

# 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

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#### **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?

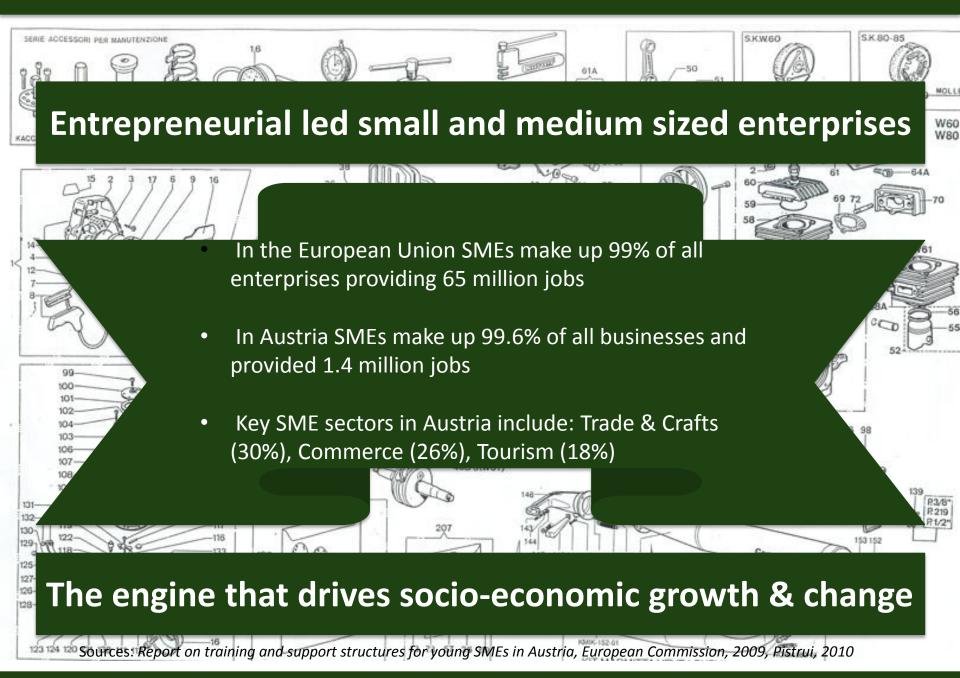
- Alertness to new opportunities
- Learning
- Discovery
- Growth of knowledge
- Sequence of innovative actions
- New combinations
- Agent of change
- Disruption
- Creative destruction
- Learning from failure



## **Entrepreneurial Mindset**

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





#### **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!

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