tailored crowdfunding platforms is the “Start your project” (*Starte dein Projekt*) platform aimed at youth entrepreneurs. Since the school year 2014/15, Austrian students in technical and vocational schools have to implement a project in the year before graduation. The aim of Start your project is to support students with ideas, project management and financing. In addition to a crowdfunding platform, it offers a handbook and workshops. The project is an initiative of the Erste Group Bank AG, IFTE (Initiative for Teaching Entrepreneurship) and the Vienna School Board (*Stadtschulrat Wien*).

Programmes that provide financially literacy training are in place for some target groups. The non-governmental organisation Women in Business (*Frau in der Wirtschaft – FiW*), runs the Academy for Female Owners of Small Businesses (*Akademie für Kleinstunternehmerinnen*), that offers training for female entrepreneurs who do not have employees. Further, in Vienna, the Vienna Business Agency (*Wirtschaftsagentur*) offers workshops to different groups including women entrepreneurs (*Frauenservice*) as well as for migrants (“*Migrant Enterprises*”) or refugees. Workshop topics include financial skills training.

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<sup>13</sup> [www.wko.at/site/kampagnen/crowdinvesting/crowd-plattformen-.html](http://www.wko.at/site/kampagnen/crowdinvesting/crowd-plattformen-.html)

Finally, the Business Start-up Programme (*Unternehmensgründungsprogramm* UGP) of the Austrian Public Employment Service (AMS) provides financial literacy training to the unemployed. Financial support for people in UGP training (*Gründungsbeihilfe*) is guaranteed for the duration of participation in the programme and extends to two months beyond the start-up date to ensure a smooth transition. More than 5 000 unemployed people start businesses through this programme each year. The start-up rate among the unemployed participants of the programme was 75% in 2006, and increased to 84% in 2015 (OECD/EU, 2016). Across the country, the business starters supported by UGP amount to 14% of all newly founded businesses. Overall, these businesses tend to be quite successful: 87% of the businesses supported still existed three years after creation.<sup>14</sup>

### 3.4. Entrepreneurship skills

All potential entrepreneurs without distinction of target group can seek information, consultancy and advice concerning business creation and self-employment from the Business Start-up Service (*Gründerservice*) of the Austrian Federal Economic Chamber.<sup>15</sup> Additionally, numerous training opportunities are open to all entrepreneurs. Entrepreneurship training is provided amongst others by the *Wirtschaftsförderungsinstitut Österreich* (WIFI), *Berufsförderungsinstitut Österreich* (bfi) and numerous (private sector) regional training institutes.

Entrepreneurship education in schools focuses on young people aged 14 to 19 years old. School curricula, particularly those of vocational schools, include education and training in entrepreneurship and management. Being part of the Strategy of Lifelong Learning, entrepreneurship education in schools is under the responsibility of the Federal Ministry for Digital and Economic Affairs (BMDW) and the Centre for Entrepreneurship Education of the BMB (*Entrepreneurship Education für schulische Innovation - Impulszentrum EESI*). Entrepreneurship education also includes more practical elements, such as training firms, real-time business start-up, or competitions (e.g. the “Next Generation” business plan competition). Furthermore, the European project “Youth Start Entrepreneurial Challenges”<sup>16</sup> is designed to be flexible in its application and its programmes (so called “challenges”) making it possible for teachers in all kinds of schools and from various disciplines to use Youth Start modules with their students. Some initiatives are also in place for younger children: An interesting initiative is the project Women Entrepreneur Go to School (*Unternehmerin macht Schule*) which brings self-employed women to schools to tell pupils about their businesses and inform them about the opportunities offered by entrepreneurship.<sup>17</sup> Similarly, the Kinder business week,<sup>18</sup> which is supported by the WKO, offers workshops and creative labs for children aged 8 to 14 years old. At this occasion, children also have the possibility to speak to successful entrepreneurs from different branches.

Information for youth is available from several sources: As regards entrepreneurship education in schools, the Working Group Economy and School (*Arbeitsgemeinschaft Wirtschaft und Schule – AWS*)<sup>19</sup> provides numerous learning tools, media and documents for teachers at the upper secondary education level in order to communicate information and knowledge about economics, the national economy and entrepreneurship. The aim of AWS is to encourage pupils to become entrepreneurs, e.g.

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<sup>14</sup> [www.en.bmdw.gv.at/EconomicPolicy/BusinessStart-ups/Seiten/Fromunemployedto-self-employed.aspx](http://www.en.bmdw.gv.at/EconomicPolicy/BusinessStart-ups/Seiten/Fromunemployedto-self-employed.aspx).

<sup>15</sup> [www.gruenderservice.at/](http://www.gruenderservice.at/).

<sup>16</sup> <http://www.youthstartproject.eu/>.

<sup>17</sup> <https://www.wko.at/Content.Node/kampagnen/unternehmerinmachtschule/start.html>.

<sup>18</sup> <http://www.kinderbusinessweek.at/>.

<sup>19</sup> <http://aws.ibw.at/>.

by making available portraits of successful firms. Information on business creation is also available via Start your project (*Starte dein Projekt*) by Erste Group Bank AG<sup>20</sup> (see section 3.3). More generally, the internet platform of the Federal Chancellery of Austria – help.gv.at – delivers information on business creation for young people.<sup>21</sup>

More specific measures, including certifications, include the following:

- The Entrepreneurial Skills Pass (ESP) is an international skills certificate for young people (15-19 years old) implemented by the Austrian Federal Economic Chamber (WKO) and Junior Achievement Austria. The ESP is granted to students (15-19 years old), who have had a real entrepreneurship experience and have gained the necessary knowledge, skills and competences to start a business or to be successfully employed. The ESP includes a full-year in-school mini-company experience; a self-assessment of entrepreneurial competences; an examination of business, economic and financial knowledge and the possibility to access further opportunities offered by small and large businesses, top higher education institutions and international organisations across Europe.
- The Entrepreneur’s Skills Certificate (*Unternehmerführerschein*) by the Austrian Federal Economic Chamber comprises a training programme with four modules (i.e. basic economic knowledge; national economics; law, marketing, management and organisation, business plan; and accounting, taxes, finance and human resource management). It replaces the obligatory management skills certificate for trades (*Unternehmerprüfung*) in Austria.
- The “Junior – Pupils establish enterprises” (*Schüler gründen Unternehmen*) programme by Junior Achievement Austria supports young people at the upper secondary education level (14 to 19 years old), in establishing real enterprises for a period of one year. Young people develop their own business idea independently and go through all phases of a real economic project, thereby acquiring entrepreneurial knowledge. A second programme, “Junior Basic” focuses on 13-15 years old while “Enterprise without Borders” (EwB) is an extension of the Junior Programme designed to help the youth develop an understanding of the economic principles of international trade.
- The “aws First - Your future. Your business” scheme by the Austrian federal promotional bank (aws) provides financial support, training, mentoring and professional coaching for young people (18 to 26 years old) who want to start a business.

Many Austrian universities include entrepreneurship in their curricula (either compulsory or elective). Some universities have specific “extension curricula” in the field of entrepreneurship in order to provide students additional skills in this area.

A number of universities have business start-up centres / business incubators – for instance at the Vienna University of Economics and Business (WU), at the Technical University of Vienna (TUW), or at the Vienna University of Natural Resources and Life Sciences (BOKU). The University of Linz (JKU) hosts a start-up centre, which acts as the contact place for all students, alumni and university employees aiming to set up a company. For this target group, the university has also launched the platform ENTREPRENEUR.BASE,<sup>22</sup> which provides networking, advice, support and space for

<sup>20</sup> <http://www.startedeinprojekt.at/home/>.

<sup>21</sup> <https://www.help.gv.at/Portal.Node/hlpd/public/content/k509/Seite.4340000.html>.

<sup>22</sup> <http://entrepreneurbase.jku.at/>

potential founders. In addition, the entrepreneurship programme of the alumni association of the University of Vienna called U:start offers orientation, training, mentoring and consultancy to university students and alumni willing to become self-employed. The university also organises a yearly entrepreneurship night, where workshops and talks are offered to students intending to found a business. The Entrepreneurship Centre Network (ECN) is a national platform for interdisciplinary networking, events, information exchange and promotion for entrepreneurship at university level.

For the unemployed who aim to set up their own business, the aforementioned Business Start-up Programme (UGP)<sup>23</sup> offers support in various fields including taxes, finance and marketing as well as numerous workshops (location finding, advertising and PR, etc.). Training is provided if necessary and special counselling is performed by externally contracted companies, including for specific target groups such as seniors, migrants, persons with disabilities, etc.<sup>24</sup>

Training and coaching tailored to women is provided nation-wide by the Academy for Female Owners of Small Businesses of the interest group Women in Business (FiW) of the WKO. It offers training in business plan, marketing, cooperation & networking, sales, time and self-management. Furthermore, FiW organises events such as the “Ladies Lounge”, where role models share their experiences and expertise. It also holds a biannual congress for women entrepreneurs whose main goals are knowledge transfer and networking.

Start-ups, founders and young companies may receive targeted, individual and free coaching regarding founding and financing from the Vienna Business Agency (*Wirtschaftsagentur*). The special programme Women Enterprise Service provides consulting services for women only.

Another programme of the Vienna Business Agency addresses migrants – “Migrant Enterprises”<sup>25</sup> offers free start-up, financing and business expansion information, coaching and workshops for people with a migration background that want to become self-employed in Vienna. Migrants are also the target group of the programme Mentoring for Migrants (*Mentoring für Migranten*), which is carried out by the WKO together with the Austrian Integration Fund (ÖIF). The programme supports mentees for six months and focuses on labour market integration (which can take the form of entrepreneurship). The programme creates a partnership between mentors (successful business leaders) and mentees. The support provided may target various areas including providing assistance in the job application process and the development of a realistic career plan as well as strengthening the self-confidence of mentees. To date, approximately 1 500 mentoring pairs have been created. In 2015-16, mentees from 39 countries participated, two-thirds being women. Young migrant entrepreneurs (25-49 years old) also receive encouragement from the (private) initiative *Immipreneurs* of Austria (“IoA”). IoA supports entrepreneurs at early founding stage by providing financial support and networking. It also facilitates access to mentors who share their knowledge and give migrants the chance to tap into their network.<sup>26</sup>

In Vienna, the “Network Diversity” of the Vienna Economic Chamber (WKW) provides networking opportunities, information and consultancy services, and training, notably with the help of members of the target group communities i.e. migrants, women, seniors, people with disabilities as well as LGBT people.

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<sup>23</sup> <http://www.ams.at/service-arbeitsuchende/finanzielles/foerderungen/unternehmensgruendungsprogramm>.

<sup>24</sup> <https://gruendungsforum.at/>.

<sup>25</sup> <https://wirtschaftsagentur.at/beratungen/migrant-enterprises-6/>.

<sup>26</sup> <http://www.immipreneurs.eu/>.

There is no known nation-wide entrepreneurship skills initiative for people with disabilities. However, in Vienna, Wien Work, a non-profit social economy organisation, provides tailored information and support to people with disabilities eager to start a business. The province Styria also has a dedicated start-up centre for people with handicap called Chance (*GründerInnenzentrum für Menschen mit Handicap*) that offers consulting services, coaching and personalised support.<sup>27</sup>

### 3.5. Entrepreneurial culture and social capital

Overall, the Federal Ministry for Digital and Economic Affairs (BMDW) and the Austrian Federal Economic Chamber (WKO) actively promote entrepreneurship, via different channels such as TV, websites, advertising, consulting, public presentations, events (e.g. the European SME Week) and discussions. The Business Start-Up Service (*Gründerservice*) of the WKO and the BMDW is the first point of contact for aspiring entrepreneurs. More than 90 offices provide information on Business Start-Up Services across Austria. The network of OPE Envoys (*EPU-Beauftragte*) created by the Economic Chambers in Austria should be mentioned. The OPE Envoys serve as special contact points in all the provinces (*Bundesländer*) for one person enterprises (OPE), a form of enterprises which is quite common among under-represented groups.

The interest group for Business Start-ups (*Junge Wirtschaft*) of the WKO provides information for young entrepreneurs between 18 and 40 years old and organises numerous (networking) events in the field of business creation and business development. The network diversity of the Chamber of Commerce in the Austrian Länder promotes entrepreneurship for each of their target groups, i.e. migrants, women, seniors, people with disabilities and LGTB people.

Several initiatives and policy actions promote entrepreneurship for disadvantaged groups. For example, the interest group Women in Business (FiW), promotes entrepreneurship for women. For this purpose, FiW organises so-called morning talks (*Morgengespräche*), salons (*Salongespräche*) and the Day of FiW. Moreover, “Women in Business” is a service centre and acts as a business network by offering many networking events.

Entrepreneurship is also promoted in schools, both through classroom work and extra-curricular projects (e.g. junior – Pupils establish enterprises). Entrepreneurship is also encouraged as an employment opportunity for young people in the frame of the European SME week (*Europäische KMU Woche*), a pan-European campaign occurring in autumn. During this week, numerous events are organised with the objective to encourage young people to take the step into entrepreneurship and to learn about support options. For instance, successful entrepreneurs are presented as role models and are invited to share their experiences.

The Business Start-up Day (*Jungunternehmertag*) is an information event for start-ups, potential founders, young entrepreneurs and pupils where all necessary information around entrepreneurship (marketing, governmental aid, tax basics, e.g.) is provided by experts.

When it comes to the target group of migrants, the WKO and its regional chambers promote entrepreneurship via the programme Mentoring for Migrants and their representatives for integration in each chamber, who reach out to multipliers and the ethnic communities.

The Vienna Economic Chamber (WKW) has published a brochure called “Naturally self-employed” (*Selbstverständlich Selbstständig*), encouraging older people to get self-employed. It

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<sup>27</sup> <http://www.chance.at/>.



includes good practice case studies on senior entrepreneurs, information on receiving pensions and additional income and relevant contact points.

The platform Chance – Start-up centre for people with handicap (*GründerInnenzentrum für Menschen mit Handicap*) presents role models of successful entrepreneurs with disabilities on their website to demonstrate that self-employment can be feasible.

Overall, outreach initiatives are in place for most groups, albeit to a different extent.

#### 4. OVERVIEW OF WOMEN'S ENTREPRENEURSHIP

According to the statistics of the Austrian Federal Economic Chamber, 37% of individual enterprises (118 040) were led by women in 2017. The share of individual enterprises newly founded by women has increased from 39.5% in 2010 to 44.5% in 2017.<sup>28</sup>

The Austrian micro census counted 130 000 self-employed women (excluding those employed in agriculture and forestry) in 2017, making up 34% of all entrepreneurs. The numbers differ due to different definitions applied<sup>29</sup>. The micro census reveals significant differences in economic activities between male and female entrepreneurs. While 24% of self-employed women work in the field of other service activities and 18% in human health and social work activities, men are much less active in these fields (8% and 5% respectively). Conversely, male entrepreneurs work more frequently in the construction sector or in the professional, scientific and technical activities, than their female counterparts.

Since 1983, "Women in Business" (*Frau in der Wirtschaft*) has been the contact partner within the Austrian Federal Economic Chamber for 114 184 female entrepreneurs in Austria. Women in Business acts as a service centre, an interest group, and a network. It is active at the national level as well as in nine provincial organisations. As a service centre, Women in Business offers tailor-made seminars for women in the domains of training and advanced education and provides information in the quarterly magazine *Unternehmerin* ("Women Entrepreneur") and on its website ([www.unternehmerin.at](http://www.unternehmerin.at)). In a survey, 25% of women entrepreneurs reported reading *Unternehmerin* regularly and another 40% read it occasionally (Heckl et al., 2018).

The Vienna Business Agency (*Wirtschaftsagentur*) accompanies women on their way to successful self-employment. The offers range from detailed individual initial consultation to support in the preparation of business strategies and expert advice. The agency offers "founding coaching", an opportunity for aspiring female entrepreneurs to reflect on their own business idea and to clarify its feasibility and market chances. "Financing coaching" and "expansion coaching" (focused on company growth) are also offered.

There are numerous networks and platforms aiming to support female entrepreneurs including the following:

- The service centre Woman & Work (*Frau & Arbeit*) in the region of Salzburg aims to help women getting (re-)employed. Amongst others, workshops and consultancy for women planning to start their own business is offered.<sup>30</sup>

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<sup>28</sup> Excluding personal care workers.

<sup>29</sup> Every single person who is entitled to operate an independent business venture in crafts and trades, industry, mining, finance, banking and insurance, transport, information and communication, broadcasting, tourism and leisure, as well as other services, is a member of the Federal Economic Chamber under Austrian law and therefore enclosed in the statistics of members of the Austrian Economic Chamber. The microcensus is a household survey, where the classification into self-employment is made by respondents themselves.

<sup>30</sup> [www.frau-und-arbeit.at/index.php/unternehmerin/erstberatung-gruenderinnen](http://www.frau-und-arbeit.at/index.php/unternehmerin/erstberatung-gruenderinnen).

- The Female Founder Centre N4 (*Gründerinnenzentrum N4*)<sup>31</sup> of the non-profit association Action Instead of Words (“*Taten statt Worte*”), aims to improve the working environment of women through tailored measures. Its goals include reinforcing female entrepreneurship. The Female Founder Centre run by the province of Styria, for example, offers extensive consultancy, networking, qualification and public relations to female entrepreneurs.
- The *Unternehmerinnen Netzwerk* is a regional network of female businesswomen in lower Austria. In regular meetings, members of this network socialise, exchange ideas, offer mutual assistance and learn by attending specialized lectures.<sup>32</sup>
- The online platform [www.frauen-business.at](http://www.frauen-business.at) describes careers of successful Austrian businesswomen, provides information on relevant events and seminars and makes available a list of networking possibilities for interested women.
- The Professional Women’s Network PWN Vienna<sup>33</sup> aims to advance a gender balanced leadership and - amongst others - to encourage professional women to pursue and achieve their business ideas. The PWN also offers a PWN Global Entrepreneurship Program.
- The initiative Female Founders<sup>34</sup> launched by three successful women entrepreneurs aims to help ambitious women during the period of setting up a business. Support takes the form of networking, mentoring and mutual exchange. Over the course of two years, the initiative grew to a community of over 4 500 women entrepreneurs and enthusiasts in Central and Eastern Europe.

As stated in the Female founder report<sup>35</sup> (Dömötör, 2016), 59% of aspiring female founders see lack of access to funding as main obstacle to set up a company. Moreover, 45% declare that lack of confidence is holding them back while 32% believe to have insufficient experience and know-how to start a business. Important concerns for aspiring female entrepreneurs are financial insecurity (42%), the excessive demand during the process of founding (30%) and the absent interest in the product or service they offer (11%). Austrian female founders aspire to increase their network, have more opportunity to exchange and long-time coaching.

A recent study by Heckl et al. (2018) reveals that independence and self-fulfilment are the main motivations for women and men to become self-employed. However, for female entrepreneurs the motives “combining family and career” and “being flexible” are more prevalent than among male entrepreneurs when setting up a business. According to the micro census, nearly three out of ten female entrepreneurs have at least one child aged 14 years old or younger. A survey (Heckl et al., 2018) shows that 73% of female entrepreneurs regularly take care of their children themselves, while the proportion of male entrepreneurs who do so is not even half as high (35%). The bulk of housework and childcare is still borne by the majority of self-employed women (71%). Consequently, 42% of female entrepreneurs with children report pressure due to these responsibilities, whereas the percentage of male entrepreneurs who do so is noticeably lower (25%).

<sup>31</sup> [www.cis.at/gruenderservice/n4-innovationszentrum/](http://www.cis.at/gruenderservice/n4-innovationszentrum/).

<sup>32</sup> [www.unternehmerinnen-netzwerk.at/](http://www.unternehmerinnen-netzwerk.at/).

<sup>33</sup> <https://www.pwnvienna.net/>.

<sup>34</sup> <https://www.femalefounders.at/>.

<sup>35</sup> [https://docs.wixstatic.com/ugd/84c53d\\_8b5a2f6bcea5455d8d0f9db0db2dcae.pdf](https://docs.wixstatic.com/ugd/84c53d_8b5a2f6bcea5455d8d0f9db0db2dcae.pdf).

## 5. POLICY RECOMMENDATIONS

The following recommendations should contribute to further develop policies and programmes to promote business creation and self-employment for various groups that are either under-represented or disadvantaged in the labour market, i.e. women, youth, the unemployed, seniors, people with disabilities or migrants:

1. *Include inclusive entrepreneurship in overall entrepreneurship and employment strategies.* In Austria, fostering entrepreneurship is a political priority and overall strategies have been launched in that regard. A multitude of different measures, initiatives and projects open to all (potential) entrepreneurs are implemented to reach the strategies' objectives. Most of these overall strategies, however, do not emphasize inclusive entrepreneurship. An increased emphasis on the target groups which are currently under-represented or disadvantaged in the labour market would ensure a more mainstreamed and coordinated approach to their inclusion in entrepreneurship policy.
2. *Use female entrepreneurship role models to encourage women to start businesses in sectors with growth potential.* Austrian women have caught up in the recent past in terms self-employment. The share of new business entries among women has been rising to 44.5%. However, a sizable sectorial segregation persists. According to the Austrian Federal Economic Chamber, in 2017, the greatest concentration of women entrepreneurs was in the associations "counselling and nursing services" (93%), "hairdressing" (82%) and "pedicurist, masseur and cosmetician" (80%). Therefore, gender segregation in education and training has to be tackled. In addition, since role models play an important role in the decision making process to self-employment, realistic role models have to be pointed out and respective initiatives have to be fostered.
3. *Develop more integrated support initiatives.* In many areas (e.g. entrepreneurship skills, financial literacy), women, migrants and people with disabilities are targeted by numerous programmes offering support, consultancy and training at regional level, that are not always linked to each other. There is a need to strengthen connections between different types of support to address the multiple barriers faced by disadvantaged entrepreneurs in a cohesive manner. In this context, collaboration among agencies and stakeholders needs to be further enhanced at all levels.
4. *Offer more support for senior entrepreneurs.* Whereas specific initiatives or programmes for seniors are lacking in Austria, single measures could be identified. In terms of this target group, there is still need for action in order to create alternatives for older workers to extend their working life.

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## ANNEX: METHODOLOGY

Each note was prepared by a national expert in co-operation with the OECD Secretariat. Information was collected through desk research and interviews (i.e. telephone, face-to-face, email) with key stakeholders and government representatives. The information was then verified by government partners, programme managers and other inclusive entrepreneurship stakeholder groups through email exchanges and one-day seminars in selected countries.

The notes are based on an assessment framework that was developed by the OECD Secretariat. The assessment framework provided a common analytical framework and report structure for the 28 notes that are in this series.

The framework contains five pillars:

### 1. Policy framework

- Is there an entrepreneurship strategy or action plan that explicitly covers the promotion and support of entrepreneurship for people in under-represented and disadvantaged groups?
- Is there a mechanism for co-ordinating inclusive entrepreneurship policy actions across relevant national ministries, and with regional and local governments and civil society organisations?
- Is there a systematic monitoring and evaluation process for the policies, programmes and schemes that promote and support entrepreneurship for people in under-represented and disadvantaged groups?

### 2. Government regulations

- To what extent are entrepreneurs from under-represented and disadvantaged groups treated equally with employees by social security schemes?
- Do measures exist that temporarily cover the loss of state income supports (e.g. unemployment benefits, disability allowances) for entrepreneurs amongst under-represented and disadvantaged groups when they start a business?
- Do measures exist to support under-represented and disadvantaged entrepreneurs in dealing with administrative procedures for entrepreneurship amongst under-represented and disadvantaged groups (e.g. information provision, support with administrative requirements)?
- Are there any entrepreneurship policy initiatives or schemes to address group-specific institutional challenges related to dependents (e.g. childcare, eldercare)?

### 3. Financing entrepreneurship

- Are there grants for business creation offered to support entrepreneurs from under-represented and disadvantaged groups?
- Is microcredit for business creation available to support entrepreneurs from under-represented and disadvantaged groups?
- Are there loan guarantee schemes for business creation to support entrepreneurs from under-represented and disadvantaged groups?
- Are there self-financing groups for business creation to support entrepreneurs from under-represented and disadvantaged groups?
- Are there public policy schemes that encourage and support business angel networks to support entrepreneurs from under-represented and disadvantaged groups?

- Are there schemes that encourage and support crowdfunding and peer-to-peer lending to support entrepreneurs from under-represented and disadvantaged groups?
- Is financial literacy training offered to support entrepreneurs from under-represented and disadvantaged groups?

#### **4. Entrepreneurship skills**

- Are there entrepreneurship training initiatives for entrepreneurs from under-represented and disadvantaged groups?
- Do high potential entrepreneurs from under-represented and disadvantaged groups have access to one-to-one or group coaching and mentoring?
- Are there public initiatives that provide information on available support programmes or on business start-up procedures for entrepreneurs from under-represented and disadvantaged groups?
- Are there business consultancy and advisory services for entrepreneurs from under-represented and disadvantaged groups?
- Are there business incubators for entrepreneurs from under-represented and disadvantaged groups?

#### **5. Entrepreneurial culture and social capital**

- Is entrepreneurship actively promoted as an employment opportunity amongst under-represented and disadvantaged groups through the education system, media, role models, etc.?
- Are there public policy actions that attempt to build specific business networks for entrepreneurs amongst under-represented and disadvantaged groups?

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