



#FutureWorking
The Age of
Entrepreneurship



Dr Paul Steffens, Deputy Director ACE

TUES 17 NOVEMBER | QUT GARDENS THEATRE | 7AM - 10AM

Google: ACE QUT

Australian Centre for Entrepreneurship Research

Leading entrepreneurship knowledge

We are the leading hub in Australia for research-based knowledge in entrepreneurship.

Watch our video

ACE's First mission: Production of world-class research

ACE's Second mission: Dissemination of research-based knowledge

- ➔ Conferences and events
- ➔ Register your interest

Academic research



- ➔ Publications
- ➔ Study with us



ACE blog

- ➔ Get the latest news and events

Research for business



We make research-based knowledge accessible to business, media and government.

Projects



- ➔ CAUSEE study of start-ups
- ➔ Global Entrepreneurship Monitor
- ➔ Other projects

how sustainable is it?

Presentations

- ➔ ACE on YouTube
- ➔ ACE on iTunes U

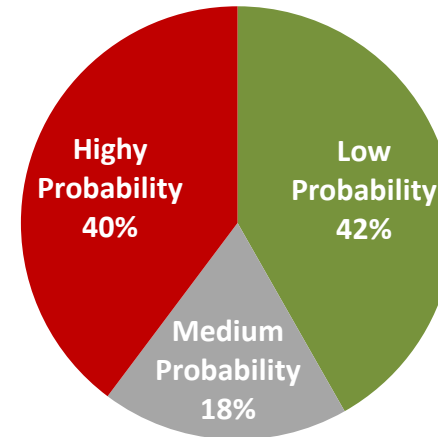
Contacts

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Percentage of Current Jobs expected to be displaced by
Automation in Australia in next 10-15 years

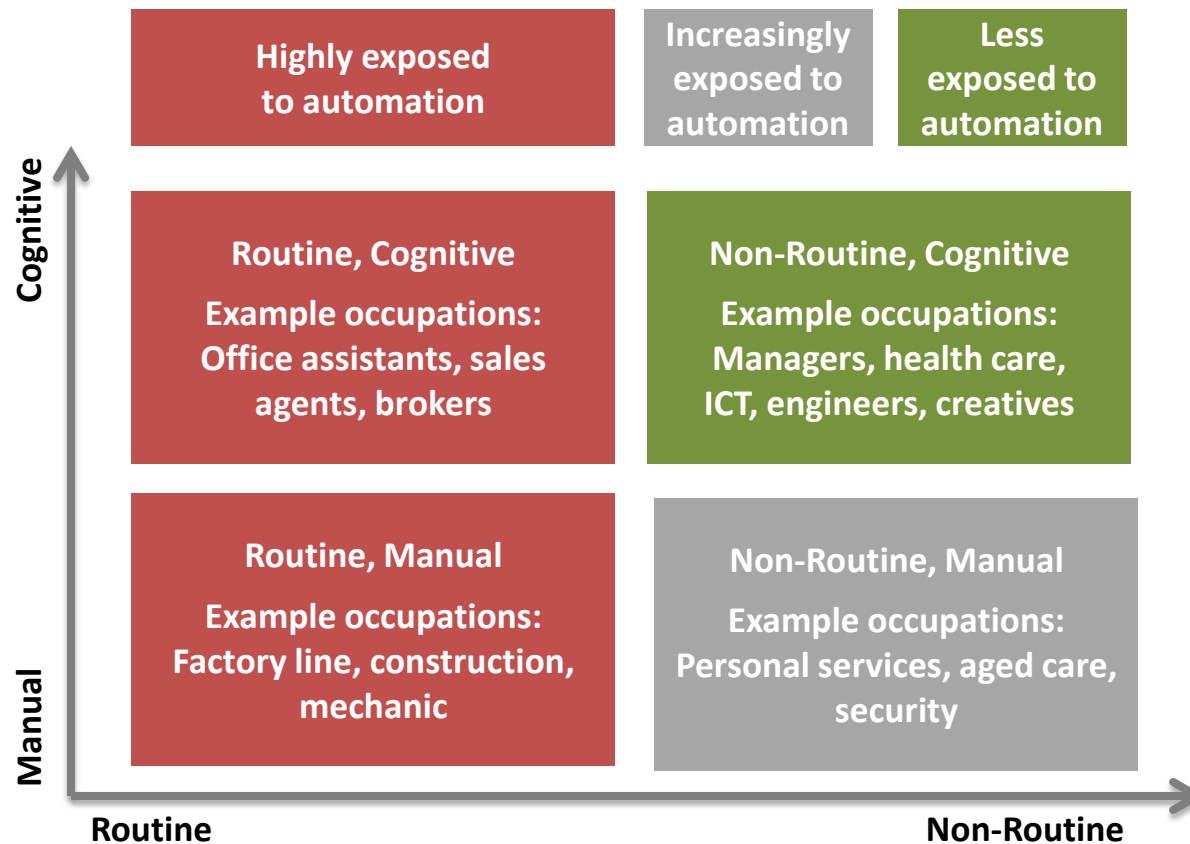


**40% of current Australian jobs will be
replaced by robots in the next 10-15 years**

CEDA (2015) & Frey & Osborne (2013)



Not all occupations are equally at risk

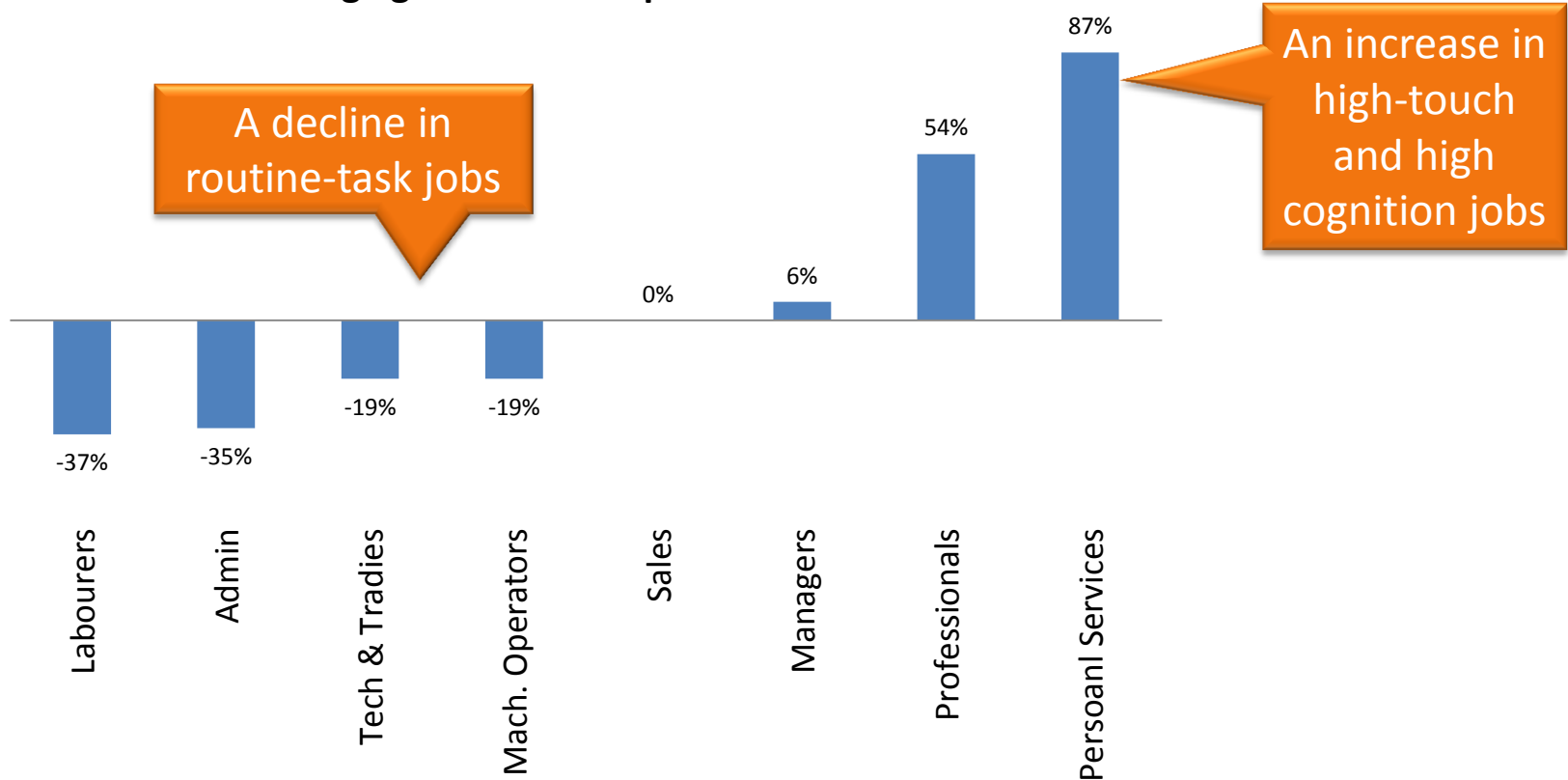


Source: Adapted from Autor, Levy & Murnane (2003) & FYA (2015)



Historic changes in occupations confirms this trend

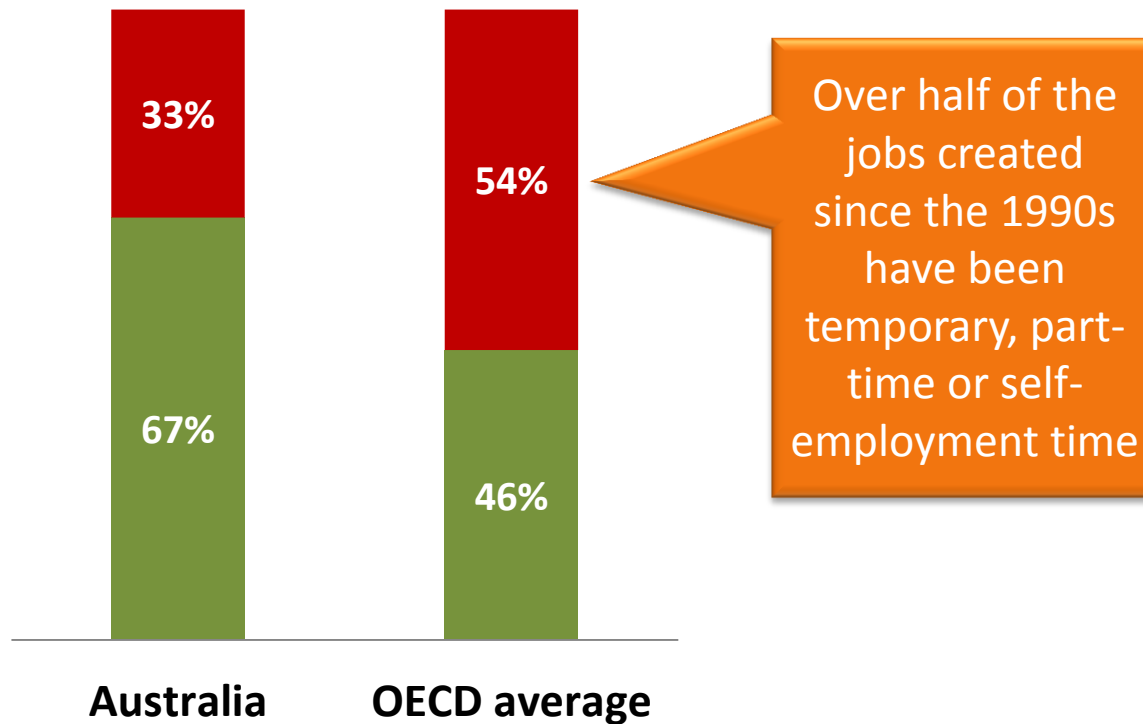
Percentage growth in occupations 1991 - 2015



Source: FYA (2015)



The nature of *working* is also changing

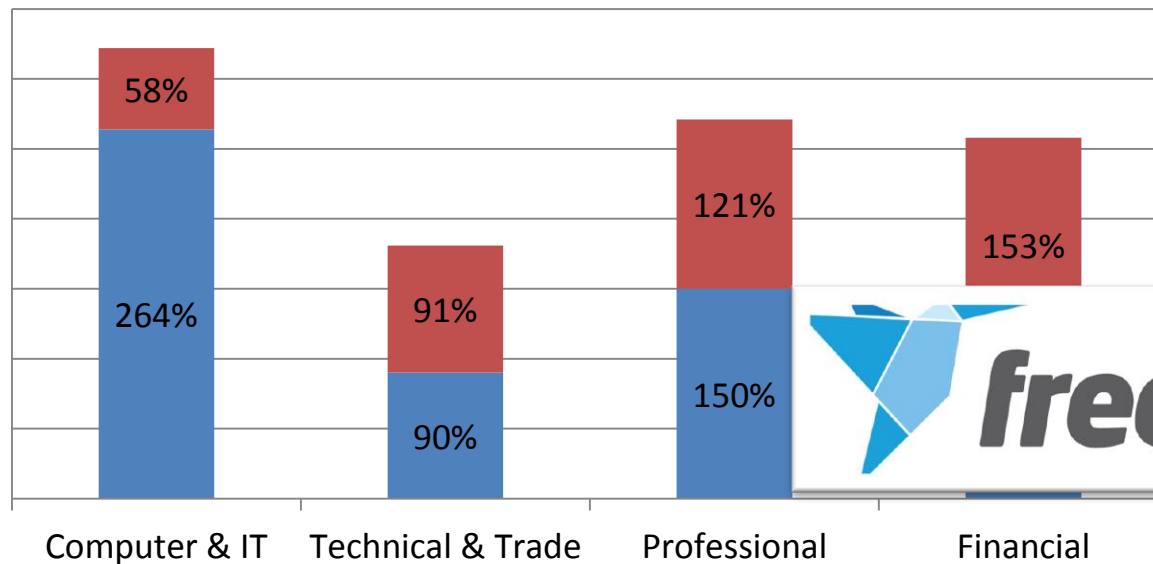


Source: FYA (2015)



Technology advances affect global competition in the labour market

Percent growth in trade of services 1999-2014



The rise of the virtual global worker



- Australian workforce providing services to the world
- Global workforce providing services to Australia



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So jobs are changing...

Why are we so interested in entrepreneurship?



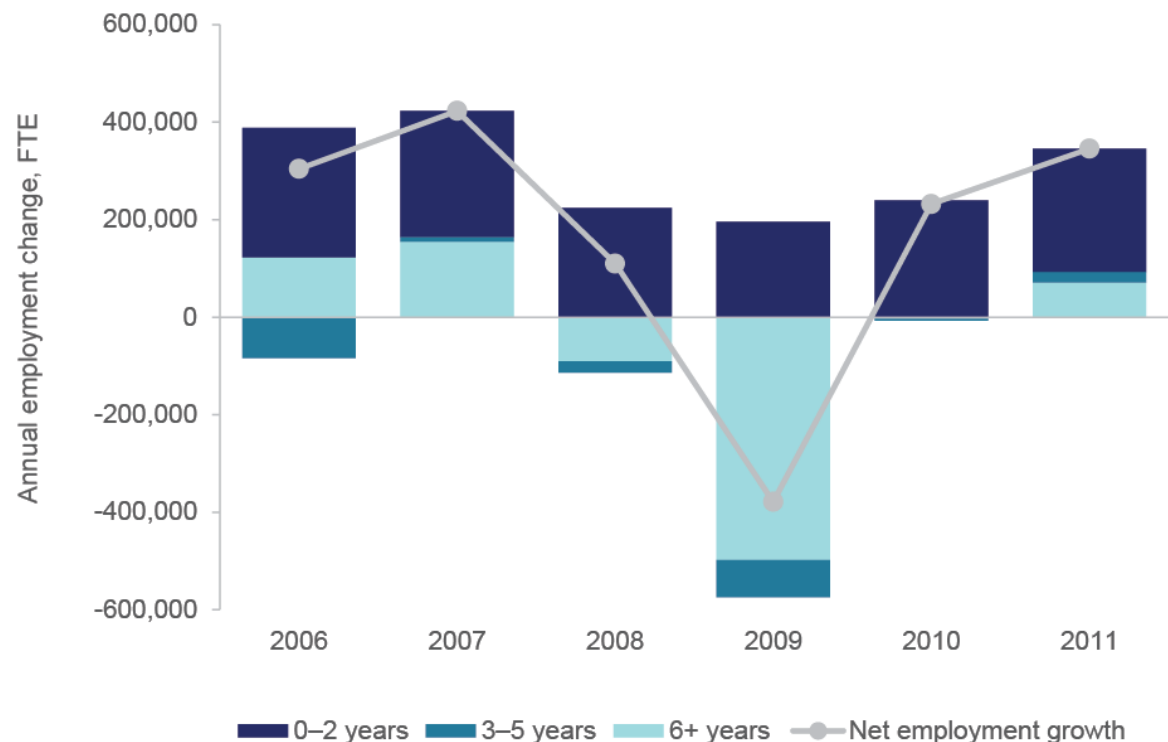
The importance of start-ups to jobs

Start-ups drive employment growth

From 2006 to 2011:

- 1 million FTE jobs added
- Start-ups added 1.44 million jobs
- Older firms (3+ years) shed 400,000 jobs.
- Start-ups consistently add to employment in the economy, even through the global financial crisis.

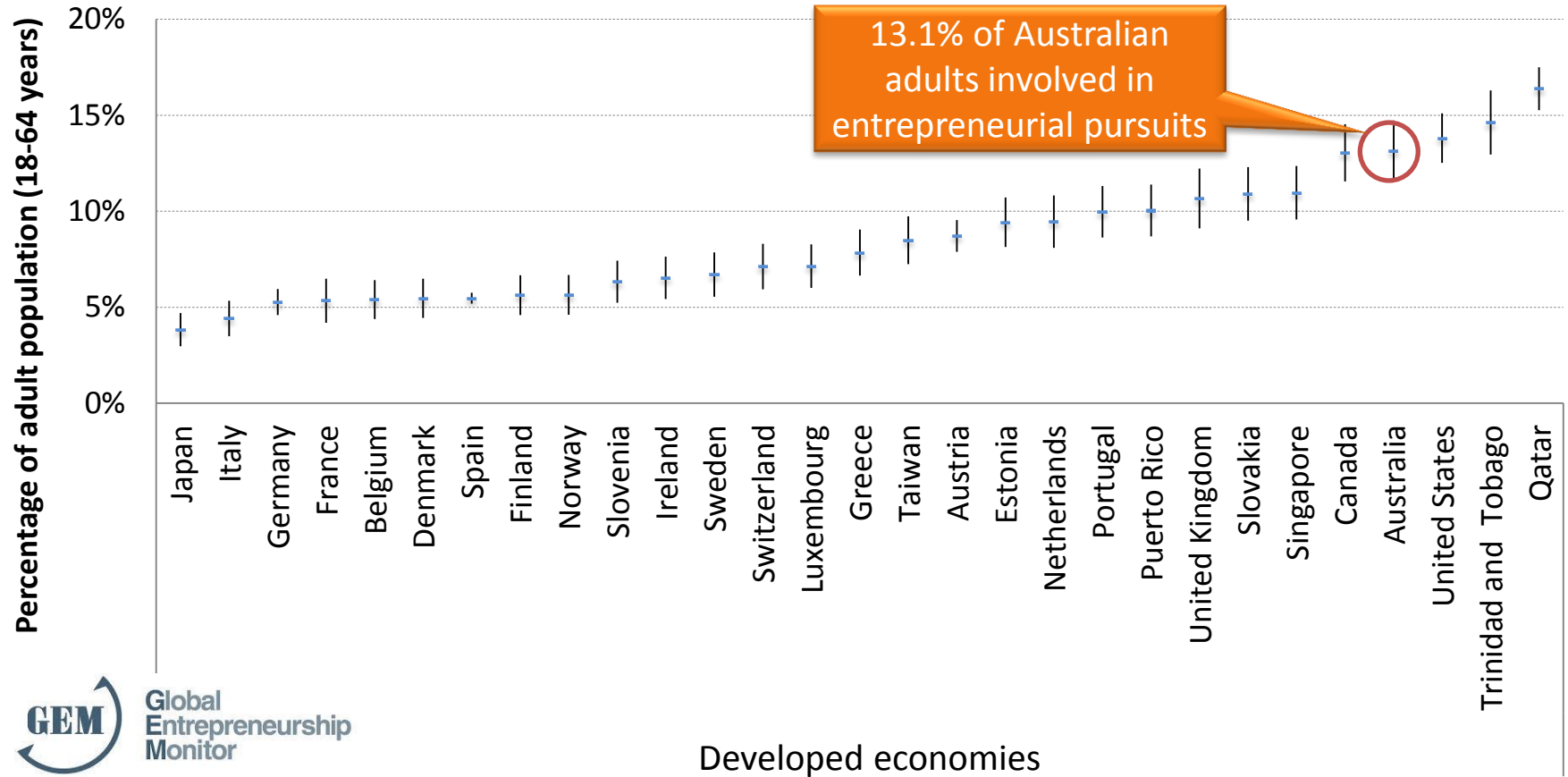
Net employment growth by firm age, 2006–2011



Source: ABS (2015) Expanded Analytical Business Longitudinal Database 2001–02 to 2012–13



Grass roots entrepreneurship is alive and well in Australia

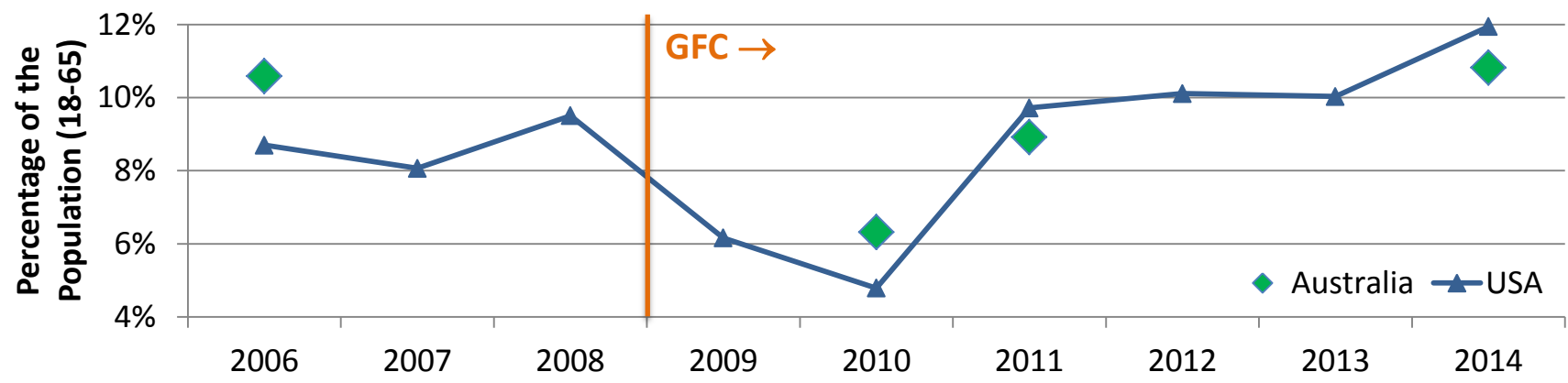


Source: Global Entrepreneurship Monitor

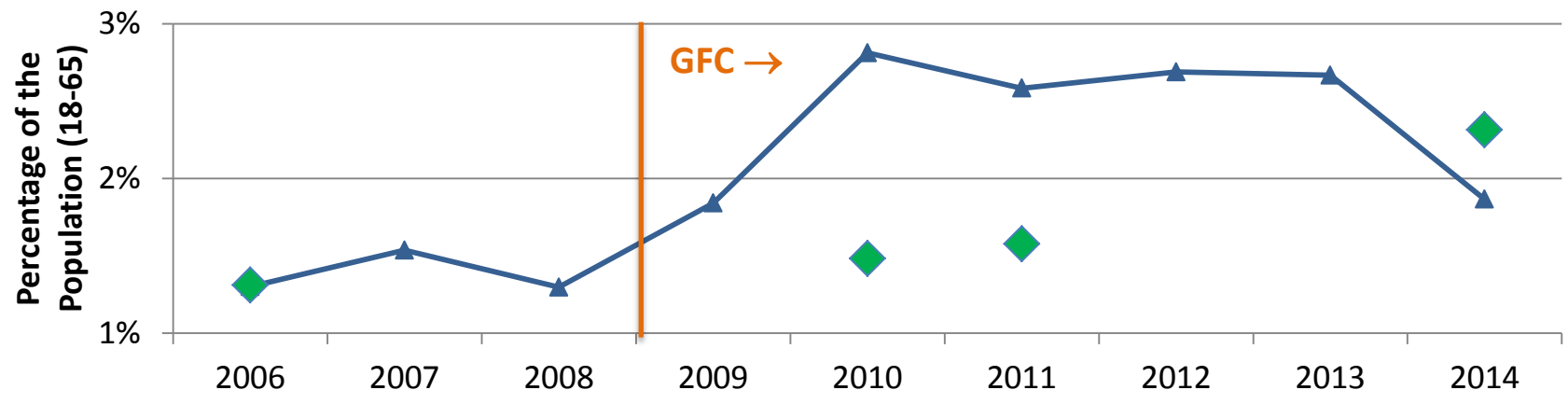
www.bus.qut.edu.au/research/ace



Trend in opportunity entrepreneurship rates



Trend in necessity entrepreneurship rates

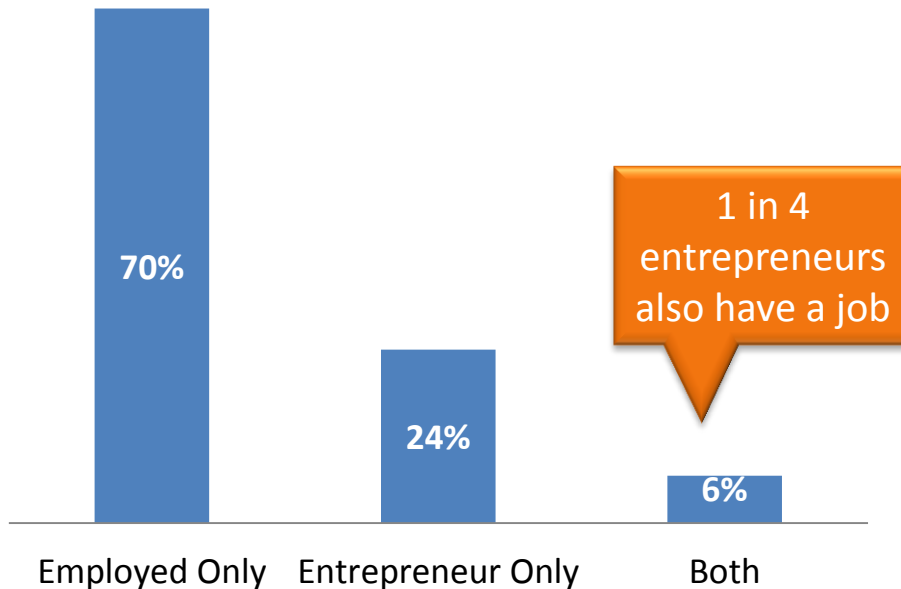


Source: Global Entrepreneurship Monitor



Hybrid Entrepreneurship generates employment flexibility

Employment Status of the Australian Workforce

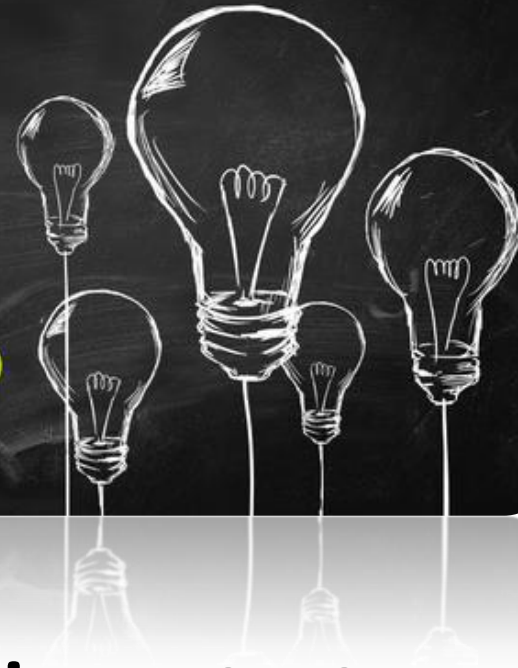


- Income supplementation
- Transition to “full-time” entrepreneurship
- Social causes
- Hobbies & personal interest

Source: Global Entrepreneurship Monitor



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So entrepreneurship is important...

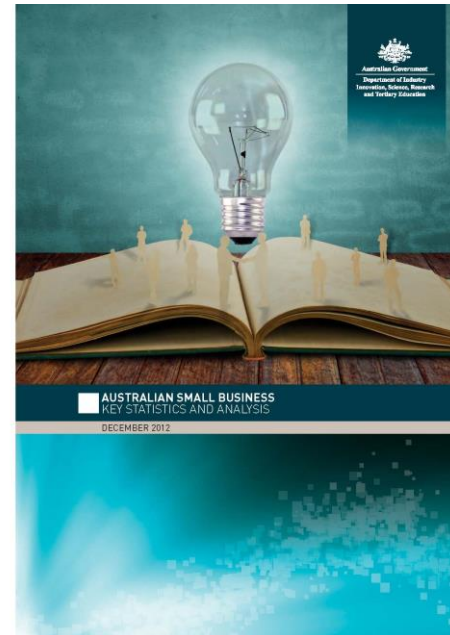
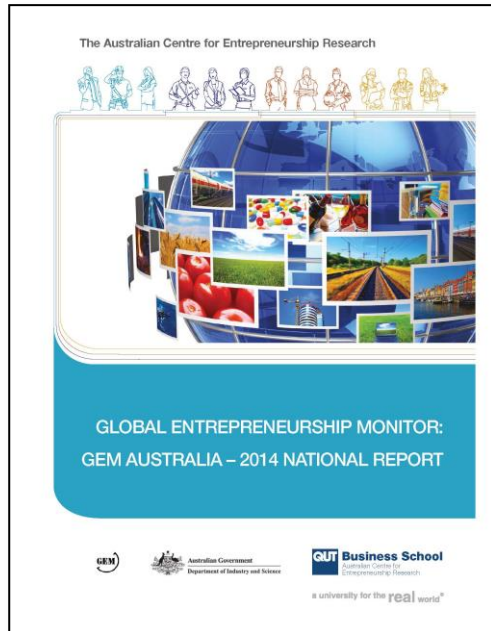
Why entrepreneurship research?



Why entrepreneurship research?

- **Macro studies inform policy**
 - Global Entrepreneurship Monitor

- **Micro studies inform policy and entrepreneurial practice**
 - CAUSEE



**CHAPTER 1
EARLY STAGE START-UPS: EVIDENCE FROM
THE COMPREHENSIVE AUSTRALIAN STUDY OF
ENTREPRENEURIAL EMERGENCE (CAUSEE)**

In this chapter, the picture of Australian small business is supplemented by using data from the Comprehensive Australian Study of Entrepreneurial Emergence (CAUSEE). This data tracks large numbers of ongoing business start-ups over time. The Australian Centre for Entrepreneurship Research (ACE) at Queensland University of Technology collected data in four annual waves, Wave 1 (2011) to Wave (2014) from 2007 to 2011. CAUSEE allows the analysis of entrepreneurial activities at two stages of development, i.e. nascent and young firms. Nascent firms are defined as firms in the process of being created, but not yet established in the market, and young firms are defined as having been operational for up to four years. An analysis of nascent firms provides unique insights, as no other known Australian database captures and follows the development of business start-ups at the pre-operational stage. In addition, the project captured judgement over samples of high-potential start-ups.

NUMBERS AND TYPES OF START-UP ATTEMPTS

Out of over 30 000 households successfully contacted at random, just over 1000 had a "near-birthday adult" identified as a founder of a nascent firm. A very similar number of founders of young firms were identified. Scaling this up to population-wide numbers, as a rough estimate, suggests that over half a million Australians are involved in early stage entrepreneurial activity at any point in time. This chapter presents some findings from the 425 nascent firms and 509 young firms that agreed to participate in a comprehensive interview.

The prevalence of nascent firm founders can be directly compared with a harmonised study in the United States (US), the "PREDICT". This comparison suggests that the proportion of the population actively engaged in business creation is higher in the US (4.9 per cent) compared with about 3.8 per cent in Australia. Australian start-ups, however, compare well with their American counterparts on indicators of funding, in terms of quality. Australian founders are less likely to be motivated by necessity or lack of alternatives, more likely to be growth oriented, more likely to emphasise research and development, and more likely to be based on emerging and/or sophisticated technologies. Australian founders are also slightly more likely to have a university degree and to work in teams.

This does not exclude the possibility that the US is more likely to produce "high-end" start-ups headed for venture capital investment, attack market introduction, and

1. This project received support from the Australian Research Council and industry partners National Australia Bank and QUT. See Australia's "Business and Industry 2014" analysis for further details about the project and associated research and analysis of the data.
2. High potential firms are those exhibiting growth beyond their historical performance for long periods of time. These firms are likely to be high-growth firms and are likely to be able to attract external funds. They are also likely to be high-growth firms and are likely to be able to attract external funds. They are also likely to be high-growth firms and are likely to be able to attract external funds.
3. See Reynolds and Gartner (2005).

2014 G20 Leader' Summit Communiqué

*"We are strongly committed to reducing youth unemployment.
Our Employment Plans include investments in ... encouraging entrepreneurship"*





2015 G20 YEA Communiqué

1. **Support specific educational and skills** measures to encourage entrepreneurship:
2. Initiate development of G20-wide entrepreneur visa program:
3. Adopt policies that address taxation and funding issues for entrepreneurs and high-impact SMEs:
4. Develop digital infrastructure and services as a foundation for future growth and innovation
5. Focus on legal certainty and transparency
6. **Support research** to better understand how to promote entrepreneurial culture and the ecosystems that support it:
7. Encourage collaboration between large corporations and entrepreneurs

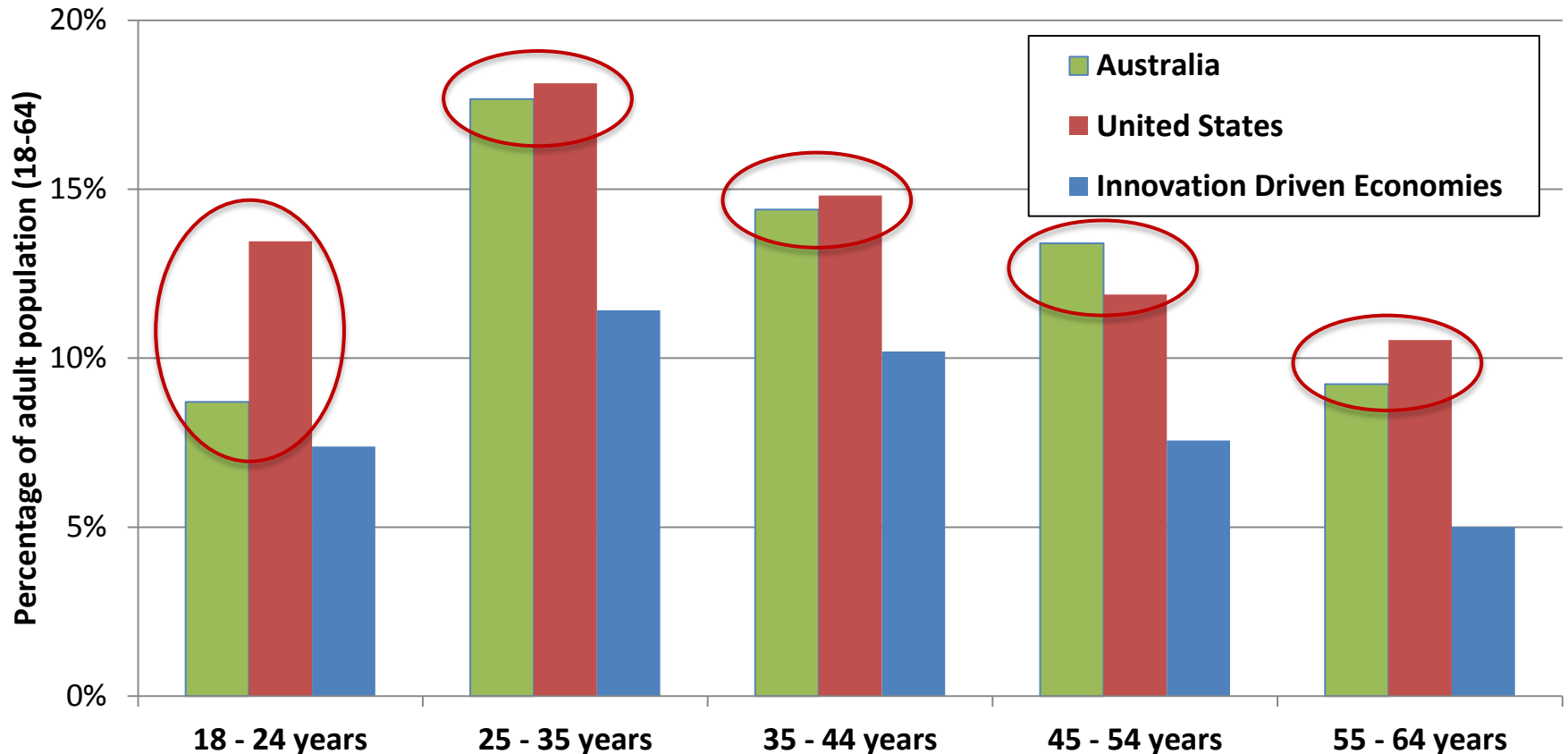


Four “themes” for today

- Youth entrepreneurship
- Senior entrepreneurship
- Women’s entrepreneurship
- Immigrant entrepreneurship



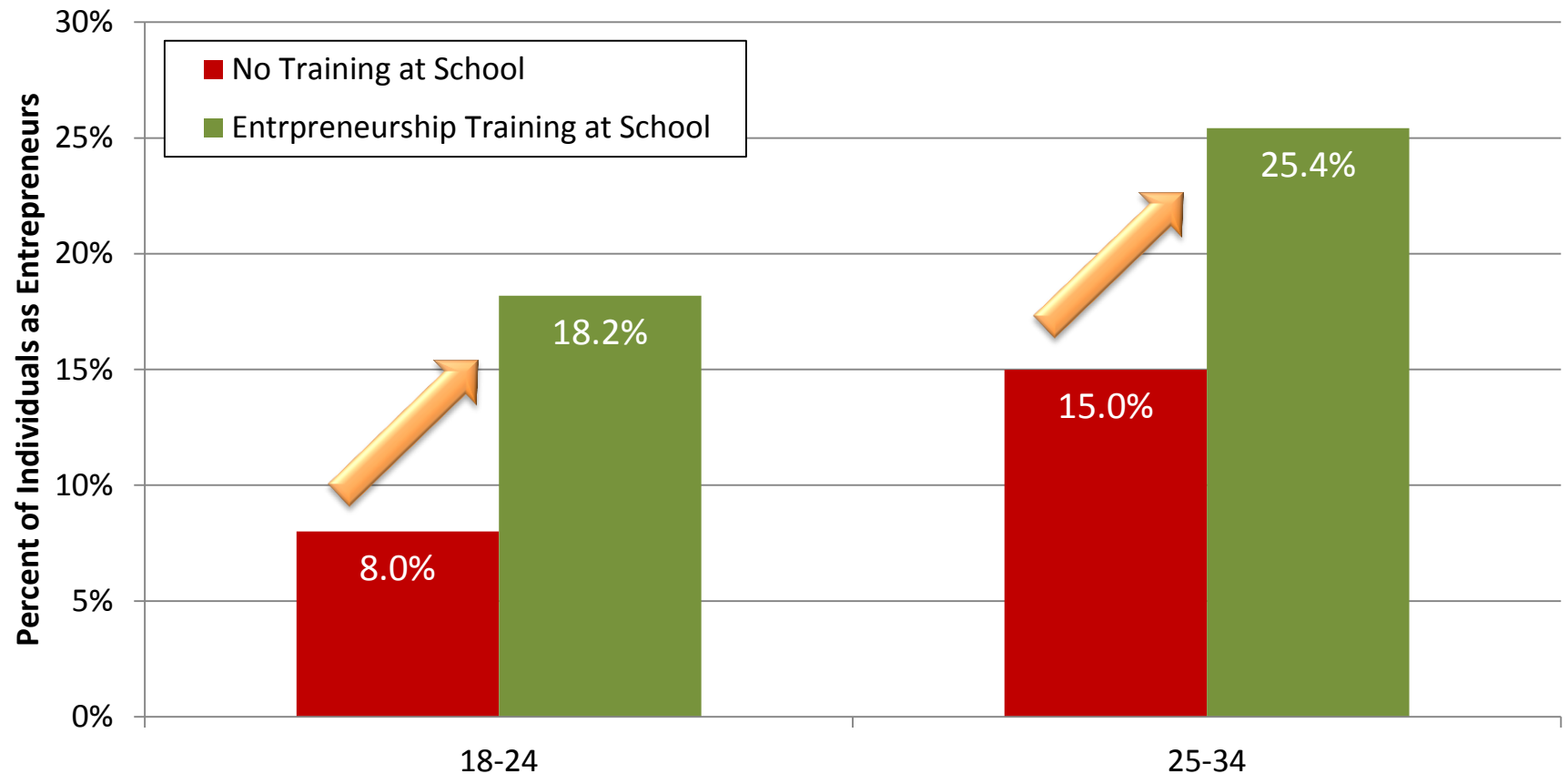
Youth entrepreneurship is the only age group we lag behind the US



Source: Global Entrepreneurship Monitor



Entrepreneurial Education at School Maters - ALOT



Source: Global Entrepreneurship Monitor