

Perceived Barriers to Entrepreneurship Among Students: The Case of Slovenia

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Many entrepreneurs would agree with the claim that Slovenia represents a fine “playground” where you can start “playing safely” and then prepare yourself for the “real life”. Being small has its charms and constraints. Slovenia’s major constraint is limited purchase power deriving from small market, which becomes quickly saturated. Consequently, many entrepreneurs search their business opportunities elsewhere or at least try to internationalize as soon as possible in order to survive and promote their business growth. Thus, it is not surprising that Slovenia is strongly export-oriented, with around 80 % of its 2014 gross domestic product (GDP) based on exports (World Bank, 2016). However, the latest findings of research undertaken by Global Entrepreneurship Monitor (GEM) reveal positive attitude towards entrepreneurship in Slovenia. Perception of opportunities related to entrepreneurship increases year-on-year; with regard to the societal values of entrepreneurship (i.e., high social status of entrepreneurs) Slovenia ranks quite high, being 22nd out of 60 countries surveyed (GEM, 2016).

Due to this positive inclination and attitude to entrepreneurship, we aim to explore how students of Faculty of Management (University of Primorska), who have undergone at least one course of entrepreneurship, perceive barriers to entrepreneurship. In more detail, we aim to explore which barriers to entrepreneurship these young adults perceive in our environment and are there any differences between them (is it possible to sort them in different groups based on similar characteristics). These findings are valuable, since GEM (2016) reported that one third of entrepreneurs are 25–34 years of age. That means that perception of barriers to entrepreneurship can greatly affect their intention to establish their own business in future, while this perception could also be influenced and nourished through the education system if knowing, which group of students is more susceptible to entrepreneurship.

We first conducted exploratory factors analysis and found five factors related to barriers to entrepreneurship (these are: Resources, Personal expectations/fears, Economic and political environment, Entrepreneurial lifestyle and Social environment). Second, we employed cluster analysis and identified barriers to entrepreneurship for four groups of students, based on an entire sample of 193 students from University of Primorska.

Our study is limited in terms of cross-sectional research design and in terms of restricted sample of students coming from University of Primorska, Slovenia. However, these limitations offer a great opportunity for future research. Future research should explore the relationship between barriers to entrepreneurship, intention to establish a venture of own and actual realization of this intention. A longitudinal study should follow, which would reveal how barriers affect intention to become an

entrepreneur and how many of surveyed students actually established a venture through time. This kind of study would bring us important insights that would be beneficial also for career counsellors to advice properly individuals based on the findings whether their perception of barriers to entrepreneurship actually relates to potential entrepreneurial path in their life.

Keywords: barriers to entrepreneurship, entrepreneurship, perception of entrepreneurship, Slovenia, students

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