The management of the improvement of entrepreneurship education

The rapid development of information technology leads to important changes in society life. A new society structure is formed, the values are changing, including changes in the labor market situation and in the attitude towards man, his development, value orientation. Changes refer also entrepreneurs role and functions, as well as to the knowledge, skills and attitudes which are necessary for the formation of an enterprise. Stricter requirements are brought forth in regard of the entrepreneurship education.

In order to address the issues of entrepreneurship education and its management, the European Commission has developed a number of important documents emphasizing the role of the education system in promoting entrepreneurship education.

Its relevance is determinates by several considerations. First, the promotion of entrepreneurship, because the main factor for continued growth of national economy and living standards is successful entrepreneurship.

By increasing production, new jobs are being offered, thus providing growth of employment and income. Second, to motivate young people to realize that self-employment and entrepreneurship could form a good career in the future. Nowadays, the increasing development of information technologies and their spreading worldwide makes a significant impact on the production structure, which is based on small business, distance work, thus giving more freedom and independence in performing the job functions. A specific business model has been formed, led a person who can combine both the employee’s and the employers functions and features, thus becoming a self-employed entrepreneur. The same person becomes a business owner, a manager, a directly employed worker, and that refers to different areas-production technologies, accounting. Third, to provide opportunities for all young people to develop entrepreneurial competence – such as acquiring knowledge and skills, and developing the aggregate of knowledge, capabilities and personal qualities, that give the opportunity to turn ideas into activity. Entrepreneurial competence includes a creative, innovative approach, risk-taking, as well as the ability to plan and manage projects.

Entrepreneurial competence is developed in the process of entrepreneurship education. As regards the level of general education, on the one hand, entrepreneurship education is viewed more generally, so as to focus it on the development of a certain set of definite personal qualities and skills that are important in every field of life, without directly linking in with establishment of new enterprise. On the other hand, in the narrower sense, entrepreneurship education in each particular stage of the education system should ensure the development of specific business skills and knowledge on how to start and successfully develop the business, such as creation and management of mini-business, involvement of young people in a definite practical occupation, by following the principle- learn by doing. However, this does not mean that during the entrepreneurship education process a specific profession is being acquired.

Only one aspect of entrepreneurship education concerns the acquisition of specific expertise and skills in the narrow sense of the entrepreneurship. Today creativity, problem solving initiative and entrepreneurial skills are useful for everyone in the everyday life and in the workplace as well. So the other aspect of entrepreneurship of education in its broader sense applies to the specific characteristics, abilities and skills of an individual.
These can be developed by integration in all study subjects. The European Commission documents point out the idea that the aim of the entrepreneurship education is to foster creativity, innovation and self-employment.

This places new and much higher demands for the development and education of human capital, passing over from the economic approach to a much broader socio-economic approach, by focusing on the development of a competent individual as the most important precondition of competitiveness, those implementing the development of skills-based education. Consequently, their implementation of entrepreneurship education raises a new perspective on the formation of educational content, envisaging to include therein the components of developing entrepreneurial competence and career education. This view requires an integrated approach not only to the solution of organization issues of study process, with a focus on creating possibilities for personal development and self-realization, but also considers a targeted entrepreneurship education management.

As regards entrepreneurship education management, in the framework of European Commission project Education for entrepreneurship, in 2004 experts developed a program stimulating the entrepreneurship education which the European institutions and national governments could use in their work. National governments were recommended:

- To develop entrepreneurship education action program for a long term perspective, implementing the coordinated cooperation of at least three ministries, local authorities, entrepreneurs and schools
- To effect the training of teachers and individuals from the business worlds who are involved in entrepreneurship education
- To include in the national education programs the issues of developing entrepreneurial competence, integrating them as an important study component of all training programs in different subjects.
- To reach the objective of the research, and accomplish the set tasks, the author used the research papers and publications of international scientists, the policies elaborated by the European Commission.
- In accordance with changes in the information technology development and in the labor market, there is a correlation between the entrepreneur’s role in production, development of his abilities and the entrepreneurship education.

Therefore, the entrepreneurship education management is objectively necessary to implement the competence. The theoretical framework of entrepreneurship education management formed in the present study makes the theoretical ground for the analysis or each element of management framework and for the evaluation of their impact on students entrepreneurial competence development.

The comparative analysis of entrepreneurship education management and the present study on implementation of entrepreneurship education in the natural sciences and mathematics proves that is possible to develop students entrepreneurial competence, integrating its elements in comprehensive subjects. In European Union entrepreneurship education elements are integrated only in some subjects, there is lack of targeted entrepreneurship education management.

The improvement of entrepreneurship education management in Latvia is possible by developing and implementing a package of complex measures that envisage planning and coordination of entrepreneurship education on national, regional, local and school level.

1 Theoretical aspects of entrepreneurship education in the context of developing entrepreneurial competence.

In the 21st century, there have been significant changes in the labor market and in the production structure. The economic base is formed of micro-enterprises, more and more types of remote work are available. This places much higher demands for education-to ensure not only knowledgeable and highly qualified specialists, but according to the 21st century labor market challenges for young specialists-also to develop entrepreneurial competences enabling them to start their own business on the future, to become self-employed or to do work remotely.

Entrepreneurial competence is a characteristic feature of an entrepreneur. Is is being developed in entrepreneurship education process. Consequently, the understanding of the essence of entrepreneurship education should start with clarifying the concept of an entrepreneur, showing its relation to the concepts of entrepreneurial ability and entrepreneurial competence.

The concepts of entrepreneur and entrepreneurial ability in their development have been studied in many authors: Bloackhaus, Clark, Collins, Cuervo, Gartner.

The concept entrepreneur is defined in scientific literature as follows:

- An entrepreneur is an independent person who owns the resources managed by himself
- An entrepreneur is a person who combines the factors of production (land, labor, capital) to acquire the product. He sells this product in the market, paying from the revenue for land rent and wages, while he keeps the remainder as remuneration for the capital
• An entrepreneur’s company or business manager, an employer, a manager of a large enterprise. To gain high profit in a large company, he must work hard. The managers job is difficult, since it includes mental tension organizing the production and developing new methods. It is associated with much anxiety and high risk.

• An entrepreneurship is a businessman, capitalist, broker, employer, an adventurer who is willing to take the risk. There functions can be shared between several people. In the formation of large companies an increasing degree the capitalist and the manager is not one and the same person. Accordingly, often fake businessmen and the so-called employers is the name given to the paid company mangers who carry out a part of the employers functions and receive a part of employer’s profits as wages.

• An entrepreneur is a person who realizes new combinations of resources, resulting in new products, in new quality of goods, in new production methods, or new resources may be discovered, or industrial reorganization may take place. An entrepreneur can be both an independent businessman and salaried employee of the company, for example, a director, until such time when he has created his own company and its management becomes routine.

• An entrepreneur with developed entrepreneurial ability must perform the following functions: to take the initiative in order to join the production resources. The entrepreneur is the driving force of production, and at the same time he is the mediator who conjoins other resources for implementing the process, which is probably going to be profitable, he makes unconventional decisions in production and in business management that is defining the directions of company activity. He introduces innovations by making new products on a commercial basis, he develops new production technologies or introduces new forms of business organization; he takes risks in order to perform the abovementioned three functions. An entrepreneur runs the risk of not only of his own time, work and reputation, but also with their invested assets—both his own, and also those of his companions or shareholders. Profit is not guaranteed under capitalism. It must be earned – because in compensation for the time spent, the invested efforts may result in profit or loss, even in bankruptcy.

2 The entrepreneur’s new role and entrepreneurial competence.

The rapid development of information technologies brought about significant changes in society life. Substantial changes take place in the production structure, in the labor market situation and in attitude towards the individual, towards his development and value orientation. A new society is being formed, and the values undergo change.

All the above mentioned factors alter also the entrepreneur’s characteristics and his role in the production. The ability to build a new enterprise becomes the most significant feature of the entrepreneur. In addition, the research of the development of concepts of entrepreneur and entrepreneur and entrepreneurial ability is expanding.

Representatives from various sciences are engaged therein studying the entrepreneur’s role and functions. While explaining the concept of the entrepreneur at the end of 20th century and in the beginning of the 21st century, scientists emphasize the entrepreneurs ability to develop a new enterprise.

New features appear in the characteristics of an entrepreneur:

1) The entrepreneur is a new business builder
2) The entrepreneur takes challenges and appropriately acts under the ever-changing market conditions.
3) The entrepreneur is able to obtain information
4) The entrepreneur is able to form cooperation and networking
5) The entrepreneur is able to see the opportunity and to commercialize it in innovative way.

3 Main conclusions and recommendations

1. In depth research and analysis of the essence of business education in the context of entrepreneurial competence development has been made, in unity with the entrepreneur’s changing functions and role in the historical perspective until the present day.

2. In the framework of this research for the first time the entrepreneurship education management in EU and abroad was practically analyzed and evaluated.

3. The research results indicate that integration of entrepreneurship education elements during studies of general disciplines contribute to the development of students entrepreneurial competence.

On the basis of theoretical research made during this work, the author concludes:

1) The main theoretical aspects in the context of entrepreneurship education are associated with the entrepreneurs changing
functions are role in the production. Nowadays, in order to build a successful business, you need to develop entrepreneurial competence, because one and the same person simultaneously becomes a business owner, a manager, and directly employed worker.

2) The entrepreneurial competence is the totality of knowledge, skills and personal qualities, capacities and attitudes that give the opportunity to realize one’s creative ideas in order to achieve the proposed goals through social or entrepreneurial activity.

3) The entrepreneurial competence is developed in the process of entrepreneurship education. The modern time challenges to an entrepreneur and the paradigm shift in education essentially change also the curriculum of entrepreneurship education.

4) Entrepreneurship education is a complex set of measures that affect all levels of education, all subjects, all parties involved in education—education policymakers, education administration, school administration, teachers, students.

5) The research of implementation and management of entrepreneurship education at the national level reveals that EU government planning documents do not contain clear guidelines or strategies for complex development of entrepreneurship education.

4 Recommendations for the solution of the problem:

- To evaluate the primary and secondary education standards and to supplement them with the missing elements of entrepreneurship education, taking into account the principles of continuity and gradualness in the framework of school subjects, as well as in the framework of educational program.

- To evaluate the methodical materials and teaching aids in the context of entrepreneurship education, and elaborate the necessary methodical materials and teaching aids for integration entrepreneurship education elements in the curriculum, on the basis of positive examples in natural sciences and mathematics.

- The ministries involved in the implementation of entrepreneurship education must establish a methodical center of entrepreneurship education that will coordinate entrepreneurship education in the country.

- Provide support to entrepreneurs who in collaboration with schools encourage the development of students entrepreneurial competence, thus encouraging entrepreneurs to participate in the process of entrepreneurship education.