



Inclusive Entrepreneurship Policies: Country Assessment Notes

Denmark, 2018



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FOREWORD

Inclusive entrepreneurship policies aim to offer all people an equal opportunity to create a sustainable business, whatever their social group. This is an important requirement for achieving the goal of smart, sustainable and inclusive growth set out in the Europe 2020 strategy. It is also a means to respond to new economic challenges, to create jobs and to fight social and financial exclusion. Among the key targets of inclusive entrepreneurship policies and programmes are women, youth, older people, the unemployed, migrants and people with disabilities, who all continue to face challenges in the labour market and are under-represented or disadvantaged in entrepreneurship activities. ‘The Missing Entrepreneurs’ series of publications of the Organisation for Economic Co-operation and Development (OECD) and the European Union discuss how public policies and programmes can support inclusive entrepreneurship. This includes refining regulatory and welfare institutions, facilitating access to finance, building entrepreneurship skills through training, coaching and mentoring, strengthening entrepreneurial culture and networks for target groups, and putting strategies and actions together for inclusive entrepreneurship in a co-ordinated and targeted way. Governments are increasingly recognising the challenge of inclusive entrepreneurship, but there is still much to do to spread good practice.

The proportions of women, youth and seniors who were involved in creating and managing new businesses in Denmark was below the European Union averages for the period 2013-17. Moreover, few people in these groups started a business as a consequence of lacking employment opportunities. Only 5.3% of entrepreneurs in Denmark set up their business out of “necessity”, which was below the EU average. This holds for most key social groups such as youth (8.9% started their business out of necessity over this period), and women (5.0%). Entrepreneurship policy in Denmark is focused on promoting innovation, growth and the digital economy. Few tailored and targeted initiatives support people from under-represented and disadvantaged groups (e.g. women, youth, seniors, the unemployed, migrants, people with disabilities) in business creation and self-employment. Within the growth-oriented entrepreneurship support offers, there is scope to offer more tailor supports for youth and women, including increasing the availability of mentoring.

This note is the third country assessment note prepared by the OECD in collaboration with the Directorate-General for Employment, Social Affairs and Inclusion of the European Commission on the state of inclusive entrepreneurship policies and programmes in each European Union Member State. Each note provides an overview and assessment of policies and programmes that support people from under-represented and disadvantaged groups in business creation and self-employment and suggests policy actions to address gaps in the support system and to improve the quality of available support offers. The notes cover national-level policies and programmes and, where relevant, sub-national initiatives and actions by the non-governmental sector. The 2018 notes include an additional section on female entrepreneurship support, which provides an overview of the entrepreneurship activity levels, obstacles faced and policy responses.

The notes are part of a wider programme of work by the OECD and the European Commission that includes ‘The Missing Entrepreneurs’ publications, the Better Entrepreneurship Policy Tool (www.betterentrepreneurship.eu), a series of Policy Briefs on specific target groups, policies and issues, and country reviews of youth entrepreneurship and women entrepreneurship. For more information please refer to: www.oecd.org/employment/leed/inclusive-entrepreneurship.htm.

ACKNOWLEDGEMENTS

This note is part of a series of notes on country-level inclusive entrepreneurship policies and programmes prepared by the Organisation for Economic Co-operation and Development (OECD) for the European Commission. These notes were prepared as part of the programme of work of the OECD Local Economic and Employment Development (LEED) Programme of the Centre for Entrepreneurship, SMEs, Regions and Cities (CFE) led by Lamia Kamal-Chaoui, Director. They provide an overview of current and planned policy actions and identify some actions that could be implemented to address gaps in the current support offering, or improve current offerings.

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KEY MESSAGES

- Entrepreneurship policy in Denmark is focused on promoting innovation, growth and the digital economy. Consequently, entrepreneurship policies do not aim to address social inclusion and few initiatives support people from under-represented and disadvantaged groups (e.g. women, youth, seniors, the unemployed, migrants, and people with disabilities) in business creation and self-employment. One exception is the increasing availability of entrepreneurship education and business incubators for youth.
- The self-employment rate in Denmark was below the European Union (EU) average in 2017 (7.3% vs.13.7%). This is likely explained, in part, by a healthy labour market with low levels of unemployment and a very strong social security system, which typically reduces the level of entrepreneurial activities by unemployed people. However, the high ratio of new companies compared to established companies indicates a dynamic business structure, where Denmark is above the EU average.
- However, there is room to strengthen entrepreneurship support for people from under-represented and disadvantaged groups. Key recommendations are (i) further the mainstreaming of entrepreneurship in the unemployment and other social schemes; (ii) undertake an evaluation of barriers to female entrepreneurship in Denmark and other Nordic countries; (iii) include more mentoring in entrepreneurship support programmes; and (iv) increase support for initiatives in the education system that helps youth entrepreneurs.

1. INCLUSIVE ENTREPRENEURSHIP OBJECTIVES AND TARGETS

Supporting entrepreneurship in Denmark is seen as an avenue to ensure that the overall development of the economy will continue and a mean for providing innovative businesses rather than a social or welfare instrument for providing jobs. Current entrepreneurship priorities and objectives are outlined in the 2017 “White Paper on Growth and Competitiveness”. This document reflects a change in government in November 2016 and a new minister for business and it highlights priority areas such as growth, innovation and the digital economy. It does not, however, indicate specific targets and objectives against these priorities. This paper is to some extent superseded by the recommendations in the Danish evaluation of the overall business promotion programme, which was released on 6 April 2018, currently under political discussion. The evaluation was undertaken by the “Simplification Committee” (*Forenklingsudvalget*), comprising members from industry, universities, consultants and other representatives from the business community.

While the 2017 White Paper outlines general entrepreneurship priorities, there are no clear objectives and targets for inclusive entrepreneurship. One exception is the aim to increase the availability of entrepreneurship education and business start-up support for youth – an effort which dates back to 2010 and the establishment of the Danish Foundation for Entrepreneurship.

In addition, the government has defined some objectives related to the Europe 2020 Growth Strategy where inclusive entrepreneurship policies could be part of the suite of policy actions used to reach these targets:

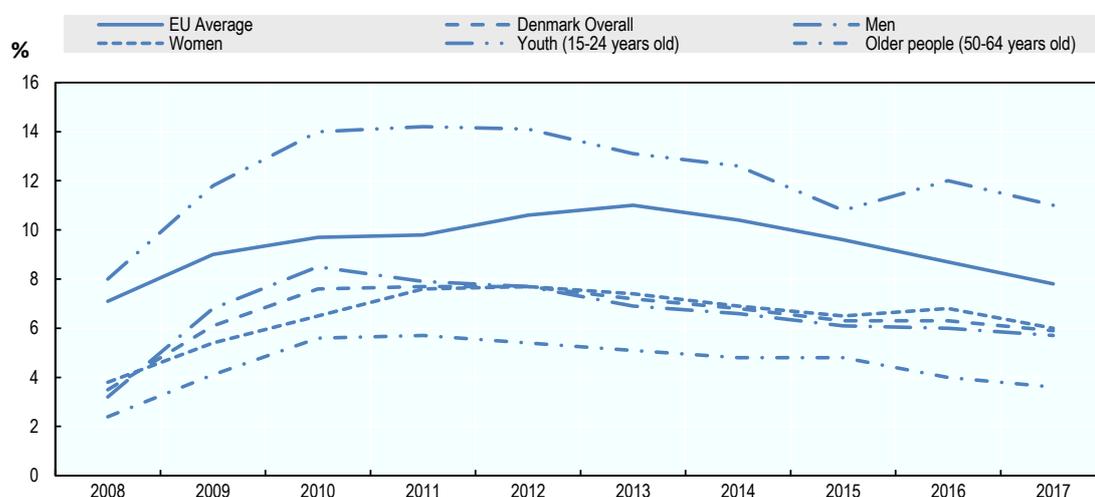
- 80% of the population aged 20-64 years old to be employed (European target: 75% of the population aged 20-64 years old to be employed);
- 22 000 fewer people should be at risk of poverty or exclusion (European target: 20 million fewer people should be at risk of poverty or exclusion) (EC, n.d.).

2. KEY INCLUSIVE ENTREPRENEURSHIP INDICATORS

2.1. Labour market context

Unemployment has been less of a challenge in Denmark than in other European Union (EU) Member States. In 2017, the unemployment rate was 5.9%, down from a rate of 7.7% during the peak of the economic crisis in 2011 (Figure 1). This decline began two years earlier than the decline in the unemployment rate for the EU, which peaked at 11.0% in 2013 and has since declined to 7.8% in 2017. The overall unemployment rate in Denmark has been approximately three percentage points below the average rate for the EU and accordingly, the rates for different population groups (e.g. youth, women, older people) were also below the EU average.

Figure 1. Unemployment rate, 2008-17



Source: Eurostat (2018), Labour Force Survey.

2.2. Self-employment and entrepreneurship rates

Overall, Danes are less likely to be self-employed than the EU average. This is likely due, at least in part, to the lower unemployment figures, compared to the EU average. However, the Danish welfare system with unemployment benefits and other social security measures also influence the business creation decision because the need to support yourself less urgent than in other countries.

Self-employment rates for different social target groups have been stable over the last decade (Figure 2a). In 2017, the self-employment rate was approximately half of the rate across the EU (7.3% vs. 13.7%). Although the self-employment rate for youth is relatively low, there has been an increase in the number of new enterprises started by people under 25 years old, accounting for 9% of new businesses in 2001 and 14% in 2017 (*Erhvervsstyrelsen*, 2017). This increase is likely due in part to the increase in university graduates starting businesses (Danish Agency for Science, Technology and Innovation, 2014), as well as the embedding of entrepreneurship throughout the education system (Schøtt and Cheraghi, 2014). Approximately 11% of working older people (55 years old and older) were self-employed in 2017, and this proportion has been constant over the last decade. However, seniors increasingly account for new business start-ups: 7% of new businesses in 2001 and 13% in

2016 (*Erhvervsstyrelsen*, 2017). The self-employment rate for women was 4.6% in 2016, which was half of the rate for men (9.8%).

The Total early-stage Entrepreneurial Activities (TEA) rate (Figure 2b) in Denmark was below the rate for the EU for 2013-17. 5.5% of the adult population (18-64 years old) in Denmark were involved in starting a new business or operating a new business (less than 42 months old) whereas 6.7% of the population in the EU was. In both Denmark and the EU, men were approximately twice as likely as women to be involved in starting or operating a new business. Similarly, youth in Denmark and the EU were more active than older people.

Moreover, the a recent report immigrant entrepreneurship in Denmark indicates that migrants have the same entrepreneurial frequency despite the considerable difference in the rate of active engagement in the labour market: 75% of nationals are working, 61.2% of migrants from Western countries and only 48.9% from non-Western countries (*Erhvervsstyrelsen*, 2016b). These entrepreneurs generally face the same challenges as other Danish entrepreneurs; however, migrants tend to experience considerably more difficulty in acquiring advisory services and finance than national entrepreneurs since they lack local entrepreneurship networks and knowledge about where to access support (Schøtt and Rezaei, 2013). Data from OECD furthermore show that the majority of self-employed persons in Denmark are natives. 86% are Danes and only 5% are EU citizens with the remaining 9% coming from non-EU countries.

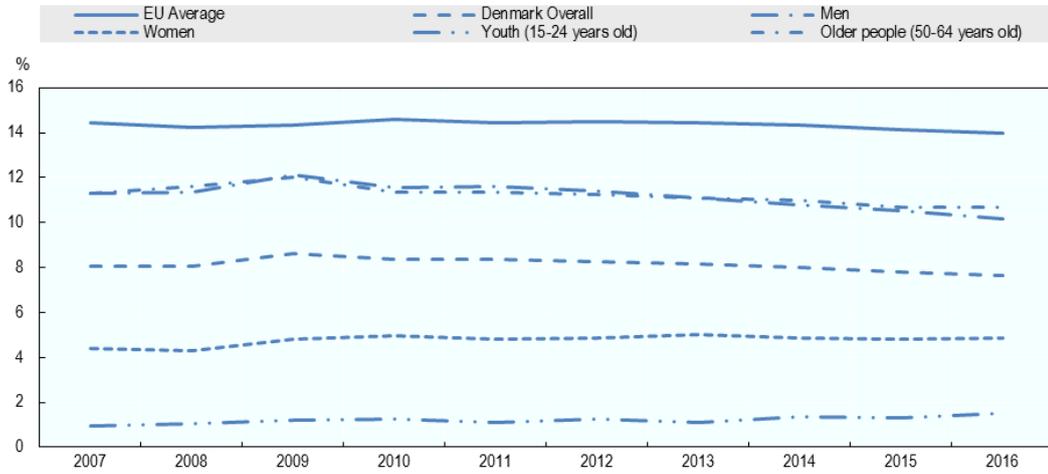
One of the factors explaining low self-employment and entrepreneurship activity rates has been a healthy labor market. The rate of necessity entrepreneurship is much lower in Denmark than the EU average (Figure 2c). Over the 2013-17 period, approximately 5% of new entrepreneurship activity in Denmark was out of necessity, relative to 20% across the European Union. This gap generally held for the key target groups: women, youth and older people.

Although only 5% of enterprises start up out of necessity, the debate on “the precariat” – people who are forced into entrepreneurship and/or underemployed – has emerged in Denmark in recent years (Standing, 2011; DR, 2017). The labour market is changing, so more jobs are temporary, resulting in underemployment or forcing job seekers to create their own business to be eligible for a consultancy position, where they would have preferred a regular job. A recent survey concluded that out of almost 400 000 part time employees, 80 000 would have preferred a full time job. Out of 124 000 temporary employees, 60 000 would have preferred a steady job. From 2000 to 2015 there has been an increase in temporary employees hired through agencies from 0.3 to 0.9%, and in the same period the percentage of self-employed without staff has increased from 3.8 to 4.5% (DR, 2017).

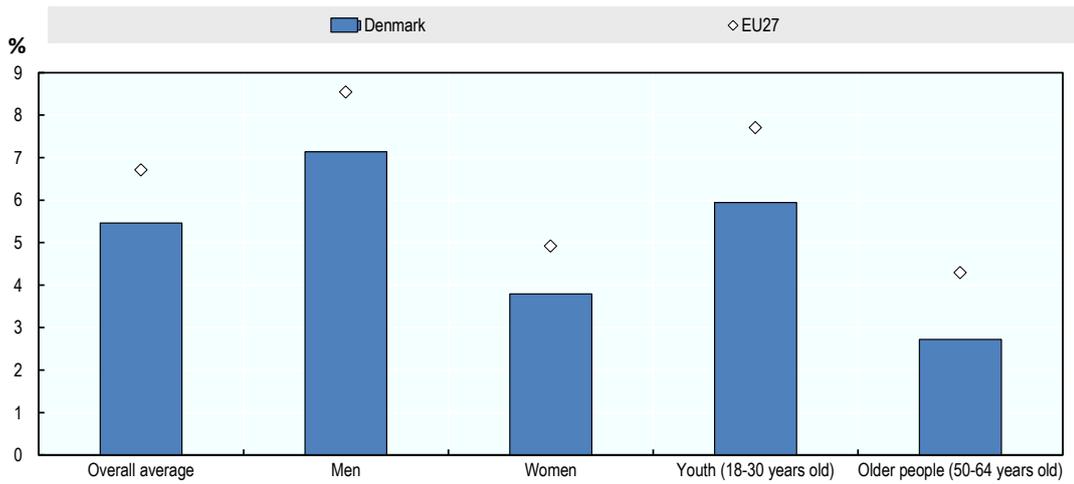
People in Denmark in the 2013-17 period were less likely than the EU average to expect to create a business in the next three years (8% vs. 13%) (Figure 2d). Women (6%) and older people (4%) were the least likely population groups in Denmark to see themselves as starting a business in the next three years. Both of these rates were below the average rates for these respective groups at the EU level. While older people were quite likely to expect high job creation (13% in Denmark vs 10% EU average), the expectations of women and youth entrepreneurs were on par with EU average. The sectors in which Danes start enterprises explains why the new businesses do not expect to create substantial job numbers. Manufacturing accounts for less than 5% of the new businesses created, whereas sectors with fewer employees account for the majority of new businesses established (professional, wholesale, construction, agriculture, human health and information).

Figure 2. Entrepreneurship rates by target group

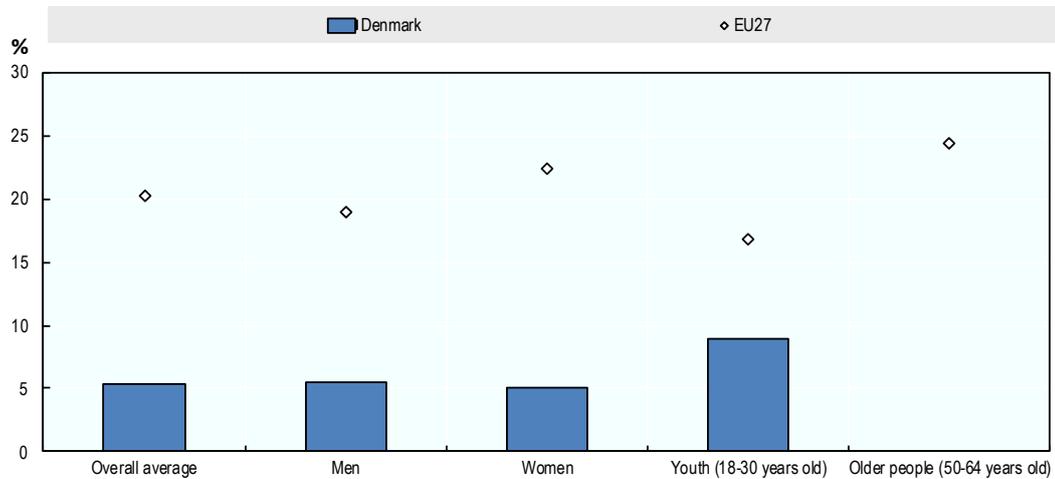
a. Self-employment rate, 2008-17



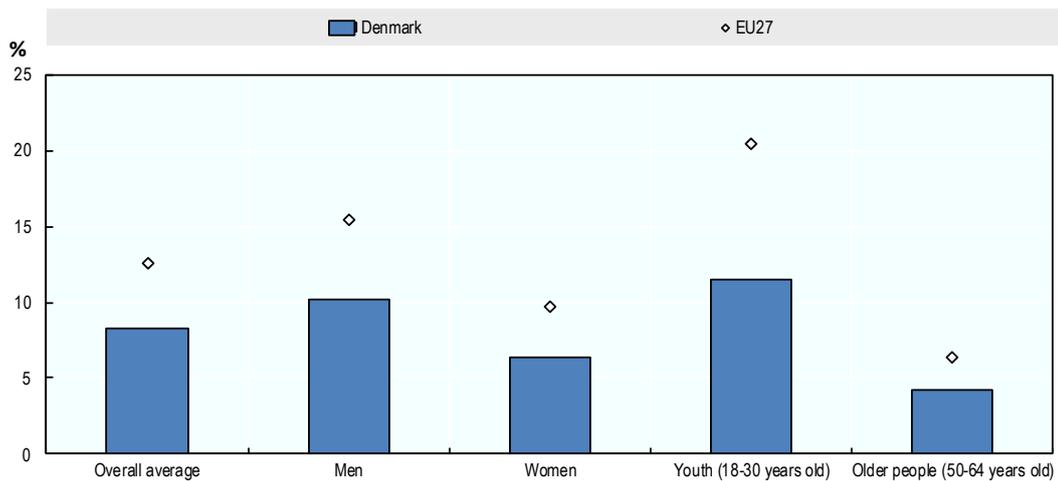
b. TEA-Rate, 2013-17



c. Proportion of TEA that is necessity entrepreneurship, 2013-17



d. Proportion who expect to start a business in the next 3 years, 2013-17



Note: The self-employment rate is defined as the proportion of those in employment who are self-employed. The TEA rate is the Total early-stage Entrepreneurial Activity rate, which is defined as the proportion of the population actively involved in pre-start-up activities and those who have started a new business within the last 42 months. The proportion of TEA that is necessity entrepreneurship is the proportion of entrepreneurs involved in setting-up a new business or operating a business that is less than 42 months old, who were motivated to start their business because they had no better options for work. Data for panels b, c, and d were pooled for the period 2013-17, producing an unweighted average. The EU27 average in panels b, c, and d covers all EU Member States except Malta because it is not covered by the GEM survey.

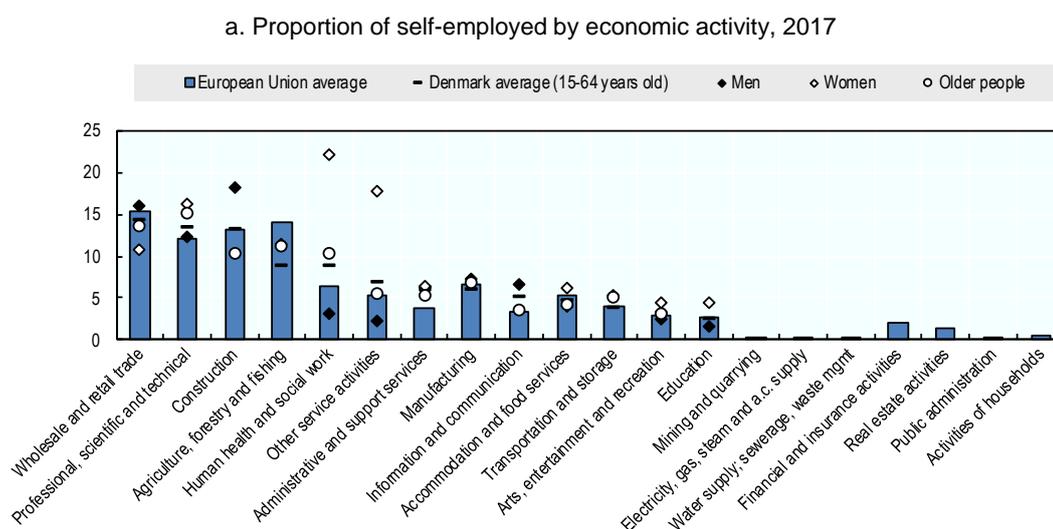
Source: Panel a contains data from Eurostat (2018), Labour Force Survey; Panels b, c, and d contain data from the 2013 to 2017 Global Entrepreneurship Monitor household surveys that were tabulated for the OECD (2018).

2.3. A profile of the self-employed

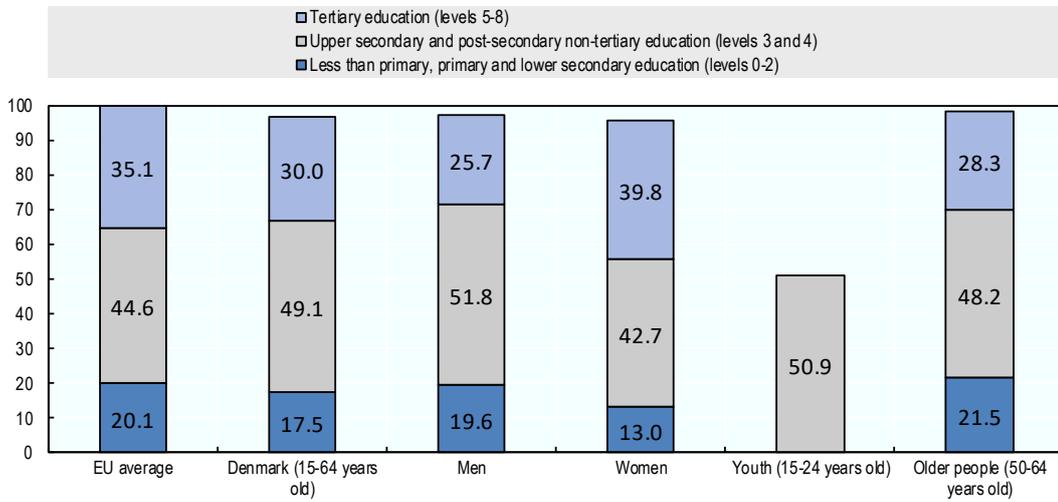
The majority of self-employed persons work in Professional, scientific and technical activities (14%) (Figure 3a). Other major sectors of self-employment include wholesale and retail trade (14%), construction (13%), agriculture (9%), human health (9%) and information (5%). Almost half (49%) have completed upper secondary education with 30% completing tertiary education and only 18% completing primary education (Figure 3b). These figures are reflected by categories of profession of self-employed: 25% are professionals, 19% are technicians, 16% service and 15% craftspeople (Figure 3c).

A recent survey from ASE (a union for small businesses) shows that Danish entrepreneurs are generally happy with their work. Only 3% of the entrepreneurs surveyed reported dissatisfaction with being an entrepreneur, whereas two-thirds were happy with their own business. Overall, less than one-third of the surveyed entrepreneurs had considered shifting to a job in another company (Ase, 2016). The survey also concluded that the major part of growth in Danish economy came from small businesses.

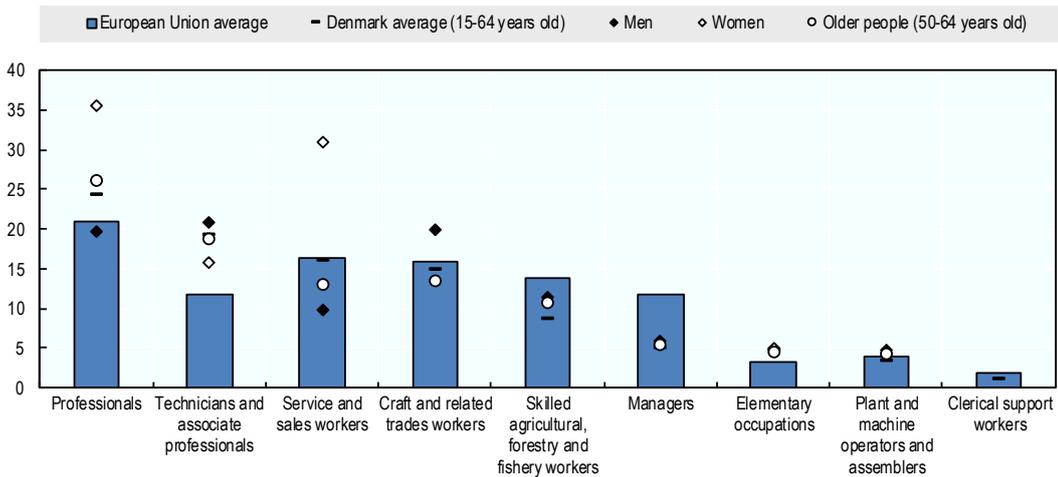
Figure 3. Characteristics of self-employed workers by target group



b. Proportion of self-employed by educational attainment, 2017



c. Proportion of self-employed by occupation, 2017



Note: The self-employment rate is defined as the proportion of those in employment who are self-employed.

Source: Eurostat (2018), Labour Force Survey.

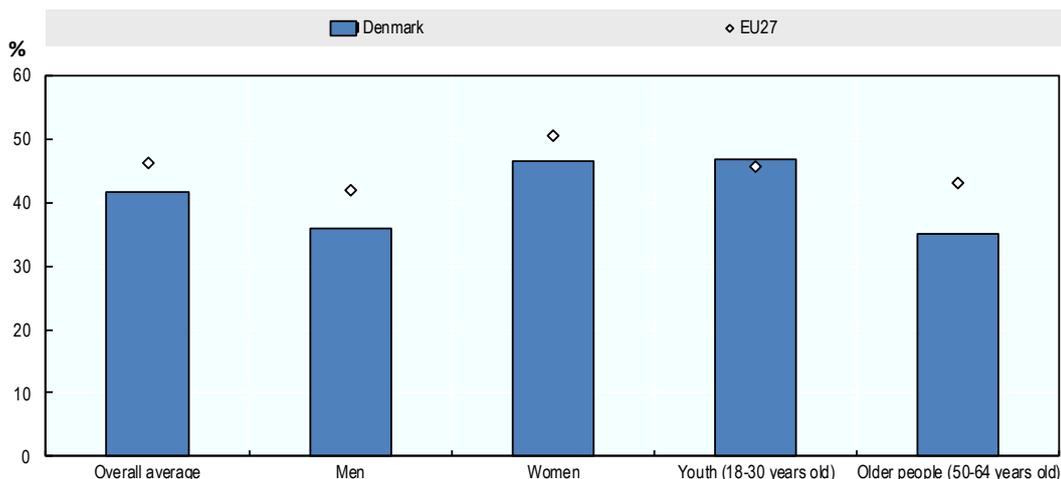
2.4. Barriers to business creation

However, people in Denmark were less likely than the EU average to report that a “fear of failure” is an obstacle to business creation over the same period (42% vs. 46%) (Figure 4a). In Denmark, women were more likely than men to cite this barrier (46% vs. 36%) but only one-third of older people did. This is also supported by a recent survey by Randstad, a consulting firm, which indicates that around half of the population would like to start a business, but that fear of failure keeps them from starting up. Nearly two-thirds (64%) of Danes interested in starting a business indicate a lack of financing as the main obstacle (Finans, 2017).

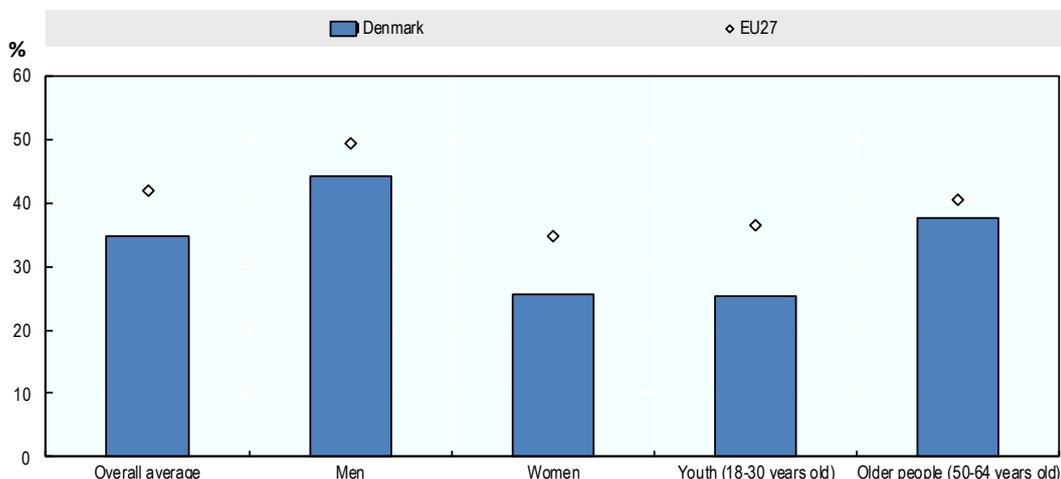
Only one-third of Danish people reported having sufficient skills to start a business in the 2013-17 period, which was lower than the EU average (42%) (Figure 4b). Women were much less likely than men to indicate that they have the skills to start a business (26% vs 44%). Similarly, only one quarter of youth reported having sufficient skills to start a business.

Figure 4. Barriers to entrepreneurship by target group

a. Proportion who report that a fear of failure prevents them from starting a business, 2013-17



b. Proportion who perceive that they have the skills to start a business, 2013-17



Note: Data were pooled for the period 2013-17. Responses were weighted to reflect the population in each year, but no weighting was used when pooling the time series data, i.e. all years have the same weight regardless of the sample size in each year. The EU27 average covers all EU Member States except Malta because it is not covered by the GEM survey.

Source: GEM (2018), special tabulations of the Global Entrepreneurship Monitor's household surveys from the 2013 to 2017.

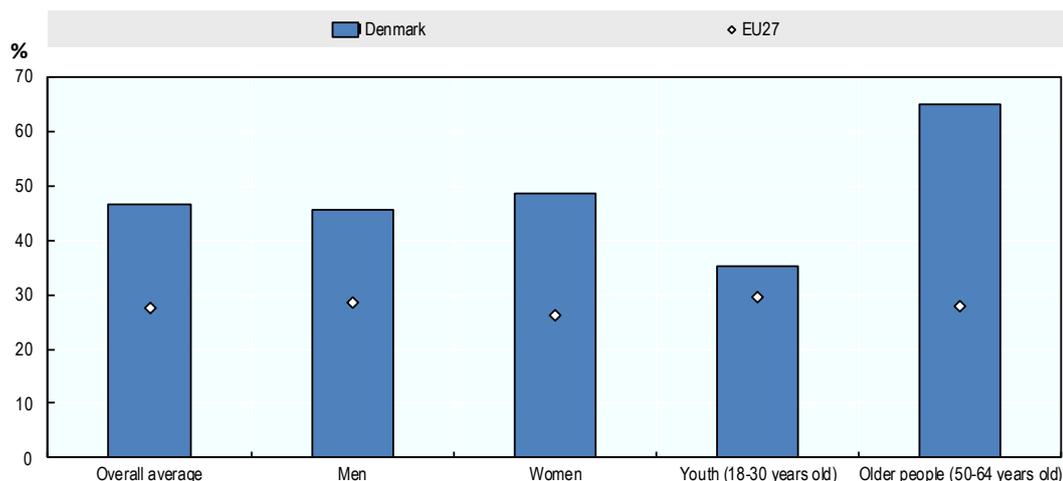
2.5. Entrepreneurship performance

Entrepreneurs from all groups were much more likely to self-report that they exploit innovative products and services in their businesses than the EU average over the period 2013-17 (47% vs. 28%) (Figure 5a). This held across all of the population groups. The proportion of entrepreneurs who export is significantly lower in Denmark than the EU average with only 30%, compared to the 57% EU average (Figure 5b), probably due to the low frequency (less than 5%) of new businesses in the manufacturing sector. Men are more likely to indicate export activities with 37% compared to around 16-18% for women and older people.

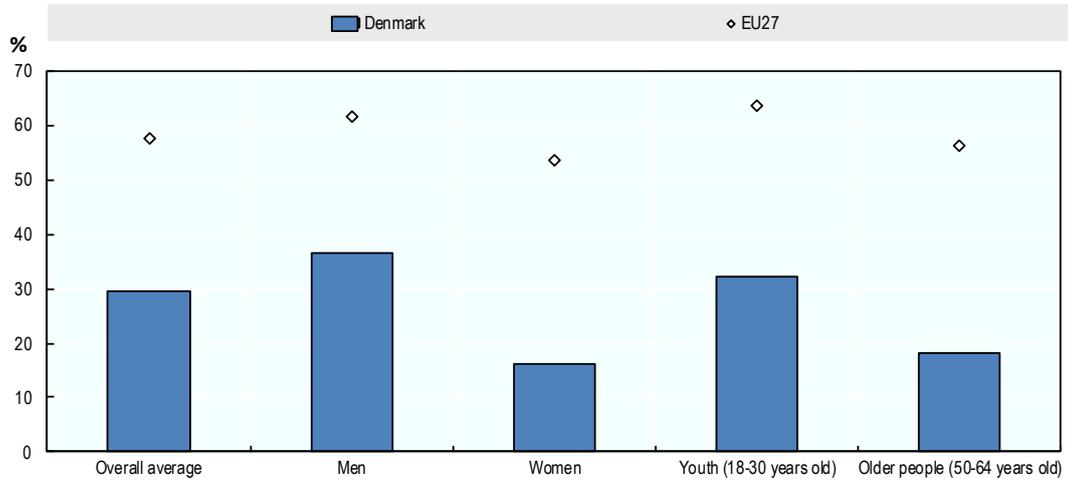
Despite a high proportion of innovative businesses, entrepreneurs in Denmark were no more likely to expect to create a substantial number of jobs from their new business than the EU average (Figure 5c). But Denmark has a higher rate of growth enterprises (companies with more than 10 employees which exhibit a growth rate of at least 10%), where Denmark has a rate of 12.1% compared to a 9.8% OECD average (Erhvervsstyrelsen, 2017a).

Figure 5. Self-employment and entrepreneurship activities by target group

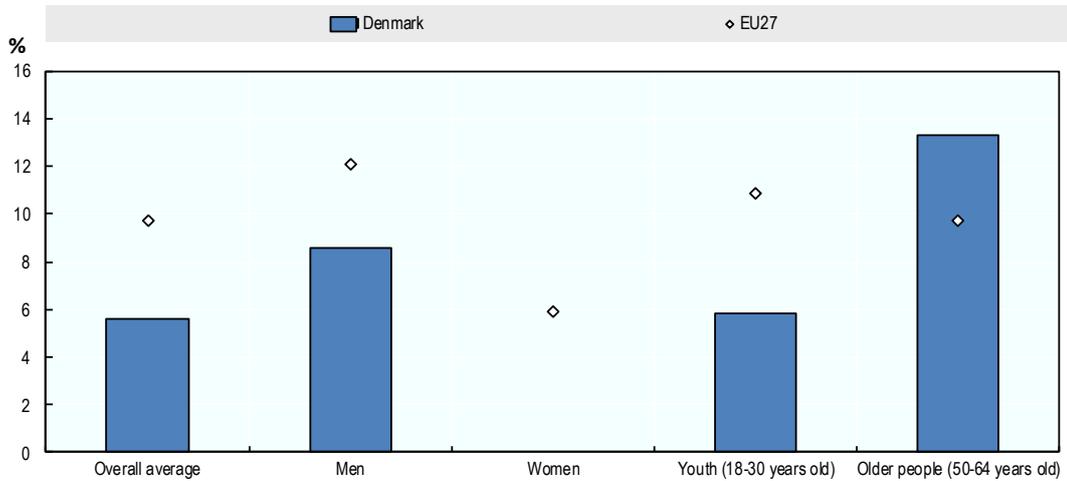
a. Proportion of new entrepreneurs whose products or services are new to all or some customers, 2013-17



b. Proportion who sell to customers in another country, 2013-17



c. Proportion of early-stage entrepreneurs who expect to create more than 19 jobs in 5 years, 2013-17



Note: Data were pooled for the period 2013-17. Responses were weighted to reflect the population in each year, but no weighting was used when pooling the time series data, i.e. all years have the same weight regardless of the sample size in each year. The EU27 average covers all EU Member States except Malta because it is not covered by the GEM survey.

Source: GEM (2018), special tabulations of the Global Entrepreneurship Monitor's household surveys from the 2013 to 2017.

3. ASSESSMENT OF CURRENT AND PLANNED INCLUSIVE ENTREPRENEURSHIP POLICIES AND PROGRAMMES

3.1. Policy framework

The Danish Government's policy for business development is presented in the 2017 "White Paper on Growth and Competitiveness" (*Redegørelse om Vækst og Konkurrenceevne*).¹ This white paper details the objectives for supporting the business environment through measures comprising *inter alia* tax reform, support for innovation and education, regional development and balanced public spending (*Erhvervsstyrelsen*, 2017). The main focus areas include: *Industrialisation 4.0*, which covers digital growth, production automatisation, IT security, research and development; *Generation Growth*, which covers support for entrepreneurship, shared economy, reduction of burdens, reduced taxation and increased competitiveness and *New Global Economy*, which covers policy measures for business strategies for growth, implementation of EU initiatives and support to exports and international investments. These measures were defined based on consultations with the business sector,² Ministry of Finance³ as well as two Business Fora (for simplifications of rules and regulations, and for social responsibility).

On April 6th 2018 the "Simplification Committee" (*Forenklingsudvalget*), initiated by the Ministry for Industry, Business and Financial Affairs, and comprising members from industry, universities, consultants and other representatives from the business community, released its recommendations for future business support in Denmark, comprising:

- Business promotion to be based on business demand.
- Fewer actors and a coordinated effort in business promotion under a central strategy. Recommendations include establishment of a new central coordination committee, appointed by the Danish Government, five regional centres and continuation of existing municipal efforts. Ministry for Industry as central coordinator.
- Introduce and enhance digital platforms for advisory services.
- Clear lines of responsibility among state actors with Ministry for Foreign Affairs responsible for Internationalisation, Ministry for Research and Development responsible for innovation promotion and support and Ministry for Industry responsible for entrepreneurship, regional development, strategy and financial support.
- Fewer resources to be spent on evaluations with no clear recommendations.⁴

The report is currently under discussion and no actual changes to the support system have been initiated (as of late 2018).

¹ <http://em.dk/english/publications/2016/16-05-18-report-on-growth-and-competitiveness>

² <https://www.pwc.dk/da/publikationer/2017/danmark-i-vaekst-highlights.pdf>

³ <https://uk.fm.dk/publications/2016/denmarks-national-reform-programme-2016>

⁴ <https://em.dk/nyheder/2018/04-06-forenkling-af-erhvervsfremmesystemet>

Support for entrepreneurs and businesses is channelled through the Danish Business Authority (*Erhvervsstyrelsen*), which aims to ensure a positive business environment, opportunities for growth and access to international co-operation and markets. A panel for entrepreneurship (*Erhvervsstyrelsen*, 2017c) was established in April 2017,⁵ and the recommendations comprised suggestions for ease of administrative burdens, facilitation of results of public innovation for entrepreneurs and establishment of special savings accounts, allowing the public to invest in new companies. There are no suggestions for marginalised groups.⁶

Other Ministries play a role in supporting entrepreneurship through policies and programmes that are related to their specific mandates. For example, the Ministry for Foreigners, Integration and Housing provides information on living and working (including self-employment) in Denmark.⁷

In addition to these national-level frameworks, municipalities have their own locally funded business support structures and initiatives that complement the national programmes. Most municipal initiatives are open to all entrepreneurs, but social inclusion is usually not an objective for these initiatives. However, since these initiatives are developed and implemented in the individual municipalities, there are substantial variations in focus areas as well as in actual availability of support structures – but there are a number of support programmes aimed at youth (e.g. university students) as well as those living in disadvantaged cities or regions.

A considerable number of non-governmental organisations in Denmark supports and promotes entrepreneurship, including Danish Industry (*Dansk Industri*) and the Danish Federation for SMEs. There are also a number of entrepreneur associations, including Danish Entrepreneur Association (*Dansk Iværksætterforening*), which provides information services and networking for its members as well as lobbying for promotion of entrepreneurship.

The Danish Entrepreneur Association refers to a survey it has undertaken among entrepreneurs, and the conclusions support the overall findings of the Ministry for Industry: entrepreneurs require smoother administrative procedures, overall business service needs simplification and digitalisation and access to finance should be easier. Furthermore, the survey points at initiatives where established companies partner with entrepreneurs to induce growth as successful, e.g. the fast-growing initiative for online agility Success Online, established in 2012 by Google, Ministry for Industry, trade organisations etc.⁸

Some tailored entrepreneurship supports are available for youth, who benefit from increased attention to entrepreneurship education and training within schools and higher education. Business Forum for Social Responsibility is dedicated to social inclusion on the labour market, and acts as advisor to the Ministry for Employment. In Spring 2017 it conducted a survey among schools and businesses, focussing on career advice to students, and it was followed up by a series of meetings with local schools and businesses throughout Denmark. Among the conclusions were recommendations for a closer collaboration between local businesses and schools on career advice and practice for students, but it was also recommended that schools integrate local businesses in the regular school curricula to

⁵ <http://em.dk/nyheder/2017/04-07-ivaeksaetterpanel>

⁶ <https://em.dk/nyheder/2017/09-25-ivaerksaetterpanelets-anbefalinger>

⁷ <http://expatviden.dk/da/Initiativer.aspx> and <http://www.integrationsviden.dk/>

⁸ https://www.d-i-f.dk/login/?redirect_to=https%3A%2F%2Fwww.d-i-f.dk%2Fmagasinet-ivaerksaetteren%2F

ensure knowledge of education and career prospects.⁹ This organisation, however, does not specifically target entrepreneurs.¹⁰

The Social Startup programme supports new social enterprises, to successfully recruit and therefore include marginalised groups as employees. It provides information on social entrepreneurship in Denmark (and other countries) and includes links to resources available.¹¹ In September 2017 the programme embarked on a survey of social entrepreneurship in the Baltic Region,¹² and the organisation provides information on a research project, undertaken by Copenhagen Business School on social entrepreneurship in municipalities throughout Europe, started in December 2017.¹³ However, it should be noted that the programme is aimed at social enterprises, which may benefit marginalised groups – but not aimed directly at entrepreneurs from marginalised groups.

3.2. Government regulations

The Danish government has a number of regulatory measures aimed at supporting new entrepreneurs. For example, the Danish Tax Authority provides free-of-charge information meetings for all new enterprises to help them meet their tax obligations.¹⁴ Under-represented and disadvantaged groups, which often have low levels of entrepreneurship skills, stand to benefit from this offer. Furthermore, there is a tax deduction scheme available for working from home. This allows for tax deductions for use of office space, telecommunication and IT, relevant literature and other expenses at home.¹⁵

Information on complying with regulatory and administrative requirements is available through the Business Authority's home page, which provides an overview of legislation and regulations for business operators. Through the webpage Virk.dk companies and entrepreneurs may access public records, report VAT, changes in business structure and more. The webpage *Virk Startvækst*¹⁶ provides an overview of support programmes for business development as well as online guides for business start-up and growth and online advisory services. The service is free of charge.

In addition, there are a number of regulatory instruments to encourage and support entrepreneurship by people from under-represented and disadvantaged groups. The Unemployment Benefit Scheme contains a welfare bridge mechanism to support the unemployed in moving into work through self-employment. It allows for starting and operating a business while still receiving unemployment benefits. This scheme is available for up to 78 weeks, but requires the entrepreneur to remain available for taking a regular job with a day's notice. To be eligible for this measure, the applicant must (i) have been a member of an unemployment insurance scheme (*A-kasse*) for at least one year, (ii) be willing and available to work full-time (37 hours per week) and demonstrate active

⁹ <http://vfsa.dk/wp-content/uploads/Anbefalinger-23-11.17.pdf>

¹⁰ <http://vfsa.dk/om-vfsa/who-is-vfsa>

¹¹ <http://xn--sociale-entreprenrer-rcc.dk/english.html>

¹² <http://xn--sociale-entreprenrer-rcc.dk/Project-social-entrepreneurship-development-in-the-baltic-sea-region.html>

¹³ <http://xn--sociale-entreprenrer-rcc.dk/european-municipalities-for-social-entrepreneurship-cbs-research-project.html>

¹⁴ <https://startvaekst.virk.dk/find-stoette/skat-informationsmoeder-for-nye-virksomheder>

¹⁵ <https://tax.dk/skat/hjemmearbejdsplads.htm>

¹⁶ <https://startvaekst.virk.dk/>

job seeking; and (iii) for full-time benefits, applicants must have worked 1 924 hours in a regular job (or own business) within the last three years. The rules have been modified to cater for self-employed.¹⁷

While this scheme offers some incentive for an unemployed person to start a business, the requirement that participants remain available for full-time employment will make this less attractive for those with a feasible business idea that has the potential to become a sustainable business.

For persons on maternity leave, the Danish system offers 14 weeks for the mother, two weeks for the father and 32 weeks, which can be shared between the parents. The leave is paid by the state and the rates are currently approximately EUR 560 per week. Maternity leave is also available for self-employed and it is possible to claim only a share of the paid leave and continue working part-time during maternity. This approach addresses some of the disincentives for women who are considering entering self-employment.

For people with reduced working abilities the state offers a “flexjob” provision, where the individual may work part-time with government support. This scheme has, however, some restrictions for self-employed, where the self-employed must have had the business for at least two years.¹⁸

Finally, students receive grants of approximately EUR 800 per month while enrolled in approved institutions (which include all universities and vocational training centres). Grants are available for the duration of the studies, but for students who start their own enterprise, the grant may be extended, offering an incentive for business creation.

3.3. Financing entrepreneurship

Public financial support for start-ups and new businesses is often targeted at entrepreneurs who operate businesses with growth potential. For example, “Seedcapital” (a private fund which operates a publicly funded scheme) provides funding for entrepreneurs in technology, IT or MedTech companies, and applicants may receive loans of up to DKK 500 000 (approximately EUR 70 000).¹⁹ The advantage of this initiative is that participants are matched with a coach who follows and supports the business with advice and guidance.

Other examples of funds that support growth-oriented businesses include The Growth Fund (*Vækstfonden*), which provides loans of at least DKK 1 million (approximately EUR 135 000) and requires 25% own funding plus personal guarantees for the loan,²⁰ and “Inno booster”, which provides grants of between DKK 50 000 and DKK 5 million (approximately EUR 7 000 to EUR 700 000) for innovation-based enterprises and entrepreneurs.²¹ The Growth Fund is thus primarily aimed at larger, existing business ventures, and in that respect it has been evaluated positively in December 2017.²² The evaluation primarily concerned the relevance and efficiency of the Growth Fund, and found that with an increase in funding from the Government of app EUR 800 million, a significant increase in Growth Fund activities has been possible. The increase in administration in the Growth Fund matches this

¹⁷ <https://www.startupsvar.dk/barselsorlov-som-selvstaendig>

¹⁸ http://magisterbladet.dk/magisterbladet/2017/032017/032017_p45

¹⁹ <http://www.seedcapital.dk/>

²⁰ <http://www.vf.dk/saadan-goer-vi/vaekstlaan-til-ivaerksaettere.aspx>

²¹ <http://innovationsfonden.dk/da/investeringstype/innobooster>

²² <http://em.dk/nyheder/2018/01-12-evaluering-af-vaekstfonden-2013-2016>

increase in funding. The evaluation has not looked into specific loans/guarantees, but a survey among Growth Fund clients indicates that 80% of the companies expect increased economic activity.

The Danish Innovation Fund provides financial and other support for research and development, including funding for specific research and development projects, based on applications. The total budget for the fund is approximately EUR 178 million annually, of which EUR 12 million is allocated for projects in Green Growth, EUR 15 million allocated for innovation within healthcare and EUR 22 million allocated for innovative technologies. The fund is thus aimed specifically at utilising research in marketable projects.

The Danish Foundation for Entrepreneurship is another important source of public financing for business start-up. Since 2011, it provided approximately 300 start-up grants (*Mikrolegater*) to student entrepreneurs. A 2017 survey indicated that recipients of such grants have a higher likelihood of economic survival and are likely to create more jobs²³. In 2018 the focus areas for start-up grants is investment in green technology and social start-ups, but funding is available for all types of businesses²⁴. The focus on green technology and social start-ups merely indicates the Funds interest in furthering these sectors. An evaluation of the micro grant effect from 2015 indicated, that within three months of receiving the grant new jobs had been created. Overall the Foundation is aimed at youth in schools and education centres and it participates in a number of international projects on entrepreneurship education.²⁵

Regional institutions provide funding for growth-oriented entrepreneurs, including the Northern Jutland Credit Fund (*Nordjysk Lånefond*), which provides up to DKK 5 million (approximately EUR 700 000).²⁶ Entrepreneurs, organisations and established businesses on Bornholm can apply for 50% funding for actions that provide increased employment on the island, e.g. consultancy assistance, materials, participation in fairs and exhibitions, study tours, technology and knowledge transfer, surveys, and intellectual property management.²⁷ Another example is the Business Fund for Bornholm (*Bornholms Erhvervsfond*) that provides loan guarantees for investment in both material and immaterial assets for both new entrepreneurs and existing businesses.²⁸

Growth-oriented entrepreneurs can also benefit from private sector investors and initiatives. For example, the Danish Venture Capital and Private Equity Association is a private association for venture capital and growth initiatives. It also operates a business angel network through five local chapters.²⁹

Financial intermediaries in Denmark are relatively active in seeking support from the European Union's Progress Microfinance and EaSI programmes.³⁰ These financial institutions offer a range of products for new entrepreneurs, including microcredit and loan guarantees. Supported Danish financial

²³ <http://www.ffe-ye.dk/media/785739/mikrolegatanalyse-2017.pdf>

²⁴ <http://www.ffe-ye.dk/soeg-stoette/mikrolegat/om-mikrolegat>

²⁵ <http://www.ffe-ye.dk/videncenter/projekter/projekter>

²⁶ <https://startvaekst.virk.dk/find-stoette/laan-og-finansiering-til-projekter-i-region-nordjylland>

²⁷ <https://startvaekst.virk.dk/find-stoette/tilskud-til-initiativer-som-fremmer-beskaeftigelsen-paa-bornholm>

²⁸ <http://erhvervsfonden.dk/>

²⁹ <http://www.dvca.dk/index.php/om-dvca/>

³⁰ http://europa.eu/youreurope/business/funding-grants/access-to-finance/search/en/financial-intermediaries?shs_term_node_tid_depth=206

institutions, however, tend to focus on equity and risk capital investments. Among those which offer loans and guarantees, few target entrepreneurs from under-represented and disadvantaged groups.

Youth entrepreneurs benefit from tailored measures. However, these supports tend to be targeted at high-potential university students rather than those who are not in employment, education or training (i.e. NEETs). For example, “Venture Cup” and “Start Up Programme” are competitions for university-based entrepreneurs that offer both cash prizes and mentoring.³¹ Entrepreneurs from under-represented and disadvantaged groups (along with all mainstream entrepreneurs) stand to benefit from recent policy actions to promote and support crowdfunding. Studies in 2016 revealed that DKK 100 million (approximately EUR 14 million) was raised for businesses, mainly in the form of loans (60%). Two thirds of the loans were below half a million DKK (approximately EUR 700 000).³²

Two programmes have been initiated for refugee entrepreneurs, namely Restart refugees,³³ which is a platform for sourcing crowdfunding for refugee entrepreneurs and Refugee Entrepreneurs in Denmark,³⁴ which provides incubator facilities and advisory services for refugee entrepreneurs.

Start-up financing is not considered a significant challenge for most entrepreneurs. However, most public support is directed towards supporting innovative and growth-oriented businesses. Only limited support is offered to entrepreneurs from under-represented and disadvantaged groups.

3.4. Entrepreneurship skills

Entrepreneurship education has recently received increased attention in Denmark. The Danish Agency for Science, Technology and Innovation, which is under the Ministry of Higher Education and Science, undertook a survey of entrepreneurship programmes at universities in 2014 and found a 43% increase in entrepreneurial activity of higher education graduates between 2001 and 2011.³⁵ Danish higher education institutions, vocational colleges and schools provide entrepreneurship education and training, as well as advisory services and incubators. Most universities offer entrepreneurship courses as well as a range of business start-up support programmes, including business incubators, advisory services, networking and mentoring. Some universities, such as the Technical University of Denmark, also offer a range of financial support measures.

There are a small number of local-level initiatives that provide entrepreneurship training or business advisory support, including *NiN StartUp* in Northern Jutland. It provides new entrepreneurs with two hours of business advisory services offered through local business office, as well as six hours of advisory services from external professional consultants. Another example is the Growth Entrepreneur initiative (*ViP Vækstiværksætter*), which provides 15 hours of business consultancy and also covers 75% of the cost of external business advice up to DKK 15 000 (approximately EUR 2 000).³⁶

³¹ <http://venturecup.dk/>

³² <http://www.vf.dk/~media/files/analyser/andre%20analyser/det%20danske%20crowdfundingmarked%20i%202016.pdf>

³³ <https://restartrefugees.com/>

³⁴ <http://refugeeentrepreneursdenmark.dk/about>

³⁵ <http://ufm.dk/forskning-og-innovation/statistik-og-analyser/filer/fi-notat-ivaerksaetteraktivitet.pdf>

³⁶ <https://startvaekst.virk.dk/find-stoette/nordjysk-newbizz-16-18>

Further, the five administrative regions in Denmark each host a Growth Centre.³⁷ These centres provide specialised advisory services to all companies with growth ambitions and collaborate with other public resources such as The Export Council (*Eksportrådet*) and the Export Credit Agency (*Eksport Kredit Fonden*) as well as other regional, local public and private enterprise support initiatives. The Growth Centres were evaluated in 2013 and the results are generally positive.³⁸ The evaluation concludes that advisory services are well received and estimates a net benefit of DKK 656 million (approximately EUR 90 million) between 2010 and 2012 through job creation and investment, a return of 260% on public investment. However, the evaluation also notes that users would benefit from more tailored and flexible support and that more could be invested in identifying entrepreneurs with growth potential and supporting participants in internationalisation. Based on this evaluation, the government has continued to support the Growth Centres, however, these centres are recommended to be replaced by a new structure, according to the recommendations from the Simplification Committee.

There are also a number of local initiatives that support the acquisition of entrepreneurship skills and these tend to be aimed at supporting business development for growth companies. Many of these initiatives have been evaluated and recent results are mixed. For example, a 2013 evaluation of the Growth Entrepreneur Programme (*Vækstiværksætterprogrammet - ViP*) in Northern Jutland was generally positive but the interviewed entrepreneurs advocated for increased consultancy support as well as more support with internationalisation.³⁹ A new initiative in Northern Jutland, where unemployed were supported in creating their own enterprise instead of applying for jobs has been a success.⁴⁰ The initiative offered 70 unemployed a 40 weeks programme, where the participants could focus on their business idea. Participants were freed from the obligation to seek jobs and instead offered a tailored counselling and training programme. After the 40 weeks, 30 participants had started their own business and 10 were employed in existing businesses, based on their individual business idea. But on Bornholm, a 2014 evaluation of Entrepreneur and Growth Factories on Bornholm (*Iværksætter- og vækstfabrikkerne på Bornholm*) found that the initiative did not meet the expectations in terms of economic impact on the region.⁴¹

Entrepreneurship education and training offered through the education system is supported by The Danish Fund for Entrepreneurship (*Fonden for Entreprenørskab*).⁴² The Fund is a private,

³⁷ The Capital Centre (Hovedstaden, Copenhagen and Bornholm):

<https://www.regionh.dk/Vaekstforum/strategi/Sider/default.aspx>,
<https://www.brk.dk/Erhverv/Vaekstforum/Documents/Vaekstplan%20for%20Bornholm%202014.pdf>;
Middle Jutland (Region Midtjylland): <http://www.rm.dk/siteassets/regional-udvikling/vus/vakst-og-udviklingsstrategi-final-til-web.pdf>; Northern Jutland (Region Nordjylland):
<http://www.rn.dk/Regional-Udvikling/Vaekstforum/REVUS.aspx>; Zealand (Region Sjælland):
[http://www.regionsjaelland.dk/Udvikling/Documents/Den%20regionale%20vaekst-%20og%20udviklingsstrategi%2017.03.15\(slve\).pdf](http://www.regionsjaelland.dk/Udvikling/Documents/Den%20regionale%20vaekst-%20og%20udviklingsstrategi%2017.03.15(slve).pdf); Southern Denmark (Region Syddanmark):
<https://vaekstforum.regionsyddanmark.dk/wm220355>.

³⁸ <https://erhvervsstyrelsen.dk/sites/default/files/media/evalueringafvaeksthusene2013.pdf>

³⁹ http://www.rn.dk/Regional-Udvikling/Vaekstforum/Projekter/Projektevalueringer/Slutevalueringer/~/_media/Rn_dk/Regional%20Udvikling/Regional%20Udvikling%20sektion/V%20C3%A6kstforum/Projekter/Projektevalueringer/Slutevalueringer/VIP_slutevaluering_LBAnalyse.ashx

⁴⁰ <https://www.d-i-f.dk/wp-content/uploads/2018/02/IVAERKSAETTEREN-Marts-2018.pdf>

⁴¹ http://dagsorden-og-referater.brk.dk/Sites/BRKVækst_Internet/Internet/2015/InfRef7504-bilag/Bilag1627416.PDF

⁴² <http://www.ffe-ye.dk/> and <http://eng.ffe-ye.dk/media/536328/partnerskab20nyversion.pdf>

commercial company, supported by four ministries, namely the Ministry of Business and Growth; the Ministry for Children, Education and Gender Equality; the Ministry of Culture; and the Ministry for Higher Education and Science. The Fund provides training programmes for entrepreneurship education at all levels, from primary school to PhD students and also operates a micro grant scheme, where student entrepreneurs may apply for grants of up to DKK 50 000 (approximately EUR 7 000).⁴³ The Fund also provides a network for entrepreneurship teachers and trainers. An evaluation of the Fund concluded that entrepreneurship should be taught early on in schools and focus is equally needed on cognitively oriented entrepreneurial skills and non-cognitive entrepreneurial skills.⁴⁴ The Fund for Entrepreneurship is also engaged in a number of projects aimed at enhancing entrepreneurship education in the school and university system.⁴⁵

There are also a small number of small-scale initiatives to support the development of entrepreneurship skills among youth, but also other social target groups. For example, “Mind Your Own Business” is a programme that helps boys (13-17 years old) from ethnic minority groups in disadvantaged residential areas start businesses. It provides training and mentors from the local business community. Since 2010, it has led to the creation of 41 micro businesses⁴⁶ Support for skills acquirement outside the classroom (informal learning) is also available through smaller programmes, supported by the Social Capital Fund (*SATS puljen*) and the private fund *Trygfonden*. Another example is Business Coaching for Ethnic Minorities, which is a non-government mentoring programme to support new immigrants and refugees who are trying to set-up a business. They are matched with a mentor who accompanies them through the start-up process and helps them build entrepreneurial networks.

3.5. Entrepreneurial culture and social capital

Several national public institutions promote entrepreneurship. The Danish Business Authority is the most active government body, providing an overview of legislation and regulations for business operators on its website⁴⁷ as well as information on available support programmes and business networks.⁴⁸ In addition, the government operates a website “New to Denmark”, which is a portal that provides information on starting a business for immigrants.⁴⁹ The website *Virk Startvækst* also provides an overview of support programmes for business development⁵⁰ as well as online guidance for business start-up,⁵¹ growth and online advisory services. It also provides access to public records and a portal to report VAT and changes in business structure. All services are provided at no cost.

The government actively collects and publishes information on entrepreneurship and the business environment. The Ministry for Business and Growth published a survey on all Danish state funded business promotion activities in 2016. The report indicates that DKK 25.8 billion (approximately

⁴³ <http://eng.ffe-ye.dk/funds/micro-grant/about-micro-grant>

⁴⁴ <http://eng.ffe-ye.dk/media/504986/executive-summary-2014.pdf>

⁴⁵ <http://www.ffe-ye.dk/videncenter/projekter/projekter>

⁴⁶ <http://www.myob.dk/ommyob/>

⁴⁷ <https://erhvervsstyrelsen.dk/virksomhed-og-drift>

⁴⁸ <https://startvaekst.virk.dk/find-stoette>

⁴⁹ https://www.nyidanmark.dk/en-us/coming_to_dk/work/Start-up-denmark/

⁵⁰ <https://startvaekst.virk.dk/>

⁵¹ <https://startvaekst.virk.dk/opstart>

EUR 3.5 billion) was spent on business promotion and funding support initiatives. However, this level of spending is expected to decline with the new government (since 2015, which has different priorities), but actually increased slightly from 2015 to 2016.⁵² The Danish Business Authority also funds projects that promote various forms of entrepreneurship. A special fund under the Business Authority has granted support for nine initiatives, mainly aimed at tech start-ups (the game industry, a tech festival). Other initiatives supported comprise a project for pooling local resources for loans to entrepreneurs, a fair for creative businesses, a project for creating an “eco-system” for entrepreneurs, businesses, the public authorities, education etc. The innovation fund also provides an overview of public funding, available for entrepreneurs.⁵³

The private sector is also active in collecting and proving information on entrepreneurship. For example, the consulting company Centre for Growth Analysis undertakes an annual “entrepreneur barometer”. The 2018 analysis highlights that the growth in entrepreneurship is spread evenly across the country. The main challenges faced by entrepreneurs are access to financing and qualified labour force and issues related to sales, marketing, and internationalisation. To support entrepreneurial activity the barometer report proposes measures for tax deduction for investment in entrepreneurs, easing of the banking regulation for lending to entrepreneurs, increased venture capital activities in the Growth Fund, targeting of public procurement to entrepreneurs and further emphasis on entrepreneur education in primary schools as well as an improvement in the overall entrepreneurship culture in Denmark.⁵⁴ However, the Centre for Growth Analysis is not aimed only at start-ups but targets enterprise growth in general.

Entrepreneurship is also promoted and supported through a growing number of entrepreneurship networks. Most are open to all entrepreneurs, such as *Medstrøm*, which is a networking programme for entrepreneurs in the Southern Denmark Region that offers a variety of seminars, workshops and training programmes,⁵⁵ and *NiN Network*, which provides funding of up to DKK 10 000 (approximately EUR 1 350) for three or more entrepreneurs to create a business network in Northern Jutland.⁵⁶

⁵²<https://www.evm.dk/publikationer/2015/15-03-26-redegorelse-erhvervsfremme-stotte>,
<http://em.dk/publikationer/2016/16-05-26-redegorelse-for-erhvervsfremme-og-stotte>

⁵³ <http://inno-overblik.dk/arkiver/cat/offentlige-fonde/>

⁵⁴ <http://vaekstanalyse.dk/barometer>

⁵⁵ <http://www.medstroem.dk/>

⁵⁶ <https://startvaekst.virk.dk/find-stoette/raadgivning-om-opstart-af-virksomhed-i-region-nordjylland>

4. OVERVIEW OF WOMEN'S ENTREPRENEURSHIP

2017 was the year in which fewest women started their own enterprise,⁵⁷ despite that increasing female entrepreneurship has been a focus area for all Danish Governments since the turn of the millennium. Only 8 318 women created business in 2017, compared to 23 628 men.⁵⁸ A survey undertaken by the Unemployment Insurance for Entrepreneurs indicates, that despite the fact that women have the same labour frequencies and education levels as men, this does not show up in entrepreneurship.

Researchers at Roskilde University note that the reasons for establishing businesses differs between men and women. Women often start a business while having small children as a mean to gain more flexibility. So, where men use the flexibility of entrepreneurship to work more, women often prioritise family life. The uncertainty regarding income is a factor for both genders, but seem to be affecting women more.

Other researchers point to a paradox in Denmark: where equal opportunity measures on the labor market has created right to maternity leave, leave for taking care of sick children etc., these opportunities do not exist for entrepreneurs. Thus, the advantages created in the labor market prevents women starting enterprises. In addition, every other Danish woman is employed in the public sector, whereas only 20% of men are employed in the public sector. This is important, as most entrepreneurs tend to come from the private sector, including women entrepreneurs. Public sector work experience also leads to women entrepreneurs having fewer commercial contacts and networks.

Studies from the Rockwool foundation has shown that entrepreneurs with previous experience in their business fields are more likely to succeed. Women are here at a disadvantage, as they often start commercial ventures in retail or in businesses where they do not have previous work experience. They also draws attention to the importance of role models, for both male and female entrepreneurs, as early as in childhood, as children of entrepreneurs are more likely to start their own business. For women this seems to be particularly true, as the likelihood of a daughter of an entrepreneur starting her own business is twice that of a daughter of an employee.

A 2017 survey shows that in Denmark female tech entrepreneurs attract significantly lower levels of investments that the other Nordic countries.⁵⁹ Only 13% of Nordic tech companies attracting investments had female founders, and all female tech start-ups attracted less than 4% of the funding. In Denmark, 8% of investments in tech start-ups goes to companies with female participation, and less than 1% to an all female business. In Norway the figures are 21% and 5% respectively and in Sweden 14% and 4%.

While mainstream approaches are used to support all entrepreneurs, including women, some non-governmental organisations and private sector initiatives offer tailored support for female entrepreneurs. "Ladies First" is a private sector-led network for woman entrepreneurs and businesswomen that organises meetings and events and provides contact between its members. Launched in 2012, it now has over 12 000 members.⁶⁰ Ladies First also participated in the February

⁵⁷ <https://www.d-i-f.dk/wp-content/uploads/2018/02/IVAERKSAETTEREN-Marts-2018.pdf>

⁵⁸ <https://erhvervsstyrelsen.dk/udvikling-i-cvr-registreringer-fordelt-paa-koen>

⁵⁹ <http://heartbeats.dk/danmark-halter-bagud-der-investeres-uendeligt-lidt-i-kvindelige-ivaerksaettere/>

⁶⁰ <http://techsavvy.media/ladies-first-fylder-fem-kvinderne-vil-frem-i-verdenen/>

2018 conference Female Founders 2018, organised by the Danish Entrepreneur Association in collaboration with the Danish Bank and Price Waterhouse. Other participants included industry, university and education as well as political representatives, and the conference discussed the issues relating to female entrepreneurship. One of the outcomes of the conference was a call for specific measures to improve women's entrepreneurship.⁶¹

In addition, *netvaerksportalen* provides information and links to other local women's entrepreneurship networks.⁶² Also Iværk.dk has a list of ten successful networks for women entrepreneurs.⁶³

⁶¹ <https://ladiesfirst.dk/stating-the-obvious/>

⁶² <http://www.netvaerksportalen.dk/kategorier/kvinder>

⁶³ <http://www.ivaerk.dk/10-staerke-netvaerk-ambitioese-business-kvinder-startups/>

5. POLICY RECOMMENDATIONS

The approach taken in Denmark to public support for entrepreneurship emphasises growth and innovation. Social inclusion issues and self-employment are not a current political priority so there are few tailored inclusive entrepreneurship initiatives in Denmark. This is likely due, at least in part, to a social security system that provides strong social benefits and supports (e.g. unemployment benefits, support for housing, childcare and care for the elderly, health care). Nonetheless, there is scope for strengthening current approaches to support under-represented and disadvantaged groups in entrepreneurship in Denmark. Recommendations include:

1. *Further the mainstreaming of entrepreneurship in the unemployment and other social schemes.* In line with recent development on the labour market, measures for equal treatment of self-employed in the social schemes (unemployment, pensions, flexjobs etc.) should be introduced and expanded.
2. *Undertake an evaluation of barriers to female entrepreneurship in Denmark and other Nordic countries.* This assessment should be undertaken with a view to assess why Swedish and Norwegian female entrepreneurs are able to attract more investment than Danish. Promote entrepreneurship among girls in the education system by ensuring that female role models participate in the entrepreneurship education in schools.
3. *Include more mentoring in entrepreneurship support programmes.* Increasing the mentoring and advisory services can help existing initiatives provide more tailored support to address the unique barriers faced by different entrepreneurs. This is identified as an area for improvement in nearly all programme evaluations. The success of mentoring programmes often relies on the level of trust between the mentor and mentee. It is therefore important to ensure that the supply of mentors is as diverse as the mentees.
4. *Increase support for initiatives in the education system that helps youth entrepreneurs.* Especially at the universities and other centres of learning there has been a considerable increase in the number of new entrepreneurs. It is suggested that these initiatives be evaluated with a view to ascertaining which measures are crucial in stimulating student entrepreneurship. Data show that despite the focus of Danish entrepreneurship policies on innovation and growth, few youth entrepreneurs expect to create a substantial number of jobs with their new business. This calls for more tailored actions to stimulate growth motivations for these groups. Actions could include promoting role models and success stories to highlight the successes of entrepreneurs from different social target groups, and award programmes that display significant achievements. It is also important to ensure that mainstream entrepreneurship training and education programmes include modules on managing growth (e.g. human resource management), accessing finance for growth and building entrepreneurial networks.

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ANNEX: METHODOLOGY

Each note was prepared by a national expert in co-operation with the OECD Secretariat. Information was collected through desk research and interviews (i.e. telephone, face-to-face, email) with key stakeholders and government representatives. The information was then verified by government partners, programme managers and other inclusive entrepreneurship stakeholder groups through email exchanges and one-day seminars in selected countries.

The notes are based on an assessment framework that was developed by the OECD Secretariat. The assessment framework provided a common analytical framework and report structure for the 28 notes that are in this series.

The framework contains five pillars:

1. Policy framework

- Is there an entrepreneurship strategy or action plan that explicitly covers the promotion and support of entrepreneurship for people in under-represented and disadvantaged groups?
- Is there a mechanism for co-ordinating inclusive entrepreneurship policy actions across relevant national ministries, and with regional and local governments and civil society organisations?
- Is there a systematic monitoring and evaluation process for the policies, programmes and schemes that promote and support entrepreneurship for people in under-represented and disadvantaged groups?

2. Government regulations

- To what extent are entrepreneurs from under-represented and disadvantaged groups treated equally with employees by social security schemes?
- Do measures exist that temporarily cover the loss of state income supports (e.g. unemployment benefits, disability allowances) for entrepreneurs amongst under-represented and disadvantaged groups when they start a business?
- Do measures exist to support under-represented and disadvantaged entrepreneurs in dealing with administrative procedures for entrepreneurship amongst under-represented and disadvantaged groups (e.g. information provision, support with administrative requirements)?
- Are there any entrepreneurship policy initiatives or schemes to address group-specific institutional challenges related to dependents (e.g. childcare, eldercare)?

3. Financing entrepreneurship

- Are there grants for business creation offered to support entrepreneurs from under-represented and disadvantaged groups?
- Is microcredit for business creation available to support entrepreneurs from under-represented and disadvantaged groups?
- Are there loan guarantee schemes for business creation to support entrepreneurs from under-represented and disadvantaged groups?
- Are there self-financing groups for business creation to support entrepreneurs from under-represented and disadvantaged groups?

- Are there public policy schemes that encourage and support business angel networks to support entrepreneurs from under-represented and disadvantaged groups?
 - Are there schemes that encourage and support crowdfunding and peer-to-peer lending to support entrepreneurs from under-represented and disadvantaged groups?
 - Is financial literacy training offered to support entrepreneurs from under-represented and disadvantaged groups?
- 4. Entrepreneurship skills**
- Are there entrepreneurship training initiatives for entrepreneurs from under-represented and disadvantaged groups?
 - Do high potential entrepreneurs from under-represented and disadvantaged groups have access to one-to-one or group coaching and mentoring?
 - Are there public initiatives that provide information on available support programmes or on business start-up procedures for entrepreneurs from under-represented and disadvantaged groups?
 - Are there business consultancy and advisory services for entrepreneurs from under-represented and disadvantaged groups?
 - Are there business incubators for entrepreneurs from under-represented and disadvantaged groups?
- 5. Entrepreneurial culture and social capital**
- Is entrepreneurship actively promoted as an employment opportunity amongst under-represented and disadvantaged groups through the education system, media, role models, etc.?
 - Are there public policy actions that attempt to build specific business networks for entrepreneurs amongst under-represented and disadvantaged groups?

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