

IMPLEMENTATION OF THE CHARTER FOR SMALL AND MEDIUM-SIZED ENTERPRISES IN SLOVAKIA¹

HELENA STRÁŽOVSKÁ² – ĽUBOMÍRA STRÁŽOVSKÁ³
– ANNA VESZPRÉMI SIROTKOVÁ⁴

Implementácia Charty malých a stredne veľkých podnikov na Slovensku

Abstract: *The European Charter for Small Enterprises is a key document of the EU, which was created in 2000. The aim of the Charter is to improve the legislative and administrative framework for the functioning of SMEs. National representatives are committed to taking action in favour of small businesses in ten key areas and reporting on annual progress. In Slovakia, this challenging issue is performed by the Slovak Business Agency. Good practices in the Small Business Policies policy are evaluated there. Beneficial practices are interesting for all countries – they are published. The aim of the paper is to evaluate the results of our research of small and medium enterprises, focused on opinions of small entrepreneurs on the European Charter for SMEs and Small Business Act implementation in Slovakia.*

Keywords: *European Charta for SME, Small Business Act, entrepreneurship, SME, business environment*

JEL Classification: L 26, L 53

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² prof. Ing. Helena Strážovská, PhD., University of Economics in Bratislava, Bratislava, Slovak Republic, e-mail: strazovska@azet.sk

³ Assoc. prof. Ing. Mgr. Ľubomíra Strážovská, PhD., Comenius University in Bratislava, Bratislava, Slovak Republic, e-mail: lubomira.strazovska@fm.uniba.sk

⁴ Ing. Anna Veszprémi Sirotková, PhD., University of Economics in Bratislava, Bratislava, Slovak Republic, e-mail: anna.veszpremi@euba.sk

Introduction

The European Union recognizes the dynamic capabilities of small enterprises to respond to the needs of new markets and to provide employment opportunities. A number of new economic rules, which originate primarily in common elements as defined by the European Commission [5], became a problem for some small businesses. We have paid attention to this issue in our research activity, mainly because – as we know, small businesses are the driving force behind the economy. It is therefore necessary to know the causes and find the key to change.

Our text is mainly based on the opinions of small entrepreneurs, which requires continuous monitoring and analysis, and finally proposals for a possible change. This takes a longer time to monitor, analyze and evaluate the economic processes of small and medium-sized enterprises. Our analytical focus is mainly on micro and small businesses, as medium-sized businesses account for just over two per cent of the total number of businesses. Regardless of this, our findings apply to them. Similar researches were accomplished during past years also by authors Lesáková [13], Akbaba [1], Barkchatov [2], Pletnev [2], Campa [2], Stoian [19], Rialp, A. [19], Rialp, J. [19], Jarvis [19], and many others. This fact confirms the importance of small and medium businesses for the whole society.

Theoretical Basis

The resiliency and lasting growth of small and medium-sized enterprises has been attributed to significant features, due to the fact that they have become the most powerful engine of any market economy by their flexibility. This is indicated by the fact that Europe is a large majority of all businesses, a category of small and medium-sized enterprises employing more than half of all working people.

Distinguished is their share in gross domestic product output, which varies from country to country by 50 to 70%. In the Slovak economy, they have a similar position as in the European economy. Situation of SMEs has been in the centre of interest of authors of this publication for a long time and it was the objective of our several researches, that resulted in educational publications for students and entrepreneurs [20, 21, 22]. SMEs make a substantial contribution to the non-financial business economy in Slovakia, accounting for 54.4% of total value added and 72.1% of total employment.

SME productivity calculated as value added per person employed is 61.2% lower than the EU average. [7]

The term SME, from the quantitative point of view, encompasses all sectors unless they exceed a certain size. The size is measured by the number of workers. Within individual countries, a larger number of indicators has been defined, size of profits, investments, individual types of capital, market share, production or sales volume, number of jobs, sales, etc. All listed criteria have a limited capability. In practice, it is pointed out that with the same number of employees, sales in the same industry may fluctuate in individual enterprises.

The importance of SMEs in Slovakia, in terms of their development, starts to consider more significantly after 1990 in connection with the privatization and transformation of the economy. The rapid development of small and medium-sized enterprises in our conditions was recorded in 1991– 1992, and their origins were conditioned by a number of factors, some of which were: large-scale privatization of large state-owned enterprises and the emergence of a large number of small and medium-sized enterprises, restitutions and liberalization of business relations that caused significant emergence of a larger number of SMEs with foreign ownership.

The accuracy of SME development in our conditions is different, even in the fact that small enterprises were created mainly by the progressive process of the creation and growth of private ownership, while medium-sized enterprises often resulted from a decrease in the number and structural changes of state enterprises. Recently, they are also created due to the qualitative transfer of tradesmen as natural persons registered as entrepreneurs in the Commercial Register and, their transformation into commercial companies. This is often the result of efforts to expand their activities. Authors Kubičková [10, 11, 12], Benešová [11], Breveníková [11], Micháľková [10, 12] and Krošlákova [10, 12], give in their research an extra attention to the business environment and to relationships between innovations and productivity in businesses.

However, it must be emphasized that the success of economic reforms also depends on how quickly a healthy business environment with a number of small and medium-sized enterprises can be created. The integration of SMEs into the European Union's network economy brings higher demands for entrepreneurship in a competitive environment. Firstly, it is about respecting new European laws governing trade and business [16] and implementing innovations [14] and modern forms of businesses [15, 18]. Very important is also the institutional support of research and development activities in small

enterprises [3]. Many scientific and professional journals pay attention to the problems of small and medium businesses; in Slovakia we can mention “Hospodárske noviny” [9], that are very inspirational for us.

Charter for Small and Medium-Sized Enterprises

The European Charter for Small Enterprises was adopted by the General Affairs Council on 13 June 2000. In March 2002, the Member States approved this document and committed themselves to work in accordance with its principles. Small businesses must be seen as the main driving force behind innovation, employment and social and regional integration in Europe.

The Charter has become a pillar of the European Commission’s [4] entrepreneurial policy and a cornerstone of the Member States’ small business policy. In 2002, the Government of the Slovak Republic agreed to the adoption of the European Charter for Small Enterprises and, at the same time, required individual state bodies to adhere to the principles of the European Charter for Small Enterprises in the drafting of their competencies and legislation.

The Small Business Act (SBA)

The Small Business Act (SBA) is an overarching framework for the EU policy on Small and Medium Enterprises (SMEs). It was adopted in 2008 and it aims to improve the approach to entrepreneurship in Europe, simplify the regulatory and policy environment for SMEs, and remove the remaining barriers to their development. The SME Performance Review is one of the main tools the Commission uses to monitor and assess countries’ progress in implementing the SBA. [5]

The European Commission’s initiatives promoting entrepreneurship are summarised in an **Entrepreneurship Action Plan** adopted in January 2013. They aim to reignite Europe’s entrepreneurial spirit by educating young people about entrepreneurship; highlighting opportunities for women and other groups; facilitating administrative requirements; making it easier to attract investors. [6] European Union has implemented several tools to support small and medium enterprises. [23] The entrepreneurial education of young people was main object of

research of Hlavatý [8] and it is also in the centre of interest of authors of this publication.

Methods and Methodological Approaches

Our research was based on literature review and we have accomplished the primary research based on questionnaires on the sample of selected respondents – entrepreneurs of small and medium businesses in Slovakia in 2016 and in 2017. 200 small entrepreneurs were approached. We used the questionnaire method. The return of the questionnaires was 65%, so we received 130 completed questionnaires in 2016 and 130 questionnaires in 2017. The results were evaluated in Stat-graphics and Microsoft Excel. The analysis and evaluation of economic processes mainly required the use of economic statistics methods. Their choice was based on the objective of the text and was mainly focused on the knowledge process, which required a fairly simple imaging system. These were mean values, ratio numbers, and development tips. Graphical methods were also used. The choice of methods monitored the fulfillment of the chosen objective, which was aimed at evaluating the opinions of small entrepreneurs in Slovakia on the issues of economic processes and their management.

Research issues were based on the six principles of the Charter for SMEs, according to which the European Union:

1. Recognizes the dynamic ability of SMEs to respond to the needs of new markets,
2. Emphasizes the importance of strengthening social and regional development,
3. Recognizes entrepreneurship as a valuable life skill,
4. Appreciates successful businesses,
5. Risking – though unsuccessful – considers as an opportunity to learn,
6. Recognizes the importance of knowledge, will and flexibility in the new economy. (European Commission, 2000)

Questions in questionnaires were oriented to tools of stimulation of SMEs to improve business, that were aimed to

- strengthen the spirit of innovation,
- provide a regulatory, fiscal and administrative framework to support entrepreneurial activity,
- ensure access to international markets,
- facilitate access to research and technology,

- improve access to finance throughout the business life cycle,
- continually improve performance so that the EU offers the best environment for small businesses in the world,
- listen to the voice of small businesses,
- promote support for top-class small businesses. [6]

We have asked entrepreneurs twenty-seven questions; ten of them were related to implementation of the European Charter for Small Entrepreneurs; ten were related to implementation of the Small Business Act and seven were related to classification of respondents by region, size, age, etc. All data are placed in table in Excell and were processed by several statistical tools, as mentioned above.

Results

After a long time since the establishment of the European Charter, we have once again questioned the extent, to which small businesses in Slovakia fulfil the Charter's content. We were thinking about how to act in terms of gaining the efficiency.

The research file consists of 130 questionnaires of entrepreneurs with twenty questions related to objectives of our research in the structure of three possible answers to each question. Time tracking was 2016 and 2017.

Small businesses are at the center of our attention also in the pedagogical process as well as in the field of research. This is evidenced by the fact, that in teaching process, several subjects with related content are included, they are part of state final examinations, research tasks of educators and students, all in the spirit of the classic "Small is beautiful".

In relation to economic practice, we asked entrepreneurs how much they are identified with the EU Charter for Small Entrepreneurs, what they have to do with the aims and roles of being willing to learn from other countries' best practices and have a positive attitude towards entrepreneurship.

As we know, the Charter contains ten key points. We present them together with the concise opinions of entrepreneurs, and at the same time we present other ten research points, which also follow the opinions of small entrepreneurs in connection with the Small Business Act in force in the EU and in Slovakia.

Evaluation of entrepreneurs' opinions for the years 2016 and 2017 under the European Charter

In the following, we present the full text of the research questions and their evaluation based on the responses of the respondents – small entrepreneurs in 2016 and 2017. In their responses, we sought opinions on changes in the content of economic instruments and as a consequence of the change in living standards as well as other related responses. We counted the values for the total number, resp. 130 respondents, we neglected values “c” less than 10.

To this methodology we note, that from our calculations the whole is not equal to 100%. This is because low values are eliminated in the calculations; so they do not affect our conclusions. In the following, we will focus on the views of entrepreneurs in relation to the European Charter.

1 Do you consider the process of education and training for entrepreneurship in Slovakia to be sufficient?

Businesses see their shortcomings in particular in the area of legislation – its frequently changing content. Additionally, changes in the content of laws do not detract from the deficiencies as seen by entrepreneurs. The law-maker lacks the pre-commercial training, especially in the field of financial literacy. They see their own shortcomings in the practical solutions of bureaucracy and in the process of dismantling administrative work. They recommend theoretical and methodological preparation for the entrepreneurial process throughout the course of study at all levels of education, and to accentuate this process for start-up entrepreneurs. Despite this, 60% believe that their education is sufficient. In 2017, only 48% of respondents are content with their education and feel prepared to do business. On the contrary, 46.1% of respondents feel deficiencies in the knowledge of legislation and the whole financial area.

2 Is there an opportunity to improve your skills in doing business?

Improvement of entrepreneurial skills should take place throughout the entire process of school education. It turns out that school education escapes real life. Education in Slovakia lacks practice – according to small entrepreneurs. We recall the opinion of one of the foreign lecturers, who the Slovaks regarded as people with good knowledge but without skills. 32% of respondents did not even know what they were supposed to imagine.

In 2017 entrepreneurs are convinced (78.4%) that they get the right skills directly in practice while practising. 17.6% of respondents believe that they

actually have no skills. This can be considered a significant drawback.

3 Does your business start up speed?

The European Commission strives for the shortest start-up time. Our small entrepreneurs seem to have long waiting times (Delaware takes about 2 hours to start a business). Businessmen also dislike access to offices. They would expect more comfort and even shorter time. 59% of respondents in 2016 thought that starting a business in the world was faster.

In 2017 entrepreneurs were still experiencing a process of slowing down the speed of starting the business process, especially against foreign experience. Only 30% of respondents are satisfied with this process; on the contrary, 60% think that Slovakia is lagging behind on this issue abroad.

4 How satisfied are you with the legislation in force?

This question was partly answered in question no. 1 of this paper. It has to be added that entrepreneurs do not feel quite unequivocally state-aid – on the contrary, how they would “put themselves under their feet”. Legislation is difficult to orientate. (There is no prior preparation). They worry that legislation often changes (70%), and to the detriment of small entrepreneurs. Changes are required in this process.

2017 – in its present state, only 11.4% of entrepreneurs qualify. Frequently changing process, or its content does not account for up to 85.4% of entrepreneurs. Frequent changes in the content of individual categories do not give entrepreneurs enough time to review the results and problems of their own activities.

5 Do you feel the improvement of online access to finance?

Entrepreneurs do not feel (in their own words) the improvement even after some time. The interest rate is still high. They do not understand the financial world, they have a problem to evaluate financial connections. They also find, that state employees do not know the latest laws in detail, or they are not sufficiently informed. It is clear that over the last three years, the problem of getting credit has deteriorated. It is felt that banks require unnecessary information (in the opinion of entrepreneurs). Despite this, only 18% of respondents have problems with this process. According to results from 2017, a relatively high share of entrepreneurs 73.1% think that the current state is satisfactory, but they admit some minor problems. This opinion is expressed

by 16.2% of respondents.

6 How do you find business taxation and financial issues related to it?

We consider the issue of business taxation and financial issues to be a very sensitive issue. In principle, taxes in Slovakia are still high (89% of respondents), and entrepreneurs express their disapproval to such a degree that they “understand” why some of them are obstructing the law. They would accept the results of the analysis “... where taxpayers’ money end”.

In 2017 only 14.6% of respondents believe that the tax system is reasonable. Compared to foreign countries, taxes in Slovakia appear to be relatively high. This opinion is shared by 83% of respondents.

7 Do you perceive that you get more benefits from one market?

According to business people, the benefits do not all feel. Relatively few of them are directly involved – 48%, sometimes they appear to have no problem and no benefit – 47%.

Participation in the single market in 2017 is welcome by about one-third of respondents, which should be considered as low. 60.7% of entrepreneurs are of the opinion that the Single Market gives them no benefits. They face several barriers such as prices, language gaps, low level of knowledge of foreign markets, etc..

8 Participation in strengthening the technological capacity of small enterprises

Most small entrepreneurs were passive on this issue. “No, I do not participate” even as a member of inter-company clusters (63%).

Also in 2017, this is the weak side of small businesses. Only 31.5% of entrepreneurs are involved in research and education programs. Membership in inter-company clusters is reported by only 23.8% of entrepreneurs, while 45.4% are without membership in any association to strengthen technological capacity. We see this as a major drawback.

9 Attitudes towards successful e-business models and support for top-class small businesses

Unfortunately, according to the opinions of small entrepreneurs (respondents), this question is not important to them and is not (to our regret) in the sphere of their interest - 63% of respondents do not take models.

In 2017 only 28.5% of respondents take successful business models. 13.8% of respondents work with business angels, which can be seen as progress in business activity. On the other hand, the fact that 56.9% are not interested in successful models of entrepreneurship can be considered as the weakness of entrepreneurs and as their non-reflectivity.

10 Perception of the creation of a stronger, more efficient representation of small businesses interests at national and European level

Most of small business did not address the issue. According to their words, they know nothing about it, and they cannot even say anything about this topic. But they would welcome a strong defence of their own ideas and opinions in a spirit of self-development – 51% of respondents believe that small businesses' protection is inadequate.

In 2017, 17.7% of respondents believe, that their protection is reasonable. On the contrary, 77.7% expect a strong enough protection that they do not yet feel. In this part of the research, we dealt with ten issues as set out by the European Commission.

The results of our research are shown in Table 1.

Table 1

Results of research

Charter measures adopted	Research results 2016	Research results 2017
1. Education and training for entrepreneurship	60% of respondents consider their education to be sufficient 40% admit that it has significant shortcomings,	48% of respondents are satisfied with their education 46.1% of respondents feel weaknesses especially in the area of legislation and financial
2. Improvement and availability of skill	68 % of respondents gain skills in daily practice 32% do not know what it is like to present	78.4% of the skills in daily practice 17.6% have no ideas of skill
3. Cheaper and faster start of business	41% of respondents consider this process to be good 59% remind that starting a business in the world is faster	30% is satisfied 60% think that Slovakia is lagging behind on this issue abroad

4. Better regulation and regulation	30% of respondents express their satisfaction with the legislation 70% recall inappropriate frequent legislative changes	11.4% are satisfied 85.4% are not satisfied with frequent legislative changes
5. Improving on-line access to finance	82% of respondents are positive about the process 18% have problems with this process	73.1% are fit 16.2% feel small problems
6. Taxation and financial issues	54% of respondents consider taxes still high 27% consider taxes to be relatively high 19% consider the level of taxes to be reasonable	83% of respondents consider taxes to be relatively high 14.6% of respondents consider the level of taxation to be reasonable
7. More benefits from the Single Market	48% of respondents welcome the creation and participation in the single market 47% do not feel any benefits from the single market 5% did not comment	30% of respondents welcome the possibility of participation in the single market 60.7 % do not feel any benefits from the single market
8. Strengthening the technological capacity of small enterprises	63 % Successful e-business models and support for top-class small businesses 18% are involved in clusters 18% are involved in inter-company cooperation and other forms of technological cooperation	45.4% of respondents have no membership 23.8% are involved in clusters 31.5 % engage in inter-company cooperation and other forms of technological cooperation

<p>9. Successful e-business models and support for top-class small businesses</p>	<p>63% of respondents do not take any successful business models</p> <p>27% on the other hand, successfully take e-business models</p> <p>10% work with business angels</p>	<p>56.9 % of respondents are not interested in successful models of others</p> <p>28.5% passes successful models</p> <p>13.8 % work with business angels</p>
<p>10. To create a stronger, more effective representation of the interests of small enterprises at Union and national level</p>	<p>57% of respondents consider that this protection is insufficient</p> <p>32% believe that the representation of the interests of small businesses is appropriate</p> <p>11% have no opinion.</p>	<p>77.7% do not consider the protection to be sufficient</p> <p>17.7 % believe that their protection is adequate</p>

Source: Own research.

Opinions of small entrepreneurs on the contents of the Law on Small and Medium-Sized Enterprises

In this part we will present results of opinions of small entrepreneurs on the contents of the Law on Small and Medium-Sized Enterprises, called as Small Business Act (SBA).

11 Assessing the environment in which entrepreneurs and family businesses can grow and be rewarded for their entrepreneurial efforts

Businessmen have expressed their dissatisfaction – 72% of respondents think that the current business environment does not support the growth of business activity. Entrepreneurs should be rewarded by performance. In 2017, 28.5% of respondents consider the business environment to be suitable for growth and remuneration. On the contrary, 70% see the business environment as very problematic.

12 Ensure that honest entrepreneurs who have gone bankrupt can quickly get a second chance to grow

55.4% of respondents believe that such entrepreneurs have a second chance, the remaining number is convinced, that such a chance to get another chance in Slovakia is not what is the detriment of things. In 2017, 35.4% of respondents recognize that there is a chance. On the contrary, 55.4% of entrepreneurs think that there is no chance. Finally, 10% have multiple opinions.

13 Create Policy Based on the “Think Small First” Principle

Small businesses in Slovakia are primarily interested in their contribution to GDP creation, also in terms of employment rates. In the long run, small businesses do not notice a significant positive change.

According to results in 2017, 19.2% of entrepreneurs think that small businesses in Slovakia should be of prime interest. By their number, they really deserve it. However, 70.7% do not see any positive change to their regret, rather they have the opinion, that they would expect more help from the responsables.

14 Responding to the needs of small and medium-sized enterprises

Responsible authorities do not respond quickly enough; they do not respond at all to the needs of small entrepreneurs – 80% of respondents consider this relationship to be negative.

According to 10% of respondents in 2017, responsible authorities do not respond to problems, and they are not meeting the needs of SMEs. Authorities do not respond quickly or do not react at all – 87.7% of respondents believe this statement.

15 Public policy instruments should be tailored to the needs of SMEs

Based on the research results, we note that it is a matter of facilitating the participation of small businesses, public procurement and improve the use of State aid for SMEs. Nearly 71% of respondents do not feel this kind of assistance from the competent authorities; 6% did not express their opinion to this issue.

In 2017 only 14.6% of respondents evaluate public policy in relation to SMEs positively. 84.5% of respondents do not feel any demonstrable help.

16 Facilitate SMEs’ access to finance and create legal and entrepreneurial means to support the early settlement of commercial transactions

It would be demanding to make it easier for small and medium-sized enterprises to access finance, and to create legal and entrepreneurial means to support and timely payment of commercial transactions. SMEs would seek to facilitate access to finance. Only 26.9% were satisfied with the relationship, or partially satisfied 50.7% of respondents. More than 20% are dissatisfied with SMEs.

Results from 2017 show, that it would be desirable for SMEs. However, only 14.6% of entrepreneurs express their satisfaction with financial relations. 63.8% are somewhat dissatisfied and 21.5% are completely dissatisfied with the given relationships.

17 Encourage SMEs to make better use of the opportunities offered by the single market

It would encourage SMEs to make better use of the opportunities offered by the single market. Almost 40% of respondents expressed satisfaction with these relationships. However, negative opinions were expressed by 56.9% of respondents in the sense that they are not sufficiently informed about the single market, they do not act on it. But an activity at the Single Market was desirable for them.

Opinion of respondents in 2017 showed, that entrepreneurs operating in the Single Market were satisfied. Unfortunately, it represents only 37.7% of entrepreneurs. It is argued that 57.6% of respondents do not work in the Single Market and do not feel to be well informed.

18 Promote SME skills and all forms of innovation

The European Commission reiterated the need to increase the skills of SMEs and to promote innovation. Opinions of entrepreneurs showed, that 38% of respondents expressed their positive attitude to innovation. On the other hand, 51% considered their funds to be inappropriate for introducing innovation, despite the lack of respect for progress.

In 2017 more than half of respondents recognize the importance of innovation (50.7%); they have a positive relationship with them and introduce them. Businesses, however, signal a lack of funding to bring innovations. Skills they do not mention – we assume that this is due to their ignorance of the problem.

19 Enable SMEs to turn environmental challenges into opportunities

63% of entrepreneurs do not have the time to address this issue; 29% are doing their utmost to turn possibilities into opportunities.

In 2017, 33.8% of respondents who apply environmental challenges, show great effort. The majority of respondents, 63.8%, by their words, have no free time to go about this issue. We find it a big mistake on the part of small entrepreneurs.

20 Encourage and support SMEs so that they can benefit from rising markets

In 2016, 34% of respondents were feeling this support; 59% did not feel any support.

In 2017 barely one quarter of entrepreneurs perceive this process positively and feel support. However, three-quarters of respondents feel no help or support, and they say they can not profit from growing markets by their own power. Unfortunately, they do not even know them.

It is clear from the above results that small entrepreneurs do not carry out their activities smoothly. There are a lot of reserves that we will try to point to for efficiency gains.

To this methodology we note that based on our calculations the whole is not equal to 100%. This is because low values are eliminated in the calculations and do not affect our conclusions. In the following, we will focus on the views of entrepreneurs in relation to the Small and Medium Business Act.

Conclusions of Comparing Business Perceptions of Small and Medium Entrepreneurs in 2016 and 2017 and Assessing Progress as Required by the European Commission

The research results show several facts:

1. Small entrepreneurs badly endure frequently changing legislation. It does not allow them to evaluate the results of their own activities and the long-term planning of their activities.
2. They are not sufficiently prepared for action in the Single Market; their participation is barely 30%. In their comments, they highlight language barriers and a low level of knowledge of Single Market conditions.
3. They still feel weak representation and protection of their interests at home

and abroad. These facts have been reflected in both the time periods of our research, even more in 2017.

4. Problems in skills persistently appear.

5. Participation in the strengthening of technological capacity is still insufficient.

However, there are common features of SME development in 2016 and 2017. These include:

- the ever demanding faster start-up rate (question 3)
- problem with finance (5)
- the process of taxation (6)
- successful deployment of e-business models (9)

These are issues identified by the European Commission for the successful development of SMEs. Slovakia has significant reserves.

Conclusions of Comparing Business Perceptions of Small and Medium-sized Enterprises in 2016 and 2017 and Evaluating Progress in the Opinion on the SME Act in Slovakia

In 2016, small and medium-sized businesses most felt the following problems:

- The question of bankruptcy appears to be very significant. The starting points are not quite clear. (12)
- Entrepreneurs are not happy with the recognition of their own level and value – they do not see a positive change over the long term. (13)
- State aid does not feel sufficiently. (15)
- Facilitating access to finance is not feasible.
- Support for skills seems inadequate as well as incentives for innovation. (18)
- Support for SMEs is inadequate. (20)
- In 2017, two more serious problems arise:
- The Improvement Process in Skills (2) – entrepreneurs still feel like their shortage.
- Strengthening technological capacity should be faster and more pronounced.
- However, many negative elements work in both of our periods. These are the following:
 - Business Environment – Growth and Remuneration (11);
 - The response of public authorities to the needs of SMEs (14) appears to

- be inadequate;
- Use, resp. not taking advantages of the opportunities offered by the Single Market (17);
 - Transmigration of the environmental challenges to reality has not yet happened (19).
 - Comparison of research results in 2016 and 2017 is shown in Table 2.

Table 2

Comparison of research results in 2016 and 2017

Number of the Question:	2016	2017	Difference
1	✓		v
2		✓	v
3	✓	✓	tt
4	✓		v
5	✓	✓	tt
6	✓		md
7	✓	✓	v
8	✓	✓	v
9		✓	tt
10	✓		v
11	✓	✓	t
12	✓		v
13	✓		v
14	✓		md
15	✓		v
16	✓		v
17	✓	✓	tt
18		✓	v
19	✓	✓	tt
20	✓		v

Source: Own research.

The legend:

✓ = more positive result

v = significant difference

t = identical

tt = almost identical

md = slight difference

Evaluation of SME research results in 2016 – problems related to the tasks set out by the Commission (Questions 1–10)

- training for entrepreneurship (1)
- start-up speed (3)
- satisfaction with legislation (4)
- online access to finance (5)
- taxation and financial issues (6)
- benefits from the Single Market (7)
- e-business models (9)
- representing the interests of SMEs at home and at European level (10)

Perception of a new SME Act (Questions 11-20)

- bankruptcy (12) – a small chance of doing business again
- Do not “Think Small First” (13)
- facilitate participation in public procurement (15)
- facilitate access to finance (16)
- increasing skills and increasing innovation (18)
- support SME growth (20).

SME Evaluation 2017 – Issues

Tasks set out by the Commission (Questions 1 to 10)

- ability to improve skills (2)
- start-up speed (3)
- improving online access to finance (5)
- taxation and financial issues (6)
- strengthening technological capacity (8)
- attitudes towards successful models of e-business (9)

Tasks under the new SME Act (questions 11-20)

- creating an environment for growth and remuneration (11)
- Responding public authorities to the needs of SMEs (14)
- taking advantage of the Single Market opportunities (17)
- to support the growth of skills and innovation (18)
- Translating environmental challenges into opportunities (19)

Comparing the opinions of entrepreneurs in two seasons (albeit subtle) in favour of 2017. This means progress in development. However, minor shortcomings remain, which are not always the result of decisions by the governing bodies. It turns out, that an even shorter period of entrepreneurs' training has gone on to develop skills, the need to innovate and to deal with the funds effectively. The following changes would be desirable:

- a) Start preparing for a business already at the basic level of education in forms as they are known abroad. Increase in demand for 12-15 year olds and 16-18 year olds. Create the conditions for the success of their business - by buying and selling their products.
- b) Enhancing financial literacy at all ages, but especially for young entrepreneurs;
- c) Introduce a regular education process for all
 - a. e.g. early radio broadcasting
 - b. occasional lectures of experts, "Learning Friday"
- d) Introduce compulsory training on a yearly basis
 - a. taxation
 - b. new economic tools for all entrepreneurs to increase the quality of man.
- e) Monitor the rate of innovation and link their growth to tax deductions;
- f) Ensure that research becomes a permanent part of each enterprise.

Successful entrepreneurial activity is needed to increase the efficiency of the entire national economy, but also for the entrepreneurs themselves. The way forward and the tools for this is a continuous learning process.

The only area, in which the country achieves better results than the EU average, is the use of the benefits offered by the single market. In other areas, the results are average. The Small Business Act for Europe (SBA) is a major EU policy initiative to support small and medium-sized enterprises [17]. The purpose of the annual updates of key facts is to improve the understanding of the latest trends and national SME policies.

Many areas are making progress. Great emphasis was placed on measures to improve the business environment after the adoption of the state policy called the Singapore Initiative. Important policy initiatives included the creation of business information centres to support Slovak exporters, shortening the time required to obtain business authorization, and efforts to improve the credit flow to the real economy. It is also about improving the following processes [6].

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