



# Global Entrepreneurship Monitor

## Suriname 2014 Report





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## Introduction

The Global Entrepreneurship Monitor Research Association (GERA) was initiated in 1997 as a not for profit academic research consortium, by the London Business School, in the United Kingdom and Babson College in the USA. Today the GEM Study is the most extensive longitudinal research of global entrepreneurial activity, strategically geared towards the collection, analysis and harmonized assessment of data, for more than 70% of the global economy. GERA'S study will not only allow for a greater degree of understanding about the current entrepreneurial landscape, but will also provide a tool for:

- Uncovering systematic knowledge that will allow for broad country comparisons to be made on a national and international level.
- Determining the degree to which economic growth is impacted by certain entrepreneurial activity within individual economy
- Outlining the factors that that stimulate or creates barriers to increasing the level of entrepreneurial activity
- Providing a tool from which global data sets will allow policy makers to make informed policy decisions, thus developing an innate culture of entrepreneurship and by extension, accelerating a healthy global economy.

GEM's 2014 edition of the Global Entrepreneurship Monitor reveals the annual collection of entrepreneurial data conducted for the 16<sup>th</sup> survey cycle, since its initiation in 1999. The entrepreneurial landscape of the 73 participating countries for the 2014 research cycle are underlined , while also providing the results on the entrepreneurial attitudes and activities of 70 of these countries. Figure 1 illustrates the geographic al scope of our survey study.

This 2014 GEM survey represents 72.4% of the global population and 90% of the world GDP, evidently providing a substantial basis upon which the multidimensional aspects of the entrepreneurial eco system can be explored. This is broadly reflected in the conceptual framework for the GEM Study.

*Figure 1. Countries participating in the 2014 GEM Cycle.*



Source: Global Entrepreneurship Monitor 2014 Global Report.

## **Evolution of the GEM Conceptual Framework**

From inception, the core of GEM's focus has been placed on determining the dynamic interrelationship that exists between entrepreneurship and economic development. However since 1999 the conceptual framework has become more refined in its capacity to test the extent to which previously presumed relationships between some determinants are in fact legitimate. This evolution has brought a novel conceptual paradigm into functionality, without compromising its ability to compare the information garnered across and within countries. The evolution of this conceptual framework was as a result of the efforts of several expert researchers that used GEM data, as a means of systematically calibrating the conceptual framework to reflect a strategically progressive entrepreneurship model.

While the definition of entrepreneurship remains unchanged, three research questions that were also generated in 1999 have been reconfigured, as findings from years of GEM surveys has formulated answers to some of them .

The concept of entrepreneurship , defined within the milieu of economic growth, is understood to be “Any attempt at new business or new venture creation, such as self-employment, a new business organization, or the expansion of an existing business, by an individual, a team of individuals, or an established business.” (Reynolds et al., 1999, p. 3)

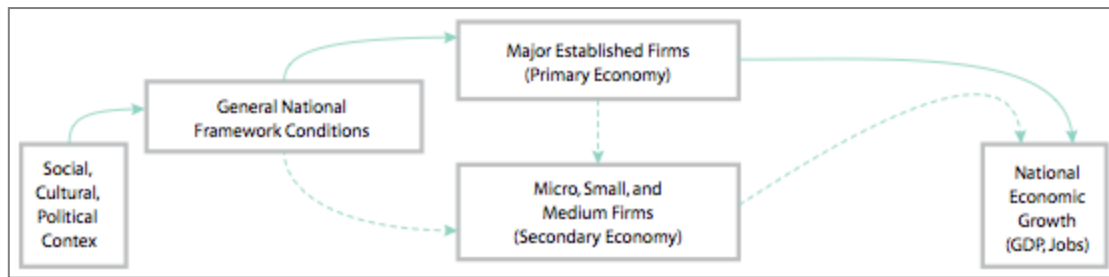
Three questions that paved the way to the GEM survey are as follows (Reynolds et al., 1999, p. 3):

1. Does the level of entrepreneurial activity vary between countries, and, if so, to what extent?
2. Does the level of entrepreneurial activity affect a country's rate of economic growth and prosperity?
3. What makes a country entrepreneurial?

In an attempt to advance answers to those questions GEM had to use a non-orthodox approach that transcended beyond the context within which economic growth was formerly described and understood ,thus introducing a new conceptual framework emerging from the one drafted since 1999. The traditional model as referenced, (Figure 1.2) explored the dynamic of national economic growth within countries, as directly influenced by the existence of individual's, (disregarding geographical location, the size of the business venture are if they are self-employed) entrepreneurial capacity and entrepreneurial opportunities.



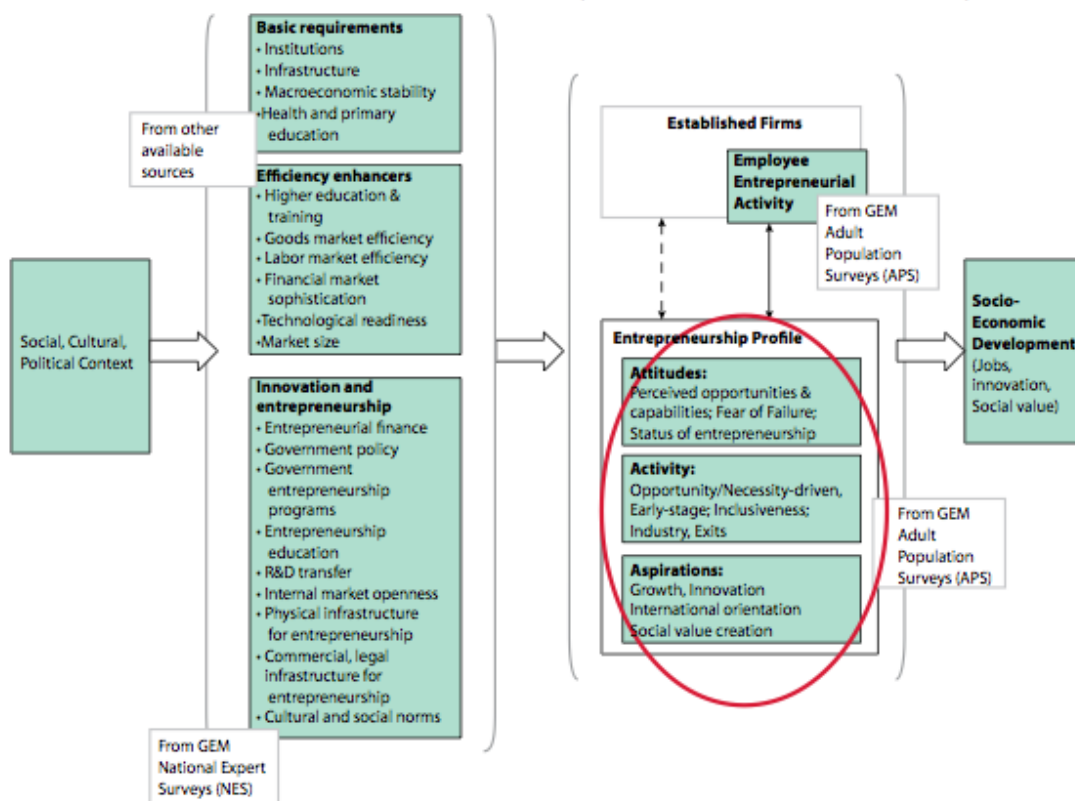
Figure 2. A Conventional Model of Economic Growth



Source: Reynolds, Hay and Camp (1999)

Based on the findings of GEM research over years, the initial conceptual framework was architecturally enhanced to the model in Figure 3.

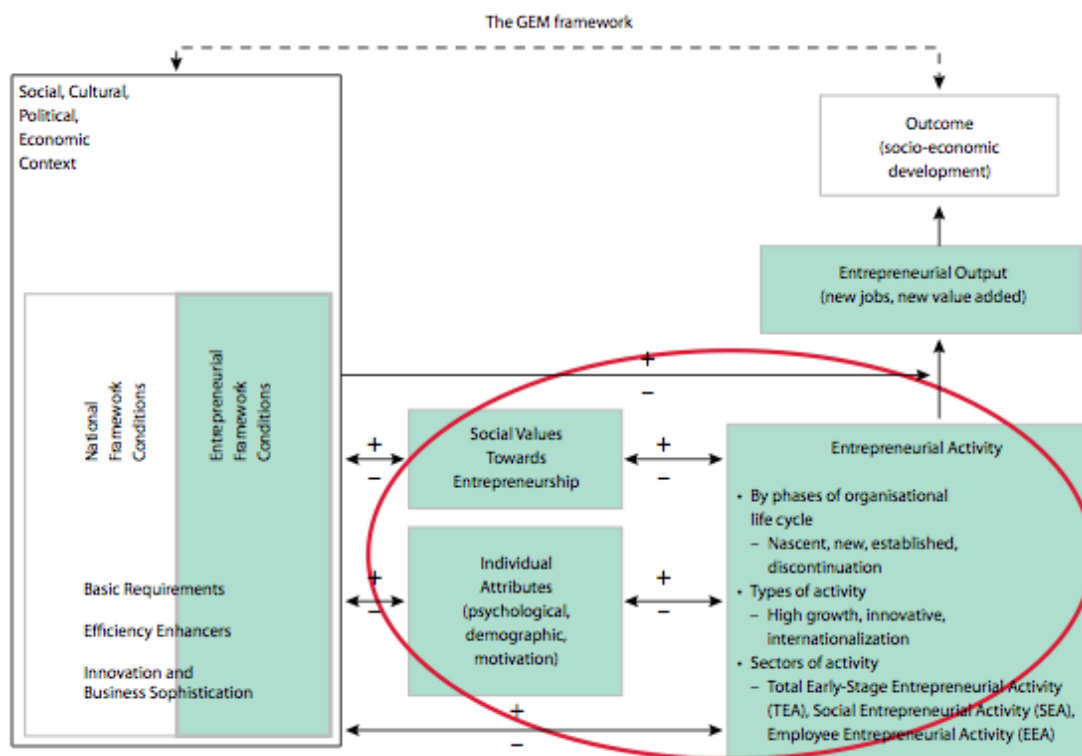
Figure 3. The Revised GEM Conceptual Framework (Up to 2014)



Source: GEM Global Report 2013.

The key defining element of this modified version is the 'black box' known as the Entrepreneurship Profile that is now further explored as illustrated in Figure 1.4. Since GEM's origin, recognition was given to the existence of probable relationship existing amongst attitudes, aspirations and activities, but the exact nature of their relationship were not explicitly described or understood. Thus the emergent model places emphasis on the uncharted components of the 'black box' (Figure 4), with focus being placed on testing the plausibility of the previously ambiguous, symbiotic relationships between social values, personal attributes, and any related form of entrepreneurial activity.

Figure 4. The Current GEM Conceptual Framework



Source: GEM 2014 Global Report.

While this is so, some foundational principles have remained without any type of modification.

1. Entrepreneurial activity is not a heroic act of an individual, regardless of the environment in which the activity is performed.
2. Entrepreneurial activity is an output of the interaction of an individual's perception of an opportunity and capacity (motivation and skills) to act upon this AND the distinct conditions of the respective environment in which the individual is located.

The surveys conducted by GEM vehemently expresses, that across all participating countries, entrepreneurial activity has been on a constant rate of variation, solidifying the need for some degree of consistent policy intervention and time, to be committed towards establishing factors that, in essence, can stimulate entrepreneurial activity. Survey analysis of GEM results, clearly underscore a positive co relation throughout the different phases of the entrepreneurial cycle (nascent, start-up, entrepreneurship) and economic growth. (Acs and Amorós, 2008; Van Stel et al., 2005; Wennekers et al., 2010).

This has become even more evident as contemporary policy interventions are being increasingly structured upon some fundamental components derived from the GEM conceptual framework including, the environment, (the ability of individuals to recognize and grasp opportunities) and the capacity of the society to create an innate culture of entrepreneurship. Colombia and Chile are two country cases that have infused such undertakings in both the public and private spheres, proliferating entrepreneurship to some degree.

The adept and rigorous research and surveys that is executed by the GEM research association maintains a keen focus on contributing to the health and growth of global economic development. Therefore, GEM is purposed on stimulating higher levels of education and public policy activities within the area of entrepreneurship that is fundamentally driven by empirical studies. GEM focuses on three main objectives captured in the new, slightly modified version of the conceptual framework.

Three key questions have spearheaded the way for undertaking the annual GEM study:

- Does the level of entrepreneurial activity vary between countries, and, if so, to what extent?
- does the level of entrepreneurial activity affect a country's rate of economic growth and prosperity?
- What makes a country entrepreneurial?


The World's Economic Forum (*Global Competitiveness Index*) has been used since 2008 to index countries based on Porter's definition of economic development levels; factor-driven, efficiency-driven and innovation-drive referenced in Figure 3. This distinguishes between three specific categories of countries based on, the main development focus of each economy, the GDP per capita as well as the measure of primary goods that dominate exports. It has in many ways, enhanced GEM's distinctive ability to explore the many faces of entrepreneurship adding dimension to the major studies that have already been undertaken on new business creation. GEM incorporates new elements that consider individuals (attributes, values, activities) and the nature of their interaction and engagement with entrepreneurial activity (reactiveness, innovativeness, as well as responsible choices).

The GEM new conceptual framework recognizes some key components. These are now outlined.

**Social, cultural, political and economic context:** Within this paradigm, the defining feature is the twelve pillars of the World Economic Forum which depicts the various stages of economic development for which competitiveness is evaluated, as well as the nine determinants of the GEM

National Entrepreneurial Conditions illustrated in (Figure 5). Critical to this, is recognition that those elements may differ in combination and within various economies, but the stages of economic development are premised upon the main existing pillars that have been highlighted.

Figure 5. Social, Cultural, Political and Economic Context and Economic Phases

	From other available sources	From GEM National Expert Surveys (NES)
Economic development phases	National Framework Conditions, based on World Economic Forum pillars for profiling economic development phases	<b>Entrepreneurial Framework Conditions</b>
Basic requirements—key to <b>factor-driven economies</b>	<ul style="list-style-type: none"> <li>● Institutions</li> <li>● Infrastructure</li> <li>● Macroeconomic stability</li> <li>● Health and primary education</li> </ul>	 <ul style="list-style-type: none"> <li>● Entrepreneurial finance</li> <li>● Education for entrepreneurship</li> <li>● Government policy</li> <li>● Government entrepreneurship programs</li> <li>● R&amp;D transfer</li> <li>● Internal market openness</li> <li>● Physical infrastructure for entrepreneurship</li> <li>● Commercial and legal infrastructure for entrepreneurship</li> <li>● Cultural and social norms</li> </ul>
Efficiency enhancers—key to <b>efficiency-driven economies</b>	<ul style="list-style-type: none"> <li>● Higher education and training</li> <li>● Goods market efficiency</li> <li>● Labor market efficiency</li> <li>● Financial market sophistication</li> <li>● Technological readiness</li> <li>● Market size</li> </ul>	
Innovation and sophistication factors—key to <b>innovation-driven economies</b>	<ul style="list-style-type: none"> <li>● Business sophistication</li> <li>● Innovation</li> </ul>	

Source: GEM 2014 Global Report

Additionally, ample recognition must be given to the fact that there is indeed, some degree of reciprocal independence that exists between the entrepreneurial mindsets of both men and women in the business environment . This complex interdependence therefore warrants an all-encompassing approach that will influence not only the research aspect of entrepreneurship but more so the formulating of policies that will nurture a favorable environment in which a societal culture of entrepreneurial behavior is aggressively stimulated and pursued.

**Social values towards entrepreneurship:** this examines the extent to which society places a positive value on entrepreneurship as a career path; which dictates if these entrepreneurs are regarded with a high degree of social status, as well as the role of media in recognizing and imparting a culture of entrepreneurship within the country.

**Individual Attributes :** referring to the various demographic related factors including ( age, gender, ethnic background) , psychological factors ( perceived capacity and opportunities, fear of failure ) as well as motivational aspects ( new business creation based that is determined by necessity based or opportunity based, or improvement driven )

**Entrepreneurial activity:** defined in regard to the stages of the entrepreneurial life cycle (nascent, new business, established business and discountenance) , the different types of activity (high growth ,innovation, internationalization) , as well as the sector within which these various activities are executed (Total Early-stage Entrepreneurial Activity—TEA, Social Entrepreneurial Activity—SEA, Employee Entrepreneurial Activity—EEA).

## **Gem Methodology**

The rigorous and adept research employed using the GEM survey, warrants a strategic partnership between the national teams and the Global Entrepreneurship Research Association (GERA) expert team, additionally accompanied by two subsidiary national groups, the Research Advisory Committee (provides insight on the conceptual framework, the operational definitions, the methodological process as well as the instruments used to conduct surveys) and the Data Quality Team (focuses on issues related to quality of data). The Research and Innovation Advisory Committee and Data Quality Team , functions together with the data quality team and the GERA expert team to consider and evaluate the lessons that have been extrapolated during the preceding cycles from after which, necessary alterations are implemented. The

rigorous process of testing the instruments used to carry out surveys and coordinating data collection , by identifying apt samples , to the implementations the surveying instruments as well as coding collected information is these efforts with the respective national teams is executed by the GERA expert team .

The annual GEM report gathers data through a two pronged methodology the Adult Population survey (APS) and the National Expert Survey (NES) that inherently captures the nature of the relationship between individuals and their environment, particularly in relation to their attitude, attributes and activities.

The **Adult Population Survey (APS)** is conducted by an independent research vendor that establishes a national sample population that is representative of at least two thousand (2000) random adults (18 and over) during the period April to June. The GEM questionnaire (Refer to Appendix 2) is main tool used to obtain data by the GEM national teams regarding the public's attitudes about entrepreneurship and any related entrepreneurial activity. This sample is representative of the population residing permanently in Trinidad and Tobago with the exception of the group of individualized who are institutionalized (prison, mental institution) as well as the military .

The second source of data generated by GEM study is the **National Expert Survey (NES)** showcasing the views expressed by a minimum of 36 experts who have a direct relation to some part of the provision or assessment of the entrepreneurial framework within their country. This is conducted during the same time frame; sourcing experts from a wide range of areas that includes a combination of subject experts, entrepreneurs, business owners as well as public and private sector professionals, regarding the nine identified Entrepreneurial Framework Conditions:

- Financing
- Government policies
- Government programs
- Education and training
- Research and development transfer
- Commercial infrastructure

- Internal market openness
- Physical infrastructure
- Cultural and social norms

The information collected from both the APS and the NES ,allows for the views expressed between the general public and the experts to be directly compared, for the progression of a vibrant entrepreneurial environment.

The data generated by all national teams inevitably becomes part of GEM's data set as the GERA expert teams conducts all the systematic computing of activities , and volunteer researchers from within national teams compile the annual global publication . This data set is returned with accompanying insights for extended research to be carried out, after which the publication of national reports are carried out .

In an attempt to uphold the objectives of the GEM study (the provision of reliable and valid data in accordance to the entrepreneurial attitudes and attributes of individuals and the environment in which they function); the methodological approach has to create space for comparative analyses to be made both within and across country borders. Thus Gem's instruments and procedures remain consistent and standardized across all country levels and within all dimensions of GEM's undertakings.

Apart from the yearly surveys that are executed using GEM'S dual approach The Adult Population Survey (APS) and the National Expert Survey (NES), GEM also highlights special subject matters through rigorous in depth surveys , by including core questions unto the basic APS questionnaire. Enhancing the already invaluable data collected by the GEM study, until 2014, are specific focal areas some that were empirically assessed and published in separate issues illustrated in (Table 1):



Year	GEM Special Topic
2004	Financing
2005	Women and Entrepreneurship, High expectation entrepreneurship, High-growth entrepreneurship, High impact entrepreneurship.
2006	Financing, Women and Entrepreneurship.
2007	Women and Entrepreneurship high expectation entrepreneurship, High-growth entrepreneurship, High impact entrepreneurship, Innovation confidence index—EU funded project.
2008	Innovation confidence index—EU funded project
2009	Women and Entrepreneurship, innovation confidence index—EU funded project, Social entrepreneurship
2010	Women and Entrepreneurship, Education and training
2011	High expectation entrepreneurship, on high-growth entrepreneurship, High impact entrepreneurship
2012	Women and Entrepreneurship
2013	Youth, Entrepreneurial Employee Activity, Sub-Saharan Africa (Youth)
2014	Sub-Saharan Africa (Youth)
2015	Entrepreneurship, Competitiveness and Development

(Table 2)

## GEM Indicators

The GEM conceptual framework and the data collected functions as a foundational structure upon which a group of various indicators are computed and incorporated within both national and global reports.

GEM has posited three basic indicators that allows for invaluable perspective, on the extent of entrepreneurship in individual countries.

- *Total Early-Stage Entrepreneurial Activity (TEA).*

GEM's employs a unique measure of entrepreneurship that measures the percentage of individuals within the nascent entrepreneur phase and those in the new business stage. This indicator also be enriched by including data that reflect other dimensions including (age and gender), impact,(business growth, innovation and internationalization) and industry which insight on (sectors).

- *Entrepreneurial Employee Activity*

The level of entrepreneurial activity of employees, including the creation or promotion of new and innovative goods and services, the setting up of a new business unit, institution or subsidiary body.

- *Social Entrepreneurial Activity*

The measure of individuals involved in the initiation of some degree of entrepreneurial activity whereby the value of society is emphasized as opposed to the values of individuals.

## The Phases and Profile of Entrepreneurship

GEM recognizes several main stages that are found within the entrepreneurship business cycles including those starting a new business, running an established business and discontinuing a business (Figure 1.6). This business cycle however does not always unfold in a linear pattern, and the sequence in which certain business phases may occur cannot be conclusively predicted.

The initial phase of the entrepreneurial cycle starts with ***potential entrepreneurs***, which refers to those that recognize that opportunities exist in

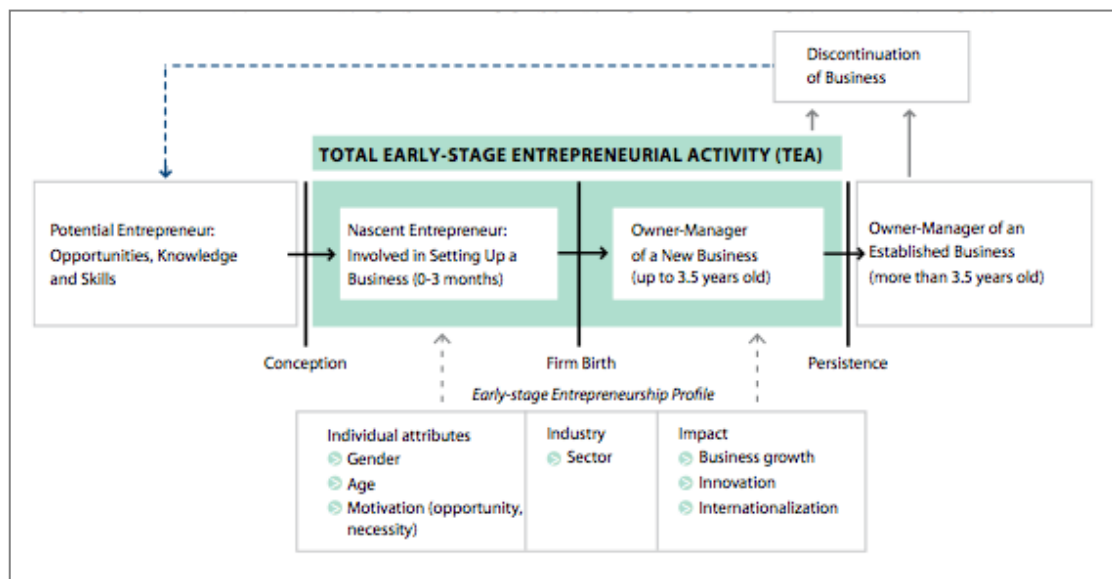
their country and they have the potential to start a business without being inhibited by the fear of failure. Another factor that influences this phase is the positive perception and influence that society cast over entrepreneurs as a desirable career path via media and other social outlets.

This phase is directly followed by; ***nascent entrepreneurs*** which encompasses those persons that have moved beyond intention and have started to engage in some type of start-up activity Owners of these embryonic businesses would have graduated from the stage of potential entrepreneurs, and actively been involved in business operations for more than three months but not longer than three and half years.

The subsequent stage would comprise ***established entrepreneurs*** that refer to those businesses that have been in existence for more than three and a half years.

Another stage that GEM identifies is ***business discontinuance*** which takes into account the motivations and activities that surround the move to sell/ leave or transform a business into a new endeavor. This aspect remains critical to this study as this group within the business cycle holds potential to provide a pillar of support through mentorship, skill, knowledge and financial injections to support entrepreneurs to stimulate the growth of healthy entrepreneurship.

Figure 6. *The Entrepreneurship Process and the GEM Operational Definitions*



Source: GEM 2014 Global Report

## Chapter 1. Entrepreneurial Activity in Suriname.

In the GEM model the entrepreneurship process begins before the creation of a business. An individual must recognize an opportunity, assemble the necessary resources and have positive beliefs about their capability to take advantage of the opportunity and the likely success of the business. All of the entrepreneurial activity in Figure 6 only happens when individuals move out of the Potential Entrepreneurs box. Societal attitudes towards entrepreneurship are also important. Negative societal attitudes towards entrepreneurship can lead to barriers to entrepreneurial activity particularly in key elements that are important in the early stages of entrepreneurship such as social support, financial and business assistance for entrepreneurs. For this reason the GEM survey includes indicators of attitudes towards starting a new business:

- Self Perception:
  - Awareness of good opportunities for starting a business
  - Belief in one's skills and experience to start a business

- Fear of failure as a deterrent to starting a new business
- Societal attitudes towards entrepreneurship:
  - Favourability of entrepreneurship as a 'good career choice'
  - The status of the entrepreneur
  - Positive or negative media attention for entrepreneurs

The percentage of adults in Suriname who report being aware of good opportunities for starting a business in their immediate environment in the next 6 months declined from 53% to 41% over the period 2013 to 2014. Figure 7 shows that Suriname now ranks in the lower half for Latin America and on this measure and close to the median of the 68 economies for which such data are available. Figure 9 shows the data available for CARCOM countries on this measure. This highlights the year-on-year volatility observed for this measure. Perceptions about opportunities can change quickly as political, economic, social and technological conditions unfold.

For perceptions about ability to operate a business and fear of failure, Suriname continues to maintain extremely high and low levels respectively when compared with other countries (Figures 8 and 9).

Figure 8. The percentage of APS respondents answering 'Yes' to the question "In the next 6 months, will there be good opportunities for starting a business in the area where you live?"

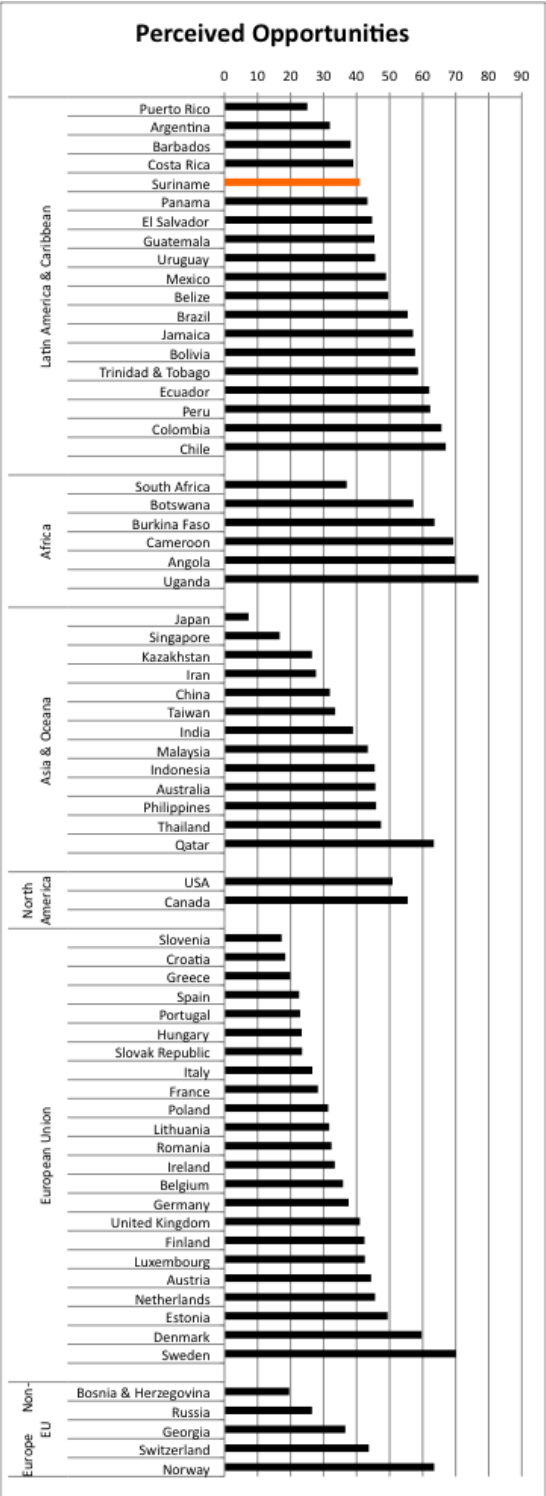


Figure 7. The percentage of APS respondents answering "Yes" when asked if they were capable of starting and operating a new business.

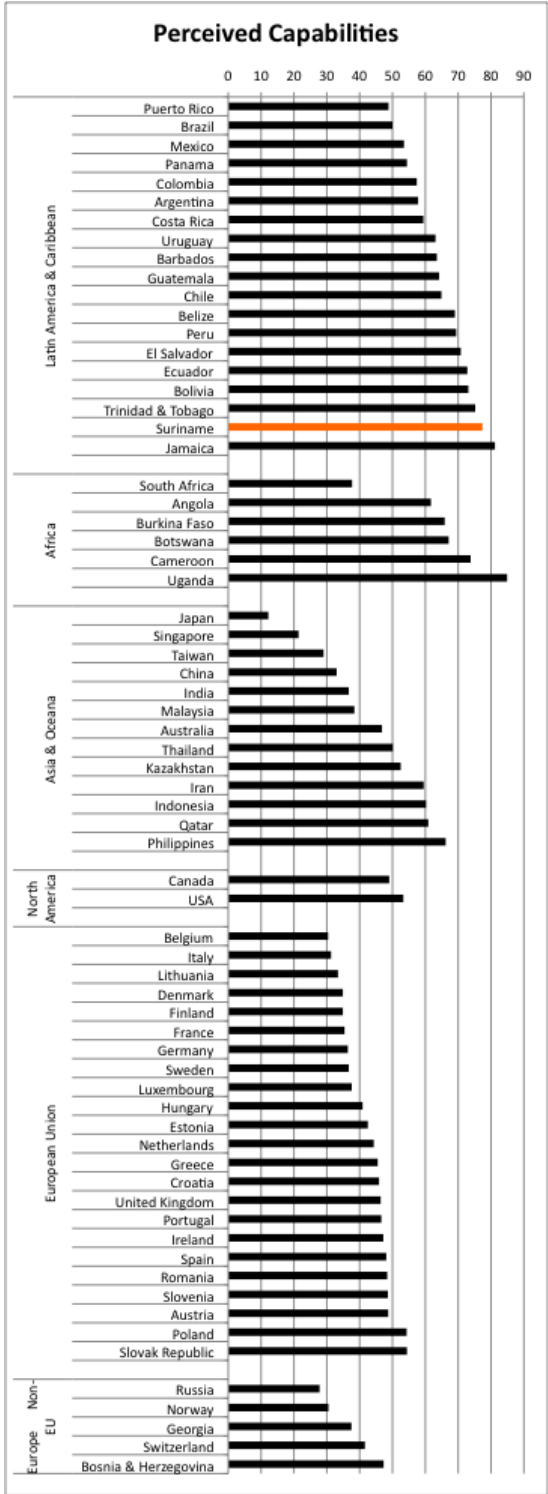
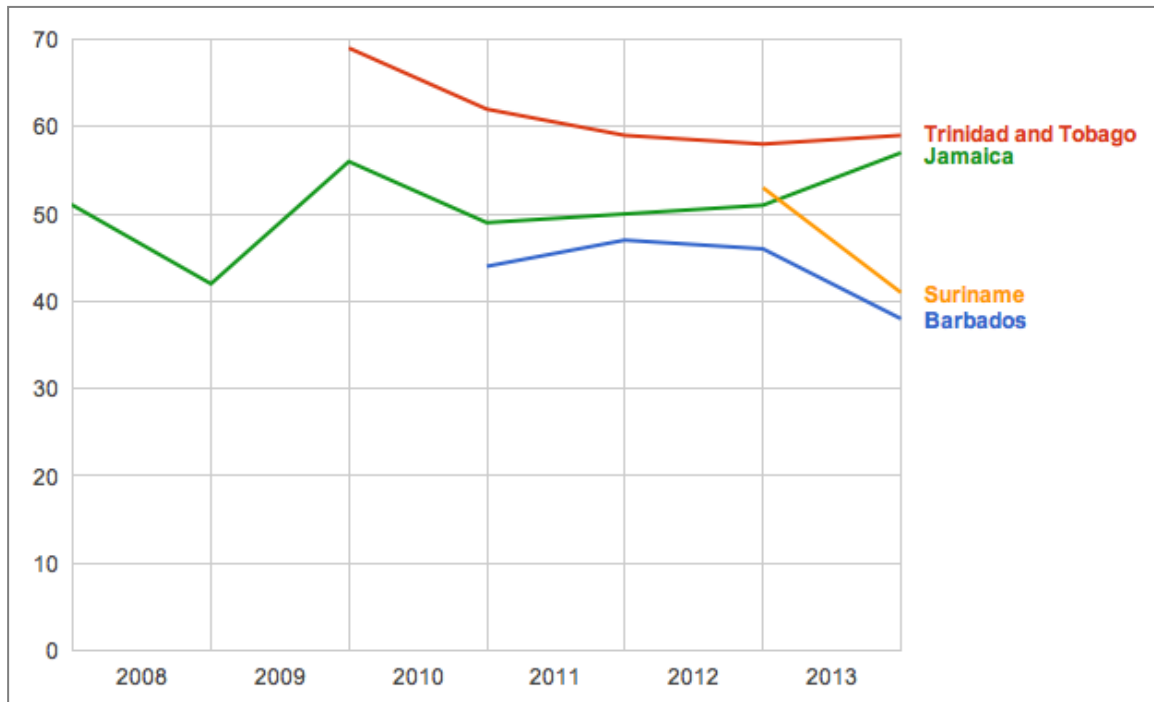


Figure 9. Trends in Perceived Opportunities for the Caribbean Region.



Note: No data for Jamaica in 2012.

Figure 10. The percentage of respondents answering “Yes” to the question “Would fear of failure prevent you from starting a new business?”



Suriname continues to rank among the lowest countries when it comes to Fear of Failure as a deterrent to starting a new business. This issue is raised in the 2014 Global GEM Report. People in different countries are likely to have different types of

businesses in mind when they answer these APS questions. In less developed economies there would be more obvious opportunities in businesses with lower financial and knowledge entry-barriers. This serves to explain the consistent findings that respondents more developed economies generally report higher Fear of Failure and lower perceived opportunities and capabilities than respondents in less developed economies. This issue is revisited in the NES Section of this report.

Figures 11 through 13 show the position of Suriname regarding perceptions about the image of the entrepreneur. Suriname continues to rank in the top half of countries on the desirability of entrepreneurship as a career choice among the adult population.

*Figure 11. The percentage of APS respondents answering “Yes” when asked if they agree with the statement: “In my country, most people consider starting a new business to be a desirable career choice”.*

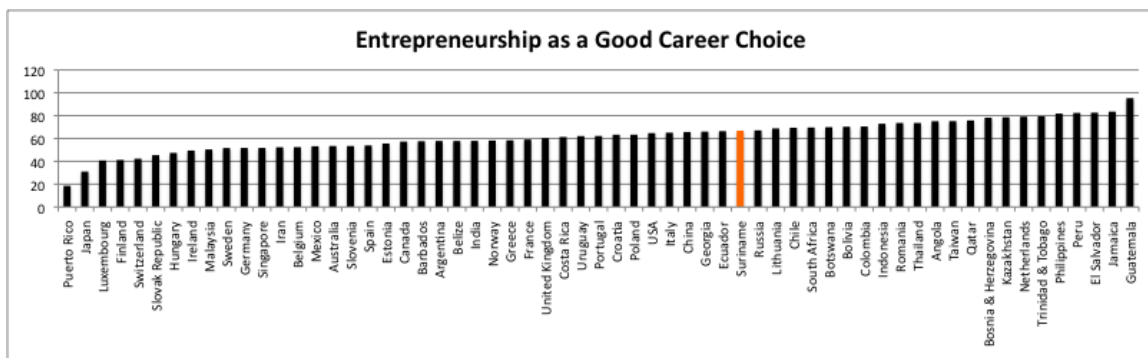


Figure 12 shows the position in the upper quartile for Suriname relative to other countries on the favourability of media attention towards entrepreneurship.



Figure 12. The percentage of APS respondents answering “Yes” when asked if they agree with the statement: “In my country you will often see stories in the public media about successful new businesses”.

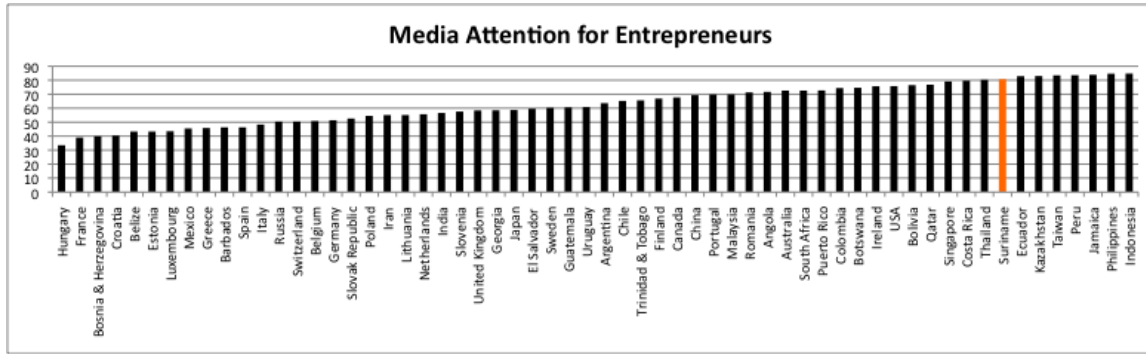


Figure 13 shows Suriname’s proximity to the median country on the important issue of the status of the entrepreneur in society.

Figure 13 . The percentage of APS respondents answering “Yes” when asked if they agree with the statement: “In my country, those successful at starting a new business have a high level of status and respect”.

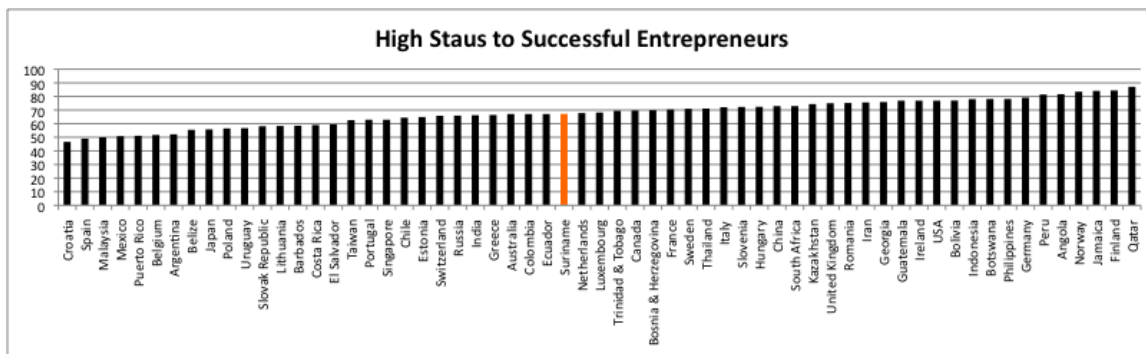
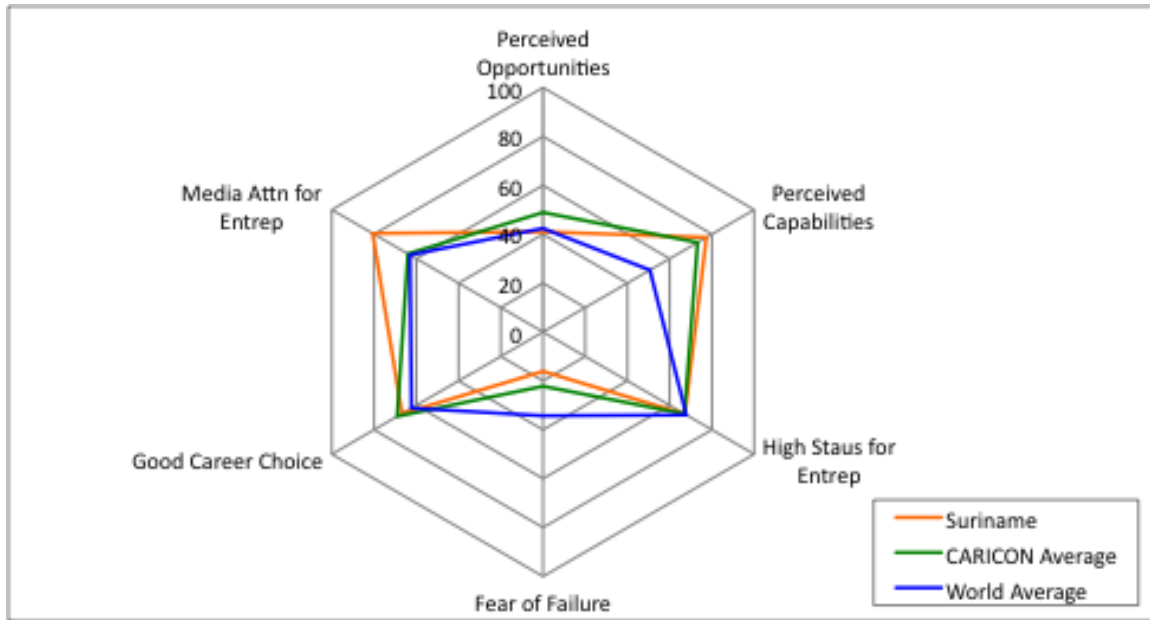


Figure 14 shows a summary of the position of Suriname relative to the Caribbean, and to the global averages with regard to self-perceptions and societal impressions towards entrepreneurship. Apart from perceived opportunities, Suriname continues to be well placed, measuring at or above the CARICOM and world average on all factors that have a positive impact on entrepreneurship, and lower than the CARICOM and world average on Fear of Failure which has a negative effect on entrepreneurship.

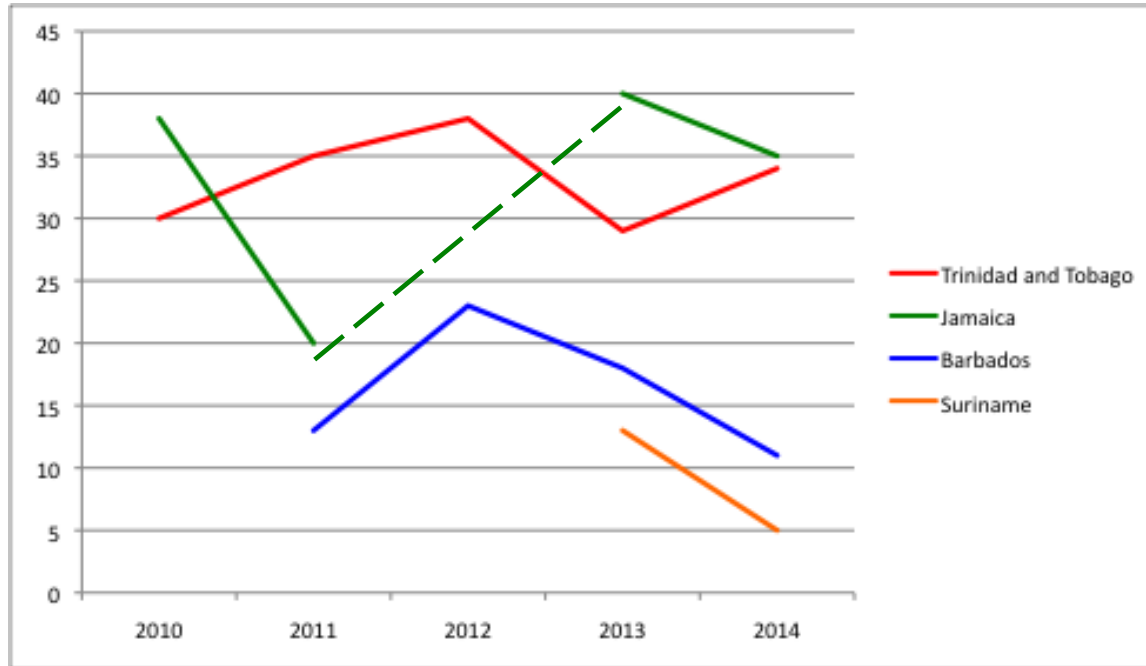
Figure 14. Trinidad and Tobago vs other countries on Self Perception and Societal Impression towards entrepreneurship



Self-perception and societal impression together with political, economic, social and technological factors all contribute to the level of entrepreneurial intent. This can change quickly at a local and regional level as the business environment changes. Trends in entrepreneurial intent for the four CARICOM countries for which more than one year of data are available are presented in Figure 15. This figure shows that entrepreneurial intent in Suriname declined sharply over the period 2013-2014.

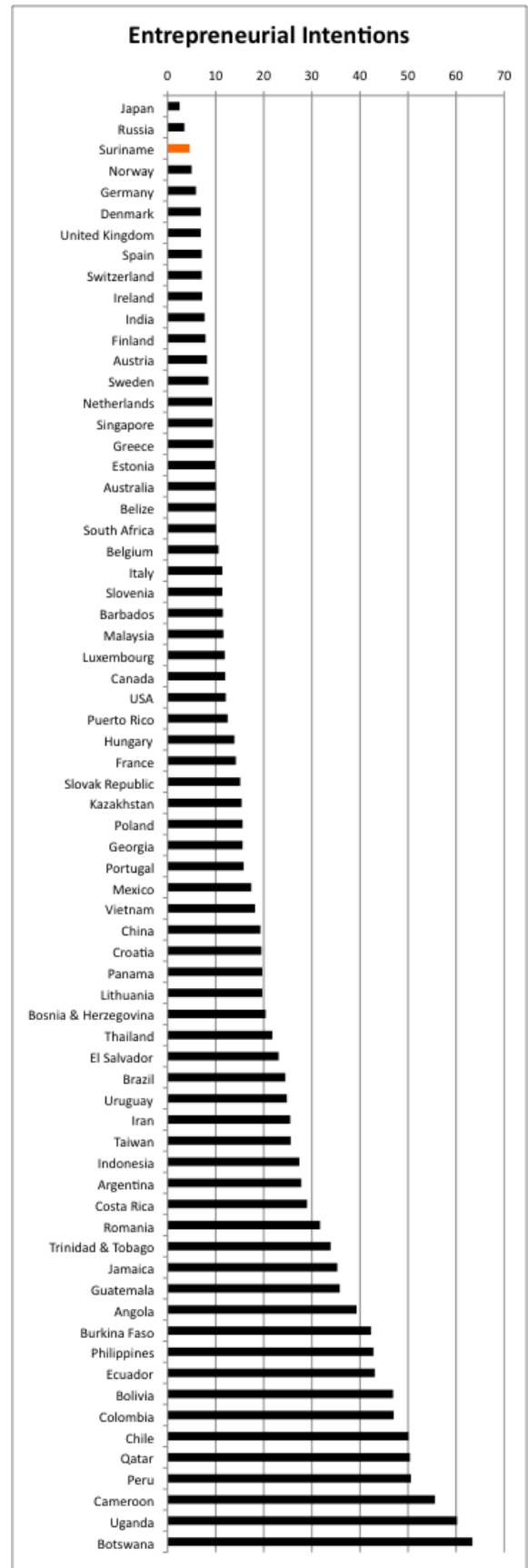
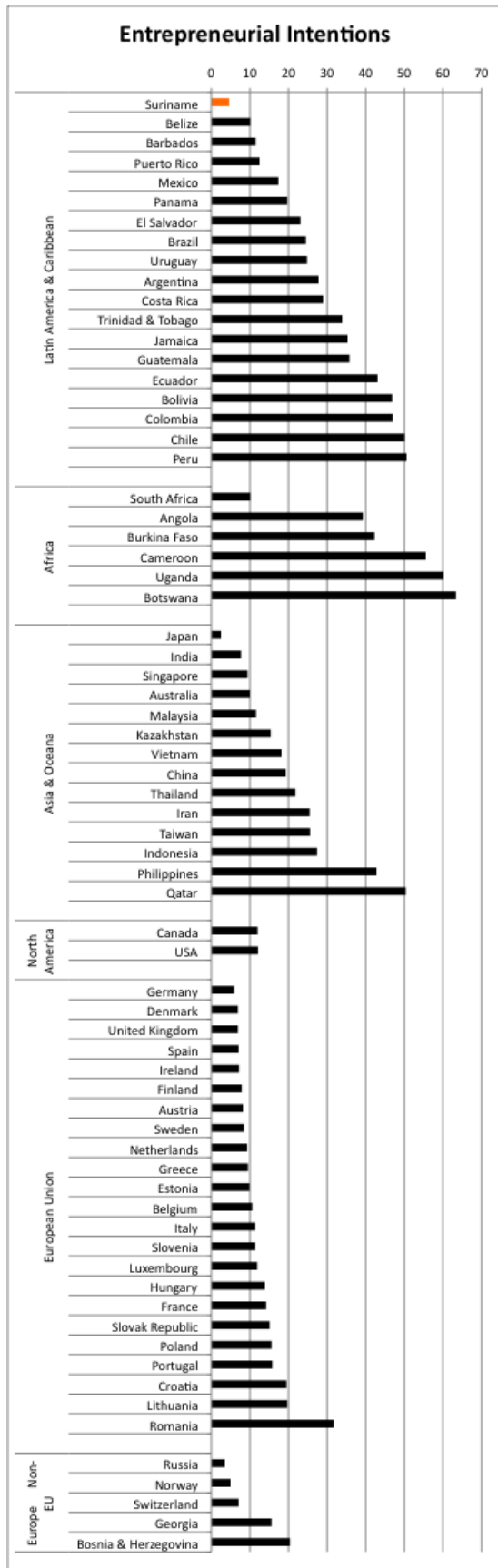
Figure 16 shows the levels of entrepreneurial intent for all countries broken out by region. Latin America continues to have relatively high levels of entrepreneurial intent (second only to Africa). Suriname ranks among the lowest countries in the world on entrepreneurial intent.

Figure 15. Entrepreneurial Intentions for CARICOM Countries: 2010-2014



Note: No data for Jamaica in 2012.

Figure 16. Entrepreneurial Intent by Country (select one)



## Total Early Stage Entrepreneurial Activity (TEA).

In the GEM model, the rate of TEA is a combination of 1- the rate of nascent entrepreneurial activity (entrepreneurs in the process of setting up new businesses) and 2- the rate of new business ownership. In the GEM model a new business is one that is up to three and a half years old. The TEA rate for Trinidad and Tobago in 2014 stood at 2.1%, down from 5.1% in 2013. This is the result of a large decline in both nascent entrepreneurial activity and new business ownership. Figure 18 shows the variability on TEA rates for the Caribbean countries over the past four years. Similar to perceived opportunities, many factors influence the TEA rate. For example in Trinidad and Tobago, TEA has been gradually falling despite the recent economic boom that originated in the energy sector. This is due in part to falling unemployment levels.

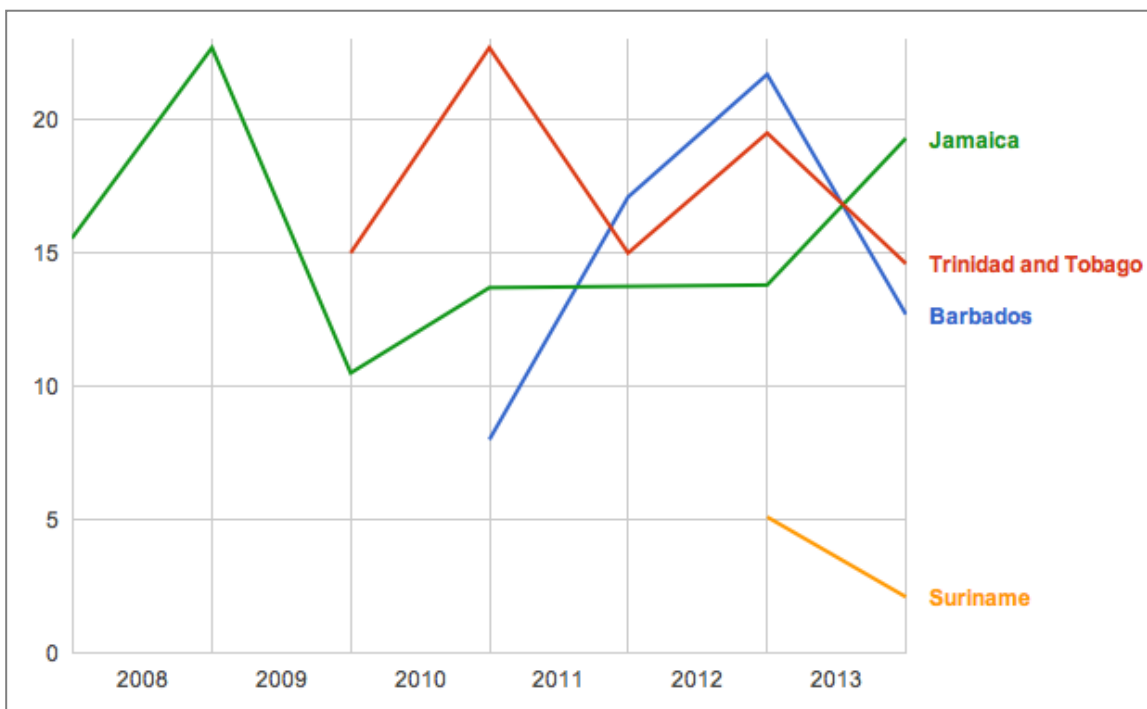
At 5.2% Suriname ranks 13<sup>th</sup> out of 19 Latin America countries on the established business ownership rate.

GEM distinguishes between people who are pushed into entrepreneurial activity through unemployment (Necessity-Driven entrepreneurship) and those who are pulled in to entrepreneurship by the prospect of opportunity (opportunity driven entrepreneurship). TEA in Suriname comprises an extremely low necessity driven component. At 5.4% Suriname ties for the position of second lowest country in the world on this measure.

Figure 17. Entrepreneurial Activity in the Latin America Region

	Nascent Entrepreneurship Rate	New Business Ownership Rate	TEA	Established Business	Necessity Driven (% of TEA)	Improvement Driven (% of TEA)
Argentina	9.5	5.2	14.4	9.1	28.0	43.5
Barbados	8.5	4.2	12.7	7.1	14.6	53.1
Belize	4.3	3.0	7.1	3.7	13.1	47.6
Bolivia	21.5	7.1	27.4	7.6	22.8	51.7
Brazil	3.7	13.8	17.2	17.5	29.0	57.8
Chile	16.6	11.1	26.8	8.8	17.6	62.2
Colombia	12.4	6.7	18.6	4.9	33.3	51.6
Costa Rica	7.6	3.7	11.3	2.5	19.3	63.5
Ecuador	24.5	9.9	32.6	17.7	29.4	35.0
El Salvador	11.4	8.7	19.5	12.7	32.0	54.5
Guatemala	12.0	9.2	20.4	7.4	40.6	38.9
Jamaica	7.9	11.9	19.3	14.4	32.1	33.5
Mexico	12.7	6.4	19.0	4.5	22.5	50.0
Panama	13.1	4.1	17.1	3.4	26.3	60.2
Peru	23.1	7.3	28.8	9.2	16.4	58.9
Puerto Rico	8.8	1.3	10.0	1.3	20.5	51.1
Trinidad & Tobago	7.5	7.4	14.6	8.5	12.0	64.3
Uruguay	10.5	5.8	16.1	6.7	16.0	27.3
<b>Suriname</b>	<b>1.9</b>	<b>0.2</b>	<b>2.1</b>	<b>5.2</b>	<b>5.4</b>	<b>39.8</b>
<b>Unweighted Average</b>	<b>11.4</b>	<b>6.7</b>	<b>17.6</b>	<b>8.0</b>	<b>22.7</b>	<b>49.7</b>

Figure 18. Trends in Early Stage Entrepreneurial activity in the 4 CARICOM Territories



Note: No data for Jamaica in 2012.

## The Profile of the Entrepreneur

Fig 19: Male/ Female Entrepreneurship

Fig 20: Age groups

Fig 21: Age breakdown

Fig 22: Level of Education

Fig 23: Reasons for exit

Fig 24: Innovation in TEA

Fig 25 Innov in Established businesses

Fig 26: Current job creation

Fig 27: TEA Job growth expectations

Fig 28: Int'l orientation





## **National Expert Survey.**

GEM assesses the state of the entrepreneurial framework conditions existing within a country through the use of the National Expert Survey (NES). This survey attempts to capture the expert opinion of individuals with over ten years experience working in nine social spheres:

- Finance: bankers, public managers of financial programmes or subsidies, venture capitalists, business angels, entrepreneurs, and business people in general.
- Policy Makers: public officers involved in economics, taxation, and development agencies.
- Public Program Administrators: personnel in government programmes, public agencies, business associations, development agencies, entrepreneurs and people to whom the programmes are addressed.
- Education: Professors, lecturers, teachers (school, college, university, professional or vocational education), and other personnel involved in education.
- R&D Transfer: personnel in industry, innovation, development and growth, public or private agencies, scientific parks personnel, university researchers, engineers, some technological and scientific entrepreneurs.
- Commercial and business services: lawyers, accountants, advisors economists, market analysts, and survey vendors.
- Market openness: market analysts, some researchers at universities or business schools, business associations, commerce chambers, governmental agencies involved with the economy and development.
- Physical infrastructure: personnel from businesses and enterprises that provide utilities (water, phone, electricity), engineering, real estate, governmental agencies related to infrastructure, industrial parks, etc.
- Cultural and social norms: business associations, press, media in general, customers, providers, sociologists, entrepreneurs, foundations, researchers, and trade unions.

A total of 36 experts were interviewed for the Trinidad and Tobago NES. In addition to providing an understanding of the entrepreneurial framework conditions, the NES facilitates the triangulation of the findings of the adult population survey. NES respondents are provided with a set of statements about the attitudes, perceptions, and aspirations of entrepreneurs that mirror questions asked of the general population in the Adult Population Survey (APS) and asked to express the extent of their agreement on a Likert scale. This allows for a direct comparison of perceptions among the general public with the perceptions of experts. The following sections will include a more detailed examination of each of the conditions necessary to foster a healthy entrepreneurial environment.

Figure 16 shows the overall ratings that the NES respondents gave to main indicators for entrepreneurship framework conditions in the Latin America and Caribbean countries that took part in the GEM study in 2013.

Figure 29. Ratings for the Main Indicators for Entrepreneurship Framework Conditions.

	1	2.a	2.b	3	4.a	4.b	5	6	7.a	7.b	8	9
	1	2.a	2.b	3	4.a	4.b	5	6	7.a	7.b	8	9
	Finance	National Policy: General Policy	National Policy: Regulation	Government Programmes	Primary and Secondary Education	Tertiary Education	R&D Transfer	Commercial Infrastructure	Internal Market Dynamics	Internal market Openness	Physical Infrastructure	Cultural and Social Norms
Argentina	2.03	2.08	1.49	2.70	1.82	3.11	2.49	2.85	3.24	2.53	3.31	3.01
Barbados	2.42	2.42	1.87	2.30	1.71	2.96	1.78	2.72	2.06	2.42	3.75	2.61
Belize	2.14	2.55	2.20	2.45	2.05	2.53	1.77	2.68	2.31	2.54	3.41	2.65
Bolivia	2.25	2.15	1.97	2.34	2.13	3.11	2.33	2.81	2.98	2.65	3.30	2.79
Brazil	2.46	2.40	1.46	2.24	1.48	2.54	2.00	2.50	3.36	2.24	2.93	2.36
Chile	2.35	2.77	2.91	3.06	1.63	2.98	2.20	2.80	2.18	2.57	4.33	3.09
Colombia	2.37	2.75	2.41	2.95	2.14	2.97	2.17	2.79	2.70	2.55	3.38	2.97
Costa Rica	1.90	2.39	2.02	2.80	1.93	3.07	2.12	2.63	2.42	2.58	3.39	2.90
Ecuador	2.19	2.98	2.19	2.66	2.36	3.18	2.35	2.76	2.46	2.72	4.05	2.99
El Salvador	1.88	2.26	1.92	2.50	1.64	2.76	1.88	2.65	2.68	2.46	3.89	2.79
Guatemala	2.04	1.91	2.10	1.87	1.73	3.06	2.09	2.89	2.41	2.53	3.83	2.44
Jamaica	2.24	2.20	1.99	2.34	2.07	3.03	1.97	2.86	2.90	2.22	3.43	2.96
Mexico	2.20	2.27	1.87	2.69	2.00	3.12	2.44	2.64	2.81	2.21	3.29	2.99
Panama	1.99	2.11	2.95	2.52	1.67	2.78	2.35	2.68	2.36	2.53	4.01	2.75
Peru	2.20	2.21	2.14	2.13	1.98	2.87	1.87	2.81	2.43	2.70	3.52	3.09
Puerto Rico	1.96	2.42	1.78	2.56	1.66	3.07	2.28	2.84	2.61	2.30	3.25	2.76
Suriname	2.30	2.69	2.36	2.42	2.11	3.53	2.01	3.15	3.00	2.98	3.01	2.96
Trinidad and Tobago	2.66	1.81	2.38	2.34	1.83	2.51	1.95	2.94	2.29	2.34	3.76	2.85
Uruguay	2.21	2.22	2.78	2.89	1.41	3.43	2.49	3.02	2.09	2.40	3.79	2.11
Unweighted Average	2.20	2.35	2.15	2.51	1.86	2.98	2.13	2.79	2.59	2.50	3.56	2.79

Figure 30. Perceptions of the NES Respondents concerning Finance

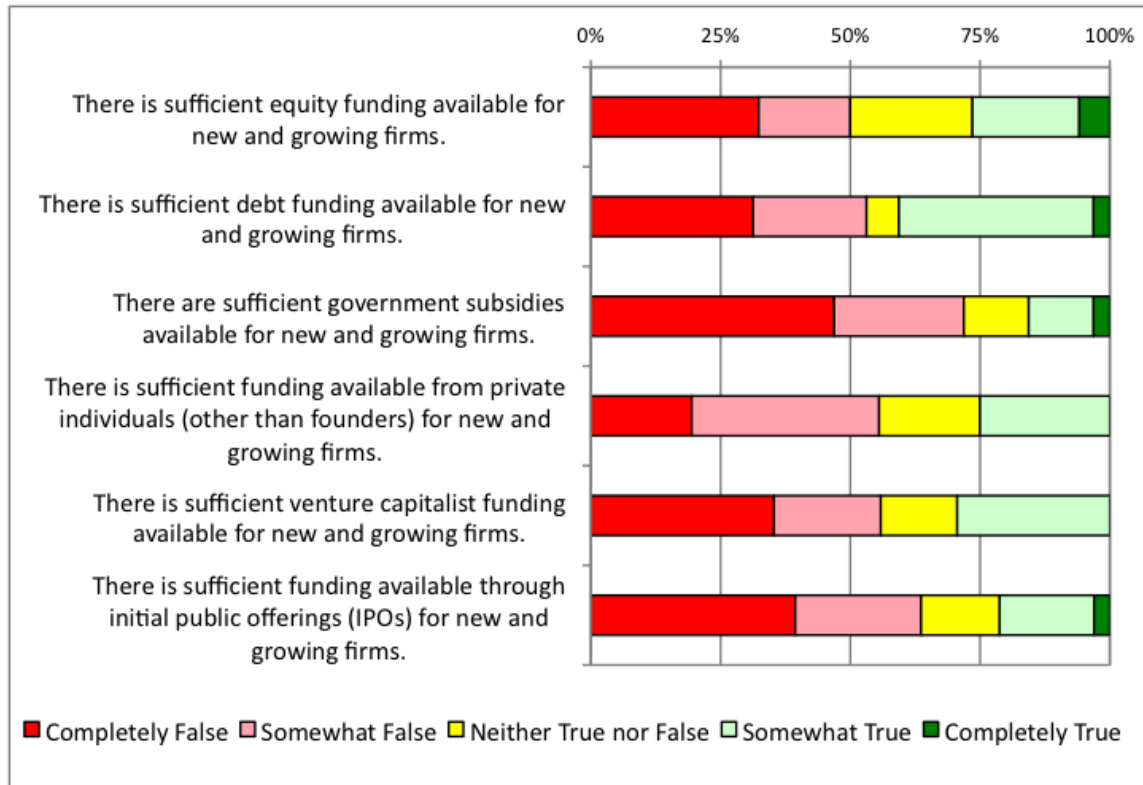


Figure 31. Perceptions of the NES Respondents concerning Policy

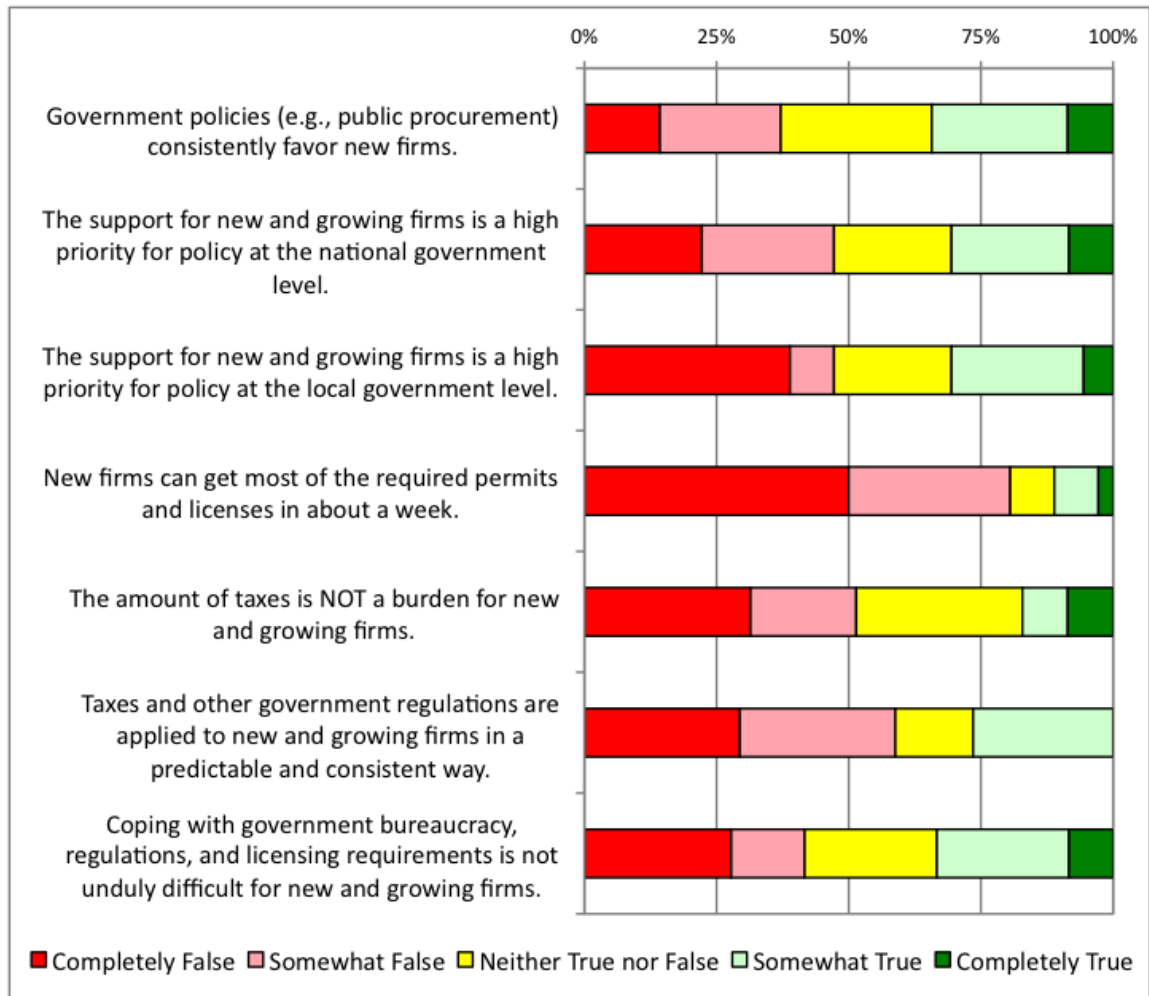


Figure 32 Perceptions of the NES Respondents concerning Government Programmes

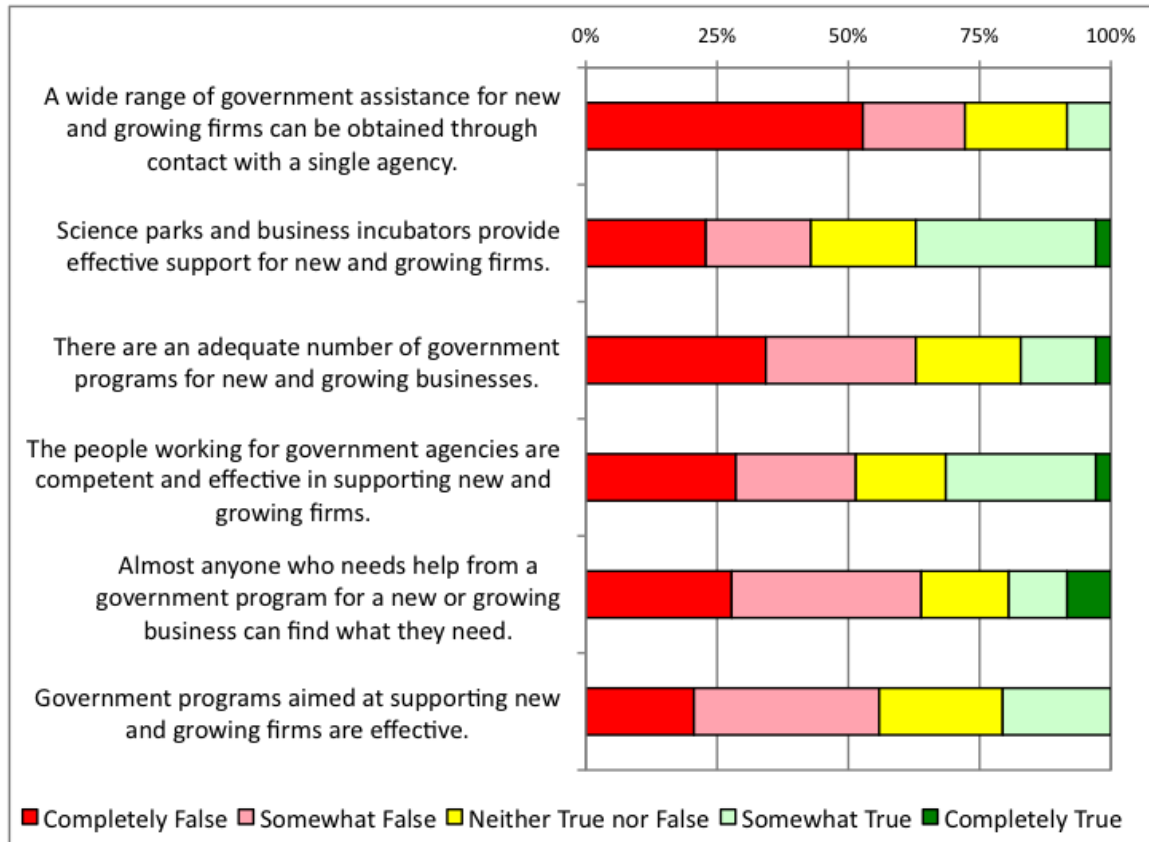


Figure 33. Perceptions of the NES Respondents concerning Education

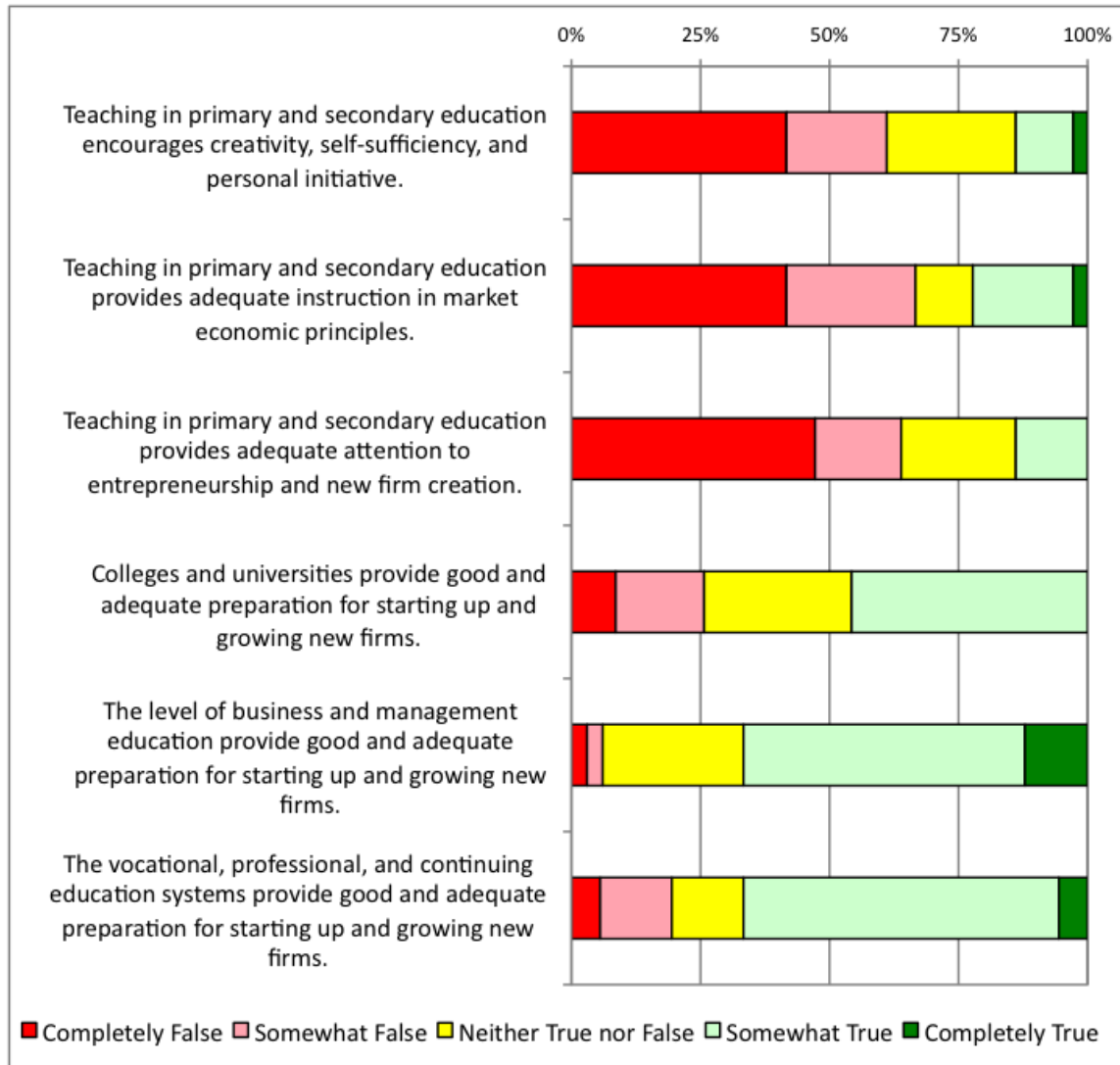




Figure 34. Perceptions of the NES Respondents concerning R&D Transfer



Figure 35. Perceptions of the NES Respondents concerning Commercial Infrastructure

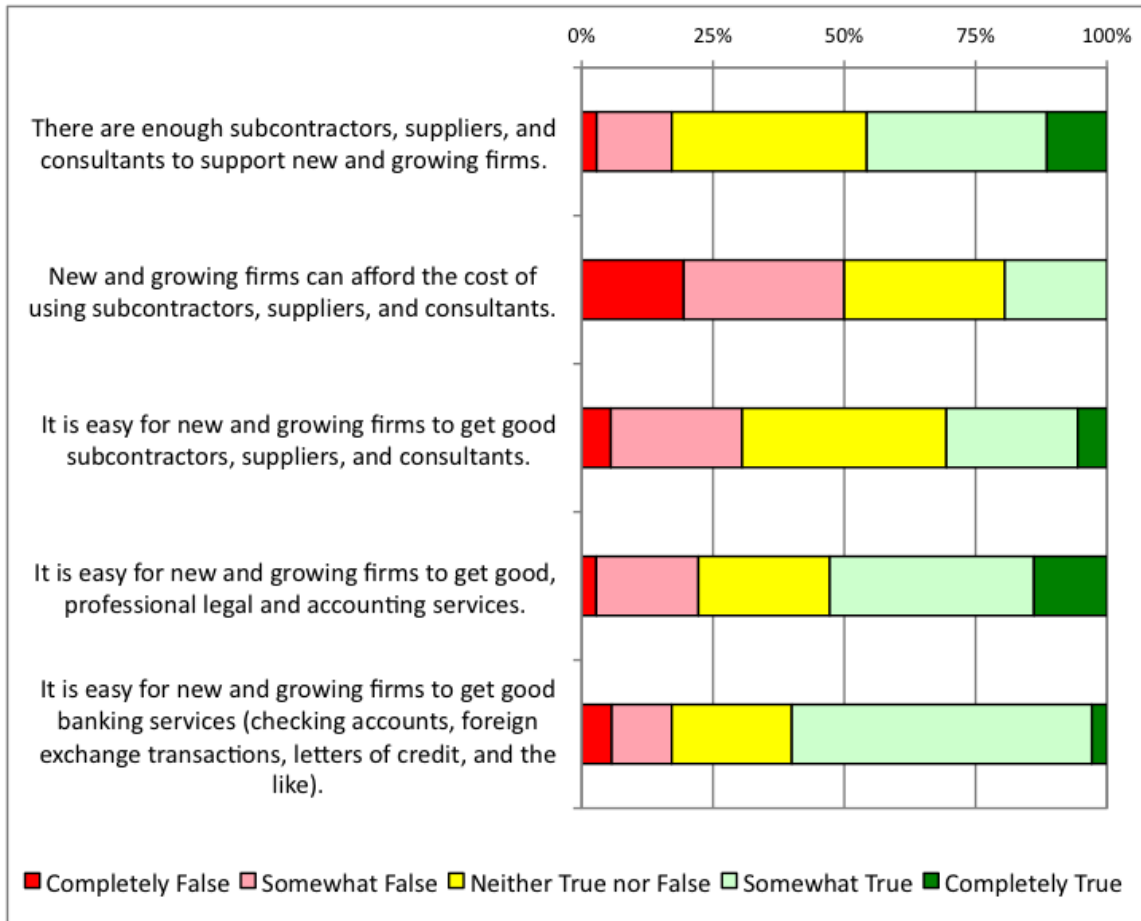


Figure 36. Perceptions of NES Respondents concerning Market Openness

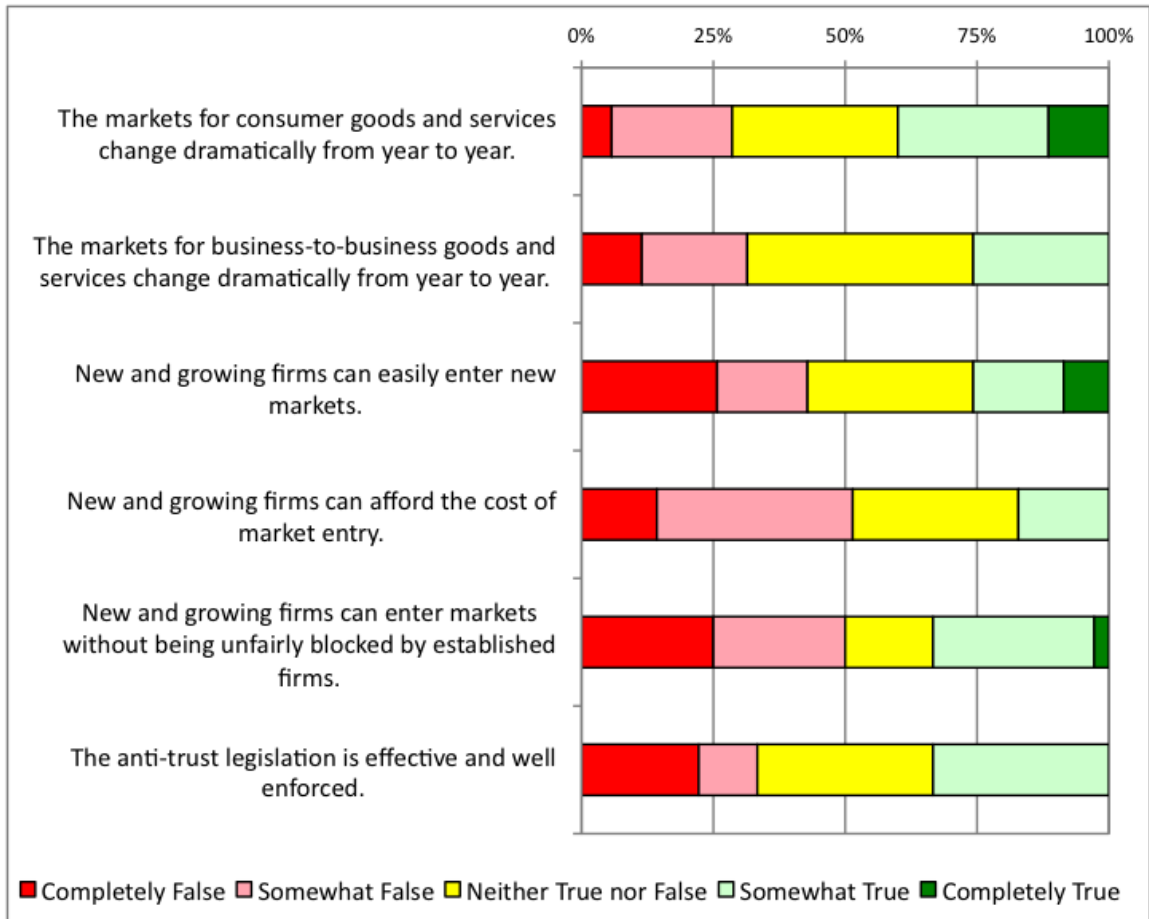


Figure 37. Perceptions of NES Respondents regarding Physical Infrastructure

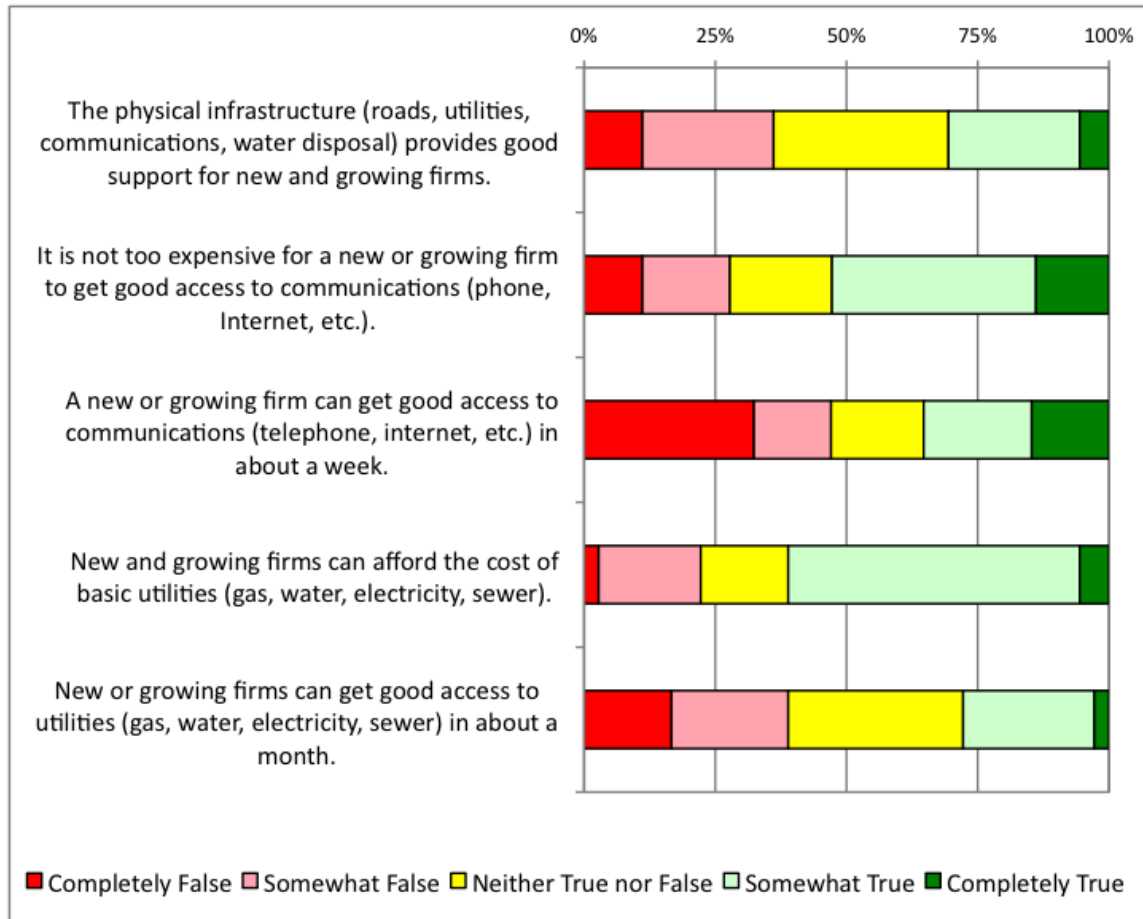
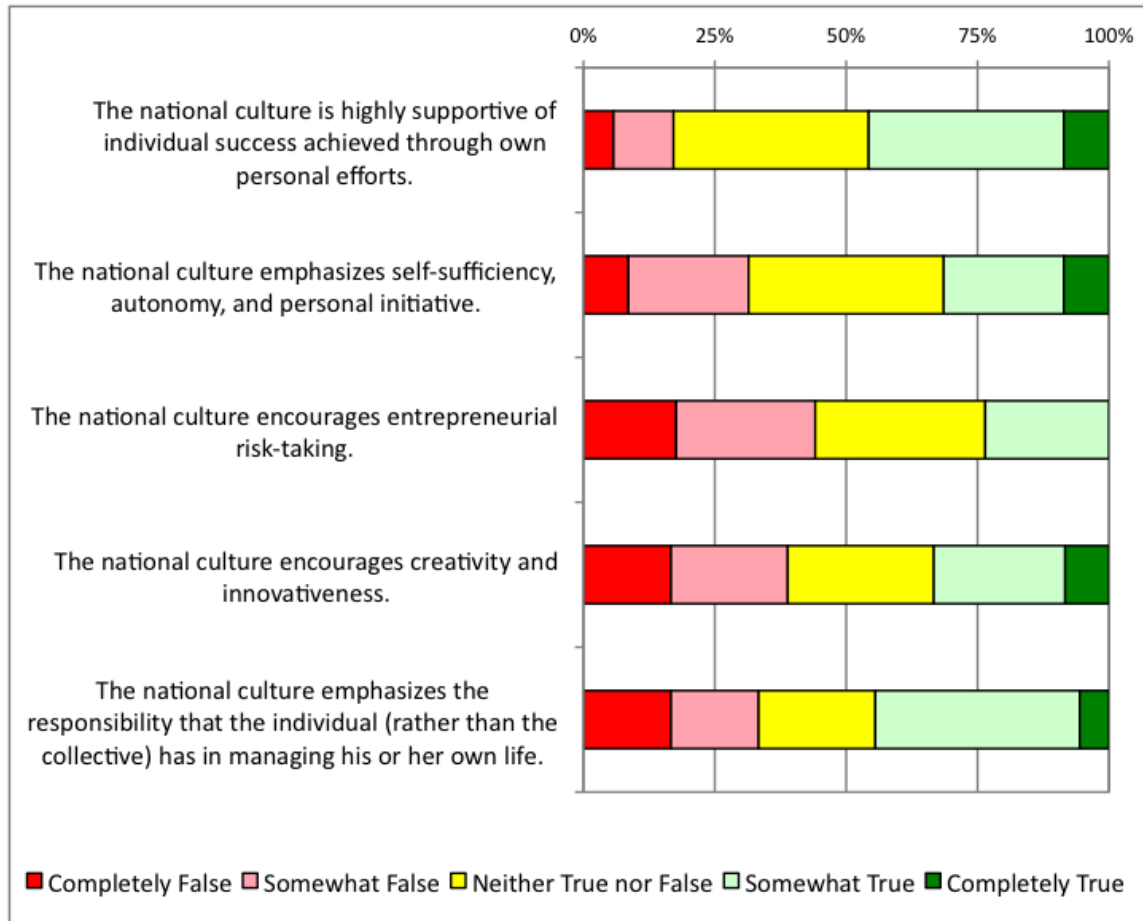


Figure 38. Perceptions of the NES Respondents concerning Cultural and Social Norms



## Agencies Set up to Support Entrepreneurship in Suriname

## Recommendations

## Glossary of Terms

### Adult Population Survey

A survey that samples a portion of the non-institutionalized adult population; adults 18 years and over, both in and out of labour force from all geographic regions of the country about their perceptions, attitudes capabilities and awareness concerning the entrepreneurial environment in the country.

### Business Discontinuance Rate

The percentage of adults (18 and older) who in the past 12 months have discontinued a business either by selling, shutting down operations or otherwise discontinuing an owner/manager relationship with the business.

### Entrepreneurial Aspirations

The efforts of the early-stage entrepreneur to introduce new products and services, develop new production processes, penetrate foreign markets, substantially increase the number of firm employees, and finance the business with either formal or informal venture capital, or both.

### Entrepreneurship as a Desirable Career Choice

The percentage of the population aged 18 and over, who agree with the statement that in their country, most people consider starting a business as a desirable career choice.

### Established Business Owners

Individuals who are currently owner-managers of an operating business that has paid salaries, wages, or any other payment to the owners for more than 42 months.



### Fear of Failure

The percentage of the population 18 and older with positive perceived opportunities who indicate that fear of failure would prevent them from actually starting a business.

### High-Growth Expectation

The percentage of the early-stage entrepreneurs who expect to employ at least 20 employees in five years' time.

### High Status of Successful Entrepreneurs

The percentage of the population aged 18 and over, who agree with the statement that in their country, successful entrepreneurs receive high status.

### International Orientation

The percentage of the Early-Stage entrepreneurs with more than 25% of the customers coming from other countries.

### Media Attention for Entrepreneurship

The percentage of the population 18 and over, who agree with the statement that in their country, stories about successful new businesses are often seen in the public media.

### Nascent Entrepreneurs

Individuals who are currently actively involved in setting up a business they will own or co-own which has not yet paid salaries, wages or any other payment to the owners for more than three months.

### National Experts Survey

A survey that studies the views of experts who are directly involved in delivering or assessing a major aspect of an entrepreneurial framework condition in their country.

#### Necessity-Driven Entrepreneurship

The percentage of those involved in Total Early-Stage entrepreneurial activity fwho are involved in entrepreneurship because they had no other option for work.

#### New Business Owners

The percentage of adults 18 and over, who are currently an owner-manager of a new business; that is owner-manager of an operating business that has paid salaries, wages, or any other payment to the owners for more than three months but not more than 42 months.

#### New Product Market Oriented

The percentage of the Early-Stage entrepreneurs who indicate that their product or service is new to at least some customers and indicate that not many businesses offer the same product or service.

#### Opportunity-Driven Entrepreneurship

The percentage of those involved in Total Early-Stage entrepreneurial activity (as defined above) who (i) claim to be driven by opportunity as against having no other option for work; and (ii) who identify being independent or increasing their income rather than just maintaining their income as the main driver for being involved in the business.

#### Perceived Opportunity

The percentage of population 18 and over, who see good opportunities for entrepreneurship in the area where they live.

#### Perceived Capability

The percentage of population 18 and over, who believe they have the skills and knowledge required to start a business.

#### Total Early-Stage Entrepreneurs

Adults 18 and over, who are either nascent entrepreneurs or owner-managers of a new business.

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