

STUDENT ENTERPRISES - A NECESSITY FOR THE ROMANIAN HIGHER EDUCATION

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ABSTRACT: *In this paper I presented some aspects of entrepreneurial education in universities. After a brief presentation of the development of business environment and entrepreneurship in Romania in the post-communist period, the relationship between business environment and universities and entrepreneurial education is quite obvious and is presented distinctly. In the paper I have shown the context of the emergence of student enterprises as a necessity within Romanian universities. After highlighting the educational tools used in teaching entrepreneurship as required by legal regulations, I have outlined the specifics of the activities run by the Student Enterprise of the University of Petroșani. In the second part of the paper, after a brief presentation of how to organize SAS UPET, we have centralized the data gathered through an online survey on how the students of the Faculty of Sciences within the University of Petroșani knew about the existence and activities of the Student Enterprise and their desire to develop a business.*

KEY WORDS: *student enterprise, entrepreneurial competences, entrepreneurial education, entrepreneur.*

JELL CLASIFICATION: *D21, L26.*

1. INTRODUCTION

Higher education system on almost all continents, but especially in Europe, has undergone countless major changes in the last decade, the reforms being justified both by the need to increase efficiency, effectiveness and competitiveness of higher education institutions, the desire to align with and make study programs compatible at the regional level and by the result of the process of 'increasing' studies due to an increasing number of people wanting to access higher education programs (Săvoiu, 2014).

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Currently, economic education has gradually expanded from the first forms of understanding the political economy towards business education. As a component of economic education, entrepreneurial education aims at collecting the skills and abilities necessary for the development of an entrepreneurial society.

The attributes of modern entrepreneurial education have gradually become more and more necessary in developing cooperative skills, abilities to think rationally and analytically, but also in innovative and creative thinking, in stimulating business aspirations of the contemporary student in response to the sustainable educational process by active and continuous learning.

The entrepreneurial initiative in the Romanian economy was relatively weak in terms of added value and customer orientation, and the educational / human resources, financial and institutional difficulties did not allow SMEs to develop to their true potential, thus limiting the contribution to the GDP (Armeanu, 2015). The development of positive attitudes towards entrepreneurship is a necessary, though not sufficient, in the formation of entrepreneurial intentions and subsequently in the manifestation of entrepreneurial behavior.

Higher education institutions can help students, graduates and employees consider setting up a business as a career option. In the first instance, it is important that each person be helped to ponder on the commercial, social, environmental, and typical lifestyle goals that are related to entrepreneurial aspirations and intentions. For those who decide to set up a business, a personalized mentoring activity can be organized to generate, evaluate and implement ideas; to strengthen the skills needed for a successful enterprise and - most importantly – to find the right people to be part of the team, appropriate access to finance and efficient networks.

2. STUDENT ENTERPRISES - A NECESSITY

Compared to other countries, Romanians show a reduced entrepreneurial spirit due to the lack of entrepreneurial education and the lack of a stimulating entrepreneurial environment throughout the period of communism, ie over 40 years, when there was no notion of private property and there lacked even the most elementary forms of entrepreneurial education.

Even after 1990, the elements of the entrepreneurial education were lacking or, in many cases, it was taught by people without specialist training and without teaching specific notions of the practical activity, only theoretical concepts without applicability and without awakening a favorable attitude towards entrepreneurship.

This context, in conjunction with the changing legal framework, which generates uncertainty among those interested in developing their own business, the inability to elaborate development strategies with effective tools in favor of it, and the inherited cultural, religious or mentality aspects that did not stimulate the development and the formation of skills to innovate, to develop the desire to win, have negatively influenced the creation of an efficient entrepreneurial environment.

The faculties licensed in the field of business administration have more than a hundred years of continuity in the development of entrepreneurial education, compared to Romania or other countries, which, due to communism, a powerful annihilator of entrepreneurial trends and a destroyer of the private property, have been deprived of the opportunity to run entrepreneurial specializations or courses that develop entrepreneurial skills.

Starting from the analysis of the facts mentioned previously, the necessity of entrepreneurial and financial education is obvious for the Romanian education system, from the primary and secondary level to the university level.

In this context, and starting from the *Council's Conclusions on Entrepreneurship in Education and Training* published in the Official Journal of the European Union, according to which 'the development of entrepreneurship can have considerable advantages for citizens both in their professional life and in their private lives' and 'can stimulate employability, self-employment and active citizenship'; '*setting up and supporting student enterprises represents an opportunity for the academic education system.*'

In order to generate in medium time the entrepreneurial skills required by the changing social economic environment within the universities in Romania, student enterprises were established by order of the Minister of National Education Order no. 3262 of 16 February 2017 on the organization and functioning of student enterprises in the Romanian higher education system.

Student enterprises are structures without legal entity and represent a mechanism for supporting, developing and encouraging entrepreneurship within universities, especially among students and graduates of higher education, in order to increase the competitiveness of universities in Romania. Its main roles are:

- a)** the elaboration of materials aimed at informing and guiding students in the development of business plans and / or financing projects, referring to the fact that the ability of the academic education system to generate the skills required by the social economic environment in a medium time is constantly changing;
- b)** organizing mentoring activities for students who want to set up a start-up;
- c)** encouraging mentor-student collaboration in order to consolidate and develop elements of entrepreneurial skills needed by future graduates of higher education;
- d)** organizing start-up projects, business ideas, etc., with a view to select proposals that are worth to be submitted to the Executive Board for evaluation and feedback;
- e)** organizing competitions to attract funding for the best projects;
- f)** coordinating the activity of all business incubators, simulated enterprises and other entrepreneurial entities within the higher education institution.

From an organizational point of view, student enterprises are run by an Executive Board, approved by the university senate, and it takes in teachers with competences in this field, students and business people.

3. S.A.S. UPET – A PILLAR OF ENTREPRENEURIAL EDUCATION

The University of Petroșani represents today a comprehensive higher education institution with a significant educational role in the region but also with a continuous involvement of the teachers in solving the economic and social problems of the area through a permanent collaboration with the business environment and openness towards the implementation of joint projects with entrepreneurs. Even the *Strategic Plan of the University of Petroșani*, reveals a continuing concern for 'the development of practical - applicative skills and entrepreneurship for students'.

Far from just being a slogan, *Be an entrepreneur, be active in S.A.S. UPET!* is a project whose objective is to set up and support the activities of the Student Enterprise of the University of Petroșani S.A.S.-UPET as a mechanism for the development of the entrepreneurial spirit and for the support of the student business initiatives

The objectives are elaborated in accordance with *the National Strategy for Tertiary Education 2015-2020*, which shows that it is important for Romania to join Europe's advanced economies by 2030 and that higher education prepare specialists who can set up a competitive business in a global economy and at the same time stimulate creativity and innovation in the entire society in Romania and, especially, to support the economy in the development of products and services.

The implementation of the project takes place over 6 months, involving each member in their area of expertise to carry out the following activities:

- **Creating the institutional framework and the specific structure.** In this stage the *Rules for Organizing and Operating the Student Enterprise of the University of Petroșani S.A.S. - UPET* and the *Methodology of Application of the Student Enterprise of the University of Petroșani* are being elaborated and the structure of S.A.S. – UPET is being created;
- **Establishing a portfolio of activities necessary to stimulate entrepreneurial abilities**, namely *organizing tutoring activities* for students who want to set up a start-up and encouraging communication and *collaboration between the tutor and the student* to develop and strengthen entrepreneurial skills; *organizing internships* in partnership with 3 companies in the area; setting up a *workshop* together with successful entrepreneurs in the field of mountain tourism; initiating a *Business Register of the graduates of the University of Petroșani* together with the Graduates' Association of the University of Petroșani ALUMNI
- **Supporting students' business initiatives:** initiating and organizing an annual *Session on start-up projects and business ideas* in order to attract the economic agents willing to invest in the implementation of winning business plans; *facilitating contact with the regional business environment and potential investors* by participating in business events in the region;
- **Elaboration of materials and running entrepreneurship courses:** the elaboration of the *Practical Guide for developing a business plan*;

publishing number 3 of the *Pro Entrepreneurs Student Magazine* with special articles on S.A.S. - UPET; Organizing the *Business Mind Entrepreneurship Course*; the inclusion of the subject of *Entrepreneurship* in the curricula of university degree programs.

These activities are just a beginning and the functioning of the *Student Enterprise within the University of Petroșani* S.A.S. - UPET will be a pillar of entrepreneurial education and support for student entrepreneurial initiatives, an incubator for the businesses in the region. In this context, the development of the Student Enterprise of the University of Petroșani, referred to as SAS UPET, is a promising tool for students, master students and graduates.

SAS UPET's activity is carried out in accordance with the Organization and Functioning Regulations of the Student Enterprise of the University of Petroșani approved in the Senate Session and addressed to the students of the higher education institution regardless of the study program they attend or the form of education, including the students of mobility programs as well as to their own graduates in the first 3 years after graduation.

SAS UPET consists of 6 teaching staff, 3 representatives of the students and master students, one from each faculty, 2 local business people, and one representative of the graduates. For each faculty there is a teacher who is a mentor and who must have the skills to guide students, master students and graduates in developing entrepreneurial skills.

From organizational point of view, the SAS-UPET Executive Board meets in two sessions per semester or whenever it is needed. The term of office of the members of the SAS-UPET Executive Board is four years and it legally ceases in one of the following situations: at the end of the four-year period; the completion of studies (in the case of students or master students); upon termination of the employment contract signed with the University of Petroșani in the case of teachers.

In setting up the annual activity plan and in carrying out current activities, SAS-UPET can work with legally established student organizations, alumni structures, career counselling and career centres, as well as with representatives of SAS-UPET representative entities. In order to ensure visibility and dissemination of activities, SAS-UPET will benefit from a web page hosted by the university website.

4. THE IMPACT OF SAS UPET ACTIVITIES UPON STUDENTS

The Google Drive software (service) is designed for creating, storing and using various word documents, presentations, spreadsheets, newsletters, online forms and questionnaires, etc. Google Drive is available for PC / Mac, Chrome OS, iPhone / iPad, and other devices using Android OS (Vlada, 2014).

The advantage of using an online questionnaire is that all the answers to the questionnaire are centralized directly into a database, the time needed to complete the survey is short, there is better control over the answers, and the distribution is quick and can be made to a large number of respondents by submitting the link to the questionnaire.

We have used the online survey to find out whether the students of the Faculty of Sciences within Petroșani University are aware of the existence and activities of the Student Enterprise and if they desire to set up a business.

The questionnaire was sent out to 132 first and second year students of the Finance, Banking and Commerce Economics Faculties, Tourism and Services and it received feedback from 110 respondents, out of which 89 are first year undergrads while 21 are in the second year. Of the total people surveyed 76 are female and 34 are male respondents.

Questions of the questionnaire

V1. Are you aware that a Student Enterprise exists and operates within the University of Petrosani? To this question 91.3% of the respondents answered affirmatively, which shows that the activities of the company are known among students, even if it had recently been set up.

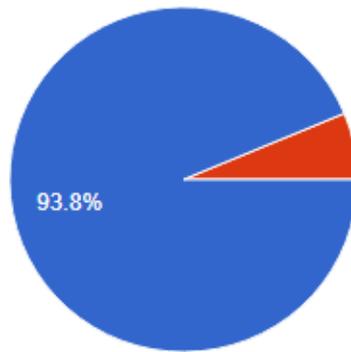


Figure 1.
Answers V2

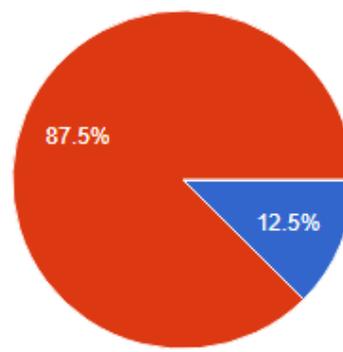


Figure 2.
Answers V4

V2. Would you like to take part in the activities of the Student Entrepreneurial Society? Since some of the respondents gave negative answers to the previous question, ie they had no knowledge of SAS UPET's activities, the answer to second question is also influenced by the lack of information therefore 11.8% of the respondents said that they didn't not know whether they would participate in the SAS activities; the rest responded favorably.

V3. What kinds of activities do you want to participate in? Of the total of 110 responses, 50% favoured the frequent organization of workshops, 37.5% were in favour of business meetings, and the rest of the students opted equally for business presentations and meetings with students and graduates who had developed a business of their own or inherited it.

V4. Who do you consider should take part in these activities? Centralized responses show that most respondents believe that the activities of an enterprise must be and it would be interesting to be attended by students as well as teachers and

businessmen (87.5% of the total) and only 12.5% believe that the involvement of teachers and students would be enough.

V5. Would you like to set up a business in the long run? This is the most representative question for assessing students' tendency to start up a business or not. The affirmative answer for all 110 respondents who want to develop their own business is to be taken into consideration.

In conclusion, the attitude of the students is open to developing entrepreneurial skills, and the fact that 110 respondents are freshmen makes it possible during the three years of study to get involved in all the activities organized by SAS UPET.

4. CONCLUSIONS

Growth and prosperity depend on entrepreneurs. They strive to create and offer products and / or services demanded by consumers, making their lives easier, increasing their productivity and improving their health. In fact, the presence of entrepreneurs and entrepreneurship is necessary to encourage and introduce change in a society (Borza, 2009).

In this context, the promotion of entrepreneurship in Europe has become a major objective of the European Union and the European Council has decided to improve European performance by promoting entrepreneurship therefore adopted the 'Entrepreneurship 2020' strategy 'because this economic process is essential for a smart, sustainable and inclusive economic development.

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