5. ENTERPRISE GROWTH AND EMPLOYMENT CREATION

High-growth enterprises rate

Key facts

- High-growth enterprises represent a small share of the total enterprise population, typically between 2% and 6% in most countries. While few in number, fast-growing firms generate employment for a considerable number of persons.
- High-growth enterprises are found in all economic sectors, although the share of high-growth enterprises can vary substantially between sectors. There is no consistent pattern across countries as to which sectors host the largest shares of high-growth enterprises.
- Across economic activities, relatively large shares of high-growth enterprises are found in scientific research and development as well as in computer programming and consultancy.
- Countries with a comparatively large share of high-growth enterprises in one activity tend to have a large share of high-growth enterprises in other activities as well. Countries that stand out with regard to high shares of high-growth enterprises include Latvia, the Slovak Republic and Bulgaria.

Relevance

High-growth firms are important contributors to job and wealth creation. A small set of high-growth enterprises drives a disproportionately large amount of employment creation.

Comparability

A size threshold of ten employees at the start of any observation period is set to avoid introducing a small size class bias. The choice of size class threshold will necessarily have a higher or lower impact on the representativeness of the results depending on the size of the country.

In Figures 5.11 and 5.12, data on high-growth enterprises use a threshold of 20% or more employment growth for Brazil, Canada, Israel, New Zealand and the United States; for all the other countries, the growth threshold is 10% or more.

In Figure 5.13, data on high-growth enterprises use a threshold of 20% or more employment growth for Canada and the United States; for all the other countries, the growth threshold is 10% or more.

Figure 5.14 presents high-growth enterprises and gazelles data based on the employment growth of 20% or more for all countries.

Data for the United States are compiled according to ISIC Rev. 3. Data for Denmark, Estonia, Finland, the Netherlands and Portugal exhibit a break in the series in 2013.

Source


Further reading


Figure 5.11. **Number of high-growth enterprises and employment, total business economy**

*2014, or latest available year*

<table>
<thead>
<tr>
<th>Number of enterprises</th>
<th>Number of employees</th>
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StatLink [http://dx.doi.org/10.1787/888933404234](http://dx.doi.org/10.1787/888933404234)

Figure 5.12. **Average employment in high-growth enterprises, by main sector**

*Number of employees per enterprise, 2014, or latest available year*

<table>
<thead>
<tr>
<th>Industry</th>
<th>Services</th>
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StatLink [http://dx.doi.org/10.1787/888933404248](http://dx.doi.org/10.1787/888933404248)
Figure 5.13. High-growth enterprises rate, by main sector
Percentage of all sector enterprises with 10 or more employees, 2013, or latest available year
Figure 5.14. **Share of high-growth enterprises and gazelles**

Percentage of total number of enterprises with 10 or more employees, 2013, or latest available year

Manufacture of textiles and wearing apparel

Manufacture of motor vehicles and other transport equipment

Wholesale and retail trade

Accommodation and food service activities

Computer programming, consultancy

Scientific research and development

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