

Entrepreneur Daily

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Number of U.S. Entrepreneurs Explodes!

After a 20 percent dip in 2004, the number of entrepreneurs in the United States increased by 30 percent last year, with more than 23 million people starting new businesses or managing firms less than four years old. That's the latest finding from an ongoing study by the University of Michigan and Florida International University that tracks entrepreneurial activity over time. This is the highest level of entrepreneurial activity since the study began in 1998. Then, 7.6 percent of Americans had started new businesses or were managing young firms. By 2005, the proportion had reached 11.5 percent.

"This level of entrepreneurial activity reflects an increase of nine million people from the late 1990s," said Paul Reynolds of FIU, the principal investigator of the study. "Despite the passing of the dot-com boom, entrepreneurship is an increasingly popular career option."

The study also found that nearly two-thirds (63 percent) of the entrepreneurs are men, with 18- to 34-year-olds accounting for about 44 percent of new firm creations, compared to 47 percent for those ages 35 to 54 and 9 percent for those 55 and older. The survey also found that blacks and Hispanics are twice as likely to be engaged in business creation as are whites, and about two-thirds of the entrepreneurs are in the startup phase with one-third are managing a new business less than four years old. More than half (57 percent) of those starting a new business have completed high school, about 23 percent have finished college and 12 percent have graduate training.

It's nice to see entrepreneurship becoming a popular career choice.

<http://www.entrepreneur.com/blog/0,6834,,00.html#1>