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# THE IMPORTANCE OF ENTREPRENEURIAL EDUCATION IN DEVELOPING ENTREPRENEURIAL SPIRIT FOR THE STUDENT

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#### Abstract

This research paper aims to examine the entrepreneurial spirit levels of the students under study, and focuses on entrepreneurial education by adopting modern education that encourages initiative, creativity, innovation, independence and perseverance, self-confidence, etc., and works to spread the spirit of entrepreneurship and awareness among students about the importance of initiative in establishing entrepreneurial activities, as well as to enable them to acquire knowledge and information about the entrepreneur and the contracting companies in a more objective manner in order to avoid the failure of the projects.

The questionnaire was designed from samples of 300 students at the University of Sidi Bel Abbes, using the SPSS program to process it and study it, the value of the (Cronbach's  $\alpha$ =0.970), whish confirms that the Entrepreneurial education has effect on the student by raising the entrepreneurial spirit, every one of them wants to be independent and make a profit by creating a new entreprise.

**Keywords:** entrepreneurial education; entrepreneurial spirit; entrepreneurial orientation **JEL Codes:** L2, L26, I20, I21.

#### Introduction

Entrepreneurship is one of the important mechanisms for establishing a new business in any economy, as this mechanism requires the presence of distinguished people who assume this role. Through training and education, the university is one of the most reliable means for training individuals and obtaining the spirit to start a path.

The entrepreneurial spirit is in fashion. Politicians, educational leaders, business leaders, entrepreneurs themselves see it as the source of the entrepreneurial culture

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necessary for the economic renewal that our old countries need, so much is at stake that entrepreneurship has been recognized by the European Union as one of the eight key skills for lifelong learning. "It defines both intellectual faculties and dispositions to act". What prepares you to eventually consider becoming an entrepreneur and what must be trained in university? Ways of thinking? Ways to act? Knowledge? Capacities? Skills? Qualities? Motivations?

In order to achieve this goal on the behavioral level, the university must interact with these changes and in turn be a space for discovering entrepreneurial youth capable of producing creative ideas and establishing productive institutions working to create innovative job opportunities and provide job positions with a focus on the importance of diversifying economic activity.

And for that, the university has had to include educational units that serve this purpose by expanding the horizon of thinking and modifying the behaviour of the university student to transform his professional orientation towards entrepreneurship.

In an effort to show the importance of entrepreneurial education in promoting the entrepreneurial spirit, the main problem was crystallized as follows: How can entrepreneurial education affect the development of entrepreneurial spirit for students of university of Sidi-Bel-Abbes?

## **Study Hypothesis:**

- H1: Entrepreneurial education affects positively students' orientation towards establishing an enterprise.
- H2: The Entrepreneurial Orientation has an effective role in raising the entrepreneurial spirit for the students and motivate them.
- H3: The activities and the formations of entrepreneurial path affect positively on the student's spirit.

## **Study Objective:**

This study aims to clarify the importance of spreading entrepreneurial education in the university community and its impact on creating an entrepreneurial culture among students and raising their entrepreneurial spirit, while presenting proposals that contribute to the establishment of a start-up, which contributes to the economic development of the country.

#### Literature review

Entrepreneurial capacity refers to the ability to identify and seize opportunities, and to plan and manage creative processes of great cultural, social or financial value. It requires

good knowledge of contexts and opportunities, approaches to planning and management, ethical principles and self-awareness, it includes the skills of creativity (imagination, critical thinking, ability to solve problems), communication, mobilization of resources (people and objects) and management of uncertainty, mystery and risk.

Entrepreneurship also includes the behavior of knowing one's own abilities, motivation, perseverance and valuing the ideas of others, to optimize entrepreneurship education in the development of the skills. The capacity of schools to create conducive and stimulating learning environments is just as important as the personal skills of students and motivation.

### **Definition Of Entrepreneurship**

Entrepreneurship is an approach that is represented in striving towards innovation, it is the organization and reorganization of economic and social mechanisms in order to exploit certain resources and situations that accept risk; it is also a path that works to achieve a certain value, and this is achieved by allocating the time and work necessary to obtain it in the form of satisfactory results. (Wassim & Hassan, 2019)

Entrepreneurship is defined as an activity that involves the discovery, evaluation and exploitation of opportunities to introduce new goods and services, ways of organising, markets, processes and raw materials through organising efforts that previously had not existed (Thokozani, 2012).

The entrepreneur is considered as the main actor in entrepreneurship, because he is the owner of the investment idea and the owner of the new project, as he is the one who works to manage and run it and is looking to develop it appropriately. The entrepreneur is every person who runs an enterprise for his own account and operates various factors of production in order to produce services or products. (Azzedine, 2005)

According to Fayolle (2003, p38), the entrepreneur is the individual who is in a state of uncertainty, offers new products or services and engages in work that contains risk. As defined by Schumpeter (1926), the entrepreneur is that person who has the ability to convert a new idea or new invention into innovation in the markets to achieve economic growth, and has the entrepreneurial desire, entrepreneurial spirit.

The concept was associated with the spirit of entrepreneurship and the practiced activity that carries the meaning of renewal and change, capabilities and skills do not only belong to people who want to establish an entreprise (Rajhi, 2011), but include individuals who seek to develop their competencies and capabilities in order to adapt to the factors of change, which makes them characterized by flexibility and openness to the other, and to develop a sense of entrepreneurship, stimulating motivation and entrepreneurial spirit to establish an innovative entreprise.

The entrepreneurship spirit, refers to the ability of a person to identify and seize opportunities, to move from idea to realization and to plan and manage processes to achieve objectives.

### **Entrepreneurial education**

The history of the teaching of entrepreneurship dates back from 1947 when MACES introduced the first course in entrepreneurship at Harvard Business School, where this course attracted the attention of 600 students. Since then, the American universities have led many other universities in the world towards entrepreneurship education, thanks to the University of Southern California as the first university to offer the first modern and advanced course in entrepreneurship in 1971.

Entrepreneurial education is defined as: "a group of formal education methods that are based on informing and training any individual who wishes to participate in economic and social development, through a project aimed at enhancing entrepreneurial awareness and establishing and developing small business projects." (Carrier, 2009)

We can define entrepreneurial education as: "that educational process that aims to provide students with the necessary knowledge and skills, and to stimulate and promote their motivation in order to encourage them to succeed in many levels." (Randerson & Shaker, 2012)

It may also be referred to as: "a series of activities aimed at enabling the individual to realize and develop his knowledge, skills and values, to acquire the skill of analyzing problems in creative methods." (Matthias, 2011)

The educational approach has limited the tasks of entrepreneurial education to enhancing the value of self-esteem of the individual learner and instilling the value of self-confidence in himself, which leads to nurturing creative talents and building values and skills related to expanding his perceptions in study and the subsequent business opportunities that make some of them adopt necessary methods and behaviors related to planning the course of entrepreneurial work and practicing the profession.

## The importance of entrepreneurial education:

The importance of entrepreneurial education evident in inculcating the entrepreneurial spirit, activating distinguished capabilities, and discovering innovative skills, establishing high-tech business projects to made succuesfull leaders.

Increasing the chances of success businesses related to the orientation, knowledge production, wealth production, and minimize unemployment, by producing goods/services intended to serve the economy, in a way that supports building creative young entrepreneurs

#### **Objectives of entrepreneurial education:** (Al-Joudi, 2015)

- Awareness of entrepreneurship: Informing about entrepreneurship and the path of an entrepreneur.
- Business creation: train technical, human and managerial skills to generate your own income, create your own business or create jobs.
- Development of trainers: develop skills useful for consulting, teaching and monitoring small businesses.
- Business development: responding to the specific needs of owner-managers.

### **Entrepreneurial Education Programs:**

In order to achieve the requirements of this type of education, a real partnership must be established between governmental organizations, private organizations, and supporting agencies affiliated with private sector organizations, which include the latter on (García, José, Alexander, Brizeida, & Lizette, 2017):

- ✓ Infrastructure: This is done by providing suitable halls equipped with the necessary tools, computers and various other devices such as slideshows and software that provide practical and training applications that facilitate dealing with entrepreneurial content.
- ✓ Providing human resources: by appointing qualified individuals who have the ability to apply advanced training strategies and methods in entrepreneurship and use technology appropriately to serve this process in order to change the mindsets and behaviors of the learners, with the need to provide a supportive environment entrepreneurship education embodies the steps to implement the programs, plans and objectives of this type of education with the total support of all concerned parties from the top to the bottom to make the initiative a success in society, focusing on previous experiences in this field in terms of practice and application of educational contexts.
- ✓ Adaptation: These requirements make adaptation a legitimate requirement in response to the great challenges and pressures imposed by the nature of this globalized era.

# **Entrepreneurial Orientation**

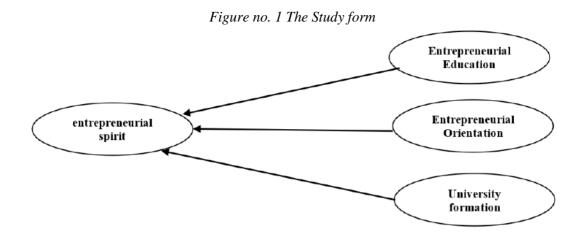
Table no. 1 – Comparative analysis of the definitions of the three dimensions of Entrepreneurial Orientation

Variables	Definition	Source
Innovation in Product/ market	Does the firm seem particularly innovative in terms of the number and novelty of new products and services which are introduced, and the new markets which are entered? Innovation combination: Innovation in goods/services methods. Product research &development and technological leadership. New frequency in product introduction. Change degree in production line.	(Miller, 1983)
Proactiveness of decisions	The Enterprise reacts to the trends in the environment and shapes it by introducing new products, technologies, administrative techniques.  A reactive firm (low proactiveness) follows the leader while a proactive firm is the first to act.	(Miller, Danny; Peter, Friesen, 1982)
Risk-taking	Is there evidence that top managers are risk averse (score low) or does the firm frequently make large and risky resource commitments? Which of those have a reasonable chance of costly failure? Strong proactivity for high risk project (with chances of very high return). Bold wide ranging acts are viewed as a useful and common practice.	(Covin & Miller, 2014)

Source: Author's source based on Miller's research

## **Research Methodology**

Through this study, we choosed the students of the Algerian University of Sidi Bel Abbes, to study their entrepreneurial orientation, so we create a questionnaire that developed at the level of the House of Entrepreneurship because of its role in the formation of students, who have the desire to create their own business (starting a new project), and from there we have collected about 300 answers, which allowed us to analyze their desire, and we used SPSS 25 and PLS software for data analysis.



Source: Authors' own research

## Sample equation

The Stephen Thompson equation, the Robert Mason equation, the Richard Geiger equation, and the Herbert Arkin equation are all examples of sample size equations, we calculated the sample size using the Thompson equation (2012), which is one of the most important and well-known equations for determining the sample size based on study community.

$$n = \frac{N \times 0.50(1 - 0.50)}{\left[ [N - 1 \times (0.10^2 \div 1.65^2)] \right]}$$

N community size

Z The standard score corresponding to the

Significance level is 0.90 and is equal to 1.65

D error rate = 0.10

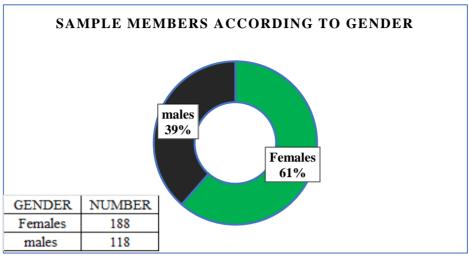
P Availability of the characteristic and the neutral = 0.50

N = 300

#### Results and discussion

#### - Personal data

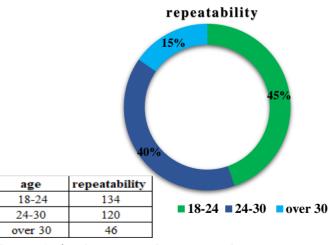
Figure no. 2 Distribution of sample members according to gender(n=300)



Source: Authors' own research on spss results

We note from the figure No. 2, that the majority of the study sample are females, as they constitute 61% of the total number of students in the sample and males represent 39%, and this is because of their interests in creating their own project as they said.

Figure no. 3 Distribution of sample members according to age(n=300)



Source: Authors' own research on spss results

As can be seen in figure No. 3, most of the students are between 18 and 30 years old, with a rate more than 40%. The reason for that is that most of the students who have enrolled in the majors that exist in the university have completed a bachelor's degree and returned for a master's degree, so we raised the age group and included it in the classification.

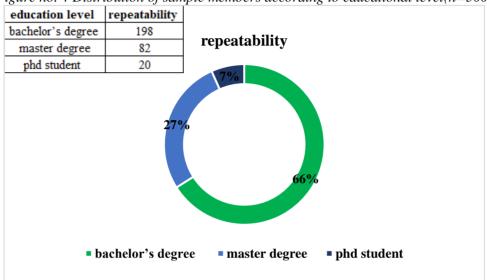


Figure no. 4 Distribution of sample members according to educational level (n=300)

Source: Authors' owns based on spss results.

This variable includes three levels, and according to the above results, we find that bachelor students represent the highest percentage estimated at: 66%, and followed by a master's degree students with a rate of 27%, while the PhD student group was represented by a rate of 7%.

# - Sample Adequacy:

*Table no. 2 – KMO test for Sampling Adequacy* 

$$MOj = \frac{\sum i \neq jr^{2}ij}{\sum i \neq jr^{2}ij + \sum i \neq j^{u}}$$

KMO TEST	N
0.879	300

Source: Authors' own based on spss results.

Through the results, we note that the value of KMO is greater than (+0.5) and approaches (+1) (0.879), and this indicates the suitability or sufficiency of the sample size for the statistical analysis process.

#### The reliability and validity of the questionnaire:

The stability of the questionnaire was verified through the alpha-Cronbach coefficient method, through the result of the table No. 2; It is clear that the value of the alpha-Cronbach coefficient and the reliability coefficient was much more than (0.7), which indicates that the questionnaire items have a high degree of sincerity and stability.

The value of the alpha-Cronbach coefficient for all expressions was (0.970) and the value of the reliability coefficient for all statements (0.976), meaning that all the items of the study measures have high reliability and stability.

Table no. 3 – Cronbach's Alpha test results on measuring questionnaire overall stability(n=300)

Phrase count	Reliability (honesty)	Cronbach's alpha (confidence)
40	0.976	0.970

Source: Authors' own based on spss results

## Confirmatory factor analysis:

We used Warp PLS v5.0 program in the confirmatory factor analysis, and the results were as follows:

Table no. 4 - Confirmatory Factor Analysis (CFA)

Phrases		Entrepreneurial spirit	Entrepreneurial education	Entrepreneurial Orientation	The activities and entrepreneurial formations
Entrepreneurial	ES1	(0.816)			Tormations
spirit	ES2	(0.848)			
	ES3	(0.846)			
	ES4	(0.847)			
	ES5	(0.856)			
	ES6	(0.882)			
	ES7	(0.853)			
	ES8	(0.861)			
	ES9	(0.733)			
	ES10	(0.716)			
	ES11	(0.738)			
	ES12	(0.765)			
	ES13	(0.777)			
Entrepreneurial	ED1		(0.852)		
education	ED2		(0.851)		
	ED3		(0.858)		
	ED4		(0.895)		
	ED5		(0.847)		
	ED6		(0.856)		

	ED7		(0.882)		
Entrepreneurial	EO1			(0.816)	
Orientation	EO2			(0.848)	
	EO3			(0.846)	
	EO4			(0.846)	
	EO5			(0.769)	
	EO6			(0.754)	
	EO7			(0.773)	
	EO8			(0.793)	
The activities	AEF1				(0.848)
and	AEF2				(0.846)
entrepreneurial	AEF3				(0.754)
formations	AEF4				(0.793)
	AEF5				(0.786)
	AEF6				(0.769)
	AEF7	-			(0.754)
	AEF8				(0.797)
KMO TEST		0.832	0.942	0.898	0.856

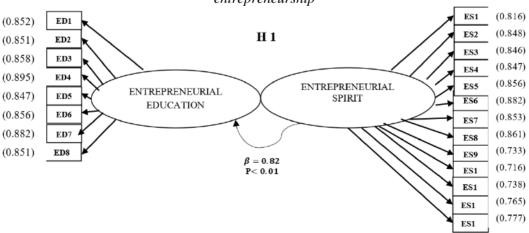
Source: authors used Warp PLS v5.0 (n = 300) and SPSS V 25

The values of the remaining expressions after the AFC confirmatory factor analysis process all exceed the value (0.7), and the sample adequacy test for each axis also exceeded (0.8), all of which are good statistical indicators to complete the remaining stages of statistical analysis.

### Hypothesis test:

# H1: Entrepreneurial education affects positively the students' orientation towards establishing an enterprise.

Figure no. 5 relationship between the entrepreneurial education and the spirit of entrepreneurship

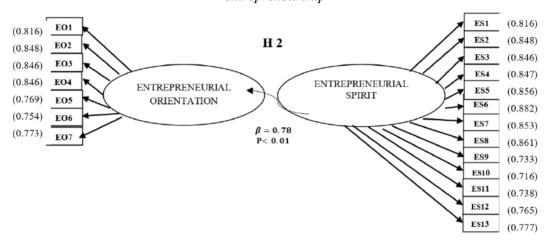


*Source:* authors used Warp PLS v5.0 (n = 300) program

After modelling the structure relationship between the entrepreneurial education and the entrepreneurial spirit from the above figure No.5 the value of  $\beta = 0.82$  and this lead to accept this hypothesis which saying that entrepreneurial education affects positively on students? orientation towards establishing an enterprise.

# H2: The Entrepreneurial Orientation has an effective role in raising the entrepreneurial spirit for the students and motivate them

Figure no. 6 Relationship between the entrepreneurial orientation and the spirit of entrepreneurship

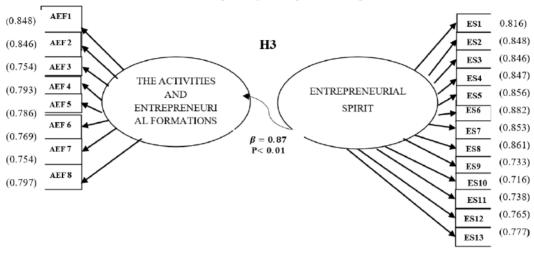


Source: authors used Warp PLS v5.0 (n = 300) program

After modelling the structural relationship between the entrepreneurial orientation and the entrepreneurial spirit, we note from the figure N06 that the value of  $\beta$  is positive (0.78), and the level of morale is less than (0.01). All these indicators are positive and indicate the validity of the hypothesis that there is a positive relationship between the entrepreneurial orientation and spirit of entrepreneurship.

# H3: The activities and the formations of entrepreneurial path affect positively the student's spirit

Figure no. 7 Relationship between the activities and entrepreneurial formations and the spirit of entrepreneurship



*Source:* authors used Warp PLS v5.0 (n = 300) program

Figure No.7 shows how the model depicts the relationship between the spirit of entrepreneurship and the activities and entrepreneurial formation, and after modelling the structural relationship between the two, we discovered that the value of  $\beta$  was 0.87, indicating entrepreneurial activities have a positive effect on student's orientation and raise the level of being independent and having their own enterprise.

#### Conclusion

This article has analysed the entrepreneurship education in developing the entrepreneurial spirit of the students at university of Sidi Bel Abbes- Algeria, as a result of the analysis of the obtained results, the following conclusions have been formulated:

- 1. The students under study possess the nature of the entrepreneurial personality, which reflects a great degree of their entrepreneurial spirit. The study revealed that there are no differences in the spirit of entrepreneurship among students as every one of them wants to be independent and make a profit by creating a new entreprise.
- 2. After testing the hypotheses, we were able to prove them, and from the opinions of the sample, we found that the activities and events of the university such as forums and study days, as well as various field visits to institutions and contacts with businessmen, all this contribute the formation of the student entrepreneur by

- strengthening their knowledge balance and establishing relationships with businessmen, which will inevitably contribute to pushing towards the formation of the entrepreneur student.
- 3. Entrepreneurial education aims to provide students with knowledge and provide them with the necessary skills in order to encourage them to work in entrepreneurship on a large scale and at many levels. Entrepreneurial education focuses in its content on individuals' awareness of and identification of opportunities, initiative, risk and independence in order to create a new generation of entrepreneur and increase the entrepreunarial spirit.

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