

Updated Note on Measuring Entrepreneurship

8th meeting of the UN Committee of Experts on Business and Trade Statistics 24-26 June 2025, Singapore







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What's entrepreneurship?

An intuitive definition:

"Entrepreneurship is the beginning of an enterprise's story".

The vision of an enterprise is variable in its scope:

It can be viewed from several lents:

Legal entity; operational/commercial entity; economic entity; or statistical entity.

In this document, we will focus on the statistical point of view.

OECD-Eurostat definition (2017):

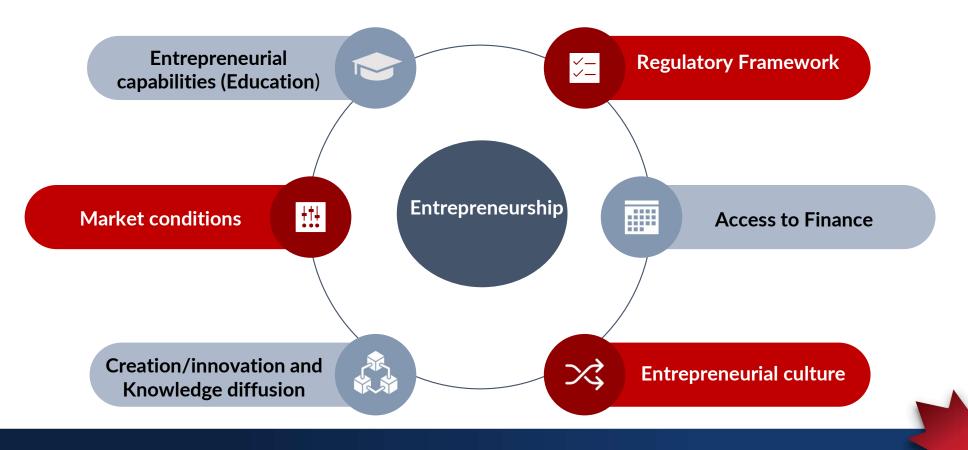
Enterprises that engage in "entrepreneurial activity," or "the enterprising human action in pursuit of the generation of value, through the creation or expansion of economic activity, by identifying and exploiting new products, processes or markets"

Why measure it?

- In practice, there is a great confusion between what an enterprise is and what entrepreneurship is. This confusion is partly maintained by the myriad of definitions related with entrepreneurship.
- This note aims to highlight characteristics of entrepreneurs that the Task Team may wish to consider in its future work on measuring entrepreneurship and to provide guidelines to harmonize the definition of entrepreneurship.
- The current framework starts from the OECD 2017 definition of entrepreneurship and will establish the policy needs for a more inclusive concept of entrepreneurship proposing a taxonomy that is measurable and comparable at the international level.



Entrepreneurship environment (framework)



Entrepreneurship taxonomy

	Ex-Ante Commercialization	Ex-Post Commercialization	
Key Enterprise Characteristics			
Enterprise venture	Entrepreneurship	None	Intrapreneurship
Enterprise creation	New employer Enterprise	Existing employer Enterprise	Existing employer Enterprise
Enterprise employment size	1-9 employees (Micro innovation startups)	1-19 employees (Micro and Small enterprises)	20 employees and more (Medium and large enterprises)
Enterprise age	3 years old or less (Young)	More than 3 years old (Well established)	More than 3 years old (Well established)
Commercialization	New Market/Market introduction	Established market/market development	Market diversification/new market acquisitions
Innovation	Always	Sometimes	Sometimes
Innovation driver	Individual (Sole proprietorship)	Individual and/or collaboration	Organization (collaboration or partnership)
Product/process development stage	Creation/new ideas/ conception	Production growth/expansion/ commercialization	Production mature
Level of risk	High (Always)	Medium-High (Sometimes)	Medium-Low (Sometimes)
Business failure responsibility	Individual	Individual or team	Organization



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Measuring Entrepreneurship (Taxonomy)

Entrepreneurship concept

- Identify characteristics to distinguish entrepreneurship vs. Enterprise
- Define the concepts (Innovation)
- Collect data (Surveyed data vs. Administrative files)
- Linkage File Environments

Indicators

- Standard EIP indicators
- Alternative indicators
- Measuring ownership
- Measuring high growth firms and scaleups
- Business transfer statistics

Challenges

- Measuring innovation as a key driver of entrepreneurship
- Several concepts for the same indicators: Ownership High growth firms Business transfer
- Statistical common frame

Anticipate activities

- Provide an update (v2) of the previous version (v1) of the document dated of October 11th, 2021 June 2025.
- Creation of a new team task group in charge to create the guideline manual on the entrepreneurship measurements June 2025.
- Develop a work plan to monitor the progresses (*Special topics; sections; examples; ...*) September 2025
- Develop a communication/dissemination plan (*Presentations; institutional review by an international committee*) December 2025
- Draft version (v3) March 2026
- Produce the final version (v4). Targeted date for final version June 2026.



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Appendix 1: Entrepreneurship measurement team members

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Appendix 2:

Outline of the guide (v2) on measuring entrepreneurship

Background Goal and role of the task team on Business Dynamics, Business 1. Demography and Entrepreneurship 2. Introduction Purpose of the guide and motivation 3. **OECD-Eurostat EIP definition** OECD definition of entrepreneurship and Entrepreneurship Indicators Program Characteristics of entrepreneurship of interest for Considerations related to entrepreneurship measurement for policy policymakers makers and researchers How to define and measure innovation among Concepts and indicators of interest to measure entrepreneurial innovation for business statistics purpose entrepreneurs Existing data and measurement framework on Entrepreneurial determinants framework and factors of success entrepreneurship

7. Entrepreneurship Taxonomy Definitions, concepts and characteristics of entrepreneurship and enterprises

8. Data collection methods Data sources and data acquisition process considerations

9. Variables of interest for data collection and measurement challenges of entrepreneurship indicators

10. Possible future work stream of the task team

9.1 List of entrepreneurship indicators

9.2 Measurement challenges

Alternative activities and scope of the guidelines



Appendix 3: Indicators

EIP

- Number of active enterprises
- Number of enterprise birth
- Number of enterprise death
- The employer enterprise churn rate
- Young entreprises
- Survivor rate (two and five years)
- Number of employees associated with new enterprise births
- Number of high growth enterprises
- Number of Gazelles

Administrative sources

- Number of employer startups (Administrative data)
- The employment share of employer start-ups (Administrative data)
- The share of n-year-old employer enterprises (Administrative data)
- Total entrepreneurship revenues and sales (Administrative data)
- Innovativeness (Survey data) -Share of revenues from the sale of innovative products or process
- Number of Patents (Administrative data)
- Total R&D expenditures (Survey data)
- R&D tax credits (Administrative data)
- Government business innovation and growth support (Administrative data)
- Bankruptcy rate by sector (SBR or Administrative)
- Number of sole proprietorship enterprises
- Number of enterprises transferred (Takeover)
- Number of transferred young enterprises
- Total revenues from sales of products and/or services (by destination market)
- Number of scaleup enterprises (SBR)
- Employment associated with high growth enterprises (SBR)
- Employment growth of scaleups (SBR)

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