Barriers To Entrepreneurship

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Presentation Outline

- Historical Sketch of Entrepreneurship
- The New Entrepreneurship Paradigm
- Entrepreneurship Challenges/Barriers – The Local Context
- NEDCO – Fostering Innovative Entrepreneurship
Historical Sketch of Entrepreneurship
The word ‘entrepreneur’ comes from the French word ‘entreprendre’ which means to do something.
The New Entrepreneurship Paradigm
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- Joseph Schumpeter – Entrepreneurs create innovation within economies
- Entrepreneurship is seen as the ‘engine’ driving the economy of most nations, creating new industries, employment and wealth
- Peter Drucker-entrepreneurship is neither a science nor an art, it is a practice, it has a knowledge base, it is the foundation for innovation & revolution
Entrepreneurship Challenges
- The Local Context
Entrepreneurship Facts- The Local Context

Main Characteristics of the SME Sector of T&T

Trinidad and Tobago’s SME sector can be classified in the following sub-sectors:

1. Food and agro-processing
2. Marine and fishing
3. Woodwork and furniture
4. Light engineering and electronics
5. Garments
6. Handicrafts
7. Tourism and service related activities
8. Emerging technologies
9. Transport
10. Services
Entrepreneurship Facts- The Local Context

- Between 70 and 80 percent of businesses in the country belong in the SME sector
- Approx. 45,000 SMEs are operational in Trinidad and Tobago
- The MSME sector contributes significantly to the country’s GDP (5-10%).
- The MSME firms are leaders in manufacturing sub-sectors such as wood products, garments and sewn goods and handicraft items.
Entrepreneurship Challenges
- The Local Context

- Women constitute between 35-50% of the micro and small business sector.
- Skilled and experienced staff now attracted to the sector.
- Only 3.6% of the small businesses in Trinidad and Tobago are exporting goods and services.
- The sector assists in reducing the unemployment rate as it accounted for 45% of the new jobs created over the last 5 years.
- High financial and labour costs resulting in uncompetitive pricing.
Entrepreneurship Challenges
- The Local Context

- Lack of access to or knowledge about available resources including credit and training
- Limited market access
- Lack of e-business infrastructure
- Most of the MSEs are dependent on imported raw materials (either primary or secondary) which are expensive and sometimes not available on time
Entrepreneurship Barriers

- Difficulties of access to new technologies or the inability to adapt to local conditions
- Inability to access private and public procurement opportunities
- Non-availability of affordable technical and managerial consultancy
- Educational levels including computer competency
- Inability to conduct Market research
NEDCO - Fostering Innovative Entrepreneurship
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• The National Entrepreneurship Development Company Limited (NEDCO) was established in August 2002 to function as the implementation agency of the Government’s Policy on SME Development

• NEDCO will act as a catalyst in the development of an entrepreneurial culture in Trinidad and Tobago, employing strategies that will attract the young and traditionally disenfranchised sector of the populace towards business activities.
Operational Achievements

- Loan portfolio of 7347 clients with a value of $149 Million
- A focus on the vulnerable in society – Youths & Women
- 68% of our profile is geared towards non-traditional and economic return activity
- Intense geographic penetration with 13 locations throughout Trinidad & Tobago
- 7,600 Individuals trained in various entrepreneurial disciplines
- Establishment of ETIIC North & ETIIC South
ETIIC- Innovation In Business Incubation

- Projects Implementation Unit
  - YES
  - Second Chance
  - Mentorship
  - Outreach Programmes
  - Entrepreneurship Development in Schools

- Development Support Services Unit
  - Training
  - Incubator Facility
  - Internet Service
  - Client Membership Services

- Business Development & Research Unit
  - Research & Business Development
  - Marketing & Distribution
  - Conferences & Seminars
  - Strategic Alliances
  - New Business & Product Development
  - Internal Alliances
  - Library Facility
  - Business Advisory Services
Thank You