

Global job creation survey

A survey of the world's most
dynamic entrepreneurs

June 2014



Building a better
working world



Entrepreneurs continue to flex their hire power

The global economic recovery carries on – sometimes feeling like a full recovery, sometimes not, depending on where you are in the world. But one big source of encouragement for me – in the past three years, it has yet to let me down – is the rate of job creation among our EY Entrepreneur Of The Year™ winners. This creative, hard-working and often unconventional community of high achievers – vetted by an independent panel of their peers – is once again doing its share to help raise the standard of living in the countries where they operate.

The world's economic lifeblood remains in good hands.

For the third straight year, the world's most dynamic entrepreneurs tell us they expect their employee rolls to increase in 2014 – this time by nearly 19%, an increase from the 16% reported in 2012 and 2013. Of our respondents, 76% expect to add to their global workforce this year. And in a world characterized by fluctuating economic forecasts, 61% reveal they are confident, very confident or extremely confident in the economic direction of the market they know best – their home country. Notably, only 47% express the same level of optimism in the world economy as a whole. Nonetheless, this does not hold them back from entering new markets. More than half of our respondents say they expect to look overseas to grow their products and services.

Tapping into technology

This time around we also asked about the role technology plays in job creation. More than half of all respondents agree or strongly agree that investments made in technology led to a workforce change – and of those respondents, 81% said that it increased their workforce, by an average of 13%. Other positives cited from applications of technology: higher productivity and efficiency, improvement in quality, overcoming geographic barriers, and attracting talent.

As for the impact on entrepreneurs' existing workforce, we learned technology largely improved our respondents' overall cost competitiveness and made their employees more mobile. Our women respondents, in particular, cited the more mobile workforce (64% versus 41% of their male counterparts) as an asset enabled by technology – perhaps because of their increased awareness of work-life balance and job flexibility issues.

Keep going. Keep growing. Keep building that better working world! To my friends, colleagues and fellow job creators: take a bow.

Sincerely,

A large, elegant, handwritten signature in white ink that reads 'Maria'.

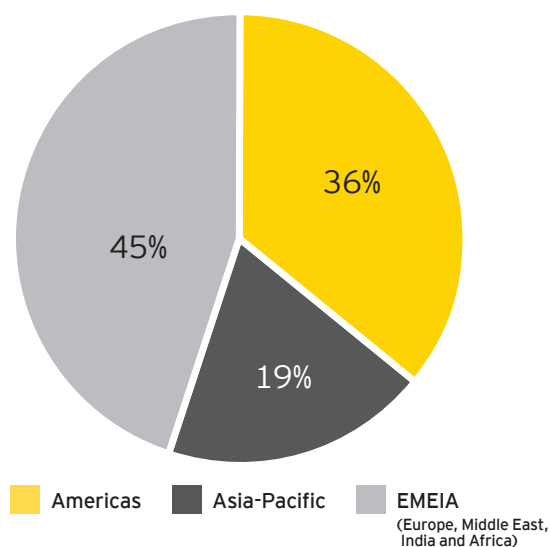
Maria Pinelli
EY Global Vice Chair – Strategic Growth Markets



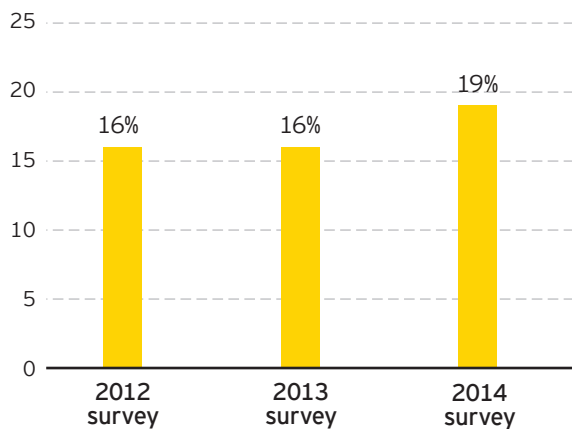
Hire power: entrepreneurs from across the globe help build a better working world

Our third annual survey from the EY Center for Entrepreneurship and Innovation shows the world's most dynamic entrepreneurs contributing to sustainable growth. How? They are consistently – over the past three years tracked by this survey – generating the employment that comes from turning ideas and innovation into reality. They afford opportunities that come from commerce, wealth creation and the rise of the new global middle class. Job growth is fairly evenly distributed across the regions, encompassing the Americas, Asia-Pacific and EMEIA.

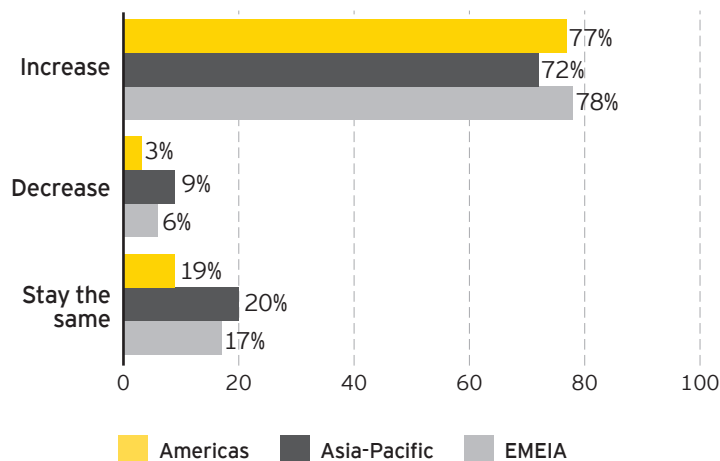
Regional distribution of respondents



How do you expect your total workforce operations to change across all company operations over the coming year?



How do you expect your total workforce to change across all company operations, in your home country and abroad, in 2014?





What's technology done for you lately?

Since the 19th century, when the Luddite movement drew inspiration from the legendary account of Ned Ludd destroying two industrial knitting frames, labor and technology have shared a wary coexistence. Who would win out? Man or machine? And must one's existence be at the mercy of the other?

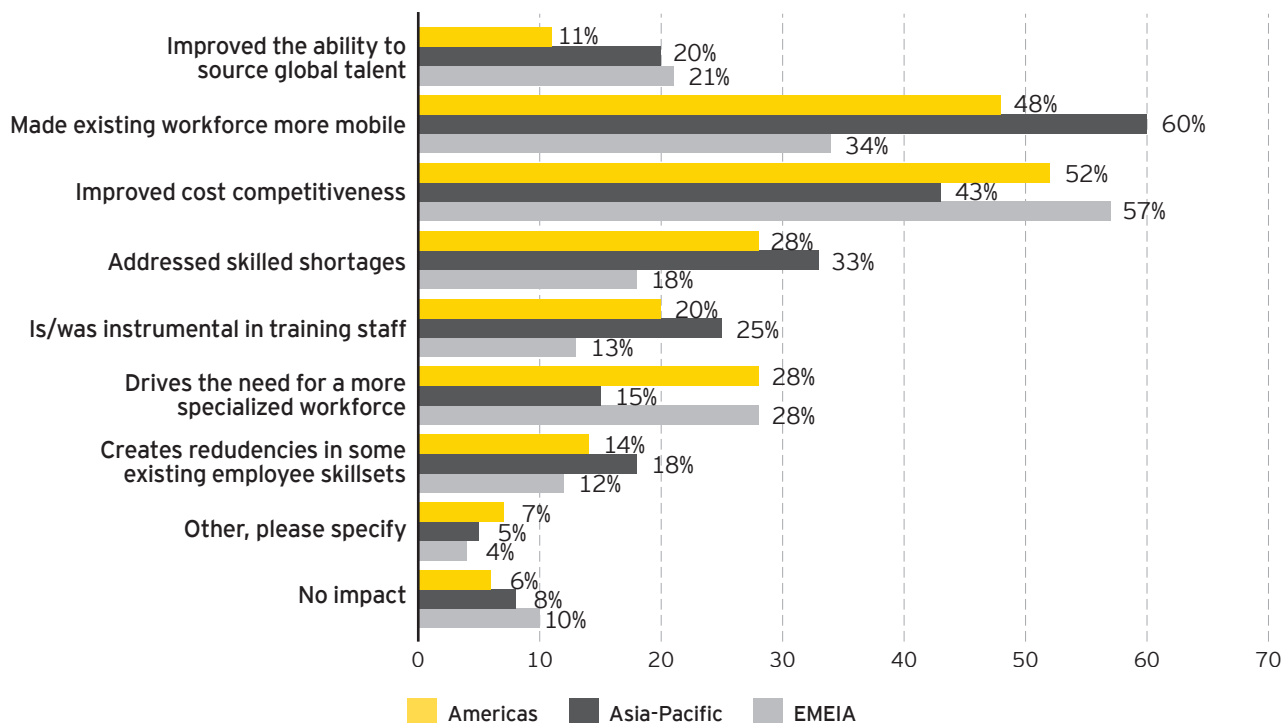
The debate rages on two centuries later. But one thing is certain: the world's best entrepreneurs tell us that within their organizations, technology is a job creator, not destroyer. Of those respondents who agree or strongly agree that their workforce was affected by new technology investment, a whopping 81% believe their workforce increased – by an average of 13%. Overall, respondents who invested in technology last year tell us their investment improved cost competitiveness (53%) and made their existing workforce more mobile (44%).

Technology breaks labor's chains

Far from being just a labor-replacing machine, there is every indication that technology may be a friend to the working man and woman. Managers can hire from a wider pool. Employees have a world of options in their work location as technology offers them the ability to do their jobs from anywhere, within or without the organization.

Management and mobility, then, may actually be enabled and complemented by computers, not at odds. Real estate constraints and long-distance barriers between businesses, clients or customers are diminished. Asia-Pacific comes in as particularly well-positioned to benefit from a mobile workforce (60%, compared to 48% for the Americas and 34% for EMEIA). Women leading entrepreneurial businesses are notably more likely to believe that technology has a positive impact in promoting a mobile workforce – 64%, compared to the 41% registered by their male counterparts.

What impact has your technology investment had on your workforce?





Tech sector accelerates job growth

A sampling of EY Entrepreneur Of The Year 2013 country participants provides additional insight into the role technology companies are playing in job creation. In the US and Canada, we found that Entrepreneur Of The Year technology sector participants created jobs in 2013 at a higher median pace, compared to job growth among all entries in all sectors. In Canada, for example, tech companies achieved a 36% job growth rate, while sectors overall clocked in at 25%. In the US, tech participants created jobs at a 42% clip, compared to 24% for all US-based participants.

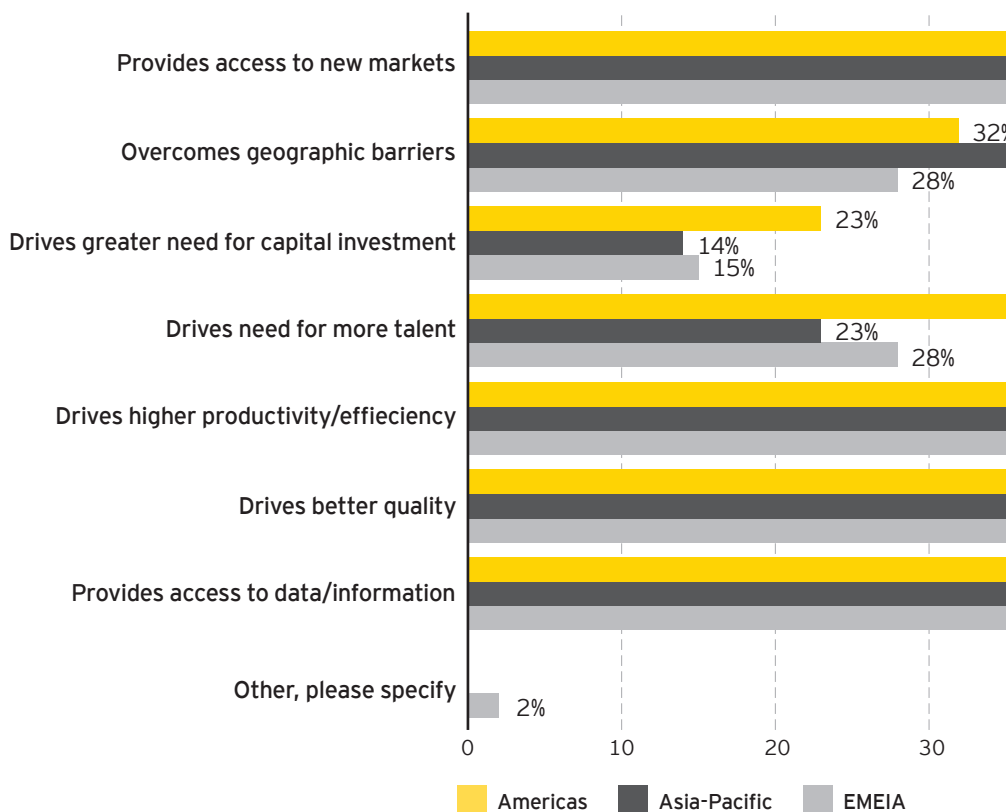
Even in rapid-growth markets like India and China, which have lesser representation in the Entrepreneur Of The Year Program from tech companies, we find greater headcount. China tech companies added jobs at a median growth rate of 25% in 2012, much higher than the overall sector growth rate of 13%. Similarly, Indian tech companies added jobs at an 18% rate, slightly higher than the overall Entrepreneur Of The Year participant job growth rate of 16%.



Thinking big

Technology plays an important role in our respondents' plans to expand their business, most notably in EMEIA, which came in at 91%. Asia-Pacific is next at 83%, and the Americas are third at 79%. In the breakdown below, we see the factors that come into play in this expansion.

How does technology play a role in your company's expansion plans?



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