

THE INTERACTIONS BETWEEN ENTREPRENEURIAL EDUCATION AND BUSINESS ENVIRONMENT

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Abstract:

Entrepreneurial education is creating substantial changes for organizations throughout the world special after the economic crises. Creating an innovative environment, stimulating start-ups through access to finance and providing advice, information and expertise, represent fertile local grounds for business ideas and better performance of regional economies. The primary purpose of entrepreneurship education is to develop entrepreneurial capacities and mindsets. A key objective of Europe 2020 is the objective of investing in research and development 3% of GDP, especially by providing more favorable conditions for private investment and establishing a new indicator for innovation. The article is structured in four parts: the concept of entrepreneurial education, universities and business environment; the methodological approach - case study, entrepreneurship education, solutions that can be developed and the conclusion. Our specific focus is to demonstrate that teaching of entrepreneurship has yet to be sufficiently integrated into university curricula - indeed it is necessary to make entrepreneurship education accessible to all students as innovative business ideas may arise from technical, scientific or creative studies.

Key words: business environment, entrepreneurial education, cooperation activities, networks

JEL classification: M15, R10

INTRODUCTION

The European Union gives an important role to the entrepreneurial education, research, development and innovation domain (RDI) for consolidation of the competitiveness and for the economical growth. Changes occurred in technology and society demands introduce changes in traditional higher education, quality being seen as a knowledge generation in academia nowadays.

In this period of economical crisis the entrepreneurs are the most affected of its effects and that is the reason why the entrepreneurs must be sustained to proof flexibility to be able to resist or even advance with their businesses. The firms need employees with entrepreneurial spirit in the key positions, to be able to help the firms to cross the difficult period from the economical point of view, to apply innovation especially in the organizational domain (Etykowitz, 2002).

The entrepreneurs carry out vital functions in the economical development. They are recognized as being necessary agents for the capital mobilization, additional value creation concerning natural resources, goods and services necessary production, working place creation, business implementation.

Universities promote the entrepreneurship education, a diverse range of possible options that students can take, extra-curricular activities, business plan competitions and other activities that have the added advantage of bringing the local business community into the educational environment.

European Commission is devoting special attention to entrepreneurship training, special to university, with a view to encouraging Europe's young people to become the entrepreneurs of the future. The benefits of entrepreneurship education are not limited to more start-ups. (COM, 2006)

THE CONCEPT OF ENTREPRENEURIAL EDUCATION, UNIVERSITIES AND BUSINESS ENVIRONMENT

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 (European Commission, 2006). The entrepreneur is the person that assumes the risk of beginning his own business, and for the young entrepreneurs the risk problem is indeed an important one.

Entrepreneurship education should not be confused with general business and economic studies; its goal is to promote creativity, innovation and self-employment, and may include the following elements:

- developing personal attributes and skills that form the basis of an entrepreneurial mindset and behaviour (creativity, sense of initiative, risk-taking, autonomy, self-confidence, leadership, team spirit, etc.);
- raising the awareness of students about self-employment and entrepreneurship as possible career options;
- working on concrete enterprise projects and activities;
- providing specific business skills and knowledge of how to start a company and run it successfully.

The new generation of specialists, prepared in the European spirit has the fate to identify the ways of the economical and social sustainable development and to contribute effectively through the abilities acquired at the promotion of new business. In each graduate is a possible entrepreneur and the educational practice proves that the viable business ideas are not missing.

Higher education institutions should offer a range of courses, rather than settling on a particular model of delivery. Especially in the early stages of promoting entrepreneurship education, it is better to have a diverse range of provision: options that students can take, extra-curricular activities, business plan competitions and other activities that have the added advantage of bringing the local business community into the educational environment.

For example, the University of Cambridge (UK), there has been a focus on three aspects of entrepreneurship education:

- entrepreneurial motivation: the question of what motivates individuals; the social and economic importance of commercializing science and technology; the fun aspects of it; through role models, examples and class discussions.
- opportunity recognition: this is a very important aspect of entrepreneurship education as so much is predicated on whether or not people are able to “see” an opportunity that motivates them to pursue it. This is taught through “action learning” methods.
- commercialization: through a variety of situations and a number of ways to different levels of depth. Lectures from practitioners; business plan competitions; short pieces of course work; small group supervisions etc.

In Romania the most important objective of the Universities is the education of the young generation and its through specialization in various fields of activity. The goals of the university in this direction are: boost the cross-border economic development process by increasing the amount of entrepreneurs who are establishing start ups cross-border; to upgrade human resources by enhancing the number of start-up entrepreneurs cross-border with viable business plans and by training local trainers.

Higher education institutions should have a strategy or action plan for teaching and research in entrepreneurship, and for new venture creation and spin-offs. This calls for the development of an “Entrepreneurial University”, a major change in the culture of higher education institutions, which will be evident in:

- the study programmes (multi-disciplinary programmes);
- working and learning methods (team work, initiative with the student);
- research strategies;
- personnel policy (recruitment practices, incentives & rewards, training);
- industry co-operation.

These requirements mean that rectors and senior managers must ensure that the appropriate institutional infrastructure is in place. Entrepreneurship education makes particular demands on

quality assurance, human resource management, student support, knowledge transfer, management information, and governance systems.

An entrepreneurial university is one where entrepreneurship is a systematic approach, and where people feel committed to this goal. There is a need for opinion leaders who would push the change from the inside the institution. As a first step a member of the governing body could be identified as the person in charge, as only a decision maker can decide on the outcomes.

METHODOLOGICAL APPROACH - CASE STUDY

The University Stefan cel Mare is one of the most important institutions in the higher educational field in the North – East of Romania. The university is offering a modern educational-curriculum, following the example of modern universities of Europe, but, in the same time, keeping her own traditions.

The University Stefan cel Mare is a public institution educating in total around 10000 students in nine faculties, with a number of 330 staff, teachers and researchers (2012). The main contributions of University in local context are to be located in: research activities; educating skilled labor force for local industries, namely forest industry, food industry, machineries and equipment; improving education and continuous education for practitioners, managers, namely in tourism-related issues, forest investment construction; partnership with different institutions and firms.

University Stefan cel Mare of Suceava has led or participated in over 80 projects that means a major role in delivering European Structural Funds Programmes. The application of lifelong learning concept brings benefits to the society, the companies, the institutions and the persons, as a result of their competitiveness growth; for making the public to be aware of the benefits of the lifelong learning and for enforcing the cooperation between the education structures and the businessmen community. As a result of Communication “Let’s make the lifelong learning being real in the European space”, the lifelong learning has become the leading principle for the development of education and professional formation politics” (COM 2010)

The access to lifelong learning for all EU citizens is regarded as the fundamental principle of the national education and professional formations systems. All of the EU member states recognize the fact that the modifications occurred in conditions, frame and nature of the work necessarily impose the application of the lifelong learning concept, respectively learning and information from the individuals, companies, institutions, society and the all economy sides. After Lisbon, Stockholm and Feira European Council, in the present they overtake to the Memorandum on Lifelong Learning, having certain strategic objectives: the construction of public-private partnerships (between companies, universities, schools, NGO-s, research centers etc.); the resources augmentation for education; the access facilitation to education for all, inclusively by consolidation of some local centers/universities that offering learning.

The InnoNatour programme was designed for undergraduate and postgraduate students in the field of business, tourism, and environmental sciences and related disciplines. The courses was held at “Stefan cel Mare” University of Suceava, Romania (2010 – 2012).

The main aim of this IP was to improve the multilateral cooperation between higher education institution, to increase the volume of student and teaching staff mobility and on the other hand to transfer the knowledge on innovation, innovation management and entrepreneurship straight from research into the education by means of organizing a practical educational course, and by working with real world cases. The transfer targeted tourism enterprises sector and constituted a positive input to the improvement of regional innovation processes in European areas. The Erasmus IP followed to increase the degree of transparency and compatibility between higher education and advanced vocational education qualifications gained in Europe: in Finland, Italy, Austria, Slovakia, Bulgaria and Romania. The articles used a research methodology attentive to analyze the difference between successful entrepreneurs in these countries.

The secondary aim of the IP was to develop and test new curriculum and teaching materials in the topic of Innovations and entrepreneurship in nature based tourism services in Europe, addressing therefore the need of improving educational supply on the topic. Entrepreneurial programmes and modules offer students the tools to think creatively, be an effective problem solver, analyse a business idea objectively, and communicate, network, lead, and evaluate any given project.

In this project was adapted for studying the relationship between different actors, small innovative enterprises, professional associations and their key stakeholder groups. This kind of qualitative approach is well justified choice in order to understand any phenomena about which little is yet known. The aim is a rather inductive analysis between these actors and universities. As the approach to the innovation process has been chosen case study - approach. A case study is considered to be an appropriate research strategy to investigate contemporary phenomena within their real-life context especially when the boundaries between the phenomena and the context are not clearly evident (Yin 2003), like typical when investigating an innovation process. Furthermore, case studies can be descriptive, explanatory or exploratory in their nature. The empirical data consist of 10 case studies representing different innovative companies from Suceava area.

ENTREPRENEURSHIP EDUCATION, SOLUTIONS THAT CAN BE DEVELOPED

The process of starting up and developing a business is a real challenge. In order to help entrepreneurs with this, it is essential to create a favorable business environment. There are a lot of instruments for this: ensuring easier access to funding, making legislation, supporting and developing an entrepreneurial culture and support networks for business. Creating a favorable business environment means to improve the abilities of entrepreneur, to create a network between them. Through the project developed by Suceava University, brought together students from six European countries: Finland, Italy, Austria, Slovakia, Bulgaria and Romania. The countries were selected according to their competitiveness and innovation level, so within this project was pursued the knowledge transfer and the experience exchange between countries with different levels regarding innovation. In this context, the project allowed members of the teaching staff to exchange views on teaching content and new curricula approaches. The partner institutions involved in this project were: Savonia University of Applied Sciences from Finland, University of Natural Resources and Applied Life Sciences from Austria, University of Forestry from Bulgaria, Technical University in Zvolen from Slovakia and University of Padova from Italy.

During the three years there were involved 10 enterprises from Romania, in the field of tourism services, which collaborated in providing information and support, being selected as innovative enterprises for the real world studies, and which were analyzed by students during the IP. The sampling of the interviewees was made by a purposive sampling in order to ensure manageable and informative data. The case data have been collected by the participating students and teachers from programme by using joint semi-structured thematic interview guideline, which allowed flexible conversations to take place still ensuring that all the main issues were discussed. The themes were chosen to cover the critical aspects relating entrepreneurial education, business environment and co-operation networks. The interviews were conducted during 2010-2012. In all cases the organizations has been visited by the case students. The data collection methods comprised personal face-to-face, telephone and e-mail interviews with core actors of the innovation project. In addition written sources such as internal or official project documentations, press releases, newspaper articles, information on websites, brochures etc were used.

The knowledge of entrepreneurship practices is not only in companies' interests that are dealing with more and more complex situations that generate more changes, but in the interest of the society. An important way is to innovate. Firms innovate in a variety of ways. They may engage in intensive in-house research activities aiming at the creation of new products or processes, or they may rely more heavily on external knowledge and imitative research projects. Firms can acquire external knowledge through formal collaborations with other firms or university research labs,

informal knowledge transfer, or embodied technology transfer through the acquisition of machinery and equipment. Each of these activities may still require some R&D investments. However, in this case the aim is not to create new knowledge but to enable firms to absorb external knowledge and technologies. These aspects have been explored in this Erasmus IP Project.

Each enterprise had to nominate one member, which stayed in contact with students during the IP, participated at three meetings with students and offered information regarding the enterprise.

The main activities of the project were divided in three stages: Stage I: Students had to prepare an innovative case study from their own country; Stage II: 11 days of intensive course in Suceava, Romania: intensive course on special domains, work groups activities, field trips, excursions; Stage III: Each student finalized his case study report. The final research was presented to the company that represented his/her case study.

The use of experience-based teaching methods is crucial to develop entrepreneurial skills and abilities. Therefore in order to integrate entrepreneurship across the curriculum, the use of action-oriented pedagogies should be favored in all disciplines.

For example in the Stefan cel Mare University there are a non-profit organization "Entrepreneurial Students Club". In this club there are a group of students from different disciplines within an institution seeking to: raise awareness, about entrepreneurship among other students in all fields of study; inform them about support, services available to start a company; run enterprise projects; create business networks. Institutions should encourage the spontaneous initiative of students; encourage and support the foundation of student mini-companies or junior enterprises; award academic credits for activities carried out within student associations and for practical work on enterprise projects.

CONCLUSIONS

The strength that gives universities education an innovative capacity, and hence entrepreneurial potential, is their autonomy. Given the right framework conditions, entrepreneurial initiatives can be highly desirable for an institution, as successful initiatives lend the prestige to the institution. They can also help bridge the funding gap that is chronically facing most higher education institutions throughout Europe.

While diversity is richness, higher education institutions and educators will benefit from exchanges and mutual learning, open sources of information, and examples of good practice from across Europe. Coordination should be applied at a policy level to ensure that all higher education institutions are given the necessary incentives and opportunities to take on this challenge.

Entrepreneurial teaching should be highly valued in an institution, within the curricula of the different faculties, with reward mechanisms in place, qualified educators and a wealth of interactions with the outside world, in particular with businesses and entrepreneurs. In this respect, the development and delivery of entrepreneurship is significantly affected by the internal organisational structure of the institution.

European Commission formulated some recommendations based on best practice observed in Europe:

- A coherent framework: national and regional authorities should establish cooperation between different departments in order to develop a strategy with clear objectives and covering all stages of education. School curricula should also be revised to explicitly include entrepreneurship as an objective of education.
- Support for universities : practical support and incentives to incorporate entrepreneurship in their curricula, through a range of different instruments (distribution of teaching materials, funding of pilot projects, dissemination of best practice, promotion of partnerships with businesses, support for dedicated organisations conducting entrepreneurship programmes with schools, etc.).

- Fostering entrepreneurship in higher education: entrepreneurship should be incorporated in various subjects, particularly within scientific and technical studies, in order to provide students with specific training on how to start and run a business.
- Support for teachers: it is essential that teachers be given initial and in-service training as well as practical experience. Awareness should also be raised among heads of schools to ensure that teachers are allowed the time and resources to plan, run and evaluate activities.
- Participation by external actors and businesses: educational establishments and the local community, especially businesses, should cooperate on the subject of entrepreneurship training, and firms should regard this as a long-term investment and as an aspect of their corporate social responsibility.
- Practical experience: one of the most effective ways to promote entrepreneurial mindsets and skills is through learning by doing (students setting up and running mini-companies).

The knowledge of entrepreneurship practices is not only in companies' interests that are dealing with more and more complex situations that generate more changes, but in the interest of the society. Entrepreneurship problem is promoted generously as sours of economic increase in a sustainable development situation, being charged by a series of behaviour, technological, economical, demographical and institutional factors. In general terms universities structures can accommodate entrepreneurship education activities.

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