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ECONOMIC AND ENTREPRENEURSHIP EDUCATION - A PREREQUISITE FOR THE DEVELOPMENT OF LOCAL ENTREPRENEURSHIP

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Abstract

Whatever his/her professional development would be, a young person needs a natural transition from being qualified to being competent. Here we find the dimensions of a multi-faceted investment in three areas: knowledge, „savoir-faire” or skill, and „savoir-etre” or compliance with one’s own position. All current economic issues are debated in terms of : value, integrity, character, knowledge, vision, responsibility, self-control, social integration, team work, community, competence, social responsibility, quality of life, fulfilment, leadership, duty, purpose, dignity, meaning. Scale technology needs people who have the future in their blood. That is why the basic aim of education should be to enhance the ability to adapt. When applied, the principle of diversity would result in a single system of techniques which work in three crucial areas : study, human relationships and option. The ability to live involves different ways of sending information and behaviour simultaneously and it will be the modern educator’s tool in making judgements. This paper assumes that economic education in general and entrepreneurship in particular, help young people to perceive, to identify and to understand the factors that, influence their life quality directly or indirectly, to contribute to the development of the economy, and to a better management of society. Moreover, entrepreneurship education instils respect for value, work and innovation. One way of putting this kind of education into practice is by school partnerships.

1. INTRODUCTION

Every society has its own attitude towards past, present and future. This conception of time formed as a natural reaction to the pace of development is one of the most powerful determinants of social behavior and is reflected in the way society prepares young people for adulthood. In stagnant societies oriented towards past, the most rational way to raise a child was to equip him with the skills of the past because it was going to repeat itself anyway. Knowledge was transmitted not by specialists brought to schools, but through family, religious institutions and apprenticeship. Students and teachers were scattered throughout the community. The mechanical age overthrew the value system as it required techniques that neither the family nor the church could provide. But it also required something else: that man should acquire a new way of perceiving time. The new requirements were pace, rhythm, change. Mass education was a cleverly constructed mechanism that individualism had envisaged in order to produce the type of adults it needed. The child was to live in a world that started and ended with the factory siren or in front of a conveyor belt, surrounded by noise, crowds, trepidation, like an engine rotating in the rhythm of expected efficiency. Education, by its very structure, changed this new world. "However, the idea to bring together masses of students (the raw material) to be" processed "by teachers (the workers) in a school located in the center (the factory) was brilliant. The whole administrative hierarchy of education followed the model of industrial bureaucracy "(Toffler, 1973). With today's technical systems - fast, fluid and self-adjustable - cars will handle the flow of physical materials whereas people will handle the information flow and the thinking processes. The individual work and the creative aspect are man's responsibility whereas routine acts belong to machines. The knowledge society is more than the information society. It involves the integration and better use of past and present knowledge. The new knowledge improves the old ones or takes it out of use. In both cases, it compels the people who are interested to relearn today what they believed they knew yesterday.

This is more than a social change; it is a new paradigm of the human condition. Instruction and the learning experiences in as many forms as you may think of have spread throughout the whole modern society. The motto of our contemporary post-industrial society - "life- long learning"- explains why the difference between the formal education in early life and the education for the middle-aged and the senior tends to fade away. Learning networks and other original forms of instruction arise either from private initiative or from a harmonization of relations in a community – between authorities and citizens. Learning as a multiple, diverse and polymorphic human experience proves to be the most profitable long- term investment.

Scale technology needs people who "have the future in the blood." As for education, its fundamental aim should be to "enhance the capacity for adaptation." Therefore, in order to create a modern education, we will have to imagine successive and interchangeable images of the future, to make predictions about the types of work, professions and vocations that will be needed in 20-50 years from now, to predict the type of family and human relations that will prevail at that time, the nature of ethical and moral issues which we will be debating, the kind of technique that will surround us and the organizational structures that we will have to engage in. Some of these policies suggest bringing the community in school so that local shops, hairdressing salons, printing houses could benefit from free spaces in schools in exchange for lessons their leading figures will teach for free. Other services that businesses invited in school could provide are: computer services, design - architecture, medical, radio stations or advertising agencies. These policies may relate to the development of secondary and higher education programs that use "tutors" chosen among adults. Such tutors would not only teach information, but they would show how textbook abstractions can be applied in real life. Accountants, doctors, engineers, businessmen, carpenters, builders and insurers can all become part of a new kind of apprenticeship. Perishable knowledge and increasing life expectancy require lifelong learning through a "permanent

connection and disconnection." Going to school only part-time and providing some paid or unpaid services for the community, services which require lower skill levels, will prove to be more satisfactory and educational for many young people. Such innovations involve enormous changes in the teaching approaches as well. Although still useful in some areas, the expository methods have to give ground to a whole range of teaching techniques, from role play, case studies, and computer interactive methods to simulations.

Future teachers will not have to impose some rigid values to their students, but to organize and to train young people in formal and informal activities in order to help students to define, to explain and to check their own values, whatever they are. The curriculum will have to contain not only a wide range of training activities oriented towards data processing, but also towards behavioral skills to accompany them. "The ability to live" and to simultaneously send data and behavior will be the contemporary educator's reference point to the reality he lives in.

2. ECONOMIC AND ENTREPRENEURSHIP EDUCATION, PURPOSE AND MEANS

The term education is related to the term learning but it has different degrees of freedom and its own identity. Unlike "learning", which is a reflexive verb that expresses an action that the subject initiates and undergoes, "to educate" is essentially an active verb, an action that reflects on another person. We can learn ourselves but we can not educate ourselves. Learning takes place inside the subject whereas education comes from the outside in a way. In addition to education seen as a science and as logical and technological intelligence, man also needs the intelligence and education to help him to appreciate, to evaluate, to discern between what is right and what is wrong, between what is allowed and what is not, between value and non-value. This is what we call today practical intelligence, or the human ability to lead one, to be an independent being. This axiological intelligence comes from life experience. Hence,

the difference between the learning process and the education of people and cultures, and between their value systems lack of clarity of values, their confusion or not enough support generate educational crisis phenomena. Their study is important if we are concerned with a comparative analysis of values, of types of justification, of trends and, of course, with a reassessment of the national education value scale. People's knowledge, skills or isolated abilities can not meet life challenges or the demands of a particular profession, requiring the acquisition of competences. It is this dynamics of socio-occupational changes that lead to the dynamics of changing skills, to their never-ending reconsideration (EU: New Skills for New Jobs, 2009). On the other hand, changes also occur in the area of learning, the student is confronted with a variety of problems, of learning situations that also involve the construction and capitalization of skills. This shift in educational values claims once more that the curriculum should be focused on competences. The importance of "competences" is also obvious in the European documents which are developed in order to sustain interest and to justify the importance of skills. As such, the competences become the referential system for educational programs and a fundamental principle of educational policies. A competence is the proven ability to appropriately select, combine and use knowledge, skills and other acquisitions such as values and attitudes for successful resolution of certain categories of work or learning situations and for professional development or personal growth in an effective and efficient way. The competence is a key concept as it is operational at all levels of education, all curriculum areas, in all subjects and in every module. In the European Union, key competences are defined as the "transferable and multifunctional package of information, skills and attitudes that everyone needs for personal development and fulfillment, inclusion and employment. They should be developed until the end/ completion of education or compulsory training and it should be the foundation for future learning processes, as part of lifelong learning. "Key competences are explicit and assumed aims of compulsory education, according to the National Education

Act. In the current global context, policymakers in Europe and the United States believe that entrepreneurship is more than necessary to achieve higher levels of economic growth and innovation. Entrepreneurship is considered a central force of economic development because it creates growth and serves as a vehicle for innovation and change. With his theory of economic development, Joseph Schumpeter contributed significantly to the theory of entrepreneurship; according to him, entrepreneurship is the main engine of economic development and its central element is innovation, not always brilliant (inventions) but at least bright (new combinations) in the short term (Audretsch, 2007). Empirical research has shown positive relationships between entrepreneurial activity and economic outcomes (Van Praag, 2007). Policy makers also believe that increased levels of entrepreneurship can be achieved through education (EC, 2006) and especially through entrepreneurship education. Therefore, such education is promoted and implemented in the curriculum in many European Union countries and in the United States (Kuratko, 2006). The assumptions underlying these programs are that entrepreneurial skills can be taught and are not fixed personal characteristics. Indeed, it has been shown that the effect of general education, measured in the schooling years on contractor performance is positive (Van der Sluis) and that the business training effort is effective, as it was measured in the number of people who applied for microfinancing to start their own business (Karlán, 2006).

Economic education prepares young people to successfully cope with a multitude of roles - consumers, producers, savers, investors, employees and even voters (Duvall, 2008) in modern society. Education is responsible for the transfer of updated knowledge and operating systems to the young people, of possibilities of action validated by society with the flexible, systematic and persuasive tools of education on different levels. Financial education helps to increase awareness of the risks of financial transactions in a highly dynamic market and of the personal, group or social decision. As for entrepreneurship education, the European Union considers entrepreneurship as one of the key

factors for increasing the prosperity of its member countries. The need for business practices is evident in the objective that the European Council held in Lisbon announced: to develop the Union into a competitive and dynamic knowledge-based economy, capable of maintaining economic growth, generating new and better jobs and generating social coherence. The EU employment guidelines identify entrepreneurship as a priority in education. Encouraging entrepreneurship involves promoting the right to think, entrepreneurial skills and awareness of career opportunities as an entrepreneur. The EU recommends teaching business subjects, their inclusion and recognition in the national curriculum and in the syllabus of all levels of the education system. The development, the number and content of courses, the recent emergence of educational research – all this reflects an apparent consensus in the need to equip the entrepreneurship education with adequate pedagogical acquisitions. However, the short history of entrepreneurship education indicates that it is not yet possible to share collective experiences, knowledge and meanings about ways to do this. To move forward, it is necessary to combine entrepreneurship research with methods of integration of knowledge into the curriculum and to focus more on the dynamics of the implementation process. Entrepreneurial education motivates and encourages business based on knowledge capitalization; large contractors have not come from nowhere, they are a product of society and of the national culture oriented towards entrepreneurship. Henrekson and Johansson (2005) show that successful entrepreneurs are responsible for economic growth, which is supported by competition, job creation and innovation. Private benefits imply positive social consequences. Consequently, many developed countries and regions, including the U.S. and the EU, have implemented policies to encourage successful entrepreneurship. These policies are consistent with the hypothesis that entrepreneurship involves skills that can be developed through education. In this context, formal education is associated with a greater likelihood to opt for entrepreneurship, the reason being that people with higher education are more likely to see entrepreneurial opportunities.

Investing in their education can multiply their future turnover by using superior information processing and having higher degrees of freedom when using labor in their company. Investing in entrepreneurship education, regardless of the agent that funds it, is a long term investment, in terms of the period (s) of time during which it is carried out, and a short / medium term action for the recipient of this type of investment and for the community to which he belongs, and the outcomes are usually expressed in terms of competence, performance and income.

3. PROJECTIONS OF ECONOMIC AND ENTREPRENEURIAL EDUCATION IN ROMANIA

Reality shows that the economic development of a region depends not only on building its economic infrastructure – the "hard power", but also on its particular cultural characteristics and its force- "the soft power". A culture that cultivates and rewards its entrepreneurs can attract new businesses and further activate the latent entrepreneurial characteristics of its residents. Designing an entrepreneurial economy justifies the greater emphasis on economic education and entrepreneurship. It should identify the main factors that can contribute to increasing the role of education in economic development. Thus, through more economic content in the curriculum, it facilitates structurally-qualitative adjustments of the human resources to the labor market requirements, allowing the adaptation of the labor force to the demand of the market, involving training as main form of reaction to change. A living entrepreneurial environment must "feed" on a society which favors entrepreneurs and their activities by means of financial support, governmental policies, education and training, research and innovation transfer, physical , commercial and professional infrastructure, market openness, cultural and social norms, protection of intellectual property rights.

Entrepreneurial Learning is the term used for the association between learning and the development of entrepreneurial skills. The creation of new business is associated with at least two distinct types of entrepreneurial

expertise: the ability to identify the opportunity and the ability to determine the right moment for its exploitation. The first type of knowledge is the ability to recognize opportunities effectively, which involves discovering and assessing the possibilities of the new business opportunity (Bull et al.1995, Shane, Venkataraman, 2000). The second type of knowledge is the ability to effectively deal with specific difficulties in the operational phase, which involves setting up and developing a profitable business around the value created by the new business opportunity (Shepherd, Douglas and Shanley, 2000). Both types of knowledge are expected to come primarily from individuals engaging in various kinds of practical work experience that have exposed them to concrete decision making and problem solving throughout their career or in their training. As examples, we can take the successful role models, the experienced entrepreneurs. In a formal context, vocational schools and universities should be linked with factories and businesses to form at least a functional system of entrepreneurial education. The entrepreneurs who have graduated various stages of economic and entrepreneurship education , the project / projects they engage in during the school years , all this should be done "on the scene", supported by business advisors and experts. Start-ups and business accelerators will provide interested persons with the knowledge to improve their ability to recognize new opportunities for risk- taking. Also, previous experience in the management of small enterprises (SME), associations and foundations represents a starting point for experienced, professional management of future business.

In Romania, most of the new entrepreneurs still do not have the knowledge and skills to create a coherent strategic perspective or to a dynamic adaptation to the external environment. Instead, they are enthusiastic, they are totally dedicated to their business and have a strong intuition and sense of direction in the management of their business. Also, their intentions concerning the business development are communicated to their employees, the result being a sense of belonging, of involvement and engagement in the problems of their organization. The most important aspect is the effort to come up with new meanings

through the promotion of values such as respect and consideration for customers, employees and communities, concern for the quality of products and services, creativity, contribution and commitment, courage, openness and personal development in the same time with the business development. Therefore, entrepreneurship education should begin in the family and continued in school. It is a priority not only from a pragmatic perspective (who, how much and in what way will produce added value tomorrow?) nor in terms of alignment with European economic and educational standards, but from the perspective of a standard of living compatible with notions of welfare, sustainability and sustainable development in an economic, social and political environment, characterized by high entropy. At the undergraduate level, since 2004, Entrepreneurship Education has been included in the core curriculum for the tenth grade, and the approved syllabus tackles the definitions of notions such as entrepreneur, entrepreneurship, business plan. Although it is linked directly to one of the European key competences, this school subject and the skills that it promotes are considered individually and evaluated in extracurricular school activities on a local level rather than on a national or international level. Still it is a beginning. This first economic knowledge is later completed during the 11th grade (which is not compulsory education) with the subject "Economics" and "Applied Economics" in the 12th grade of TVET. The option for extensive studies in these areas is a personal one. It manifests less voluntarily, out of an awareness of the need for economic and entrepreneurial training and more fortuitously, under the pressure of external factors such as: field of activity, superior access, career options, etc... The effort to create an interest in economic education and entrepreneurship is the responsibility of the policy makers in education. The skills that these areas claim are higher, more complex and dynamic. If their design actually depends on the academic level, their training should start early in life – at the primary level, including parental education. The validation of these skills at the university level is most often obvious in the local community. The school partnership with various institutions

(municipalities, prefectures, universities of economics, chambers of commerce, commerce schools, banks, insurance companies, businesses and of course other schools) through extracurricular projects is such a form of validation. The beneficial results of these partnerships are incipient but they become more numerous and more secure every day. The community steps in the school and the school becomes an active component of the community.

4. CONCLUSIONS

Supporting economic and entrepreneurial education is a need for survival of the Romanian society. The efforts should not come from one agent or another, from the private or public sector, from a particular political orientation or a level of education, the efforts should be collective and goal-oriented. The benefits of this type of education are on the long term and generate positive externalities in any field. The earlier they are initiated in terms of the school age, the more visible the effects will be on the individual and his environment. The degree of absorption on the labor market and the number of newly established companies are two of the indicators reflecting the true level of economic education and entrepreneurship. Economic and entrepreneurial maturity is proof of the existence of a constructive cultural baggage and a guarantee of democratic access to development.

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