Global Entrepreneurship Monitor

ADDRESSING GAPS TO UNLOCK ENTREPRENEURIAL POTENTIAL IN ITALY

By Claudia Covucci and Alessandra Micozzi

Introduction

How can a country strengthen entrepreneurship without understanding what's holding it back? For policymakers in some countries, this question is difficult to answer due to a lack of reliable data. For others, such as Italy, this question is not applicable thanks to policy insights gleaned from GEM data.

Italy has been part of the GEM consortium since 2001. Over two-plus decades, the team has used GEM data to spark conversations, shape policies, and launch impactful initiatives. This case example focuses on the 2024–2025 period, during which GEM Italy insights informed national policy discussions, inspired educational and mentoring initiatives – particularly for women and youth – and strengthened advocacy, research, and institutional collaboration to foster a more inclusive entrepreneurial ecosystem.

The structural barriers to entrepreneurship

In Italy, Total Early-stage Entrepreneurial Activity (TEA) stands at 9.6%, which is below the EU average of 10.3%, even as signs of post-COVID recovery emerge (GEM APS Global Data, 2024). Persistent gaps, particularly along gender and education lines, limit participation in the entrepreneurship ecosystem, with women and non-graduates significantly underrepresented. The 2024/25 GEM Italy Report revealed:

- The TEA rate among university graduates exceeds 15%, while for non-graduates it remains below 10%, thus highlighting the critical role that education plays in promoting entrepreneurship.
- Young people encounter both financial constraints and cultural hesitation when pursuing new ventures.
- A 50% gender gap in entrepreneurial activity is significantly higher than the international average. These findings emphasise the need for designing policies that address specific barriers to entrepreneurial activation among these groups.

The country ranks 34th globally in entrepreneurial propensity, meaning individuals that see good opportunities and believe they possess the requisite skills are not held back by fear, and are planning to start a business.

The entrepreneurial propensity is linked to the TEA rate. After declining by about two percentage points between 2008 and 2010, TEA slowly recovered to around 5% in 2015, then fell again, reaching a low of under 2% in 2020 during the COVID-19 pandemic. From 2020 onwards, TEA grew steadily, exceeding 6% in 2022, nearing 7% in 2023, and reaching an estimated 9.5% in 2024. Recent growth is driven mainly by an encouraging and decisive shift to opportunity-driven entrepreneurship (about 75% of TEA in 2024), with necessity-driven activity stable at around 2.5%.

Meanwhile, the dynamism of Italy's manufacturing sector, historically a significant driver of entrepreneurship, continues to decline. By 2024, activity in this sector had dropped to just 60% of its 2010 level. This trend underscored the urgency for renewed industrial policy and targeted innovation support in traditional sectors.

The 2024 National Expert Survey (NES) saw the overall Italian entrepreneurial environment rated as strictly average by its national experts, with a National Entrepreneurial Context Index (NECI) score of 4.5. This gives a ranking of 27th among the 56 participating economies, but is better than its score of 4.2 (and ranking of 37th) two years earlier.[1]

These trends have spurred growing awareness among institutions that fostering entrepreneurship requires more than financial incentives. A broader strategy – including education, mentoring, and evidence-based policy – is needed to unlock the country's full entrepreneurial potential and build a more inclusive ecosystem.

[1] https://www.gemconsortium.org/file/open?fileId=51621

Impact: Translating data into change

These types of insights have been actively used by policymakers and ecosystem stakeholders. The comprehensive GEM methodology – combining APS (Adult Population Survey) and NES data – enables comparisons with over 50 countries, helping stakeholders to identify strengths, weaknesses, and actionable priorities. GEM Italy insights led to a series of tangible outcomes across policy, education, and public discourse, key elements of which are briefly outlined below.

National dialogue: GEM findings inspire education and training initiatives

The annual release of the GEM Italy report has sparked a national conversation on integrating entrepreneurship education into school and university curricula, a theme strongly endorsed by key stakeholders. The launch brings together policymakers, academics, and business leaders, with findings that highlight Italy's entrepreneurial strengths and weaknesses relative to other countries and provide a data-driven basis for discussing national economic strategy.

In recent years, the report has been presented in Rome, where stakeholders debated the most pressing issues and the need for specific policy changes. Organised by Universitas Mercatorum and its partners, the event consistently attracts significant media coverage from television, newspapers, and social media, amplifying advocacy for entrepreneurship education.

Universitas Mercatorum, a private Rome-based university founded by the Italian Chambers of Commerce and Unioncamere, used GEM findings to launch new entrepreneurship education initiatives. These included the Contamination Lab (university innovation programme) and a mentoring programme for women entrepreneurs, both designed to build technical and soft skills for venture creation.

The Entrepreneurship Laboratory at Universitas Mercatorum was informed by GEM Italy findings showing persistent gaps in entrepreneurial skills, limited awareness of business start-up procedures, and significant gender and generational disparities in entrepreneurial activity. These insights underscored the need for experiential, research-informed training that could bridge theory and practice, while also addressing inclusion in the entrepreneurial ecosystem. The Laboratory was therefore designed as a space where students, researchers, and practitioners could collaborate on projects, apply evidence-based tools, and engage with policy-relevant discussions, directly responding to the areas of weakness and opportunity identified through GEM data.

Unioncamere: Using GEM data to support youth entrepreneurship

The Unioncamere (Italian Union of Chambers of Commerce, Industry, Handicrafts and Agriculture) is a public institution established in 1901 that represents and coordinates the entire Italian chamber system at local, regional, national, and international levels.

GEM data offers Unioncamere a deep dive into crucial aspects such as the propensity to start a business among different demographics; the motivating factors and obstacles for new entrepreneurs; and specific trends and challenges facing young people in starting their own businesses.

The statistical basis for understanding the current state of youth entrepreneurship in Italy gives Unioncamere the evidence needed to design effective programmes. For example, GEM reports have repeatedly highlighted a decline in youth entrepreneurship rates in Italy over the past two decades. This critical insight directly informs Unioncamere's decision-making process, prompting the creation of targeted initiatives to reverse this trend.

A concrete example is Unioncamere's "SNI – Servizio Nuove Imprese" (New Business Services). The purpose of this programme is to provide orientation, training, and support to new entrepreneurs, including young people. The Italian GEM team - coordinated by Universitas Mercatorum, which fully funds the national survey - has proposed, on the basis of GEM findings, a training course for SNI, further strengthening the alignment between research evidence and capacity-building initiatives for aspiring young entrepreneurs.

Policy impact: Senior leaders cite GEM insights

Policymakers from the Ministry of Enterprises, Made in Italy (responsible for strengthening Italian industry, supporting entrepreneurship, and promoting products and services that represent Italy's global brand) and the OECD acknowledged the value of GEM insights during an official presentation event in Rome. At the national event in Rome to present the Italian GEM Report, Paolo Quercia, Director of the Study Centre at the Ministry of Enterprises and Made in Italy, remarked: "It would be useful to study this very, very interesting data from the report at provincial and territorial levels, to understand where there are the most pressing deficiencies and where there is greater potential for the gap to be closed with positive interventions. Industrial policy can certainly act on that."

Similarly, Stefano Scarpetta, Director for Employment, Labour and Social Affairs at the OECD, stressed: "Human capital is central to the development of new enterprises and their innovative growth, but in Italy, investment in and utilisation of skills are not keeping pace with technological progress."

Academic contribution: GEM as a framework for research and dissemination

One of GEM's greatest attributes is the longitudinal perspectives it presents. GEM data is being used for academic research and dissemination, with scientific publications and conference presentations focused on longitudinal trends and international comparisons.

Gaetano Fausto Esposito, Director at the G. Tagliacarne Research Institute, noted: "GEM represents a true informational framework, providing stakeholders with data collected across different countries in a comparable format. Its analysis lends itself to in-depth exploration and reflection by scholars and policymakers alike, enabling a deeper understanding of the entrepreneurial phenomenon and, most importantly, its determinants. In short, it is a vital tool for shaping national and local entrepreneurship policies based on actual needs."

Giovanni Cannata, Rector, Universitas Mercatorum, added: "GEM reports can serve academia in advancing research; businesses, in understanding – if they don't already – where the world is heading; the public sector, in shaping policy directions; and international organisations, in guiding high-level decisions on business activities. It raises many questions."

Future outlook: Leveraging GEM to refine SME strategies

In sum, GEM has long provided Italy and Italian policymakers with a shared, internationally benchmarked evidence base that has informed strategy, shaped policy, and elevated the national entrepreneurship conversation. Looking ahead, the Ministry of Enterprises and Made in Italy could leverage GEM data to refine its SME support strategies.

Bridging research and action through strategic engagement and storytelling

The GEM Italy team has pursued a dual strategy of institutional engagement and public communication to ensure that insights from research translate into impact.

Key findings are consistently amplified through media outlets, podcasts, and social networks, contributing to a broader national dialogue on entrepreneurship. Of note is a report published by Il Sole 24 Ore, titled Rapporto GEM 2023-24 – Nonostante la crescita, l'Italia osa poco. Il Sole 24 Ore is Italy's leading financial daily newspaper.

In both 2024 and 2025, the GEM Italy team organised high-level national events in Rome to present GEM findings. These events brought together key policy stakeholders – including the Ministry of Enterprises and Made in Italy, the OECD, Unioncamere, and private sector leaders – and featured a policy-focused roundtable that spotlighted GEM data to foster actionable dialogue.

Scientific publications and presentations at international academic conferences featured longitudinal analyses based on GEM data, expanding the research impact.
By combining rigorous data with compelling storytelling and strategic stakeholder engagement, the GEM Italy team made sure the findings resonated both in policy circles and with the general public. This laid the groundwork for a broader cultural shift boosting entrepreneurial awareness, especially among women, youth, and the highly educated.

Lessons learned

A key takeaway is that strategic partnerships are essential for translating data into policy impact. Collaborating with institutions like Unioncamere, government ministries, and international organisations has boosted the visibility and credibility of GEM findings.

Another lesson is the value of clear, accessible communication. Sharing insights across multiple platforms – academic journals, reports, media coverage, and public events – has ensured that findings have reached both technical experts and the broader public, helping to generate momentum for policy action. Timing has also played a critical role: releasing data just before key government planning cycles increased the likelihood of integration into official strategies.

Lastly, GEM Italy has enhanced the impact of GEM findings by linking data to human stories, specifically the experiences of women entrepreneurs who launched their businesses during the COVID-19 crisis. GEM researchers conducted a dedicated survey of women who started ventures in 2020–2021, at the height of the pandemic, with a questionnaire designed based on GEM data revealing gender disparities in entrepreneurship.

This approach enabled an in-depth exploration of the specific challenges and enablers faced by these entrepreneurial women. By combining quantitative insights from GEM with first-hand narratives,GEM Italy presented results that were both evidence-based and grounded in real-life entrepreneurial journeys, making them more relatable for policymakers and more compelling for media coverage. These findings will soon be disseminated in a peer-reviewed article and a forthcoming book dedicated to this topic. This people-centered approach has enhanced engagement from both policymakers and the media.

Looking ahead: Strengthening GEM's role as a policy compass

Building on recent momentum, the GEM Italy team is committed to deepening its policy relevance and public value. Moving forward, the team will focus on enhancing longitudinal analyses using GEM's time-series data to better track entrepreneurial trends across demographics, sectors, and regions.

Key priorities include:

Expanding partnerships with institutions and policymakers, with a focus on youth entrepreneurship, digital innovation, and sustainability.

Informing regional and local development strategies by tailoring GEM insights to specific ecosystems – particularly in southern Italy and rural areas.

Supporting policy evaluation by applying GEM indicators to assess the effectiveness of public programmes targeting SMEs and start-ups.

Collaborating with other GEM National Teams to exchange best practices related to gender equity, youth engagement, and entrepreneurship education.

Scaling entrepreneurship education efforts, including new editions of the Contamination Lab and expanded mentoring initiatives for women and young entrepreneurs.

Boosting data transparency and accessibility by developing public dashboards and interactive reports. These tools will empower a broader range of stakeholders – from students to policymakers – to engage with GEM evidence.

Ultimately, GEM Italy aims to position GEM as a strategic policy compass – an indispensable resource for advancing a more inclusive, resilient, and innovation-driven economy.

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