

# Entrepreneurial Education in Romanian Education System

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**Abstract:** EU' s 2020 strategy is to integrate creativity, innovation and entrepreneurship in the school curriculum by proposing a set of actions implying all students in entrepreneurial activity with a view to devoping their skills needed in business market. Governments should revise the legislation in force by eliminating existing administrative barriers and supporting entrepreneurs in crucial stages of the life cycle of a business; The links between schools, universities and business area should be strengthened in oreder to achieve aims proposed by EU' s 2020 strategy.

Entrepreneurial education has an important role in the educational system, having a strong applicative character, as it does emphasize the size of the student's personality formation act. The purpose of the entrepreneurial education is to promote students' innovation spirit.

**Key words:** strategy, entrepreneurship, students, education, business market, economic growth, market dynamics.

**JEL Classification:** A2, A3, M1

## Introduction

Taking into account the obvious benefits to society, every country has an interest to increase its number of entrepreneurs within its population. Entrepreneurship is an essential condition for economic growth and development. The European Union, under pressure from the global economy going to increase social dynamism to remain between communities with a high standard of living, has initiated important priority for the development of entrepreneurial education in all member countries, including Romania. Entrepreneurial education in Romania is performed through both formal /official curriculum and non formal / informal curriculum. The current economy cannot be conceived without entrepreneurship, and the future will be marked by an even stronger development.

EU' s 2020 strategy is to integrate creativity, innovation and entrepreneurship in the school curriculum by proposing a set of actions that effect.

For the European Union, entrepreneurial education is a topic of great interest, which has been supported in the recent years by developing and implementing policies for development.

In the economically developed countries, where the impact of entrepreneurial education is a key element of the curriculum especially within secondary education, it reflects on economy and society.

Currently, the curriculum does not put enough emphasis on developing entrepreneurial skills. Entrepreneurship must be developed at an early age and perfected through courses throughout the years of education and lifelong as well.

European Commission considers that entrepreneurship and SMEs are essential

to relaunch the development of economic growth in response to the worst economic crisis in 50 years, by facilitating the emergence of new enterprises, the emergence of new jobs and through more developed entrepreneurial education.

The master action plan of the European Commission adopted in January 2013 regarding the entrepreneurship in 2020 identified three areas of immediate action:

- ▶ Entrepreneurship education and training to support economic growth and formation of new companies;
- ▶ Elimination of existing administrative barriers and supporting entrepreneurs in crucial stages of the life cycle of a business;
- ▶ Relaunching entrepreneurial culture in Europe and educating new generations of entrepreneurs.

In Europe, an important role in entrepreneurial education lies with governments, different institutes, associations, organizations etc., entrepreneurial activity not being considered a career option being by the majority of the population.

The Member States of the European Union adopted within the Europe 2020 Strategy five major objectives on employment of 75% of the population aged between 20 and 64 years; a percentage of 3% of GDP is allocated to research; 20% reduction of greenhouse gas emissions, increasing the share of renewable energy sources to 20% and increase energy efficiency by the same percentage; in education - reduction of under 10% in the rate of early school leavers, increase of 40% among university graduates in the population aged 30-40 years and not least the fight against poverty, as these are to be implemented by 2020.

European Commission Vice President Antonio Tajani, responsible for entrepreneurship and industry said in a press release: "To make it very clear: more entrepreneurs mean more jobs, more innovation and more competitiveness. We want to make entrepreneurship an attractive and accessible prospect for European citizens. If we can unleash Europe's entrepreneurial potential, we can bring back growth to Europe."

**Frank Knight** (1885-1972) claims that the entrepreneur contributes to overall economic progress. Aiming at achieving his goals, he will always improve existing technologies and modes of organization.

#### Entrepreneurial culture development in Romania

Entrepreneurial education has an important role in the educational system, having a strong applicative character, as it does emphasize the size of the student's personality formation act. The purpose of the entrepreneurial education is to promote students'

innovation spirit. Entrepreneurial education should provide students with information with which they understand the entrepreneur's place and role in market dynamics, can generate innovative ideas in business, to be able to foresee and resolve problems and risks that occur in running a business, to know where and how to find assistance and support to implement their business ideas.

In Romania, entrepreneurship education development level is relatively low, mainly due to poor ratio between research, education and industry. The Ministry of Education and Research with the help of the Romanian Government adopted the legal framework and introduced new and optional subjects in the curriculum areas related to entrepreneurial education for developing capacities of professional guidance.

In primary and **secondary schools**, alternative textbooks were printed introducing notions about entrepreneurship in the curriculum educational system.

Curriculum subjects related to entrepreneurship

Study Year	Subject
Class Vth and VIIIth	Entrepreneurial Education
Class IXth	Civic Culture
Class Xth	Entrepreneurial Education

Entrepreneurial Education subject aims at making students develop certain competences which may enable them later to efficiently use their potential in terms of setting up and managing their own business.

In pre-university education system in economics, it is the main method of training firms, through which students have the opportunity to practise their skills and

entrepreneurial skills.

The implementation of such concept aims to create the kind of dynamic entrepreneurs, able to develop a new production process, by starting from an idea and introduce it to the market.

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process, starting with the implementation of business ideas into products / services, the courage to face problems and solve them, responsible management of material resources and money and not least the perception of self-employment as a career choice.

Education directed towards promoting entrepreneurship and entrepreneurial skills to be formed by teaching – learning - evaluation within entrepreneurial education is based on the values and attitudes such as: independence of thought and action, positive relationships with the others, responsibility in entrepreneurial activity, free initiative. The teaching methods are: courses, Advanced computer simulations and business games, enterprises created by students work on projects and teamwork, visiting businesses, internships, mentoring and counseling, role playing, discussions and exchange of ideas, case studies, etc. Practical methods including setting up and managing training firms and enterprises created by students (both virtual and real).

In the national education system there have been introduced optional programmes for the training of entrepreneurial skills among pupils and students, such as Junior Achievement Programme for students and ECO NET - training firms network in Eastern Europe.

#### Junior Achievement Programme

Junior Achievement programme conducted in 1993 in Romania, based on partnership with the Ministry of Education and Research and the business community Junior Achievement Romania (JAR), a member of JA Worldwide®, and JA Europe. The programme implements economic entrepreneurial education, financial and professional guidance programmes in schools. In

Romania, these programmes are conducted in more than 1,600 public schools across the country, in which the activities of learning by doing conducted and interaction with volunteers from the business community, students acquire essential skills for life, have the opportunity to participate in international competitions.

The knowledge gained over years of study become more valuable as you can use them in real life. Competencies and experiences make the difference in business between a common job and a successful career.

#### ECO NET Programme

To be a successful entrepreneur does not have to be born with this skill, but you can become through education and by training your abilities.

In vocational and technical education in Romania, method of learning through a training firm was supplied by ECO NET project, developed within the Stability Pact for South Eastern Europe of the Organisation for Economic Cooperation and Development (OECD), the Ministry of Education and Culture and Kulturkontakt in Austria.

The overall objective of this project was the development of entrepreneurship among students involved in such activities by familiarizing them with the activities specific to real companies, training language specific to business, simulation of operations specific to business environment, and development of skills needed for an dynamic entrepreneur: decision making, critical thinking, taking responsibilities, teamwork, organization and self-assessment of resources.

All training firms in Romania are registered on Romanian Coordination of Training Firms (ROCT) platform

Evolution of training firms considering their object of activity in 2001-2014:

Indicators	2001/ 2002	2002/ 2003	2003/ 2004	2004/ 2005	2005/ 2006	2006/ 2007	2007/ 2008	2008/ 2009	2009/ 2010	2010/ 2011	2011/ 2012	2012/ 2013	2013/ 2014
Number of existing FE	34	117	327	306	355	651	890	841	970	1017	1022	1160	1305
Trade	23	66	185	156	177	290	350	315	379	394	385	444	494
Tourism	7	16	25	83	90	158	230	251	260	286	264	313	358
Production	-	4	3	-	-	-	-	-	-	-	36	68	92
Local banks	3	3	-	-	-	-	-	-	-	-	-	-	-
Other services	1	28	114	67	88	202	310	275	331	337	339	335	344
Number of schools	3	32	58	66	63	128	146	154	197	203	217	240	270
Number of towns	3	28	46	47	45	81	98	104	126	128	140	150	166

Source: ROCT

From the statistical data it comes out that there is a very large increase in the number of training firms in the virtual market.

A spectacular increase in training firms occurred in the 2007-2008 school year, their number reaching 890. The share of training firms with the highest percentage of 39.33% have engaged in trade, a percentage of 34.83% in other activities, followed by those working in tourism in the percentage of 25.85%. This growth has continued in the following years.

Young people with an entrepreneurial education gained from their participation in the entrepreneurial programmes within the high school are more likely in the future to set up their own company.

At extracurricular level, students participate in national and international fairs of the training firms.

In 2015, the National College of Agriculture and Economy organized the first edition of the Regional Fair of Training Firms - 'Entrepreneurial Skills'

On April 7th National College of Agriculture and Economy organized the first edition of the Regional Fair of Training Firms''- 'Entrepreneurial Skills'.

51 virtual training firms from several counties of the country participated in this competition, including 5 training firms belonging to the organizer college and a training firm from "Elena Caragiani" Technology High School, Tecuci, and coordinating teachers and local decision makers as well.

Through this fair, National College of Agriculture and Economy wanted to develop managerial and entrepreneurial skills

of students and recognition of their work promoting the concept of training firm locally and in the county of Galati and regionally, making transactions directly with other training firms.

Through involvement in the work of the training firms, local communities develop activities that provide added value to the area, working to develop the training and educational quality and the development and implementation of local projects.

#### **Information from the press bulletin published by Tecuci Town Hall –TECUCEANU**

As concerns entrepreneurial education at university level, initiatives and actions undertaken in our country are lower than those of EU member countries.

As an EU member, Romania is facing a number of requirements resulting from the need to face globalization, the transition to a new type of society, that is knowledge-driven society, the requirements to the education system.

In recent years, the idea for the university to take a “third” mission to contribute more directly to social and economic development. Universities have begun to assume a greater role in economic development based on science and technology, becoming strong innovation centers and regional leaders (Jan yout Philip Shapira, 2008).

In recent years, government authorities have encouraged universities to “commercialize the results of scientific research” and to participate actively in what is now called the knowledge economy (Codling and Meek, 2006).

In the context of an economic environment changing continuously in recent

years, universities have had to work for structural change in the education system to adapt themselves to new requirements of the business environment, managing to adapt the structures and the study and research programmes, and identify financial solutions for new courses. (Roşca, 2010)

Distance learning, short-term courses, continuous training programmes, led to the satisfaction of the new requirements of business environment and thus they led to the development of universities.

Educational offerings are increasingly less controlled by the state, they increasingly moving towards business requirements, NGOs, public institutions etc.

The role of high level education in entrepreneurship manifests much larger, beyond the transmission of knowledge and consists in the participation of consortia..

The dynamics of economic and social environment, as well as the impact of globalization were felt in the universities in our country after 1989.

Universities should develop entrepreneurship by developing some customized modules within undergraduate programmes. In this context, the European Commission in cooperation with the OECD developed a framework for universities with entrepreneurship spirit. This framework is intended to support entrepreneurial universities concerned that they can self-assess themselves.

Entrepreneurial education in high level education in Romania must be a systematic one as it is in the member states of the European Union, which have entrepreneurship university departments (Belgium), Master programmes in entrepreneurship (Denmark), centers of entrepreneurship development (Great Britain) that encourage

creation of enterprises based on the business ideas business resulted from students' projects.

Technical Universities in Romania, following the same path, are increasingly more concerned to extend through partnerships with companies and firms in the desire of discovering potential, managerial skills and promoting entrepreneurship among students.

We meet such experiences more and more often in universities in our country as well, developing research laboratories (Transylvania University of Braşov, USAMV Bucharest, Dunarea de Jos University, Galati), research centres (University of Oil and Gas, Ploiesti, University of Architecture and Urbanism in Bucharest, University of Ecology, Bucharest, Dunarea de Jos University, Galati), university research institutes (Hyperion University in Bucharest; in 1994 within Hyperion Foundation, Hyperion Institute of Research and Development was created, comprising more departments in correspondence with the faculty profiles; Vasile Goldis University in Arad founded the Institute for Studies and Research Vasile Goldis).

## Conclusions

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European Commission considers that entrepreneurship and SMEs are essential to relaunch the development of economic growth in response to the worst economic crisis in 50 years, by facilitating the emergence of new enterprises, the emergence of new jobs and through more developed entrepreneurial education.

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