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The Global Entrepreneurship Monitor Barbados 2013 Barbados National Report

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Executive Summary

The Global Entrepreneurship Monitor (GEM) is an annual assessment of entrepreneurship and entrepreneurial activity among factor-driven, efficiency-driven and innovation-driven economies around the world. The primary aim of GEM is to ascertain, through data collection and statistical analysis, the entrepreneurial attitudes, intentions and activity of individuals in these economies. Given the wide ranging nature and scope of the data collection, GEM is considered as the largest ongoing research on the dynamics of entrepreneurship in the world.

The three primary objectives of GEM are: 1) to measure the differences in the levels of entrepreneurial activity among participating countries, 2) to uncover the factors leading to appropriate levels of entrepreneurship and 3) to suggest policies that could enhance the level of entrepreneurial activity in GEM participating territories.

These objectives are met through an assessment of variables related to entrepreneurship and by gauging the key indicators of entrepreneurial activity in each participating territory. The GEM entrepreneurial process highlights a series of stages in entrepreneurship; it places emphasis on potential, intentional, nascent, new and established entrepreneurs as well as those who decide to discontinue their businesses.

Barbados joined the GEM consortium in 2011, led by faculty of The Cave Hill School of Business/The University of the West Indies. The team in Barbados is charged with the responsibility of analysing and reporting the data collected from among a sample of the Barbadian population.

This year, the Adult Population Survey (APS), a questionnaire developed by the GEM team to assess various factors relating to entrepreneurship and entrepreneurial activity, was orally administered to 2,302 residents from across different parishes in Barbados.

In addition to gathering information from a wide cross-section of the population, GEM also seeks to ascertain the views of entrepreneurial experts. This is done through the online administration of the National Experts Survey (NES). This year, 19 experts participated in the NES and shared their views with regards to factors that influence entrepreneurial activities in Barbados.

The 2013 results from the APS and NES provide insightful information on the entrepreneurial climate as well as the level of entrepreneurial activity in Barbados

Below are some key findings from this year's APS:

- **Potential Entrepreneurship:** When compared to other GEM participating countries in Latin America and the Caribbean, Barbados had the lowest percentage (17%) of persons who indicated that fear of failure would dissuade them from starting a business. However, less than half the respondents (45.6%) believed that there would be good opportunities to start a business in the near future (six months, after the administration of the survey); this percentage is the second lowest percentage among Latin American and Caribbean countries. Despite the low percentage of persons who believed that there would be good opportunities to start a business, 74.5% of the respondents reported that they have the requisite knowledge and skills to start a business.
- **Intentional Entrepreneurship:** Only 18.4% of the respondents reported that they have intentions of starting a business within the next three years (from 2013). This was the third lowest percentage among Latin American and Caribbean territories that participated in the GEM survey in 2013.
- **Total early-stage Entrepreneurial Activity (TEA):** The 2013 findings also suggest that entrepreneurial activity in Barbados is on the rise. Barbados had a notable increase in TEA activity between 2011 and 2013 and is one of the few Latin American and Caribbean territories to have a TEA rate of over 21% in 2013.
- **Established Businesses:** There has been a marked increase in the number of established businesses in Barbados. During 2011-2013 period, there was a 7% upturn in the number of established businesses in the country. In 2013, 12.4% of Barbadian sample reported that they are established business owners.
- **Discontinuation of Businesses:** 3% of the sample reported that they had discontinued a business in the last 12 months (prior to the administration of the survey). Most respondents indicated that the two primary factors that influenced their decision to discontinue their businesses were personal reasons and the lack of profits derived from their businesses.

Acknowledgements

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CHAPTER ONE

Introduction

Entrepreneurial activity is considered as one of the most essential drivers of an economy. In Small Island Developing States (SIDS) such as Barbados, businesses play an important part in economic development. Consequently, knowing the nature and the state of entrepreneurial activity in Barbados can provide insightful information that informs policy as well as contribute to the fiscal stability and economic growth of the island.

Given the important contribution of entrepreneurial activity to economies, there is a general consensus among persons in academic circles as well as policy makers on the need to increase entrepreneurial activity to facilitate economic development. This point is supported by Varela and Soler (2012) who note that new and established businesses are at the forefront of innovation, job creation and productivity and as such, help to sustain and promote healthy economies.

The Global Entrepreneurship Monitor (GEM), through the National Teams assigned for each territory, gathers data from a variety of economies and gives a snapshot of the state of entrepreneurship across the world. GEM is the largest ongoing worldwide research that assesses entrepreneurial activity, perceptions and aspirations. The GEM consortium commenced in 1999 as an initiative of Babson College and the London Business School. The major objective of this initiative is to explore the role of entrepreneurship in national economic development.

This objective is achieved through the annual collection of entrepreneurial data from those countries that have joined the GEM consortium. This facilitates comparative analyses on different measures of entrepreneurship among these territories. By collecting data from each territory, GEM aims to assist countries across the world in developing policies, initiatives and programmes that are designed to promote entrepreneurship.

CHAPTER TWO

Research Methodology

To facilitate the comparison of results among participating countries, the GEM methodological approach is standardized. This chapter outlines the methodological approach used to collect the GEM data in Barbados. It includes a brief description of the sample, the research instruments and the data collection procedures used to gather data from the participants.

The Participants (Adult Population Survey)

There were 2,302 participants that completed the Adult Population Survey (APS) in 2013. Participants comprised individuals ranging from ages 18-64 who were randomly selected from the 11 parishes in the island. Forty-two percent ($n = 977$) of these participants were males while fifty-eight percent ($n = 1,325$) were females. The majority ($n = 960$) of the sample consisted of participants who had completed up to the secondary level (CXC, GCE, CAPE etc.) of education. In terms of household income, among those persons that responded ($n = 1,283$) to this item, most persons ($n = 463$) indicated that their combined household income was less than \$ BDS20, 000 dollars annually.

To ensure that the sample reflected the general distribution of the Barbadian population, participants were stratified based on age, sex and parish using the quota sampling technique. Table 2.1 below illustrates the breakdown of the sample by gender, age and parish.

Table 2.1 *Sample stratified by gender, age and parish (APS)*

Parishes	Male					Female					Total by Parish
	18-24	25-34	35-44	45-54	55-64	18-24	25-34	35-44	45-54	55-64	
ST.LUCY	8	15	13	5	5	7	9	13	9	5	89
ST. ANDREW	7	6	12	4	3	7	5	12	3	3	62
ST.PETER	7	10	8	7	6	8	10	12	7	4	79
ST.JAMES	22	27	25	28	10	17	32	36	27	14	238
ST. THOMAS	6	13	7	9	4	6	18	8	7	6	84
ST.JOSEPH	5	8	10	4	2	6	8	6	6	3	58
ST. JOHN	6	10	8	7	4	6	10	9	6	2	68
ST. GEORGE	13	17	17	15	9	14	18	20	17	11	151
ST.PHILLIP	11	21	26	18	9	18	28	29	20	10	190
CHRIST CHURCH	39	45	45	37	26	56	73	64	80	47	512
ST.MICHAEL	57	63	70	68	40	83	108	109	108	65	771
TOTAL	181	235	241	202	118	228	319	318	290	170	2302

Employment status of participants

The occupational status of participants varied substantially; however, the majority of the participants (n = 1,033) reported that they were employed either full-time or part-time; by contrast, only 515 participants reported that they were self-employed. Table 2.2 gives the breakdown of participants' employment statuses.

Table 2.2 *Occupational status of participants (APS)*

Occupational Status	No. of Persons
Full time or part time	1,033
Homemaker	51
Not working, other	228
Part time only	157
Retired, disabled	123
Self-employed	515
Student	83

The Instruments

Adult Population Survey

The data from participants across the eleven parishes were collected using the Adult Population Survey (APS). The APS is a questionnaire designed by the GEM consortium team which is orally administered to the adult population (ages 18-64) by National Teams in participating territories. The questionnaire assesses different elements of entrepreneurship. However, its primary measures are the proportion of individuals who belong to the following categories: nascent entrepreneurs, new entrepreneurs and established entrepreneurs. Varela and Soler (2012) note that the first two categories are combined to measure Total early-stage Entrepreneurial Activity (TEA); the main metric captured by GEM. The survey also assesses entrepreneurial aspirations, attitudes, intentions and perceptions.

Data collection procedures (APS)

The APS was administered using a mixed-mode of data collection. That is, the questionnaires were orally administered to participants via face-to-face and telephone interviews. In terms of the face-to-face administration, persons from various households were randomly selected by the enumerators to participate in the study. Only one person from each randomly selected household was allowed to participate in the study. Those persons who agreed to participate in the study

were asked to respond to questions on the questionnaire, which were asked by the enumerators. The telephone interviews were conducted in parishes that had the largest number of residents (St. Michael and Christ Church). Participants were identified by making calls to persons whose numbers were listed in the National Directory.

The National Experts Survey (NES)

GEM also seeks to ascertain the views of experts with regards to the entrepreneurial support systems in each territory. The views of these experts are gathered through the online administration of the National Experts Survey (NES). In 2013, this survey was administered to 19 experts from different entrepreneurial sectors in the island. The experts added their own perceptions on the following subjects: opportunity perceptions, skills for start-ups, motivation towards entrepreneurship, intellectual property legislation, support to woman entrepreneurs, support to business growth, innovation, well-being and youth entrepreneurship. Response categories for each item on the questionnaire ranged from completely false to completely true.

Data Collection Procedures (NES)

The NES survey was administered online. Prior to this administration, persons who were considered as experts in distinctive fields of entrepreneurship (e.g. Tourism and Culture) were contacted and asked about their interest in participating in the study. Those experts who indicated their willingness to complete the questionnaire were sent an e-mail containing information about the NES. Information and instructions on how to complete the survey were also provided via this medium. All experts were assured that any information provided would be kept confidential. After their agreement to participate in the survey, the experts were required to respond to each item by indicating the degree to which they believed that each statement about entrepreneurship and entrepreneurial support systems (in Barbados) is true or false. The response categories ranged from completely true to completely false. The completed surveys were submitted electronically by each expert.

CHAPTER THREE

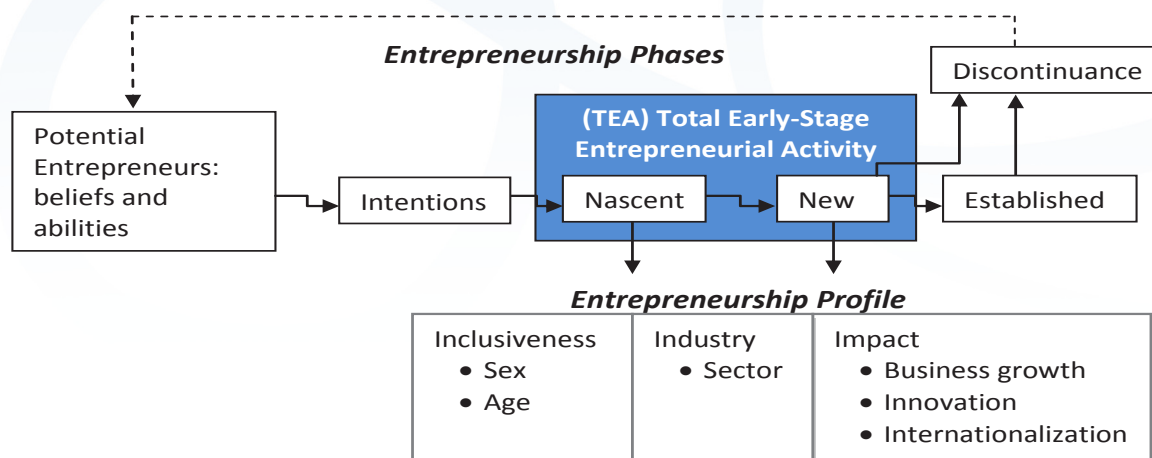
The GEM Entrepreneurial Process and key findings

The previous chapter highlighted the methodological approach used to collect the GEM data in Barbados. This chapter highlights the GEM entrepreneurial process and the findings pertaining to each stage in this process. Included in this chapter are the operational definitions associated with each stage in the GEM entrepreneurial pipeline as well as the key findings in Barbados related to each stage.

The GEM entrepreneurial process

GEM considers entrepreneurship as a series of phases that an entrepreneur passes through up to the decision to discontinue a business (Bosma, 2013). GEM uses a stage-model which highlights the key stages in each phase of entrepreneurship. More specifically, the model places emphasis on stages prior to, during and after an individual has made the decision to start a business (See Figure 3.1). However, it must be noted that these stages are not considered as streamlined given that different socio-economic, political and psychological factors may affect the transition from one phase to the next. For example, a country may have a high percentage of potential entrepreneurs but have little business start-up activity, depending on the financial constraints involved in business start-up.

Figure 3.1 *The GEM Entrepreneurial Process*



As illustrated in Figure 3.1, each stage in the entrepreneurial pipeline is characterised by a particular group of individuals. These individuals are classified as either potential, intentional, nascent, new or established entrepreneurs.

The following are the operational definitions provided for each stage in the entrepreneurial process:

The Potential Entrepreneur: Potential entrepreneurship is considered as the first stage in the entrepreneurial process. Potential entrepreneurs are regarded as those individuals who believe that there are good opportunities to start a business in their country; that they possess the requisite competencies required to start a business, and are not deterred by fear of failure.

The Intentional Entrepreneur: Intentional entrepreneurship is the second stage in the entrepreneurial process. Intentional entrepreneurs are considered as those persons who have moved beyond seeing business opportunities and their belief in their entrepreneurial skills, to making plans to start a business in the near future. As such, these individuals are identified by their *intention* to start a business in the next three years.

The Nascent and New Entrepreneurs (TEA): The third and fourth stages in the GEM entrepreneurial process are typified by those individuals who have moved beyond intention and into business start-up activity. These phases are characterised by individuals who have businesses that are less than 3 months old (nascent businesses/entrepreneurs) and those who have businesses that are older than 3 months but less than three and a half years (these are considered as new businesses). Combined, the measures of nascent and new businesses are considered as indicative of Total early-stage Entrepreneurial Activity (TEA), one of the primary metrics captured by GEM. TEA highlights businesses in their embryonic stages of development as well as those that have moved beyond the gestational period (new businesses). This gives a good idea of the amount of entrepreneurial start-up activity in the respective countries.

Established Businesses: Established entrepreneurs are those that own and manage businesses that have been in existence for more than three and a half years.

Discontinuance of Businesses: Business discontinuation is assessed by identifying those persons who have discontinued businesses in the last 12 months (prior to the administration of the GEM survey).

Key findings on Potential & Intentional Entrepreneurs: Perceived opportunities, perceived capabilities, fear of failure and entrepreneurial intentions

Even though most entrepreneurial researchers contend that the decision to start a business is influenced primarily by economic factors, the psychological factors associated with the decision to become an entrepreneur are equally as important. These factors include perception of opportunities to start a business, belief in one's ability to start a business and whether the individual is willing to take the necessary risk(s) associated with starting a business or is deterred by such. GEM examines these psychological factors by assessing the number of individuals who perceive that there are good opportunities in their country to start a business, those who believe they have the knowledge and capabilities to start a business and those who are dissuaded by fear of failure.

These psychological factors are regarded by GEM as having a strong influence on an individual's decision to become an entrepreneur. As such, GEM categorises persons who believe that there are good opportunities to start a business, that they have the knowledge and capability to start a business and are not deterred by fear of failure as potential entrepreneurs.

Table 3.1 shows that between 2011—2013, there have been slight variations in the percentage of persons who respond positively to each of these categories (fear of failure, believe in ability and good opportunities in the near future). For example, over the three-year period there were gradual increases in the percentage of persons who believe they are capable of starting a business; while there have been negligible fluctuations in the percentage of persons who perceive that there will be good opportunities to start a business in the near future. However, it should be noted that this has remained under 50% over the three-year period. On the other hand, the percentage of persons who indicated that fear of failure would dissuade them from starting a business remained relatively steady.

Table 3.1 *Factors in potential entrepreneurship from 2011-2013*

Year	Perceived Opportunities	Perceived Capabilities	Fear of failure*
2011	44.0	67.0	19.0
2012	47.0	70.0	17.0
2013	45.6	74.5	17.0

The information displayed in Table 3.2 highlights where Barbados stands on each of these entrepreneurial psychological factors when compared to Latin-America and other Caribbean territories that participated in the GEM survey.

Table 3.2 *Comparison of potential and intentional entrepreneurship in Latin American & Caribbean countries*

Latin American & Caribbean Countries	Perceived Opportunities	Perceived Capabilities	Fear of failure*	Entrepreneurial Intentions**
Argentina	40.9	61.7	24.9	31.0
Barbados	45.6	74.5	17.0	18.4
Brazil	50.9	52.6	38.7	27.2
Chile	68.4	59.6	28.0	46.5
Colombia	67.7	57.8	31.8	54.5
Ecuador	57.3	74.3	34.9	39.9
Guatemala	58.8	66.4	33.3	39.0
Jamaica	51.2	79.1	27.0	39.5
Mexico	55.6	58.5	31.6	16.9
Panama	58.7	66.4	28.9	27.0
Peru	61.0	62.2	25.7	33.9
Suriname	52.7	53.5	24.4	13.1
Trinidad & Tobago	58.0	75.3	19.8	28.7
Uruguay	47.9	61.1	26.9	25.3

*Assessed among those persons who believed that there would be good opportunities to start a business

**Assessed among those persons not engaged in entrepreneurial activity.

Perception of opportunities to start a business in the near future

It should be noted that among these countries (displayed in Table 3.2), Barbados has the second lowest percentage (Argentina has the lowest) of persons who believe that there will be good opportunities to start a business in the next six months (during survey administration). This finding is interesting and may be due to the recent economic downturn in the country as well as the perceived costs associated with starting a business. This perception may be influenced by the belief that the current economic climate does not facilitate business start-up. In addition, some persons may believe that given the economic downturn, the spending power of their potential clientele may have declined and that investment in a business will result in low returns. Moreover, this finding must also be considered in light of the fact that the perception of

opportunities for business start-up may also be influenced by the type of business that the potential entrepreneur has in mind.

Perceived capabilities and fear of failure

As seen in Table 3.2, the majority of Barbadian respondents reported that they are competent enough to start a business and are not dissuaded by fear of failure. It is also important to note that Barbados has the lowest percentage of persons among the territories that indicated that they are dissuaded by fear of failure. The latter finding is important particularly given that prior to starting a business, individuals often have questions about the feasibility of beginning and sustaining their enterprise. For example, questions about market competitiveness, product interest from the consumer and business sustainability arise naturally when persons begin to consider starting a business. For some individuals the uncertainty of the answers to these questions cause them to postpone their decision or decide against it, while for others, regardless of their doubts and the known risk(s) associated with business start-up, still decide to take that 'leap of faith'.

However, when one compares the Barbadian findings to those of Colombia (which has the highest intention rate among the territories), it is recognised that while Colombia has a much higher percentage of persons who indicated that they are deterred by fear of failure; this country still maintained the highest percentage of persons who intend to start a business within the next three years. These contradictory findings suggest that countries can have a high percentage of persons who fear failure but may still have a high intention rate. Indeed Colombia's findings stand in stark contrast to those of Barbados in terms of these two factors. This indicates that factors other than fear of failure may have contributed to the low intention rate in Barbados. Although both of these findings (in Colombia and Barbados) may seem counterintuitive, they point to the dynamic nature of the GEM entrepreneurial process.

Moreover, when an individual has a low fear of failure and believes in his or her ability to start a business, that individual is more likely to pursue a business opportunity if it arises. As such, fear of failure and perceived capabilities are two important factors that influence a person's decision to start a business. That is, persons who are efficacious with regards to their business start-up capabilities and who are not deterred by fear of failure are more likely to engage in business start-up activities. The combination of these factors is often reflected in the percentage of entrepreneurial activity in the country.

In light of the findings in Barbados, the low fear of failure and the high percentage of persons who reported being confident in their business capabilities, suggest that this environment may be ‘rich’ with potential entrepreneurs, but low on business start-up intention.

General discussion on perceived opportunities, perceived capabilities, fear of failure and entrepreneurial intentions

The findings on these entrepreneurial and psychological factors indicate that while the Barbadian population believes that they have the required skills, knowledge and experience to start a business and are not dissuaded by fear of failure, the majority do not believe that there entrepreneurial climate is not such that it would encourage them to start a business.

The latter point is corroborated by the findings on entrepreneurial intentions. Only 18.4% of the respondents indicated that they are likely to start a business in the next three years. This was one of the lowest rates of entrepreneurial intentions in Latin America and the Caribbean (only Mexico and Suriname had lower rates (See Table 3.2). This low percentage may be coupled with the fact that most of the respondents did not believe that there will be good opportunities for them to start a business in the near future. Furthermore, it also suggests that fear of failure and belief in one’s capabilities may not be strong predictors of business start-up activity or intention. What these findings also indicate is that potential entrepreneurs are more likely to take ‘calculated risks’. That is, their decision to start a business is primarily contingent on available business opportunities. However, persons who move beyond potential and intentional entrepreneurship and commence their own enterprise are those who are not dissuaded by fear of failure, and during first three and a half years (according to the GEM model) of their business, they are either considered as nascent or new entrepreneurs.

Key findings on Nascent and New Entrepreneurs: From potential to intentional entrepreneur to enterprise (TEA)

Starting a business can pose a number of challenges, particularly in the early stages. Moving beyond this period and overcoming the initial challenges associated with business start-up indicates that the entrepreneur is well on his or her way to having a new or established business.

The GEM model zooms in on two types of businesses that are used as measures of TEA, those that have been established for less than three months (nascent businesses) and those that have been established for over three months but not more than three and a half years or 42 months (new businesses). From Table 3.3, it is clear that there has been an increase in TEA in Barbados

between 2011 and 2013. The percentage of nascent entrepreneurs in 2013 is 11.1% compared to 10% in 2012 and 6.8% in 2011, respectively. The percentage of persons who owned new businesses in 2013 is 10.7% compared to 7.2% 2012 and 1.2% in 2011 (See Table 3.3).

The 9.5% increase in the emergence of the number of new businesses between 2011-2013 is also a noteworthy finding as it suggests that a number of entrepreneurs are moving beyond the three month start-up phase (nascent) and becoming new business owners. This may also be indicative of the potential sustainability of their enterprise; the increase in the overall TEA in 2013 should also be noted. This was influenced by the increase in the percentage of businesses that have moved beyond the nascent stage of entrepreneurship.

Table 3.3 *Percentage of nascent and new entrepreneurs from 2011-2013 in Barbados*

Year	Percentage of Nascent Entrepreneurs	Percentage of New Entrepreneurs	Percentage of Total early-stage Entrepreneurial Activity
2011	6.8	1.2	8.0
2012	10.0	7.2	17.2
2013	11.1	10.7	21.8

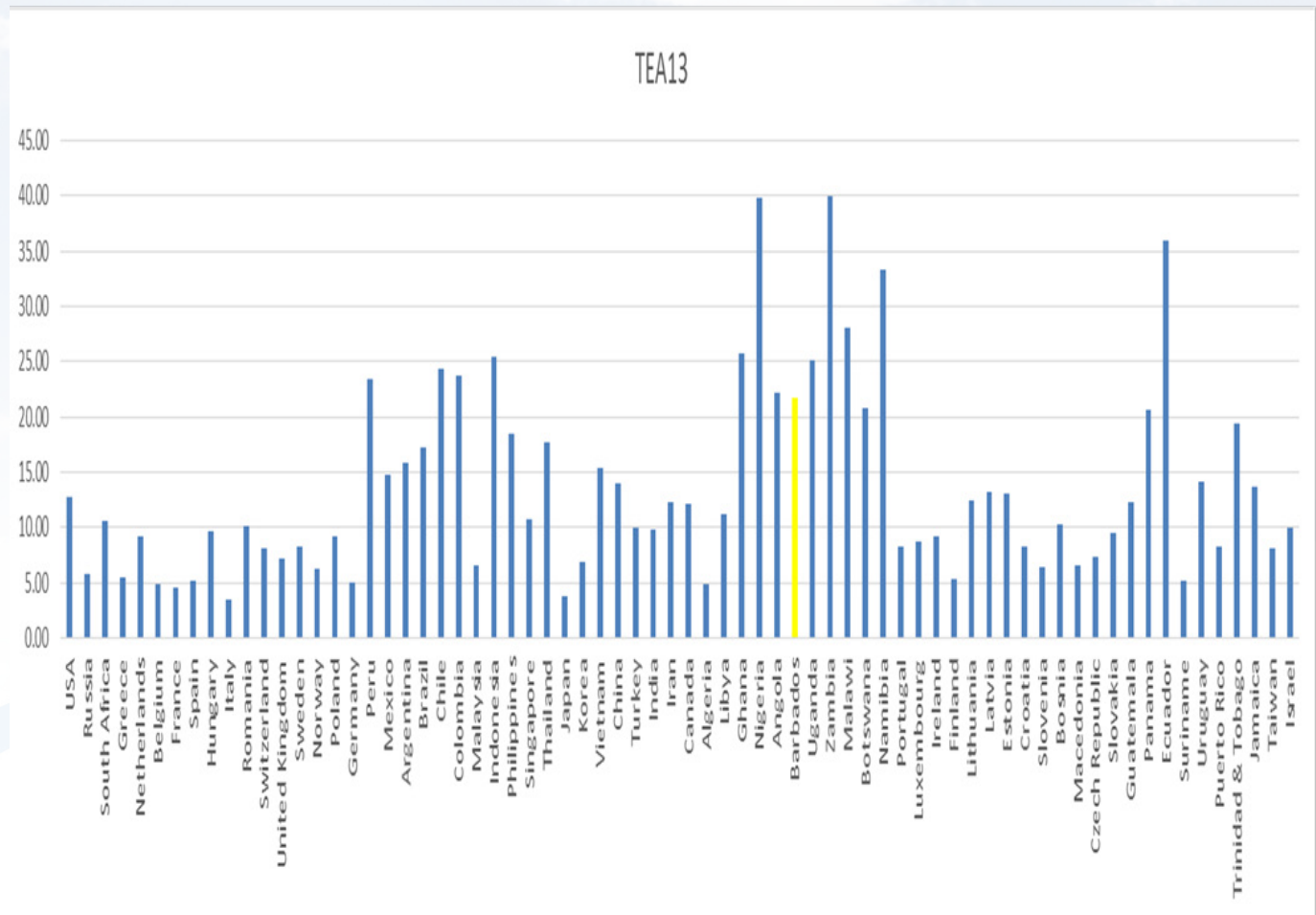
The increase in TEA in Barbados is also noted when it is compared to other efficiency-driven economies in Latin American and the Caribbean. From Table 3.4 it is clear that Barbados is among the few Latin American and Caribbean territories that has a TEA of 21% or above. This augurs well for the country as it suggests that entrepreneurial activity in the country is on the rise. This increase in activity may be due to the support that is given to new entrepreneurs in the country through the many organisations and programmes designed to promote entrepreneurial growth.

Table 3.4 *Percentage of nascent and new entrepreneurs in Barbados compared to other efficiency-economies in Latin America and the Caribbean*

Latin American & Caribbean Countries	Nascent Entrepreneurship	New Businesses	Total early-stage Entrepreneurial Activity
Argentina	10.5	5.6	15.9
Barbados	11.1	10.7	21.8
Brazil	5.1	12.6	17.3
Chile	15.4	9.6	24.3
Colombia	13.6	10.3	23.7
Ecuador	25.3	13.6	36.0
Guatemala	7.6	4.9	12.3
Jamaica	8.0	6.0	13.8
Mexico	11.9	3.3	14.8
Panama	15.4	5.2	20.6
Peru	17.8	5.9	23.3
Suriname	3.9	1.3	5.1
Trinidad & Tobago	11.4	18.5	19.5
Uruguay	8.5	5.7	14.1

Figure 3.2 highlights the percentage of TEA in Barbados compared to other GEM participating territories. The figure illustrates that Barbados has an average TEA rate in comparison to these other territories. Given the current drive by the Barbados Entrepreneurship Foundation (BEF) to make Barbados the world's entrepreneurial hub by 2020, the noted increase in entrepreneurial activity over the three year period augurs well for the country. However, as Figure 3.2 indicates, there is a need for a further increase in entrepreneurial activity, if Barbados is to accomplish this goal by the stipulated deadline.

Figure 3.2 Barbados' TEA in comparison to other GEM participating territories



Gender comparisons on TEA

Research shows that in a number of countries across the world, women are less likely to be engaged in entrepreneurial pursuits when compared to their male counterparts. This year's GEM results in Barbados corroborate these findings. As displayed in Table 3.5, a higher percentage of males were engaged in TEA than females.

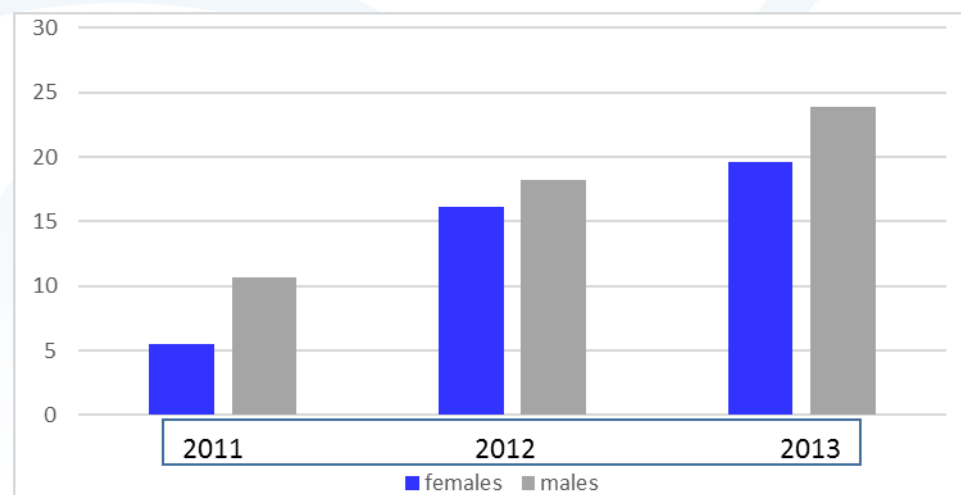
Table 3.5 Percentage of males and females engaged in TEA

Year	Percentage of Females	Percentage of Males
2013	19.6	23.8

There have been a number of reasons posited for the unequal start-up rate between males and females. Some researchers have contended that some women may lack the confidence and the drive to engage in entrepreneurial activities and may be dissuaded by fear of failure, leading to a low start-up rate among this group. In terms of Barbados, Carrington and Wharton (2012) contend that the gender disparity in business start-up may be reflective of the lack of an existing structure to facilitate female entrepreneurship in Barbados. Further, Varela and Soler (2012) note that disparities such as these, point to the urgent need to identify the reasons associated with the lack of business start-up activity among the female population.

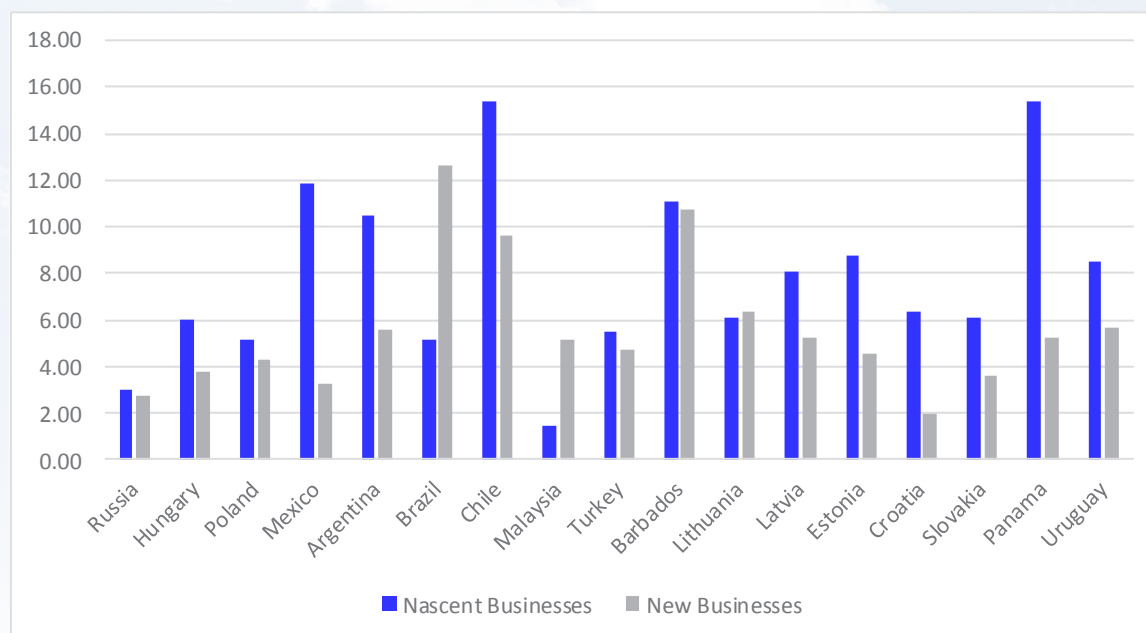
However, the above finding must be taken in context; that is, although there is an evident disparity in the start-up rate between the two groups, it should also be noted that female entrepreneurial activity in Barbados has been increasing since 2011. In fact, there was a gradual increase in entrepreneurial activity between both genders (See Figure 3.3). As the Figure below suggests, females seem to be ‘catching up’ with males in terms of entrepreneurial pursuits.

Figure 3.3 *Comparison of male and female TEA (2011-2013)*



Given that TEA is considered as a measure of the number of nascent and new businesses, it is important to consider how Barbados compares to other efficiency-driven economies on these two types of businesses. As displayed in Figure 3.4, Barbados has the second highest percentage of new business owners (falling behind Brazil) and the fourth highest percentage of persons who are classified as nascent business owners.

Figure 3.4 Comparison of nascent and new businesses across efficiency-driven economies



Motivation for engaging in TEA

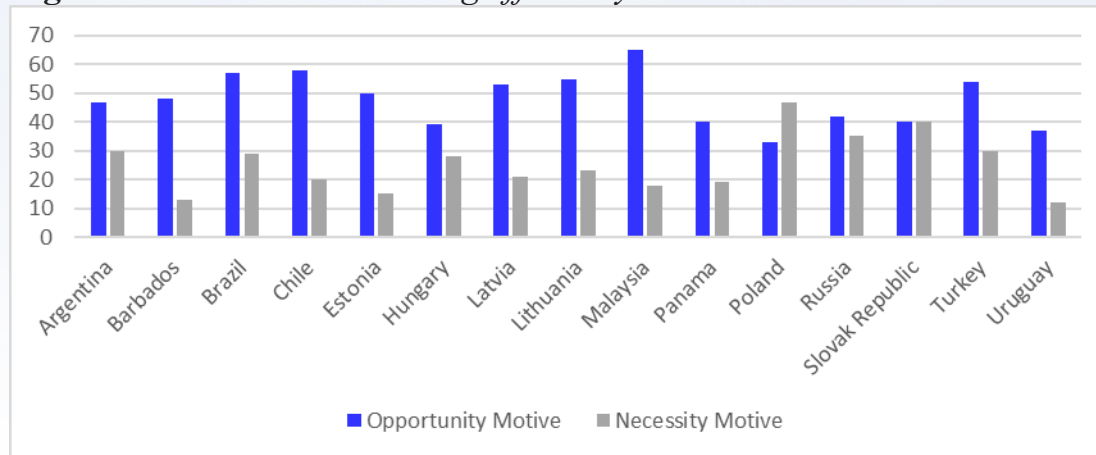
The decision to start a business may be influenced by a number of factors. On the one hand, a person may decide to start a business as a result of being in an economic situation that dictates a need to engage in business start-up (Wharton, Lee & Marshall, 2013). When this is noted as the primary reason for starting a business, the business is said to be necessity driven. According to Wharton, Lee and Marshall (2013) individuals who start businesses when they believe that there are few or no other options for earning an income are deemed to be pursuing entrepreneurship out of necessity. On the other hand, persons may initiate a business as a result of their awareness of and exploitation of a potential business opportunity. When businesses arise from circumstances like this, these entrepreneurs are regarded as improvement-opportunity driven. These persons initiate businesses with the primary motive of becoming independent or improving their income (Varela & Soler, 2012; Carrington & Wharton, 2012). Table 3.6 indicates that a higher percentage of the Barbadian TEA population fell into this latter category.

Table 3.6 Motives for engaging in TEA in Barbados (by percentage)

Year	Opportunity Motive	Necessity Motive
2013	48	13

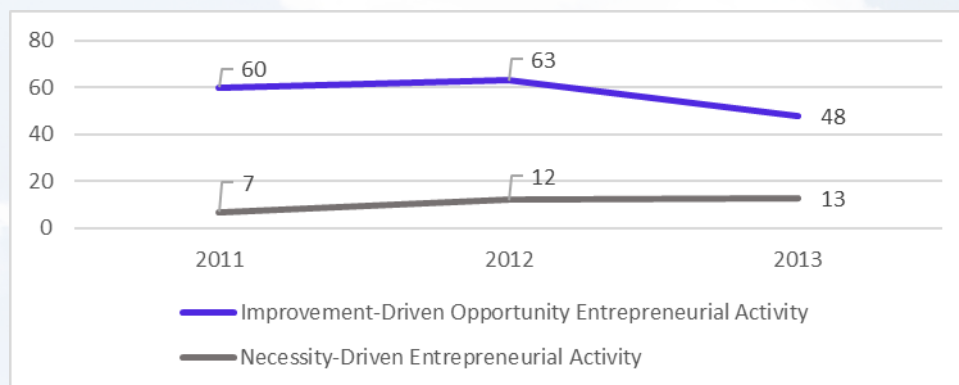
When Barbados is compared (on TEA motives) to other economies, which are transitioning from the efficiency to innovation driven economies, it is recognised that for Barbados, like most of these territories (with the exception of Poland and Slovakia), opportunity was identified as the primary motivating factor for TEA (See Figure 3.5). However, Barbados' necessity motive percentage is the second lowest among these territories (Barbados is slightly above Uruguay, which has the lowest percentage of necessity-driven entrepreneurs).

Figure 3.5 *TEA motives among efficiency-innovation driven economies*



While the above finding points to the fact the most TEA entrepreneurs in Barbados are driven by opportunity, it is important to acknowledge that the percentage of entrepreneurs propelled by the opportunity motive has declined from 60% in 2011 to 48% in 2013. By contrast, entrepreneurship driven by the necessity motive has intensified over this three year span; moving from 7% in 2011 to 13% in 2013 (this information is displayed in Figure 3.6). The latter finding may be reflective of the current economic climate in Barbados where employment opportunities are few and far between.

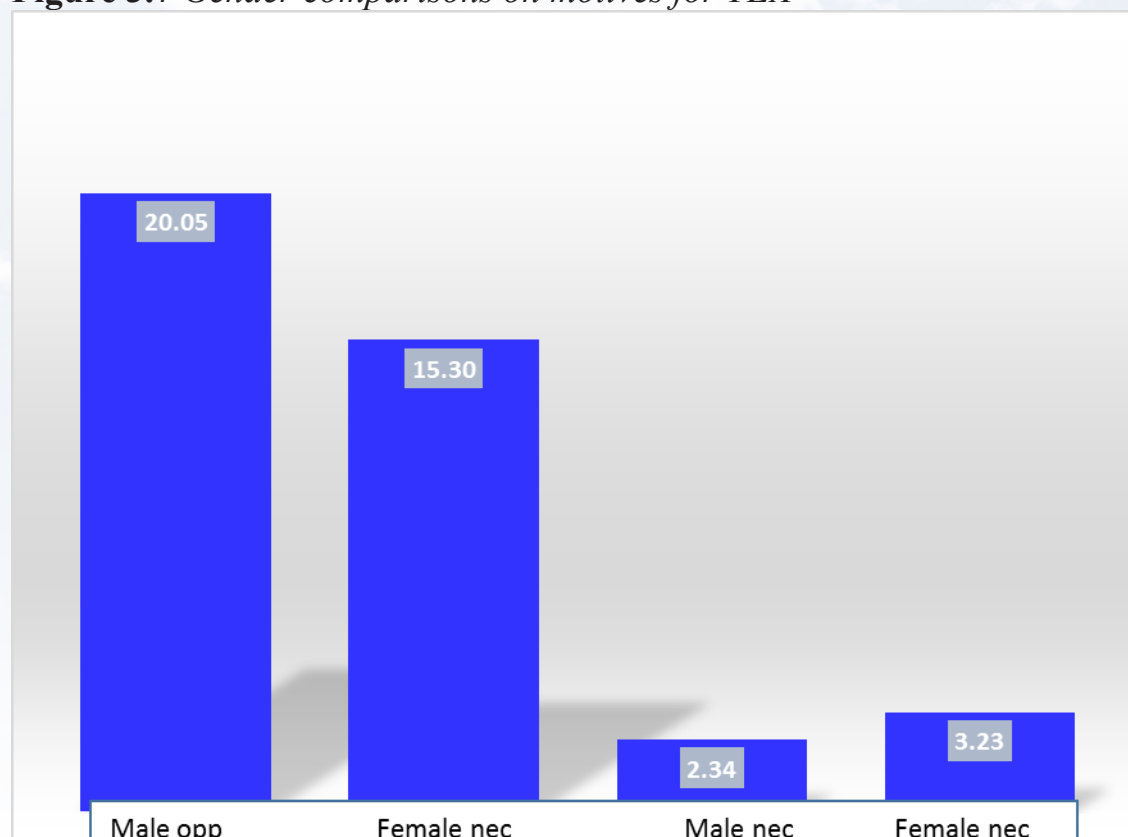
Figure 3.6 *Entrepreneurial motives trend in Barbados (2011-2013)*



Gender comparisons on entrepreneurial motives

Even though this year's results suggest that a large percentage of persons engage in entrepreneurial pursuits to exploit businesses opportunities, it is still important to consider the gender differences with regards to the decision to engage in TEA. As displayed in Figure 3.7, a higher percentage of males were opportunity-driven. However, a greater percentage of females were driven by the necessity motive. This latter point suggests that when compared to males, Barbadian females are more likely to start a business because they may believe they have no other guaranteed source of income. The disparity may be due to gender socialisation; that is, women are nurtured to tend to their children. More specifically, it can be contended that given that a significant percentage of females in Barbados are single parents, the need to provide for their children may (especially if there are no employment opportunities) propel them to start a business.

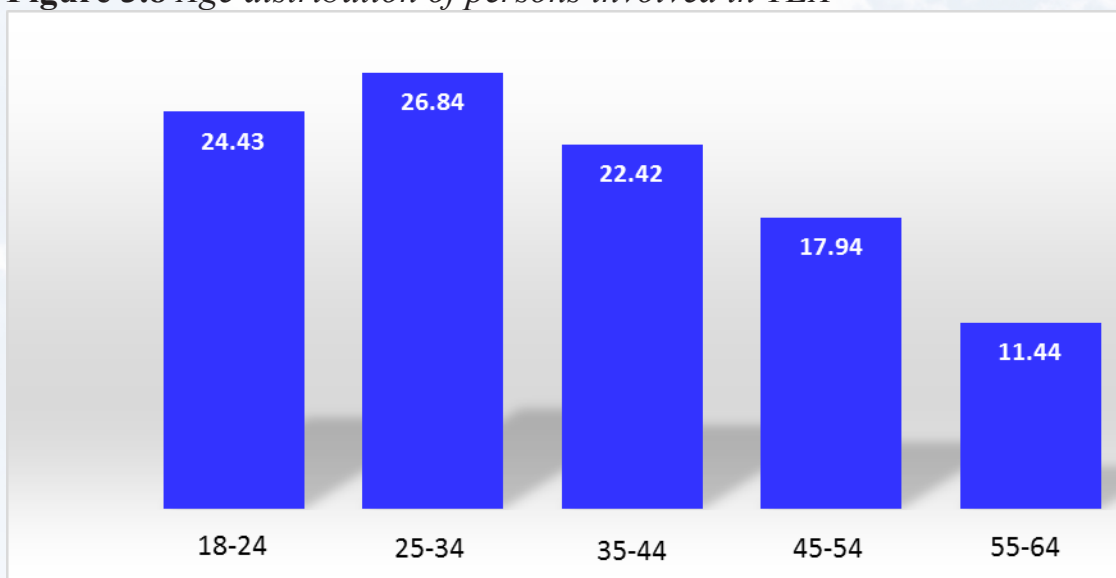
Figure 3.7 Gender comparisons on motives for TEA



TEA and Age

Age is considered as one of the most prominent factors that influences a person's decision to start and continue a business. In light of this fact, it was necessary to consider the age distribution of persons involved in TEA. This information is displayed in Figure 3.8 below. The findings indicate that entrepreneurial activity is most prevalent among the 25-34 age group.

Figure 3.8 *Age distribution of persons involved in TEA*



This finding is not surprising particularly given that the majority of organisations that promote entrepreneurship in Barbados target persons within the 18-34 age group. For example, the Barbadian government, in its National Youth Policy highlighted the promotion of entrepreneurial activity among the youth as one of its primary objectives. In addition, initiatives such as the Youth Entrepreneurship Scheme (YES) provide the much needed support for persons within this age grouping. As a result of this increasing social and financial support the younger population may feel more encouraged and confident to create their own businesses— leading to a higher start-up rate among this group.

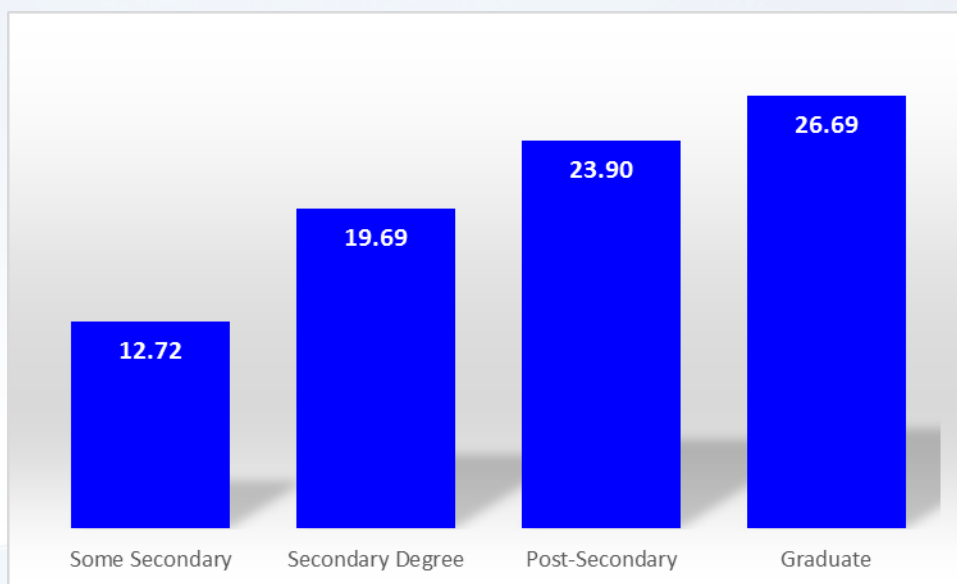
It is also interesting to note that the 35-44 age group also accounted for a notable percentage of the persons involved in TEA. This result suggests that as persons mature and become more business savvy; they may feel more confident in their ability to start a business. What must also be highlighted is that, unlike the assistance that is provided for those persons who fall within the 25-34 age range, in Barbados there are less structures in place for older persons beyond this age range who are starting their own business, yet this year's findings suggest that persons in the 35-44 age group are equally as involved in TEA and may also require as much support (i.e. structural and financial) as the younger entrepreneurs. This result points to the need for more structures to be put in place to assist this age group with their business start-up activities.

Education level and TEA

Figure 3.9 shows that when education level is compared with TEA, the results show that a greater percentage of persons with post-secondary education are involved in TEA. According to

Varela and Soler (2012) this debunks the myth that there is no association between educational attainment and entrepreneurial activity. Therefore, the finding illustrates that persons are more likely to be engaged in TEA if they have obtained a post-secondary degree or higher. This finding may be indicative of the fact that educational skills play a large role in the decision to start a business. In fact, one can argue that educational skills may enhance a person's belief in his or her ability to successfully establish a business.

Figure 3.9 *Education levels and TEA*



Key findings on Established Businesses: From new business to established business

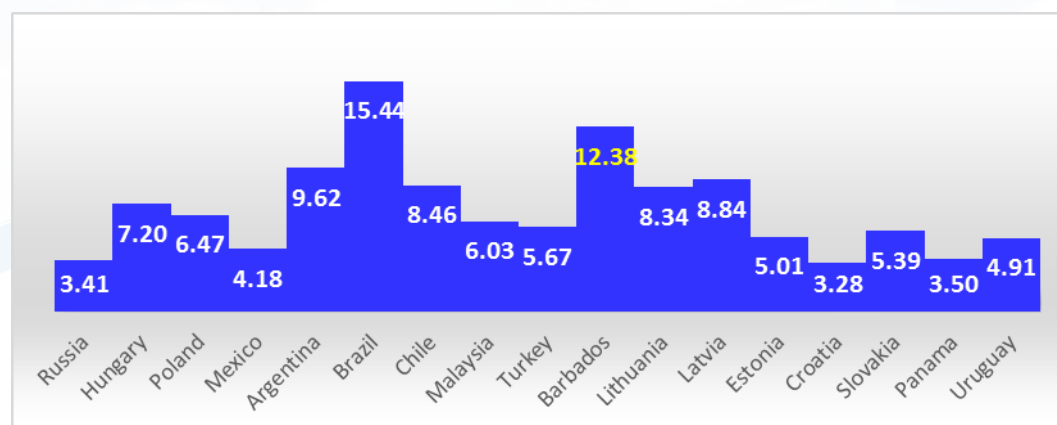
GEM also measures the number of established businesses in the participating countries. These businesses are regarded as those that have been established for more than three and a half years. Between 2011 and 2013, Barbados has had a notable increase in the number of established businesses; not only does this speak to an increase in sustainability, but it also portends well for the economy (See Table 3.7) as established businesses provide employment opportunities and assist the government with generating revenue through taxes that are placed on products. This latter point is supported by Carrington and Wharton (2012) who note that “while early-stage entrepreneurs contribute to the dynamism and innovation in an economy, established businesses make a significant contribution to the fiscal stability and growth of the economy” (p.54). They also posit that these type of businesses provide employment opportunities, taxable income and generate foreign exchange as well as provide goods and services that are important to the society

Table 3.7 *Percentage of established businesses in Barbados (2011- 2013)*

2011	2012	2013
3.9	12.2	12.4

The rate of established business ownership in Barbados in 2013 compares favourably to those of other participating GEM territories in efficiency-innovation driven economies. More specifically, Barbados has the second highest percentage of established business ownership among these territories, it falls closely behind Brazil which has an established business ownership rate of 15%. Figure 3.10 displays these results.

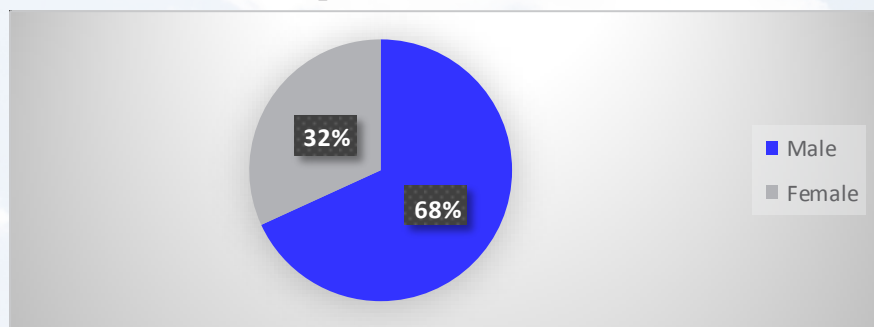
Figure 3.10 *Established businesses ownership among efficiency-innovation driven economies*



Gender comparisons on established business ownership

The findings this year indicate that the majority (68%) of established business owners were men (See Figure 3.11). This is quite a large disparity and suggests that women may be facing challenges with sustainability and may discontinue a business before they transition from nascent and new business owners to established business owners. This is indicative of the need for more support structures to assist women with this transition.

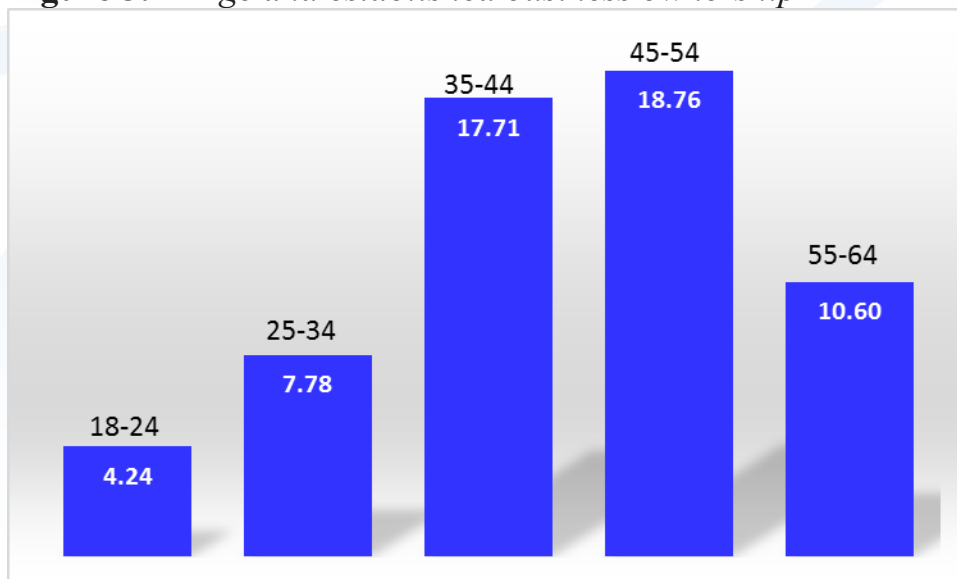
Figure 3.11 *Gender comparisons on established business ownership*



Age and established business ownership

As noted earlier in this chapter, TEA in Barbados was most prevalent among the 18-34 age groupings. However, when one examines age in relation to established business ownership, there is a notable change in the age prevalence. Figure 3.12 illustrates that the 35-54 age group accounts for over 35% of the established business ownership. More specifically, the figure demonstrates that among the Barbadian population, established business ownership increases with age.

Figure 3.12 *Age and established business ownership*



The differences in the prevalence of established business ownership among the two age groups (18-34 and 35-54) in new and established business ownership is not surprising given that more support is afforded to the youth by the government and private organisations during the start-up phase. What this may suggest, is that some young entrepreneurs are not making the transition into the established business phase. This insinuates that business sustainability may be an issue

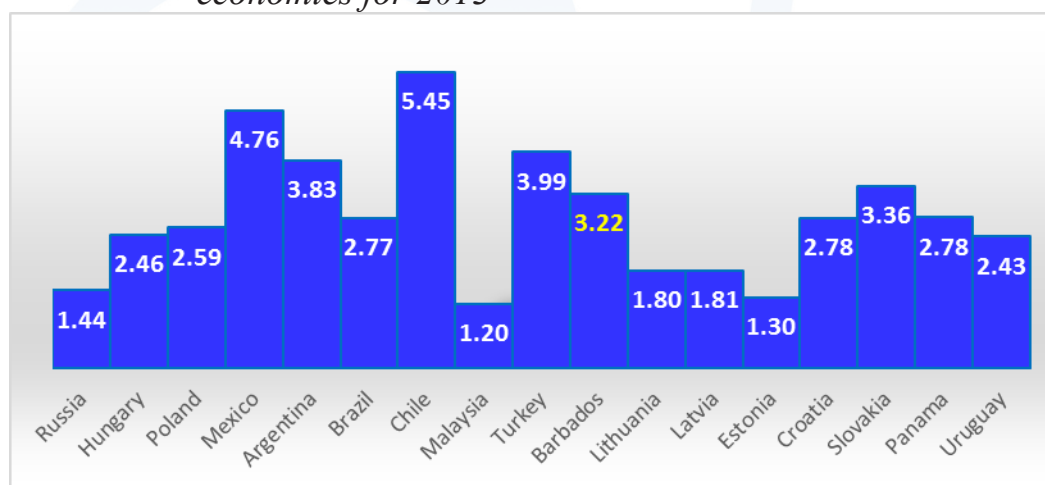
among this group and that more programmes may be needed to support them in making the transition from early-stage business owners to established business owners.

In addition, the findings also reveal that as Barbadian entrepreneurs mature, they may gain a wealth of experience that they apply to assist them with maintaining their business. Given this, and the apparent disparity between established business ownership between the younger and older generations, it can be suggested that Mentorship Programmes be developed where established business owners share their knowledge and expertise with young emerging business owners on how to ensure they sustain their business.

Key findings on Discontinuance of businesses: The decision to stop

Although some business owners make it through TEA and go on to become established business owners, some entrepreneurs may decide to discontinue their businesses for a variety of reasons, some of which may be positive. There are many factors that can lead to business discontinuation. According to Varela and Soler (2012), “the discontinuance rate is due to several factors including the market and financial failure of the business, the personal dissatisfaction of the entrepreneur with the activities required to keep the business going, as well as other factors dealing with health problems, living conditions, family needs and retirement” (p. 35). The 2013 Barbados GEM results indicate that Barbados had a discontinuation rate of 3.22% (See Figure 3.13).

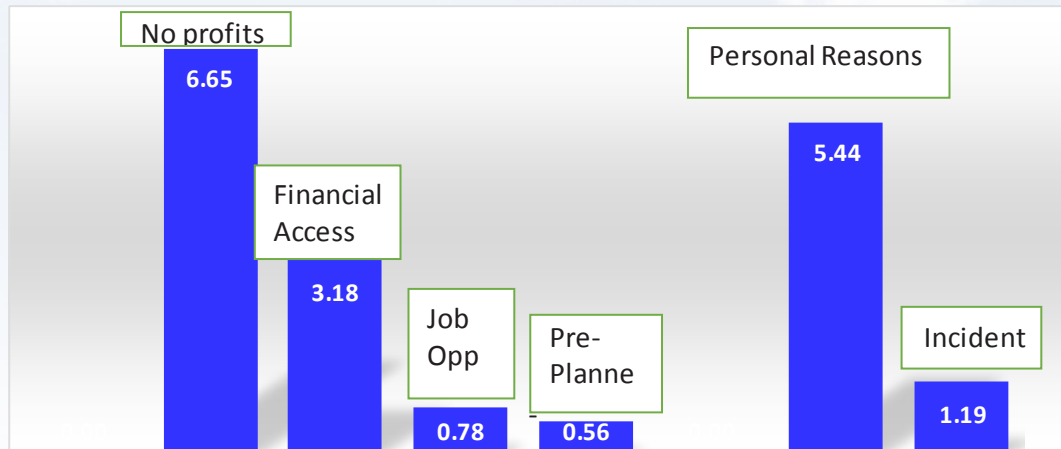
Figure 3.13 *Discontinuance rates of efficiency to innovation-driven economies for 2013*



Reasons for discontinuation

A number of factors may influence a person's decision to discontinue a business. The GEM 2013 findings indicate that personal reasons were the number one factor that influenced the respondents' decision to close down their businesses (See Figure 3.14).

Figure 3.14 *Primary reasons for business discontinuation*



CHAPTER FOUR

Socio-cultural perceptions of entrepreneurship

The preceding chapter highlighted the key findings in Barbados pertaining to each stage in the entrepreneurial process. However, it must be emphasised that an individual's decision to start, continue or discontinue a business is not a straight forward process and is also influenced by the socio-cultural perceptions associated with entrepreneurship in the country; these perceptions may either hinder or foster entrepreneurial activity. As such, the current chapter focuses on the findings pertaining to the key indicators of socio-cultural perceptions of entrepreneurship in Barbados. Included in this chapter are the findings pertaining to the societal perceptions of entrepreneurship as a good career choice and whether successful entrepreneurs are given media attention and afforded a high status in the society.

Key findings on socio-cultural perceptions of entrepreneurship

How successful entrepreneurs are portrayed in the media; the status associated with successful entrepreneurs, and the societal perceptions of entrepreneurship as a career choice are seen as three of the most pivotal factors that influence the level of TEA and entrepreneurial intentions. GEM assesses these factors to get a greater understanding of the visibility and attractiveness of entrepreneurship in each territory. The belief is that persons who live in societies that 'glamorise' entrepreneurship are more likely to be drawn to entrepreneurial pursuits, because they believe they will get the necessary support if they engage in such pursuits.

The 2013 GEM findings in Barbados as well as other Caribbean and Latin American countries show that most persons have favourable perceptions of entrepreneurship. The results also reveal that those entrepreneurs who are deemed as successful in these territories are afforded a high status as well as given significant amount of media attention (See Table 4.1).

Table 4.1 *Socio-cultural perceptions of entrepreneurship across Latin American and the Caribbean*

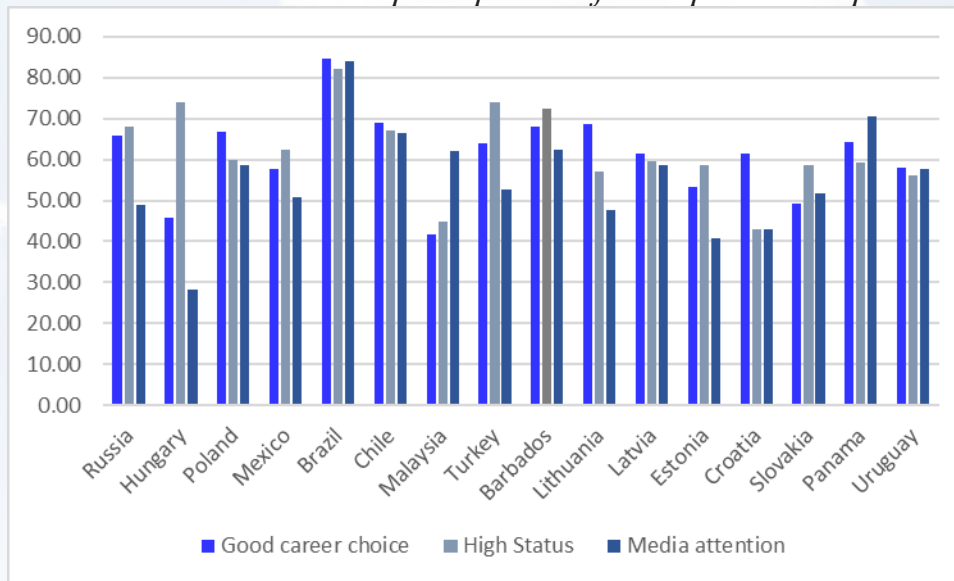
Latin American & Caribbean Countries	Entrepreneurship* as a good career choice	High Status * Given to successful entrepreneurs	Media attention given* To successful entrepreneurs
Argentina			
Barbados	67.9	72.3	62.4
Brazil	84.6	82.2	84.1
Chile	69.1	67.2	66.3
Colombia	90.9	71.4	67.5
Ecuador	66.5	67.7	79.1
Guatemala	86.8	71.5	55.1
Jamaica	79.4	80.9	81.7
Mexico	57.8	62.3	50.8
Panama	64.4	59.2	70.4
Peru	70.4	71.	25.7
Suriname	75.6	79.3	65.9
Trinidad & Tobago	79.5	72.0	61.0
Uruguay	50.1	56.0	57.5

*These questions were optional on the GEM Survey; there were no results for Argentina

These findings are important as they indicate that most persons in these regions have favourable attitudes toward entrepreneurship. The results are particularly interesting for Barbados especially given that the Barbadian percentage of intentional entrepreneurs was among the lowest when compared to the other Latin American and Caribbean territories (discussed in Chapter 3). This indicates that though societal perceptions of entrepreneurship/entrepreneurs may be favourable, this does not always result in business start-up or business start-up intentions. In addition, other factors such as the lack of good opportunities to start a business (also discussed in Chapter 3) could curtail the impact that positive societal perceptions may have on the amount of entrepreneurial activity in Barbados.

Further comparisons on these socio-cultural attitudes to other efficiency-innovation driven economies suggest that Barbados compares favourably to the other territories in this category in terms of positive perceptions of entrepreneurship. This data is displayed in Figure 4.1.

Figure 4.1 Comparison of efficiency-driven to innovation-driven economies on socio-cultural perceptions of entrepreneurship



Although a high percentage of Barbadians reported that they have positive perceptions toward entrepreneurship and entrepreneurs, only a low percentage of persons (18.4%) signalled their intentions of starting a business in the near future. This implies that although societal perceptions of entrepreneurship may be positive, these perceptions cannot be seen as symptomatic of entrepreneurial intentions.

CHAPTER FIVE

Women and Entrepreneurship

The topic of women in entrepreneurship has been a major focus of GEM since its inception. A number of reports have been written to assess the unique position of women in entrepreneurship. Across the many societies assessed by GEM, entrepreneurial activity appears to be less prevalent among women. Bearing this in mind, this chapter focuses on women in entrepreneurship in Barbados. More specifically, the chapter places emphasis on the percentages of women involved in each stage of the entrepreneurial process. Special emphasis is placed on TEA activity among women as well as the percentage of women that own established businesses.

Table 5.1 demonstrates that a high percentage of the female sample (69.4%) believe they possess the skills required to start a business. However, only 39.9% believed that there would be good opportunities to start a business in the next six months. Of the female respondents that indicated that there will be good opportunities for business start-up in the near future, only 12.0% reported that they would be dissuaded by fear of failure. In addition, only 14.7% of the female sample reported that they have intentions of starting a business in the next three years.

Table 5.1 *Female analysis: perceived opportunities, perceived capabilities, fear of failure and entrepreneurial intentions*

Perceived Opportunities	Perceived Capabilities	Fear of failure*	Entrepreneurial Intentions**
39.9	69.4	12.0	14.7

*Assessed among females who believed there would be good business opportunities

**Assessed among the non-entrepreneurial female population

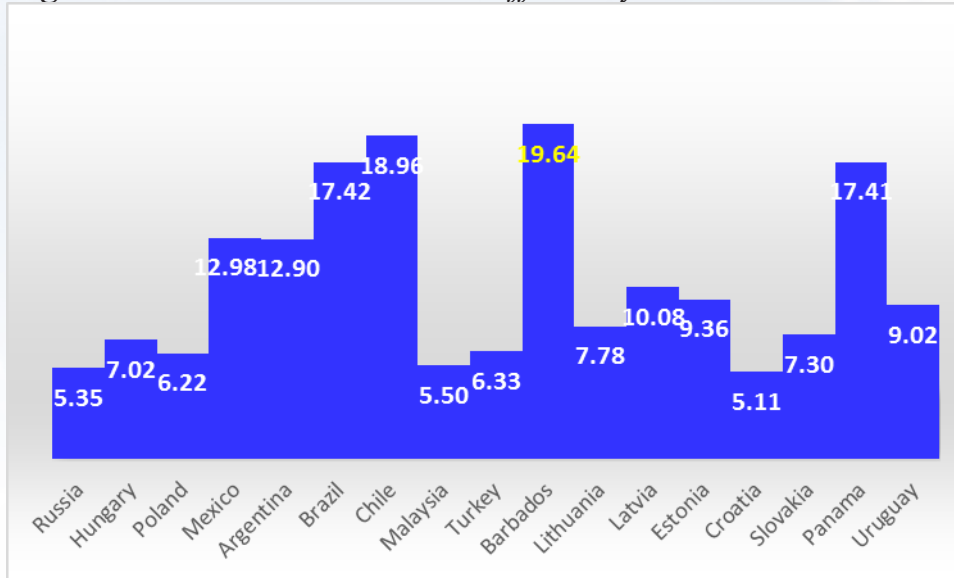
The overall findings for females are similar to the general findings (inclusive of male respondents) of this year's GEM results. That is, while most females believe that they have the competencies required to commence a business, they do not see opportunities available for business start-up in the near future. This finding may also be reflective of the possibility that the entrepreneurial environment in Barbados may be such that it is not conducive to female business start-up activity.

TEA among the female population

While GEM emphasises the underlying importance of potential and intentional female entrepreneurs, of equal value is the TEA among the female population. This metric provides a

gauge of the level of entrepreneurial activity among women across the different economies. In Barbados, 19.6% of the female respondents were engaged in TEA. However, it should be noted that even though this TEA rate is lower than that of their Barbadian male counterparts, it is the highest (followed closely by Chile) among the efficiency-driven economies. Figure 5.2 displays this comparison.

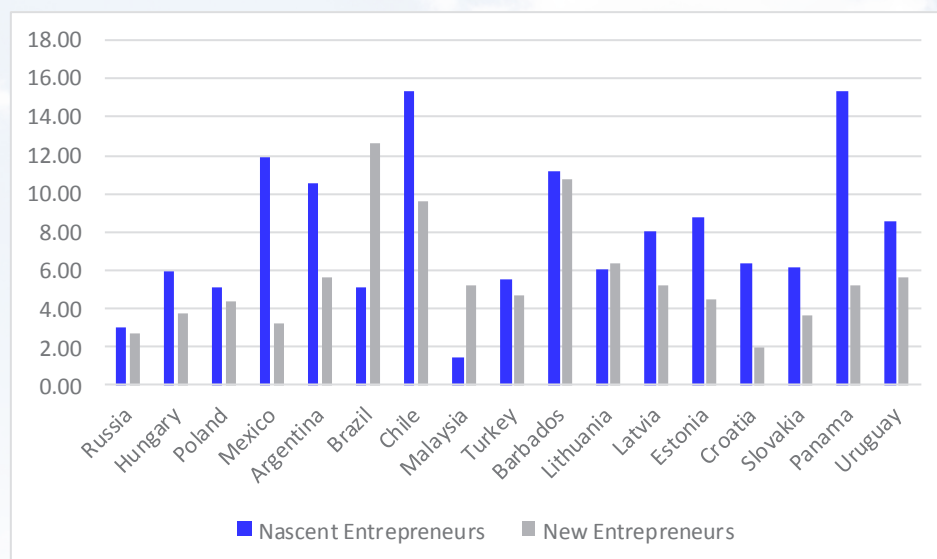
Figure 5.2 *Female TEA rates in efficiency-innovation driven economies*



As discussed in previous chapters, GEM considers businesses classified as early-stage business, as those businesses that have not been established beyond 42 months. Two types of businesses exist in this classification, nascent (businesses not established beyond three months) and new (businesses established for not more than 42 months). Among the female population, a relatively equal percentage of persons had businesses that were either nascent or new (See Figure 5.3 below).

However, when compared to other efficiency-innovation driven economies, it is seen that Barbados falls behind Chile in terms of nascent businesses and behind Brazil in terms of new businesses. Taken together these findings augur well for female business ownership in Barbados, particularly when compared to other efficiency-innovation driven economies.

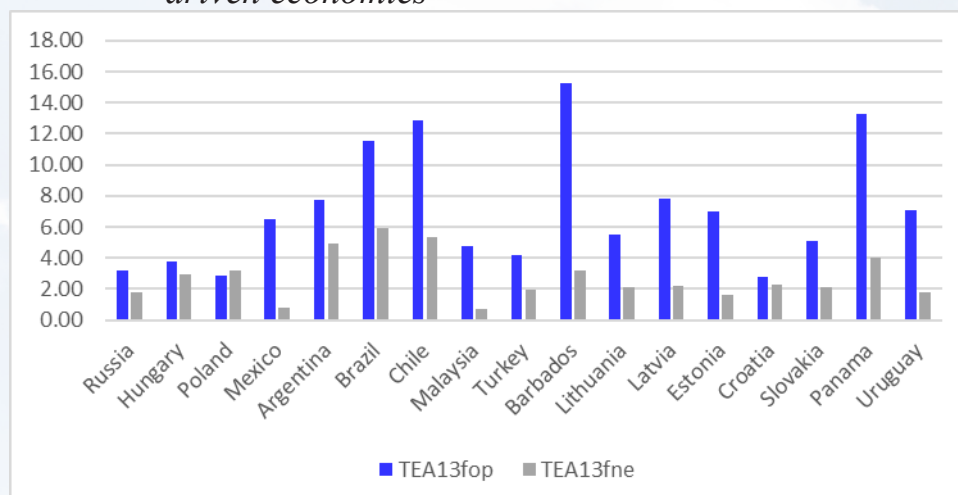
Figure 5.3 *Nascent and new entrepreneurs among the female populations in efficiency-innovation driven economies*



TEA motives among the female population

Among the female population that are engaged in TEA in Barbados, 15.3 % reported that they were driven primarily by an opportunity motive (fop). While 3.2% indicated that they were motivated by the necessity motive (fne) (See Figure 5.4). This finding is also reflective of the general findings (inclusive of males) in Barbados this year. As such, it is indicative of the fact that the majority of female entrepreneurs actively seek out and exploit potential business opportunities. When compared to other efficiency-innovation driven economies, Barbados has the highest percentage of females that are driven by the opportunity motive.

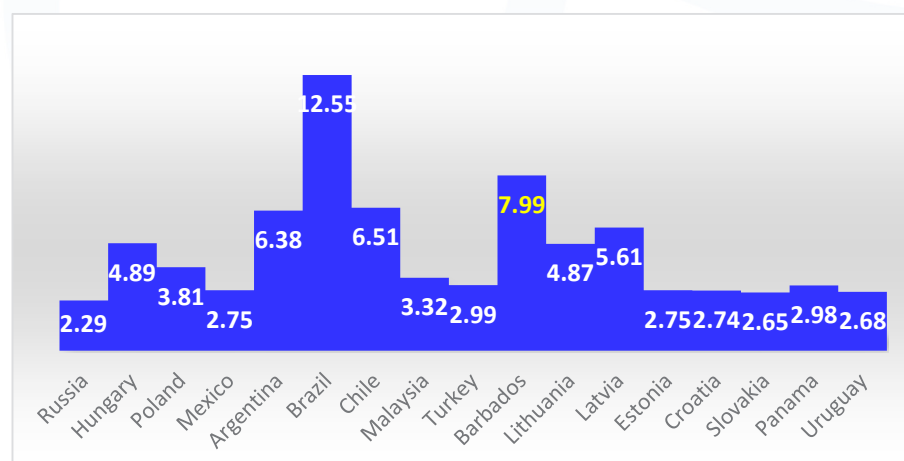
Figure 5.4 TEA motives among the female population in efficiency-innovation driven economies



Female established business owners

Only 7.9% of the Barbadian female population were classified as having established businesses. This finding must be taken in context particular as it relates to the percentage of established business owners that are men (17%). The disparity in this finding seems to suggest that female entrepreneurs may have more difficulty moving beyond TEA and into the established business phase when compared to their male counterparts. This suggests that structures need to be put in place to assist the female population in transitioning to the established business stage. However, when established business ownership rates among Barbadian females are compared to those of other female populations in efficiency-innovation driven economies, this rate is relatively high (the second highest, after Brazil).

Figure 5.5 Established Business owners among the female populations in efficiency-innovation driven economies



CHAPTER SIX

Innovation and Growth aspirations

The preceding chapters examined some of the key factors relating to TEA, potential entrepreneurship and established business ownership. However, it is also important to consider the level of innovation and growth aspirations of TEA businesses, as these can be used as indicators of the owner's plans for the business. This chapter will discuss two additional variables that are often considered as indicators of entrepreneurial success— innovation and growth. Specific emphasis will be placed on: competitors, customer perception of products, international orientation and the owners' plans for business growth and expansion.

Given that most businesses are faced with competition from other businesses, which offer the same products or services, their success may be highly contingent on their level of innovation as well as the owners' intentions for growth of the company. That is, market expansion may require the development of innovative ideas that, if well executed, will not only ensure that the business experiences a period of sustained growth, but that it remains competitive.

Market competitiveness is an extremely important factor in business, especially for young firms. The level of competition a business faces can determine whether or not it is successful. This level of competition can be assessed by ascertaining the number of businesses that offer the same or similar products or services. In Barbados, 58.4% ($n = 278$) of the TEA respondents indicated that there were many other businesses that offered the same products as their company (See Table 6.1).

Table 6.1 *Number of businesses offering the same products or services*

Many	Few	None
278	152	46

This finding is particularly interesting as it suggests that there may be heavy competition among businesses in the island. As such, TEA businesses in Barbados will need to have an innovative edge if they are to attract potential customers. As such, how successful a business is, may be dependent on the customer's perception of the uniqueness of the product or service being offered. In 2013, only 32.4% of TEA respondents indicated that their product would be considered as new to their customers. This indicates that given the level of competition from

businesses that are offering the same products, owners may need to develop innovative techniques to attract clientele in a market that may be somewhat saturated.

Innovation is also important because it can lead to the internationalization of products and services that are offered by a local company, which may result in an increase in the number of products and or services that are exported. Increases in exports to countries outside of one's local economy may be considered as an indication of entrepreneurial growth. In Barbados, the majority (80.1%) of TEA business owners reported that most of their customers are locals.

In addition to the internationalisation of products and services, the projected job growth (number of persons to be employed in the future) of a company can also be seen as indicative of the business' growth potential or the managers' intentions for the future of the business. In Barbados, only 2.9% of TEA respondents indicated that their company would employ more than five employees in the next five years.

Overall the above findings point to the need for businesses in Barbados to become more innovative not only in the products and services that they offer. In addition, it is important that these businesses internationalise their products and services. This will not only ensure the growth of these businesses but their sustainability.

CHAPTER SEVEN

NES Survey: Entrepreneurial Framework Conditions

GEM also seeks to understand the social and economic structures that influence entrepreneurial activity within the respective GEM territories. These social and economic factors are referred to as Economic Framework Conditions (EFCs). To ascertain information about these conditions, data is collected from experts on entrepreneurship in each territory. This chapter examines the views of experts with regards to the EFCs in Barbados.

The information provided by these experts is assessed after their completion of the National Experts Survey (NES), which is a survey measure developed by the GEM consortium to ascertain the views of national entrepreneurial experts on EFCs in each territory. These framework conditions include, but are not limited to: financial support, government policies, education and training and women's support in start-up.

Financial Support

One of the most pivotal factors that contribute to the level of entrepreneurial activity in any country is financial support. This point is also echoed by Varela and Soler (2012) who note that, “an essential feature in the development of new enterprises is the existence of financial support” (p. 38). The authors contend that access to financial resources enable entrepreneurs to get access to resources that are needed to successfully start their businesses.

Findings from the NES in Barbados imply that financial support for new entrepreneurs in Barbados needs to be improved (See Table 7.1). This may seem counterintuitive to some particularly given that there are many existing organisations in Barbados that were created to provide financial support for new and growing firms. Therefore what these findings seem to suggest is that access to funding may be bureaucratic.

Furthermore the findings point to the fact that most new enterprises in Barbados may be self-financed. This self-financing may pose challenges for the new entrepreneurs. Varela and Soler (2012) support this point; they note that, the lack of external financing resources may be one reason why many businesses begin at a disadvantage and an increased risk of failure. As such the authors recommend the development of support structures that provide financing for these new enterprises. Within the Barbadian context this may mean a reduction in the red-tape caused by government policies that is involved in accessing finance.

Table 7.1 *Financial support: NES responses*

Financial Support	Rating
Sufficient Equity funding available for new and growing firms	1.81
Sufficient debt funding available for new and growing firms	2.33
Sufficient government subsidies available for new and growing firms	2.89
Sufficient funding available from private individuals (other than founders) for new and growing firms	1.94
Sufficient venture capitalist funding available for new and growing firms	1.94
Sufficient funding available through initial public offerings (IPOs) for new and growing firms	1.82

Government Policies

Apart from financial support, entrepreneurial growth is also contingent on the policies that governments have ratified that influence the business environment. These policies may act as barriers or enablers of the development and sustainability of business enterprises. The findings displayed in Table 6.2 indicate that the Barbadian experts believe that some government policies may act as obstacles to business start-up because of the bureaucracy which is associated with the process of starting and continuing a business (especially in terms of obtaining licensing for new and growing firms). According to the experts other frustrations such as high taxes also mitigate against successful business start-up and growth. What is also interesting to note is that most experts perceived that these taxes are provided in a consistent and predictable way.

Table 7.2 *Government policies: NES responses*

Government Policies	Rating
Government policies (e.g., public procurement) consistently favour new firms	2.29
The support for new and growing firms is a high priority for policy at the national government level	3.17
The support for new and growing firms is a high priority for policy at the local government level	3.00
New firms can get most of the required permits and licenses in about a week	1.41
The amount of taxes is NOT a burden for new and growing firms	1.78
Taxes and other government regulations are applied to new and growing firms in a predictable and consistent way	3.12
Coping with government bureaucracy, regulations, and licensing requirements it is not unduly difficult for new and growing firms	1.67

Education and Training

Some scholars contend that entrepreneurship cannot be taught. However, others suggest that education and training play an important part in becoming a successful entrepreneur (Varela & Soler, 2012). The 2013 APS findings lend credence to this latter viewpoint. The results showed that the highest percentage of persons who were engaged in TEA possessed at least post-secondary degrees, suggesting some degree of association between the two variables.

The 2013 NES responses with regards to education and training (See Table 7.3) point to the need for improvements and more efficiency in terms of facilitating the development of entrepreneurial qualities in the younger generation. If Barbados is to develop a ‘generation of entrepreneurs’, schools at the primary, secondary and tertiary levels will need to modify the curricula to include topic areas that are designed to help equip students with the important competencies and skillsets required for business start-up or entrepreneurial pursuits.

It is noteworthy that the experts gave an average rating to vocational, professional and continuing education (3.11) for providing adequate preparation for starting up and growing new firms. This rating may be due to the fact that institutions that fall under this umbrella (particularly the vocational) cater to those students who are pursuing careers which may require them to initiate their own business. As such, the curricula may be designed to successfully assist

these students in accomplishing this particular goal. However, the average rating suggests that there is also a need for further improvement(s) in this area.

Table 7.3 *Education and Training: NES responses*

Education and Training	Rating
Teaching in primary and secondary education encourages creativity, self-sufficiency, and personal initiative	2.24
Teaching in primary and secondary education provides adequate instruction in market economic principles	2.00
Teaching in primary and secondary education provides adequate attention to entrepreneurship and new firm creation	1.88
Colleges and universities provide good and adequate preparation for starting up and growing new firms	2.28
The level of business and management education provide good and adequate preparation for starting up and growing new firms	2.71
The vocational, professional, and continuing education systems provide good and adequate preparation for starting up and growing new firms	3.11

Women's support to start-up

Apart from financial support, government policies and educational training, another primary area of entrepreneurship that continues to receive considerable attention in the entrepreneurial literature is women in entrepreneurship. Over the three year period (2011-2013) that Barbados has participated in GEM, there have been marked differences in entrepreneurial activity levels between males and females, with the former being more likely to engage in entrepreneurial pursuits. This issue has raised concerns and efforts to assist females in starting their own enterprises.

The ratings given by experts in Barbados indicate that the support given to female entrepreneurs is slightly above average (each rating was slightly above 3). Although this finding may seem to augur well for the state of female entrepreneurial support in the country, it also implies that there are some enhancements that need to be made if women are to be on equal footing with men in terms of the level of entrepreneurial activity.

Table 7.4 *Women's support to start-up: NES responses.*

Women's support to start-up	Rating
There are sufficient social services available so that women can continue to work even after they start a family	3.65
Starting a new business is a socially acceptable career option for women	3.59
Women are encouraged to become self-employed or start a new business	3.29
Men and women get equally exposed to good opportunities to start a new business	3.35
Men and women have the same level of knowledge and skills to start a new business	3.59

The overall findings of the NES reveal that Barbados needs to improve in many of its support areas of entrepreneurship. The general perceptions of the experts in terms of the EFCs appear to be somewhat negative and seem to suggest that though infrastructures are in place to support entrepreneurship, there are many hindrances associated with the process of starting a business in Barbados.

CHAPTER EIGHT

Conclusion & Recommendations

The 2013 GEM APS findings indicate that there has been an increase in the percentage of entrepreneurial activity in Barbados since 2011. These increases have been noted in TEA and established business ownership. However, despite these findings women still continue to lag behind their male counterparts in terms of entrepreneurial activity.

Moreover, most Barbadians believe that they have the required skills and competencies to start a business. In addition, very few are dissuaded by fear of failure. The possession of these two qualities indicates that generally speaking, Barbadians may be more inclined to start businesses in the near future. The low percentage of intentional entrepreneurs provides evidence that this may not always be the case. Perhaps this is due to the fact that more than half of the sample believed that there will not be good opportunities to start businesses in the near future.

The low intention rate may also be a consequence of the conditions of the entrepreneurial environment. In fact, most experts on entrepreneurship in Barbados believe that there are many improvements to be made if Barbados wants to foster an entrepreneurial spirit among its peoples. These needs for improvements were noted in areas such as: government policy, financial support, education and training and support for female entrepreneurs.

This year's GEM findings indicate that although Barbadians believe that they are competent enough to start a business and are not dissuaded by fear of failure, the business start-up and intention rates are relatively low. This may be due to the perceived unavailability of good opportunities to start a business. These results not only suggest that additional structures and policies need to be put in place to create a more positive perception of the entrepreneurial environment, but they also point to the need for continuous programmes that train potential entrepreneurs on how to recognise business opportunities, particularly in a stagnant economy. Such training programmes should place emphasis on innovation in business so as to enable the potential entrepreneur to recognise that business opportunities are not always in 'plain sight' and may require innovative thought.

Although the results this year point to a positive trajectory in terms of entrepreneurial growth (TEA) between 2011-2013, the low percentage of persons who indicated that they intend to start a business in the near future is a cause for concern. This suggests that Barbados still requires further development in terms of creating an environment that fosters business start-up activity.

More specifically, although entrepreneurial support structures are in place, access to financial support and bureaucratic hindrances as well as the red tape involved in business start-up, may serve to dissuade persons from commencing a business. As such, steps should be taken to remove these barriers and create more efficient systems which serve to quicken the business start-up process. In fact, in countries where there is a quick turnaround in terms of the process required to start a business, entrepreneurial activity tends to be more likely.

In addition, organisations such as the BEF (and other entrepreneurial organisations), should continue to assert themselves in their push to create a Barbadian economy that fosters entrepreneurial growth and development. Initiatives such as this, not only bring an increased awareness of many of the hindrances to entrepreneurial growth in the country, but may act as a catalyst for other initiatives which aim to remove these barriers.

An additional area of concern that emerged from the GEM findings is that entrepreneurial activity continues to be less prevalent among women. Although there has been a notable increase in the percentage of female entrepreneurs involved in TEA over the three year period; this gender disparity suggests that more support structures need to be developed to address the unique constraints that female entrepreneurs may face. Furthermore, organisations such as the Women Entrepreneurs of Barbados (WEB) should continue to promote and assist female entrepreneurs throughout Barbados as this may serve as a driving force for the increase in female entrepreneurial activity throughout the island.

The NES results also point to the need for improvements to be made in the EFCs. While there are many entrepreneurial support structures in Barbados, the experts indicate that there are many hindrances to business start-up activity. Based on these findings it is recommended that measures are implemented to remove some of the barriers associated with business start-up.

Conclusively, what the GEM APS and NES results indicate is that if Barbados is to accomplish its vision of becoming the world's entrepreneurial hub by 2020 significant growth and improvements will need to be made in many areas of entrepreneurship.

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