



## ENTREPRENEURSHIP LEVELS AND TENDENCIES OF THE GENERATION Z STUDENTS

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### KeyWords

*Entrepreneurship, Young entrepreneurs, Entrepreneurship traits, Entrepreneurship tendencies*

### ABSTRACT

This research evaluates the entrepreneurship tendencies and entrepreneurship levels of business and tourism students in North Macedonia, who represent the young generation of entrepreneurship candidates. Taking into consideration the fact that the traditional career opportunities in North Macedonia are less applicable, the researchers are examining the main factors that contribute to young entrepreneurship.

The population that has been the subject of the investigation is representatives of the Z-generation born from 1995 to the 2005 year. Based on the fact that the Z-generation is spending most of their lives on the technology and is learning and communicating through the technology which offers unlimited opportunities, most representatives of this generation do not want to be defined and limited with the job that does not offer developmental opportunities. It is expected that most of them will choose to be freelancers (contract work) or will open their own businesses.

The main purpose of the research is to examine the entrepreneurship tendencies and levels of the business and tourism students by analyzing the scores received on the entrepreneurship scale developed by Yılmaz and Sünbül (2008)[1] and revised by Tiftik and Zincirkiran (2014)[2].

This research study is very important because it has a multiethnic approach and elaborate specific questions about the youth entrepreneurship candidates that should develop businesses and tourism in North Macedonia in the future. Taking into consideration the fact that tourism is the main aspect of sustainable economic development, this paper provides recommendations for future activities for the development of the young entrepreneurship that can prevent the migration of the young population and can contribute to the local and rural development.

Additionally, this research is a relevant reference for the further improvement of the educational system that should provide university students with the knowledge and competencies for entrepreneurship. Developing the entrepreneurial and enterprise potential of generation Z students is a crucial factor for building an innovative society.

## INTRODUCTION

*“Entrepreneurs form the most effective and powerful army of the global world. They change society not through their armor but by their products and services. They are the new alchemists of today's world” (Gürdoğan, 2010)[3].*

Entrepreneurship is the mindset that contributes to the capacity and motivation to achieve existential success, create new value for self and other people or create a new innovative opportunity individually or within the organization. The entrepreneur benefits from the opportunity to be creative and innovative, to produce something new that is needed on the current market, to create a new need on the market or to compose a completely new market [2]. According to Shane (2002)[4], entrepreneurship is a social phenomenon that contributes to the social events with its social characteristics. The values and behaviors of the entrepreneurs are accepted and encouraged worldwide.

The young generations in the 21 century are crossing through the transformation of the world in every single aspect. The changes are happening as a result of the rapid globalization, cultural transformation and technical and technological change that contribute to the level on which people lead and manage businesses. Today's generations should be able to change quickly their mindset, but at the same time to remain spontaneous and authentic without losing their creativity for developing new ideas and innovative solutions for solving problems [5] [6][19].

The deep demographic changes and transformation of the societies from one system to another drastically influence the people's lifestyles and the state of the societies. [7] **Error! Reference source not found.** [9]. Based on the fact that the Z-generation is spending most of their lives on the technology and is learning and communicating through the technology which offers unlimited opportunities, most representatives of this generation do not want to be defined and limited with the job that does not offer development opportunities. It is expected that most of them will choose to be freelancers (contract work) or will open their own businesses.

The process of adaptation with social transformation requires many changes in the value dimension of identity. The movement of the position of one individual within the social matrix increases the pressure of bearing for change in values structure since "the threat of identity occurs when the process of assimilation/accommodation for the same reasons are unable to comply with the principles of continuity distinctiveness, self-efficacy and, self- esteem" [10]. Many people are either unwilling or unable to suffer the pain that comes from the confrontation with the changes; therefore they cling to their old patterns of thinking and behaving. On the other hand, a 'silent revolution' against the existing global socio-economic system is led by so-called 'creative individuals' who are currently going through the personal transformation of their societal values towards greater spirituality and concerns for the environment, community and overall humanity [11].

## ENTREPRENEURSHIP TENDENCIES

Many research studies investigate the entrepreneur as an individual as well as the main characteristics of successful entrepreneurs. According to the results of these studies, the innovativeness or the ability to create a new product, promote the new ways of doing the business, or creating the new strategy to enter into the market is one of the most relevant aspects that distinguish the entrepreneur from the other people. Additional aspects that are relevant for the opening own business is the proactive approach and the willingness to take a risk [12] [13].

The books and articles that represent the research studies related to the entrepreneurship tendencies are confirming that there are varieties of factors that contribute to the decision of the young people to open their own businesses. The social factors like the level of education, family history, culture, the sub-culture, etc. have been found as crucial for inspiring young people to realized and implement his/her business ideas [2] [20]. If the messages from the relevant people (parents, teachers, friends, public figures, media, etc) are positive and support the entrepreneurship spirit, the individual is more motivated and encouraged to start his/her own business. Therefore, the value systems that support individualism and personal success are supportive of entrepreneurship. In the individualistic countries, individuals prefer to build independent relationships with others and subordinate the goals of their in-groups to their personal goals. Contrary, in collectivistic cultures people have interdependent self construct and devote their personal goals to the goals of their in-groups [9], [14]. This distinction is based on personal values such as power, achievement, self-direction, and conformity [14].

*“Macedonians can be called “Homo transitions” or more precisely individuals that want to accept the rules of the modern life but in the same time, they do not want to leave the social security that arouses from the collectivism in the past socialistic times” (Korubin, 2004 p. 123[15]).*

North Macedonia is the country that at this moment is deeply into the process of alteration from post socialistic country to the country that should be integrated into the Western modern world. Macedonia alters economically, culturally and socially. The changes in all these fields contribute to the values of Macedonians mainly because of the changes in the social representation of poverty and wealth. In a former time, wealth and poverty depended on causes that were predetermined outside of the individual. In modern capitalistic societies, the responsibility for being on a certain level of the social structure is individual and depends only on individual efficiency, responsibility, and freedom [16][18]. The privatization causes high mobility within the social structure that destroyed the value structure that has been accepted in the past. Many non-material values have been rejected and open to door for accepting the material values and material promotion. The main focus of young people in Macedonia is how to secure the material goods for “surviving” in the future [17].

The entrepreneurial in North Macedonia is taking the risk to the "unknown" to be able to be independent of the others concerning the current capital, energy, health, and social status. The entrepreneur does not want the other's to decide about his/her personal and professional success.

## RESEARCH METHODOLOGY

To generate the study about entrepreneurship and to encourage young people to open their own businesses in the developing country as North Macedonia, is a huge contribution to supporting the economic development of the country.

This research evaluates the entrepreneurship tendencies and entrepreneurship levels of the business and tourism students in North Macedonia, who represent the young generation of entrepreneurship candidates. Taking into consideration the fact that the traditional career opportunities in North Macedonia are less applicable, the researchers are examining the main factors that contribute to young entrepreneurship.

The main purpose of the research is to examine the entrepreneurship tendencies and levels of the business and tourism students by analyzing the scores received on the entrepreneurship scale developed by Yılmaz and Sünbül (2008)[1] and revised by Tiftik and Zinciriran (2014)[2]. Based on the revised version that examines the structure of the factors, the impact of the following factors to the entrepreneurship tendencies have been assessed: Self-confidence, Utilizing the opportunities, Bearing risk, Control oriented, Determination, Innovativeness and Will to succeed.

**Table 1 Descriptive statistics for the factors that contribute to the entrepreneurship tendencies**

University	Mean	N	Std. Deviation	% of Total N
Goce Delcev	<b>145,49</b>	139	21,047	73,2%
Tetovo	140,65	51	18,620	26,8%
<b>Department</b>				
Business	<b>144,57</b>	83	21,354	43,7%
Tourism	143,90	107	19,889	56,3%
<b>Year of studying</b>				
1	147,30	56	16,734	29,5%
2	140,52	54	22,595	28,4%
3	142,84	57	23,262	30,0%
4	<b>148,57</b>	23	14,715	12,1%
<b>Gender</b>				
Male	141,29	85	22,728	44,7%
Female	<b>146,53</b>	105	18,256	55,3%
<b>Age</b>				
18-20	144,38	92	18,592	48,4%
21-23	<b>145,08</b>	86	20,018	45,3%
24-26	135,64	11	32,964	5,8%
<b>Working Experience</b>				
YES	143,50	121	20,828	63,7%
NO	<b>145,41</b>	69	19,973	36,3%
<b>Currently employed</b>				
YES	142,44	34	25,525	17,9%
NO	<b>144,57</b>	156	19,296	82,1%
<b>Family Business</b>				
YES	143,43	30	24,037	15,8%
NO	<b>144,33</b>	160	19,837	84,2%
<b>Ethnicity</b>				
Albanian	140,65	51	18,620	26,8%
Macedonian	<b>145,49</b>	139	21,047	73,2%
<b>Total</b>	<b>144,19</b>	<b>190</b>	<b>20,489</b>	<b>100,0%</b>

The population that has been the subject of the investigation is representatives of the Z-generation born from 1995 to the 2005 year. The study consisted of a sample of 190 university students. The data was collected on the field by using translated questionnaires on Macedonian and Albanian language, during the period of March-April 2019. The involved participants study business and tourism in two public universities: University Goce Delcev located in Stip and University of Tetovo, located in Tetovo. In the research, the students from all academic years (first, second, third and fourth) were included. 55,3% of the participants were female and 44,7% were male. The sample included participants from 18-26 years. Regarding the previous experiences, 36,3% have never been employed while 67,3% have working experience. Asked for the family history, 15,8% have the family that owns the business, while the

84,2% does not have the experience to be a part of the family business. Regarding ethnicity, 73,2% are Macedonians while 26,8 are Albanian participants.

## RESULTS AND CONCLUSION

**Table 2 Results from T-test and ANOVA for the means of the entrepreneurship tendencies for different factors**

			Sum of Squares	df	Mean Square	F	Sig.
<b>Entrepreneurship * University</b>	Between Groups (Combined)		874,798	1	874,798	2,096	<b>,149</b>
	Within Groups		78466,381	188	417,374		
	Total		79341,179	189			
<b>Entrepreneurship * Department</b>	Between Groups (Combined)		20,924	1	20,924	,050	<b>,824</b>
	Within Groups		79320,255	188	421,916		
	Total		79341,179	189			
<b>Entrepreneurship * Year of studying</b>	Between Groups (Combined)		1814,627	3	604,876	1,451	<b>,229</b>
	Within Groups		77526,552	186	416,809		
	Total		79341,179	189			
<b>Entrepreneurship * Gender</b>	Between Groups (Combined)		1289,399	1	1289,399	3,106	<b>,080</b>
	Within Groups		78051,780	188	415,169		
	Total		79341,179	189			
<b>Entrepreneurship * Age</b>	Between Groups (Combined)		876,375	2	438,188	1,044	<b>,354</b>
	Within Groups		78464,804	187	419,598		
	Total		79341,179	189			
<b>Entrepreneurship * Working Experience</b>	Between Groups (Combined)		160,293	1	160,293	,381	<b>,538</b>
	Within Groups		79180,886	188	421,175		
	Total		79341,179	189			
<b>Entrepreneurship * Employment</b>	Between Groups (Combined)		126,572	1	126,572	,300	<b>,584</b>
	Within Groups		79214,607	188	421,354		
	Total		79341,179	189			
<b>Entrepreneurship * Family Business</b>	Between Groups (Combined)		20,369	1	20,369	,048	<b>,826</b>
	Within Groups		79320,810	188	421,919		
	Total		79341,179	189			
<b>Entrepreneurship * Ethnicity</b>	Between Groups (Combined)		874,798	1	874,798	2,096	<b>,149</b>
	Within Groups		78466,381	188	417,374		
	Total		79341,179	189			

Based on the results from the descriptive statistics the overall entrepreneurship level is 144,19, which represents the very high score of entrepreneurship according to Yilmaz and Sünbül (2008)[1]. Based on the descriptive analyses, 3 participants have the score that belongs to the group low entrepreneurship, while 25 participants have a medium level of entrepreneurship. Most of the participants (87) have a score from 124 to 151, which represents a high entrepreneurship level while 75 participants belong to the group very high entrepreneurship. The mean analyses of every single factor are showing that Macedonian students have a higher level of entrepreneurship tendencies compared to the Albanian students. The highest mean of entrepreneurship tendencies has the participants that belong to the age group of 21-23 compared to the participants from the age groups 18-20 and 24-26. Students that study business have a higher mean score than the students that study tourism. Additionally, the students that do not have working experience, are not currently employed and do not have the family businesses, scored higher compared to the students that have previous work experience, are currently employed and have a family business.

**Table 2 Entrepreneurship level score table**

Score		N
36-64	Very low entrepreneurship	0
65-92	Low entrepreneurship	3
93-123	Medium entrepreneurship	25
124-151	High entrepreneurship	87
152-180	Very high entrepreneurship	75

Based on the findings from the descriptive statistics the researchers conducted T-test and ANOVA to check the statistical significance of the differences between the means for all of the tested factors. The analyses confirmed that the differences between the means are not statistically significant. Therefore, we can conclude that the place of living, age, gender, ethnicity, years of study, the field of study, the working experience, current employment as well as the family business have not been confirmed as relevant factors that contribute to the entrepreneurship tendencies. However, it will be useful to make additional studies by taking into consideration the larger sample, check the reliability of the questionnaire as well as to conduct the factor analyses by analyzing every single item of the questionnaire.

What we can conclude from this research is that the students in the future should be able to make the effective transfer of technology and knowledge across sectors by creative analysis and solving problems. They should be oriented towards finding new, creative solutions to problems, and develop promising and interesting new ideas, technologies, products, and practices. The innovation in that society results from knowledge applied to knowledge, therefore it needs highly educated individuals with wide social skills, technical expertise, and business virtues.

This research study is very important because it has a multiethnic approach and elaborate specific questions about the youth entrepreneurship candidates that should develop businesses and tourism in North Macedonia in the future. Taking into consideration the fact that entrepreneurship is the main aspect of sustainable economic development, this paper provides recommendations for future activities for the development of the young entrepreneurs that can prevent the migration of the young population and can contribute to the local and rural development.

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