IMPACT OF BUSINESS ENVIRONMENT INSTITUTIONS ON EFFECTIVE ENTREPRENEURIAL EDUCATION

Zofia Gródek-Szostak¹, Luis Ochoa Siguencia², Danuta Kajrunajtys¹

¹Cracow University of Economics (POLAND)
²Academy of Physical Education in Katowice (POLAND)

Abstract

Pro-entrepreneurial education plays an increasingly important role in creating multidimensional entrepreneurship, which includes not only providing the necessary knowledge, but also shaping people who are socially entrepreneurial or creative and active in their workplaces. An important area in the implementation of these concepts is cooperation between academic circles and Business Environment Institutions (BEIs) as entities supporting the education process. The main objective of the article is to identify areas and ways of cooperation between universities and BEIs in order to improve the process of shaping students and encouraging them to take up self-employment and develop their entrepreneurial attitudes.

In the years 2016-2018, research was conducted on the identification of cooperation areas and tools used by BEIs in terms of their impact on cooperation with academic centers. The purpose was to improve the process of shaping entrepreneurial attitudes among students. The study was carried out using the following research methods and techniques: computer-assisted personal interview (CAPI), individual in-depth interviews (IDI) and participant observation. The study covered BEIs in the Małopolskie province, where a system project of the Polish Agency for Enterprise Development (PARP) was implemented in the years 2012-2013 titled "Information and advisory services in the KSU network", financed under measure 2.2.1 of the Human Capital Operational Program (HC OP).

The surveyed representatives of BEIs emphasized that the cooperation with universities not only allowed to reach potential recipients of system services, but above all brought tangible benefits to the teaching process. Participation in university events and classes broadened the knowledge about the practical aspects of taking up and running their a business not only among students but also the entire academic community. The academia also highly rated the cooperation with business, including the development of student education programs in specific areas as well as the hands-on involvement of practitioners in education. What's more, the cooperation between BEIs and universities initiated at the implementation of the system project continues despite the formal closing of the publicly funded project. In the context of changes the Polish university education system is undergoing, and its orientation on active cooperation with the business environment, this is of considerable importance.

Keywords: BEIs, education process, entrepreneurship.

1 INTRODUCTION

As evidenced in literature, the social and organizational context of academic institutions has a significant impact on entrepreneurial attitudes and activities of the academia and students ([1], [2], [3]). More and more university centers have implemented measures building the entrepreneurial climate, to support the development of entrepreneurial attitudes of the academic community and increase the innovativeness of businesses operating in the economic environment ([4], [5]). However, approaches to entrepreneurial education in literature vary, depending on the author and their country of origin. The most commonly encountered division in literature is the one that includes education on entrepreneurship, education for entrepreneurship and education through entrepreneurship ([6], [7]). In education on entrepreneurship, the main emphasis is on theoretical aspects of establishing and running a business. Education for entrepreneurship is defined as developing practical skills necessary for entrepreneurs to run a business. On the other hand, education through entrepreneurship is defined as training business skills of active entrepreneurs ([8]). Business Environment Institutions (BEIs), which help in preparing students and encouraging them to self-employment, but also in a broader context, in shaping entrepreneurial attitudes in the academic environment, are a natural partner of universities in the process of education for entrepreneurship. The main objective of the article is to define areas and ways of cooperation between universities and BEIs in order to improve the education process and encourage students to take up self-employment and develop entrepreneurial attitudes.
2 METHODOLOGY

In the years 2016-2018, research was conducted on the identification of cooperation areas and tools used by BEIs in terms of their impact on cooperation with academic centers. The purpose was to improve the process of shaping entrepreneurial attitudes among students. The study was carried out using the following research methods and techniques: computer-assisted personal interview (CAPI), individual in-depth interviews (IDI) and participant observation. The study covered BEIs in the Małopolskie province, where a system project of the Polish Agency for Enterprise Development (PARP) was implemented in the years 2012-2013 titled "Information and advisory services in the KSU network", financed under measure 2.2.1 of the Human Capital Operational Program (HC OP). The aim of the project was to improve access to business development services in the "one-stop-shop" formula. The centers of the National Service System (Krajowy System Usług, KSU) were selected through a competition and provided services by running KSU Consulting Points (PKU KSU). In many aspects, the results of interviews with specialists can inspire and initiate further research of entrepreneurial mobilization as part of education.

3 RESULTS

The functioning of business environment institutions is related to the economic situation in the region. Their activity is correlated with the level and dynamics of economic development. In areas with a low level of development, development of business environment institutions usually doesn't take place, or is dependent on administrative decisions and external financing ([9]). However, it does not result directly from the market needs. This makes the relations between the business environment institutions and entrepreneurs weak and add no value to the region's economy. There is also an opposite relationship, i.e. business environment institutions do have an impact on the development of the region, primarily by providing various services for entrepreneurs. This contributes to, e.g. improving the efficiency of business operations, create new businesses and developing human and social capital. BEIs also play an important role in education on promoting and developing entrepreneurial ideas in the region.

3.1 System support for entrepreneurial education

Fear of failure limits entrepreneurial activity [10]. Institutions providing educational and consulting support play an important role in starting and running a business in that they prepare the academic community, in particular students [11], to take up the challenge. The National Service System (KSU) is a network of organizations specialized in providing various types of services for enterprises and individuals undertaking business activity [12]. The institutional support structure of the KSU includes information, consulting (general and pro-innovative), training and financial services. The KSU Network Coordinator is the Polish Agency for Enterprise Development (PARP). In the years 2012-2013, KSU centers chosen by PARP provided information and consulting services as Consulting Points of the KSU (PK KSU). In the Małopolskie province, KSU Consulting Points were run by five centers: Małopolska Regional Development Agency (MARR.S.A.), Technology Transfer Center at Cracow University of Technology (CTT PK), Małopolska Institute of Local Government and Administration (MISTiA) in Tarnów, Western Małopolska Development Agency in Chrzanów (ARMZ) and the Rabka Region Development Foundation (FRRR) Rabka-Zdrój. KSU Consulting Points provided two types of services for active and would-be entrepreneurs: information and consulting (including assistance in starting and running a business).

3.1.1 The essence of Business Environment Institutions

The analysis of the subject literature didn’t yield a single, commonly accepted definition or typology of business environment institutions [13], [14]. Literature provides an extensive list of terms related to business environment institutions: a support system for the entirety of institutions supporting innovation processes, e.g. associations, chambers of commerce, regional development agencies, university technology transfer centers. The concept of a business environment institutions is quite broad. It covers almost all types of public and private entities that are directly or indirectly related to starting and running a business. The definition of the BEI used in this article is based on the definition formulated in the report of the Association of Organizers of Innovation and Entrepreneurship Centers. It defines BEIs as specialized institutions of local and regional support for innovation and technology transfer ([15], [16]).
3.1.2 The scope of KSU's offer for entrepreneurs

KSU Consulting Points provided to entrepreneurs and persons intending to undertake business activity two types of services: information and consulting (including support in starting a business and in running it - Figures 1 and 2).

The scope of consulting services in starting and running a business included comprehensive support in making a decision concerning its registration, as well as its development in key areas.
3.1.3 Areas of cooperation of BEIs with scientific centers in the teaching process

As part of undertaking the challenges of entrepreneurial education, the analyzed BEIs running Consulting Points came up with the initiative of establishing or enhancing cooperation with the academia. With highly-qualified, accredited consultants, often business people themselves, BEIs have become actively involved in teaching, science and promotional events organized by universities in the region.

The consultants held a number of lectures during science fairs (e.g. The Manager Festival) and co-hosted classes as representatives of business. These forms of activity were highly rated by students as the opportunity to confront their business idea and gain objective feedback. In addition, students had the opportunity to learn about system support mechanisms for enterprise development offered by the business environment in the region. The BEIs have been actively cooperating with extra-departmental units of the university, e.g:

- Business Incubators - by co-organizing information meetings for students, study visits for persons interested in joining already functioning businesses;
- University Career Bureaus - in the organization of meetings promoting self-employment, as well as information meetings with entrepreneurs who have started a business;
- Academic Radio - in the years 2012-2013 the Radio Nowinki Politechniki Krakowskiej station hosted weekly "Wednesday with business" programs, discussing issues related to the promotion of entrepreneurship and self-employment among students of a technical university;
- StartUp Mixer - meetings addressed primarily to young, entrepreneurial persons who are planning, or are already running a business.
- Student Scientific Clubs - meetings with experts/consultants/advisors enriched by the voice of experienced business practitioners, at which young business hopefuls, and anyone interested in starting and running a business can discuss the following: defining the role of entrepreneurs and investors, basic factors determining the success of a new venture, developing a business value proposition, specifying financial and non-financial resources necessary for the creation and development of new projects, identifying criteria used to evaluate proposed solutions, defining methods for setting capital requirements for a new innovative venture and various ways of financing growth, making investment decisions, basic differences between large and small enterprises and procedures for setting up new ventures, the importance of combining strategies with funds in a new venture, understanding technological and commercialization strategies as part of a business strategy, different levels of strategy and the place of technology commercialization strategy in the company's business strategy, conducting an industrial analysis, identification and maximization of the use of key skills, development of a commercialization strategy and the place of competitive products and services in industry.

4 CONCLUSION

The surveyed representatives of BEIs emphasized that the cooperation with universities not only allowed to reach potential recipients of system services, but above all brought tangible benefits to the teaching process. Participation in university events and classes broadened the knowledge about the practical aspects of taking up and running their a business not only among students but also the entire academic community. The academia also highly rated the cooperation with business, including the development of student education programs in specific areas as well as the hands-on involvement of practitioners in education. What's more, the cooperation between BEIs and universities initiated at the implementation of the system project continues despite the formal closing of the publicly funded project. In the context of changes the Polish university education system is undergoing, and its orientation on active cooperation with the business environment, this is of considerable importance.

ACKNOWLEDGEMENTS

The paper was financed from funds allocated to the Faculty of Management at the University of Economics in Krakow as part of a research grant.
REFERENCES


