



Policy brief on mobility in Entrepreneurship

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Introduction - On enhancing Entrepreneurship mobility in Europe

This policy brief is based on findings from the MOVE research (May 2015 – April 2018). The overall aim of MOVE is to provide a research-informed contribution towards improving the mobility of young people (aged 18-29) in Europe and to reduce negative impacts of mobility by identifying good practices, thus fostering sustainable development and wellbeing.

Key findings

The MOVE project has dealt with six types of mobility: higher education, employment, vocational education and training (VET), volunteering, entrepreneurship and pupil's exchange. Policy brief on entrepreneurship provides an overview of the main results and policy recommendations regarding **entrepreneurship mobility**. It focuses in particular on the dimensions that have been highlighted in the different stages of the project, which are:

- Gender;
- Sources of information;
- Opportunity-driven and necessity-driven entrepreneurs;
- Connection between mobility and entrepreneurship.

Gender and Entrepreneurship

Although the gender gap has been reduced in recent years, it is still observed that men are more likely to carry out entrepreneurial projects than women (OECD/European Union, 2017).

It also needs to be emphasised that women affirm that they do not envision working as an entrepreneur in the long-term. A reason they mention is the difficulty to conciliate entrepreneurial activity with family life, but also the difficulty to keep up the challenging working rhythm for longer periods.

Moreover, there is a clear gender differentiation not only in business, but within different types of mobility. It could be due to the fact that men and women tend to specialise in different areas. Social Sciences, Journalism, Education, Arts and Health are the most salient study fields for women, while Engineering, Construction, Information Technologies and Sciences are common choices amongst men.

Figure 1: Mobility types by gender

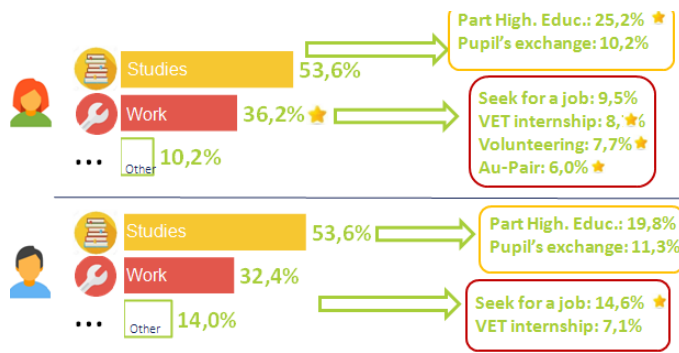


Figure 2: Motivations for mobility (women)

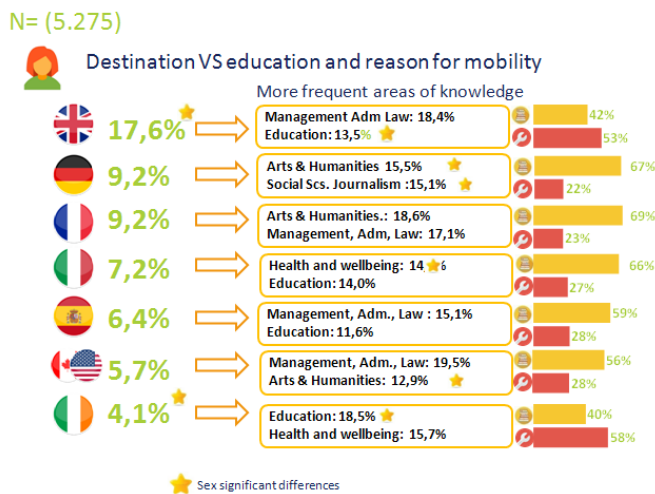
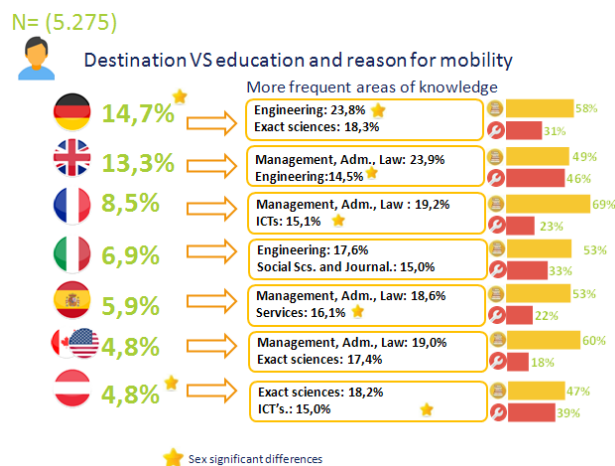
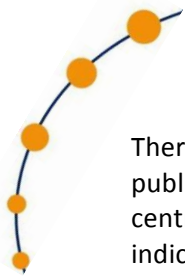


Figure 3: Motivations for mobility (men)



Coordination and Sources of Information

A major problem is the **lack of coordination** among different levels of government with regard to policies and programmes, which address business creation and mobility. This phenomenon proved to be valid even amongst sending and receiving countries in EU. This is mainly visible in the mobility projects that could combine different programmes and grants in home and destination country to enhance the impact of the business projects.



There are a lot of dispersed information sources related to entrepreneurship mobility, from both public and private organisations, and there is no common source in which they are collected and centralised, which is also the case of VET and HE at European level. Consequently, there are no indicators or data that could show the evolution of this mobility, to facilitate policy-making with a good empirical base in this field.

It has also been found within the research field that, although there are different policies and programmes related to entrepreneurship mobility, young people usually do not consult official sources of information, preferring informal ones.

Figure 4: Which sources of information were useful?

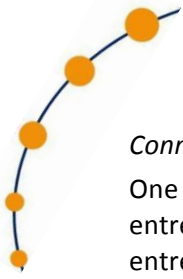
| | Yes | | No | | Total |
|-------------------------------------------------|-------|-------|-------|-------|-------|
| Teacher or tutor | 1,694 | 32.1% | 3,581 | 67.9% | 5,275 |
| International university offices at home | 977 | 18.5% | 4,298 | 81.5% | 5,275 |
| International offices of the foreign university | 808 | 15.3% | 4,467 | 84.7% | 5,275 |
| University websites | 1,302 | 24.7% | 3,973 | 75.3% | 5,275 |
| Government youth information offices | 343 | 6.5% | 4,932 | 93.5% | 5,275 |
| Youth associations | 450 | 8.5% | 4,825 | 91.5% | 5,275 |
| Search engines (Google, Yahoo, Bing, etc.) | 2,557 | 48.5% | 2,718 | 51.5% | 5,275 |
| Online communities/social networks (Facebook) | 1,358 | 25.7% | 3,917 | 74.3% | 5,275 |
| Friends | 1,882 | 35.7% | 3,393 | 64.3% | 5,275 |
| Relatives | 1,044 | 19.8% | 4,231 | 80.2% | 5,275 |
| Job or education fairs | 222 | 4.2% | 5,053 | 95.8% | 5,275 |
| Employment agencies | 172 | 3.3% | 5,103 | 96.7% | 5,275 |
| Job websites | 191 | 3.6% | 5,084 | 96.4% | 5,275 |
| Press | 150 | 2.9% | 5,125 | 97.1% | 5,275 |
| Government websites of the targeted country | 319 | 6.0% | 4,956 | 94.0% | 5,275 |
| Government websites from origin country | 161 | 3.0% | 5,114 | 97.0% | 5,275 |
| EURES (The European Job Mobility Portal) | 66 | 1.2% | 5,209 | 98.8% | 5,275 |
| Voluntary service agencies | 320 | 6.1% | 4,955 | 93.9% | 5,275 |
| Others | 819 | 15.5% | 4,456 | 84.5% | 5,275 |

Opportunity-driven and necessity-driven entrepreneurs

The Great Recession caused a decline in entrepreneurial activity from 2007 (GEM, 2016). Another effect of the Recession has been the increase in the business creation due to lack of opportunities in the job market. Thus, **necessity-driven projects have increased from 2005** whilst opportunity-driven projects have decreased, producing a mass movement away from countries such as Spain (Mühlböck et al. 2016).

Most of the entrepreneurs are university graduates, but their careers are separated into distinct profiles and those graduates in studies linked to Information and Communication Technologies (ICT) are likely to be oriented towards opportunities, as is the case with MBA students and artists.

When differentiating between opportunity-driven and necessity-driven entrepreneurs (i.e: Castells and Portes, 1989; Bosma and Harding, 2007), the difference is according to their motivation to become entrepreneurs in regard to business creation. An interesting issue that does not appear in current literature is that among the opportunity-driven entrepreneurs, there is a highly motivated group with great confidence in their projects, which, nevertheless, considers their business as a milestone only for a limited period of time. They work passionately on their projects, but their future expectation is to work in permanent jobs. They state that creating a business is a milestone in their curriculum by adding valuable competences to it.



Connection between mobility and entrepreneurship

One of the main objectives for those who have followed Erasmus+ for entrepreneurs was learning entrepreneurship experiences, although most of them were not interested in becoming entrepreneurs.

Mobility, taken as an independent variable, has different influences among entrepreneurs. For the opportunity-driven entrepreneurs, mobility constitutes mainly an experience for acquiring know-how in managerial practices but also on markets. There are also some entrepreneurs who talk about better opportunities to create businesses in some countries in Europe (Germany or the United Kingdom) than in their own countries. Part of this is related to a more active and connected ecosystem. In the case of the necessity-driven entrepreneurs, what is noticeable is that for some of them, mobility is an opportunity to develop a project in a more dynamic place. Otherwise, there are differentiating factors such as a lack of market vision amongst the necessity-driven entrepreneurs.

Third country nationals are involved in more entrepreneurship activities than natives in Europe (OECD, 2010). One measure in this line in Spain is the 14/2013 Act¹, which is for supporting non-Spanish entrepreneurs and their internationalization, and offers better conditions for obtaining the residence permit than for the non-entrepreneur migrants, popularly known as the “Golden Visa” to the migrants outside the EU that make important investments in Spain with the aim of creating a new business, or even investing in an existent one. Otherwise, this measure is addressed only for major economic investments.

A very interesting topic is related to the conceptions of entrepreneurial systems in different places. As it is seen from the interviews of MOVE and other Horizon2020 projects, cases with entrepreneurial motivations insisted on the different ideas of failure in cultures and societies, also amongst western countries. On the one hand, they claim that having a positive concept of failure, and seeing it as a learning process, is essential for entrepreneurial activity. They say that this is common in the USA, but not in Europe, where there is the wrong idea that failure can ruin a career. Otherwise, both in London and Berlin, these frames are changing, whilst that is not the case in Spain. On the other hand, they emphasise the idea of resilience as a response to failure, and as a useful source for learning and improving professionally.

Recommendations

Gender:

- A deeper gender perspective is required in policies and grants addressed to young entrepreneurs, taking into account not only that they are young, but also that they are becoming job-seeking adults, entering into a different stage of their life.
- Women’s access to Science, Technology, Engineering and Maths (known as STEM areas) should be facilitated. It is desirable to also valorise other areas of study and work spheres, such as education or care-giving jobs.
- A sub-programme directly addressing women to enhance their entrepreneurial skills should be offered, as they are still underrepresented. The programme should offer support structures, especially addressing women with children.

Coordination and sources of information:

- A better coordination among European countries in the design of programmes to promote transnational entrepreneurship or migrants’ business creation is needed to raise the impacts of policies at different government levels and countries.
- Promote co-working spaces for young entrepreneurs that can create changes in the understanding of entrepreneurship and youth mobility. As the first stage of the creation of a

¹ https://www.boe.es/diario_boe/txt.php?id=BOE-A-2013-10074



business is slow and complicated, it is important to reduce the costs to the maximum, which is why many entrepreneurs use their own home or co-working spaces that are also used as a hub for professional networks.

- Introduce the entrepreneurship mobility in the Mobility Scoreboard. The only types there are IVET and Higher Education and they provide a good framework for monitoring progress made by European countries. Indicators aim to help countries identify actions to remove obstacles to entrepreneurship mobility.
- Improve the communication of different policies, programmes and provide grants aimed at young people with an interest in creating business. The communication needs to be diffused through media used by young people of all socioeconomic levels, such as forums, *meetups*, social networks, etc. It must also be borne in mind that such media content and language change rapidly.
- Cooperation with youth organisations, such as NGOs and youth information centres, is important for the spreading of information to all young people. These organisations have the contacts and the know-how to spread information.
- Better promote other EU programmes that help young entrepreneurs (such as COSME). Create an EU-wide start-up platform offering a better exchange between entrepreneurs. Establish an EU-wide crowd-funding platform, making it easier for smaller-scale creative projects to access funding. Until now, the most well-known platforms have originated in the United States, but the creation of an EU platform could be beneficial, making it easier to promote business from the outset across the entire EU market.

Opportunity-driven and Necessity-driven Entrepreneurs:

- EU and governments have to be careful with entrepreneurship promotion as a labour strategy. The lack of job opportunities for young people has produced in some way a desperate movement since the Great Recession. It is necessary to facilitate means and paperwork for creating business, and even trying to increase the “entrepreneurial culture” in Europe from the early stages in education. Otherwise, it is necessary to explain the risks factors too.
- Within the EU member states, there are focal variances in the procedure of setting up a business. Small start-ups should be supported via diverse policies and initiatives and the bureaucratic burden needs to be minimised.

Interlink between Mobility and Entrepreneurship:

- Reduce the bureaucratic hurdles for migrants/mobile young people (especially EU residents) who are interested in starting a business in a foreign country, by offering special services (such as information in English and advisors helping throughout the process).
- Improve **Erasmus +** for entrepreneurs’ diffusion. It is an interesting programme to encourage youth entrepreneur mobility, nonetheless, is still not very well known.
- Include funding after **Erasmus +** for entrepreneurs. Once the programme is finished the participants need funding to develop the business ideas. The programme is sometimes used instrumentally to finance an internship by the young people or to continue mobility rather than for entrepreneurial purposes.
- Enlarge social protection benefits to Erasmus+ entrepreneurs (ie, job seeker allowance) to provide them the resource of time, avoiding the need to have a job to survive and ensuring they can fully dedicate their time to running their business.
- Offering more multi-language training (also online MOOCs – Massive Open Online Courses) on how to become a successful entrepreneur, making entrepreneurship more attractive for young people who do not have the necessary and prior business experience.



References and Further Readings

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Project website

<http://move-project.eu>

Contact

Michaela Scheid, m.scheid@eurice.eu