

ENTREPRENEURSHIP EDUCATION, DEMOCRATIC EMPOWERMENT AND SUBJECTIVE WELL-BEING

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Abstract:

Tourism growth forecasted for 2012 exceed global GDP growth and tourism students, in order to be competitive in this increasingly creative industry sector, need to have the ammunition to design and deliver memorable experiences. However, owing to the general feeling of disillusionment and democratic deficit, coupled with inefficient entrepreneurship education, this ammunition is far from being complete. Furthermore, in order to adopt sustainable development on the societal level, it would be of utmost importance to encourage future generations to become active and take the reins of future in their own hands. The results of the European Social Survey on attitude changes of EU member states and candidate countries, demonstrate loss of confidence affecting new democracies such as Hungary. The loss of confidence is clearly observed in the younger generations, which no longer have any conventional models for achievement on either on personal or societal level. The hypothesis of this paper is that responsible entrepreneurship education will be able to bridge the gap between perceived need for empowerment and active involvement in democratic decision-making processes and this will ultimately result in heightened level of subjective well-being of the younger generations. This hypothesis then is tested on a cohort of 212 tourism students and the extent to which democratic participation and empowerment is perceived necessary for their future is analysed.

Keywords: tourism education, democratic deficit, entrepreneurship education, empowerment, subjective well-being.

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1. INTRODUCTION

Subjective well-being is at the lowest level in Hungary where a series of measures and phenomena led to the general feeling of being excluded from policy-making is reflected in the hopelessness and depression of the population. The final results of the European Social Survey conducted in 2008–2009 (Füstös & Guba, 2010) with the purpose of acquiring reliable data about the attitude changes of EU member states and candidate countries, thus allowing to lay the grounds of a long-term policy demonstrate one significant issue in the case of Hungary: “a large-scale loss of confidence even perceptible in the daily life and affecting new democracies such as Hungary” (Bayer, 2010). Later on he states that the:

“results gained so far from ESS surveys fully underlie the theoretical presumption saying that the transformation of political culture and social mentality in the “new democracies” is a slow process, which may fitfully be influenced by traumas triggered by the regime change. Such traumas were for instance the unfulfilled expectation about welfare among a wide range of citizens, the loss of existential security, the breakup of old social relationships, or the identity crisis. The significance of European comparative analyses is that they hold a mirror to Hungary, while at the same time outline the direction of desirable future development.”

The loss of confidence is clearly observed in the younger generations which no longer have any good models for achievement on either on personal or societal level. Hungarian youth today is called by ‘faceless generation’ by relevant social researchers (Bauer & Szabó, 2011) as it is difficult, if not impossible to characterise unified traits in their attitudes, desires and expectations. Faceless is used in the sense of ‘without a specific identity, lost’, searching for models and patterns of how to succeed in life. Old patterns are no more valid, therefore youth today is in the process of searching and – seeing the versatility of political situation - quickly giving up hope of finding these new patterns. Migration in Hungary especially in the tertiary education cohort has reached outstanding levels, which process in further increased by unstable political policies and regulations (Bauer & Szabó, 2011).

In order to bridge the democratic deficit and adopt sustainable development on the societal level, it would be of utmost importance to encourage future generations to become active and take the reins of future in their own hands. This can be done by the general introduction of principles and skills of responsible entrepreneurship especially in the area of creative tourism where students are most likely to be active. Responsible entrepreneurship education, coupled with Education for Sustainability (EfS) are guidelines along which creative tourism education must introduce concepts reinforcing faith and hope in a sustainable future. This paper starts from the presumption that responsible entrepreneurship education, inasmuch as it enhances independent and proactive, opportunity seeking, responsible action, can positively influence the intention of students in participating in policy making where future expectations are at stake. Young generations’ involvement in shaping their future is instrumental and this is an issue that current policy-makers cannot disregard. On the other hand, if these same younger generations are not interested in participating in processes concerning them, then empowerment cannot take place at all. The central empirical research of this paper tries to find connections between the perception of students in the domain of entrepreneurship education and involvement in policymaking. The non-representative exploratory research surveyed 212 tourism students, first, second and third years in the undergraduate Tourism, Hotel Management, Catering and Hotel Management programme of the Budapest Business School, College of Commerce, Catering and Tourism. The reason for having selected this programme was that new developments in the tourism industry established ‘creative tourism’

requiring a high level of creative output from all industry. It is exactly this need and prerequisite for creative contribution which, standardising the industry demand of educating creative entrepreneurs that can act as a trigger of educating, and preparing tertiary education students to adopt – as opposed to the 'lost' and passive attitude that their generation is known for – a pro-active, dynamic and responsible attitude.

2. DEMOCRATIC DEFICIT

Social aspects of sustainability call forth for enhancement of participation in democratic decision-making processes, empowerment of younger generations. Today, the perception of future prospects of these generations is rather negative, ensuing from the general deficit of subjective well-being in Hungarian society at large. Political and economic transformation and the policies of the often-changing governments of the Central and Eastern European countries coupled with the general deception of the reforms have resulted in the erosion of the formerly existing social ties, thus weakening the social capital of these nations. Twenty years ago, changes to Hungary's political and economic system were enthusiastically supported by an overwhelming majority of the society. They instigated initial euphoria, which was quickly replaced by a bitter disillusionment caused by unexpected negative side effects of transformation. Subsequent normalization and economic improvement have resulted in gradual increase dissatisfaction. Following the political changes the rapidly growing prosperity of the higher ranking, financially better equipped social strata and the tendency for individualization together with the desire to get rich inevitably led to a loosening of relations considered 'uneconomic' and also to the upgrading of financially valuable relations. The new emphasis on democracy, freedom and individual choice was reflected in the growing significance of values such as autonomy, independence and respect for others' individuality. Whereas the importance of respect for differences and the appreciation of individual performance were on the rise, there was a corresponding ebb of solidarity towards people lagging behind in this new wealth-oriented society. The nuclearisation of families signals the decline of socially integrative strong relationships. In the new democratic political system, criticism against the 'regime', the government and state representatives is no longer prosecuted. Fear of retaliation and its companion servile attitude towards power has declined. As a side effect of this process, the prestige of state authorities and loyalty to them had eroded.

The Hungary 2025 research findings (Hungary 2025) show that university students' subjective well-being is largely influenced by the actual political scene, the constantly changing legislation and the general deception of the population. Excluded from participation in the democratic institutions, policy-making, students feel that their life does not depend on their own intentions, but on how the politics of the frequently changing governments will lead them.

3. ENTREPRENEURSHIP EDUCATION

“Competitiveness, innovation and economic growth depend on being able to produce future leaders with the skills, attitudes and behaviour to be entrepreneurial and to act at the same time in a socially responsible way” (WEF, p. 42). In this context the entrepreneurial ecosystem can be characterized as the interdependent and interactive framework for entrepreneurial activity. This interdependence comprises both institutional rules and environmental conditions that define the range of socially and economically viable entrepreneurial opportunities and the way in which entrepreneurs and other stakeholders shape these surrounding institutional and environmental conditions.

Economics theoreticians think entrepreneurial capital, the combination of public approval of entrepreneurial behaviour, existence of institutional support (including banks, venture capital) and individuals who wish to take the risk of establishing a new company, is necessary for the creation of entrepreneurial society. Entrepreneurship in education means developing personal qualities and attitudes as well as formal knowledge and skills: personal qualities and attitudes that increase the probability that a person will see opportunities and act upon them. Further creativity, self-confidence, resourcefulness, willingness to take risks, the ability to see the consequences of one's own actions (WEF, 2009).

The framework for this process is promoted by government strategy, in the shape of the New Hungary Development Plan, which clearly states that "economic development can be initiated and achieved by the training and education and the efficient and successful activity of the entrepreneurs, by widening the general culture of entrepreneurship" (TNHDP, 2007, p. 14). According to the Global Entrepreneurship Monitor's Special Report on Education, early-stage entrepreneurship activity, or TEA, can be significantly enhanced by training and education, whether in-school, or non-school, or compulsory or voluntary. In Hungary, the percentage of nascent and new entrepreneurs is as much as 40,7 % of the adult age (18–64 yrs) population, whereas only 4 % of the totality of 2,3 million young age (15–34 yrs) population is committed to entrepreneurial activity (GEM, 2010, p. 32; FIVOSZ, 2011, p. 1). This proportion, in an international comparison, is shockingly low. The TNHDP foresees making entrepreneurship education available for higher education and emphasises the importance of introducing 'planned tools as follows: improving problem-solving capacities; developing digital literacy, language, natural science and lifestyle skills; co-ordinating the needs of training with those of the society and the economy; developing business and entrepreneurial skills and developing the cultural capital' (TNHDP, p. 15). Among its horizontal development areas, it points out that 'The quantity and quality of human resources have a decisive effect on the competitiveness of the country. Therefore, it is particularly important that the health condition of the Hungarian population improves, and in a parallel way, the public expenditure related to poor health conditions is reduced, and labour force economic activity increased. Education and training has to respond to the needs of the economy as far as structure, content and methodology are concerned. The entrepreneurial skills of employees, potential and starter entrepreneurs must be expanded. Growing competitiveness has to go hand in hand with increased employment'. (id., p. 100.)

Koironen (2008) argues that entrepreneurship education has become increasingly important, as the challenges of the New Economic Era and the challenges of Post-modern world require the need of mastering one's life, set new and diverse requirements of personality competencies and intelligence, and entrepreneurial 'virtues' have become widely acceptable and applicable in the other areas of life, that is outside business activities. Entrepreneurship is often about *bringing about change and making difference*. Entrepreneurs are therefore agents of change and can be instrumental in bringing progress and positive change in societies. In the same way, young entrepreneurs can become role models showing the path to peers in positive thinking, dynamism, taking the lead in their lives, thus reinforcing the inner locus of control. Positive examples of entrepreneurship can instigate more and more successful entrepreneurship. It is the business schools' responsibility to develop curricula and include Entrepreneurship skills and competencies. These skills and competencies are instrumental in enhancing psychological empowerment and therefore are paramount to a higher level of SWB.

4. EMPOWERMENT AND SUBJECTIVE WELL-BEING

Subjective well-being (SWB) and psychological empowerment are both psychological concepts. Happiness, or subjective well-being, is defined as the presence of positive experiences and feelings, and/or the absence of negative experiences and feelings, or people's positive evaluations of their lives, including pleasant emotions, fulfilment and life satisfaction. Psychological empowerment represents one facet of SWB – people's belief that they have the resources, energy, and competence to accomplish important goals. Subjective well-being is one important variable by which the quality of life in societies can be measured – the fact that people in the society find their lives to be fulfilling and happy. Subjective well-being is necessary for the quality of life, but is not sufficient for it. The theoretical model set up by Diener and Biswas-Diener (2005) indicates the following facets of subjective SWB: Life satisfaction; Satisfaction in specific domains, such as school, training programme, work and health; Low levels of unpleasant affect; High levels of pleasant effect; Meaning and purpose, *Engagement, Active participation in Communities/Democratic decision-making/Policy-making; Empowerment; Self-efficacy; Self-confidence; Mastery.*

Trust in society, both between individual citizens and between people and government, works in favour of sustainability policy. One of the ways in which the social aspect can contribute to the realization of economic and ecological goals is by creating public support. However, the social aspects of sustainability are not only functional; they are also important in an autonomous sense. A society where trust is inherent, where people feel safe, where social fabric, cohesion and engagement are all strong, and where in addition material security is guaranteed, is an attractive society for people to live in. This situation is beneficial for people's physical and mental well-being, now and in the future. It also provides ample opportunities for a good start for future generations.

5. MEASURING ENTREPRENEURSHIP ATTITUDE AND EMPOWERMENT

The central piece of this paper is the discussion of findings of a pilot survey targeting tourism and hospitality students of the Budapest Business School, College of Commerce, Tourism and Hospitality. The cohort examined consisted of 1st, 2nd, and 3rd year students, all having taken Entrepreneurship course in the framework of compulsory module. The objective of the research was to find out: (a) how necessary the students perceive entrepreneurship skills in their future life (b) what is their perception of the efficiency of the course in transferring entrepreneurship skills and competence, (c) what is their assessment of the possibilities of democratic participation in policy making (inclusion, exclusion) and their intentions to participate, if there were empowered to do so.

The paper-based fill-out survey consisted of several questions addressing the above issues and the responses were provided on a 6-step Likert scale (0 = totally disagree, 5 = totally agree), except for the case of the PREPAREDNESS BY TRAINING question, where the answerer had to specify a percentage as a measure of perception. The below table shows the aggregate results for select questions in the survey.

Table 1: Perception of entrepreneurship skills and empowerment

| | Necessity of entrepreneurship skills | Preparedness by training | Participation required for future shaping | Little impact on future | Excluded from policy-making | Requires participation in policy-making |
|--------------------|--------------------------------------|--------------------------|---|-------------------------|-----------------------------|---|
| N | Valid 209 | 206 | 212 | 212 | 212 | 212 |
| | Missing 3 | 6 | 0 | 0 | 0 | 0 |
| Mean | 4,58 | 48,39 | 4,37 | 1,25 | 2,60 | 3,00 |
| Std. Error of Mean | ,047 | 1,463 | ,055 | ,088 | ,093 | ,101 |
| Median | 5,00 | 50,00 | 5,00 | 1,00 | 3,00 | 3,00 |
| Mode | 5 | 50 ^a | 5 | 0 | 3 | 3 |
| Std. Deviation | ,682 | 20,999 | ,795 | 1,287 | 1,357 | 1,470 |

a. Multiple modes exist. The smallest value is shown

Students perceive entrepreneurship skill as being very necessary for their future life (4,58), but the ammunition that they receive in the framework of formal education is not satisfactory (48,39 %). It is also important that believe that the participation of youth is fundamental in shaping future (4,37) – but they feel that they are far from being fully empowered to participating in policy-making (2,60). A discrepancy can be observed in the esteem of 'little impact on future' and 'excluded from policy-making' as if the students thought that there was no direct correlation between policy-making and shaping future. This means that they believe that there are other ways of making an impact on future than policy-making. This is in line with the generally sceptical attitude to democracy and democratic institutions, only 40 % of youth considering democracy as the best political system (Youth, 2008, p. 55) and with the hypothesis that youth today is neither interested nor concerned by active participation in democratic institutions.

Questionnaire question 'Do you believe that entrepreneur skills must be taught to business school students because they will empower them for their future life' was answered by 79 % 'yes' against 28 % 'no' and 3 % 'I am not sure' responses. When asked about their views on the eventuality or rather the necessity of being involved in creating scenarios or strategies of societal well-being, students were overwhelmingly positive: Questionnaire question 'Do you think it is a good idea that entrepreneurship students could work in workshops and create scenarios on how to improve societal well-being?' Results: 86 % 'yes', 11 % 'no', 3 % 'I am not sure'. Students' perception of democratic deficit can be best captured by the following questionnaire question: 'If yes, should these scenarios be considered by policy-makers especially in times of instability?' Here, the results display hesitancy, there is a lower degree of positive perception, which corresponds and aligns to the general attitude of incertitude and lack of clear future image: only 68 % answered that these scenarios should be considered, 29 % rejected the idea and 3 % was not sure. Those students who were otherwise favouring their democratic participation in the strive for improving societal well-being, were less certain about the feasibility of this – as if they did not trust the political decision-makers or were not sure about their own power. This uncertainty can also be explained by great power distance dimension of the Hoovstedeian cultural model (Hoovstede, 1993) and also by the (still) infant state or age of democratic institutions in Hungary.

6. CONCLUSIONS

The Questionnaire question of 'Do you think that entrepreneurs are agents of change and they can bring positive change' was answered by an overwhelming majority of 'yes' answers (88 %) and (12 %) of 'no' answers. This can be interpreted that students have a perception of entrepreneurs as agents of serving progress in a society, both in economic and in societal well-being sense. The survey demonstrated the need for delivering effective entrepreneurship education the skills and competencies of which (proactive attitude, responsibility for one's future, search for opportunities, responsible management) can be beneficial to their future progress by way of enhancing their democratic participation, thus empowering them for their future life. It has also been demonstrated that the students perceive a correlation between societal well-being and the number of entrepreneurs, which are believed to be – by their skills, competencies and attitude – agents of change. It is this generation that can introduce fundamental changes in the otherwise unstable political regime. Entrepreneurs are also the pillars of economic development – without them; there is no innovation and progress. This active participation in the economic life of the country can be instigated by showing the students good examples and models, building their confidence and faith in the institutions – empowering them. Finally, empowerment of youth to participate democratic institutions and policymaking can be seen as a means to increase subjective well-being on the societal level.

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