

## CAN ENTREPRENEURSHIP EDUCATION DRIVE THE STUDENTS’ ENTREPRENEURIAL SPIRIT OF DEVELOPMENT?

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*Abstract: Self-awareness and self-confidence are the entrepreneurial attitudes which constitute the basis for all other aspects of entrepreneurship. They entail discovering and trusting in one's own abilities which then allow individuals to turn their creative ideas into action. Taking the initiative and risk taking, critical thinking, creativity and problem solving are also fundamental, but they are also specific attributes of an ‘enterprising self’. Studies show that students need to find out above all whether entrepreneurial activity suits them, whether they have sufficiently high entrepreneurial aptitude to become entrepreneurs. Depending on what they learn students may assess and adjust their entrepreneurial intentions and aptitude. In our survey-based study we try to find out how students from different specializations define themselves in terms of entrepreneurship, if they have an entrepreneurial spirit or not.*

*Keywords: entrepreneurship education, entrepreneurial aptitude, qualities, attitudes, students*

### **Introduction**

One of the most important roles of education is to promote entrepreneurial behaviours and attitudes, as the development of employees’ entrepreneurial thinking can contribute to the positive growth of different economic indicators. In the present context we need to stimulate the entrepreneurial mindsets of young people, foster innovative business start-ups, and encourage a culture that supports entrepreneurship and the growth of SMEs, as European Commission’s documents suggested.

According to the Key Competence Framework entrepreneurship is an individual’s ability to turn ideas into action. As it is a key competence for all people, education can help young people be more creative and self confident in whatever they undertake.

As attitudes and cultural references take shape at an early age, education can play a major part in successfully addressing the entrepreneurial challenge. Education should therefore develop awareness of entrepreneurship from an early age.

Entrepreneurship education is more than thinking about how many new firms, businesses were built up by the people who participated in a training course. Entrepreneurship education across all ages can stimulate personal attributes and improve horizontal skills such as creativity, initiative, and can also promote innovation, self-confidence and the full potential of all individuals. Entrepreneurship is a skill that is also useful in both personal and social aspects of everyday life.

Acs (2008) points out that raising entrepreneurial competence is a main policy issue for governments seeking growth outcomes. The OECD (2011) report on skills for innovation and research suggests that government policy needs to pay more attention to the skill development and the flexibility of those in academic careers. Furthermore it claims that a broad range of skills, including ‘soft skills’, will become an increasingly important contribution to innovation in a nation. The OECD report also argues that entrepreneurial skills and capabilities are an essential element for an innovation system but acknowledges that there is no strong evidence that correlates entrepreneurship education with any subsequent

performance. Shane (2008) also emphasizes that education for would-be entrepreneurs needs to be aimed at making them more successful in their activity rather than just be encouraging of their decision to start a business.

Public schools are often bureaucratic, resistant to change, and they tend to stifle innovation. Public school administrators who are not in competition for students against other schools have a much weaker incentive to care about their school's competitive position, and about trying new risky ideas that might not work. A child going to school everyday in an environment of competition and innovation has an advantage in learning these entrepreneurial principles and applying them to their personal life after graduation.

Teachers and school administrators are role models for students. Almquist and Angrist (1971) have defined role models as people who do more than just provide technical information. The authors claim that role models set norms and values and orient behaviours on a certain course. Teachers are observed by students on a daily basis and are arguably one of the most important role models student have. So, students are more likely to take risks and become entrepreneurs themselves after observing their teachers in the risk-taking, business-like environment that school can create. Introducing young people to entrepreneurship develops their initiative and helps them to be more creative and self-confident in whatever they undertake and to act in a socially responsible way.

### **Entrepreneurial characteristics**

Studies on entrepreneurship have a central notion, respectively that entrepreneurs are different (Brenner 1987). Brockhaus (1982) identifies three attributes consistently associated with entrepreneurial behaviour: need for achievement, internal locus of control, and a risk-taking propensity. Sexton and Bowman (1985) conclude that entrepreneurs need autonomy, independence, and dominance. Chell et al. (1991) associate entrepreneurs with traits such as being opportunistic, innovative, creative, imaginative, restless, and proactive, and perceive them as agents of change.

Thomas and Mueller (2000) find similar personality characteristics as Brockhaus (1982). In an attempt to summarize the personality trait literature, Cromie (2000) concludes there are (at least) seven characteristics distinguishing entrepreneurs or business owners from non-entrepreneurs. Although the differences are not equally strong for all groups of non-entrepreneurs (e.g. he found that managers or university professors score equally high on some of the seven dimensions), he lists the following seven.

First is the 'Need for achievement' (McClelland 1961). This reflects a person's need to strive hard to attain success. According to Cromie (2000), 'high achievers set demanding targets for themselves and are proactive and bold in setting about accomplishing objectives' (Cromie 2000, p. 16). Second is locus of control (Rotter 1966; Brockhaus 1982). This depicts the extent to which an individual feels in charge. It reflects the extent to which people feel that luck and fate do not determine what happens to them; in other words, they feel they control the environment by the actions they take, and do not respond to some third party.

The third aspect Cromie (2000) mentions is risk taking. Despite the complexity of the concept of risk, entrepreneurs are generally considered to have a greater propensity to take risks. The fourth characteristic is creativity. Enterprising individuals develop new ideas, spot market opportunities and recombine existing inputs in order to create added value

(Leibenstein 1968). Finally, there is the need for autonomy, tolerance for ambiguity, and self confidence. Need for autonomy refers to the ability and will to be self-directed in the pursuit of opportunities (Lumpkin and Dess 1996). Tolerance for ambiguity is related to the uncertainty inherent in entrepreneurial action (see also Wennekers et al. 2007).

Entrepreneurs are associated with the ability to deal effectively with situations or information that are vague, incomplete, unstructured, uncertain or unclear, without experiencing psychological discomfort (Scheré 1982). Self confidence, finally, is related to self-efficacy (Chen et al. 1998), which can be defined as an individual's cognitive estimate of his 'capabilities' to mobilize the motivation, cognitive resources, and courses of action needed to exercise control over events in their lives (Wood and Bandura 1989).

Self-awareness and self-confidence are the entrepreneurial attitudes which constitute the basis for all other aspects of entrepreneurship. They entail discovering and trusting in one's own abilities which then allow individuals to turn their creative ideas into action. Taking the initiative and risk taking, critical thinking, creativity and problem solving are also fundamental, but they are also specific attributes of an 'enterprising self'. Studies show that students need to find out above all whether entrepreneurial activity suits them, whether they have sufficiently high entrepreneurial aptitude to become entrepreneurs. Depending on what they learn students may assess and adjust their entrepreneurial intentions and aptitude. In our survey-based study we try to find out how students from different specializations define themselves in terms of entrepreneurship, if they have an entrepreneurial spirit or not.

## Methodology

*Sample.* We used as statistical survey method *random sampling*, respectively *stratified random survey*. According to C.A. Moser, regarding the selection of the layering factors (the closest linked to the research subject), we chose as the *layers* of the survey the *specializations* attended by full-time students, respectively *Business Administration, Commerce, tourism and services economy, Public Administration, Accounting, Finance and banking, Human resources management and Business Administration (master courses)*.

The sample structure on age and sex is illustrated in Table 1.

Sex		How old are you?				Total
		less than 20 years of age	20- 24 years	25 -29 years	more than 29 years	
masculine		5	20	0	0	25
	feminine	21	49	4	1	75
Total		26	69	4	1	100

Table 1

*Questionnaire.* In our study we used a quantitative method – a questionnaire with 19 questions, excepting the identification questions (5). It contains only closed questions. We use in the questionnaire a measurement method: the respondents have either to rank a set of values or to choose one value/item at the expense of another in a forced choice format.

*Procedure.* The questionnaire was developed in Romanian and self-administered and it took approximately 15 minutes on average to complete.

### Research results

In order to find out how students from different specializations define themselves in terms of entrepreneurship, we used a set of 19 questions.

Regarding *What do you consider necessary for a successful business?* -“An MBA to a European university would be useful.”, using 5-points Likert-type rating scales, it obtained a score of 1.97, indicating that the subjects agree very much with this statement: “total agreement” – 25%, “agreement” – 56 %, “indifferent” – 16 % and only 3 % of them chose “disagreement” and “total disagreement”.

As for *What do you consider necessary for a successful business?* -“An MBA to an American university would be useful.”, using 5-points Likert-type rating scales, it obtained a score of 2.33, indicating that the subjects agree with this statement, the percentage for each option being as follows: “total agreement” – 14 %, “agreement” – 47 %, “indifferent” – 31 % and 8 % of the students selected “disagreement”.

To the question: *What do you consider necessary for a successful business?* -“An MBA to a Romanian university would be useful”, using 5-points Likert-type rating scales, it obtained a score of 2.26, indicating that the subjects agree with this statement, but we have to consider also that there is a greater number of students in disagreement with this statement. The options are: “total agreement” – 19 %, “agreement” – 60 %, “indifferent” – 22 % and 11 % choosing “disagreement” and “total disagreement”.

As to the question: *The knowledge acquired during faculty period is sufficient to start up a successful business?*, using 5-points Likert-type rating scales, it obtained a score of 2.84 which indicates that the respondents agree with this statement, the percentage for each option being: “total agreement” – 4 %, “agreement” – 42 %, “indifferent” – 23 %, “disagreement”- 28%, “total disagreement” – 3 %. If we compare these results with a previous carried out survey on only two specializations (Business Administration and Commerce, Tourism and Services Economy) we can notice that there are differences. In the previous study the students considered that the knowledge acquired during faculty in not sufficient to start up a successful business (45% of them disagreed with this statement, and only 13% didn't decide on that, compared to 23% in the present survey).

Regarding *Do you think there is a difference between an entrepreneur and a manager?*, from the total number of subjects, 87.9 % selected “yes” and only 12.1 % - “no”.

To the question: *Do you think it is necessary the academic education include some entrepreneurial aspects or courses?*, from the total number of respondents, 84 % answered “yes”, only 5 % - “no” and 11 % - “I don't know”.

Asked if *There are courses (or courses components) in the university curricula that can be considered forms of entrepreneurship education?* 66 % of the total number of students answered “yes” and 34 % of them - “no”. Comparing the present results with the previously carried out survey, we noticed that 73 % of the total number of students considered that there are courses or at least components in the university curricula that can be considered forms of entrepreneurship education, so the number of students answering positively decreased in the present study.

Regarding the question: *Would you participate in a module of entrepreneurship education?*, from the total number of respondents the majority, respectively 78 %, selected “yes” and 22 % of them - “no”, the number of students not wanting to taking an entrepreneurship course being higher now than in the previous survey with 2 percents.

As to the question *How do you consider the courses included in the entrepreneurship education module should look like?*, from the total number of students only 5 % of them chose “They should include mostly theoretical aspects, as detailed as possible”, the majority, respectively 95 %, selected “They should include mostly case studies and practical examples”.

For the following question: *After graduation from university do you intend to pursue master courses?*, 82 % of the total number of subjects answered positively and 18 % of them answered negatively, the number of students not intending to pursue a master course being much higher compared to only 3% of the respondents answering negatively in the previously carried out survey.

Considering the most important qualities which children can be encouraged to learn at home, the respondents regard them as follows: good manners, feeling of responsibility, tolerance and respect for other people, thrift, saving money and things (the results are illustrated in Figure 1.). It is very interesting that the questioned students considered “good manners” and “tolerance and respect for other people” as being more important than “determination and perseverance”, and this means that the relationships between people are more important for them than anything else. Qualities such as “imagination”, “hard work” scored lower than 50% and the students prize “thrift” more than “independence”, the results pointing out that they are more employed oriented than self-employed.

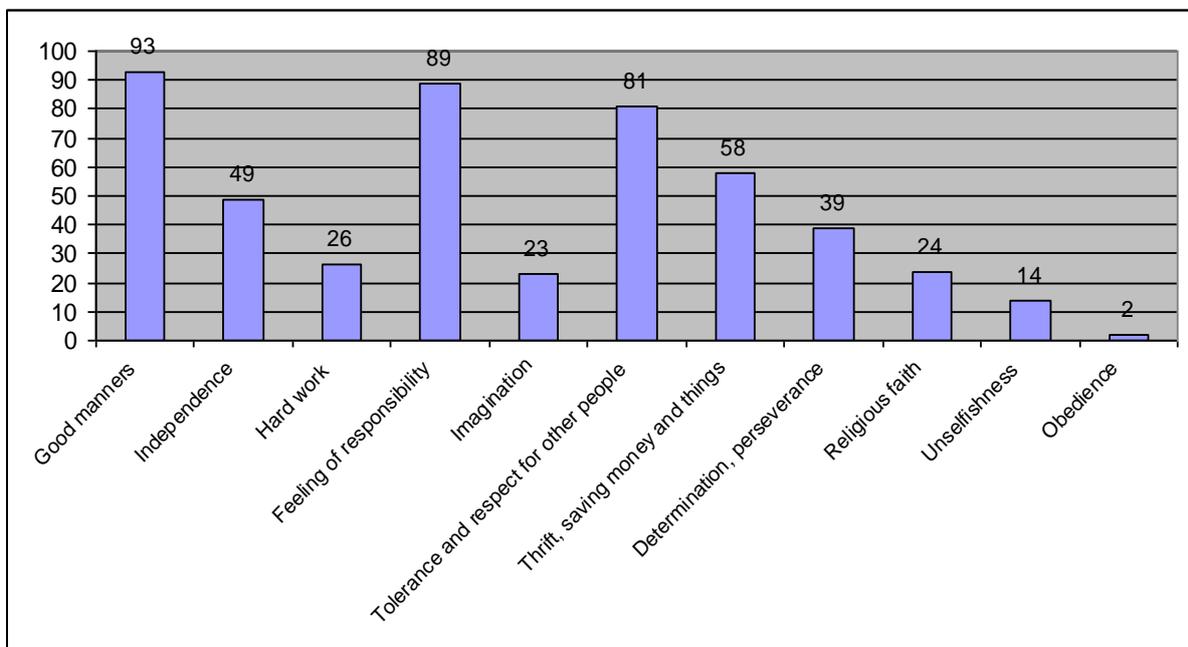


Figure 1. Qualities that children can be encouraged to learn at home

To the question: *If you had started up a business, it would be...*, 84% of the students answered that they would choose *a personal idea*, 6% of the subjects selected *a franchise* and 10% of them considered that they *would continue the family business*.

Asked *What do you need in order to start up a business?*, the students (50%) ranked *financial resources* as the most important element, followed by *relationships* (25%), only a few considered *a new and daring idea* (7%) and *solid technical knowledge* (18%) important, so “relationships” are still important for them even though a new and daring idea could be the most important starting point for a new business.

Concerning *ranking the characteristics of a successful entrepreneur according to their importance (1- the most important, 8 – the least important)*, the results, taking into considerations only the first scale (*1- the most important*), are illustrated in the figure below (Figure 2)

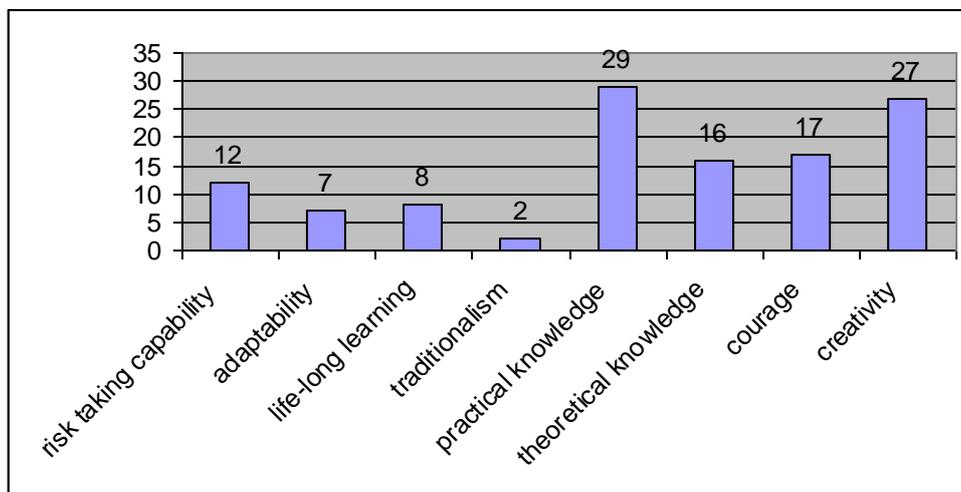


Figure 2. Characteristics of a successful entrepreneur

It is interesting to notice that “Risks taking capability” and “adaptability” are less important for students in terms of starting up a new business compared to “theoretical knowledge”, the results underlying the fact that the students’ entrepreneurial spirit is not so developed. They prize the most “practical experience” and “creativity” which are important when setting up a new business but as well when working in a company. Based on a crosstabulation, 42.85% of the students attending “accounting” specialization considered “practical experience” as being the most important quality for a successful business, followed by those attending “commerce, tourism and services economy”.

Comparing these results with those collected from a previously carried out research, we noticed big differences. The students from two specializations (Business Administration and Commerce, Tourism and Services Economy) considered as the most important qualities “creativity” (22.6%), “courage” (19%) and “theoretical knowledge” (19%). There are differences also related to “life-long learning” as the former students didn’t considered it important (5.1%), but in the present research the respondents started to think about it as being important (8%).

To the next question: *Have you ever done a business plan?*, 44% of the students answered “No”, 25% of them being in the first year of study, based on a crosstabulation.

But to the following question: *If you had started up a business, would you do a business plan?*, 94 % of the students answered “Yes”, so they understand the meaning and importance of a business plan in starting up a business.

Asked *Do you know about the existence of “business angels”?* only 13 % of the students answered “Yes”, 53% of those answering “no” are in the first year of study, and this fact points out a deficiency regarding students’ entrepreneurial spirit and the fact that the entrepreneurial education should start earlier, not at the academic level.

And the fact that 69% of the subjects *intend to start up a personal business after graduation from university* means that at least they have the thought of doing something new and daring.

## Conclusions

Regarding the students’ entrepreneurial spirit, we can conclude that students have some knowledge about entrepreneurship, but they still regard it in the traditional way, thinking that they need mostly “financial resources” in starting up a business not knowing about the existence of “business angels”. They consider also that “adaptability” and “life-long learning” are not so important for a successful entrepreneur.

All these facts make us believe that there is a need to improve the university curricula, developing in this way the entrepreneurship education within higher education institutions, but it should be developed in such a way to attract students as only 78% of them would participate in a module of entrepreneurship education. The fact that 46% of the students considered that *the knowledge acquired during faculty period is sufficient to start up a successful business* and 23% are indifferent make us believe that the students do not know much about setting up a business and what is all about.

Regarding the courses included in this module of entrepreneurship education, 95% of the students considered that *they should include mostly case studies and practical examples*, so they need tools in order to know how to start up a business.

Only 82% of the respondents answered positively to master education after graduation from university, the differences between the specializations being that more students from “Accounting” specialization would not like to pursue a master course.

All these results point out the students’ need to develop their entrepreneurial abilities and the necessity to develop the university curricula in such a way to attract more students towards entrepreneurship.

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