

The Issues of Entrepreneurship of Young People - Theoretical Considerations and Empirical Research

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Abstract. The problem of entrepreneurship of young people is a very important issue from the point of view of the economy. Young people have untapped potential that could be used for their own benefit and for economic development. It could be the driving force of the processes taking place in society. This is extremely important, especially because with increasing age, the interest in starting own business and the associated high risk is decreasing. The study presents the specificity of entrepreneurship of young people. The authors described attitude of young people to the entrepreneur's career, the motives and their approach to start a business, as well as characterized the impact of education on this process. The authors' presented their own research on the entrepreneurship, carried out using a questionnaire (on paper and electronic versions) conducted among 160 young people – the students of Faculty of Management at Rzeszów University of Technology. It seems that students of such a course should be substantially prepared to run their own company. The Authors of the paper tried to verify this thesis by conducting their own research. Their main aim was to try to answer the following questions: Does (and for how much) establishing own companies is attractive for young people completing their studies in the field of management? Do (and how many) students finishing education have the knowledge necessary in the process of starting a business? Are they theoretically prepared for this? The study also contains a comparison to the results of similar research carried out by one of the authors among the students of Rzeszów University of Technology and young people from Podkarpacie in 2010/2011 (415 people) and in 2012 (150 people). On this basis, it was possible to formulate a number of interesting conclusions referring to a much larger research sample, embedded in a wider time perspective.

Keywords: Entrepreneurship, Young People, Academic Entrepreneurship.

1 Introduction

Entrepreneurship of young people is becoming a subject of increased importance and interest of the media, politicians and researchers in various fields [5]. Young people have a number of assets that they could take advantage of when running their own businesses. They are open to the new, risks and changes, moreover acquire new ideas and concepts easier. They do not have professional experience, which is negatively assessed, but on the other hand, they have not had the opportunity to fall into routine, what has caused that they are able to better manage in unstable conditions. The privilege of a young age is also energy, dynamism and an optimistic view of the future. Students finishing their studies or graduates are also examples of "people at a crossroads", what can also be an incentive to start own business [2]. Among the key factors adversely affecting the possibility of being an entrepreneur in the case of young people, first of all is the lack of professional experience and (widely understood) life experience [2], which often proves to be very helpful in solving various problems, changes the approach to problems and risks.

Nationwide research carried out in 2017 among 2857 high school students showed that 53.2% of respondents were interested in establishing their own company [5]. The AWMA Global Entrepreneurship Report from 2013, prepared with cooperation of the Technical University of Munich, showed that over two-thirds (70%) of Poles have a positive attitude towards self-employment. Poles up to the age of 30 are more (81%) positive about entrepreneurship than amounts the average for young people in 24 countries surveyed (77%). Almost every fourth respondent in the world also sees the possibility to start a business [7].

Young people are very positive about entrepreneurship. Their potential should be used, because the interest in establishing their own company (and associated risk) is decreasing with the age. In the group of people over 60, only a little more than half approve entrepreneurship. Among respondents between 30 and 59, this percentage increases to 72%. On the other hand, among people under 30, as many as 81% of respondents think positively about self-employment [7]. This is very important, especially because this does not amount in the actual number of enterprises set up by young people. Frequent reasons are: the fear of failure, financial consequences of bankruptcy, consciousness of lacking sufficient knowledge, and experience which can be useful in the process of launching and running a business. Studies carried out among students of the University of Warsaw show that their ideas about entrepreneurship do not correspond to reality. For example, those who planned the establishment of a company compared the entrepreneur with a sloth who does only what he needs, does not get tired and does not put much effort into what he does. The survey also showed a high degree of dependability and helplessness of future entrepreneurs, for whom the most helpful in running the company would be support from an experienced entrepreneur or an elderly person running his/her own company for years [3]. The young generation is also self-oriented, narcissistic, focused on consumerism. They want to have everything and quickly. Meanwhile, entrepreneurs need discipline and diligence. He/she must often wait patiently for up to several years for success. In

addition, young people have competence deficiencies, which mainly results from the education system [17, 18].

In shaping entrepreneurial attitudes, especially in the case of graduates of various universities, an important role should be that of the academic environments, where students acquire knowledge and establish contacts (which may be useful in the future), to promote the "entrepreneurial spirit". In particular, the students of management should, as it seems, have the knowledge necessary in the process of starting a business. They should be by the academic community "...educated and prepared for economic activity..." [1]. The authors of the study tried to verify this through the implementation of own research carried out among a sample of 160 students of the Faculty of Management at the Rzeszow University of Technology. Their main goal was to seek answers to the following questions: Is starting own companies attractive for young people graduating in the field of management? Do students finishing education have the knowledge necessary in the process of starting a business? Are they theoretically prepared for this?

2 Research Assumptions and the Characteristics of the Tested Sample

The aim of the empirical research presented in the study was to obtain answers to the questions whether establishing own companies is attractive for young people graduating from the field of management, and if so, to what extent. In addition, the authors attempted to answer the question whether students finishing education have the knowledge necessary in the process of starting a business, and if so, how useful it is. Answers to these questions were developed on the basis of own research carried out in March 2018 among students of the Faculty of Management at the Rzeszow University of Technology. The total number of questionnaires taken into account in the development of the results amounted 160. The average age of students participating in the study exceeded 21 years (21.7 years). Table 1 contains a detailed description of surveyed sample of young people.

Table 1. Structure of the test sample.

Specification	Number of respondents	% of respondents
<i>Sex</i>		
women	113	70.63
men	47	29.37
<i>Place of residence</i>		
village	98	61.25
city up to 20,000 inhab.	12	7.50
city from 20,000 to 50,000 inhab.	6	3.75
city from 50,000 to 100,000 inhab.	15	9.38

city from 100,000 to 500,000 inhab.	28	17.50
city with more than 500,000 inhab.	1	0.63
<i>Source of income</i>		
only on the support of parents	53	33.13
on the support of parents together with independent earning	67	41.88
independent maintenance	40	25.00
<i>Additional education</i>		
no additional education	157	98.13
having additional education	3	1.88

The majority of respondents participating in the study, being over 70%, were women, which results from the specificity of the direction of management, dominated by female students. Study participants lived mainly in rural areas (61.25%) and in a city with a population exceeding 100,000 residents (17.5%). The study was conducted in the city of Rzeszow. One-third of the respondents were solely dependent on their parents. A little over 40% were supported by their parents, but at the same time worked on their own. Only every fourth respondent, at the stage of studying, managed to be financially independent. The vast majority of respondents neither had any additional education nor studied in an additional field; only three declared such education.

3 Results of Own Research on Student Entrepreneurship

The vast majority of respondents had experience of paid work or at least search for it (Tab. 2). Less than 30% of respondents declared that they did not have to work, their parents supported them. In the case of over 18% of the respondents, they were looking for a job, but could not find one. Almost one-third of respondents declared that they worked from the very beginning of their studies, although this work was an additional source of their income. At the same time, almost every fifth respondent declared independent living from the beginning of studies, while slightly more than 3% from the last year of their studies.

Table 2. Taking up a job while studying.

Have you worked during your studies?	Number of respondents	% of respondents
no - never, but I did not have to	45	28.13
no, although I wanted to, but I could not find a job	30	18.75
yes, practically from the beginning of studies (studying), although, I was not financially independent	50	31.25
yes, practically since the beginning of my studies (studying), I was financially independent	30	18.75

The thought of starting a business was accompanied by over half of the respondents, of which over 14% had thought about it since the stage of a child, and more recently - 37.5%. Almost 1/3 of respondents declared openness to reconsidering the idea, although admitted that they had not thought about this possibility before then 12.5% of students who took part in the study had never taken into account the establishment of their own company. These respondents agreed with the opinion that this is not a good decision for them (taking into account various conditions and self-assessment of their own abilities).

The decision to start a business is not easy, especially for a young person who decides to do it for the first time; it significantly and permanently changes the life of a future entrepreneur [14]. More than 63% of respondents had plans to set up their own business, however only a little over 28% declared the existence of a specific idea. This may indicate the lack of a thorough reflection on the issue of starting a business or the untimely stage of thinking about it (caused, for example, by the need to complete studies). At the same time, the majority of respondents asked how they imagine the path of their professional career in the future, indicated that they would like to run their own business - 58,13% of respondents (Tab. 3). Almost every fourth respondent wanted to work in a small company as an employee, while just over 13% declared willingness to work in a corporation. The least interesting was the idea of going abroad (5%), which in this case should be positively assessed. In this matter, clear improvement can be noticed. Similar research on the attitudes of young people towards entrepreneurship, conducted in 2013 by T. Picuch and M. Picuch, showed that as many as 76% of respondents admitted that they were taking a trip abroad to find a job, provide a source of income, become independent from their parents, or to have a family. What's more, the vast majority of them declared their willingness to stay abroad for a long time. It was a characteristic of emigration at that time - mainly educated, young people who did not see the future in the country were leaving. It was not without reason that they were called a "lost generation" [15].

Table 3. Employment preferences of young people.

Your future career is:	Number of respondents	% of respondents
working in own company	93	58.13
working in a large corporation	21	13.13
working in a small, private company	38	23.75
departure to work abroad	8	5.00

Analyzing the preferences, respondents were asked about their priorities in relation to their professional career and personal life. Most of the respondents indicated that they would make an effort to reconcile these two spheres, but if necessary will devote a professional career to the family (62.5%). Almost every fourth respondent indicated

that he/she would devote a family life for a career (23.13%). More than every tenth respondent indicated that career is more important, therefore in the near future he/she does not plan to set up a family (11.87%), and only for 2.5% of respondents' family life was more important and these respondents planned to start a family as soon as possible. The presented results may indicate that entrepreneurial orientation is possessed by the surveyed young people, although there is also an awareness of having a balance between personal and professional life. Most of the respondents also indicated that running their own business was primarily a very hard job (50.62%), afterwards - independence (11.87%) and contentment and satisfaction (5.65%). To a lesser extent, they pointed to the prestige and respect stemming from running their own business (3.13%) or for big money (1.25%). The vast majority of the respondents (27.5%) indicated, however, that all these factors may influence the higher assessment of running a company and its advantage over the work for "someone else", or full-time. This is also confirmed by the results of foreign surveys [8, 10].

Over 67% of respondents declared having entrepreneurial characteristics. Among the most frequently cited answers were: creativity (16.44% of respondents declaring having entrepreneurial features indicated it), ambition (7.38%), organization (6.7%), willingness to take risks (6.04%), openness (5, 36%), the ability to plan and manage time (5.03%), communicativeness (4.36%), courage (4.02%), responsibility (3.35%).

In the opinion of more than half of respondents, the knowledge gained during the studies, both theoretical and practical, will be useful to them in running a business (51.88%). The usefulness of the theory was declared by over 21% of respondents, and the usefulness of the acquired practice by 10.6%. This may suggest a lack of practical knowledge in the process of educating future entrepreneurs, although the respondents themselves claimed that their studies prepared them for running a company (65%). At the same time, the results of some surveys indicate that education in this area is conducive to shaping entrepreneurial characteristics [16]. Additionally, there are opinions that management courses do not affect the decision to start a business [6].

Over 66% of respondents declared knowing the procedures related to setting up a business, although every third respondent gained knowledge of this subject during training. The remaining part obtained it by themselves (34%) or found that they did not possess it (33.7%). This results from the fact that studies in the field of management have had only some impact on the willingness to run an own business. Some studies draw attention to the need to start entrepreneurship education earlier or conduct it as lifelong learning or incorporating it into other subjects [13] [4], although there are also different voices questioning the legitimacy of teaching entrepreneurship [12].

For the majority of respondents, the studies were only the final argument convincing to this form of professional activity, but they did not have a key impact (66.88%). The impact of studies on the decision to find a company was declared by less than every tenth respondent (9.37%).

The main reasons why respondents were determined to start their own business were: independence (20.87%), self-fulfillment (17.30) and financial issues, which were indicated by only 13% of respondents. It may be surprising, because it is known that profit, especially for young people, should be one of the most important motivations for setting up companies (Tab. 4).

Table 4. The motives for starting a business or its lack.

The motives for starting a business	The motives for not starting a business
- independence (20.87%)	- lack of initial capital (22.89%)
- willingness to self-fulfilment (17.30%)	- too much paperwork, bureaucracy, too many problems and duties (21.69%)
- money (12.92%)	- too much risk (21.08%)
- willingness to prove that you will succeed (12.13%)	- lack of predisposition (15.06%)
- prestige and respect due to the company (8.75%)	- lack of people management skills, shyness, closure (9.04%)
- having the right predispositions for being an entrepreneur (6.96%)	- faith in finding a well-paid job (7.23%)
- having a good business idea (4.77%)	- faith in another way of managing life (2.41%)
- family example (3.78%)	- other reasons (1.81%)
- power and the ability to influence others (3.58%)	
- necessity of life (3.18%)	
- example of colleagues who have succeeded (2.39%)	
- willingness to use capital (2.19%)	
- taking over the company after parents (0.99%)	
- other reasons (0.38%)	

The respondents' reasons for not wanting to set up companies primarily included: financial issues related to the lack of initial capital, too much formality and risk, and lack of predisposition to run the company.

In addition to the data presented in the study, T. Piecuch conducted similar research on the attitudes of young people towards entrepreneurship at the turn of 2010 and 2011, and in 2012. The survey questionnaires used by her were not identical in each year, but the results on certain issues can be compared (included in Tab. 5).

Table 5. The motives for starting a business or not – results from previous researches.

Research aspects	Research from 2010/2011 and 2012	Research from 2018
Sample size	- 415 (2010/2011) - 150 (2012)	160
Research sample	- the students of the Faculty of Management and Marketing at the Rzeszow University of Technology (2010/2011) - young people from Podkarpackie Voivodship (2012)	the students of the Faculty of Management at the Rzeszow University of Technology
The most important motives for setting up business	Research from 2010/2011: - profit - the will to prove to others that I can handle it - possessed predispositions	- independence - self-realization - profit

The willingness to start own business*	- 50% (2010/2011) - 43% (2012)	58%
The percentage of people who do not plan to set up a business	3.2% (2010/2011)	12.5%
The attractiveness of working in a corporation	26.8% (2010/2011)	13.1%
The willingness to emigrate	76% (2012)	5%

Trying to compare the results from research in particular years on the area of young people entrepreneurship, a clear difference in the motives for starting a business can be observed. In research from 2018, 'profit' significantly decreased as the most important reason for students in the establishment of companies, in favor of 'self-fulfillment', which only one researched person pointed out in 2010/2011, and 'independence', important only for 6 people (1.45% of the research sample). Such a situation may be the result of the fact that this year's respondents are representatives of another generation - this is the Z generation, for which independence and self-fulfillment (the possibility of implementing interesting tasks, continuous development) are extremely important. Interestingly, corporations perceived as very difficult work environments, are becoming increasingly attractive to young people, which on the one hand offer a lot, but on the other still require more. Representatives of the Z generation are individualists (often even egoists) who are difficult to submit to, and work in a corporation that is mainly based on teamwork, requires cooperation with others, and sharing knowledge and information - hence perhaps such a distribution of answers among respondents. It is comforting to think that very few young people (compared to 2012) now declare their willingness to go abroad for work. Even if they take this into account, these are mainly short-term trips or holidays with the declaration to return back home and look for a good, satisfying job.

4 Conclusion

Many spectacular successes of young people worldwide confirm the thesis that it is possible to pursue business activity regardless the age. This should be an example for those who are not convinced of what they should (want to) do. Such instances of brilliant careers should be treated as inspiration and motivation to change one's professional situation.

There is undoubtedly enormous potential in young people that needs to be used. In order to encourage them to set up their own businesses they should be provided with financial help from the state in the form of, for example, loans for starting a business, and access to education on entrepreneurship. Unfortunately, as the authors' own studies

* A similar percentage of respondents in Lithuanian research declared their willingness or even taking their first steps in establishing a company [11].

have shown, even studies in the field of management (which should provide knowledge about the various conditions of launching and running a business) do not prepare adequately enough to start companies, especially do not provide the practical knowledge, which would be expected the most by the young people. In some cases, studying at university provided the final argument, but in fact did not significantly contribute to changing attitudes of young people to more entrepreneurial ones. Although for many of them being an entrepreneur is an attractive path in their own professional career, in many cases the fear of failure blocks their youthful enthusiasm.

Comparing the researches on the attitudes of young people towards entrepreneurship implemented in 2010/2011, 2012 and 2018, it can be concluded that there is a certain difference in the respondents' approach to entrepreneurship. This probably results from the fact that the Z generation is now entering the labor market, for which other values are important in life, and they approach work, leisure, entrepreneurship, etc. in a different way.

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