

## Effective Teaching of Principles of Entrepreneurship at the University of National and World Economy, Bulgaria

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### Abstract

*Entrepreneurship education is of a crucial importance for all economies which aspire to achieve higher growth, high levels of employment, social inclusion of disadvantaged persons and groups, innovation activeness, increased competitiveness. Subject of the present paper is the gained experience, the developed methodology and the specific characteristics of the teaching process of the course "Principles of Entrepreneurship" at the University of National and World Economy, Sofia, Bulgaria. The course was introduced in 1991 and nowadays it is an optional discipline for all second-year students. The teaching process is dynamic, aiming not only at introducing the main theoretical achievements, but also at provoking the interest of students. Guest-lectors and already practicing successful entrepreneurs are involved in the teaching process. Discussions on the presented themes are held, practical cases are presented and analysed, role games are organised, etc. Students are encouraged to provide their own examples, assessments and proposals for solving various business tasks borrowed from the practice of Bulgarian and foreign entrepreneurs.*

*Keywords: entrepreneurship education, principles of entrepreneurship, teaching process*

### 1. Introduction

Entrepreneurship is one of the engines of social and economic development and it solves important tasks for the society. It is a powerful driver of economic growth and job creation: it creates new companies and jobs, opens up new markets, and nurtures new skills and capabilities [1].

Entrepreneurship education is associated not only with obtaining broad theoretical and applied knowledge; its main objective is to increase the motivation for entrepreneurial careers among students. It is not surprising that various surveys show that young people who have passed entrepreneurial training show stronger initiative, have the abilities to identify and exploit opportunities, have better skills to work with people, better deal with management of growth and business risk, etc., and such qualities are important prerequisites for entrepreneurial success.

Immediately after the change of the economic model in Bulgaria and the transition from a centrally-planned to a market economy, the need for entrepreneurs doing business in the new economic situation has increased. Along with this, the necessity of establishment of a new entrepreneurially-oriented culture among young people, primarily among students, came to the foreground. That is why in recent years the Bulgarian universities have been introducing training modules and courses of entrepreneurship aimed at preparing the future founders of businesses or entrepreneurially acting experts, employees and managers of institutions or business organisations.

### 2. Development of entrepreneurship education at the University of National and World Economy and connection between science, teaching and practice

The University of National and World Economy (UNWE) is a pioneer in the entrepreneurial education among the Bulgarian universities. After the changes in 1989 a process of introducing entrepreneurial education in UNWE started on the initiative of Professor Kiril Todorov (a chief assistant back then). The beginning was marked by many difficulties and even resistance, mostly related to the fact of embedding an innovation in a state-owned university. Two courses were introduced at first – the compulsory „Principles of Entrepreneurship” (focused on establishment of a new business), and the optional „Management of the small enterprise”(management and growth of the started business). In 1996 a Centre for Entrepreneurship Development at UNWE was established (transformed into an Institute later) as a main university self-financing research unit for long-term research in the field of entrepreneurship. In parallel to this, the teaching process was intensified and its quality was increased.

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Over the years the experience gained in entrepreneurship research and teaching has logically led to the founding of an independent Chair of Entrepreneurship in 2006. The Chair manages the eponymous bachelor specialty established in 2007, the master's programme on "Family Entrepreneurship" started in 2013, as well as the unique for the country program for doctor's degree in entrepreneurship [2]. The Chair has developed contacts with related departments in universities from different countries and its activities are well recognizable internationally through publications, participation in conferences and seminars, national and international projects.

The Chair of Entrepreneurship works in close cooperation with the Institute for Entrepreneurship Development (IED) and with the Bulgarian Association for Management Development and Entrepreneurship (BAMDE). The IED provides the important scientific basis for training and, together with BAMDE and the chair, forms a kind of "educational cluster" in the field of entrepreneurship, combining in a unique way theory and practice, teaching and science, ideas and energy of students and expertise of the teaching staff.

BAMDE brings together the most renowned Bulgarian economic universities, research and training institutions and acts as a national platform for professional management and entrepreneurship development in Bulgaria in relation to international standards and best practices [3]. The association leads courses and provides consultations for starting and already acting entrepreneurs and managers of SMEs and large companies, and conducts in-company trainings. BAMDE has elaborated and implements an original programme for business successors in family companies. Successful graduates of the programme receive certificates from BAMDE and from Studio Centro Veneto - Italy, winner of brand № 1 in the business transfer and succession, awarded by the European Commission.

The chair, the institute and the association are co-organisers of an international conference on entrepreneurship. Leading researches, entrepreneurs, managers, consultants and policy makers from many countries take part in it. Outstanding students and PhD students also take part in the conference where they not only present their investigations but also gain useful experience from the participants. The conference's scientific results are used for incorporation into the educational process of students studying entrepreneurship at UNWE.

The collaboration between the Chair of Entrepreneurship, the IED and BAMDE is a model for bridging education, science and business. The model has been presented to prestigious entrepreneurial forums and has received international recognition by the European Foundation for Management Development as an example of a good practice in teaching entrepreneurship in Europe, along with other leading universities in Western Europe.

### **3. General characteristics and teaching methods of the course "Principles of Entrepreneurship"**

„Principles of Entrepreneurship" (PE) is one of the first courses in this field in Eastern Europe and is the entrepreneurial discipline taught in front of the largest number of students at UNWE. It is an optional course for the second-year students (incl. such with education in English language), with duration of 15 weeks and in the recent years between 400 and 600 students annually have enrolled. The teaching process is supported by relevant literature, including the lectures, the basic textbook "Business Entrepreneurship" [4], and a number of other publications in national and foreign publishing houses such as Edward Elgar and IGI Global.

The course content is divided into fourteen topics grouped into four sections: nature of entrepreneurial activity; starting up a new business; small and medium-sized enterprises (SMEs) as a result of the entrepreneurial process; management, growth and internationalisation of SMEs [5].

The teaching process of the discipline PE is accomplished by achieving synergetic effect from the given lectures and conducted seminar classes. The authors of the current paper lead seminar classes in this course.

The lectures on the discipline focus on specific themes and problems and the professors illustrate the topics with examples from the Bulgarian and the international practice, as well as with cases drawn from their professional experience. The lectures are held with students' active participation: they ask numerous questions which is the feedback to the teachers about the interest and needs of the future potential entrepreneurs or employees / managers with entrepreneurial behaviour.

The involvement in the teaching process of Bulgarian entrepreneurs, who develop successful businesses in various economic sectors, is a proven good practice. They present not only a particular topic of the course syllabus but mostly reveal their experience, motives, successes and lessons learned in their entrepreneurial careers.

Some of these lecturers are former students who have studied this discipline and have already started their own businesses or have successful carriers as managers of SMEs. With these lectures the



current students have the opportunity to get an inspiring example and some of them also opt for entrepreneurial career.

The seminar classes are conducted in groups of 20-25 students which allows for direct interaction teacher-student. During the seminars interactive discussions are held; individual and team tasks are given and afterwards presented and discussed. Role games represent an innovative learning approach where the students play the roles of presenters (for example of particular business ideas), opponents (analyzing the disadvantages and threats that the ideas' implementation will face) and moderator (student leading the discussion). This approach prepares the students to present their views, to give reasonable arguments, to negotiate, etc.

Solving case studies which illustrate topics addressed with the lectures is an important part of the seminars. Thus, through practical examples students learn the material and offer solutions to a variety of problem situations. The case studies examine current and important for the business practice issues through the experience of Bulgarian and international companies.

A common practice is to have students visualise different topics with their own cases. Most of the students have relatives and acquaintances entrepreneurs (and some of the students already have entrepreneurial experience) and presenting the examples of their businesses is useful for the audience. In this way, students not only make connection between theory and practice, but also acquire knowledge of the business environment.

During the semester the most pragmatic students prepare business plans based on their ideas with the consulting help of the teachers. The business plans are defended in front of a committee of teachers and audience of students, and then some of them are put into practice.

On the basis of the work during the seminars the students develop also some "soft" skills which are crucial to the success of entrepreneurs in national and international context. These include skills as team working, presentation and communication skills, etc.

The students who have passed the "Principles of Entrepreneurship" course get broad knowledge and develop useful skills that serve them not only till their graduation, but in their future careers - even if they do not choose the entrepreneurial career. Some of the former students have impressive careers in other countries.

#### 4. Conclusion

The entrepreneurship education in general stimulates and prepares young people for starting and developing businesses based on their ideas. In a broader sense it aims at increasing self-confidence, taking responsibility and developing entrepreneurial culture in the target group of students. It helps young people to acquire basic and specific knowledge that allows them to behave entrepreneurially in the increasingly complex business environment even without necessarily becoming entrepreneurs [4].

The presented development of entrepreneurship education at UNWE and the established connections with science and business practice give grounds for this model to be considered a good practice from which useful ideas can be borrowed. Of course, there are always some problems to be solved and possibilities for improvement, mostly towards a more pragmatic and linked to the business needs training.

On the basis of the revealed experience in teaching the course "Principles of Entrepreneurship" at UNWE, it can be concluded that this course gives the students the opportunity still in their second year of education to get actual information about real entrepreneurial initiatives in Bulgaria, about the "pitfalls" and chances for success in such endeavours. Along with this, they gain skills to build a profile of the entrepreneur and to highlight his/her role in the development of economy and society; to notice the problems solved by SMEs; to identify successful SMEs and analyze their life cycle; to evaluate the various factors (external and personal) influencing the entrepreneurial process; to assess their own capabilities and intentions to pursue entrepreneurial careers.

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