Women entrepreneurship
Key findings: Korea

Who wants to be an entrepreneur?

Entrepreneurship is crucial to economic development, promoting social integration and reducing inequalities. *OECD Entrepreneurship at a Glance* presents an original collection of indicators that measure the state of entrepreneurship, providing an important reference for policy insights and policy making.

*Perceived risks are higher for women...*

One important determinant of entrepreneurship relates to the relative risk involved, or rather assessment of risk. This is to a large extent determined by risk of failure but also reflects other factors, such as social security safety nets, access to finance, access to child-care, and indeed potential rewards; which helps to explain the significant differences across countries on how the entrepreneurial risk is perceived. One pattern however, is remarkably consistent: women, the world over, are less prone to taking the entrepreneurial plunge.

Korea is no exception to this pattern (Figure 1). Although the share of women (35%) declaring a preference for the entrepreneurial risk is similar to the OECD average (36%), the gender gap is larger in Korea than in the OECD area.

![Figure 1. How is the entrepreneurial risk perceived?](source)

Percentage of individuals who agree with the statement “I would rather take a risk and build my own business than work for someone else”, 2013

Source: OECD based on Gallup data.

*...reflecting perceived gaps in opportunities for: training...*

Most countries in the OECD area exhibit a significant gender gap with regards to access to training to create and grow a start-up, a characteristic that is also true for Korea (Figure 2) where 36% of men and 29% of women declare having access to training on how to start or grow a business, which puts Korea below the OECD average.
Figure 2. Is it possible to access training on how to start or grow a business?
Percentage of individuals who consider they have access to formal or informal training on how to start or grow a business, 2013

Source: OECD based on Gallup data.

...and finance

Gender gaps exist across the world also regarding access to finance. The share of Korean women (42%) declaring that access to money is not a barrier to starting a business is slightly below the equivalent share for men (46%); both shares, however, are well above the OECD average (27%).

Figure 3. Is it possible to access money to start a business?
Percentage of individuals who consider they have access to money (own savings or any other source) they would need if they wanted to start or grow a business, 2013

Source: OECD based on Gallup data.

But perceptions towards entrepreneurship show little gender bias

An interesting supplement to the findings in Figures 1 to 3 is the extent to which entrepreneurship is perceived as virtuous in a country. In Korea, only about 20% of both men and women consider entrepreneurs to be good role model (Figure 4). These are by far the lowest values in the entire OECD area.
Current trends in women entrepreneurship

Self-employment rates are often used as an important indicator of entrepreneurialism. The shares of employed Korean women who are self-employed with employees (3.3%) or are own-account workers (11.4%) are among the highest in the entire OECD area (Figure 5 and Figure 6). It is likely that many of the own-account workers represent “necessity” rather than “opportunity” entrepreneurs, consistent with the very low shares of Korean individuals having a positive image of the entrepreneur.

Differences in entrepreneurship levels across countries partly reflect ‘push’, notably limited paid employment opportunities, as well as ‘pull’ factors. However, in most OECD countries the gap between the proportions of male and female entrepreneurs with employees (3.5 percentage points on average) is similar to the gender gap between the proportions of own-account workers (4.1 percentage points on average). In Korea, these gaps are more pronounced, with 4.7 percentage points for employers and 7.9 percentage points for own-account workers.

Figure 6. Share of employed women and men who are own-account workers
Percentage, 2014


Notes:
EU refer to 20 countries of the EU, that are also members of the OECD: AUT, BEL, CZE, DNK, DEU, ESP, EST, FIN, FRA, GBR, GRC, HUN, IRL, ITA, LUX, NLD, POL, PRT, SVK, SVN and SWE.

Further reading