

10. Employment creation and destruction in surviving enterprises

The comparison of the employment share of one-year old (respectively two-year old) enterprises in their year of birth with their employment share after one year (respectively two years) of existence, provides an indication of how rapidly the young surviving enterprises are increasing their number of persons employed beyond the initial level and contribute to overall employment changes in the economy.

Definitions

The *employment share at birth of one-year old (respectively two-year old) employer enterprises* refers to the number of persons employed in the year of birth by employer enterprises that will have survived 1 year (respectively two years), divided by the total number of persons employed.

The *employment share of 1-year old (respectively two-year old) employer enterprises* refers to the number of persons employed in one-year old employer enterprises, divided by the total number of persons employed.

Comparability

Data refer to the whole population of employer enterprises.

Highlights

On average, the employment share of one-year old enterprises in 2007 have shown an increased of 40% compared to their year of birth. The increase in the employment share of 2-year old enterprises compared to their year of birth (about 55%) is of course higher, but these figures would tend to indicate that the first survival year is more determinant than the second survival year for the employment growth.

Source/Online database

OECD Structural and Demographic Business Statistics (SDBS) Database.

<http://dx.doi.org/10.1787/sdbs-data-en>

For further reading

Haltiwanger, J., R.S. Jarmin and J. Miranda (2010), "Wo create jobs? Small vs. Large vs. Young", *Discussion Papers*, US Census Bureau.

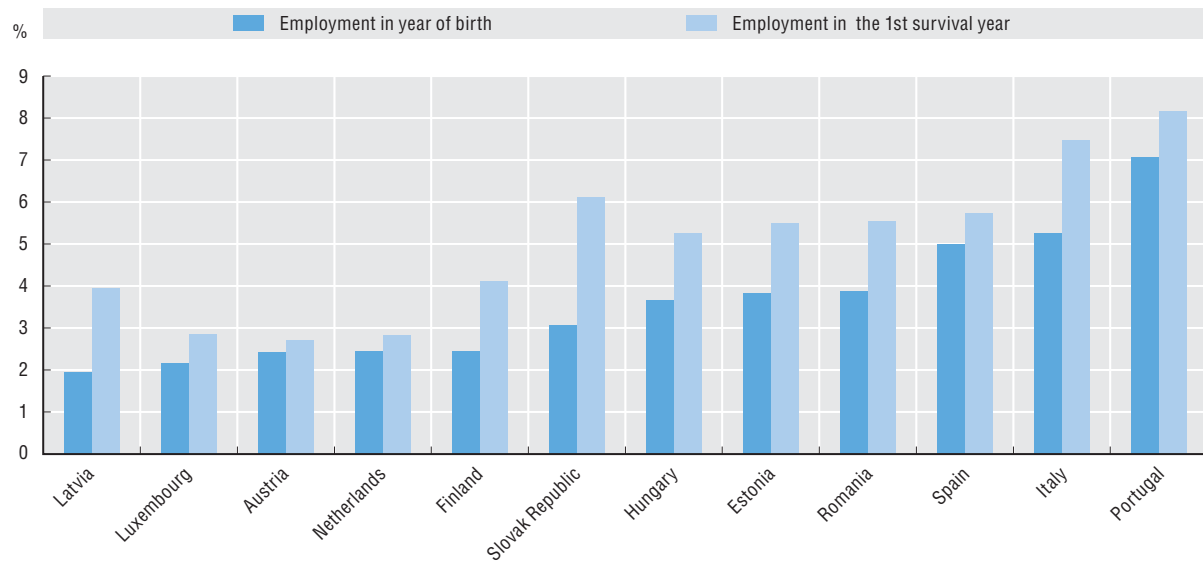
Eurostat/OECD (2007), *Eurostat-OECD Manual on Business Demography Statistics*, OECD, Paris.

Ahmad, N. (2006), "A Proposed Framework For business Demography Statistics", *OECD Statistics Working Papers*, 2006/3, OECD Publishing, Paris.

<http://dx.doi.org/10.1787/145777872685>

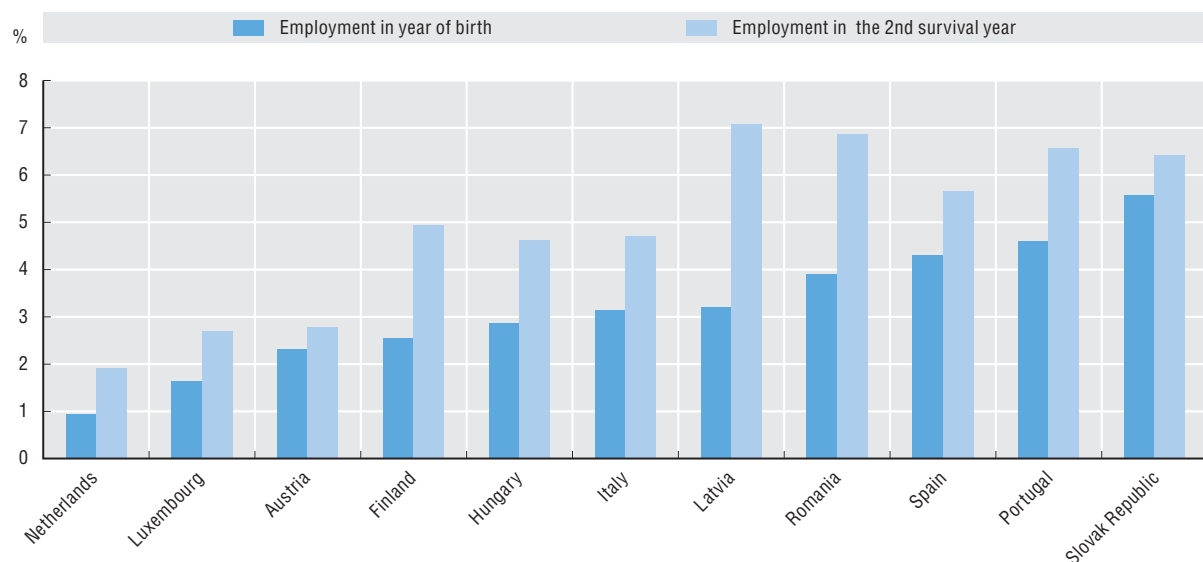
10. Employment creation and destruction in surviving enterprises

Figure 10.1. **Employment in year of birth and in the 1st survival year in all industries, enterprises that have survived 1 year in 2007, as a percentage of employment in the population of active enterprises**

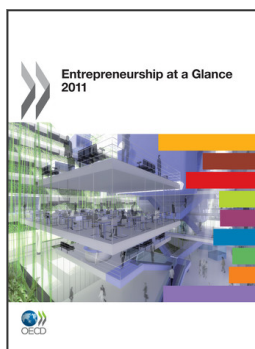


StatLink <http://dx.doi.org/10.1787/888932384762>

Figure 10.2. **Employment in year of birth and in the 2nd survival year in all industries, enterprises that have survived 2 years in 2007, as a percentage of employment in the population of active enterprises**



StatLink <http://dx.doi.org/10.1787/888932384781>



From:

Entrepreneurship at a Glance 2011

Access the complete publication at:

<https://doi.org/10.1787/9789264097711-en>

Please cite this chapter as:

OECD (2011), "Employment creation and destruction in surviving enterprises", in *Entrepreneurship at a Glance 2011*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/9789264097711-14-en>

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document and any map included herein are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

You can copy, download or print OECD content for your own use, and you can include excerpts from OECD publications, databases and multimedia products in your own documents, presentations, blogs, websites and teaching materials, provided that suitable acknowledgment of OECD as source and copyright owner is given. All requests for public or commercial use and translation rights should be submitted to rights@oecd.org. Requests for permission to photocopy portions of this material for public or commercial use shall be addressed directly to the Copyright Clearance Center (CCC) at info@copyright.com or the Centre français d'exploitation du droit de copie (CFC) at contact@cfcopies.com.