



Exploring entrepreneurial spirit of students at Warsaw School of Economics in Warsaw

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ABSTRACT

RESEARCH OBJECTIVE: Universities and other higher educational institutions play an increasingly important role in providing entrepreneurship education, training, and technical assistance to existing and potential entrepreneurs. The purpose of this paper is twofold: firstly, to investigate students' perceptions and willingness to set up their own business and secondly, to discuss the role of universities in developing enterprise education in Poland, focusing on the case of Warsaw School of Economics in Poland.

THE RESEARCH PROBLEM AND METHODS: This paper is based on the results of a survey of students studying at Warsaw School of Economics in Warsaw – Poland (SGH). The research used online survey to collect primary data. The respondents were undergraduate students who obligatory participated in the module: Management. The fulfilment of the questionnaire was voluntarily; email and sms with a link to a survey was sent to 148 students. The success rate of fillings was 93.

THE PROCESS OF ARGUMENTATION: Basing on the lack of entrepreneurship education by referring to secondary data it was important to assess the entrepreneurial spirit amongst SGH students. The literature review was carried out to analyse the current developments in this field.

RESEARCH RESULTS: The research outcomes revealed that the majority of the university students were optimistic and interested in starting their own business but after getting few years of working experience which will enable them to deepen their knowledge and feel comfortably within business environment. There is only 14% of students who would like to set up their own business directly after graduation.

CONCLUSIONS, INNOVATIONS AND RECOMMENDATIONS: Overall, the study indicated a need for enterprise education, at programme and course levels, to nurture entrepreneurship among students in Poland. Very few studies have examined university students' attitude to entrepreneurship and enterprise education in Poland. This study helps in bridging that gap.

Introduction

The demand for including enterprise and entrepreneurship in the education system, at all levels, has gained much attention from academia and societies all over the world. This prolonged and heightened interest in entrepreneurship is prompted by several factors. First, for developed economies, entrepreneurial activity (new venture formation) is a means of revitalizing stagnated economies and of coping with unemployment problems by providing new job opportunities. Moreover, it is accepted as a potential catalyst and incubator for technological progress, product and market innovation (Mueller & Thomas, 2000; Jack & Anderson, 1999). However, it has a more critical role for economies of developing countries since entrepreneurship is seen as an engine of economic progress, job creation and social adjustment. Thus, small business growth/new business formation is widely encouraged by national economic policies to stimulate economic growth and wealth creation.

The traditional role of educators – that of turning out good employees – has been challenged by those seeking to encourage and support enterprise culture, particularly for students who aim to work for themselves and employ others (Clawson, 2014).

Although many universities in the world offer courses on entrepreneurship, little evidence is available about students taking these courses and their intentions to become entrepreneurs (Basu & Virick, 2008). Roxas, Cayoca-Panizales & de Jesus (2008) claim that knowledge gained from formal entrepreneurship education programmes will boost individual entrepreneurial intentions. The idea of the entrepreneurial university has recently entered into the debate (McGowan, Sijde & Kirby, 2008). It is argued that a country's development and economic growth can be achieved by promotion of enterprise among students – a trait which requires knowledge of entrepreneurship, financial resources, and the business environment (Milius & Sarkiene, 2008). The review by Gorman, Hanlon & King (1997) indicates that by aligning education with entrepreneurship, countries – particularly those lacking resources and employment opportunities – can foster entrepreneurial attributes, behaviours, attitudes, propensity, processes, characteristics, and the potential of students, which in turn could bring several economic benefits.

Aims of the study

The aims of this research were twofold. First, the empirical aim was to explore whether Polish students who are studying at Warsaw School of Economics are interested in setting their own business after graduation. Second aim of theoretical nature, to discuss the role of the education sector to enhance entrepreneurial skills amongst students to include in the entrepreneurship education and training programs.

The remaining sections of the study will first review the literature on the state of the entrepreneurship in Poland, followed by the development of research questions, research design and methodology. The empirical results and discussion of the findings are then presented.

Entrepreneurship in Poland

With the increasing expansion of the European Union it is essential that member states network and share their expertise and talent. In 2004, Poland and nine post communist states became an integral element of the European Union (Nikodemaska-Wolowik, 2006). Countries such as Poland offer several advantages for business including competitively priced educated workforce, proximity to the centre of the EU and a huge indigenous market (Por & White, 1991). Since the collapse of communism in Eastern European countries, expectations were raised within the population of improved standard of living (Foley, Hutchinson, Kondej & Mueller, 1996; Reichal & Rudnicka, 2009).

Poland has historically faced high unemployment (18.2 per cent in 2005, the highest in the EU), corruption, excessive bureaucracy and migration of skilled workers to other EU member states, issues which remain ongoing concerns (Smallbone & Welter, 2001). The ongoing decline of the public sector controlled coal mining industry has caused further problems in the Upper Silesia region which has been criticised for its lack of entrepreneurial activity, although benefiting from EU assistance (Blazyca, Heffner & Helinska-Hughes, 2002). There have, however, been some major improvements (Kostera, 1995). For example, Poland has benefited from significant foreign investment from major manufacturing companies including Fiat, Hewlett Packard, Toyota, Cadbury, Dell and Sharp (Foley et al., 1996; Packham, Jones, Miller, Pickernell & Thomas, 2010) aiming to capitalise from the lower operating costs. Moreover, Waters (1999) notes that there has been significant growth within the retail service sector driven by

the introduction of multinational companies such as Tesco, Unilever, Jeronimo Martin Dystrybuca to name just a few of them.

Due to the dynamic changes on the Polish labor market university graduates have been found themselves in a relatively difficult situation. Today, youth unemployment is already 30% and there is little evidence on the possibility of improving this situation. Extending the retirement age has caused blockage of many jobs in the next few years, so graduates frequently have no chance to replace older workers. In addition, the market is saturated with specialists in various industries and professions, thus lack of jobs for people with similar qualifications, which also do not have professional experience. The consequence of the lack of employment opportunities for young people is to look for other types of income. The greatest opportunity for graduates seems to be setting up their own business. Many young graduates, seeing no chance of finding a good and forward-looking work commensurate with their education and ambitions and decide to set up their own business. According to the Central Statistical Office, one third of currently operating on the Polish market companies are run by people who are under 30 years of age. Despite all the difficulties and concerns, more and more people decide to start their career in their own company. According to research conducted by the Foundation for Initium as much as 78% of students would like to start their own company, and 4% already are the owners of them (Chmielniak, 2013).

Entrepreneurship education in Poland

The author considers entrepreneurial education as an important part of the managerial education. Entrepreneurial competencies are not limited to those which aid to set up new business venture. Contradictory, they are important to managers, specialists or almost any employee working in a contemporary changing organizations. Entrepreneurial means being innovative, forward looking for opportunities, undertaking new initiatives. Those people with such skills are destined to work for any type of business.

Business and management schools graduated are expected to possess appropriate knowledge, skills and social competencies. Some of them will become managers, company owners and should guide us through the turbulent world of modern organizations (Kostera, 1995).

Studying business seems to be fashionable and needed. Representatives of different job professions like doctors, farmers, painters decide

to study business to help move forward through difficult and challenging economic times.

Social skills and competencies have become a fashionable field within managerial education not only at business schools and universities but also in training companies' programs. Today, more people recognise the importance of soft skills in different areas of business life. Communication skills, cooperation, commitment and loyalty are factors difficult to identify or create in the organizations but they have a strong impact on its functioning (Brzozowska, Glinka & Postuła, 2014). Within entrepreneurship research and education there is on going debate over how entrepreneurial individuals come into being? Are they made or born? (Glinka & Gudkova, 2011).

Method

The research has been run at Warsaw School of Economics in January at 2016. The students during the Management lecture were informed that a link to the on-line survey will be sent to their SGH email account and mobile phone. The on-line questionnaire was sent first to five students and five other teachers to check if the questions are properly understood and to check validity as well. The questionnaire was sent to 148 students, 93 responses were received which represents 65% of students attending obligatory Management class. The sample of students who took part in the survey is represented by 24% of students studying Management and 24% of students studying Finance. The other students represent the following specializations: International management 2%, International relations 3%, Business 3% and 29% other.

The research questions are as follows:

1. What is the percentage of students who would like to set up their own business?
2. To which extent the education students are gaining at the University enhances their entrepreneurship skills?
3. What kind of activities students are undertaking to enhance their entrepreneurship skills?

It is recognized that, whilst there is a body of literature on entrepreneurial intentions and attitudes, there is a lack of research in different regional contexts and the paper, clearly adds to the body of literature and makes a significant contribution to the research on factors influencing entrepreneurial propensity among students. Moreover, the investigated role of Universities that can shape enterprise education offers a new perspective.

Results and Discussion

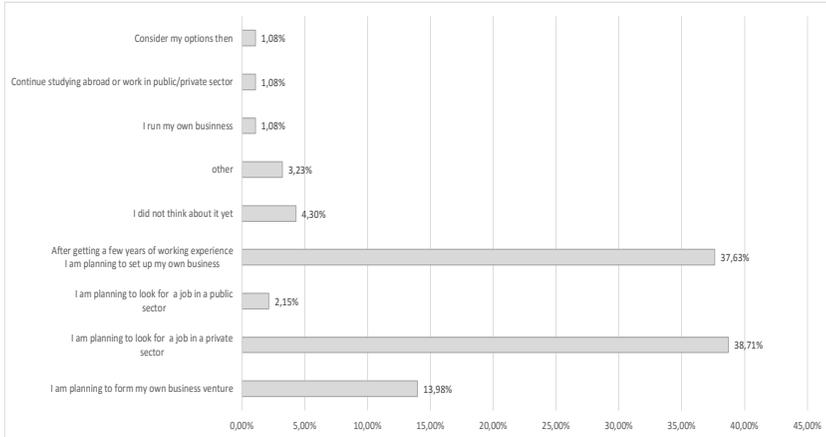
Warsaw School of Economics in Warsaw Poland is considered as one of the best business oriented University in Poland. It is known for its connections with businesses, and associations to international organizations. There is a very strong link with businesses that is visible through courses run by academic teachers and managers from companies. Moreover students scientific organisations are very active in organising events like: Marathon of consulting firms or exhibition days. Students aim to create a platform of communication between the best students and market leaders and they highlight that international corporations are the best places to start their business career.¹ In such situation a question of starting own business seems to be put under question mark. What career path should I follow...? seems to be an interesting question for SGH students.

Presence at SGH global companies like: McKinsey, Procter and Gamble, L'Oréal Polska, Deloitte or Ernst and Young is a confirmation of high level of teaching and high calibre of students. Companies have got the opportunity to pick up potential employees and students can already acquaint themselves in the business world.

The relationship is beneficial to both parties. In order to select the entrepreneurially inclined students, the question "what are you planning to do after graduation?" was asked to the respondents. The results are presented in Fig. 1. It was not surprising that 38% of students responded that after getting a few year of working experience they plan to open their own business. Students consider working for a company as a possibility of getting experience and expertise necessary to set up their own business. Presence of global companies at SGH encourage students for a promising career with good salary and then after few years of working students are equipped with necessary experience, contacts and money saved which can be used to set up their business. Only 1 student was indecisive and didn't think about their future. As a result only 14% of students consider setting up their own business just after graduation.

¹ Exhibition leaflet, Exhibition of FMCG, prepared by the Students' Association at SGH.

Figure. 1. Plans after graduation

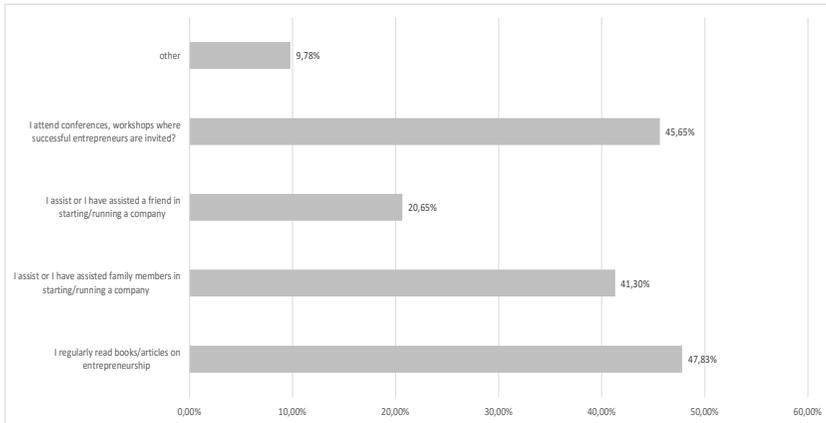


Source: Own development, n = 93.

The question do you think that the education that you are gaining at SGH by participating in different modules enhances your entrepreneurship skills meant to assess whether education aids enhance entrepreneurship skills and to validate the role of the University can play to shape the entrepreneurial spirit. Students could appoint from 1 – I strongly disagree to 5 – I strongly agree, the average obtained was 3.12 which confirms a significant role of the University in shaping entrepreneurial spirit.

The question how do I enhance my entrepreneurship skills meant to analyse what steps students undertake to develop their skills. The questions was not obligatory and meant to be answered by only entrepreneurially inclined students but all students answered this, which confirms that SGH students regard entrepreneurship in a wider aspect and even though they want to work for someone they still want to develop their entrepreneurial skills. Students were able to tick as many answers as it was relevant for them. The most popular answer was: I regularly read books, articles, success stories of entrepreneurs was expressed by 48% of students. Nearly every 5 students helped family member of relative to run a company what can be observed on Fig. 2. Students are also using internet especially social media like YouTube to learn about success stories of start-ups. Some of them are involved as well in students projects which deal with issues concerning setting up your own business.

Figure. 2. Enhancing entrepreneurship skills by SGH students



Source: Own development, n = 93.

Students are aware that not everyone can be an entrepreneur. 60% of them think that you can learn certain skills but you need to possess certain qualities as well.

The question how do you perceive your entrepreneurship skills meant to validate how students perceive their skills. The highest score was obtained accordingly for:

- creating a business plan and a business concept – 38% of students answered 4 as very good
- understanding the type of issues that confront an entrepreneur in taking an idea to the market – 40% of students answered 4 as very good
- knowing the techniques of finding what the market wants – 34% answered 3 as good
- knowing how to legally finance a business – 28% of students pointed out to answer 3 as good

Overall, the study confirmed that entrepreneurial education can positively reinforce student attitudes towards an entrepreneurial career choice within a developing country such as Poland. It was apparent that student's entrepreneurial attitudes increased and they demonstrated heightened interest in the opportunity of a future or immediate entrepreneurial career. Universities play a distinctive role in promoting entrepreneurship education. Few suggestions have been offered by Brzozowska, Glinka & Postuła (2014) like: business incubation centre which is offered by many

western universities this is a place where students may test their business ideas and learn from their own experience or business hub which offers students help when setting up their own business.

Conclusions

The aim of this study was to explore whether Polish students who are studying at Warsaw School of Economics are interested in setting their own business after graduation and secondly to discuss the role of the education sector to enhance entrepreneurial skills amongst students to include in the entrepreneurship education and training programs.

The study observed that university, by establishing effective connections with global business, can help students to set up their own business by providing such exposure, and could be the first and the right place to impart enterprise education. Entrepreneurship by SGH students is perceived in a wider aspect. It is not only about being able to set up their own business but also being forward thinking, innovative, involved in students projects, attending classes, listening and reading success stories of start-ups. The study indicated that the introduction of certain modules or activities promoting enterprise or specific educational programmes on enterprise education could be valuable for students at SGH in Poland.

In conclusion, it is apparent that SGH undergraduate students have an entrepreneurial mindset and an appetite for entrepreneurial education to acquire relevant knowledge that they can utilise to inform career opportunity and choice as proposed by Socha & Weisberg (2002) and Kierulff (2005). SGH students do not regard setting up their business as a mist of not having possibility to find a job on the marker as it was mentioned in the Social Report by W. Chmielniak. The Polish economy needs to develop its next generation of entrepreneurs from its graduate population as recognised by Baldassarri & Saavala (2006) to initiate further economic growth. However, the Polish HE university system needs to urgently consider how it can effectively embed entrepreneurship education across and within its curriculum using the appropriate delivery pedagogy across the country. Universities in big cities have got a privilege of being surrounded by global companies which want to have a close link with universities as a potential source of potential employees. The results are consistent with the research that has been conducted in 2009 and 2015 by the Polish Agency of Entrepreneurship Development, the willingness of young people to set up their own venture is influenced by training in terms of running a company and classes they have participated in during

secondary school and Higher Education (Banerski, Gryzik, Matusiak, Mażewska & Stawasz, 2009; Zadura-Lichota, 2015).

Obviously, confinement to a single university in this study restricts the generalization of outcomes for students to other Universities. Notwithstanding, further research, looking specifically at the influence of the culture, place of study on entrepreneurship, including larger samples, other universities, and other countries in the European Union are recommended to validate and generalize the findings for Warsaw School of Economics in Poland.

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