

Executive summary

Nearly one decade after the onset of the economic crisis in 2007, job creation continues to be a political priority across the European Union. With nearly 23 million unemployed people in the second quarter of 2015 and another 91 million who were inactive in the labour market, everybody is asking “how can we create jobs?”.

There is no silver bullet solution for this employment challenge. A multi-pronged approach will be needed, including measures to strengthen the macroeconomic environment as well as policy actions that address labour market challenges more specifically. Inclusive entrepreneurship policies can be part of this suite of policy actions. These policies aim to ensure that all groups of people, regardless of their background and personal characteristics have an opportunity to create businesses and work in self-employment. They place an emphasis on supporting people in entrepreneurship who come from social groups that are under-represented in entrepreneurship or disadvantaged in the labour market: youth, seniors, women, ethnic minorities and immigrants, people with disabilities and the unemployed.

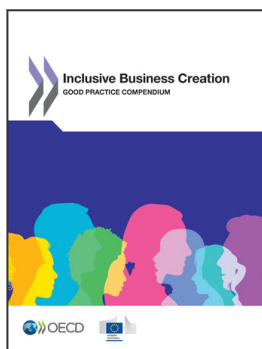
It is clear that people from many of these social groups are less likely to be new business owners than core-age males. For example, despite having similar levels of human capital, women were less likely to be a new business owner than men in the European Union between 2009 and 2013 (1.8% vs. 3.5%). Older people (50-64 years old) were also less likely to be new business owners over this period (1.6% for older people and 2.6% for adults). Youth (15-30 years old), however, were as likely as adults (2.9% for youth and 2.6% for adults) to be new business owners but their businesses have low survival rates. Among the main barriers to business start-up for these population groups are access to finance and a lack of entrepreneurship skills. Youth in particular cite these barriers. Women are as likely as men to report these barriers but a gender gap emerges with respect to difficulty reconciling self-employment with family responsibilities and a lack of business idea. Older people are much less likely to report barriers to self-employment than youth and core-age adults, but nevertheless suffer from relatively low labour market participation.

Business creation, or more correctly sustainable business creation, is clearly a key outcome sought from inclusive entrepreneurship policies, and with it greater labour market participation by the target population groups. At the same time, however, the generation of sustainable business start-ups is not the sole outcome sought. People who are encouraged to consider and test entrepreneurship will not always wish to go ahead with starting a business, but very often receive a boost to their skills, motivations, networks and employability from engaging in entrepreneurship. This improves their chances of obtaining a job.

This compendium of good practices aims to increase awareness about the potential of inclusive entrepreneurship policies and programmes, and to be a source of inspiration for policy makers at national, regional and local levels. The in-depth case studies from around the European Union illustrate some of the many options that policy makers have in supporting inclusive business creation, including entrepreneurship training, coaching and mentoring, role models, microfinance, welfare bridges, business counselling and entrepreneurial networking.

Looking across these examples, several keys to success can be identified, regardless of the approach taken or the target client group:

- Develop and deliver inclusive entrepreneurship policies and programmes as part of an integrated strategy.
- Define clear objectives and targets for policy intervention.
- Use targeted outreach to engage disadvantaged and under-represented groups.
- Use competitive mechanisms to target intensive support on those with the potential to succeed.
- Use specialist trainers and advisers.
- Learn from experience.



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