Vol. 4, No. 2, 2017

https://doi.org/10.23939/eem2017.02.029

**UDC 33.331.5** 

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# SUPPORT OF THE STUDENTS ENTREPRENEURIAL INTENTIONS WITHIN THE HIGHER EDUCATION SYSTEM

**Abstract:** Entrepreneurial intentions refer to a state of mind that directs and guides the actions of the individual toward the development and implementation of a new business concept. Educational support is perceived as a determinant of entrepreneurial intentions, for the reason of providing the students with necessary knowledge about entrepreneurship.

The main aim of this article is to present the role of university education in shaping the entrepreneurial intentions among students in Ukraine and Poland and the forms of university support which students prefer when start own business.

In order to develop the issue, the authors conducted a questionnaire survey among 212 students in Ukraine and Poland in 2016. The results of the research clearly show that Ukrainian students present higher level of entrepreneurial orientation as an intent to set up and to develop of the company in the future than Polish students, and at the same time they expect less support from the university.

**Keywords:** entrepreneurial intentions, entrepreneurial orientation, entrepreneurship, university education

Statement of the problem. Studies have long recognized that entrepreneurial organizations constitute a major engine of economic development (Henderson, Weiler, 2010). Nowadays, not only enterprises, but governments, educational institutions or non profit organizations, etc. are seeking ways to develop entrepreneurial forces. In the simplest meaning, entrepreneurship can be defined as establishing of new and independent

enterprises (Mueller, ve Thomas, 2001). In broad sense, entrepreneurship is described as the process in which something new and innovative is created in order to generate wealth for the entrepreneurs and, indirectly, to aggregate value for society (Leit, de Moraes, 2015).

Understanding factors and conditions which urge individuals to become the entrepreneurs is a crucial question in entrepreneurship studies (Shane, Venkataraman, 2000). Krueger and Brazeal (1994) indicated that before there can be entrepreneurship there must be the potential for entrepreneurs. entrepreneurship in depends professional experience, management experience, and education and training in the existing education system (Bickenbach, Dohse, Liu, 2017). The growing importance is visible in the role of education system, especially the universities in shaping entrepreneurial intentions and promoting entrepreneurial behaviours of students. There is also a call to conduct a research to understand the of determinants students to involve entrepreneurship and also to contribute to the development of understanding in this area (Okręglicka et al. 2017).

The main research problem of the article is if there are differences in entrepreneurial intentions of Polish and Ukrainian students and what kind of university support is preferable by them when they start own business.

### Analysis of recent research and publications

Entrepreneurial orientation constitutes an individual's natural tendency or attitude towards entrepreneurship (Ngah et al, 2016). It is defined as an organizational willingness to find and accept new opportunities and taking responsibility for the produced effects (Morris et al.,1996).

Educational institutions. especially universities, play an important role in the creation of early entrepreneurial competencies which are later manifested in the form of entrepreneurial orientation (Ismail et al, 2015). In literature, there is recognized the role of universities in shaping and supporting entrepreneurial intentions of their students. Ibrahim and Soufani (2002) found out that the education system plays a significant role in identifying and shaping entrepreneurial features. Education will intensify students' entrepreneurial efficacy e.g. resource assembling, opportunity seeking, and business success achievement through attitude, knowledge and skills they possess (Wilson et al., 2007).

Entrepreneurial intentions are a variable of the perceived feasibility and desirability of the entrepreneurial action (Krueger, Reilly, and Carsrud 2000). Entrepreneurial intentions refer to a state of mind which directs and guides the acts of the person toward the development and implementation of a new business idea (Karimi et al., 2016). There is an extensive body of literature which argues that entrepreneurial intention plays a very relevant role in the decision of new business creation (Linan and Chen 2009).

The development of entrepreneurial aspirations depends on two correlated elements: self-efficacy and outcome expectations (Fig. 1). The interaction of these basic constructs leads to the formation of the entrepreneurial intentions. The entrepreneurial intentions appear when a person (Pfeifer, Šarlija, Sušac, 2016):

- anticipates positive results from entrepreneurial activity;
- feels ability to conduct entrepreneurial tasks or operations successfully;
- express a high personal interest or aspiration toward entrepreneurship.

The individual or external determinants such as attitudes, past educational experiences, social norms, external support, and obstacles may directly or indirectly lead to changes in entrepreneurial intentions or nascent behaviour.

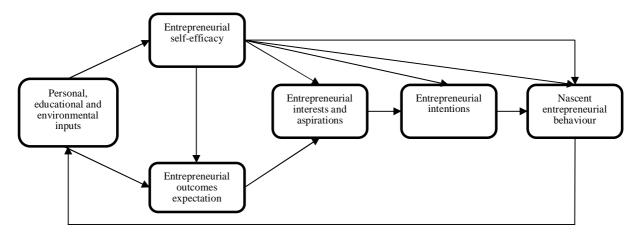


Fig. 1. Development of Entrepreneurial Interests and Career Choice Source: Pfeifer, Šarlija, Sušac (2016).

Educational support is perceived as a determinant of entrepreneurial intention, for the reason of providing the students with necessary knowledge (Mumtaz et al., 2012). Entrepreneurship education provides knowledge and information to non-entrepreneurs presenting entrepreneurial potential, which help them to possess required

skills and attribute for entrepreneurship (Fekri et al, 2012). Implementation of business thinking type of students requires from education system which introduces the innovative contents and style of the teaching which is called the business approach in education (Seidahmetov et al, 2014)

The impact of entrepreneurship education, training, as well as support has been recognized crucial factors in developing positive perceptions of competence for start-up firms (Zhao, Seibert, Hills, 2005), the development of favourable attitudes toward self-employment (Krueger, Brazeal, 1994), and related entrepreneurship preferences and intentions (Chen, Greene, Crick, 1998).

Timmons and Spinelli (2004) suggested that entrepreneurial education is efficient when it enables students to develop a higher ability for imagination, creativity, and flexibility, as well as to develop the ability of conceptual thinking and treat change as opportunity. Krueger and Brazeal (1994) suggested that entrepreneurship education should have a positive impact on entrepreneurship development by increasing abilities to solve entrepreneurship-related tasks. The lack entrepreneurial contents in education system is perceived as negative occurrence which causes that entrepreneurial dreams of many students can be hindered by inadequate preparation of the academic institution (Wang, Wong, 2004).

Despite the growing interest in academic entrepreneurship and new business creation by students, very little empirical research identified entrepreneurial education and the support factors that can foster entrepreneurship among university students (Walter, Auer, Ritter, 2006). Furthermore, the growth in the number although entrepreneurship courses and curricula, and the link entrepreneurial education between entrepreneurial behaviour (Galloway, Brown, 2002; Luthje, Franke, 2003), student entrepreneurship achievements still remain low (Kraaijenbrink, Groen, Bos, 2010).

According to Autio et al. (1997), the support is received by students from the university environment is an important factor which influences their career decision and interest in becoming an entrepreneur after graduation. Peterman and Kennedy (2003) found that participation in an entrepreneurship program significantly increased the perceived feasibility of start a business, which implies that entrepreneurial education can enhance entrepreneurial intention.

The method for an entrepreneurial education program for increase the self-efficacy of students is to provide mastery experiences or "learning by doing." It can appear in the opportunity to conduct feasibility studies, and creation business plans,

business simulation, case studies, listen to well-known guest speakers, and to benefit from meaningful apprenticeships and trainings (Cox, Mueller, Moss, 2002). Not least is to foster a supportive environment. It can include offering resources such as a network cooperation which results in expertise knowledge possessing in areas such as marketing or audit, and the provision of one-to-one support (Saeed et al., 2015). By this support some people may gain the confidence to initiate their own business venture (Kraaijenbrink, Groen, Bos, 2010).

Empirical researches repeatedly suggest that the student entrepreneurship programs can have both direct impact on intentions and indirect impact on key constructs of self-efficacy, identity, or outcome expectation (Zellweger, Sieger, Halter 2011; Lent, Brown, Hackett 2002), however, the research results are inconclusive. Gerry, Marques and Nogueira (2008) found insignificant impact of entrepreneurship-related training on students' entrepreneurial intentions, whereas Fayolle, Gailly Lassas-Clerc (2006)indicated entrepreneurship education programs may have a direct positive impact as well as a counter effect on entrepreneurial intentions. Some preliminary researches among Croatian students present that university-based entrepreneurship education has a relevant direct impact on developing entrepreneurial ability and mindsets (Kružić, Pavić 2010).

#### Goals of the article

The main aim of this article is to present the role of university education in shaping the entrepreneurial intentions among students in Ukraine and Poland and the forms of university support which students prefer when start own business.

The article starts with a literature review in order to present the importance of shaping entrepreneurial intentions among students. Research papers considered for inclusion in this literature review are written in English, from peerreviewed journals, and accessible through electronic economic databases. Then the results of the questionnaire survey are presented. The authors conducted a questionnaire survey among students in Ukraine and Poland. The research group selection had an accidental character, what place the research among seed researches, presenting preliminary data to further conformation within representative research.

The data collection was completed in 2016, in total 212 complete survey questionnaires were used for the data analysis from universities located in 2 countries. The descriptive statistics and Chi square independence test were used in empirical data analysis to achieve the paper goal. The calculations were performed using software Statistics.

#### The main material of research

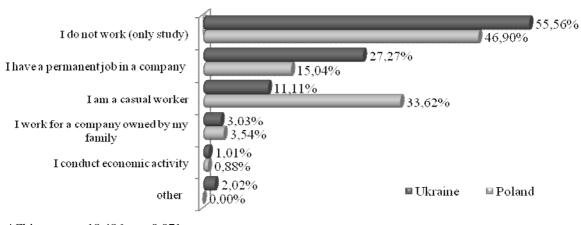
According to the main aim of the research, the results of the survey were presented which show the entrepreneurial intentions of students in Ukraine and Poland, and the expected forms of university to start/run own business.

Initially, students described their current professional situation, presented professional experience and business interest. In Ukraine more than the half of the respondents do not work, whereas in Poland the share of not working students is 8.66 % lower. Additionally, the

differences among work active students are visible: in Poland 3 times more students work as casual employees, while in Ukraine more students have permanent job.

The result of Chi square test indicates that the country of origin has not the influence on the current professional situation of students (Fig. 2).

One of the most important issue of the research is to determine the entrepreneurial attitude of students, as an intent to set up and develop own business in the future. There are visible differences in examined countries: only about 40 % students plan to create their own company in Poland, while over 70 % of Ukrainian students prefer to be selfemployed after graduation. This tendency can be noticed in Europe in general – there is the higher level of wealth of society, the lower entrepreneurial orientation is visible among members of the society. It is also confirmed by the result of Chi square test. The p-value indicates the necessity of hypothesis H0 rejection and accepts the hypothesis H1: there is the dependency between variables (Fig. 3).



\*Chi-square = 18,486; p = 0,071

Fig. 2. Actual professional situation of the student. Source: own research.



<sup>\*</sup> Chi-square = 22,086; p = 0,000

Fig. 3. Intention to start own business after graduation by the student. Source: own research.

Start own business is connected with many obstacles and limitations. Analysing the most important concerns of students by creating new business entity there are great differences in answers in Poland and Ukraine. Ukrainian students are afraid of the lack of own sufficient funds and insufficient knowledge the most, and also lack of experience whereas for Polish students these are the minor factors. Compared, students in Poland found the most severe obstacle in lack of customers (43.4 %) as a result of strong market competition. In Ukraine this element was pointed only by 24.2 % of students (Table 1). The observed differences emphasize the different level of economic and market development of examined countries.

The dominant part of Polish students expresses the opinion that the university should support them on their way to entrepreneurship. This indicates a demanding attitude of Polish students. In this case, the opinions of Ukrainian students are quite different. Less than the half of students expect any support from the university in setting up and running their own business, and moreover, 39,39 % of students don't want any form of support (Fig. 4).

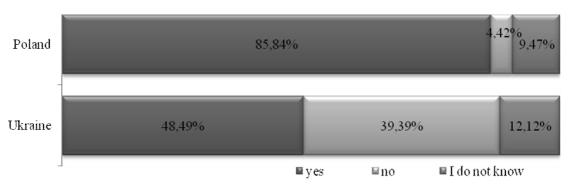
Table 1

Concerns of students about setting
up your own business

	Ukraine	Poland
lack of sufficient own funds to		
undertake own business	60.6 %	11.5 %
insufficient knowledge, lack of		
experience	53.5 %	24.8 %
costs of running the own business		
(too high taxes, stamp duty,		
insurance)	45.5 %	31.9 %
too rapidly changing market		
situation	38.4 %	16.8 %
excessive bureaucracy	35.4 %	11.5 %
lack of customers	24.2 %	43.4 %
dishonest contractors	19.2 %	14.2 %
inability to credit obtain or		
repayment	14.1 %	23.0 %
having no premises to conduct		
their own business	11.1 %	4.4 %
lack of suppliers	4.0 %	10.6 %
no concerns	1.0 %	0.9 %

\* Chi-square = 61.564; p = 0.000

Source: own research



\* Chi-square = 42,134; p = 0,000

Fig. 4. Expectations about whereas the university should support their students in setting up and running their own business? Source: own research.

There are visible differences in forms of support students prefer in both examined countries. Polish students are focused on possibilities of obtaining founds, especially from the EU, but also from other sources, and in this area they expected support from university. In comparison, Ukrainian students prefer that the university facilitates those contacts with co-operators and promotes their work, especially technological results (Table 2).

Summarizing, the survey showed that Ukrainian students present more entrepreneurial attitude then their colleagues from Poland, they have less demand in the area of external support to start own business. Polish students considered to be supported by the university in wider extent, and the limited access to this support can be one of the reasons of lower entrepreneurial intention.

Table 2
Expected type of support from the university
to students by setting up and running their
own business

	Ukraine	Poland
the possibility of obtaining		
information about sources of	8.08 %	22.12 %
financial support for academic		
business		
the possibility of obtaining		
assistance in establishing contacts	37.37 %	26.55 %
with commercial companies		
the possibility of assistance from		
the university in obtaining EU	18.18 %	27.43 %
funds		
the opportunity to participate in		
useful training for the	12.12 %	18.58 %
implementation of research results		
to the economy		
access to used equipment		
(hardware). e.g. for developing	6.06 %	3.54 %
capable solutions of being used in		
the economy		
promotion of technological		
produced results at the student's	18.18 %	0 %
company which was conducted by		0 70
university		
Other	13.13 %	1.77 %

\* Chi-square = 41.856; p = 0.000

Source: own research

# **further research.** Educational support in form of the professional university education is a pertinent

Conclusions and recommendations for

of obtaining necessary and useful knowledge about entrepreneurship. The proper and efficient entrepreneurial education influences the scope and strength of entrepreneurial intentions of students.

The research results indicate that Ukrainian students present higher level of entrepreneurial orientation as an intent to set up and develop the company in the future, than the Polish students. In addition, students from Ukraine expect less support from the university, while Polish students need attendance. In both countries, as the most expected support was pointed the possibility of obtaining assistance from the university in establishing contacts with commercial companies and in

obtaining EU funds. In contrast, the significant difference is visible in perceived obstacles in creating new business. In Ukraine the most important barrier is a limit of own capital of future entrepreneurs, whereas in Poland it is a fear of lack of customers.

The study is not limitation free. Especially, the research group selection has not a representative character, and as the result, there is not possible to generalize the research conclusions.

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