Connection of Youth Entrepreneurial Activity and Value Principles

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Abstract. The greatest attention in economical policy of the European Union is paid to the youth work motivation and encouragement of their entrepreneurial activity. The research is supposed by the striving named in the priorities of the EU Youth strategy to create more possibilities and warranty equal possibilities for all young people in education area and labour market and encourage active public spirit, social coverage and solidarity of all youth during the period till the year 2018. The EU and its separate members as well as Lithuania created different economical and political instruments for implementation of this striving. A success of their use, however, depends on wishes, goals, activity and motivation of every young person. Topicality of studies of youth value principles, entrepreneurship activity is called by youth unemployment, lack of activity, international migration.

The research aim is after having identified value principles of youth to define their significance for entrepreneurial activity. During the research there was identified the connection between attitude towards entrepreneurial characteristics and value principles and named peculiarities of determining factors on youth entrepreneurial activity. Structural analysis of respondents’ attitude towards priorities of value principles revealed that personal satisfaction in entrepreneurial activity for young people is more important than public acknowledgement.

Key words: personal characteristics, youth, entrepreneurship, entrepreneurial activity, value principles.

Raktažodžiai: asmeninės savybės, jaunimas, verslumas, verslinis aktyvumas, vertybinės nuostatos.

Introduction

The striving of the EU youth strategy of the Council of Europe for the period of 2010-2018 to create more and better opportunities for the youth, enforces a search for scientifically grounded ways and means allocated to the encouragement of entrepreneurial and economical youth activity. The strategy highlights that one of the
essential roles in tackling many social and economical, demographical, cultural, environmental and technological problems, the European Union and its citizens are facing and will be facing in the nearest future, falls on young people in Europe. This could be reached by encouraging youth independence and developing youth potential to contribute to sustainable development of society and cherishing European values. Cherishing of common civil values is concurrent from personal value principles of every member of society. Therefore, in warranty of succession of tackling of the problems mentioned above, special role falls on youth. Research object is value principles in the context of entrepreneurial activity. Research aim is to define the significance of youth value principles for their entrepreneurial activity. In order to achieve the identified research aim there are solved the following objectives:

1) To disclose youth attitude towards entrepreneurial orientation and value principles;
2) To define the significance of value principles for entrepreneurial youth activity.

Research methodology. For the collection of data required for the research there was used a questioning. The research sample was built from the youth at the age of 18-29, who are looking for jobs in different Lithuanian regions. In the survey there participated 164 respondents. The research period was from May, 2011 to June 2012. The significance of value principles and their links with entrepreneurial activity have been indicated applying Likert scale and Chi-Quadrat-Test according to the formula under Mantel and Haenszel (Linear-by-Linear). The assessment of the respondents’ value principles and priorities in terms of their attitude towards entrepreneurial characteristics was performed applying a structural analysis.

Research outcomes

Youth occupation and decreasing of unemployment are not only one of the priorities of Lithuanian presidency of the EU, but also especially topical social area for entire Europe. According to the data of Eurostat, average level of young people unemployment in the European Union at the moment reaches more than 23 % and in some countries it is twice bigger that that of adults. Despite there are youth occupation increase strategies and plans of their implementation, funds and programs of their use created, the problems of youth working and entrepreneurial activity, however, remain. A concern of the European Council, leaders and governments of different countries in negative outcomes of youth occupation and unemployment to social and economical life forces scientists and politicians to search for decisions of this long-term problem. Lithuania is not an exception where sufficient political and legal assumptions for stimulation of economical, social, entrepreneurial youth activity were created during the last decade. The most important principles and areas of youth policy in Lithuania, which include national and international level, legitimated by the Lithuanian Republic (LR) Law on Youth Policy that was billed in 2003, became a solid ground for future political decisions of youth economical and social activity. In the National youth policy development programme for the years 2011-2019 (Programme) validated by LR
Government in 2010 named creation of favourable environment (conditions) for youth valuable life and self-expression in Lithuania as strategic goal. For implementation of this goal there are foreseen particular tasks and activities to reach them. Practice shows that in almost two years of Programme’s implementation the level of youth activity and occupation remains almost the same; however youth emigration decreased significantly (Table 1):

Table 1. Indices of youth activity and occupation

<table>
<thead>
<tr>
<th>Year</th>
<th>Activity level, %</th>
<th>Occupation level, %</th>
<th>Emigrants in the age group, %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Age groups, in years</td>
<td>Age groups, in years</td>
<td>Age groups, in years</td>
</tr>
<tr>
<td>2012</td>
<td>4,3</td>
<td>52,2</td>
<td>2,5</td>
</tr>
<tr>
<td>2011</td>
<td>4,2</td>
<td>51,3</td>
<td>2,1</td>
</tr>
<tr>
<td>2010</td>
<td>4,4</td>
<td>52,3</td>
<td>1,7</td>
</tr>
</tbody>
</table>

Source: Statistics Lithuania

Decrease of young people’s emigration process, increase of their activity and occupation levels allow making an assumption that Lithuania keeps right state youth policy. These statistical data make a ground for deeper studies of entrepreneurial aspects in the level of individual.

Aspects of entrepreneurial activity in scientific and practical discussions are concurrent from concept of entrepreneurship. Group of scientists of Aleksandras Stulginskis University in their collective monograph „Entrepreneurial motivation of country citizens“ after generalization of practical and scientific multipartity of the concept of entrepreneurship named 10 areas of entrepreneurship expression. The biggest part of them have direct connections to entrepreneurial activity: entrepreneurship as functional activity, entrepreneurship as expression of economical cooperation in business environment, entrepreneurship as the means of creation of economical wealth, entrepreneurship as set of human characteristics and behaviour in economical and social environment, and other [19]. Combinations of individual’s personal characteristics and factors influencing their appearance show up in genesis of entrepreneurial phenomenon summarized by the authors of the monograph.

In documentation regulating the EU entrepreneurship policy, the entrepreneurship is named as person’s development that allows successful adaptation to the changes of market and economical life. In official documents of the European Commission, entrepreneurship is described as the certain whole of person’s knowledge and abilities: ‘Entrepreneurship is an ability to turn ideas into actions. It involves creativity, innovation, preparation to take risk, and ability to plan and manage/control activities, which enables the achievement of the certain aim.’ [11]. In the economical literacy and entrepreneurship educational strategy of Lithuania it is defined that entrepreneurship is ‘a person’s way of thinking and social, managerial and personal competencies, which
allow the adaptation of the possessed knowledge in daily life, i.e. the precise abilities which provide with some possibilities not only to organize personal; business, but take risk for the made decisions' [10]. In the educational and motivation programme of 2008-2012 allocated to the youth entrepreneurship in Lithuania it was defined that ‘Youth entrepreneurship – a young person’s approach, skills and knowledge, which enable the recognition of the possibility to create an extra value (both social and economical), and factors allocated to the use of the following possibility ‘ [21]. Having summarized the following descriptions of entrepreneurship it can be stated that entrepreneurship is an innovative activity, related to the spotting and application of new possibilities in order to create economical, cultural or social value. Thus just favorable possibilities do not make an entrepreneurial person. Also there is required every person’s wish, striving, some stimulus or motive to take some activity. According to Ž. Židonis, youth entrepreneurship in a brad sense can be treated as totality of person’s abilities for self-realization in economical, social and cultural areas. Entrepreneurship of young person has to be understood not only as the way of employment, but also as susceptibility to innovative ideas, openness to challenges. In any case, in the conception of entrepreneurship there is highlighted human’s ability to organize business, implement innovations, risk own capital in striving for benefit [3]. In other words, entrepreneurship is an expression of human characteristics and abilities in activity, i.e. active process the run of which is concurrent from activity and goals of its performers.

Entrepreneurial activity in scientific literature is being examined in few aspects: micro level – in aspects of individual (person) or their group (enterprise), macro level – in aspect of business subjects of the country. Most scientific discussions are taking place in the level of description of entrepreneurial activity and assessment of individual. Entrepreneurial activity in the level of individual could be equated to proactivity, i.e. search for effective decisions and their implementation. Proactivity and creativity are the most important components of entrepreneurship determining outcomes of entrepreneurial activity in many cases. According to O. Vavilov, in economical point of view entrepreneurial activity could be distinguished in accordance to activity areas – commercial, investment, manufacturing and innovative [26]. In all cases entrepreneurial activity of individual (person) is evidenced in connection (cooperation) with other individuals, representatives of different entrepreneurial activities. This cooperation grows into the level of enterprise (organization), where separate member of the organization performs particular functions. Thus, a border between activity of individual and enterprise disappears practically. In accordance to I. A. Mubarakov, in the final result, entrepreneurial activity of every individual decides on directions and rate of enterprise, country, society development [27]. Having analyzed and summarized factors determining youth entrepreneurship and logic of policy of support of the EU structural funds for stimulation of youth entrepreneurship, Ž. Židonis subsumed to the group of factors of market imperfections not only imperfections of financial market and supply of infrastructure, but also a lack of information that manifests through nescience of advantages of own business development [29]. These insights are related not only to the problems of
entrepreneurship related with the age of businessmen that were named in the European youth forum that took place in Braga in 2011 (they have no initial financial capital, they are mistrusted, they have no social capital, have neither business creation nor overall life experience), but also value principles of young people. There were highlighted in the forum that young people want stability that is partially ensured by constant though small wage of hired worked, fixed work time that allows planning the rhythm of working and personal - family life. At first sight this could be named as existence goals, however they are formed by some value principles where social and financial stability is highlighted. These accents reflect peculiarities of youth lifestyle, form models of their economical and social behaviour.

The factors determining entrepreneurial activity enumerated by scientists are topical for the formation of young people’s entrepreneurial abilities. Young people, who have some enthusiasm and ideas, but do not possess any negative life experience are sensitive to the tune of external and internal persuasive that motivates fast niche activities and markets and can integrate into social economical life fast and effectively.

Presumptions of entrepreneurial youth activity. Scientists from different countries and during different periods of the world economical development have quite widely investigated the role of personal characteristics on economical, business and social activity. However, during every separate period of economical globalization, there is especially significant every person’s ability to adapt to continually changing economical conditions. There are created different activation strategies and support programmes in regard to the youth; however, the statistics discloses that the problem of unemployment, insufficient employment and social disjuncture is present in a lot of European countries. One of the aims of the European Community 2007-2013, action programmes ‘Active Youth’ is to encourage initiative, entrepreneurship and creativity, remains not implemented at the end of the period: under data of Eurostat, at the beginning of the year 2012 – 20.5 percent of the youth up to the age of 25 years did not learn or work; 30 percent of this age people in Europe were long-term unemployed. In 2011, in Lithuania, the number of long-term unemployed among young people completed 35 percent. The same number of Lithuanian citizens experiences the risk of poverty and long-term disjuncture. This is the fourth greatest indicator in the EU (www.appsso.eurostat.ec.europa.eu). The following situation forces to look for the causes of entrepreneurial youth activity.

The formation of human entrepreneurial characteristics starts at its very birth. According to J. Bagdanavičius [7], from the very childhood parents might start formatting the certain child’s abilities which might provide with some benefit in future. Young people take many of value principles from family as well, which are being transformed at school, during study period, among friends, in work collectives. Thus there is formed individual world-view and system of value principles of every person. The scientists, who investigate the entrepreneurship causes, have defined that one of the most significant internal factors influencing entrepreneurship is a set of personal
characteristics: activity and hard-working, responsibility, self-confidence, tendency to novelties, cooperation and ability to manage [1]. The studies and practice show that not the people, who have material welfare as underlying goal, become businessmen, but those who have strong feeling of trust and responsibility, strive for acknowledgement and evaluation in some social level.

In the scientific literature, which analyzes competitiveness issues in different operational fields, there is highlighted an ability to find a niche, in which there is a necessity to obtain a preference against other market participants [15]. This means that there is necessary the certain competence or the set of abilities, experience and personal characteristics, which enables to notice not only new activity possibilities, but to act innovatively in the certain business field. In the following context the executed research outcomes by the authors, discloses the relationship of value principles and the entrepreneurial youth activity.

Empirical research outcomes. The research of the entrepreneurial youth activity was executed following the attitude that personal characteristics and value principles determine economical and social youth activity and exploitation of various motivation means of entrepreneurship. Sociologists and psychologists relate the most significant entrepreneurial values to entrepreneurial activity and its outcomes: useful competition in the market, level of income, business maintenance and maintenance of positive growth. In the following context there was researched the comprehension of entrepreneurship among 18-29 years old young people in Lithuania. There was selected a Likert scale for the identification of the comprehension level in entrepreneurship. Having summarized the research outcomes it was defined respondents of the research in the context of entrepreneurship give their priorities to person’s exceptional characteristics - creativity, ingenuity, innovation, use of imagination, as well as persistence, ability to convince. (Figure 1):

![Figure 1. Assessment of respondents’ comprehension of entrepreneurship (according to Likert scale)](image-url)
Analyzing the research outcomes according to the gender, it was indicated that young women much more identify personal characteristics with entrepreneurship than men. There extremely differ attitudes towards creativity, novelty and imagination, which are more valued as characteristics of entrepreneurship by women than by men who give priority to persistence, ingenuity, ability to convince others. Women highlight entrepreneurship as functional activity more. They see expression of entrepreneurship though creation of new business organizations, new goods or services, also they highlight creation and management of own business. That proves that the comprehension of entrepreneurship among the youth is based on the comprehension of personal-entrepreneurial characteristics, self-sufficiency, proactivity and active participation in market relationship. The following data clash with the analysis outcomes of the year 2005 in Lithuania, carried out for separate target groups (youth and women) concerning educational ways of entrepreneurship, during which it was indicated that the most significant factors motivating women to go into business: personal characteristics, character features; impact of family of the close people, education, impact of friends in studies and favorable business establishment conditions in Lithuania [6]. The research outcomes of the both investigations enable the claim that the comprehension of entrepreneurial personal characteristics is one of the presumptions of entrepreneurial activity.

In striving to describe importance of value attitudes for youth entrepreneurial activity there were named economical and social principles related to entrepreneurship and the most important to self-realization in entrepreneurial activity during the study (Table 2).

<table>
<thead>
<tr>
<th>Value principles</th>
<th>Significance coefficient</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>General</td>
</tr>
<tr>
<td>Economical:</td>
<td></td>
</tr>
<tr>
<td>Useful competition in the market</td>
<td>3,8</td>
</tr>
<tr>
<td>High income</td>
<td>4,1</td>
</tr>
<tr>
<td>Maintenance of positive growth</td>
<td>4,2</td>
</tr>
<tr>
<td>Social:</td>
<td></td>
</tr>
<tr>
<td>Activity, providing with personal satisfaction</td>
<td>4,3</td>
</tr>
<tr>
<td>Recognition of society</td>
<td>4,1</td>
</tr>
<tr>
<td>Tackling of community problems</td>
<td>3,6</td>
</tr>
</tbody>
</table>

The research results show that respondents, in selection of area, method and form of entrepreneurial activity, give preference to personal satisfaction. That shows that activity has to satisfy their value principles, goals of self-realization and self-expression. However, respondents associate personal satisfaction more with the results of economical activity, highlight business growth and yield. The fact that fruitful
competitiveness in the market is not between priorities of entrepreneurial activity shows some distrust of young people and their unreadiness to active participation in market relationship.

Analyzing the distribution of the young people, who participated in the research, according to the priorities of value principles and approach towards entrepreneurship, it was indicated that the greater part of respondents give a priority to the orientation towards income (Figure 2).

The analysis of the research outcomes disclosed that income and business development are more important for young people than useful competition in the market. 90.7 percent of respondents who identify entrepreneurship with the exploitation of personal characteristics (creativity, novelty and imagination), give priority to the orientation towards income, for them the recognition of their activities in the society is very significant too. 89.4 percent of respondents, who enumerate creativity and novelty being distinguishing characteristics, give their priority to the activities, providing with personal satisfaction and the maintenance of positive business growth. It is interesting that respondents, who named entrepreneurial people as people who are different from other people in their characteristics such as creativity, innovation an imagination, don’t think that such people would agree to maintain present volume of entrepreneurial activity. On contrary, almost 90 % of respondents of this group highlight that entrepreneurial activity has to give personal satisfaction. As data from Fig. 2 show, respondents of all groups of the study prefer positive business growth, however, they don’t associate business growth with resultative competitiveness in the market. That reveals the determination of the young people, who participated in the research, to look for new niches for their activities in the
market instead of competition. Absolute majority of entrepreneurial activity results highlighting high incomes and personal satisfaction of respondents state that successful entrepreneurial activity needs creativity, innovation and imagination.

The structural analysis of the respondents’ approach towards entrepreneurial characteristics according to the priorities of value principles reveals that personal satisfaction with entrepreneurial activities is more significant for young people than social recognition. The research outcomes disclose that young people concentrate more on fruitful business indicators than on competition in the market as process of entrepreneurial activity. This is a questionable value provision that does not stimulate young person to be active, risk and decide to go for a long entrepreneurial process. This result of the study forces to search for ways to develop entrepreneurial characteristics of young people, stimulate proactiveness and entrepreneurial creativity.

Conclusions

1. Structural analysis of respondents’ attitude towards entrepreneurial characteristics in accordance to priorities of value regulations shows that activity yield and personal satisfaction in entrepreneurial environment to young people are more important than public acknowledgment or useful competitiveness in the market.

2. Research outcomes of the youth personal-value characteristic links and approaches towards the usefulness of entrepreneurial activities revealed positive youth attitudes to go into own business. Having analyzed the research outcomes, it was indicated that for the entrepreneurial youth activity there are significant internal factors which involve personal-entrepreneurial characteristics and value principles oriented towards economical results of entrepreneurial activities and social persuasive. The most significant values are satisfaction with the performed activities and maintenance of positive business growth.

3. Insights of the personal-business youth characteristics and value principles links might be a stimulus in the search for new forms of youth activation in the creation of programmes of entrepreneurship stimulation.

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18. Long-term unemployment (12 months or more) as a percentage of the total unemployment, by sex and age // http://appsso.eurostat.ec.europa.eu/.


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Jaunimo versumo skatinimo ir vertybinių nuostatų sąsajos

Anotacija

Europos Sąjungos ekonominėje politikoje daugiausia dėmesio skiriama jaunimo darbo motyvacijai ir jo verslumui skatinti. Tyrimu nustatyta, kad siekiama (tai įvardyta ES Jaunimo strategijos prioritetuose) iki 2018 m. sukurti daugiau galimybių ir užtikrinti lygias galimybes visiems jaunuoliams švietimo srityje ir darbo rinkoje, taip pat skatinti visų jaunuolių aktyvų pilietiškumą, socialinę aprėptį ir solidarumą. Šiam siekiui įgyvendinti ES ir atskiros jos narės, taip pat Lietuva yra sukūrusios įvairių ekonominių ir politinių priemonių. Tačiau jų panaudojimo sėkmė priklauso nuo kiekvieno jauno žmogaus norų, siekių, aktyvumo, motyvacijos. Tai, kad jaunimo vertybinių nuostatų, verslumo skatinimo tyrimai aktualūs, lemia jaunimo nedarbas, aktyvumo stoka, tarptautinė migracija.


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