

ANNEX TO I THE
“CREATIVE INDUSTRIES ENTREPRENEUR PROFILE”

“OVERVIEW OF EUROPEAN LITERATURE ON ENTREPRENEURSHIP”

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COMPETENCIAS



Project website: www.smartjump.eu

This project has been funded with support from the European Commission. This content reflects the views only of the author, and the Commission cannot be held responsible for any use which may be made of the information contained therein

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Introduction

The European Credit System for Vocational Education and Training is one of the European Transparency Instruments (ECVET) aims to support the mobility of European citizens, facilitating lifelong learning (formal, informal and non-formal learning) and providing greater transparency in terms of individual learning experiences. It offers a set of tools for the transfer, recognition and (where appropriate), accumulation of individuals' learning outcomes acquired during a stay in another country, with a view to achieving a qualification. Thus, it eases the learners' mobility among European countries. One main principle of the ECVET system is the use of learning outcomes description, as they are the basis for credit transfer and accumulation. Consequently, it works hand in hand with the European Qualifications Framework (EQF) to provide greater transparency in European qualifications, promoting the mobility of workers and learners, and facilitating lifelong learning.

The **European Qualifications Framework** for lifelong learning (EQF) is a reference framework to compare national qualifications systems. It is structured into eight levels, which are described in terms of learning outcomes: knowledge, competences and related skills. This allows any national qualifications frameworks and qualifications in Europe to relate to EQF levels. Therefore, qualifications from different countries can be compared and become more understandable. By way of example, the rapid development of National Qualifications Frameworks (NQFs) permits the development of initiative such as the validation of non-formal and informal learning.

The SMART JUMP project, through the structured definition according to ECVET and EQF of entrepreneurial competences for creative industries, aims to validate its learning model for the upskilling of women and young who are active or have just enter in the creative industries sector.

The SMART JUMP learning model, which includes the integration and improvement of competences for entrepreneurship, will be tested through the two blended mobility activities foreseen respectively in Italy and Sweden.

According to ECVET and EQF, this document presents therefore the SMART JUMP structured definition of knowledge, competences and skills on the:

- “Brand Value Management”: training topic of the first Italian blended mobility;
- “Innovation and Gender promoting Sustainable Change in an inclusive Social Innovation perspective”: training topic of Sweden blended mobility activity:

1. Overview of European and international literature on Entrepreneurship

1.1 Global Entrepreneurship Monitor (GEM), “GEM Global Report 2016/2017”

The Global Entrepreneurship Monitor is the world's foremost study of entrepreneurship. GEM's goal is to provide a comprehensive view of the multi-dimensional nature of entrepreneurship across the globe.

The 2016 GEM report includes results based on about 65 world economies completing the Adult Population Survey (APS) (between the ages of 18 and 64 years) and 66 economies completing the National Expert Survey (NES). The world economies are grouped by geographic region (Africa, Asia & Oceania, Latin America & Caribbean, Europe and North America) and economic development level (according to the following macro categories from less developed to most advanced: factor-driven, efficiency- driven, innovation- driven)¹.

GEM survey is conceptualized taking into account the interdependency between entrepreneurship and economic development. Environmental factors (social, cultural, political and economic), which constitute the entrepreneurship ecosystem, influence individuals' decisions to pursue entrepreneurial initiatives. GEM assesses the quality of the entrepreneurship ecosystem of each economy participating in the survey through the National Expert Survey (NES)².

The 2016 Global Entrepreneurship Monitor considers not only the environmental dimension, but:

- tracks, as well for each economy, the rates of entrepreneurship across multiple phases of entrepreneurial activity;
- assesses the characteristics, motivations and ambitions of entrepreneurs;
- explores the attitudes societies have towards this activity.

All these are assessed through GEM key entrepreneurship indicators. Herein below, for each entrepreneurial component assessed in the survey is provided an insight of GEM indicators:

- *Social values toward entrepreneurship*: this includes indicators such as the extent to which society values entrepreneurship as a good career choice; whether entrepreneurs have high societal status; and the extent to which media attention to entrepreneurship is contributing to the development of a positive entrepreneurial culture;
- *Personal/individual attributes*: this includes indicators different demographic factors (such as gender, age, geographic location); psychological factors (including perceived capabilities, perceived opportunities, fear of failure); and motivational aspects (necessity versus opportunity based ventures, improvement-driven

¹ Classification of economies by economic development level is adapted from the World Economic Forum (WEF). According to WEF's classification, the factor-driven phase is dominated by subsistence agriculture and extraction businesses, with a heavy reliance on (unskilled) labour and natural resources. In the efficiency-driven phase, an economy has become more competitive with more-efficient production processes and increased product quality. As development advances into the innovation-driven phase, businesses are more knowledge-intensive, and the service sector expands (<http://weforum.org>). Economies in transition from factor- to efficiency-driven have been grouped with the factor-driven economies, while those in transition from efficiency- to innovation- driven have been included in the efficiency- driven category category.

² The National Experts Survey (NES) is part of the standard GEM methodology and it assesses various Entrepreneurial Framework Conditions (EFCs) well as some other topics related to entrepreneurship. It is intended to obtain the views of additional experts (e.g. on women entrepreneurship support, high growth business encouragement and questions related to the special topic included in the current GEM cycle)

ventures). With regard to the entrepreneurial motivations, to assess the relative prevalence of improvement-driven opportunity entrepreneurs (IDO) versus those motivated by necessity, GEM has created the Motivational Index.

- *Entrepreneurship activity*: this is defined through indicators referred to the phases of the life cycle of entrepreneurial ventures (nascent, new business, established business, discontinuation); to impact of entrepreneurs on their societies (key to economic development and growth are job creation and innovation); and to the type of entrepreneurial (Total Early-stage activity (TEA) Entrepreneurship Activity – TEA, Social Entrepreneurship Activity – SEA, Employee Entrepreneurship Activity – EEA).

In the report is featured a detailed review of GEM key entrepreneurship indicators with each economy receiving a ranking for every indicator.

Given that the SMART JUMP goal is to foster the entrepreneurship and intrapreneurship skills of women and young entrepreneurs who are active or have entered the creative industries sector, here below are reported some relevant GEM key findings, especially respectively to the economic development level of the SMART JUMP countries: Efficiency- driven and Innovation- driven.

GEM key findings related to:

- *Societal values about entrepreneurship*:
 - o More than two-thirds of the adult population of the world economies considered believe that entrepreneurs are well-regarded and enjoy high status within their societies. These generally positive attitudes towards entrepreneurship are prevalent despite moderate average scores for media visibility
 - o Working-age adults in the efficiency-driven economies are most likely to see entrepreneurship as a good career choice. On average, two-thirds of the adult population in these economies consider starting a business a good career choice, compared to around 60% in the factor- and innovation-driven economies.
 - o Europe has the lowest belief in entrepreneurship as a good career (58%) and the lowest media publicity for this activity (55%).
- *Self-perceptions about entrepreneurship*:
 - o On average, 42% of working-age adults see good opportunities for starting a business in their area;
 - o In the efficiency-driven economies a little more than half the adults believe that they have the required skills to start a business, while a third indicate that fear of failure would inhibit them from pursuing entrepreneurial opportunities.
 - o Overall, 22% of the people surveyed in the world economies considered expressed an intention to start a business in the next three years;
 - o Europe reports the lowest rates of opportunity and capability perception, as well as the lowest entrepreneurial intentions (12%). Less than 40% of Europeans perceive opportunities in their area, and less than half believe they have the skills to pursue entrepreneurial opportunities
- *Phases/ types of entrepreneurial activity*:
 - o Total Early-stage Entrepreneurial activity (TEA) rates tend to be highest in the factor-driven group of economies, decreasing with higher levels of economic development – the average

Project n°. 2015-1-IT01-KA202-004745, CUP Code: G76G15000440006

TEA rate for the factor-driven economies in 2016 was almost double that for the innovation - driven economies (17% compared to 9%).

- Business discontinuation rates in efficiency-driven economies is about 5%, while discontinuance rates among the innovation-driven economies is, on average, about half that of the other economic group. A lack of business profitability is consistently cited as the major reason for business discontinuance, with a third of business exits due to this reason, on average, across all three developments.

- *Motivation for early-stage entrepreneurial activity:*
 - On average, three-quarters of respondents in the 2016 survey stated they chose to pursue an opportunity as a basis for their entrepreneurial motivations. The 71% of entrepreneurs in the efficiency-driven economies were opportunity motivated rather than starting out of necessity, because they had no better options for work. The innovation-driven economies show the highest proportion of opportunity – motivated entrepreneurs, at 79%.
 - With regard to the improvement-driven opportunity (IDO) entrepreneurs, GEM survey reveals that in 2012 there were, on average, 2.3 times as many IDO entrepreneurs as necessity-driven. A large difference can be seen in the innovation-driven economies, where there are on average almost four times as many IDOs as necessity-driven entrepreneurs.

- *Impact of entrepreneurial activity on Innovation³:*
 - Entrepreneurs in innovation-driven economies are considerably more innovative, with a third regarding their products as new to the market and within their respective industries.

- *Gender and age distribution of early-stage entrepreneurial activity:*
 - GEM report shows that although the ratio of male to female participation in early –stage entrepreneurial activity varies considerably across the total sample of GEM countries, reflecting differences in culture and customs regarding female participation in the economy, a consistent finding is that men are more likely to be involved in entrepreneurial activity
 - In the innovation-driven group, on the other hand, only six women, on average, were engaged in early-stage entrepreneurship for every ten male entrepreneurs.
 - Europe reports the lowest female involvement in early-stage entrepreneurial activity (6%) as well as the lowest gender parity – women in this region are only half as likely to be engaged in TEA as their male counterparts
 - The influence of age on entrepreneurial activity tends to be very similar throughout GEM, with the highest prevalence of entrepreneurial activity among the 25 – 34 and 35 – 44 year olds across all three development phases.

Source: *Global Entrepreneurship Monitor (GEM) Global Report 2016/2017:*
<http://www.gemconsortium.org/report/49480>

³ GEM assesses innovation in entrepreneurial activities by looking at the extent to which entrepreneurs are introducing products that are new to some or all customers, and that are offered by no or few competitors

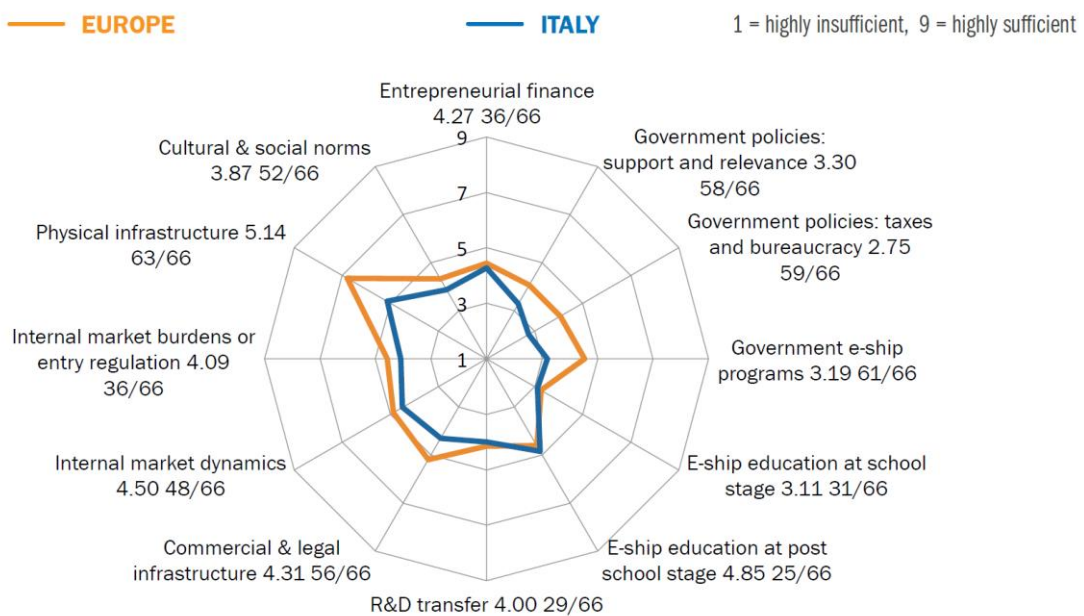
1.1.1 A comparison of entrepreneurial countries' position of the SMART JUMP partners within GEM Global Report:

This section compares the countries' entrepreneurial profile of the SMART JUMP partners as resulting from the GEM 2016 key findings.

At this purpose, a graphic representation per country of the entrepreneurship eco-system is featured. In the 2016 GEM report the entrepreneurship ecosystem is represented through National Framework Conditions (NFCs), which take into account the advancement of each society through the three phases of economic development (factor-driven, efficiency-driven and innovation-driven), and Entrepreneurial Framework Conditions (EFCs). The Entrepreneurial Framework Conditions (EFCs) assessed by GEM are entrepreneurial finance, government policy, government entrepreneurship programs, entrepreneurship education, research and development (R&D) transfer, commercial and legal infrastructure, internal market dynamics and entry regulation, physical infrastructure, and cultural and social norms.

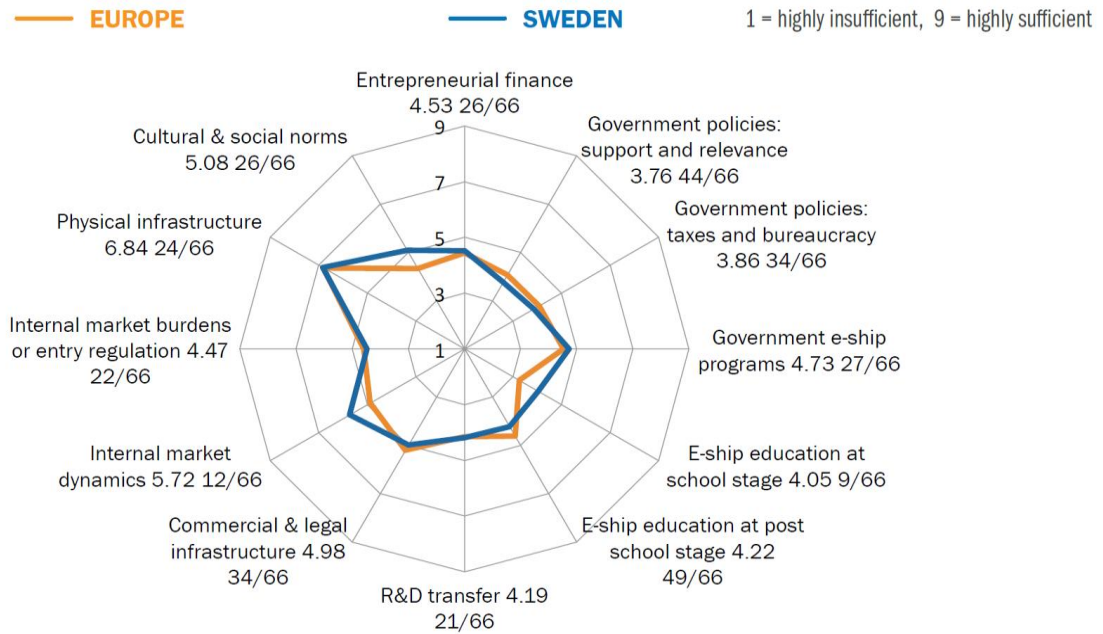
The data on these components, reported in the graphics per country, are provided by National Expert Survey (NES) using a Likert scale of 1 (highly insufficient) to 9 (highly sufficient) and are compared to the European level. On the base of the data results, each economy is ranked per condition among all 66 assessed by GEM survey.

a) ITALY profile

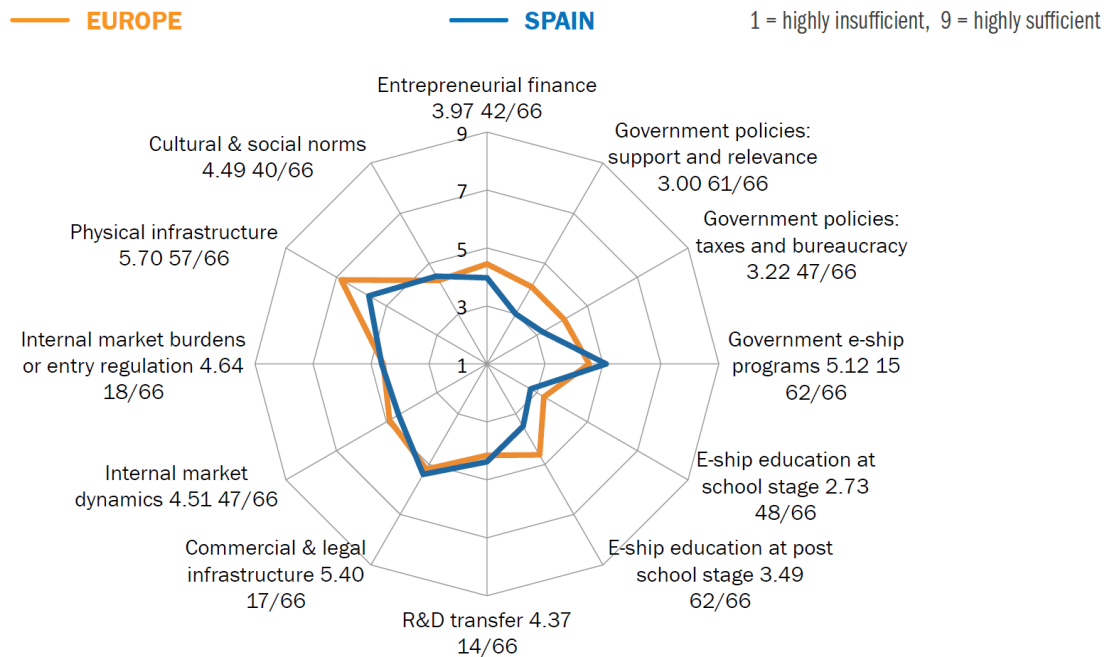


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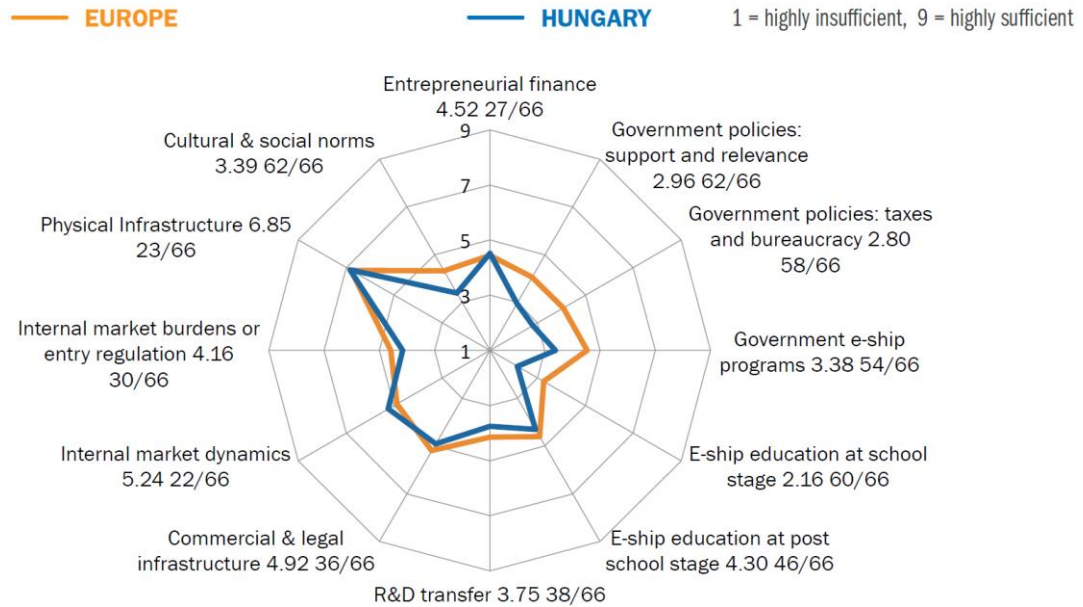
b) SWEDEN profile



c) SPAIN profile



d) HUNGARY profile



According to the SMART JUMP focus on entrepreneurship education for women and young people, our analysis will address only on three relevant entrepreneurial framework conditions (EFCs): entrepreneurship education at school stage; entrepreneurship education at post school stage; government entrepreneurship programs. The Economic development phase of the four countries is as well take into account.

The four Countries rank as follows:

EFCs	Italy	Sweden	Spain	Hungary
E-ship education at school stage	31	9	48	60
E-ship education at post school stage	25	49	62	46
government e-ship programs	61	27	62	54
Economic development phase	Innovation-driven	Innovation-driven	Innovation-driven	Efficiency-driven

The data on the entrepreneurial eco-systems are then analyzed at the light of the four countries' numbers on key GEM indicators referred to:

- Societal values about entrepreneurship;*
- Gender equality;*
- Motivational aspect;*
- Entrepreneurial activity;*
- Self-perceptions about entrepreneurship.*

A comparison of the four countries' data on the key GEM indicators is represented in the graphic here below.

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	Perceived opportunities	Perceived capabilities	Underterred by fear of failure	Entrepreneurial intention	Total early-stage entrepreneurial activity (TEA)	established business ownership rate	entrepreneurial employee activity	Improvement driven opportunity / Necessity motive	Female / Male TEA ratio	Female / Male opportunity ratio	Job expectations	Innovation	High status recognised to entrepreneurs	Entrepreneurship as a good career choice
■ Hungary	30,1	38,4	43,2	15,1	7,9	5,5	3	2,6	0,46	0,95	35,8	20,4	71	52,8
■ Spain	25,6	46,7	38,9	5,1	5,2	6,2	2,7	1,9	0,81	1,01	9,7	23,7	50,7	53,7
■ Sweden	78,5	35,5	40,8	8,4	7,6	4,5	6,1	11,8	0,72	0,96	12,2	33,6	69,9	53,6
■ Italy	28,6	31,2	49,4	10,1	4,4	5,2	2,1	3,7	0,59	1,11	18,4	26,9	69,7	63,3

■ Hungary ■ Spain ■ Sweden ■ Italy

According to the above-illustrated data on entrepreneurial eco-systems and on relevant GEM key indicators in the four SMART JUMP countries, there are two different approaches to the entrepreneurial education comparing school and post school stage educational and training programs.

Swedish approach focuses primarily on school education stage while Italy, Spain and Hungary school programmes do not foresee a specific attention to entrepreneurship and intrapreneurship attitude at this stage. A particular attention to the school stage entrepreneurial education is accompanied by effective governmental entrepreneurship support programmes.

Italy, Spain and Hungary focus primarily on post school entrepreneurial education programs with an impact on total early-stage entrepreneurial activity rate (TEA), which is low compared to the Swedish one.

The Hungarian economic environment shows a specificity in terms of TEA and entrepreneurship education. The high propensity to entrepreneurship initiative along with a good self-perception about entrepreneurship is related to the economy development phase (efficiency-driven instead of innovation-driven).

In detail, there is a correlation between the entrepreneurial education from the early school stage and the self/societal perception of the entrepreneurial activity itself.

Sweden ranks first amidst the four countries under exam for the entrepreneurial education at school stage, thus implying a better perception of the entrepreneurial activity and of the possibilities perceived within the local economic environment.

The other Countries under analysis show a lower attention to the entrepreneurial education within the school programmes, focusing on the post school education.

Therefore, the Swedish approach seems to favour an early stage entrepreneurial activity linked with the perception of the entrepreneurial career choice as an improvement opportunity instead of a necessity motive.

An earlier approach to the entrepreneurship education favours a gender balance in relation with the entrepreneurial activity, compared to the Italy, Spain and Hungary. However, it can be noticed that, in all the four countries, the female/male ratio of opportunity-motivated entrepreneurs is higher than the female/male one for early stage of entrepreneurial activity. With regard to the early stage of entrepreneurial activity can be revealed therefore a less gender balance in all four countries.

The acknowledgement of working in a highly competitive environment stresses the linkage between the role of the entrepreneurs in the economy and the innovation capability.

Source: Global Entrepreneurship Monitor (GEM) Global Report 2016/2017, rif. pp. 64, 70, 94, 95:
<http://www.gemconsortium.org/report/49480>

1.2 European Commission Publication “EntreComp: The Entrepreneurship Competence Framework”, 2016: Transversal Entrepreneurship Competences

This section presents the validated reference framework for Entrepreneurship Competence (EntreComp)⁴ which has been developed by the Joint Research Centre (JRC) of European Commission on behalf of the Directorate General for Employment, Social Affairs and Inclusion (DG EMPL).

The EntreComp origin goes back to 2006 when the Recommendation of the European Commission on “key competences for lifelong learning” identified a sense of initiative and entrepreneurship as one of the 8 key competences for all citizens (European Parliament and the Council, 2006). The EntreComp framework presented herein is built on a broad understanding of entrepreneurship that also includes “sense of initiative”

Key objective of EntreComp is to provide a common conceptual approach which could support the development of entrepreneurship competence at European level. By producing a common and shared definition of what entrepreneurship as a competence is, the framework aims to establish a bridge between the worlds of education and work and to be taken as a reference de facto by any initiative which aims to foster entrepreneurial learning.

EntreComp defines entrepreneurship as **a transversal key competence** applicable by individuals and groups, including existing organisations, across all spheres of life. It is defined as follows:

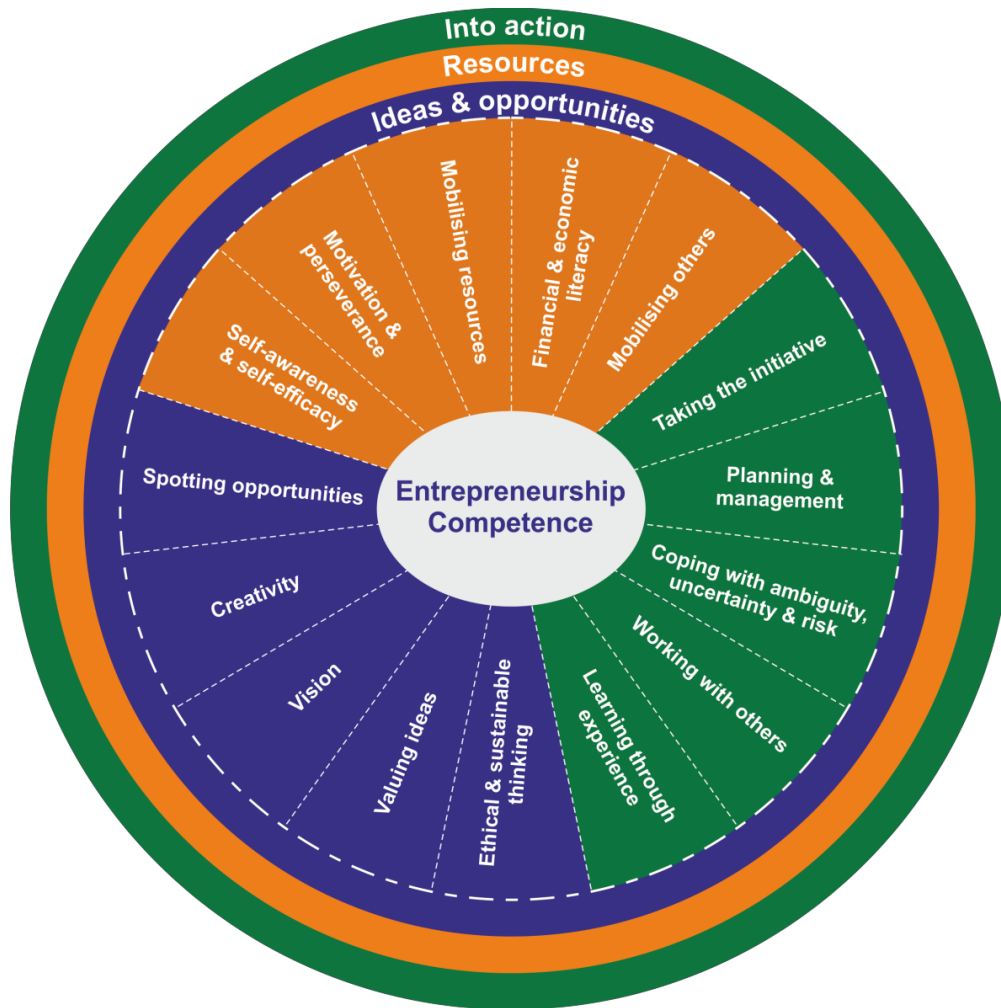
Entrepreneurship is when you act upon opportunities and ideas and transform them into value for others. The value that is created can be financial, cultural, or social (FFE-YE, 2012).

This definition focuses on value creation, no matter what type of value or context. It covers value creation in any domain and possible value chain. It refers to value creation in the private, public and third sectors and in any hybrid combination of the three. It thus embraces different types of entrepreneurship, including intrapreneurship, social entrepreneurship, green entrepreneurship and digital entrepreneurship.

The EntreComp conceptual model is made up of two main dimensions: the **3 competence areas** that directly mirror the definition of entrepreneurship as the ability to turn ideas into action that generate value for someone other than oneself; and the **15 competences** that, together, make up the building blocks of the entrepreneurship as a competence for all citizens. ‘Ideas and opportunities’, ‘Resources’ and ‘Into Action’ are the 3 areas of the conceptual model and they have been labelled to stress entrepreneurship competence as the ability to transform ideas and opportunities into action by mobilising resources. These resources can be personal (namely, self-awareness and self-efficacy, motivation and perseverance), material (for instance, production means and financial resources) or non-material (for instance, specific knowledge, skills and attitudes). The **3 competence areas are tightly intertwined**: entrepreneurship as a competence stands above all three of these together. The 15 competences are also interrelated and interconnected and should be treated as parts of a whole.

⁴ EntreComp framework has been validated through iterative stakeholders consultation.

Figure here below shows the **3 competence areas** and the **15 competences** of the EntreComp conceptual model.



The Figure depicts the EntreComp competences as slices of a pie chart. Each slice has a different colour: blue for the competences in the 'Ideas and opportunities' area, orange for those in the 'Resources' area and green for the competences in the 'Into action' area. The slices are surrounded by the three competence rings, which embrace all the 15 competences. This representation underlines that the coupling between competence areas and competences does not have taxonomic rigour.

In the EntreComp conceptual model each competence, included in the related competences area, is accompanied then by a **hint** or an **exhortation** to the learner to put the competence into practice and a **descriptor**, which breaks it down into its core aspects.

The Table here below provides an overview of the EntreComp conceptual model, showing how the entrepreneurship competence has been broken down into its constituent parts within the framework.

Areas	Competences	Hints	Descriptors
1. Ideas and opportunities	1.1 Spotting opportunities	Use your imagination and abilities to identify opportunities for creating value	<ul style="list-style-type: none"> Identify and seize opportunities to create value by exploring the social, cultural and economic landscape Identify needs and challenges that need to be met Establish new connections and bring together scattered elements of the landscape to create opportunities to create value
	1.2 Creativity	Develop creative and purposeful ideas	<ul style="list-style-type: none"> Develop several ideas and opportunities to create value, including better solutions to existing and new challenges Explore and experiment with innovative approaches Combine knowledge and resources to achieve valuable effects
	1.3. Vision	Work towards your vision of the future	<ul style="list-style-type: none"> Imagine the future Develop a vision to turn ideas into action Visualise future scenarios to help guide effort and action
	1.4 Valuing ideas	Make the most of ideas and opportunities	<ul style="list-style-type: none"> Judge what value is in social, cultural and economic terms Recognise the potential an idea has for creating value and identify suitable ways of making the most out of it
	1.5 Ethical and sustainable thinking	Assess the consequences and impact of ideas, opportunities and actions	<ul style="list-style-type: none"> Assess the consequences of ideas that bring value and the effect of entrepreneurial action on the target community, the market, society and the environment Reflect on how sustainable long-term social, cultural and economic goals are, and the course of action chosen Act responsibly
2. Resources	2.1 Self-awareness and self-efficacy	Believe in yourself and keep developing	<ul style="list-style-type: none"> Reflect on your needs, aspirations and wants in the short, medium and long term Identify and assess your individual and group strengths and weaknesses Believe in your ability to influence the course of events, despite uncertainty, setbacks and temporary failures
	2.2 Motivation and perseverance	Stay focused and don't give up	<ul style="list-style-type: none"> Be determined to turn ideas into action and satisfy your need to achieve Be prepared to be patient and keep trying to achieve your long-term individual or group aims Be resilient under pressure, adversity, and temporary failure
	2.3 Mobilizing resources	Gather and manage the resources you need	<ul style="list-style-type: none"> Get and manage the material, non-material and digital resources needed to turn ideas into action Make the most of limited resources Get and manage the competences needed at any stage, including technical, legal, tax and digital competences

	2.4 Financial and economic literacy	Develop financial and economic know how	<ul style="list-style-type: none"> Estimate the cost of turning an idea into a value-creating activity Plan, put in place and evaluate financial decisions over time Manage financing to make sure my value-creating activity can last over the long term
	2.5. Mobilizing others	Inspire, enthuse and get others on board	<ul style="list-style-type: none"> Inspire and enthuse relevant stakeholders Get the support needed to achieve valuable outcomes Demonstrate effective communication, persuasion, negotiation and leadership
3. Into action	3.1 Taking the initiative	Go for it	<ul style="list-style-type: none"> Initiate processes that create value Take up challenges Act and work independently to achieve goals, stick to intentions and carry out planned tasks
	3.2 Planning and management	Prioritize, organize and follow-up	<ul style="list-style-type: none"> Set long-, medium- and short-term goals Define priorities and action plans Adapt to unforeseen changes
	3.3 Coping with uncertainty, ambiguity and risk	Make decisions dealing with uncertainty, ambiguity and risk	<ul style="list-style-type: none"> Make decisions when the result of that decision is uncertain, when the information available is partial or ambiguous, or when there is a risk of unintended outcomes Within the value-creating process, include structured ways of testing ideas and prototypes from the early stages, to reduce risks of failing Handle fast-moving situations promptly and flexibly
	3.4 Working with others	Team up, collaborate and network	<ul style="list-style-type: none"> Work together and co-operate with others to develop ideas and turn them into action Network Solve conflicts and face up to competition positively when necessary
	3.5. Learning through experience	Learn by doing	<ul style="list-style-type: none"> Use any initiative for value creation as a learning opportunity Learn with others, including peers and mentors Reflect and learn from both success and failure (your own and other people's)

This EntreComp Framework, as it identifies the key transversal competences to all types of entrepreneurship, is taken as point of reference for the ECVET and EQF structured definition of the SMART JUMP entrepreneurial competences for creative industries, which are articulated specifically on:

- Brand Value management
- Innovation and Gender key role in promoting Sustainable Change in an inclusive Social Innovation perspective

Source: Bacigalupo, M., Kamylyis, P., Punie, Y., Van den Brande, G. (2016). EntreComp: The Entrepreneurship Competence Framework. Luxembourg: Publication Office of the European Union; EUR 27939, EN: <https://ec.europa.eu/jrc/en/publication/eur-scientific-and-technical-research-reports/entrecomp-entrepreneurship-competence-framework>



Project n°. 2015-1-IT01-KA202-004745, CUP Code: G76G15000440006