THE PREPARATION FOR SELF-EMPLOYMENT – EXPERIENCES OF POLISH VOCATIONAL SCHOOLS "STUDY REPORT"

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ABSTRACT

We are currently witnessing the return to self-employment. The development of individual entrepreneurship is, among others, the result of transition to services and changes in the character and organization of work. This paper underscores the fact that the Polish vocational education system spares no efforts on adaptation to the existing conditions so that vocational school graduates could have better prospects for employment. Hence, transformations in the field of vocational education were also to be made in accordance with the following principle – vocational mobility, understood as the ability to look for employment not only in other companies, but also try to be self-employed.

The problem of sole proprietorship has been analysed on basis of the results comprised in the following study: "The preparation of students to flexible forms of employment and work organization". The study was financed with educational funds covering the years 2009 – 2010 as an academic research promoter project.

Key Words: Vocational education, labour market, self-employment.

INTRODUCTION

Polish schools tend to adopt the critical-emancipational doctrine, which is based on the assumption that education should stimulate human abilities and prepare people to rebuild the reality by, among others, developing creativity, shaping social abilities and sharing work-related and general knowledge (Bogaj, 2006). Modern approach to vocational preparation includes quitting the concept of finding one job for the whole life and treating frequent job changes as a norm. The process of externalization, which is typical for open labour markets, triggers the stimulation of vocational development in the field of the so called "general employment competences" (Bańka, 2007, 39-41). Thus, such attributes as **the ability to self-employ** and motivation to be responsible for one's own professional progress are so crucial.

When we speak about self-employment we most often describe it as an individual economic activity or sole proprietorship of a natural person. In modern companies' practice self-employment also means establishing task-based staff teams, which work on their own financial account. It is a frequent way of making the EU labour market more flexible. However, when it comes to the evaluation of economic activities, we can distinguish the following: people in danger of losing their job who start a company in order to secure the *substitution of income*; company owners who deliberately quit their previous jobs in order to be able to act more freely, and owners of *companies* that aim for continuous development and cover their own economic entity (Lipski, 2003).



Unfortunately, in Polish conditions self-employment is still treated mainly as a way of defence against social and financial degradation. It does not go in pair with a well-considered and continuous strategy of employment that can allow the realization of life ambitions and guarantee a high level of professional satisfaction. The majority of self-employed people (including young people) consider such a solution a temporary situation and they see themselves rather as temporary contractors, employers or cooperatives. Thus, the following question arise: Why do young people decide for self-employment so rarely these days? What sort of actions should be taken in order to popularize self-employment? What do vocational schools do in this matter and what can they do? The following text attempts to answer these questions.

METHOD

The purpose of the study was to determine the situation of vocational school students' preparation to flexible forms of employment (including self-employment) and work organization, recognize the conditionings of that situation and determine the relevance of the abovementioned preparation in terms of employment possibilities. It was also about indicating specific actions that should be taken in order to prepare young people to active functioning in the modern and flexible labour market. 630 students and 122 teachers (from basic vocational schools, secondary vocational schools and post-secondary schools) plus 20 labour market institutions and 74 companies have been surveyed. The results of the study have been acquired through the poll method and the techniques of a survey questionnaire and an interview – prepared for the sole purpose of the study.

Among surveyed respondents, last year students, there were mainly students representing secondary level of education – namely, a secondary vocational school (52.5% of all respondents). Students of basic vocational schools constituted 28.1% of the surveyed group while students of post-secondary schools were as many as 11.3%. The least numerous group (8.1%) comprised students of supplementary secondary vocational schools. Among all professions that the surveyed basic vocational school students were trained in, the professions of industrial workers and craftsmen were the most frequent. The most typical specialisations among vocational school students comprised the preparation for the so called middle technical staff (e.g. IT specialists and electronic equipment operators). In case of post-secondary schools, economic and administrational specialisations were the most popular. Surveyed students were mostly city residents with only 24.3% of students coming from the countryside.

The present article focuses most of all on the position of vocational school students in terms of starting and running their own business. The paper demonstrates different opinions of surveyed participants regarding advantages and disadvantages of self-employment and the corresponding vocational preparation. The analysis of the problem has been accrued by the opinions of teachers from surveyed schools (teachers of general and work-related subjects and vocational practice instructors), entrepreneurs, representatives of labour market institutions and organizations supporting young people in preparation to employment.

FINDINGS

1. The Interest In Running An Own Business Among Vocational School Students

A number of respondents (18.6%) definitely refused the possibility of self-employment with the following opinions prevailing: "I will not be able to obtain adequate funds for my own business", "it's easier to work for someone else" ("the responsibility isn't that high when you work in a public workplace", "you don't have to search for suitable employees"), "I am not fitted for running a business". On the other hand, 42.0% of surveyed students did not exclude the possibility of taking advantage of self-employment in the future. They justified their present hesitation by admitting that running a company is a time-consuming, responsible and risky task – both from the financial point of view and because of high competition in the modern labour market. A group which was most interested in self-employment in the future comprised secondary vocational school students.



Whereas, a similarly high hesitation, when it comes to running a business, has been observed among basic vocational school students (41.8%) and post-secondary school students (45.1%).

Chart I: Surveyed students on their willingness to take advantage of self-employment in the future – detailed justification

Students' answers	Number	%
I would like to organize my work myself	83	13.2
An own company means higher income	47	7.5
I will have better opportunities to make my professional dreams come true	46	7.3
An own company means workplaces for others	11	1.7
Other	15	2.4
Total "yes"	202	32.1
don't have a conception for my future work yet		13.5
Running an own company is a responsible and risky task	39	6.2
At the beginning I would prefer to hold a regular post		2.2
Other	9	1.4
Total "hard to say"	147	23.3
I will not be able to obtain adequate funds for my own business	21	3.3
It's easier to work for someone else		4.4
I am not fitted for running an own business	8	1.3
Other	5	0.8
Total "no"	62	9.8

(Source: self-analysis)

Only 7.3% of all respondents (Diagram I) have had experience with self-employment. It was often an activity held via the Internet or the surveyed respondents offered simple service (e.g. cleaning). Among them, post-secondary school students slightly prevailed. When it comes to flexible forms of employment, the following ones were definitely most popular among vocational school students: commission contracts (used by 28.7% of respondents), contracts for a definite time (24.6%) and temporary work (acquired via temporary work agencies) applied by 17.5% of surveyed participants.

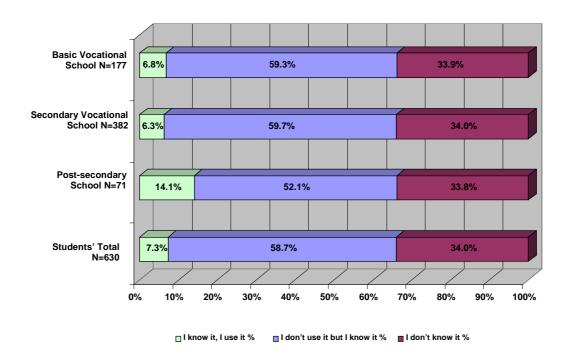


Diagram I: Self-employment as a flexible form of employment which is familiar to and applied among surveyed students

(Source: self-analysis)

Over a half of surveyed students agreed with the existence of the presented advantages related to starting an own business. What is interesting, the attributes of self-employment were also noticed by people, who had earlier declared that they did not want to run their own business. The results of the study also show that the following advantages of self-employment were indicated most frequently: *higher independence* (90.3%) and *better flexibility in terms of time, place and work organization* (according to 76.7% of the respondents). The abovementioned choices are fully consistent with the previous statements of young people listed in Chart I – "I would like to organize my work myself" or "I will have better opportunities to make my professional dreams come true". The only surprising result was *security of employment* (69.5%). This advantage was presumably identified with the fact that a person cannot be dismissed by one's boss, who in self-employment apparently does not exist.

Chart II: Advantages of self-employment according to surveyed students

No	No. Advantages of self-employment		N=630	
NO.			%	Rating
1.	Higher independence	569	90.3	ı
2.	More favourable possibilities of settling tax deductible expenses	297	47.1	VII
3.	Receiving work from several companies at once	356	56.5	V



4.	Better flexibility in terms of time, place and work organization	483	76.7	II
5.	Security of employment	438	69.5	Ш
6.	Higher work efficiency and higher income	403	64.0	IV
7.	Opportunity to work in different EU countries	341	54.1	VI
8.	Other	7	1.1	-
9.	No advantages	3	0.5	-

(Source: self-analysis)

Why, despite many observable advantages, do young Poles decide for self-employment so rarely? This question has been answered not only by students but also by teachers from vocational schools, workers of labour market institutions and representatives of employing entities. The task for the first two groups was to arrange given answers within a specific range (from 1 – the most important reason to 8 – the least important). Thus, respondents indicated *lack of funds* as the most significant justification of the situation why young people do not decide for self-employment (1st place in both students' and teachers' ratings). Students also indicated to the lack of abilities needed to run their own company and their unreadiness to take a risk. The abovementioned choices are fully consistent with the previous opinions of the youth regarding self-employment. Unfortunately, they also reveal "gaps" in the process of preparing vocational school students for the start of their own business. What is surprising, teachers confirmed it as well – young people lack suitable content-related preparation (3rd place in respondents' rating). The remaining results, divided into groups of surveyed respondents, have been presented in Chart III.

Chart III: The reasons why young people do not decide for self-employment according to surveyed students and teachers

No.	Reasons for the lack of decision	Students N=630(408*)		Teachers N=122(55*)		Total average	Choice rating
140.	Neasons for the lack of decision		Rs	_ X	Rt	of the choice	
1.	They do not have sufficient funds	2.80	I	3.44	1	3.12	ı
2.	They lack suitable content-related preparation	4.74	V	4.20	Ш	4.47	٧
3.	They lack abilities essential for running an own business	4.05	II	4.42	IV	4.24	Ш
4.	They are afraid of bureaucracy and complicated law regulations	4.25	IV	3.73	II	3.99	II
5.	They lack information about duties that	5.17	VI	5.25	VI	5.21	VI



	accompany self-employment						
6.	They are not ready to take a risk, e.g. financial risk	4.07	III	4.45	V	4.26	IV
7.	They do not have a conception for their own business	5.48	VIII	5.25	VI	5.37	VIII
8.	They are afraid of the difficult market and high competition	5.33	VII	5.25	VI	5.29	VII

(Source: self-analysis)

Explanation: Rs – rating among students, Rt – rating among teachers

*Passing a question over or mistakes made by surveyed participants when arranging given reasons in order have resulted in the necessity to exclude the answers of 222 students and 67 teachers from the statistical analysis. Thus, population numbers are lower.

Workers of labour market institutions presented opinions similar to students' opinions. They claimed that, above all, it is difficult for vocational school students to specify their own knowledge and abilities. They are also not properly motivated and unsupported in building self-confidence. However, the most important reason for the lack of decision to undertake self-employment, indicated by representatives of surveyed institutions (when interviewed), was anxiety among young people about bureaucracy and complicated law regulations — according to 16 surveyed respondents (N=30). Many respondents also underscored the fact that not every person is fitted for self-employment. From the other hand, a representative of the Association of Employers and Entrepreneurs has admitted that "young people in Poland do not decide for self-employment because, in most cases, they do not have family traditions in this matter and they are not able to draw information from specific examples — i.e. running an own business". According to him, the better educated a person is, the more he/she fears of starting and running a business as he/she is aware of dangers connected with having an own business. That is why it is necessary to show young people the so called good examples and organize meetings with successful entrepreneurs. It is necessary to teach young people to take advantage of others' experience.

2. The Preparation Of Students To Self-Employment At Vocational Schools

The analysis of the results has confirmed the earlier hypothesis saying that vocational schools prepare their students to self-employment mainly within the "business basics" subject. However, they also try to undertake different initiatives outside the scope of traditional education (Chart IV). Although these are not very innovative solutions, they are certainly indispensable – i.e. meetings with local employers and self-employed people, explaining the activity of Business Incubators or the County Labour Office supporting people who want to start their own business. Among surveyed schools there were also such undertakings as encouraging students to take part in interscholar competitions and the Entrepreneurship Olympiad, and also programmes held by extra-scholar entities: "Zarządzanie Firmą" (Managing a Company), "Przedsiębiorcza młodzież" (Venturesome Youth), "Zarządzanie Finansami" (Financial Management) and the Global Entrepreneurship Week. Whereas, only in three schools (N=7) students managed didactic companies, and in two schools simple but effective ways of teaching entrepreneurship were applied – students ran a school shop and published a newspaper.

A very important function in the process of preparation to flexible forms of employment, including selfemployment, was fulfilled by "business basics" teachers. The undertakings carried out at surveyed schools were based on their activeness and creativity. Apart from that, they were people who had run their own businesses in the past or had been professionally connected with institutions which supported individual entrepreneurs. Despite reservations (e.g. limited possibilities of taking advantage of technical media necessary

to transfer knowledge, or unsatisfactory motivation to undertake creative tasks), vocational school students rated the work of "business basics" teachers positively. When it comes to preparation to flexible forms of employment and work organization, the expectations of respondents in the scope of the studied matter were fulfilled mainly by "business basics" lessons (86.5% of surveyed participants, including 37.9% of respondents, answered "definitely good"). Students were also very happy about other forms of activities that their schools have carried out: i.e. cooperation with workplaces offering education in conditions similar to the requirements of the labour market (67.7%) and projects that teach entrepreneurship through active tasks – 62.2% of surveyed respondents. However, the offer presented by companies often satisfied students' expectations only partially (37.6% of surveyed people) as well as the abovementioned projects (44.9% of respondents).

Chart IV: Scholar activities held beyond traditional entrepreneurship education – examples

Surveyed schools	Activities held beyond traditional entrepreneurship education
Example 1	 There is a School Brokerage Office; students play the stock market (simulation game) and they are helped out by a professional broker; There is a School Career Centre – created with the initiative of a "business basics" teacher and a school counselor; The students have the opportunity to participate in the Investment Game – they get acquainted with the dictionary of a young investor and issues such as: "Savings and investments", "Being cautions when taking out loans"; In order to prepare students for making proper choices of profession and educational specialisation, the Student's Career Card has been introduced. It allows tracking the cooperation between students and vocational guidance consultants.
Example 2	 Information and Career Planning Centre has been created. Its function is to inform students about the labour market, professions and specialisations in vocational education; Cooperation with AgroNews editorial office has been established. The editorial office provides interested students with current economic information, which is very helpful in running an agricultural holding or an agro-company; There is a Tax Office, a Labour Office and an Association of Young Economists; Students manage imaginary (didactic) companies and they manufacture and sell real products.

(Source: self-analysis)

Almost 1/3 of students from surveyed schools were not happy about the activity of *School Career Centres* (32.7% of surveyed participants) and the functioning of *the Interscholar System of Vocational Guidance* (30.4%), whose basic goal is to prepare students for making proper choices of profession and deciding upon the level and way of further education. It is noteworthy that the Interscholar System of Vocational Guidance has to be supported with well-organized cooperation of all teachers, parents and local environments and it should be managed by a specialist in vocational guidance. On the other hand, a School Career Centre should supply students with knowledge and abilities, which are to help them plan their professional career, in order for them



to be able to cope with labour market requirements. Among essential benefits emerging from creating a School Career Centre there are also directional activities which support self-employment.

The activity of basic vocational schools, beneficial to the development of entrepreneurship, has been rated higher by teachers rather than students (90.2 of respondents reacted positively when asked about that issue – Diagram II, Chart V). Among them there were mainly teachers of general subjects and the so called "non-subject education specialists", such as school counselors and a vocational guidance consultant.

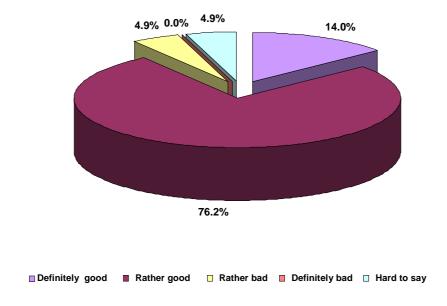


Diagram II: Teachers' evaluation of school activities in terms of providing specific conditions necessary for development of entrepreneurship among students

(Source: self-analysis)

Chart V: Evaluation of school activities made by different groups of teachers in terms of providing specific

conditions necessary for development of entrepreneurship among students (in %)

			Sections	of teachers		
No.	Opinion of surveyed participants	General subjects N=28	Theoretical work-related subjects N=50	Practical vocational training N=38	Non-subject education specialists N=6	Total N=122
1.	Definitely good	10.7	6.0	26.3	16.7	13.9
2.	Rather good	85.7	78.0	65.8	83.3	76.2



3.	Hard to say	-	6.0	7.9	-	4.9
4.	Rather bad	3.6	10.0	-	-	4.9
5.	Definitely bad	-	-	-	-	-

(Source: self-analysis)

Detailed evaluation made by surveyed participants does not confirm the opinion presented in subject literature saying that in the development of entrepreneurship, apart from student's development predispositions, a huge role is played by the didactic "situation" (e.g. education by performing activities, which are more process-oriented than content-oriented). According to teachers, the best incentive to take action is a positive example of active friends – i.e. showing students that self-employed people can be successful and that they can do something interesting. Respondents have also very often indicated another way of promoting activeness and entrepreneurship – the work of different special interest groups.

Surveyed teachers did not decide to evaluate their own workplace because any negative opinions would refer to their didactic activity. Whereas, both the results of the study concerning teaching "business basics" and the results of activities held beyond traditional entrepreneurship education do not entitle teachers to give such high grades. Unfortunately, on the basis of the acquired data we cannot draw an objective conclusion. This is also because only slightly more than 35.0% of surveyed teachers made an attempt to argue about conditions needed to develop entrepreneurship among vocational school students.

FINAL REFLECTION

In Poland people frequently speak about the positive influence of self-employment on the functioning of state economy. It is stressed out that the sector of small enterprises is the source of innovativeness and the trigger for macroeconomic indicators. However, only recently is has been pointed out that entrepreneurship is not limited to economic sphere only. It constitutes one of the key qualities necessary for self-realization in different spectres of life. As P. F. Drucker noticed – one can be venturesome in every situation: at school, at office, at one's own household (Drucker, 1992, 36). Moreover, entrepreneurship is connected with highly appreciated modern behaviour – taking advantage of knowledge and intellectual capital, flexible reactions to market signals, creating innovative solutions – and the question whether one is able to make use of these qualities or is not able to do that poses huge influence on the functioning of entities and organizations (Koźmiński, 2005, 163).

According to the Commission of the European Communities, education in the sphere of entrepreneurship does not only increase the probability of self-employment but also influences the development of companies due to venturesome attitude and adequate qualities of young people (the Statement of the Commission of the European Communities, 2006). The second pillar of the European Strategy of Employment assumes that stimulating entrepreneurship and creating new workplaces is also a method of fighting unemployment. Bearing that in mind, the governments of almost all EU countries have run special programmes whose role is to support starting an own business. Thus, among different actions which will determine Polish labour market policy (National Strategy of Employment for 2007-2013) there is support in creating new workplaces through development of entrepreneurship.

Although we know more and more about the matter of entrepreneurship and attributes of venturesome people, in Poland we still learn how to develop venturesome attitudes. Also, our Polish mentality plays a considerable role in this problem – we still have a great desire to hold a regular post – stable and safe (at least



it is seen this way). Thus, one of the surveyed employers said: "you can distinguish two groups among young people: venturesome youth and people who do not show any initiative, malcontents aiming for a regular post — most favourably at a state office or agency". The decision to become self-employed is determined, most of all, by specific individual qualities, including resourcefulness, persistence, self-reliance, creativity, readiness to take a risk. Most of these attributes can be discovered and developed during education at school.

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