

Barriers in Financing of Slovak Small And Medium-Sized Enterprises*

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Abstract

Defining barriers in development of small and medium-sized enterprises is a key role to eliminate them. These barriers differ by country or region of SME. Thus, every country has different conditions for business and for their financing. Main purpose of this article is to describe barriers and obstacles connected with getting financing for Slovak small and medium-sized enterprises based on available literature, surveys, publications etc. Results are separated into three sections. First section is focused on general financial obstacles of SME. Second section is focused on barriers of enterprises according to SAFE survey and the last describes innovation barriers. In this paper we have reached several conclusions. Firstly, the age and the size of a company are the biggest barriers for SMEs when applying for a bank loan. Secondly, biggest innovation obstacles are too high cost and difficulties in obtaining public grants. Thirdly, the biggest barrier according data from SAFE survey, is availability of experienced and skilled managers. And surprisingly, access to finance is not the most important problem of Slovak SME.

Keywords: SMEs, financial Barrier, Access to Finance, Innovation