



# FOSTERING ENTREPRENEURSHIP – A POLICY IMPERATIVE FOR JAMAICA



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## At a glance – Key findings:

-Compared to the populations in other Caribbean countries, Jamaicans hold more positive attitudes towards entrepreneurship and are more confident in their abilities to start and run a business, but are less likely to perceive good start-up opportunities.

-Compared to the Caribbean average, Jamaica has a low level of early-stage entrepreneurial activity and a higher rate of entrepreneurs discontinuing their involvement in a business venture.

-Jamaica's early-stage entrepreneurs are creating jobs but have relatively low growth ambitions.

-The vast majority of early-stage ventures are low in innovativeness and employing old technologies. Although modest, the level of innovativeness is greater than in established businesses.

While young people do not capture a large share of entrepreneurial activity, they are becoming a major force in entrepreneurship.

-The key to expansion of entrepreneurial activity in Jamaica will be implementing policies and programs to help move more people through the entrepreneurial pipeline, improve the quality and innovativeness of their business ideas, and foster higher growth ambitions.

## Major policy recommendations

- Address blockages in the entrepreneurial pipeline to improve the rate of transition of Jamaican adults from intentions to start a business to start-up actions through to establishment of a sustainable enterprise.

- Encourage the pursuit of higher-potential business ideas, build the entrepreneurial and business management capacity of Jamaicans through education, training, coaching and mentoring, and provide access to financing to foster the survival and growth rates of their enterprises so they can contribute more to job creation and economic development.

- Target different segments of the population with the appropriate entrepreneurship promotion and support to meet their distinctive needs, including young people, women, university graduates, and growth-oriented and innovative entrepreneurs.

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This brief and the full reports can be found at: [www.gemcaribbean.org](http://www.gemcaribbean.org)

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This policy brief presents findings from an investigation of the level and nature of entrepreneurial activity in Jamaica and draws implications for policy to strengthen the role of entrepreneurship in the economy. This brief is very timely given the November 2013 launch of the government's first national Micro, Small and Medium Enterprise and Entrepreneurship Policy, national level

## INTRODUCTION

The Global Entrepreneurship Monitor (GEM) is the largest global study of entrepreneurship. GEM started in 1999 with 10 participating countries and in 2013 covered 70 countries. Whereas most related studies and data collection efforts focus on firms, GEM focuses on the attitudes, activities and characteristics of individuals who participate in various phases of entrepreneurship. The objectives of the GEM research are to: (1) measure differences in the level of entrepreneurial activity between countries; (2) uncover factors determining the levels of entrepreneurial activity; and (3) identify policies that many enhance the level (and quality) of entrepreneurial activity at the national level.

The "GEM Caribbean" initiative ([www.gemcaribbean.org](http://www.gemcaribbean.org)) is a three-year project, supported by Canada's International Development Research Centre (IDRC), to establish, train and strengthen entrepreneurship research teams in several Caribbean countries, including: Colombia, Jamaica, Trinidad & Tobago, and Barbados. The research by these teams measures the levels, underlying factors, and environmental constraints of entrepreneurship within each national environment and comparatively within the region by using the GEM methodology. The project seeks to provide policymakers with a stronger empirical foundation to inform actions and monitor progress in the promotion of entrepreneurship and job creation in the Caribbean.

This policy brief is based on findings from the research studies in Jamaica conducted by the University of Technology in Kingston, a partner in the GEM Caribbean regional initiative. The policy brief is further informed by

an analysis of national level policies, programs and initiatives aimed at supporting the development of entrepreneurship and micro, small and medium (MSME) enterprises in Jamaica.

## CONTEXT

The Jamaican economy has experienced low growth over the past few years and difficulty in rebounding from the significant drop in gross domestic product (GDP) growth during the 2008-09 global financial crisis. The unemployment rate, which had hovered around 11% since 2005, increased to almost 13% in 2010 and by April 2013 had climbed to 16.3%. Although down to 13.4% in January 2014, the large number of unemployed persons and the need to create jobs is one of the major pressures in the economy. Almost 40,000 new job-seekers entered the labour market in 2012, while only 8,700 new jobs were created.<sup>1</sup> Unemployment is a particularly serious issue for women and young people. In January 2014, the female unemployment rate was 1.7 times greater than the male rate (17.4% versus 11.1%) and the unemployment rate among youth aged 14-24 was 33.3%.<sup>2</sup> The inability of the public and private sectors to create<sup>2</sup> productive employment for Jamaicans is a major policy challenge.

In many economies, governments look to the MSME sector to create jobs and help move the economy forward. Although the sector accounts of 80% of jobs in Jamaica, the majority of these jobs are created by one-person enterprises. In fact, almost 40% of working Jamaicans are self-employed.<sup>3</sup> However, only 7.8% of the self-employed create jobs for others; most are pursuing “survivalist” activities (in heavy competition with each other) that are not creating wealth for the economy. Thus, the MSME sector is highly vulnerable and not contributing its full potential to the growth of the economy.

Jamaica’s National Development Plan, Vision 2030, notes the importance of entrepreneurship as an avenue to support economic development and expand

opportunities for the poor to engage in sustainable The problems facing MSME development in Jamaica are well understood – low level of technical skills and operational and marketing capacity, insufficient promotion of entrepreneurship in the training system, lack of financing, low capacity for innovation and utilisation of technology, limited product differentiation, weak linkages to supply chains, taxation and regulatory burden, and a high level of informality. These are all contributing factors in the low level of productivity and competitiveness of the MSME sector.

One of the major challenges to developing appropriate policy is the paucity of official data on Jamaican MSMEs and the sector’s performance trends. One source of credible data on entrepreneurial activity and the nature and characteristics of entrepreneurship is the Global Entrepreneurship Monitor (GEM). The University of Technology in Kingston has been a partner in the GEM research project since 2005 and produced seven annual reports, the most recent one for 2013.<sup>4</sup> So what do these reports tell us?

## Entrepreneurial activity rates in Jamaica vary from year to year

Since 2005 the percentage of the adult population (18-64) involved in early-stage entrepreneurial activity – either actively trying to get a business started (nascent entrepreneurs) or owning a young business that is less than 42 months old (new business owners) – has varied from a high of 22.7% (2009) to a low of 13.7% (2011).

The surge in entrepreneurial activity rates in 2009 was likely driven by the impact of the global economic crisis, as well as adverse socio-economic conditions, such as high inflation rates, a depreciating Jamaican dollar, a freeze on public sector wages since 2007, and the poor economic outlook, which pushed individuals to seek entrepreneurial opportunities as a solution to their current or pending unemployment situation or as a

<sup>4</sup> Copies of the Jamaica national GEM reports can be accessed online at: <http://www.gemconsortium.org/docs/cat/4/national-reports/>

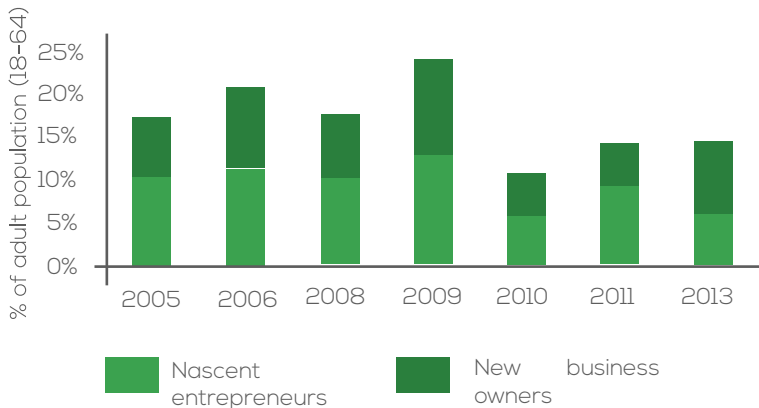
<sup>1</sup> Addressing the youth unemployment issue”, The Gleaner, 21 August 2013.

<sup>2</sup> Statistical Institute of Jamaica (STATIN).

<sup>3</sup> STATIN.

means of providing additional income to stymie their decreasing purchasing power (Skeete et al., 2010). Not only were more Jamaican adults trying to get a business started in 2009, but there was a jump in the percentage of new business owners.

**Fig. 1. Trends in Jamaica's early-stage entrepreneurial activity rates**



Source: GEM Jamaica data.

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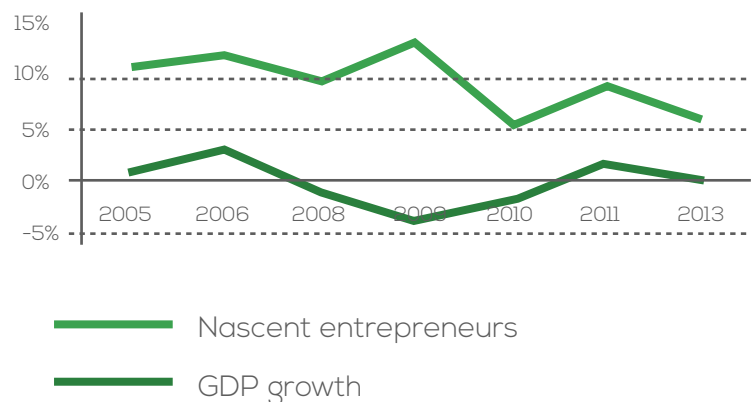
<sup>5</sup> In 2009, the government also reported a significant rise in the number of business registrations.

In 2010, the majority of early-stage entrepreneurs viewed it as being more difficult to start a business than in the previous year, with fewer market expansion opportunities (Boodraj et al., 2011), which may have affected the declining level of early-stage entrepreneurial activity in 2010.

In 2013, the early-stage entrepreneurial rate increased slightly over 2011 to 13.8%, but was far below the 16.5% average for other Caribbean countries<sup>6</sup> participating in the 2013 GEM research cycle. The largest gap was in the nascent entrepreneur rate: about 6% of adults in Jamaica compared to an average of 11% in other Caribbean countries.

Although researchers have not been able to determine the causal relationship between entrepreneurial activity levels and economic growth, GEM Jamaica data suggests a co-incident pattern. The proportion of adults actively trying to start a new business tends to increase in years of positive economic growth and decline in years with lower or negative economic growth (except for 2009 and 2010).

**Fig. 2. Nascent entrepreneur rate and GDP growth**



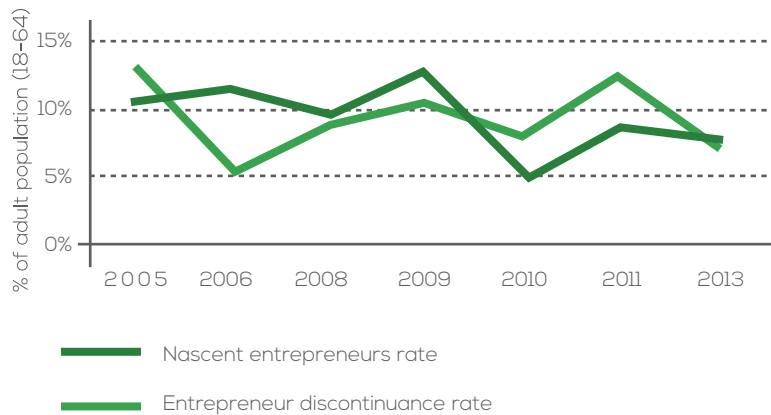
Source: GEM Jamaica data.

<sup>6</sup> Includes data for Columbia, Guatemala, Mexico, Panama, Trinidad & Tobago, and Puerto Rico.

## Relatively high level of business discontinuances among the Jamaican adult population

GEM Jamaica data reveal relatively high levels of business discontinuance<sup>7</sup> compared to other GEM countries, including countries in a similar phase of economic development. In 2013, 7.4% of adults reported that, in the past year, they had “quit, sold or closed” a business they had previously owned and managed, compared to an average of only 4.0% in six other Caribbean countries participating in the GEM project.<sup>8</sup> There is also a very small gap between the percentage of nascent entrepreneurs and the percentage of discontinuing entrepreneurs in the Jamaican adult population, much smaller than in the other Caribbean countries. In fact, in three of the seven annual GEM Jamaica research cycles, more adults were leaving an entrepreneurial venture than trying to start a new one.

**Fig. 3. Nascent versus discontinuing entrepreneurs**



Source: GEM Jamaica data.

This suggests a high level of entrepreneurial turbulence in Jamaica. For example, in 2013, for every 10 adults actively trying to start a business in the “past 12 months”, 9 adults had disengaged from an enterprise

<sup>7</sup> “Business discontinuance” occurs when a member of the adult population reports they “sold, shut down, discontinued or quit a business” that they owned and managed (including any type of self-employment). This is not synonymous with “failure rate” as in some cases the entrepreneur leaves the business but the business itself continues to operate under different ownership.

<sup>8</sup> The other Caribbean countries include: Columbia, Guatemala, Mexico, Panama, Trinidad & Tobago, and Puerto Rico.

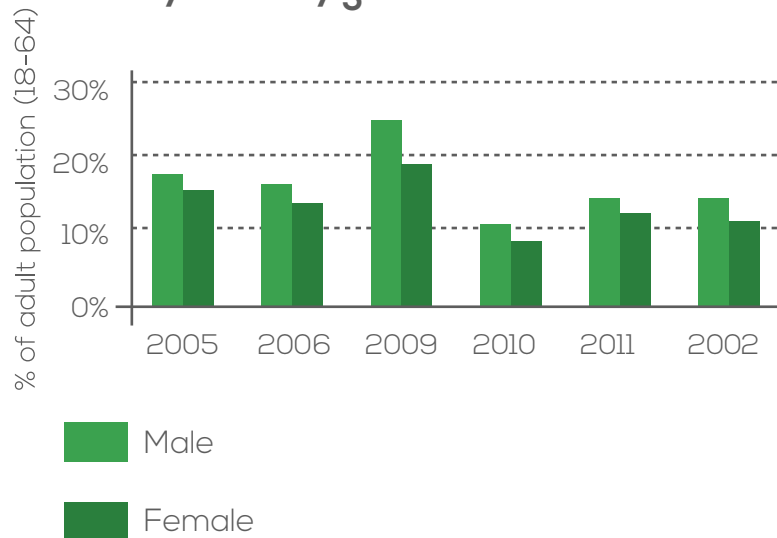
they previously owned.

The primary reasons generally given for abandoning the business are the lack of profitability and problems getting financing. These are the major discontinuance factors for entrepreneurs in all GEM countries, although problems with financing represent a relatively greater obstacle in the case of Jamaican entrepreneurs. While in some cases the discontinuing entrepreneur’s previous business may remain operational, or the entrepreneur may go on to start another business (i.e. become a nascent entrepreneur), the high discontinuance rate makes it difficult to increase the aggregate economic contribution of entrepreneurial firms.

## Small gender gap in entrepreneurial activity rates..

The early-stage entrepreneurial activity rates for adult women are generally lower than for men across GEM countries, but compared to the average, the gender gap in Jamaica is relatively small. Over the past seven years, women have accounted for about 45% of the adults either trying to get a business started or owning a new business, which mirrors the female share of the Jamaican labour force. The gender gap widened in 2009 and 2010, but the ratio of male to female entrepreneurs has averaged about 1.2 : 1.

**Fig. 4. Early-stage entrepreneurial activity rates by gender**



Source: GEM Jamaica data.

## ...but qualitative differences in female entrepreneurial activity

The modest gender gap in Jamaica might suggest no cause to target special entrepreneurship promotion and support activities to women. However, three other factors must be taken into consideration. Firstly, GEM data reveal that a lower percentage of adult women than men have confidence in their skills and ability to start and run a business and a higher percentage indicate that fear of failure would prevent them from starting a business.

Secondly, women are more likely than men to be motivated to start a business out of necessity than to pursue a good business/ market opportunity. In 2011, about a third of all Jamaican early-stage entrepreneurs were motivated out of necessity, but this is applied to 29% of the male entrepreneurs and over a third of the female entrepreneurs (Boodraj et al., 2012). Necessity may be a more important motivator for women because of their much higher unemployment rates compared to men's and their greater difficulty in finding paid employment.

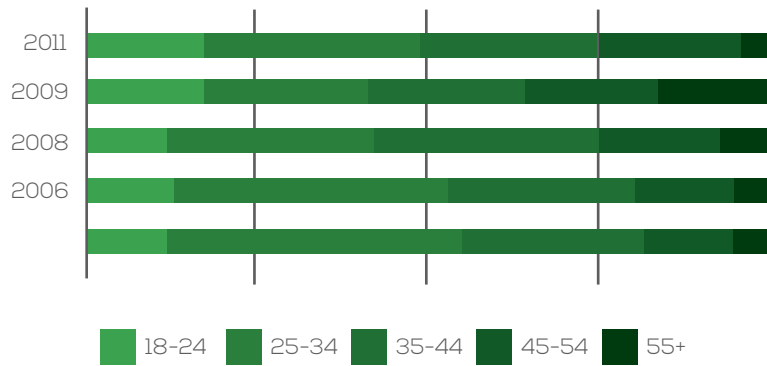
Thirdly, women's early-stage enterprises tend to differ from men's enterprises in a number of ways. GEM analysis reveals that female owners of both new and established businesses are much less likely than men to have employees and also report lower job growth aspirations for their businesses, a finding that applies across all GEM regions (Kelley et al., 2013). Although sex-disaggregated data is not available for Jamaica, in 2012, an average of over half of the new businesses owned by women in Latin American and Caribbean (LAC) countries did not have any employees compared to only 38% of those owned by men.

## Young adults are capturing a larger share of entrepreneurial activity

The GEM data provide an indication of which groups in the adult population have the highest propensity for entrepreneurial activity. In Jamaica, as in most GEM countries, the highest early-stage entrepreneurial prevalence rates (as % of the adult population) are in the 25-34 and 35-44 age groups, both at around 16%

(in 2011), although participation from the 45-54 age group follows closely behind at about 14%. In 2011, the prevalence rate among 18-24 year olds was only 8%, half of the rate for the next two oldest age groups.

**Fig. 5. Share of early-stage entrepreneurs by age group**



Source: GEM Jamaica data.

However, what is interesting to note is the rising proportion of young Jamaicans (18-24 age group) among early-stage entrepreneurs. This share has increased from 12% in 2005 to over 17% in 2010 and 2011, indicating that young people are becoming a more major force in entrepreneurship. This may be a response to the growing levels of youth unemployment or the result of stronger efforts to promote entrepreneurship among young people.

In any event, it points to an opportunity to capitalise further on this momentum by increasing efforts to assist young people in getting their business started. As well, some assurance should be made that they are able to acquire the knowledge, skills, and guidance they need to succeed, especially since many of them may not have had any previous exposure to entrepreneurship education/ training and have limited business management skills, in spite of existing programs focused on the development of young entrepreneurs. As well, access to financing is expected to be a major issue for young entrepreneurs without collateral and a track record in business.

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### Education level matters to entrepreneurial activity

In general, entrepreneurial activity rates increase with levels of education; for example, university graduates have a much higher prevalence rate than adults with no formal education or only a primary school level education. This is also true for Jamaica.

In 2011, about 16% of Jamaican adults with a post-secondary education were involved in early-stage entrepreneurial activity, compared to about 14% of those with a secondary education and 9% of those with no formal education. However, because post-secondary-educated adults make up a much smaller percentage of all adults in the Jamaican population, almost 80% of the early-stage entrepreneurs were those with a secondary or lower level of education. Since more highly educated adults have a greater propensity to become entrepreneurs, and also a higher probability of developing growth businesses, one of the policy objectives in Jamaica should seek to improve the overall education level of the population. Further, individuals who have been exposed to entrepreneurship education and training tend to have

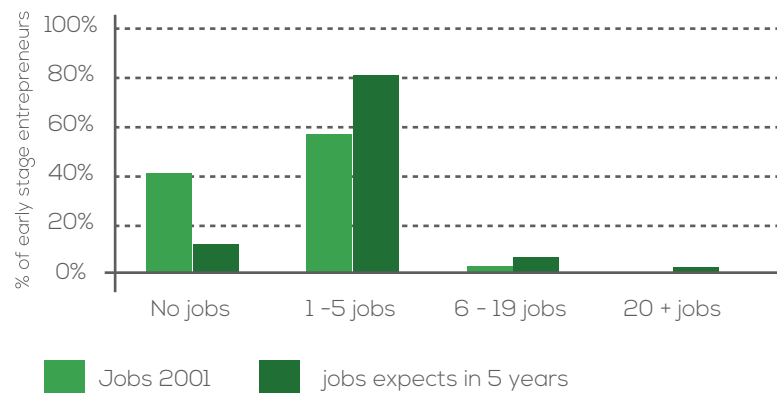
higher start-up rates and to be more successful in their attempts. This suggests that all levels of the Jamaican educational and training systems should emphasise the integration of entrepreneurship curriculum.

### Early-stage entrepreneurs in Jamaica have modest job creation and growth

On an individual basis, Jamaican early-stage ventures are modest job creators. In 2011, over 40% were creating jobs for only the entrepreneur and another 57.7% for up to five workers.

However, when one considers that 13.7% of the adult population in 2011 had early-stage enterprises, the collective impact on job creation could be significant. One has only to look at the countless data studies across several countries showing that start-ups and surviving young businesses (less than five years old) are the most critical for both gross and net job creation (Haltiwanger et al., 2011; De Kok et al., 2011).

**Fig. 6. Jobs in 2011 and expected within five years**



Source: GEM Jamaica data.

On the other hand, Jamaican entrepreneurs have relatively modest growth ambitions for their enterprises. In five years' time, a significant number expect to move from non-employers to employing 1 to 5 workers, but only 7.4% expect to have more than five workers and very few to have 20 or more workers. These growth

ambitions are much lower than for comparator GEM countries. On average, about 10% of early-stage entrepreneurs in efficiency-driven economies project to have 20 or more workers within five years (Amorós and Bosma, 2014). GEM studies stress the importance of high-ambition entrepreneurs to an economy because high-growth enterprises make a disproportionate contribution to overall job growth in the economy. In this regard, Jamaica is lagging, signalling that more needs to be done to increase the growth aspirations and potential of early-stage enterprises.

### Evidence of slightly more sector diversification and innovativeness of early-stage ventures

The majority of Jamaican early-stage entrepreneurs have enterprises in wholesale/ retail trade, and hotels and restaurants, accounting for 60.5% of activity in 2011, followed by 18.8% in the primary sector, 6.5% in social and personal services, 5.8% in business services, and only 2.7% in manufacturing (Boodraj et al., 2012). The distribution of nascent and new ventures across sectors has not changed significantly since the first GEM Jamaica study in 2005, although over the years there has been a slight decrease in the percentage of consumer-oriented enterprises (e.g. trade, personal services) and a modest increase in business services. On the other hand, compared to the sector distribution of established businesses (that are more than 42 months old), early-stage enterprises are less likely to be in the primary sector, which may reflect some level of sectoral diversification.

Jamaican early-stage entrepreneurs do not consider their products and services to be very innovative. In fact, in 2011, Jamaica ranked in the bottom 10 of 54 GEM countries on the level of innovativeness of the product/ services offerings, with over 70% of early-stage entrepreneurs indicating that none of their customers would find their products/ services new or unfamiliar, and over half competing in markets with many similar businesses (Boodraj et al., 2012).

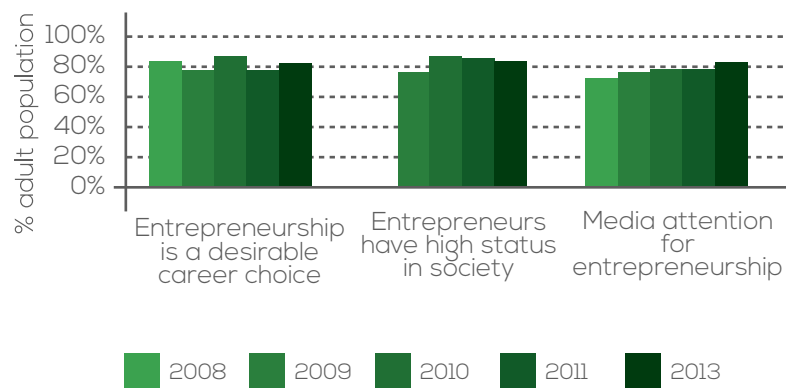
The early-stage enterprises are also not generally employing the very latest technology, only 16% (Boodraj et al., 2012). Almost three-quarters have technology

that is more than five years old and 10% are using technology that is 1-5 years old. However, it is promising that early-stage ventures display higher levels of innovativeness in their products and service offerings than established businesses and also use more up-to-date technology. Over 82% of established businesses are using technology that is more than five years old and only 2% have the very latest technology.

### The good news is that Jamaicans have relatively positive attitudes towards entrepreneurship...

A number of external factors influence the strength of entrepreneurial culture in a society. GEM research measures this by the degree to which the adult population considers entrepreneurship a desirable career choice, entrepreneurs have high status in the society, and there is media attention for entrepreneurship. Jamaica compares very favourably with other GEM countries on these indicators, with generally higher ratings than the average. As well, these indicators have remained relatively stable over time.

**Fig. 7. Societal attitudes towards entrepreneurship among Jamaican adults**



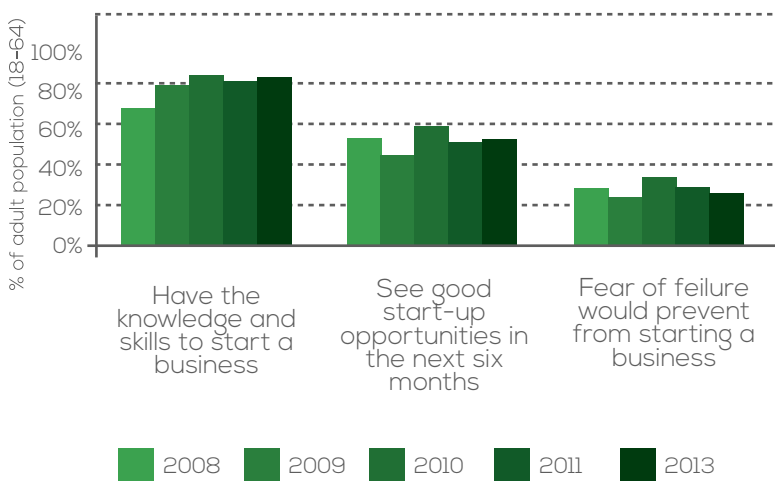
Source: GEM Jamaica data.



## ...believe in their entrepreneurial capabilities, but do not see as many good start-up opportunities

GEM research finds that, relative to the general adult population, individuals who are involved in early-stage or established businesses generally tend to be more confident in their own skills to be able to start and manage a business, are more alert to the existence of unexploited opportunities, and are less likely to allow the fear of failure to prevent them from starting a new venture. These are among the factors that contribute significantly to shaping an individual’s entrepreneurial “mindset” (Arenius and Minniti, 2005), and thus indicators of the potential level of entrepreneurial capacity in a country. Compared to adults in other Caribbean countries, Jamaicans have higher perceptions of their entrepreneurial ability (knowledge and skills) and a slightly lower “fear of failure”, although combined with a lower perception of good opportunities for starting a business (Amoros and Bosma, 2014). The skills indicator is very positive for Jamaica because, according to GEM global studies, individuals who are confident in their skills to start a business are four to six times more likely to be involved in entrepreneurial activity.

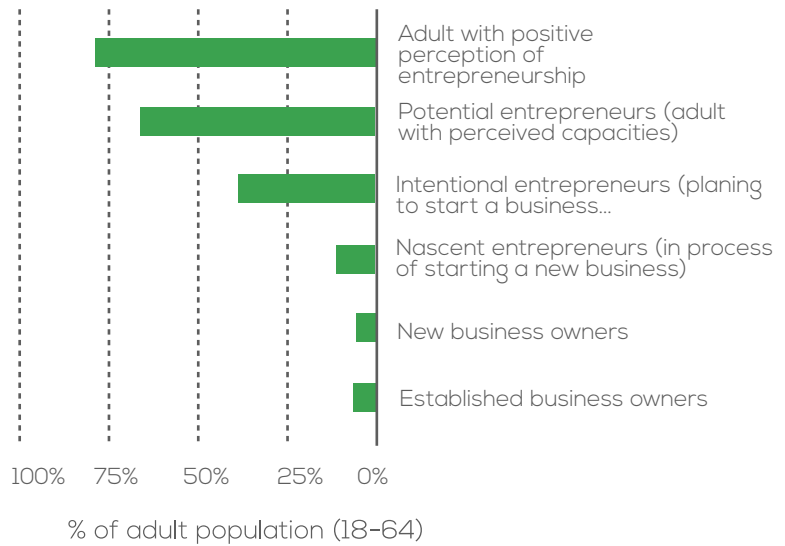
**Fig. 8. Perceptions of entrepreneurial capacity among Jamaican adults**



Source: GEM Jamaica data.

In spite of the lower perceived lack of start-up opportunities, 39.5% of Jamaican adults in 2013 indicated their intention to start a business “within the next three years” compared to an average of fewer than 30% in Caribbean countries and 24.8% in efficiency-driven economies (Amorós and Bosma, 2014).

**Fig. 9. Entrepreneurial pipeline, Jamaica 2013**

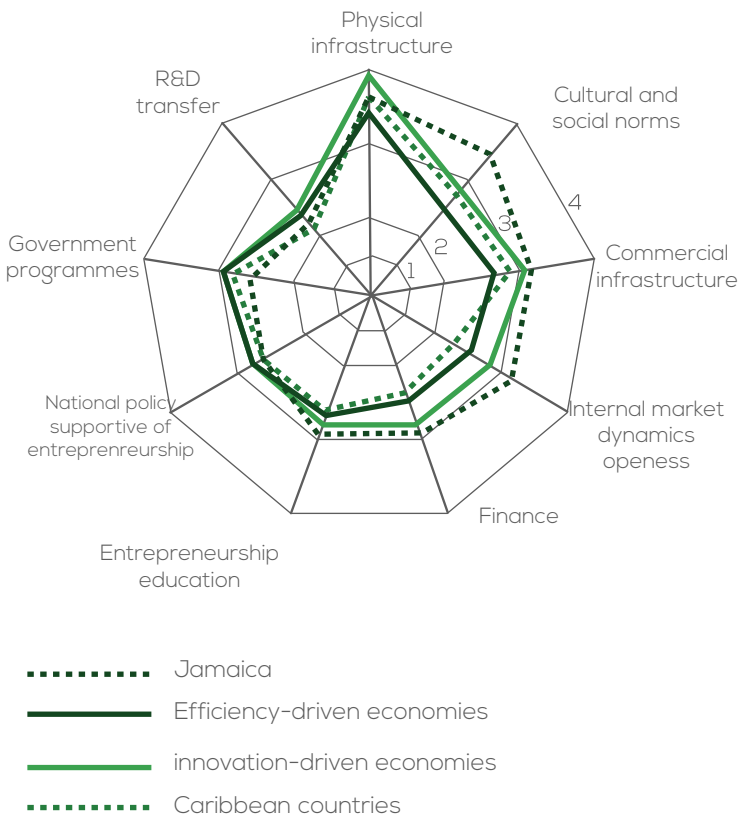


Source: GEM Jamaica data.

Of course, not all adults with perceived capacities are interested in becoming an entrepreneur; not all adults with the intent to start a business will take the necessary steps; and not all nascent entrepreneurs will succeed in getting their businesses started and see it survive the first three and half years of greatest vulnerability. There is potential for leakage between each phase of the entrepreneurial pipeline identified by GEM indicators. The key to expansion of entrepreneurial activity in Jamaica will be implementing policies and programs to help move more people through this entrepreneurial pipeline, improve the quality of their business ideas, and foster higher growth ambitions.

**...believe in their entrepreneurial capabilities, but do not see as many good start-up opportunities**

GEM also measures the strength of the Entrepreneurial Framework Conditions (EFCs) associated with influencing the environment for entrepreneurial activity.



Source: GEM Jamaica data.

In 2013, Jamaican national experts assessed the physical infrastructure in the country<sup>9</sup>(3.8 out of 5) and its cultural and social norms (relative to fostering entrepreneurial attributes and attitudes) (3.5 out of 5) as the strongest EFCs. The weakest assessments were given to government entrepreneurship programs<sup>10</sup> and transfer of research and development (R&D) (mean scores of 2.3 out of 5), both at the country level and in comparison with the mean for other GEM country

groupings (Amorós and Bosma, 2014). Relative to the average for other economy groupings, the views of Jamaican experts were more favourable with respect to the cultural and social norms and the level of internal market dynamics/ openness<sup>11</sup>. However, only four of the nine EFCs in Jamaica achieved a mean score of above 3 out of 5, suggesting general weaknesses in the environment for entrepreneurship.

**POLICY IMPLICATIONS AND RECOMMENDATIONS**

Jamaica needs to address the high unemployment issue, particularly among women and youth. Job creation, either through increasing the level of entrepreneurial activity or increasing the employment potential and growth of existing MSMEs, and likely both, is a policy imperative. Even though Jamaican adults perceive they have the skills and ability to start and run a business, very few of them will actually have the level of sophisticated knowledge and skills to develop the potential of their businesses and grow beyond five workers. This suggests the need for a much greater focus on developing business and management capacity through entrepreneurship education and training, mentoring and coaching. That only 8% of MSMEs use professional sources of business development support, primarily because they are not aware of any existing services (PSDP, 2008), is an issue.

In addition, there are major problems related to burdensome business registration and compliance issues, as well as to accessing start-up financing. Most start-ups end up in the informal sector, in low barrier to entry activities, with little competitive advantage and limited opportunities for growth. Lack of financing also inhibits them from undertaking more innovative, growth-oriented activities and integrating the latest technologies into their business operations.

<sup>9</sup> Ease of access to utilities, communications, transportation, land or space at a price that does not discriminate against MSMEs.

<sup>10</sup> The presence and quality of government programs directly assisting MSMEs.

<sup>11</sup> Market openness is defined as the extent to which new and growing firms are free to enter and compete in existing markets.

The MSME and Entrepreneurship Policy for Jamaica is an attempt to address the institutional, market and systemic failures preventing full development of the MSME sector. The five policy pillars of this strategy: (1) improving the business environment (including efforts to reduce the level of informality), (2) increasing finance to MSMEs, (3), enhancing business development support, (4) fostering a culture of entrepreneurship and innovation, and (5) tackling cross-cutting issues, such as youth and female entrepreneurship, appear to address the major developmental challenges. The key will be in its effective implementation.

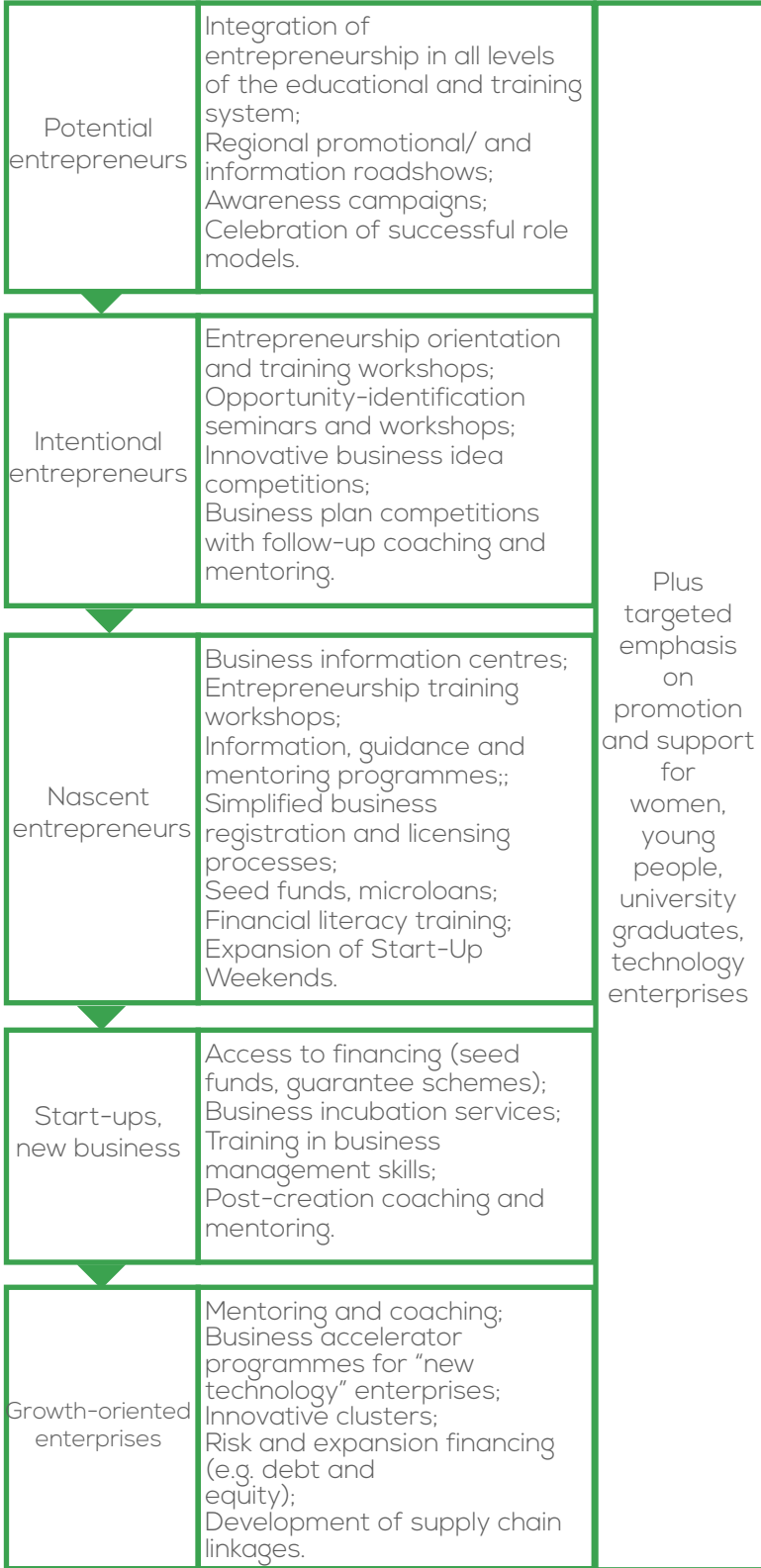
Based on GEM Jamaica results, the government is faced with two higher level policy challenges. The first is to improve the rate of transition of Jamaicans through the entrepreneurial pipeline. The second is to build the entrepreneurial and business management capacity of Jamaican adults (e.g. improve their knowledge and skills), encourage them to pursue higher-potential business ideas, and improve the sustainability and growth rates of their enterprises so they are able to make a larger contribution to job creation and economic development.

In addressing these policy challenges, it is critical to address blockages in the entrepreneurial pipeline, as well as to target different segments of the population with the appropriate entrepreneurship promotion and support to meet their distinctive needs. This includes young people, women, university graduates, and growth-oriented and innovation-based entrepreneurs. Jamaica already has a number of support programs and initiatives to promote and nurture new entrepreneurs and improve their managerial capacities. The goal should be to develop a higher degree of integration of the various activities to support movement through the entrepreneurial pipeline and produce more high-potential and innovative entrepreneurs and enterprises.

## Specific recommendations

- Continue to build on the positive attitudes towards entrepreneurship by profiling successful Jamaican start-ups and entrepreneurs as role-models for others.
- Accelerate efforts to integrate entrepreneurship as a formal part of the curriculum at all levels of the educational system, including in vocational and university programs. This is critically important given that a high proportion of Jamaican adults are likely to eventually engage in entrepreneurial activity at some point in their working experience (for which they will be ill-prepared).
- Develop the ability of potential and nascent entrepreneurs to recognise higher potential, innovative business opportunities by offering workshops on business opportunity recognition, providing information on value chain and market opportunities, and supporting activities such as Startup Weekends that encourage the development of higher value added business ideas.
- Expand initiatives to provide incubation services to innovative start-ups, including access to coaches, mentors and linkages to sources of financing.
- Ensure that start-ups and young businesses have access to financing to properly capitalise their enterprises and fund their activities (seed funds, micro-credit, and government-backed loan guarantee schemes). This is particularly important for new entrepreneurs, women and young people who have more difficulty accessing commercial bank financing because they lack collateral and track records.
- Create more initiatives that are specifically tailored to encourage the creation of high-growth enterprises, such as start-up accelerators.
- Promote the development of innovation-driven enterprises by fostering stronger linkages between public research centres, universities and the private sector to facilitate the transfer and commercialisation of R&D.

**Fig. 11. Example of and integrated entrepreneurial pipeline approach**



- Create a pool of investment funds to support promising research ideas and initiate government programs to help finance technology acquisition.
- Implement systems to collect data on developments within the MSME sector in order to track its performance and monitor the impact of policy initiatives.
- Provide on-going funding support for the annual production of GEM analysis and national reports. This will enable Jamaica to track trends in entrepreneurial activity and provide an evidence-based mechanism for setting quantifiable policy targets and benchmarking Jamaica’s entrepreneurial performance. Several governments around the world depend on the GEM data to help benchmark their progress in reaching their policy goals to improve the level and quality of entrepreneurial activity, which would also be a beneficial strategy for the Jamaican government.

Source: GEM Jamaica data.

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