

Short description of methodology

Statistics on High growth enterprises
(as of reference year 2021)

Change in the data base due to new EU requirements

As of the reporting year 2021, business demography statistics are to be adapted to the requirements of the new Regulation (EU) 2019/2152 on European business statistics (EBS Regulation)¹; the statistics on high growth enterprises on the reporting year 2021 were compiled according to the new requirements as the first business demography statistics. The changes are as follows:

- The relevant unit is now the "**statistical enterprise**". The enterprise as "legal unit" (which was previously the statistical unit of business demography) is defined as an organizational unit that produces goods or services and has a certain degree of autonomy in decision-making, especially for the allocation of its current resources. The enterprise may carry out one or more activities at one or more locations (local units). In addition, the **statistical enterprise** is defined as the "smallest combination of legal units" with a "certain degree of decision-making freedom". In contrast to the concept of an enterprise as a "legal unit", several legal units can be combined to form a larger enterprise unit if they cannot act sufficiently autonomously on their own.
- There has been an extensive **harmonization** with the **Structural Business Statistics (SBS)**: In the latter, units with an annual turnover of less than EUR 10 000 will also be covered from the 2021 reporting year, and the previously excluded ÖNACE sectors P to S² will be included as well. In the future, therefore, there will only be **one coherent number** of "active" enterprises and corresponding employment data (persons employed in total and employees) in SBS and business demography statistics.
- The main data source is the **Statistical Business Register** of Statistics Austria.
- The statistics now also show the number of so-called "**Gazelles**" of a reporting year. These are **young** high growth enterprises, which are **no more than five years old**.

Definitions and concepts

Data sources

The basis for the statistics on high growth enterprises is the same as that for the statistics on **employer business demography**; thus the compilation of high growth enterprises is

¹ Regulation (EU) 2019/2152 of the European Parliament and of the Council of 27 November 2019 on European business statistics, repealing 10 legal acts in the field of business statistics

² Due to EU requirements, division S94 is now also excluded in business demography statistics.

an evaluation of the employer business demography. The Statistical Business Register of Statistics Austria forms the central database. As an additional data source, the Business Register for Administrative Purposes is also used.

The following administrative data sources are also used to check for completeness and to accurately delineate the demographic points of time of enterprises:

- Basic tax data and turnover tax data taken from yearly turnover tax returns and advance turnover tax returns submitted to the tax authorities and income tax data
- Employer and employee data from the Federation of Social Insurances

Included NACE sections

All NACE Rev. 2 sections, except A (“Agriculture and forestry”), O (“Public administration and defence, compulsory social security”), T (“Activities of households as employers, undifferentiated goods- and services- producing activities of households for own use”) and U (“Activities of extraterritorial organizations and bodies”) are taken into account. Division S94 (Activities of membership organizations) was also excluded from the reporting year 2021 onwards.

Statistical unit and definitions

The statistical units are all active **employer enterprises**. These are defined as enterprises, which have at least one employee (\geq) as an annual average. An employer enterprise can carry out its activity/activities at one or more locations (local units).

High growth enterprises

High growth enterprises are defined as employer enterprises, which show an average annual increase in the number of employees of 10% or more over a three-year-period (for example starting from the base year 2018 until the reporting year 2021). For the calculation of high growth enterprises all employer enterprises having less than 10 employees at the beginning of the observation period were excluded. Moreover, enterprises that were newly born in the starting year (t-3), are not included in the reference year (t). The increase in the number of employees does not need to take place continuously, but is measured over the entire period (Definition according to chapter 8 of the Eurostat-OECD Manual).

Gazelles (Young high growth enterprises)

As young high growth enterprises, gazelles are a subgroup of high growth enterprises. They fulfill the additional condition of being no more than five years old, i.e. newly founded in t-4 or t-5.

Employees

This variable corresponds to the sum of the annual average of employees of each enterprise.

False growth

If the increase in employees is primarily due to acquisition or merger, false growth is given. Enterprises with false growth have to be eliminated from the population of high growth enterprises.

Tabulation characteristics

The Statistics on High growth enterprises is shown by economic activity (sectors and divisions of ÖNACE 2008), legal form groups, and by federal provinces and NUTS3-regions.

Economic activities (ÖNACE 2008, in accordance with NACE Rev. 2)

- B Mining and quarrying
- C Manufacturing
- D Electricity, gas, steam and air conditioning supply
- E Water supply; sewerage, waste management and remediation activities
- F Construction
- G Wholesale and retail trade; repair of motor vehicles and motorcycles
- H Transportation and storage
- I Accommodation and food service activities
- J Information and communication
- K Financial and insurance activities
- L Real estate activities
- M Professional, scientific and technical activities
- N Administrative and support service activities
- P Education
- Q Human health and social work activities
- R Arts, Entertainment and recreation

- S Other service activities (without S94)

Legal form groups

- Sole proprietorships
- Limited liability companies (AG, GmbH)
- Partnerships and other legal forms (OEG, KEG, etc.)

Federal provinces and NUTS3 regions

- AT11 Burgenland
- AT111 Mittelburgenland
- AT112 Nordburgenland
- AT113 Südburgenland
- AT21 Carinthia
- AT211 Klagenfurt-Villach
- AT212 Oberkärnten
- AT213 Unterkärnten
- AT12 Lower Austria
- AT121 Mostviertel-Eisenwurzen
- AT122 Niederösterreich-Süd
- AT123 Sankt Pölten
- AT124 Waldviertel
- AT125 Weinviertel
- AT126 Wiener Umland/Nordteil
- AT127 Wiener Umland/Südteil
- AT31 Upper Austria
- AT311 Innviertel
- AT312 Linz-Wels
- AT313 Mühlviertel
- AT314 Steyr-Kirchdorf
- AT315 Traunviertel
- AT32 Salzburg
- AT321 Lungau
- AT322 Pinzgau-Pongau
- AT323 Salzburg und Umgebung
- AT22 Styria
- AT221 Graz
- AT222 Liezen
- AT223 östliche Obersteiermark
- AT224 Oststeiermark
- AT225 West- und Südsteiermark

- AT226 Westliche Obersteiermark
- AT33 Tyrol
- AT331 Außerfern
- AT332 Innsbruck
- AT333 Osttirol
- AT334 Tiroler Oberland
- AT335 Tiroler Unterland
- AT34 Vorarlberg
- AT341 Bludenz-Bregenzener Wald
- AT342 Rheintal-Bodenseegebiet
- AT13 Vienna

Treatment of confidential data

Data made up of results for less than 3 units are confidential (stated as "G") in principle (primary confidentiality). In addition, results for more than two reporting units must be suppressed in order to prevent that results suppressed by primary confidentiality can be derived by difference formation against totals (aggregates). The only exception is the number of statistical units itself: For this variable, suppression is not applied, since no protectability is assumed.

Methodology in brief

All calculations are performed for the range limits (for example 2018 to 2021), since the statistics require evaluation only at the boundaries.

The compilation of high growth enterprises is carried out in the following steps:

- Identification of enterprises with more than 10 employees at the beginning of the growth period and which are no enterprise births
- Detection of the annual average growth measured in employees (annual, 10% and higher); comparison of the count at the beginning of the growth period and the count at the end of the growth period (what happens in-between is not relevant)
- Assignment of economic activity and legal form group: here the classifications at the end of the period are used because it is assumed that the NACE classification and the legal form at the end of the observation period determine growth.

False high growth enterprises have to be detected and eliminated. Therefore, a random sample has been used, and all enterprises with high percentages on growth as well as

those with many employees are checked manually. Moreover, all enterprises are checked that - according to information in the company register - have taken over parts of other enterprises. The share of those high growth enterprises that are showing false growth (i.e. in which the growth in the number of employees was primarily caused by mergers, acquisitions, etc.) is finally transferred to all high growth enterprises, and the false ones are eliminated.

Notes

1. In 2022, there was a change in the data basis due to the new requirements from the EBS Regulation in particular the new unit "statistical enterprise" to be applied. The data were calculated using the new method from the reporting year 2021 onwards. A revision of the reporting years prior to 2021 and a recalculation have not been carried out because the results according to the new method have not shown any significant changes.
2. The data are preliminary for the last reporting year.
3. In the total values of the tables, division 94 "Activities of membership organizations" of ÖNACE 2008 is no longer included as of the 2021 reporting year. Group 64.3 "Trusts, funds and similar financial entities" is included from the reporting year 2021 onwards, and group 64.2 "Activities of holding companies" is included as of the reporting year 2013.