ENTREPRENEURIAL ACTIVITY IN SPAIN

Patrick Cambiasso-Helfer
Whittemore School of Business and Economics (WSBE) and International Affairs Dual Major
Spain’s economy

- Unemployment: 11% to 20% from 2008 to 2009
  - EU average: 9.5%
- Only G-20 country that did not experience GDP growth in the fourth quarter of 2009
SPAIN HAS A LOW LEVEL OF ENTREPRENEURSHIP
Less than 5% of nascent entrepreneurs or owner-managers of a new business (TEA) expect to grow a business of significant size (≥20 new jobs).
In 2008, 7.69% of Spanish responded as potential nascent entrepreneurs.
SO WHY DOES SPAIN HAVE A LOW LEVEL OF ENTREPRENEURSHIP?

Government policy
Venture Capital Financing
Entrepreneurial education and training
Perception as having a large inefficient bureaucracy

Overall, experts believed that government policy did not favor the creation of new companies.
In “innovation-driven economies,” high growth start-ups create the most economic growth.
Majority of the experts in the GEM survey pointed to improving entrepreneurship education and training as their recommendation to improving the level of entrepreneurship in their country.
Experts indicated that Spain has a strong informal education sector while a weak formal sector. Experts from the GEM report strongly disagreed with the statement—“Primary and secondary (Elementary and High School) education concentrates sufficiently on the entrepreneurial spirit and the creation of companies.”
Spain has a low level of entrepreneurship

There are many factors that impact the level of entrepreneurship

Research: point out some of the more important factors

Spain is in great need for entrepreneurial activity