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**ENTREPRENEURSHIP OF COUNTRY DWELLERS
AS DEVELOPMENT POTENTIAL OF RURAL AREAS**

*PRZEDSIĘBIORCZOŚĆ MIESZKAŃCÓW POTENCJAŁEM ROZWOJOWYM
OBSZARÓW WIEJSKICH*

Key words: entrepreneurship, development potential, rural areas

Słowa kluczowe: przedsiębiorczość, potencjał rozwojowy, obszary wiejskie

Abstract. The aim of the research presented in the article was to diagnose the level of entrepreneurship among young dwellers of rural areas. It presents the responses to the questionnaire questions directed to 94 students of University of Science and Art in Siedlce. Young people entering the labour market have great potential, which can be used for developing the area they live on. The article shows the attitude of young people to the issue of entrepreneurship.

Introduction

Nowadays we deal with changing functions of the country. At present 60% rural areas dwellers have nothing in common with agriculture any more, and the rate of farms living only on farming has gone down below 10 per cent. More and more people living in the country have been turning into other jobs. Since many years influx of city dwellers to the country has been observed. Since 2000 more people have been arriving in the country than leaving it.

Development potential of rural areas has many dimensions. Young people are one of them. Enterprising, well-educated young people, who will not only live among the local people, but first of all will work there, set up their business and create new workplaces can be a great chance for the region development.

Demographic resources of Polish country amount 14,9 million of residents what makes 39 per cent of our society. These areas are characterized by positive age structure – 45 per cent of the citizens in pre-working age live outside the city. At present 9 per cent of rural people have higher education. The scale of entrepreneurship on rural areas is big. A quarter of all firms being run in Poland is located on rural areas. However Polish country very differs due to the entrepreneurship. The condition of rural areas depends among others on the distance from a province centre. The most advantageous are rural areas located closest to big cities while the most disadvantageous are so called suburban areas.

Material and methods

The aim of the research was to estimate the level of entrepreneurship among young people coming from the area of middle-eastern Poland. The questionnaire was used as a research tool. The survey were done on the turn of 2010 and 2011 among 94 graduated students of the first and the second level of Natural Science Faculty of University of Science and Art in Siedlce. The respondents were the residents of rural areas from the following districts: Siedlce, Sokołów, Łosice, Łuków, Podlasie and Radzyń. The results of the research were shown with the use of tabular – descriptive method.

Results

The investigated people live in the east of Mazovian province – 73 respondents and in the northern-western part of Lublin province – 21 respondents. There were 47.9% of women and 52.1% of men among the respondents. The people aged 22-25 years. 42.6% of the respondents graduated from bachelors studies (the first level) the other 5.4% graduated from master studies

(the second level). All the respondents were the residents of rural areas. Significant part of the respondents, 79.8%, perceive themselves as enterprising, the other 20.2% claim not to see this virtue in themselves. Over 92% respondents claim that the job of an entrepreneur is prestigious.

In condition of market economy entrepreneurs must run their business on their own taking on consideration the situation on the market. An entrepreneur sets the range of his activity himself, he also quantifies the scale of the production, the sale or the service he provides, comparing the prices of factors of production to the prices he gets on the market for the goods he sells [Dębski 2006].

In the respondents' opinion the most desirable virtues an entrepreneur on the market of the XXI century should have are willingness to search new solutions – 30.9% of indications, ability to risk assessment – 23.4% as well as intuition – 20.2% of the respondents.

According to the respondents practical education – 3.2% of indications and willingness to take responsibility – 7.4% are the least needed qualities of an entrepreneur. Among 83% of the respondents outweighs the opinion that knowledge and abilities gained during the process of education ought to be useful in running own business, the other 17% believes, that this knowledge is useless. Setting up own business is the first step to begin a career as an entrepreneur. Among the 94 respondents – 33 ones are planning to establish their own company (35.1%), whereas the other 61 people are not going to start their own business (64.9%). The data above indicates clearly the predominance of people who at the present stage of their life, are not going to work on their own account. The reasons behind such attitude illustrates the data in Table 2.

The main reasons which restrain young people from planning to set up own business are:

- lack of own funds to start business,
- lack of predisposition to running own business,
- lack of a concept for business,
- ignorance of the law regulations as well as register and firm keeping procedures.

Minor meaning in this range is seen in:

- psychological barriers
- lack of necessary knowledge about the market and abilities to recognise the market needs.

People, who are not going to set up own business after graduating from university would like to work mostly in state institutions or budgetary units – 78.7%. The others will search for a job in private enterprises – 21.3% respondents. Working in above units is perceived to give better employment and pay stability (70.5%), prospects of faster promotion (18%) and higher salary (11.5%)

In contemporary competitive conditions, economy integration and globalization entrepreneurship is a crucial factor for the establishing, continuing and developing enterprises, eventually deci-

Table 1. The most important qualities of an entrepreneur after the respondents

Tabela 1. Najważniejsze zdaniem ankietowanych, cechy opisujące osobę przedsiębiorczą

Quality/Cecha	% answers/ % odpowiedzi
Willingness to search new solutions/ <i>Cheć do szukania nowych rozwiązań</i>	30.9
Ability to risk assessment/ <i>Umiejętność kalkulowania ryzyka</i>	23.4
Intuition/ <i>Intuicja</i>	20.2
Diligence/ <i>Pracowitość</i>	14.9
Willingness to take responsibility/ <i>Gotowość do ponoszenia odpowiedzialności</i>	7.4
Practical education/ <i>Praktyczne wykształcenie</i>	3.2

Source: own study on the basis of the questionnaire

Źródło: opracowanie własne na podstawie badań ankietowych

Table 2. Main reasons for not setting up own company

Tabela 2. Główne powody nie zakładania własnej firmy

Reason/Powód	% answers/ % odpowiedzi
Lack of own funds to start business/ <i>Brak własnych środków finansowych na rozpoczęcie działalności gospodarczej</i>	90.2
Lack of predisposition to run own business/ <i>Brak predyspozycji do prowadzenia działalności gospodarczej</i>	73.8
Lack of a concept for business/ <i>Brak pomysłu na biznes</i>	55.7
Ignorance of the law regulations as well as register and firm keeping procedures/ <i>Nieznajomość przepisów prawnych oraz procedur rejestracji i prowadzenia firmy</i>	50.8
Lack of knowledge and abilities to estimate the costs of business and to recognise the market needs/ <i>Brak wiedzy i umiejętności oszacowania kosztów prowadzenia działalności gospodarczej oraz rozpoznania potrzeb rynku</i>	42.6
Psychological barriers/ <i>Bariery psychologiczne</i>	19.7

Source: see tab. 1

Źródło: jak w tab. 1

ding about the whole economy development. Entrepreneurship means making own decisions and ideas supposing to improve the conditions of living [Pałasz 2005].

As mentioned 35.% of the respondents are going to establish own company. However not everyone from this group wants to do this in the nearest future. 54.5% of these people are going to start own business in a few years time, after gaining some experience and necessary funds to accomplish this aim.

The respondents mostly intend to start own venture on rural areas – 63.6%. The arguments for are familiarity with the area (36.4%) and possessed resources (27.3%) e.g. land and buildings (Tab. 3). Over 69% of people, who want to set up own business have already had a concept and vision of their activity. The others have not had a define concept of their activity yet. Also, almost 73% of the respondents claim to have proper knowledge about the market, on which they would like to run their business.

One of the essential issues which needs to be solved, beginning any business activity is providing essential funds. Among the respondents at the present moment 42.4% have own financial capital or an idea for its gaining to fulfil their plans.

The main source a business activity to be financed from (Tab. 4), among the respondents seems to be various supporting organizations (e.g. Employment Agencies), also including funds coming from projects financed from the European Union funds – 60.6%. The second source turned out to be banking institutions – 18.2%. Less popular source to search for funds on business activity from is family and acquaintances (21.2% all together). It probably results from the fact that such loans usually concern little amounts and are short term ones. Running own business ones must count with bigger expenses and often with longer terms needed to pay them off, therefore it is better to use professional financial institutions.

People running own business activity establish the goal they want to realise. What goals the respondents would like to reach in their life, considering their own business career.

Analysing the answers included in table 5 we can say that the most important and principal aims for the respondents who are planning their career are the needs of maintaining the family, financial independence and fulfilling life plans. They paid minor attention to working with people or being own boss. The respondents did not indicate at all such aims as fame, respect, power, political career, gaining knowledge or developing professional skills.

Table 3. Main motive of starting business activity in advisable place

Tabela 3. Główny motyw rozpoczęcia działalności gospodarczej we wskazanym miejscu

Motive/Motyw	% answers/ % odpowiedzi
Familiarity with the area/Znajomość terenu	36.4
Resources (e.g. land, buildings)/ Zasoby (np. ziemia, budynki)	27.3
Gap in the market/Luka rynkowa	21.2
Cheap labour force/Tania siła robocza	15.1

Source: see tab. 1

Źródło: jak w tab. 1

Table 4. Sources to search financial funds for setting up own business activity from, according to the respondents

Tabela 4. Źródła poszukiwania przez ankietowanych środków finansowych na założenie własnej działalności gospodarczej

Sources of finance/Źródło finansowania	% answers/ % odpowiedzi
Supporting organizations, also from EU/ Organizacje wspierające, również z UE	60.6
Bank/Bank	18.2
Family/Rodzina	12.1
Acquaintances/Znajomi	9.1

Source: see tab. 1

Źródło: jak w tab. 1

Table 5. The most important life goals in aspect of own business career

Tabela 5. Najistotniejsze do osiągnięcia w życiu cele w aspekcie własnej kariery zawodowej

Goals/Cele	% answers/ % odpowiedzi
Family maintenance/Utrzymanie rodziny	27.3
Financial independence/Niezależność finansowa	24.3
Fulfilling life plans/Realizacja planów życiowych	18.2
Being own boss/Bycie szefem dla siebie	15.1
Working with people/Praca z ludźmi	9.1
Others/Inne	6.0

Source: see tab. 1

Źródło: jak w tab. 1

Summary

To sum up foregoing consideration relating to entrepreneurship among young people may say, that most of the respondents (79.8%) perceive themselves as enterprising and 35.1% have already had a concept or is planning to set up own business in the future. It is very positive phenomena because there is a big demand for such activities. Even by employment agencies, which broadly advertise so called self-employment.

Big difficulties on labour market, also for people with higher education, will require from them big creativity and a concept for life. Being passive and waiting for proposals will not bring expected effect such as a good and satisfactory job. Creating a workplace for oneself in own firm can just be the concept. It is important for people planning to set up own business to have some learning needed in this kind of activity. It is a task which can be and should be realised by high school promoting entrepreneurship and providing basic knowledge in this range.

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Streszczenie

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