

Senior Entrepreneurship in Slovakia



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Introduction

Social & demographic changes

Demographic revolution is underway...



- Ageing population in the European Union
 - 30% people over 55 y.o. in 2010
 - 37% people over 55 y.o. in 2030 (Eurostat, 2012)
- Implications:
 - The workforce is getting older
 - Increased retirement age → higher demand for employment
 - Increased pressure on social security system
 - + Growing population of healthy older people with the skills, financial resources and time
 - + Focus on life-long learning and active ageing
 - + Need for self-actualization and independence

Introduction

Economic and political situation



→ 50+ tend to suffer more from the long-term unemployment
→ Strong focus on youth employment which shifts attention away from older age groups

- Barriers in recruitment of 50+
 - Age discriminatory practices
 - Promotion and training
 - Lack of attractive employment options
 - Perceived reduced mobility and flexibility in the workplace
 - Higher labour cost

OPTION



SENIOR ENTREPRENEURSHIP

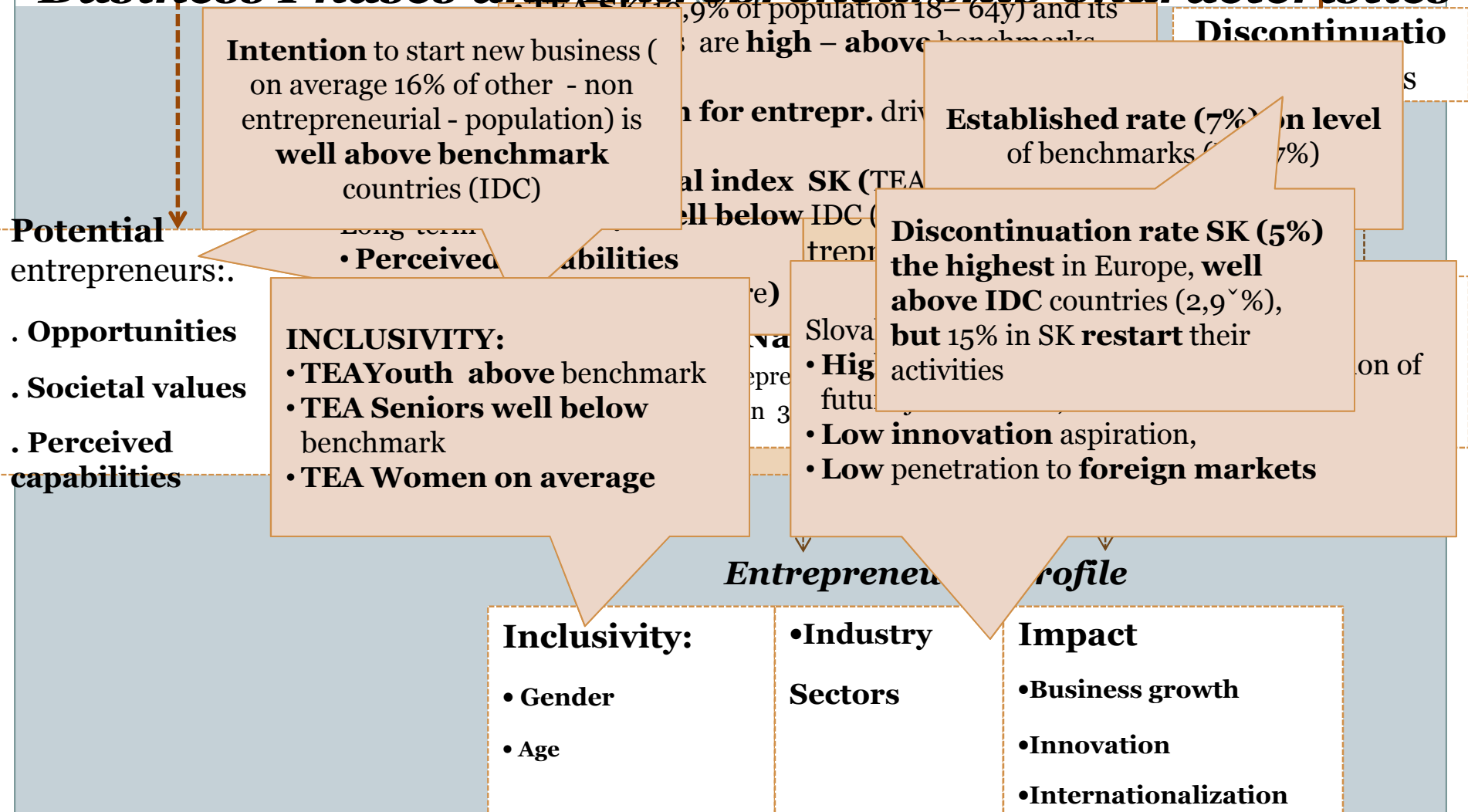
1. Entrepreneurial Activity of Slovaks (GEM Adult Population Survey - APS Data)



- Global Entrepreneurship Monitor (**GEM**) is the **world's foremost study of entrepreneurship**
 - GEM began in 1999 as a joint project between **Babson College (USA)** and **London Business School (UK)**.
 - The **aim** was to consider why some countries are more '**entrepreneurial**' than others.
- **SLOVAKIA** has participated in GEM since 2011 – 5years history/data
 - **National Coordinator: Faculty of Management, Comenius University in Bratislava**
 - **Main Partner: SLOVAK BUSINESS AGENCY (SBA)**
- **KEY COMPONENTS of GEM in national level:**
 - The **entrepreneurial behaviour and attitudes** of individuals
 - ✦ **Adult population survey (APS) – min.2000 interviews per year in each country run according to standardized questionnaire by professional survey agency.**
 - The **national context** and how that impacts entrepreneurship
 - ✦ **National expert survey (NES) – run once per year.**

1. Entrepreneurial Activity of Slovaks according to GEM Model

Business Phases and Entrepreneurship Characteristics



Source: Pilková, A., Rehák, J. *Profil podnikateľov na Slovensku: dynamická analýza, regionálne a medzinárodné porovnanie* (2013). Pilková, A., Kovačičová, Z., Rehák, J. *Senior entrepreneurship in Slovakia: GEM evidences* (2012); Holienka, M., Pilková, A., Munk, M. *Business restart in V4 countries* (2014).

2. Trues or Myths on Seniors and Youth Entrepreneurship in Slovakia and Europe

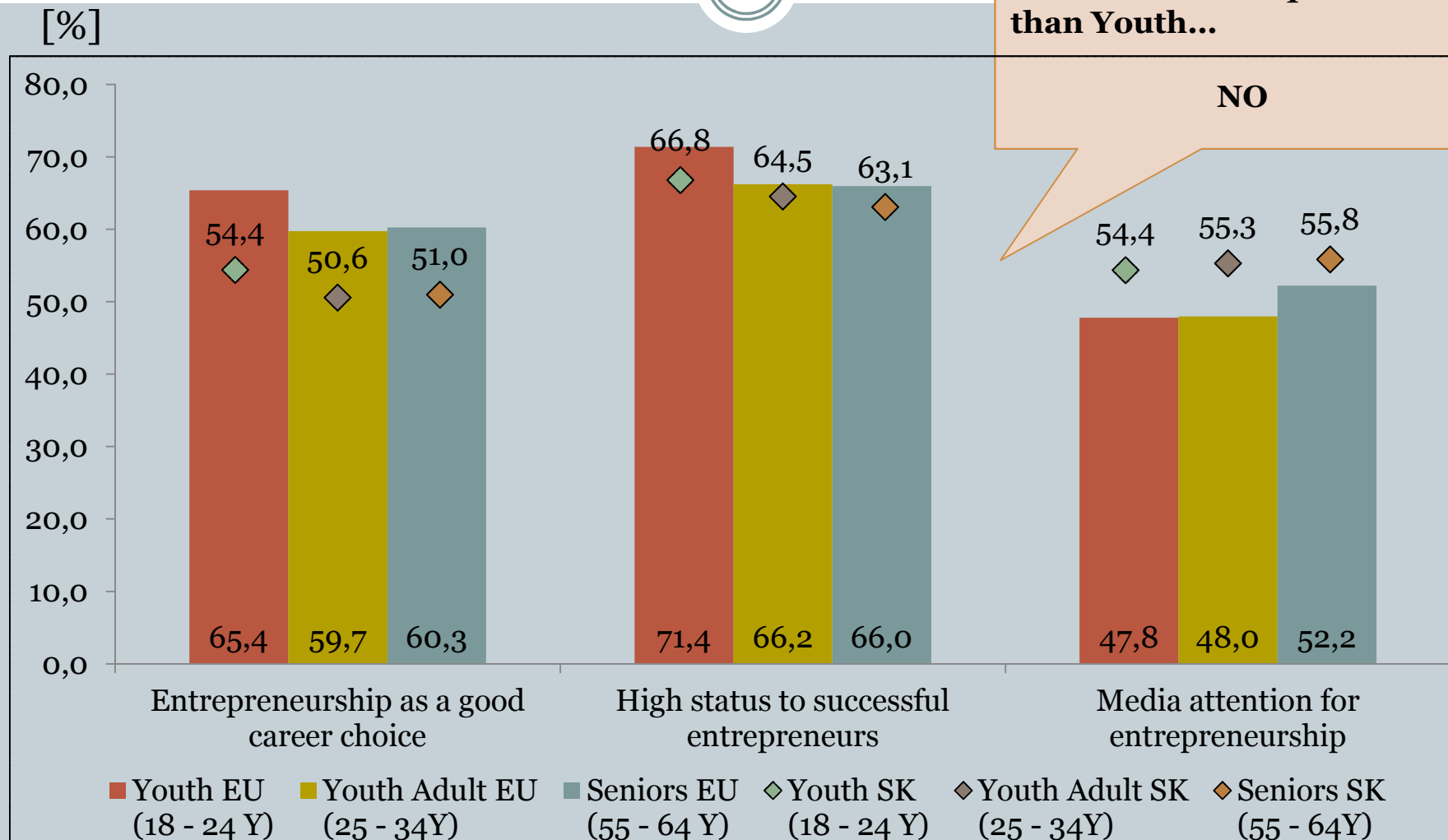


- Entrepreneurship is for young people;
- Seniors in relation to entrepreneurship in comparison to Youth are:
 - more *pesimistic*,
 - less *creative*,
 - less *motivated*,
 - less *innovative*,
 - less *skilled but more experienced*.
- However,
 - they have less risks in comparison to youth,
 - their start-ups tend to survive more than those started by youth.

Entrepreneurial Potential - Youth&Seniors: Societal Values

Seniors are *more pessimistic* than Youth...

NO



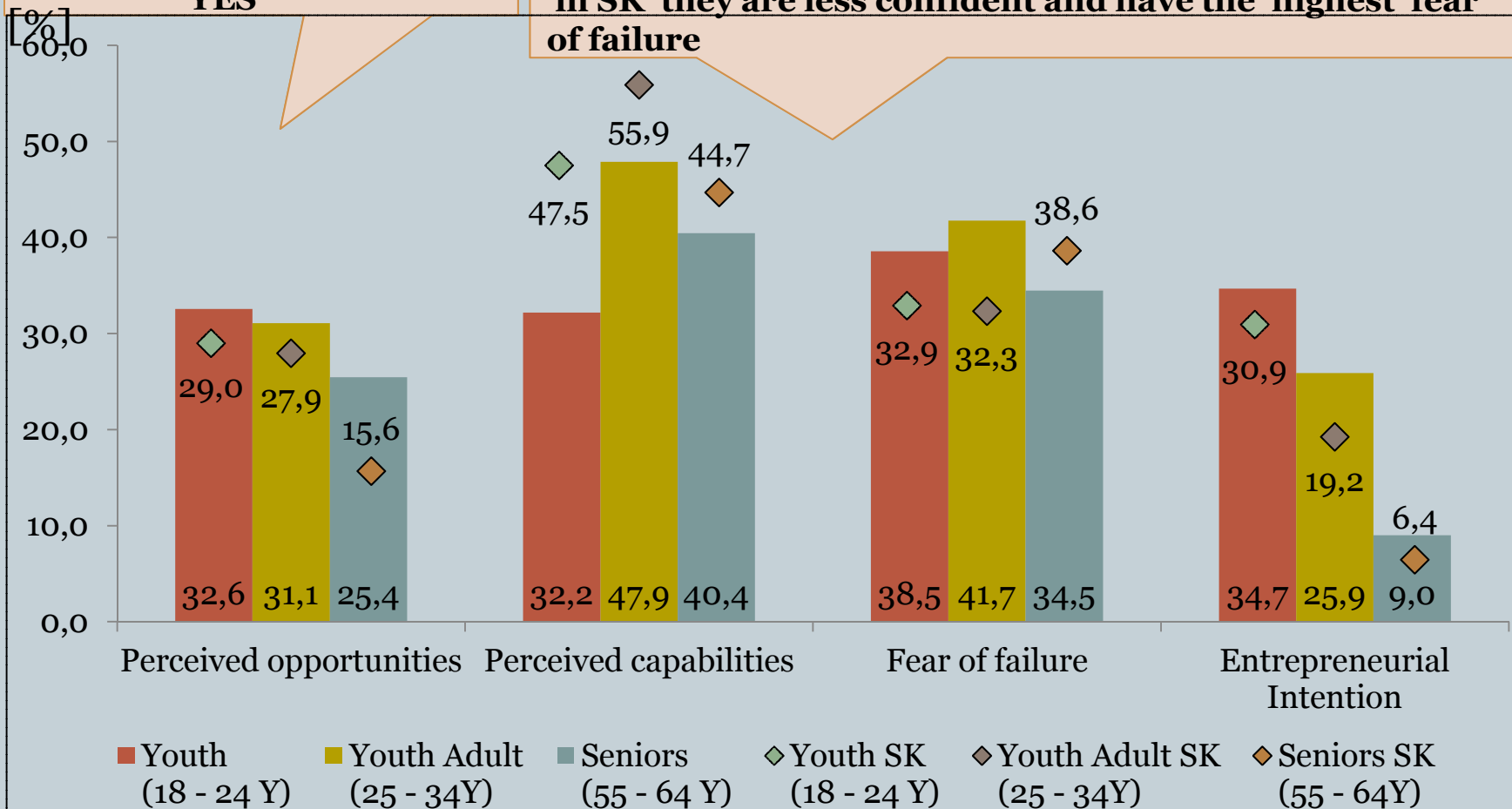
Entrepreneurial Potential - Youth&Seniors: Perceived Opportunities, Self-Perceptions and Entrepreneurial Intention

SENIORS ARE LESS CREATIVE...

YES

SENIORS ARE LESS SKILLED BUT MORE EXPERIENCED

... But: in EU they are enough **confident** in their **entrepreneurial skills** and have **lowest fear of failure** ;
in SK they are less confident and have the highest fear of failure



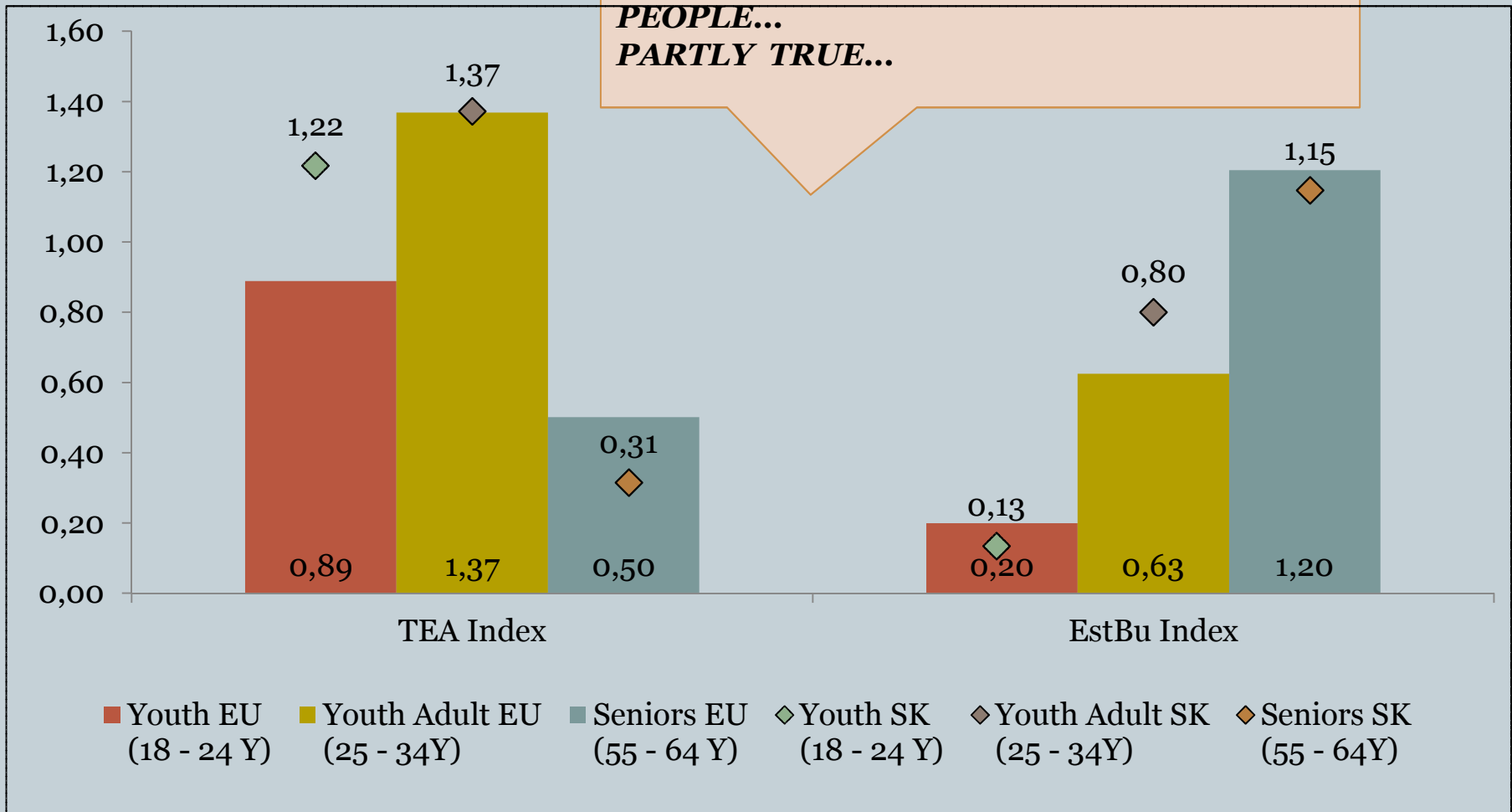
Entrepreneurial Activity of SENIORS and YOUTH

TEA (up to 42 months) Index

EstBu - Established Business (more than 42 months) Index

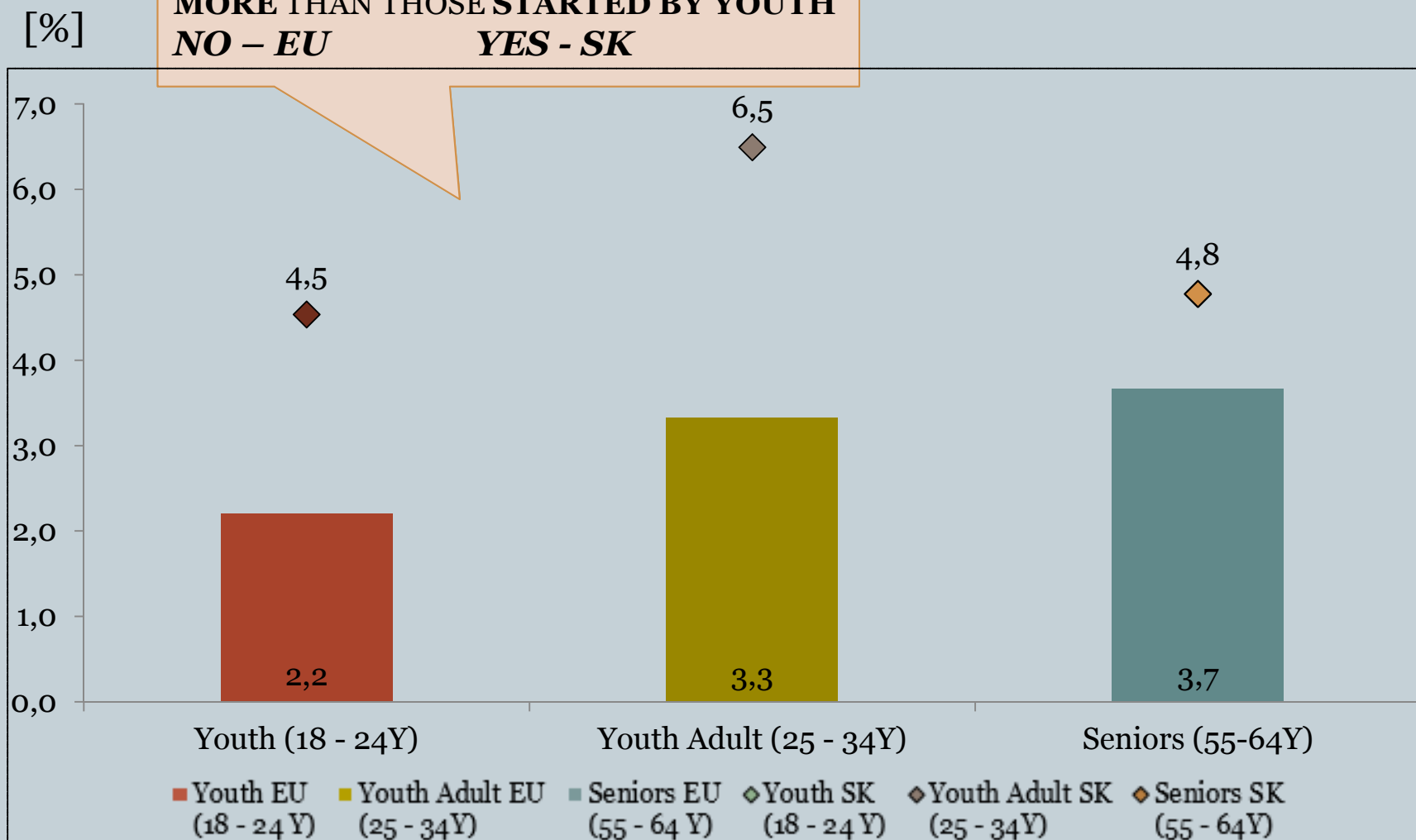
[%]

**ENTREPRENEURSHIP IS FOR YOUNG
PEOPLE...
PARTLY TRUE...**

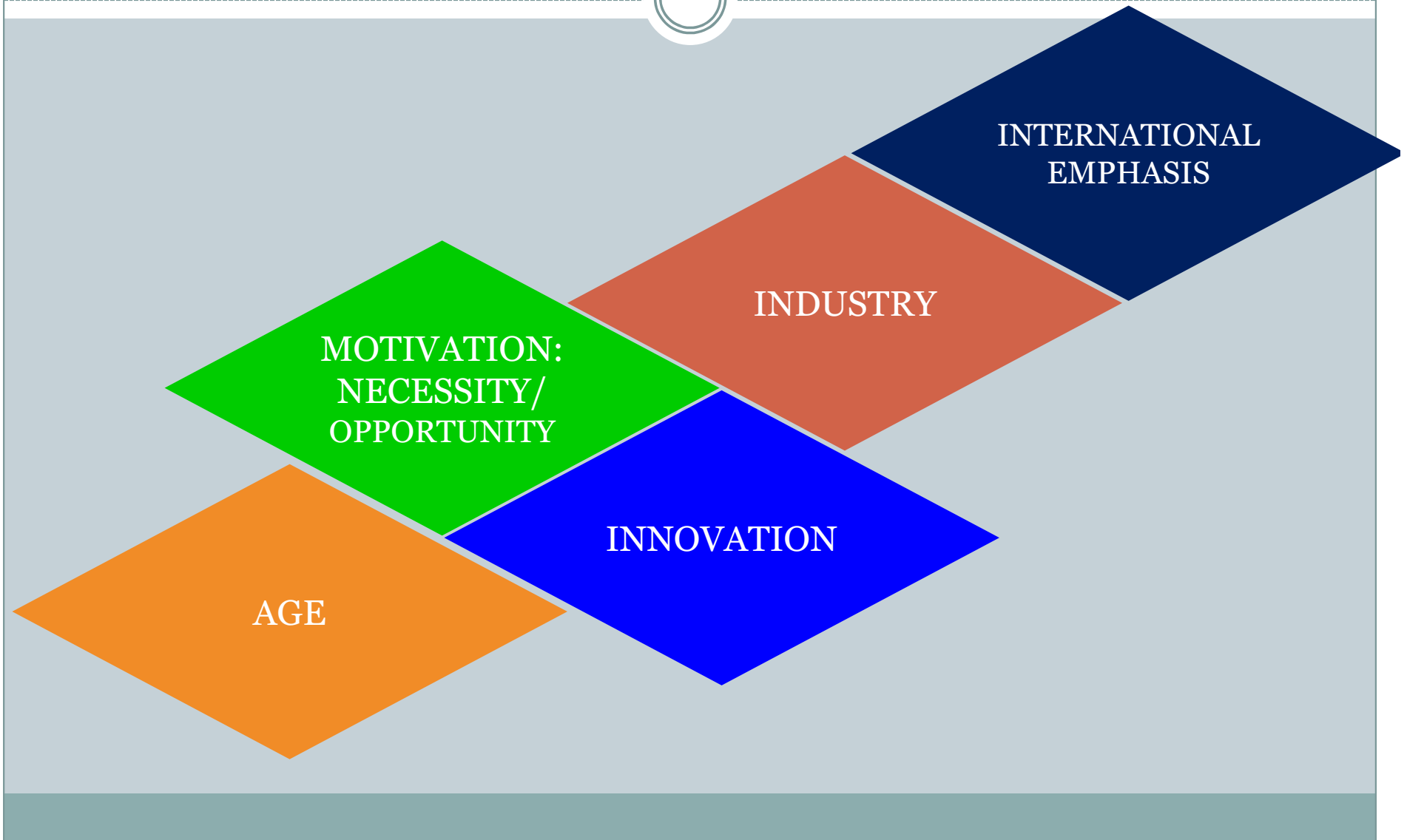


Discontinued in the Past Year

**SENIORS START-UPS TEND TO SURVIVE
MORE THAN THOSE STARTED BY YOUTH**
NO – EU YES - SK



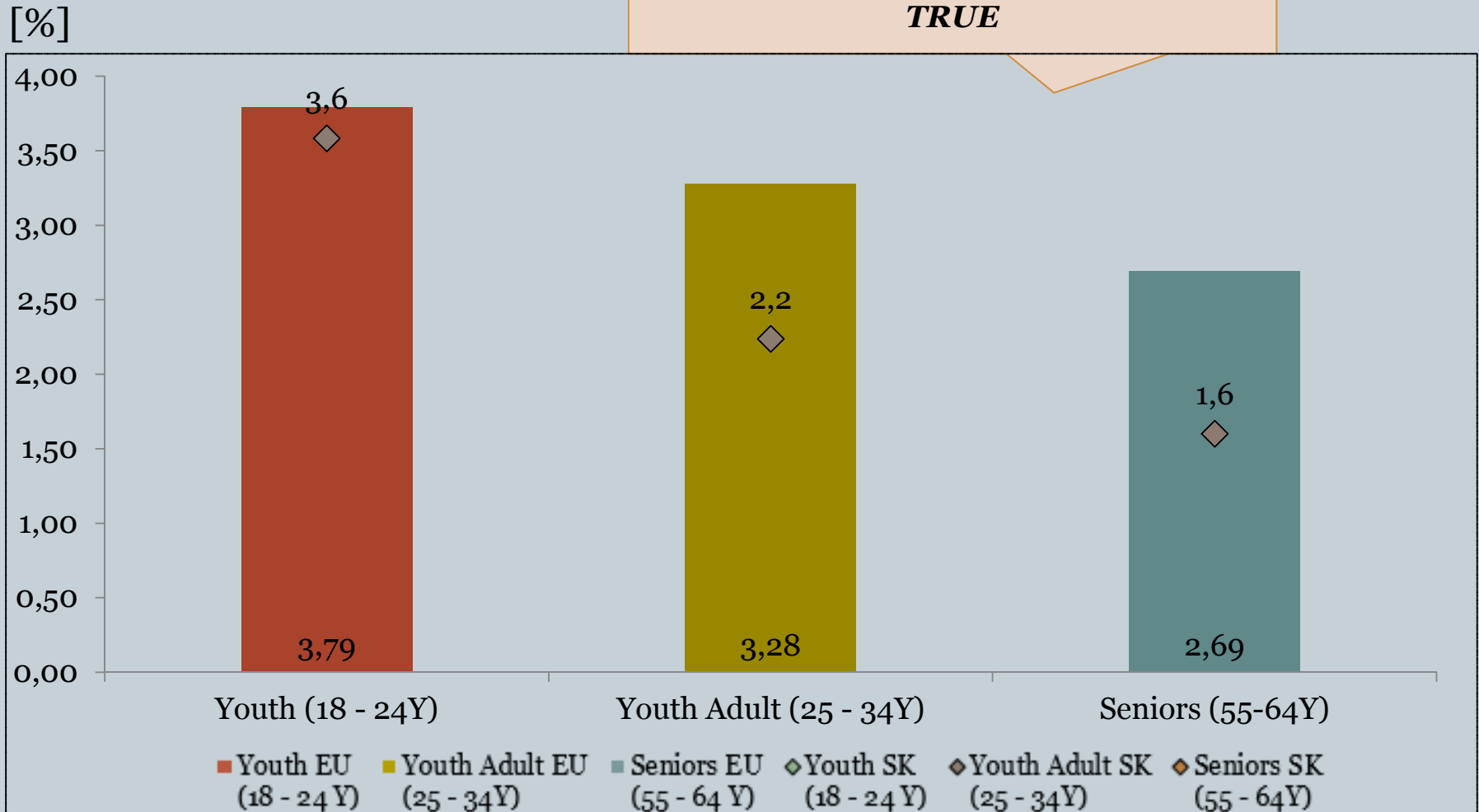
Profiles of Entrepreneurs & Their Businesses



Motivation for TEA

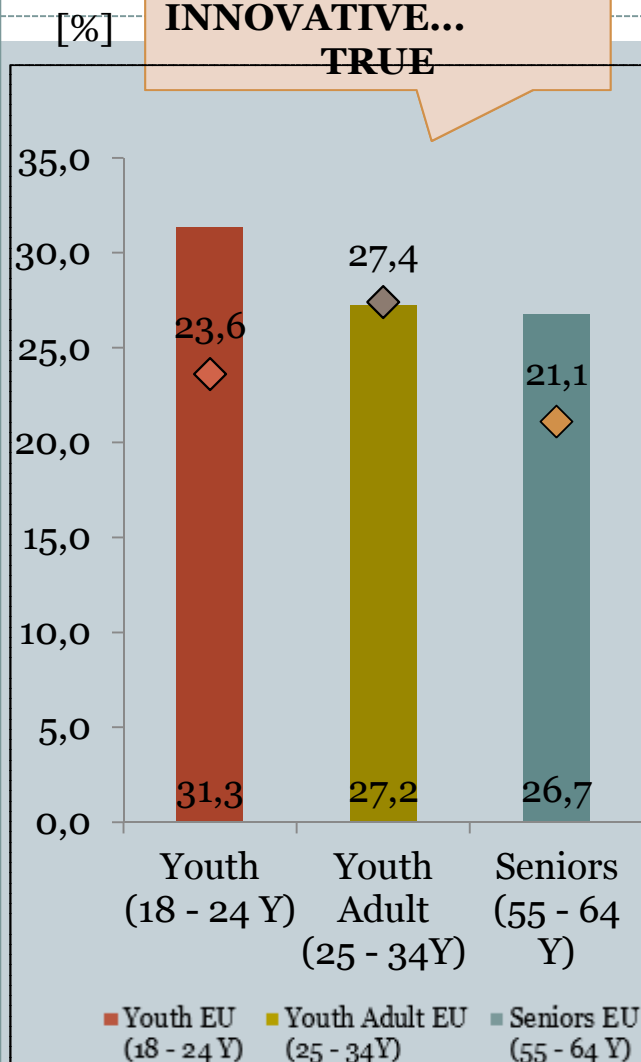
Motivational Index: TEA Opportunity/TEA Necessity

**SENIORS ARE LESS MOTIVATED...
TRUE**



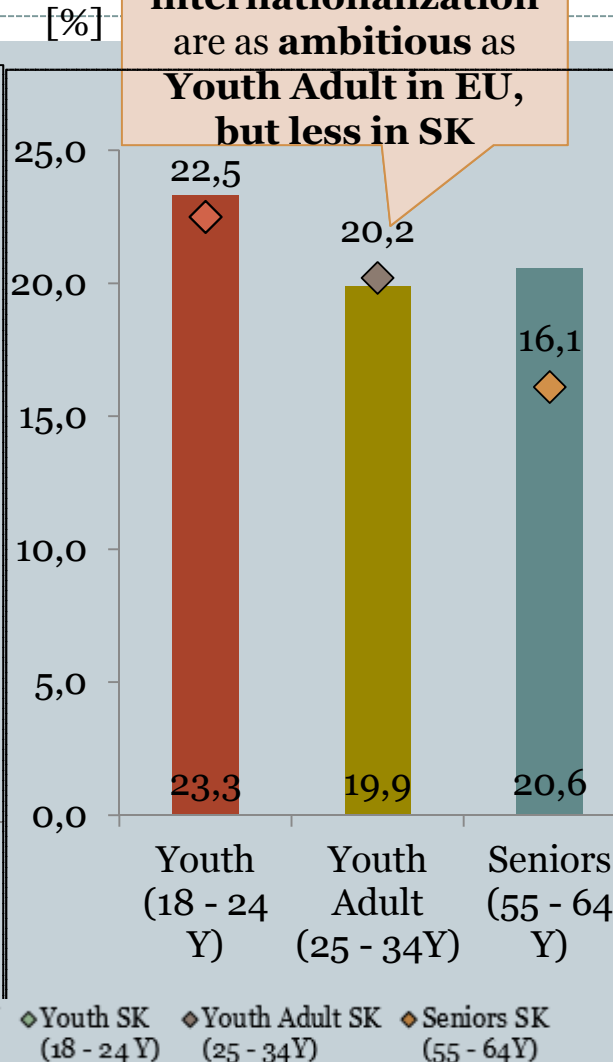
Innovation

SENIORS ARE LESS INNOVATIVE... TRUE



Internationalization

...in internationalization are as ambitious as Youth Adult in EU, but less in SK



Industry Participation

In start-up phase Youth and Youth Adult are involved by 72% in business services and services to final consumers while Seniors by 66%.

In established phase only 59,1% of Youth is involved in business services and services to final consumers while Youth Adult and Seniors are involved by 69,8 and 67,7%.

Trues or Myths on Seniors and Youth Entrepreneurship in EU and SK

	TRUE/FALSE	
	EU	SK
• Entrepreneurship is for young people;	<i>PARTLY TRUE (PT)</i>	<i>PT</i>
• Seniors in relation to youth entrepreneurship are:		
<i>more pesimistic,</i>	<i>FALSE (F)</i>	<i>F</i>
<i>less creative,</i>	<i>TRUE (T)</i>	<i>T</i>
<i>less motivated,</i>	<i>TRUE (T)</i>	<i>T</i>
<i>less innovative,</i>	<i>TRUE (T)</i>	<i>T</i>
<i>less skilled but more experienced.</i>	<i>PARTLY TRUE</i>	<i>T</i>
<i>However,</i>		
they have less <i>risks</i> in comparison to youth	<i>TRUE (T)</i>	<i>F</i>
their start-ups <i>tend to servive more</i> than those started by youth	<i>FALSE (F)</i>	<i>T</i>

Options...

Senior and intergenerational entrepreneurship
should be encouraged
Innovative teaching and training methods within
universities

3.Senior Entrepreneurship Support in Slovakia – OECD assessment



- Overarching ***entrepreneurship strategy or policy framework*** is missing.
- ***Policies*** for older people do not explicitly cover business creation or self-employment.
- No specific support ***in financing*** of senior entrepreneurs.
- No ***specific training*** programmes systematically offered and publicly supported.
- Entrepreneurship in Slovakia is not actively ***promoted*** as an ***activity for older people***

4. Boosting 50+ entrepreneurship by Academy



→ All actors have a role to play – the EU, national governments, **Academy**, NGOs, businesses, other institutions

What Academy suppose to do?

- + Research
 - + FM UK research: GEM; APVV – Inclusive Entrepreneurship, OECD, 50plus Platform...
- + Educating potential senior entrepreneurs & different stakeholder groups
- + Improving entrepreneurship skills with training

Why?

"Silver Generation." is a ***neglected source*** of useful knowledge and experience in creating competitive advantage. **Universities**, in this respect, should perform their job better (Hirvikoski T. 2014)

How?

Through innovative ways like...

„Education and Training of Entrepreneurship in **inter-generation teams**“.



- *Intergenerational entrepreneurship is the sharing of knowledge, skills, experiences and resources through partnership and collaborations among different age generations of people across phases of entrepreneurial process with the aim to achieve economic, social or environmental goals or shared values. This partnership or collaboration can be realized in a form of:*
- *a/ teaming up in: aa/ forming start-ups, ab/ managing established companies,*
- *b/ mentoring and reverse mentoring,*
- *c/ training.*

Intergenerational entrepreneurship has European Parliament Support...



**“Help young and old people who wish to
create an **intergenerational business
together**”**

**“calls for specific initiatives to promote
mixed-age teams (...) companies should be
supported and that outstanding projects
should receive recognition”**

European Parliament , 2010

Course: Development of Entrepreneurial Skills in Cross Generation Teams

More information: *The best practice guide on senior entrepreneurship* (: <https://bookshop.europa.eu/en/senior-entrepreneurship-good-practices-manual-pbEA0216951/>)

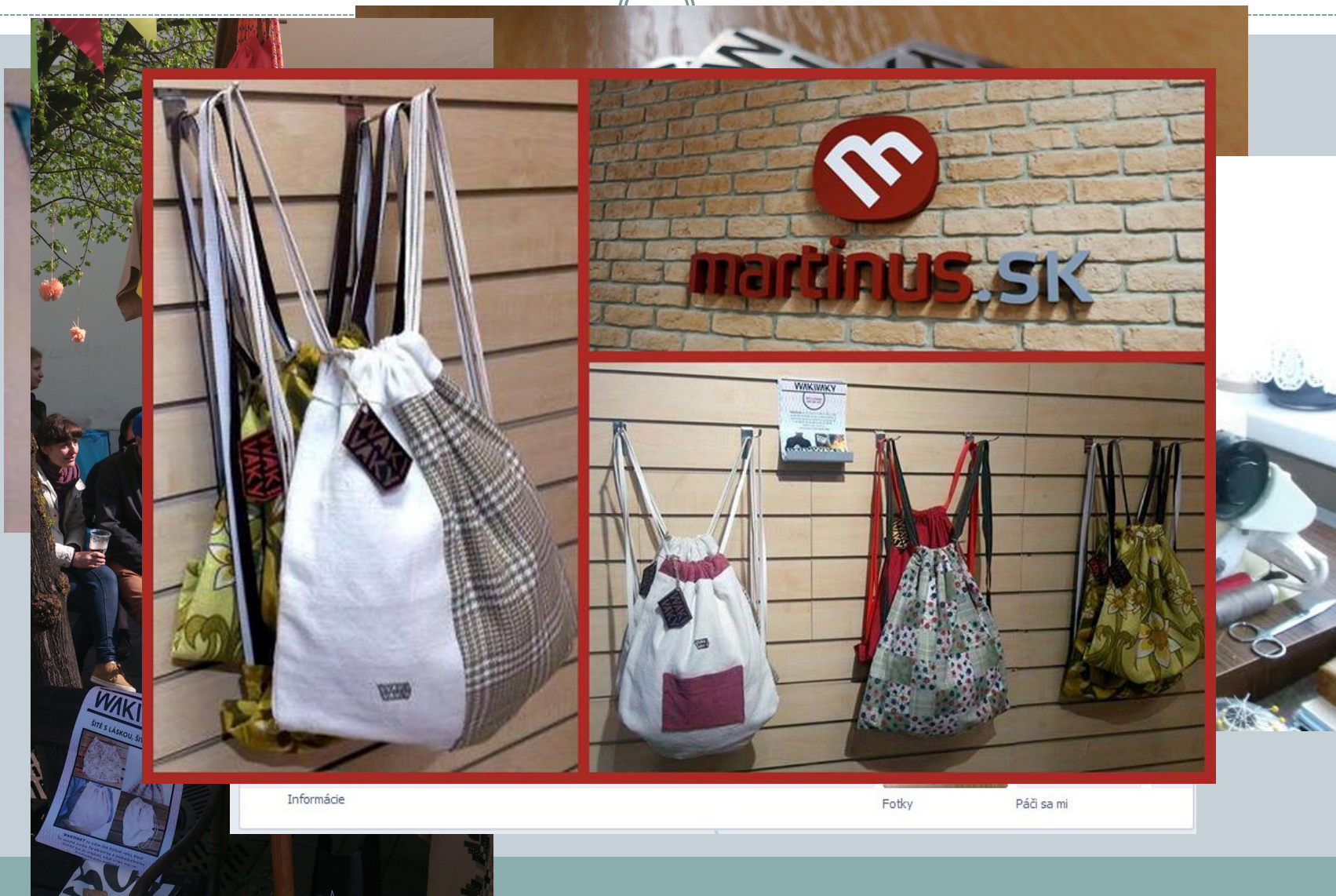
02/2014 - ongoing

Elective course for bachelor study...

Main idea and goals:

- Development of entrepreneurial skills through ***intergenerational cooperation***
- ***Intergenerational teams:***
 - *Seniors from the University of the Third Age, Comenius University*
 - *Bachelor students from Faculty of Management, Comenius University*
- ***Experiential learning*** – microbusiness development during course. Real-life practical business activities
- ***Interdisciplinarity*** ensured by seniors experiences from their professional life

Case WAKI VAKY - Photogallery..:)



Course: Development of Entrepreneurial Skills in Cross Generation Teams

Case WAKI VAKY



- **WAKI VAKY - producing and selling fashionable bags for youth**
 - ✦ Hand-made.
 - ✦ Fair trade,
 - ✦ Recycled.
- **Impact**
 - Student **Dominika** (the 2nd year master degree at Comenius University) started to create business model immediately after course completion and continues with business development in cooperation with seniors.
 - Business is still **at early stage** – growth is expecting after graduation....in 2017
 - There is a big interest on their product in country and abroad,
 - Uses a few distribution channels –**e-shop, music festivals, SASHE, bookstore network...**
 - ✦ **She has already created 3 jobs for women – seniors;**
 - ✦ Business emphasis importance of **environmental** and the other **social** aspects.
 - ✦ Since 2016 trade mark WAKI VAKY is **part of world Fashion Revolution** that fight for transparency, sustainability and ethical production in textile industry
 - ✦ Experiences from **collaboration and communication with seniors**...highly appreciated by Dominika.
- <http://waki-vaky.com/>
- https://www.youtube.com/watch?v=Ml_7tybR6R8

Conclusions...



Key Pillars for Senior and Intergenerational Entrepreneurship Boost:

- Public Policy...
- Research
- Entrepreneurship Education and Training Programs
- Mentoring
- Access to Capital

Thank you for your attention!



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