



GEM UK regional summary

Merseyside 2004

	Knowsley (%)	Liverpool (%)	Sefton (%)	St.Helens (%)	Wirral (%)
I expect to start a business in the next three years	3.3	5.9	4.1	5.6	4.2
I personally know an entrepreneur	12.5	29.8	22.5	18.2	25.5
There are good start up opportunities	41.7	41.0	42.2	33.3	48.6
I have the skills to start a business	43.8+	52.2+	65.0+	34.4+	64.0+
Fear of failure would prevent me from starting a business	31.3	28.9	30.0	31.3	33.3
Setting up a business is a good career choice	68.8+	57.8+	39.4+	50.0+	65.9+
Entrepreneurs have a high status	64.7+	73.9+	79.4+	75.8+	71.4+
There is good media coverage of entrepreneurship	64.7	60.0	58.8	57.6	59.6

Table 2: Attitudes towards entrepreneurship in sub-regions of Merseyside (% adult population)

- Percentages stating there are good start-up opportunities are much higher than regional and national figures for four of the sub-regions except St. Helens.
- Skills broadly follows a similar pattern, with notable highs in Sefton and Wirral.
- Fear of failure is in line with regional and national levels.
- Apart from Sefton, the other sub-regions show much higher levels for setting up a business as a good career choice than the North West and nationally.

Entrepreneurial impact

A number of other points are worth highlighting:

- Informal investment activity across these sub-regions of Merseyside is at virtually zero. The figure for informal investment for the UK as a whole is 1.4% and for the North West 0.4%.
- 4.0% of the UK population are involved in independent start-ups and 3.4% across the North West, whereas the figure is 2.3% across Merseyside.
- 1.3% across Merseyside are involved in job-related start-ups (North West 1.9% and nationally 1.9%).
- 1.0% of the Merseyside sub-regional population have closed a business in the last 12 months. This appears good news but is from a relatively small number of businesses. The business churn rate is 4.6% (all start-ups plus all closures) and net effect on stock (all start-ups minus all closures) of 2.6%. This indicates a relatively static situation.

Who are the Merseyside entrepreneurs?

- Individuals in Merseyside between the ages of 35 and 44 are more likely to be entrepreneurs than any other group. TEA in this group is 4.3% compared to 1.8% (18-24), 3.6% (25-34), 3.3% (45-54) and 3.0% (55-64). The age profile is older than for the UK as a whole, where the largest number of entrepreneurs are in the 25-34 age group.

- The distribution of TEA and income classes shows highs for £50,000-£74,999 at 8.7% and less than £11,499 at 5.3% and four classes between 11,500 and 39,999 being similar at between 2.2% and 2.9%. This is a very different distribution to the UK which is skewed towards the £25,000 to £40,000 classes and the above £75,000 class.
- TEA is only recorded amongst 3 of 7 classes of employment. The highest is amongst individuals who are homemakers, followed by part-time workers and full-time workers.
- Those with vocational qualifications or no formal education are most likely to become entrepreneurs than any other qualifications group in Merseyside. Amongst these groups TEA is 6.7% and 6.8%, compared to zero for PhDs, 5.6% for Masters, 3.7% Bachelors, 1.5% 'A' levels and 2.5% GCSEs.

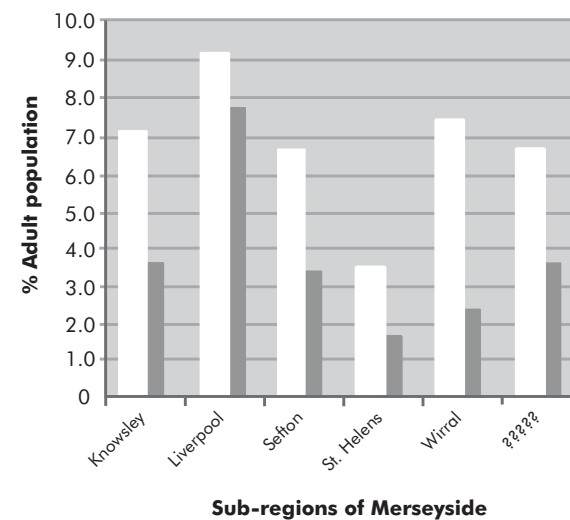


Figure 3: Social Entrepreneurial Activity by sub-region of Merseyside

3.8% of adults in Merseyside are running a social enterprise, compared to 5.5% in the North West and 6.7% nationally. For currently trying to start up a social enterprise, Merseyside's average is 6.7%, North West 3.9% and nationally, 4.4%

Policy summary for Merseyside

- The TEA rates are below the North West and below the national average
- There is a male bias
- More start ups are based in Knowsley and Liverpool
- People are more reluctant to start up a new business although fear of failure is in line with national levels
- A greater number of people in Merseyside see good opportunities for starting up anew business than in the North West or nationally
- A greater number of people in Merseyside feel they have the necessary skills to successfully start-up a new business than in the North West or nationally
- There is an older, lowest income classification, homemaker, no or vocational qualification profile of the most common entrepreneur in Merseyside
- There is a higher level of people who are currently trying to start up a social enterprise in Merseyside than in the North West or nationally

Merseyside has a very high level of highly motivated potential entrepreneurs. This represents latent demand for entrepreneurial activity.



