

Creating an Entrepreneurial Society: Leading Socio-Economic Development in Austria for the 21st Century and Beyond

Changing the Environment, Building a Talent Pool and Providing a Structural Framework for Sustainable Socio-economic Growth and Wellbeing

David Pistrui, Ph.D.
Managing Director
Acumen Dynamics, LLC
Senior Fellow
Austrian Economics Center

13 February 2013
Vienna, Austria

Agenda

1. **Unlocking the mystery of entrepreneurship**
2. **Perceptions, reality and history**
3. **Questions your leaders ask and do little about**
4. **Opportunities for actions and re-think**
5. **Reasons for optimism!**

Creating Entrepreneurial Societies

Question: Which Austrian born scholar made the following statement?

“What we need is an entrepreneurial society in which innovation and entrepreneurship are normal, steady and continual.”



Peter Drucker

What is entrepreneurship?

- Alertness to new opportunities
- Learning
- Discovery
- Growth of knowledge
- Sequence of innovative actions
- New combinations
- Agent of change
- Disruption
- Creative destruction
- Learning from failure



Entrepreneurial Mindset

- Opportunity orientation
- Opportunity seeking
- Opportunity identification
- Opportunity pursuit
- Opportunity perseverance



A detailed technical drawing of a mechanical assembly, likely a watch movement, serves as the background. It features numerous numbered parts (e.g., 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 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'SKW60', 'SK80-85', 'W60', 'W80', 'KACC', 'MOLL', '61A', '50', '61', '64A', '70', '58', '59', '60', '61', '69', '72', '70', '56', '55', '52', '98', '139', 'R3/8', 'R219', 'R1/2', '153', '152', '148', '143', '144', '207', '116', '118', '119', '120', '121', '122', '123', '124', '125', '126', '127', '128', '100', '101', '102', '103', '104', '106', '107', '108', '99', '131', '132', '130', '129', '117', '115', '114', '113', '112', '111', '110', '109', '105', '104', '103', '102', '101', '100', '99', '15', '2', '3', '17', '6', '9', '16', '18', '16', '15', '14', '13', '12', '11', '10', '9', '8', '7', '6', '5', '4', '3', '2', '1'.

Entrepreneurial led small and medium sized enterprises

- In the European Union SMEs make up 99% of all enterprises providing 65 million jobs
- In Austria SMEs make up 99.6% of all businesses and provided 1.4 million jobs
- Key SME sectors in Austria include: Trade & Crafts (30%), Commerce (26%), Tourism (18%)

The engine that drives socio-economic growth & change

Sources: Report on training and support structures for young SMEs in Austria, European Commission, 2009, Pistrui, 2010

Perceptions and Reality

Austria isn't well known for its entrepreneurial spirit –

A prerequisite for self-employment in Austria is the State Entrepreneurial Examination –

The 34% tax on corporations stifles new businesses and makes it difficult to compete globally –

Economy	Ease of Doing Business	Ease of Starting a Business
Switzerland	21	71
Germany	25	84
Austria	28	122
Hungary	47	39
Slovenia	53	26

Sources: World Bank Group, 2010 - BASED ON THE *DOING BUSINESS 2010* REPORT INDEX RANKINGS WWW.DOINGBUSINESS.ORG/ECONOMYRANKINGS/
<http://www.internationalentrepreneurship.com/europe/austria/>

The History of Fear and Failure



Questions your leaders ask and do little about

1 – **CHANGING THE ENVIRONMENT** – fostering a mindset dedicated to entrepreneurship, innovation and socio-economic renewal through leadership, structural dialog and societal transformation.

2 – **BUILDING A TALENT POOL** – empowering entrepreneurial behavior through education, exchange and community to connect students, educators, scientists and industry.

3 – **PROVIDING A STRUCTURAL FRAMEWORK** – creating frameworks conducive to supporting entrepreneurship by streamlining administrative processes, attracting private investors and providing tax incentives.

1 – CHANGING THE ENVIRONMENT – fostering a mindset dedicated to entrepreneurship, innovation and socio-economic renewal through leadership, structural dialog and societal transformation.

- **Change must start from the top – need leadership**
- **Make entrepreneurship a national priority – need action**
- **Create 5-7 prototype projects – Vienna, Graz, Linz, Salzburg**
- **Reduce the bureaucracy too much is too much – need less**
- **Get young people fired up about entrepreneurship - option**

2 – BUILDING A TALENT POOL – empowering entrepreneurial behavior through education, exchange and community to connect students, educators, scientists and industry.

- **Create multidisciplinary Private/Public advocacy movements**
- **Landscape analysis leading to creation of an eco-system**
- **Recruit champions and create examples of success and failure**
- **Expose 100% of young people to self employment as an option**
- **Undertake education reform embedding entrepreneurship**

3 – PROVIDING A STRUCTURAL FRAMEWORK – creating frameworks conducive to supporting entrepreneurship by streamlining administrative processes, attracting private investors and providing tax incentives.

- **Create an Entrepreneurship Economic Development Plan**
- **Make it easier for people to start businesses**
- **Reduce the role of government – consolidate, streamline**
- **Undertake tax reform – corporate, wealth and credits**
- **Encourage private investment and establish Austro-Angels**

Reasons for for optimism!

- Rediscovering and applying Austrian economics
- Natural resources and the environment
- Location, location, location!!!
- Growing diversity
- Necessity



Thank You!

dpistrui@acumendynamics.com

