



PROBLEMS OF THE YOUNG ENTREPRENEURS & DIRECTIVE LINES TO BE FOLLOWED - INITIATIVES TO LAUNCH IN ORDER TO SUPPORT THE ENTREPRENEURSHIP AND YOUNG PEOPLE

PROBLEMS	DIRECTIVE LINES TO BE FOLLOWED
<p>Bureaucracy - the administrative environment for setting up and conducting a business activity is very difficult due to bureaucracy (the most important of the problems faced by young entrepreneurs). Inefficient public administration which stands for numerous administrative obstacles, excessive and unstable regulations. Legislative change is often dictated by interest groups, legislative procedures are bureaucratic and the paperwork is very complex.</p>	<p>Debureaucratisation - simplification of the legal framework in order to start a new business, simplification of procedures applicable to the business environment. It will be very useful for young entrepreneurs to have access to an online platform with the basic of legal rules for functioning of a company, which will centralize all normative acts related to the business environment as well as the national institutions with responsibilities in their application.</p>
<p>Ivory tower effect of the central administration - Young entrepreneurs face more and more with the lack of real understanding of the real world from the central administration</p>	<p>Preparing and organizing events or other actions to facilitate the communication between young entrepreneurs and national institutions, so that they connect to the realities of the business environment.</p> <p>Consolidation of the social dialogue</p>
<p>Instability of the political system – that generates an unstable climate and lack of confidence from the business environment</p>	<p>Applying national stability measures which will lead to the creation of a stable business environment.</p>
<p>Fiscal uncertainty and level of taxation - taxation and regulation have worsened lately in Romania.</p>	<p>Favorable tax rates and simple regulations – that will increase the number of entrepreneurs, which will bring back to the state and the community significant revenues from taxes and create many jobs. It is important to have lower taxes for SMEs and a low level of taxes for the first 3-5 years of a Start-up.</p>





<p>Constant change of the fiscal code - which directly leads to the instability of the business environment</p>	<p>Predictability of the tax environment - creating consistent and predictable procedures that will lead to better budgeting and building of adequate long-term strategies for young entrepreneurs.</p>
<p>Legal framework uncertainty - the legal system in Romania is too difficult to follow, it's taking too much to be up to date with all the legal requirements. The lack of clarity and the interpretability of regulations are factors that facilitate the phenomenon of bureaucracy and corruption. Also, there are aspects that are missing or are unclear in multiple EU member states, including Romania.</p>	<p>Improve the legal environment - Carrying out actions for developing a proper legal framework for business in all areas of activity, a clear, efficient and simplified legislative framework: through dismantling and simplifying it, reducing bureaucracy, improving the attitude of civil servants and state institutions towards entrepreneurs, but also through predictability and legislative stability</p>
<p>Poor Entrepreneurial education - the education received by the youth from Romania does not prepare them to become entrepreneurs.</p>	<p>Improving Entrepreneurial Education - it is necessary to take measures such as:</p> <ul style="list-style-type: none"> - Integration of entrepreneurship programs in schools (general and high school) so that the knowledge and overall quality of young entrepreneurs is enhanced. - Promotion of entrepreneurial activities for young children, for example in kindergartens - Supporting cooperation between educational institutions and employers so that the students will have the opportunity to acquire applied knowledge, for example: internships. - Expanding the application of innovative learning methods in the educational units such as: exercise firm or simulated enterprise





<p>Financial problems - the need for Capital - for start-up and cash flow problems. Young entrepreneurs need money from different sources because they have less funding opportunities than experienced ones.</p>	<p>Support measures for young entrepreneurs like:</p> <ul style="list-style-type: none"> - Developing programs for financing start-ups (in different phases of their development). - Simplifying the procedures and bureaucracy of the existing funding programs. - Creating structural and targeted communication methods about funding opportunities. - Outlining of credit schemes for small/young entrepreneurs - Creating a bank for young entrepreneurs. - Identifying investor, like business angels, and private investment funds dedicated to young entrepreneurs. - Increasing tax incentives for job creators.
<p>Lack of an entrepreneurial culture - fear of failure remains one of the significant barriers to addressing entrepreneurship. Romanian society penalizes bankruptcy and insolvency of companies, from the perspective of future financing options from banks or other investors.</p>	<p>Developing an own entrepreneurial culture through:</p> <ul style="list-style-type: none"> - Promoting entrepreneurs' success stories that have a major impact on the entrepreneurial culture of young entrepreneurs - Implementing mentoring programs with successful business people from different countries - Reducing the excessive government penalizations for honest entrepreneurs who are in this situation (bankruptcy and insolvency) and encouraging private creditors to have a similar approach
<p>Business internationalization - through the need to develop and consolidate the business, but also through the specifics of their activity there are many firms owned by young entrepreneurs targeting the international markets and encountering barriers to access.</p>	<p>Programs for business internationalization - it is very necessary for the Government to create funding programs dedicated for business internationalization. Other support measures may be the creation of the necessary framework for networking among companies from different countries by organizing periodic events at national and European level and the creation of specific social networks on different fields of interest.</p>



<p>Underestimate young entrepreneurs – Lack of trust from other businessman, partners, leads and prospect clients when they understand that young entrepreneurs have little or no experience.</p>	<p>Access to networks of entrepreneurs at national and European level– in this way will be satisfied the need for better networking (in order to attain, finding and retaining customers or business partners). Other measures will be the development of networking platforms for young entrepreneurs in different areas of interest and the organization of events or other actions for networking among European entrepreneurs.</p>
<p>Lack of trained labor force - the lack of correlation between employers' demands and the education system that prepares graduates in areas that are not demand on the labor market, as well as the continuous development of the business environment and the emergence of new professions.</p>	<p>Facilitating access to employee training programs – It is necessary to create funding programs for specialization, training, qualification and exchange of experience for the employee who will allow them to improve their knowledge, both professionally and personally.</p>
<p>Lack of dedicated programs to encourage young entrepreneurs with experience - Almost entirely, funding programs available at national and European level encourage younger entrants, while those who have demonstrated that they can be successful through accessing tools are not encouraged to continue these actions.</p>	<p>Funding programs dedicated to young entrepreneurs with experience - creating a program to encourage those who have shown themselves as examples of good practice, with the main purpose of building an elite of young entrepreneurs which will give impetus to others to become part of this community.</p>