

# Evaluation Of Advantages Of Entrepreneurship Case Study In Czchia And Slovakia

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**Abstract—** The aim of paper was to find out how the students of university evaluate advantages of entrepreneurship in the Czech Republic and in the Slovak Republic. Then we made comparison of both countries based on established attitudes of the students of university. In connection with the stated aim of the research, we conducted questionnaire survey between the students of university in the Czech Republic and in the Slovak Republic. In this research, we contacted 409 students in the Czech Republic and 568 in Slovakia. We used statistical method of Z-scores on to verification our scientific hypotheses. Results of our research offer many interesting findings. The results confirmed that the perception of the mentioned advantages that affect the decisions of pre-productive population in the countries are different.

**Keywords—** college student; comparison; advantages of entrepreneurship

## I. INTRODUCTION

An increasing number of students who would ever like to start paying business, whether it is a man or a woman. Reasons why business begin, there are many - is the biggest motivator for self-fulfilment and satisfaction, the possibility of higher earnings and autonomy in decision-making. Even basic definitions suggest that the performance of every entrepreneur requires specific qualities that every prospective entrepreneur must possess: perseverance, independence, responsibility and self-discipline [1]. Individual businesses are among the most important players in modern history [2]. Employers employ the majority of the country's population, the occupying an important role in social systems companies in developing companies, regions, politics and culture. Affect the pace of economic and technological development are a source of national economic values [3].

In this article we are examining statistically significant differences in the statements about the advantages and disadvantages of entrepreneurship among the university students in the Czech Republic and Slovak Republic. The uniqueness of this article lies in the gradual application of statistical methods, quantitative evaluation of the data and an objective interpretation of achievements.

## II. THEORETICAL BACKGROUND

Entrepreneurship can be defined in different ways. However, in terms of potential entrepreneurs we have two important definitions: business as an attempt to start their own business while active management of business activities. The potential entrepreneur is a person, which in the near future plans to start their own business [4].

Peterman and Kennedy state that the most frequently mentioned factor is education that gives students interested in future business. As well as special education programs. Student participation in such training programs should inform whether the image of their business is suitable and easy to implement. This means that these programs should improve existing formal knowledge of the business and bring these potential entrepreneurs into practice [5].

Krueger, Reilly and et all. in their research focus on business support, which stems from the public perception. This means that if the public understands business content as needed, at the same time it becomes feasible. This may convince potential entrepreneurs to business started [6].

Hechavarría mention that the business has a big impact just gender differentiation. In their research, women are more emphasize social values influence over economic [7]. According to their analysis, individuals decide to take a risk and start a business in stronger companies. These individuals will have social objectives rather than being so focused on creating economic value. This factor was highlighted by the just female. In the overall comparison are women entrepreneurs have less tendency to economic goals. On the contrary, so outweigh the higher social goals.

Students tend to have a tendency to change certain circumstances and do not realize the risks and uncertainties associated with the business. This is caused by a very unpredictable and uncertain nature of the business. Students and all potential entrepreneurs should think about all risks connected to their future business and consider the degree of possible success or failure [8].

Birdthistle in his paper examines the factors that motivates and opposing to that what are the factors that demotivates student to be an entrepreneur in Ireland. In terms of motivating factors about 46% of the students replied that they would like to be an

entrepreneur to be independent and have freedom in their working life. Similarly, around 58% of the students said that being your own boss motivates them to have an entrepreneurial life. At the same time some 88% students believe that creativity can enhance the chances of being entrepreneur so they can seize new market opportunities. On the other hand, in terms of demotivating factors it is found that 73% of the students identified lack of finance was identified as major obstacles for entrepreneurship. Moreover, 67% students are not confident about their business plan and finally, 62% replied that they are lack of client relationship to sell their products and so on [9].

Diaz-Garcia in her paper examines the gender role orientation to the development of entrepreneurial intention for university graduate students in Spain. The result of the analysis shows that, males' students are not higher than the female's students in terms of higher entrepreneurial intentions. Authors argue that, this can be a reason of higher degree and which has increases the entrepreneurial tendency for the female as well. Hence, education can moderate the entrepreneurial tendency beyond of biological sex. They have also found that, female students are less optimistic about their perception about the self-efficacy, whereas, males are more confident about their task accomplishment. Moreover, the result is also not confirmed that, female are less supported by the family members, friends or relatives when they are planning to become an entrepreneur [10].

Mueller and Conwaz in their paper examined the cross-cultural differences in gender role orientation in entrepreneurial self-efficacy development among **Spanish university students and US**. The result shows that, there are gender differences in entrepreneurial self-efficacy development among male and female students in the observed countries. They also find that, males are not predominately observed as higher levels of self-efficacy. They find that, males did show higher levels of self-efficacy however, the result is not statistically different from the female respondents. However, regardless of male and female students can develop these stereotype with higher levels of education and building up social relationships. But the results clearly shows that, there are difference is culture and country where masculinity and femininity does differ for both male and female [11].

### III. AIM, METHODOLOGY AND DATA

The main aim of the article is to compare the advantages of entrepreneurship among students operating in the Czech Republic and Slovakia. The results presented in this article are a part of extensive research: „*Comparison of the preferences of university students between the Czech Republic and Slovakia in their professional lives and propensity for the entrepreneurship*“. The research was conducted at Tomas Bata University in Zlín (Czech Republic) in the year 2017. Following statistic hypotheses were evaluated to fulfil the main objective of the article:

*Comparison of the benefits of entrepreneurship among students in the Czech Republic and Slovakia.*

H1: There are not statistically significant differences by country of study in positive responds of students regarding the statement that the entrepreneurship benefits outweigh its disadvantages (K81).

H2: There are not statistically significant differences by country of study in positive responds of students regarding the statement that the entrepreneur has more financial resources and a better position in society (K82).

H3: There are not statistically significant differences by country of study in positive responds of students regarding the statement that the entrepreneurship offers better career growth and interesting job possibilities (K83).

H4: There are not statistically significant differences by country of study in positive responds of students regarding the statement that the entrepreneurship offers to fully utilize their own abilities (K84).

977 students were interviewed by method of random selection. The questionnaire consisting of 43 questions was formulated to investigate the attitudes of students in the Czech Republic and Slovakia. Students could answer the questions by only one of given answers. 11,724 out of 42,011 statistic data (12 out of 43 examined questions) were utilized to evaluate the present paper.

Following statistical tools of descriptive statistics (tables, descriptive characteristics - sum) were used in addressing formulated hypotheses of partial research. We applied methods as absolute frequency and method of sorting the responses in evaluating statements. The number of variations of each statement was 5 (completely agree, agree, take no position, disagree, completely disagree) [12], [13]. Method of simple sorting was used to express the relative frequency of positive responses of statement. Another used method was the relationship between qualitative variable of statistical characteristics (statement, type of country) utilizing contingency table and contingency intensity [14]. Contingency intensity was measured using Pearson coefficient of contingency, which is based on the square contingency [15]. Z-score was used to determine significant statistical differences in the evaluation of statements of students' answers by country of study. Level of significance is 0.05. We conducted the calculations using sophisticated statistic software SPSS Statistics.

In this research we addressed 409 students from 14 universities in the Czech Republic and 568 students from 8 universities in Slovakia. Structure of students by gender studying at universities in the Slovak Republic: 216 males (38.03%), 352 females (61.97%), and in Czech Republic: 156 males (38.14%), 253 females (61.86%). Students from the Czech Republic are studying at universities in the following cities: Liberec,

Brno, Praha, Olomouc, Pardubice, Ostrava, Zlín. Students from the Slovak Republic are studying at universities in the following cities: Bratislava, Trenčín, Žilina, Prešov, Banská Bystrica, Zvolen, Košice. University students were contacted to complete a questionnaire regarding the site of their studies and their applicability in praxis. In terms of geographical location of universities, it is obvious that the distribution of locations is chosen proportionally throughout the whole countries.

IV. RESULTS AND DISCUSSION

In the following section, we present the absolute values of evaluation of advantages and disadvantages of entrepreneurship among students Czech Republic and Slovakia

TABLE I. DVANTAGES OF ENTREPRENEURSHIP OUTWEIGH THE DISADVANTAGES.

Student Answers [K81]	CZ	SK
I completely agree:	23	41
Agree	195	253
Proportion 1+2 on the total count [%]	53.3	51.8
Take no position	105	114
Disagree	83	146
Completely disagree	3	14
Sum	409	568
<b>Chi-square</b>	11.827	
<b>P- value</b>	0.018	

Note: CZ – Czech Republic, SK – Slovak Republic. Source: own calculations.

TABLE II. ENTREPRENEUR HAS MORE FINANCIAL RESOURCES AND A BETTER POSITION IN SOCIETY

Student Answers [K82]	CZ	SK
I completely agree:	16	25
Agree	129	215
Proportion 1+2 on the total count [%]	35.5	42.3
Take no position	83	107
Disagree	173	206
Completely disagree	8	15
Sum	409	568
<b>Chi-square</b>	5.788	
<b>P- value</b>	0.215	

Note: CZ – Czech Republic, SK – Slovak Republic. Source: own calculations.

TABLE III. ENTREPRENEURSHIP OFFERS BETTER CAREER GROWTH AND INTERESTING JOB POSSIBILITIES

Student Answers [K83]	CZ	SK
I completely agree:	39	73
Agree	210	369
Proportion 1+2 on the total count [%]	60.9	77.8
Take no position	87	73
Disagree	69	52
Completely disagree	4	1
Sum	409	568

<b>Chi-square</b>	34.433
<b>P- value</b>	0

Note: CZ – Czech Republic, SK – Slovak Republic. Source: own calculations.

TABLE IV. ENTREPRENEURSHIP OFFERS TO FULLY UTILIZE SELF-ABILITIES

Student Answers [K84]	CZ	SK
I completely agree:	88	123
Agree	267	371
Proportion 1+2 on the total count [%]	86.8	87
Take no position	23	45
Disagree	30	25
Completely disagree	1	4
Sum	409	568
<b>Chi-square</b>	6.424	
<b>P- value</b>	0.169	

Note: CZ – Czech Republic, SK – Slovak Republic. Source: own calculations.

The results of the chi – quadrat test criterion show the statistical significance of structures of Czech and Slovak students' responses to the statements K81 and K83 (p-value of K81 = 0.018; p-value of K83 = 0). We reject the statistical significance of the structure of responses to the statements K82 and K83 (P – value > 0.05).

The results of the absolute amount of students evaluating the advantages of entrepreneurship (Table 1) show that more than 50% of students (irrespective of the country of study) agree with the statement that the entrepreneurship advantages outweigh the disadvantages. We state that on the basis of the ratio of the relative frequency of positive responses among students in the Czech Republic and Slovakia (CZ / SK: 60.9% / 77.8%) there are significant differences in the rating of the statements that the entrepreneurship allows for better career growth and interesting jobs. More than eight out of ten surveyed students believe that the entrepreneurs can take full advantage of their own abilities in entrepreneurship. Only 385 (39.4%) of all surveyed students (977) thinks that the entrepreneur gets more financial resources and has better social status in comparison with people employed in a small and medium-sized companies in Czech Republic and Slovakia.

TABLE V. A COMPARISON OF THE ADVANTAGES OF ENTREPRENEURSHIP AMONG THE CZECH AND SLOVAK STUDENTS

Code of statement	Z-score / p-value of positive responses CZ / SK
K81	0.475/0.631
K82	<b>-2.146/0.032</b>
K83	<b>-5.739/0</b>
K84	-0.079/0.936

Note: CZ – Czech Republic, SK – Slovak Republic. Source: own calculations.

Interpretation of Z-score:

- K81 – the percentage of positive responses: CZ / SK (53.3/51.8). There are not statistically significant differences by country of study;
- K82 – the percentage of positive responses: CZ / SK (35.5/42.3). There are statistically significant differences by country of study;
- K83 – the percentage of positive responses: CZ / SK (60.9/77.8). There are statistically significant differences by country of study;
- K84 – The percentage of positive responses: CZ / SK (86.8/87.0). There are not statistically significant differences by country of study.

On the basis of the results (Table 3.) of comparison of positive students' responses on chosen advantages of entrepreneurship (completely agree or agree) we reject the hypothesis H2 and the hypothesis H3 with probability 0.95 (z- score K82: -2.146 a z- score K83: -5.739). Country of study factor is statistically significant. With the probability of 0.95 we accept hypothesis H1 and hypothesis H4 and we state that the country of study factor does not affect the students' evaluation of statements K81 and K84 (z-score K81: 0.475 and z-score K84: -0.079).

#### V. CONCLUSION

The aim of paper was to compare the advantages of entrepreneurship among students in the Czech Republic and Slovakia as well as to define the advantages that determine the propensity of students for entrepreneurship in selected countries. The results confirmed that the perception of the mentioned advantages that affect the decisions of pre-productive population in the countries are different.

#### ACKNOWLEDGMENT

The contribution was worked out in the framework of the GAAA 1\_2 / 2016 project: Comparison of preferences of university students between the Czech Republic and the Slovak Republic in their professional life and the tendency for entrepreneurship.

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