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**PRESS RELEASE**

**New report reveals immigrants eye for business**

Immigrants are more likely to start their own business than people born and brought up in the UK, according to new figures.

The Global Entrepreneurship Monitor (GEM) UK Report, published [12th May], analysed early-stage start-up activity as part of an in-depth study into entrepreneurial trends, attitudes and aspirations in 2015.

It found people who live in the UK but were born overseas have a significantly higher rate of Total Early-Stage Entrepreneurial Activity (TEA) than the life-long resident population. UK-born returning migrants also have a significantly higher rate of TEA than the life-long resident population.

The report, written by experts from Aston Business School in Birmingham and the University of Strathclyde’s Business School in Glasgow, reveals 15.4 per cent of immigrants were early-stage entrepreneurs in 2015, compared to 10.5 per cent of UK-born returning migrants.

By comparison, the figure for UK-born individuals who have migrated inside the UK was just over 6.1 per cent and only 5.3 per cent for UK-born individuals who had lived all their lives in the same region.

Professor Mark Hart, of Aston Business School, said: “It’s notable that immigrants, together with those who were born and live in the UK but who have lived abroad for some time, have a significantly higher TEA rate than people who have always lived here and this gap seems to have been wider in 2015 than in previous years.

“The wider experience and skills of many immigrants and returnee migrants may enable them to spot and exploit opportunities more readily.

“On the other hand, life-long residents of the UK may find it easier to obtain employment than immigrants.”

The GEM UK 2015 report compares entrepreneurial activity, attitudes and aspirations in the UK, Germany and the US.

Despite a small decline in 2015, the UK compares more favourably to Germany in terms of early-stage entrepreneurial activity but still lags behind that of the US.

The report also reveals that employees can play a leading role in developing and creating new business activities for their employers.

GEM measures this using the Entrepreneurial Employee Activity (EEA) rate. The EEA rate in the UK in 2015 was 6.4 per cent which was higher than that in Germany but on a par with the US. Unlike the TEA rate which fell over the year, the UK’s EEA rate in 2015 was virtually unchanged from 2014 (6.2%).

Professor Jonathan Levie, of the Hunter Centre for Entrepreneurship at Strathclyde Business School, said: “When taken together, the EEA and TEA rates provide a fuller picture of the extent of entrepreneurial activity being undertaken in a nation.

“The UK continues to have a relatively high rate of entrepreneurship among employees by international standards.

“This is good news because resources for new business activities are often easier to access within established businesses.”

**ENDS**

**Notes to Editors**

A full copy of the GEM UK 2015 Monitoring Report will be uploaded at [www.aston.ac.uk/gem](http://www.aston.ac.uk/gem) after the embargo.

**About the GEM UK 2015 Monitoring Report**

This report – compiled by Professor Mark Hart, Professor Jonathan Levie and Karen Bonner - compares Global Entrepreneurship Monitor (GEM) measures of entrepreneurial attitudes, activity and aspiration in the UK with Germany and the United States (US). It also summarizes entrepreneurial attitudes, activity and aspiration across the four nations of the UK and reports on changes in business start-up funding expectations throughout the business cycle.

GEM’s primary focus is on the study of three areas:

* To measure differences in the level of entrepreneurial activity between countries.
* To uncover factors leading to appropriate levels of entrepreneurship.

* To suggest policies that may enhance the national level of entrepreneurial activity.

From the survey, individual entrepreneurs at three key stages are examined:

* Nascent entrepreneurs (NAE): The stage at which individuals begin to commit resources, such as time or money, to starting a business. To qualify as a nascent entrepreneur, the business must not have been paying wages for more than three months.
* New business owner-managers (NBO): Those whose business has been paying income, such as salaries or drawings, for more than three, but not more than forty-two, months.
* Established business owner-managers (EBO): Those whose business has been paying income, such as salaries or drawings, for more than forty-two months.

In addition, the general intention to start a business is measured by asking individuals if they expect to start a business within the next three years (FUT). Finally, individuals are asked if they have sold, shut down, discontinued or quit a business, in the past year (BC). It is important to understand that the main subject of study in GEM is entrepreneurs rather than the businesses that they run. GEM measures the entrepreneurial activity of people from intention to exit. The first two stages of active business development, the nascent entrepreneur stage and the new business owner-manager stage, are combined into one index of Total early-stage Entrepreneurial Activity, or TEA.

Total early-stage entrepreneurial activity (TEA) is defined in the GEM UK report as a combination of nascent entrepreneurs - individuals who are committing resources, such as time or money, to starting a business - and new business owner-managers, whose business has been paying income, such as salaries, for more than three, but not more than 42 months.

**About the Authors**

**Professor Mark Hart**

M[ark Hart is Professor of Small Business and Entrepreneurship](http://www.aston.ac.uk/aston-business-school/staff/academic/esg/professor-mark-hart/) at [Aston Business School](http://www.aston.ac.uk/aston-business-school/) and has dedicated over 35 years to researching and [teaching](http://www.aston.ac.uk/about/news/releases/2014/april/professor-receives-queens-award-for-enterprise-promotion/) in the area of SMEs and entrepreneurship. He is also Deputy Director of the [Enterprise Research Centre](http://enterpriseresearch.ac.uk/) and is a Programme Director and Academic Lead on the Goldman Sachs 10,000 Small Businesses programme in the Midlands.

Professor Hart has worked and published extensively in the areas of entrepreneurship, enterprise and small business development and policy and jointly manages the [Global Entrepreneurship Monitor (GEM)](http://www.gemconsortium.org/) in the UK ([www.gemconsortium.org](http://www.gemconsortium.org)).  He also advises a number of UK Government Departments and the Devolved Administrations on enterprise issues and chaired the Executive Group for Lord Young in 2013 to devise and implement the Small Business Charter and is now involved in developing a number of business support programmes for the Charter schools. Professor Hart received the Queen’s Award for Enterprise Promotion in 2014 for his ground-breaking work in **enterprise research, policy and practice.**

**Professor Jonathan Levie**

Jonathan Levie is a Professor in the Hunter Centre for Entrepreneurship at the University of Strathclyde, where he is Director of Knowledge Exchange. He has held research and teaching posts at the [London Business School](http://www.london.edu/)﻿, [Babson College](http://www3.babson.edu/)﻿ (US), INSEAD (France), and University College, Cork (Ireland).﻿ Professor Levie was associate coordinator of Global Entrepreneurship Monitor (GEM) in its founding year and has served as an elected member of the board of the Global Entrepreneurship Research Association (GERA). He currently is a member of GERA’s Research and Innovation Committee. He also co-directs GEM in the UK with Professor Mark Hart of Aston Business School and leads the Ambition and Growth research theme at the UK’s Enterprise Research Centre.

**Press release prepared by Shepherd PR.**

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