

STUDY ABOUT STUDENTS' ENTREPRENEURSHIP SPIRIT

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Abstract:

What is entrepreneurship and how a students' organization can help to develop it? To be innovative, to assume some risks is not enough. Establishing and managing a business requires, first of all, a labor intensive and sustained information, organization, planning and coordination of complex and diverse activities. All this things can be learnt at university and practiced in a student's organization. CAST (Students' Entrepreneurship Club) aims is to create an entrepreneurship community with a modern business vision, using professional management methods, adapted to the present Romanian realities. Another interesting aspect presented in my study is a new concept in Romania – business angels. Who are they? How important are they for the economy? How can they help a young entrepreneur? What kinds of business will them financing? In conclusion, I show how the knowledge from University together with the experience and the knowhow from CAST can help young people to start their own business. In this organization there are successful businesses, evidence that the main goal of CAST was reached.

Key words: entrepreneur, student's organization, entrepreneurial spirit, business angel, NGO,

JEL classification: D71, L26, L31

INTRODUCTION

Everybody wants to be its own boss, to work for achieving the personal goals and to be financial independent. The most of the people are intimidated by bureaucratic aspects or emotional and prefer to be employed in a company. Other ones prefer to start their own businesses because they have entrepreneurial spirit. Entrepreneurial spirit is a giant force, with a great impact in develop and progress of the society by innovation, creating jobs and social responsibility. (<http://www.weforum.org/en/initiatives/gei/EntrepreneurshipEducation/index.htm>)

1. THEORETICAL INFORMATION ABOUT ENTREPRENEURSHIP

1.1. THE CONCEPT AND DEFINITION OF ENTREPRENEURSHIP

Entrepreneurship started to be known in time of Ludwig of XIVth reign. He used to say that “bourgeoisies and artisans will become wealth creators” (<http://ro.wikipedia.org/wiki/Antreprenoriat>). In time, entrepreneurship received a lot of other definitions: “person with the ability of organize the resources and create something new” (Schumpeter, 1934), “the entrepreneur is active and orientated to profit” (McClelland, 1961), or, in Stevenson's vision “an entrepreneur has the ability to identify and develop business opportunities”.

In literature, the definitions are different because of the historical period. *The classic's* like Richard Cantillon or Jean-Baptiste Say support that entrepreneurs have their own businesses and they are responsible for all the exchanges form Economy. Jean-Baptiste Say brings something new and he is the first economist who gives entrepreneurs the role of manager and he considers that “applying know-how to create products for human consumption” represent the purpose of the entrepreneurship. About the entrepreneur like manager, the same author say that entrepreneurs have, in companies, key roles, they coordinate, lead or manage, but they do and specific activities. In this way they provide capital.

Alfred Marshall, the neoclassicism representative, show another side of the entrepreneur: innovation and progress. “Business people started the new ways and create benefits for the society much higher than their own profits” (Văduva, Sebastian, „Antreprenoriatul. Practici aplicative în România și în alte țări în tranziție”, Ed. Economică, București 2004, pg 13-20).

In modern sense of economy, an entrepreneur is an economic agent who adopt an active and innovative behavior, who accept financial risks for develop new projects. Because of that, many societies recognize and promote entrepreneurs and entrepreneurship because of the role in national and global economy, because of the influence of macroeconomics indicators and the entrepreneurs are known as “persons that work for themselves” (Bates).

1.2. ENTREPRENEUR: BECOME OR BORN

Some of the characteristics of an entrepreneur are: good organizer, orientated to profit, responsible, professional, innovative. Now we can ask: Everybody can be an entrepreneur? This can be learnt? Have to be born with this? It is a talent? From my point of view, everybody can't be an entrepreneur, you can learn economy, psychology, or any other useful information, but performance, ambition, risk taking are specific just for some of us.

The success in businesses doesn't have a recipe! It depends on so many things, things that there are or not under our control. Although, there are some characteristics in common for all the entrepreneurs. Some of them are:

Independent spirit – is one of the most important qualities that an entrepreneur has. An entrepreneur never feels accomplished in a company where new ideas are not appreciated, where he/she can't apply those ideas, an entrepreneur want to be its own boss, to take risks and higher responsibilities.

Courage - courage to implement the ideas, to follow them, to believe, to realize the difference. Sometime, all of us have brilliant ideas, but very few of us have the courage to assume and follow them, and for the other ones those ideas never become true.

Professionalism - know-how has to be complex. An entrepreneur has to know the economical environment, strategic management, human resource management, marketing, financial management. In that way, the chances to succeed are bigger.

Social active – an entrepreneur will be implicated not just in economical life, but it will be active in social domain, too. It will know to give back those who helped it, it will support the unluckiest ones, will encourage capable youth, will share from its experience.

1.3. ROMANIAN ENTREPRENEUR

In Romania, entrepreneurship appeared after 1989 by practicing trade. After that appeared entrepreneurs, but they were associated with quick enrichment by more or less legal methods. The difference between transition economy and market economy is transparency (Forbes România , octombrie 2009, pg 377).

CEBR Romania (Centre for Entrepreneurship & Business Research) realized a study in 2009 on 1449 persons for identify and present demographical and social-cultural factors of entrepreneurs. The results show that 9.58% of the women are involved in an independent activity and 16.75% of the men. The medium age of that who is entrepreneur is between 33 and 35 years. The new entrepreneurs have between 26 and 40 years (18.14%). 38,60% of them have a model in their families, in most cases the father. About the motivation for involving in entrepreneurial activities, the results indicate that desire to improve the quality of life, desire to be independent are the most mentioned.

1.4. BUSINESS ANGEL – YOUNG'S „ANGEL” WITH BRILLIANT IDEAS

Business-angel concept is similar with joint-venture financing. In both cases, the investors bring the money in business with the entrepreneur (or group of entrepreneurs). Chosen business has premises to be successful ones, but it hasn't initial financing. A business-angel can assure this money and he has a similar profit with the entrepreneur, in this way he become a serial entrepreneur.

Normally, business-angel investment are value limited, the business financed in this way don't need a very large capital. This characteristic exclude from beginning industry businesses, appropriate business-angel investments are those in trade and services domain.

A business-angel invests in a business in another way that a found does, he is involved in business strategy. From that point of view, for young with brilliant ideas it is a great advantage because most of the time they haven't enough experience, being at the start of o business life. Sometimes, the business-angel is perceived us a intruder and he aspects to be appreciated by the entrepreneur (<http://www.startups.ro/analize/bani-de-la-ingeri-pentru-afacerile-care-fac-primii-pasi>).

One of the Romanian most known business-angel is Marius Ghenea. He financed tens of ideas. One of them is an innovative promoting way – advertising mirror. It is a first for national market and the total investment was 100000 euro, Marius Ghenea holds 60% (Forbes România, octombrie 2009, pg 284).

There is a web site, www.bizangels.ro, which is the main service in Romania where investors meet entrepreneurs. In this way it is promoted business-angel idea and the communication between motivated entrepreneurs and experienced investors is facilitated (<http://www.bizangels.ro/>).

2. STUDY CASE ON CAST - STUDENTS' ENTREPRENEURSHIP CLUB

2.1. FROM IDEA TO ACHIEVEMENT. THE HISTORY OF THE ORGANIZATION

The idea started from “Development and promoting of students’ and graduated entrepreneurship behavior from Bukovina” project. The goal was to develop entrepreneurship abilities to students and graduated by promoting a training system which facilitates young’s mobility from education system to labor market. The result of the main goal was to create a NGO for development of young’s entrepreneurship abilities.

From the begun the purpose was to add value in students’ education, to develop some abilities: entrepreneurship and leadership. The purpose of CAST was to create a community of young people with a modern vision about initiating and conducting a business using modern methods of management according to the Romanian market.

The activities of the organization was various from organizing training, contests with economical themes, meetings with known and successful entrepreneurs to representative actions of students or charity events.

Always the organization relied on members’ improvement, on their desire to develop, to work in a dynamic team. In exchange, they receive knowledge about business, a value experience to add in their CVs, trainings, possibility to work with businessmen, to volunteer or to participate to internships.

CAST develops and from the beginning to now begun one of the most active organization from “Stefan cel Mare” University.

2.2. HUMAN RESOURCES IN ORGANIZATION

Literature identifies some necessary factors for proper functioning of every business. One of this is human resource management. In a NGO is perfect applicable this aspect, but is much difficult to apply because of the motivational factor.

“Non-profit organizations aren't companies, so they have to be lead in a different way.[...] They need a severe leadership, not weaker, just because they don't have financial motivation. They have to learn how to keep the volunteers whose satisfaction is measured by responsibility and achievements, not by money.” (Druker, Peter F., „Managementul viitorului”, Ed. ASAB, București 2004, pg 112)

CAST members are students of “Stefan cel Mare” University and the process of recruiting is made every year, to the begun of the university year.

2.3. TODAY STUDENTS, TOMORROW BUSINESSMEN!

Following the motto “Today students, tomorrow businessmen!” some of the CAST’s activities are:

- “TOP PEOPLE” – the project wants to improve cooperation relationships between academic environment and economic’s one by an open discussion where students and businessmen participate. The topics are various: start-up in business, how to succeed, news in business, choosing a job, develops a successful career, real opportunities on local market and so on. Among the guests are representative of: National Bank of Romania – Elena Sireteanu, BRD Suceava – Monica Vornicu, Intermedia TV Suceava – Catalina Solovastru, Impact FM Suceava – Loredana Vizeteu (top employees), Dan Alexandrescu – Alexandria Libraries, Stefan Puscasu – Bethesda Private Hospital, Marius Paslariu – Boem Pub “La Fierarie”, Vasiler Armenean – Betty Ice, Celestin Avasiloaie – Celestin Typography, Ioan Iftode – Trust Orizont Suceava, Lucian Poenari – Handmade pens (top entrepreneurs).

- “Young entrepreneur guide” – because some of us want to start its own business CAST edited this guide which offers information about companies, business plans or other detail for well function of the start-up.

- “Do you have courage to make money?” – Training organized in Entrepreneurship Global Week for students who want to open a business.

- TAB Project (Young Entrepreneurs in Bukovina), founded from PHARE CBC 2006/018.449, 3rd priority – People to people, measure 3.1. – Common found of little projects. This project represented cooperation between CAST, „Ștefan cel Mare” University of Suceava, Bukovinian State Institute of Finance and Economy and Regional Organization from Chernovtsy “Young’s Scientifically Society”. The budget of the project was 49394 euro.

The period of the project was 8 mounts, started in December 2009 and the main goal was improving cross border cooperation in business domain by developing entrepreneurial abilities to the young people from Romania and Ukraine. Specific objectives were:

- promoting entrepreneurship and entrepreneurial culture in cross border area;
- training for 18 young people and providing them start-up opportunities;
- develop and financing a business – business plan;
- providing consultancy to another 18 young people in realizes a business plan;
- identify opportunities to cooperate with another young people from Romania or Ukraine;
- improving the flow of information between young people and organizations who support entrepreneurship in cross border area.

The target group contains 36 young people, 20 from Romania, Suceava County, and another 16 from Ukraine, Chernovtsy oblast. They were students or graduate persons who want to deepen the knowledge from university studies, to develop their entrepreneurial abilities and to start their own business. The final beneficiaries of this project are Romanian and Ukrainian communities, where young people will implement their entrepreneurial activities and where will practice their knowledge and abilities.

The main activities of the project were:

- Project management;
- Promoting the project;
- Selection of the participants;
- Study visit in Ukraine;
- Trainings “Start-up in business”, “Leadership and management develop”, “Communication and negotiation in business”;
- Workshop “Writing a business plan”;
- Seminar “Entrepreneurship in Bukovina”;
- promoting the entrepreneurship and entrepreneurial culture in Bukovina

The results were the expected ones:

- 36 young entrepreneurs able to lead, in future, their own business in cross border area; - 5 business plans written;
- 1 start-up;
- 1 web site for the project with information about entrepreneurship;
- 1 forum organized for exchanging ideas and identifies business opportunities;
- promoting materials of the project and of the entrepreneurship;
- 1 exchange contact with young people interested by entrepreneurship;
- 200 persons informed by Bukovinian entrepreneurship.

2.4. DREAMS BECOME REALITY

To show that CAST, as an organization aimed to encourage young people to become entrepreneurs, reached its goal, I can mention some of the members who apply the knowledge and now they are entrepreneurs. Two of them have an advertising agency – Amprent Media, another one has a company of consultancy and management of projects – Vertical Management. Lucian Poenari products handmade pens, another one sold his ideas and now one of the most original and innovative pubs form Suceava is his.

3. CONCLUSIONS

Entrepreneur sees in his company the possibility of showing and growing his own personality. In this way, the new company will reflect the enthusiasm and the qualities of the entrepreneur, but much important, the gaps of him.

In this study I wanted to show some specific elements of entrepreneurship applied to “Stefan cel Mare” University’s students. As a conclusion, I am convinced that “Stefan cel Mare” University together with CAST (*Students’ Entrepreneurship Club*) are like an informal business incubator. According to the author Ovidiu Nicolescu, a business incubator is a economical instrument of development, created for accelerate growth and success of the companies.

The main purpose of a business incubator in Bukovina area is to produce successful companies what will address national programs, financially viable. Business incubators have important role: “father” by sustaining companies’ managers, “environment” by supporting strategies for grow, “investors” by financial help provide incubated companies. Not least, the business incubator is “business club” facilitating the meetings between entrepreneur and market.

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