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SUMMER MESSAGE OF THE SCIENTIFIC DIRECTOR

Dear Readers, Distinguished Friends,



The first two summer months have gone and now we are enjoying velvety sunshine. However, it is still necessary to take refuge from violent showers with hailstone golf ball size. Within five minutes, they destroy cornfields, orchards, ruin the vineyards and the efforts of hard working peasants. Yet worst damage can be laid at the door of some multinational companies in CEE. A good example is the French AUCHAN which has not been paying an honest price for their suppliers resulting in a very large number of farming families going bankrupt. Over 100 quintal of watermelons have been poured into the doors of Auchan shops in a protest against the practice paying these subcontractor below the basic cost. At the same French products get Government farm subsidies to compensate for any losses. More and more citizens are raising critical question about the

European Union.

That something is wrong with the EU can be expressed from the following two cases; *the first*, in the UEFA 2008 European Football Championship Final held at the Ernst Happel Stadium in Vienna. Spain won the tournament defeating Germany 1–0. The defeated players stood around like sticks unable congratulate the victors. It was not a good example of sporting behaviour among the members of the EU. *The second* occurred in June 2008 when Ireland rejected the EU Treaty. This document was to replace the European Constitution denied by French and Dutch referenda in 2005. The European Commission President, José Manuel Barroso, and Nicolas Sarkozy, on behalf of the French EU Presidency, believe that this is a tragedy. There is, however, another perspective that argues the exercise democracy and sovereignty by small nations like Ireland, Estonia or Slovenia has to be safeguarded, It is questionable if there is a need for a new super-state "in the constitutional form of a supranational European Federation"

We are preparing for our **3rd ANNUAL MEETING**. This is being organized in cooperation with the Executive Board Meeting of the European Small Business Alliance – ESBA and held on 18 September 2009, while ESBA Board Meeting is scheduled for 19 September 2008. The full program you will see in this periodical. We welcome our new Members and look forward to meeting all Members in Budapest.



I am honoured to inform, that our network has been expanded during the last quarter. We have representatives from two new, important and interesting countries: BELARUS and ISRAEL. In addition, as a tribute to his lifetime carrier, international experience and commitment to advancing entrepreneurship, the ERENET Board has appointed Dieter Ibielski, Presidential Counsellor of the Union of Small and Medium-sized Enterprises (UMU) in Germany as Honorary member of the ERENET.

Happily, the summer is still here. I wish you excellent holidays and make up what you have missed from the bad weather.

Dr. Szabó Antal
Scientific Director of ERENET

Dr. Antal Szabó

UN ret. Regional Adviser

Scientific Director of ERENET

E-mail: antal.szabo@gmail.com**EDUCATION FOR ENTREPRENEURSHIP
FROM KINDERGARDEN TO ADULT LEARNING ¹**

The old Latin saying **NON SCHOLAE, SED VITAE DISCIMUS** summarizes my entire view of education. We do not learn (and teach, too) for the school but for the life. This is the motto for many schools, all over the world. This is what we should be doing in the process of rehabilitation and development of the education system in all transition economies, but also the over the post-communist and post-atheist space of Central and Eastern Europe, the South-Eastern Europe and the CIS, but also in all advanced market economies in the EU to move towards the European Community Lisbon strategy and meet the criteria to be competitive in our globalize world.

A starting-point for education and learning is our reflection. There is a distinction between school curriculum and the needs for life. The former school curriculum focused rather on classical encyclopaedical knowledge preparing students for maturity examination and the best ones with school-leaving certificate continued their studies at high-schools and/or universities. Education and learning are on one side synonym terms, but education is more than just learning. It is about presenting knowledge, raising somebody to my level, doing, relating and becoming. Education is contextual. Education is also sharing the teacher's personal experience with the disciple and sharing the experience of one generation with another. The word education implies not only the academic routine of delivering certain knowledge, fostering some skills and training specialists in various fields or subjects, but also it is strategic task of the development of the whole culture to.

In many Countries in Transitions (CITs) the society is suspicious towards entrepreneurs, who intend to become reach overnight, and the mass media prefer to show the negative phenomenon instead of showing the picture of the honest and useful entrepreneurs producing goods and services, which were not available during the era of centrally planned economies. The term "entrepreneurship" itself can lead to misconception. Parents, the business community and the education institution certainly have a different understanding of what this concept means.

The recent Household Survey for Entrepreneurship carried out the request of the UK Government highlight, that "being enterprising and starting businesses is vital for the success of the UK economy. It provides a source of new ideas and competition leading to business 'churn', which contributes to enhanced productivity and sustained economic performance. The establishment and growth of new small businesses increases competition and innovation, creates employment, opportunities, and revitalises communities." ² During the human history it have been entrepreneurs who changed the word, turned opportunities through development into marketable products and services and most of entrepreneurs start up their activities because of the idea in the first instance and not for money.

Europe recognized that education and entrepreneurship are no more two separate issues. Now, to their mutual benefit, more and more bridges link the two.

In the framework of Bologna process, Europe still not unified and consistent concerning entrepreneurship university development. However, European policymakers already agree, that **the scope of entrepreneurship education** is much wider that training on how to start a business, as it includes the development of personal attributes and horizontal skills like creativity, initiative, self-confidence, among many others.

THE BOLOGNA PROCESS

"A Europe of Knowledge is now widely recognised as an irreplaceable factor for social and human growth and as an indispensable component to consolidate and enrich the European citizenship, capable of

¹ Prepared for the **International conference on law, economics and management ICELM3**

² Household Survey for Entrepreneurship 2005. DTI Research Report, Published February 2007, <http://www.berr.gov.uk/files/file38260.pdf>

giving its citizens the necessary competences to face the challenges of the new millennium, together with an awareness of shared values and belonging to a common social and cultural space. The importance of education and educational co-operation in the development and strengthening of stable, peaceful and democratic societies is universally acknowledged as paramount, the more so in view of the situation in South East Europe” as its states in the joint declaration of the European Ministers for Education as of 19 June 1999. During the 1st ERENET³ Annual Meeting held on 31 March 2006, the Members of this Network decided to share experiences in this field. Harmonization of the university curricula is very important in our region due to the fact, that even at the reputable old EU institutions there are hiccups in the process, while the new-accession-candidate EU countries and transition economies all facing at once the problems of the transformation of their economies as well as reorganization of their education systems. At the same time the US and far-east universities are booming without the Bologna Process. However, we believe, that it is worth to collect information and share experiences, so in the future we could exchange the good and bad side of the “Bologna-coin” too. The current experiences and practices in CEE we collected in the ERENET PROFILE No. 3 as of August 2006.

As part of the Bologna process, new development objectives have been set and further changes in economics, sciences and technology. The whole EU business environment demands new rethinking of higher education too. However, in the transition economies including CEE countries, this process is rather slow and controversial. I heard opinion from leading university professor that “we survived the COMECON orders from the socialists Moscow and we shall survive Brussels’s directives too”. There is an important paradigm that old fashioned teachers/professors are not able to change mentality and respond to the needs of today’s challenges. On the other side the Bologna process did not justified itself. In many cases we see universities trying to compress the five years university curriculum into the Bachelor degree, while the two year of the Master courses are somehow repetitions and extensions and expanding of the major curricula of the Bachelor courses. Majority of CEE countries phased overproduction problems in certain skills like economics, communication experts, lawyers, etc. and it is difficult for find a job. Out of 5 young economists in Hungary one is jobless. It will create even more problems the first floating of Bachelors. As *Professor Miroslav Glas* from the University of Ljubljana highlighted “even after two years of work on the new Bologna-based curriculum and the first year of its implementation, we still have some reservations about the employability of bachelors and we could hardly forecast the number of students continuing directly from the first on the second cycle.”⁴

NEW TASKS OF THE EUROPEAN UNIVERSITIES

On 10 May 2006, *Jan Figel*, Commissioner in charge of Education & Training, said: “Although they train and teach millions of people each year, Europe’s higher education systems remain hampered by a number of obstacles, many of which are decades old. The Communication adopted today is a contribution to the debate on the necessary modernisation of EU’s universities.”

“Universities are power-houses of knowledge generation” said Science and Research Commissioner *Janez Potočnik*. “They will need to adapt to the demands of a global, knowledge-based economy, just as other sectors of society and economy have to adapt. The ideas we are putting forward today should help kick-start a debate among Member States, and also within universities themselves.”

The **European Commission identifies 9 areas where changes should be made** so that Europe’s universities can contribute to the creation of a true knowledge economy. Each institution should find the balance of education, research and innovation which is best suited to its role in its region or country. This will necessarily mean a differentiated approach. The aim is to create a framework within which universities can become stronger players in the global knowledge society and economy. The primary goal must be to achieve excellence in the teaching and research functions of universities.⁵

³ ERENET stands for Entrepreneurship Research and Education Network of Central European Universities established on 22 April 2005 in Budapest.

⁴ Miroslav Glas: New Bologna-based Curricula at the University of Ljubljana. Erenet Profile No. 3, August 2006.

⁵

The European Commission has taken a position on how best to modernise Europe's universities. This is fundamentally important for them to make their contribution to the EU's objective to become a leading global and knowledge-based economy. European universities have enormous potential, much of which unfortunately goes untapped because of various rigidities and hindrances. Freeing up the substantial reservoir of knowledge, talent and energy requires immediate, in-depth and coordinated change: from the way, in which systems are regulated and managed, to the ways in which universities are governed. The Commission's ideas are presented in a Communication adopted today which covers all activities of Europe's universities: their delivery of education, their research activities, and their potential as drivers of innovation. This text responds to a request made at the informal meeting of the European Council in Hampton Court in October 2005 to identify areas for action on universities that can be used to drive forward the Growth and Jobs agenda.

The **European Commission identifies 9 areas where changes should be made** so that Europe's universities can contribute to the creation of a true knowledge economy. Each institution should find the balance of education, research and innovation which is best suited to its role in its region or country. This will necessarily mean a differentiated approach. The aim is to create a framework within which universities can become stronger players in the global knowledge society and economy. The primary goal must be to achieve excellence in the teaching and research functions of universities. The proposals put forward by the Commission today include:

1. **Boost the proportion of graduates spending at least one semester abroad** or in industry.
2. **Allow students to make use of national loans and grants** wherever in the EU they decide to study or do research
3. **Bring procedures for the recognition of academic qualifications in line with those for professional qualifications** and make European degrees more easily recognised outside Europe.
4. **Introduce training in intellectual property** management, communication, networking, entrepreneurship and team-working as part of a research career
5. **Refocus courses to allow greater participation at later stages of the life-cycle**, thereby addressing the skills needs of Europe's workforce, and ensuring that universities are able to adapt to Europe's ageing population.
6. **Review national student fee** and support schemes so that the best students can participate in higher education and further research careers whatever their background.
7. **Review systems for funding universities**, to be more focused on outputs and give universities more responsibility for their own long-term financial sustainability, particularly in research.
8. **Allow universities greater autonomy and accountability**, so that they can respond quickly to change. This could include revising curricula to adapt to new developments, building closer links between disciplines and focussing on overall research areas domains (e.g. renewable energy, nanotechnology) rather than disciplines. It could also include **more autonomy at individual institution level for choosing teaching and research staff**.
9. Support the modernisation of EU universities through a **process of identifying and sharing good practice**.

PROMOTING ENTREPRENEURSHIP AND SKILLS

The new EU Partnership for Growth and Employment document ⁶ underlines the need to improve the business environment, especially for SMEs and take account the entrepreneur's concern on making business. SMEs in practice create more jobs than large enterprises, while they are more flexible and innovative; however, they are also more vulnerable than large enterprises. To revitalise the economy, Europe needs more people willing to become entrepreneurs. This is why it becomes paramount importance to promote entrepreneurial culture in the entire Europe. By 2010, half of the jobs available in Europe will require people with high skills. Only 15% will be available to those with such primary education.

⁶ Communication from the Commission: Common Actions for Growth and Employment: The Community Lisbon Programme. COM (2005) 300.

Therefore entrepreneurial friendly policy both at the European Policy level, as well as in individual Member States become more important to stir up and boost the European potential. For that reason the European Commission is taking actions to keep SMEs high at the political agenda and proposes a new start for SME policies to be implemented in close relations both with the Commission as well as with the neighbouring countries. The Commission emphasises the “Thinks Small First” principles in all its actions. Unfortunately this is not the case in many transition economies yet.

In order to give fresh impetus to SME policies the Commission sets out a number of objectives and actions especially in the field of implementing the Lisbon integrated guidelines by SMEs. The new SME is based on a comprehensive view of SMEs’ role in the society that highlights their importance as a significant and basic factor of economic and social cohesion at local and regional level. Moreover, today there is a requirement that SMEs would commit themselves to corporate social responsibility, which allows them to improve their competitiveness and behaviour those having a positive impact on the local community and the environment. This requires fair relations also from the big companies, especially multinationals making SMEs as fair sub-contractors. At times being multinationals in CEE many times abuse with their power playing to sub-contractors over 90 days, requiring fees for placing sub-contractors products on their shelves and forcing down prices hardly covering the prime costs of the suppliers, while they are making extra profit sometimes due to Government special subsidy benefits.

The new actions to improve SME’s capability and competitiveness in accordance with the new EU policy ⁷ include the following:

- **Promoting Entrepreneurship and Skills**
- **Improving SME’s access to markets**
- **Cutting red tape**
- **Improving SME’s growth potential**
- **Strengthening dialogue and consultation with SME stakeholders**
- **Promoting entrepreneurship and the image for SMEs**

In the context of the above-mentioned I would like to reflect the question of promoting entrepreneurship and skills. The EU recognized, that its entrepreneurial potential not fully exploited yet and there is somehow lack in sufficient start-ups. There are a lot of factors, which do not support start-ups and we are eyewitness of these processes in many CEE countries as well. The Commission in the future intend to set up efforts toward increasing the appreciation of entrepreneurs in society, promote awareness of career as an entrepreneur and foster entrepreneurial mindsets. In order to do this the Commission intends to increase entrepreneurship education.

Another important step will be strengthening support for activities to reduce the burden of risk intrinsically linked to entrepreneurship. While in many EU countries a business failure makes the entrepreneur unviable and deprive of further financial resources, in the US this is considered as an advantage, because the failed entrepreneur in the meantime collected significant experiences in making and managing a business.

There is another important task in increasing skills by development and redefining of training courses and methodologies. Introducing basic entrepreneurship learning into schools and universities is an important part of the EU’s overall economic programme. The Commission calls its Member States to review their educational and training policies to make them more responsive to current and anticipated changes in the labour market. Member States should elaborate lifelong learning national strategies in the framework of the Education and Training 2010 programme.

Entrepreneurial education should not be focused on general economic and business studies. Developing **generic attributes and skills** that are the foundations of entrepreneurship is complemented by imparting more specific **knowledge about business** according to the level of Education. The goal is to promote creativity, innovation and self-employment.

The European Commission for the purpose of entrepreneurial education made the definition see below:

⁷ Communication from the Commission to the Council: Implementing the Community Lisbon Programme Modern SME Policy for growth and Employment. COM (2005) 551 final

DEFINITION OF ENTREPRENEURSHIP

“Entrepreneurship refers to an individual’s ability to turn ideas into action. It includes creativity, innovation and risk taking, as well as the ability to plan and manage projects in order to achieve objectives. This supports everyone in day-to-day life at home and in society, makes employees more aware of the context of their work and better able to seize opportunities, and provides a foundation for entrepreneurs establishing a social or commercial activity”.⁸

In November 2007, the European Commission assessed the current situation on compliance with the entrepreneurship education objective. This review states, that “in **few Member States**, entrepreneurship is already a recognised objective of the education systems and is embedded explicitly in national framework curricula (**ES, FI, IE, CY, PL, UK**) but implementing means (teacher training, teaching materials) still need to be stepped up. Elements of entrepreneurship can be in some cases spread horizontally through the curriculum or included in economic subjects. Other Member States are starting to implement or are planning reforms in the same direction. However, Member States where entrepreneurship is well established in the curricula are still a **small minority**.”

Indicator: inclusion of entrepreneurship as a key competence in the national curriculum for general secondary education:⁹

Legenda:

Y Included

(Y) Reforms are planned / Included partially

N No inclusion

Remarks

Czech Republic, Denmark, Estonia, Slovenia, Sweden: *reforms planned*

Germany, Latvia:
partial implementation

Belgium	N
Bulgaria	N
Czech Republic	(Y)
Denmark	N
Germany	(Y)
Estonia	(Y)
Greece	N
Spain	Y
France	N
Ireland	Y
Italy	N
Cyprus	Y
Latvia	(Y)
Lithuania	N
Luxembourg	N
Hungary	N
Malta	N
Netherlands	N
Austria	N
Poland	Y
Portugal	N
Romania	N
Slovenia	(Y)
Slovakia	N
Finland	Y
Sweden	(Y)
United Kingdom	Y

Legenda:

Y Included	(Y) Reforms are planned / Included partially	N No inclusion
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⁸ Commission Communication “Fostering entrepreneurial mindsets through education and learning”. COM(2006) 33 final.

⁹ European Commission: Assessment of the compliance with the entrepreneurship education objective in the context of the Spring 2006 Council conclusion, Brussels, 27 November 2007

As far as Romania is concern, the report makes the following statement: *“The NRP recognises that **the reinforcement of entrepreneurship in RO is sill a desideratum**. Some general measures are mentioned: improving entrepreneurship, business infrastructure etc. For the period 2007 – 2010, Romania intends to accomplish a set of elements of reform in terms of implementing concrete modalities for sustaining entrepreneurial initiatives and to unblocking the entrepreneurial spirit.”*

IMPROVING SKILLS OF YOUNG ENTREPRENEURS

Since the mid-1990s, many nations recognized the importance of the youth and national youth policies have been developed. The countries of the EU are leading this process and the candidate countries are forced to develop similar policies in accordance with the process of adaptation of the *acquis communautaire*. However, national youth policies are often exposed to political battles between the competing parties and as a consequence of these the programmes are delayed and often changing and the supporting infrastructure are not sustainable.

A **national youth policy** is about the vision of a Government about young people; it mainstreams youth-related policies by all sectoral ministries, provides directions and priorities of distribution of the government resources to solve the problems faced by the youth, and meet the requirements and needs of the young generation, particularly of the most disadvantaged young men and women. It is not necessary to spend more money, but rather a nation-wide communication and coordination of different governmental authorities, the private sector and NGOs to ensure to solve the most alarming problems and to provide services and programmes affecting youth more effective and efficient.

If the Government neglect the youth, it neglects also its own future and destiny. This is why investment into the youth is the more valuable input into the development of any society. This need full commitment and national-wide consensus in order to achieve and exploit the creativity and the energy of young men and women, as well as encourage positive perspectives towards global and national issues and foster economic development and well-being.

Development of youth entrepreneurship programmes have to be based on the recognition, that promotion of young entrepreneurship is part of the national youth development programme, as well as an organic part of the small business development programme, and those it contribute to economic development, job creation, economic empowerment and poverty alleviation. While national youth programme are the “mother” for the promotion of youth entrepreneurship, the national SME focal point organization must be considered as the “father” responsible for the development of an overall small business development economic climate. Other governmental organizations, as Ministries of Labour, Health, Education, etc. have to play an important role in this process.

While developing a national youth policy, attention should be given to youth entrepreneurship and enterprise-based youth employment policies.¹⁰ Youth entrepreneurship could move young men and women into self-employment, so it create jobs, it contribute to economic empowerment and alleviate poverty. Young entrepreneurs provide useful goods and services to the society and quite often find new solutions and ideas to doing things more innovative way.

It is importance to recognize that youth entrepreneurship is not a solution of the youth unemployment and the problem of the economy. The promotion of youth entrepreneurship is rather a programme of developing new skills and experiences that some of the young men and women could and will applied in comparison of many other challenges of their life.

Young people face the challenge of skills – both in technical, marketing and human relations -, limited life and work experience and have also less financial resources than older people. However, they are more innovative, hard risk-takers, better understanding the IT, honest, but sometimes also gamblers and unsuspecting and naïve ones.

The experiences of various international youth enterprise promotion programmes show, that the promotion of youth entrepreneurship would be based on two consecutive steps:

First: Creation of awareness and understanding of entrepreneurship and business, and

Second: Creation of self-employment and/or micro-enterprise.

¹⁰ Simon White and Peter Kenyon: Initiatives for the development of enterprise action and strategies. InFocus Programme on Sills, Knowledge and Employability. ILO Skills Working Paper No. 1, 2001

The attitude of the peoples towards entrepreneurship and entrepreneurs widely vary across Europe, and the differences are great between regions. The level of entrepreneurship in the EU is very high, and there are many initiatives encouraging and adopting the most appropriate approach for producing more entrepreneurs. Inclination of the citizens in the CITs towards developing entrepreneurship could be improved. Compared to the EU and the US, there is less entrepreneurial dynamism in the CITs.

There are many influences on young men and women in their decision to start their own business. One way, in which they learn about entrepreneurship, is family business that means growing up in families where business becomes a way of life.

There is a need to develop firm enterprise culture based on a set of beliefs and values operating within a society or community accepted by these, which lead to entrepreneurial aspiration and creation of entrepreneurs not by forced self-employment, but true and real self-realization and commitment.

The key objectives of youth entrepreneurship promotion programmes should be the following: ¹¹

- Support creation of self-employment and micro-companies;
- Provide business consultation by business service institutions or mentoring;
- Secure adequate start-up funds;
- Help in marketing and finding business partners;
- Help in increase the rate of survival and success of businesses;
- Assist in implementation of new business ideas and innovation

The main orientation of a youth entrepreneurship development programme should be built on the following:

1. Promotion of self-employment;
2. Youth business incubation;
3. Skill training;
4. Financing;
5. Community information centers/telecenters;
6. Mentoring;
7. Development social entrepreneurship; and
8. Youth entrepreneurs' competition.

THE ROLE OF ERENET ¹²

On 22 April 2005, representatives of universities from Croatia, Hungary, Romania, Serbia, Slovakia and Slovenia inaugurated and signed a **foundation declaration on Establishment of an Entrepreneurship Research and Education Network of Central European Universities**, called **ERENET**.

The signatories of the declaration on cooperation accepted that education plays a significant role in the development of entrepreneurship and that research and education could ultimately contribute to closing the gap in entrepreneurship between countries of Central and Eastern Europe and those in Western Europe and North America. He went on to say that: Taking advantage of international experience based on research of issues, such as good governance, enterprise-friendly economic and social policies, administrative burden and the financial environment, can speed up the growth of entrepreneurship in Central and Eastern Europe to rival that in western countries. ERENET is a research and development partnership acting as an open-ended network. So far, 40 universities, high-schools, research institutions and government authorities from twenty-eight countries have joined ERENET.

On 6 October 2006, within the framework of the 3rd European Day of Entrepreneurs held in Zagreb, ERENET organized a **Round Table on “Increasing Investment in Human Capital Through Better Education and Skills”**. The Roundtable raised awareness about new role of the education systems in EU and Croatia, in particular in the field of higher education and entrepreneurship education. Roundtable

¹¹ Dr. Antal Szabó: Development of Youth Entrepreneurship as Means of Poverty Alleviation in Rural Area. International Conference on “Entrepreneurship – The Best Answer to the Future”

¹² See at <http://www.erenet.org>

analyzed and compared several programs in entrepreneurship education in order to learn from the best practice and share the experiences. Basic papers, conclusion and recommendation of this event see in the ERENET PROFILE No.4 as of November 2006.

In addition to this Round Table, on **10 November 2006**, ERENET co-organized the Budapest Round Table on *How to become successful and socially responsible entrepreneur? Learn from experience*. The main issues of this event in summarized in the ERENET PROFILE No.5.¹³

In mid 2007, ERENET has been launched the **EDARO Project on “Benchmarking of Entrepreneurship Education in Selected EU and North-American Countries”**. The purpose of this project is to collect current practice in entrepreneurship education at the Romanian universities as well as collect best practices and curriculums in entrepreneurship education in the old, new and associated EU countries as well as in North-America in order to develop and establish an advance similar education in the country too. The research is oriented to an educational component which support the economy based on knowledge and innovation, entrepreneurship, sustainable development, elaboration and development of the research networks. The project wishes to gather information in the field of investigation and implementation of the entrepreneurial education in the Romanian universities, specialised institutions of Romania and European Union. ICELM3 – International Conference on Economics, Law and Management – held on 4-6 June 2008 in Targu Muresh (Transylvania/Romania) is a cornerstone in this project. It reviews the wide variety of entrepreneurial education in old and new EU Member States. However, we look also out the European continent and we highlight some of the achievements made in North-America as well as in advanced Far-East.

THE PROS AND CONS IN UNIVERSITY ENTREPRENEURIAL EDUCATION

Fostering entrepreneurial mindsets of the population is a process for young people through education at all levels, **from primary school to university**, and later **long-life learning** for the adult generation.

It is now commonly agreed that **the scope of entrepreneurship education** is much wider than training on how to start a business, as well as how to write a business plan. It includes the development of personal attributes and development of such skills like self-confidence, creativity, initiative, vision, risk-taking and many others.

Teaching of entrepreneurship in higher education is the odd one out. How knows, does – how do not know, teaches. Real life experience is a key. Talking about how to teach entrepreneurship, Professor Vecsenyi said it is similar to the question “whether an ornithologist can fly? However, if somebody can teach how the bird flies, perhaps somebody getting knowledge on enterprise and entrepreneurship can try to be an entrepreneur.” A university professor, who didn’t sold a T-shirt on the street is not an authentic entrepreneurial teacher. On the other hand, it is not sufficient to bring entrepreneurs into the classroom: student should be directly involved into entrepreneurial project or real businesses. And this creates a big dilemma for the majority of CEE bachelor courses simply due to the fact, that universities have no well-established connection with the business communities.

It is also a big dilemma in majority of CEE universities: what is the value of a bachelor in entrepreneurial education, and how this graduate can start up with his/her business.

In Conclusion, needless to say, that Europe needs to foster the entrepreneurial drive more effectively. We need the existing enterprises willing to renew their skills, and we need more new firms willing to embark on creative and innovative ventures and more entrepreneurs. It is recognized, that education greatly contributes to creating more entrepreneurial culture. It must be also recognized, that entrepreneurship should be considered a mindset that can be usefully applied in all our working activities and in the whole life.

¹³ Péter Szirmai – Antal Szabó: Lessons to be Learn from the Budapest Round Table. ERENET PROFILE No.5. January 2007, pp. 3-8.

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ENTREPRENEURSHIP EDUCATION AT HUNGARIAN UNIVERSITIES FROM BACHELOR VIA ENTREPRENEURIAL INCUBATING TO PhD DEGREE

INTRODUCTION

The Bologna System of education is hard to be defined in many disciplines, or to be carried out technically. For example, a 3-year-long qualification of a doctor or an actor cannot be implemented in a system, in which people have to learn 2 more years to be specialists. Entrepreneurship education differs from it. **In this case Bachelor and Master levels can easily be defined.**

We try to explicate you the theoretical model of this system, but let us first tell you that at Corvinus University of Budapest the practical way of education – unfortunately – does not follow this method. However we believe that thanks to the needs of the economy and the rational considerations, our notes will – step by step – get closer to this structure.

BACHELOR LEVEL OF ENTREPRENEURSHIP EDUCATION

In higher education on Bachelor level the basic entrepreneurial skills can be taught – these skills mean the contents of Bachelor level.

Entrepreneurial Bachelor contains the thematic notes of the 3-year-long Business Schools. This means that on this level, pupils can acquire those basic global skills, needed for the entrepreneur or his or her maid of all work.

We talk about basic global skills, since at a micro- or small business association we can rarely find in-depth division of labour in managing tasks. It means in most cases there is only one person with technological qualification, caring for producing (knowing what to produce), and there is someone else with economic qualification, who cares for accounting, marketing, sales, payroll calculating and finance (knowing, how to produce).

What does an Entrepreneurial Bachelor have to know?

Now let us enumerate topics and not concrete names of subjects. We are going to do it, because these topics can be grouped in different ways – the stresses can differ in accordance with the human resources of the schools.

Some subjects can happen to get out of the curriculum, or – more often – some topics are not taught as independent subjects, but as subordinated parts of different subjects.

Basic Entrepreneurial Knowledge

The basic entrepreneurial skills are taught in “**Establishing and Managing Enterprises**” course at Corvinus University of Budapest. “**SMEs in the Hungarian and International Economy**” is the title of the subject, taught for the students of our department. This is a preliminary subject, and its main function is presenting the history of the entrepreneurial sector in the certain country or region, and demonstrating the funds of “entrepreneurial mentality”. The students of this subject have to acquire the elementary legal knowledge (for example company law, civil law, or special laws for entrepreneurs) if they do not attend any other special legal courses at the school.

Business Planning

There are schools, where strategic planning and business planning are two different subjects, and there are schools, where they are contracted into one subject. Anyway, setting up the syllabus on Bachelor level, we have to focus on one aim: students should learn how to write a classical business plan.

A classical business plan contains the following chapters:

- Macro economic conditions
- Trade and competition analysis
- Marketing plan
- Production and operational plan
- Organizational plan
- Human resources (and control) plan
- Marketing communication plan
- Financial plan
- Risk analysis

Taxation knowledge

The statement, that an entrepreneur has to know the obligations to pay taxes, is unquestionable. Furthermore, he or she has to know not only the main types of tax, but the basic knowledge about **duties** and **social security**, too.

Enterprises in practice

Students have to meet concrete enterprises during the training period. The “entrepreneurial best practice” course, the “case study” course or the “management of enterprises” course are all good for this objective. The matter is the same: students have to experience the way an entrepreneurship works through the practice of concrete enterprises.

Financing Enterprises

In all business schools of the world **finance** is a separate subject. At the same time, the content of the subject is different in the schools. At our department, the aim of this subject is to foreshow to the students the way an entrepreneur thinks about debt financing, and the way the debt financiers – mainly the banks – think about it.

Business Ethics

All educational institutes aim to introduce to entrepreneurs higher-level values and aspects than profit-realization. It can happen within the frameworks of subjects like “**social responsibility of entrepreneurs**”, or “**business ethics**”, or simply “**philosophy**” – the most important object is to present both the economic and social mode of action of entrepreneurial activity, and the introduction of the non-economic effects of different economic decisions.

As further optional subjects, “**Small business marketing**”, “**team-building**” and “**management and control of enterprises**” can also be important.

MASTER LEVEL OF ENTREPRENEURSHIP EDUCATION

As we have already presented, at Bachelor level students learn those basic skills that are important for establishing, controlling, and pulling off a business association. Masters degree means “meta” level. On this level we train people who deal with entrepreneurships – the focus is on the different **policies**, it means different entrepreneurial policies. So, for example, the master level has many meta-subjects, which do not

focus on enterprises directly (it is understandable, since we suppose students have already learnt it on Bachelor level), but compose the assumptions of enterprise-friendly economic policy.

What does an Entrepreneurial Master have to know?

If we defined Bachelor as “entrepreneur”, then we should define Master as “small business developer or administrator – often bureaucrat – dealing with enterprises”. It means that this specialist does not have to know, how to control directly a business association (though he or she can be an entrepreneur), but has to understand the entrepreneurial behaviour – the way an entrepreneur acts in different circumstances, the way he or she has to form the connections in order to gain socially effective results.

So, this “Master” is an employee of a Ministry, of a foundation, of a bank, of an agency, or is a consultant – his or her knowledge answers to his or her status.

Enterprise-counselling

This subject can also have different contents – it depends on the qualification of the teachers. A subject, introducing to the students the main tendencies of the sector and the different forms of favours, is definitely important.

The Budget connections of Enterprises

This subject – hopefully in two semesters – examines in complex way taxation, social security, different allowances that an entrepreneur can get or can have resort to. This subject has to deal with invitations for tenders and subsidies, if there are not any other separate subjects for this theme.

Enterprise-friendly economic politics

I am sure I do not have to give the definition of this subject. Obviously, someone who is going to form the system of entrepreneurial functioning has to acquire the necessary skills and knowledge.

Finance

At first glance this subject seems to be the same that I have already introduced in connection with Bachelor level. But this is only speciousness – in fact there are two opposite approaches. On Bachelor level we teach how to solve financial problems in the most effective way, how to be good partners of a bank, and on **Master level the different financing techniques and programmes are presented.**

Small- and medium sized business associations in global economy

This subject points at the international definiteness of the entrepreneurial economic policy, introducing the main international tendencies, and the adjustment strategies of enterprises.

Strategy

This subject is taught in most business schools even today, but in provincial universities we'd better call it “**regional and business development**”. The reason for it is that there are some regional specialities in the country. In the capital city there are two main target groups: the function of state administration and central banks; and the training of the necessary labour force. However, in the countryside the labour supply for different regional agencies is very frequent, and the necessity of qualified labour force for banks and regional institutes is huge.

PhD LEVEL

Even as in the case of most topics, in case of entrepreneurship education **PhD level means the teaching of teachers.** It means that students have to get the consummate skills in order to be able to teach and to research in higher education.

Like the Master level builds upon the Bachelor level directly, so does this practical knowledge build upon the skills, learnt in “enterprise” and “entrepreneurial politics”. Only those can be successful Masters, who have graduated the Bachelor level, and so have the most important knowledge. Of course, these skills can be acquired subsequently.

ENTREPRENEURSHIP EDUCATION AND PRACTICE

Though “entrepreneurship” is the conglomerate of many different, systematized pieces of knowledge, it cannot be called science. This is why the pieces of entrepreneurial knowledge rather need focus on practice, than theoretical acquirement. This is relevant in the case of all levels. On Bachelor level students establish so-called “spin off enterprises”, or meet entrepreneurs in another way. On Master level students have to meet the results of counselling and establishing. The PhD students have to take part both in counselling and training.

In our opinion we can draw a parallel between the three levels of education and the three levels of Hegelian Dialectic: thesis, antithesis and synthesis are Bachelor, Master and PhD. Thesis is the enterprise “*an sich*”; antithesis is the enterprise “*für uns*” (the enterprise like phenomenon of cognition); synthesis is the enterprise “*für sich*” (the enterprise by its essence). So, substantive research is not simply a condition of PhD level, but even more – a PhD student becomes a PhD student, if he or she does high-level researching and teaching job.



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TEACHING ENTREPRENEURSHIP IN HUNGARY

Following a short introduction about the importance of entrepreneurship education we highlight the roots and history of entrepreneurship education in Hungary. After that the paper focuses on the present and demonstrates how the system of entrepreneurship education looks like nowadays. In this practical focus paper we introduce the program of the Corvinus University of Budapest, and the best practices of other leading Hungarian universities in order to help in building up a database from the international best practices.

INTRODUCTION¹⁴

Fostering entrepreneurial attitude and activity is particularly important for Europe, as here the entrepreneurial activity and the number of start-up firms are lower than in the U.S.A. (De, 2001). The images of entrepreneurs have always been stronger in the US than in Europe; where becoming an entrepreneur has long been regarded as an unsafe and risky option. On the old continent educational institutions have never laid enough emphasis on entrepreneurship education, rather the final goal of the educational path was rather to produce employees working for big multinational companies or public administration (European Commission, 2004b).

This view has changed a lot in recent years, as both the European Commission and the European Parliament regard the creation of an entrepreneurial Europe (European Commission, 2003) as an essential goal. Europe needs new prospering firms led by creative and innovative entrepreneurs. One of the most successful ways to promote entrepreneurship can be done through education.

It is recognised that education can greatly contribute to creating a more entrepreneurial culture, starting with young people at school. Promoting entrepreneurial culture and developing entrepreneurial skills and attitudes provides benefits to society even beyond their application to new business ventures. In a broad sense, entrepreneurship can be considered as a general attitude that can be applied in almost every field of everyday life. Everybody has to be an entrepreneur to some extent, or at least everybody should be familiar with the entrepreneurial attitude. Therefore, the objectives of education are to promote the development of those qualities in of young people, which are considered as the basis of the entrepreneurial attitude, such as creativity, the spirit of initiative, responsibility, capability of bearing risk and independence. This entrepreneurial attitude can be fostered even among primary school students (European Commission, 2004c). These skills will see people through their whole lives, as the students of the primary and secondary schools are the entrepreneurs of the future. The importance of fostering entrepreneurial attitudes amongst youngsters is emphasized in the Entrepreneurship Action Plan of the European Commission published in February 2004 (European Commission, 2004d). Entrepreneurship education at universities is also crucial for Europe. Students graduating from universities can be the high-potential entrepreneurs of the future.

THE BEGINNING OF ENTREPRENEURSHIP EDUCATION IN HUNGARY

After the change of regime, in the beginning of the 90s – when starting of new businesses was allowed again – the demand for obtaining entrepreneurial skills and knowledge which can be used by people considering establishing and running a new enterprise has grown significantly. There were no Hungarian best practices to follow (and the existing entrepreneurial knowledge accumulated during the previous regime was not applicable to the new circumstances), so entrepreneurs had to learn from their own mistakes what being their own master means and how they can manage their firms. There was no Hungarian curriculum in the field

¹⁴ Based on Szirmai, P., Csapo, K. (2006): From Student to Entrepreneur – A Hungarian Experience of Entrepreneurship Teaching. Working Paper, NCGE Working Paper Series

of entrepreneurship education available, therefore domestic adaptations of successful Western programs appeared relatively fast.

These entrepreneurship education programs were very practical. Fitting into the curriculum of the education systems of secondary schools they acquainted the students with successful existing enterprises, or they tried to introduce them to the lives of the entrepreneurs through establishing simulated firms. This period can be characterised by fast and attractive growth in the field of the entrepreneurial curriculum. Slowly the first Hungarian initiatives appeared which focused on acquainting the students with entrepreneurial skills and introducing them to entrepreneurial thinking (Szirmai, 2001).

ENTREPRENEURSHIP EDUCATION AT SECONDARY SCHOOL LEVEL

Promoting economic sensibility and judgement of teenagers can not only be achieved by lessons and various programs being taught and offered by secondary schools. There are several programs and movements for teenagers, which have the goal of introducing secondary school students to business life and presenting them the elements of entrepreneurial success (Kádek, 2004).

Although entrepreneurship can be taught at primary schools, macro issues require stronger abstractive skills. More complex business calculations can be done with teenagers above 14, and some economic political issues require open-minded students of the age of 18. Therefore entrepreneurial education is mainly focused on secondary school and university students (Kádek, 2004).

Amongst the first initiatives were established the Hungarian branches of two successful international programs: the Junior Achievement and Young Enterprise (JA-YE) programs. Both have the aim of diffusing an entrepreneurial attitude amongst Hungarian secondary school students. The Junior Achievement Hungary Foundation was founded in 1992, and nowadays (after merging with the Young Enterprise Hungary Foundation) its program is taught in 321 secondary schools, and more than 57,000 students have participated in these programs.

Among their activities, JA-YE organise school programmes based on “learning by doing”, by means of students creating and running mini-companies (practice firms) during one school year. These are real enterprises operating in a protected environment, producing and selling real products or services. These companies promote the improvement of creativity of the participants in order to generate practical business ideas. The students learn to be responsible for their work, and they can get to know themselves better through this project (ESZA, 2004).

At the same time as the above mentioned foundations started their activities in Hungary, in several economic and commercial secondary schools training offices were established. These are specially furnished rooms where all kind of offices are imitated. They are supplied with all kinds of equipment (i.e. phone, fax, photocopier, internet, computers with software) that is necessary for running a company. In these offices classes are operating their practice firms. This kind of training method is based on the simulation of entrepreneurial life in order to study the changing operations and the preconditions of running a successful enterprise. The students plan and set up the operational system of an enterprise and run it like a real firm. They also define the tasks that the class has to solve and create positions. They have various roles as managing director, manager of sales, marketing account manager, accountant etc. according to the organisation of the firm.

The importance of these training offices confirms the fact that they can help to solve the biggest problem of the Hungarian educational system as it provides the students with practical business knowledge. The training offices have developed a lot in the last 15 years; nowadays almost all of the economic and commercial secondary schools are equipped with them.

ENTREPRENEURSHIP EDUCATION IN THE HIGHER EDUCATION

During the years prior to the changing of the political system, not only there were no courses aimed at providing students with entrepreneurial education, but there was not even an extended system of economic education at the college and university level. This situation has significantly changed and transformed in the course of recent years. Initially it was management that was taught in the course of economic education offered at universities, and then a similar process took place as earlier in the United States (King, 2001): the management courses were offered with unchanged content as entrepreneurial courses. Courses providing

independent entrepreneurial education were also subsequently offered, after these proved to be successful and as more and more entrepreneurial knowledge and experience was accumulated, and in several institutes of higher education complete training programmes and specialisations were offered to students. Entrepreneurial courses may be divided into two main groups according to their topics: one group includes courses on enterprises (economic policy), the other includes business courses for entrepreneurs (Edwards et al., 2005). Almost all leading universities and colleges in Hungary offer such courses today. In the meantime, the number of colleges, university faculties and private institutions focusing specifically on business education increased greatly. These Higher Education Institutions (HIEs) had to deal with the reform of their entrepreneurship programmes and curricula in the last years in order to comply with the prerequisites of the Bologna education system. In Hungary the year of 2006/2007 was the first, when all of the students started a program fitting in the new system.

THE BOLOGNA PROCESS ¹⁵

In 1999 the ministers of education from 29 European countries signed a declaration in the Italian city of Bologna with the purpose of creating the “European higher education area (EHEA) by harmonising academic degree standards and quality assurance standards throughout Europe for each faculty and its development” (Wikipedia, 2006). This initiative was opened up to other European countries. Since the Declaration 45 countries have joined to the initiative.

The main objectives of the Bologna declaration are to increase the mobility and employability of European higher education graduates thus ensuring competitiveness of European higher education on the world scale. It can be achieved “through increased transparency of educational systems and trust among the educational systems that in turn will be based upon quality assurance of programmes and institutions” (ACE, 2006). The main tools of transparency are the issuing of the Joint European Diploma Supplement to all graduates and the usage of a credit system.

In the Bologna Declaration ten action lines have been identified to make the EHEA a reality including (Queen’s University, 2006):

- ◆ Adoption of a system essentially based on two cycles (Bachelor and Masters) where the first cycle should be a minimum of three years;
- ◆ Adoption of a system of easily readable and comparable degrees (enabling HEIs, employers and graduates to understand the level and nature of different countries' degrees);
- ◆ Establishment of a system of credits, such as the European Credit Transfer System (ECTS);
- ◆ Promotion of mobility;
- ◆ Promotion of European co-operation in quality assurance; and
- ◆ Promotion of the European dimension in higher education.

ECTS credit allocations were associated with the end of the first and second cycles as follows (Queen’s University, 2006):

- ◆ First cycle - typically 180-240 ECTS credits
- ◆ Second cycle - typically 90-120 ECTS, "with a minimum of 60 credits at the level of the 2nd cycle"
- ◆ No typical credit allocations were included for the third cycle (Doctoral level).

CASE STUDY OF THE CORVINUS UNIVERSITY OF BUDAPEST

As many other Hungarian HIEs, the Corvinus University of Budapest had its entrepreneurship education system before 2006. The Small Business Research Group started its operation in 1989 at our university (former Budapest University of Economic Sciences). This organizational unit announced the establishment of the academic minor in entrepreneurship, which turned out to be very popular among students, as fresh graduates were almost always guaranteed to have good job prospects and to receive competitive salaries.

In August 2000 the Small Business Development Centre (SBDC) was established as the descendant of the Small Business Research Group. The Centre seeks to realize the original objectives at a higher level, and

¹⁵ *Editor remark:* see also article on „Education for Entrepreneurship” by Dr. Antal Szabó in the same issue.

within this framework, an academic major in entrepreneurship was introduced during the 2002/2003 academic year.

In 2005 the SBDC (a group of our colleagues formed the Department of Strategic and Project Management) and the Department of Corporate Finance established the Institute for Enterprise Development to widen their research and educational activity. During the same time SBDC reformed its entrepreneurship curriculum and converted it to “Bologna compatible”. Nowadays the university offers the following courses/programmes to the students:

Bachelor level:

Starting and managing small businesses is a complimentary course for all students of the Management and Organization BA programme, and an elective course for the students of other BAs. This is an introductory course which gives an overall picture of small businesses and of the necessary knowledge about small businesses.

Entrepreneurship and Small Business Management major for the students of the Management and Organization BA programme. The major consists of 4 courses (see annex 1):

- ◆ *Small Business Finance* – the aim of this course is twofold: firstly, to teach the students how to manage the finance of an SME; second to understand how to deal with SMEs in case of the students decide to work at banks or other financial institutions dealing with SMEs.
- ◆ *Business Planning* – In our days it is more and more important the ability of making an authentic business plan, first of all it is necessary for the EU tenders. So the aim of this course is preparing the students how to make a business plan which can apply with chance for an EU tender or a bank credit. During the course the students get a concrete theoretical and practical knowledge about the methods and usage of business planning. The students have to find out an own business idea and they have to develop it to a business plan during the semester.
- ◆ *Small Business Management* – during the semester successful managers and entrepreneurs came and tell stories about their works, successes and failures. At the end of the semester the students have to write an essay in which they summarize their observations. The students like this subject because they can meet with famous and successful people and can ask some questions, too.
- ◆ *Small Business Marketing* - This course teaches the management of one of the enterprise success factors. Content: introducing the role of marketing factor in small businesses, market research, marketing communication, positioning, pricing, product development, innovation management, sales and e-business studies on the level of small businesses.

SBDC also offers the following two electives to its students:

- ◆ *International Entrepreneurship* - this is an international business planning course in collaboration with the entrepreneurship minor of the PennState University (USA) taught partly online. The course will teach the students, as aspiring business owners, the information and skills they need in four fundamental elements of business planning: Plan for business success; Plan for the business to meet the needs of the marketplace; Plan for business cash flow needs and operation.
- ◆ *E-business and innovation* – This course consists of two connected blocks. The aim of first block is the introduction into the important role and the possible application of the e-business in the SMEs. The second block deals with the theory and practise of the innovation. During this the students can learn the determinative factors, the planning and the implementation of the innovation. The emphasis of the course is on that knowledge which can be useful for SMEs.
- ◆ *Entrepreneurship for CEMS program* – Community of European Management Schools, has a high level standard program, which is supervised by the CEMS academic board. This course is built on international case studies, and developed every year according to Harvard participant-learning method.
- ◆ *Interuniversitas Spinn-off Club* - Offers several out of class experiences, to test students’ business opportunities in real life. They can meet business angels, get professional consultancy, and receive some initial capital to launch the business.
- ◆ *Social Enterprise*- This course offers a great experience to get to know the non-profit world. During the semester students has to do voluntary work, to develop non-profits to become more professional and

sustainable. They get to know all the theories like business ethics, corporate social responsibility, social responsibility, local development.

Master level:

The development of the programme for the Entrepreneurship Development and Innovation Master was finished recently, it will be first offered to students in the academic year of 2008/2009. There might be smaller changes in the course structure of the program until its start. Therefore we have no experience about the program until now. The proposed program of this master can be found in annex 2. In Hungary every bachelor and master program is created in collaboration with several universities, therefore all universities are offering the same BA and MA courses under these program names.

Doctoral level:

At doctoral level totally different education is needed, as Ph.D. students will be the educators of the future. Therefore this kind of courses can not be formalized, a more practical education is needed for them with field studies, study-abroad possibilities and research projects. That's why at Corvinus University Ph.D. students dealing with entrepreneurship are students of the Business Administration Doctoral Programme, and they are associated to the Small Business Development Centre. There are no concrete entrepreneurship courses for them, they have to take part in the research, publication and education activity of the SBDC.

Other initiatives in the field of entrepreneurship education at the CUB ¹⁶

In the spring of 2003, the Small Enterprise Development Centre went beyond the usual courses and specialisations in entrepreneurial education, when it announced the launching of the "Enterprise-friendly University – Enterprising Students" Programme for the students of the university. Under this programme, we provide help in the entrepreneurial preparation of students by way of an activity research in such a way that, in addition to their theoretical studies of economics, we also motivate them to set up their own enterprises. In the framework of the project we announce a public competition for students to prepare business plans for enterprises that they undertake to implement in case of winning the competition. Unlike in case of other business plan writing competitions, the main evaluation criterion is not the precision of details in the business plan, but rather that the idea for the enterprise on which it is based is realistic, and that the students joining forces to implement it are convincing and committed enough and capable of bringing their ideas to life. The students or teams of students who are best prepared and have the most transparent objectives receive financial support for establishing their enterprises.

The initial capital necessary for the operation of the project was received by the university from the private sector, thereby setting a good example for cooperation between the private sector and the university that is mutually beneficial to both parties. The funds won at the competition (maximum 500,000 Hungarian Forint – about 2,000 EUROS) are transferred to the bank accounts of the newly established companies on the basis of approved expense plans, thus making it possible that these companies not to create a financial loss to their founders even if the only profits from the first wing-beats during the initial year only help students learn in practice what it means to operate an enterprise, build connections and what marketing is like when it has a direct influence on their own pockets. The term of the contract signed with the students' enterprises is one year, and the companies established should theoretically be terminated upon expiry of the one year, since in case the students finish their studies and leave the university, the institution can no longer take responsibility for the cooperation.

The aim, of course is not failure (although there is a lot to learn from failures as well), but success in business: enterprises are supported in this by way of a mentor appointed to each company by the SBDC, who helps the team with advice, provides assistance in the solution of the problems arising, while all tasks related to the operative management of the company are performed by the enterprising students. Mentors are Ph.D.

¹⁶ Based on Szirmai, P., Csapo, K. (2006): From Student to Entrepreneur – A Hungarian Experience of Entrepreneurship Teaching. Working Paper, NCGE Working Paper Series

students of the SBDC, as well as entrepreneurs with significant business experiences. Mentors' experiences are successfully used in the course of the entrepreneurial education: their existing enterprises are used as good examples for students in entrepreneurial education courses. The SBDC itself functions as a virtual incubator for the students' enterprises.

It is already obvious that these experimental enterprises fulfil their educational function, since the companies are not even registered when the experiences already start to accumulate: for example, students soon realise the difficulties inherent with finding a company name which is expressive but is not yet taken, as well as the fact that a larger number of members in the enterprising team unquestionably constitutes significant empirical capital, but arranging for all members to sign a document at short notice may pose problems.

The project at the same time also serves as a research project for the SBDC, in line with the methodological efforts to acquaint students with the world of enterprises. The students' enterprises established also function as research topics for other university students, and the best teams regularly report on their experiences to fellow students. This model has served as the basis of several student research papers and theses. Upon the expiry of the term of one year, the ties with the enterprises established with our support are not cut, but are maintained by way of an alumni association specifically created for this purpose. This provides an opportunity for them to meet regularly, to exchange their experiences, and there have even been cases when they concluded business deals with each other. Advice is provided to the companies as necessary, when they turn to the SBDC for assistance, but the financial support and their accompanying reporting obligation comes to an end after the elapse of the one year.

BEST PRACTICES FROM OTHER HUNGARIAN UNIVERSITIES ¹⁷

University of Debrecen: Although management education was only started at this university in 1993, the institution has several good experiences with entrepreneurship education. Students attending the Entrepreneurship management program gain a lot of knowledge about establishing and starting a new business, law and financial issues. The course "Small business management" helps also students to get deeper view about management of SMEs. In frame of a TEMPUS project small business owners were offered several practical courses. In partnership with other universities from Finland, Portugal, Poland and Belgium a new entrepreneurship curricula was developed for innovative small firms in frame of a Leonardo project.

University of Miskolc: offers one of the widest spectrum of courses to its students in Hungary. The university also offers an enterprise friendly environment for those who would like to start their businesses during the university years. Students attending the entrepreneurship program not only work with case studies, but also meet with real entrepreneurs and get useful practical knowledge from them.

University of Pécs: has a very practise based entrepreneurship program. The university focuses on giving both theoretical knowledge and real life experience to the students through bringing in entrepreneurs who share their experiences with the students. The course called "Research in entrepreneurship" is unique in Hungary. Students attending this can also get deeper insight to the everyday life of small businesses and the challenge of carrying out research in this segment. Students completing the entrepreneurship major at the university receive the certificate of the University of Ohio.

Széchenyi István University (Győr): launched software ("Business Simulation Challenge") in 2005 in order to support students in entrepreneurship education. Every year 100 students are attending this course and get deeper insight to entrepreneurship.

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Annex 1

BA IN MANAGEMENT AND ORGANIZATION

Name	semester	Weekly hour (h) and credit number (c)											
		I.		II.		III.		IV.		V.		VI.	
		h	c	h	c	h	c	h	c	h	c	h	C
A) GENERAL MODUL													
A.1)	Methodological module												
	Mathematics I. and II.	3	4	3	4								
	Business mathematics					3	4						
	Statistics I. and II.			3	4	3	4						
	Informatics	2	3										
A.2)	Theoretical – economic module												
	Microeconomics	3	4										
	Macroeconomics			3	4								
	Finance			3	4								
	International economy					3	4						
	<i>Compulsorily elective courses</i>	2	3	2	3								
	European Union studies												
	Environmental management												
	Labour economy												
	Business geography												
A.3)	Elective sociological and general module	2	3	2	3	2	3						
	Government business politics												
	Business psychology												
	Business sociology												
	Philosophy												
	Introduction to politology												
	History of economy												
B) BUSINESS MODUL													
B.1)	Obligatory business courses												
	Corporate management	4	5										
	Marketing			3	4								
	Business informatics			2	3								
	Human resources			2	3								
	Accounting					4	5						
	Management					3	4						
	Corporate Finance					4	5						

	Business law							3	4				
	Organisational behaviour							2	3				
B2. Foreign business language module													
B3.	Skills development module												
	Learning and research methods	2	3										
	Communication practice									2	3	2	3
A-B	Elective course	2	3					2	3				
A-B.	Subtotal	20	28	23	32	22	29	7	10	2	3	2	3
B)	BUSINESS MODUL												
B.1)	Obligatory business courses												
	E-Business							2	3				
	Activity management							3	4				
	Decision technics							3	4				
	Strategy and business planning							3	4				
	Controlling									3	4		
	Customer behaviour									3	4		
	Business ethics											3	4
	Starting and managing small businesses					3	4						
	Executive accounting									4	5		
	Business law II: corporate law, contracts									3	4		
	Taxation studies											2	3
	Project management											2	3
C module altogether (weekly hours and credits)						3	4	11	15	13	17	7	10
D.	Courses of the majors												
D1	Entrepreneurship and Small Business Management Major												
B.1)	Obligatory business courses												
	Small Business Finance and Taxation									4	5		
	Business Planning									4	5		
	Small Business Marketing											4	5
	Small Business Management											4	5
	Elective courses (9 credit)									2	3	4	6
D1 major altogether (weekly hours and credits)										10	13	12	16
D2	Business communication major												
D3	Business administration theory major												
D4	Environmental management major												
D5	DSG (German language) major												

Annex 2

MA IN BUSINESS INNOVATION AND DEVELOPMENT

Course	Semester	Lecture/seminar	credit
Corporate Strategy	1	2/2	5
Business Innovation	1	4/0	5
Financial Analysis	1	2/2	5
E-Business	1	2/2	5
Elective	1	2/2	4
Project Management	2	2/2	5
Innovation methods	2	2/2	5
Corporate Finance	2	2/2	5
Decision-making Methods and Tools	2	2/2	5
Business Communication	2	0/4	4
Elective	2		3
Business Development Policy	3	4/0	5
Business at Services	3	2/2	5
Businesses in the Global Market	3	4/0	4
Electives (3 courses)	3		15
Thesis writing	4		20
Electives (2 courses)	4		10

ESBA 10th ANNIVERSARY PICTURES

	
<p>Tina Sommer, President of ESBA welcomes the Participants</p>	<p>I Friedrich, T Sommer and G Verheugen</p>
	
<p>Cutting the read Tape</p>	<p>Review of Case Studies</p>

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ASSESSING ENTREPRENEURSHIP EDUCATION PROGRAMMES IN CROATIAN HIGHER EDUCATION AREA

ABSTRACT

This study presents the review of the scope and the content of the entrepreneurship educational programmes at the higher education institutions in Croatia. The programmes were compared with respect to the international trends (EU) and with respect to the specific features of the programmes such as: curricula design, pedagogy, teachers and students mobility, research activities, quality assurance, governance models and institutional responsiveness to the stakeholder challenges. The main challenges in developing entrepreneurship education programmes in Croatia are enumerated as follows:

- compartmentalization of the entrepreneurship education in the disciplines such as economics or business administration;
- curricula design and teaching methods adjustment to different goals of entrepreneurship education programmes, different learning needs and pedagogy for the entrepreneurship education;
- institutional/university balance between insufficient capacity (lack of teaching staff, teaching materials, practitioners, and networking models for theory – practice or university – community cooperation) vs. enlarged demand for entrepreneurship education.

The study provides review of the main developments in the entrepreneurship education in general. It presents the map of the designs and delivering activities provided by formal higher education entrepreneurship programmes. The study also highlights the best practices or forerunners in the entrepreneurship programmes design and delivery in Croatia, as well as context for developing it. Further enhancement of the entrepreneurship education is possible through system, institutional, monitoring, operational and conceptual refinements. This preliminary analysis is action geared to provide foundation for self reflection, learning, experimenting or adopting specific features detected in content, methods, infrastructure or organization of the programmes.

INTRODUCTION

Entrepreneurship is a vital part of the every society prosperity, and a driving force behind more employment, more growth and more competitiveness. These outcomes are high priority in every strategic agenda; therefore the questions such as how entrepreneurial behaviour is triggered, nurtured and enhanced have become the important avenues of the theoretical and empirical investigations. Stevenson and Jarrillo (1990) define entrepreneurial activity as a “process by which individuals – either on their own or inside organizations – pursue opportunities without regard to the resources they currently control” in an innovative, risk taking and proactive manner. Majority of the experts indicate that entrepreneurship is teachable (Henry et al. 2005), integrative (Hannon, 2006), and needed on all levels of education and walks of life (Gibb, 2006a). Since entrepreneurship is perceived as behaviour patterns (which are thought) it can be influenced from an early age through experiences, family, education, or cultural imprinting. Despite the consensus upon entrepreneurship as teachable, the models of successful entrepreneurship education programmes are rather elusive. Assessment of the entrepreneurship education programmes is significantly lagging the massification of the educational programmes in entrepreneurship.

The rapid growth of the demand and supply of the entrepreneurship education programmes calls for more scrutiny in design, delivery and assessment of these programmes. The studies investigating the EU/US experiences in enterprise/entrepreneurship education have been well established so far. However, there is no common framework or paradigm for designing, delivering or evaluating entrepreneurship education programmes yet. Furthermore, there is a scarcity of comparisons and reviews challenging the problems of developing entrepreneurship education programmes in transitional countries. This study aims to analyse major trends and issues in designing and developing entrepreneurship education programmes in the Higher education institutions (henceforth - HEI's) in the Croatia. The review of the entrepreneurship education programmes assessment has been presented in order to find the general trends and trajectories. The

preliminary assessment of the scope, content and delivery of the entrepreneurship education in Croatia is contrasted to international trends in order to find the system, institutional, curricula or delivery gaps.

This analysis aim is to enable and promote institutional learning through comparison, mapping activities, experimenting and adopting best practices and self reflecting. On the other side, assessment of the entrepreneurship education programmes is valuable for variety of stakeholders. There are a number of constituencies that might find this study interesting, too. On the policy level, there is a need to foster entrepreneurship education through benchmarking and best practice identification in similar contexts. On the higher education institutions level there is an increasing pressure to adjust the traditional educational programmes to the new complexities of the real world that are global, not only local. Faced with the wide variety of the entrepreneurship educational programmes individuals, students, policy makers and other stakeholders demand better assessment criteria for recognizing effective from non-effective and inefficient entrepreneurship education programmes.

THEORETICAL BACKGROUND

The entrepreneurship education definition is, as well as the entrepreneurship phenomenon itself, rather complex and vague. The lack of consensus in defining entrepreneurship contributes to the confusion about entrepreneurship education programme definition. For the purpose of this study, entrepreneurship education programme is defined as the process of providing individuals with the ability to recognize commercial opportunities and the knowledge, skills and attitudes to act on them (Jones and English, 2004. p.416.). Therefore, entrepreneurship education programme is a complex process with wide array of objectives such as:

- to give individuals more and better knowledge **for** entrepreneurial ventures creation, management and growth,
- to provide more awareness **about** entrepreneurship,
- to enhance individuals capability **to** act entrepreneurially in all walks of life (by providing them with the set of attitudes and values for embracing changes and self-reliance.

While the third objective can be triggered early in the educational process (primary and secondary education), the first and the second objective are more likely to be influenced during the postsecondary education. The academic institutions and their programmes have been called upon to provide more substantial impact on developing and stimulating entrepreneurial skills, knowledge and attitudes. Entrepreneurship courses and programmes started to appear during the early 1960s, predominantly in the U.S. One survey (Katz, 2003) reports that 1600 HEI's offer 2200 courses in entrepreneurship worldwide. The assessment of entrepreneurship programmes and courses started after 1980s (Kao and Stevenson, 1984; Vesper and Gartner, 1997.). The assessment of the programmes turned out to be one of the intriguing tracks on the entrepreneurship research due to the complexity of entrepreneurship education programmes' definition, aims, processes, activities and outcomes. The short review of the major recent surveys of the entrepreneurship education programmes illustrates the scope of the conceptual and methodological challenges in designing and monitoring of the entrepreneurship education programmes.

Garavan and O'Conneide (1994. a & b) suggested the set of the assessment criteria for entrepreneurial programmes evaluation such as philosophy of the programme; targeted population; objectives and content of the programme; learning strategies and method, programme facilitation; outcomes and impact of the programmes. The comparison of 6 entrepreneurship education programmes indicated that there are converging and diverging elements in designing a programme. The programmes delivery was of different lengths (from few months to year), at different institutions (from incubators to universities) and for different targets (from students, to professors and operating entrepreneurs). On the other side, a high convergence was found in the programme content, learning methods and local adaptability of the teaching strategies. However, this study highlights inappropriate learning methodologies, lack of focus and lack of outcomes assessment of the entrepreneurship education. Hisrich, and O'Conneide (1996) investigated university activities in the area of entrepreneurship education in Europe, Central, Eastern Europe and former USSR. The 109 HEI from 23 countries participated in the mail survey. The study reports that the most frequent form of entrepreneurship activity in the participating institutions was research in the entrepreneurship area. Development of the courses,

trainings and enterprise formation significantly lagged research activity. Vesper and Gartner (1997) track and compare the ratings and ranks of the number of universities and business schools entrepreneurship education programmes all around the world. The most common ranking criteria such as courses offered; faculty publications, impact on community, alumni exploits, innovations, alumni start-ups and outreach to scholars were analyzed and complemented with the suggestions to broaden the set of the criteria with the leadership, core values and strategy, human resource development and management, student and stakeholder satisfaction analysis in order to provide more comprehensive and reliable comparisons. Twaalfhoven and Wilson, (2004) contrasted the U.S. and EU trajectory for entrepreneurship education design and delivery. Findings show that European universities and business school offer a variety of entrepreneurship or SME oriented courses as the primarily elective (73% on the undergraduate, and 69% on the graduate and postgraduate level) that have not being integrated across the curriculum or across the university. The curriculum is primarily focused on the start-up phase of the business, and neglect the growth. The entrepreneurship programs are delivered with the participative pedagogy; however the innovativeness of the teaching methods is still an issue for the majority of the programmes. The European entrepreneurship studies have on average 9,5 years of tradition and significantly less chairs or professors specialized in entrepreneurship. The absence of the critical mass of the teaching materials and innovative approaches were reported. The average trajectory to capacity building usually starts with the one professor promoting entrepreneurship course or focus. Then the small team would usually be put in place followed by the small unit, department, and finally the Centre for entrepreneurship, developing extra curriculum programmes is established. The outreach and more cooperation between the European academia and private sector is still in the early stage of development, as well as technical and scientific technology transfer or innovative technologies commercialization.

Gibb (2006b) for a number of years provides benchmarks for conceptualizing, advocating and evaluating entrepreneurship education programmes indicating that evaluation of the programmes is the least developed field of inquiry. He advocates the need of embedding entrepreneurship/enterprise education in business as well as nonbusiness context and detachment from the traditional business school teaching strategies, contexts and infrastructure. All surveys indicated the intrusive character of any assessment. Vesper and Gartner (1997) emphasized the reliance of the assessments on the self reported data and data that are quantifiable. Gibb (2006b) also highlights that evaluations and assessment usually deal with the knowledge and skills and short term outcomes; while the long term impact and impact on the attitudes is neglected. On the other side, a potential benefit in assessing designs and delivery outplays the potential deficiencies. The assessments are valuable starting points for learning, monitoring outcomes, growing through self reflection and feedback, experimenting by modification and adjusting best practices, mapping of the trends and paradigms (Hytti and Kuopusjarvi, 2004).

The entrepreneurship education programmes in Croatia have been investigated on different levels of generalizability - from institutional case analysis (Singer, Oberman- Peterka, 2006), to local community and macro/policy perspective (Gibb, Singer, Korinsky, 2004); and in a variety of contexts - business education in national setting (Leko-Simic and Oberman, 2004); international setting (Varblane and Mets, 2005); or developed / transitional context, (Mitra and Matlay, 2004). This paper contributes to this fragmented body of empirical research and explores how general trends in entrepreneurship education programmes can be implemented in the Croatia, who are the forerunners and what implications for self-reflection can be made. On the other side, due to the similarities of the transitional challenges, this study might be interesting for CEE promoters of entrepreneurship programmes too.

METHODOLOGY AND DATA SAMPLING

This paper presents preliminary comparison of the formal entrepreneurship education programmes in the Croatian HEIs using mainly descriptive and content analysis. In the first stage of the research the base of the secondary information, research articles, reports, and case study analysis was explored in order to define the key performance or assessment indicators, and methodology issues. Conceptual base for the study was derived from the Twaalfhoven, and Wilson (2004); Hytti and Kuopusjarvi (2004). Contextual condition exploration comprised the review of the Croatian entrepreneurship policy, action plans and infrastructure. At the second stage the register of the higher education institution in Croatia at the Ministry of science, education and sports was used to identify the institutions providing the formal entrepreneurship educational programme. The pilot survey of the higher educational institutions providing entrepreneurship programs or

courses was conducted during the October 2006 – March 2007, in order to map the entrepreneurship education in the Republic of Croatia. Higher education institutions in Croatia are. The total of the 109 HEIs (universities, polytechnics and schools of professional higher education) are reported in the registry of the Ministry of science, education and sports. Entrepreneurship programmes are offered through business schools, departments of economics, schools of management, tourism, hospitality, information science. From these 31 HEIs 22 are polytechnics and schools of professional higher education; 9 are university constituents. The final sample comprised 13 polytechnics and schools of professional higher education, and 8 university constituents. The total of 21 institutions provided the convenient sample with the sufficient public official information. The official web pages, educational plans and programmes brochures were checked for number of courses, position of the course; pedagogy, teaching materials publishing; governance structure, quality and networking activities. Analysis of the web pages and official brochures have been established as the methodological approach in the several studies elsewhere (Varblane and Mets, 2005; Weaver et al; 2002; Rassmussen and Sorheim, 2006). The data were further complemented by the personal contact with the promoters of the programmes and assessing the scientific projects repository through Ministry of Science, Education and Sports (Moses) in order to establish whether entrepreneurship programmes are funded in scientific research or not.

ENTREPRENEURSHIP EDUCATION PROGRAMMES IN THE CROATIA

Majority of the Central and Eastern Europe countries experienced the turmoil of privatization and economic reform, political system transitions, cultural and social norms and values transformation. Entrepreneurship attitudes were suppressed through the socialistic regimes and nonexistent as the educational focus or goal for years. Transitional countries also face difficulties in education system adjustment to the knowledge economy needs, and multidimensionality of the changes in the business sector (in the process of adjusting to the EU trends, globalization trends and regional expectations). Specific historical background and coincidence of the social, political, economic and educational transitions create a specific context for developing entrepreneurship education programmes that is lacking profound academic or empirical background.

Entrepreneurship Framework Conditions

The Croatia belongs to the group of Central and Eastern European countries and its entrepreneurial activity slowly progresses from the lower end to the average activity during the 2002-2006. (Singer et al, 2006.). GEM project measures the intensity of entrepreneurial activity as the ratio of the number of people per each 100 adults between ages 18-64 who are starting their business or are owners/managers in the businesses not older than 42 months (total entrepreneurial activity - TEA index). In Croatia TEA index rise from the 3.62 to 8.58 persons among 100 adults in period 2002-2006. However, the TEA Index in Croatia is for the all years of measurement under the average number of the entrepreneurially active persons per 100 adults in the population of all GEM participating countries. Furthermore, the Croatian entrepreneurs are necessity driven, with low growth potential, low rate of businesses which survive over the start up phase and go to maturity stage. The majority of the entrepreneurs have vocational schools attainment (63% of the entrepreneurs have 3 or 4 year vocational education; only 13.3% have university education) and the impact of the entrepreneurial environment is consistently negative, especially in the segment of cultural norms, education, competences and willingness to pursue the entrepreneurial career (Singer et al. 2006). Although the scope and the content of entrepreneurship education is growing this component is still insufficiently supportive to the development of the entrepreneurial potential. However, the entrepreneurship education does not exist in the vacuum and therefore the short description of the policy and system level conditions for formal entrepreneurship education programmes is presented.

General and educational system policies

Entrepreneurship education is recognized as Croatian strategic priority for fostering more employability, and more enterprising behavior in the main strategic document (Strategic framework for development, 2006.). Enhancement of entrepreneurship is further elaborated through several policy domains such as: economy,

education, finance, social affairs. The strategy and policy framework includes Declaration on Knowledge, (2004); The strategy for adult learning (2004); Education sector development plan 2005-2010 (2005); Science and technology policy from 2006-2010; National action plan for employment 2005-2008. All these documents and action plans emphasize the need for better education programmes provision and integration of the entrepreneurship skills, attitudes and competences throughout the educational curricula. Development of the entrepreneurship field is supported on the national level by the number of highly profiled institutions such as National Competitiveness Council; SME Policy Centre, Croatian Employment Service who are advocating the need for formal entrepreneurship education programmes. However, despite these strategies and action plans, the on going debate indicates that they are not well coordinated, and that entrepreneurship field in Croatia lacks clear policy domain. Education sector reform (Bologna reform) was pushed down in 2005 by the MoSES (Ministry of science, education and sports) in order to support Lisbon agenda and national strategic framework for development. It aims to provide students with more customized choice, greater mobility, and more dynamic. Majority of institutions adapted 3 cycle model of higher education (3 years undergraduate + 2 years graduate + 3 years doctoral study), however some of the HEI's have kept the 4+1+3 model. There is significant increase in the number of courses, modules, and programs on the undergraduate, graduate and postgraduate level. The progress has been made toward the modernizing of the syllabi; teaching processes; number of graduates, number of teachers, harmonizing study programs with teaching staff. The major concern is raised upon the coordination, coherence of the legislative and administrative system. Despite the number of involved agencies (such as Agency for science; Agency for professional education, National Council for science, etc), it is felt that action plans and legislative framework are not well aligned in scope and in time sequence. The educational system embarked on the enlarged educational challenges lagging in the capacities (from the number of teachers, to the available space, equipment, and new training methods) to provide more quality. On the other side the concern of the overall low proactivity of the public educational institutions is also an issue.

Higher education institutions and entrepreneurship programmes

Higher education sector comprise public universities and public and private high schools for professional education, polytechnics and few local affiliates of the foreign educational programmes accredited in Croatia. Private and public institutions have the equal treatment and have to obey to the same standards. The majority of the students enroll the public universities. During the 2004, 150,000 students were enrolled in public universities, while 12,000 students were enrolled in private institutions (Ministry of Science, Education and Sports, 2005). Higher education sector employs approximately 10,000 employees (of whom 6,000 are teaching staff). It enrolls approximately 150,000 students, of whom 12,000 are enrolled in private HE institutions. The dropout rate of the higher education is very high (69.5%) and the average length of study is also very high – 7.1 years (Education sector development plan, 2005). A recent survey of the entrepreneurship and small business education in Croatia (Leko-Simic and Oberman-Peterka, 2004) found only two formal programmes at the higher educational institutions concentrated on entrepreneurship until 2004, accompanied with the wide variety of non formal workshops, trainings and life long learning options, delivered by the variety of institutions such as Croatian Chamber of Commerce, Croatian Employers Association, Croatian Association of managers, Centers for Entrepreneurship. Bologna reform in 2005, triggered the growth of the number of the entrepreneurship courses available at the HEIs. Entrepreneurship education programmes are offered through courses, modules, and concentrations on the undergraduate, graduate and postgraduate level. However, the programmes are compartmentalized in the schools/faculties/departments of business administration, economics and management, with the variety of goals, teaching strategies and quality standards. Due to the infancy of the programmes, up to this point there were no systematic comparisons of the formal higher education programmes in entrepreneurship. This paper aim is to fulfill this gap.

FINDINGS

Entrepreneurship programs assessment included scope, content, curricula, teaching pedagogy, research base, collaboration and quality assurance (see table 1.)

Table 1. Comparison of the HEI entrepreneurship programmes in Croatia

		elective	compulsory	undergraduate	graduate	interactive pedagogy	scientific programmes	collaboration	quality assurance
University constituents	EFO, Osijek	x	x	x	x	x	X	x	
	EFRI, Rijeka	x		x	x	x	X	x	
	EFST, Split	x		x	x	x			x
	EFZG, Zagreb		x			x		x	
	FOI, Varaždin		x			x			
	Tourism and hotel mngm, Opatija		x	x					
	UNIDU, Dubrovnik								
	UNIZA, Zadar	x				x			
	Mijo Mirković; Pula		x	x	x			x	
School of higher professional education	ACMT, Dubrovnik	x				x		x	x
	IGBS, Zagreb	x				x		x	
	RRIF, Zagreb		x						
	VVG, Gorica	x							
	Utilus, Zagreb								
	Manero, Višnjan								
	VPSZ, Zagreb		x						
	Libertas, Zagreb	x	x						
	Agora, Zagreb		x			x		x	x
	VERN, Zagreb	x	x	x	x	x	X	x	x
	BAK, Zagreb	x						x	
	ZSEM, Zagreb		x	x		x	X	x	x
ZSM, Zagreb									
Polytechnics	Vukovar								
	Knin	x	x	x				x	
	Gospić			x					
	Karlovac		x						
	Požega		x						
	Rijeka		x	x		x		x	
	S.Brod								
	Šibenik	x				x			
Varaždin		x							

Entrepreneurship as a specific course, programme on undergraduate, graduate, university or professional school exist on the majority of the institutions in a sample.

The entrepreneurship has been delivered even as workshops, executive, postgraduate, summer school topic. The courses reported were: Entrepreneurship; Business plan; Economics of entrepreneurship, Entrepreneurship management, Entrepreneurship in tourism, sports, hospitality businesses, Corporative entrepreneurship; Family entrepreneurship, Entrepreneurship finances, accounting, marketing; Strategic

entrepreneurship. The majority of institutions also most frequently reports case study analysis; study visits; guest speakers, project assignments and competitions (business plans) as the innovative teaching methods. The courses were additionally evaluated with the delivery infrastructure such as teaching materials or distance learning modules embedded with the Croatian context. The Entrepreneurship graduate programmes at the J.J. Strossmayer University; Faculty of Economics in Osijek and entrepreneurship programmes in professional high school – VERN, Zagreb; could serve as the benchmarks for the innovative, interactive and learner oriented institutions. Faculty of Economics in Osijek started undergraduate programme in 1992, discontinued it several years later, and then started graduate programme in entrepreneurship in year 2000. It has the international contractual and tenant domestic teaching staff; the distant learning modules with the original teaching materials, adjunct professors, guest speakers etc. The students of the graduate programme participate in the international competitions, and innovativeness of the programme delivery is reflected through using drama, posters, mentoring, as the teaching methods and using posters, projects summaries, consultancy reports and internships (at VERN) as the evaluation methods. At the J.J. Strossmayer University research of theoretical, institutional or practical preconditions of the entrepreneurship started in the beginning of the 1990 and is further enhanced by the participation in Global Entrepreneurship Monitor project at 2001. The Faculty of Economics in Rijeka also has long lasting tradition in researching entrepreneurship. J.J. Strossmayer University has developed a strong network of supporting infrastructure for start up companies (Science and Technology Park; business incubator; Centre for entrepreneurship) although these institutions are outside university. The collaboration and partnership are important issue for bridging the different perspectives and interests in entrepreneurship education. A number of practices were detected: from the Alumni organization, guest speakers from the business sector, consultancy or traineeship to the student exchange and collaboration with the foreign schools, international or institutional competitions, study visits. All formal educational programmes in higher education institutions are accredited by the Moses study programme and institutions regulations. Only a few HEIs in Croatia have external or international institutions accreditation. Two institutions provide evidence of having

DISCUSSION

Until the 2004, only a few HEIs provided entrepreneurship education. From the 2005 the majority of the business schools and economic departments included at least one course on entrepreneurship in their curricula. However, the programmes offered are usually constrained within the discipline domain, and at the students have almost no option of using the courses of different university constituents. The review entrepreneurship programmes in Croatian HEIs shows there is a growing number of HEIs providing entrepreneurship as a course or concentration at all levels ISO certificates, while few institutions reported the preparation for accreditation and membership in the accreditation association – which at least indicate the inclination toward complying to certain quality standards. of HE. The predominant goal of the programmes seems more oriented toward creation of the general awareness about entrepreneurship and new venture creation and management. On the other side, there is a scarcity of teachers who are specialized in entrepreneurship as a major area of interest, as well as teaching materials embedded in local context. The number of non traditional pedagogy has been reported such as case analysis (business simulations); study visits, guest speakers, competitions, business simulations, while only a few institutions reported mentoring, drama or adjunct practitioners as part of their teaching strategy. Constant stream of the research exists from the 1990's with focus on Entrepreneurship paradigm and practice. Initiatives in collaboration, networking with the international community, local businesses, local authorities are also growing, however at the slower pace in comparison to the overall entrepreneurial activities of the programmes. The one of barriers for stronger bridging and bonding might be in inflexible management infrastructure and policy regulations. These initiatives lack clear policy arrangements and better institutional – especially management - support. No systematic evidence of evaluating the overall performance of the programmes and their impact has yet been made due to the early age of development. On the other side, few conceptual designs for doing these kind of evaluation have been applied on the case study, institutional level (Gibb, Singer and Korinsky, 2005). The infancy of delivering these programmes is the key reason for not having Chairs, or Centers; or more diversified funding schemes. However, the recognition of the critical mass of promoters and resources has been started. The entrepreneurship education promoter at the J.J. Strossmayer University in Osijek (professor S. Singer) is the first professor endowed with the UNESCO Chair of entrepreneurship in Croatia. The same

institution is elaborating the business plan for establishing International Centre for entrepreneurship studies as the independent university constituent open to all disciplines at the university level.

IMPLICATIONS AND RECOMMENDATION

A variety of the entrepreneurship courses with wide array of goals, delivery designs and philosophies exist in the higher education area in Croatia. However, while the general trajectory of establishing entrepreneurship programmes seems to be established, further adjustment of the entrepreneurship education programmes is needed in order to fulfill the conceptual, operational, monitoring, or system gaps.

Conceptual gaps

Entrepreneurship programmes (professional competence or attitude) need to be more clearly differentiated in the general goal of the programmes (does it provide general awareness, sensibility, ability, willingness or what). The programmes could also differentiate the content of the programmes more to the development needs of the businesses (from opportunity recognition to reinventing mature businesses); disciplines (business, science, arts); or community (local challenges for starting things happen in a non business sector).

Operating gap

The methodology for delivering the programmes main goals differs with the different priority of the goals. Therefore, educational programmes should take more care about which pedagogy develops skills, and what is best suited to develop attitudes and enterprising values and take more care about adjusting the appropriate teaching or learning strategies and pedagogy. There is a scarcity of the professors or teaching staff experienced or specialized for entrepreneurship (Levie, 1999) which also needs to be addressed further. The variety of experiences of the international schools exist that can serve as the benchmark for using adjunct faculty or practitioners or mentors to support efficient delivery of the programmes.

Monitoring gap

The methodologies for monitoring programmes are the least developed part of the entrepreneurship programmes. The initiatives usually progress from tracking the participant satisfaction with the programmes to tracking the graduation rate or career tracks after graduation. However, more attention should be given to the soft impact (connotative, feelings about entrepreneurship; and overall impact on community). Assessment of the programmes can be starting point in design improvements (formative analysis), and programme efficiency monitoring or for programme overall impact (summative analysis).

System gap

On the institutional level, entrepreneurship is put in the compartment of economic studies. Students and teaching staff do not have the ability to customize learning preferences or to profit from mobility due to the institutional rigid and inflexible operating and management structures. The insufficient capacity (number of teachers, pedagogy, teaching materials, mobility, internationalization, quality assurance) could compromise quality of the programmes and needs to be addressed from the system as well as from the institutional level. Quality of the programmes should be rewarded and fostered through system level to ensure the incentives in further advancement, fair and professional conduct of all competing in this field. State funded model of education resulted in the lack of responsiveness of the universities on the market needs. The collaboration and better utilization of partnerships with business sector, students' organization, and academic community would be preferable. At present moment, they are underutilized.

The educational programmes general impact to resolving the community challenges and delivering progress should also be emphasized in consistent and transparent manner. There are few alternatives in resolving this issues that has been established elsewhere and could enhance the present state of art in higher education entrepreneurship programmes in Croatia.

The strong and clear voice of the experts and promoters of entrepreneurship on what the entrepreneurship culture is, what skills, attitudes, knowledge, behavior people need to develop, what code of conduct would be preferable, to what standards to measure genuine progress is needed. Variety of voices can influence this endeavor through partnership of HEI and

- High profile institutions (Policy centre for SME development, National Competitiveness Council);
- Alumni organizations of the students;
- Adjunct faculty, and
- Targeted clients.

More incentives for teaching infrastructure and more diversity usually bring more quality. Varieties of initiatives could be used:

- Mobility of the professors and students between university and enterprises encouraged and rewarded;
- Staff exchanges; students mobility, international character of the student cohort should be encouraged;
- Intellectual capital of the universities should be more utilized and transferred (by community willingness to support business incubating, think tanks, knowledge transfers).

Better governance could be imposed by:

- Professionalization of university management;
- Funds diversity: tuition, conferences, consultancies, corporate sponsorship; sponsorships, donations, research, contracted projects;
- Accountability: responsive to community problems, public access to performance indicators, self and external evaluations, quality assurance.

Building partnerships between higher education institutions, and private, NGO, public sector, would assure more and better responsiveness to the labor market needs. Alternatives such as:

- Adjunct faculty from business sector;
- Visiting professors – guest speakers from the business sector;
- SME clinics (entrepreneurs willing to share their problems, as challenges are essential for that input); and
- Rewards for high profiled business people, entrepreneurs have been established as the valuable input in the quality of educational outcome all over the world.

CONCLUSION

Higher education institutions (HEI's) with their core missions of creating, adopting and disseminating knowledge are expected to provide more and better educated individuals with better professional competences, more enterprising skills and willingness to "make things happen" as active citizens. Entrepreneurship education programmes have strong formative influence on the attitudes and behaviour and have an immense impact to accommodate all these goals. However, the conceptualization of the entrepreneurship education programmes is still in the early stage of development. The entrepreneurship education programmes are about delivering knowledge, skill, as well as culture and philosophy. Analysis of scope and content of the curricula, teaching strategies, management of the programmes indicate the values that will be transmitted. The good curricula must be supported by the structure of competences of the teaching staff. The enhanced programmes require the adequate management governance of the program. Market orientation of the programmes is represented through diversified funds. The quality assurance and accreditation institutionalizes standards, and the research base is an indicator of the new knowledge creation. The cooperation with the business sector and community are indicators of commercializing the intellectual property and stepping out toward providing community with better solutions for dealing with their challenges. These features were used for preliminary assessment of the Croatian HEIs provision of entrepreneurship education programmes.

The rapid growth in provision of the entrepreneurship programmes started with the Bologna reform in 2005. The main providers of the entrepreneurship education programmes at HEIs are business schools, management, economics, information science and tourism departments. The entrepreneurship programmes due to the early stage of development are still compartmentalized to the specific university constituent and not

integrated at the university level or across different disciplines. However, the number of the courses or programmes, advocate the attractiveness of this area of education. The major philosophy of the programmes does not differentiate well enough the main objectives of the entrepreneurship education; however, majority of the programmes seems to be ABOUT entrepreneurship. The forerunners are J.J. Strossmayer, Faculty of Economics, Graduate programme in entrepreneurship in Osijek with its undergraduate and graduate programmes in entrepreneurship, accompanied with the undergraduate and graduate programme of professional high school VERN in Zagreb. These programmes are the oldest, and have strong focus on education for and about entrepreneurship, use the non traditional teaching strategies. J.J. Strossmayer University – graduate programme in entrepreneurship for instance provide distant learning support; have full-time permanent teaching staff engaged in scientific research on entrepreneurship and strong connections with the local community, business sector and international education area. Recently it has been granted the first endowed UNESCO Chair for entrepreneurship.

This study provides basis for enhancement of the entrepreneurship education programmes in Croatia or any institution following the general trajectory of establishing and managing entrepreneurship education programme. The several initiatives for bridging the discipline boundaries have emerged. It is also important to develop the teaching staff, further upgrade the research base and networks with the local community. The more elaborated evaluation models are also necessary as well as continuation of content and teaching/learning strategies adjustment. This preliminary analysis reflect the potential for improvement, through mapping providers performances in specific segments of operations and through self reflection, learning and experimenting in adopting specific features detected in content, methods, infrastructure of organization of the delivery of the programmes.

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ENTREPRENEURSHIP EDUCATION IN POLAND

INTRODUCTION

The aim of the paper is the diagnosis, assessment and drawing practical directives in the field of entrepreneurship education in Poland. The paper elaborates on entrepreneurship education in Poland comparing to the other European systems of education. As a background the recommendations and opinions of the European Commissions in this field were described. The evaluation of current state-of-the-art was done on the base of evaluating reports conducted on the order of different European institutions as well as own empirical research conducted on the random sample of 109 enterprises in Southern Poland. Diagnosis of the current situations allowed presenting some conclusions and recommendations in the field of entrepreneurship education in Poland, especially mounding entrepreneurial knowledge, attitude and skills.

ROLE OF ENTREPRENEURSHIP EDUCATION

Education plays crucial role in mounding entrepreneurial attitudes, skills and culture, therefore the European Union heads in recent years in its activities towards promoting entrepreneurship as a separate subject taught on all levels of education, from basic level (pupils up to 14 years old) until academic level (studies of 1st and 2nd level), especially taking into account research and doctoral studies in the field of entrepreneurship (3rd level of studies)¹⁸. Regarding this, Europe lags behind the United States, where elements of entrepreneurship education were introduced in the syllabi of secondary education, and what is more the majority of higher schools offers compulsory or optional courses in entrepreneurship. It is also necessary to stress that in Europe there are few chairs of entrepreneurship, four times less than in the United States¹⁹.

In accordance with the European Commission recommendations based on the Lisbon Programme, higher education institutions should integrate entrepreneurship across different subjects and courses, notably within scientific and technical studies. Universities and technical institutes should integrate entrepreneurship as an important part of the curriculum, spread across different subjects, and require or encourage students to take entrepreneurship courses²⁰. *Explicit* it turns out that entrepreneurship education should be included in the curriculum of different majors, not only those connected to economic sciences, but also non-economical majors, especially technical on both levels – bachelor and master (including MBA). According to the research conducted on the order of the European Commission, teaching entrepreneurship in Europe concerns mostly students of economic and managerial majors, while students of other majors have limited opportunities to study entrepreneurship and innovation courses. The European Commission is worried that entrepreneurship is in most cases the optional course, which is not included in the compulsory curriculum of the major. According to the research conducted in September 2004 by European Foundation for Entrepreneurship Research (EFER) and European Foundation for Management Development (EFMD) entrepreneurship as an optional course is offered by 73% of the first level of studies and 69% of the second level of studies in

¹⁸ *Entrepreneurship Education in Europe: Fostering Entrepreneurial Mindsets through Education and Learning. Final Proceedings*, European Commission – Ministry of Education and Research of Finland, Oslo 26-27 October 2006.

¹⁹ Detailed survey on entrepreneurship chairs/departments in the United States can be found in the work: J.A.Katz, *Survey of Endowed Positions in Entrepreneurship and Related Fields in the United States*, Kauffman Center for Entrepreneurial Leadership, Kansas City 2003. Detailed survey on entrepreneurship chairs/departments in Europe can be found in the work: *European Entrepreneurship Chairs*, European Foundation for Entrepreneurship Research, Hilversum 2001.

²⁰ *Implementing the Community Lisbon Programme: Fostering Entrepreneurial Mindsets Through Education and Learning*. Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions, COM (2006) 33 final, Brussels - February, 13 2006, p.9.

Western European universities²¹, while the situation in Central and Eastern European universities is worse. As a result a significant part of European students are prevented from choosing entrepreneurship even as an optional course. It is necessary to state that Polish reality in the field of studying entrepreneurship as an optional course is even much worse, not taking into account economic and managerial majors, however there is no empirical research data in this field.

The European Commission as one of the priorities, either of its own and its Member States, points out the promotion of entrepreneurship education, stating that curriculum for all levels of education should include directly entrepreneurship as the aim of education, therefore all educational institutions should integrate entrepreneurship to their curriculum, especially in technical and hard sciences majors²².

Detailed line of actions were discussed by the representatives of all levels of educations, public administrations and non governmental organisations (NGOs) from 33 different European countries during the international conference held in Oslo in October 2006 under the auspices of the European Commission. The result of the conference is so called the Oslo Agenda (The Oslo Agenda for Entrepreneurship Education in Europe), which postulates 49 actions for entrepreneurship education, for the realization of which six different decision-makers (European Commission, governments of the Member States, local authorities, schools and universities, entrepreneurs and employees and intermediary institutions) are responsible²³.

SYSTEM OF EDUCATION IN POLAND

While discussing entrepreneurship education it is crucial to state that it includes all levels of education from primary to higher schools. Polish system of education consists of 6 levels (compare fig. 1). Children in Poland start their education at the age of 7. The primary school (*szkoła podstawowa*) lasts 6 years and is divided into two three-year-phases. At the age of 13 pupils start junior high school (*gimnazjum*)²⁴, which lasts 3 years and ends with the final examination, whose results are taken into account while choosing the next stage of education. Secondary education is diversified in Poland. After having graduated from junior high school, pupils can choose one out of four ways of education, namely:

- general secondary school (*liceum* or *liceum ogólnokształcące*) including 3 years of general education,
- specialized secondary school (*liceum profilowane* or *liceum zawodowe*) including 3 years of general education with some specialized subjects (e.g. administration, economics, technology, computer studies),
- technical secondary school (*technikum*) including 4 years of general education with vocational training (after the graduation a graduate obtains a title of technician, e.g. gastronomy technician, electrical technician, computer technician, mechanic technician),
- basic vocational schools (*zasadnicza szkoła zawodowa*) including 2 years of vocational education with very limited general education (after the graduation a graduate obtains a title of professional labourer, e.g. hairdresser, waiter, cook).

The first three types of schools end up with the A-level exams (*matura*), which entitle to take up studies. After each type of these schools, pupils can also continue their education at postsecondary schools (kind of vocational schools) or supplementary general secondary school in the case of having completed basic vocational schools. Education in Poland is obligatory till the age of 18.

Studying in Poland is divided according to Bologna Process²⁵ (EU level) into three phases, namely:

- undergraduate studies lasting 6 or 7 semesters (bachelor degree: BA or BSc),
- graduate studies lasting 3 or 4 semesters (master degree: MA or MSc),

²¹ K. Wilson, *Entrepreneurship Education at European Universities and Business Schools. Results of a Joint Pilot Survey*, paper presented at OECD International Conference on “Foster Entrepreneurship: The Role of Higher Education” June 23-24, 2005.

²² *Implementing the Community Lisbon Programme ...*, op. cit., p. 12.

²³ The Agenda is available at the website of Enterprise and Industry Directorate-General of the European Commission at: http://ec.europa.eu/enterprise/entrepreneurship/support_measures/training_education/oslo.htm.

²⁴ Polish *gimnazjum* is equivalent to Middle School in Great Britain or Junior High School in the United States. It is for pupils at the age of 13-15.

²⁵ The Bologna Process aims to create a European Higher Education Area by 2010. One of the priorities of the Bologna process is the introduction of the three cycle system (bachelor/master/doctorate).

- doctoral studies lasting 6 or 8 semesters (PhD degree).

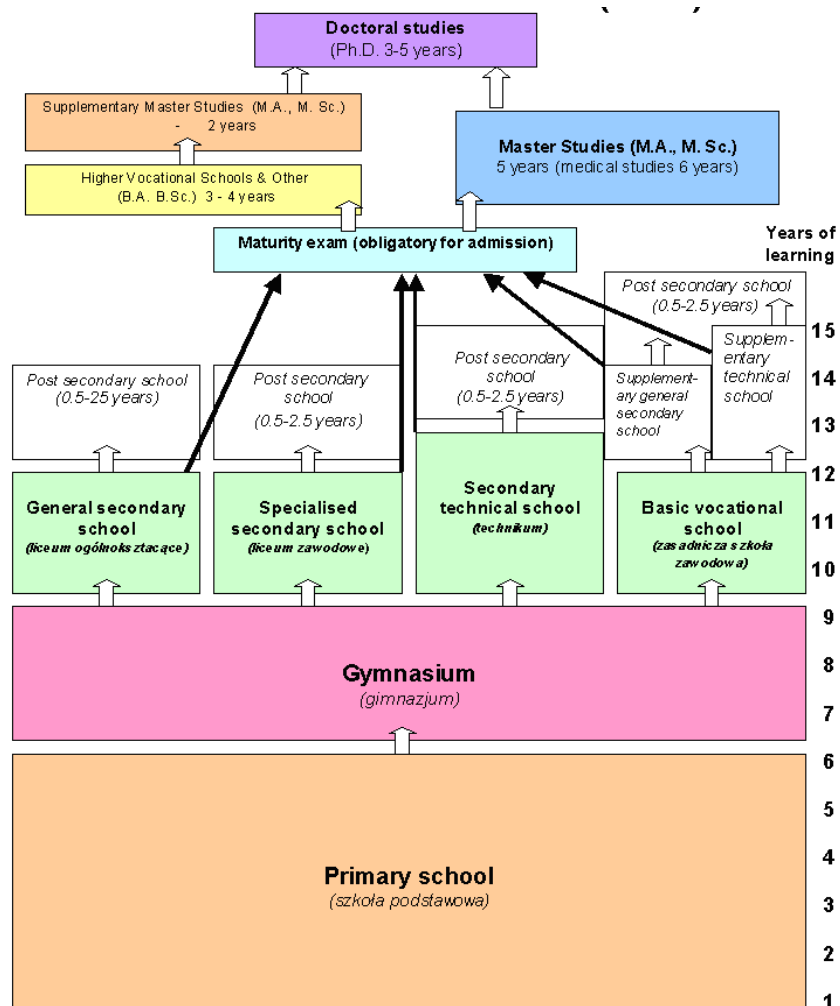


Figure 1. Polish System of Education

Source: Ministry of National Education of the Republic of Poland, <http://www.men.gov.pl>, retrieved on 26 July 2007.

As far as higher education in Poland is concerned there are 118 majors in Poland indicated by the Ministry of Science and Higher Education, among them 12 are connected to economic sciences (Economics; Management; Management and Production Engineering; Finance and Accountancy; Administration; International Relations; Logistics; European Studies; Informatics and Econometrics; Tourism and Recreation; Commodity Science; Spatial Management). Some universities with proper rights offer additional majors, if accepted by the Ministry (e.g. public management and administration; international economics; applied economics; quantitative methods in economics). Within each major universities can offer specialization tracks. To obtain a master degree there is a need to study for 5 years (first and second level of studying altogether)²⁶. There are only 5 majors, which are not divided into two levels, but which are taught as single master studies, they are psychology, architecture, pharmaceuticals, medicine and theology. People having at least a bachelor degree can also continue their education at postgraduate studies, which last from 2 to 4 semesters. In Poland there are also two more scientific postdoctoral degrees²⁷:

²⁶ The medicine and pharmaceuticals lasts 6 years and the graduates obtain the degree of MD or MSc in pharmaceuticals. Similarly clerical theology (a seminary) also lasts 6 years and the graduates obtain MA in theology.

²⁷ For details see Ministry of Science and Higher Education of the Republic of Poland, <http://www.mnisw.gov.pl>.

- habilitation (i.e. *dr hab.*) obtaining through a postdoctoral thesis and scholarly productivity²⁸,
- professorship (i.e. *prof. dr hab.*) obtaining through a professorship's book and scholarly productivity²⁹.

ENTREPRENEURSHIP EDUCATION IN LOWER LEVELS OF EDUCATION

Entrepreneurship education in Poland starts in middle schools (*gimnazjum*). The pupils at the age of 13 and 14 have an obligatory subject called "Social Studies". The subject, which lasts 76 hours, realizes three modules, one of which is economic and entrepreneurship education (25 hours). Entrepreneurship as a separate obligatory subject is included in the curriculum in all secondary schools in Poland (for pupils at the age of 16, 17 or 18). Entrepreneurship education has to realize within at least 76 hours, but it can be broadened by the decision of headmasters of particular schools. The content of the subject is interdisciplinary, but unfortunately it is focused mainly on economics, especially on macroeconomics (compare table 1). Analyzing the syllabus of Entrepreneurship Education in secondary schools it is necessary to state that it is overloaded and too theoretical, especially in the field of the theory of economics.

Table 1. Entrepreneurship Education Syllabus in Secondary Schools in Poland

Education aims:	Active and conscious participation in economic sphere. Moulding the ability in team working. Moulding entrepreneurial attitudes. Developing the interests in running up own business.
Education content:	Entrepreneurial attitude and personality. Team working. Profit and risk. Professional and economic activities. Market and market economy. Economic growth and its measures. Stock exchange. Household. Polish system of Insurances. Enterprise – its forms and role in the economy. Costs and incomes of enterprises. Investing and financing. Money and banks. Procedure of setting up a firm. Employing employers. Labour market and unemployment. Economic globalization. Foreign trade. Business ethics.
Education effects:	Ability of team working and negotiating. Distinguishing between different forms of investing. Ability of predicting and forecasting of the profitability of economic ventures. Identification of basic forms of enterprises. Preparing documents for setting up own business. Preparing basic tax documents.
School tasks:	Help in developing the interests in running up own business. Supporting pupils in gaining the knowledge and skills for entrepreneurship. Supporting pupils in choosing the future career.

Source: *Curriculum Basics for Entrepreneurship Education for Secondary Schools*, appointed by the Ministry of National Education of the Republic of Poland, <http://www.men.gov.pl>, retrieved on March 26, 2008.

Poland, in various reports on entrepreneurship education prepared for the European Commission, is positively graded, rather high, because of the introducing compulsory entrepreneurship education in secondary schools. However it is necessary to emphasize that introducing the compulsory subject on entrepreneurship is only the first step of the realization the priorities of entrepreneurship education in Europe, while proper implementation of education content suitable to entrepreneurship and running own business is much more important.

²⁸ The degree of habilitated doctor (*doktor habilitowany*) is awarded to candidates who hold a doctor's degree, have important academic or artistic achievements, have proposed a habilitation dissertation and successfully completed the habilitation procedure.

²⁹ Professor (*profesor*) is an academic degree awarded by the President of the Republic of Poland. Nevertheless there are also posts of a 'professor' appointed by particular universities (a post either of extraordinary professor or of ordinary professor).

ENTREPRENEURSHIP EDUCATION IN HIGHER SCHOOLS

Polish universities involvement in the entrepreneurial education in Poland depends on the particular university. In some universities, only universities of economics there are special departments of entrepreneurship and entrepreneurship is taught as a separate subject, but in some universities entrepreneurship is not taught as a separate subject. In Poland “Entrepreneurship” is an obligatory subject only for the major “management” at graduate studies (MA/MSc). At other economic majors “Entrepreneurship” is optional.

The situation in higher education looks differently. The education on academic level in Poland similarly to different European countries is decentralized and at currently introduced higher education standards for economic and managerial majors reflect the recommendations of the European Commission in scarce degree. In distinguished 12 majors for economic and managerial majors valid in Poland the obligatory qualifications of graduate of given major in four of them very narrowly understood entrepreneurship (as running own business) is taken into account, however only in one case (the major “management”) the academic course in entrepreneurship is an obligatory subject at master studies level (compare tables 2 and 3). Moreover the content of entrepreneurship education is not introduced in the standards of none of non-economical majors. However, most public universities offer entrepreneurship as optional courses.

Table 2. Entrepreneurship Education on Economic and Managerial Majors in Poland

Major	necessary entrepreneurial qualifications	obligatory entrepreneurship course	
		1 st level	2 nd level
Administration	+	-	-
Economics	-	-	-
Finance and Accountancy	-	-	-
Spatial Management	-	-	-
Informatics and Econometrics	-	-	-
Logistic	-	-	-
International Relations	-	-	-
Commodity Science	+	-	-
Tourism and Recreation	+	-	-
Management	-	-	+
Management and Production Engineering	+	-	-
European Studies	-	-	-

Source: Author’s own elaboration based on *Higher Education Standards* appointed by the Ministry of Science and Higher Education of the Republic of Poland.

Table 3. Entrepreneurship Education Syllabus for the Major Management in Poland

Education content:	Conception of Entrepreneurship. Types of Entrepreneurship and Entrepreneurial Organizations. Entrepreneur. External and Internal Entrepreneurship. Entrepreneurial Skills. Entrepreneurial Orientation. Entrepreneurship as a Process. Opportunities Identification and Evaluation. Risk and Its Treating. Ventures Planning. Resources and Conditions for Entrepreneurial Venture Launching. Entrepreneurship Supporting Infrastructure. International Entrepreneurship.
Education effects:	Understanding the Meaning of Entrepreneurship in management. Entrepreneurial Ventures Formulating and Implementing Skills.

Source: *Higher Education Standards for the major ‘Management’*, appointed by the Ministry of Science and Higher Education of the Republic of Poland, <http://www.mnsw.gov.pl>, retrieved on March 26, 2008.

The education content in the field of entrepreneurship for the major “management” (as the only one major) fully reflects the recommendations and opinions of the European Commission and other bodies. The syllabi of such courses are approximately similar to the one established by the Ministry. What is more each of five Polish public universities of economics has entrepreneurship chair/department.

Entrepreneurship Education – Case Study of Cracow University of Economics

At Cracow University of Economics (CUE) students of the major “management” according to the Higher Education Standards are obligated to pass the course entrepreneurship at second level of studies (master studies). Additionally the students of the major “economics” can choose “entrepreneurship and innovation” as the specialization track. At each major the faculties offer various specialization. Each track is offered both on first (bachelor) and second (master) level of studies. At the major “economics” there is entrepreneurial specialized program called “Entrepreneurship and Innovation” specialization. Students can choose this specialisation:

- after third semester of bachelor studies (the specialisation lasts 3 semesters of bachelor studies, the first three semesters of six semester are without specialization)
- after second semester of master studies (the specialisation lasts 2 semesters of master studies, the first two semester of four semesters is without specialization).

Students studying the specialization “Entrepreneurship and Innovation” have to pass plenty of entrepreneurial detailed subjects (compare table 4).

Specialists from business are also involved in the entrepreneurial education in order to sustain courses. The practical entrepreneurship education is based on guest lectures (at least twice a year) and visiting tours in business organizations (two trips in third-year of bachelor studies). The students of the specialization “Entrepreneurship and Innovation” are to prepare “real business world” consulting reports for entrepreneurs. At Cracow University of Economics there are two students organizations devoted to entrepreneurship:

- Students in Free Enterprise (SIFE) – a branch of a well-known international students’ organization,
- Students’ Scientific Club of Entrepreneurship and Innovation – local students’ organization.

Both organizations are open for all students of the university, however it is managed by the students of the specialization track “Entrepreneurship and Innovation”.

Table 4. Specialisation Track of “Entrepreneurship and Innovation” at CUE*

Subject	Hours		Form of passing	ECTS
	Lectures	Classes		
Bachelor Studies (1st Level of Studies)				
Small and Medium-sized Enterprises in the European Union	15	15	test	3
Creativity and Innovation	15	15	exam	3
Entrepreneurship Support Techniques	15	15	project	2
E-business	15	15	pass	2
Price Decisions in Small and Medium-sized Enterprises	15	15	exam	2
Organisation of Client Service	15	15	pass	2
Finances of Enterprises	15	15	exam	4
Strategic Management	15	15	exam	4
Tax Accountancy	15	15	exam	4
Corporate Entrepreneurship	15	15	exam	3
Interpersonal Training	-	30	pass	3
Entrepreneurship on Internet	15	15	pass	4
Computer Methods for Supporting Entrepreneurs	-	30	pass	4
European Union Aid Funds for Entrepreneurship	30	-	pass	3
International Entrepreneurship	30	-	pass	3

Economic and Social Insurances	30	-	pass	3
Law for Entrepreneurs and Entrepreneurship	30	-	pass	4
Agrobusiness	30	-	pass	2
Entrepreneurship in Tourism	30	-	pass	4
Master Studies (2nd Level of Studies)				
Entrepreneurship and Innovation	15	30	exam	3
Management of Innovations	15	15	exam	3
Internationalization of Small and Medium-sized Enterprises	15	15	exam	3
Methodology of Market Analyses	15	15	pass	3
Competitiveness of Enterprises	15	15	exam	3
Management of Small and Medium-sized Enterprises	15	15	exam	3
Public Relations	15	15	exam	3
Economic Psychology	30	-	pass	3
Mergers and Acquisitions	30	-	pass	3
Entrepreneur in the Theory of Economics	30	-	pass	3
Game and Conflict in Management	30	-	pass	3

*The curriculum does not include the compulsory subjects for the major taught at previous years.

Source: Author's own elaboration on the basis of university curriculum

Entrepreneurial Education in Poland in the Light of Empirical Research

In the light of present research the following assumption can be accepted: European systems of education and trainings are not in a sufficient degree focused on moulding entrepreneurial attitudes of the youth. The research conducted on the order of the European Commission results in the fact that nearly 60% of the Europeans never considered setting up own business, and only 45% prefer being an entrepreneur (compare fig. 2), in comparison to the United States - 61% of the citizens prefers self-employment status. The early experiences of entrepreneurship and innovativeness have fundamental influence on future decisions on setting up own business. Hence, the most important here is the support for the realization all kinds of education programmes of entrepreneurship, on basic, secondary, and higher education (on all majors of studies) levels. The graduates of higher as well as secondary schools should gain skill as well as the indispensable knowledge how to start own economic activities.

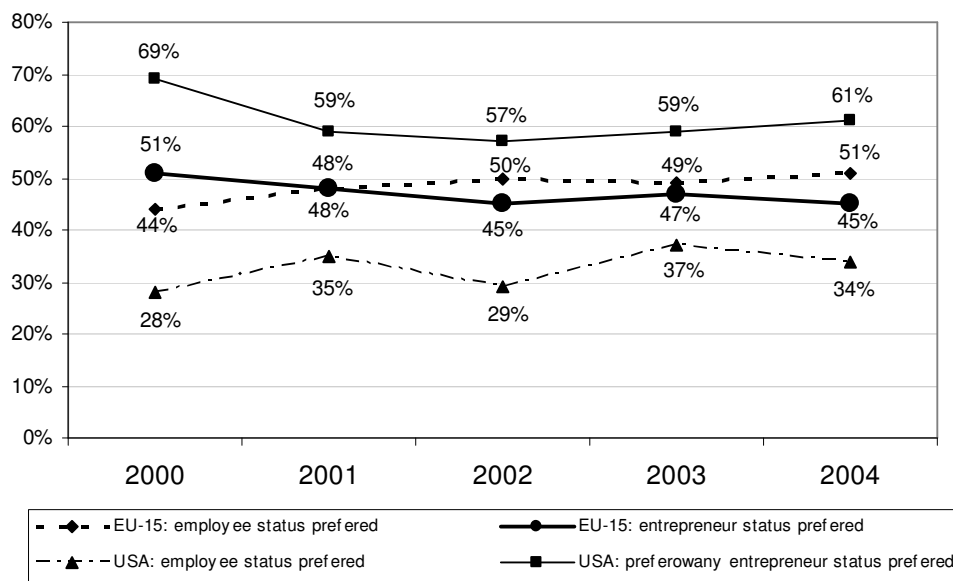


Figure 2. Preferred tracks of career in the EU and US in the years 2000-2004

Source: *Entrepreneurship*, „Flash Eurobarometr” no. 160, European Commission, Brussels 2004, p.4.

In order to evaluate the current state of the Polish of education in the field of mounding the entrepreneurial attitudes the own post questionnaire survey was implemented³⁰. The research was restricted to the region of Southern Poland according to the European NUTS nomenclature, including two voivodeships (provinces): malopolskie and śląskie. The research was conducted on the random sample of 109 small and medium-sized enterprises³¹ and 131 communes³² localized in the region. Manager perception was chosen as an operationalization method, thus it assures the acceptable correctness and the reliability, and first of all tops other methods in relation to practical usage, what is more it is applied in analogous research very often. In entrepreneurs' options, both in secondary schools (55%) and higher schools (36,7%) the procedures issues of registration and running own business are insufficiently considered in the curriculum (fig. 3). The evaluation of the entrepreneurs as the employers of local markers seems to be reliable. Hence, one can put forward a motion that educational curricula are not suitable to market reality. Although entrepreneurship education was implemented to secondary schools as a compulsory subject, but the amount of taught hours is insufficient (1 hour per week throughout one year only). Another reason of the negative estimation is the over theorized educational content of entrepreneurship education, missing the practical aspects of entrepreneurial skills and attitudes as well as managerial skills. The content in three fourth is dedicated to micro- and macroeconomics. The situations in higher schools seems to be a bit better, but not all higher schools in Poland offer entrepreneurship education, and if yes the amount of hours of the entrepreneurship courses is too small. Low evaluations of the preparation of graduates of secondary schools as well as universities for running own business are alarming.

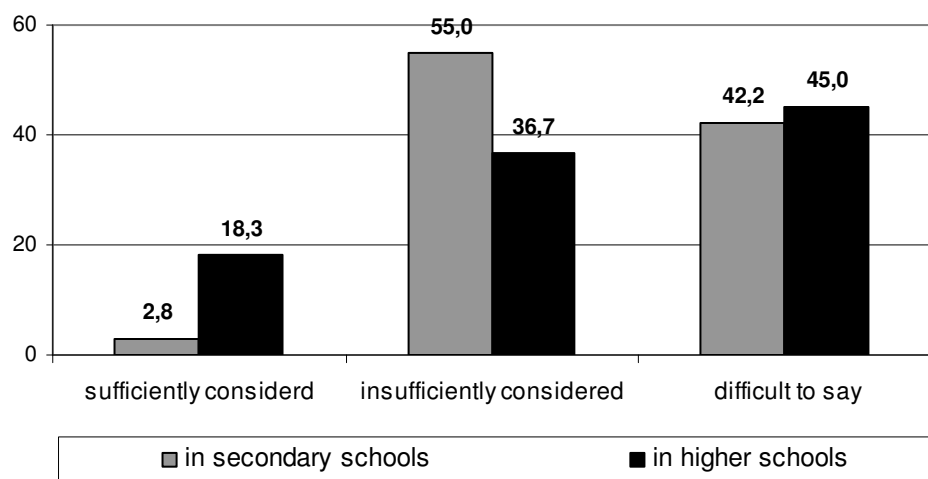


Figure 3. Managerial perception of entrepreneurship education (in %)

Source: Author's own elaboration on the basis of own empirical research

CONCLUSIONS AND RECOMMENDATIONS

In order to proper shaping the entrepreneurship education in Poland as well as in other countries, especially *entrepreneurship spirit in Europe* the following conclusions and recommendations can be drawn:

- Bachelor studies (first cycle of higher education) should have very practical character, and the graduates, of not only economics and management, should acquire practical managerial skills. Academic community should implement education in **applied entrepreneurship** as compulsory courses at least at all economic and managerial majors and simultaneously as optional courses for

³⁰ The research was conducted by the author in the late of 2004 within the holistic research project on regional business environment in Southern Poland. The detailed results are published in: K. Wach, *Regionalne otoczenie małych i średnich przedsiębiorstw*, Wydawnictwo Uniwersytetu Ekonomicznego w Krakowie, Kraków 2008.

³¹ The questionnaire was sent to 500 enterprises, that is 250 to each voivodeship, the return rate amounted to 22%.

³² The questionnaire was sent to all communes from the region (that is 349), the return rate amounted to 37.5%.

other majors. It is also needed to introduce optional courses in creativity and innovativeness or innovation processes.

- Master studies (second cycle of higher education) should have theoretical character, and the graduate should be prepared for scientific and research work. The educational contents at all economic and managerial majors should include education in **entrepreneurship theory** (entrepreneurship and innovation). Courses in management of innovations are also needed, especially at technical universities (polytechnics), which can result in fastening the technology and knowledge transfer.
- Studies curricula should include more practical education, especially based on the cooperation with local entrepreneurs, within which students should prepare real world consulting projects for cooperating enterprises. Such workshops should be offered as optional courses for students of all economic and managerial majors.
- Academic education in the field of entrepreneurship should also implement training enterprises (similar to the idea of Junior Enterprise Concept JADE). Students should run their own training companies to gain real experience in entrepreneurship³³. It should be supported by the idea of university incubators.
- There is also a need to support entrepreneurship teachers with methodological assistance, especially in the field of usage active methods of problematic teaching (including visual moderation, metaplan, blended e-learning, edutainment). Active methods of teaching should be broad used.
- European universities should joint international networks for teaching cooperation. Exchanges of teachers for each semester should be as popular as possible. There is also a need to establish E-learning cooperation between n universities³⁴. For example in Poland all five public universities of economics offer joint e-learning courses for students of these universities and the proportion of students from each university is equal. Nevertheless such e-learning courses should be offer by domestic and foreign universities jointly³⁵.

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³³ Currently Polish Ministry of Science and Higher Education consider the project on training enterprises for students similar to those for secondary schools. For details see: *Mini-Companies in Secondary Education. Best Procedure Project, Final Report of The Expert Group*, European Commission – Enterprise and Industry Directorate-General, Brussels 2005.

³⁴ European Commission assumes that by 2010 about 90% of Member States will have realized such projects.

³⁵ The example of such Project can be realized in the years 2006-2007 international e-learning project. „Innovation through Collaboration” (iCOLL) financed by the European Commission within SOCRATES programme. Cracow University of Economics was one of the partners.

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UNIVERSITY-LEVEL ENTREPRENEURSHIP EDUCATION IN POLAND

ABSTRACT

This paper outlines Polish experiences in fostering entrepreneurship education as exemplified by the nationwide program titled “Dynamic Entrepreneurship” which was initiated by the author in 2004. The program was launched to accelerate entrepreneurship education in higher education institutions, especially within nonbusiness studies in Poland – an emerging, transition economy with limited experience in this field. Rather than waiting for individual efforts of each university, the program established a nationwide network platform and provided tools and mechanisms for accelerated implementation of entrepreneurship courses, at the bachelor, master and PhD levels. Experience with the project has led to several key success factors: assimilation of best teaching practices from leading Western academic institutions, identifying highly motivated, dynamic lecturers of entrepreneurship in each participating university, establishing electronic platform for running courses as well as exchanging materials, experiences among participating lecturers, and finally, securing external (public) funding to finance start-up initiatives at both national and local university levels .

1. INTRODUCTION

After 1990, when the transition from the centrally-planned economy to the market economy took place, there was a clear revival of interest in entrepreneurship in higher education reflected, *inter alia*, in setting up new private “entrepreneurship” business schools. The courses on entrepreneurship were launched and in some business schools students chose the specialization “Entrepreneurship”. However, teaching was more often about entrepreneurship in general rather than for stimulating entrepreneurial initiatives and was being viewed within the context of the traditional small business environment rather than dynamic, innovative business initiatives. With respect to the non-economic universities (e.g. polytechnics, agricultural schools), entrepreneurship education was almost non-existent and was generally viewed as a low priority “soft” subject, as compared to the hard sciences. Currently, there is a growing interest in entrepreneurship education in Poland at the academic level, particularly in economic universities and business schools. In addition to the introduction of teaching courses in this field, there is a growing number of empirical research projects that address specific issues pertaining to entrepreneurship. In this paper, the author presents his experiences in launching the specialized program titled “Dynamic Entrepreneurship”, aimed at accelerating entrepreneurship education at Polish universities. Many unique characteristics of this program which are worth mentioning:

- Adoption of the ‘latecomer advantage’ concept (Veblen, 1915) to entrepreneurship education in an emerging economy, undergoing systemic transformation. Being late and underdeveloped is obviously detrimental, but at the same time, one can learn and assimilate best experiences gained to date to quickly catch-up with the leaders in this particular field. Entrepreneurship education in emerging economies can greatly benefit from accumulated know-how, particularly by U.S. academic institutions as to the course content, teaching methodologies and tools. This has been greatly facilitated in a recent trend by leading academic institutions to make freely available via Internet some of their teaching materials.

- The network approach. Rather than waiting for individual efforts of each university, the program established a nationwide network platform, providing tools and mechanisms for the accelerated implementation of entrepreneurship courses by educators representing various academic institutions.
- Focus on non-economic (non-business) academic institutions. Entrepreneurship has been typically perceived as a domain of people with economic and business education backgrounds. The experiences, particularly in the United States (U.S.), have proven that engineering or IT students can start successful businesses. To achieve this, it is very helpful that their engineering background is being strengthened by incorporating broadly defined business subjects (marketing, financial, legal including IP protection) in their study programs.

The rest of the paper is organized as follows. First, key lessons derived from the experiences of teaching entrepreneurship in the Western (mostly U.S.) academic institutions are presented. Next, the origins, concept and the implementation experiences of the “Dynamic Entrepreneurship” Program are discussed. In the final section, the author puts forward an integrated framework for accelerating entrepreneurship education in the emerging economies undergoing systemic transformation and identifies key success factors leading to that effect.

2. WHAT CAN BE LEARNED FROM THE EXPERIENCES ACCUMULATED IN DEVELOPED COUNTRIES?

Although the origins of entrepreneurship education in the U.S. can be traced back to the 19th century (Katz, 2003; Kuratko, 2005), its widespread presence in university-level institutions is of recent origin, encompassing only the last 30 years. The most important lessons derived from the accumulated experiences in teaching entrepreneurship courses are the following:

a) Lessons relating to the overall concept and contents of entrepreneurship courses

- Entrepreneurship can be taught, and teaching may contribute to shaping students’ entrepreneurial attitudes and skills. This conclusion has paved its way in the entrepreneurship literature, but only after a long debate focusing on the role of natural traits in the entrepreneurial process.
- Moreover, entrepreneurship can and shall be taught, not only at the undergraduate, but also at the graduate level, PhD and in executive programs;
- Entrepreneurship is predominantly reflected in launching new businesses. Distinct features of the start-up process justify focussing on this phase while teaching entrepreneurship;
- Launching a new business is a much broader concept than merely the registration of a new business establishment. It starts with identification and evaluation of business opportunities, the most promising ones being developed in the form of business plans and finally implemented.
- Entrepreneurship is not only for business, but is also for non-business students (i.e., engineering, hard sciences, medical, and arts). This contradicts the prevailing view, particularly in Europe, that entrepreneurship should be confined to business studies;
- Dynamic (high potential, ambitious) entrepreneurship shall be seen as a distinct segment calling for different teaching concepts and methodologies as compared to the traditional small business sector, based on self-employment.

Dynamic, growth-oriented undertakings typically account for a few percent, with only some countries exceeding 10% of business start-ups (Autio, 2007). For university-level students it is important to attract their attention to start more ambitious ventures, where they can use their knowledge and skills acquired during the course of their studies. This is particularly relevant in Europe, due to its traditional focus on small business training (Wilson, 2004). On the other hand, dynamic entrepreneurship shall not be confined to high-tech businesses only. In fact, many successful dynamic ventures are not necessarily based on technological innovations. Figure 1 below illustrates a broader meaning of dynamic entrepreneurship.

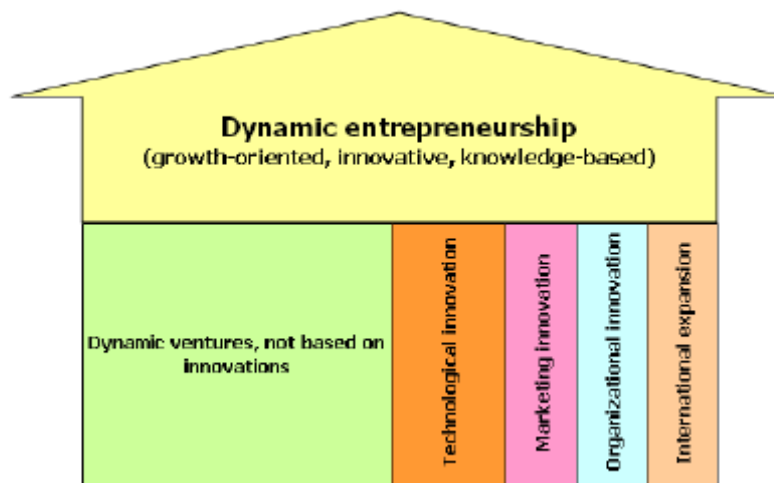


Figure 1.

Source: Author's presentation

b) Lessons relating to teaching methodologies

- Entrepreneurs are different than managers and shall be trained differently – a holistic rather than a functional approach shall be followed. Successful businessmen have the ability of integrating various resources and skills into a viable venture. The need for holistic teaching calls for broadening the knowledge of entrepreneurship lecturers in various aspects of business operations;
- Training shall be “for entrepreneurship” rather than “about entrepreneurship”. The most important aspect in teaching “for entrepreneurship” is the parallel process. During workshops, particular issues relating to the business start-up process are discussed, however, they always reference the particular business concepts students elaborate on (individually or in small groups). Students who take part in such a process, even if it is only a didactic game, where they have to make some decisions or even set up a real business will learn much more than those attending traditional classroom lectures;
- Mixed methods and tools in teaching entrepreneurship have proven to be most effective. Direct classroom sessions can be combined with web-based tools and supporting materials. However, the latter does not eliminate the „paper” textbook. Direct contact with real business is also important, for example, entrepreneurs as guest speakers and visits to existing firms.

3. DYNAMIC ENTREPRENEURSHIP PROGRAM – AN OVERVIEW

The program was initiated by the author back in 2004 after resuming an academic career, interrupted by business engagement lasting 14 years.³⁶ The bottom-up rather than top-down approach has been followed in this program. Although from the very beginning, the program was designed with the view to resolve the issue of insufficient entrepreneurship education at the country level, it has been started as a result of author's individual initiative. It is based on social entrepreneurship principles, such as resolving important social problems by undertaking proactive, innovative and somewhat risky initiatives.

a) The Program milestones

³⁶ During 1990 – 2003, I was engaged in establishing Ernst & Young in Poland – an audit and consultancy firm. I was responsible for tax and accounting services, and during 1996 – 2000, served as the managing partner of Ernst & Young Poland.

- During the preparatory stage, the experiences of leading academic institutions (particularly in the U.S.) in teaching entrepreneurship have been studied;
- Next, basic course materials have been developed and tested at the mother institution – Leon Kozminski Academy of Entrepreneurship and Management, Warsaw both at the undergraduate and graduate levels. From the very beginning, the courses were conducted with the use of a dedicated website www.cieslik.edu.pl ;
- Next, thanks to the financial support obtained from the European Union (EU) Structural Funds, in 2006-2007, a project titled “How to start your own business – training and consultancy program for students” was implemented for 120 students from 32 higher institutions (mostly non-business) in the Mazovia Region. In addition to training and advisory support, best business projects prepared by the students received financial support (Euro 6 000 each);
- The accumulated teaching experiences facilitated the preparation of a modernstyle textbook “*Dynamic Entrepreneurship. How to start your own business*” addressed primarily to the academic community and published in 2006 (Cieslik, 2006);
- During 2007-2008, the ‘training of trainers’ component has been added to the program. With the financial support of the Ministry of Science and Higher Education of Poland, 20 entrepreneurship lecturers from polytechnics, universities, and agricultural schools received ongoing methodological support and training in launching pilot courses in entrepreneurship. This shall later constitute an integral part of the teaching curricula of participating academic institutions;
- The website www.cieslik.edu.pl has been expanded and modified into a professional portal dedicated to Dynamic Entrepreneurship. Today, the portal serves a variety of functions: it offers supplementary materials and tools for students, it features teaching tips and materials for lecturers, it serves as a database of teaching materials and cases, and it provides a facility to run courses (blended learning) by lecturers from various universities who do not run their own websites. The portal streamlines the exchange of experiences, materials, and other resources among lecturers who joined the network;
- In addition to the basic course in entrepreneurship, new specialized courses have been developed. Thanks to the financial support from the Foundation of Polish Science in 2007, a pilot course on “Technology Entrepreneurship” was conducted for 30 PhD students coming from polytechnics and hard science departments from universities across Poland. Similarly, two additional courses on “Technology Entrepreneurship” are conducted in 2008.

b) **Tentative results and lessons learned from the accumulated experiences**

Since the beginning of 2006, when the program became fully operational:

- Over 1600 students were trained in entrepreneurship with the use of the methodology, tools, electronic platform and the textbook developed within the framework of the program;
- Pilot entrepreneurship courses have been launched in 30 higher education (mostly non-business) institutions throughout Poland. It shall be emphasized that those institutions did not have prior experience in teaching entrepreneurship;
- A network of lecturers coming mostly from polytechnics, universities and agricultural schools has been firmly established. At present, there are some 30 active members and 50 passive members in the network.

As to the practical experiences gained during the implementation process, they have generally confirmed the findings from the review of western experiences. What was particularly useful was the “for entrepreneurship” methodology, as well as mixing class workshops with the web-based learning and standard entrepreneurship textbook.

Certain adjustments in the program have proven to be useful. For example, in all cases, tools reflected the Polish business operating environment, thus being more appealing to students. Some necessary changes to the content of entrepreneurship courses in technical universities are also worth mentioning. There are basic rules of starting a business which needs to be conveyed to all students, irrespective of their specialization.

However, for engineering, IT, and hard science students, the course content should be blended towards their core subjects and include issues such as:

- Identifying business opportunities based on technological innovations
- Personal characteristics of technology entrepreneurs and functioning of entrepreneurial teams
- Financing of technology businesses, including venture capital
- Marketing of innovative products and services
- Intellectual property protection (not necessarily as legal, but as strategic business issues).

Finally, while implementing entrepreneurship programs in non-business academic institutions, one should be aware that this involves deeper adjustments of attitudes and perceptions among the students and academic staff. With respect to non-business students, historically, entrepreneurship has been associated with traditional small businesses, and therefore viewed as a less attractive career option for university graduates. On the other hand, professors from polytechnics, hard science departments at universities, and agricultural schools, still perceive entrepreneurship as a 'soft' science and hence, a low priority subject as compared to 'hard' subjects like mechanics or chemistry. One can observe gradual shifts in attitudes of both students and professors in this field, but it takes time.

4. TOWARDS AN INTEGRATED FRAMEWORK FOR ACCELERATING ENTREPRENEURSHIP EDUCATION AT THE ACADEMIC LEVEL IN TRANSITION ECONOMIES

a) Recommended broader framework

Based on the author's personal experiences in entrepreneurship education, as well as the experiences from other countries,³⁷ one may formulate several observations and recommendations. The first relates to the need for a broader perspective, which needs development, even while starting with the modest steps. The proposed framework is presented in a graphical form in Figure 2. The cornerstone of the broader program is the basic course in entrepreneurship, which, following the recommendations of the European Commission (2008), should be included in the curricula relatively early in the study programs (bachelor level). It should provide students with a general understanding of the entrepreneurship and business start-up process, not necessarily leading to a new venture, but preparing for such a career option. Later, additional elective specialized courses can be introduced. Based on the author's experiences, an advanced course on launching a new business is highly regarded by the last years students. In this case, however, it would be highly advisable to secure external financing to support best business projects put forward by students participating in such programs. Advanced level programs include courses on technology entrepreneurship for academic staff and PhD students from engineering departments and hard sciences, as well executive courses for "mature entrepreneurs" – professionals wishing to set up their own business that have already spent several years working for large corporations.

³⁷ The European experiences, together with specific recommendations on enhancing entrepreneurship education in higher education, especially in non-business studies, are contained in the most recent report published by the European Commission (2008).

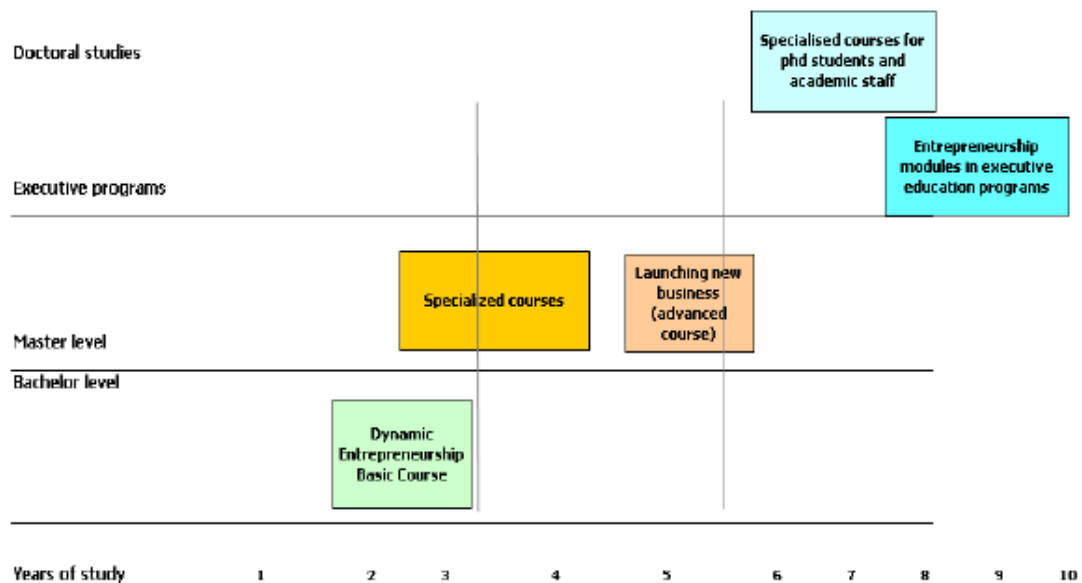


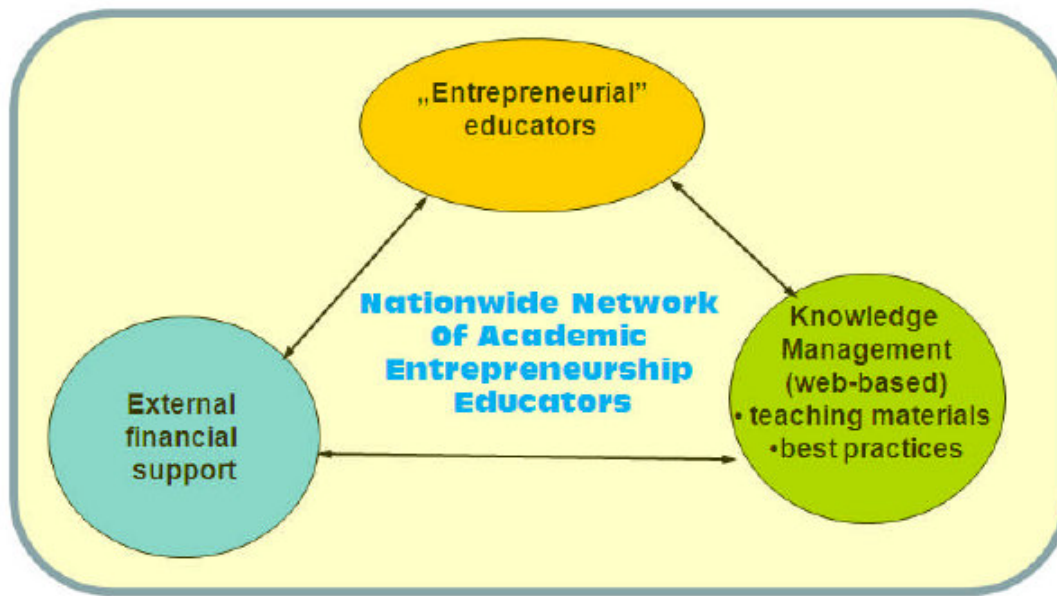
Figure 2. Entrepreneurship Education in Higher Education – A Broader Framework

Source: Author's presentation

b) Key success factors in launching and expanding entrepreneurship education at the academic level in transition economies

Key success factors for launching entrepreneurship programs at the academic level are presented in graphical form in Figure 3. It is important to identify the “entrepreneurial” (proactive, innovative, accepting some risks) lecturers in entrepreneurship (or candidates to become such lecturers) at the university level. In addition to a sound academic background, those lecturers need to have good relations with students. Certain organizational skills are also important. The experiences of many Western universities have indicated that once the basic entrepreneurship courses are introduced, there is a growing need for supportive initiatives, like advisory services, for students planning to start businesses, regular meetings with entrepreneurs and, at the advanced stage, setting up business incubators³⁸. Maintaining good relations with the local business community is therefore of particular importance.

³⁸ The author believes that setting up business incubators shall take place only once the basic entrepreneurship courses are in place, to ensure an adequate “supply” of academic entrepreneurs. Only some of them will embark on launching innovative businesses, justifying comprehensive support in a business incubator.



**Figure 3. Accelerating entrepreneurship education at the academic level
- key success factors**

Source: Author's presentation

There are a number of organizational issues which need to be addressed, for example, the mechanism of rewarding the entrepreneurship lecturers for their additional efforts and activities, going beyond teaching as such. Another issue is the location of the teaching unit offering entrepreneurship courses. In the case of Polish polytechnics, universities, and agricultural schools, such a unit has been located in a department offering courses in economics and management. Following the experiences of many Western academic institutions, in the longer term perspective, there may be a need to establish entrepreneurship centres outside departmental structures to offer comprehensive programs to all departments, as well as carrying out various initiatives aimed at promoting dynamic, innovative entrepreneurship among students and academic staff.

Particularly during the takeoff period, networking among entrepreneurship lecturers is crucial in order to alleviate significant start-up barriers. One shall bear in mind that the preparation of the course design, teaching materials, tools, and case studies is costly and time consuming. Sharing resources, methodologies, and tools among lecturers can greatly reduce such costs. The Polish lecturers introducing entrepreneurship courses for the first time have greatly appreciated the opportunity to get ongoing support and advice on very practical issues, during the course of their training. The dedicated electronic platform (portal) proved to be very useful here.

It shall be noted that the network mechanisms have been used in a number of developed European countries with the aim of narrowing the distance in entrepreneurship education with the leading academic institutions in the U.S. We can mention, as an example, the FGF - an association founded for the purpose of supporting entrepreneurship research and education in the German-speaking Europe. In the Nordic countries, recent undertakings include the Oeresund Entrepreneurship Academy, a Danish-Swedish cooperative project and the Norwegian School of Entrepreneurship, a joint initiative between 5 Norwegian universities. **The ERENET network gathers entrepreneurship lecturers and researchers from Central and Eastern Europe and plays an important role in disseminating best practices and experiences in this field.**

Finally, we shall emphasize the need for securing external (public) funding to finance the initial takeoff initiatives for implementing entrepreneurship programs at the university level. This does not mean that it would require large amounts of funding, however. As indicated earlier, under the regional program carried out by the author for 120 students and financed from EU Structural Funds, only 12 “finalists” obtained financial support amounting to Euro 6,000 each. This, however, was a strong motivating factor for all students participating in the project.

As to the “training of trainers component” the financing provided by the Polish Ministry of Science and Higher Education facilitated the training and provision of teaching materials and ongoing support of 20

lecturers from non-business schools for less than Euro 2,500 per lecturer. Again, in this case, the “triggering factor” was of key importance for attracting polytechnics, universities and agricultural schools with no prior experience in entrepreneurship education to join the network initiative. For those countries of Central and Eastern Europe which recently joined the EU, the financing of such projects from the EU Structural Funds allocated in the 2007 – 2013 budget, seems to be particularly attractive.

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CONSULTATION BETWEEN THE LED ACADEMY IN ARMENIA AND YES FOR HUNGARY



On 6 June 2008, **Rshtun Martirosyan**, President of the LED Academy in Armenia visited the Small Business Development centre at the Courvinus University of Budapest and carried out consultation with **Kristóf Schum**, Managing Director of EngAme International Education and Consulting Ltd. and **Zoltán Kott**, Director of the STARJOBS Hungary Ltd., both the Representatives of the YES for Hungary as well as Dr. **Antal Szabó**, Scientific Director and **Attila Pethoe**, Secretary of the ERENET about the vision, aims, modalities of work of the YES for Hungary in order to create a similar organization in Armenia.

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OVERVIEW OF CANADIAN ENTREPRENEURIAL EDUCATION “A WILL TO CHANGE”

INTRODUCTION

This paper is a reflection of fifteen years of academic teaching at the undergraduate and graduate level in the area of entrepreneurial education in the subjects of New Venture Creation, Small Business Management and Entrepreneurship. It is also based on twenty years of entrepreneurial activity that reflects years of operating new ventures and mentoring to new business start-ups and established businesses.

The definitions used are as follows: **an entrepreneur** is a person who recognizes an opportunity and need, then assumes the risk of creating and growing a firm to respond to this need. Inherent in this definition is the concept of ‘growing a firm’ which implies creating jobs and hiring employees. Job creation and growth are the main differences used to distinguish between entrepreneurs and the self-employed. **Entrepreneurship** refers to is the study of entrepreneurs and the process they undertake in starting and growing firms. The **entrepreneurial process**, consist of self evaluation, opportunity evaluation, planning, implementing and scaling (growing). It is within this process that successful entrepreneurs have used their flexibility and quickness to change to market forces that has allowed them to become the catalysts of international economic growth. Hence the need for further study and understanding of the entrepreneurial process and the role that entrepreneurial education plays in creating and developing new entrepreneurs to foster economic growth and global prosperity.

HYPOTHESIS

This paper assumes that the success of entrepreneurs is based the “will” and synergies of six main players within a country (see diagram 1). These include: the will of entrepreneurs to learn, have positive attitudes and work hard; the will of the finance community to assume risk and lend money at all stages of small business development; the will of educators to change curriculum, engage community practitioners, offer new programs to retrain employees in skills as expressed by the business community, and to transfer technology out of the labs and into the commercial market; the will of economic development officers in supporting entrepreneurs with incubation programs; the will of community business leaders to champion awareness of small business; and the will of the media to promote the success of small business and help create a culture of enterprise. The mere existence of theses players within the community does not ‘add value’ to entrepreneurship, value only results from their synergy of working together as illustrated in diagram 1.

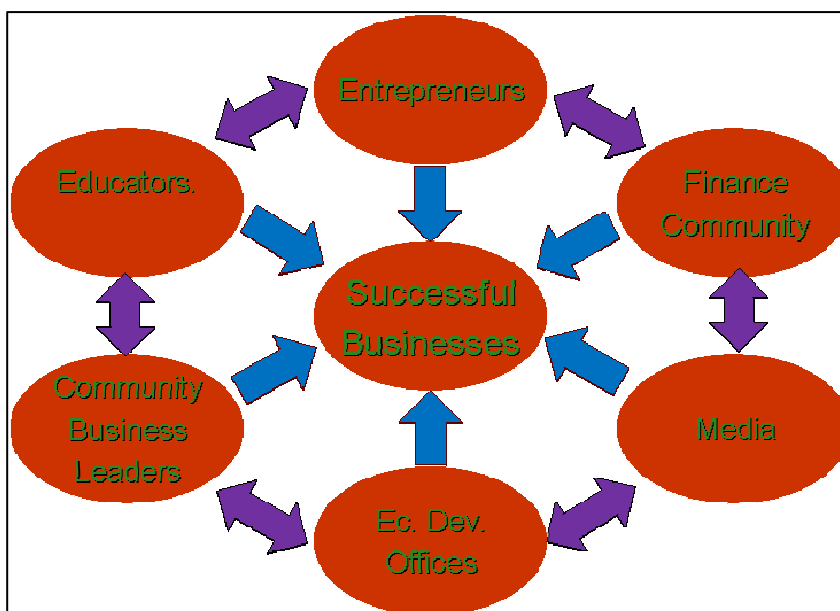


Diagram 1.

Source, Hewick Research Inc. 2001.©

The Global Entrepreneurship Monitor (GEM) reports of 2001 to 2003 have respectively concluded that: the higher level of education that people have the greater the tendency they have to undertake entrepreneurial activity; that long term success of a countries economy is based on the successful activity of its entrepreneurs; and the educational system of a country can and does play a key role in increasing entrepreneurial activity. [1]

CANADA, AN OVERVIEW

Canada is the world's second largest geographically sized country with a total land mass of approximately 9,985,000 sq. km. however we have a very small population base of only about 32.3 million people with 90% of them settled within 160 km of our southern border with the United States. We are a relatively affluent industrial society in the trillion dollar GDP class with at approximately \$1.3 in purchasing power due to our rich natural resources. Our people are mostly employed in the services sector (76%) followed by manufacturing (13%) and construction (06%). [2]

Small business in Canada, is defined as employing less than 50 people, and accounts for approximately 92% of all our businesses. Medium businesses (50 to 499 employees) account for about 7% of all businesses. Large businesses (500+ employees) that once controlled the economy now account for only 1% of all businesses. Although Canada has a lot of new entrepreneurial businesses (growing at about 150,000/year, since 1989) many of these fail to survive beyond 5 years. During 1990 – 1995 there was an average bankruptcy rate of about 12,000 firms per year and this has decreased to about 8,100/year from 1995-2005.[3] This decrease is believed due to the will of community leaders and educators to change, create greater synergy and align objectives toward greater awareness of the importance of skill development. It has been found by Dunn & Bradstreet surveys that the greatest reason for failure is lack of well-rounded business skills.

ROLE OF GOVERNMENT

Small business is such a vital part of the Canadian economy accounting for approximately 43% of private sector GDP, approximately 49% of all employment and 65% of all new job creation. [4] Given this impact it seems prudent that the government at all three levels (municipal, provincial and federal) focus on small business growth and survival as large businesses continues to reduce, re-structure and outsource. At the municipal level governments support small business centers; at the provincial level they have supported the introduction of many new entrepreneurial education programs at the elementary, secondary and post-secondary level; and at the federal level they support offer tax incentives and supply many services.

At the **municipal level** 'Small Business Centres' (SBC) have been established in all major cities. These centres are generally supported by all 3 levels of government with the federal government paying for the cost of materials, the provincial government paying the rent and the municipal government paying the cost of wages. These centres offer entrepreneurs assistance with business consultation, business resources, networking, youth entrepreneurship and access to professionals. In the consultation offering they have a full-time person who is there to answer start-up questions, review business plans and offer initial basic questions on marketing, finance, export and government programs. With respect to business resources they offer free publications like directories for local businesses and trade publications. There is usually a research station with internet connections (computers and operating costs donated by local banks), color printers and on-line business registration and name searches. The networking is facilitated by a business card wall board for posting business cards and receiving the local on-line entrepreneur newsletter. The youth program provides opportunities for young people to receive hands on business training and awards and during the summer months they can apply for up to \$3,000.in grants. At the end of the summer they can compete in a business plan competition and win an additional \$1,500 for their reports. The access to professionals is another networking event that allows the entrepreneur to receive one hour of free consultation with an accountant, lawyer or other professional of their choice. [5]

Provincial governments have been given, in the Canadian Constitution of 1867, the responsibility for educating and training its citizens. There are 10 provinces and 3 territories, each having a Minister of Education. The Minister of Education for each province has the responsibility for preschool, elementary and secondary school, adult learning, apprenticeships, colleges, private career colleges and universities. In Ontario there are 72 district school boards with 31 being English public, 29 English Catholic, 4 French public and 8

French catholic representing 4,011 elementary and 892 secondary schools teaching 2,104,000 children at a cost of \$18.8 billion. [6]

MAP OF CANADA

Since most of the people attending this conference are from university and college backgrounds I should like to give an overview of Canada’s ‘higher education’ system and some of the innovative programs in entrepreneurship. In Canada we have 66 public universities and 24 private universities plus a system of colleges. The colleges are different from the American system as there is no transfer of credit from one level to another and no arrangements between the colleges and the universities. Canadian colleges are ‘stand alone’ institutions and focus on applied or technical courses preparing students to enter directly into the trades.



Population and number of universities & colleges of Canada by province

<i>Province;</i>	<i>population</i>	<i>universities</i>	<i>colleges</i>
British Columbia	4,254,000	11	18
Alberta	3,257,000	7	16
Saskatchewan	994,000	3	10
Manitoba	1,178,000	3	6
Ontario	12,541,000	21	29
Quebec	7,598,000	9	45
New Brunswick	752,000	4	2
Nova Scotia	938,000	6	4
PEI	138,000	1	2
Newfoundland	516,000	1	3
<i>Territory;</i>			
Yukon	31,000	0	1
Northwest	43,000	0	1
Nunavut	30,000	0	1
Total population	32,271,000	66* [7]	138 [8]

*plus there are 24 private, religious based universities operating as colleges of international universities

ENTREPRENEURIAL EDUCATION, POST-SECONDARY EXAMPLE

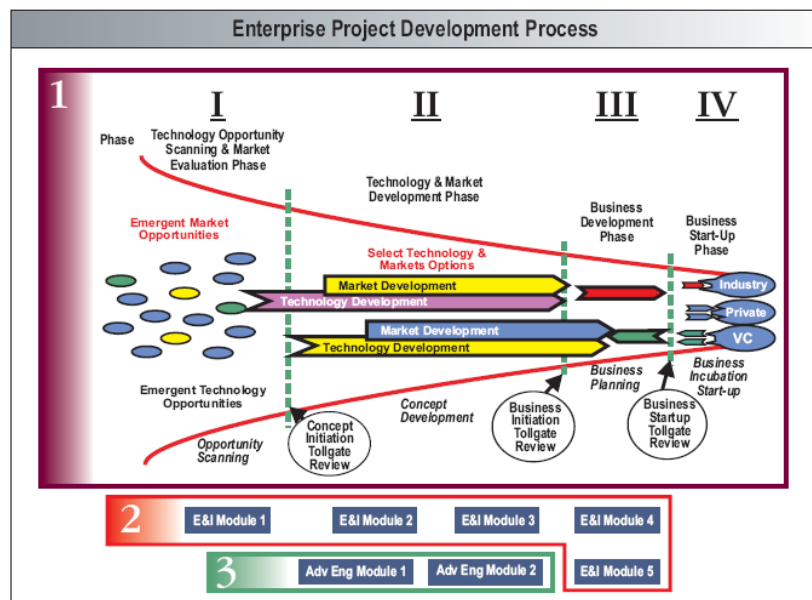
In Canada’s universities and colleges the fastest growing courses and programs are in the area of entrepreneurship. From 1985 to 2005 entrepreneurship courses have grown by a multiple of five times, more than two times the rate of any other type of courses including IT and gaming. Currently the trend is toward ‘cross-over’ programs at the Masters level. An example of these cross-over programs is the McMaster University (Hamilton, Ontario) program that offers a Master’s Degree in Engineering, Entrepreneurship & Innovation (MEEI). This program was the direct result of a retiring corporate executive’s will to increase the innovative thinking within the firm that he had dedicated most of his career.

The MEEI program at McMaster's Xerox Centre for Engineering has the objectives of: helping students and organizations develop their ideas into successful new products or services within existing companies, large and small, and to spawn new commercial enterprises; providing students with the opportunity to learn and invent new ways to effectively commercialize engineering ideas; provide the skills and knowledge necessary to transform technical expertise into commercial success; and to promote the commercialization of technology based innovation in Canada and around the world.

The Xerox Centre is operated by a team composed of existing faculty in engineering and business and industry. The team members were selected to teach the mechanisms of translating technical expertise into product and process for commercialization success.

The program consists of 4 main phases over a 1.5 year consecutive year: the first phase is technology opportunity and market evaluation; second is technology & market development; third is business development and fourth is business start-up. During these stages entrepreneurial skills are taught based on practical application to their selected projects from opportunity scanning to concept development to business planning and start-up. [9]

The requirements for course completion of most Canadian masters programs in entrepreneurship require admission from an honours degree program with minimum of 75% (B), at least one full year of work experience, 3 letters of reference, and English proficiency (TOEFL, test of the English language, with minimum score of 250 & TWE, test of written, language with a score of at least 5) and the completion of 11 (.5 credit courses) plus a commercialization practicum consisting of a 3 term course in applied skills and business plan. [10]



Federal support for entrepreneurs comes primary from Industry Canada and Revenue Canada. Industry Canada is divided into 13 branches of which the Small Business and Marketplace Services is one. Basically it offers small business with services such as name search, privacy rights, bankruptcy, import and export data and market research. It also houses the Centre for Entrepreneurship Education and Development (CEED) that is mandated to nurture entrepreneurship in young people by undertaking, creating, coordinating and acting as a catalyst in the area of entrepreneurship education, research and program design, professional development and community entrepreneurship.

Revenue Canada is the largest single source of federal government support of industry in Canada with its Scientific Research & Experimental Development program. The program provides firms, (small through large) a federal tax credit incentive for research and development. Claimants apply for a tax credit for expenses such as wages, materials, machinery, equipment and some overheads that are incurred in the development of

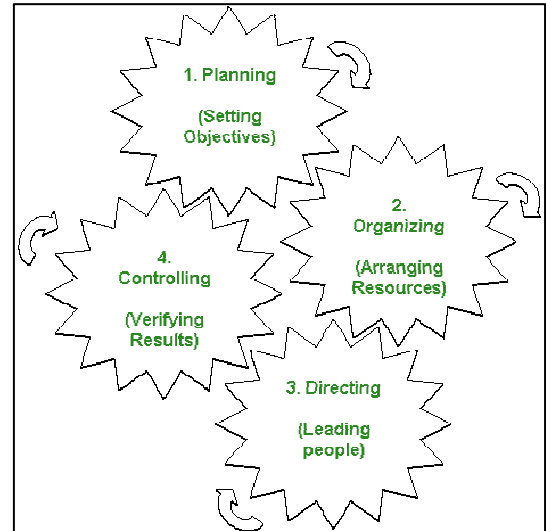
new products or services. Business can apply for up to 35% of their R&D expenses up to \$2 million and 20% after \$2million. [11]

AN OBSERVED MANAGEMENT APPROACH TO CANADIAN ENTREPRENEURIAL EDUCATION

As with any managed project entrepreneurial education should be planned, organized, lead and measured. Generally this approach has been found in the many international conference held on the topic of entrepreneurship education.

In the planning stage some common objectives that have been observed are:

- to create an awareness of entrepreneurship as a career option
- to help students learn entrepreneurial skills
- to engage teachers and business people in joint projects for teacher development
- to teach enterprising qualities (Imagineering) to younger students
- to introduce concept of cross over learning between arts, science & business
- to create awareness of entrepreneurs within the community
- to create medium and long term small business entries in the community.



In the organizing stage some common tasks have involved:

- designing the curriculum into modules to facilitate teaching by visiting professors who are practicing business people
- finding business simulation exercises to give students a 'gaming' approach
- setting up teacher in-service sessions so they can learn about entrepreneurship
- giving teachers teaching strategies so they can set objectives and measure them
- finding community business people to participate in 'entrepreneurs in the classroom' programs
- finding community entrepreneurial programs for students to participate such as Junior Achievement or venture forums

In the leading role some common tasks have involved:

- teachers leaving the classroom for a period of time and working with entrepreneurs
- teachers joining boards of advisors, as observers, to learn about the monthly challenges of entrepreneurs
- teachers and students attending local venture forums to hear entrepreneurs ideas pitched to potential investors

In the measurement role some common tasks involved:

- measuring changes in skill levels;
- measuring changes in attitude;
- measuring change in Imagineering;
- measure change in media attention to small business success;
- establish student and business award programs;
- establish conference based on observed short comes;
- establish networks for youth based on business plan competition.

CANADIAN PRINCIPLES FOR ENTREPRENEURSHIP

Most entrepreneurship programs in Canada are based on the principles that entrepreneurial education:

1. should be taught an early age and continued through out life's learning.
2. should be taught in creative ways;
3. should contain theory plus practicum components;

4. should be taught by academics who have some experience in small business;
5. should be cross disciplined with other programs including the social sciences;
6. should contain content determined from interaction with the business community.

Behind these principles lay certain beliefs. An important Canadian belief of entrepreneurial success is that small business requires a strong business culture to support entrepreneurs. A supporting business culture is the result of training, development and refinement of the 'wills' of the community to accepting, supporting and rewarding of entrepreneurs for the risk that they take in bringing new products and services to market. The role of creating and building this culture falls mainly on the educators, business leaders and the media.

Building a small business culture takes time. It has taken the Canadian educational community thirty years to balance the business curriculum between large and small business. And it has also taken time for certain social groups (Chambers of Commerce) to recognize and honour small business success and the media remain slow in reporting the successes of small business. An entrepreneur who is able to increase his employees from 6 to 12 in one year, thus doubling employment is indeed noteworthy as few large firms have been able to make this claim. In Canada during the period of 2000 to 2005 the 50 fastest growing entrepreneurial companies, as reported in *Canadian Business Magazine*, 2006 grew as follows: [12]

Rank	Firm	Revenue			Employees	
		2000	2005	Growth	2000	2005
1	Rutters	223,800	70,939,704	31,598 %	2	424
2	Workbrain	383,080	88,742,050	23,070 %	44	674
3	Fruit d'or	100,508	19,700,696	19,501 %	2	96
50	Millennium Research Inc	805,624	10,039,577	1,161 %	6	74

Yet few of the major newspapers nor radio stations nor TV stations reported on it!

Another important Canadian belief is that entrepreneurs and their work should be considered a viable career path. There will always be an academic debate as to whether entrepreneurship should be considered 'an art or a science' and thus be the basis of a legitimate career for study. But there is increasing evidence of its positive benefits and impact on the economy. For instance studies out of the University of Arizona [13] show that MBA graduates with focus on entrepreneurship earn 27% more than regular MBAs and are three times more likely to start their own businesses. It should also be recognized that today's youth have shifted their outlook on jobs. They no longer are seeking a 'job for life' and many plan to shift careers 4-6 times in their work time. The idea of building and exiting small firms with its ongoing excitement and challenges is a motivation for many young people and many are showing signs of wanting to 'be their own boss' and take the risks and rewards that enterprise offers.

SOME OBSERVED OUTCOMES OF CANADIAN ENTREPRENEURIAL EDUCATION

There have been some observations that could be noted from increased entrepreneurship programs. First there is a greater awareness today of what it takes to be a successful entrepreneur. This awareness is two sided. From the individual's perspective there is an awareness of the required personal characteristics such as a positive attitude, determination and risk analysis. And from the community's perspective in building an entrepreneurial culture such as who are the key stakeholders, their roles and the required synergies.

Second, that there is an increased awareness of the 'entrepreneurial process' that consists of self assessment, opportunity assessment, planning, implementing and scaling that is sequential in nature and requires the learning of certain essential skills. These essential skills include the ability to: communicate (tell your story in a clear and concise manner); analyze data to determine risk; problem-solve and make effective decisions; manage data; work with stakeholders and above all the skill to learn.

Third that entrepreneurial education can lead to a challenging and rewarding career choice. More and more young people are selecting to work for themselves or join other small micro firms (less than 5 employees) to have the flexibility of working hours, freedom of decision making and creativity. There are more youths, in Canada since the year 2000, working for small business than any other time in our history. They accept the long hours, challenges of making their own decisions and being responsible for their own decisions.

Fourth that increased entrepreneurial activity results in a positive change in culture with more youth involved in exciting jobs there is less and less youth social crimes and more youth seeking jobs in depressed areas and this has also led to increases in community support systems for small business and hence fostered cultural acceptance of entrepreneurs.

SOME SUGGESTIONS TO PROMOTE ENTREPRENEURSHIP

- develop business plan competitions at the regional and national level ...with winners obtaining start-up loans;
- campus incubators with community mentors;
- campus entrepreneur clubs (ACE-JA) with opportunity to travel to national & international conferences;
- adopt an 'entrepreneur in residence' to come and share experiences and ask advice;
- seminars on financing new start-up;
- community venture forums to pitch ideas (informal & formal models);
- establish awards night with local business organizations to recognize student entrepreneurs.

CONCLUSION

In 1640 George Herbert wrote his book entitled 'Jacula Prudentum' stated "*that to him that will, ways are not wanting*". The modern version of Herbert's statement appeared in the New Monthly Magazine in 1822 as "*where there is a will, there is a way*". So be it to the mandate of all stakeholders of entrepreneurial education. It is the way of entrepreneurs!

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Doc. Ing. Iveta Ubrežiová, CSc

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E-mail: Iveta.Ubreziova@fem.uniag.sk**SMALL AND MEDIUM-SIZED ENTERPRISES IN SLOVAKIA**

Growing role of small and medium sized enterprises (SMEs) in the national economies of West European countries have become the phenomenon of economic growth at the end of 20th century. Since 1989, the East European countries have undertaken a process of economic transformation and establishment of the private sector as well as the development of both entrepreneurship and establishment of small and medium sized enterprise (SMEs). The main focus of the article is to put on the role of small and medium-sized enterprises in Slovak economy. The analyses are based on statistical data available from the Statistical office of the Slovak Republic (Štatistický úrad Slovenskej republiky, SUSR).

Small and medium enterprises are of successful European economies, the key source of the job opportunities and “fertile land” of enterprises ideas. These forms of entrepreneurship are the base of social – economic development in Europe. In the Slovak Republic the size of small and medium enterprise has defined by Act No. 100/1995 of State Support for development of small and medium enterprises. In 1999 Act No. 100/1995 was substituted for Act No. 231/1999 of State Support and “small and medium enterprise” is defined according to the European Union definition. In Slovakia we don’t have an official definition of “micro enterprise”. This group is presented as “a sub group - tradesman” of small enterprise. Small and medium entrepreneurship is extended in whole Slovakia. From the viewpoint of *branch structure* a lot of tradesmen are in trade (33 %), building industry (18 %), industrial production (17 %), real estate and tenancy and rentals (14 %). There are 9 472 farmers – physical persons.

Table 1. Number of registered enterprises in Slovakia in the years 1991-2007

Years	Total	Enterprises according to the size				
		Micro	Small	Medium	SMEs	Large
1993	292 460	264 090	23 828	2 847	290 765	1 695
1994	301 184	263 733	30 997	4 337	299 067	2 117
1995	293 757	248 204	37 868	4 977	291 049	2 708
1996	297 574	241 199	46 953	5 997	294 149	3 425
1997	301 232	244 419	47 784	5 732	297 935	3 297
1998	314 804	263 733	45 229	5 053	314 015	789
1999	325 236	266 903	54 349	3 294	324 546	690
2000	330 243	269 323	57 247	3 063	329 633	610
2001	342 464	279 597	59 452	2 825	341 874	590
2002	334 148	274 630	56 162	2 768	333 560	588
2003	370 776	306 356	61 102	2 735	370 193	583
2004	410 833	336 640	70 423	3 117	410 180	653
2005	428 580	344 870	80 159	2 930	427 959	621
2006	485 007	384 713	96 221	3 252	484 186	821
2007*	488 344	386 815	97 325	3 361	487 501	843

* Estimated data for 2007

Note: Microenterprises: 0-9 employees; Small enterprises: 10-49 employees (0-24 in 1993-1998); Medium enterprises: 50-249 employees (25-499 in 1993-1998); Large enterprises: 250 employees and above (500 employees and above in 1993-1998).

Source: Author’s calculations based on SUSR data

From the viewpoint of regional structure most of tradesman is in Bratislavsky region (30,4 %), Košický region (11,8 %), Žilinský region (10,1 %) and Trenčiansky region (10,1 %). On the other hand, the least of tradesman were registered in Nitriansky region (8,09 %), Trnavský region (9,2 %) and Banskobystrický region (9,6 %). According to data of development of legal persons, the Statistical Office in Slovakia has registered 126 777 legal persons (83 710 of enterprises and 43 067 non profit organizations. An decisive part of enterprises were small enterprises (95,8 %, of which 83 % were micro enterprises. 3,5 % belongs to medium enterprises and 0,7 % to large enterprise.

The period of the Slovak incorporation into the European Union is very important from the viewpoint to find a permanent state on common market for small and medium enterprises, to adapt them to the new social and economic conditions and successfully to reduce the difference in economic area. At the end of 2006 there were in Slovakia over 0.48 million of SMEs, which accounts for 99,8% of all registered firms (table 1 and figure 1). Micro-enterprises amounted to 79,3%, small to 19,8%, medium to 0,67% and large enterprise to 0,17% of all registered enterprises in Slovakia.

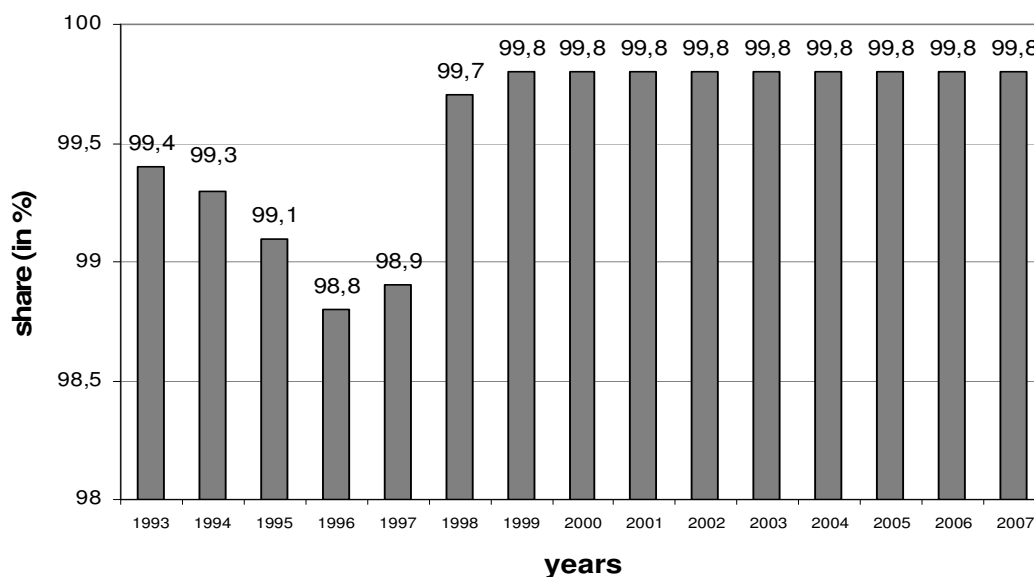


Figure 1. Share of SMEs in total number of enterprises in Slovakia in 1993-2007

Source: Author's calculations based on SUSR data

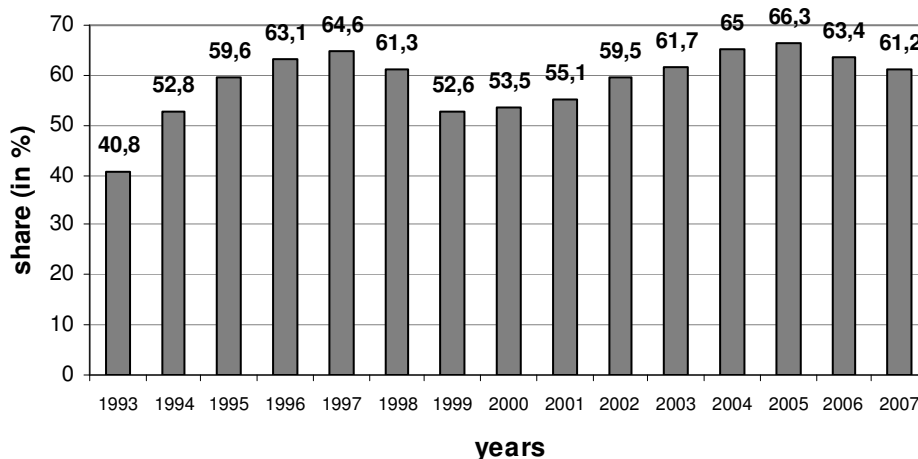


Figure 2. Share of SMEs in total employment in Slovakia in the years 1993-2007

Source: Author's elaboration based on SUSR data

Small and medium-sized entrepreneurs have presented an important role in an employment of the national economy. Trend of development of small and medium-sized enterprises in connection with employment has been affecting a decrease of employment in large enterprises. Since 1999, the number of workers has decreased by 30.7% in large enterprises, in spite of small and medium enterprises (SMEs) the number increase by about 31.9%. The SME sector as a whole accounts for 61.25% of employment in 2007 (figure 2).

SMEs are a dynamic sector of the Slovak economy which creates almost 50% of the added value and provides over 60% of all jobs. In 2005 the SMEs accounted for 42% of GDP, at the same time the trend in the couple of previous years is very positive (figure 3).

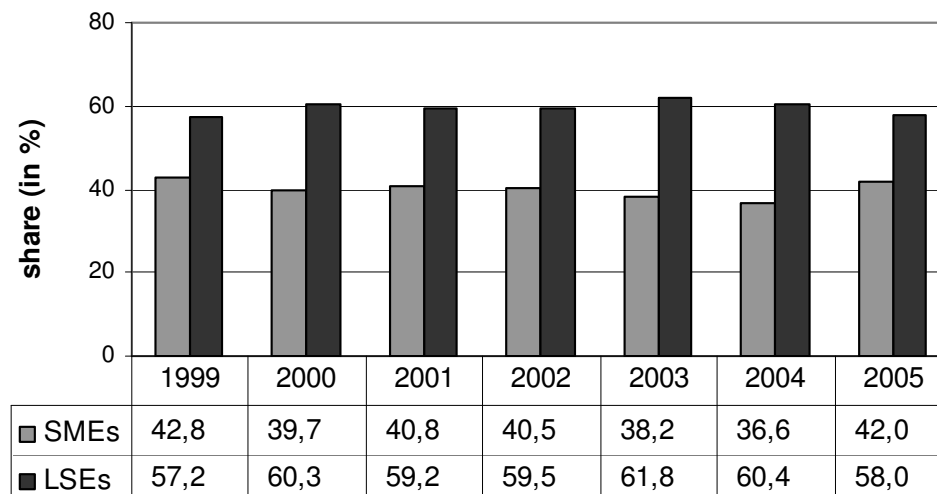


Figure 3. Share of Slovak SMEs in value added generated by enterprises in 1999-2005

Source: Author's calculations based on the SUSR data

National Agency for Development of Small and Medium Enterprises (NADSME)³⁹ supports the initiation, development and growth of small and medium-sized enterprises in Slovakia. At present, it is necessary to provide entrepreneurs with a support into a great extent starting with information and training activities to the facilitation of the access to financial tools. NADSME actively monitors the development and state of entrepreneurship in these areas and accordingly prepares and implements a wide range of financial support programmes as well as organises training and counselling programmes that reflect needs of entrepreneurs while increasing the competitiveness of the whole economy. Contribution programmes have attracted much attention of the entrepreneurial public. The most important programmes for starting entrepreneurs are still counselling and training programmes which eliminate barriers of inadequate managerial skills and insufficient knowledge of complex legal frame from the side of entrepreneurs. Support programmes activities are divided into four main areas:

- stimulation of the SMEs sector growth,
- improvement of the competitiveness of SMEs,
- globalization, penetration into new markets,
- facilitation of access of SMEs to capital.

Business and technological incubators are a part of the support infrastructure for SMEs. Their mission is to provide starting entrepreneurs with suitable starting conditions for the operation of their enterprise during the period of at least 3 years. Apart from the business premises, the entrepreneurs can use the office infrastructure, counselling and training services and in some cases also starting capital. Companies with innovative business plans are offered also specially equipped premises such as laboratories and testing

³⁹ Národná agentúra pre rozvoj malého a stredného podnikania, NADSME – <http://www.nadsme.sk>.

space by selected technological incubators. In 2006, investments were made into 6 incubators in Gelnica, Handlová,

Martin, Moldava nad Bodvou, Rimavská Sobota a Spišská Nová Ves. Incubators were supported from the Structural funds – SOP Industry and Services in the total, of which 96.2% was used for the construction and 3.8% was invested into the incubators' equipment. Funds from the state budget in the amount of Sk 500 000 were used for the engineering development of the business incubator in Moldava nad Bodvou. These funds were already allocated in 2005 under the state programme - The support of SMEs through the network of incubators and the implementation of the research-based spinoff method. For the purposes of co-financing of operational costs of incubators, no financial means were allocated from the state budget under the same programme in 2006. As to 31st December 2006, 15 incubators were in operation in Slovakia supporting newly created companies in regions. A significant factor of investments into the network of incubators is the impact on the employment rate in regions. In the direct connection with the operation and activities of incubators, 845 job opportunities were created.

The penetration of Slovak SMEs into new markets can be achieved only by means of target activities aimed at the development of international co-operation such as presentation of entrepreneurs at exhibitions and contractual fairs, search for new contacts with the use of all modern electronic systems and media, as well as the spread of knowledge on the legislation system of changing commercial scope. Support activities carried out in this sphere enable faster adaptation of SMEs on new conditions in the competitive EU environment as well as out of it. Bigger part of the activities is performed by NADSME via Euro Info Centre (EIC).

Slovak Euro Info Centres took part in the European Commission campaign on the process of the EU enlargement. Information gained from the campaign is used by EIC staff when looking for answers to different questions from the side of entrepreneurs regarding their activities in the enlarged EU. The information on conditions of doing business in the EU and other related issues can be found at the common national website which has been set up by both Slovak EICs under the campaign. The English version of the national website includes, apart from the information on Slovakia, also offers for co-operation from Slovak companies.

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CITIES – CENTERS OF EXCELLENCE ⁴⁰

PREFACE

The nowadays wide-spread economic structural changes owing to the existence of the European Single Market as well to the world-wide globalization effects alter the weight of locally-bound living and business condition.

In view of such environmental influences municipal considerations of promoting entrepreneurial activities have to face up a double (new) task: city administration must make possible the necessary correction by special performance in advance, and they have to accompany at the same time the along going adaptation process.

After thoroughful investigation of local strengths and weaknesses, on the one hand, and observation of characteristics of competing neighbouring sites, on the other, the starting points and instruments of an opportune purposeful policy can not but to take into account that further action targets are playing an important role besides traditional measures such as e.g. the development of trading area or connection with traffic junctions.

The common prospect refers more and more to the improvement of municipal enhancement of local business operations aiming at the conscious mobilization of smaller cities in favour of socio-economical and ecological innovation. At present, it becomes increasingly obvious that commercial promotion as a rule can be successful above all when based on partnership between the public decision makers and private enterprise representatives on the regional market.

The permanent challenge means future-oriented alignment of accommodating conditions for citizens and business people. Short-term initiatives to overcome bottlenecks on the spot are never sufficient.

It is indispensable to pursue rather a medium- and long-term strategy. In so far competent town development experts are available and qualified to act efficiently, then at first targets of foresight must be obligatorily determined and unequivocally recorded. Thereafter financially reasonable transmissions have to be provided for reaching the targets in due time. Finally, the results of the realization must be seriously controlled and evaluated.

Fortunately it is to state that responsible personalities of city governments perceive increasingly that simple, traditionally exercised administration work can not be enough to encounter the modern challenges in consequence of the manifold alterations of environmental conditions. Entrepreneurial behaviour remains additionally necessary.

Continuously reviewing any measures in favour of the well-being of the citizens and the stabilization of positive business climate town leaders must eagerly strive for incessant improvement of the respective situation.

For that purpose it is directive to lay down the right goals in due time and to determine the applying transfer steps. Some examples –as follows – demonstrate stimulating different city policies to meet all requirements due to competitive surroundings:

EXAMPLE I

In Germany, the Communal Community Center for Administration Simplification (Kommunale Gemeinschaftsstelle für Verwaltungsvereinfachung – KGSt) has lined up guidelines as recommendation which data could or should be collected in order to underpin the decision-making considering local economic promotion. The catalog comprises a series of items such as :

1. Improvement of the basis of economic development:

⁴⁰ Exert for the Paper by the Author presented at the 4th EDE held on 1-7 October 2007 in Zagreb (Croatia)

- Analysis of the infrastructure
 - Documentation of local standing places
 - Registration of fallow land, vacant premises, etc.;
 - Interpretation of business notification, of modification or leaving certificates;
 - Recording of company bankruptcies, of production shutdown;
 - Study of business reports, of publication of trade chambers, of entrepreneurial associations etc.
 - Analysis of business facts.
 - Reviewing company strengths, weaknesses and failures;
 - Identification of local and regional business partner relations respectively co-operation agreements;
 - Determination of enterprise investment behaviour and investment potential;
 - Analysis and prognosis of the labour market;
 - Analysis and prognosis of demographic marks;
 - Elaboration of economic development conceptions;
 - Planning of general infrastructural measures (street, rail or air transport connections, non-polluting energy capacity, disposal of refuse);
 - Preparation of communication facilities on a large scale;
 - Safeguarding of local interest among regional planning initiatives.
2. Area provision and location disposition for manufacturing and service firms:
- Business area requirements and development of reserve places;
 - Co-operation with private real estate owners;
 - Design of industrial area utilization;
 - Proposals in favour of business sector mix;
 - Municipal participation in business building projects;
 - Examination of ecological sociability.
3. Securing and expansion of existing companies, business institutions, education and research centres, cultural establishments:
- Advisory services and business support supply;
 - Mediation of financial credit demand;
 - Expertise round tables deliberating on economic promotion.
4. Assistant of start-ups and relief to the creation of (new) employment.
5. Promotion of workforce qualification.
6. Promotion of innovation and technology transfer.
7. Formulation of city marketing principles:
- Town image dissemination in cooperation with media;
 - Regular press release referring to local economic subsidy activities.
8. Establishing Public-Private-Partnership projects.

EXAMPLE II

Alongside the river Mosel in the Western part of Germany there is located Bernkastel-Kues, a small town with about 6,000 inhabitants. Economically it based mainly on business if wineries (wine-growing and trade), on the one hand, and on tourism, on the other. The region is increasingly faced with competition on behalf of neighbouring places besides additional burdens caused by foreign undertaking from abroad.

In order to avoid disadvantages in view of external influence and to shape a sufficient well-being in future three years ago the B.-K. Development Agency (Entwicklungsagentur Bernkastel-Kues e.V.) has been established. This agency in the legal constitution of an association is a matter of co-operation project between the city administration and – at present – about 120 entrepreneurs on the part of retail trade, gastronomy, cultural institutions, real estate owners and individual citizens, who stand up for a positive alignment of their smooth living prerequisites and efficient business operations.

The statutory fixed aim of the agency refers to the sustainable improvement of the infrastructure for the purpose of profitable entrepreneurship. It is intended to reserve and also to extent the city as residential and commercial place of qualitative high values.

For example, a team of geographers, town planning experts and architects is engaged as brain trust, as forum of innovation ideas that elaborates concepts how to promote the ongoing redevelopment, expansion and marketing of the environment protection town. The agency's mission reflects in principle the PPP procedure. Authority tasks can be exercised like services concerning the interest of private actors.

The proceeding of Bernkastel city based on its Development Agency, to shape, secure and advance an attractive business climate happens across cooperation agreement between the town administration and enterprise representatives. The main activities are roughly divided up as follows:

1. Public tasks:

- Economic promotion:
 - Individual business consultancy;
 - Equipment and sales assortment counseling;
 - Creation of new company size formats;
- City development:
 - Elaboration of theme conceptions in favour of local districts;
 - Investors and management consulting in views of settlement selection;
 - Design advise along public streets;
 - Recommendation at traffic and construction measure;
- Infrastructural redevelopment planning.

2. Private tasks:

- Tourism:
 - Service seminars and training programmes for hotel industry, gastronomy, catering trade and retail business;
 - Promotion of business quality management;
- Town marketing:
 - Contribution to image refinement;
 - Elaboration of local service products;
 - Participation of real estate owners;
- Street working pool:
 - Retailer networks;
 - Management of vacant shops and manufacturing premises; area/district management;
 - Establishment of inter-firm cooperation contracts.

EXAMPLE III

Early 2007, the Regional Chamber of Industry and Commerce of Darmstadt, near Frankfurt am Main, investigated the location quality of 19 medium-sized cities with about 25,000 inhabitants altogether. Economically related town rankings can identify important comparable data referring to the respective individual reality of the study participants. The results of the inquiry, based on 35 indicators, gave a directive survey of the strengths and weaknesses of different places and their environment. The gained experiences are essential measures for adjustment of appropriate new initiatives or event state care.

The competition by investors, management, workforce, consumers, and tourists occupies for long not only metropolis but nowadays much stronger the less informed and influential middle centres in rural areas. Their standing depends e.g. on the number of employed and retired residents and businesses. Many other factors can also play a significant part such as the surroundings the cultural and sport facilities, the shopping offer, the education and administration institutions, the political climate, the mentality of people, the available housing and trading areas, the transportation lines, energy supply.

Some of the indicators of the above-mentioned city comparison study are related with

1. Business situation

(Alteration rate of companies in percent within 10 years, number of companies per 1,000 citizens, balance per startups and resignation, company financial turnover per citizens, expert percentage rate).

2. Employment and labour market
(Alteration rate in percent of employees with 10 years, unemployment rate within 5 years, workforce in service industries and at manufacturing firms within 5 years, number of incoming outside employees per 1,000 inhabitants)
 3. Municipal location conditions
(Taxation shares, tax income per citizen, indebtedness per capita, alteration rate of budget deficit in percent within 10 years, water supply price, sewage costs, waste removal and recycling fees, available trading area)
 4. Public services
(Key ration of purchase power, retail companies per 1,000 inhabitants, retain trading turnover per 1,000 inhabitants, alteration rate within 5 years)
 5. Traffic infrastructure
 6. Population statues
 7. Tourism figures
- In spite of restrictive (political) liberty of action by reason of the competence of the State or the Federal Government towns have ample space of their own accord to enrich local processes.

EXAMPLE IV

In Germany exists the Institute for Quality Securing and Marking (RAL Deutsches Institute für Gütesicherung und Kennzeichnung e.V.) based on private law. This establishment certificates among other things also the municipal administration.

Just recently, one of the first, the Rheine/Region Neuss (between Cologne and Dusseldorf) received its certification document on “Small Business Related Communal Administration Authority” (Mittelstandsorientierte Kommunalverwaltung).

What must be done to reach such a distinction (according to reports elaborated by independent external experts, who are charged to review and evaluate the SME experiences with their city managements)?

At least 13 criteria have to be completely accomplished as recorded in the statutes of the local quality community. For the purpose belongs e.g. the declaration of promptness by which the city as ordered any work pays the invoice which is presented by the enterprise appointed as customer. No longer than 15 days the settlement may not last. Generally, the handling time is the most important qualification sign of a town performance. Thus, construction approvals should be decided within 40 working days. Or, more than 3 days of a waiting period to get an official response to a complaint is unsuitable.

The city certification ought above all advise the small business economy, but as well each citizen, the reliance and the progress reducing bureaucracy. In so far the German quality determination model to measure city administration efficiency is a directive way of entrepreneurial support of local level.

Interview Guideline (Extract)

1. How important has been the reason of the private company to contact the city administration?
2. Was it very easy, easy, difficult or very difficult to find an appealing partner?
3. Was it guaranteed to meet a steady person or service office carrying about the concern into question?
4. How satisfying has been the entire handling of the requested problem solution?
5. What is to state in detail concerning the relation with the official counterpart?

EXAMPLE V

The European Single Market as well as the world-wide Globalization effect increasingly challenge above smaller cities to reconsider their position. Mostly, they can not but to alter their traditional policy in order to consist in growing competitive surroundings.

Towns are called upon to elaborate comprehensive new strategies that could meet questions of further development, and that comprises both private and public fields of interest as well as determination of responsibilities for the transfer of future-oriented targets. Moreover, it is advantageous to propagate a city marketing concept, which demonstrates the attractivity and their location image as worthwhile business and living centre for entrepreneurs and citizens.

CONFERENCE PAPERS

INTERNATIONAL CONFERENCE ON ECONOMICS, LAW AND MANAGEMENT

“SUSTAINABLE URBANISM DEVELOPMENT”



June 4th - June 7th, 2008

Tîrgu -Mureș
ROMANIA

ROUNDTABLE

on

„ENTREPRENEURSHIP EDUCATION”

held

on 6 June 2008

at the Continental Hotel, Tîrgu-Mureș, Romania

Petru Maior University
Szabó Photo ©

SUMMARY PROCEEDING

The Faculty of Economics, Law and Administrative Sciences at the Petru Maior University and ERENET implement a Project on Benchmarking of Entrepreneurship Education in Selected EU and Non-EU Countries called EDARO. The aim of the project is to collect current practice in entrepreneurship education at the Romanian universities as well as collect best practices and curriculums in entrepreneurship education in the old, new and associated EU countries and in North-America in order to develop and establish an advance similar education in the country too.

The Roundtable on „Entrepreneurship Education” was held within the framework of the 3rd International Conference on Economics, Law and Management (4-7 June 2008, Tîrgu-Mureș, Romania). The Roundtable followed the Session on Entrepreneurship Education, which took place on 5 June 2008. Presentation on best practice entrepreneurship education were prepared from Canada, Croatia, France, Germany, Hungary, Lebanon, Poland, Slovakia, Slovenia and the USA: A special part of the session was devoted to present the achievement, practices and problems achieved and faced in Romania. The Romanian Academy of Economic Studies and the Institute of National Economy made significant contribution to this session.

The Roundtable on „Entrepreneurship Education” was co-chaired by

Dr. Antal Szabó, UN ret. Regional Adviser on Entrepreneurship, Director of ERENET, and

Madi Sharma, Chief Executive of the Madi Group, UK Representative of the European Economics & Social Committee (Brussels)

Attila Pethoe, Assistant Professor of the Corvinus University of Budapest, was nominated as reporteur of the roundtable.

Some 25-30 experts attended the Roundtable including **Prof. Dr. Hans-Jürgen Weißbach**, (Fachhochschule Frankfurt am Main - University of Applied Sciences, Germany), **Prof. Dr. Mihály**

Görög (Corvinus University of Budapest, Hungary), **Dr. László Szerb**, Associate Professor (University of Pécs Faculty of Business and Economics, Hungary), **Dr. Andrea Bencsik** and **Dr. Vendel Lóre**, (Széchenyi István University, Hungary), **Prof. Jim Lavon Finlay** (Lebanese Americal University, Lebanon), **Prof. Jerzy Cieplik** (Leon Kozminski Academy of Entrepreneurship and Management, Warsaw, Poland), **Dr. Michael Šoltés** (Technical University of Košice, Slovakia), **Prof. Dr. Valentina Vasile**, Scientific Director of The Institute of National Economy of the Romanian Academy, **Dr. Gabriela Cecilia Stănciulescu** (Academy of Economic Studies), **Prof. Dr. Zsuzsanna Szabó**, Dean of the Economic Faculty of the Petru Maior University, **Dr. Daniela Stefanescu**, Management Department, Economic Faculty of the Petru Maior University, **Prof. Dr. Catană Doina** (Department of Electrical Machines, Marketing & Management, Technical University of Cluj), **Dr. Mircea Aurel Nită** (National School for Political and Public Administration Studies)

Dr. Antal Szabó, Co-Chairman of the Roundtable highlighted, that Europe recognized that education and entrepreneurship are no more two separate issues. Now, to their mutual benefit, more and more bridges link the two. The first important task of the new actions to improve SME's capability and competitiveness in accordance with the new EU policy is **Promoting Entrepreneurship and Skills**. However, in the framework of Bologna process, the entrepreneurship education in Europe still not unique. Entrepreneurship education should not be confused with general business and economic studies: its goal is to promote self-employment, creativity and innovation. Universities should integrated entrepreneurship as an important element of the curricula. He also drew attention of the participants to the different economic and cultural background between the advance EU countries as well as the newcomers, where entrepreneurship and enterprising is still a relatively new phenomenon, where in addition to the Lisbon strategy and the Oslo Agenda the primary aim is to promote entrepreneurship, assist in creation of new SMEs and strengthen the private SME sector.

Madi Sharma, the other Co-Chair in her introductory speech mentioned that entrepreneurship in its broadest sense, which can stimulate and encourage innovative and creative mindsets, should be highlighted in the Lisbon Agenda as one of the key tools to generate more growth and better jobs as well as to achieve social cohesion and combat social exclusion. In our global society, it is crucial that the entrepreneurial mindset is both nurtured and developed at macro, meso and micro level, providing a holistic approach while respecting the specific character of each level. In this respect, Universities should be proactive not only in elite communities, or where individuals can afford education, but also within outreach community programmes to encourage entrepreneurship. Social inclusion in Europe is a major challenge and the Universities have a key role here.

During the Roundtable six questions were raised and discussed as following:

1. EU DECLARED THAT ENTREPRENEURSHIP BECAME PART OF THE EDUCATION SYSTEM. HOW CAN WE BUILD IT INTO THE UNIVERSITY CURRICULA? WHERE TO DEVELOP THIS CURRICULUM, AT WHICH FACULTIES/DEPARTMENTS? WHAT SHOULD BE THE CONTENT OF THE BACHELOR, MASTER AND Ph DEGREE COURSES?
2. HOW TO MAKE ENTREPRENEURIAL EDUCATION MORE ENTREPRENEURIAL AND LESS ACADEMICAL?
3. HOW TO ORGANIZE PRACTICAL KNOWLEDGE AT BACHELOR AND MASTER COURSES? IS THE UNIVERSITY BUSINESS INCUBATION A GOOD SOLUTION? IS THE ENTREPRENEURSHIP AN ATTRACTIVE CARRIER?

4. IS THE ENTREPRENEURSHIP AN ATTRACTIVE CARRIER FOR STUDENTS IN CEE?
5. CAN YOU IMAGINE A UNITED EUROPEAN ENTREPRENEURSHIP
6. MANY YOUNG PEOPLE INCLUDING ENTREPRENEURS ARE LEAVING THE COUNTRY AND LOOKING JOB OPPORTUNITIES ABROAD? COULD THIS PROBLEM SOLVED BY ENTREPRENEURIAL EDUCATION VIA DEVELOPING ENTREPRENEURS?

CONCLUSIONS

1. Fostering entrepreneurial mindsets of the population is a process for young people through education at all level, from primary school to university, and later a long-life learning for the adult generation.
2. Teaching of entrepreneurship is not yet sufficiently integrated in higher education institution's curricula. The diffusion of entrepreneurship is particularly weak in some of the new EU countries joined the EU in and after 2004. In Romania we can find only pilot attempt in teaching entrepreneurship.
3. The scope of entrepreneurship education is much wider that training on how to start a business, as well as how to write a business plan. It includes the development of personal attributes and development of such skills like self-confidence, creativity, initiative, vision, risk-taking and many others.
4. The demand for learning about entrepreneurship is increasing. However, there is a shortage of human resources and funding for this type of education. Action-oriented teaching is labour-intensive and costly and requires specific training.
5. There are currently only a few teaching staff on entrepreneurship in Romania. There are also little incentives to motivate and reward teachers for getting involved in entrepreneurial teaching and interaction with students. At time being it is not recognized that it is important to build a career in entrepreneurship in addition to research as main promotion criteria.
6. ERENET Network has a good potential in entrepreneurship education and it could contribute to develop the entrepreneurship curricula for the Petru Maior University and other Romanian Universities.
7. ERENET was advised to develop a methodology for writing case studies and elaborate a series of case studies on how to start and develop a business in individual CEE countries.
8. It is recommended to develop a Bachelor and Master Entrepreneurship Program to be launched at the Petru Maior University in Tirgu Mureş. For the preparation of this program the Rector of the Petru Maior University is recommended to call upon an **ad hoc group of experts** including the representatives of the Romanian Academy, Ministry of Education, selectively Romanian Universities like Babes-Bolyai and technical University of Cluj-Napoca, the Head of ERENET Network and representatives of the ERENET universities with advanced entrepreneurship education, like the J.J. Strossmayer University (Osiek, Croatia), Budapest Corvinus University (Hungary), University of Pécs (Hungary), the University of Applied Sciences Institute for Entrepreneurship (Frankfurt am Main, Germany), Leon Kozminski Academy of Entrepreneurship and Management (Warsaw, Poland), Cracow University of Economics (Poland) and the University of Ljubljana (Slovenia).



Chairs of the Round Table: Antal Szabó & Madi Sarma. Right Daniela Stefanescu



Jerzy Cieclik (left) and László Szerb



Madi Sharma highlight the view of the European Commission



Above: Photo on the Round Table; Below: Jim Lavon Finlay (middle) explain the experience in Lebanon



Hans-Jürgen Weißbach



Michael Šoltés, Jerzy Cieclik & Antal Szabó inform of the Statue of Petru Maior (from right to left)

Photos on the Round Table by Attila Pethoe and Antal Szabó ©



WORKSHOP
on
“Social Responsible Entrepreneurship for SMEs”

organized by:

**ORGANIZATION OF THE
BLACK SEA ECONOMIC COOPERATION (BSEC)
and
KONRAD-ADENAUER-STIFTUNG (KAS)**

**18 – 21 June 2008
SWISSOTEL
Moscow/Russian Federation**

The Workshop on “Social Responsible Entrepreneurship for SMEs” was held in Moscow, the Russian Federation, on 18-20 June 2008. It was jointly organized by the Permanent International Secretariat of the Organization of the Black Sea Economic Cooperation (BSEC PERMIS) and the Representation of the Konrad-Adenauer-Stiftung (Foundation) (KAS) for Turkey.

Welcoming statements were delivered by **Ambassador Murat SUNGAR**, First Deputy Secretary General of BSEC PERMIS; Mr. **Jan SENKYR**, Resident Representative of KAS for Turkey; and Mr. **Vladislav KOROCHKIN**, Vice-President of OPORA ROSSIA, All-Russian Public Organization for SMEs. **Dr. Antal SZABO**, UN ret. Regional Adviser on Entrepreneurship and SMEs, Scientific Director of ERENET co-chaired the Workshop and compiled Conclusions and Recommendations.

1. **Ambassador M. SUNGAR** welcomed the participants to the Workshop and mentioned that many businesses perhaps would be puzzled if inquired about social responsible entrepreneurship. The EU Green Paper “Promoting a European Framework for Corporate Social Responsibility (CSR)” describes this term as a concept whereby companies integrate social and environmental concepts in their business operation on a voluntary basis. Social responsible entrepreneurship for SMEs also leads to the establishment of a mutual understanding and respect between the business communities and the civil society.
2. **Mr. J. SENKYR** welcomed the participants of the Workshop on behalf of KAS. He mentioned that this is the 37th SME-related event organized by BSEC PERMIS and KAS. The aim of the Workshop is strengthening a political dialogue between the Governments and non-governmental institutions dealing with SME promotion. Last year KAS sponsored a specific event analyzing the SME policies in each BSEC country and today the work done is available in a form of brochure. The current topic has specific interest for SMEs. On the one hand it is about how to run the business which positively enhances the society. On the other it is how to bring the social

and environmental issue to business and how economic transformation could lead to sustainable development.

3. **Mr. V. KOROCHKIN** welcomed the participants on behalf of the largest Russian non-governmental SME organization, namely OPORA ROSSIA which was established 5 years ago and represents more than 300,000 entrepreneurs in Russia. OPORA consists of 72 regional organizations. The issue of social responsible entrepreneurship was discussed many times. Small business has a different relation to this issue than the big ones. The Russian citizens consider a business as social responsible in case of:

- 34% fulfill obligations for Government;
- 27% produce quality products;
- 25% fulfill their obligations against their clients and partners;
- 21% provide good working places;
- 12% fulfill the request of the local citizens;
- 11% participate in implementation of national tasks.

There is a question whether we can consider any enterprise social responsible not participating in forming a new civil society. We are fully aware that business does not finish its activity just simply getting profit. We believe that main mission of the small business is the fight for creation of new jobs. Everywhere in the world SMEs create middle class in the society. The new President of the Russian Federation intends to develop the country in the way that 70% of people belong to the middle class. For the time being 70% of the Russian small business is retail business. There is a need to create new businesses in manufacturing, construction building industry and healthcare, innovation, education, etc. It is a task to increase small business in the healthcare from 1% of today to 5% by 2020. There is another big problem- lack of qualified workers. 50% of graduates from the Russian institutes of higher education intend to start their business. However, only 5% of the citizens show interest for small business. There is a need to increase awareness toward entrepreneurship. The first step has been taken as officially organizing the Day of Entrepreneurs on 26 May 2008.

Dr. Irina NAOUMOVA, Member of the ERENET made one of the key-note presentations. She drew the attention of the participants to the four pillars of the CSR including i) economic; ii) legal; iii) ethical; iv) discretionary/philanthropic. She highlighted the stakeholder approach in CSR and pointed out the differences between well-developed countries as well as countries in transition. For SMEs the strategic management approach is critical. She summarized the research on what is influencing the SME development in Russia based on CSR analysis. The University Follows International Research Consortium introduce the so-called “Competing Values Framework” based on four organizational culture types including clan, adhocracy, market and hierarchy culture types.

FINAL DISCUSSIONS AND CONCLUSIONS

The following points were made in **CONCLUSION**:

1. Corporate Social Responsibility (CSR) is a concept of integrating social, ethical and environmental concerns into business strategy and operations and interacting with their stakeholders (employees, clients, neighbors, public authorities, NGOs, the civil society, etc.) on a voluntary basis.
2. Since CSR was created primarily by and for larger companies, it is not a meaningful term for SMEs. For this reason we prefer to use the term on Responsible Entrepreneurship (RE), which means how to operate a business in a way that enhances its active contribution to society whilst minimizing negative impacts on people and the environment.
3. RE is essentially about maintaining economic success and achieving commercial advantage by building reputation and gaining trust of people that work with or live around the enterprises.
4. RE is a way of adding values both to business and to society. It is not about more bureaucracy and burdens, but another way to run the business.

5. In our global world and in the face of global competition, responsible entrepreneurial action in future will gain its importance within the context of economy, high quality of life, social inclusion and healthy environment.
6. CSR/RE can play a significant role in contributing to sustainable development and enhancing innovative potential and competitiveness of the BSEC countries. This is why CSR/RE should increasingly become a subject of any enterprise strategy.
7. CSR is a concern of the top enterprise management and must be practiced by entrepreneurs with good business management as a role model.
8. There is no global recipe for the implementation of CSR/RE principles because every enterprise is different. CSR/RE has to be implemented individually in the management strategy.
9. An explorative study indicates a positive reaction to an appraisal of the CSR concept in medium-sized enterprises in Germany. However, it is not widely communicated outside the enterprises.
10. An explorative study indicates less correlation between CSR and positive business outputs in the Russian service-oriented SMEs. However, large corporations in Russia are using CSR as a promotion tool for implementation of their business strategies.
11. Today in many CIS countries we eyewitness the creation of second generation of entrepreneurs and transition from the generation of forced SMEs towards a real entrepreneurial SMEs.
12. There are promising government approaches in the field of raising awareness toward CSR/RE in selected BSEC countries, like the Republic of Bulgaria, the Hellenic Republic, the Republic of Serbia and the Republic of Turkey. However, in the majority of BSEC countries the concept of CSR/RE is still weak and in infant phase, especially for the SMEs.

RECOMMENDATIONS

1. The Participants of the Workshop wish to give greater political and social visibility to CSR, especially to RE. They acknowledged what BSEC enterprises had already done in this field and encouraged them to do more.
2. Governments should take leading roles in promoting the concept of CSR/RE. Balance the States' influence over the SME sector by reducing administrative pressure over them. Governments should increase their role in raising awareness and developing the informative, education and motivation functions.
3. CSR/RE issues should become a basic platform for global entrepreneurship and business culture. Governments should include these issues in their national strategies for SME development.
4. The BSEC Governments are encouraged to further promote voluntary, environmental and labor instruments, such as environmental management systems, ecolabel scheme, organizational health management and ethical trade.
5. The BSEC Governments are encouraged to assist SMEs to integrate social and environmental consideration in their business operations, especially those in the supply chain.
6. The BSEC Governments should create and promote national award scheme for large CSR oriented companies and small RE oriented SMEs.
7. The Participants of the Workshop asked the organizers to put all the presentations of the Workshop on the internet in order to share these practices among the BSEC Member States and other interested actors and organizations.
8. The Participants of the Workshop suggested developing a special website on best practices on global citizens responsibility as well as good experiences on CSR/RE practice in the BSEC region.
9. The Participants of the Workshop suggested KAS to collaborate with experts in the BSEC region in a common exploratory research on CSR/RE development for SMEs.
10. EOMMEX is requested to provide information material on the promotion tool of the Hellenic Network for CSR. The BSEC Governments are requested to elaborate national awareness raising materials and programmes to promote CSR/RE in their countries.
11. The large corporations and SMEs in the BSEC countries should follow the UN Global Compact and take voluntary actions to join to this initiative.

Remark: This Information was made based on the Summary Proceeding adopted during the Closing Session of the Workshop

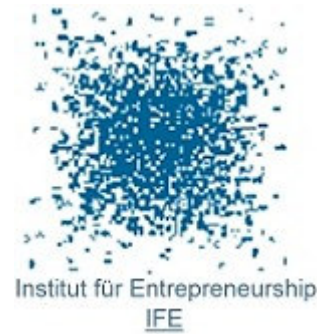
PHOTOS ON THE WORKSHOP

	
<p>Presidency (from left to right): Alexei Nistrean Murat Sungar, Jan Senkyr, Antal Szabó</p>	<p>Total Plan of the Workshop, SWISSOTEL, 29th floor Davos Room</p>
	
<p>Violeta Virabyan (AM), Milen Bankov (BG), Veni Kleonakou and Kleoniki Stavrakaki (GR), Dan Teodorescu (RO) (from left to right)</p>	<p>Agim Pasholli (AL), Rauf Aliyev (AZ), Besiki Chantladze (GE), Maria Bulat (MD), Irina Naumova (RF), Atilla Sögüt (TR) (from right to left)</p>
	
<p>Atilla Sögüt (TR), Irina Naumova (RF), Maria Bulat (MD), Besiki Chantladze (GE), Rauf Aliyev (AZ), Agim Pasholli (AL) (from left to right)</p>	<p>Prof. Dr. Christina Karatina Volkmann, UNESCO Chairholder (in white) deliver the key note speech, Katja-Christina Plate (KAS), Irina Alexeeva (RF) (right), Oleksandr Holovko (UA), Ana Zegarac (SR) (left)</p>
	
<p>Mária Szabó, Assistant Event Manager of the SWISSOTEL</p>	<p>Larissa Kapitsa, UNECE ret. Director</p>

INSITUTIONAL PROFILE

INSTITUT FÜR ENTREPRENEURSHIP – IFE
Institute for Entrepreneurship
at Fachhochschule Frankfurt am Main
 – **University for Applied Sciences**

<http://www.ife-frankfurt.de/>



Aims and Objectives of the Institute

The IFE has been implemented in 2005 at the Economy and Law Department (Fachbereich 3) of Fachhochschule Frankfurt am Main because an increasing and urgent need for support of start-ups could be felt at that time. However, the Institute has been based on a wide range of activities and experience with start-up development from the very first project “Frankfurter Modell” in 1998 on.

The main issues of the institute are

- doing research concerning business creation, development, and expansion
- providing academic education and practice-related training for young entrepreneurs and students who intend to make up their own business
- giving consultancy for start-ups
- developing concepts of culturally sensitive consultancy for start-ups founded by migrants
- supporting cooperation and networking of start-ups with existing companies
- developing the cooperation of founders from abroad with their home countries (Turkey, Maroc, China, etc.) and thereby opening new markets.

Moreover, the IFE operates a small incubator with 4 to 5 places for students and alumnis who are in the process of establishing their enterprises in the field of information technology, multimedia, logistics or health management.

The Directory of the Institute has six members from the teaching staff:

Prof. Dr. Hans-Jürgen Weissbach (managing director), Prof. Dr. Martina Voigt, Prof. Dr. Tino Michalski, Prof. Dr. Wolfgang Hossenfelder, Prof. Dr. Hilko J. Meyer (Dean).

Working together with other departments, the IFE has coordinating and integrative functions for start-up education and training at Fachhochschule Frankfurt. The IFE is financially supported by the Economy and Law Department. In the following, we are giving a list of recent activities of the IFE.

Projects finished

- Project „Competency Development fo Start-Ups“ (Federal Ministry of Research, ended in 2005)
- Participation in SOCRATES Grundtvig Project „Diversity & Gender Experts for Europe“ (2007)
- Participation in EXIST II Program (Federal Ministry of Research, ended in 2007)
- German-Turkish Enterprise Day (November 2007)

Regular teaching activities

- Seminary “Entrepreneurship” in Business Administration
- Strategy Seminars (eligible)

- Supervision of Diploma Theses

Incubation activities

- 12 start-ups, 11 of them have been successful
- average time of incubation: 18 months

Working plan

- Participation in LEONARDO Moduc Project „European Entrepreneurship Education“ (started in July 2007)
- Preparation of an MBA Program in Business Development (aiming as well at Corporate customers, SME, Start-ups, and Non-Profit Organizations)
- Maroc-German Enterprise day (2009)

Cooperation

- BEST-EXCELLENCE Project of Frankfurter Allgemeine Zeitung – F.A.Z Institute

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Publications

Findeklee, Hella: Markt für Gesundheitsdienstleister. Gründungschancen im Health-Bereich. Materialien des IFE, Heft 2, 2007. ISBN 978-3-924100-35-3

Weissbach, Hans-Jürgen: Grenzen der Patentierung technischen Wissens und die Diskussion um Wissenspatente. In: M. Moldaschl / N. Stehr (Hg.): Knowledge Economy, Marburg 2008. ISBN 978-3895185328

Marian, L., H.-J. Weissbach u.a. (Hg.): Career Counseling & the Global Labor Market. Proceedings of the First International Conference May 31st - June 2nd 2005. Targu-Mures (Rumänien). ISBN 973-7794-40-0

Thust, Antje: Die Idee des Entrepreneurship und ihre Umsetzung in der Betriebswirtschaftslehre an deutschen Hochschulen. Materialien des IFE, H. 1, 2005. ISBN 3-924100-33-0

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Voigt, Martina, H.-J. Weissbach, V. Jost, M. Wiecha: Kompetenzentwicklung von Start-ups. Projektbericht im Auftrag des BMBF. Programm Lernen im Prozess der Arbeit, ABWF Berlin, Juni 2004.

Jost, V./M. Voigt/M. Wiecha/H.-J. Weissbach (2003): Kompetenzentwicklung von Start-ups. In: QUEM Bulletin 1

Voigt, M./H.-J. Weissbach: Kompetenzentwicklung von Start-ups. Forschungsergebnisse und Perspektiven. In: QUEM Bulletin 2/2004, S. 7-11

Weissbach, H.-J.: Rasender Stillstand? Die deutsche Innovationsschwäche und die Aufgaben der Innovationsforschung im politischen Prozess. (Tagungsbericht) In: Arbeit 1/2004, S. 88-90.

Speeches

Weissbach, H.-J.: Why do we need culturally sensitive consultancy for start-ups?

DiGe_E-Konferenz, Kaunas, Lithuania, 15.6.2007

Weissbach, H.-J.: Soft competencies in Business Education. EAIE Conference Trondheim, Norway, September 2007



UNESCO-EOLSS CHAIR IN INTELLECTUAL ENTREPRENEURSHIP

UNESCO_EOLSS CHAIR in Intellectual Entrepreneurship in the Word of Work for Sustainable Development, established in 1998 at the Academy of Entrepreneurship and Management (Poland). The host institution is the "Leon Kozminski" Academy of Entrepreneurship and Management. See <http://www.wspiz.pl/~unesco/pubeng.htm>.

OBJECTIVES

- To achieve a better understanding of the content and context of new entrepreneurial and managerial skills resulting from the growing role of knowledge in the processes of sustainable development and the role of life support systems .
- To achieve a better understanding of the role of institutions of higher education as producers and disseminators of knowledge in the context of new requirements and rapid changes in the labour market.
- To upgrade and enhance curricula, particularly in schools of management, economics and engineering, by developing appropriate teaching modules and materials.
- To launch an international comparative research programme on intellectual entrepreneurship and its impact on the world of work in the 21st century.
- To establish a national and international dialogue between intellectual entrepreneurs, educators, researchers and policy makers on the application of human knowledge for global sustainable development and the preservation of life on earth.

PARTNERSHIP

- Jagellonian University of Krakow (Poland). Website: <http://www.uj.edu.pl/index.en.html>
- University of Lodz (Poland). Website: <http://www.uni.lodz.pl/>
- Higher School of Business , National Louis University of Nowy Sacz (Poland). Website: <http://www.wsb-nlu.edu.pl/>
- Polish Committee of Scientific Research (KBN) (Poland). Website: <http://kbn.icm.edu.pl/en/science/kbn.htm>
- Universitet Lund (Sweden). Website: <http://www.lu.se/>
- Middlesex University (U.K.). Website: <http://www.mdx.ac.uk/>

File:

http://portal.unesco.org/education/en/ev.php-URL_ID=1776&URL_DO=DO_TOPIC&URL_SECTION=201.html

CALLS – EVENTS – NEWS



**PROGRAMME OF THE
3rd ERENET ANNUAL MEETING
&
ESBA BOARD MEETING**

**18-19 September 2008, Budapest, Hungary
H-1093 Budapest, Fővám tér 8.**

For registration and further information please contact the **ERENET Secretary Attila Petheó**, Budapest Corvinus University, Small Business Development Centre, Phone: (+361) 482-5116, Fax: (+361) 482-5408 **E-mail: info@erenet.org or attila.petheo@uni-corvinus.hu**

INVITATION FROM THE ERENET SECRETARY



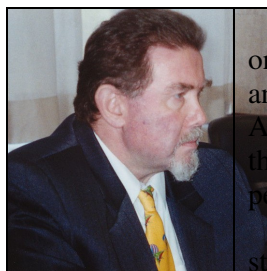
Dr. Antal Szabó
Scientific
Director of
ERENET

Entrepreneurship education and development, especially for SMEs has been receiving increase attention at all level in national economy. The Entrepreneurship Education and Research Network among the Universities of Central and Eastern Europe ERENET, consisting of university academicians, government representatives, experts from business services providers and responsible entrepreneurs, has contributed to the promotion of entrepreneurship at the university curricula, harmonisation and development of entrepreneurial education, evaluation and development of government's SME national policies, promotion of communication and dissemination of best practices in SME promotion related issues.

It is my great pleasure to invite you to the 3rd Annual Meeting of the ERENET to be organized on 18 September 2008 at the Corvinus University of Budapest in Hungary. It is a great honour for us, that the European Small Business Alliance ESBA will represent in our Meeting and following this event it will held its Board Meeting also in Budapest. The Meeting has an excellent program on recent developments in two important topics: *first* in entrepreneurship education, and *second* in the role of business services providers in promotion of entrepreneurship.

It is a great pleasure to inform you, that ERENET received an ISSN international recognition and we shall discuss the orientation of our ERENET PROFILE for the next two years. We shall also discuss the future orientation and modalities of work of the ERENET activities.

INVITATION FROM THE SMALL BUSINESS DEVELOPMENT CENTRE OF THE CORVINUS UNIVERSITY OF BUDAPEST



Dr. Péter Szirmai
Associate
Professor
Director of the
Small Business
Development
Centre

The eternal truth that we learnt long ago here in East Europe is 'We learn to swim only in water'. The only problem is that the pool was dry for more than 40 years and we only read about market economies and competition from text books. Anyway, the situation today is totally different. East Europe, slowly but surely is on the way to build up its modern market economies. As for now, it is the timing is perfect to sum up the experiences that have gathered so far.

But which is true even today is that nobody becomes an entrepreneur at once. To start up a company needs lot of preparation. This doesn't only mean studying theories and principles from books but the improvement of such skills and abilities that are necessary for managing a business successfully. The objective of our conference is to collect the best practices of the ERENET member universities. Thus we want to help the further future development of our partners.

I'm very happy and proud that the Small Business Development Centre of The Corvinus University of Budapest will be the host of the 3rd annual general assembly of ERENET. We also have the honour for us, that the European Small Business Alliance ESBA will represent in our Meeting and following this event it will held its Executive Committee Meeting also in Budapest

I hope that we will organise an interesting and exciting programme for our partners for September 18-19th 2008.

INVITATION FROM ESBA



Tina Sommer
President of
ESBA

We are delighted to support ERENET's 3rd Annual Meeting. The European Commission's pending proposal for a Small Business Act for Europe demonstrates the recent improvement in the attention paid to the needs of small businesses by EU and national policy makers. Many challenges lie ahead, however, in order for entrepreneurs feel the tangible benefits of the EU's SME policy. We therefore look forward to sharing our experiences of the key topics of entrepreneurship education and business services providers and to learning from the significant expertise of ERENET's members in September.

We are also very pleased to be invited to hold our Board Meeting in Budapest, during our 10th Anniversary year. Since 1998, ESBA has become one of the major SME organisations in Europe, representing almost 1 million small businesses in 36 European countries. Over the years, ESBA has developed considerable expertise in providing EU intelligence for member organisations and in promoting their cause to the EU Institutions. Increasingly, our model of business representation, which is based on strong independent 'advocacy and benefits' groups, rather than statutory membership organisations, is being adopted across Europe. We have therefore also begun to develop a Capacity-Building programme in order to help similar organisations grow and offer more and better services to their members. In 2006, ESBA implemented a new business plan to intensify its activities in Brussels and has made significant progress towards its objectives. Adding value to small business representation remains, however, our strongest wish for this Anniversary year and beyond - we look forward to ESBA and ERENET's continuing and fruitful cooperation.

OUTLINE PROGRAMME

18 September 2008

- 09.00 – 09.50 Delegate arriving, Registration, Refreshment on arrival + Networking
- 10.00 – 10.30 **Opening Welcome**
Dr. Tamás Mészáros, Rector of the Corvinus University of Budapest
Tina Sommer, President of ESBA
Dr. Antal Szabó, Scientific Director of ERENET
- 10.30 – 11.00 **Report on the activities of the ERENET Network in 2007**
by Dr. Antal Szabó, Scientific Director of ERENET
- 11.00 – 13.30 **Achievements in Entrepreneurial Education**
- **Benchmarking of Entrepreneurship Education based on the EDUARO ERENET Project** by Professor Zsuzsanna Katalin Szabó, Dean of Faculty of Economics, Law and Administrative Sciences, Petru Maior University, Targu-Muresh, Romania
 - **Entrepreneurship Education at the Hungarian Universities from Bachelor via Entrepreneurial Incubating to Ph.Degree** by Prof. Péter Szirmai, Head of Small Business Development Centre at the Corvinus University of Budapest, Hungary
 - **Achievements in Entrepreneurship Education at CEE Universities** by lecturers from CEE (**Sanja Pfeifer**, Associate Professor, Faculty of Economics, Osijek, **Mihály Görög**, Associate professor, Corvinus University of Budapest, **Jerzy Cieslik**, Leon Kozminski Academy of Entrepreneurship and Management, and others to be announced later etc.)
- 13.30 – 15.00 **Lunch at the Corvinus University of Budapest**
- 15.00 – 16.30 **The Role of Business Service Institutions**
- **Business support in the United Kingdom** by Colin Wilman, Chairman for Education and Business Support in the Federation of Small Business, UK
 - **Business Service Institutions in Germany** by Dieter Ibielski, Presidential Counsellor, Honorable Member of the ERENET
 - **Activities of the Regional Centre for SME Development Subotica** by Branco Malagurski, Director of the SMER, Subotica, Republic of Serbia
 - **Integrated Business Service for Enterprise Development** by István Kovács, President of the Hungarian Consortium for Entrepreneurship development
 - **Discussion by the participants**
- 16.30 – 17.30 **Discussion of upcoming events and activities for 2008-2009**
17.30 **Closing of the Meeting**

19 September 2008



BOARD MEETING of the EUROPEAN SMALL BUSINESS ALLIANCE



UCL SSEES Centre for the Study of Economic and Social Change in Europe

Workshop
on
ENTREPRENEURSHIP in COMPARATIVE PERSPECTIVE

3 November (Monday) 2008

Room 4XX, 4th floor, SSEES building, Taviton Street, London
16 Taviton Street - London - WC1H 0BW

10.00 -10.15 Registration, coffee

SESSION I

10.15-10.55 Leora Klapper (World Bank) *Entrepreneurship: Lessons from the WB Enterprise Survey*

10.55 - 11.35 Saul Estrin (LSE), Julia Korosteleva (UCL), Tomasz Mickiewicz (UCL)
Determinants of High-Powered Entrepreneurship in Comparative Perspective

11.35 - 12.15 Slavo Radosevic (UCL) and Maja Savic (UCL) *Entrepreneurship and Innovation in Transition Economies*

12.15-13.00 Lunch

SESSION II

13.00 -13.40 Frederike Welter (RWI-Essen) and David Smallbone (Kingston University)
Entrepreneurship in Transition Economies

13.40 -14.20 William Bartlett (Bristol University) and Mirela Xeneti (Bristol University)
Entrepreneurship: Comparative Analysis of the former Yugoslav states

14.20 - 15.00 Antal Szabo (Budapest) *Entrepreneurship in Southern Caucasus*

Attendance is free based upon registration. Please, contact Ms. Hannah Spikesley either via Email h.spikesley@ssees.ucl.ac.uk or by phone on 020 7679 8810

For further information contact: Prof. Tomasz Mickiewicz <t.mickiewicz@ucl.ac.uk>



Cracow University of Economics
Faculty of Economics and International Relations
Department of European Studies
Department of Entrepreneurship and Innovation

INTERNATIONAL SCIENTIFIC CONFERENCE ON ENTREPRENEURSHIP AND GROWTH OF FAMILY FIRMS

**June 4-5, 2009
Cracow, Poland (CUE campus)**

Organizers:

Department of European Studies and Department of Entrepreneurship and Innovation
Cracow University of Economics

Conference Idea:

Entrepreneurship is a necessary condition for economic growth and development. Modern states converge in treating entrepreneurship as a key economic resource. But entrepreneurship is especially important in the period of structural change and changing global division of labour. Enterprises often start from an entrepreneurial idea of an individual, but then continue as family businesses. Hence, the conference links these two issues.

Cracow University of Economics has designed the conference as a meeting point to discuss past, present and future tendencies with regard to entrepreneurship and family firms as well as to share ideas on modern entrepreneurship and family firms research.

Conference Topics:

- The idea and determinants of entrepreneurship in modern economies.
- The relations between entrepreneurship and family firms
- The advantages and disadvantages of family as a vehicle for entrepreneurship.
- The impact of family entrepreneurs on local development: spatial dimension of entrepreneurship.
- Challenges of family firms' succession.
- Various research approaches to study family firms' development and growth.
- Public policy instrument to promote the growth of entrepreneurship.

Call for Papers:

Submissions are invited. Abstracts and CVs should be sent to Krzysztof.Wach@uek.krakow.pl before **November 15, 2008**. Papers will be subject to a review process. Accepted papers need to be submitted in full by April 15, 2009. Accepted papers will also be considered for inclusion in an edited book. Additionally all the papers will be published as conference proceedings in an electronic version.

Fee:

There is no conference fee. The participants are to cover accommodation and travel expenses on their own.

Contact:

Prof. Aleksander Surdej, e-mail: Aleksander.Surdej@uek.krakow.pl
Prof. Krzysztof Wach, e-mail: Krzysztof.Wach@uek.krakow.pl

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Conference Website: <http://www.conference.uek.krakow.pl>

The address of the ERENET Secretary see below:

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ERENET PROFILE

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