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Examination and interviews

Germany

Activity 1

DECO - ENTER4FUTURE

**Developing need-based entrepreneurial competences and
showing opportunities in entrepreneurship**

**Activating potentials for sustainable economic
development in rural regions**

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1 INTRODUCTION

According to the Country Report Germany 2023/24 of the Global Entrepreneurship Monitor (Sternberg et al. 2024: 13), Germany ranks mid-range internationally in terms of the conditions for entrepreneurship. Public funding programs and the appreciation of innovation are rated particularly positively in Germany, while school-based entrepreneurship training and social values and norms (e.g. lower willingness to take entrepreneurial risks or less pronounced support for creativity and innovation) are rated rather negatively. The TEA start-up rate¹, the most popular start-up rate for international comparisons, for Germany in 2023 was roughly at the level of the last pre-pandemic year 2018 (TEA start-up rate 7.7%) (Sternberg 2024: 16).

According to Metzger (2024a), younger people in particular believe that their own work can create meaning and change the world. More and more young people seem to share the belief that this can be achieved more easily through self-employment than through paid employment. The willingness to start a business also appears to remain high, albeit with considerable differences, including those depending on the age and gender of the people living in Germany.

Key data on the German Entrepreneurial Ecosystems

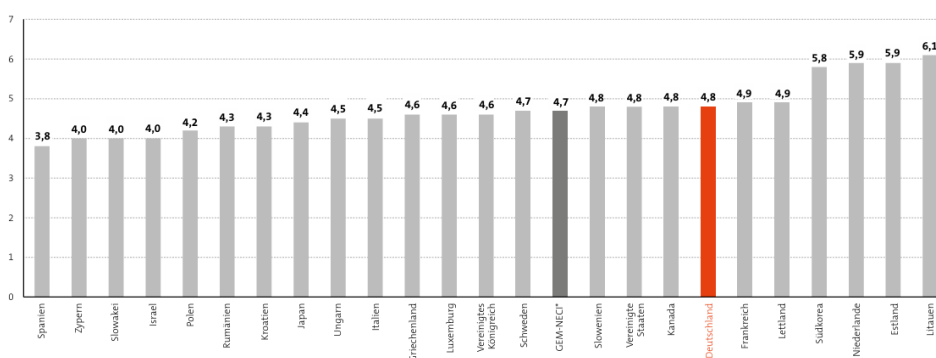


Figure 1 National Entrepreneurial Context Index (NECI) of selected GEM countries, 2023
Source: Global Entrepreneurship Monitor: Company start-ups in a worldwide comparison Country report Germany 2023/24 (Gorynia-Pfeffer 2024a: 75).

¹ The Total Early-Stage Entrepreneurial Activity (TEA) Rate measures the proportion of 18- to 64-year-olds who run a business for reasons of ownership or in the first 3.5 years.



Company foundation in Germany and Mecklenburg-Vorpommern

- Germany remains among the research and development leaders in the EU (Audretsch 2024: 40).
- According to the KfW Start-up Monitor 2024, the number of new businesses started rose slightly by 3% to 568,000. However, neither the economy nor the labor market provided any significant stimulus for start-up activity (Metzger 2024b: 1).
- 29% have studied at a university (in germ. *Hochschulabschluss*). The second most common type of qualification among founders is an apprenticeship (VET), accounting for 27%, and 13% have studied applied science (in germ. *Fachhochschule*)² (Sternberg et al. 2024: 27).

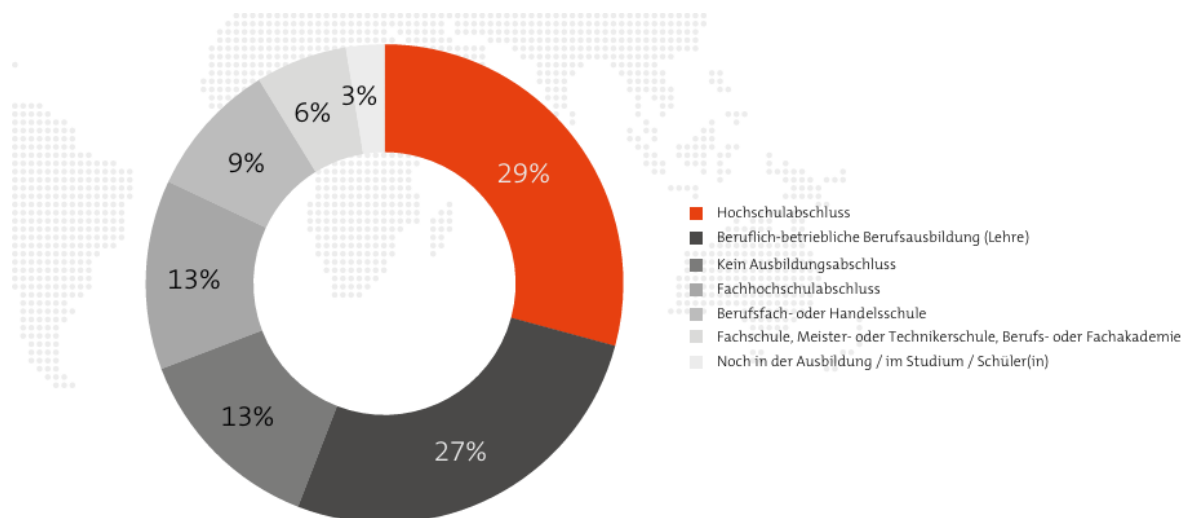


Figure 2 TEA founders by highest educational qualification in Germany, 2023 Source: Global Entrepreneurship Monitor: Company start-ups in a worldwide comparison Country report Germany 2023/24 (Sternberg et al. 2024: 27).

² This statistic of the founders shows an inverse picture to the distribution of school qualifications in the general population.



- Female founders are significantly underrepresented in the German startup ecosystem, as in almost all other high-income GEM countries. In 2023, the proportion of women among startup founders was 38% compared to 62% for men (Täube 2024: 28).
- The proportion of women among startup founders (Figure 2) declined in 2024 for the first time in a long time (Deutscher Startup Monitor 2024: 20).

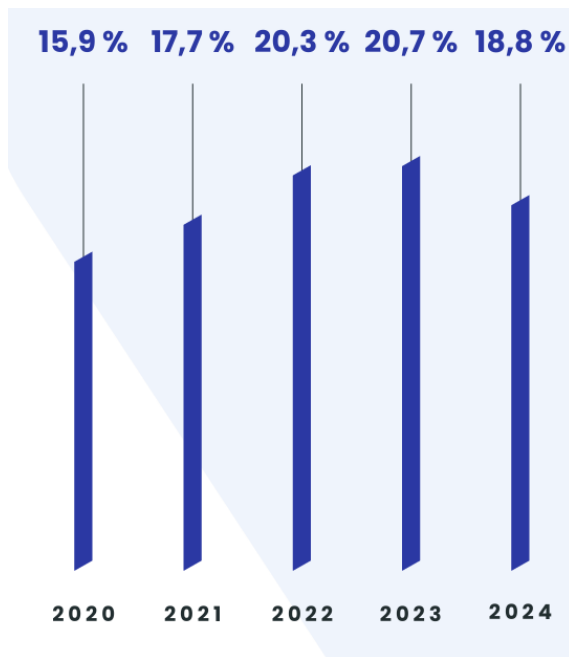


Figure 3 Proportion of female founders Source: Deutscher Startup Monitor 2024: 20.

- The propensity to start a business among people with an immigration background was stronger in all years studied (except 2018) than among people without an immigration background (Gorynia-Pfeffer 2024b: 34).



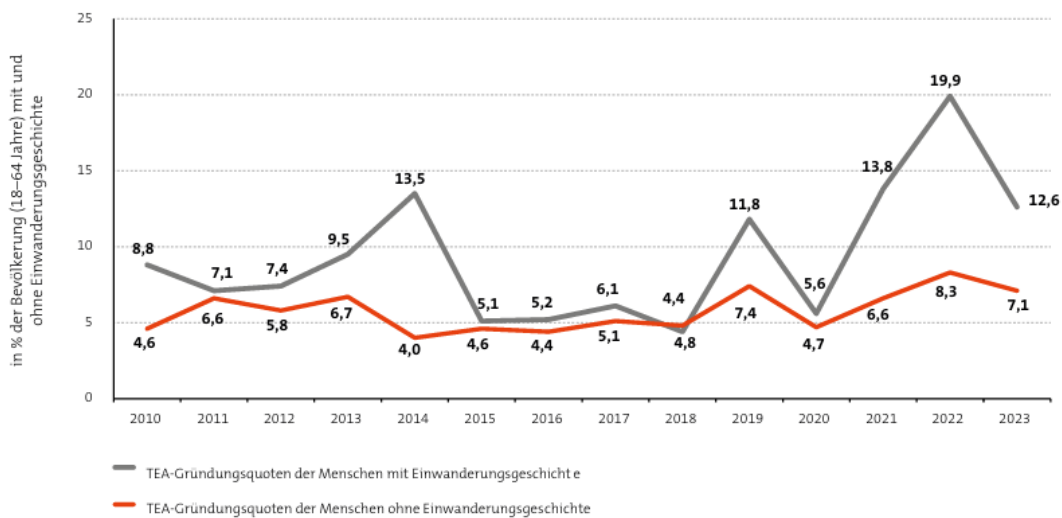
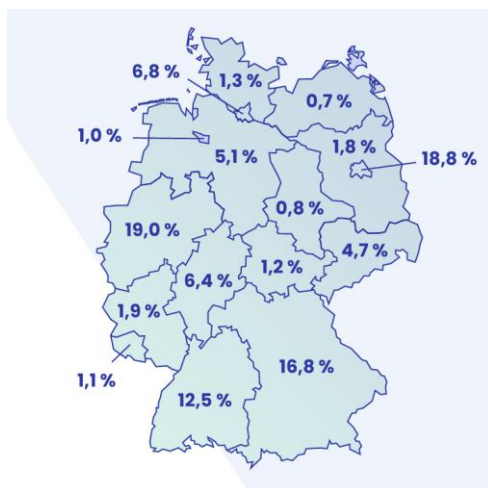


Figure 4 TEA start-up rates of people with and without immigration history in Germany, 2010–2023 Source: Global Entrepreneurship Monitor: Company start-ups in a worldwide comparison Country report Germany 2023/24 Gorynia-Pfeffer (2024b: 34).

- Retail is the most popular sector for startups in 2023 (Sternberg et al. 2024: 61).
- **Number of startups in Mecklenburg- Vorpommern (M-V):** According to the Deutscher Startup Monitor (2024: 12) M-V is the state with the lowest number of startups (Figure 3)³.



- Figure 5 Headquarters of the surveyed startups by federal state Source: Deutscher Startup Monitor 2024: 12.

³ Laud Liedtke et al. (2021) this may lead to the conclusion that regional GDP matters for the choice of startup location.

- In a nationwide comparison, only 7.1% of startups are located in rural areas. However, the figures vary by state and geographical location. The proportion of rural startups is higher in the northern federal states, with the highest proportion in M-V (68.4%) (Liedtke et al.: 2021).

Entrepreneurship fails in Germany

- According to final results of the Federal Statistical Office (in germ: *Statistisches Bundesamt*), (2025a) the local courts reported 21,812 corporate insolvencies filed for 2024. This was 22.4% more than in 2023, when the number of corporate insolvencies had already risen by 22.1% compared to 2022. The increases in these two years are likely due to catch-up effects from the coronavirus period, in addition to the generally difficult economic situation.
- While national data provides a general overview of business failure rates in Germany, regional specifics, particularly for Mecklenburg-Vorpommern, are less documented in academic literature. The available information underscores the importance of addressing structural challenges to enhance business resilience both nationally and regionally.

Self-employment in Germany

- In 2023, 3.8% of all persons in employment aged between 15 and 64 years were self-employed without any staff. Among women the share was smaller (3.4%), while it was 4.1% for men. In 2023, the largest share of solo self-employed was to be found in agriculture and forestry (14.6%). There were many self-employed without any staff also in the real estate sector (9.1%) as well as in business services (8.0%) and in communication and information industries (5.9%) (Statistisches Bundesamt 2025b).

2 BARRIERS TO ENTREPRENEURSHIP

Entrepreneurship in Germany, and specifically in Mecklenburg-Vorpommern (M-V), faces a number of challenges. The following outlines the key barriers identified in the desk research and interviews conducted.



2.1 GENERAL OBSTACLES FOR ASPIRING ENTREPRENEURS

What are the main economic, regulatory and societal challenges faced by aspiring entrepreneurs?

Economic challenges

➤ **Shortage of skilled workers and assistant workers**

- The Start-up Association (Startup Verband 2022) recognizes the shortage of skilled workers as a key problem for start-ups in Germany. The search for skilled workers is becoming increasingly important and represents one of the greatest challenges for all technology companies. As the Startup Association explained, recruiting talent from abroad is crucial, but the hurdles are often too high, especially for startups.
- In our interviews with learners, young people indicated that it may be more difficult to find skilled workers in rural areas because the educational level of the population there is also lower.

➤ **Lack of visibility of necessary start-up grants or start-up loans for learners in vocational education and training**

- Learners in VET could not be identified as target groups for startup grants or startup loans in the context of desk research. For example, the startup grant from the Federal Employment Agency is primarily aimed at unemployed people who want to become self-employed. KfW entrepreneur loans are often represented/presented with their offerings at universities and regional rural vocational schools. The European Union's ERP startup loan is aimed more at innovative startups than at startups seeking to maintain existing structures.

➤ **Difficult access to venture capital**

- Accessing to venture capital is particularly difficult for startups and innovative business models. There are several startup opportunities that offer startups funding to implement their business ideas. However, according to the interviews conducted for this report, existing startups lack financing options to obtain capital for transition into an established company.



➤ **Regional conditions**

- While urban areas often benefit from a dynamic startup scene, rural regions like Mecklenburg-Vorpommern face particular challenges. These include a lower density of potential customers, investors, and networks, which can reduce the attractiveness of startups.
- Regarding the regional conditions, the learners identified gigantic distances, which often had to be covered when trying to gauge customers. They said they had to spend a lot of time on the road. Mecklenburg-Vorpommern is characterized by rural roads, which limit speed.

Regulatory challenges

➤ **Bureaucratic hurdles and high costs**

- On average, companies in Germany spend over a fifth of their working time on bureaucratic tasks. More than 80% of companies have to engage external consultants to manage these processes, which accounts for approximately 6% of their annual turnover. This results in unexpected economic losses of approximately €146 billion, equivalent to approximately 3.5% of GDP. Data protection, tax law, environmental regulations, and labor and social security rules are perceived as particularly burdensome (Moody 2024).
- In the interviews, the high level of bureaucratic time that passes before one can earn money was mentioned as a hurdle.

➤ **Invisibility of exciting advisory services at regional vocational schools**

- The interviews revealed that learners are not aware of existing advisory services for starting a business.

Societal challenges

➤ **Cultural factors: Lack of risk-taking**

- During the interviews, it was found that young people consider entrepreneurship to be particularly risky and that this is seen as a deterrent to starting a business.



➤ **Unpredictability and irregularities of entrepreneurship**

- In contrast to employment, learners perceived entrepreneurship and self-employment as irregular and unplannable.

➤ **Long working hours**

- Long working hours were cited in interviews as a barrier to self-employment. Learners in VET feared having to work too much and too hard and possibly being without financial benefits.

➤ **“Not knowing how to start” and lack of knowledge**

- Learners reported having no idea how to start a business. They asked who they could turn to or where they could get advice.
- The interviews show that VET isn't preparing learners for self-employment. Entrepreneurship isn't a topic for most learners. Many learners aren't even aware of this career path as an alternative.
- There is far too little networking between industry and vocational training.
- The lack of positive role models was also mentioned by the learners.

➤ **Fear of Failure**

- During the interviews, learners deal with the question of what would happen if their business idea didn't work out.

➤ **Negative public representation of entrepreneurs**

- The Federal Association of Small and Medium-Sized Businesses (in germ. *Bundesverband der mittelständischen Wirtschaft* BMWV) presented statistics that, for example, the popular crime series “crime scene” (in germ. “*Tatort*”) presents a distorted image of entrepreneurs dominated by corruption, egoism, greed, and the constant search for personal advantage. The association commented on this statistic, explaining that this image does not apply to its small and medium-sized businesses. The association explained that German small and medium-sized businesses create risky jobs on their own, and many entrepreneurs are socially active, participating in sports clubs or helping to integrate refugees (Die Welt 24.03.2024).



These factors highlight the diverse challenges facing entrepreneurs in Germany, and especially in Mecklenburg-Vorpommern. Measures to reduce bureaucracy, promote a positive start-up culture, improve access to regional founding opportunities, and strengthen networking between learners in VET and business / industry could help reduce these hurdles for learners VET.

How accessible is the legal and regulatory framework for setting up a business?

Establishing a business in Germany involves navigating a legal and regulatory framework that, while stable and transparent. It guarantees a high level of legal certainty, for example in the area of patent rights or property rights.

The legal and regulatory framework for setting up a business presents certain challenges in terms of accessibility.

➤ Legal Forms and Capital Requirements

- Entrepreneurs can choose from a variety of legal forms in Germany to set up a business. Even if learners in VET knew what the different business forms meant and could identify them, they said it was difficult for them to choose the right business form.

➤ Complex bureaucratic procedures

- The process of starting a business in Germany is characterized by the complexity of the procedures involved. The World Bank's Doing Business 2020 report ranked Germany 125th out of 190 countries worldwide in terms of ease of starting a business, highlighting the number of procedures and the time requirements (WORLD BANK GROUP 2020: 4).

How supportive is the education and training system in preparing individuals for entrepreneurship? Provide specific examples.

As part of vocational education training, entrepreneurship training courses are offered exclusively in apprenticeships with a focus on business and economics. These courses impart e.g. knowledge of legal forms, marketing strategies, business plan and the Business Model Canvas. The curriculum in



vocational training, for example at the apprenticeships economics (germ. *Wirtschaftsgymnasium*), requires that students complete 30 hours of work on these topics. However, we found that entrepreneurship training is not offered in any other vocational training program outside of the apprenticeships with a focus on business and economics.

Specific example: The RBB Müritz organises with external partners a “two-days plan game” for VET learners of Business high school with focus on business. They use this didactic method to simulate scenarios related to business start-ups and entrepreneurship. Learners gain practical experience and better understand complex relationships.

2.2 GENDER-SPECIFIC OBSTACLES

What barriers do women face in entrepreneurship in this country? (e.g., access to finance, gender stereotypes, work-life balance, lack of mentorship) Once you identify it please elaborate more in detail based on your country environment.

Analyze and explain at least few specific cultural or societal factors hindering female entrepreneurship.

➤ Gender Financing Gap

Access to capital is particularly difficult for female founders, who often face greater hurdles in raising capital. For the VERIVOX (2021) analysis, all loans applied for and concluded through Verivox last year were evaluated. Women had to pay an average of 3.39 percent interest on their loans. Male borrowers paid only 3.15 percent. This makes loans 8 percent more expensive for women. The so-called median interest rate was analysed - half of the female customers received their loan at this or an even lower interest rate. The lower interest rates for women are due to their lower income. On average, women who applied for a loan through Verivox in 2020 earned €1,714 net per month - €564 less than men. There is also a significant gender pay gap of 25 percent.

According to the representative survey IWOCA (2023), 1,000 German entrepreneurs reveals a depressing result: Almost a third of German female entrepreneurs feel discriminated against when it comes to financing issues.



➤ **Gender Investment Gap**

In the German startup landscape, there is a significant "gender investment gap," a discrepancy in venture capital investments in companies founded or led by women compared to their male counterparts. The study revealed a significant inequality in venture capital allocation in 2024. According to the study, 237 women and 1,713 men received venture capital for their startups in Germany last year. Startups founded exclusively by women received only a fraction of the amount that benefited male teams. Teams of female founders received €102 million, while all-male teams received €4.9 billion. The remaining €608 million went to mixed-gender founding teams (EY 2024).

➤ **Gender Stereotypes**

Traditional gender stereotypes pose structural barriers to women in entrepreneurship. These include anti-child and misogynistic attitudes in German society and the acceptance of "male play" due to gender-specific role expectations. From a professional perspective, the results suggest that entrepreneurial careers do not meet women's expectations, as they are subject to the same gender-specific constraints as dependent employment (Braches / Elliott 2017).

➤ **Work-Life Balance Challenges**

Balancing business responsibilities with family obligations remains for business owners with children or elderly family relatives a significant hurdle. The prevailing expectation for women to prioritize family over career can limit the time and energy they can devote to their businesses, thereby hindering entrepreneurial success.

3 SUPPORT FOR ENTREPRENEURS

3.1 GOVERNMENT PROGRAMS AND INITIATIVES

What are the government policies and support mechanisms for entrepreneurs (e.g., tax incentives, grants, mentorship programs)? Analyze and explain more in detail. Are there



specific initiatives aimed at encouraging female entrepreneurs? If yes, provide examples and relevant links.

Examples for financial support options

➤ Programs aimed at students:

The EXIST start-up scholarship, provided by the Federal Ministry for Economic Affairs and Climate Protection (in germ. *Bundesministerium für Wirtschaft und Klimaschutz*) supports students, graduates and researchers from universities and non-university research institutions interested in starting a business

[EXIST-Gründungsstipendium - EXIST](#)

➤ Tax incentives

Small business regulation: The small business regulation allows companies with an annual turnover of less than €22,000 to be exempt from VAT. This reduces administrative burdens and particularly supports micro-enterprises during their start-up phase. However, there is debate about whether this regulation reduces incentives for growth in the long term.

[Umsatzsteuergrenze: Kleinunternehmerregelung ab 2025 - IHK Schwerin](#)

➤ Mentoring and Advisory Programs

Founder Platform (in germ. *Gründerplattform*): The Founder Platform is a digital initiative of the Credit Institute for Reconstruction (in germ: *Kreditinstitut für Wiederaufbau* KfW) that provides aspiring entrepreneurs with resources, tools, and contacts to facilitate the startup process. It offers structured guidance on creating business plans and connects them with financing partners. Free consulting is available over the Founder Platform. Many public startup funding opportunities and financing partners are listed.

[Gründerplattform - Der Baukasten für dein Business](#)



- **UV Young Entrepreneurs Network – An initiative of the Entrepreneurs Association of Northern Germany Mecklenburg-Schwerin e.V.**

Young managers in many small and medium-sized companies in M-V are facing the challenges of generational change. The goal is to bring together young entrepreneurs across all sectors and from all three regions of the association. Female founders, solo entrepreneurs, and family business owners, as well as managers, are warmly welcome for networking.

[UV JungunternehmerNetzwerk](#)

- **UV Women's Network (Unternehmen Verband Frauennetzwerk)**

The goal of the Entrepreneurs Association is to connect women from West Mecklenburg's business community across sectors, offering them a platform for exchange and discussing common concerns, ranging from leadership, conflict resolution, generational change, to work-life balance, and more. The Entrepreneurs Association organizes topic-specific events and enables better exchange between them.

[UV FrauenNetzwerk](#)

3.2 TRAINING AND EDUCATION PROGRAMS

What kinds of entrepreneurship education programs are available in the country (e.g., VET programs, higher education courses, online courses)?

EXAMPLES FOR ENTREPRENEURSHIP EDUCATION PROGRAMS

- **VOCATIONAL EDUCATION AND TRAINING**

As part of vocational education training, entrepreneurship training courses are offered exclusively in apprenticeships with a focus on business and economics. These courses impart e.g. knowledge of legal forms, marketing strategies, business plan and the Business Model Canvas. The curriculum in



vocational training, for example at the apprenticeship economics (germ. *Wirtschaftsgymnasium*), requires that learners complete 30 hours of work on these topics. However, we found that entrepreneurship training is not offered in any other vocational training program outside of the apprenticeships with a focus on business and economics.

➤ UNIVERSITY EDUCATION

Entrepreneurship education is most widely taught in business administration programs. However, other programs also offer courses to teach interdisciplinary entrepreneurship education.

The Center for Entrepreneurship (in germ. *Zentrum für Entrepreneurship*) supports students and members of the University of Rostock in every phase of their startup project. From developing a business model to financing options such as venture capital and funding programs to pitch training: The consulting and coaching services are comprehensive and tailored to your needs.

The University of Rostock offers study programs designed to promote entrepreneurial thinking and action. Students are encouraged and guided to develop their own ideas and generate projects. They are supported in analyzing their implementation options and testing their entrepreneurial skills in a practical, realistic environment.

[ZfE - Zentrum für Entrepreneurship](#)

Are there any programs focused specifically on promoting gender equality in entrepreneurship education?

Germany shows commitment to fostering gender equality in entrepreneurship education through targeted programs, scholarships, and institutional strategies. These programs are mainly aimed at students and not learners in VET.



4 ROLE MODELS AND BEST PRACTICES

4.1 LOCAL ROLE MODELS IN ENTREPRENEURSHIP

Sally Özcan – Sallys Welt⁴

Under the name Sally's World, the entrepreneur runs Germany's most successful YouTube channel on the topic of cooking and baking. "Sally's World" has since become Germany's most successful company for digital food content. The former elementary school teacher started making YouTube videos as a hobby and now employs more than 100 people⁵.

4.2 BEST PRACTICES IN ENCOURAGING ENTREPRENEURSHIP

Tilo Tambach – Buchlagen rein(ge)lesen⁶

The Bookstore rein(ge)lesen is a retail store located in downtown Parchim. Avid readers find not only a wide selection of books and specialist literature, but also much more, including thoughtful gift ideas for all ages. The owner places special emphasis on literature and products from Parchim and the region. The entrepreneur is also committed to the city's social life and actively contributes to its development. The store is also receiving a lot of attention both in the media and locally. "The shop is the heart of the town", reported the Nordkurier newspaper⁷. The bookstore enriches the city with many events, readings and social engagement.

⁴ [Sally Özcan – Wikipedia](#)

⁵ [Doku & Reportage: Sally, Deutschlands Back-Queen - hier anschauen](#)

⁶ [Der Buchladen - Startseite](#)

⁷ [Buchladen rein\(ge\)lesen bereichert Parchim seit zehn Jahren](#)



Therese Kietzmann und Lisa Massow – Lisa und Therese Fotografie

Two young photographers founded the photo studio Lisa und Theresa Fotografie⁸ in downtown Parchim. The two young entrepreneurs are involved in the lives of many people in Parchim and also in the city. They are also socially active and support volunteers with various services.⁹

Mohamad Alsaadi – ALSAADI

The merchant Mohamad Alsaadi came to Germany with his family in 2018 as a refugee from Damascus and opened a small grocery store¹⁰ in Parchim in early 2019. It quickly became clear that the Syrian specialties offered were particularly popular with German customers. So, he expanded his offerings to include hot meals, freshly prepared on-site by his wife Abier. The customer base is constantly growing and now also supplies its specialties as a caterer for celebrations in the wider Parchim area.

Karoline Herrmann – Majestätisch

Karoline Herrmann founded the store Majestätisch¹¹. She and her team offer their customers a wide range of high-quality fabrics and haberdashery, tailor-made school cones, and lovingly sewn products. She offers a wide variety of products and provides helpful sewing tips. The entrepreneur also organizes sewing courses for children and, of course, adults, and inspires creativity and self-design.

⁸ [Lisa und Therese Fotografie – Business](#)

⁹ [Lisa und Therese Fotografie mit einem tollen Partnerangebot](#)

¹⁰ [Home | ALSAADI](#)

¹¹ [Majestätisch – Stoffladen, Nähmaschinen, Nähkurse In Parchim](#)



5 NEEDS OF VET LEARNER

5.1 SKILLS AND KNOWLEDGE GAPS

From the perspective of VET learners, what skills and knowledge are most needed to succeed as entrepreneurs in the country?

SKILLS NAMED BY LEARNERS

In the frames of the interviews conducted by learners, we were able to identify the following knowledge gaps:

- Resilience
- Communication skills
- Adaptability
- Planning ability
- Writing a Business Plan
- Financial skills

Do VET learners face any particular challenges in terms of developing entrepreneurial competencies?

VET learners (except of VET with focus on business or economics) have no access to entrepreneur education. Existing mentoring programs or advice services don't usually target VET learners as primary target groups. VET learners were missing educational opportunities in financial and economic skills to be able to develop entrepreneurial competences.

5.2 GENDER-SPECIFIC NEEDS IN VET

How can the VET system better support women who want to become entrepreneurs?



EXAMPLES FOR IMPROVING EDUCATIONAL OPPORTUNITIES IN THE FIELD OF ENTREPRENEURSHIP EDUCATION SPECIFICALLY FOR WOMEN:

- **Questioning gender stereotypes about “typical female entrepreneurs”**
 - Entrepreneurial education should be accessible to everyone – regardless of gender, origin or social background.
 - Questioning gender stereotypes would expand the scope for action and challenge society’s perception of women as “care takers.”
- **Enhancing the visibility of female positive role models in entrepreneurship**
 - Positive female role models could also inspire and encourage other women.
- **Cooperation with mentoring programs or female entrepreneurship networks**
 - Implementing projects or organizing events with mentoring programs for VET learners could ensure that female learners have access to entrepreneurial networks, knowledge and positive female role models.
- **Financial Education**
 - Regarding the gender financial gap and the gender investment gap, financial education could improve women's access to financing. Financial education is necessary to be able to compare different financing options and obtain profitable financing.
- **Pitch training to involve communication skills and strengthen resilience**
 - Pitch training can help VET learners express their opinions and advocate for their own ideas. In targeted pitch training, learners learn to defend their own ideas and be prepared to represent the opinions of others. Targeted pitch training can also help women develop negotiation skills, which are often not attributed to them.
- **Providing entrepreneurial education for VET with a high proportion of women**
 - To feminize entrepreneurship and promote women in entrepreneurship, then entrepreneurship education should focus on training in professions in which women are overrepresented (e.g. retail, cosmetics, hairdressing, educators, and nursing etc.).



6 STRATEGIES TO STRENGTHEN LEARNERS IN ENTREPRENEURSHIP

6.1 SUPPORTING ASPIRING ENTREPRENEURS

What strategies are being used to strengthen learners' entrepreneurial initiative in the country (e.g., practical experience, business simulations, internships)?

How do educational institutions collaborate with local businesses to foster entrepreneurial skills?

- The aim of the VET system is to provide qualified workers in various professions for the labor market and mainly not to train entrepreneurs.
- German VET system is based on the close cooperation between industry and VET educational institutes. In order to receive vocational training in Germany, VET learners must complete training in a company during their apprenticeship to gain practical experiences.
- Collaborations with local companies to promote entrepreneurial skills are presented in individual cases in VET, such as projects. In most cases, this is not part of the curriculum.

6.2 GENDER-SPECIFIC STRATEGIES

How can the training and education system be improved to support female entrepreneurs, particularly in the context of VET?

Ideas for supporting female entrepreneurs, particularly in the context of VET:

- Based on the findings presented in 5.2 of this report, training and education system must generally focus on challenging gender stereotypes in order not to restrict women's scope for action and to give them the opportunity to realize business ideas.



- Entrepreneurship education is still largely reserved for male-dominated fields, such as economics or business. Expanding entrepreneurship education to vocational training programs outside of economics and business could encourage more VET learners, including female VET learners, to consider entrepreneurship as a career option.
- To train communication skills that are essential for financing business ideas, targeted pitch training could train women's self-confidence and ensure a confident presentation of their business ideas.
- Training in financial education could improve the acquisition of profitable financing options and increase the sustainability of the company.
- Implementing projects with female entrepreneurship networks could improve the access of learners to entrepreneur knowledge.

7 RECOMMENDATIONS FOR FUTURE PROGRAMS

7.1 SUGGESTIONS FOR NEW TRAINING APPROACHES

What type of entrepreneurial training could be beneficial for VET learners?

- Entrepreneurial training focusing on practical skills such as general knowledge in the field of entrepreneurship, writing business plan, legal forms, financial knowledge, possible financing options for business ideas and entrepreneurship networks.
- Project based learning and plan games to try out real examples.
- Establishing school companies in order to finance school activities such as excursions, class trips and graduation parties.
- Training offers that consider special skills and strengths (Figure 5). Figure 5 shows the most important specific skills reported by entrepreneurs. According to this self-assessment, the



three most important skills are resilience, analytical skills, and communication skills. Therefore, training offers generally, and not just in the field of entrepreneurship education, should focus on these specific skills to prepare learners in VET for entrepreneurship.



Figure 6 Self-assessment of special skills and strengths Sources: Deutscher Startup Monitor 2024: 43.

Figure 5 shows special skills that strengths for entrepreneurs: Resilience 51,3 %, analytical skills 47,7 %, communication skills 47,1 %, vision 46,9 %, strategy 45,2 %, persuasiveness 37,2 %, leadership 37,1 %, risk taking 36,3 %, organization 34,6 %, cooperation 26,8 %, agility 24,7 %, willingness to conflict 15,8 %.

7.2 POLICY RECOMMENDATIONS

What policy changes could help remove obstacles to entrepreneurship in the country? How can the government or educational institutions better support women entrepreneurs?

- As startups are important for the economic development of regions, regional politicians need to find ways to foster entrepreneurial activities.
- The financing options reviewed for this report are focused on innovation and digitalization, but startups in rural areas need more financing options that focus on maintaining rural structures and are not necessarily focused on innovation and research.



CONCLUSION

Key findings identified related to the desk research and interviews conducted for the purpose of this report:

KNOWLEDGE AND SKILLS GAPS OF VET LEARNERS:

- Resilience
- Communication skills
- Adaptability
- Planning ability
- Writing a Business Plan
- Financial skills
- Digital accounting with AI to handle administrative tasks

IDENTIFIED FACTORS EFFECTING GENDER GAP IN ENTREPRENEURSHIP:

- Gender Financing Gap
- Gender Investment Gap
- Gender Stereotypes
- Work-Life Balance
- Depreciation of Competencies:

IDENTIFIED HÜRDELS FOR ENTREPRENEURSHIP:

- Many young people are not exposed to entrepreneurship as a possible life path.
- Not knowing how to start
- Complete responsibility
- Work-Life Balance



- Lack of financing options (venture capital)
- Managing administrative tasks

ADVANTAGE OF RURAL REGIONS

- Regular customers
- The ability to focus more closely on individual customers, allowing for a more needs-oriented approach
- Lower rental costs for business spaces such as offices or warehouses
- Lower general cost of living
- Less competition in many sectors
- Entrepreneurs are often highly valued as job creators within rural communities
- Rural areas offer space for innovation and creative solutions
- Particularly favorable conditions for businesses related to agriculture

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Appendix

Interviews conducted for the purpose of this report.

Interview summary with learners in VET

Young people were presented with questions on a digital board and were invited to discuss their responses, write them down, and present them to the group. The following guiding questions shaped our interviews. Based on these, further questions were asked as needed in order to gather more in-depth insights.

1. Would you consider starting your own start-up in the future? Why or why not?
2. What does “being an entrepreneur” mean to you, and what motivates or discourages you from pursuing entrepreneurship?
3. Do you feel you have *sufficient* resources, support, or knowledge to take the path of self-employment? If not, what do you feel is missing?
4. Are there specific skills or areas of knowledge that you believe would be important for pursuing self-employment?
5. In your opinion, what are the biggest obstacles to becoming self-employed, particularly in rural areas?
6. What opportunities or advantages do you see in starting a business in a rural setting? Are there any specific benefits of rural entrepreneurship that appeal to you?
7. What role could sustainable entrepreneurship play in creating positive change in your community?



Summary of Results:

Attitudes Toward Entrepreneurship:

1. In the group, three participants reported that they had either already considered self-employment or were open to the idea of becoming entrepreneurs. One participant, following his training in physiotherapy, plans to start his own business like his father. A young woman is considering opening a coaching studio, and another participant has thought about launching a creative studio.

The other participants had not given any thought to self-employment. For many, this option had never been considered as a viable alternative. They are currently focused on completing their vocational training and therefore are not yet thinking about what might come next.

2. Many young people associated entrepreneurship with a high level of responsibility. They mentioned responsibility for the business, its products, and employees. This sense of responsibility was identified as a deterrent to pursuing entrepreneurship in many of the interviews. Entrepreneurship was also mainly associated with risks, which again emerged as a discouraging factor.

Positive Aspects Identified:

A commonly mentioned positive aspect of self-employment was the greater freedom to make one's own decisions, which participants felt would allow for more self-fulfilment. The learners discussed how being employed often means carrying out tasks according to the rules or expectations set by a boss or manager. In contrast, being an entrepreneur means having the autonomy to make independent decisions. Learners in VET also highlighted financial benefits, such as the potential for wealth and the fact that profits do not need to be shared.

3. Lack of Resources and Knowledge

With strong agreement, the learners answered this question with "no." They reported lacking the following resources and knowledge:

- Capital to start a business idea
- Experience in the field
- Connections



- Charismatic appearance or self-presentation
- Concrete knowledge of how to get started
- Understanding of how to find or select investors
- Knowledge of how to compete with other offers

4. A significant **knowledge gap** was repeatedly identified in the area of “*how to get started.*” This question came up frequently. Learners in VET did not know how to get their business off the ground, even if they had an idea. Additionally, they mentioned not knowing which market strategies to apply or how to even enter the market in the first place.

5. Perceived Challenges of Entrepreneurship in Rural Areas

Rural areas were associated with more negative than positive aspects regarding entrepreneurship. Among the challenges mentioned were:

- A generally lower level of education among the rural population, making it difficult to find qualified staff.
- Large distances result in limited proximity to customers or markets.
- Long travel times reduce the amount of time that can be dedicated to the business.
- Poor public transportation infrastructure, making it harder for employees to commute.
- People in rural areas tend to spend less on services or consumption, resulting in lower turnover.

6 Opportunities of Entrepreneurship in Rural Areas

Identified advantages of entrepreneurship in rural regions

- The ability to focus more closely on individual customers, allowing for a more needs-oriented approach
- Lower rental costs for business spaces such as offices or warehouses
- Lower general costs of living
- Less competition in many sectors



- Entrepreneurs are often highly valued as job creators within rural communities
- Rural areas offer space for innovation and creative solutions
- Particularly favorable conditions for businesses related to agriculture

7 For the learners, sustainable entrepreneurship primarily meant contributing to climate protection. During the discussion, ideas emerged on how sectors such as tourism or gastronomy, which are highly seasonal, could be expanded with alternative business models in order to maintain and secure jobs in the long term.

Gender Gap in Entrepreneurship

The participants were aware of the existence of the gender gap in entrepreneurship. They expressed egalitarian attitudes and stated that women should not be disadvantaged. The discussion focused on the fact that women are often perceived as lacking certain competencies. One participant emphasized that women are often better leaders because they tend to be more empathetic. She illustrated this with an example: in a large veterinary practice, male veterinarians often saw no chances of recovery for certain animals and chose euthanasia. Since a female veterinarian took over the leadership, many more animals have been saved.

Another participant highlighted the importance of mixed teams in order to compensate for potential gaps in competencies.

Regarding knowledge and skills gaps of young women, young women in the group emphasized that they particularly lacked knowledge about how to get started with entrepreneurship. They also pointed out that entrepreneurship requires a significant amount of time and demands a high degree of flexibility. For these reasons, they found entrepreneurship unattractive. Women mentioned family responsibilities as a factor that would hold them back from pursuing entrepreneurship. These obligations, they said, would limit the time and energy they could dedicate to their own business.



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