Methodological Problems of Entrepreneurship Education in Bulgarian Universities*

Bulgarian Üniversitelerinde girişimcilik eğitiminin metodolojik sorunları

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The paper focuses on some methodological issues related to the entrepreneurship education in Bulgarian universities as well as on the relationship between this type of training and the entrepreneurial reality. An attempt is made to identify existing problems and obstacles to the formulation and practical usage of appropriate tools. What is discussed as a first step in this direction is the need for developing a specific methodological apparatus consistent with the needs of the entrepreneurship and entrepreneurial training in Bulgaria. The accent falls on the adaptation of the case study method cannot compensate for the lack of a broader methodological basis for entrepreneurial training. The methodology associated with entrepreneurship education can be formed either on the basis of developing a new methodological apparatus for detection and exploitation of entrepreneurial opportunities, or through adapting of methods used by large companies, taking into account the particularities of the educational process and entrepreneurial practice in specific countries. This paper summarizes the attempts to adapt the methodology of entrepreneurial training in Bulgaria linking it to some of the features of higher education as well as with the established problem areas of the entrepreneurial community in the country. The paper also offers guidelines for improving the methodological basis for entrepreneurial training in Bulgaria.

Key words: Course content, education, entrepreneurship, methodology.

Özet


Anahtar sözcükler: Ders içeriği, eğitim, girişimcilik, metodoloji.

Abstract

As an educational concept entrepreneurship is characterized by lots of imbalances. One of them is related to the offered course topics. Efforts are focused on answering questions like who is an entrepreneur, how his or her social and psychological profile looks like, what entrepreneurs do and the like. Less attention is paid to ways of doing things. Often, the tools presented to the trainees are brought in directly from the management theory and practice of large companies, without taking into account the fact that such knowledge is difficult to implement in a small or medium-sized company. A wider application of the case study method cannot compensate for the lack of a broader methodological basis for entrepreneurial training. The methodology associated with entrepreneurship education can be formed either on the basis of developing a new methodological apparatus for detection and exploitation of entrepreneurial opportunities, or through adapting of methods used by large companies, taking into account the particularities of the educational process and entrepreneurial practice in specific countries. This paper summarizes the attempts to adapt the methodology of entrepreneurial training in Bulgaria linking it to some of the features of higher education as well as with the established problem areas of the entrepreneurial community in the country. The paper also offers guidelines for improving the methodological basis for entrepreneurial training in Bulgaria.

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of previously created methods. Part of the outlined problem areas on the subject are a direct result of intensive research done by the authors in recent years. Clarifying the causes and the obstacles provides an opportunity for a subsequent formulation of guidelines directed towards solving main methodological problems of the entrepreneurial education in universities. The proposed solutions are tailored to the specificities of various stakeholders like scientific organizations, students, teachers, entrepreneurs and foreign partners.

Identifying Problem Areas

The National Classification of Occupations in Bulgaria (2010)\(^1\) recognizes the category "entrepreneur" both as a position and a profession. However, entrepreneurship as an educational concept is not paid due attention in universities. There are many incongruence and contradictions. In the first place, the comparative characteristics of small and large businesses are not adequately commented during the courses on entrepreneurship and small business management. Efforts are focused on answering questions like “Who is an entrepreneur?”, “What is his or her social profile?”, “What do entrepreneurs do?” etc. Less attention is paid to the ways of doing things. In the second place, repetition or overlap of the same academic material with the thematic of basic courses such as fundamentals of management, finance, accounting, microeconomics, human resources management, organizational behavior, economic analysis and others are often recurrent. In the third place, from a methodological point of view teaching is mostly limited to offering introductory notes or commenting on summaries resulting from current practical studies. Normally, the research is based on questionnaires, case studies (reflecting mostly the entrepreneurial practice of developed countries), comparative analyses, etc. Less attention is paid to knowledge related to the application of specific methods and techniques, especially for determining the strategic direction of the business development. At best, trainees are offered tools used in large companies (corporations), which in turn are difficult to implement in a small or medium-sized company. Only isolated cases of generalizations related to methodology, construction or adaptation of methods and techniques exist that are scientifically sound and applicable in the Bulgarian entrepreneurial practice (there are attempts to adapt well-known methods used in the strategic analysis and planning in Bulgaria for the purpose of entrepreneurial education. To name some of them: the “Growth – Share Matrix” (Papazov & Mihaylova, 2009, p.p. 268-276; Milev, 2010), the “Relative Advantage Matrix” (RAM) and the “Strategic Position & Action Evaluation (SPACE) matrix” (Papazov & Mihaylova, 2010b).

Similar problems can be found in other countries as well. A quick overview of U.S. sources shows that methodological aspects concerning entrepreneurship education are under estimated in numerous publications (Peña, Transue, Riggieri, Shipp & Van Atta, 2010). A simple analysis of the content of the six most popular textbooks on small business and entrepreneurship, published in 2008, shows that themes like small business strategies, part-time or full-time entrepreneurship are presented only in one publication.\(^2\)

There is a variety of reasons for the low interest in the methodological aspects of the entrepreneurship, the more important of which can be divided into two groups. The first is related to the specifics of the educational process in universities, and the second – to the Bulgarian entrepreneurial practice.

Among the reasons for the poor orientation to the methodological aspects of entrepreneurship related to the specifics of entrepreneurship education in Bulgarian universities, the following can be outlined:

First, within the undergraduate education, priority is given to training courses with a general educational background (the so-called university or faculty disciplines). Less attention is paid to the specialized training, where methodological issues of entrepreneurship are normally discussed. Very often, traditional disciplines related to economics, history, sociology and law oust special sciences related to starting a small business, strategic business and financial management, operational management, project management and accounting.

Second, with the Bologna perspective,\(^3\) laying stress on the reduction of the undergraduate educational duration to three years, the processes described above are expected to intensify due to the inevitable merging of subjects.

Third, the fact that students in Bulgaria, to a greater extent, prefer to get their bachelor’s degrees in the country, but go abroad for their master’s degrees, does not create sufficient incentive for the development of the methodological aspects of entrepreneurial training in master’s courses.

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\(^{[1]}\) See: Order No RD 01-514/12.07.2010 on Strengthening the Structure of the National Classification of Occupations in Bulgaria (2010). Under this classification, the code number of "entrepreneur" is 1199-3001, and the respective code number of "occupation" is 1319.


\(^{[3]}\) The main reforms in the context of the Bologna Process are concentrated on: 1) the three-cycle degree structure (bachelor, master, and doctorate), 2) the quality assurance of higher education, and 3) the recognition of qualifications and periods of study.
Fourth, the difficulties in the coordination of internal organizational units of an educational institution influence negatively the development of the methodological issues of entrepreneurship. University departments are seen as basic units in the universities, so they develop the curricula for individual courses independently, without seeking enough common ground (I / O connections) with other disciplines.

Fifth, the actual curricula content of the entrepreneurship courses is not sufficiently adapted to the needs of various target groups (students from different discipline so technical areas, doctoral students from numerous fields of higher education, etc.). The new situation requires changes and updates in university curricula; this problem is mentioned in the other countries as well (Bilgiç, Doğan & Seferoğlu, 2011).

Among the reasons for the low interest in the methodological aspects of entrepreneurship in the light of the Bulgarian entrepreneurial reality, the following can be mentioned:

First, start-up entrepreneurs usually focus on stabilizing the market position of their companies and in this phase significantly underestimate the role of education, possessing a methodological character. A small part of them, that are flexible enough as leaders, monitor the development and turn to such training.

Second, entrepreneurs and managers in existing companies are not always sufficiently interested in being trained in methodological issues related to business, although the development at this stage (particularly in the phase of growth) needs mostly to be professionally discussed. A report for the sector of small business prepared by the Agency for small and medium-sized enterprises in 2002 indicated that Bulgarian entrepreneurs underestimate the role of corporate strategies, respectively the methodological issues related to their development. For example, according to research conducted, only 6.5% of the entrepreneurs and managers think that preserving and enhancing the competitive position of the companies they represent is in any way connected to knowledge and skills in the field of strategic planning (Manager Journal, p. 12).

Third, a popular way of doing things in Bulgarian companies, especially in SMEs, is to outsource some operations such as accounting or financial activities. This in turn sometimes leads to losing the link to the process of strategic planning and control because of the poor information basis. So, the methods and techniques developed or adapted for the needs of SMEs, are difficult to apply.

The enumerated reasons related to the specific features of the entrepreneurship education are based on a study prepared for the purpose of this paper. The investigation covers all Bulgarian universities offering entrepreneurship education. The information has been compiled from data of the Ministry of Education, Youth and Science related to accredited institutions of higher education in the country till January 31st, 2011. Accredited universities and higher schools in Bulgaria amount to 51 (universities – 30; academies – 11; colleges – 10). Of these 51 higher schools, 37 are public and 14 are private. All of them maintain an official website with information on educational degrees and specialties, in which accredited training with approved curricula is offered (Table 1).

### Table 1. Institutes of higher education, offering education in entrepreneurship*

<table>
<thead>
<tr>
<th>Type of higher education institution</th>
<th>Name of higher education institution</th>
<th>Bachelor level of entrepreneurship education, subject</th>
<th>Master level of entrepreneurship education, subject</th>
</tr>
</thead>
<tbody>
<tr>
<td>University, public</td>
<td>Trakia University – Stara Zagora</td>
<td>Corporate entrepreneurship and financial management</td>
<td></td>
</tr>
<tr>
<td>University, public</td>
<td>University of Ruse “Angel Kanchev” – Ruse</td>
<td>Entrepreneurship and innovation</td>
<td></td>
</tr>
<tr>
<td>University, public</td>
<td>University of National and World Economy – Sofia</td>
<td>Entrepreneurship</td>
<td></td>
</tr>
<tr>
<td>University, private</td>
<td>Free University “Chernorizec Hrabar” – Varna</td>
<td>Entrepreneurship and business</td>
<td></td>
</tr>
<tr>
<td>University, public</td>
<td>University of Economics – Varna</td>
<td>Economics of construction (Construction entrepreneurship)</td>
<td>International business and entrepreneurship</td>
</tr>
<tr>
<td>University, public</td>
<td>“St. Cyril and St. Methodius” University of Veliko Tarnovo – Veliko Tarnovo</td>
<td>Social entrepreneurship</td>
<td></td>
</tr>
</tbody>
</table>

*The data are relevant to January 31st, 2011.*
The analysis of the publicly available information was used for the empirical study of synthesizing the reasons for the low interest in the methodological aspects of entrepreneurship education in Bulgaria. Such a methodological approach found application in studies conducted in other countries of Central and Eastern Europe (Pfeifer, Peterka & Jeger, 2008).

Further information had also been accumulated through interviews with coordinators of curricula and teachers for analytical purposes. In outlining basic methodological issues of entrepreneurship further sources of information like scientific papers, reports and analysis, case studies had been used. Ultimately, the interpreting of conceptual educational problems had also been done through analyzing curricula, training programs and professional characteristics of specialties.

For revealing problems and obstacles in the entrepreneurial environment hindering the more intensive concentration on methodological aspects in the entrepreneurship education in Bulgaria, additional surveys among representative samples of SMEs had been conducted. One such investigation was undertaken in the period 2007-2010. In April 2009, 50 SMEs located in Rouse, North Central Bulgaria, were sampled from different sectors and observed. The study was carried out in two aspects: strategic planning in SMEs – meaning, models, methodologies, problem areas and use of accounting information and information from outside sources for the purposes of strategic planning (Papazov & Mihaylova, 2010a).

The results showed that of the observed SMEs only 70% had partly known the models of Boston Consulting Group and General Electric, but in their opinion the methods are only suitable for large enterprises. However, practitioners are not familiar with possibilities for their usage in the strategic planning of SMEs. Underestimated ones are also the role of training on methodological issues related to strategic management and the training opportunities for the implementation of such adapted models.

Another study of the authors’ team conducted in December 2007 among 30 SMEs producing knitted fabrics in the South Central Region of Bulgaria focused on the application of benchmarking as a method of formation of inter-company structure of a “cluster” type (Papazov & Mihaylova, 2008). The study showed that Bulgarian SMEs had not reached that level of business development, on which the benefits of benchmarking, including opportunities for effective transfer of new knowledge and specialized practice in building strategic inter-company structures in the knitwear industry, can be analyzed. After comparing the Bulgarian experience with an Austrian reference structure, the authors came to the conclusion that there were objective prerequisites for the usage of benchmarking as an approach for the preparation of strategic analysis in the creation of inter-company structure in this industry. However, the lack of trust between firms in the industry as well as the inadequate training concerning the construction of such structures in this country, leads to seeking assistance from professional organizations (associations) in Bulgaria. So far actually, they do not sufficiently support its members for more active participation in entrepreneurial education and in the search for new methodological solutions to practical problems.

In 2009 a survey covering a sample of 50 SMEs and including dairy producers, small wineries, food and non-food products retailers was carried out to study the utilization of modern methodological approaches to planning of business activities (Papazov & Mihaylova, 2009). The results showed poor knowledge of basic methodological tools. The indicated reason for that had been seen in the lack of an opportunity to try-out such methods in practice. Such studies provoked the interest of the authors of this paper to try to adapt one of the methods envisaged – that of the Boston Consulting Group (the so called “growth–share” model) – for application in the SMEs.

As has already been pointed out above, one of the reasons for the negligible orientation to entrepreneurial problems with methodological character is the sparse information availability. This creates difficulties in applying newly created or adapted methods and techniques for the purposes of SMEs, especially in the strategic planning process. A survey from 2009 showed that a large majority of small companies did not have the necessary skills to conduct an accurate accountancy of foregone business operations and thus couldn’t calculate the required taxes, fees, payments. This in turn led to difficulties with cash flow and liquidity. Entrepreneurs assessed the consequences and chose the outsourcing of financial and accounting activities as a functional strategy (Papazov & Mihaylova, 2011). The negative effect from this choice, however, was the loss of the direct link with planning activities.

What has been said so far concerns the attention to the methodological issues in view of entrepreneurial education. Now the need to set up a methodological frame and to overlap it with the entrepreneurial training comes to the fore. Development could take place in different directions, but the most important are related to improving teaching methods, participation in international projects on the problems of entrepreneurial training, promoting connections between universities and businesses and providing opportunities for approbation of developed methodological tools. All this presupposes trying to set guidelines for the search of concrete solutions.
Guidelines for Solving Problems Related to the Entrepreneurial Education in Bulgarian Universities

In the spirit of the Bologna policy, the demand to respond to social challenges requires an intensified cooperation between the higher education systems in different countries and the internationally driven research. The aim is to build a professional community in which all interested parties are free to participate, draw or provide available knowledge and ideas (Second Bologna Policy Forum, 2010).

The guidelines for seeking solutions to the discussed methodological problems of entrepreneurship in Bulgaria are both bound to that policy and to the specific reasons for their occurrence, submitted in the previous section. What should be done further is to point out the concrete dimensions of the appropriate directions, some of which could be summed up in the following way:

- Developing programs for the training of lecturers in entrepreneurship across Europe and creation of networks for cooperation and exchange of teaching staff internationally (European Commission, 2008). In this respect, as a good example can be given the fact that in 2009 representatives of 14 universities from Austria, Albania, Bulgaria, Bosnia and Herzegovina, Germany, Macedonia, Romania, Slovenia, Serbia and Croatia participated in an international Summer academy “Training in Entrepreneurship and Innovation” organized by the University of Ruse, Bulgaria. All mentioned universities are members of the international network “Rejita” created in 2008 in the eponymous Romanian city. Along with the discussion of methodological and practical issues on entrepreneurship, the forum gave the official start of a new web-based journal “Entrepreneurship and innovation” with an international editorial board from the associated universities. Participants agreed and signed a memorandum, in which they laid down detailed actions for the next two years and for the upcoming joint events. The document envisaged that the exchange of students and faculty, the conducting of conferences and the developing of joint curricula for a future master’s program would have a priority. The joint project aims to improve university educational tools, to enhance the level of competence and the entrepreneurial culture at the different levels. Additionally, a goal was formulated to work on harmonization of curricula in subjects linked to entrepreneurship, taking into account the specificities of different countries. As an opportunity to improve the content of the curricula and the teaching methods in subjects related to entrepreneurship the forum set directions to expand the partnership through attracting other Bulgarian and Romanian universities.

- Applying modern active teaching approaches which will complement traditional lectures used as a primary teaching method until now. Active learning methods play an important role in the development of entrepreneurial skills and abilities and assist the development of entrepreneurial thinking. Especially useful in this respect are business games.

- Organizing of academic competitions, giving students a chance to present business plans with entrepreneurial ideas. The purpose of such an initiative is to promote entrepreneurial thinking in students and the search for methodological solutions to real problems. An example of a good experience in this direction is the newly finished international project “STARTENT – Fostering entrepreneurial culture in Europe”, financed by the European Commission. The project attracted 10 partners from different European countries, including Bulgaria (Project STARTENT, 2010). There were three competing directions envisaged: 1) Setting-up high-tech ventures; 2) Creating transnational companies; 3) Starting-up new enterprises. The total prize fund of the competition amounted to 16,500 Euros.

- Balancing theoretical, methodological and practical issues in entrepreneurship education by offering training programs on a project basis. Such a possibility for some Bulgarian universities was partly provided by an all-country project called ”Career Start” aimed at promoting student internships and practices. In 2010 only part of the Bulgarian universities succeeded in catching up with the project. The aim was to facilitate the adaptation of the transition from university education to career development by synchronizing the curriculum content with the requirements of the business organizations.

- Creating an entrepreneurial centre within a university to support the entrepreneurship education and the collaboration with the practice for approbation of developed entrepreneurial ideas. Such entrepreneurial centers have been created in the towns of Sofia, Ruse, Gabrovo and Plovdiv, i.e. in universities with technical educational background. The outcome of operating such centers is not yet clear because of their short existence and the lack of real practical effect up to now.

- Promoting the mobility of teachers and researchers between universities, on the one hand, and between uni-
versities and businesses, on the other hand. It is useful for trainers to liaise with the practice, but for the present professors from Bulgarian universities it is not allowed to work outside the educational sphere on the basis of a second job contract. As a possibility to deepen the business contacts, lecturers and researchers can perform a consulting practice outside their institutions.

- Encouraging business people, who train students, participate in experimental and research activities and foster the academic interest towards entrepreneurship through inclusion in the Board of Trustees of the educational institution; involvement in events initiated by universities; establishment of bilateral agreements between professional organizations and training institutions. After all, the business needs a methodological solution to its problems and the educational and research institutions need data for their studies.

- Focusing on the women entrepreneurship as an object of research interest from both methodological and practical point of view. It is recommended that the application of different methodological approaches in the training of women entrepreneurs should be consistent with their attitudes and motivation. For example, one of the most frequently cited reasons for starting an own business for women is the desire to cope with the challenges and sense of self-realization (Das, 2001). Therefore, the training courses related to starting and managing a small business should be focusing on different indicators of motivation and business success for men and women.

A good opportunity for practical collaboration within entrepreneurship education is the combination between a university department, a research institute and an association, realized in the so-called BAMDE (Bulgarian Association for Management Development and Entrepreneurship) model. The initiative for it belongs to the founding members of BAMDE – leading organizations in the sphere of economics and management education and training, such as the Institute for Post Graduate Studies at the University of National and World Economy (UNWE), the Institute for Entrepreneurship Development at UNWE (IED), the School of Management at the New Bulgarian University, Varna University of Economics, “D. A. Tsenov” Academy of Economics; the Institute of Economics within the Bulgarian Academy of Sciences. The model reflects, on the one hand, the division of labor between various institutions in areas such as training, problem oriented research, realization of events, projects, consultations and contacts with other (domestic and international) organizations, and on the other hand – the way of interaction between institutions to support training at a high level. The latter expresses itself in activities like: initiating (by the university department) the establishment of a bachelor degree in entrepreneurship at a leading Bulgarian economic university (UNWE); teaching specialized subjects included in the curriculum on the basis of research conducted (by the specialized institute), and finally securing additional funds (on the part of the association) through successfully completed projects, consultations or contacts. (EFMD, 2009; EFMD, 2008).

Conclusion

This paper highlights important methodological problems of the academic entrepreneurship education in Bulgaria typical for the first decade of the 21st century. They are discussed in the light of the overall economic education and the entrepreneurial spirit prevailing in the country. Some of them stress on the subject of teaching and its reference to other disciplines while others reflect the attitude of the real business towards the transmission of entrepreneurial knowledge to students.

The presented good examples show enormous efforts to introduce and maintain entrepreneurial training, but the discussed tendencies and generalizations do not exhaust all combinations. Rather, they reflect the fact that the search in this direction is in its initial stage. In view of the above mentioned alternatives questions like “Is it obligatory during training of students to promote teamwork or rather develop individual skills?”, or “Should the entrepreneurship be seen as a complete educational concept or more as an art-related opportunity provoking people’s attitudes towards penetrating new realities?” are still open (Fayolle & Klandt, 2006). The answers to such and similar questions related to the development of entrepreneurial education in Bulgaria will be searched in subsequent studies.

References


