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Report on entrepreneurship

Global Entrepreneurship Monitor

Poland 2025

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Warsaw 2025

Survey Report: Global Entrepreneurship Monitor Poland 2025

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Dear Readers

We are pleased to present the 14th edition of the Entrepreneurship Survey Report – GEM Poland 2025, based on research conducted in mid-2024 as part of the international Global Entrepreneurship Monitor project. The report offers insights into the state of Polish entrepreneurship, situating it within a broader context through comparisons with over 50 countries worldwide, spanning the past 14 years. As in previous years, this year's report provides up-to-date data on the perception of entrepreneurs in Polish society, the level of business activity among Poles, the motivations behind starting a business, and the reasons for discontinuing entrepreneurial activity. A consistent element of the analysis remains the focus on women's entrepreneurship and the activities of start-ups. An essential component of the report is the assessment of business conditions, both from the perspective of public perception and based on expert opinions. This assessment covers, among other things, access to financing, infrastructure development, public support, regulatory and fiscal aspects, as well as the role of education in shaping entrepreneurial attitudes and competencies. The report is enriched with new themes, including the digitalisation of enterprises and the use of artificial intelligence tools, as well as entrepreneurs' readiness to engage in sustainable development and social responsibility initiatives.

The latest results suggest a stabilisation of the entrepreneurial situation in Poland, although certain challenges remain. Poles respect entrepreneurs, believe that starting a business is easy, and recognise business opportunities around them, but at the same time are far less likely than before the pandemic to view running a business as an attractive career path. They are less likely to feel prepared for the role of an entrepreneur and still have a relatively intense fear of business failure. The most common reason to set up a business, if at all, is the desire to secure one's livelihood in a situation where finding a job is difficult. Although the share of people declaring they have plans to start a business has been slowly increasing over the past two editions, it remains the lowest among all countries participating in GEM. In fact, it is as much as seven times lower than it was in 2011, when systematic measurements began in Poland. As a result, the market is dominated by established businesses, i.e. businesses operating for more than 3.5 years, whose share has once again increased, while the proportion of young enterprises remains low. Fortunately, positive changes are evident, as entrepreneurs increasingly adopt digital solutions and demonstrate a growing willingness to integrate social and environmental responsibility into their business decisions.

As the Polish Agency for Enterprise Development, we draw on knowledge from GEM and other research and evaluations on a daily basis, providing the foundation for designing and adapting support instruments to tailor them to the needs of entrepreneurs and help them respond to the new demands of the environment.

We trust that the report will become a valuable source of information for policy makers, business support institutions, the scientific community, and all those interested in the development of entrepreneurship in Poland.

We extend our thanks to the Experts who agreed to take part in the survey on the determinants of entrepreneurial development presented in this report.

GEM Poland team

Key findings

GEM has been collecting data on entrepreneurship, particularly early-stage entrepreneurship, worldwide, for 26 years. Although the number and composition of participating countries vary slightly each year as participation is voluntary, the project enables both cross-country comparisons and the tracking of long-term trends. The current report presents the results of the latest edition of the 2024 GEM survey, which involved 161,520 interviews with individuals aged 18–64 in 51 countries, as well as 2,421 interviews with experts in 56 countries[1], together accounting for 63% of the population and 78% of the world's GDP. In the conclusions, the data for Poland is compared with the average results for European countries, with changes from the previous edition also indicated. Detailed international comparisons are available in the following sections of the report.

Poles continue to appreciate the role of entrepreneurs, yet starting a business has become a less attractive career option than before the pandemic

In 2024, perceptions of entrepreneurs and the attractiveness of doing business in Poland remained unchanged, with **63% of Poles believing that successful entrepreneurs deserve recognition and 43% agreeing that running a business is a good way of life**. These indicators have remained almost unchanged since 2022, although they are clearly lower than the record results of the 2018–2019 period, when around 80% of Poles shared positive views on both issues. Poland also compares less favourably with the European average, where 71% of residents appreciate successful entrepreneurs and 62% perceive business as an attractive career path. Reflecting on 14 years of GEM research in Poland, it is more disturbing to see a significant decline in the rating of the attractiveness of running a business as a way of life, which has been at the lowest level for three years, while the numbers of those appreciating successful entrepreneurs had already been lower in the past (56% in 2014–2016).

[1] More details can be found in the Methodological Annex.

The media hardly contribute to the creation of a favourable image of entrepreneurs, with only **38% of Poles having seen positive messages about entrepreneurs in the public media and on the Internet last year**, a score that has remained exceptionally low since 2021, placing Poland at the bottom of European and global rankings since 2023.

The prevailing opinion is that setting up a business is easy, and the business environment is favourable. However, the share of Poles planning to set up a business is growing slowly, with many choosing not to take this step due to fear of failure

Poles are less likely than other Europeans to know people with business experience. In 2024, only 47% of Poles knew an entrepreneur who had been operating for at least two years, compared to the European average of 54%. The 2024 level is similar to that obtained in the previous survey (46%), but significantly lower than before the pandemic (50% in 2019).

The conditions for doing business are rated positively, with 83% of Poles believing it is easy to set up a company in Poland and 74% expecting good conditions for setting up a company near where they live within the next six months, while other Europeans are less optimistic about these points (48% each). The results for Poland stayed at the 2023 level, but far from the 2019 value (around 90%).

Poles also feel well-prepared to run their own businesses, with 48% of those surveyed convinced that they possess sufficient knowledge and business skills (similar to the 47% in Europe). Poland's result has remained at the same level for the past three editions, but is lower than the levels recorded between 2011 and 2021 (50–60%).

In 2024, for the second consecutive year, the share of Poles planning to set up a business within the next three years increased slightly, with 3.1% of respondents who are not currently running a business declaring they have such an intention (compared to 2.6% in 2023 and 2.5% in 2022). However, this is still the lowest score among the 51 countries (the European average being 15%) and clearly lower than before the pandemic (6%) or in 2011 (23%).

The proportion of people who, despite noticing business opportunities, fear they will not succeed is 52%. Apart from the last three editions of the survey, this rate has exceeded 50% only once, in 2014. The current result is higher than the European average (47%).

Established enterprises dominate the business landscape, with their number once again on the rise. The share of young enterprises remains at the same level as last year

Among people aged 18–64, only 2.5% run young enterprises (operating for up to 3.5 years), while 12.8% run established enterprises (operating for over 3.5 years). In the GEM ranking of 51 countries, Poland ranks 51st (last) and 6th, respectively. The European average of those running young enterprises accounts for 10.3% of the European adult population, while those running established enterprises account for 6.7%.

Compared to 2023, the share of young enterprises remained almost unchanged (+0.1 p.p.), while the share of established enterprises increased by 1.2 percentage points. This means that, in absolute terms, around 548,000[2] people are running young enterprises, and 2.8 million are running established enterprises. At the same time, it is worth noting that among individuals running young enterprises, 307,000 run nascent enterprises (existing for less than 3 months), and also that one person can run more than one enterprise with varying periods of presence in the market.

As of mid-2024, 3.3% of Poles had stopped running a business within the past 12 months (3.4% in 2023), compared to the European average of 4.7%.

Poles set up businesses out of necessity, but give them up due to unfavourable regulations and lack of profits

The most common reasons for Poles to start a business are the desire to secure a livelihood, given the scarcity of jobs on the labour market (71% of responses from those

[2] Number of adults aged 18–59/64, as of 31 December 2024 – 21,909 thousand, source: *Population. Size and structure and vital statistics in Poland by territorial division in 2024. As of 30 June.*, Statistics Poland, 2024.

running young enterprises), and the desire to build wealth/earn a high income (38%). Far fewer of those running young enterprises (16%) started them for ideological reasons, such as the desire to make a difference in the world, and even fewer (11%) started a business to continue a family tradition. In Europe, the hierarchy of motivations is similar, with relatively less importance attached to the necessity of securing a livelihood and more emphasis on the desire to change the world (59% on securing a livelihood, 52% on the financial factor, 42% on changing the world, and 24% on family tradition).

Compared to the previous edition, in 2024, young enterprise owners mentioned the desire to change the world and get rich less frequently. At the same time, they pointed to the need to provide for themselves due to the lack of offers on the labour market more frequently (respectively: –4 p.p., –2 p.p., and +8 p.p.).

Why do people withdraw from running a business? In 2024, the main reasons cited by those who chose to close their businesses were the **lack of business profitability (35% in Poland and 26% in Europe) and government policy/taxes/bureaucracy (28% vs. 10%).** Retirement was cited as a reason for closing a business by 10% of Polish entrepreneurs (6% in Europe). Compared to the average for other Europeans, Poles indicated reasons such as the opportunity to sell the company (3% vs. 9%) and other business opportunities (0.4% vs. 7%) much less frequently.

The importance of the two most frequently cited factors has been increasing in Poland for at least three editions (in both cases, more than a 2-fold increase y/y), while the share of those blaming political-regulatory-fiscal conditions is the highest in Poland among the 51 countries of the world covered (followed by Belarus's 24% and Latvia's 22%).

Women and men have similar perceptions of their capabilities and environment when it comes to business activity, although men undertake it slightly more frequently

Among women aged 18–64, 2.3% are involved in running young enterprises, and 12.4% are involved in running established enterprises. For men, these values are 2.6% and 13.3%, respectively. The gender gap for 2024 is therefore in favour of men, although not significantly, 0.3% for young enterprises and 0.9% for established enterprises.

Women and men in Poland equally often notice business opportunities in their environment (74% in each group) **and believe they have the appropriate skills to run a business** (47% of women and 48% of men). Moreover, **the same number of women and men** (47% each) **know entrepreneurs who have started a business in the last two years**, through whom they can learn more about the ups and downs of entrepreneurship. **The result is also similar in terms of fear of failure** (55% each).

Compared to the previous edition, men felt less prepared to run a business in 2024 (down by 3 p.p.), while women felt more prepared (up by 2 p.p.). Women were also less likely to fear failure (down by 2 p.p.).

Compared to the European population, significantly more Polish women and men felt that their surrounding environment offered good conditions for starting a business (approx. 3 in 4 Poles, versus around 1 in 2 Europeans). At the same time, the share of those who felt adequately prepared to run a business was equal for women and lower for men compared to their European peers. On average, Poles feared failure more often than the other Europeans, with the difference greater for men (7 percentage points) than for women (1 percentage point).

The motivations driving women and men in Poland to become entrepreneurs are similar. At the same time, men slightly more frequently start a business wishing to make a difference in the world, or provide for themselves and their families in the face of scarcity of job opportunities, while women slightly more often than men take this step to earn a higher income/become rich, or continue a family tradition.

Entrepreneurship in age groups – people aged 45+ run established enterprises, and very rarely young ones

For several years, Poland has faced a disadvantageous situation in terms of nascent entrepreneurship among people aged 45 and above. The highest proportion of young enterprise owners is found in the 25–34 (4.1%) and 35–44 (3.9%) age groups, while in the other age groups, the percentage is much lower: 45–54 – 1.7%, 55–64 – only 0.4%. By comparison, in Romania, which ranks right after Poland in terms of the low rate of young entrepreneurs in the 45–54 age group, the percentage is 4.7%, i.e. almost three times

higher than in Poland. A low level of entrepreneurship also characterises the youngest group of Poles; among 18–25-year-olds, only 1.2% run young enterprises, while in the European countries that directly follow Poland in the ranking, the rate is at least four times higher (Hungary – 4.7%, Spain – 5.6%).

The situation is somewhat different for established enterprises. In the 45–54 age group, as many as 18.1% run established enterprises, while in the 35–44 age group, the figure is 15.5%, and in the 55–64 age group, it is 13.3%. Relatively few people from the younger age groups run established enterprises: 0.9% among those aged 18–25, and 9.1% among those aged 25–34. These results place Poland among the leaders in Europe.

Sustainability and social responsibility – awareness does exist, but it does not always result in action

Awareness of social and environmental business responsibility is almost universal among Polish entrepreneurs. Regardless of how long companies have been on the market, **around 90% of company representatives declare that they always consider the impact of their business decisions on society and/or the environment.** It is worth noting that the awareness of young entrepreneurs (who have been on the market for up to 3.5 years) is showing signs of change. **Environmental issues are taken into account by an increasingly larger proportion of young entrepreneurs (84% in 2022, 89% in 2023, and 92% in 2024).** For the second consecutive year, representatives of young enterprises expressed concern for environmental aspects more frequently than for social aspects (92% and 87%, respectively).

However, although they declare they consider the impact of their businesses, the declaration is not followed by pro-social or pro-environmental measures (taking pro-social measures is declared by 45% of young enterprises and 77% of established enterprises, while taking pro-environmental measures is declared by 57% of young enterprises and 65% of established enterprises). Thus, **entrepreneurs who have been active on the market for longer** – as in previous years – **tend to focus more on pro-social rather than pro-environmental measures. At the same time, according to their statements, they are more active in both areas than young enterprises.**

Polish established entrepreneurs also more frequently than young entrepreneurs declare that they put social and/or environmental goals above the growth or profitability of their business, with such an attitude reported by 45% of established enterprises and one in four young enterprises.

Poland still scores relatively high when it comes to knowledge of the 17 UN Sustainable Development Goals, with **44% of Polish entrepreneurs operating in the market for up to 3.5 years (down by 3 p.p. y/y) and 71% of those operating in the market for more than 3.5 years (up by 4 p.p. y/y) now declaring they are aware of the 2030 Agenda for Sustainable Development**.

Entrepreneurs are increasingly eager to use digital solutions

Poland is making significant progress in adopting digital technologies for the sale of products and services. In the near future, entrepreneurs anticipate an increase in the use of digital technologies for sales purposes. Despite the still lower proportion of established enterprises planning this type of change, there has been a clear increase in this group's awareness that such change is necessary. **Among these entrepreneurs, the share of those open to digitalisation has increased by as much as 17 p.p. in relation to the previous edition, reaching a level of 37%.** After consecutive years showing an upward trend (20% in 2021, 29% in 2022, 44% in 2023), **the share of young entrepreneurs open to digitalisation has since remained at the level observed in 2023 (44%)**.

The importance of digitalisation is also reflected in the relatively high percentages of respondents who view various forms of digital communication and tools, included in the observations in this year's survey, as very important for the day-to-day running of businesses. **More experienced business owners, most often, and significantly more often than young entrepreneurs, rely on email communication in their daily business activities** (60% of established vs. 42% of young entrepreneurs use email for daily communication; 49% of established and 26% of young entrepreneurs use email marketing). **Young entrepreneurs highlighted the significance of social media platforms – such as Facebook, Instagram, or X/Twitter – for communication with clients or employees, citing their immense importance nearly as frequently as that of email** (41%).

In Poland, almost one in three established entrepreneurs (31%) and one in four young entrepreneurs (26%) perceive having a website for e-commerce activities as very important for the implementation of a business model or company strategy, while a similar proportion (31% and 23%, respectively) consider access to cloud services (excluding data analytics) **as very important**. The importance of data analysis tools was indicated much less frequently.

... but remain cautious when it comes to AI tools

Artificial intelligence (AI) tools are an important part of the business model and strategy for 6% of young enterprises and 13% of established enterprises. In the global ranking, these results place Poland in the last and 11th positions, respectively[3]. By comparison, in Europe, an average of 22% of young and 16% of established enterprises use AI.

In Poland, established enterprises use AI in their operations **twice as frequently as young ones**, **a different situation from that observed in most countries around the world,** where young enterprises tend to be more open to experimenting with the possibilities offered by this technology.

This also applies to expectations about the future role of AI, with 8% of young business owners and 15% of established business owners in Poland believing it will be a vital part of their business, while in Europe, the view is shared by 23% of owners of entities with a shorter market presence and 19% of those operating for at least 3.5 years.

Poles' concerns and expectations about AI also set them apart. **Polish entrepreneurs (both young and established) are convinced that when introducing AI solutions, they will mainly encounter resistance from employees (14% and 13%, respectively) and will have to solve ethical dilemmas regarding the use of this technology in decision-making processes (12%, 13%).** They are less likely to anticipate increased costs, implementation problems, client reluctance, or challenges with data security and privacy. At the same time, established enterprises are more concerned about mistrust from clients or data security challenges than young ones. **In Europe, many more entrepreneurs than in Poland identify challenges that may arise when implementing AI, with data security being the most significant concern**

[3] 50 countries, no data available for South Korea.

(on average, 44% of young enterprises and 42% of established ones cited this aspect). A considerable number of young enterprise owners (42%) expect resistance from employees, while among established ones, only (!) 25% pointed to this issue.

In terms of expected benefits, young enterprise owners in Poland hope that AI will help them better manage risk (11%), personalise their client-facing offerings (10%), and will contribute to revenue growth and business development (9%). Established enterprises highlight the same aspects, with improving the personalisation of the offer as the top priority (13%). Fewer entrepreneurs (both young and established) see AI as supporting increased productivity and efficiency of company processes or innovation activities, the aspects most frequently cited by entrepreneurs in Europe (increased productivity – 47% of young and 38% of established enterprises on average; innovation – 43% of young and 36% of established enterprises).

Average rating of national business development conditions

An analysis of expert opinions obtained from the NES shows that **in 2024, the conditions for entrepreneurship development in Poland did not significantly improve**. The NECI index, which is a synthetic assessment of the 13 areas[4] that make up the business environment and have been monitored in GEM for years, reached 4.0 points out of a possible 10, placing Poland in 21st place among the 25 European countries participating in the survey, with the highest score of 6.4 belonging to Lithuania and the lowest score of 3.4 belonging to Bosnia and Herzegovina. This is also a lower result than in 2020–2021 and 2023 (4.2 points),

[4] 1. Entrepreneurship financing: is there enough funding available for companies? 2. Ease of access to financing: are funds easily accessible? 3. Government policy – support and importance of entrepreneurship: does policy promote and support the creation and growth of companies? 4. Government policy – taxes and bureaucracy: are new companies not excessively burdened? 5. Government entrepreneurship programmes: are appropriate support programmes available? 6. Entrepreneurship education in schools: do schools provide knowledge about entrepreneurship and develop related skills? 7. Entrepreneurship education after school: do universities and other institutions offer entrepreneurship knowledge, courses and training? 8. Research and development transfer: are research results easily implemented in business? 9. Commercial infrastructure: are high-quality and affordable services (e.g. legal, accounting) available? 10. Ease of market entry – market dynamics: is the market free, open to new ventures, and growing? 11. Ease of market entry – regulations: do regulations encourage rather than restrict entrepreneurship? 12. Physical infrastructure: is it of good quality, accessible, and affordable for companies? 13. Social and cultural norms: do they encourage and promote entrepreneurship?

but higher than in 2022 (3.8 points), a signal that, despite minor fluctuations, the overall conditions for business development remain average.

In 2024, as in the previous year, Polish experts rated only one area — namely, the domestic market's openness to new ventures and its continuous development — as significantly higher than the average in European countries. This area also received the highest score among the 13 analysed (6.6 points). **Access to technical infrastructure** (5.8 points) **was also rated relatively high**, although slightly below the average for these countries.

The scores were lowest for key elements for long-term entrepreneurial development: **entrepreneurship education** (both at primary and secondary level – 1.7 points, and at university and vocational training level – 2.6), **areas related to R&D and knowledge transfer** (3.0) **or the ease of obtaining funding** (3.5) (when it comes to the amount of available financing, scores are higher), as well as **government policy towards entrepreneurship, bureaucracy and taxes, and the availability and effectiveness of public programmes supporting business development** (between 3.5 and 4.0).

The experts were also asked for opinions on the determinants of sustainability, female entrepreneurship, and the use of artificial intelligence (AI) tools. In terms of **sustainability**, they rated the situation slightly lower than in the previous year, but higher than in 2022, citing, in particular, a lack of adequate support for companies with a sustainability focus.

The results of the NES survey also indicate that more substantial support for women's entrepreneurship is necessary, particularly by enhancing the availability and affordability of services (such as childcare and care for seniors), simplifying legislation, and modifying cultural and social norms to support women and men in starting a business equally.

Appropriate measures should also be taken to enhance Poland's competitiveness in **the development of artificial intelligence**. In all aspects (competence, education, training availability, and promotion of AI solutions), Poland ranked below the European average, suggesting an urgent need for action in this area – from integrating AI into educational programmes to promoting active public support.

To summarise the experts' opinions, despite isolated positive signals, the Polish entrepreneurial ecosystem requires decisive and comprehensive measures to create more favourable conditions for the establishment and development of companies.

Social understanding of the concept of a start-up, characteristics of declared start-ups, and conditions for their growth, according to experts

Analysing the data obtained in the GEM 2024 Adult Population Survey, particularly in the section on start-ups, enables the understanding of how society **defines companies of this type.** The term is most often associated with companies operating in the IT sector (71% of indications from adults aged 18–64), those with a technological focus (67%), those targeting young audiences (60%), innovation-oriented companies (59%), and those using external funding (46%). One in two Poles defines a start-up as 'young' if it has existed for up to three years, and one in four defines it as 'young' if it has existed for 5 to 10 years.

However, not all start-ups fit this definition. The study identified start-ups that have been in the market for much longer than five years. Start-ups' areas of activity are also diverse, challenging the notion that they are mainly technology companies focused on IT and innovation.

Among those involved in running a start-up, the majority are men (52%), with slightly fewer women (48%). Moreover, the majority (84%) of start-up owners are over 35 years old, which suggests that age and gender are not key differentiators between start-ups and other companies. **Like other businesses, start-ups are often run in the form of sole proprietorships by individuals from households of three to five people, although start-up owners are more likely than owners of other businesses to come from four-person households** (44% vs. 37%); **they are also less likely to be owners of sole proprietorships** (86% vs. 94%).

One important factor that differentiates start-ups from other businesses is the stage of development. **The majority of start-ups are at the development and expansion stage** (34%) **or business model stabilisation stage** (28%), with few at the initial concept stage of creating a business model or prototyping, while other companies are more often at the

stage of further growth (41%) or market consolidation (32%). **Start-ups also adopt the latest technologies more readily** (5% vs. 1%), as well as technologies that have been available for one to five years (10% vs. 4%). Modern technology translates into **greater innovation** in the products and services offered – start-ups introduce new solutions both globally (0.5% vs. 0.4%) and locally (11% vs. 8%) more frequently than other companies.

More than 90% of start-ups consider social and environmental impacts when making decisions about the company's future. The same applies to other enterprises. However, the question of priorities – financial growth versus social values – elicits different responses. Among start-ups, more than half (57%) hold a neutral position, and 37% lean towards prioritizing social and environmental aspects over profit. Among the remaining companies, undecidedness is lower (49%), and companies slightly more frequently (41%) prioritize social and environmental aspects over profit.

The biggest barrier to setting up start-ups, according to the start-ups themselves, is the lack of capital, with other obstacles including insufficient knowledge and skills to manage a business, a lack of industry-specific expertise required to start a business, and a lack of a viable business idea.

In contrast, **the main impediments to doing business**, according to both start-ups and other companies, **are fiscal burdens, bureaucracy, and paperwork**, with legal volatility and labour regulations (including minimum wage increases, lack of flexibility, and mandatory contribution burdens) identified as factors hindering business growth, especially given the already limited availability of workers with appropriate qualifications. In 2024, economic uncertainty related to inflation, rising energy costs, and the economic downturn was a particular challenge.

Experts have been emphasising the vital role of start-ups in the development of the Polish economy for years, and their importance is constantly growing. However, the results of the 2024 survey indicate that strengthening support for start-ups is necessary, particularly in areas such as training and mentoring activities that focus on networking skills between large and medium-sized enterprises and start-ups, as well as the availability of co-working spaces, networking platforms, mentoring, and seed or venture capital funding. Therefore, efforts are needed to develop the start-up ecosystem in Poland.

1. Polish entrepreneurship compared to the rest of the world

This chapter presents entrepreneurship in Poland in 2024, in comparison to 24 other European countries and 50 countries worldwide, as well as the changes it has undergone in Poland since 2011, when systematic GEM research began. The data source is a quantitative population survey conducted in each country[5].

For the analysis, countries were classified into three groups according to their income level (from the wealthiest – Level A, through the wealthy – Level B, to the less wealthy – Level C)[6], with Poland classified as a Level B country.

Regular readers of this report are probably curious to know whether the slight rebound in the entrepreneurial activity of Polish women and men (hereafter referred to as Poles, insofar as it is not necessary to distinguish by gender) noted in the 2023 measurement has been consolidated, and what changes have occurred in other areas. We therefore encourage you to continue reading, as this year's edition is enriched with a new topic – entrepreneurs' use of artificial intelligence.

1.1. Public attitudes towards entrepreneurs and running a business

The decision to start a business, although an individual choice, usually matures in a specific social environment. Beliefs and attitudes, such as courage, openness to risk, appreciation of ingenuity, awareness that effort is the foundation for success, as well as trust and willingness to cooperate, are conducive to the development of businesses in a given society. The social determinants of entrepreneurship are also the focus of GEM, which measures the extent to which the people in particular countries value the efforts of entrepreneurs, whether

5 More details can be found in the Methodological Annex.

6 See Table A.1 in the Methodological Annex for details.

they consider running a business a viable career option, and whether the country's media (including the Internet) promotes entrepreneurship.

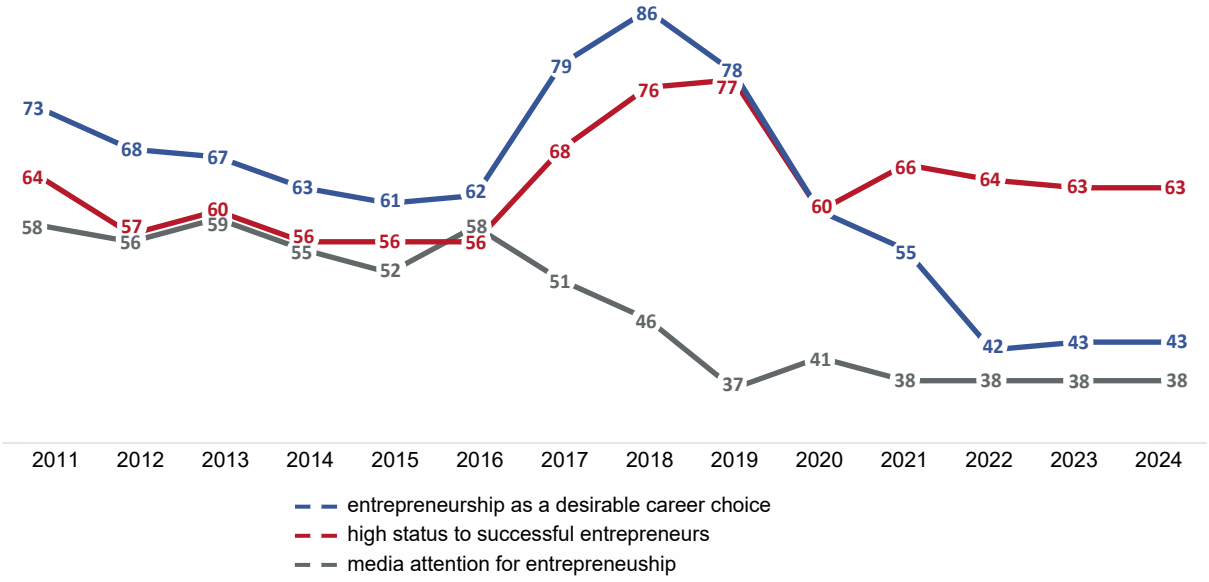
According to the latest figures from 2024, 6 in 10 Poles believe that successful entrepreneurs should be appreciated, and 4 in 10 believe that running a business is a good way to make a living. However, only 38% report seeing content promoting successful entrepreneurs in the media and online.

These indicators have remained unchanged since 2022, and regarding the role of the media, even since 2021, although significant changes can be observed in the long term. Firstly, the proportion of people who see positive content about entrepreneurs in the media has been steadily declining for eight survey editions (58% in 2017, 38% in 2024). Secondly, the so-called 'golden' years of 2017–2019 – when the vast majority of Poles were inclined to appreciate entrepreneurs and believed that running a business was a good way to earn a living – are over, showing no signs of improvement for the time being. Thirdly, while in the case of entrepreneurial prestige, the situation has returned to the level recorded between 2011 and 2016, meaning the previous improvement can be considered an exception; the same cannot be said of the indicator measuring the positive perception of the idea of running a business as a way of life, which recorded successive declines[7]. It is therefore clear that although Poles respect entrepreneurs, they are not particularly open to the idea of joining their ranks. The reasons can be, partly attributed to the media's limited role in promoting entrepreneurship, but perhaps above all to the events of recent years[8], which have made it quite clear how much risk is involved in running one's own business.

[7] Compared to the peak year of 2018, when 9 out of 10 Poles believed that running a business was a viable career option, or 2011, when 7 out of 10 shared that view, today the figure is only 4 out of 10.

[8] Like the COVID-19 pandemic, with its lockdowns and broken supply chains, the war in Ukraine, the rising cost of doing business and the uncertainty of tomorrow, reinforced by the extensive and repeatedly modified tax reform of the Polish Deal.

Figure 1.1. Polish society's perception of entrepreneurship from 2011 to 2024 (% of people aged 18-64)

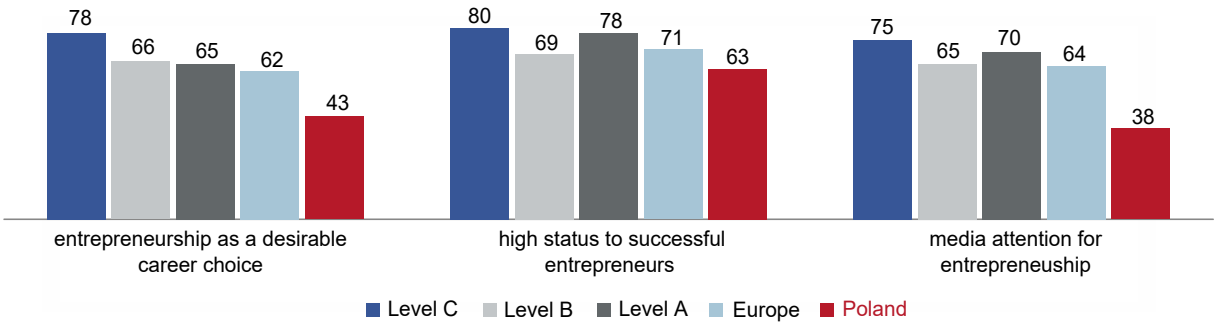


Source: own study based on GEM data.

Poland's performance is weaker in comparison with the averages for Europe or the groups of countries[9] with low, medium, and high levels of wealth – C, B, and A, respectively. The gap is most significant for the indicator referring to media involvement in promoting entrepreneurship and the perception of entrepreneurial activity as a career choice. At the same time, Poland performs more similarly in terms of appreciating the efforts of entrepreneurs (Figure 1.2). A comparison of the results for the reference groups reveals a correlation: as country wealth increases, the attractiveness of running a business decreases. This could be due to the greater availability of jobs and higher average levels of education and skills in wealthier countries. Another factor could be a more competitive market, making it more challenging to establish and operate one's own business.

[9] The block of questions on public perceptions of entrepreneurship is optional in GEM, with 45 countries included in 2024. No data available for: Argentina, Brazil, Luxembourg (in terms of entrepreneurial status), Puerto Rico, Sweden and Venezuela.

Figure 1.2. Society's perception of entrepreneurship in Poland compared to the European average* and groups of countries by income level in 2024 (% of people aged 18-64)



Source: own study based on GEM data; *concerns fewer countries, see footnote 9.

It is worth emphasising that the values of indicators related to society's perception of entrepreneurship vary significantly between countries[10]. Saudi Arabia tops the ranking in all three measures, with 96% of Saudi Arabians seeing running a business as an attractive way of life, and the same percentage appreciating the efforts of entrepreneurs, while 94% notice pro-entrepreneurial content in the media. Switzerland ranks last in terms of the first indicator, with only 36% of the population realistically considering starting a business. As for the second indicator – appreciation of entrepreneurs – the ranking is closed by Ecuador (55%). Poland ranks last in the third indicator, i.e. the visibility of pro-entrepreneurial content in the media (38%), just behind Spain, with a score 8 p.p. higher, which undoubtedly prompts reflection on the current state of affairs.

On average, more than 70% of people in 24 European countries believe that starting a business can be a career option, and more than 60% appreciate the efforts of those who have succeeded in doing so, with the same applying to seeing positive content about entrepreneurship in the media, including the Internet (64%). At the same time, there are pretty significant national-level differences for each of these indicators, with entrepreneurs most appreciated in Romania and Slovenia (where nearly 90% of the population appreciates their efforts) and in Germany, Norway, and the UK (where the figure is slightly lower, i.e. 80%). In comparison, entrepreneurs are least appreciated in Spain and Slovakia (around 60%). When it comes to positive attitudes towards the idea of self-employment as a way of

[10] For more on this topic, see the GEM Global reports and the National Reports developed by individual National Teams, all available on the GEM website: https://www.gemconsortium.org/report

life, Romania scores highest (87%), while Switzerland scores lowest (36%). However, the biggest differences between European societies appear to be in the perception of the media in shaping a positive image of entrepreneurs. It can be said that the media in Slovenia (84% of responses) and Romania perform best in this role, while Poland and Spain, as mentioned earlier, score lowest.

Table 1.1. Society's perception of entrepreneurship in European countries in 2024 (% of people aged 18–64)

Country	Entrepreneurship as a desirable career choice	High status of entrepreneurs	Media attention on entrepreneurship
Austria	51.1	76.2	65.3
Belarus	78.7	78.4	65.2
Bosnia and Herzegovina	65.8	75.8	67.2
Croatia	66.0	60.2	70.8
Cyprus	76.9	70.9	69.5
Estonia	55.1	69.7	58.6
France	68.9	58.0	71.6
Germany	56.0	81.5	50.3
Greece	76.0	70.2	56.1
Hungary	64.8	65.0	65.0
Italy	68.5	65.7	63.3
Latvia	55.2	60.0	59.3
Lithuania	70.7	58.9	75.1
Luxembourg	58.4	n/d	59.6
Norway	50.5	82.1	70.2
Poland	**43.0**	**63.4**	**38.2**
Romania	87.2	89.3	79.1
Serbia	74.3	79.5	77.3
Slovakia	37.7	56.8	48.3
Slovenia	66.1	87.5	84.2
Spain	44.1	56.8	45.5
Switzerland	35.9	78.1	60.4
Ukraine	70.3	69.0	56.5
United Kingdom	70.5	80.0	76.7
Europe (average; 24 countries)	**62.2**	**71.0**	**63.9**

Source: own study based on GEM data.

In summary, the latest figures for 2024 have not brought about any change in the Polish public's attitude towards entrepreneurship. The image of entrepreneurs remains positive, but setting up a business is relatively rarely viewed as an attractive way to make a living.

1.2. Poles on their environment, skills, and plans for setting up a business

In mid-2024, **fewer than 47% of Poles reported knowing at least one person who had set up a business in the past two years**, a result close to those obtained in the previous years (46% in 2023, 47% in 2022), but relatively low compared to the results of the other countries participating in the survey – Poland ranked only 38th in the overall ranking and 18th among the European countries participating in this edition of the survey[11]. European countries with values lower than Poland include Romania, Hungary, Spain (c. 47% each[12]), Estonia (44%), Germany (40%), and Greece (31%).

Given that, in the two years preceding the survey in question, i.e. from mid-2022 to mid-2024, more than 770,000 entities were registered in Poland, including approximately 80% sole proprietorships[13], Poland's low score is puzzling, as the respondents most probably did have the opportunity to come across a young entrepreneur more often than they thought.

One possible reason for the indicator's low value is the prevalence of so-called self-employment, a situation where a person has an established business and therefore runs a company, but actually works for one entity only and has responsibilities characteristic of an employment contract. Although this form of employment may indeed be the employee's choice, it is sometimes imposed by the employer to reduce costs and avoid obligations under the Labour Code. In this case, the 'young entrepreneur' environment generally does not perceive them as running a business, nor do they consider themselves as such. It so happens that Poland, like Romania, Hungary, Spain, Greece, and Italy, with a slightly higher score

11 This data is missing for Belarus.

12 The figure for Poland is 46.76%, for Romania and Hungary – 46.74% and for Spain – 46.62%.

13 See: Statistics Poland, Information on entities of the national economy entered in the REGON register – December 2022; Activity of enterprises with up to 9 persons employed in 2023 p. 18; Information on entities of the national economy entered in the REGON register – July 2024

(49%), is among the group of countries facing the problem of so-called 'junk contracts', which supports the above statement. Its verification will become possible after the introduction of regulations to counter such contracts[14].

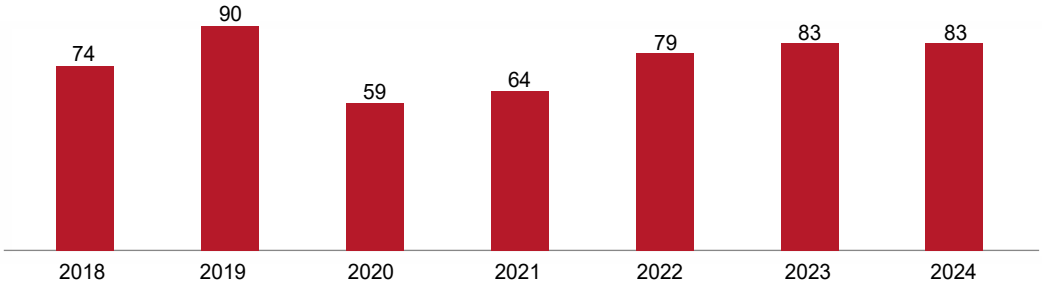
What about the situation in other countries? **Results regarding knowing people who have started a business in the past two years ranged from 27% in Egypt to 94% in Saudi Arabia**, which topped the ranking for a consecutive year. Saudi Arabia was followed by Bosnia and Herzegovina (81%), Morocco (78%), Puerto Rico (77%), and Brazil (74%), with the lowest scores recorded, in addition to the already mentioned Egypt and Greece, by Thailand (31.79%), Taiwan (32.03%), and South Korea (37%). **For the analysed groups of countries, the averaged data on the indicator referring to people who know young entrepreneurs showed no significant differences, with values of 57% for Levels C and B, 55% for Level A, and 54% for Europe.**

The conditions for starting a business in Poland have been rated relatively high for years, with Poland ranking first before the pandemic, in 2019, when 90% (!) of respondents perceived setting up a business as easy. Admittedly, this percentage fell to 59% in 2020, but has been rising steadily since 2021. The most recent recorded change, albeit slight (+0.2 p.p.[15]), was positive, indicating that respondents still believe that starting a business is relatively easy, yet at the same time do not see any specific improvements having been made in this area.

[14] The problem of so-called 'junk contracts' has been recognised at the EU level, and the full taxation of this form of contract is one of the milestones enshrined in the National Recovery Plan by the Polish government. https://www.money.pl/gospodarka/wiadomosci/artykul/smieciowki-unia-europejska-polskaumowa,94,0,2407262.html

[15] 83.2% in 2023 and 83.4% in 2024

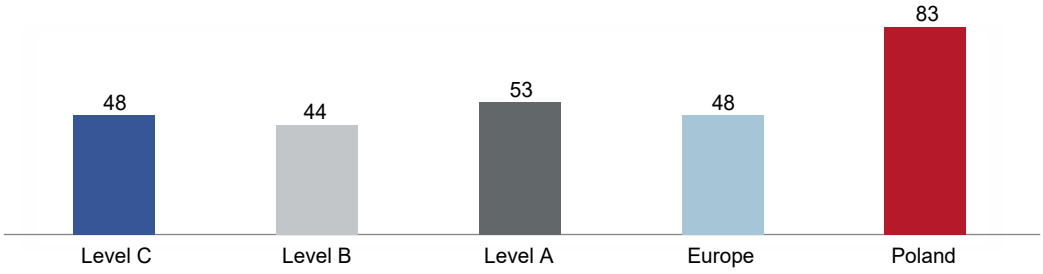
Figure 1.3. Share of people aged 18–64 who believe that starting a business in Poland is easy



Source: own study based on GEM data.

The score of 83% put Poland in third place in the world ranking, behind Saudi Arabia (93%) and India (85%), and ahead of Sweden (78%) and the UAE (76%). Poland's result is incomparably better than the European average (48%) and nearly twice as high as the average score of countries classified as Level B, to which category Poland belongs. Lowest percentages of respondents rating starting a business in their countries as easy were recorded in Israel (16%), China (19%), Italy (22%), Spain (27%), and Greece (30%).

Wykres 1.4. Share of people aged 18–64 in Poland compared to the European average, and groups of countries (by income level) whose residents believed it was easy to start a business in 2024



Source: own study based on GEM data.

By mid-2024, 74% of Poles believed that, in the next 6 months, the conditions for setting up a business near where they live would be favourable, assessing the environment as similar to that of a year or two before (74% vs. 74% in 2023 vs. 72% in 2022 vs. 73% in 2021 vs. 52% in 2020), but significantly worse than before the pandemic (87% in 2019).

In the ranking of all countries participating in the survey, Poland ranked 6th and, as in the previous year, was ranked 1st among European countries. Among the 51 countries surveyed, the highest scores were once again recorded in Saudi Arabia, which has ranked among the highest-ranking countries for years (95% in 2024 vs. 93% in 2023 vs. 90% in 2022), India (84%), and Thailand (78%), while the lowest scores were recorded in Spain (29%, a decrease of 2 p.p.), Hungary (32% vs. 28%), and Italy (35%).

Analysis of the aggregated data shows that residents of countries classified as Level C were most likely to see opportunities to start a business within the next six months (61% of responses), while in the other groups, the percentage of positive responses was as follows: 55% (Level B), 52% (Level A), and 48% (Europe).

The results of the GEM survey show that the average Pole feels reasonably well-prepared to run a business, with **48% in 2024 (constant y/y) feeling confident that they have sufficient knowledge and skills to do so.** This result, however, only puts Poland in 42nd place in the global ranking. Lower percentages of positive responses were recorded in Sweden (46%), France, Estonia, Switzerland, Germany, Kazakhstan, Taiwan, Hungary, and Israel, which ranked last with a score of 34%. Overall, the highest percentages of individuals rating their knowledge and skills needed to start a business as good were recorded in Saudi Arabia (93%), India (85%), and Ecuador (84%), with the best European result belonging to Croatia (74%, 11th position), and the European average at 47%.

When comparing categories of countries with different income levels, it is evident that, as in previous years, the lower the income, the higher the rating of one's entrepreneurial skills (70% for Level C, 60% for Level B, and 53% for Level A). This suggests that respondents from Level C countries are not necessarily better prepared to do business, but are more determined and, possibly, less aware of their shortcomings.

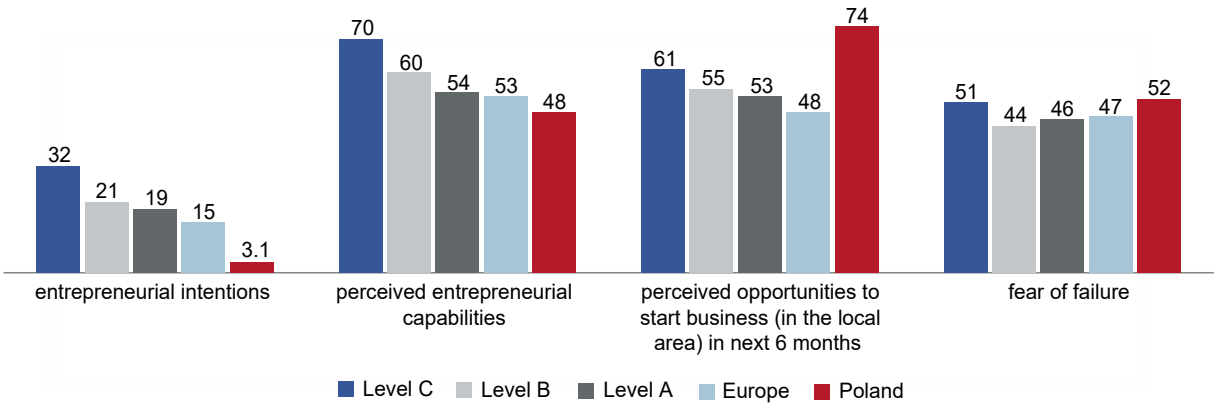
Once again, however, neither the belief that it is easy to set up a business, nor the high rating of the conditions for setting up a business, nor even the relatively high rating of one's own skills have translated into Poles' willingness to run their own businesses.
In 2024, the share of those not involved in running a business who answered affirmatively to the question of whether they plan to set up a business in the next three years was only 3.1% (Figure 1.4).

In general, the European countries participating in the survey showed a relatively low level of pro-entrepreneurial intentions. In the top 15, Europe is represented only by Belarus (32%, constant y/y). Still, even against their background, **Poland performed poorly, once again coming last in the overall ranking**, ahead of China (4%), Austria (5%), Romania (6%), and Greece (8%). This is a significant concern, suggesting the need for further research.

The data for the country groups (19% for Level A, 21% for Level B, and 32% for Level C) suggests that the desire to start a business decreases inversely with income. Qatar had the highest percentage of people planning to set up a business (61%, Level A), followed by Level C countries: Jordan (52%, C) and Brazil (50%, C). The top ten with the highest scores include 5 Level C countries, 3 Level B countries, and 2 Level A countries. In contrast, the last ten include 5 Level A countries, 4 Level B countries, and 1 Level C country.

Among the studied determinants of respondents' pro-entrepreneurial activity is the fear of failure. For Poles, its level exceeds the rating of one's entrepreneurial ability. **In 2024, 52% of Polish adults admitted that the risk of failing discouraged them from starting a business, a result closest to group C (51%)** (Figure 1.5), **which ranks Poland 11th in the overall global ranking.** The countries whose residents feared failure more than the Poles were India (72%), followed by Romania, China, Saudi Arabia, the UK, Ukraine, Greece, Egypt, Kazakhstan, and Morocco (52%).

Figure 1.5. Entrepreneurial attitudes in Poland versus the average for Europe and groups of countries by income level in 2024 (% of people aged 18–64)

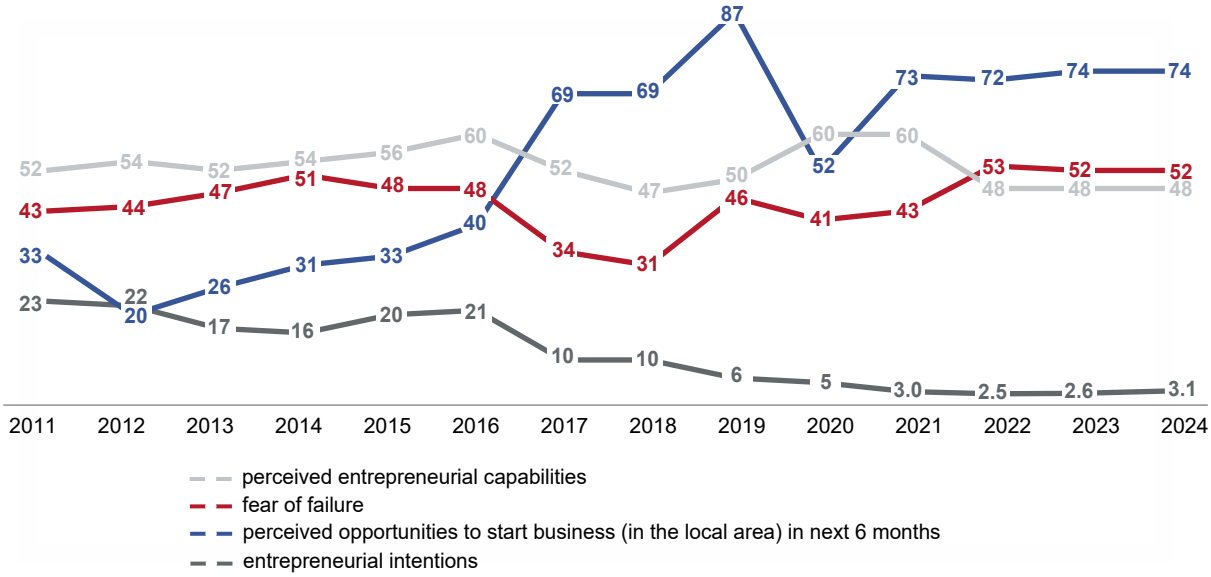


Source: own study based on GEM data.

The summary of the 2011–2024 GEM survey results regarding the assessment of the environment and individual entrepreneurial attitudes reveals that recent years have been a period of stagnation in young (early-stage) entrepreneurship. Although **Poles rate the conditions for setting up a business in the immediate environment much more positively than they did 13 years earlier (+41 p.p.), the value of this indicator has remained virtually unchanged since 2021, as have those of the other indicators. During the analysed period** (Figure 1.6)**, the percentage of Poles who feel good about their entrepreneurial abilities decreased by 4 p.p. The percentage of those who fear failure increased by 9 p.p. However, this can hardly be seen as justification for the fact that the percentage of those willing to start and run a business in the 14th edition of the survey is 20 p.p. lower than in the 1st edition!**

Relatively high percentages of Poles expressing reluctance to start a business due to fear of failure have been recorded in the GEM survey since the surveys began to be conducted systematically, i.e., since 2011, and by 2022 were oscillating between 40 and 50%, apart from the 2017-2018 golden period of rapid economic growth, when they dropped to around 30%. Since 2022, we have observed the highest level of this indicator, i.e., 52–53%. On the one hand, the range is not that large, but on the other hand, we should bear in mind that the percentage refers to people who assess the conditions for setting up a business in their environment positively. There have been almost twice as many of these since 2017 as before, meaning that the fear of failure is even more of a barrier now than it was years ago, as more people experience it.

Figure 1.6. Entrepreneurial attitudes in Poland from 2011 to 2024 (% of people aged 18–64)



Source: own study based on GEM data.

The reasons for the decline in the entrepreneurial intentions of Poles after 2016 should therefore be sought in the environment. Indeed, the Polish economy was severely impacted by the pandemic, while the Polish Order fiscal reform introduced in 2022 was considered by entrepreneurs and opinion leaders to be a complete failure. The Russian-Ukrainian conflict just across the border did not encourage business involvement either, which is further evidenced by the marked increase in the level of fear of failure in 2022 (43% in 2021 vs. 53% in 2022). The fact that Poland is a frontline country creates uncertainty for the public, entrepreneurs, and investors. Rising energy prices, inflation, and the numerous and increasingly stringent EU environmental regulations introduced with difficulty into the Polish legal order may also have discouraged potential young entrepreneurs. Nevertheless, Poland was not the only country facing challenges, so the existence of these difficulties alone does not explain the drastic decline in Poles' entrepreneurial intentions.

Another possible reason for the lack of a desire to set up a business in recent years is the low unemployment rate in Poland, which stood at 11.8% in mid-2011, but since January 2016 has recorded only single-digit numbers, reaching its previous minimum (4.9%) in June 2024[16]. Incidentally, Poland has long boasted one of the lowest unemployment rates in Europe,

[16] Source: Statistics Poland, Registered unemployment rate in 1990–2024, 27.01.2025.

competing with Czechia and Malta in this regard. Unfortunately, neither of these countries participated in the GEM survey this year, making comparisons and analyses impossible.

Poland's annually increased minimum wage has not encouraged business risk-taking either, which is all the more significant since the economic rationale (the need to provide for oneself due to insufficient opportunities on the labour market) is, according to the GEM study, among the most common reasons to start a business[17].

Active entrepreneurs have been pointing to numerous barriers to doing business for years, primarily flawed legislation, and their views have been widely discussed in the media. Analysis of this material has the potential to raise concerns and fears about the difficulties faced by those who decide to start a business. Yet, the government appointed in mid-December 2023 made many promises to businesses during the election campaign, especially regarding improvements to legislation, whose fulfilment will undoubtedly be applauded by the business environment. With positive feedback from entrepreneurs translating into decisions by potential entrepreneurs, this will undoubtedly have a positive impact. However, six months was a short period for the new government to deliver on all its promises and for potential young entrepreneurs to shed their fears. **Nonetheless, the first increase since 2016, albeit slight (by 0.5 p.p. y/y), will hopefully initiate a reversal of the downward trend.** Whether, and if so, by how much, Poles' pro-entrepreneurial intentions have increased will be shown in the subsequent editions of the survey.

1.3. Level of entrepreneurial activity

According to the GEM approach[18], the measure of a country's level of entrepreneurship is the share of its adult population involved in organising or running business ventures at different stages of development, which means that the entrepreneurial process starts even before a company is formally established.

17 See Chapter 1.4. Motivation for starting a business.

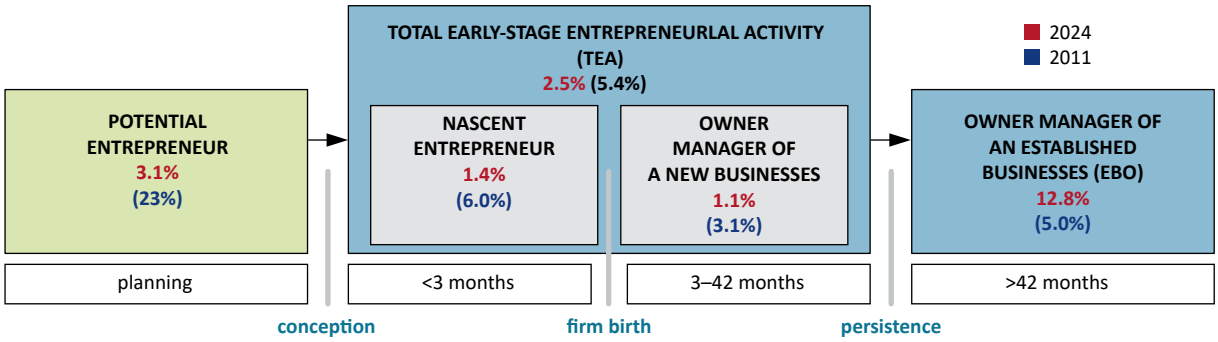
18 See Methodological Annex.

Nascent and established entrepreneurs

In 2024, almost 3% of Poles aged 18–64 were owners of young enterprises (operating in the market for less than 3.5 years[19]), and 13% were running enterprises which GEM considers established (present in the market for more than 3.5 years). At the same time, 1.4% were at the stage of organising a business (nascents – up to 3 months on the market) and 1.1% were running new businesses (operating between 3 and 42 months). Converted to the number of adults[20], this amounts to approximately 548,000 people running young enterprises and 2.8 million running established enterprises. However, it is worth bearing in mind that among the 548,000 owners of young enterprises, almost 307,000 own nascent enterprises (those in the market for up to 3 months), and that one person can run more than one business with different periods of market presence.

Since 2017, there has been a predominance of established enterprises over young ones, with **five entrepreneurs currently running established enterprises for every young enterprise owner**. In contrast, the opposite trend prevailed in earlier years (Figure 1.7). In 2023, the ratio was 4:1, and in the weakest year, 2022, it was 6:1. By comparison, in early 2011, there were two people running young enterprises for every owner of an established enterprise.

Scheme 1.1. The GEM entrepreneurial process model in Poland, with indicators for 2024 vs. 2011 regarding the shares of people planning to start a business or running it for a certain period in the population of people aged 16-64



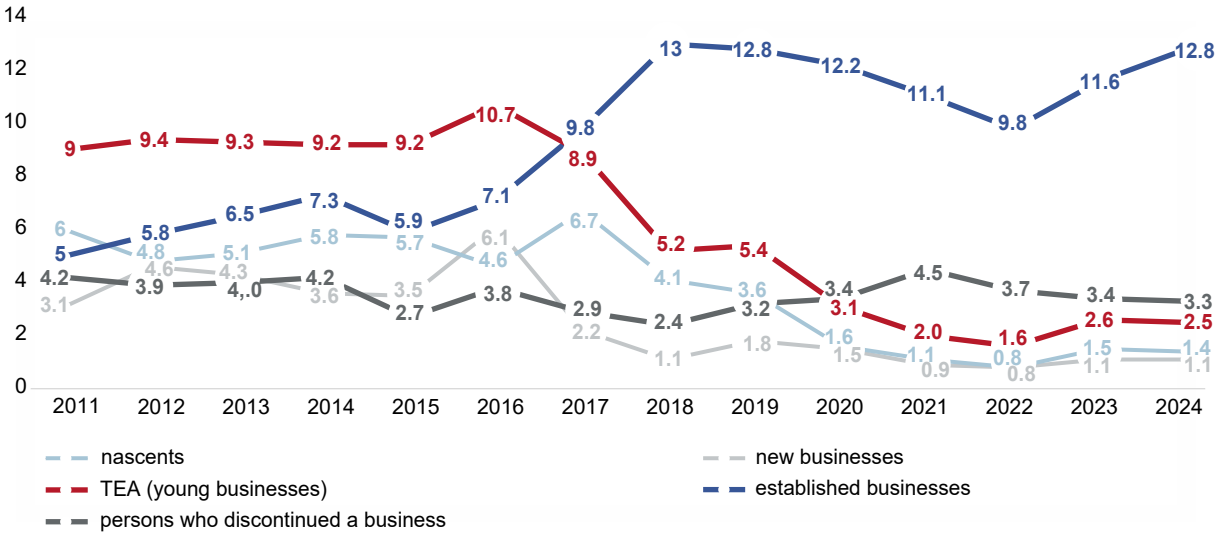
Source: N. Bosma, D. Kelley, Global Entrepreneurship Monitor 2018/2019 Global Report, GERA 2019, p. 16.

[19] The length of time in the market is measured in GEM by the respondents' declared time to realise payments from their business.

[20] The number of adults aged 18–59/64, as of 30 June 2024 – 21,909 thousand, source: *Population. Size and structure and vital statistics in Poland by territorial division in 2024. As of 30 June*., Statistics Poland, 2024.

Over the past 14 years, the percentage of adult Poles running young enterprises has declined more than threefold, from 9.1% to 2.5%, while the share of those running established enterprises has more than doubled, from 5% to 12.8%. Compared to the previous edition, the share of established enterprises increased again in 2024, reaching the pre-pandemic levels of 2019. The situation is different for early-stage entrepreneurship, which remained at a similar, but slightly lower level than in 2023.

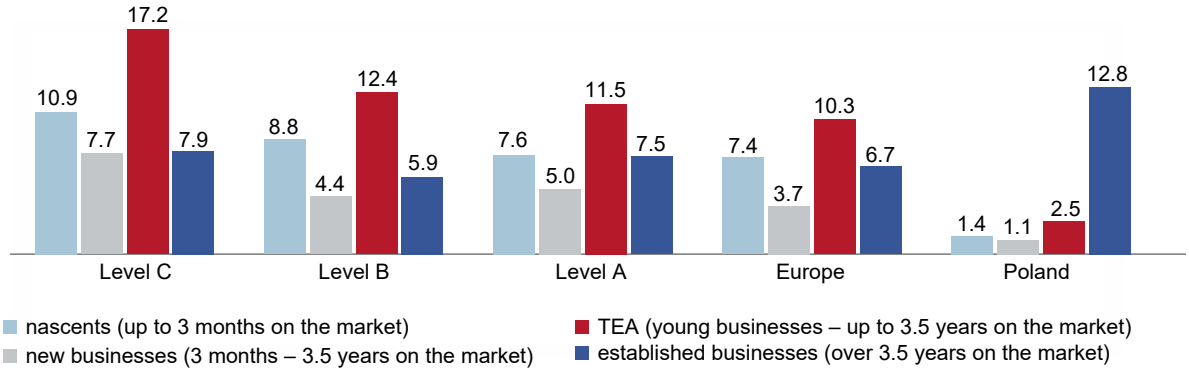
Figure 1.7. Entrepreneurial activity in Poland from 2011 to 2024 (% of people aged 18–64)



Source: own study based on GEM data.

In Europe and other reference country groups, young enterprises tend to outnumber established ones. There are also more people setting up businesses than those running them for a short time (between 3 and 42 months), with the latest data confirming this observation. Moreover, in all country groups except the wealthiest (Level A), there are on average more than twice as many young enterprises as established ones (Figure 1.8). **With 2.5% of its population running young enterprises in 2024, Poland ranks last among the 51 countries surveyed by GEM**, with the countries immediately preceding it showing scores twice as high: Romania (5.0%), Egypt (5.2%), Costa Rica (5.2%), and China (5.4%). The number of young enterprises is largest in Ecuador (34%), Chile (27%), and Saudi Arabia (26%). **On the other hand, Poland fares much better in terms of the level of established enterprises as the indicator of 12.8% of people running businesses for more than 3.5 years ranks it 6th in the global ranking**, which is led by Korea (22.3%) and Saudi Arabia (19.4%), with Venezuela (1.8%), Costa Rica (2%) and Kazakhstan (2.6%) at the bottom of the table.

Figure 1.8. Level of entrepreneurial activity in Poland compared to the average for Europe and groups of countries by income level in 2024 (% of people aged 18–64)



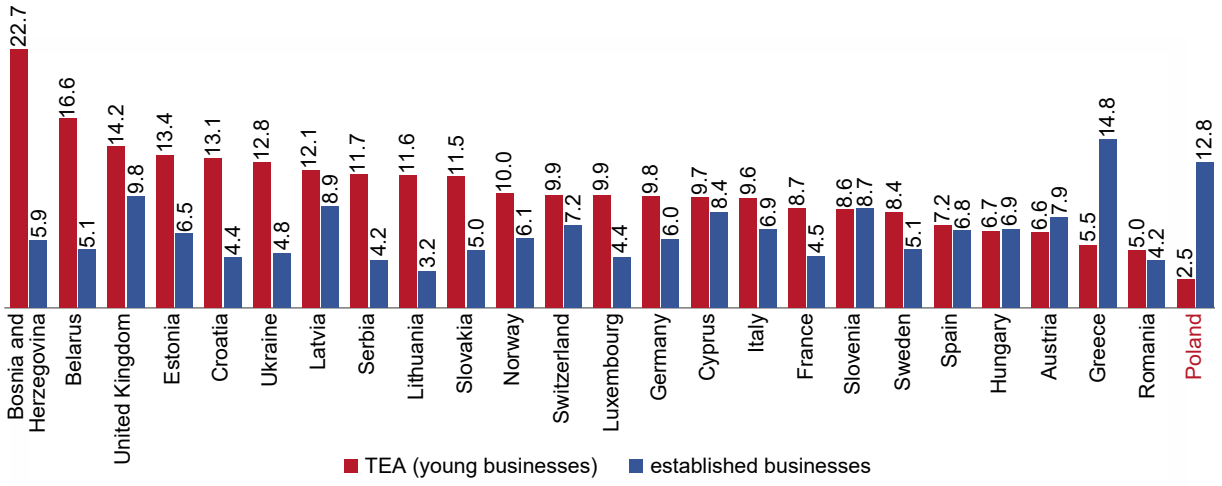
Source: own study based on GEM data.

Of the 25 European countries, only Poland and Greece have significantly more people running established enterprises than young ones. In two countries – Slovenia and Hungary – the shares of young and established enterprises are similar, while in the remaining 21, those running young enterprises outnumber those running established enterprises (Figure 1.9).

An analysis of the entrepreneurial activity of the residents of the 20 European countries surveyed in 2023 and 2024 shows an increase in this activity in 19 countries, while at the same time, nine (Croatia, Estonia, Spain, Luxembourg, Germany, Romania, Slovakia, Slovenia, and the UK) increased the share of people running both young and established enterprises. In the remaining ten, the increase was related to one of the indicators[21].

[21] An increase in the proportion of people running young enterprises was recorded in Norway, Italy, Cyprus, Lithuania and Latvia, and established enterprises in Greece, Poland, Sweden, Switzerland and Hungary.

Figure 1.9. Level of entrepreneurial activity in Europe in 2024 – individuals running young and established businesses (% of people aged 18–64)



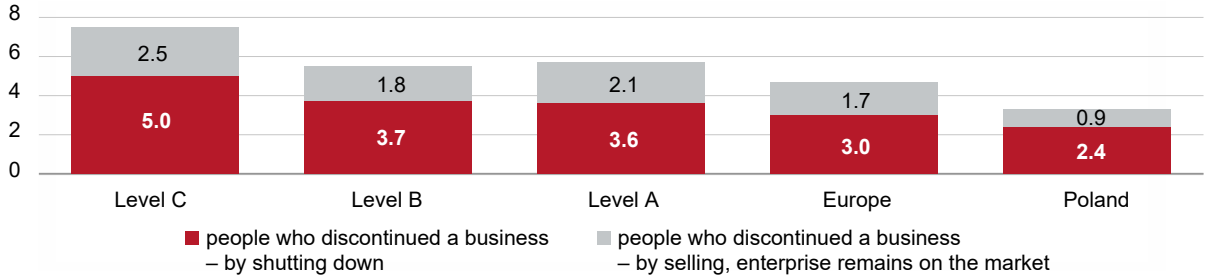
Source: own study based on GEM data.

Discontinuation of business activity and its reasons

Besides tracking the start-up of business activity, another important aspect of the research conducted within the GEM framework is the analysis of business discontinuation and the reasons behind this phenomenon.

In 2024, the share of people discontinuing business activity was lower in Poland than in all three reference country groups, as well as in Europe as a whole. Specifically, 3.3% of people withdrew from business in Poland in the 12 months preceding the survey, compared to an average of 4.7% for European countries**.** In Poland and Europe (as well as in the other country groups), withdrawing from business is more likely to be associated with liquidating a company than with staying in business. However, the ratio of people who discontinued running their business but left the company operating, to those who closed their businesses, is less favourable. For every person leaving their business on the market, there are nearly 3 who shut down their enterprises, compared to 1 to 2 for Europe and the other country groups.

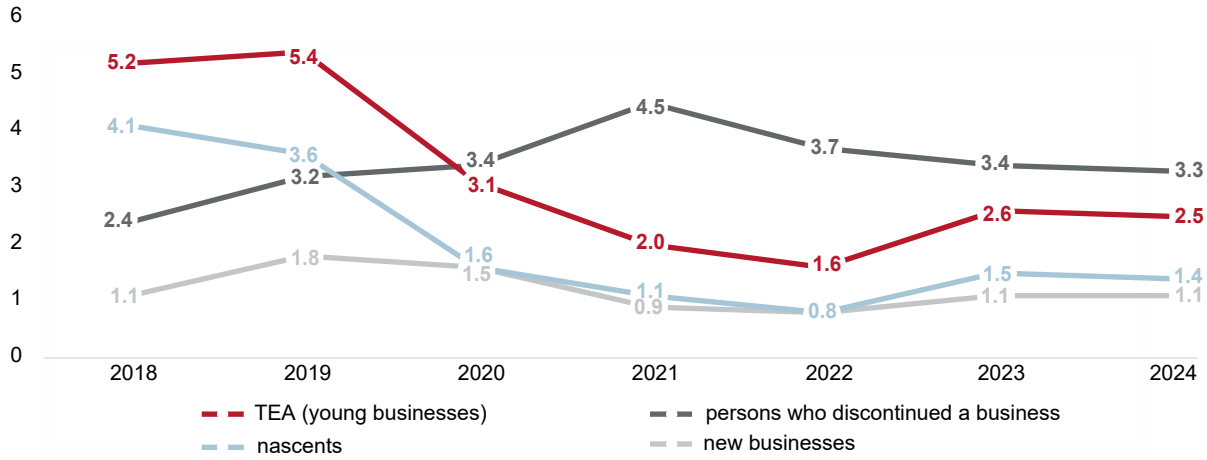
Figure 1.10. Discontinuation of business activity in Poland compared to the European average and groups of countries by income level – people who declared in the 2024 survey that they had discontinued a business in the past 12 months (% of people aged 18–64)



Source: own study based on GEM data.

In recent years, the percentage of individuals exiting from business has decreased, from 4.5% in 2021 to 3.3% in 2024, while the level of nascent entrepreneurship has increased, from 1.6% in 2022 to 2.5% in 2024. This means that the level of business exits when a company is liquidated (2.4%) has virtually equalled the level of Total Early-Stage Entrepreneurial Activity – TEA (2.5%). Instead, exits from the business when the company remains in the market (0.9% in 2024 and 2023, 1% in 2022) may increase the result concerning people running established enterprises, leading to a rise in this indicator from 9.8% in 2022 to 12.8% in 2024 (Figure 1.7).

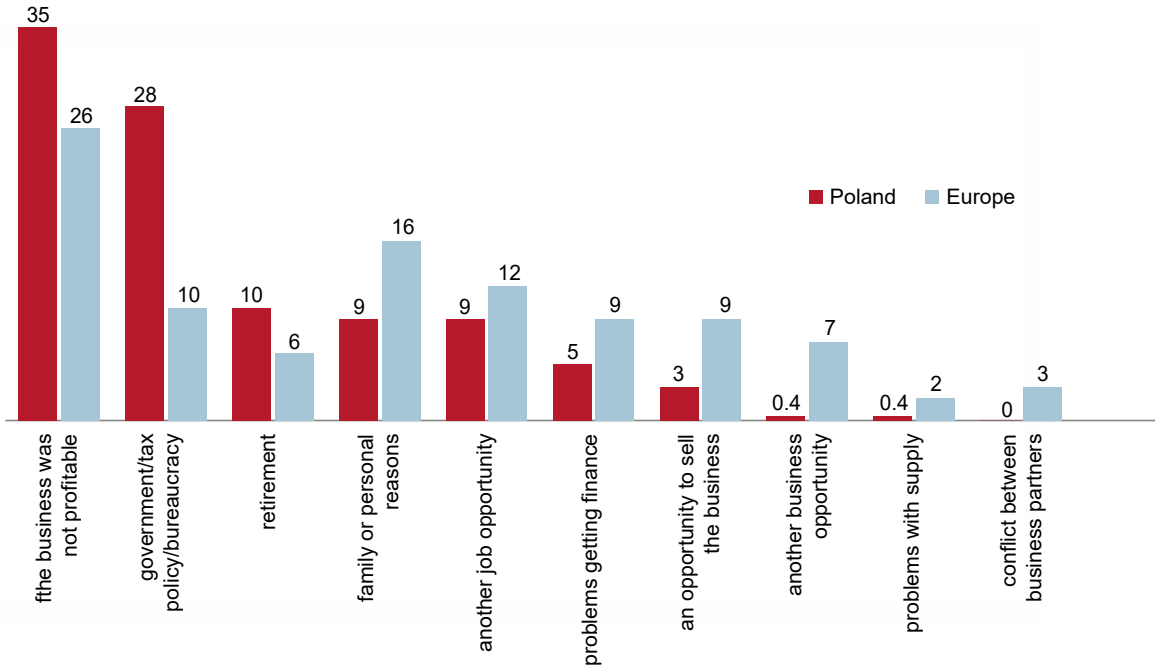
Figure 1.11. Discontinuation of business activity in Poland from 2018 to 2024 (% of people aged 18–64)



Source: own study based on GEM data.

Entrepreneurs leave their businesses for various reasons. **In Poland, the most common reasons are the lack of business profitability (35.1%, compared to 25.8% on average in Europe), government policies, taxes, and bureaucracy (27.9%, compared to 10.2% in Europe), and retirement (10.2%, compared to 6.1% in Europe).** Less frequently indicated reasons in Poland include the opportunity to sell the business (2.6%, compared to 8.9% in Europe), difficulties in obtaining financing (5.3%, compared to 9%), switching to another job or business opportunity (8.7%, compared to 12.1%), family and other personal reasons (9.4%, compared to 16%), other business opportunities (0.4%, compared to 7.2%), supply problems (0.4%, compared to 2.3%), and conflicts between business partners (0%, compared to 2.5%). **Considering the overall higher rate of business discontinuation in Europe (4.7%) compared to Poland (3.3%), it should be noted that the only motive cited more frequently in Poland than in Europe is government policy/taxes/bureaucracy.** Particularly worrying in this respect is the very low level of opportunities to sell the company and resign because of another business opportunity. One reason for optimism is the virtually non-existent rate of business discontinuation in Poland due to supply problems.

Figure 1.12. Reasons for discontinuing business activity in Poland compared to the European average in 2024 (% of people leaving business)



Source: own study based on GEM data.

The lack of business profitability and unfavourable government policies, including tax and bureaucratic issues, are the main reasons for discontinuing business activity cited by former entrepreneurs in Poland, with their significance steadily increasing since at least 2022. In 2024 alone, twice as many respondents mentioned profitability problems compared to the previous survey edition, while the impact of political, regulatory, and fiscal factors was 2.5 times higher.

Table 1.2. Reasons for discontinuing business in Poland (2019–2024)
(% of those who discontinued business in the 12 months preceding the survey)

Year	Opportunity to sell the business	Non-profitability of the business	Problems with obtaining financing	Other work or business opportunities	Retirement	Family-related or personal reasons	Government policy/ taxes/bureaucracy	Problems with supply	Conflict between (business) partners
2019	5.6	21.1	9.6	10.0	6.8	13.6	13.2	b/d	b/d
2020	0.8	9.9	4.5	8.8	6.3	4.6	5.7	b/d	b/d
2021	1.7	4.7	2.0	6.4	14.9	11.2	2.8	b/d	b/d
2022	0.4	3.3	2.0	7.8	11.4	7.9	5.0	b/d	b/d
2023	1.8	17.9	5.9	7.3	11.7	8.1	10.6	0.4	b/d
2024	2.6	35.1	5.3	8.7	10.2	9.4	27.9	0.4	0.0

Source: own study based on GEM data.

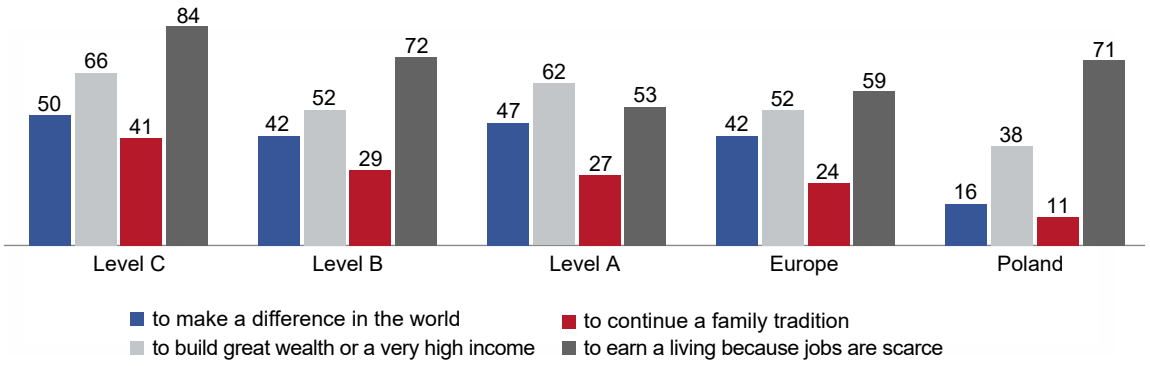
1.4. Motivation for starting a business

Entrepreneurs differ in their motivations for starting a business. GEM distinguishes four motivations: the desire to make a difference in the world, the desire to earn a high income and become wealthy, the desire to continue a family tradition, and the desire to secure a livelihood in a situation of scarcity of opportunities in the labour market. Respondents may select more than one motivation from the options provided when answering.

In Poland, starting a business to change the world is relatively uncommon compared to other countries (16% vs. an average of 42% for European countries). Another uncommon motivation is the desire to continue a family tradition (11% vs. 24%), which suggests a lack of altruistic motivations and an unwillingness to emulate role models from older generations

in starting a business. The second may be caused by the gap in running private businesses during the period of the Polish People's Republic (PRL), which may also partly explain the first. Running a business is still viewed as a means to provide economic security for oneself and one's family, rather than as an activity that leads to self-fulfilment and a better world. **The desire to earn a high income and become wealthy is also less frequent in Poland than in other European countries (Poland – 38%, Europe – 52%). On the contrary the desire to secure a livelihood in the face of scarcity of offers on the labour market (Poland – 71%, Europe – 59%) is much more common.** These results indicate that Poles are primarily interested in setting up a business as a source of livelihood rather than a means of generating high income, which, to a certain extent, reflects lower economic aspirations.

Figure 1.13. Motivations for starting a business in Poland compared to the European average and groups of countries by income level in 2024 (% young entrepreneurs – Total Early-Stage Entrepreneurial Activity (TEA))

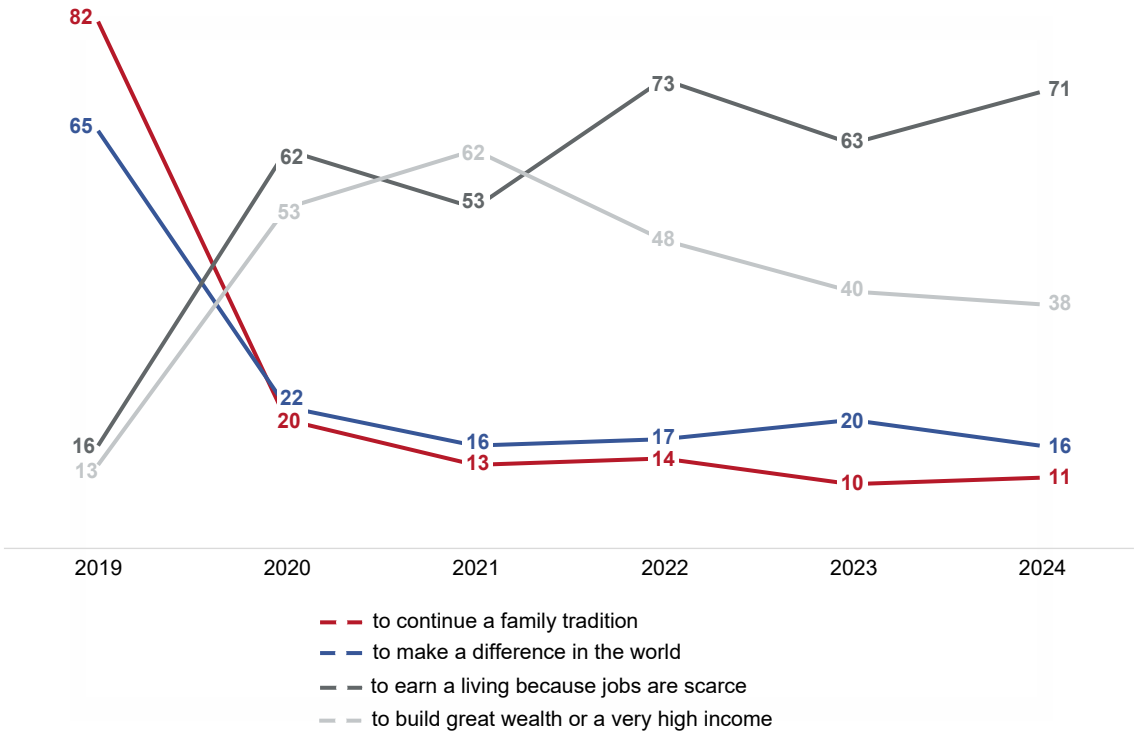


Source: own study based on GEM data.

The year 2020 was pivotal in changing Poles' motivations for starting a business, which is closely linked to the COVID-19 pandemic. The desire to change the world and the desire to continue family traditions declined significantly, while the desire to get rich and the desire to make a living increased markedly. Since 2022, the latter two motivations, which had previously been at similar levels, have started to diverge. **Owners of young enterprises are increasingly less likely to cite the desire to get rich and more likely to point to the desire to secure their livelihood in the face of the scarcity of job opportunities.** What is particularly noteworthy is the contrast between this latest result and Poland's low unemployment rate. A psychological factor may be decisive here, as Poles, who are generally characterised by a high degree of uncertainty avoidance, may fear a potential future crisis in the labour

market and perceive setting up a business as a pre-emptive and preventive measure. This may also be a factor that reinforces hybrid entrepreneurship – that is, running one's own business alongside full-time employment, or spouses diversifying their sources of income, which helps diversify and mitigate risk.

Figure 1.14. Changes in motivations for starting a business in Europe between 2019 and 2024 (% Total Early-Stage Entrepreneurial Activity – TEA)



Source: own study based on GEM data.

The motivations of young enterprise owners in European countries vary significantly. Hungary (69%), Luxembourg (58%), and the UK (57%) have the highest number of entities founded as a result of **the desire to change the world**, while in Poland (17%), Serbia (23%), and France (25%), the number of such entities is lowest. **The desire to become wealthy** is predominant in Cyprus (88%) and Belarus (76%), and least common in Norway (37%) and Poland (38%). In comparison, **the desire to continue a family tradition** is the most common motivation in Bosnia and Herzegovina (39%) and Italy (35%), but least common in Poland and Hungary (11% each). **The desire to secure one's livelihood** is predominant in Romania (84%) and Bosnia and Herzegovina (78%), and least common in Norway (32%). It should also be

mentioned that, except to some extent in Serbia, in no country is the incentive structure as unfavourable as in Poland.

Table 1.3. Motivations for starting and running a business in Europe in 2024 (% Total Early-Stage Entrepreneurial Activity – TEA)*

Country	To make a difference in the world	To build wealth or earn a high income	To continue a family tradition	To earn a living because jobs are scarce
Austria	38.0	43.9	22.2	53.6
Belarus	36.1	76.4	20.8	53.3
Bosnia and Herzegovina	44.3	41.3	39.1	77.7
Croatia	28.6	61.3	24.4	66.2
Cyprus	47.5	87.8	21.1	57.1
Estonia	34.6	39.9	16.5	54.0
France	24.9	43.4	25.8	53.4
Germany	45.3	64.4	26.3	52.5
Greece	32.7	53.1	31.8	75.3
Hungary	68.6	38.9	11.4	51.1
Italy	36.7	58.5	34.6	59.1
Latvia	33.5	45.5	30.1	56.9
Lithuania	48.0	57.0	32.3	71.0
Luxembourg	57.9	51.8	21.6	37.9
Norway	39.9	36.5	22.6	31.9
Poland	**16.4**	**38.3**	**11.2**	**71.4**
Romania	55.4	55.0	30.7	84.2
Serbia	23.3	47.5	22.6	76.8
Slovakia	38.7	39.1	31.6	71.6
Slovenia	49.9	51.4	22.3	51.1
Spain	40.1	39.0	18.0	52.4
Sweden	46.1	56.3	25.0	32.5
Switzerland	52.3	39.4	15.6	44.0
Ukraine	44.5	58.8	25.0	73.8
United Kingdom	56.6	65.3	27.2	65.3

*The responses do not add up to 100%; each motivation was rated on a five-point scale.
Source: own study based on GEM data.

1.5. Male and female entrepreneurship

In 2024 in Poland, 2 out of 100 women and almost 3 out of 100 men were running young enterprises (on the market for up to 3.5 years), while the number of female and male owners of established enterprises was significantly higher, at 12 and 13 out of 100, respectively. As can be seen, irrespective of gender, established enterprises are predominant, with their share even increasing compared to 2023. In contrast, those running young enterprises saw a slight decline in their share in each group.

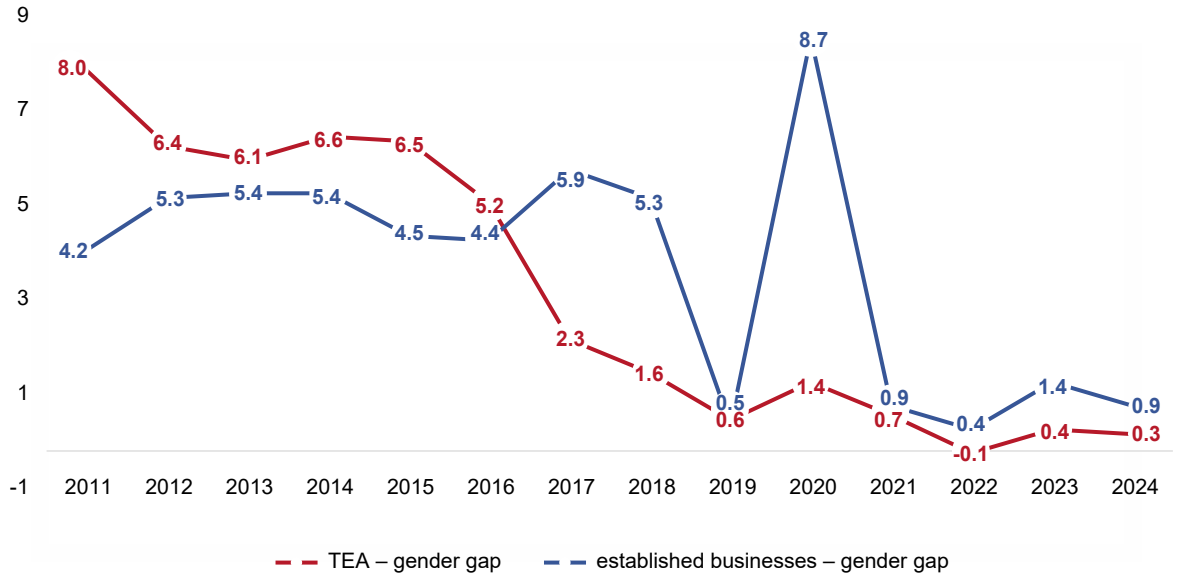
Table 1.4. Level of entrepreneurial activity among women and men in Poland between 2011 and 2024 (% of those running young/established enterprises among women/men aged 18–64)

Share of individuals running young and established businesses	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Young enterprises (TEA) – women	5.1	6.2	6.2	5.9	6.0	8.1	7.7	4.5	5.1	2.4	1.7	1.6	2.4	2.3
– men	13.1	12.6	12.3	12.5	12.5	13.3	10.0	6.0	5.7	3.8	2.4	1.5	2.8	2.6
Established businesses – women	2.9	3.2	3.8	4.6	3.7	4.9	6.8	10.4	12.5	7.9	10.6	9.6	10.9	12.4
– men	7.1	8.5	9.2	10.0	8.2	9.3	12.7	15.7	13.0	16.6	11.5	10	12.4	13.3

Source: own study based on GEM data.

Currently, like in 2023, there is a slight gender gap in favour of men among young enterprise owners, while two editions earlier, in 2022, the majority of young enterprise owners were women. The situation is similar among owners of established enterprises. Although the gender gap has historically favoured men in this group, it nearly closed in 2022, only to widen again in 2023, before narrowing slightly in 2024, and is currently less than one percentage point.

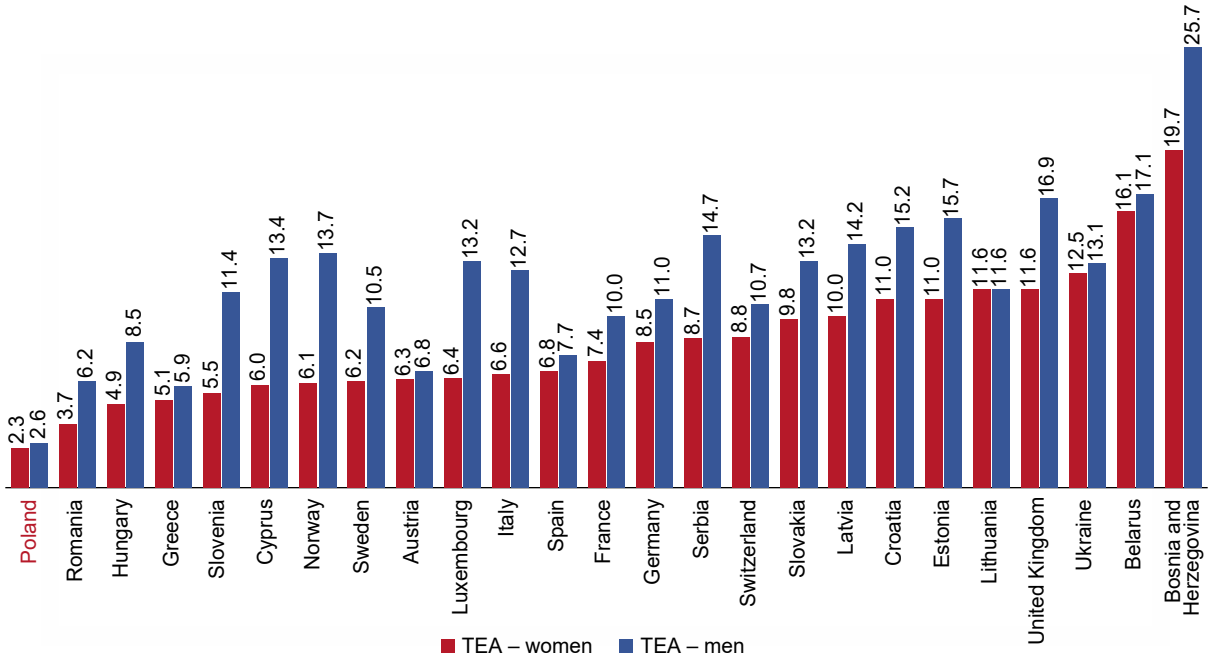
Figure 1.15. The absolute gender gap among young and established enterprise owners in Poland from 2011 to 2024 (p.p.)



Source: own study based on GEM data.

Considering the European countries participating in the survey, the highest absolute gender gap among young enterprise owners is found in Norway (7.6 p.p.), Cyprus (7.3 p.p.), and Luxembourg (6.8 p.p.) where twice as many men as women own young enterprises. Among non-European countries, a significantly higher gender gap is observed in Armenia (9.1 p.p.), but due to the generally higher level of early-stage entrepreneurship in this country, men are 70% more likely to start and run young enterprises. At the other end of the spectrum are countries where the majority of young enterprise owners are women. In 2024, there were three such countries: Thailand, the United Arab Emirates, and Mexico. In Thailand, this phenomenon has been observed for a long time, primarily due to the prevalent family model. For some time, it has also been occurring in Mexico and Arab countries.

Figure 1.16. Proportion of people running **young enterprises** in Europe in 2024 by gender (% of women/men aged 18–64)

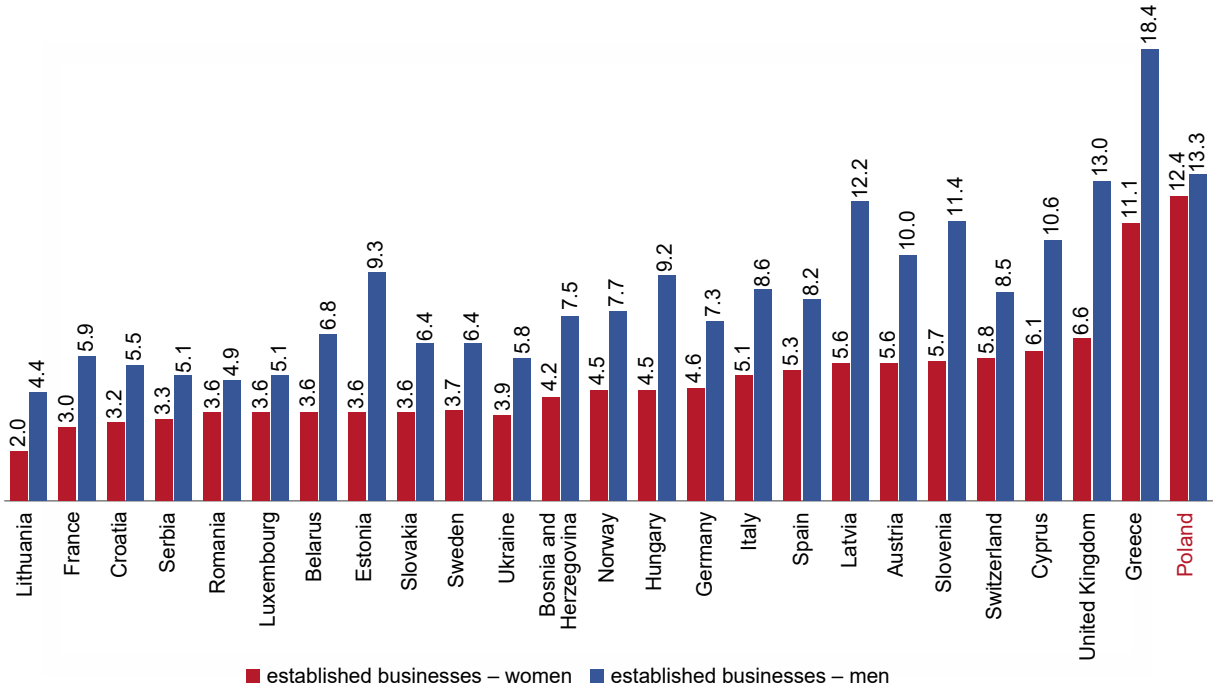


Source: own study based on GEM data.

The gender gap among established enterprise owners differs slightly globally, with a typical phenomenon being the widening of the gender gap in Arab countries. Gender balance at the stage of establishing and developing a business does not translate into a similar balance among established enterprises. However, such a balance is observed in Thailand, where women outnumber men even among business owners whose enterprises have been established for more than 3.5 years. In contrast, the largest disparity in favour of men is found in absolute terms in Guatemala, Saudi Arabia, and South Korea (8.8 p.p., 8.0 p.p., and 7.4 p.p., respectively), and in relative terms in Egypt, where ten times more men than women run established enterprises.

When it comes to Europe, in all countries the share of women running established enterprises is lower than that of male owners, with the only country where these shares are similar being Poland (where the gap is only 0.9 p.p.). There is also a slight advantage for male entrepreneurs over female entrepreneurs in Romania and Luxembourg (the gap is just over 1 p. p.). By contrast, in Greece, Latvia, and the UK, the gender gap among established enterprises is the largest, with significantly fewer female entrepreneurs than male entrepreneurs (by 7.1 p.p., 6.6 p.p., and 6.4 p.p., respectively).

Figure 1.17. Proportion of people running **established enterprises** in Europe in 2024 by gender (% of women/men aged 18–64)

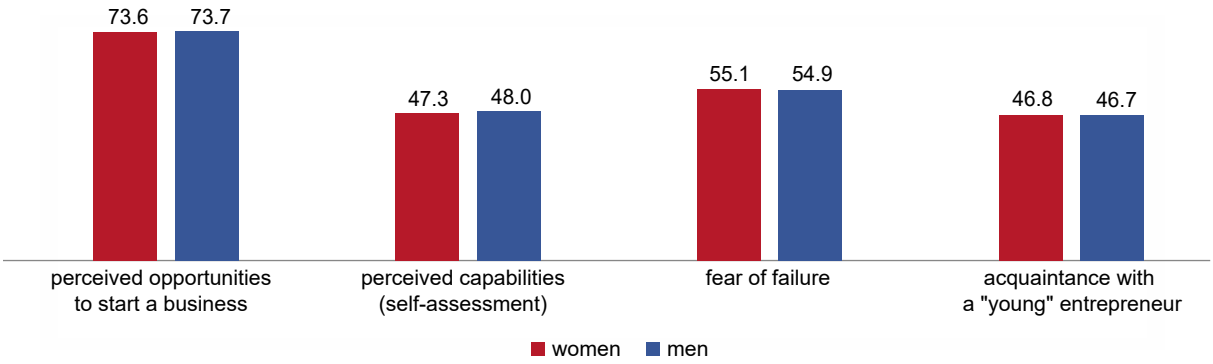


Source: own study based on GEM data.

Women's and men's attitudes towards entrepreneurship

The small gender gap in Poland – both in terms of young enterprise owners and established enterprise owners – can also be seen in the almost identical scores of women and men in terms of perceived business opportunities, assessment of one's entrepreneurial ability, fear of potential failure, or knowing an entrepreneur who started a business in the last two years. In all of these attitudes, the difference between women and men in Poland is less than one percentage point and falls within the margin of statistical bias.

Figure 1.18. Attitudes of Polish women and men towards entrepreneurship (% of persons aged 18–64)[22]



Source: own study based on GEM data.

Compared to 2023, in the last year with an equally good rating of the conditions for running a business, the belief of Polish women that they have sufficient skills and experience to run a business increased (by 2.1 p.p.). There was also a favourable change in terms of the impact of fear of failure as a deterrent to setting up businesses (down by 2.2 p.p.). For men, there was a slight decrease in the assessment of one's entrepreneurial ability (by 2.9 p.p.), with the other indicators remaining unchanged compared to the previous survey.

When analysing data for European countries, we can see that in 2024, as in the previous year, **significantly more Polish women and men than the European average positively assessed the conditions for starting a business (roughly 3 out of 4 Poles vs. around 1 out of 2 Europeans)**[23], despite an equal share (in the case of women) or a lower share (in the case of men) of people believing they have the necessary knowledge, skills, competencies

[22] In this chapter, the value of the 'fear of failure' indicator, an expression of fear of taking the risk of failure to succeed, refers to the entire population of men and women aged 18–64, and not – as in Chapter 1.2. – to people aged 18–64 who see opportunities to start a business in their environment.

[23] Compared to other European countries participating in this year's project, Poland stands out as the most optimistic regarding the perception of business opportunities in the environment. At the other end of the spectrum is Spain, where only 33% of men and 26% of women see such an opportunity. Additionally, it is worth noting that in 2024, only in Belarus and Latvia was the share of women perceiving business opportunities in their environment higher than that of men (with the difference not exceeding 2 p.p.). In Greece, Poland and Slovakia, women and men did not differ in their assessments of their surroundings. In the remaining countries, it was men who spotted business opportunities slightly more frequently.

or experience to run a business[24]. Polish women and men, on average, felt a greater fear of failure than Europeans, which hindered their decision to start a business, with the difference being greater for men (7 p.p.) than for women (1 p.p.)[25].

Table 1.5. Entrepreneurial attitudes of women and men in Poland versus the average for Europe and groups of countries by income level in 2024 (% of women and men aged 18–64)

Attitude	Level C	Level B	Level A	Europe	Poland
Perceived opportunities to start a business – women	61	54	50	**46**	**74**
– men	61	55	55	**50**	**74**
Perceived capabilities (self-assessment) – women	65	56	47	**47**	**47**
– men	74	65	61	**59**	**48**
Fear of failure – women	54	49	51	**54**	**55**
– men	49	45	46	**47**	**54**

Source: own study based on GEM data.

Men's and women's motivations to start a business

The reasons for starting a business are similar among women and men in Poland, with noticeable differences in motivations primarily due to the country's overall small gender gap. Men slightly more frequently start a business out of the desire to make a difference in the world and provide for themselves and their families in the face of a scarcity of job opportunities. In contrast, women are slightly more likely to start a business to become wealthy and earn a high income, as well as to continue a family tradition.

[24] Noteworthy among the European countries analysed is Croatia, where 67% of women and 81% of men believe they have entrepreneurial abilities. In all European countries, the share of men who see their entrepreneurial potential is higher than the share of women, with a difference of no more than 10 p.p. in nine countries out of 25, and a difference of 20–21 p.p. in three (Sweden, Germany and Norway).

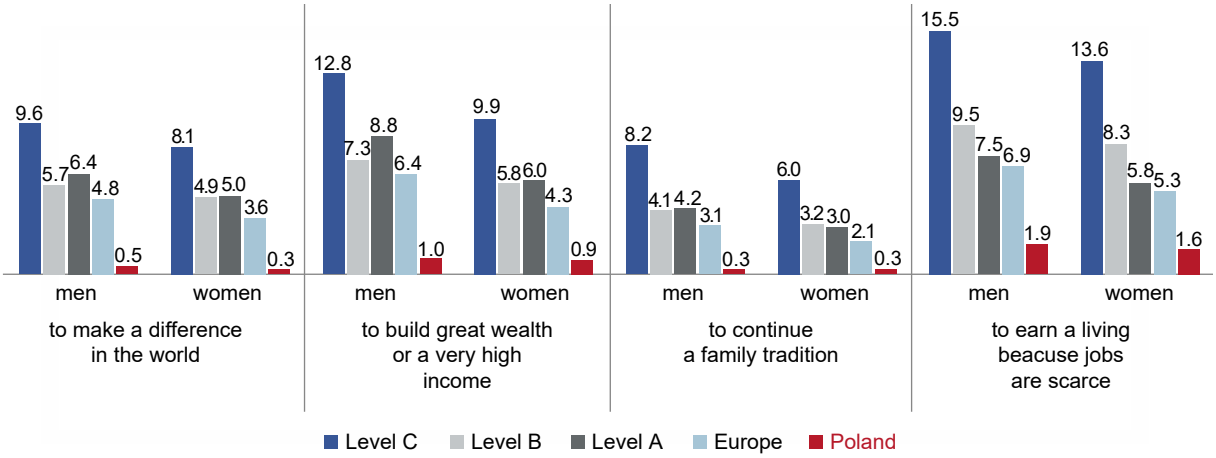
[25] The European countries with the lowest shares of people declaring they would not start a business due to fear of failure are Slovakia and Norway (with percentages among men at 36% and 39%, respectively, and among women at 46% and 40%). In all European countries – except Poland, Greece and Norway, where women and men feel the fear of failure equally often, the share of women with entrepreneurial fears is higher than the share of men.

Figure 1.19. Motivations of women and men to set up a business in Poland
(% Total Early-Stage Entrepreneurial Activity – TEA)

Source: own study based on GEM data.

The most common reasons for starting a business, as indicated by women and men in 2024, regardless of their place of residence, were the need to secure a livelihood due to a lack of job offers and the desire to become wealthy. At the same time, indications of these reasons are highest among the least wealthy countries (Level C) and among men. The altruistic factor (the desire to change the world) or the desire to continue family traditions were indicated less frequently. The structure of motivation demonstrated by Polish women and men does not deviate from this pattern, while the indications for the individual reasons that led them to establish a business are similar.

Figure 1.20. Motivations of women and men to start a business in Poland compared to the European average and groups of countries by income level in 2024
(% of women/men aged 18–64)

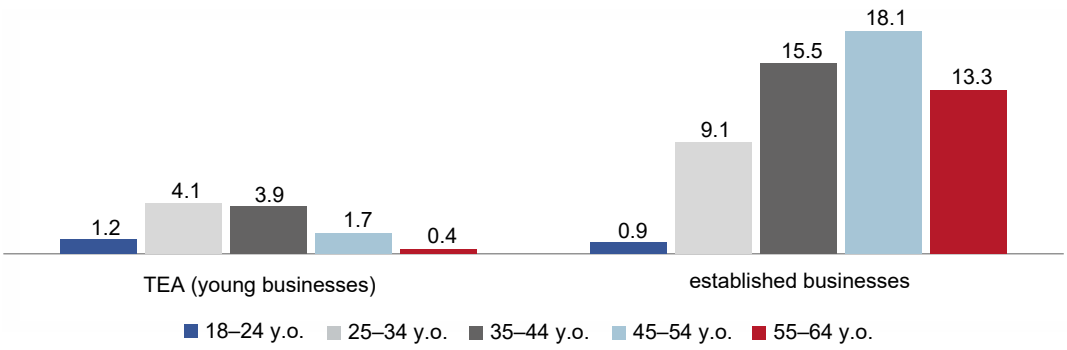


Source: own study based on GEM data.

1.6. Entrepreneurship in age groups

Poland is once again experiencing an unfavourable situation in terms of nascent entrepreneurship among people over a certain age. **The highest proportion of young enterprise owners is found among those aged 25–34 (4.1%) and 35–44 y.o. (3.9%)**, while among people aged 45–54 the percentage drops to 1.7% and in the 55–64 age group it is 0.4%. **For established enterprises**, the situation is somewhat different, **as they are most often owned by people between the ages of 45 and 54** (18.1% of these individuals are established enterprise owners), and less frequently by those aged 35–45 (15.5%) and 55–64 (13.3%). Relatively, the fewest owners of established enterprises are found in the younger age groups: 25–34 (9.1%) and 18–25 (0.9%). **It therefore appears that the low entrepreneurial activity of people over the age of 45 in Poland is one of the barriers to entrepreneurial development.** Although many people over the age of 45 are already running businesses, it is worth considering activation activities targeting this age group, which can even be aimed at those already running a business and capable of running another one. Such persons are highly valuable due to their experience and skills.

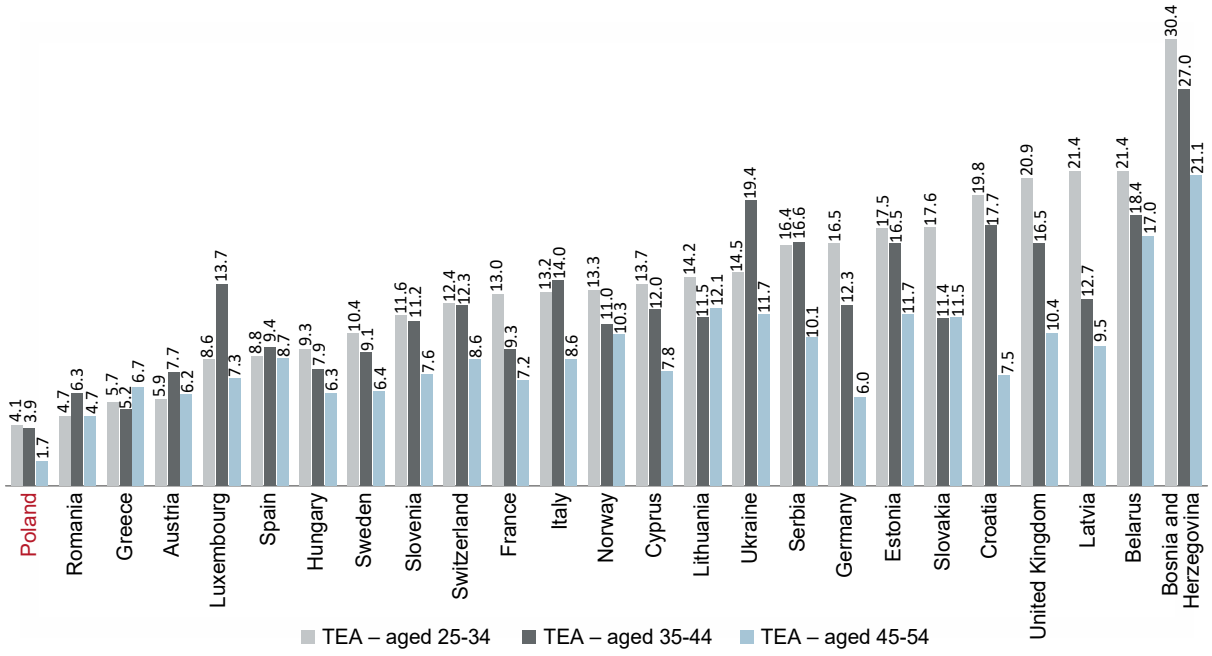
Figure 1.21. Entrepreneurship in Poland by age group in 2024 (% of people aged 18–64)



Source: own study based on GEM data.

The decline in entrepreneurship after the age of 45 is a widespread phenomenon, but rarely reaches such proportions as in Poland. The level of nascent entrepreneurship (i.e. the share of people running young enterprises) in Poland in all age groups is the lowest in Europe. Still, while in the 25–34 age group there is little difference between Poland and the other countries with the lowest scores (Poland – 4.1%, Romania – 4.7%, Greece – 5.7%, Austria – 5.9%), in the 45–54 age group, Poles achieve a result almost three times lower than the next country (Poland – 1.7%, Romania 4.7%).

Figure 1.22. Young entrepreneurship (TEA) by age group in European countries (% of people aged 18–64)



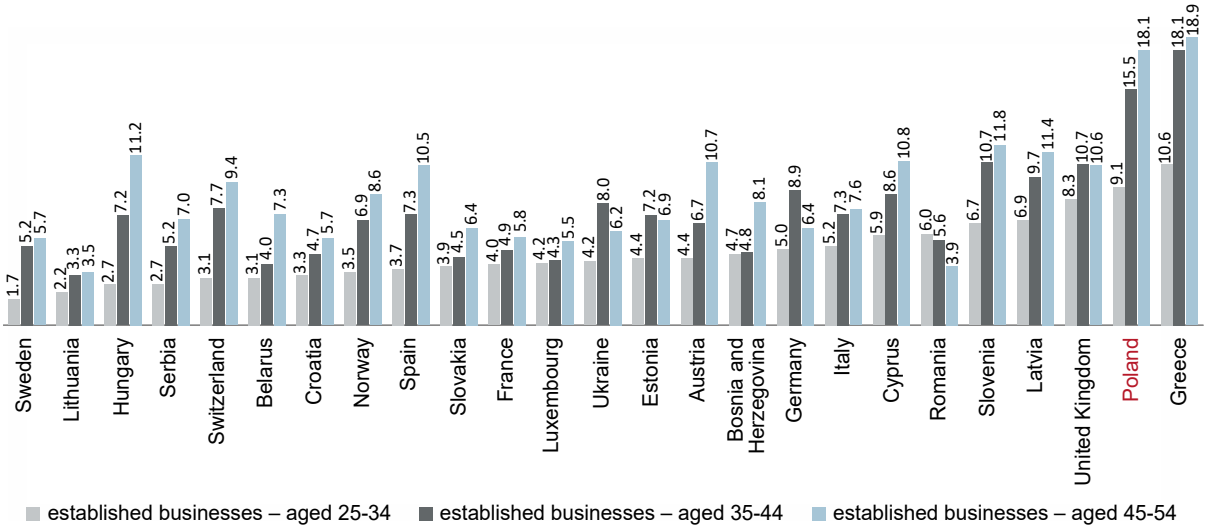
Source: own study based on GEM data.

It is also worth noting the very low rate of nascent entrepreneurship among the youngest Poles (aged 18–25 – 1.2%), which is not a universally occurring phenomenon. Other European countries with similarly low rates of young enterprises (TEA) among the youngest adults are Hungary (4.7%), Spain (5.6%), Switzerland (5.9%), and Greece (6.3%). However, even in Hungary, this rate is four times higher than in Poland. In contrast, there are countries where the youngest adults are the most entrepreneurial of all age groups, including Luxembourg, Romania, Slovenia, Sweden, and the UK. Poland, therefore, also has a lot of catching up to do in this respect. In this case, a lot may depend on entrepreneurship education. An analysis of the core curriculum for the subject 'Business and Management' taught in secondary schools, which replaced the former subject 'Fundamentals of Entrepreneurship', reveals that content related to entrepreneurship remains underdeveloped.

Conversely, Poland is one of the countries where the level of ownership of established enterprises is among the highest in Europe, across nearly all age groups. For residents aged 25–54, only Greece records higher results, and both Greece and Cyprus for residents

aged 55–64. However, the youngest Poles lag behind the residents of other countries in this respect, with only one in 100 Poles in the youngest group owning an established enterprise. Greece (12%) and the UK (11%) have the highest scores in this respect, although it must be noted that there are countries where the youngest adults do not manage established enterprises at all (Slovenia and Hungary).

Figure 1.23. Established entrepreneurship by age group in European countries (% of adults)



Source: own study based on GEM data.

1.7. Enterprises' attitudes towards sustainability and social responsibility

Polish entrepreneurs' awareness of social and environmental responsibility is almost universal, with around 90% of company representatives declaring that they always consider the impact of their business decisions on society or the environment, regardless of the length of time the companies have been on the market[26]. While in the case of established enterprises (active on the market for at least 3.5 years), a kind of saturation can

[26] Social impact should be understood, among others, as the impact on health, safety, quality of working conditions, an open and non-exclusionary working environment, and access to education, housing or transportation, while environmental effects include the impact on preserving green spaces, reducing greenhouse and toxic gases, selective waste collection, and rational use of water, electricity and fuels.

be observed (listed percentages are virtually stable for another year in a row), some changes can be seen in the group of young enterprises (active on the market for up to 3.5 years). **Environmental issues are being considered by an even larger group of young enterprises, with a renewed increase in the proportion (from 89% in 2023 to 92% in 2024) of companies taking environmental issues into account when making decisions about their operations**[27]. For the second consecutive year, representatives of young enterprises expressed concern for environmental aspects more frequently than for social aspects (92% and 87%, respectively)[28].

Poland definitely stands out from the other participating European countries. Not only are Polish averages still significantly higher than European averages in both aspects analysed, but Poland also remains the leader[29] in terms of declarations relating to the consideration of environmental and social issues when making business decisions[30]. In no other European country did the percentage of enterprises that take these issues into account reach 90%.

Considering the classification of countries into groups based on income level, the trend observed in previous years remains unchanged – irrespective of the length of time a company has been operating in the market, it can be concluded that as the wealth of countries increases, the proportion of entrepreneurs considering the social or environmental impact of their business decreases.

The almost universal declaration regarding enterprises taking the impact of their business into account is not matched by enterprises actively taking pro-social or pro-environmental measures; declarations regarding the latter being much less common (pro-social measures: 45% of young enterprises and 77% of established enterprises; pro-environmental measures: 57% of young enterprises and 65% of established enterprises). The results observed in 2022 held out hope for increased awareness and improved activity, but neither the 2023

[27] In 2022, the percentage was 84%, and in 2021: 85%.

[28] In the group of established enterprises, the trend has consistently been the opposite since the start of the measurement (since 2021), with social impacts being considered more often than environmental impacts, although the difference has never been spectacularly large (rather at between 1 p.p. and 2 p.p.).

[29] Only among young enterprises do Slovenes score 1 p.p. higher on the topic of considering the social impact of decisions.

[30] Cyprus still scores the lowest among the European countries taking part in the survey, although there is a significant change from 2023. Currently, irrespective of aspect (environmental vs. social performance) or length of time in the market (young vs. established enterprise), Cyprus' performance is in the 41–44% range. In 2023, it was at 12–16%.

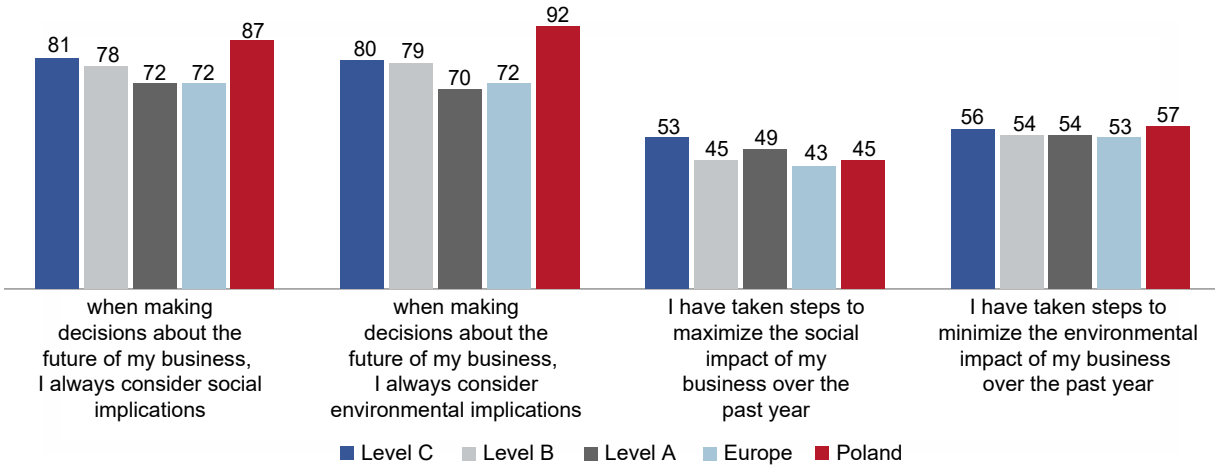
data nor the most recent (2024) data indicate a significant improvement. **In the group of entrepreneurs operating on the market for less than 3.5 years, while the proportion of declarations regarding minimisation of company's negative environmental impact has not changed significantly**[31]**, the share of young enterprises declaring they implement measures to benefit society has clearly decreased again (to 45% vs. 52% in 2023, 60% in 2022, and 58% in 2021). The opposite is true for the group of longer-established enterprises. For the third year in a row, the proportion of entrepreneurs maximising the social impact of the company is relatively stable (remaining at 76–77%), while the proportion of entrepreneurs minimising the environmental impact has fallen to 65%, a level observed in 2021**[32]. As in previous years, enterprises that have been active on the market for longer (more than 3.5 years) are more likely to focus on pro-social measures than pro-environmental measures. According to their declarations, they are also more active in both areas than younger enterprises.

When it comes to declarations that entrepreneurs undertake pro-social measures in the European countries analysed, the leaders among young enterprises are entrepreneurs from Luxembourg (56%), and as regards established enterprises, those from Poland (77%). Entrepreneurs from Bosnia and Herzegovina, the UK, and Ukraine (54–55%) are also more active in the group of enterprises operating for up to 3.5 years than in the rest of Europe, and Ukraine (66%) among those operating for longer than 3.5 years. Regarding pro-environmental measures, entrepreneurs from Ukraine and Bosnia and Herzegovina lead among enterprises operating on the market for less than 3.5 years (69% and 65% of responses, respectively). Among established enterprises, Bosnia and Herzegovina and Switzerland (76% and 73%, respectively) are the leaders.

[31] There is a y/y increase of 1 p.p.

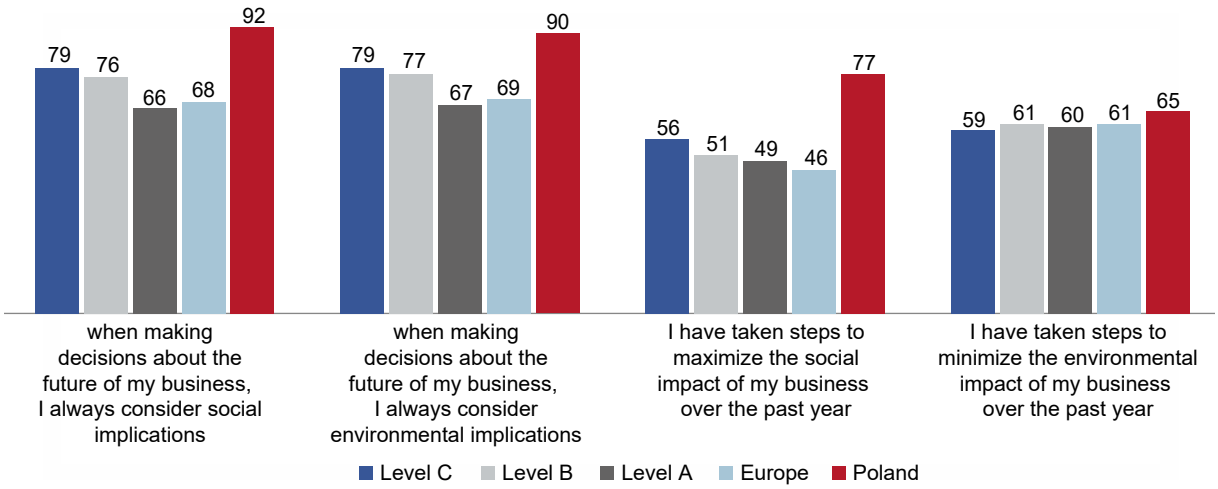
[32] After two years (2023 and 2022), a score of 70% is quoted.

Figure 1.24. Social and environmental responsibility in the actions and beliefs of people running **young businesses** in Poland compared to the European average and groups of countries by income level in 2024 (% of people running young businesses)



Source: own study based on GEM data.

Figure 1.25. Social and environmental responsibility in the actions and beliefs of people running **established businesses** in Poland compared to the European average and groups of countries by income level in 2024 (% of people running established businesses)

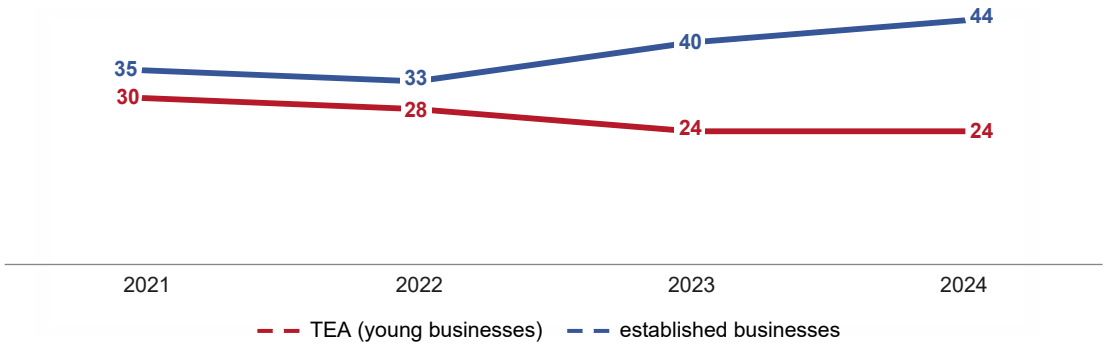


Source: own study based on GEM data.

The issue of taking social responsibility and sustainable development into account in business activities is more fundamentally reflected in the declaration regarding prioritising social or environmental impact over the profitability and growth of the company. In this case,

it is assumed that some of the profit or growth will be sacrificed for something that may be abstract and potentially beneficial only in the future. Moreover, it is not necessarily the entrepreneur themselves that will benefit, the reference is rather to the ideological model. **A declared tendency to prioritise social and/or environmental goals over business growth or profitability was observed in almost one in four young enterprises (operating for up to 3.5 years), and in 44% of established enterprises (operating for at least 3.5 years) among Polish entrepreneurs.** For young enterprises, the downward trend observed since 2021 levelled off in 2023, while among established enterprises, the share of entrepreneurs willing to sacrifice part of their own profits for the sake of social/environmental needs began to rise again, with this increase responsible for widening the gap between the two groups once again.

Figure 1.26. Willingness to prioritise the social/environmental impact of company operations in Poland over profitability and growth from 2021 to 2024 (% of young businesses and % of established businesses)



Source: own study based on GEM data.

This is the only indicator among those analysed in this subchapter for which data shows that Polish entrepreneurs perform worse than the average result for entrepreneurs from the analysed European countries[33]. **On average, more than half of entrepreneurs in Europe can include the need of acting for society and/or the environment in their business costs (for young enterprises: 54%, and for established enterprises: 51%).** Regardless of how long their companies have operated in the market, entrepreneurs from Romania and Italy

[33] Moreover, Poland ranks last in the ranking of European countries participating in the survey in the group of young enterprises. In the group of established enterprises, where Poland's score is closer to the European average, it ranks ninth from the bottom.

clearly stand out among European countries in terms of declarations regarding prioritising environmental and/or social issues over personal profit, with the percentages in these countries ranging between 74% and 79%.

When countries' division into income groups is considered, both among young and established enterprises, the average for countries representing Level C (the lowest income group) prioritising environmental/social actions over profit/growth of the company is higher by several percentage points compared to Levels A and B (Level C: 70–72%, Levels A and B: 52–59%). At the same time, in the case of established enterprises, it is clear that the lower the income, the higher the percentage of such responses (Level C: 70%, Level B: 59% and Level A: 52%).

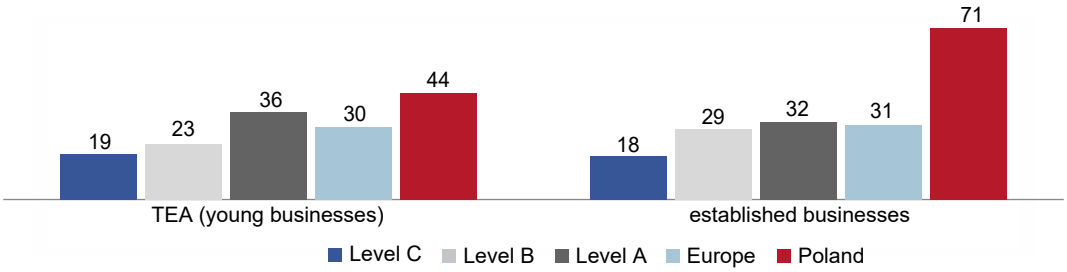
In the GEM survey, entrepreneurs are asked about their familiarity with the 17 United Nations Sustainable Development Goals (also known as SDGs)[34]. Currently, **44% of Polish entrepreneurs operating in the market for up to 3.5 years and 71% of those operating for longer than 3.5 years declare they are aware of the goals of the UN 2030 Agenda for Sustainable Development**[35]. The average for Poland is still significantly higher than that for the European countries participating in the survey. In Europe, on average, almost one in three entrepreneurs declare they are aware of the SDGs (30% for companies that have been in the market for up to 3.5 years and 32% for those operating for at least 3.5 years), while in half of the European countries where this question was asked, established enterprises more frequently indicated they are aware of the SDGs than young enterprises, and in the other half, the reverse was true as young enterprises were more likely than established ones to be aware of the SDGs.

It is also clear that the proportion of entrepreneurs declaring they are aware of the SDGs increases with average income, regardless of the enterprise's length of operation.

[34] An optional question that indicates general familiarity declared with the 2030 Agenda, although without assessing knowledge of specific provisions. In 2024, it was included by Austria, Bosnia and Herzegovina, Chile, China, Costa Rica, Croatia, Cyprus, Ecuador, Egypt, Estonia, France, Greece, Hungary, India, Italy, Jordan, Kazakhstan, Latvia, Lithuania, Luxembourg, Mexico, Morocco, Norway, Oman, Poland, Romania, Serbia, Slovakia, Slovenia, South Korea, Spain, Switzerland, Taiwan, Thailand, Ukraine and the United Arab Emirates.

[35] For established enterprises, there is therefore a further increase in awareness of the 17 UN Sustainable Development Goals (the previous results are: 60% in 2022 and 67% in 2023), and for young enterprises – a decline to a similar level to that observed in 2022 (43% in 2022 and 47% in 2023).

Figure 1.27. Awareness of the 17 UN Sustainable Development Goals – 2030 Agenda for Sustainable Development in Poland compared to the European average and groups of countries by income level in 2024 (% of young businesses and % of established businesses)



Source: own study based on GEM data.

Despite the observed decline in pro-social/environmental activity declarations in 2024, the results of the GEM survey present a consistently positive picture of Polish entrepreneurs (especially established ones), who are aware of the social and environmental impact of business and continue to strive to act accordingly. When using the data, however, one should always bear in mind the declarative overtones of the questions and the subjective assessment of the actual activities and level of involvement.

1.8. Digitalisation of enterprises

In the last three editions of the GEM survey[36], entrepreneurs were asked to reflect on their use of digital technologies to sell products or services. The inclusion of this question in the 2021 survey was triggered by the COVID-19 pandemic (which caused, among other things, an acceleration in the digital transformation of the economy, including businesses), with the question itself clearly linked to it[37]. Today, in the new, augmented (and ever-expanding) digital reality, and after a certain period of time, it seems less reasonable to ask about the link between technological change and the COVID-19 pandemic. However, due to the

[36] See: GEM Poland 2024 Report, GEM Poland 2023 Report and GEM Poland 2022 Report.

[37] The changes that took place in some companies in the area of digitalisation may, on the one hand, have been directly triggered by the pandemic (e.g. implementation of solutions due to lockdowns), and on the other hand, indirectly – the development of digital technologies (which accelerated during the pandemic) may have sped up the consideration of their potential use or their actual implementation in businesses (among other things, due to the emergence of easily accessible new opportunities or, in some cases, the necessity to introduce certain solutions).

importance of digitalisation in business, the decision was made to explore this issue in more depth in 2024, with the study therefore asking about the significance of the use of online communication tools in day-to-day business activities[38], and the significance of selected digital tools for the implementation of the company's specific business model and strategy[39].

The data for Poland shows that **more experienced entrepreneurs** (those who have been in business for at least 3.5 years) **rely on email contact most frequently and far more often than young entrepreneurs** (those who have been in business for less than 3.5 years) **in their daily business activities**. Nearly 60% of them consider the use of email communication in contacts with clients or employees as very important for day-to-day operations (in relation to 42% of young entrepreneurs, for whom it is also the most frequently indicated form of communication)[40]. Almost one in two (49%) consider email marketing to clients as very important[41] (which happens to be the tool least frequently indicated by young entrepreneurs (26% of responses)). When it comes to **young entrepreneurs**, they **cite the importance of social media** – such as Facebook, Instagram, or X/Twitter[42] – **almost as frequently as the importance of email communication with clients or employees** (42% and 41%, respectively[43]). It can therefore be seen that **for entrepreneurs who have been on the market for a shorter time, direct contact with the content recipient – which fosters relationships through engagement – is crucial for day-to-day operations.**

[38] Question from the questionnaire: Please tell us how important the use of each form of communication is in your daily business activities: very important, rather important or not important. The aspects asked about can be found in Figure 2.28.

[39] Question from the questionnaire: Please tell us how important the elements listed are to the implementation of your business model and company strategy. Please specify whether they are: very important, rather important or not important. The aspects asked about can be found in Figure 2.29.

[40] Among young entrepreneurs in Europe (from the countries participating in the survey), the highest proportion considering email contact with clients or employees as very important was among Luxembourgers (70% of indications), while for established enterprises it was among Croatians (77%).

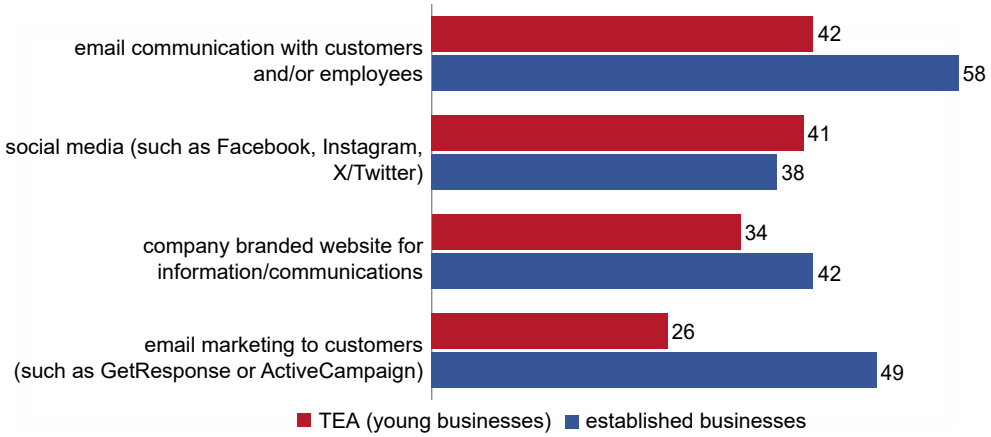
[41] The result for Poland is the highest among the European countries analysed. Moreover, in a relatively small number of European countries (4 out of 25 participating in the survey, i.e. Poland, Ukraine, Belarus and Lithuania), the popularity of the view that email marketing is highly relevant among representatives of established enterprises is higher than among young enterprises.

[42] In almost all European countries that participated in the survey, the percentage perceiving social media as a very important form of communication in a company's daily operations is higher among young entrepreneurs than among established ones (in Estonia, Luxembourg and Latvia, it is even around 1.8–2.3 times higher). The exception is Ukraine (a difference of less than 1 p.p. in favour of established entrepreneurs).

[43] The result recorded for young entrepreneurs from Poland (41%) is one of the lowest among the European countries taking part in the survey, with only Austria and Switzerland (both 36%) and Germany (20%) scoring lower.

Approximately one in three young entrepreneurs and two in five established entrepreneurs believe in the great importance of traditional websites as a source of information for the public about the company's operations, products and/or services.

Figure 1.28. Importance of selected Internet communication tools for day-to-day business operations – the perception of given tools as very important (% of young businesses and % of established businesses)



Source: own study based on GEM data.

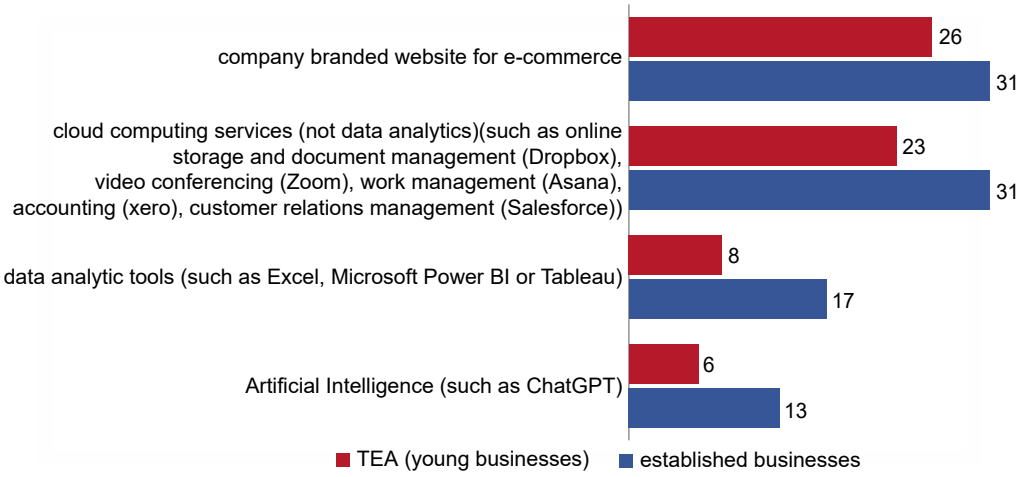
Almost one in three established Polish entrepreneurs (who have been in business for at least 3.5 years) (31%) **and one in four young entrepreneurs** (who have been on the market for no more than 3.5 years) (26%) **perceive having a website to undertake e-commerce activities as very important for the accomplishment of the company's strategic goals**[44]**.** **A similar percentage** (31% and 23%, respectively) **considers access to cloud services** (excluding data analytics) **to be very important**[45]**.** Established entrepreneurs indicated that data analytics tools for implementing a business model or company strategy were very

[44] In the vast majority of European countries (with the exception of Poland and Germany) participating in the survey, it was significantly more often young entrepreneurs who considered it very important to have a website enabling e-commerce than established entrepreneurs, with the biggest difference in percentages being in the case of Luxembourg (58% vs. 25%) and Greece (52% vs. 30%).

[45] Again, Poland (along with Croatia, Ukraine, Slovakia, Hungary, Latvia and Austria) is in the minority of European countries (participating in the survey) where this belief is more popular among established than young entrepreneurs.

important, about twice as often as young entrepreneurs (17% and 8%, respectively), and similarly to artificial intelligence tools (13% and 6%, respectively)[46].

Figure 1.29. Importance of selected digital tools for the implementation of a company's business model and strategy – the perception of given tools as very important (% of young businesses and % of established businesses)



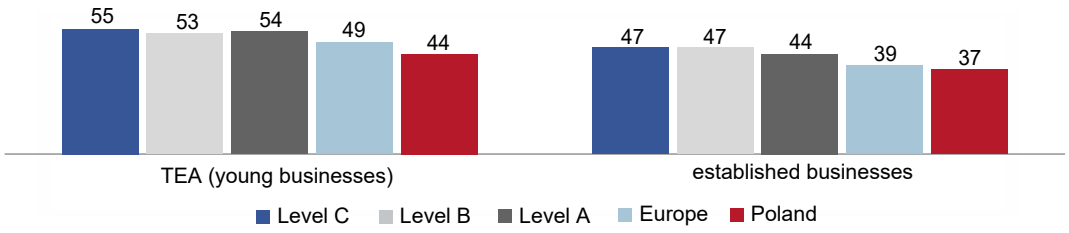
Source: own study based on GEM data.

The elements outlined above demonstrate the relevance of these aspects to the conduct of business. When analysing the openness of Polish entrepreneurs to digitalisation, it is also worth noting the expected increase in the use of digital technologies for sales purposes in the six months following the survey. **Established entrepreneurs** (those on the market for at least 3.5 years) **appear particularly promising in this regard, with the share of those open to digitalisation (regardless of their motivation) increasing by as much as 17 p.p. compared to the previous edition (to 37% from 20% in 2023;** 15% in 2022, and 4% in 2021). In the case of young entrepreneurs (operating in the market for up to 3.5 years), after consecutive years of an upward trend (44% in 2023, 29% in 2022, and 20% in 2021), the share of those open to digitalisation levelled off at the 2023 level.

[46] Both in the case of the perceived importance of using data analytics tools and AI tools, young entrepreneurs from Poland (among the European countries participating in the survey) declare the very high importance of these tools for the implementation of the company's business model and strategy the least frequently. Additionally, in most of the European countries analysed, it is generally young entrepreneurs who more often see the potential importance of these tools than established entrepreneurs – which is not the case in Poland.

For both young and established enterprise owners, the result for Poland is below the European average. A smaller percentage of enterprises operating for up to 3.5 years and planning to increase their use of digital technology than in Poland was recorded in 6 (out of 24, excluding Poland) European countries participating in this edition of the survey, and in 8 countries among the group of companies operating for more than 3.5 years.

Figure 1.30. Entrepreneurs in Poland – compared to the average for Europe and groups of countries by income level – who expect to increase the use of digital technologies to sell products or services in the company in the next 6 months (% of young businesses and % of established businesses)



Source: own study based on GEM data.

Poland is definitely developing in its use of digital technologies for product or service sales, although there is still room for improvement in this area. Despite the still lower share of established enterprises planning to increase their use of digital technologies, there is a clear increase in awareness within this group regarding the necessity to follow this trend, which is also reflected in the relatively high percentages of respondents who perceive various forms of digital communication and tools included in this year's study as very important for the day-to-day running of their businesses.

1.9. AI in companies – hopes and fears

As indicated in the previous chapter, **artificial intelligence tools are an important element in the business model and strategy of almost 19% of companies in Poland (6% of young enterprises and 13% of established enterprises)**[47]. Assuming that this indicator accurately

[47] It is important to note that the same person can own two or more enterprises, including a young enterprise (operating for up to 3.5 years) as well as an established enterprise (operating for more than 3.5 years).

reflects the actual use of AI tools by companies, the situation in Poland differs significantly from that observed in most other countries that completed the 2024 GEM survey[48].

Firstly, the activity of Polish entrepreneurs in the area of AI, especially among young enterprises, is relatively low. The score for young enterprises (6%) places Poland last among all 50 countries, and 11th among established entities (13%). The highest percentages of young entrepreneurs who admit that AI is very important in their business model and strategy are recorded in Brazil (60%), the United Arab Emirates (58%), and Costa Rica (47%). Ahead of Poland, which closes the list, are Serbia (13%), Switzerland (14%), and Austria and Hungary (both at 15%). Regarding established enterprises, the ranking is led by Saudi Arabia (56%), and, similarly to young enterprises, Costa Rica (54%) and the United Arab Emirates (50%). At the lower end of the list are Serbia (7%), Estonia (8%), Romania (9%), and Norway (10%).

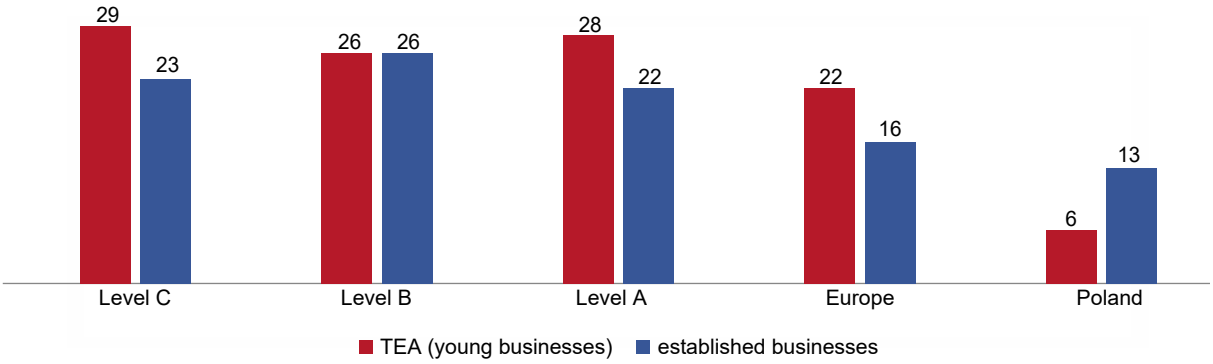
Secondly, established enterprises in Poland are significantly more open to incorporating AI into their business models than young enterprises (for every young enterprise, there are 2 established enterprises that admit it). In most countries, the opposite is true[49], with young enterprises using AI more frequently than established ones.

The results for Poland deviate from the European average, as well as from the averages of the wealthiest countries (Level A), the middle-income countries to which Poland belongs (Level B), and the relatively least wealthy countries (Level C). Overall, apart from the Level B group of countries, where young and established enterprises equally frequently admit that AI is a key element of their business model, in Level C and B countries, as well as in Europe, young enterprises are more active in using AI than established enterprises.

[48] In total: 50 countries, South Korea's data were not accepted.

[49] In only 11 out of 50 countries do established enterprises include AI in their business models and strategies more often than young ones. Starting with the countries with the greatest difference, these are: Mexico, Kazakhstan, Saudi Arabia, India, Oman, Poland, Costa Rica, Belarus, Ukraine, Guatemala and Croatia.

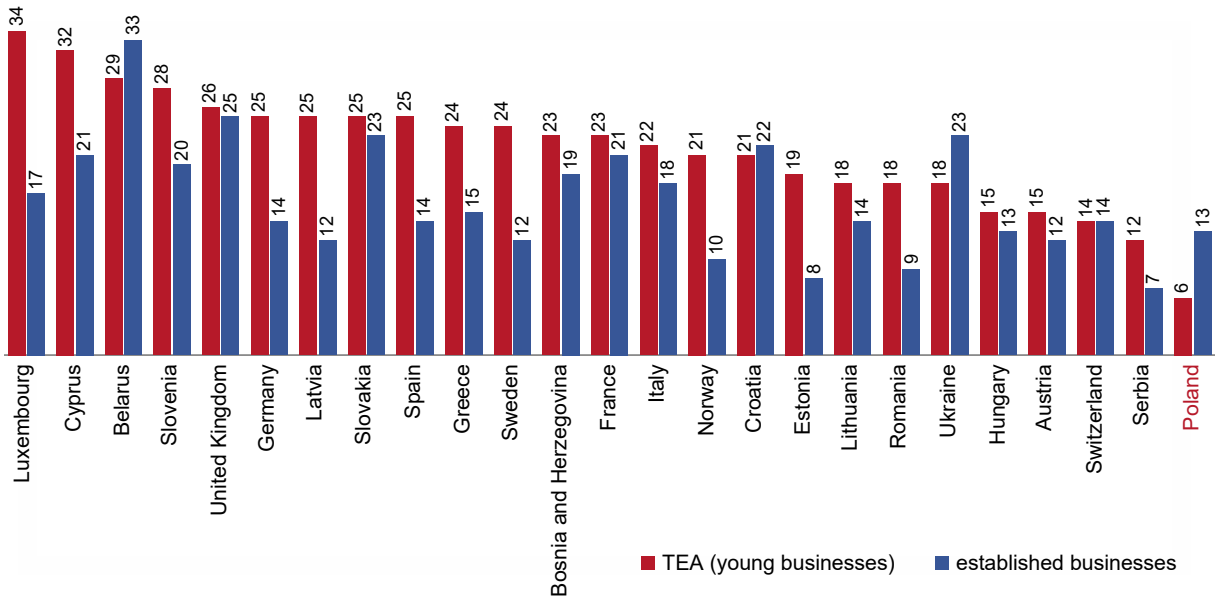
Figure 1.31. Entrepreneurs in Poland – compared to the European average and groups of countries by income level – considering AI tools as very important in the implementation of their business model and strategy (% of young businesses and % of established businesses)



Source: own study based on GEM data.

Data for 19 of the 25 European countries confirms the pattern noted above, i.e. young enterprises being more open to AI than established ones, which is most pronounced in Luxembourg, Sweden, Norway, Latvia, Estonia, and Romania, where there are two young enterprises for every established enterprise considering AI tools as very important to their business model and strategy. Only in four countries (Belarus, Croatia, Ukraine, and Poland) do established enterprises use AI more often, and in two (the UK and Switzerland), the activity of both groups is the same. The leading European countries with the highest percentage of young entrepreneurs who see great importance in using AI tools to implement their business model and strategy include Luxembourg (34%), Belarus (29%), and Slovenia (28%), with Belarus (33%) and the UK (26%) showing the highest percentages among established entrepreneurs. The ranking for the group of young enterprises is closed by Poland (6%), and for established enterprises by Serbia (7%).

Figure 1.32. Share of companies in European countries considering AI as very important in the implementation of their business model and strategy (% of young businesses and % of established businesses)



Source: own study based on GEM data.

It is apparent, therefore, that owners of Polish businesses, especially those on the market for a shorter period, tend to adopt a more conservative approach to AI than their counterparts in other European countries and worldwide. Furthermore, it does not seem that change will come quickly. **Only 8% of young enterprise owners and 15% of established enterprise owners believe that artificial intelligence tools will be very important to the implementation of their company's business model and strategy in the next three years.** On the one hand, this represents only a slight increase compared to the status quo. On the other hand, it may be somewhat reassuring that data from the vast majority of countries also do not show excessive optimism regarding the near future. However, the current level of interest in AI in those countries is higher than in Poland, which could indicate a saturation effect with this technology topic.

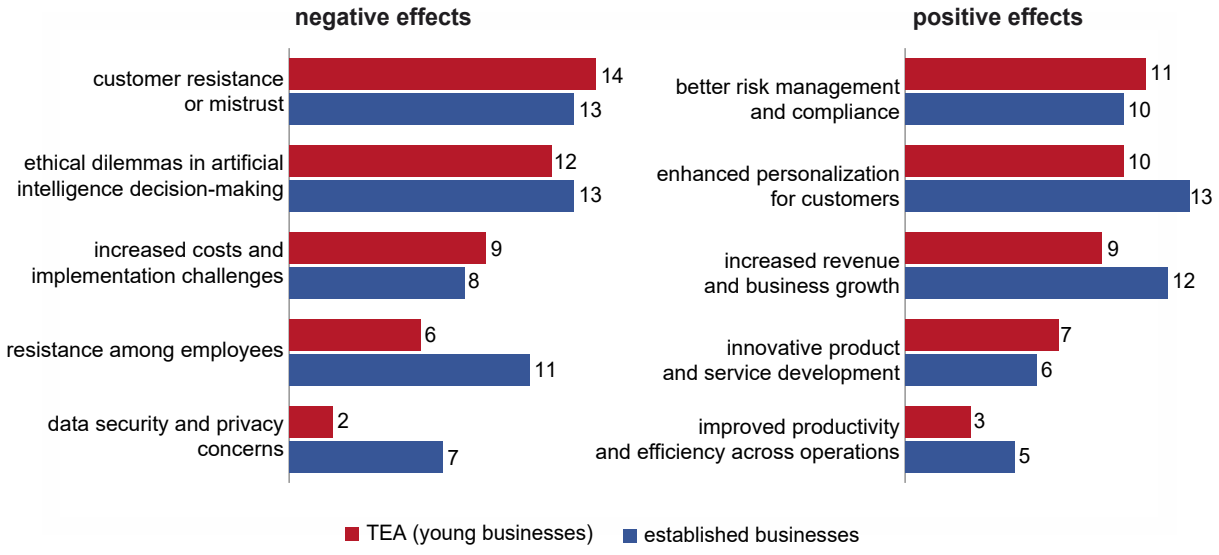
When analysing the reasons for this situation, it is helpful to know what entrepreneurs expect[50] regarding the positive and negative effects that could occur when implementing

[50] In general, including those who do not consider AI as a key element of their business model/strategy.

AI in their companies. **Polish entrepreneurs (both young and established) most frequently identify the following challenges: employee resistance (14% and 13%, respectively) and ethical dilemmas related to the use of AI in decision-making processes (12% and 13%)**, while they are less likely to anticipate increased costs and challenges associated with the implementation itself, reluctance from clients, or challenges related to data security and privacy. At the same time, it is worth noting that established enterprises are more concerned about mistrust from clients or data security challenges than young ones, which may be because they risk more, having been in the market for longer and having broader infrastructure, IT systems, and contacts.

In terms of expected benefits, young enterprise owners in Poland hope AI will help them better manage risk (11%), personalise their client-facing offerings (10%), and contribute to revenue growth and business development (9%). Established enterprises highlight the same aspects, with improving the personalisation of the offer as their main priority (13%). Fewer young and established entrepreneurs view AI as a means to support innovative activities or enhance the productivity and efficiency of company processes.

Figure 1.33. Expectations of entrepreneurs in Poland regarding **positive and negative effects** that could occur when implementing AI in their companies (% of young/established businesses)



Source: own study based on GEM data.

In Europe, the structure of expected challenges related to AI implementation in companies is somewhat different, with the number of responses for each challenge also many times higher than in Poland. **European entrepreneurs are primarily concerned about data security challenges** (on average, 44% of young enterprises and 42% of established enterprises indicated this aspect). A significant share of young enterprises (42%) expect resistance from employees, while among established enterprises, only (!) 25% pointed to this concern. According to the latter, the use of AI is more likely to lead to higher costs, the need to resolve ethical dilemmas related to AI in decision-making processes, and client reluctance (approximately 30% each).

It is important to note that the need to ensure data security and privacy when using AI is the negative aspect of the process most frequently cited by businesses in all country categories, with the proportion of young enterprises recognising this challenge being highest in the wealthiest countries (Level A – 48%), and for established enterprises, in the middle-income countries (Level B – 49%).

Table 1.6. Expectations of entrepreneurs in Poland compared to the average for Europe and groups of countries by income level, regarding the **negative effects** that could occur when implementing AI in their companies (% of young/established businesses)

	Data security and privacy concerns	Increased costs and implementation challenges	Resistance among employees	Ethical dilemmas in artificial intelligence decision-making	Customer resistance or mistrust
YOUNG BUSINESSES (TEA)					
Level C	39	37	27	27	33
Level B	45	38	29	31	31
Level A	48	36	30	36	36
Europe	**44**	**32**	**26**	**31**	**31**
Poland	**2**	**9**	**14**	**12**	**6**
ESTABLISHED BUSINESSES					
Level C	36	33	25	25	31
Level B	49	40	31	35	36
Level A	47	36	29	36	33
Europe	**42**	**31**	**25**	**30**	**29**
Poland	**7**	**8**	**13**	**13**	**11**

Source: own study based on GEM data.

Polish entrepreneurs also differ from European entrepreneurs and other groups in terms of the expected benefits of implementing AI, seeing it as improving risk management and personalising client-facing offerings. At the same time, their colleagues hope that the application of AI will translate into increased productivity and efficiency, followed by innovative product development and better personalised offerings.

Table 1.7. Expectations of entrepreneurs in Poland compared to the average for Europe and groups of countries by income, regarding the **positive effects** that could occur when implementing AI in their companies (% of young/established businesses)

	Enhanced personalization for customers	Improved productivity and efficiency across operations	Innovative product and service development	Better risk management and compliance	Increased revenue and business growth
YOUNG BUSINESSES (TEA)					
Level C	50	51	51	41	50
Level B	51	53	51	47	51
Level A	47	53	47	40	46
Europe	**42**	**47**	**43**	**36**	**40**
Poland	**10**	**3**	**7**	**11**	**9**
ESTABLISHED BUSINESSES					
Level C	41	43	44	36	45
Level B	49	50	49	43	47
Level A	39	43	41	35	35
Europe	**34**	**38**	**36**	**31**	**32**
Poland	**13**	**5**	**6**	**10**	**12**

Source: own study based on GEM data.

In summary, Polish companies, especially young ones (present on the market for up to 3.5 years), base their business models on AI tools less often than European companies, which is partly due to greater concerns about internal factors rather than technological ones. It also appears that Polish companies' awareness of the benefits of AI is incomplete, which, at least at the time of the survey, i.e. in 2024, placed Polish companies more in the role of cautious observers of the changes brought by this technology. However, considering the rapid pace of changes in the field of AI and the fact that the section dedicated to this topic within the GEM study only provides a preliminary insight, it is advisable to wait for the results of the next edition of this study and consult other sources before drawing conclusions.

2. Expert assessment of the operating and development conditions for companies in Poland

A vital element of the GEM project is the assessment of the determinants of entrepreneurial development, which is done via a qualitative study – The National Expert Survey (NES), in which a minimum of 36 experts from each country participating in a given survey cycle analyse 13 areas[51] relevant to the operation of new and growing businesses. These include:

A1	**Entrepreneurship financing:** is there enough funding available for companies?
A2	**Ease of access to financing:** are funds readily available?
B1	**Government policy – support and importance of entrepreneurship:** does policy promote and support the creation and growth of companies?
B2	**Government policy – taxes and bureaucracy:** are new companies not excessively burdened?
C	**Government entrepreneurship programmes:** are appropriate support programmes available?
D1	**Entrepreneurship education in schools:** do schools provide knowledge about entrepreneurship and develop related skills?
D2	**Entrepreneurship education after school:** do universities and other institutions offer entrepreneurship knowledge, courses, and training?
E	**Research and development transfer:** are research results easily implemented in business?
F	**Commercial infrastructure:** are high-quality and affordable services (e.g. legal, accounting) available?

[51] Each area consisted of 3–8 statements on subjects on which the experts were asked to express their opinion, using a scale from 0 to 10, where 0 stood for 'completely false' and 10 for 'completely true.' All statements had a positive tone, i.e. they said that a given aspect has a positive impact on entrepreneurship in Poland, with the more points a particular area received suggesting a better assessment of the situation, with averages then calculated for the particular statements based on the responses of all experts. The higher the average, the better the rating of a given aspect. The particular statements were then aggregated into areas for which averages were also calculated. The analysis used both average results for the particular statements and averages for the particular groups – depending on the context and the potential for presenting the problem in an interesting way. The 2024 results for Poland were compared with those for high-income economies, i.e. Level A, and for the European countries participating in the survey (2024 – Austria, Belarus, Bosnia and Herzegovina, Croatia, Cyprus, Estonia, France, Greece, Spain, Lithuania, Luxembourg, Latvia, Germany, Norway, Poland, Romania, Serbia, Slovakia, Slovenia, Switzerland, Sweden, Ukraine, Hungary, the United Kingdom and Italy).

G1	**Ease of market entry – market dynamics:** is the market free, open to new ventures, and growing?
G2	**Ease of market entry – regulations:** do regulations encourage rather than restrict entrepreneurship?
H	**Physical infrastructure:** is it of good quality, accessible, and affordable?
I	**Social and cultural norms:** do they encourage and promote entrepreneurship?

This chapter presents conclusions from the analysis of the survey results conducted in mid-2024 among 56 countries worldwide[52], including Poland (with the participation of 38 experts). For this purpose, the aforementioned areas were grouped into four sections representing broader categories, namely:

- **Start-up opportunities**: entrepreneurship education and training, ease of entry, financing, and commercial, service and technical infrastructure.
- **Public policy and support**: public policy priorities for entrepreneurship, burdens related to taxes and administrative regulations, support for enterprises.
- **Research and development**: research and development, knowledge and technology transfer.
- **Social and cultural norms**: systems of values and social norms.

The results for Poland are then presented alongside those of other countries, measured by the composite entrepreneurship index (NECI). Additionally, at the end of the chapter, the expert evaluation results for **special areas are discussed, namely: conditions for achieving the United Nations Sustainable Development Goals** (included in the tool since 2022), **women's entrepreneurship** (permanently included since 2023)[53], and – for the first time – **artificial intelligence**.

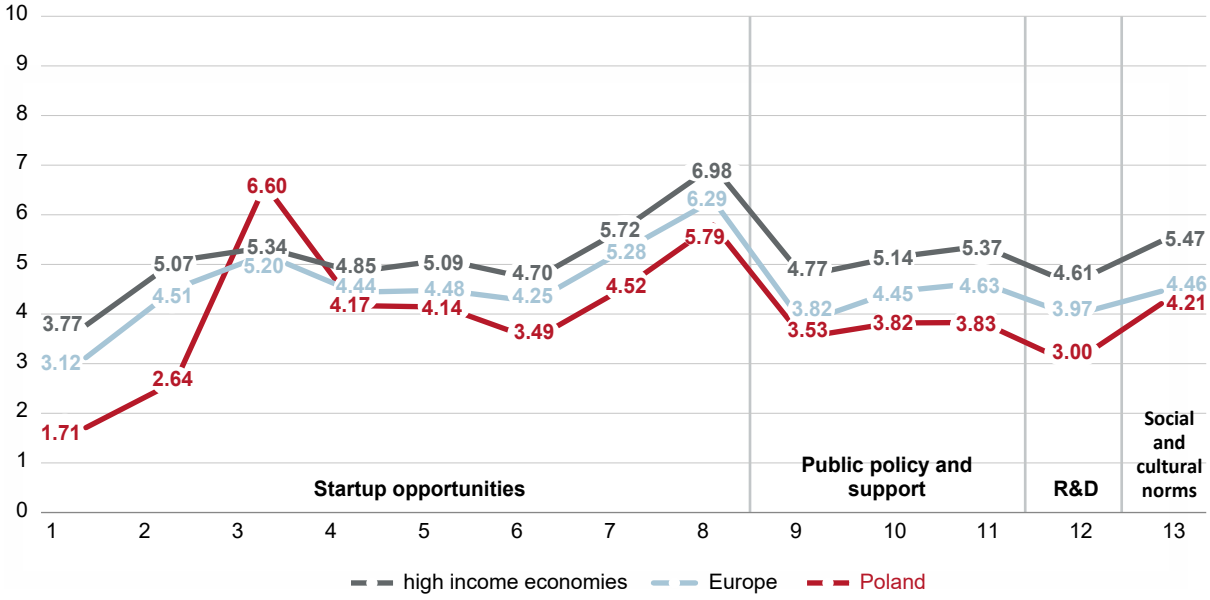
Overall, it can be said that in 2024, the conditions for the establishment and development of companies in Poland were not favourable, having not improved compared to the previous edition of the survey, and are still not very impressive compared to the average of European countries or the group of wealthiest countries (Level A), with as many as eleven of the thirteen areas scoring lower than 5 on a scale of 0 to 10, and only two scoring above 5 (including one slightly). Polish experts rated the areas of entrepreneurship education and R&D the lowest.

[52] A list of the countries participating in the GEM survey is presented in Table A.1 of the Methodological Annex.

[53] The area of women's entrepreneurship was also included in earlier editions of the NES survey (e.g. 2021), although this was not a cyclical survey and included different statements to those included in the 2023 survey.

The vast majority of areas that make up the conditions for entrepreneurship development in Poland received slightly lower scores in 2024 compared to the previous year, with only one area – Government policy: priorities and entrepreneurship support policy – rated slightly better than in 2023. The rating of two areas – Level of ease of entry: dynamics, and Level of ease of entry: obstacles – has not changed over the last year. Comparing the 2024 ratings with those of 2020[54], only two areas are currently rated higher, namely, Government policy: predictability and consistency in the application of taxes, and Level of ease of entry: obstacles. In the remaining areas, expert ratings were lower.

Figure 2.1. Assessment of national framework conditions for entrepreneurship development (2024): Poland compared to high-income countries (Level A) and Europe (average ratings for individual areas)



1 – Entrepreneurship education at School: primary and secondary level; 2 – Entrepreneurship education Post-School: vocational training and courses, colleges and universities; 3 – Ease of market entry: market dynamics; 4 – Ease of market entry: burdens and regulations; 5 – Financing: sufficiency; 6 – Financing: ease of obtaining; 7 – Access to commercial and service infrastructure; 8 – Access to technical infrastructure; 9 – Government policy – priorities and support with respect to entrepreneurship; 10 – Government policy – predictability and consistency in the application of taxes, regulations, licences and bureaucracy; 11 – Government (public) programmes supporting businesses; 12 – Research and development, transfer of knowledge; 13 – Social and cultural norms.
Source: own study based on GEM data.

[54] In 2020, experts did not assess the area of Financing – ease of access. The area was added to the NES survey in 2021.

Compared to the average results for European countries and high-income economies[55] (Figure 2.1)**, Polish experts rated only one area higher: Market dynamics (ease of entry for new companies). Access to technical infrastructure was also rated high**, although still slightly lower than in the reference groups. As such, the two groups of factors that received the highest rating from Polish experts may be considered driving forces for the development of new enterprises in Poland. It is worth noting that this assessment is similar to that of 2020–2023, as experts also gave the highest rating to these areas of business development determinants at that time. Other areas scored lower than the average in the groups of countries used for comparisons, with **some even considered to hinder the development of entrepreneurship. These are, first and foremost, entrepreneurship education (both at the primary and secondary levels) and training, which are determinants in the area of research, development, and knowledge transfer, as well as ease of obtaining financing.**

The following section of the chapter describes the various areas that comprise the conditions for entrepreneurship, as outlined by GEM.

2.1. Start-up opportunities

This is the most extensive and complex section, covering the areas surveyed by the NES, which determines the start and development of entrepreneurship. The section covers aspects related to broadly understood entrepreneurship education (at primary, secondary, and tertiary levels, as well as vocational training and continuing education), market conditions (ease of entry and burdens), financing opportunities, and commercial, service, and technical infrastructure, with these factors determining market entry opportunities and the related costs.

[55] According to the GEM classification – Level A – economies with GDP per capita levels exceeding USD 50,000. In 2024, these were: Saudi Arabia, Austria, Bahrain, Cyprus, France, Spain, Israel, Japan, Canada, Qatar, South Korea, Lithuania, Luxembourg, Germany, Norway, Slovenia, United States, Switzerland, Sweden, Taiwan, the United Kingdom, Italy and the United Arab Emirates. Poland was classified as a middle-income country (Level B – economies with GDP per capita levels in the USD 25,000–50,000 range).

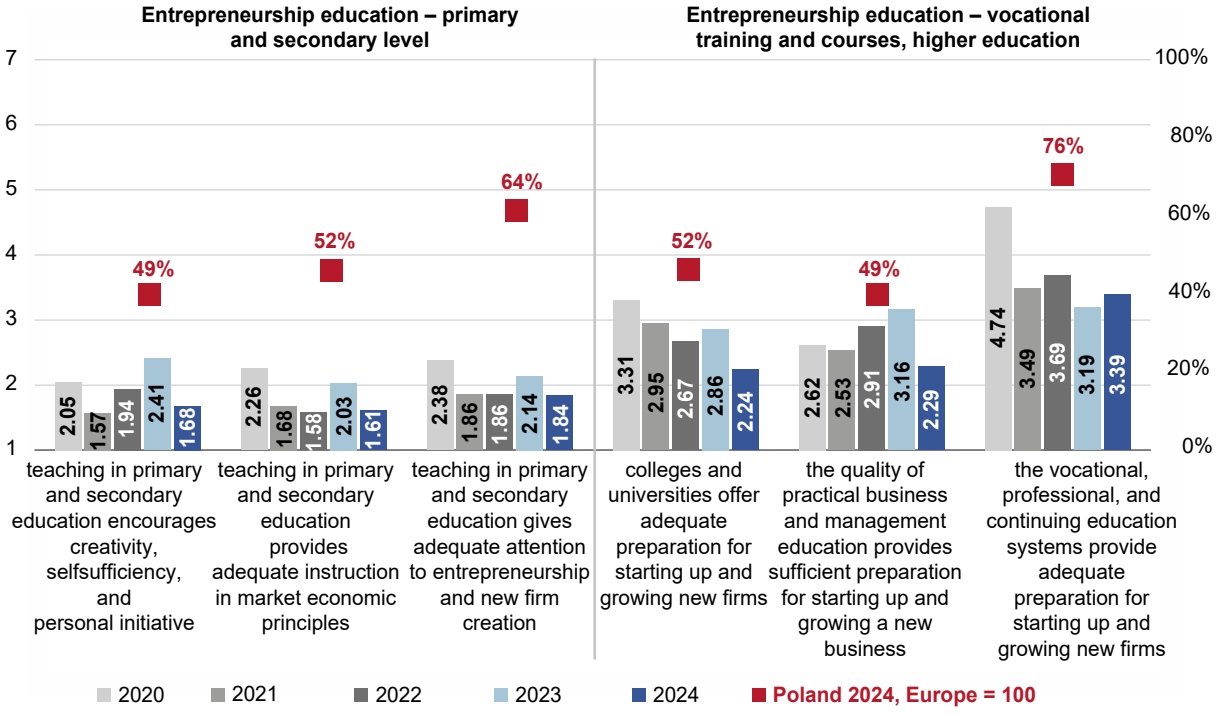
Entrepreneurship education and training

The block of questions on education and training consists of two areas. The first includes statements relating to the teaching of entrepreneurship in primary and secondary schools, and the second concerns the acquisition of the necessary knowledge and preparation for setting up and running a business during studies and continuing education.

Overall, the area of Education and training – primary level was rated at 1.7 points in 2024, slightly lower than in 2023 (2.2 points). However, **this rating was significantly lower than the average rating in European countries (55% of the countries' ratings) or high-income economies (45%).** It is important to note that the low rating for education and training is not an isolated issue. In Europe and among the wealthiest countries, this aspect is also rated relatively low compared to other factors that drive entrepreneurial development (see Figure 2.1). However, Poland's result is the weakest among all the countries participating in the study. In Europe, experts from Lithuania (5.6 points) and Latvia (5.1 points) are the ones most satisfied with the state of entrepreneurship education.

Polish experts rated all aspects of this area very low, including the provision of knowledge about the functioning of the economy, emphasis on entrepreneurship and its new forms, and the encouragement of creativity, self-reliance, and initiative, with the rating of these determinants also markedly lower than the average for European countries (Figure 2.2), which is not optimistic. Education is among the most important factors influencing entrepreneurship, shaping the attitudes and skills of potential entrepreneurs and the effectiveness of the economic activity.

Figure 2.2. Assessment of determinants of entrepreneurship development in Poland – **Entrepreneurship education and training** in the years 2020–2024 and Poland vs. European countries in 2024



Source: own study based on GEM data.

Regarding entrepreneurship education at the higher education level and post-school education, the most recent assessment is less favourable compared to previous years, with a rating of 2.6 points (59% of the average rating of surveyed European countries and 52% of the rating of high-income economies) (Figure 2.1). In 2023 and 2022, the score was 3.1 points, while in 2021, it was 2.9 points, and in 2020, it was 3.5 points. This area also scored the lowest among all countries participating in the 2024 NES survey. In the European countries included in the survey, the highest scores were achieved by Lithuania (6.5 points), Switzerland (5.6 points), and Ukraine (5.4 points).

Although all statements within this area are rated low by Polish experts and represent a limitation to entrepreneurship development, in 2024 the statement that vocational education, professional courses, and continuing education provide adequate preparation for starting and developing a business was rated slightly better than the previous year, scoring 3.4 points (3.2 points in 2023). It should be noted that in 2020–2022, the rating for this

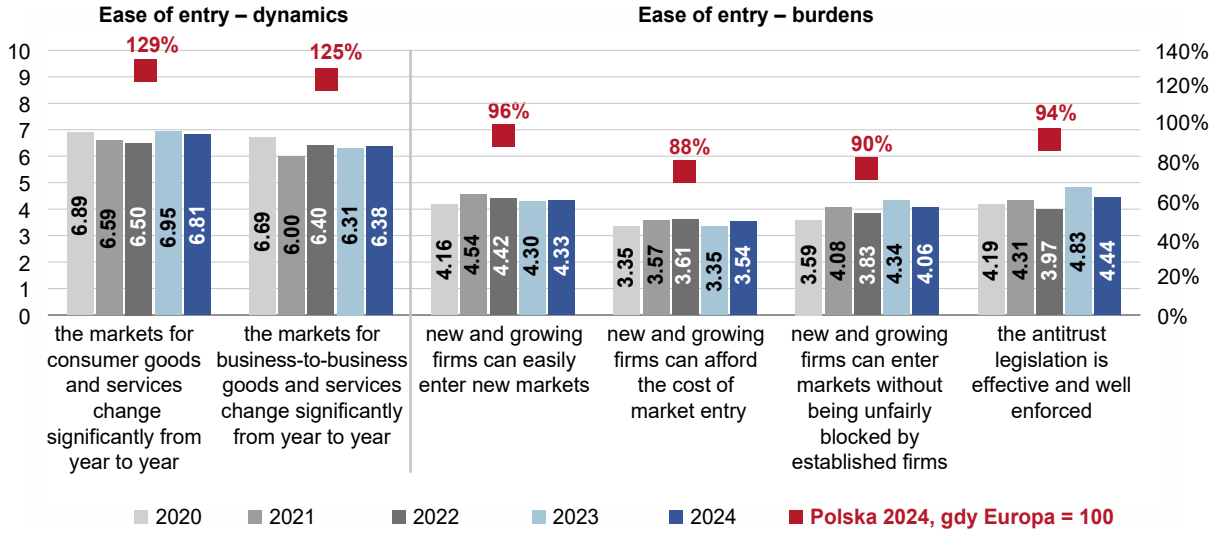
statement was higher (in 2020, as much as 4.7). The other statements – universities prepare students well for starting and developing a business, and the quality of practical education in entrepreneurship and management provides adequate preparation for starting and growing a business – were rated lower than in previous years.

Ease of entry – dynamics and barriers

Among the areas that influence the conditions of entrepreneurial development analysed in GEM, ease of entry into the domestic market has been one of the highest-rated by experts over the past 14 years. Last year, Poland's average rating for ease of entry stood at 6.6 points, a much better result than that of both the European countries surveyed (127% of those countries' average rating) and high-income economies (123%) (Figure 2.1). This result was similar to that of previous years, ranking as the highest among the European countries surveyed and one of the highest among all countries surveyed by GEM. This area was rated highest by experts from South Korea (7.5 points), Indonesia (7.4 points), and the United Arab Emirates (7.2 points).

The two statements that make up the area of ease of entry were rated by Polish experts in 2024 similarly to previous years (Figure 2.3).

Figure 2.3. Assessment of determinants of entrepreneurship development in Poland – **Ease of entry level** in the years 2020–2024 and Poland vs. European countries in 2024



Source: own study based on GEM data.

Regarding the possible barriers that determine ease of entry (i.e. entry costs, barriers from competitors, and antitrust laws), experts believe that they may pose a problem for both newly established and developing enterprises. This area received an average rating of 4.2 points in 2024, similar to 4.0 points in 2022 and 3.9 points in the years 2020–2021, which is also a slightly lower result compared to the average ratings for the surveyed European countries (94% of the average rating for these countries) and high-income economies (86%) (Figure 2.1). It is also worth noting that Poland scored the same as France, and higher than Spain (4.0) or Sweden (3.2) in this area.

The analysis of ratings for individual statements within this area reveals that, in the opinion of Polish experts, **market entry costs may be a barrier for new enterprises** (3.5 points – 88% of the rating for European countries) (Figure 2.3).

Financing

This area consists of two blocks of statements – the first concerns whether the funds for newly established and developing enterprises are sufficient, while the second concerns the ease of access to funds[56].

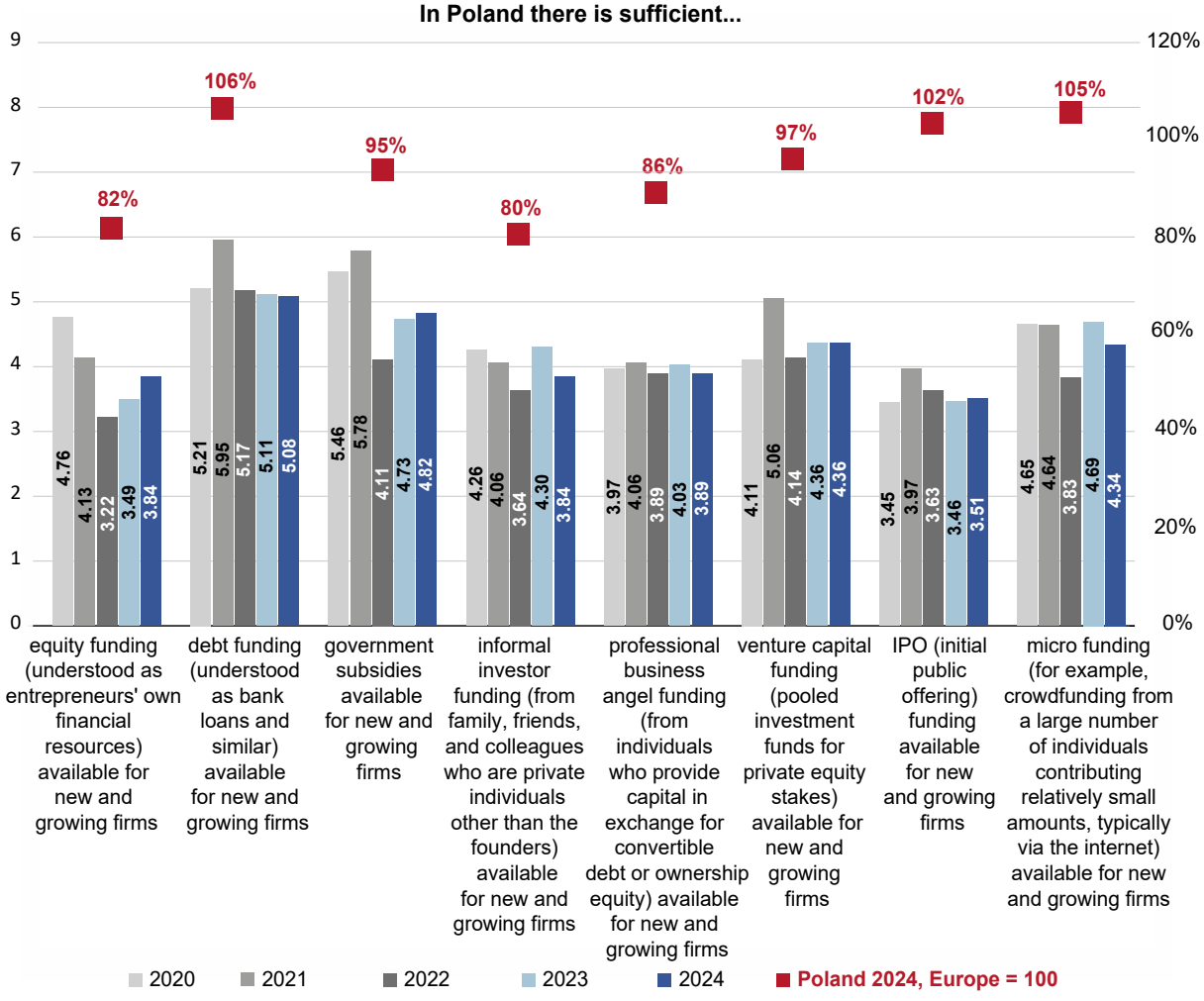
The funds' sufficiency block was rated at an average of 4.1 points, slightly lower than in high-income economies and European countries (81% of the rating of the wealthiest economies and 92% of European economies) (Figure 2.1). It was also rated slightly lower than in 2023 and in 2020–2021, but slightly higher than in 2022 (2023 – 4.4 points, 2022 – 3.9 points, 2021 – 4.7 points, 2020 – 4.2 points). The European countries where experts rated this area highest are Lithuania (6.2 points) and Switzerland (5.9 points). At the same time, lower ratings than in Poland were given by Spain (3.9 points), Cyprus (3.6 points), Bosnia and Herzegovina (3.4 points), and Belarus (2.4 points).

Two of the eight statements comprising this area were rated by Polish experts at a level slightly higher than the European average, specifically the availability of debt financing (5.1 points, 108% of the average rating for European countries) **and microfinance funds** (4.3 points, 105%). However, it should be noted that these ratings are close to the 'neither true nor false' value, which can be interpreted as indicating that experts from both Poland and Europe have no clear opinion in this area.

[56] The block was added to the GEM survey in 2021.

Experts were less confident that new and growing businesses in Poland had sufficient own funds, rating this aspect at 3.8 points (82% of the average score for European countries), **indicating this could be a potential barrier.** The availability of public support (in the form of, among other things, grants and loans) is rated slightly better, at 4.8 points (95% of the average score for European countries), higher than in 2022–2023, but marginally lower than in 2020 and 2021. The ratings for the other categories are slightly lower, with respect to: sufficiency of funds in the form of venture capital funding (4.4 points, 97% of the value of the average score for European countries), funds provided by individuals (3.8 points, 80%), business angel funding (3.9 points, 86%) and funds available in the form of initial public offerings (3.5 points, 102%) (Figure 2.4).

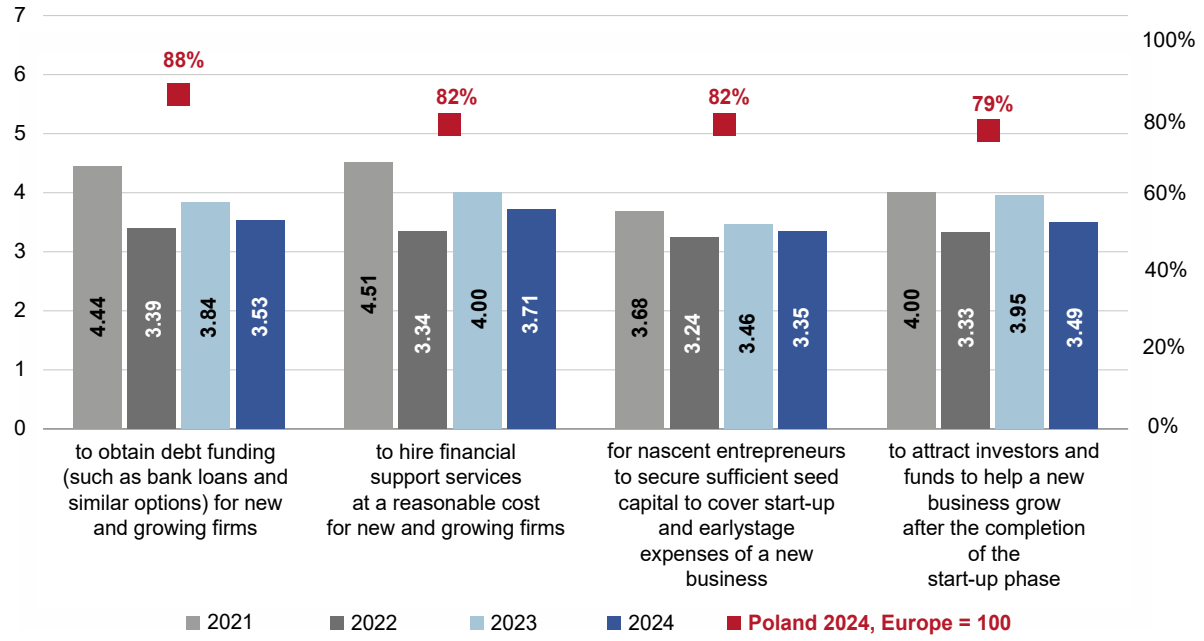
Figure 2.4. Assessment of determinants of entrepreneurship development in Poland – **Financing (sufficiency)** in the years 2020–2024 and Poland vs. European countries in 2024



Source: own study based on GEM data.

It appears that a more significant barrier to business development is not the amount of available funds but rather the difficulty in obtaining them. The block of statements relating to the ease with which newly-established and developing enterprises can obtain financing was rated at 3.5 points in 2024 (74% of the score of high-income economies and 82% of that of European economies) (Figure 2.1), making the expert assessment lower than that of 2023 (3.8 points) and 2021 (4.1 points) and close to that of 2022 (3.4 points). In this area, Poland's score was also the lowest among European countries, with the highest ratings given in Lithuania (6.0 points), Switzerland (5.4 points), and France (5.2 points).

Figure 2.5. Assessment of determinants of entrepreneurship development in Poland – **Financing (ease of obtaining)** in the years 2021–2024 and Poland vs. European countries in 2024



Source: own study based on GEM data.

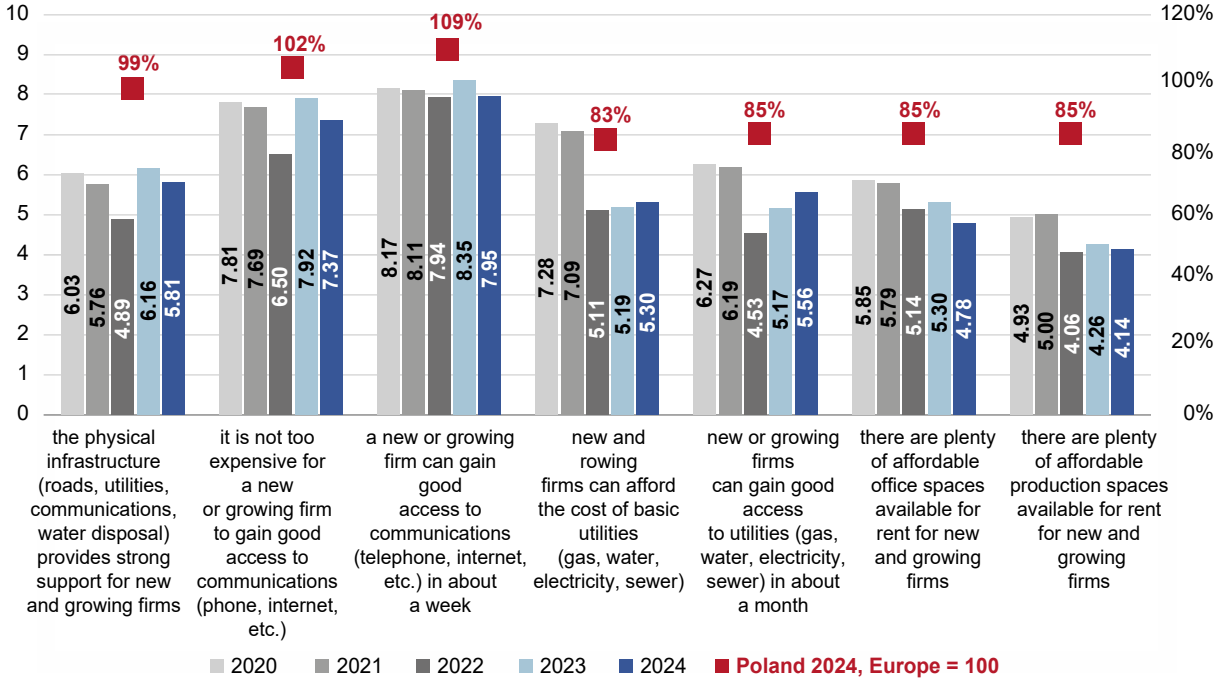
New and growing companies face relatively greater difficulty in obtaining startup funding from seed capital (3.4 points, 82% of the average score for European countries) or debt funding (3.5 points, 88%). In addition, enterprise founders may find it challenging to reach investors who can enable growth beyond the startup phase (3.5 points, 79%) or use financial services at a reasonable price (3.7 points, 82%) (Figure 2.5).

Technical and commercial infrastructure

The technical infrastructure was rated by experts at an average of 5.8 points in 2024, which is lower than in 2023 (5.9 points) and in the years 2020–2021 (6.8 points in 2021 and 6.5 points in 2020), but slightly higher than in 2022 (5.5 points). This rating was also marginally lower compared to that of experts in the benchmark countries (an 83% rating for high-income economies and 92% for European countries) (Figure 2.1). Poland received a slightly higher rating in this area than the United Kingdom (5.7 points), Germany (5.6 points), Italy (5.4 points), and Greece (5.3 points). However, there is still a significant gap between Poland and the highest-rated countries: Lithuania (8.2 points), Switzerland (7.9 points), and Norway (7.7 points).

Figure 2.6 shows the experts' opinion on the statements covered by this block. **Polish experts gave a high rating to the availability of telecommunications services for newly established and developing enterprises** (8.0 points – 109% of the surveyed European countries' average rating) **and to their price** (7.4 points – 102% of the surveyed European countries' average rating). In 2024, the rating for access to basic utilities (gas, water, electricity, sewerage) improved slightly to 5.6 points (85% of the rating of European countries), up from 5.2 points in 2023, but still fell within the 'neither true nor false' range, remaining lower than in 2020 and 2021, when it was 6.3 and 6.2 points, respectively. Experts also rated the statement related to the cost of access to utilities slightly more positively than in 2022–2023 – 5.3 points (83% of the rating for European countries; 5.2 points in 2023, 5.1 points in 2022), although this is still lower than in 2020–2021 (7.1 points in 2021, 7.3 points in 2020), which was influenced by the war in Ukraine and the rise in energy prices.

Figure 2.6. Assessment of determinants of entrepreneurship development in Poland – **Technical infrastructure** in 2020–2024 and Poland vs. European countries in 2024



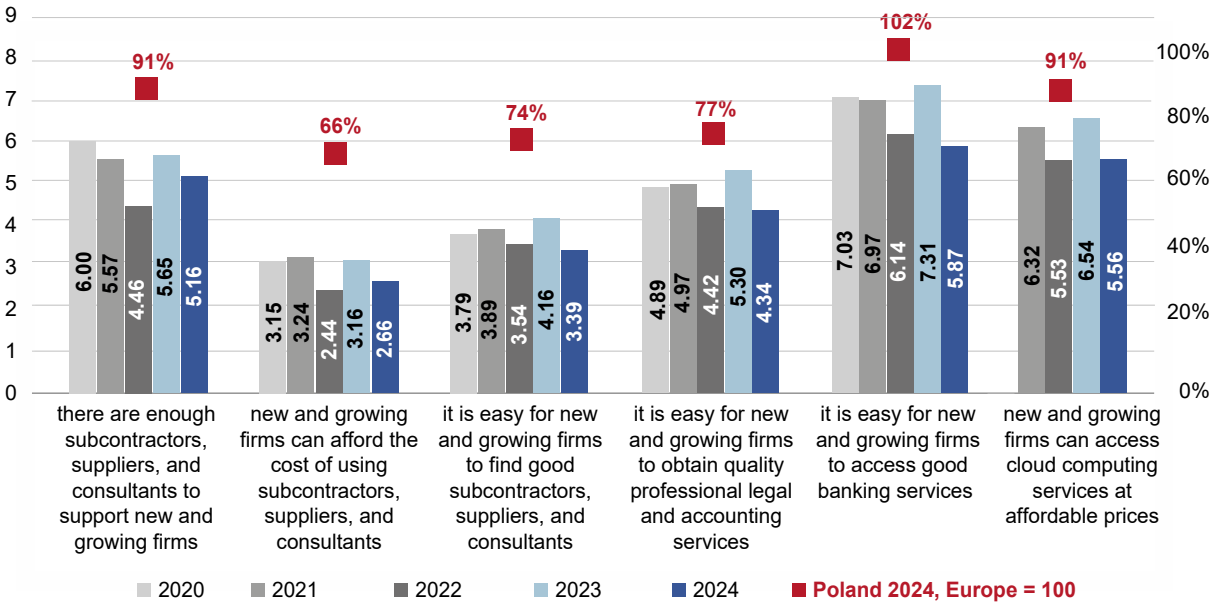
Source: own study based on GEM data.

Compared to 2023, in 2024, experts gave slightly lower rating to statements concerning: the quality of technical infrastructure (roads, utilities, communications, waste management) – 5.8 points (99% of the average rating for European countries; 6.2 points in 2023), newly-established and developing enterprises' access to affordable office space – 4.8 points (85% of the average rating for European countries; 5.3 points in 2023), and access to affordable production space – 4.1 points (85% of the European average; 4.3 points in 2023), with these three statements also rated lower than in 2020–2021.

In 2024, experts rated the area of **Commercial and service infrastructure** lower than in 2023 – 4.5 points (79% of the rating for high-income economies and 86% of the rating for European countries; 5.4 points in 2023) (Figure 2.1), which was marginally higher than in 2022 (4.4 points) and slightly lower than in 2020–2021 (5.1 points in 2021, 4.9 points in 2020). Among European countries, only Ukraine (4.4 points), Croatia (4.3 points), and Bosnia and Herzegovina (4.0 points) scored lower in this area. The highest scores – as in the case of technical infrastructure – were given by experts from Switzerland (6.9 points), Lithuania (6.7 points), and Norway (6.6 points).

When analysing the results for the particular categories (Figure 2.7), it becomes evident that Polish experts believe that **the costs associated with hiring subcontractors, suppliers, and consultants** (2.7 points, 66% of the European countries' rating), **as well as the difficulty in attracting good subcontractors, suppliers, and consultants** (3.4 points, 74% of the European countries' rating) **constitute barriers for newly-established and developing enterprises.** A slightly higher score was given to such aspects as the ease of obtaining good, professional lawyers and accountants (4.3 points, 77% of European countries' rating), and the number of subcontractors, suppliers, and consultants with regard to the development of newly-established and developing enterprises (5.2 points, 95%). **Experts gave the highest rating** (5.9 points, 102% of the European countries' rating) **to newly-established and developing enterprises' access to good banking services** (access to accounts, current accounts, foreign currency transactions, letters of credit, etc.) **and to the costs of access to cloud computing** (5.6 points, 91%). However, this rating is clearly lower than in 2023.

Figure 2.7. Assessment of determinants of entrepreneurship development in Poland – **Commercial and service infrastructure** in 2020–2024 and Poland vs. European countries in 2024



Source: own study based on GEM data.

2.2. Public policy and support

This block comprises three areas in which the experts rated statements regarding government policies and measures targeting newly-established and developing enterprises. The first thematic area (I) concerns the authorities' general approach to entrepreneurial development, at both the national and regional levels, and assesses whether newly-established and developing enterprises occupy a prominent place in state policy at various levels of governance (central and regional). The second area (II) addresses the fiscal and administrative burdens related to doing business, and the third (III) area assesses the availability and effectiveness of public programmes to support business development.

Public policy on entrepreneurship (Area I), including its priorities, is a block of statements rated by Polish experts at 3.5 points on average (lower than the average rating for European countries surveyed – 92% and for high-income economies – 74%) (Figure 2.1). This rating was higher than in 2022–2023 (3.4 points in 2023, 2.7 points in 2022), the same as in 2021, but lower than in 2020 (4.3 points). In 2024, the area was rated highest by Lithuanian experts (6.1 points) and lowest by Belarusian experts (1.4 points). Poland's rating for conditions in this area was slightly higher than in countries such as Norway and Spain (3.2 points each) or Sweden (3.1 points).

As for the individual statements that make up this area (Figure 2.8), two were rated better by experts than in the previous year, while one was rated marginally worse. **The lowest rating was given to the statement that 'government policies (e.g. public procurement) consistently favour new entrepreneurs'** (2.8 points, or 79% of the average expert rating in European countries). However, it was still slightly higher than in 2022–2023 (2.4 points in 2023, 2.1 points in 2022). Similarly to 2023, **the statement that 'support for newly-established and developing enterprises is an important priority for policy at the government level'** also received a low score (3.5 points, 88% of the average rating for European countries). The statement that support for newly-established and developing enterprises is an important policy priority at the regional level was rated relatively high, at 4.3 points (108% of the European countries' rating).

The experts rated **the area related to bureaucracy and taxes (Area II)** slightly lower than in 2023, with a 2024 rating of 3.8 points, representing 86% of the average rating in the European countries surveyed and 74% of that in high-income economies (2023: 4.0 points)

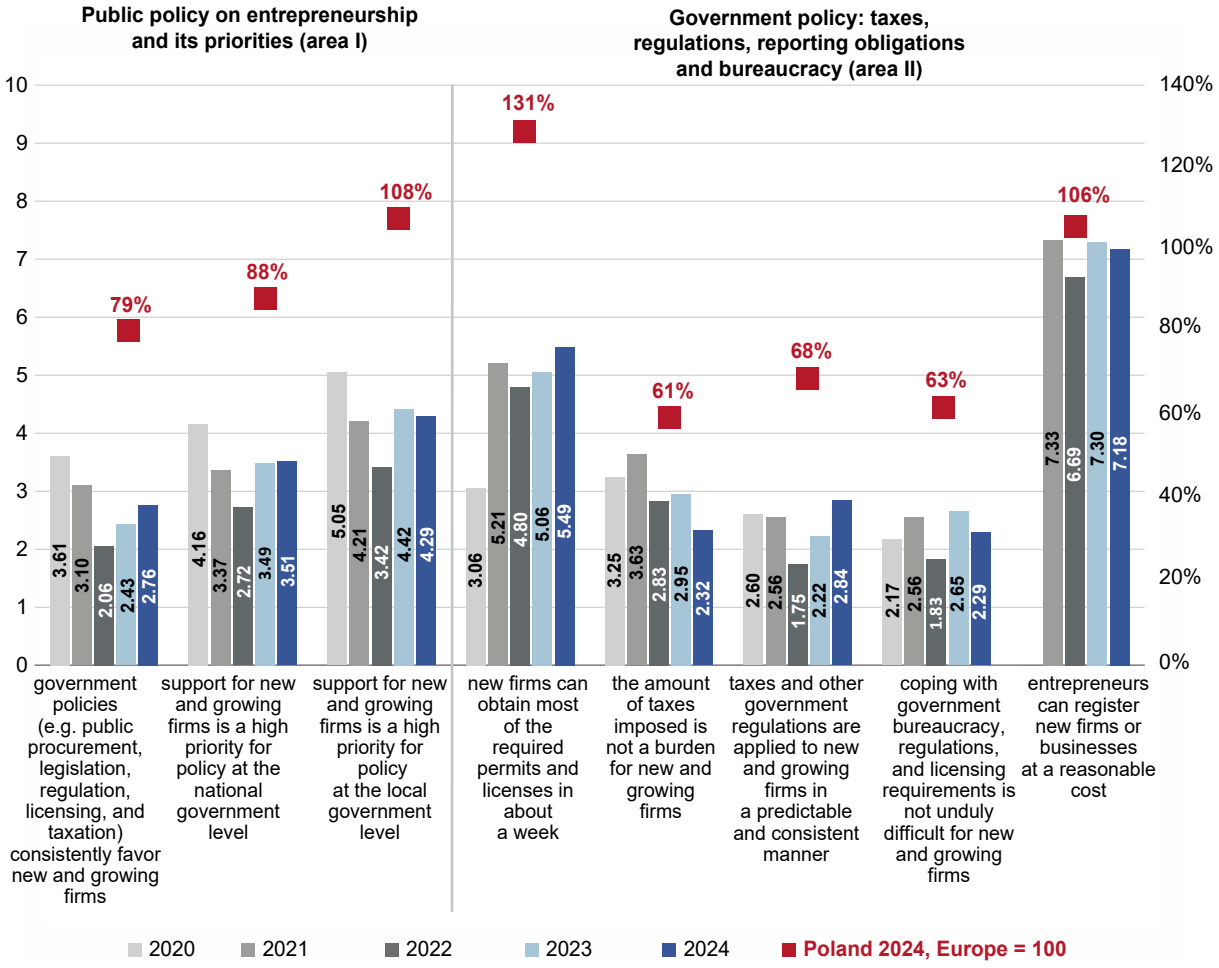
(Figure 2.1). The best conditions for running a business in terms of tax and administrative burdens are in Lithuania (6.6 points) and Switzerland (5.8 points), while the worst are in Slovakia (2.9 points). Polish experts' rating of this area was slightly higher than that of their counterparts in Spain (3.7 points) and Italy (3.5 points), among others.

An analysis of the categories that make up Area II (Figure 2.8) reveals three spheres that experts believe hinder newly-established and developing enterprises. The first concerns **the ease with which newly-established and developing enterprises cope with public bureaucracy, regulations, and licensing requirements** (2.3 points, 63%), the second relates to **the level of taxes** (2.3 points, 61%), and the third concerns **predictable and consistent application of taxes and other administrative regulations** (2.8 points, 68% of the rating for European countries).

The statement that 'newly-established enterprises can obtain most of the required permits and licences within approximately a week' (5.5 points, 131% of the European countries' rating) **was rated better than the average for European countries** (although at the 'neither true nor false' level).

According to Polish experts, **the costs of setting up (registering) a new company are not high** (7.2 points, 106% of the European countries' rating). This is a relatively new statement, added in 2021. Its score was slightly higher in 2021 and 2023 than in 2024 (7.3 points), and in 2022, it was 6.7 points.

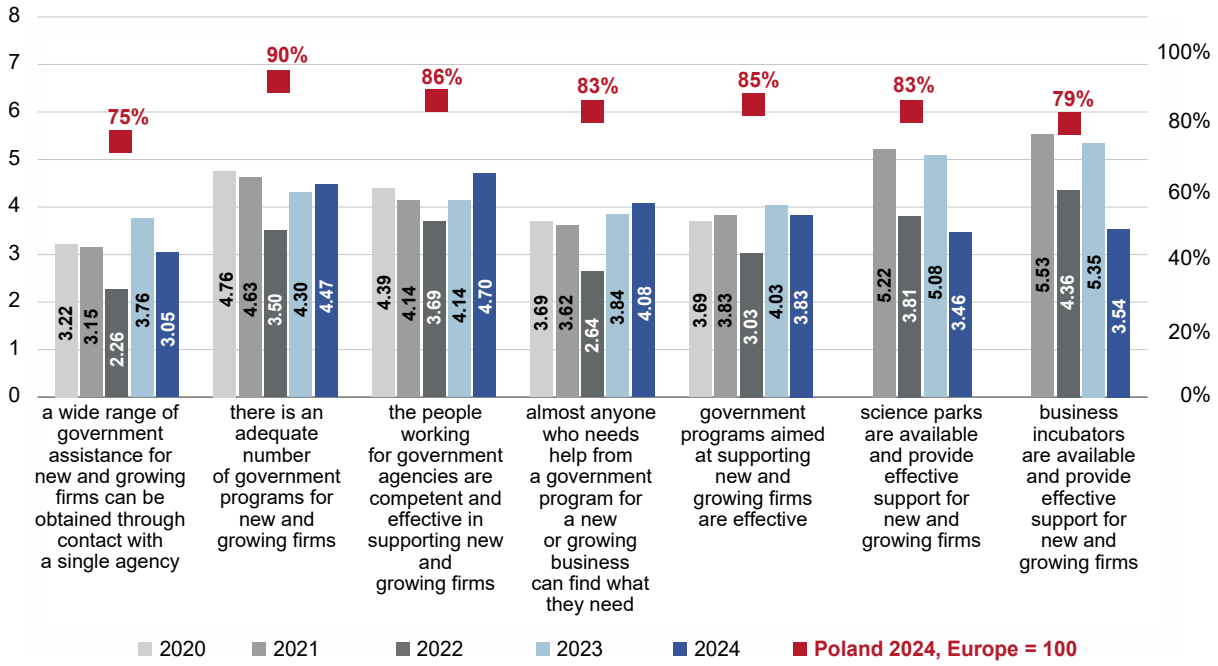
Figure 2.8. Assessment of determinants of entrepreneurship development in Poland – **Government policy (Area I and II)** in 2020–2024 and Poland vs. European countries in 2024



Source: own study based on GEM data.

The rating of the **Government (public) programmes supporting businesses (Area III)**, covering the availability and effectiveness of public programmes targeted at entrepreneurship development, slightly declined in 2024 compared to 2020–2021 and to 2023, but was higher than in 2022 (2024 – 3.8 points, 2023 – 4.4 points, 2022 – 3.4 points, 2021 – 4.3 points, 2020 – 4.1 points). Compared to the benchmark countries, it accounted for 71% of the average rating of high-income economies and 83% of the European average (Figure 2.1). The experts' opinions on the particular statements assessed in this block are presented in Figure 2.9.

Figure 2.9. Assessment of determinants of entrepreneurship development in Poland – **Government (public) programmes supporting businesses (Area III)** in 2020–2024 and Poland vs. European countries in 2024



Source: own study based on GEM data.

According to Polish experts, a problem for newly-established and developing enterprises could be support being dispersed across numerous public entities, with the statement about the possibility of obtaining a wide range of assistance and support by contacting a single public institution rated at only 3.1 points (75% of the European countries' average). **The availability of science parks** (3.5 points, 83% of the average rating of European countries) **and business incubators providing effective support for newly-established and developing enterprises (3.5 points, 79%) was also rated lower than in previous years**[57]**. Experts are also not convinced of the effectiveness of public programmes aimed at supporting newly-established and developing enterprises** (3.8 points, 87%).

Slightly better ratings than in 2023 were given to the following statements: 'people working in public institutions are sufficiently competent and effective to support newly-established

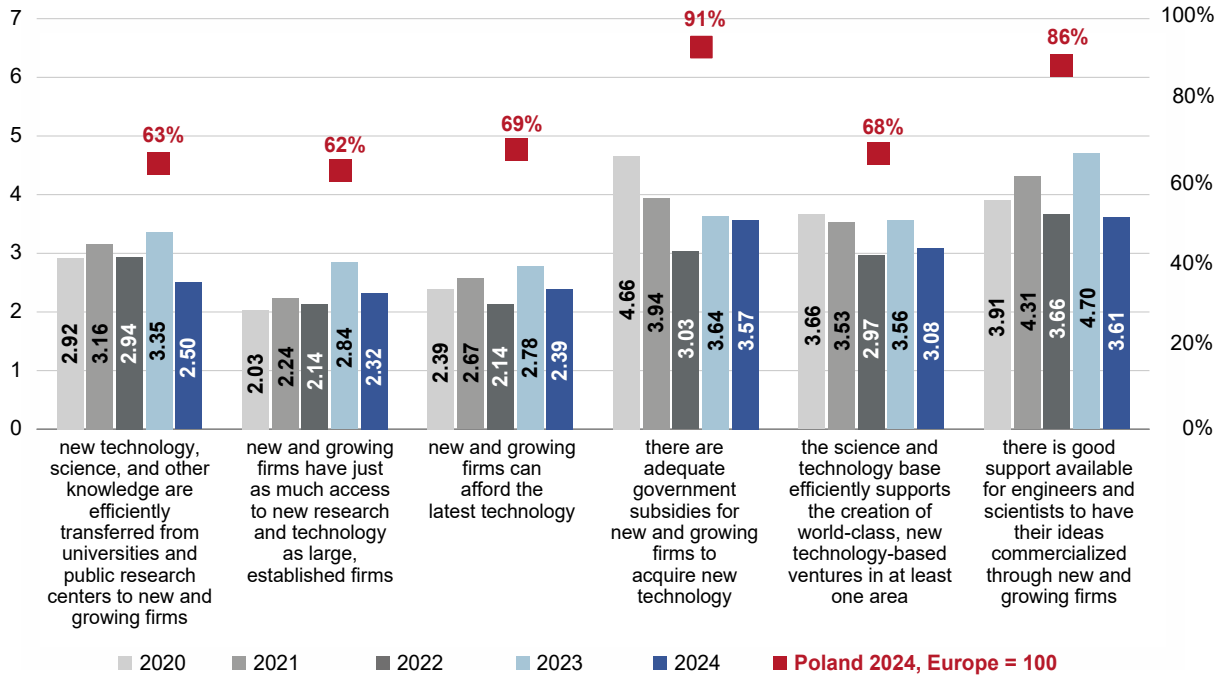
[57] These statements were added in 2021. In previous years, the experts assessed one statement for both science parks and business incubators: 'In Poland, science parks and business incubators provide effective support to and developing enterprises'.

and developing enterprises' (4.7 points, 86%), 'there are enough public programmes aimed at young and developing enterprises' (4.5 points, 90%), and 'almost anyone who needs help from a public programme for newly-established and developing enterprises can find what they need' (4.1 points, 83% of the European countries' rating).

2.3. Research and development, knowledge and technology transfer

This block addresses topics related to the effective transfer of technology and knowledge from universities and public research centres to newly-established and developing enterprises, the acquisition of new technologies, access to research and technologies, and the provision of relevant support programmes. **In 2024, experts' average rating of this area was still low (3.0 points)**, lower than in 2023 and in 2020–2021 (2023 – 3.5 points, 2022 – 2.8 points, 2021 and 2020 – 3.3 points). It is also below the average score for high-income economies, representing 65% of their average rating, and for the European countries surveyed, representing 76% (Figure 2.1). Poland received one of the lowest scores among the European countries surveyed, ranking only below Slovakia, Bosnia and Herzegovina (2.5 points each), and Belarus (2.2 points).

Figure 2.10. Assessment of determinants of entrepreneurship development in Poland – **Research and development, transfer of knowledge and technology** in 2020–2024, and Poland vs. European countries in 2024



Source: own study based on GEM data.

In 2024, all of the statements comprising the described area were rated lower than previously (Figure 2.10), with experts' ratings pointing to existing barriers for newly-established and developing enterprises undertaking R&D. **What hinders the process is the disparity in access to new research between large, well-established enterprises, and new, usually small firms** (2.3 points, 62%)**, with experts claiming that newly-established and developing in enterprises in Poland cannot afford to acquire the latest technologies** (2.4 points, 69%). Knowledge and technology transfer from universities and research centres to companies is a problem as well (2.5 points, 63%). Low scores were also given to the statements that the science and technology base efficiently supports the creation of world-class new technology-based ventures in at least one area (3.1 points, 68%), that there are adequate programmes for newly-established and developing enterprises to acquire new technology (3.4 points, 91%), and that engineers and scientists can benefit from support programmes to enable the commercialisation of their ideas through new and developing enterprises (3.6 points, 86% of the average score for European economies).

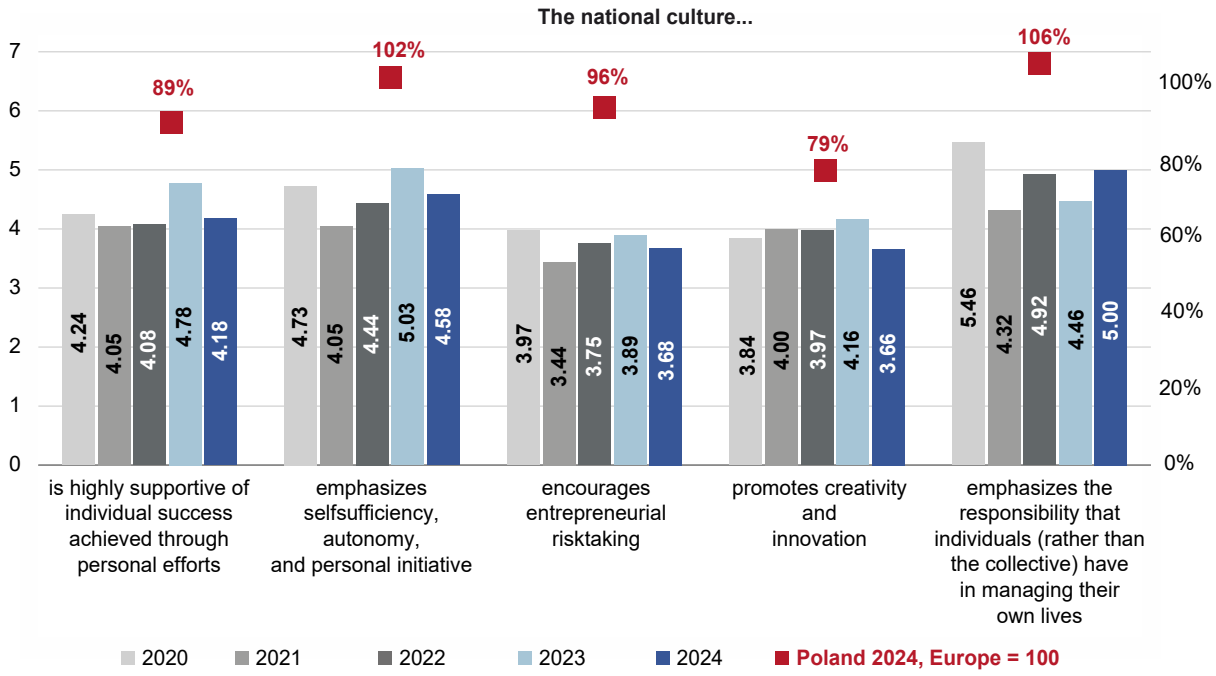
Although in recent years a significant amount of attention has been devoted to cooperation between science and business, with many initiatives emerging to promote such activities (such as grants from European funds), and internal R&D expenditure increasing (according to Statistics Poland, gross domestic spending on R&D in 2023 amounted to PLN 53.1 billion, up by 18.8% compared to 2022[58]), experts' opinions suggest that the efforts are not yet sufficient. Creating appropriate conditions for the prompt development of the R&D sector remains one of the most significant challenges in Poland.

2.4. Cultural and social norms

The last of the analysed blocks, on social and cultural norms, presents experts' opinions on conditions that favour individual success, creativity, initiative, and risk-taking. **Experts' average score for cultural and social determinants of entrepreneurship is 4.2**, which is lower than in high-income economies (77% of their average score) and in the European countries surveyed (94%) (Figure 2.1). At the same time, experts' rating decreased slightly in 2024 compared to 2023, when it was 4.5 points. The European countries that scored highest in the area of cultural conditions for starting and developing entrepreneurial activities are Estonia (7.4 points), Lithuania (6.8 points), and Switzerland (5.7 points). In Poland, this area was rated higher than in Germany (4.0 points), Austria, or Luxembourg (4.8 points), among others.

[58] Research and experimental development in Poland in 2023. Signal information, Statistics Poland 2024

Figure 2.11. Assessment of determinants of entrepreneurship development in Poland – **Cultural and social norms** in 2020–2024 and Poland vs. European countries in 2024



Source: own study based on GEM data.

The highest-rated statements in this block (Figure 2.11) **concern cultural and social norms in the context of emphasising personal responsibility in managing one's life** (5.0 points, 106% of the average rating of the European countries surveyed), **the emphasis on self-reliance and initiative** (4.6 points, 102%), **and the importance of cultural norms in supporting individual success achieved through one's efforts** (4.2 points, 89%). Lower ratings were given to the statement that cultural norms encourage creativity and innovation (3.7 points, 79% of the average rating of European countries) and that cultural and social norms in Poland favour entrepreneurs' risk-taking (3.7 points, 96%). The relatively low rating of these two statements could imply that experts believe Polish entrepreneurs' inclination to engage in riskier ventures, such as innovation projects, may be discouraged by these determinants.

2.5. National Entrepreneurship Context Index (NECI)

A comparison of different economies in terms of external conditions that may affect entrepreneurship is possible through the National Entrepreneurship Context Index (NECI)[59], introduced in the 2019 GEM survey. The index is calculated using data from the National Expert Survey (NES) on entrepreneurship context and was designed to help measure and assess how easy or difficult it is to start and develop a business in the countries participating in the survey. The higher a given country scores on the index, the better its environment for developing entrepreneurship.

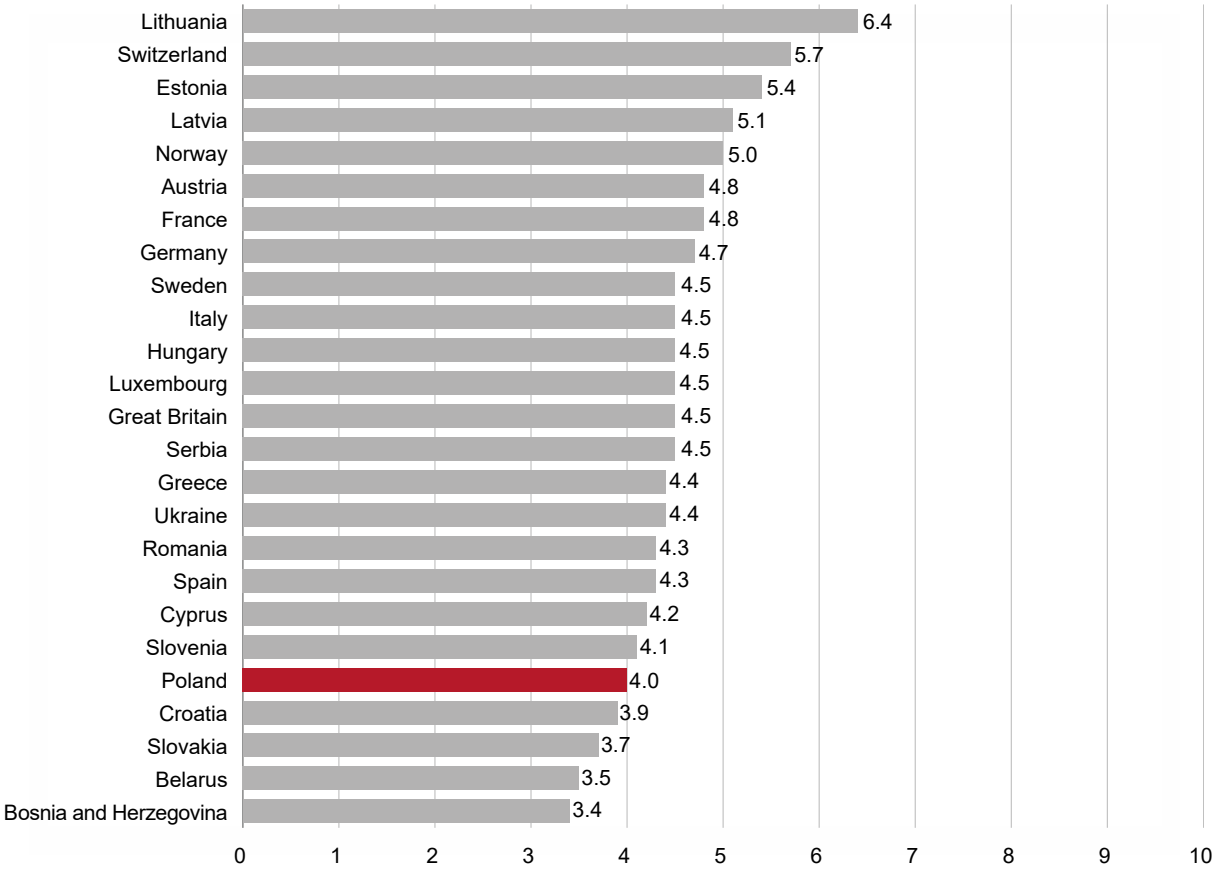
Poland, with a score of 4.0, ranked 21st among the 25 European countries surveyed in 2024 (Figure 2.12)**. Compared to 2023, the NECI for our country decreased slightly (2023 – 4.2 points), but was marginally higher than in 2022 (3.8 points).** Among the 56 economies covered by the 2024 NES survey, Poland ranked 46th, underscoring the need for continued efforts to improve the environment for entrepreneurship.

Among European countries, the highest NECI value in 2024 was Lithuania's 6.4 points, followed by Switzerland (5.7), Estonia (5.4), and Latvia (5.1). Among European countries, values similar to Poland's are observed in Slovenia (4.1 points) and Croatia (3.9 points).

However, when considering all the countries included in the GEM survey, the United Arab Emirates (7.1 points), Lithuania (6.4 points), Taiwan and Saudi Arabia (6.3 points each) have the highest NECI value in 2024, while the lowest ranked are Bosnia and Herzegovina (3.4 points), Venezuela and Belarus (3.5 points each).

[59] NECI – the National Entrepreneurship Context Index. The data pertaining to the index was first published in the Global Entrepreneurship Monitor – Global Report 2018/2019. In 2019, the methodological approach to calculating the index was changed to using a 0–10 scale, with 0 standing for 'completely false' and 10 standing for 'completely true' (in the previous year, a 1–9 scale was used).

Figure 2.12. The National Entrepreneurship Context Index in Poland and the European countries surveyed by the NES in 2024 (points)



Source: own study based on GEM data.

2.6. UN Sustainable Development Goals

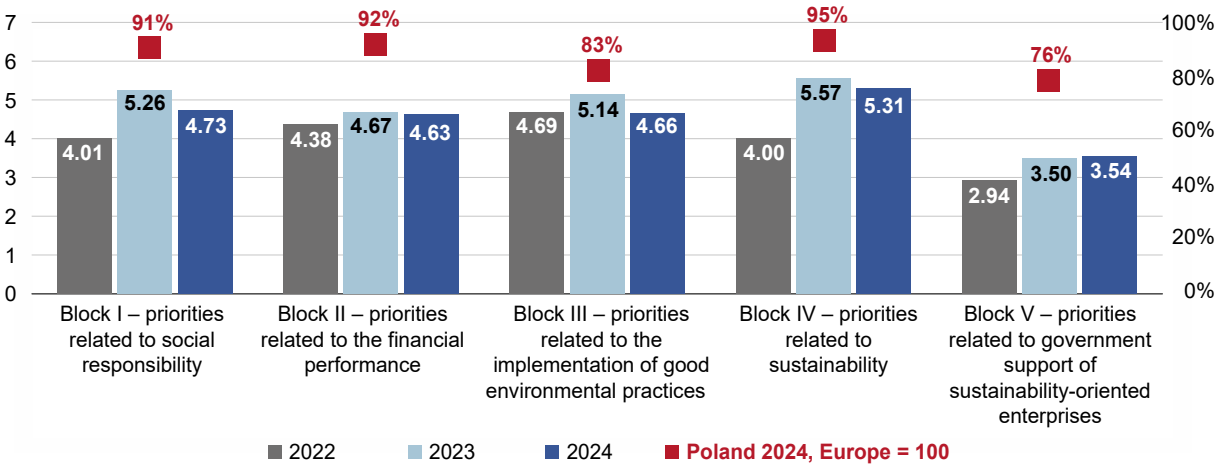
In 2022, the NES survey added new questions, on experts' perceptions of progress toward the United Nations Sustainable Development Goals (SDGs)[60]. Among the 13 statements, which are grouped into 5 thematic blocks and evaluated by the experts, four relate to perceptions of the priorities of new and developing enterprises related to social responsibility (I), economic performance (II), implementation of good environmental

[60] 17 Goals for Reducing Poverty, Protecting the Environment and Ensuring the General Welfare of All the World's People adopted by the UN General Assembly on 25/09/2015. (Resolution of the General Assembly A/RES/70/1: 2030 Agenda for Sustainable Development).

practices (III) and sustainability (IV), while the last block addresses perceptions of government support for sustainability-oriented companies (V).

On average, blocks I–IV were rated slightly lower in 2024 than in the previous year, although generally better than in 2022 (Figure 2.13), while block V, concerning support for companies in the analysed area, was rated at a level similar to 2023.

Figure 2.13. Assessment of determinants of entrepreneurship development in Poland – **implementation of the UN Sustainable Development Goals** – average ratings for individual question blocks in 2022–2024, and Poland vs. European countries in 2024



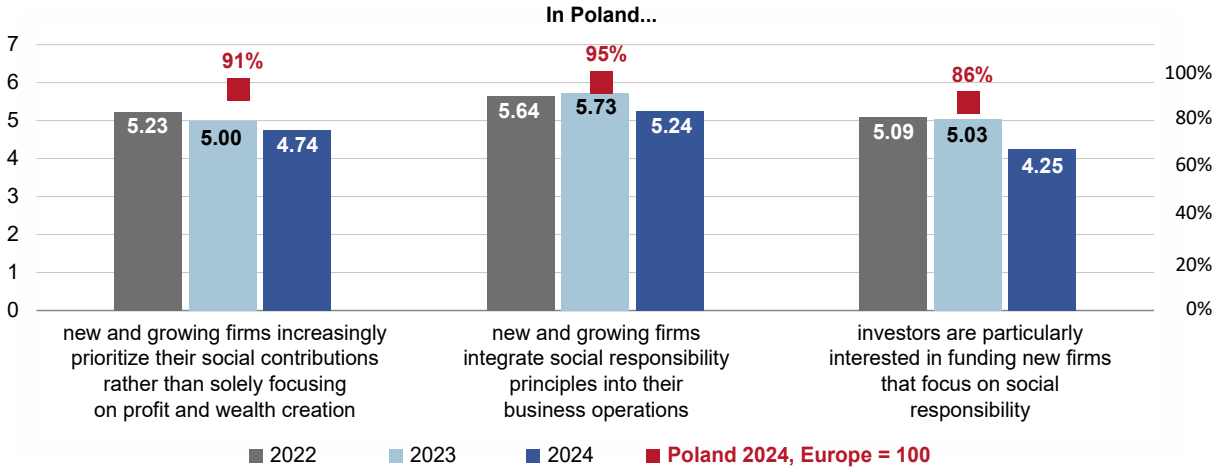
Source: own study based on GEM data.

Experts rated block I – perception of priorities of newly-established and developing enterprises related to social responsibility – at an average of 4.7 points (91% of the average rating of European countries under study), **which is lower than in 2023** (5.3 points) (Figure 2.13). The European countries where experts rated this area highest were Norway (6.7 points), and Lithuania and Austria (6.6 points each). In comparison, the lowest scores were given to Belarus (3.5 points), and to Bosnia and Herzegovina and Romania (3.9 points each).

Taking into account all the assessed dimensions of determinants related to the implementation of SDG goals, Polish experts agree the most that newly-established and developing enterprises integrate social responsibility principles into their business activities (5.2 points), a result close to the European average (95%). Slightly lower ratings were given to the statements that new and growing companies are increasingly prioritising

social engagement over profit generation (4.7 points, 91%) and that investors are particularly interested in financing socially responsible new companies (4.3 points, 86%) (Figure 2.14).

Figure 2.14. Assessment of determinants of entrepreneurial development in Poland – **implementation of UN Sustainable Development Goals**: **Block I – Priorities related to social responsibility** in 2022–2024 and Poland vs. European countries in 2024

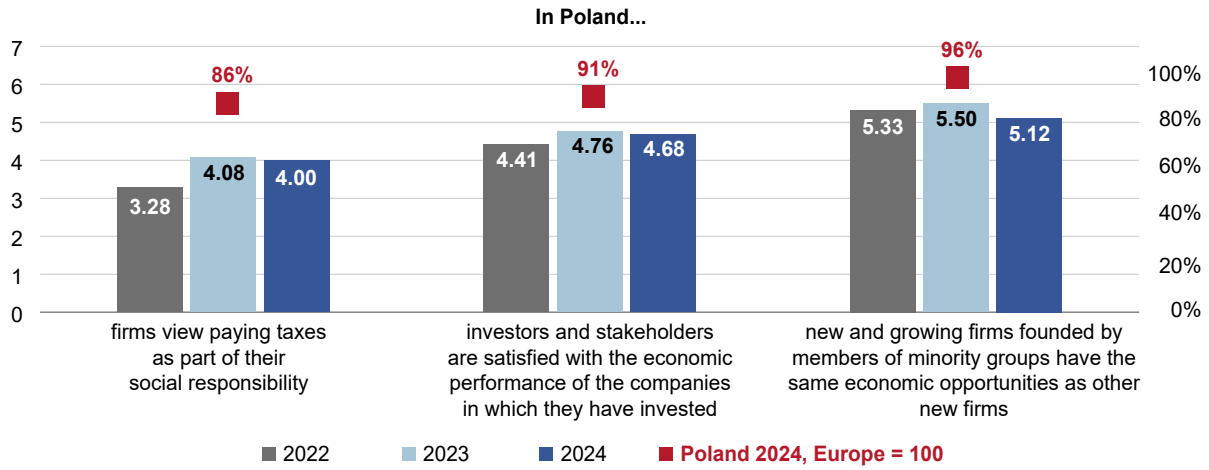


Source: own study based on GEM data.

Block II, which is connected to the fulfilment of priorities related to the financial performance of newly-established and developing enterprises, received an average rating of 4.6 points (92% of the average for European countries), close to that recorded in 2023 (4.7 points) (Figure 2.13). The following European countries received lower ratings than Poland: Cyprus (4.0 points), Croatia and Bosnia and Herzegovina (4.3 points each), while Lithuania (7.0 points), Estonia (6.6 points), and Switzerland (6.1 points) scored highest.

Experts in Poland do not share the view that enterprises view paying taxes as part of their social responsibility (4.0 points, 86% of the average rating for European countries). Still, they are slightly more optimistic about investors' and stakeholders' perceptions of their satisfaction with the economic performance of the businesses in which they invested (4.7 points, 91%). **The statement that companies founded by members of minority groups have the same economic opportunities as other newly established enterprises was rated at a level close to the average across all the European countries studied** (5.1 points, 96%) (Figure 2.15).

Figure 2.15. Assessment of determinants of entrepreneurial development in Poland – **implementation of UN Sustainable Development Goals**: **Block II – priorities related to the financial performance of companies** in 2022–2024 and Poland vs. European countries in 2024

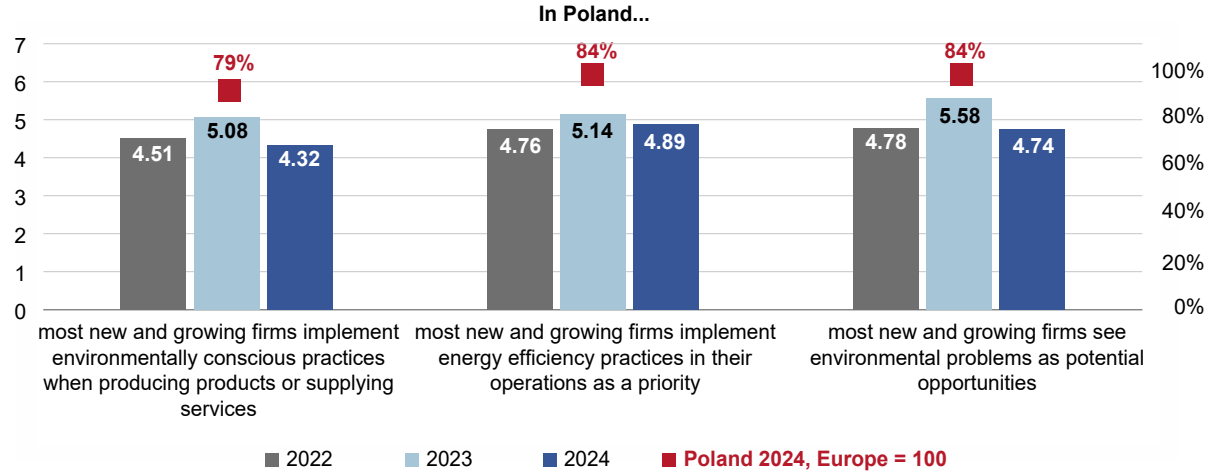


Source: own study based on GEM data.

Block III, concerning the perceived priorities of newly-established and developing enterprises related to the implementation of good environmental practices, scored 4.7 points in Poland (2023 – 5.1 points), which is less than in European countries and accounts for 83% of the average rating for this group (Figure 2.13). Among European countries, Lithuania (7.1 points), Norway (7.0 points), and Switzerland (6.8 points) received the highest scores from their experts, while Belarus (3.4 points) and Bosnia and Herzegovina (4.3 points) received the lowest.

In this block of questions, Polish experts rated the statement concerning newly-established and developing enterprises' conscious implementation of pro-environmental solutions in the manufacture of products or provision of services lowest – 4.3 points (79% of the average score for the surveyed European countries). The statement referring to prioritising energy efficiency solutions was rated at 4.9 points (84%), while the one referring to seeing environmental problems as a potential opportunity was rated at 4.7 points (84%) (Figure 2.16).

Figure 2.16. Assessment of determinants of entrepreneurial development in Poland – **implementation of UN Sustainable Development Goals**: **Block III – priorities related to the implementation of good environmental practices** in 2022–2024 and Poland vs. European countries in 2024



Source: own study based on GEM data.

Block IV comprised two statements regarding public attitudes towards sustainability and companies' actual actions in this area, and was rated by Polish experts at 5.3 points on average, which is close to the European level (95% of the average for the European countries surveyed) and slightly lower than in the previous edition (5.6 points) (Figure 2.13). It should be noted that Poland's score is higher than that of 12 European countries, including Hungary (5.0 points), Croatia (4.9 points), and Slovakia (4.8 points), with the lowest score for Belarus (3.1 points). This block of questions was rated best in Sweden (7.9 points), Norway (7.4 points), and Austria (7.3 points).

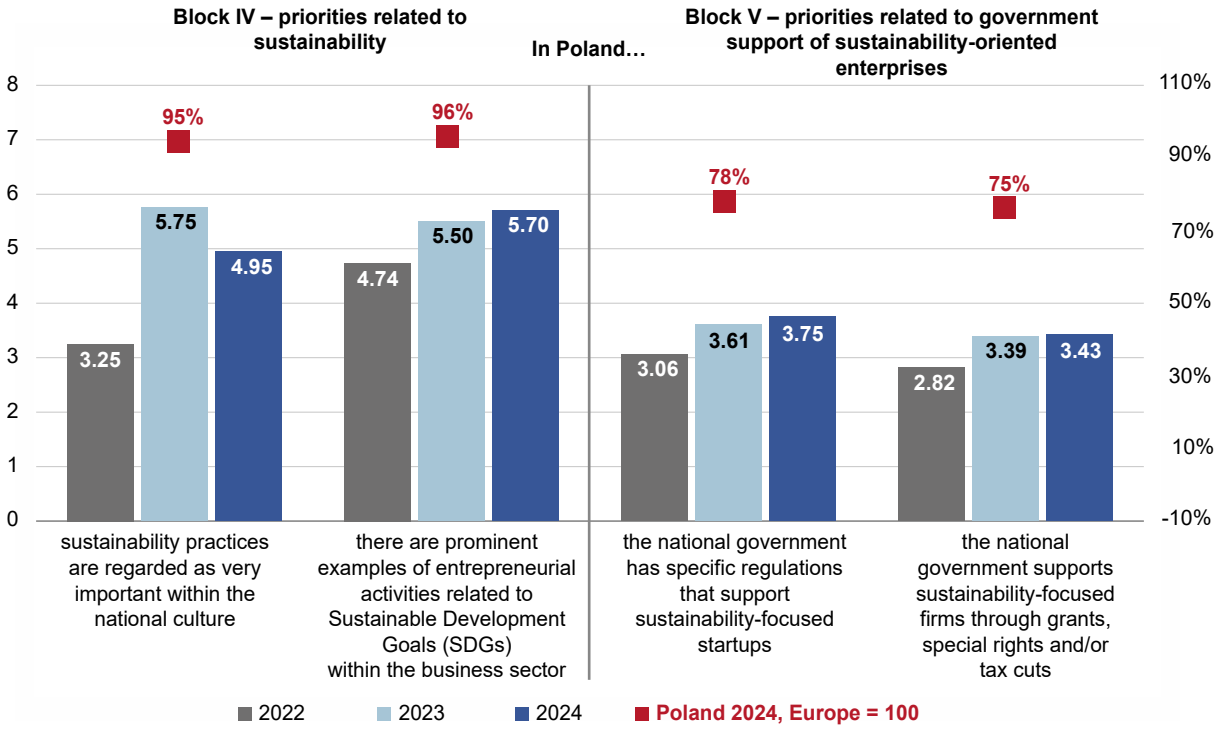
Polish experts are more likely to agree that there are significant examples of action in the business sector related to Sustainable Development Goals, 5.7 points (96%) than that the Polish society perceives sustainability and action in this area as important, 5.0 points (95% of the rating of the European countries surveyed) (Figure 2.17).

Block V – priorities related to government support for sustainability-oriented enterprises – was rated low by experts, with the two statements under the block scoring 3.5 points on average, which is lower than the European countries' average (76%). It should be noted that although the rating for this area has not changed from the previous year, it is slightly

higher than in 2022 (2.9 points) (Figure 2.13). Among the European countries included in the survey, Slovakia (3.3 points), Bosnia and Herzegovina (3.2 points), and Belarus (1.8 points) scored lower than Poland in this area. In comparison, experts from Norway (6.5 points), and France and Lithuania (6.3 points each) rated this block of questions the highest.

In the opinion of Polish experts, **the government still fails to provide special regulations to support sustainability-oriented start-ups (3.8 points, 78%)**. However, it is worth noting that the 2024 rating for this statement was higher than in the previous two years. **The government also does not support sustainability-oriented companies through subsidies, special laws, or tax reductions (3.4 points, 75%)** (Figure 2.17).

Figure 2.17. Assessment of determinants of entrepreneurial development in Poland – **implementation of UN Sustainable Development Goals**: **Block IV – priorities related to sustainable development, Block V – priorities related to government support of sustainability-oriented companies** in 2022–2024 and Poland vs. European countries in 2024



Source: own study based on GEM data.

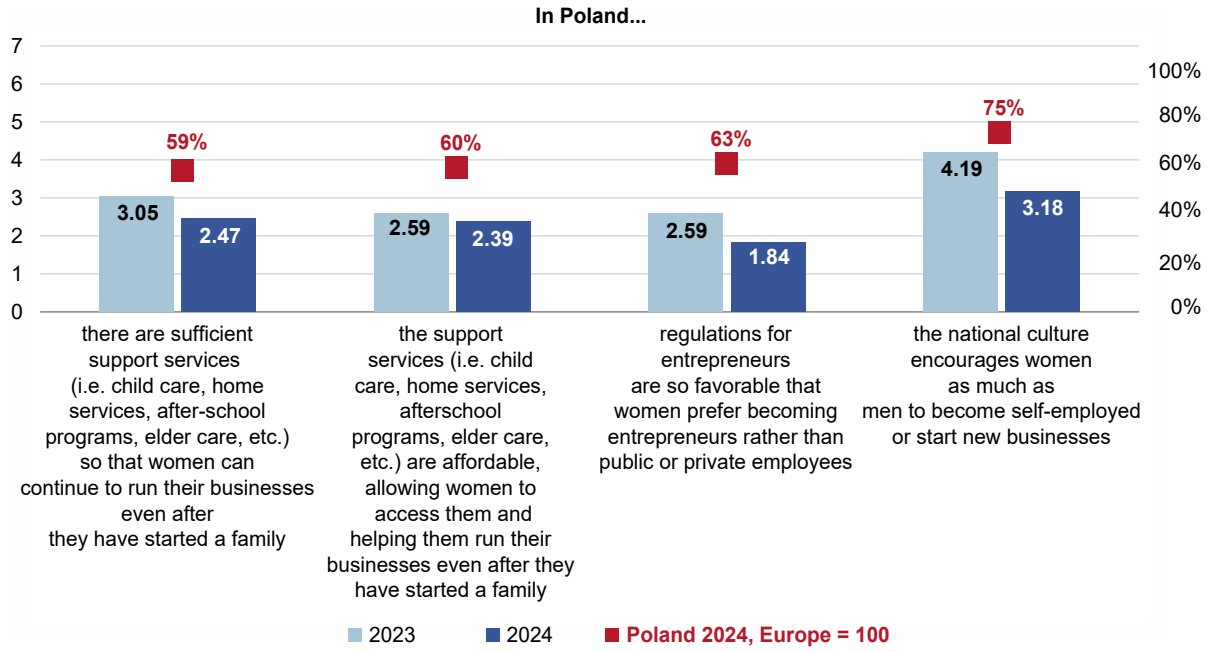
2.7. Women's entrepreneurship

This year's NES survey also covered the determinants of women's entrepreneurial development, with experts assessing eight statements across two areas. The first area relates to perceived conditions in the form of care and education services, regulations, and cultural norms, and the second concerns the availability of funding and market access for women in business compared to men. Polish experts' ratings are lower in both areas than in the most prosperous economies (Level A) and the European countries participating in the survey.

On average, Polish experts rated the area concerning the perception of the level of support for women's entrepreneurship in terms of the availability of services, regulations, and cultural norms at 2.5 on a scale of 0–10, which was the lowest rating of the 56 countries participating in the 2024 GEM survey, representing 57% of the average score for high-income economies and 64% for European countries. It was also lower than in 2023 (3.1 points). Among European countries, this block of statements was rated highest in Lithuania (6.0 points), Sweden (5.9 points), and Norway (5.2 points). Among all the countries surveyed, it was rated highest in the United Arab Emirates (6.8 points).

Assessment of the four statements that comprise this area indicates they may be limiting female entrepreneurship in Poland. Experts gave the highest in this block, but still low, score to the statement that cultural and social norms equally support women and men in starting a business – 3.2 points (75% of the average score for European countries) (Figure 2.18), although this was lower than in 2023 (4.2 points). Low scores were given to statements regarding the availability and affordability of services such as crèches, kindergartens, day-care centres, after-school childcare, and care for the elderly, which enable women with carers' roles to return to running their businesses (2.5 points and 2.4 points out of 10, respectively). According to Polish experts, legal regulations governing business operations also limit women's ability to start and develop enterprises. Experts disagree with the statement that the regulations are so favourable that women prefer to start their own businesses rather than work as employees, with this area receiving a very low rating of 1.4 points (2023 – 2.6 points).

Figure 2.18. Assessment of determinants of entrepreneurship development in Poland – women's entrepreneurship – **perception of the level of support for female entrepreneurship in terms of services, regulations, and cultural norms** in 2023–2024 and Poland vs. European countries in 2024

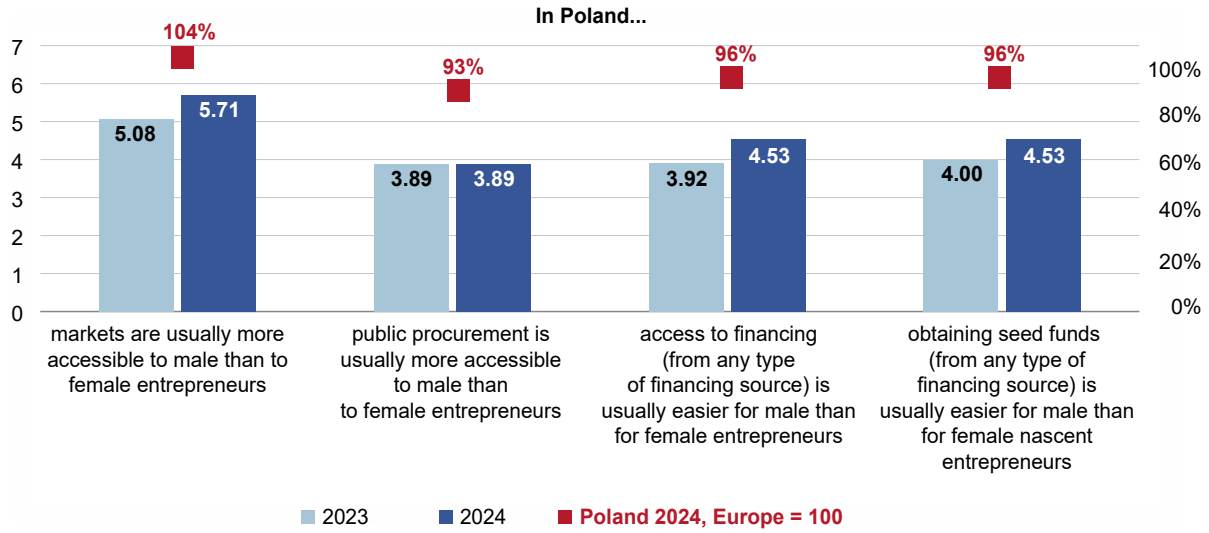


Source: own study based on GEM data.

On average, Polish experts rated the second area, concerning the availability of resources (funding and market) for women compared to men in developing entrepreneurial activities, higher than the first area, at 4.6 points, a score similar to that of the European countries (96%) and only slightly lower than in high-income economies (90%). However, it is also close to the 'neither true nor false' level, suggesting that both Polish and non-Polish experts found it difficult to evaluate individual statements.

Polish experts do not have a strong opinion on the statement that the market tends to be more open to male entrepreneurs or startups than to female entrepreneurs, which scores 5.7 (104% of the average score for European countries) (Figure 2.19). Difficulties in assessment also apply to the two statements regarding easier access to finance for men, including seed funding, which each scored 4.5 points in 2024 (96% of the score for European countries). However, this result does not mean that men enjoy easier access to finance in Poland.

Figure 2.19. Assessment of the determinants of entrepreneurial development in Poland – **female entrepreneurship** – **perceptions of the availability of resources (such as access to finance and the market) for women compared to men in developing entrepreneurial activity** in 2023–2024 and Poland vs. European countries in 2024



Source: own study based on GEM data.

2.8. Artificial intelligence and entrepreneurship

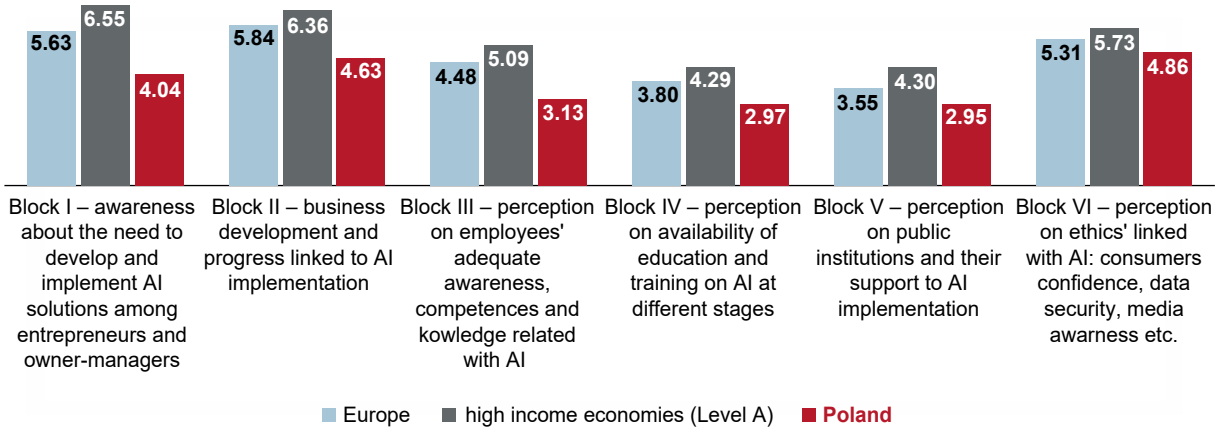
This year's NES survey also included a dedicated section on artificial intelligence (AI), with experts assessing fourteen statements comprising six thematic blocks relating to:

- entrepreneurs and business managers' awareness of the need to develop and implement AI solutions (I),
- companies' development and progress related to the implementation of AI (II),
- employees' awareness, competence, and knowledge of AI (III),
- availability of education and training on AI at different stages (IV),
- public institutions' support for AI development (V),
- ethical issues related to AI, such as client trust, data security, and awareness of media impact (VI).

Experts' average ratings for each block of questions are lower in Poland than the average in European countries and high-income economies (Figure 2.20). Two blocks of questions – the sixth, on ethics, trust, and data security, and the second, on the development and

progress of companies involved in AI implementation – were rated by Polish experts as, on average, better than the others. However, the rating is close to 5, i.e. 'neither true nor false'. Poland's low performance compared to other NES survey participants underscores the need to take appropriate measures if Poland is to be competitive in the field of artificial intelligence. According to their experts, the countries with the best conditions for the development of artificial intelligence are Lithuania, the United Arab Emirates, Taiwan, South Korea, and Latvia.

Figure 2.20. Assessment of the determinants of entrepreneurial development: **artificial intelligence and entrepreneurship**. Poland vs. high-income economies and European countries in 2024 (average ratings given to the particular blocks of questions)



Source: own study based on GEM data.

Block I – according to Polish experts, in Poland, among entrepreneurs and managers running companies, not all are aware of the need to develop and implement AI solutions. The average score is 4.0 points on a scale of 0–10 (72% of the average score of the surveyed European countries, 62% of the average score of the wealthiest economies – Level A) (Figure 2.20), one of the lowest scores among the European countries surveyed (the score is lower only for Bosnia and Herzegovina – 3.6 points). This area was rated highest in Lithuania (7.4 points), Switzerland (7.0 points), and Norway (6.0 points), and among all the countries participating in the survey, in Taiwan (7.9 points), the United Arab Emirates (7.7 points), and Saudi Arabia (7.5 points).

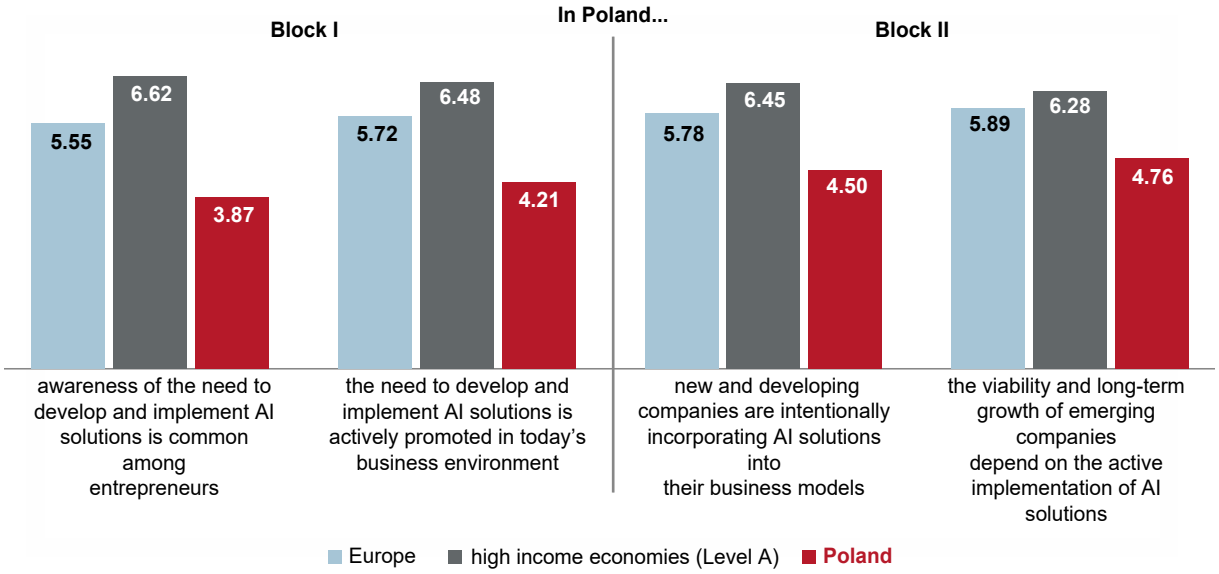
Of the two statements comprising this block, Polish experts rated active promotion of awareness of the need to develop and implement AI solutions in the business environment

relatively higher (4.2 points, 74% average score for European countries, 65% for high-income economies). In contrast, lower scores were given to the statement that awareness of the need to develop and implement AI-based solutions is widespread among entrepreneurs (3.9 points, 70% and 58%, respectively) (Figure 2.21).

Block II – Development and progress of companies related to the implementation of AI – was rated at an average of 4.6 points, representing 79% of the average rating for the European countries surveyed and 73% of the average rating for high-income economies (Figure 2.20). In this area, Poland's score was also among the lowest among the countries included in the study. Within Europe, and across all countries surveyed, Belarus (4.5 points) and Bosnia and Herzegovina (4.1 points) had lower scores, while Latvia (8.0 points), Taiwan (7.4 points), and the United Arab Emirates (7.3 points) scored highest.

The statement that newly-established and developing enterprises are deliberately integrating AI-based solutions into their business models was given an average score of 4.5 by Polish experts (78% of the average score for European countries, 70% for A-level economies), and a similar rating was given to the statement that viability and stable growth of startups depend on active implementation of AI-based solutions (4.8 points, 81% and 76%, respectively) (Figure 2.21).

Figure 2.21. Assessment of determinants of entrepreneurial development – **artificial intelligence and entrepreneurship: Block I – Awareness of the need to develop and implement AI solutions among entrepreneurs and managers running a company, Block II – Development and progress of companies related to AI implementation**. Poland compared to European countries and high-income economies in 2024



Source: own study based on GEM data.

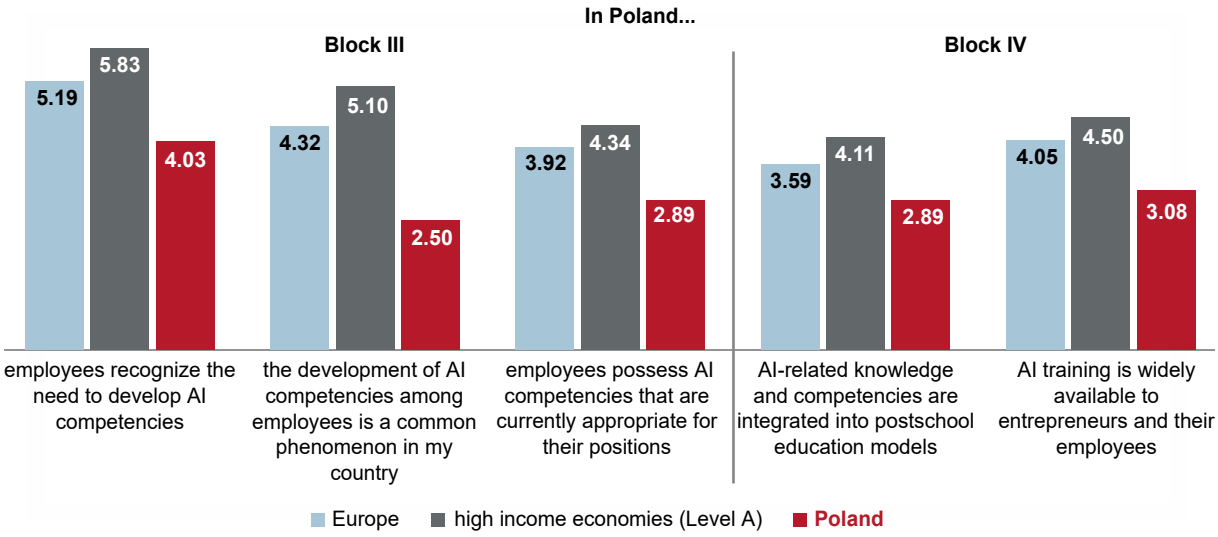
Block III – Employee awareness, competence, and knowledge of AI – scored 3.1, representing 70% of the score of the European countries surveyed and 61% of the score of high-income economies (Figure 2.20). Here, too, Poland's score was one of the lowest among the countries included in the survey, with only Bosnia and Herzegovina scoring lower (3.0 points). The highest-scoring countries were the United Arab Emirates (7.1 points), Latvia (6.9 points), and Lithuania (6.6 points).

An analysis of the individual statements in this block shows that Polish experts disagree that employees' development of AI competencies is a common phenomenon (2.5 points, 58% of the European average, 49% of the average for high-income economies) and that employees have AI competencies at a level appropriate to their jobs (2.9 points, 74% and 64%, respectively), scoring relatively higher on the statement that employees are aware of the need to develop AI competencies – 4.0 points, 78% and 69%, respectively) (Figure 2.22).

Block IV – Accessibility of education and training on artificial intelligence at different stages – scored 3.0 (78% of European countries and 69% of high-income economies' average) (Figure 2.20). The countries with the highest scores on this block of questions are Latvia (6.9 points), the United Arab Emirates (6.7 points), and South Korea (6.2 points), while among European countries, Cyprus (2.8 points), Romania (2.7 points), and Bosnia and Herzegovina (2.2 points) score lower than Poland.

Experts from Poland disagree with the statements that AI knowledge and skills are included in extracurricular education (2.9 points, 80% of the average score for European countries, 70% for A-level economies) and that AI training is widely available to entrepreneurs and their employees (3.1 points, 76% and 68%, respectively) (Figure 2.22).

Figure 2.22. Assessment of determinants of entrepreneurial development – **artificial intelligence and entrepreneurship: Block III – Employee awareness, competence, and knowledge of AI, Block IV – Availability of education and training on AI at different stages**. Poland compared to European countries and high-income economies in 2024



Source: own study based on GEM data.

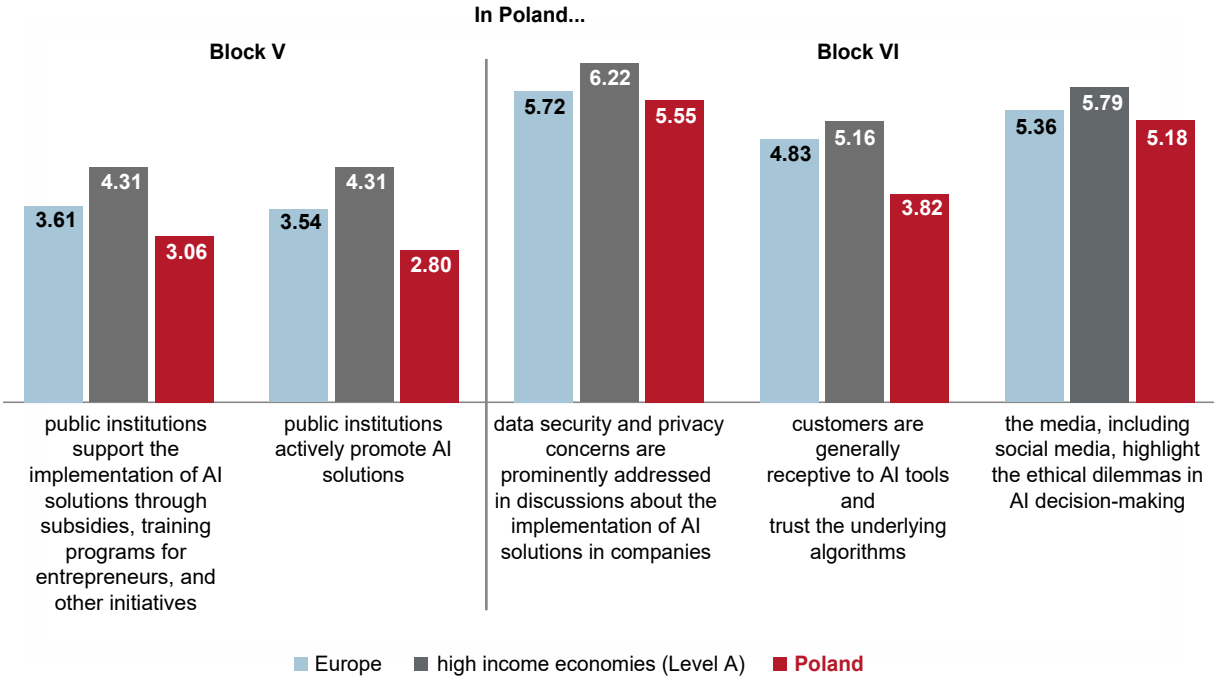
Block V – Public institutions' support for the development of AI – scored 3.0 points in Poland (83% of the average score of the surveyed European countries, 69% of the average score of high-income economies) (Figure 2.20). Among European countries, lower ratings than Poland were given to Romania (2.8 points), Slovakia (2.5 points), Cyprus (2.2 points), Bosnia and Herzegovina (1.6 points), and Belarus (0.8 points), with Latvia (6.6 points) and Lithuania (5.5 points) scoring highest. Among the countries participating in the NES survey, high scores are also observed for the United Arab Emirates (7.3 points) and South Korea (6.1 points).

In Poland, experts disagree with the two statements comprising this block, i.e. that public institutions support the implementation of AI-based solutions, e.g. through grants, training offered to entrepreneurs, and other activities (3.1 points, 85% of the average score for European countries, 71% – for A-level economies), and that public institutions actively promote AI-based solutions (2.8 points, 79% and 65%, respectively) (Figure 2.23).

Block VI – Ethical issues related to AI: client trust, data security, awareness of media impact – was rated relatively high, with an average score of 4.9 (92% of the score for European countries and 85% of the score for high-income economies) (Figure 2.20). At the same time, the result for both Poland and a significant group of countries participating in the NES survey is at the 'neither true nor false' level, unlike in countries such as Latvia and the United Arab Emirates (7.1 points each), Taiwan (6.6 points) or Lithuania (6.5 points), for which the rating is 'agree'. On the other hand, Bosnia and Herzegovina received 3.1 points and Venezuela received 3.8 points, both rated 'disagree'.

In this block, the highest rated statements were: data security and privacy concerns are an important part of the discussion on implementing AI-based solutions in companies (5.6 points, 97% of the average score for European countries, 89% of the average score for high-income economies), and media (including social media) highlight ethical dilemmas related to AI-based decision-making (5.2 points, 97% and 89%, respectively). In contrast, there is somewhat less agreement that customers are generally open to AI-based tools and trust the algorithms that create them (3.8 points, 79% and 74%, respectively) (Figure 2.23).

Figure 2.23. Assessment of determinants of entrepreneurial development – **artificial intelligence and entrepreneurship: Block V – Public institutions' support of AI development, Block VI – Ethical issues related to AI: client trust, data security, awareness of media impact**. Poland compared to European countries and high-income economies in 2024



Source: own study based on GEM data.

2.9. Conclusions

An analysis of expert opinions from the NES survey shows that, **in 2024 (compared to the previous four years), the conditions for entrepreneurship development in Poland did not improve. The 2024 rating was slightly lower than in 2023 and in 2020–2021, and slightly higher than in 2022.** This is evidenced by the value of the National Entrepreneurial Context Index (NECI), which was 4.0 points for Poland in 2024, 4.2 points in 2020–2021 and 2023, and 3.8 points in 2022, although this indicator remains relatively low, indicating that Poland still has significant work to do to improve the conditions for establishing and developing businesses.

In 2024, as in the previous year, Polish experts' assessment was significantly higher than the European average only in one area – openness of the domestic market – Access to technical infrastructure was also rated relatively high, though slightly below the average for European countries. **Conversely, the main areas for improvement are entrepreneurship education** (at both primary and secondary level, as well as at university and vocational training level), **areas related to R&D and knowledge transfer, ease of obtaining financing, policies to support entrepreneurship, bureaucracy and taxes, and the availability and effectiveness of public programmes to support business development.**

Experts gave slightly lower ratings to the statements regarding progress in implementing the United Nations Sustainable Development Goals, though still higher than in 2022. The results show that the area of government support for sustainability-oriented companies still needs improvement, despite being the only one of the five blocks comprising this area whose rating in 2024 was not lower than the previous year.

The results of the NES survey also show that it is essential to support female entrepreneurship, especially in terms of the availability and affordability of services (such as childcare and care for seniors), business regulations, as well as cultural and social norms, which should equally support women and men in starting a business.

Appropriate measures should also be taken to increase Poland's competitiveness in the development of artificial intelligence, as its scores in this area are below the European average across all the statements. The results point to the need to support the development of staff competences in AI, including the teaching of AI-related knowledge and skills in post-school education, and to increase the availability of training. Public institutions should also actively promote and support AI-based solutions, e.g. through grants, training, and other measures.

Experts' opinions on the Polish entrepreneurial ecosystem, obtained in the NES survey, show a prevailing necessity to take action to support the creation and development of businesses in Poland.

3. Special topic – startups in Poland

A growing number of people around the world are reluctant to start a business because of the fear of bankruptcy. The GEM 2024/2025 Global Report – Entrepreneurship Reality Check[61] highlights the growing fear of failure among those who notice business opportunities in their environment (49% in 2024 vs. 44% in 2019), as well as a greater need for support systems (financial assistance, training, and mentoring) to help reduce it.

The trend of choosing safe jobs over the risky venture of running a business is observed in many countries, including Poland. All startup initiatives are also included in the group of risky business ventures that the GEM study in Poland seeks to identify[62].

The latest edition of the GEM survey in Poland shows that although the concept of a startup has been around for many years (various programmes at regional, national, and international levels, including conferences and events, are dedicated to startups), there is no clear understanding of what a startup is[63]. Nearly 20% of Poles aged 18–64 were unable to select characteristics that determine startups from the pool suggested in the survey (i.e. young, technological, operating in the IT/ICT area, not making money for themselves, focused on innovation), and answered 'I don't know'. **Most people (71%) see startups as IT/ICT companies**, suggesting that startups are invariably associated with the IT and communications industries. 68% of respondents believe that startups are technology companies. This is due to the common perception that many startups indeed operate in the technology sector, using cutting-edge technology in their products and services. **Three out of five respondents believe that startups are young enterprises** – often associated with newly-established companies in the early stages of development. **Slightly fewer respondents (59%) say that startups are innovation-driven, bringing new and significantly improved solutions to the market. In comparison, nearly half of the respondents (46%) believe that startups**

[61] GEM (Global Entrepreneurship Monitor) (2025). Global Entrepreneurship Monitor 2024/2025 Global Report: Entrepreneurship Reality Check. London: GEM.

[62] Using the survey sample (8,000 adults), the author's understanding of the term 'startup' among the public is explored, accompanied by an in-depth analysis of the issue, including those involved in business activities.

[63] The results are similar to those observed in 2023.

use external funding, which is an important aspect, as many startups actually seek external investors to develop their products and services.

In summary, the length of time an enterprise has been on the market (a young enterprise) and the area of activity (IT/ICT) are the most characteristic features of startups, according to adult Poles. Innovation and technology are other attributes of startups, while the use of external funding is a feature less commonly associated with startup activity.

Four key issues are discussed in this paper:

- understanding of the term 'startup' among startup owners and owners of other businesses;
- characteristics of the people running startups, including econometric analysis of the characteristics of a startup vs. other types of businesses;
- factors hindering the growth of companies as perceived by startup owners and owners of other companies, and factors that may prevent people from establishing a startup;
- conditions for startup development, according to experts.

The analysis was based on data from the 2024 GEM survey of 8,001 people aged 18–64, from which a subgroup of respondents who are owners of established enterprises and those in the process of setting up a business was extracted[64] (N = 1,250 in total). From this subset, based on the question *Do you consider your business to be a startup?*, we identified those who consider themselves to be running a startup (Ns = 202) and the rest[65] (Np = 975)[66].

[64] Extracted base for analysis of declared startups vs. other companies (N = 1,250), based on questions q21=1 |q23=1 | q62=1|q63=1; 1=yes.
q21 – are you trying to set up a new business on your own or in cooperation with others, including selfemployment or selling products or services?
q23 – in the past 12 months, have you taken any steps to set up a business, such as looking for equipment, finding premises, building a team of employees, developing a business plan, and raising funds to help start the business?
q62 – are you currently – alone or with others – the owner of a business you help manage, self-employed, or do you offer goods or services to others?
q63 – are you currently – alone or with others – the owner of a business that you help manage as part of your primary employment for your current employer?

[65] Also referred to as other companies/businesses for the purposes of the study.

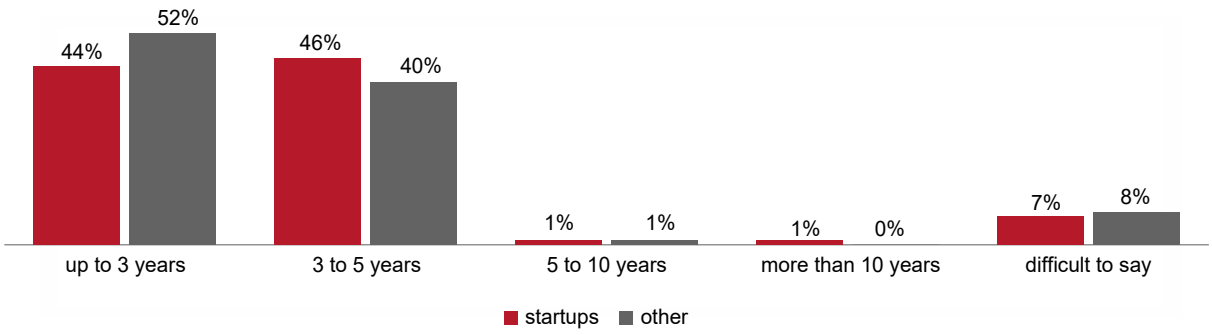
[66] 1,177 in total. The difference of 73 observations is a matter of missing data or refusal to answer the question: Do you consider your business to be a startup? Observations were excluded for the purposes of the analysis. In the statements presented in this chapter, the numbers next to different questions may vary slightly – unless otherwise indicated, this is due to refusals to answer, in which case the 'n' figure given refers only to those who answered the question.

3.1. Understanding of the term ‘startup’ among owners of startups and owners of other businesses

People involved in business, regardless of the stage of the entrepreneurial process, define startups similarly to the general public, though they place greater emphasis on a company’s age and innovation. Among them, a significantly smaller proportion answer ‘I don’t know’ when asked about the definition of a startup. **Respondents who consider their businesses as startups usually identify them as young (91%) and focused on innovation (92%).**

The entrepreneurs surveyed, regardless of whether they declared themselves startups, similarly to the general public, **see young enterprises as those on the market for up to 3 years (52% startups vs. 44% others) or up to 5 years (40% and 46%, respectively).**

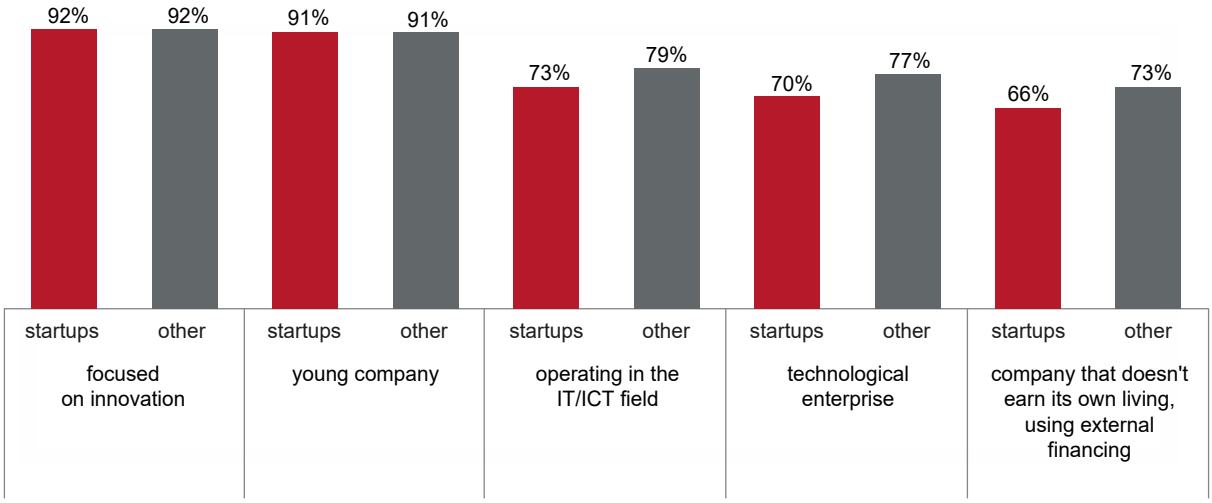
Figure 3.1. What does a ‘young’ company mean? – opinions of owners of startups and owners of other companies



Source: own study based on GEM, Ns = 183, Np = 892.

The opinions of startup owners and other company owners were divided when attributing characteristics to startups, such as being a technology company, operating in IT/ICT, and relying on external financing. It seems reasonable that the need for external funding may depend on a given entity’s stage of development and specifics. Some entities will need support in the early stages of development, while others may find financial assistance crucial as they scale up their operations.

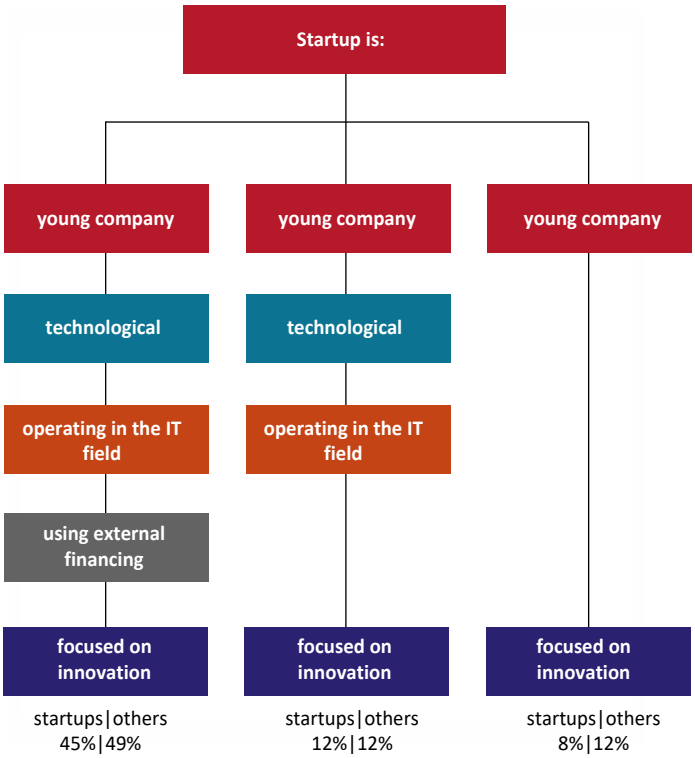
Figure 3.2. What is a startup? – opinions of owners of startups and other company owners



Source: own study based on GEM data, Ns = 201, Np = 975, only 'yes' answers included in the graph; 'no' and 'I don't know' answers omitted.

Representatives of startups were almost as likely (45%) as representatives of other companies (49%) to define a startup in broad terms, by all the possible characteristics (young, technological, operating in IT/ICT, using external funding, focused on innovation). At the same time, it was much less common for owners in both groups to see startups as exclusively young and innovative IT/ICT companies (12% of indications each) or simply young and innovative companies (8% and 12% respectively).

Scheme 3.1. Sets of startups' features most often selected by respondents who described their businesses as startups vs. the remaining respondents running businesses



Source: own elaboration based on GEM data, Ns=201, Np=975.

3.2. Characteristics of people and their ventures

Who are startup entrepreneurs? Who sets up startups in Poland?

Among adults involved in running a startup in Poland in 2024, the majority were men (52% vs. 48% women), and, apart from minor differences across age groups, the two groups were not significantly different.

The average age of women vs. men running startups and other companies is almost the same – 44 years, while the minimum age for startup owners is slightly higher than for those running other businesses (23 and 21 years, respectively), and in the group of women

running startups, it is even 25 years. 81% of non-startups are in the hands of people over 35, while for startups the figure is even higher – 84%. **The data obtained shows that, in general, age is not a limiting factor for startup activity, although compared to 2023, the percentage of young people trying their hand at running this type of business has dropped**[67]**.**

Table 3.1. Age of owners by gender – startups vs. other businesses

Type of business	Gender	18–24	25–34	35–44	45–54	55–64	Average	Max	Min
Startups	women, Nsk = 97	0%	15%	29%	39%	16%	45	64	25
	men, Nsm = 105	2%	14%	39%	29%	16%	43	64	23
Others	women, Npk = 468	1%	18%	33%	28%	19%	44	64	22
	men, Npm = 507	1%	17%	33%	31%	18%	44	64	21
Total	women + men	1%	17%	33%	30%	18%	44	64	21

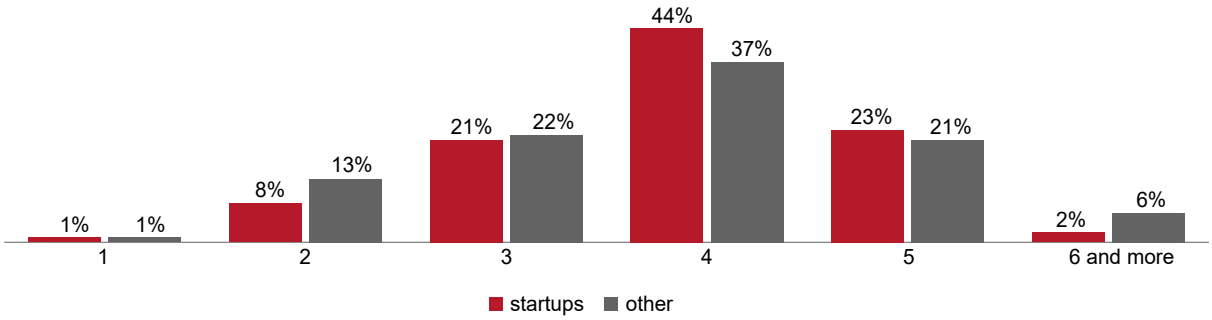
Source: own study based on GEM data.

The analysis of household size for startups vs. other companies shows no significant differences between the two groups.

The largest share of people engaged in entrepreneurship lives in 4-person households, while the most significant differences between startup owners and other company owners are present in 2-person and 4-person households. The following results show that **2-person households are generally characterised by lower entrepreneurship than 4-person households** and, in 2-person households, lower propensity to undertake risky ventures (e.g. developing startups). A two-person household is most likely to be two adults or, increasingly, a parent and child or another dependent. In the case of two adults (relatively young), there may be a balanced approach to work: positive, but with no acceptance of overtime, which may exclude running a business (especially a startup). Parent + child households, on the other hand, tend to rely on stable, secure income, which is not conducive to running a business, particularly a startup.

[67] In the startup group, the share of women in the lowest age group (18–34) dropped – now 0%, previously 2%. Among men, there is no change (2%). There are clearly lower percentages of women and men in the age group (25–34) in 2024 compared to the 2023 results: women 15% vs. 28%; men 14% vs. 32%.

Figure 3.3. Household size by number of household members – startups vs. other companies



Source: own study based on GEM data, Ns=201, Np=975.

In the case of four-person households, there is a strong group of mature entrepreneurs – 86% of those who live in such households and run other businesses are over 35, while in the case of startups, as many as 92% are over 35.

Almost all those involved in business activities are self-employed (startups – 86%, others – 94%), with just a few working full- or part-time (startups – 10%, others – 5%). Other options (pensioner, homemaker, student, not working) are marginal[68].

For both startups and other businesses, the most common legal form is sole proprietorship (around 70% in each group), while around 1 in 4 respondents operates a limited liability company, and one in 14 owns or co-owns a civil-law partnership.

[68] The P-value is less than 0.05, indicating that there are statistically significant differences in professional status between the startup group and the other companies.

Analysis of characteristics favouring startups vs. other types of business

General assumptions

The multiple definitions, and thus the challenge of clearly defining the characteristics of a model startup, require the use of more advanced statistical methods than the simple frequency analysis. In this section of the study, a logistic model was used to examine the characteristics of declared startups and other companies, enabling the assessment of the influence of many different factors on the likelihood of an event occurring. The model assumed a dichotomous variable: 1 means a declared startup, and 0 means other businesses.

To build the model, questionnaire variables were used to capture general business characteristics, some of which, in theory, should characterise startups in particular. Areas addressed by the variables are as follows:

- owner's gender,
- company's age (measured in years, starting from the point when founders first received salaries, profits, or remuneration from the company),
- motivations/reasons/inspiration for setting up a business,
- distinctive aspects of the enterprise's competitive edge,
- source of funding,
- target market – domestic, foreign, global clients,
- stages of the business venture's development,
- enterprise advantages,
- how recent the introduced products and services are,
- how recent the technologies and work methods used are,
- cooperation,
- use of digital technologies,
- measures to reduce negative environmental impact, awareness of the Sustainable Development Goals,
- approach to trust,
- use of AI, a website as an e-commerce tool, data analytics tools, cloud computing services, video conferencing, work management (e.g. Asana), and client relationship management (e.g. Salesforce).

During model building, it became apparent that many irrelevant variables were present, which were removed in subsequent steps, and the model was recalculated from scratch.

Model results[69]

The model's analysis shows that, out of the nearly 100 variables, only five (Table 3.2) had a significant impact on whether we were dealing with a startup or a traditional business[70].

The characteristics most likely to define a startup are the relatively early stage of operations, use of the latest technologies, and openness to environmental and social issues.

It should be noted that the survey is only a slice of reality. The sample of declared startups (n = 202) was considerably smaller than in previous years and differed significantly in size from the remaining companies (n = 975), which affected the model's results[71].

[69] Test results and the value of the logarithm of reliability and pseudo-R2 for the model:
- The model has moderate R2 coefficients, which means that other variables can also influence the dependent variable. These are 0.075 for Cox Snell's R2 and 0.129 for Nagelkerke's R2.
- The Hosmer-Lemeshow test allowed us to verify that the model fitted equally well to the entire dataset, and the P-value of the test was greater than 0.05, so there were no grounds to reject H0. This is a positive conclusion, indicating that the model is correct.
- Hosmer-Lemeshow test results: Chi-square = 6.011; df =7; Significance =0.538.
- Based on the classification table – the model correctly classified 86% of the observations (percentage of correct classifications for the remaining companies: 99%, for startups: 18%).

[70] Four statistically significant and one statistically insignificant but significantly improving the results and included in the model. The variable selection method used in SPSS allows variables that are not statistically significant to be left in the model, but improves the overall quality of the model.

[71] Finally, only variables presented in Table 3.2 were left in the model.

Table 3.2. Estimation results and conclusions

No.	Description of variables	B	Exp (B)*	Higher likelihood of a particular event in startups/ other businesses
1.	**At what stage of development is the business? – 1. Initial product/service concept and creation of business model assumptions; 2. Product/service development – prototyping; 3. Market entry with product/service; 4. Strengthening market position; 5. Stabilising the enterprise and its business model; 6. Further development and expansion in the market** The B coefficient (negative) suggests that as a company progresses through the stages of development (from 1 to 6), the probability of being a startup decreases. **As a company progresses through the stages of development (from 1 to 6), the likelihood of being a startup decreases**.	-0.247	0.781	startups/others
2.	**How long have the technologies or procedures used in your business been available on the market – less than one year** The B coefficient (positive) suggests that companies that use technologies or procedures available for less than a year are significantly more likely to be startups. **There is a 7.8 times greater chance that companies that use technology or procedures available on the market for less than a year are startups**.	2.059	7.841	startups
3.	**How long have the technologies or procedures used in your business been available on the market – 1 to 5 years** The B coefficient (positive) suggests that companies that use technologies or procedures available for 1-5 years are more likely to be startups. **There is a 4.6 times greater chance that companies that use technology or procedures that have been on the market for 1 to 5 years are startups**.	1.518	4.562	startups
4.	**Developing a circular economy is the right answer to today's environmental challenges** The B coefficient (positive) suggests that companies supporting the development of a circular economy startups. **Those who believe that developing a circular economy is the right answer to current environmental challenges are 60% more likely to be in a startup group when making decisions about their company's future**.	0.487	1.627	startups
5.	**When making decisions about the future of my company, I always take into account the environmental impact of those decisions** The B coefficient suggests that companies that consider environmental impacts are more likely to be startups. Those who always consider environmental impact when making decisions about their company's future are 30% more likely to be in the startup group. [*This variable was statistically insignificant, but was retained due to its significant impact on model parameters and likely impact on parameters of other variables*]	0.257	1.293	startups
6.	Constant	–4.07	0.017	

Source: own study (using SPSS package) based on GEM data.

*If Exp (B) > 1, the event is more likely to occur in the first group. If Exp (B) < 1, the event is more likely to occur in the second group. If Exp (B) = 1, the event is equally likely in both classes of observations.

Stages of developing a business venture

The establishment and subsequent development of an enterprise comprises several stages:

1. Initial product/service concept and creation of business model assumptions;
2. Product/service development – prototyping;
3. Market entry with product/service;
4. Strengthening the market position;
5. Stabilising the enterprise and its business model;
6. Further development and expansion in the market.

The results of the GEM survey indicate that the stage of development of a business venture (startups vs. other companies) is one of the main criteria that differentiate the two groups.

In 2024, most startups were at the stage of consolidating their position in the market (28%), stabilising the company and the business model adopted (28%), and further growth and expansion in the market (34%), with a negligible percentage of startups being at the stage of initial product/service conception and creation of business model assumptions (1%) or working on a product/service (1%).

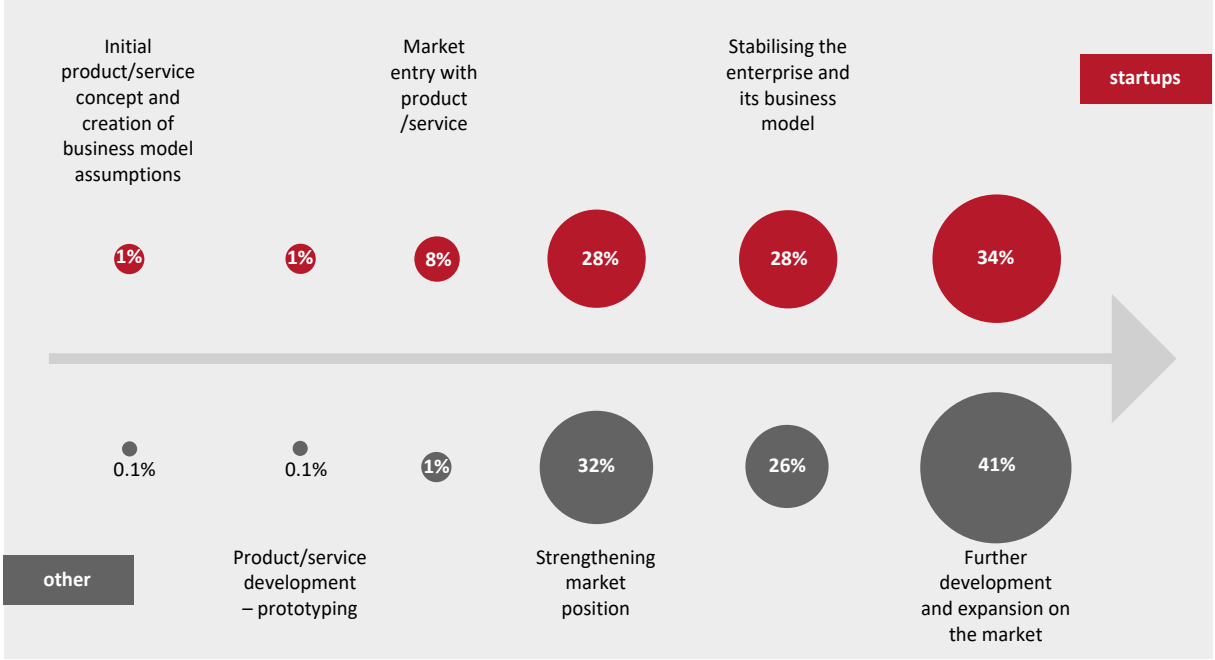
In the group of other companies, the concentration was highest in the last stage, i.e. further development and market expansion (41%), and the stage of consolidating the market position (32%), with a significant proportion of other companies also being at the stage of stabilising the company and the business model adopted (26%). The initial conception of a product, the creation of assumptions, prototyping, or entering the market were stages that hardly concerned other companies in 2024.

On the one hand, this picture indicates a certain level of market maturity among the analysed companies that have operated in the market for several years; on the other hand, it points to a low share of new entities working on new products and facing the challenge of market entry.

Considering the results of the 2022 and 2023 surveys in this respect, among startups, there has been a significant decrease in the share of players in the first three stages, which can be interpreted as stagnation. **The near absence of new entities and work on new products or services is an alarming signal for the economy**. It is hard to separate it from the broader

global trend described in the GEM Global report, which points to a growing decline in entrepreneurial activity due to fear of business failure.

Scheme 3.2. Stages of business venture development – start-ups vs. other companies

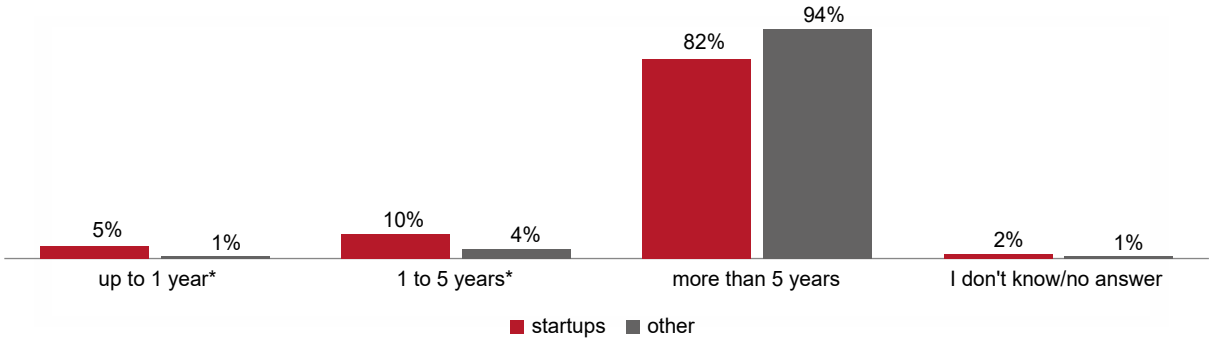


Source: own study based on GEM data, Ns = 195, Np = 941.

Novelty technologies applied in business operations

The model included variables related to the technologies in use, i.e. companies' use of commercially available technologies for periods ranging from less than one year to more than five years. **Startups are more than twice as active in implementing newer technologies (available for up to five years), while other companies are more likely to use tried-and-tested solutions.** At the same time, the high percentage of startups (82%) using technologies that have been in use for more than five years suggests that they, too, are reaching for these solutions.

Figure 3.4. Availability of technologies or procedures used by companies on the market (in years) – startups vs. other companies



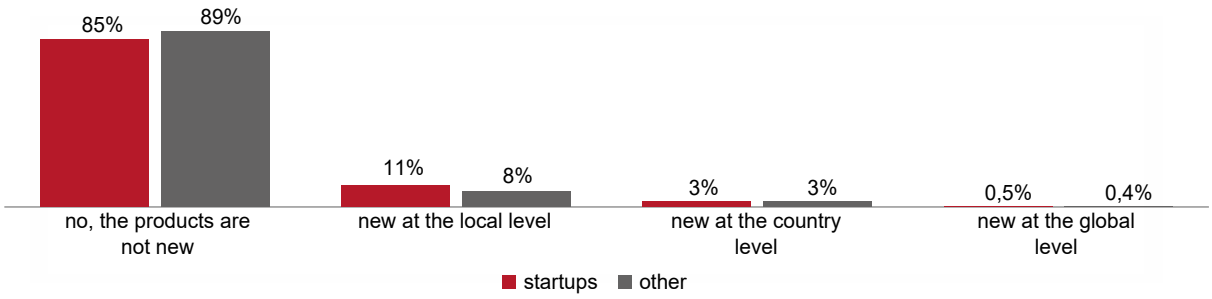
Source: own study based on GEM data, Ns=202, Np=975; those marked with an asterisk (*) are statistically significant.

The technologies used to manufacture products or deliver services are reflected in the products/services offered by the company. It can be seen that using technologies that have been on the market for more than five years implies offering products that are described as 'non-new', with 85% of startups and 89% of other companies indicating that they offer products/services that are not new to the market.

Only 11% of startups and 8% of other companies offer products or services that are new on a local scale, and an even smaller percentage (3% of startups and 3% of other companies) offer products or services that are new on a national scale.

In both startups and other companies, the results in terms of product/service novelty are not particularly unfavourable in the context of these ventures' innovation.

Figure 3.5. Innovation of products/services offered – startups vs. other companies



Source: own study based on GEM data, Ns = 202, Np = 975.

Sustainable Development Goals – general approach

To differentiate startups from other companies, the decision was made to include variables in the model (and subject them to verification) that addressed, in a general way, issues related to the UN Sustainable Development Goals. Among the variables relating to the three main dimensions of sustainability – social, environmental, and economic – the environmental dimension was included in the model as a characteristic slightly differentiating startups from other companies.

Overall, in terms of familiarity[72] with the objectives of the 2030 Agenda, there are no significant differences between startups and other companies. **The majority of startup representatives (64%) and other company representatives (61%) say they are aware of the Sustainable Development Goals**. At the same time, one-third of the representatives of both startups and other companies are unfamiliar with the objectives of the document adopted in 2015 by UN Member States, and some 6–7% are unsure whether they are aware of these targets.

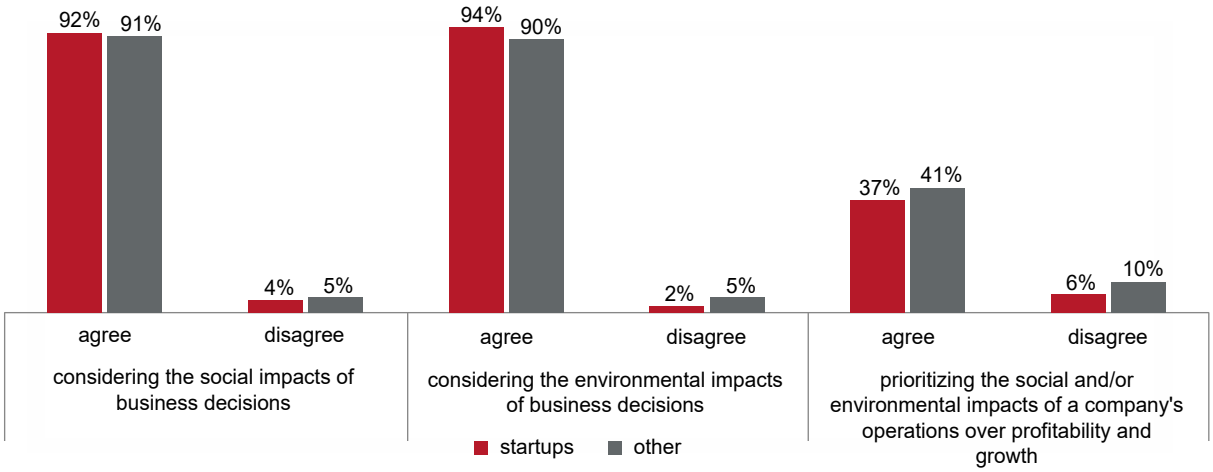
The topic is explored more thoroughly by the question relating to how knowledge of the objectives of the 2030 Agenda is put into real action or implementation in a given company: 'Are any of the objectives a priority, and has a set of actions or measurable indicators been developed for them within the company?'. Responses to this question bring a score of approximately **50% (yes)/50% (no), indicating that knowledge of the objectives does not necessarily translate into quantifiable actions.**

It seems that, regardless of knowledge of internationally adopted documents, environmental and social issues can be taken into account in business activities. By managing and making decisions, business owners manifest their business missions, priorities, and even strategies that affect the company and the aforementioned environment or society.

[72] Question asked: Are you familiar with the 17 UN Sustainable Development Goals – from the 2030 Agenda for Sustainable Development – published in 2015? (possible answers: yes, no, I don't know, deny).

Representatives of both startups and other companies overwhelmingly (in total, more than 90% of responses) ‘strongly’ or ‘rather strongly’ agree with the statement that, when making decisions about the company’s future, they consider social impacts such as health, safety, quality of working conditions, open and non-exclusive working environment, access to education, housing, or transport. Both groups demonstrate a similar approach to this aspect.

Figure 3.6. Considering **social**[73] **and environmental**[74] **impacts** of business decisions and prioritising them over profitability and growth[75] – startups vs. other companies



Possible answers: strongly agree, rather agree, neither agree nor disagree, rather disagree, strongly disagree; summed up in the Figure: strongly agree and rather agree and rather disagree, strongly disagree.
Source: own study based on GEM data, Ns = 202, Np = 975.

[73] Question: Please tell us to what extent you agree with the following statement: When making decisions about the future of your company, you always take into account the social implications, such as the impact on health, safety, quality of working conditions, an open and non-exclusive working environment, access to education, housing or transport.

[74] Question: Please tell us to what extent you agree with the following statement: When making decisions about the future of your company, you always take into account the environmental effects, such as: the impact on the preservation of green spaces, reduction of greenhouse and toxic gases, selective waste collection, rational use of water, electricity and fuels.

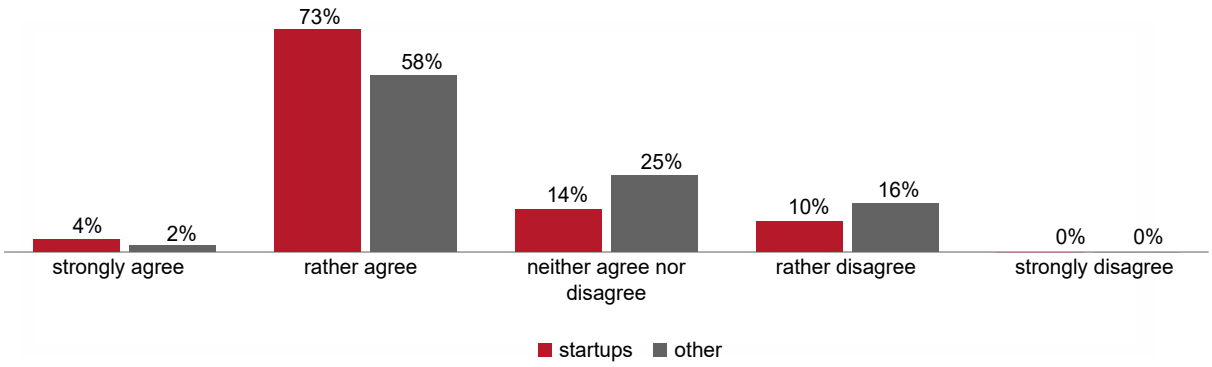
[75] Question: Please tell us to what extent you agree with the following statement: You prioritise the social or environmental impact of your company’s operations over its profitability and growth.

Considering the environmental impacts when making business decisions is important for both startup and other company owners, though the practice is more common among startups. **When making business decisions, more than 94% of startups (and slightly fewer other companies) consider their environmental impacts**, such as preserving green spaces, reducing greenhouse and other toxic gases, selective waste collection, and the rational use of water, energy, and fuels.

Prioritising the social and environmental impacts of a company's operations over profitability and growth sets startups and other companies apart. Representatives of startups are more neutral on this point (57% give the in-between answer – neither agree nor disagree), while representatives of other companies are slightly less likely to demonstrate this undecided attitude (49% – neither agree nor disagree).

A slightly more specific area, but still related to the environmental dimension, is the concept of a circular economy. Startup owners are significantly more likely than owners of other companies to identify with the concept.

Figure 3.7. Developing the circular economy as the right answer to current environmental challenges[76] – startups vs. other companies



Source: own study based on GEM data, Ns = 202, Np = 975.

[76] Question: Developing a circular economy is – in your opinion – the right answer to current environmental challenges.

In summary, when making decisions about their companies' future, the majority of both startups and other companies consider their social impact, indicating that social responsibility is an important aspect of business for both groups. The views are similar for environmental impacts. Environmental awareness is clearly present in both groups of entrepreneurs. When it comes to prioritising social or environmental values over profitability, most startups are neutral, while other companies are more inclined to take these impacts into account, indicating minor differences in attitudes to social responsibility. However, it is difficult to identify the reason for this based on the survey.

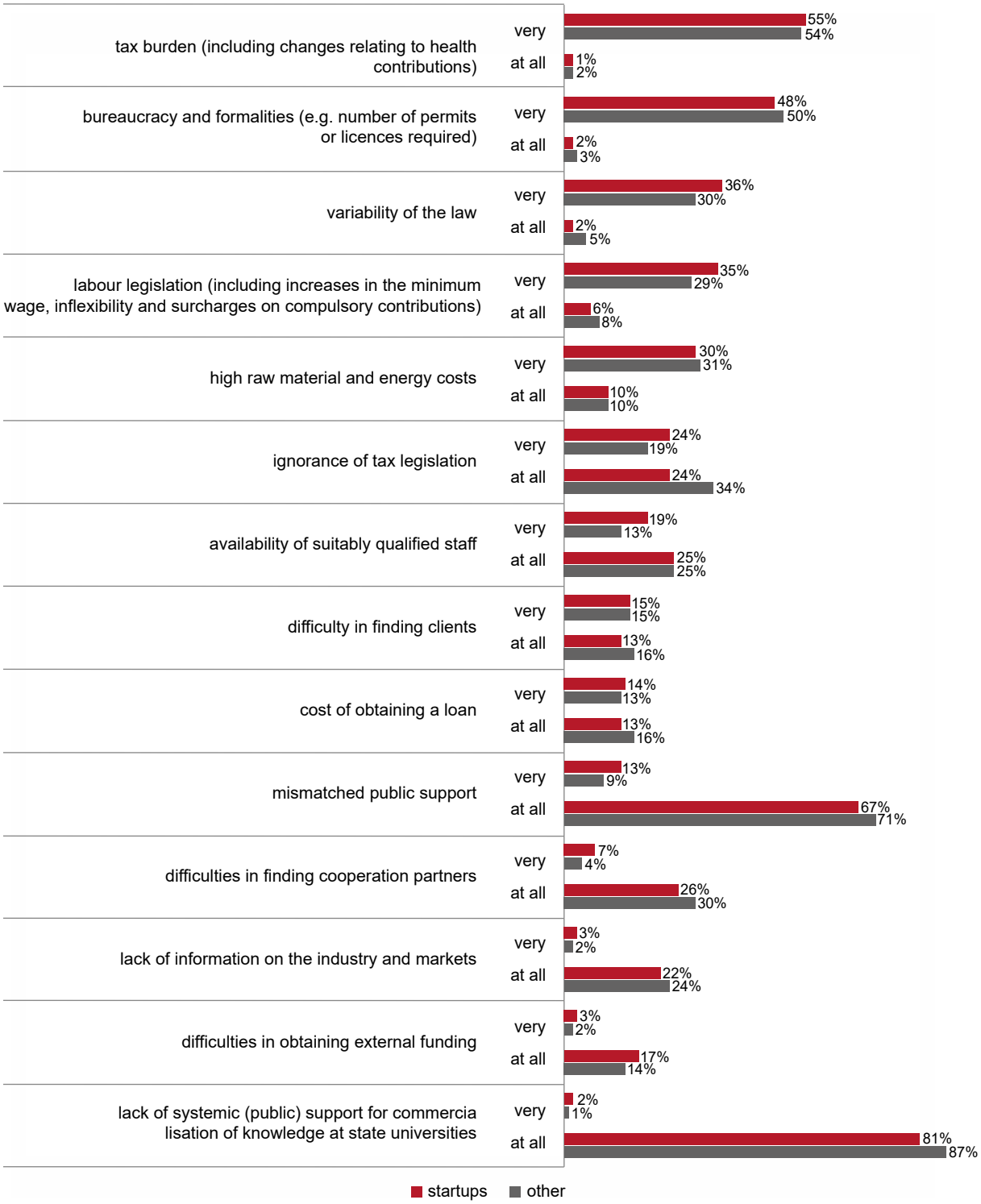
Factors hindering business growth, according to owners of startups vs. other companies

The analysis shows that both startup and other company owners and co-owners face a number of similar barriers to growth, with **the most significant problems cited by both groups in 2024 being taxes and bureaucracy**. In addition, the volatility of the law and labour regulations (including increases in the minimum wage, inflexibility in the law, and compulsory contributions) are also considered significant factors hindering growth. At the same time, the mismatch between public support and companies' needs, and the lack of systemic support for the commercialisation of knowledge, have a smaller impact. Despite many similarities, there are also noticeable differences in perceptions of certain problems, such as the availability of employees with the right skills[77] – startups 19% vs. others 13% – or unfamiliarity with tax regulations[78] – startups 24% vs. others 34%.

[77] Very important factor.

[78] Irrelevant factor.

Figure 3.8. Factors hindering the growth of companies – startups vs. other companies



Source: own study based on GEM data, Ns = 202, Np = 974.

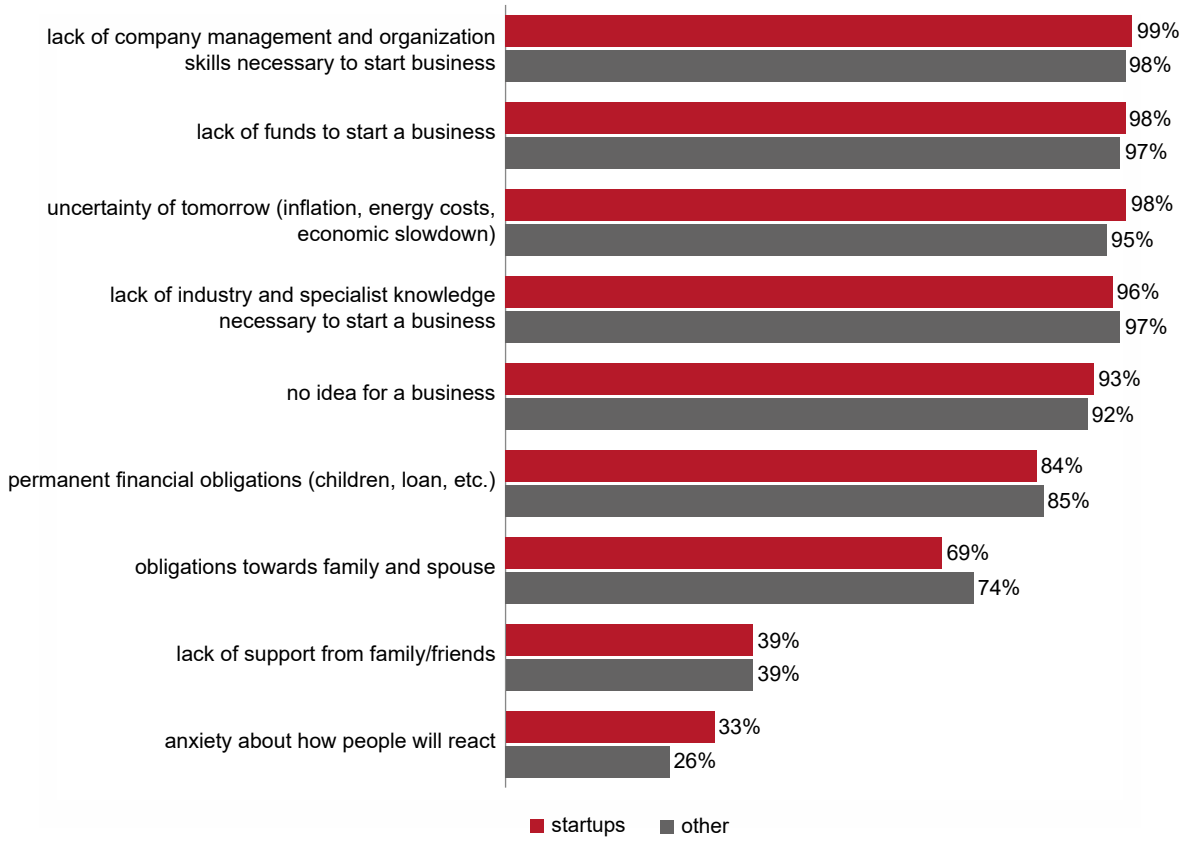
Factors that can stop people from establishing a startup, as perceived by startups and other companies

The results of the GEM survey indicate that the perspectives of both startup and other company owners on the factors that may be holding people back from establishing a startup are very similar. **The most frequently cited obstacles**, among both startups and other companies, **are the lack of organisational and management skills needed to start a business, the lack of start-up capital, and economic uncertainty**, cited by more than 95% of respondents.

More than 90% of entrepreneurs mentioned a lack of expertise and a lack of a business concept. It is also worth noting that **ongoing financial commitments (loans, children) and family responsibilities** can influence the decision to set up a startup. This belief is more common among representatives of other companies, where as many as 74% of respondents cite it as a barrier.

Interestingly, **according to the companies surveyed, social factors** such as **a lack of support from family and friends and fear of reactions from those around are much less likely to be perceived as barriers** to setting up a startup (40% and 30%, respectively).

Figure 3.9. Factors that may prevent people from establishing a startup – startups vs. other companies (summed responses – 'very important' and 'moderately important')



Source: own study based on GEM data, Ns = 202, Np = 974.

In summary, the biggest challenges in the emergence of startups, according to mid-2024 data, are a lack of sufficient business knowledge (general and industry-specific/specialist), financial resources, and uncertainty about tomorrow related to both the macroeconomic situation and the cost of doing business. Solutions to support entrepreneurial education and access to capital can play a key role in increasing the number of startups in the market.

3.3. Expert assessment of the conditions of startup development in Poland

The following are the results of a qualitative study (NES)[79] from 2024, in which 37 experts from relevant areas of entrepreneurial development evaluated the functioning of the startup ecosystem[80].

Expert opinions on the need for training and advisory services for companies in the context of cooperation with startups show a growing trend. In 2019, they were at 6.94 on a 0–10 scale, rising to 7.68 in 2023 and 7.65 in 2024, suggesting that such measures are increasingly recognised as necessary.

According to experts, the impact of startups on the economy's growth is increasing (6.39 points in 2019, 6.62 points in 2023, 7.11 points in 2024).

After peaking at 6.42 points in 2023, opinions on the availability of coworking space for startups have dropped to 4.72 points in 2024, which may indicate problems with the availability of such spaces in recent years or limitations on the ability to use the existing spaces.

When 2019 is taken as a benchmark (5.69 points), the ratings for startups' access to platforms enabling networking and mentoring support in the years that followed were relatively good, and it was not until 2024 that the score dropped to 4.14 points.

Experts see Seed Capital/Venture Capital funding as insufficient, with the ratio standing at 3.56 points in 2024, down from 4.69 points in 2019, suggesting a reduction in the availability of investment capital for startups or that such funds are too small.

The transparency of the rules of public programmes has actually scored increasingly lower among experts from 2020 onwards (except 2023, when one of the higher scores of the analysed period – 4.67 points – was recorded), reaching 3.54 points in 2024.

[79] More details can be found in the Methodological Annex.

[80] A broader study of the overall assessment of the determinants of enterprise development in Poland is provided in Chapter 2.

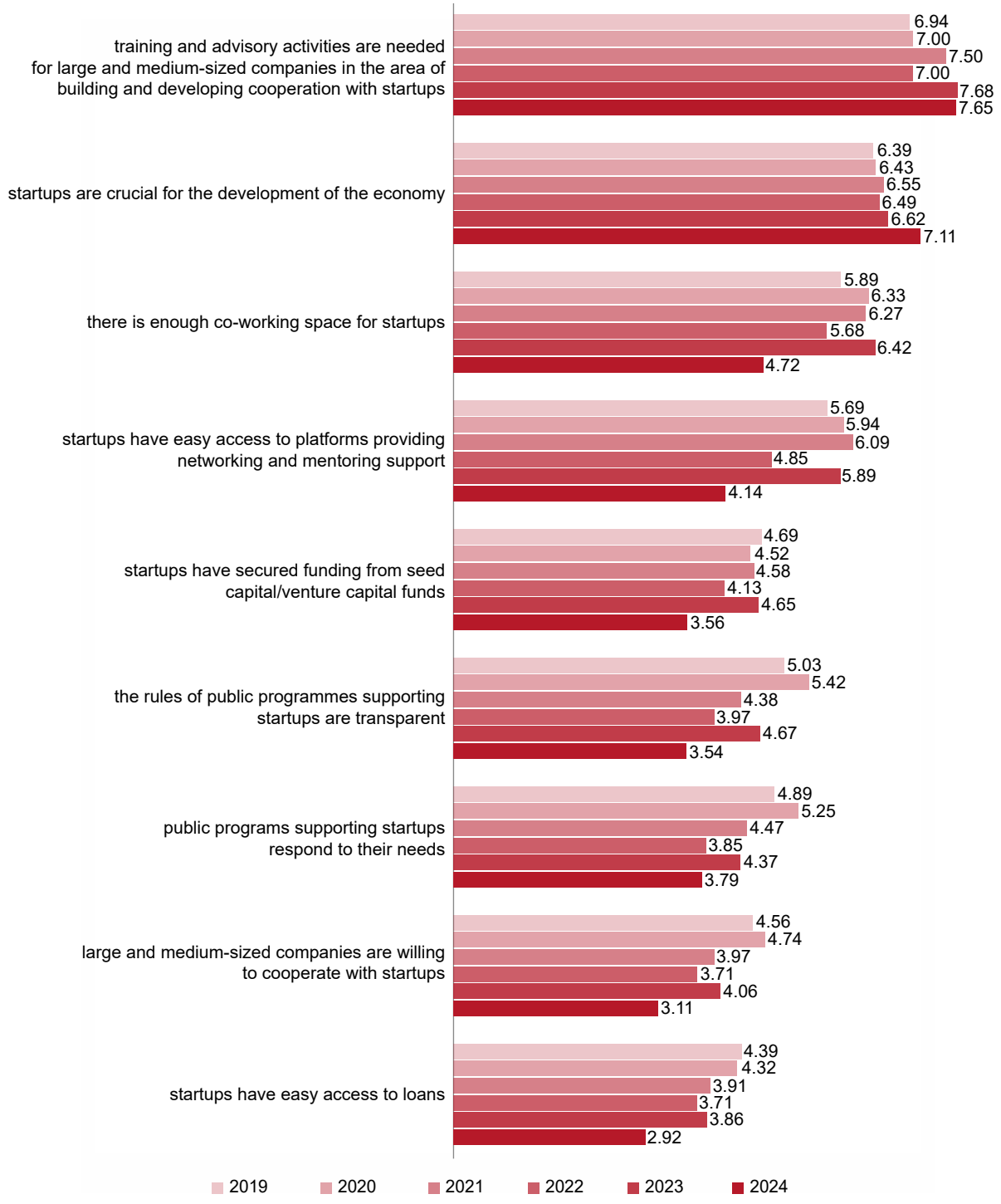
Ratings of the fit between public programmes and startups' needs have varied in recent years. Still, a downward trend is evident, with a 2024 score of 3.79 suggesting that these programmes are becoming less responsive to startups' needs.

Expert assessments indicate a growing reluctance among large and medium-sized enterprises to work with startups, with the value dropping to 3.11 points in 2024 from 4.56 points in 2019.

In terms of startups' access to credit and loans, the expert score of 2.92 points to the difficulties and financial challenges startups face in accessing traditional sources of funding.

In summary, according to experts, 2024 was characterised by limited opportunities for startups to grow, even as their economic impact was perceived as more significant. Limited access to co-working spaces, as well as declining availability of networking and mentoring platforms, can hinder the effective functioning of infrastructure support. Public programmes were characterised by relatively low transparency and limited alignment with the needs of startups, with medium-sized and large enterprises showing less willingness to cooperate. In addition, access to traditional funding sources, such as loans and credit, remained a challenge, further hindering the scaling of young enterprises.

Figure 3.10. Average expert ratings for the particular statements describing the startup ecosystem in 2019–2024



Source: own study based on GEM data.

3.4. Conclusions

The GEM survey, conducted on a representative sample of 8,000 adult Poles and enriched with a block of questions about startups, reveals how the public understands the concept of a startup. **A startup is most likely to be associated with a company operating in the IT field (71%), a technology company (67%), a young company (60%), a company focused on innovation (59%), and a company using external funding (46%)**. According to the public, a young enterprise, i.e., in terms of the length of time the entity has been operating on the market, is most often defined as one operating up to 3 years (56%) or up to 5 years (39%), perceptions that do not quite coincide with reality. **Analysis of the data obtained from people running startups shows thatcompared to those running other companies, there are no significant differences in terms of the length of time both groups of enterprises have been operating in the market** (meaning that among companies identifying as startups some have been operating for much longer than 5 years, while among other companies, there are some that have been operating for less than 5 years). Additionally, the area of activity is highly dispersed, and **this study cannot confirm that startups are primarily technology-, IT-, or innovation-oriented**.

Among adults running a startup, the majority were men (52%), with slightly fewer women (48%), and 84% of startup owners were over 35 years old. Overall, however, the 2024 data indicate that the age and gender of startup owners do not differ significantly from those of other company owners.

Most frequently, people from three-, four-, or five-person households are involved in startups, often as self-employed sole proprietors. Among other companies, the trend is similar – although startup owners are slightly more likely (44% vs. 37%) to come from 4-person households, and owners of other companies are more often in sole proprietorships (94% vs. 86%).

A business venture's stage of development (startups vs. other companies) is one of the main criteria that differentiates the two groups. **The highest percentage of startups is at the stages of development and market expansion (34%) and company stabilisation and adopted business model (28%)**. This confirms that these entities are well established on the market and, at the same time, that there are too few startups at the initial stages of business model creation or prototyping. On the other hand, other companies are mainly

in the last stage, i.e. further development and market expansion (41%) and market consolidation (32%). Owners of other companies hardly indicate stages such as the initial product concept, the creation of business assumptions, prototyping, or going to market.

Compared to other companies, startups are characterised by a greater propensity to use the latest (available for less than a year) technologies (5% vs. 1%) **and technologies available for one to five years** (10% vs. 4%). However, it should be noted that the differences are not very large. The use of new technologies translates into the innovativeness of the products/services offered. In this area, startups also perform slightly better, consistently offering products that are new globally (0.5% vs. 0.4%) or locally (11% vs. 8%).

More than 90% of both startups and other companies consider social and environmental impacts when making decisions about their companies' futures. However, the results are less clear when owners are asked if they prioritise social or environmental values over company profit. The majority (57%) of startups are neutral (answering 'neither agree nor disagree' when asked if they prioritise the social or environmental impact of the company's operations over its profitability and growth), and 1/3 would consider social and/or environmental aspects as more important than profit when making these decisions. There is slightly less indecision (49%) among other companies, when it comes to the question of choice-profit or social/environmental issues other companies more likely (41% vs. 37%) prioritize social/environmental issues over company profit.

According to startup representatives, a key barrier to setting up a startup is the lack of capital, which is of very high importance to almost 70% of entrepreneurs and at least medium importance to the remaining 30%. **The analysis also indicates that several factors are strongly correlated: a lack of knowledge and skills to manage a business, a lack of industry-specific knowledge and expertise needed to start a business, and a lack of a business idea.**

Conversely, the factors that hinder company growth, according to representatives of all companies (startups and others), are mainly taxes, bureaucracy, and paperwork. Volatile laws and labour regulations (including minimum wage increases, limited flexibility, and mandatory contribution burdens) were also identified as factors hindering business growth, especially given the already limited availability of workers with appropriate qualifications.

These underlying factors are compounded by a universal problem identified by respondents in the mid-2024 survey: economic uncertainty related to inflation, energy costs, and the economic slowdown.

Expert assessments of the startup ecosystem in Poland over the past six editions of the survey have consistently highlighted their significant importance for the development of the Polish economy, with a growing trend. A need was identified to implement training and consulting activities on building cooperation between large and medium-sized companies and startups.

In 2024, experts assessed a number of aspects of the startup situation lower than in the previous years (e.g., in terms of availability of co-working space for startups, networking platforms and mentoring support, seed/venture capital funding, easy access to credit and loans), which implies that intensified measures to support the development of startups are needed.

Methodological Annex

The Global Entrepreneurship Monitor (GEM) is the largest and longest-running international entrepreneurship research project focusing on nascent entrepreneurship. Its main objectives are: (1) to measure the differences in entrepreneurial attitudes, activity, and aspirations across countries; (2) to identify factors determining the nature and level of entrepreneurial activity; (3) to formulate conclusions that are relevant for socio-economic policy, including support for entrepreneurship.

The project was established in 1997 by researchers from Babson College (USA) and London Business School (UK), with the first survey conducted in 1999 in 10 countries, and subsequent editions collecting data from more than 120 countries. National research teams, which include representatives from universities and, in some cases, entrepreneurial support institutions, are responsible for implementing the research, while the GEM central data team closely monitors the entire data collection and processing cycle. Due to the voluntary nature of participation, the composition of participating countries changes slightly each year, oscillating around 50.

Annual GEM surveys follow a uniform methodology and include a population survey conducted on a representative sample of a minimum of 2,000 people aged 18–64 in each country (Adult Population Survey – APS) and a qualitative study involving a minimum of 36 national experts from areas relevant to business (National Expert Survey – NES). It is worth noting that in many countries, like Poland, the samples are bigger[81].

GEM publishes an annual international report on entrepreneurship in all countries participating in a given research cycle, the so-called GEM Global Report. In addition, thematic reports are published that focus, among others, on female entrepreneurship, sustainable development, entrepreneurship in Europe's regions, and the use of GEM data in public policy[82].

81 For details please refer to section Research under GEM in this chapter.

82 https://gemconsortium.org/

Since 2011, Poland has been represented in GEM by the Polish Agency for Enterprise Development and the University of Economics in Katowice.

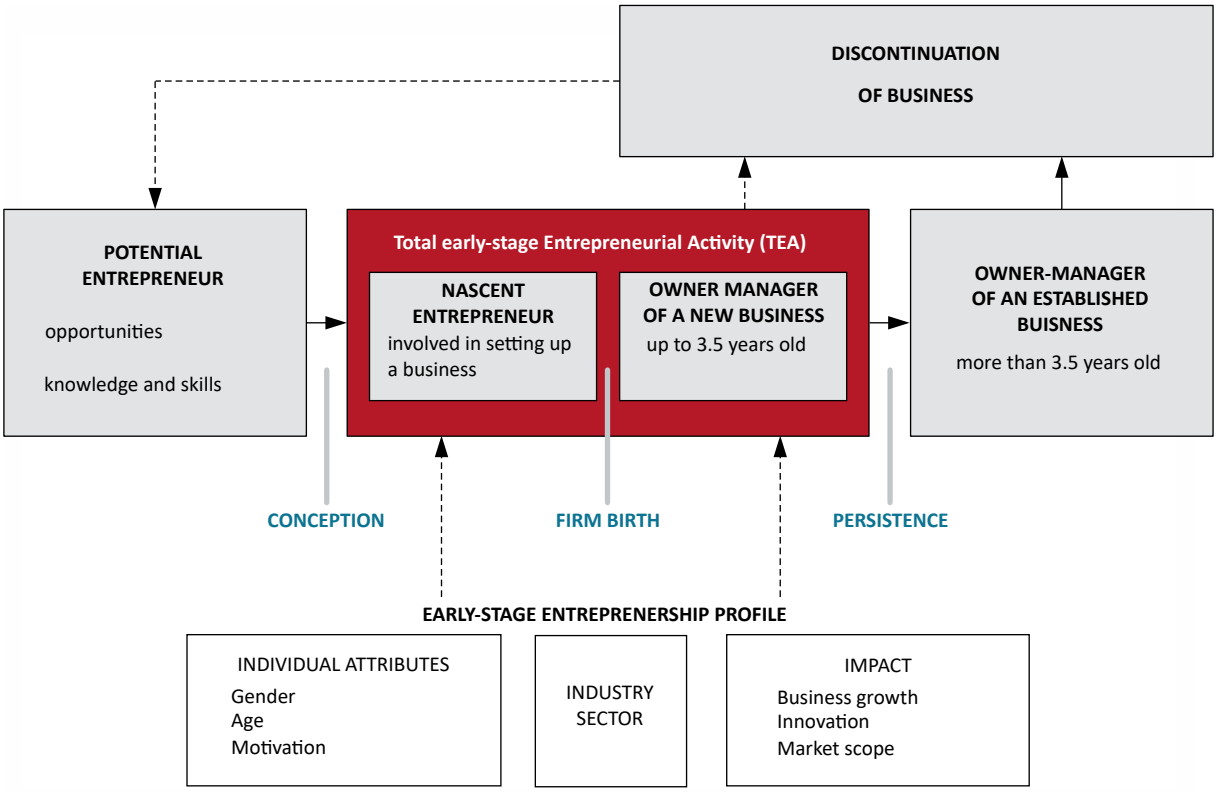
Theoretical assumptions of GEM

GEM research is based on theoretical models developed over years of scientific accomplishments in the field of entrepreneurial science. The two most important studies are the entrepreneurial process model and the conceptual model.

Entrepreneurial process model

The approach to the entrepreneurial process adopted in GEM is to identify, in the population survey, people at different stages of business development (Scheme A.1), i.e. those at the stage of evaluating business opportunities and their own skills, or organising and starting a business (nascent enterprises – up to 3 months on the market), those running new businesses (up to 3.5 years), established enterprises (more than 3.5 years on the market) or going out of business. This is an essential element distinguishing GEM from other entrepreneurship research projects, in which registered economic entities are often surveyed, and data from national statistical offices are used, whereas surveying individuals provides much deeper insights into the nature of the entrepreneurial process, yielding two kinds of results. It enables analysis of the entrepreneurial process across multiple settings, for example, by identifying people with similar attitudes and characteristics. It also enables us to discover more differences between countries, as we not only obtain information on the number of entrepreneurs in a given country, but also on their varied motivations, aspirations, and characteristics across the various stages of running a business.

Scheme A.1. GEM entrepreneurial process model



Source: N. Bosma, D. Kelley, Global Entrepreneurship Monitor 2018/2019 Global Report, GERA 2019, p. 16.

The adopted approach provides indicators relating to people at different stages of the entrepreneurial process, i.e.:

- **Nascent enterprises** – measured as the percentage of working-age adults (18–64 y.o.) who are in the process of establishing and organising a new business, with the period of paying remuneration to owners not exceeding three months.
- **New enterprises** – the percentage of the adult population (18–64 y.o.) who own or co-own businesses, where remuneration has been paid for more than 3, but not more than 42 months. It is worth noting that a 3.5-year period is considered critical for running a business. Moving beyond it may be construed as the first stage of success – the company has been established and is about to transition to the next stage: running an existing business.
- **Young enterprises** – TEA (*Total early-stage Entrepreneurial Activity*) – total early-stage entrepreneurship, representing the percentage of the working-age adult population (18–64 y.o.) involved in setting up businesses or running new enterprises (remunerating

owners for up to 3.5 years). In the GEM entrepreneurial process model, TEA includes nascent and new enterprises, but excludes established enterprises[83]. The TEA indicator does not measure the share of businesses, but rather the share of individuals setting up and running early-stage businesses in the adult population, making it a leading indicator in this context, since it enables forecasting the intensity of business activity in society.

- **Established enterprises** *(established business owners)* – the percentage of the adult population (18–64 y.o.) running companies for more than 42 months (i.e. paying remuneration for more than 3.5 years).
- **Entrepreneurs discontinuing their business activities** – those who, during the 12 months preceding the survey, discontinued their business and sold/transferred it to another entity/person, thus leaving it in the market, or liquidating it.

The GEM entrepreneurship process also takes into account the attitudes and abilities that precede the decision to set up a business, as well as the reasons ex-entrepreneurs have discontinued, which is significant given that some choose to set up another business.

Conceptual model

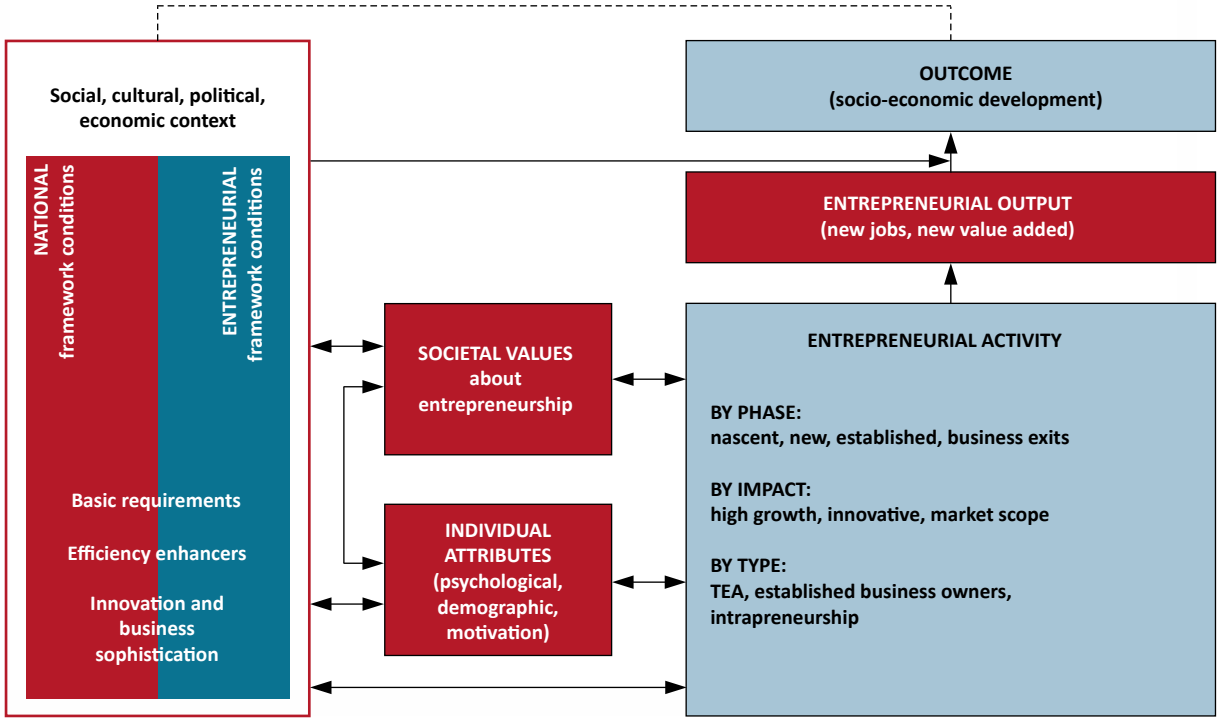
The GEM conceptual model perceives entrepreneurship as a key element of economic growth and is based on two important assumptions. The first is that the state of the economy is heavily dependent on individuals involved in economic activity, which, although true across all stages of economic development, can vary in its intensity and nature. Necessity-driven entrepreneurship, especially in less economically developed regions or regions experiencing a temporary rise in unemployment, can support the economy during periods of limited employment options. More developed economies, as a result of their wealth, innovative and technological potential, and the maturity of their institutional systems, create more business opportunities, offering more jobs to those who might otherwise become entrepreneurs.

Secondly, the entrepreneurial potential of the economy is based on individuals with entrepreneurial talent and motivation to start a business, potentially enhanced by a positive public perception of entrepreneurship. Entrepreneurship with high growth potential is also

[83] The methodology for calculating the TEA index is complex and based on responses to several questions from the GEM survey questionnaire regarding intentions and actions taken with regard to establishing and running a business.

a key contributor to creating new jobs, while competitiveness is stimulated by businesses innovating and venturing abroad with their activity.

Scheme A.2. The GEM conceptual model



Source: N. Bosma, D. Kelley, *Global Entrepreneurship Monitor 2018/2019 Global Report*, GERA 2019, p. 15.

Countries participating in GEM in 2024

In 2024, GEM surveys were conducted in 56 countries, with the qualitative survey (NES) completed in all countries, and the quantitative survey (APS) in 51. For the analyses in this report[84], countries have been assigned to three income groups[85], as shown in Table A.1, with the names of European countries (25) in bold.

[84] Also in the GEM international report (Global Entrepreneurship Monitor 2024/2025 Global Report: Entrepreneurship Reality Check. London: GEM).

[85] According to GDP per capita (PPP, Int$), available on the World Bank website https://data.worldbank.org/indicator/NY.GDP.PCAP.PP.CD?most_recent_value_desc=true

Table A.1. Classification of countries covered by GEM in 2024 according to the GDP per capita of the country (by PPP)

Level A > 50,000 Int$	Level B 25,000–50,000 Int$	Level C < 25,000 Int$
Austria	Argentina	Armenia
Bahrain*	**Belarus**	**Bosnia and Herzegovina**
Canada	Chile	Brazil
Cyprus	Costa Rica	China
France	**Croatia**	Ecuador
Germany	**Estonia**	Egypt
Israel	**Greece**	Guatemala
Italy	**Hungary**	India
Japan*	Kazakhstan	Indonesia*
Lithuania	Latvia	Jordan
Luxembourg	Mexico	Morocco
Norway	Oman	South Africa*
Qatar	**Poland**	Thailand
Republic of Korea	Puerto Rico	**Ukraine**
Saudi Arabia	**Romania**	
Slovenia	**Serbia**	
Spain	**Slovakia**	
Sweden	Uruguay*	
Switzerland	Venezuela	
Taiwan		
United Arab Emirates		
United Kingdom		
United States		

*The qualitative study only (NES)

Research under GEM

The GEM research cycle comprises a quantitative survey of the working-age population (Adult Population Survey – APS) and a qualitative survey in the form of an expert assessment of the determinants of entrepreneurial development (National Experts Survey – NES).

Adult Population Survey (APS) – a quantitative survey conducted annually on a representative sample of a minimum of 2,000 people aged 18–64 in each participating country. The APS survey measures social perceptions of entrepreneurship, entrepreneurial intentions, levels of entrepreneurial activity, growth aspirations, and reasons for starting a business and withdrawing from it. Since 2021, the survey has included sustainability and women's entrepreneurship, and since 2024, artificial intelligence.

In Poland, a quantitative survey has been conducted annually since 2011 on a representative, random nationwide sample of adults aged 18–64, using the CATI method. The general population consists of both professionally active and inactive people of the said age. Only people visiting Poland, people who do not speak Polish well enough to conduct the study, residents of penitentiary institutions, institutions caring for people with mental problems, and soldiers are excluded from the sample. Until 2016, 2,000 interviews per year were conducted. In 2017, the sample was increased to 8,000 to better capture and gain insights into startups through a dedicated block of questions on this topic[86]. In 2024, the survey was conducted between 12 July and 27 August.

The qualitative study (NES) – an Expert Assessment of National Framework Conditions, is a qualitative study in which at least 36 professionals from various fields directly or indirectly related to entrepreneurship assess the performance of 13 areas that make up the business environment in a given country, including business financing, government policies and public programmes, education, R&D transfer, access to legal and accounting services, the market, social and cultural norms, since 2021 – sustainability and women's entrepreneurship, and since 2023 – conditions related to artificial intelligence. In each country, the expert group is selected using the same criteria, the major ones being specialisation (corresponding to the areas mentioned above), type of activity (scientist, entrepreneur, government employee, politician, journalist, etc.), and experience in entrepreneurial activity (entrepreneur or non-entrepreneur).

In Poland, a qualitative study is conducted each year with at least 36 selected experts[87]. As of 2017, the NES interview in Poland includes an additional block of questions on the determinants of startup development. The 2024 survey was conducted using the CAWI method, between 6 May and 1 July, and involved 38 experts.

[86] Each year, interviews are conducted using the CATI technique. The entire data acquisition process undergoes multiple reviews by PARP and GEM's team of methodologists.

[87] Since 2011, the survey has been conducted using the CAWI technique, coordinated by the PARP team, and the result base is verified by the GEM methodology team.

Selected GEM indicators

Nascent enterprises are measured as the percentage of working-age adults (18–64 y.o.) who are in the process of establishing and organising new businesses, with the period of paying remuneration to owners not exceeding three months.

New enterprises – the percentage of the adult population (18–64 y.o.) who own or co-own a business where remuneration has been paid for more than 3 but not more than 42 months, with the period of 3.5 years considered to be critical in running a business. Moving beyond this point may be construed as the first stage of success – the company has been established and is about to transition to the next stage: running an existing business.

Young enterprises – TEA (*Total early-stage Entrepreneurial Activity*) – total early-stage entrepreneurship represents the percentage of the working-age adult population (18–64 y.o.) involved in setting up a business or running a new enterprise (remunerating owners for up to 3.5 years). In the GEM entrepreneurial process model, TEA includes nascent and new enterprises but excludes established enterprises. The TEA indicator does not measure the share of businesses, but rather the share of individuals in the adult population who set up and run early-stage businesses. In this context, it is a leading indicator, since it enables forecasting the intensity of business activity in society.

Established enterprises *(established business owners)* – the percentage of the adult population (18–64 y.o.) who have been running companies for more than 42 months (i.e. paying remuneration for more than 3.5 years).

Entrepreneurs discontinuing business activities – those who, during the 12 months preceding the survey, discontinued their business and sold/transferred it to another entity/person, thus leaving it in the market, or liquidating it.

Entrepreneurial intentions – the percentage of the adult population (18–64 y.o.) who are not involved in running a company but plan to start one within the next 3 years.

Self-assessment of entrepreneurial skills (perceived capabilities) – the percentage of the adult population (18–64 y.o.) who believe they have the knowledge, skills, and experience necessary to start a business.

Fear of failure – the percentage of the adult population (18–64 y.o.) who notice business opportunities in their environment but choose not to start a business due to fear of failure. For women/men, this is calculated as a percentage of adult women/men (18–64 y.o.), regardless of how they perceive their environment. Individuals involved in any stage of entrepreneurial activity are excluded from both measures.

Motivations for starting a business (to change the world, to get rich or earn a high income, to continue a family tradition, to secure a livelihood in a situation where there are not enough jobs on the labour market) – percentage of TEA (young enterprises) that selected a given motivation.

High social status of the entrepreneur – the percentage of adults (18–64 y.o.) who believe that successful entrepreneurs should be appreciated.

Attractiveness of running a business (entrepreneurship as a good career choice) – the percentage of the adult population (18–64 y.o.) who think that running a business is a good career choice.

Entrepreneurship in the media – the percentage of adults (18–64 y.o.) who see positive content about entrepreneurs in public media and online.

Ease of setting up a business – the percentage of adults (18–64 y.o.) who believe that starting a business in their country is easy.

Positive assessment of the environment (perceived business opportunities) – the percentage of adults (18–64 y.o.) who believe that there will be favourable conditions to start a business in the next 6 months in the area where they live.

NECI – a composite indicator describing the state of a country's entrepreneurial environment, consisting of assessments of 13 areas (known as EFC – Entrepreneurial Framework Conditions), ranging from availability of funding, education, infrastructure, public policy and regulations to knowledge transfer, as well as cultural and social norms. It is calculated as a simple average of 13 variables representing EFC, measured using a set of statements rated on an 11-point Likert scale and summarised by factor analysis (principal components method).

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