

NORTH MACEDONIA National Report 2022



GLOBAL UNIVERSITY ENTREPRENEURIAL SPIRIT STUDENTS' SURVEY

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Citation

Tomovska Misoska,A.,Bojadjiev,M.,Hristova,S.,Mileva,I.,Dimitrova,M.(2022).Global University Entrepreneurial Spirit Students' Survey,National Report,2022 North Macedonia

EXECUTIVE SUMMARY

The country report for the Republic of North Macedonia is based on data collected in 2021 by the research team at the University American College Skopje. The sample consisted of 175 students from various Universities in the country. The report presents the findings from the 2021 data collection as well as some comparisons with the 2018 and 2016 data collection waves for the country data. The report also compares the national findings with the global findings.

The main findings of the study point to the following:

- A quarter (24,6%) of all students would like to own their own business immediately after graduation and that percent increases to half of all students (50,3%) five years after graduation. This is above the global average, but in 2021 they show slight decline compared to previous data collection points.
- Male students are more willing to start their own business compared to female students. Most of the are also currently trying to start their business (51,2%) compared to only 25% females who are trying to start their own business.
- The education seems to be an important instigator for starting a business as majority of the students who have taken a course would like to start their business. However program learning is evaluated better than University climate in stimulating entrepreneurship. The students are also least positive about the role of the education in providing them with practical skills needed to start a business.
- The family environment is also important as majority of the nascent and active entrepreneurs come from families with a history of self-employment.
- The regression analysis points that attitude towards the behaviour and perceived self-efficacy statistically significantly predict the entrepreneurial intentions. This means that focusing on building positive attitudes towards entrepreneurship and enhancing students' perception of their own appraisal of how successful they can be if they become entrepreneurs can increase their entrepreneurial intentions. Further analysis shows the importance of education and the closest social environment in stimulating more positive attitudes and appraisal of self-efficacy.

- Most of the active entrepreneurs are majority owners of their business. The majority of them created their business to advance their career and a third to solve a certain problem. Half of the students would like their business to become their main occupation after graduation. The COVID pandemic played a role in almost one fifth of the decision to start a business.
- Higher number of students (37%) than the global average (28,4%) are thinking of starting their own business (nascent entrepreneurs). Their ideas emerged largely unrelated to their studies and most of them have not taken specific steps to achieve their goals.

Recommendations

- Education seems to be quite a powerful factor in stimulating the entrepreneurial intentions of the students. Universities need to gain more capacity to position themselves as “entrepreneurial” by creating an “entrepreneurial thinking” curriculum, providing leadership and mind-set for creating entrepreneurial thinking among its students.
- Entrepreneurship support policies should seek to reduce barriers and support local entrepreneurial environments to occur over longer term horizons.
- Females need to be further stimulated to explore opportunities for starting a business as their intentions are lower than those of males. This means that the needs of female students need to be further explored and interventions must be strengthened in terms of providing more transformative context to tackle psychological, social and skills obstacles to support women entrepreneurial mind-set and understanding.
- Students should be stimulated to look for opportunities for business creation and gaps in the market that they could fill. To understand this, the strong emphasis should be given on practical experience in the curriculum which will empower young entrepreneurs to look for growth opportunities in all conditions.
- The University courses should offer more opportunities for students to develop their self-efficacy and with that stimulate the development of Entrepreneurial Intentions. They should be geared towards increasing the positive appraisal of the skills and knowledge, as well as confidence in the ability to start and grow a business.

- The University atmosphere needs to be improved as it has the lowest appraisal of all university characteristics. The atmosphere needs to be conducive to stimulating the students to explore entrepreneurship as a career option through offering examples of successful entrepreneurs, offering opportunities for idea generation and development through various activities (such as start-up weeks, talks with entrepreneurs etc).
- Specific support mechanisms need to be developed to help students move from idea generation to business ventures.
- Provide opportunities for helping students grow their business. This means that more financial opportunities need to be created as well as more support hubs, incubators and other forms of support need to become more widely available.

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1. Introduction

The current research is based on the GUESSS methodology for understanding the entrepreneurial intentions as well as factors connected to instigating the entrepreneurial intentions among students. The GUESSS project is one of the largest projects trying to make novel and unique insight of students' entrepreneurial thinking and activities to provide both academic and practice-oriented outputs. The effort is organized and led by Swiss Research Institute of Small Business and Entrepreneurship at the University of St.Gallen, and the Department of Management and Entrepreneurship at the University of Bern in Switzerland. The data collection is done every 2/3 years and this data is from the 9th wave of data collection. This wave of data collection included 58 countries.

The GUESSS approach is grounded in the Theory of Planned Behavior and this report is focused on understanding the core components of the model: entrepreneurial intentions, attitude towards behavior, perceived behavioral control and social norm. This Theory ties the entrepreneurial intentions to the personal factors (through the attitude towards the behavior and perceived behavioral control) and to social underpinning (visible through the social norm which explores the views of the significant others). In addition, GUESSS approach also enables to understand the importance of education, as well as more global cultural variables as essential part of the entrepreneurial intentions. The approach also focuses on understanding the thinking and characteristics of the nascent and active entrepreneurs as well as student's experiences with family businesses of their parents.

Republic of North Macedonia has taken part in the survey for a third time (data collection points 2015, 2018 and 2021). This report is focused on the latest data collection (2021) but also provides a longitudinal perspective on the entrepreneurial intentions over the three data collection points to enable tracking of the development of the issues over the years to enable better insight into the topics.

Therefore, this report tries to highlight the current issues that might be helpful for research and policy making in the field of stimulating entrepreneurship by:

- 1) Providing longitudinal analysis of the entrepreneurial intentions among students
- 2) Exploring the linkages between personal, educational, family and societal factors related to the entrepreneurial intentions of the students
- 3) Testing the importance of the elements of the Theory of Planned Behavior

- 4) Exploring the experiences, views and activities of nascent and active entrepreneurs
- 5) Uncovering the linkages between experiences within family businesses and students' own entrepreneurial activities.

2. Country Background

The global health crisis caused by the outbreak of the virus Covid -19 in 2020 and 2021 negatively reflected the entrepreneurial activities in North Macedonia. Likewise, the MSME sector had to adopt to the new realities, becoming more flexible. The focus was on becoming digital and trying to sustain operation until the markets reconnect and demand reinstates.¹

As the MSME sector is considered a backbone of the Macedonian economy, representing 99,67 percent of the total number of companies in 2021², the Government is trying to provide multifaceted support. Given that over 90% of the MSMEs are micro entities, most of the efforts are directed towards enabling environment for their stability and growth. Moreover, the entrepreneurial culture and growth, that accelerated in the last decade of the 20th Century, remained fragile and still requires a systematic approach to reach a desired level.

In this respect, the Governmental programs for SMEs have been developed in line with the European Union's SME Strategy that identified three pillars: Capacity-building and support for the transition to sustainability and digitalisation; Reducing regulatory burden and improving market access; and Improving access to financing³. The [National Small and Medium Enterprise Strategy](#) (2018-2023) sets goals to support MSMEs development and boost innovation thus increasing the competitiveness by strengthening entrepreneurial ecosystem via three pillars: Favourable business environment that will encourage entrepreneurship and investments; Increase and improve the SMEs growth opportunities to facilitate higher productivity and competitiveness and internationalization to European and other international markets; and Dynamic ecosystem of entrepreneurship and innovation. The last pillar focuses on expanding

¹ Annual Report for the SMEs 2020. (2021). Agency for Entrepreneurship Support of the Republic of North Macedonia.

² Press Release: Number of active business entities 2021, Preliminary data. (2022). State Statistical Office, No: 6.1.22.14 Accessed on 6 May 2022, available at https://www.stat.gov.mk/pdf/2022/6.1.22.14_mk.pdf.

³ An SME Strategy for a sustainable and digital Europe. (2020). Available at https://ec.europa.eu/info/sites/default/files/communication-sme-strategy-march-2020_en.pdf

entrepreneurship in Education and Training into all levels of education; Enhancing science, technology, and innovation in SME development via investment support in R&D and transfer of know-how, as well as by establishing technological parks and innovation incubators. The overall efforts were reinforced with the [Strategy for development of women entrepreneurship, 2019-2023](#) that emphasises the importance of women networking and advocacy support, access to finance and training.

The [Ministry for Economy of the Republic of North Macedonia](#) is traditionally supporting SME in their efforts for becoming more competitiveness and internationalization of the products/services. Both, [Employment Agency of the Republic of North Macedonia](#) and [Agency for Promotion of Entrepreneurship of the Republic of Macedonia](#) (APPRSM) support have been active in supporting self-employment and business establishment via dedicated program and mentoring/small scale financing tools. In particular, the APPRSM supports the Self-employment programme and provides business plan development services and mentoring via its regional centres, delivers training for entrepreneurship promotion and business plan development for youth and students, provides training for business consultants as well as for MSMEs on topics such as competitiveness and growth, supports women and social entrepreneurship via training. The Agency implements the voucher system for business development mentoring of MSMEs as well.

Governmental support to entrepreneurial education has been strengthened education by the operation of [Junior Achievement Macedonia](#), a member of Junior Achievement Worldwide that encourages and helps young people join the business world via training on work readiness and entrepreneurship. It develops and implements programmes for entrepreneurial education and building partnerships between businesses and schools.

Lately, the [Fund for research and technological development](#) (FITR) has become instrumental in financing and mentoring start-ups, young companies and those who need additional incentive to continue their business activities. Its main goal is to support the innovation in MSMEs. The operations include three main objectives: co-funding MSMEs, funding new ventures (micro and small companies, foundations and accelerators), and achieving positive contribution to the national economy on long run. FITR extends its support also via the three

major business accelerators in the country. The [Accelerator UKIM](#), a business-technology accelerator, supports technology entrepreneurs, startups, spin-offs and scale-ups in Macedonia. Support includes tailored pre-acceleration and acceleration programs, early stage investments and access to international markets, networks and communities. Then, [Seavus Accelerator](#), a multi-functional working space for start-ups, digital artists and online media, focuses its activities on IT industry and creative industries start-ups. It offers customized programmes for creative minds, coders and engineers, curious storytellers and critical thinkers. [X Factor Accelerator](#), first of its kind out of the capital city, supports a range of entrepreneurial ventures.

One of its kind, is the [SEEU Techological Park Tetovo](#) that accommodates the [Future Skills Center](#), focusing on training, incubator services, and work facilities. To add, [CEED Hub](#) provides opportunity for networking and expanding business networks as well as access to finance and mentorship. It organizes pitching events for start-ups and individuals in the presence of CEED Business Angels Club. Yet, Business Angels networks are in their nascent stage despite that some local organizations are representing international business angels' networks or similar business angels' initiatives. Business angels' financing is not provided in the country in a structured way rather in a more unofficial manner.

Since 2015, the start-up community, led by the entrepreneurs themselves, revolutionized the approach and support to entrepreneurial ventures. The best examples of the pulsating and inspiring entrepreneurial ecosystems in North Macedonia are [Startup Macedonia](#), [Association of Business Women](#) and [Brainster](#).

The donor community and the international organizations led by EU, WB, USAID, JICA and ILO have been traditionally supporting the development of the entrepreneurial culture and ecosystem in the country of North Macedonia. Yet, there is much to be done to further stimulate the economic growth and the sector of MSMEs, especially in financial tools diversification, education/training, IT/digital skills development, sustainable/green operations as well as support to family-owned entrepreneurial ventures.

3. Sample Demographics

3.1. Gender and Age

As can be seen from the data presented in Figure 1, the majority of the 175 students in the Macedonian study were female, 53%, while male participated with 47%. This distribution follows the trend of the international sample, which also registered majority female participants (60.3%).

The mean age of the participants was 23 with the youngest being 18 and the oldest participants being 55.

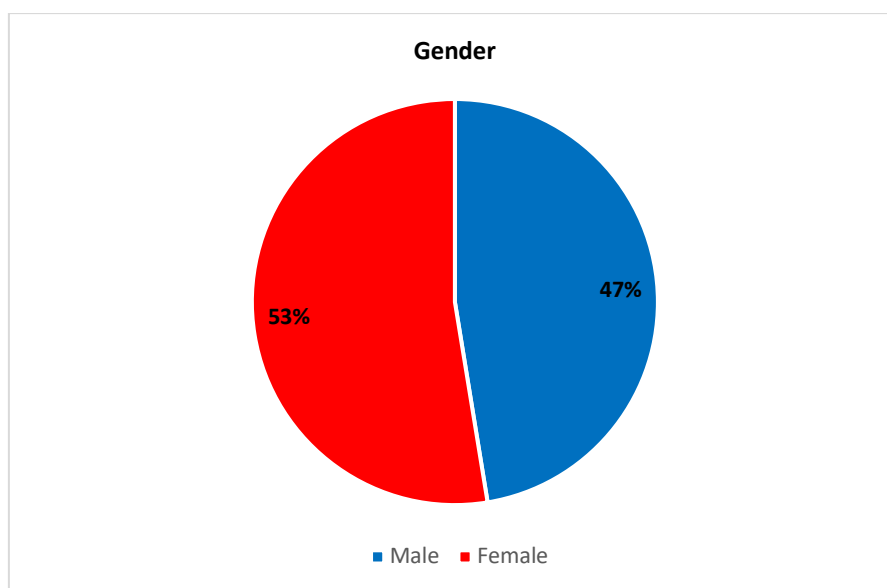


Figure 1. Respondent's Gender

3.2. Level of Studies

Regarding the level of studies of students who participated in the survey, the majority of students (86%) indicated that they were enrolled in a bachelor's programme, followed by master's students (10%). Postgraduate students accounted for 2% of the study sample of and then with similar values were other levels.

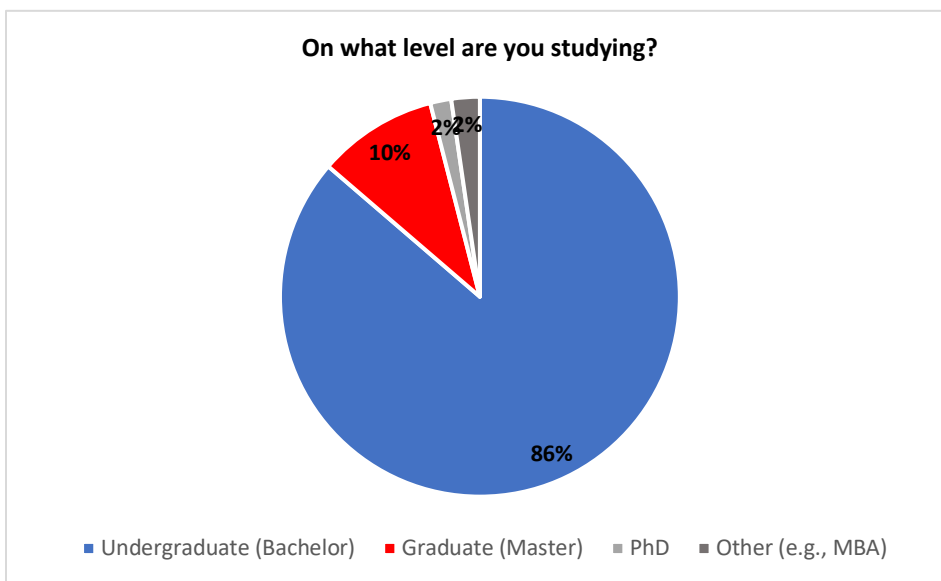


Figure 2. Respondent's level of Education

3.3. Nationality

The majority of the respondents were Macedonian (59,40%), followed by Albanian (8,60%). Turkish, Bosnian, Serbian and other respondents were included with similar and small values.

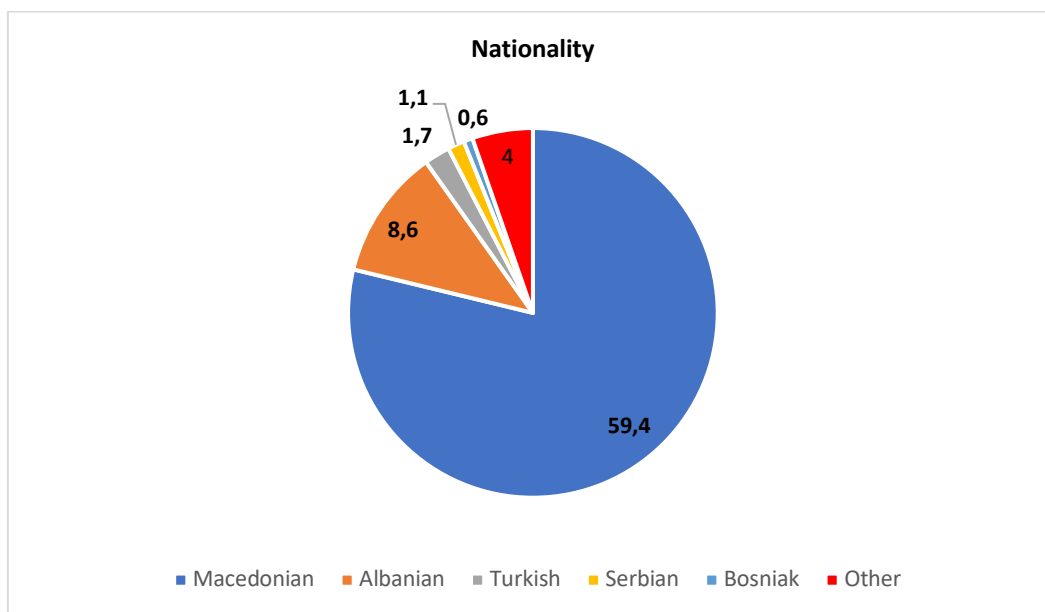


Figure 3. Respondent's Nationality

3.4. Fields of studies

The students were also asked which academic field they were currently studying. The field of studies that was indicated as a majority out the most was business management (40,60%), followed by politics, education and psychology (16%), economics (11,40%) and engineering and architecture (8%). In a comparison with the international sample, it can be seen that the results regarding the field of studies is the same with its largest number of participants in the field of business and economics.

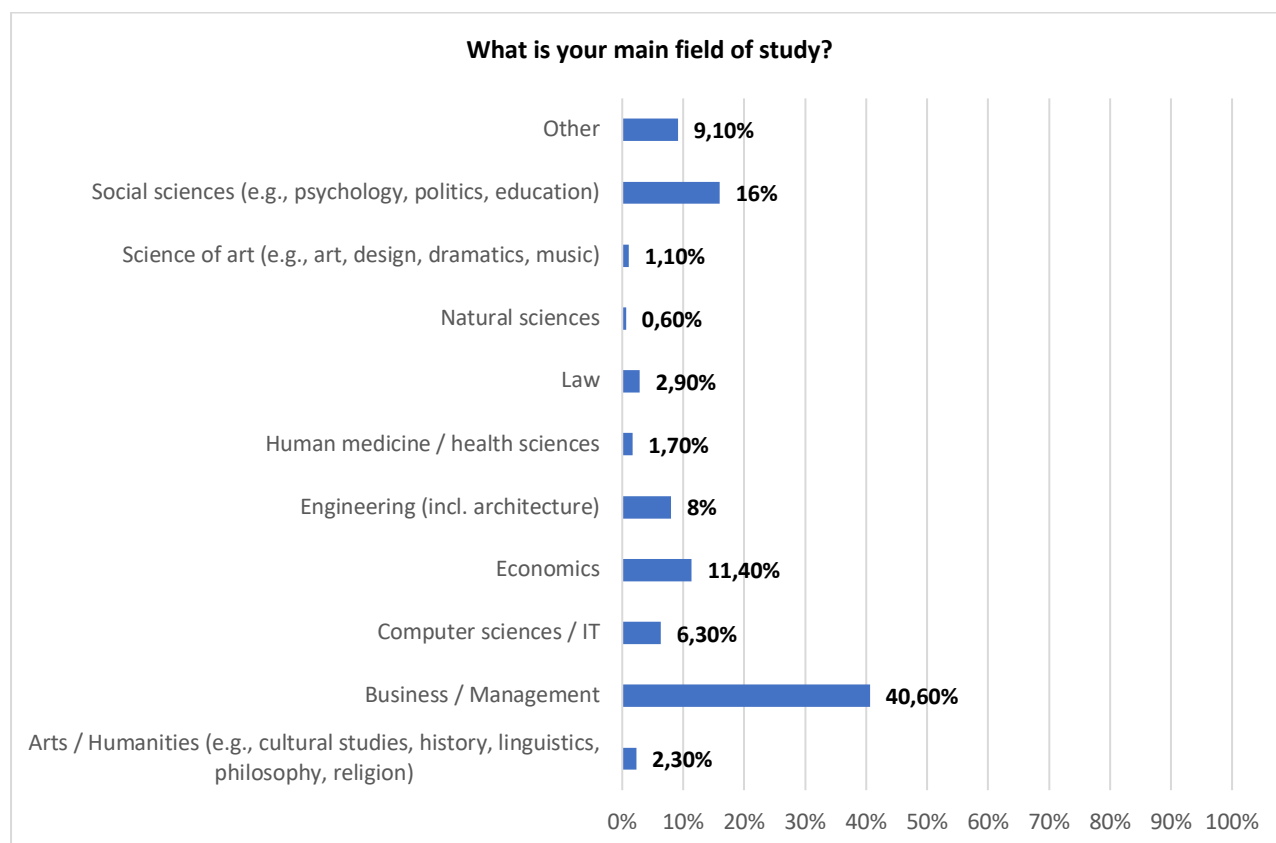


Figure 4. Respondent's field of Study

4. Student Career Choice and Entrepreneurial Intentions

4.1. Career Choice Intentions

In the following part, students were asked what their career plans are for the future or what they intend to do after graduation and how they see themselves five years after graduation. The data that can be gathered in Figure 8 disclose a clear difference regarding the intentions of the career after completion of the participants' studies and their preferred career choice 5 years after graduation. As it can be seen, immediately after graduation the highest preference is given to being an employee in its own business 24,60 %, 13,70 % in a medium business, and 13,10% in a small business; and 12% of the participants answered that they intended to work in a large business. Also it is notable that a significant part of them or 20% haven't decided yet what their career choice is after the completion of their studies.

Considering the student's intended career choice intentions five years after the completion of the studies, 50,30% answered that they intend to be the founder of their own business. That is, an increase of 25,70% in a period of five years, so the desire to be the founder of a business seems to be the most popular career option. A drop of 10%, 6,80%, 4% was noted in the students who want to work in small, medium and large businesses respectively. This highest preference is in line with the structure of the Macedonian business structure, as according to data to a recent OECD-led study⁴, SMEs make up 99.8 per cent in 2019 of the total number of companies in North Macedonia. What is also notable is that Macedonian students show higher preference for an entrepreneurial career compared to their peers worldwide⁵ as on global level 17.8% of the students plan to become entrepreneurs and that rises to 32.2% 5 years after graduation. This huge positive discrepancy needs to be explored further.

⁴ <https://www.ebrd.com/documents/north-macedonia-country-diagnostic.pdf>

⁵ [GUESSS 2021 Global Report.pdf \(guesssurvey.org\)](https://www.guesssurvey.org/GUESSS_2021_Global_Report.pdf)

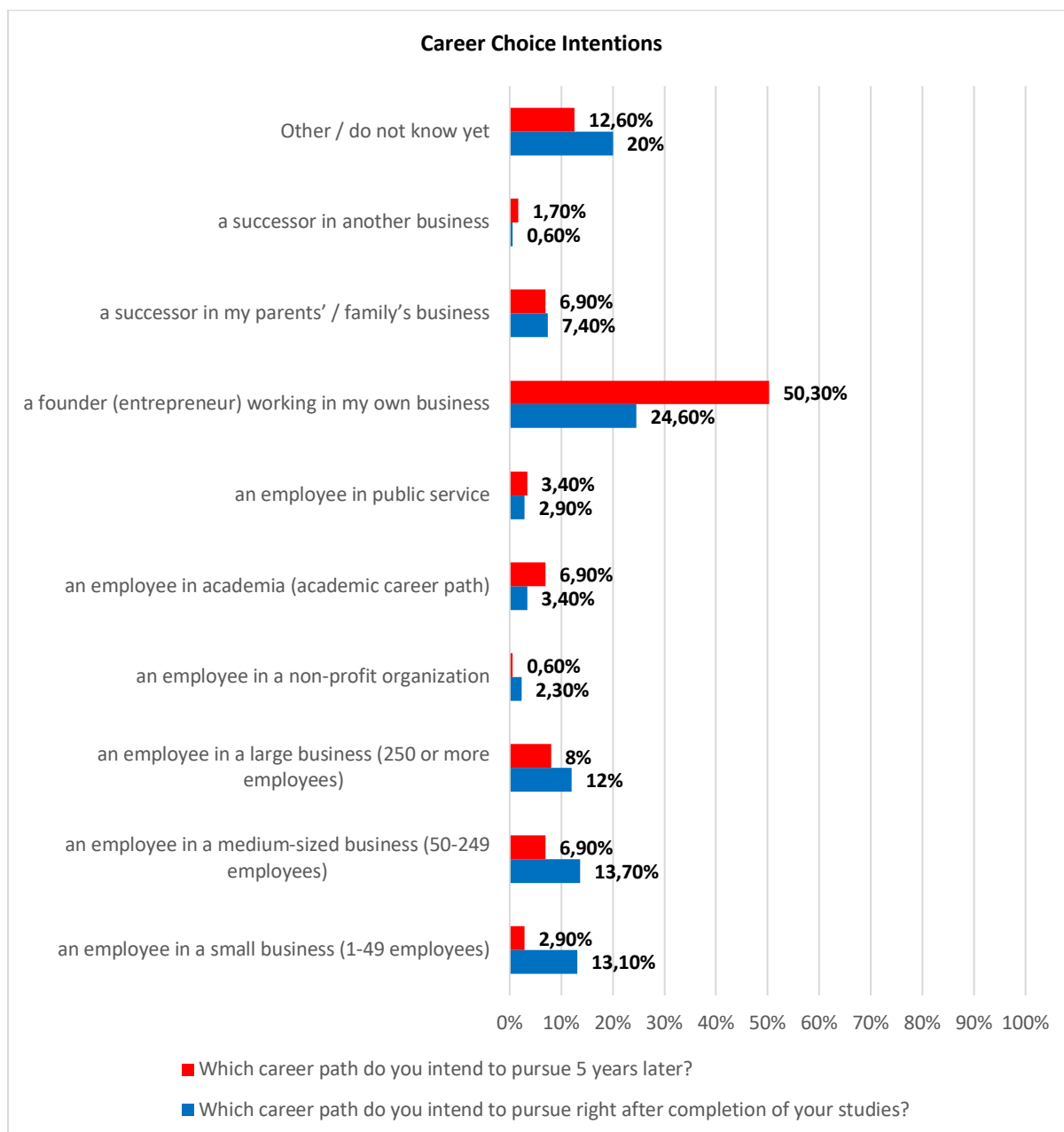


Figure 5. Comparison between Career Choice Intentions intended to pursue right after completion of studies/ career path intended to pursue 5 years later

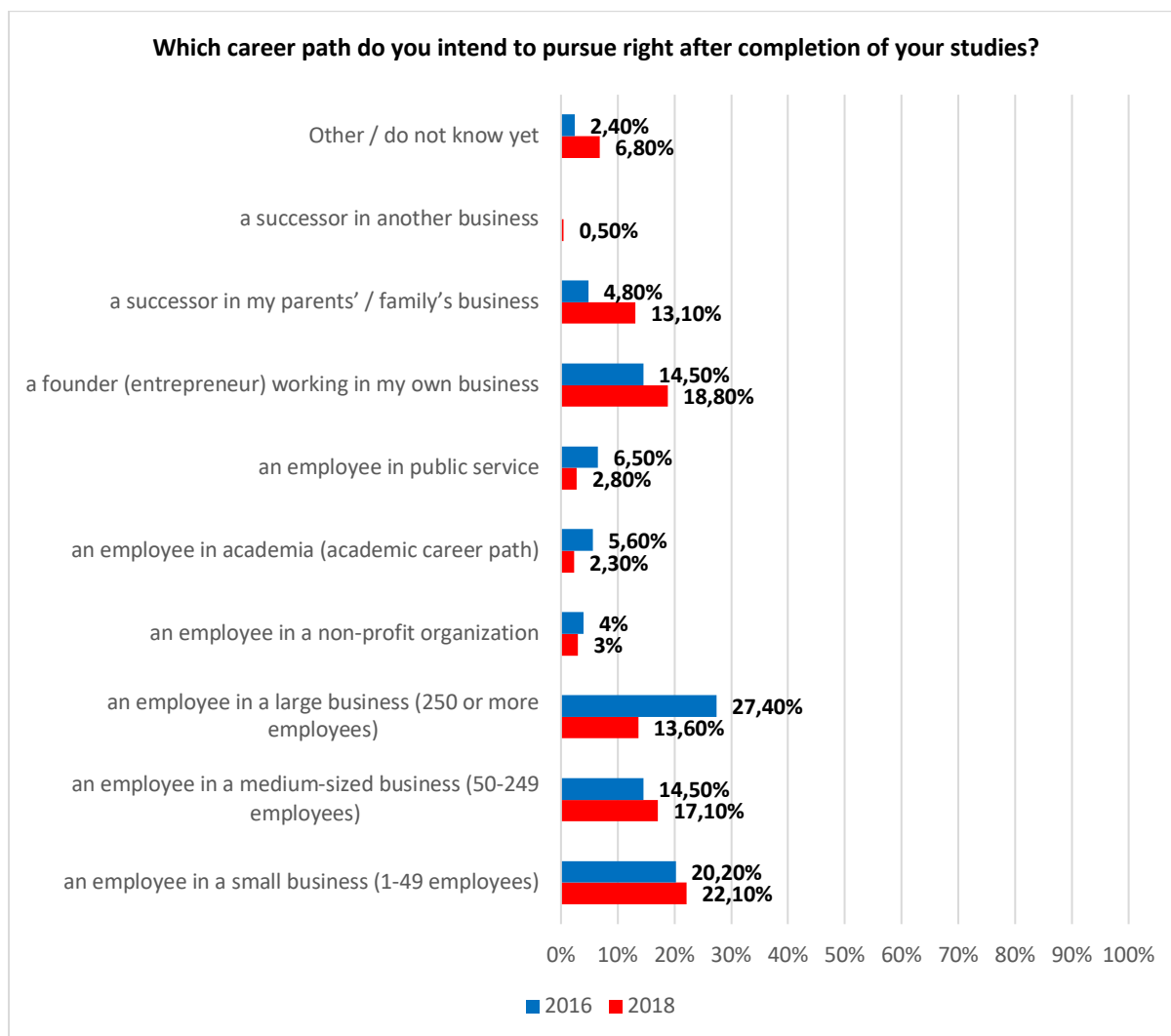


Figure 6. Career Choice Intentions intended to pursue right after completion of studies: Comparison between 2016 and 2018

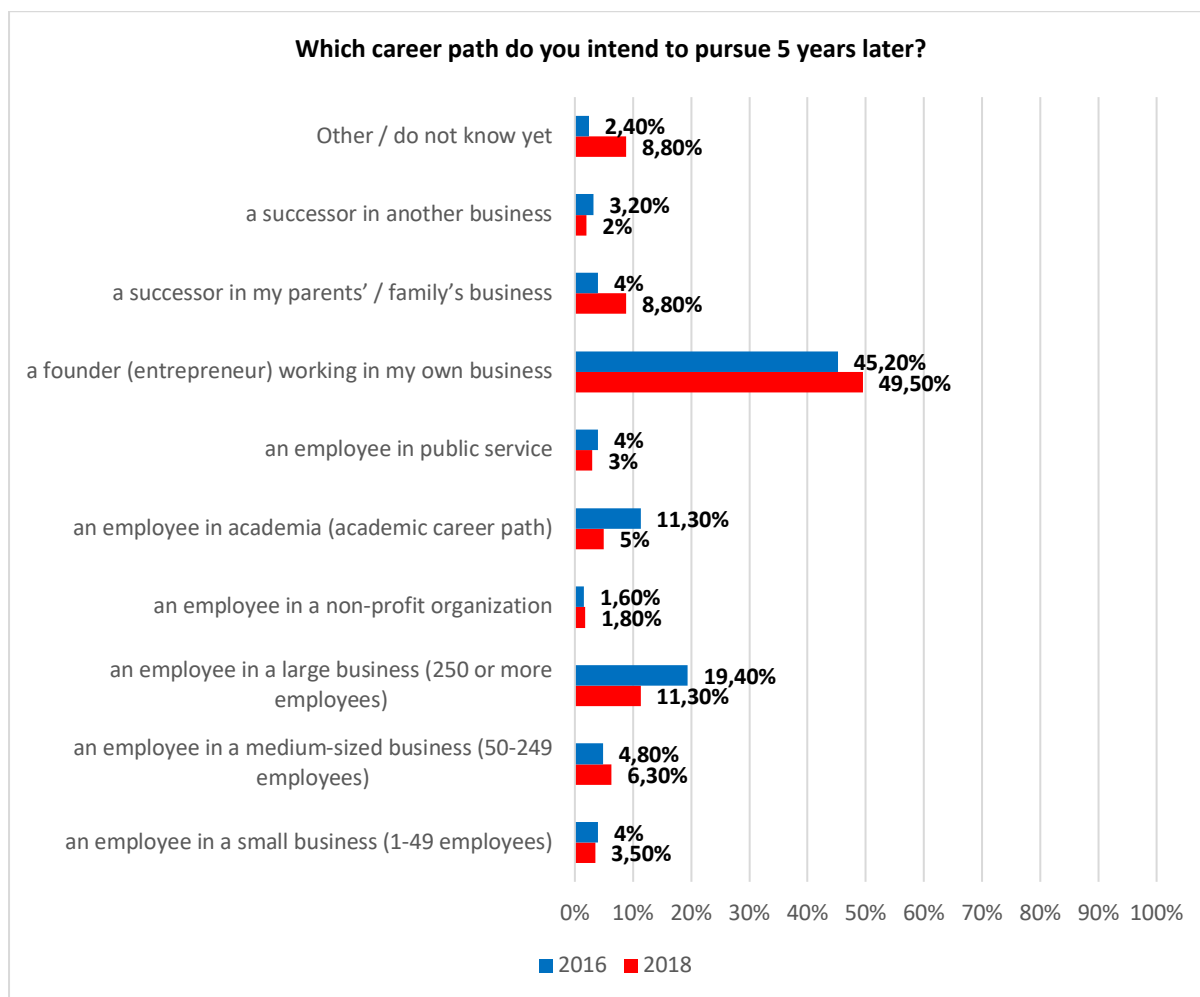


Figure 7. Career Choice Intentions intended to pursue career path intended to pursue 5 years: Comparison between in 2016 and 2018

Figure 8 shows the intended career choice intentions after graduation when split by gender. The results show that the share of male is highest regarding the intention to start their own business, 34,10% and working in large businesses, 13,40%. There is a lot of male students who are still not sure regarding their career path, 19,50%.

As regards to female students, most of them still haven't decided regarding their career path 19,80%. Moreover, the highest preference is linked with jobs in small businesses 17,60 or medium-sized businesses 17,60% and also with being founder of their own business. 16,50%. It can be noted that the general observation leads to that men were more willing to start businesses than women.

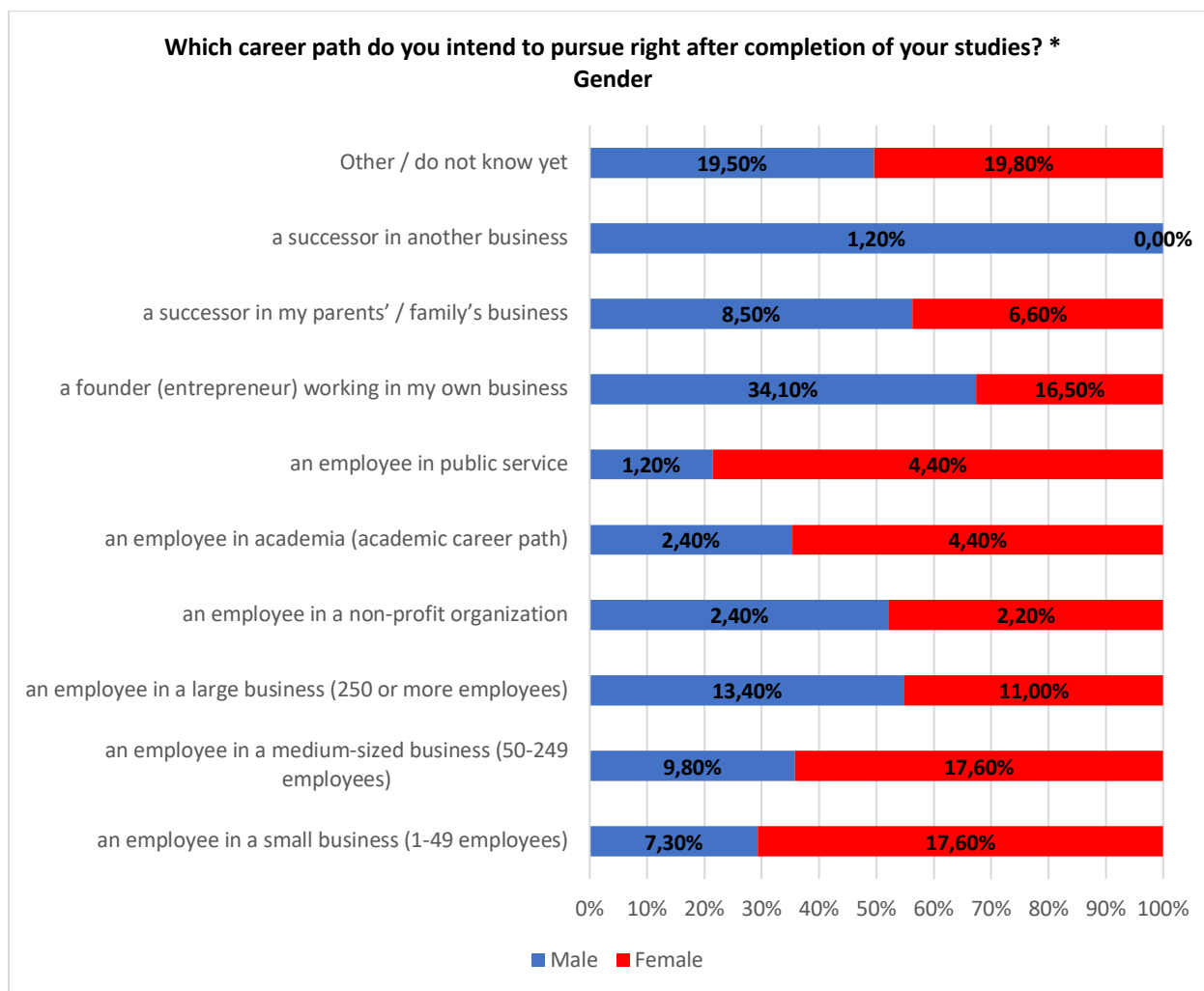


Figure 8. Students' Career Choice intentions after completion of Studies * Gender

As regards to the questions “are you currently trying to start your own business or to become self-employed” and “are you already running your own business or you are already self-employed”, (see Figure 9 and Figure 10 below) 74,70% of female students are not currently trying to start up their own business and male preference is higher with 48,80%, what confirms once again their attitude to owning business as the most preferred career intention. Both genders show the same results in regards to the question of current ownership status, which notes that they are not having an early entrepreneurial career.

4.2. Trying to start a Business and Entrepreneurial Intentions

To further understand the entrepreneurial intentions we looked at various demographic factors as well as the overall views of aspects of the entrepreneurial intentions. Analysing the

data on students' career options from a perspective whether they are currently trying to start with their own business (see Figure 9), 85,70% of the students responded that are not active neither with their own business, neither are self-employed.

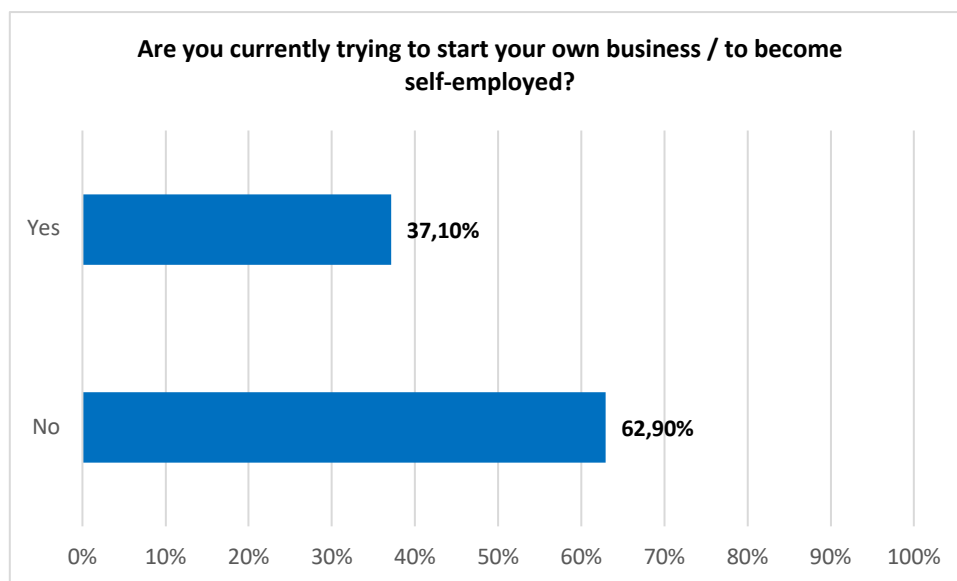


Figure 9. Students' Career Options; whether they are currently trying to start their own Business

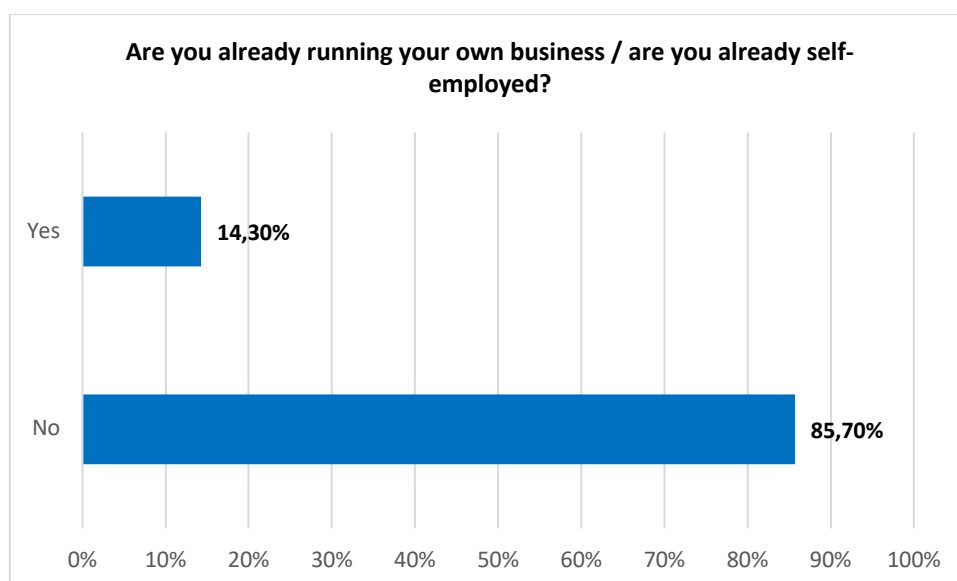


Figure 10. Students' Career Options; whether they are running their own Business

When asked about whether they are currently trying to start a business (Figure 11) there is a huge discrepancy between the males and females. The males are almost equally split between those who try to start a business and those who do not, whilst the majority of the females are not trying to start their own business.

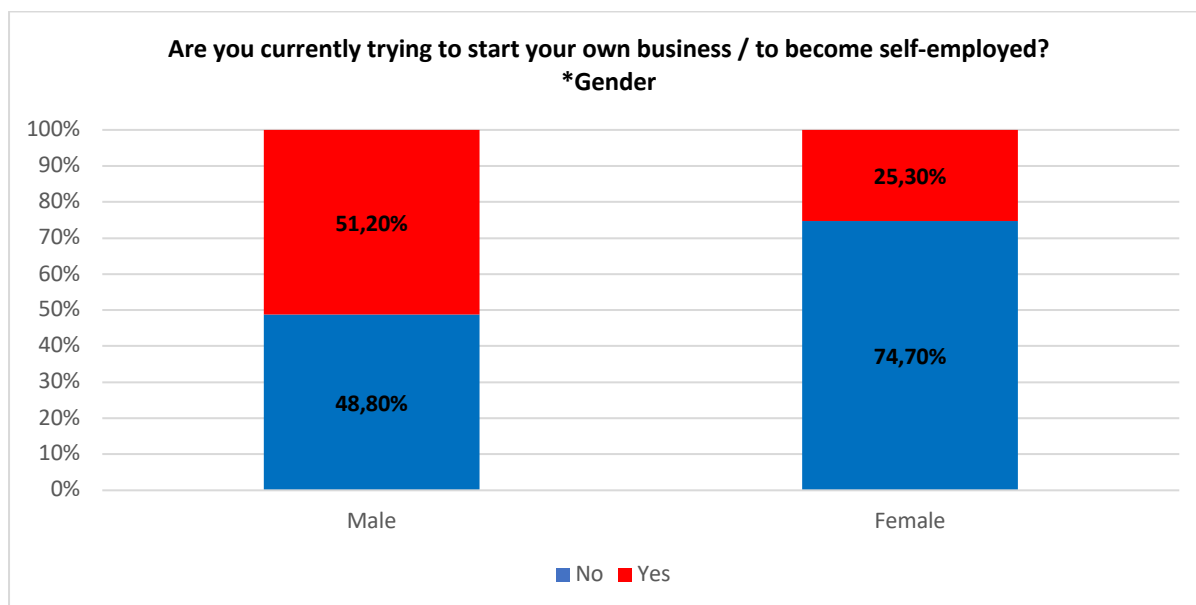


Figure 11. Students' Career Options; whether they are currently trying to start with their own Business* Gender

Looking at the link between education and entrepreneurial efforts (Figure 12), PhD students had the highest intentions to start their own business or become self-employed with 66,70%, followed by MBA with 50%. This needs to be further assessed and to identify what are the most entrepreneurial competencies that can be developed during the 3rd cycle that encourage the students to become more entrepreneurial oriented and employed.

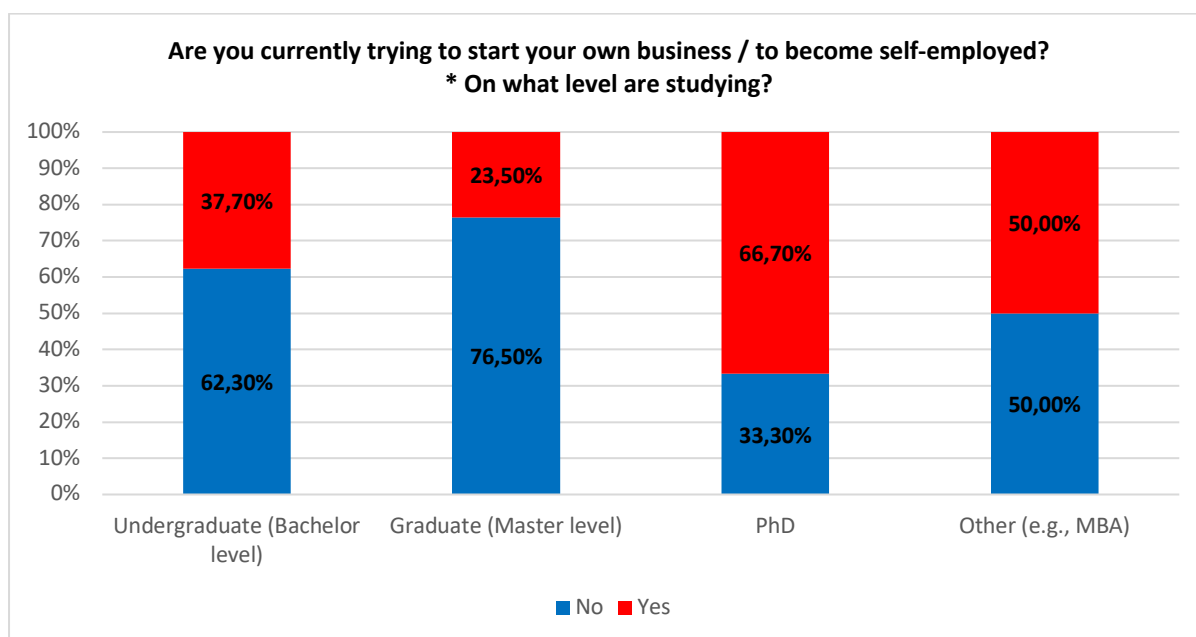


Figure 12. Students' Career Options; whether they are currently trying to start with their own Business* Education

Regarding the entrepreneurial intentions of students, the overall results show in Figure 13 that they were quite unsure for their specific entrepreneurial intentions. The students were asked to respond to a number of statements related to their entrepreneurial intentions. What can be noted also is their highest preference to become an entrepreneur and readiness to act and invest effort upon.

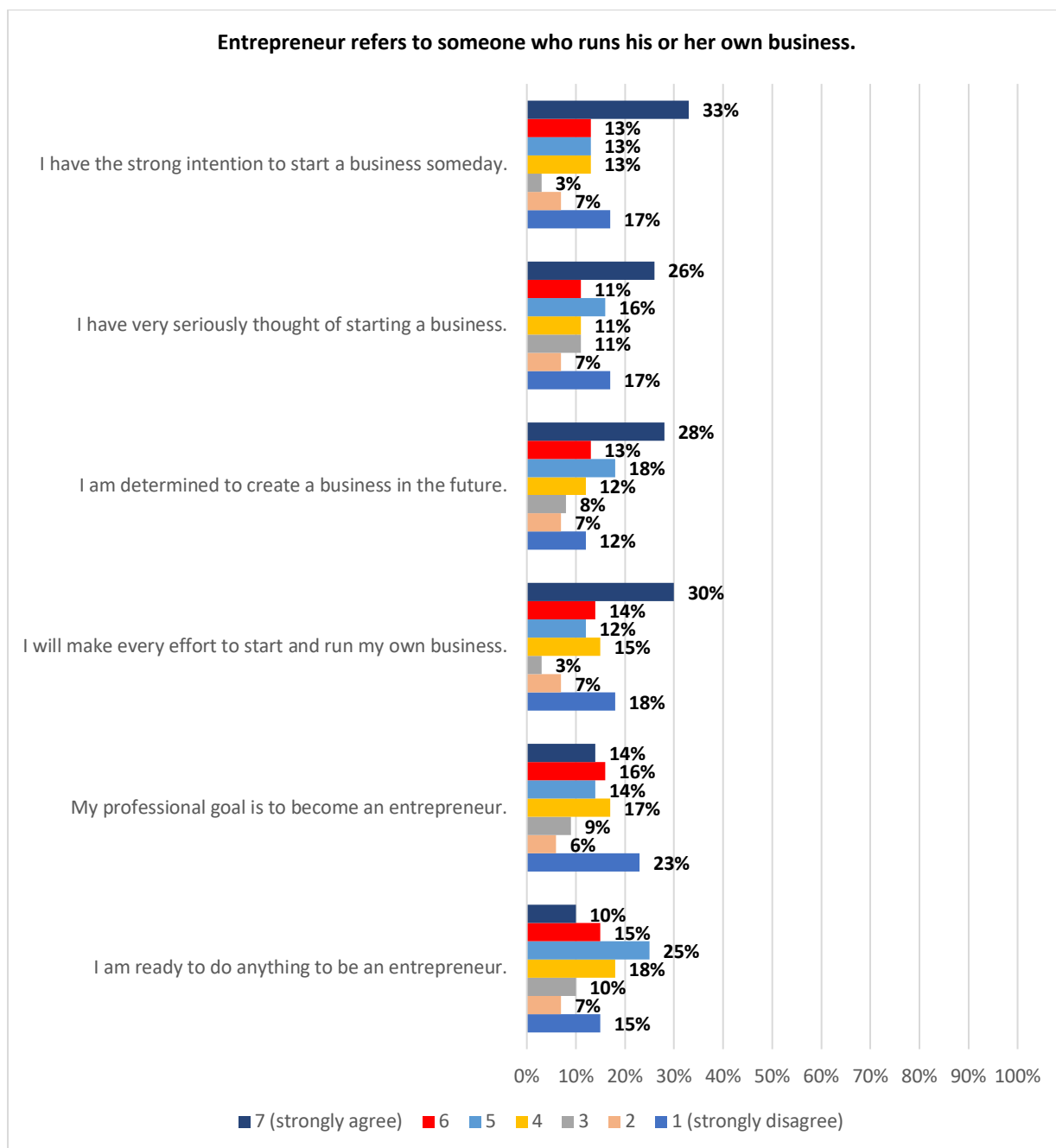


Figure 13. Understanding Entrepreneurial intentions

5. Drivers of Entrepreneurial Intentions

5.1. Education as an Instigator of Entrepreneurial Intentions

The education can serve as an instigator of the entrepreneurial intentions. The education can provide not only knowledge but also skills to help the entrepreneurial activities. Therefore it is important to uncover the uptake of entrepreneurial courses on university level. Looking at the overall data (Figure 14) it can be seen that most students had taken at least one entrepreneurship course either as elective or compulsory and a small percentage are enrolled

on a specific programme on entrepreneurship. However, a third of the sample has never taken a course connected to entrepreneurship.

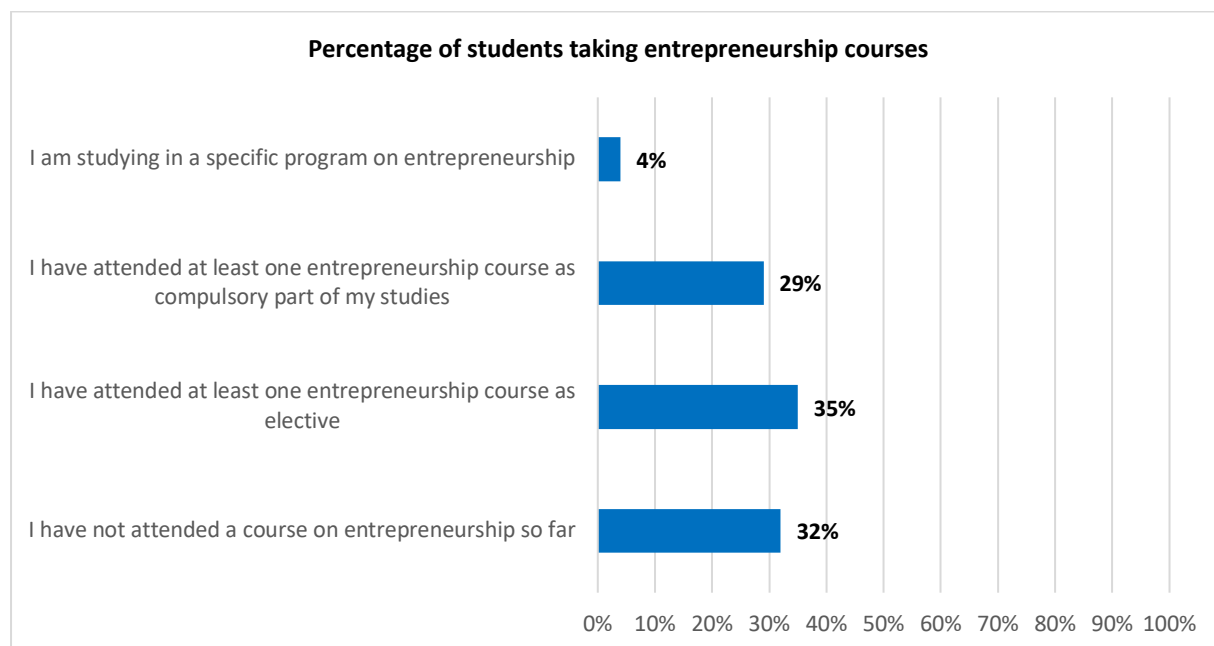


Figure 14. Percentage of Students taking Entrepreneurship Courses

Looking at the nascent (Figure 15) and active (Figure 16) entrepreneurs we can see that taking courses related to entrepreneurship is more important in instigating the intention to start a business, than it is for the already active entrepreneurs. Among those that have never taken a course on entrepreneurship 26,5% would like to become entrepreneurs, 47,5% of those that have taken at least one elective course would like to become entrepreneurs, 42,3% of those that have taken at least one compulsory course would like to become entrepreneurs, and 71,4% of those who stated that they are enrolled on an entrepreneurship program would like to become entrepreneurs. In comparison, among those that have never taken a course on entrepreneurship only 7% are active entrepreneurs, 18% of those that have taken at least one elective course are active entrepreneurs, 13,5% of those that have taken at least one compulsory course are entrepreneurs, and 28,6 % of those who stated that they are enrolled on an entrepreneurship program are entrepreneurs.

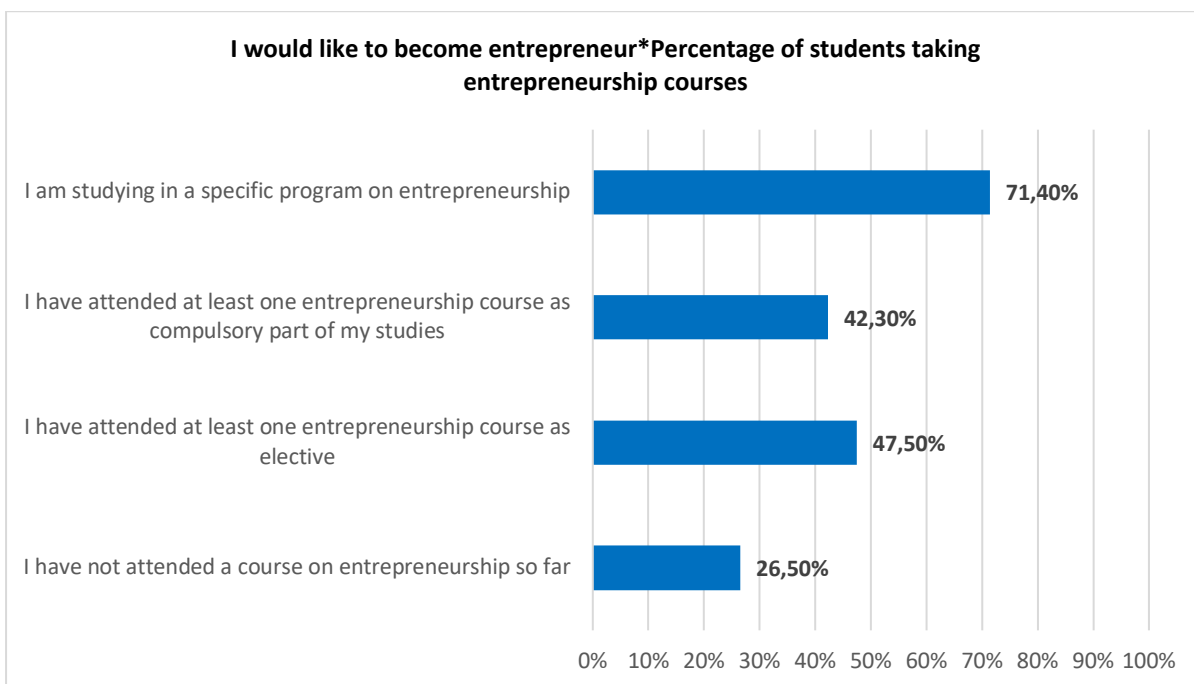


Figure 15. I would like to become entrepreneur*Percentage of Students taking Entrepreneurship Courses

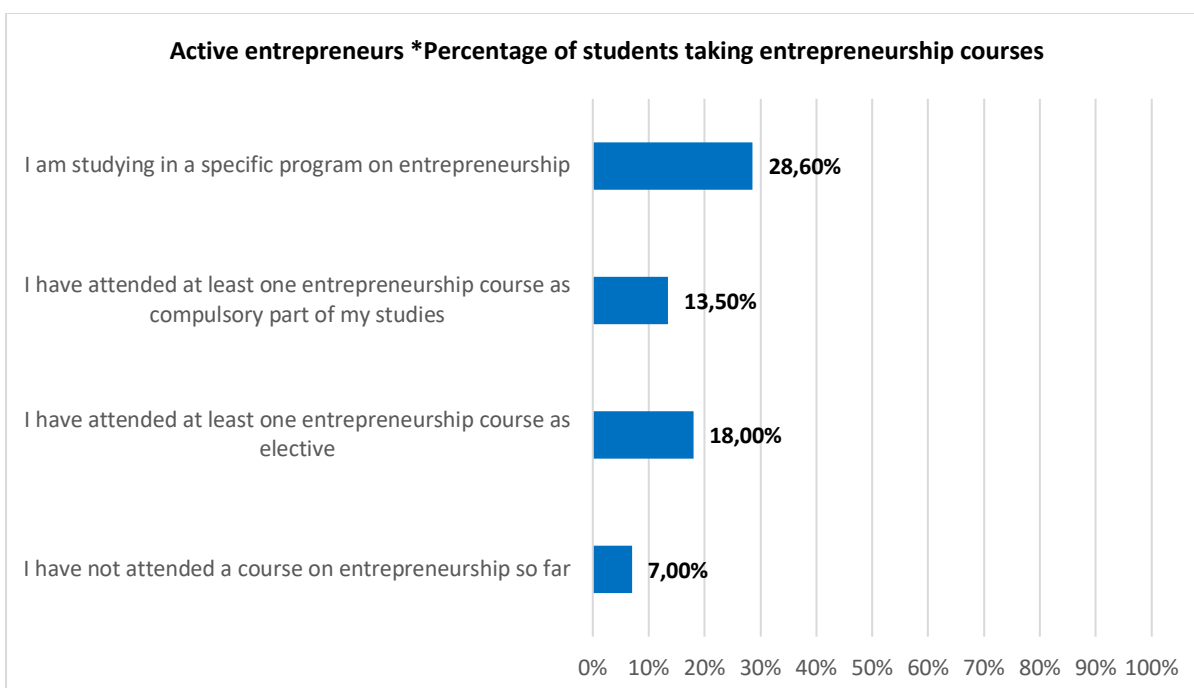


Figure 16. Active entrepreneurs *Percentage of Students taking Entrepreneurship Courses

Looking at the educational process deeper (Figure 17) we can see that majority of the students appraise the University environment as stimulating for entrepreneurship. The most

favourable perception is given to the overall atmosphere at the university and the least favourable to the encouragement of the students to engage in entrepreneurial activities.

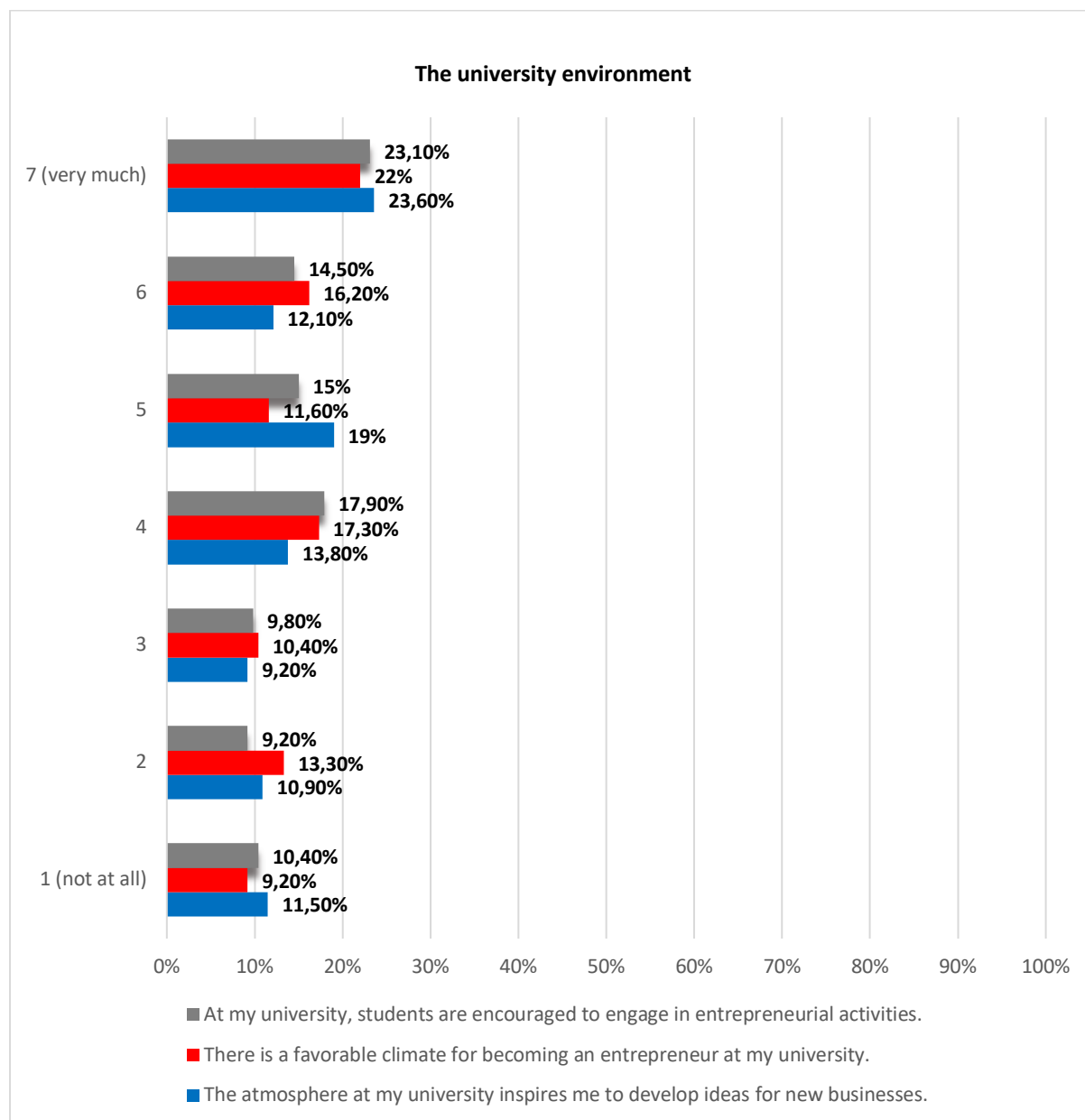


Figure 17. The percentage of Students appraising the University Environment as conducive to Entrepreneurship

Looking at the Program learning we can also see that the evaluation is even more positive than the overall university environment (Figure 18). Namely, the students are most positive about the role of the courses and offerings at the university in their understanding of the attitudes, values and motivations of entrepreneurs. They are however least positive about

the role of the courses in enhancing their practical management skills needed to start a business.

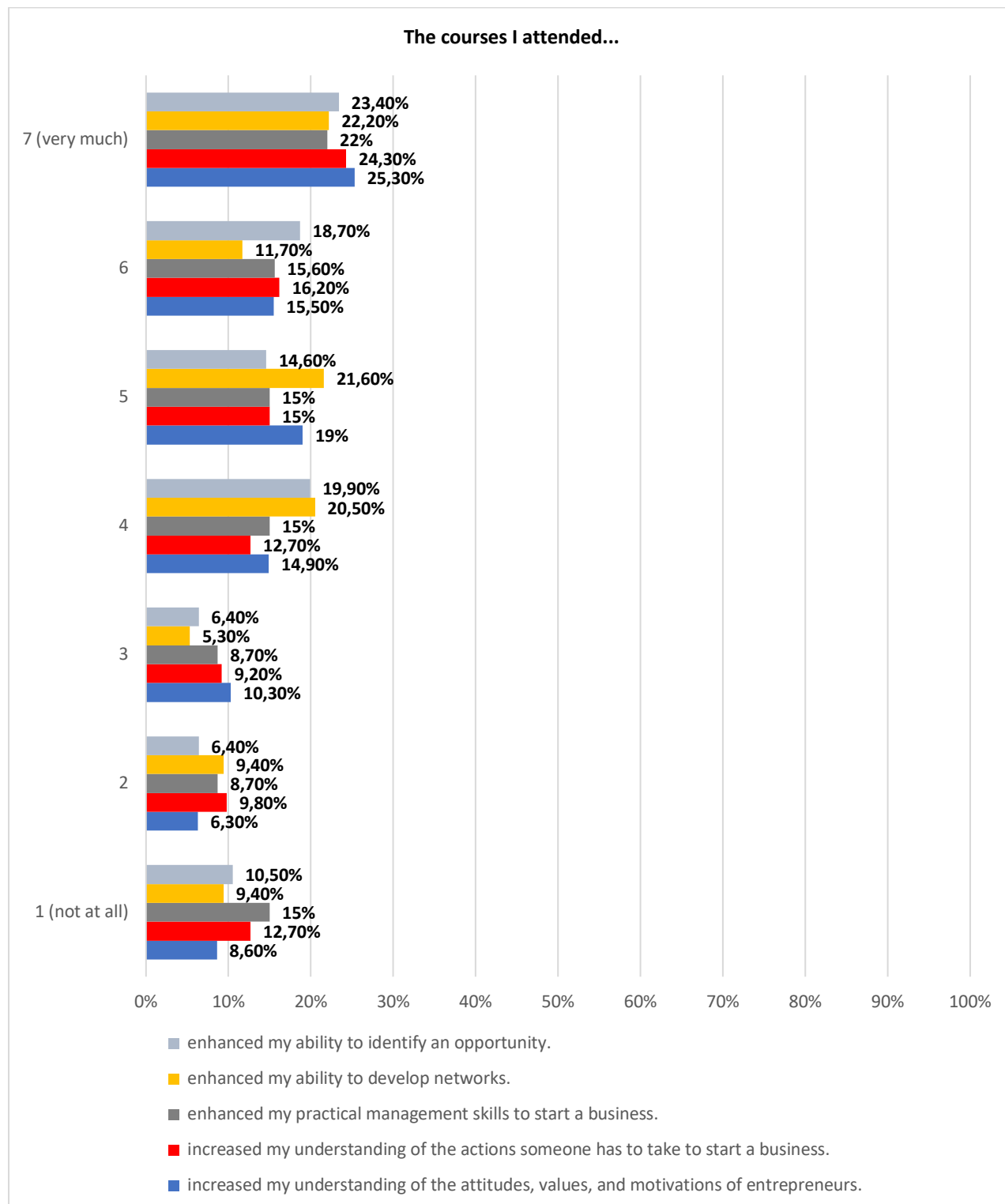


Figure 18. Perception of Students regarding Program Learning

The experiences and activities within the family can serve as a great motivator and instigator for certain activities. Therefore this analysis also looked at the linkages between parental self-employment and nascent and active entrepreneurs. Although the sample is small for this analysis certain pattern emerges as can be seen in Figure 19). Namely, most of the nascent entrepreneurs have either two self-employed parents (32,2% of those who want to start their own business have both parents in self-employment) or a father who is self-employed (21,5%) and almost have of them do not have parent who are self-employed (46.2%). The same pattern can be seen among active entrepreneurs (Figure 19). Most active entrepreneurs have experience of both parents being self-employed (44%) followed by those who have a self-employed father (36%).

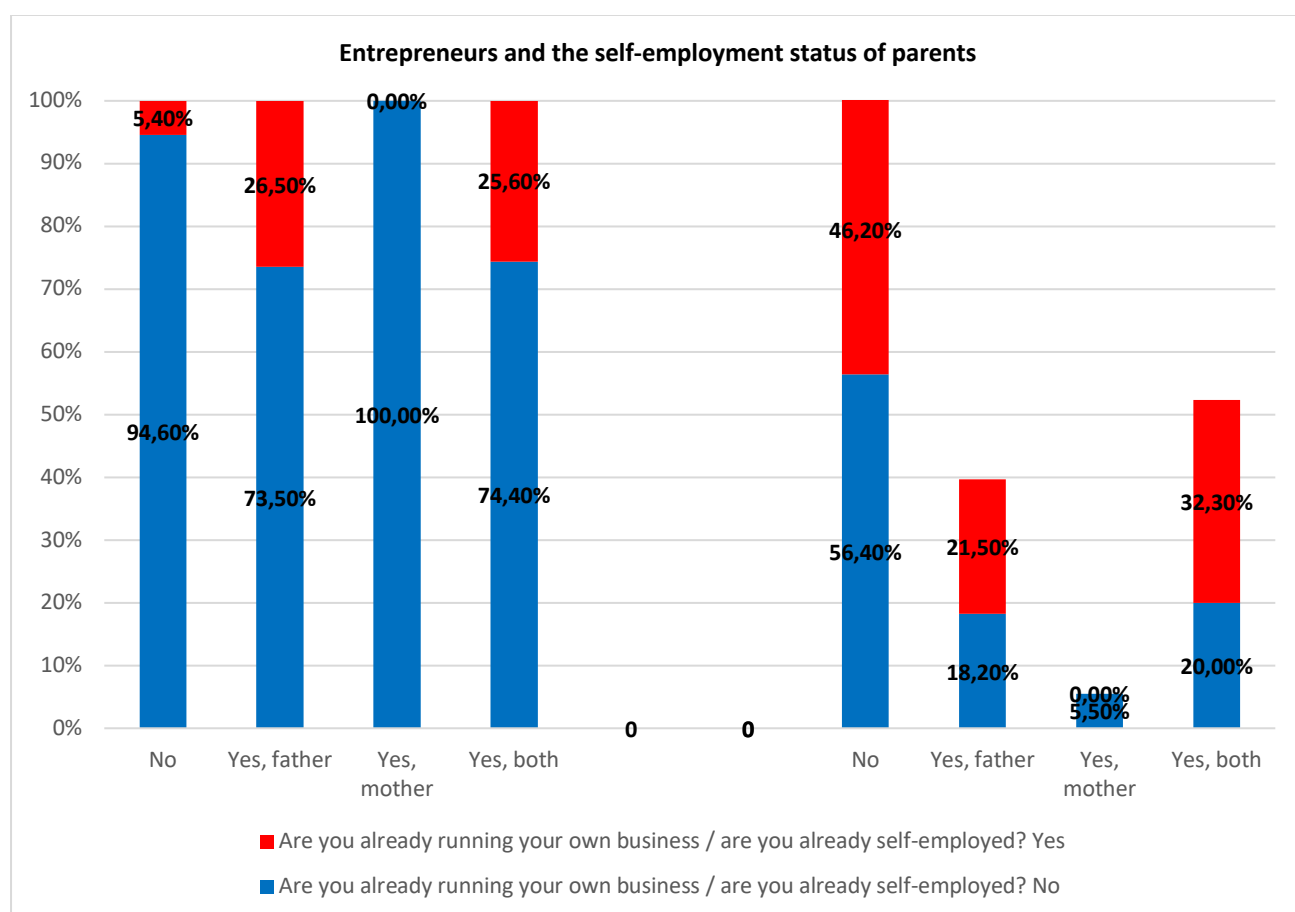


Figure 19. Entrepreneurs and the Self-employment Status of Parents

5.2. Entrepreneurship and Theory of Planned Behavior

Trying to look at factors related to the Theory of Planned Behavior, this analysis also looked at the overall entrepreneurial intentions as well as factors that are important for the entrepreneurial intentions. Therefore the analysis collated the answers to different questions relating to the same variable from a theoretical viewpoint to look at patterns of attitude towards behaviour, locus of control, self-efficacy, social norm, university environment, program learning and entrepreneurial intentions. We looked at differences between genders as well as differences in the variables in different years. Although there are no high differences between genders it is visible that the females have higher entrepreneurial intentions meaning that they have greater overall intentions of becoming entrepreneurs in the future than their male peers. They also more positively appraise their self-efficacy and ability to succeed if they become entrepreneurs, have more positive attitude towards entrepreneurship, appraise the university environment and programme learning as more stimulating of entrepreneurial activities and perceive more support from their social environment for entrepreneurial activity. What is slightly disheartening is that the entrepreneurial intentions have downward trend from the two previous years and that all the other elements show decrease. This is something that needs to be explored further to determine whether it is caused by the most recent pandemic or whether broader societal and economic factors play a role especially having in mind the importance of entrepreneurship and SME's in the economy. What is worth mentioning is that even with the decline the Entrepreneurial Intentions of the students in the North Macedonia are still higher than the global average⁶. The same can be said about all the other aspects of the Theory of Planned Behaviour.

⁶ https://www.guesssurvey.org/resources/PDF_InterReports/GUESSS_2021_Global_Report.pdf.

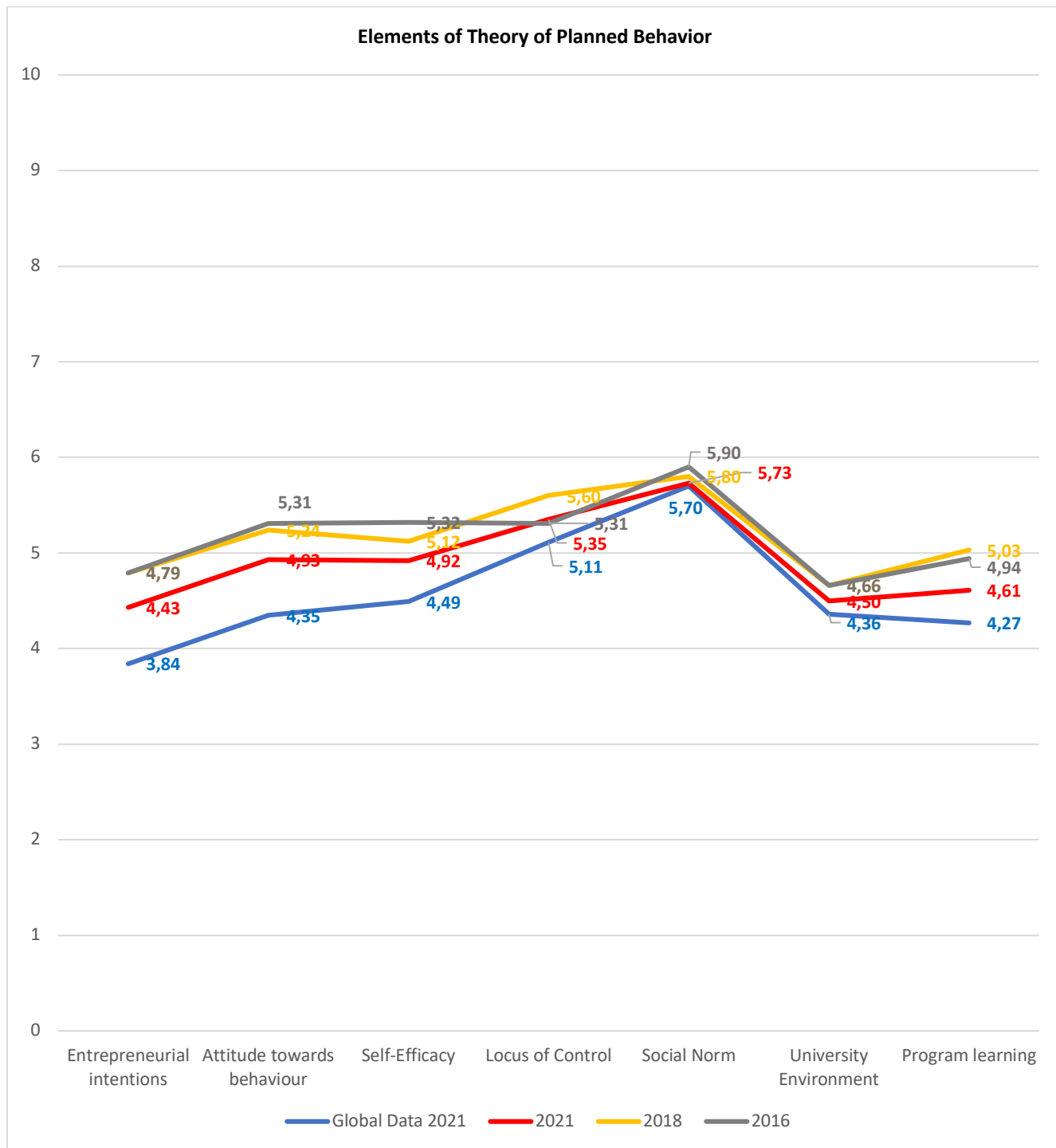


Figure 20. Elements of Theory of Planned Behaviour

To uncover what can be done to stimulate the development of the entrepreneurial intentions a series of regression analysis were performed. First a regression was done with Entrepreneurial Intentions as an outcome variable and attitude towards behaviour, locus of control, self-efficacy, social norm, university environment and program learning as predictors.

The regression explained 76% of the variance of the variable Entrepreneurial Intentions as was statistically significant ($F=52.69$, $p<0.01$). The statistically significant predictors were attitude towards behaviour and self-efficacy.

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	(1,209)	,498		(2,430)	,017
Attitude towards behavior	,856	,072	,750	11,894	,000
Self-Efficacy	,208	,099	,160	2,089	,039
Locus of Control	,028	,108	,019	,265	,792
Social Norm	,019	,093	,012	,201	,841
University environment	,009	,090	,009	,097	,923
Program Learning	,022	,100	,021	,223	,824

Table 1. Regression results for Entrepreneurial Intentions

Looking at how to improve the attitude towards behaviour and self-efficacy two additional regression analysis were done. The regression for attitude towards behaviour explained 27,6% of the variance and was statistically significant. The statistically significant predictors were locus of control and social norm.

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	,375	,758		,495	,622
Locus of Control	,347	,142	,259	2,441	,017
Social Norm	,318	,138	,234	2,303	,023

University environment	,017	,136	,019	,123	,903
Program Learning	,192	,144	,209	1,336	,185

Table 2. Regression results for Attitude towards Behavior

The regression for Self-efficacy was also statistically significant and explained 51,1% of the variance. The statistically significant predictors were Locus of Control and Programe learning. This means that the education can have a role in stimulating the entrepreneurial intentions through increasing the appraisal of self-efficacy of the students which is in turn related to their level of entrepreneurial intentions.

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	,258	,549		,469	,640
LocusOfControl	,562	,104	,476	5,419	,000
SocialNorm	,091	,100	,076	,909	,366
UNIENVIR	(,104)	,099	(,134)	(1,055)	,294
ProgramLearning	,368	,104	,456	3,536	,001

Table 3. Regression results for Self-Efficacy

6. Active Entrepreneurs

6.1. Entrepreneurial Ownership

Considering the ownership share, the obtained data showed that 71,40% of the respondents had 100% ownership in their business. Next, 19% of the respondents had minority ownership. Following the last category of responses, the smallest percentage of 9,50% goes to 50% ownership share.

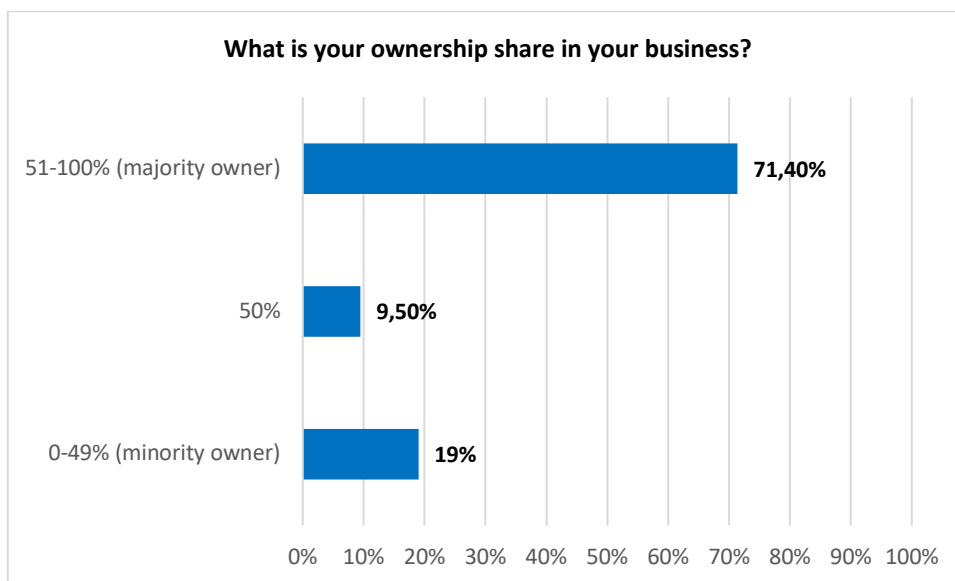


Figure 21. Business Ownership Share

As evidenced in the data below, most of the businesses were created individually, with no co-owners (50%). Following on, 36,40% of the sample had one co-owner and the remaining were shared with two co-owners. As regards to the gender, the majority of females (45,50%) are not co-owners, 27,30% of them are co-owner with one more partner, while only 9,10% of females work with 3 more partners in their business.

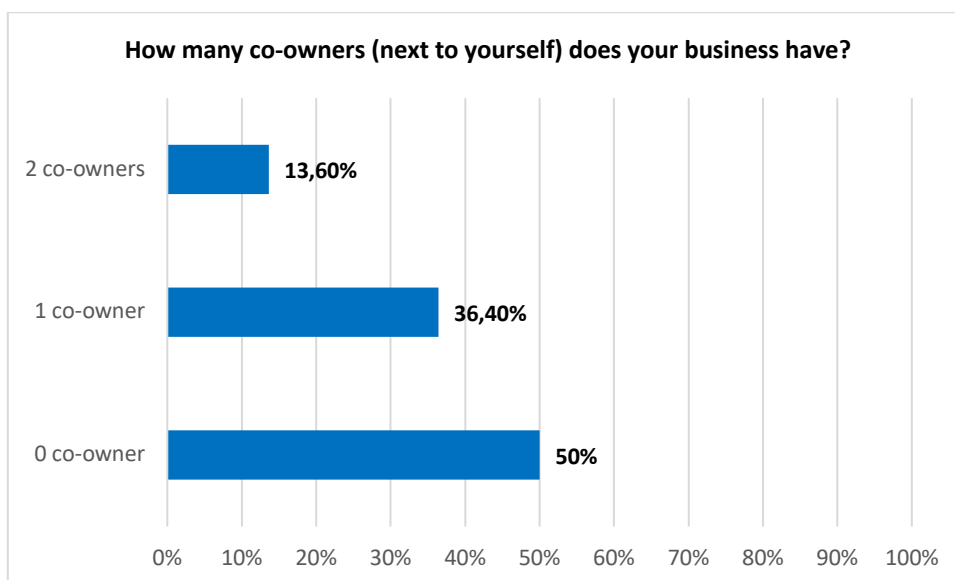


Figure 22. Number of Business Co-owners

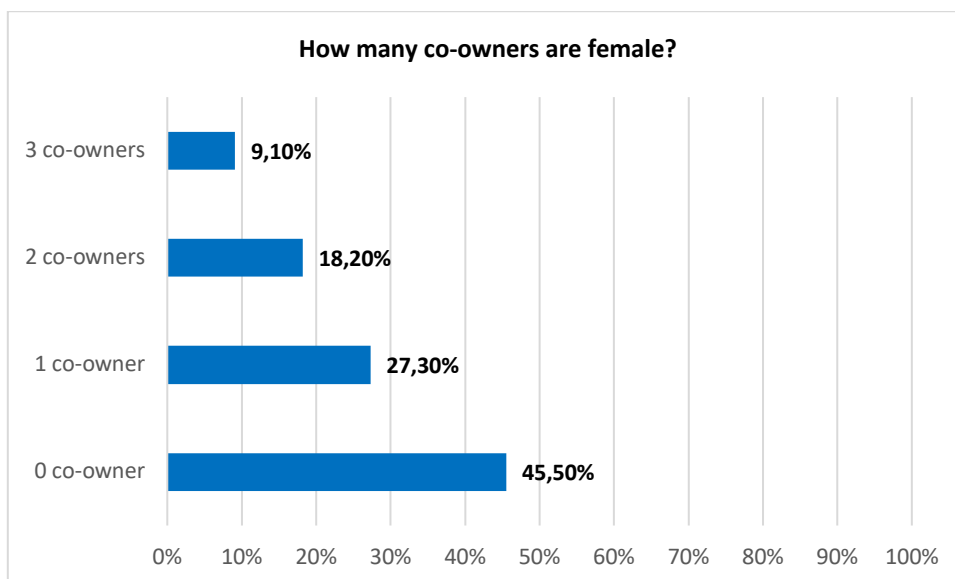


Figure 23. Number of Female Business Co-owners

6.2. Entrepreneurial Areas

In regards to the economic sector in which the businesses are active, the highest proportion goes to trade with 30%, followed by the tourism and leisure (13%), advertising, design and marketing (13%) and other businesses (13%). The businesses are least active in manufacturing (4,30%), IT (4,30%), human health (4,30%), consulting (4,30%) and construction (4,30%) sectors.

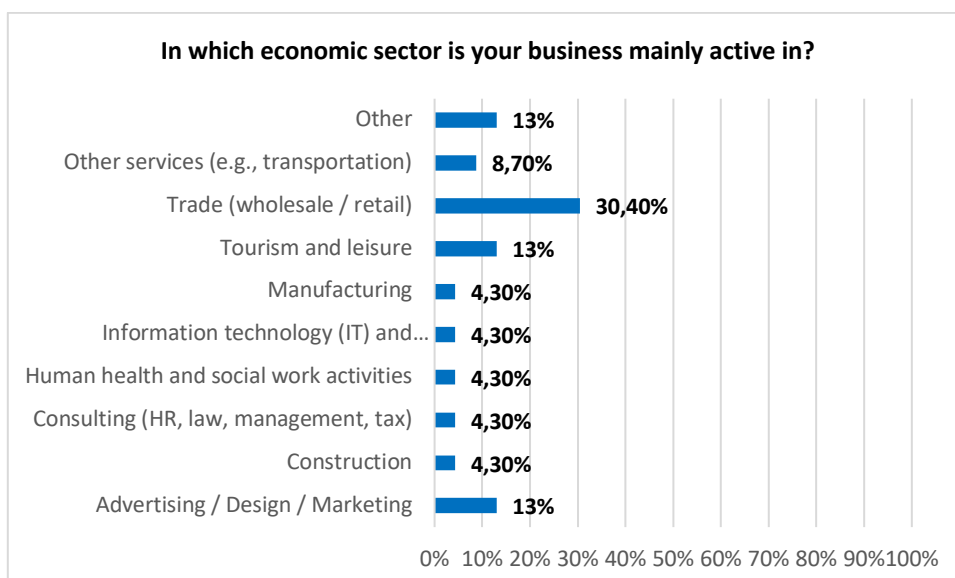


Figure 24. Sectors where Businesses are the active in

6.3. Entrepreneurial Reasons

The majority of the students (50%) have agreed with the statement that they have created the firm to advance their career in the business world. A significant portion of answers (31%) goes that the business was created mainly to solve a specific problem. Other opinions were found as valuable such as playing a proactive role in changing how the world operates (22,7%), playing a proactive role in shaping the activities of a group of people that they strongly identify with (22,7%), making money and becoming rich (22,7%), while only 18,20% of the active entrepreneurs were concerned about solving a societal problem that private businesses usually fail to address (such as social injustice, environmental protection). It is encouraging to see that a fifth of the active entrepreneurs are tackling important societal and environmental issues especially having in mind that the country is faced with many such issues that are left unanswered.

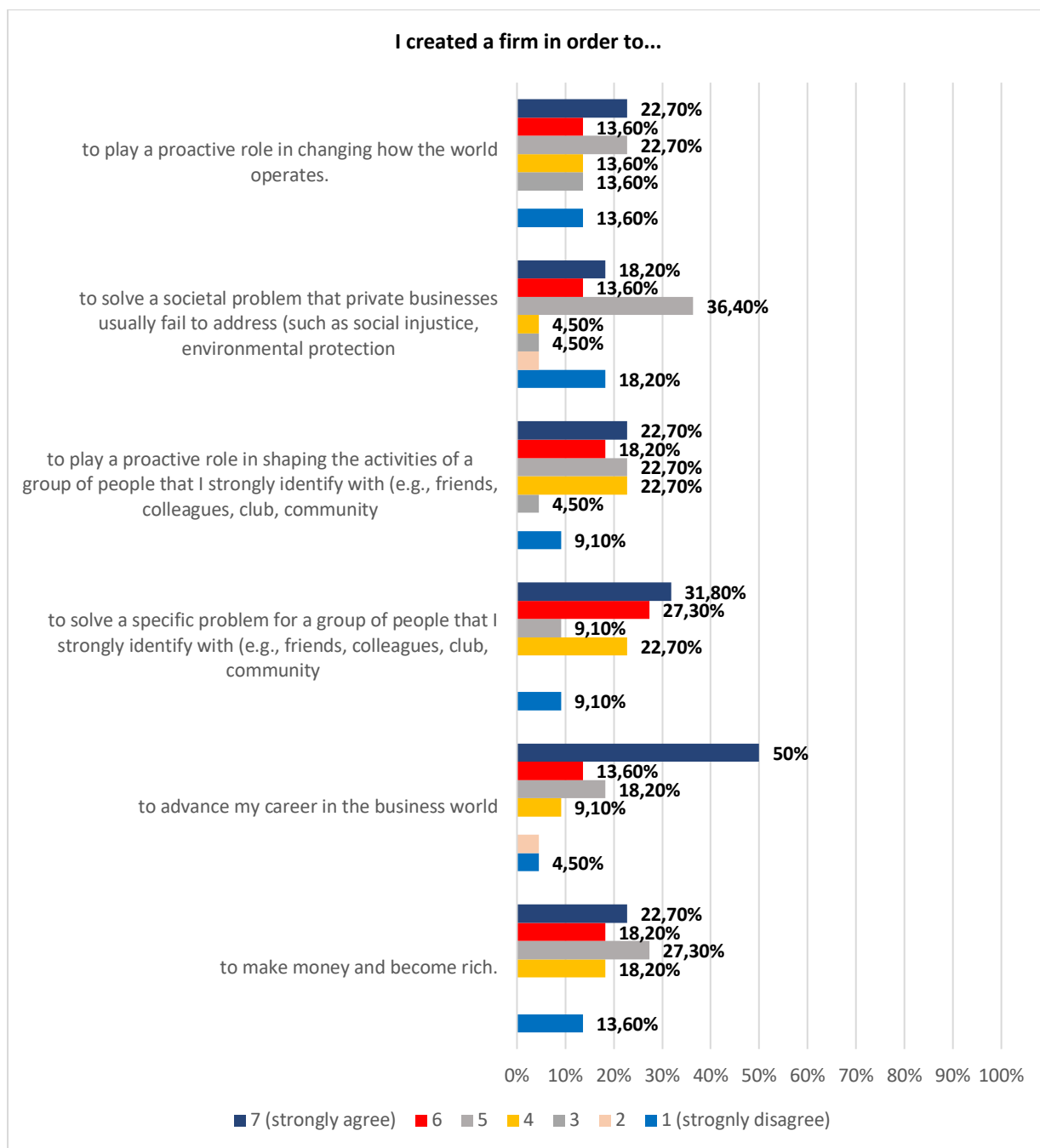


Figure 25. Reasons for creating a Firm

Looking at the results it is visible that COVID has been a motivator of about a fifth of the active entrepreneurs. This is still quite less than the global result which stands at 33.7%⁷

⁷ [GUESSS 2021 Global Report.pdf \(guesssurvey.org\)](https://guesssurvey.org/GUESSS_2021_Global_Report.pdf)

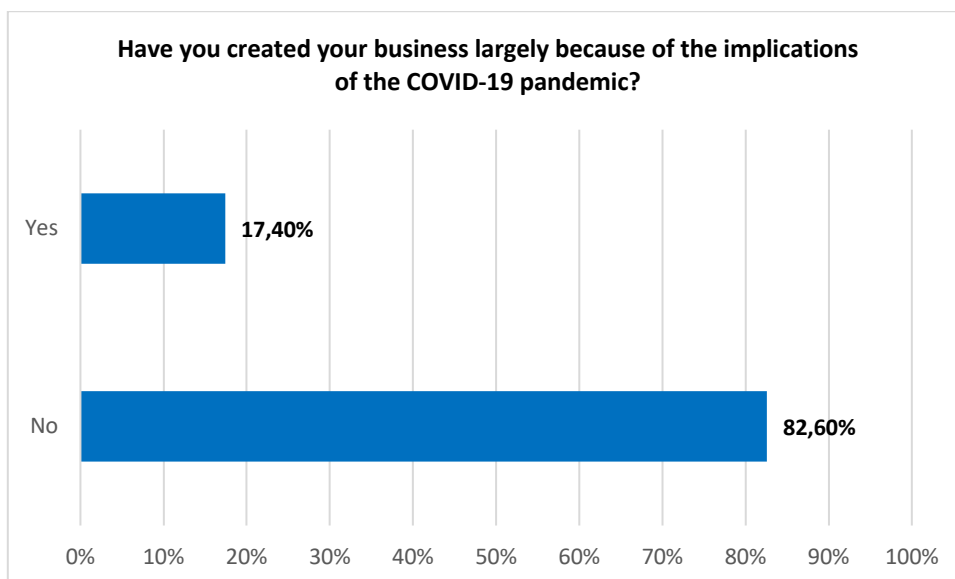


Figure 26. Covid-19 pandemic Implication on Business

On the question of whether the students want to keep their business for the main occupation, 52,20% answered “yes”. The remaining part goes to 39,10% of those who have not decided yet and 8,70% to those who would like to switch to another occupation.

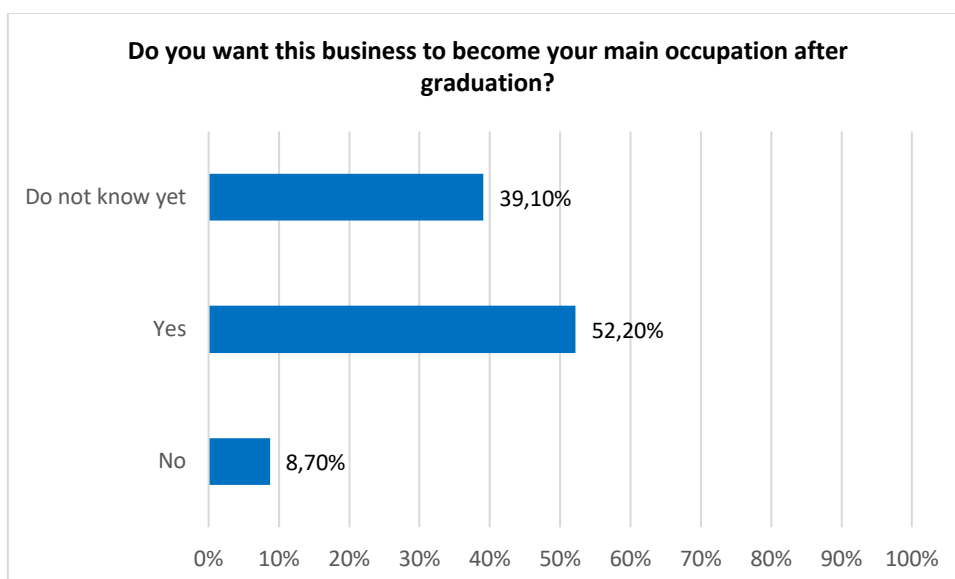


Figure 27. Current Business as Future main Occupation

Concerning the performance of the entrepreneur’s company in comparison with the competition, the active entrepreneurs strongly agree to position job creation at a highest level

(45,50%), followed by profit growth (39,10%), innovativeness (37,50%), sales growth (26,10%) and market share growth (26,20%).

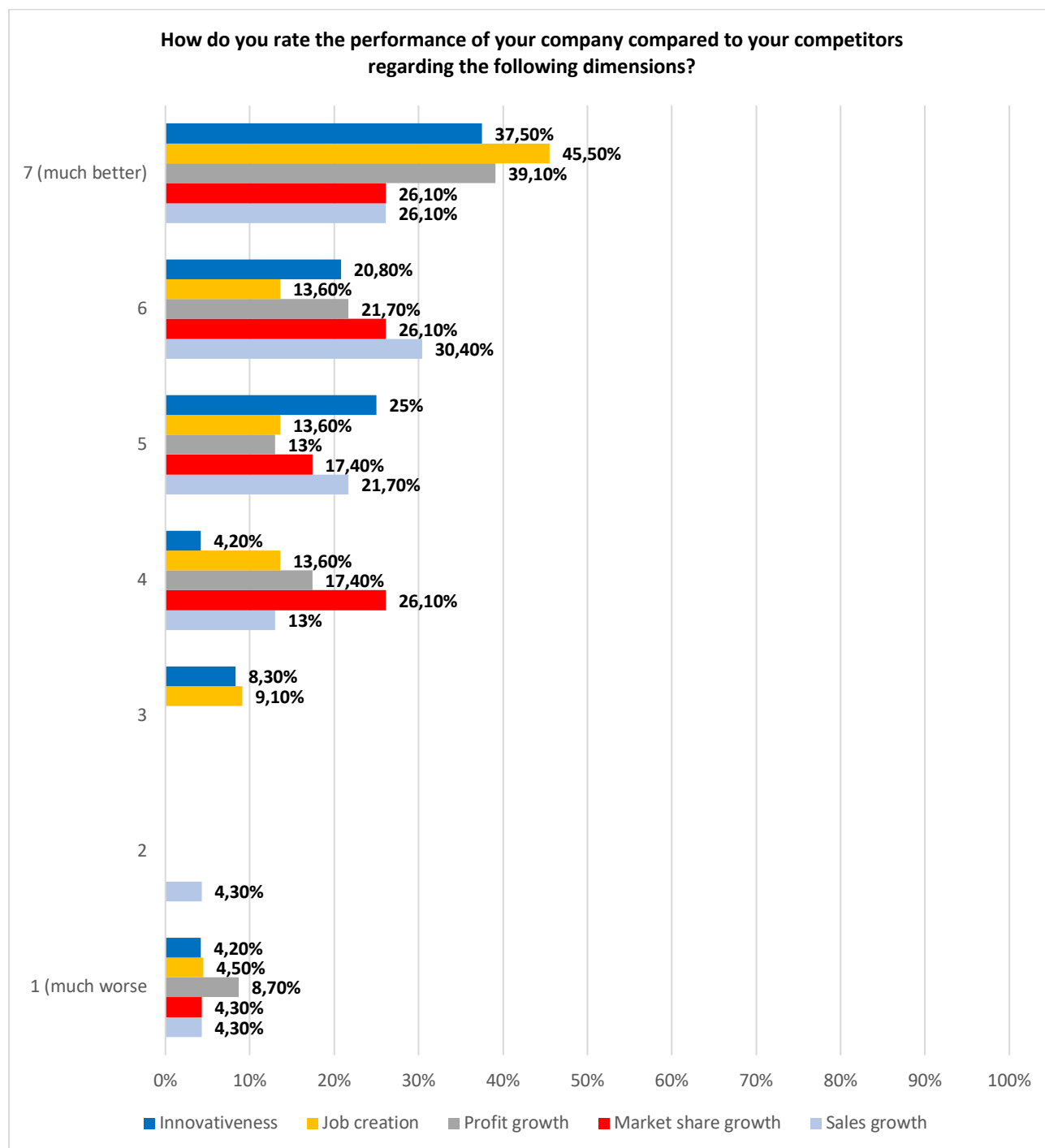


Figure 28. Performance of Company in comparison with the Competitors

7. Nascent Entrepreneurs

When asked about their efforts to start their own business 37% of the participants stated that they are trying to start their own business at the moment. This number is higher than the global number of nascent entrepreneurs (28.4%). For the majority (94%) of the students their planned business will be their first business and only 6% are serial entrepreneurs meaning that they have created a business before and this percentage is lower than the global average (standing at 15%). Most of the students would like to start their business during their studies (36%) or right after their studies (24%) and the majority (46%) would like to turn their start-up into their main occupation after graduation. It is interesting to note that in one third of the cases the idea was related to the University as seen through Figure 29 and for most of the students their ideas emerged largely independent from their University studies (67.3%). This is in line with the global findings⁸.

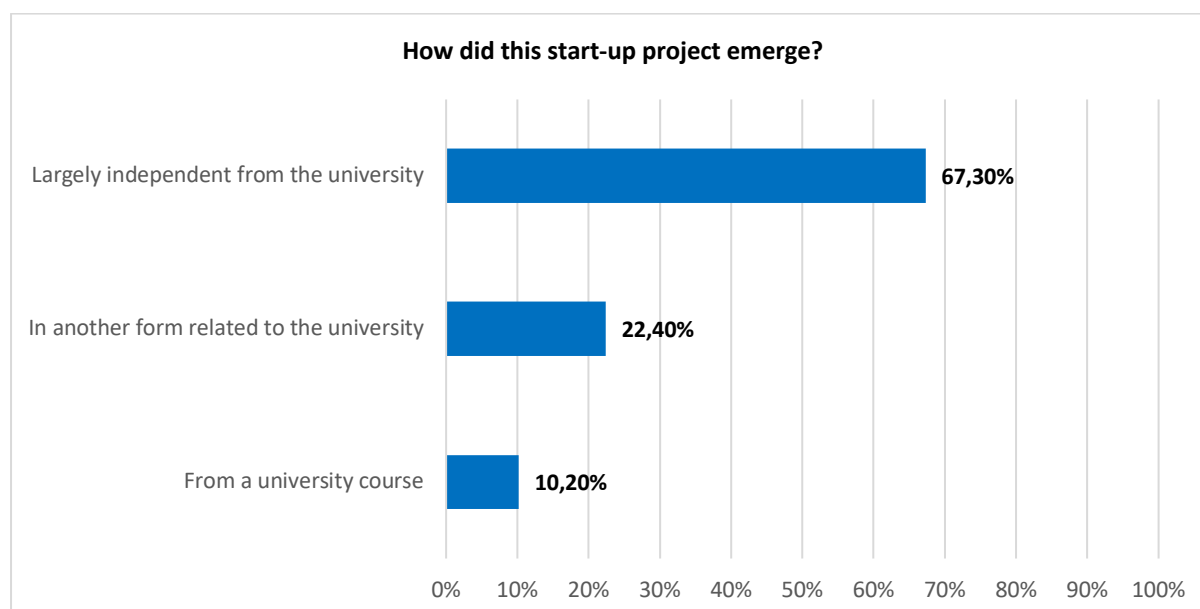


Figure 29. Ideas for the Start-up Project

It is interesting to note that the current pandemic was not perceived as a factor of inspiration for new start-ups as only 12% of the students stated that they plan to start a new business due to the implications of the pandemic. This percentage is considerably lower than the global average of 22%⁹.

⁸ https://www.guesssurvey.org/resources/PDF/InterReports/GUESSS_2021_Global_Report.pdf.

⁹ https://www.guesssurvey.org/resources/PDF/InterReports/GUESSS_2021_Global_Report.pdf.

More than half of the students would like to start a business on their own (56.3%) and one third would like to start it with 1 other co-founder. An overwhelming majority would like to be majority owner (68.8%) as can be seen in Figure 30. It is also interesting to note that for most of the students (84%) increasing the value of the business is more important than maintaining maximum ownership and control of the business. This means that students would be very open to external help in growing their business.

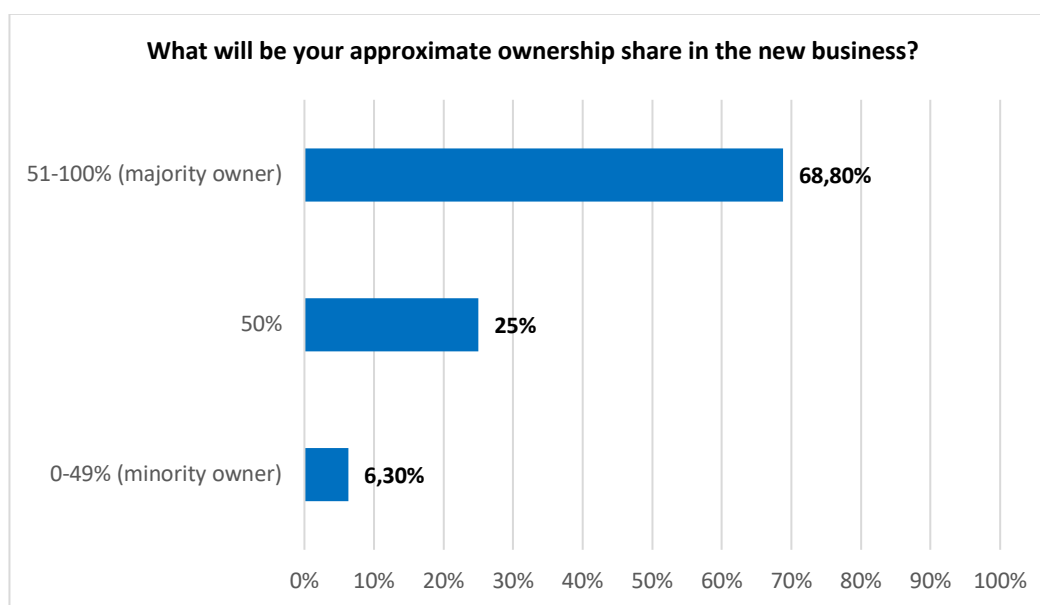


Figure 30. The Preferences for Ownership of the Business.

Looking at the gestation activities that students have already undertaken it can be seen that not many of them have undertaken actual activities to start a business. The activity that was mostly mentioned was collecting information about markets and competition, closely followed by discussing their ideas with customers and writing a business plan. As can be seen in Figure 31 the other activities were done by less than 5% of the students

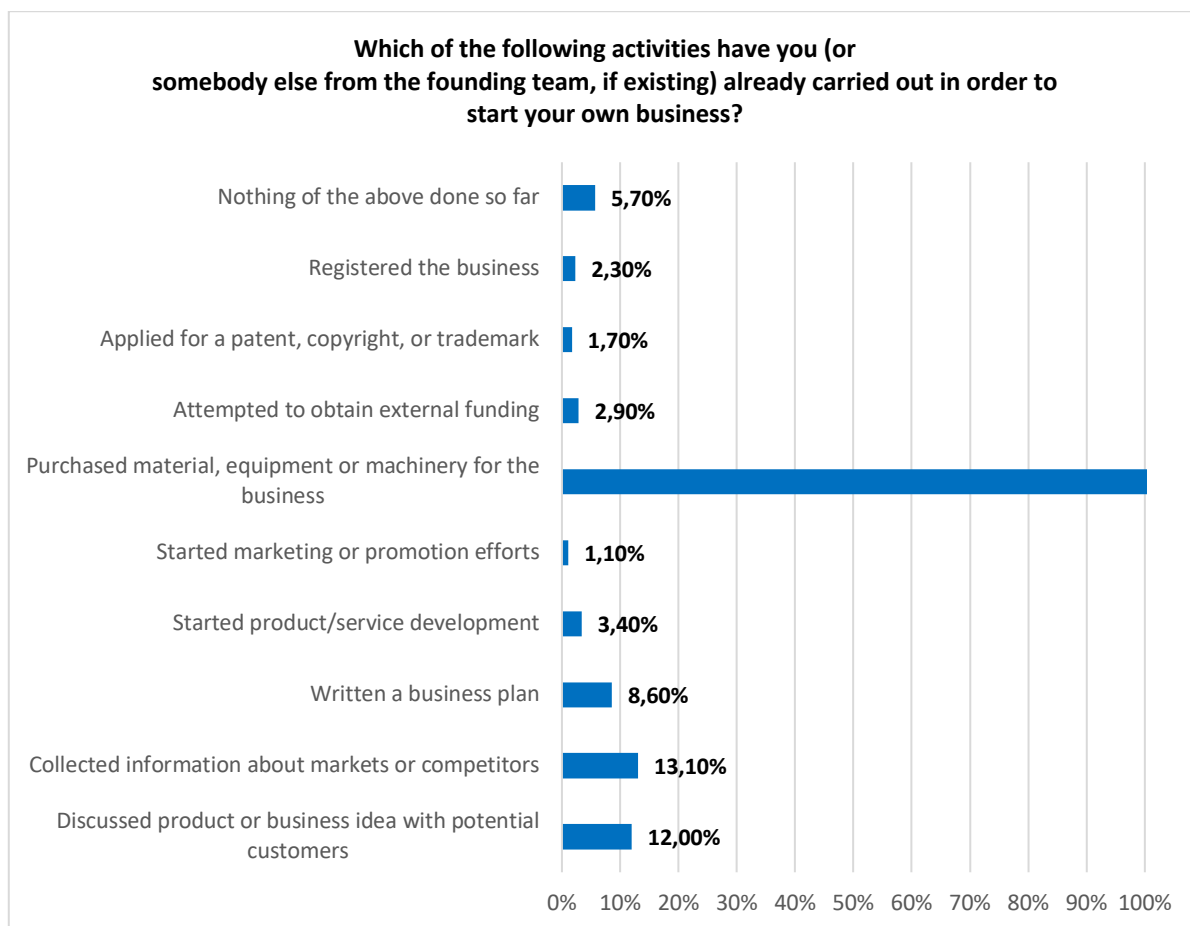


Figure 31. Activities carried out by the Entrepreneur or the Founding Team

Looking at the tendencies for risk-taking, innovativeness and proactiveness (Figure 32 it is visible that the students show tendency towards risk-taking, especially when it comes to taking bold actions or exploring the unknown. They also tend to report high appraisal of their own innovativeness and also perceive themselves as quite proactive.

Please indicate your level of agreement with the following statements

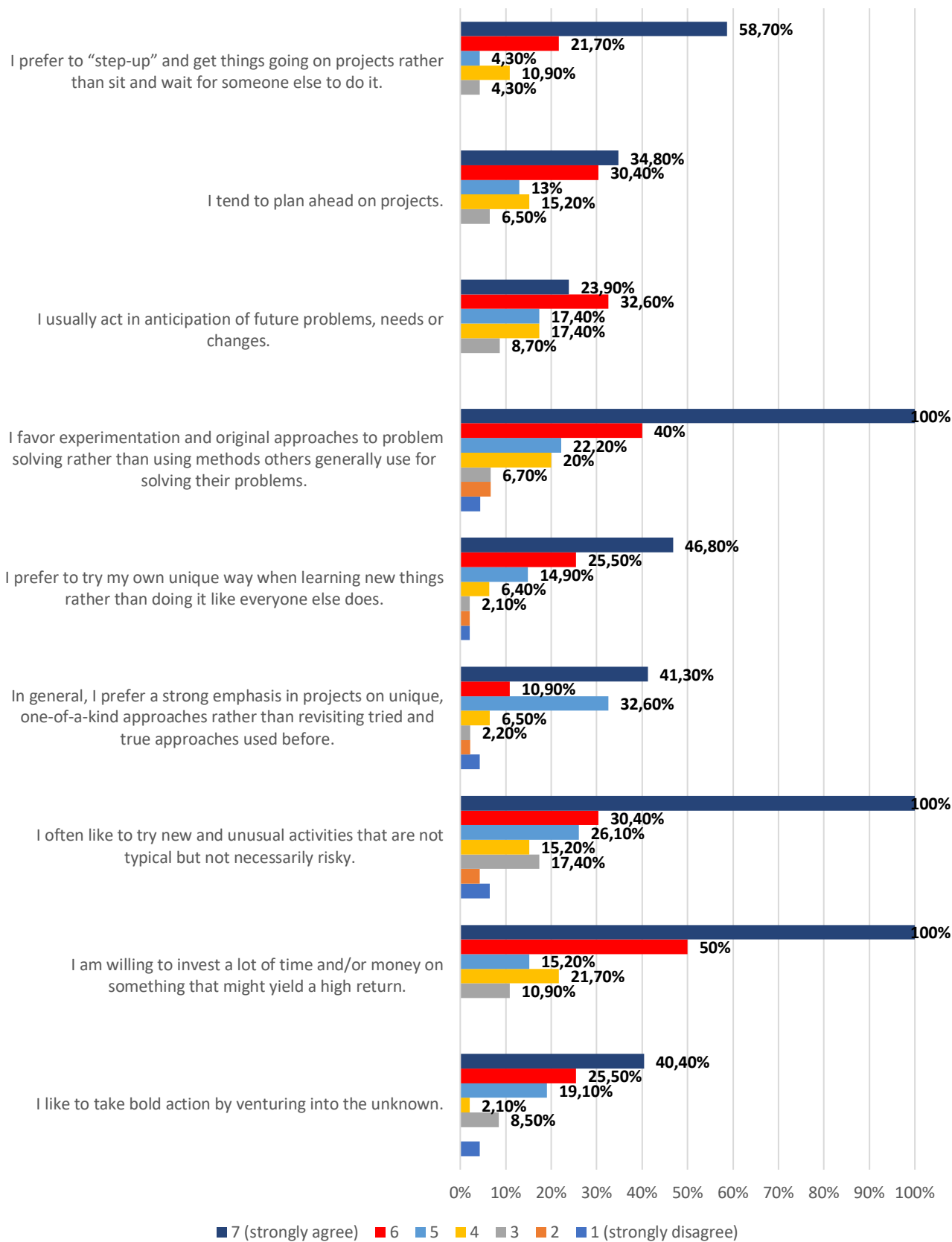


Figure 32. Reported Risk-Taking, Innovativeness and Proactiveness**8. Recommendations**

- Education seems to be quite a powerful factor in stimulating the entrepreneurial intentions of the students. Taking courses in entrepreneurship is a particularly important factor for those thinking to start their own business. Therefore students should be offered courses related to entrepreneurship and encouraged to take them so that they can explore entrepreneurship as a career option. Universities need to gain more capacity to position themselves as “entrepreneurial” by creating an “entrepreneurial thinking” curriculum, providing leadership and mind-set for creating entrepreneurial thinking among its students. Their role is of great contribution and therefore they should design such programs that might influence them to become natural incubators.
- The entrepreneurial intentions of the students in the country are higher than the global average, but in 2021 they show slight decline compared to previous data collection points. This means that reasons for the fall need to be explored and specific interventions need to be created to stimulate the entrepreneurial intentions of the students. Entrepreneurship support policies should seek to reduce barriers and support local entrepreneurial environments to occur over longer term horizons.
- Females need to be further stimulated to explore opportunities for starting a business as their intentions are lower than those of males. This means that the needs of female students need to be further explored and programs tailored specifically to them need to be offered. Interventions must be strengthened in terms of providing more transformative context to tackle psychological, social and skills obstacles to support women entrepreneurial mind-set and understanding.
- Students should be stimulated to look for opportunities for business creation and gaps in the market that they could fill. To understand this, the strong emphasis should be given on practical experience in the curriculum which will empower young entrepreneurs to look for growth opportunities in all conditions. Opportunity entrepreneurs are key to jobs and growth of the country itself. The education needs

to be transformed to support a skilled workforce, eager to search for innovation and competitive edge.

- The University courses should offer more opportunities for students to develop their self-efficacy and with that stimulate the development of Entrepreneurial Intentions. They should be geared towards increasing the positive appraisal of the skills and knowledge, as well as confidence in the ability to start and grow a business.
- The University atmosphere needs to be improved as it has the lowest appraisal of all university characteristics. The atmosphere needs to be conducive to stimulating the students to explore entrepreneurship as a career option through offering examples of successful entrepreneurs, offering opportunities for idea generation and development through various activities (such as start-up weeks, talks with entrepreneurs etc). Besides hard business skills, the students need to improve their digital skills and knowledge and also their soft skills that shape how they interact with others and achieve their goals. Erasmus program for young entrepreneurs can offer potential entrepreneurs the possibility to work with experienced entrepreneurs and advance their practical skills.
- It is encouraging that a high number of students are trying to start their own business at the moment. However most of them have not taken specific steps to achieve their goal. This means that specific support mechanisms need to be developed to help them from idea generation to business ventures. This might mean providing more and better support from advisors, mentors, business incubators, networking. Also, the competitions and prizes can encourage on one hand and support or mobilise on the other hand some young people to spark their ideas. Government policies are still lagging behind in this perspective.
- Provide opportunities for helping students grow their business. This means that more financial opportunities need to be created as well as more support hubs, incubators and other forms of support need to become more widely available. Improving access to finance is one of the key policies that need to be sustained effort through providing regulations and support systems to help finance the start-up ventures by providing the seed capital at economical costs.