

# **DEVELOPMENT OF ENTREPRENEURIAL POTENTIAL OF STUDENTS IN THE PROFESSIONAL TRAINING AT UNIVERSITIES OF ECONOMIC PROFILE**



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Annotation. Presented in this article is the technology of the development of entrepreneurial capacity. The necessity of self-knowledge and the development of entrepreneurial capacity of students and would-be masters while studying at universities of economic profile are also substantiated.

*Key words:* entrepreneurial capacity, self-knowledge, personality, management system, technology.

*Анотація.* Представлено технологію розвитку підприємницького потенціалу. Показано необхідність самопізнання та розвитку підприємницького потенціалу студентів і магістрів під час навчання у вищій школі управління.

*Ключові слова:* підприємницький потенціал, самопізнання, особистість, система управління, технологія.

**Аннотация.** Представлена технология развития предпринимательского потенциала. Показана необходимость самопознания и развития предпринимательского потенциала студентов и магистров во время обучения в высшей школе управления.

**Ключевые слова:** предпринимательский потенциал, самопознание, личность, система управления, технология.

**Introduction.** Under the conditions of post-industrial progress of the developed countries of the world an innovative, entrepreneurial resource is becoming one of the main strategic resources. In order to facilitate the decisive impact of business on the social and economic development of the region it is necessary to provide changes in training of a new generation of professionals in management capable to effectively operate both in stable and non-standard and crisis economic conditions, become not only leaders, but also create small businesses, which is especially important for Ukraine. This involves increasing the role of universities of management profile in providing high-quality training of managerial personnel, each prepared individually to ensure an intensive development of small businesses according to the current needs and strategic plans of social and economic development of the region.

Entrepreneurship has a lot to do with creativity, which is understood as the ability to integrate separate elements of knowledge in completely new combinations. Identification of those among would-be managers who have entrepreneurial capacities, who are prone to innovation and innovative solutions, would facilitate the development of entrepreneurial capacity as early as during their training at university. It has been found in recent research that senior managers of corporations prefer not to risk it, and therefore focus on short-term projects which bring stable incomes [2].

Success in business activity, manifestation of the entrepreneurial capacity depend on a number of factors: (1) on the necessary knowledge obtained, and understanding of the forms and principles of entrepreneurship; (2) on the knowledge of economics, finance, management, law and other social and economic disciplines which help enterprising individuals establish, organize and carry out economic activities, and (3) on the knowledge of psychology that enables to achieve in-depth understanding of the nature of economic processes, the ways the "human factor" may have influence on the economy. The essence of entrepreneurship is more vividly revealed through its basic functions: innovation (creativity), resource, organizational and incentive (motivational). Success in business activity also depends on personal entrepreneurial capacity, which is understood as a set of personal psychological characteristics that ensure successful entrepreneurship. It mainly contains universal psychological characteristics: intellectual, communicative, volitional, and some business competencies, which may have impact on the results of business activity as a

whole or on any of its components [6]. The above-mentioned qualities of a successful entrepreneur imply the following: commitment, independence, self-confidence, propensity to take risks, observation, initiative, tenacity, persistence etc. According to the study of 1997 based on the results of the factor analysis the leading factor of business activity of entrepreneurs had been established. It is characterized by the following key indicators: assessment of the level of their competitiveness (0.7), reliability of most partners (0.6), changes in the standard of living of the family in the past year (0.6), evaluation of the achievements of their business activities (0.6), attitude to competition (0.5), expected changes in the standard of living of the family (0.5), attitude to risks (0.5) and the assessment of their own capabilities in enhancing the success of their businesses (0.5) [5].

**Formulation of goals and objectives of Article.** The objective of this study is to develop the psychological basis of controlling the components of entrepreneurial capacities of students of management profile during their professional training.

**The main material.** In order to create a new generation of managers able to work effectively under conditions of market economy, leadership qualities, business, communicative and organizational competences are required. And this implies fundamental changes in professional training of managers and creating an appropriate environment at universities of management so as to reveal and develop their entrepreneurial capacities. The most sensitive period for the formation of entrepreneurial capacities is the students' age. The students specializing in management acquire the necessary knowledge, abilities and skills to be able to perform professional management activities. Their educational capacity, as well as their social and professional experience, is to become the necessary prerequisite for understanding their personal capabilities in developing their own entrepreneurial capacities.

According to the experts, the state policy in the field of training the managerial personnel is to be transferred to the micro level. This will make it possible to relieve the financial burden on the state budget on the part of the educational institutions that provide educational programs for training managerial personnel, to bring the content of the curricula closer to the needs of the market economy, more actively raise funds of the citizens, organizations and businesses that are interested in highly-qualified managerial personnel. The educational activity of the university which is engaged in training of managerial personnel should be based on the innovative model of entrepreneurial behavior, which is aimed at the development of their own creativity and innovation initiatives of employees [1].

According to the theoretical analysis of the problem domestic researchers believe that the components of managerial capacity include a certain level of motivation, intelligence, creativity, availability of communicative and

organizational skills, assertiveness, and internality. They presume that the factors that limit the managerial capacity include the inability to govern themselves, vagueness of personal values, lack of creative approach to solving management problems, inability to influence people, inability or unwillingness to assist employees in their personal development. In addition, discussed in a number of papers are such components of management capacity as leadership, life experience, education and professional competence etc [7].

It has been found that entrepreneurial capacity is understood as a set of psychological characteristics that lead to success in business. The structural components of entrepreneurial capacity include professional orientation, intellectual qualities (non-verbal and verbal), emotional and volitional qualities (psycho-emotional tone and volitional persistence); communicative qualities (sociability, organizational and leadership potential, flexibility), competencies (independence and enterprise), internality. The competences determined as those of an entrepreneur are as follows: independence, entrepreneurship as an innovation capacity, entrepreneurship as practical implementation [4]. The degree of their development serve as indicators of the development of the above-mentioned components.

The main characteristics of an entrepreneur's intelligence include wealth of vocabulary, ability to identify similarities and establish logical connections between different types of verbal information, ability to combine knowledge from different areas, flexibility and speed of switching over in verbal thinking, the ability to find the most accurate solution, as well as quick wits, rate and the performance of mathematical (financial and economic) analysis. Sociability as a communicative quality of an entrepreneur includes the ability to quickly initiate contact (with any partner in a broad social range) and to maintain it at the appropriate level, depending on the goal, psychological readiness to cooperate with the environment, taking into account social values and traditions, collectivism; the best representation of the natural and emotional component in communication ("charm"), hospitality and friendliness, durability under high neuro-emotional stress associated with communication in an unfavorable social environment, lack of expressed egocentrism or hostility.

Organizational and leadership capacity of an entrepreneur is a set of personal characteristics and qualities: confidence, dominance, desire and ability to lead a team to meet the challenges facing it, organize joint activities; readiness to accept personal responsibility for the results of the group work; the desire to gain credibility and secure the status growth. Flexibility as a communicative quality of an entrepreneur involves diplomacy in establishing contacts, politeness, knowledge and proper application of communicative and social standards; the ability to understand people and foresee the development of relations with them, the ability to predict and avoid conflicts, lack of aggressiveness, focus on cooperation and search for a compromise when there is

conflict of interests. Independence as a business quality of an entrepreneur involves the desire and ability to work offline, focus on one's own vision, absence of suggestibility, independence in forming one's own opinion, making decisions and determining strategies, as well as life or professional concepts.

Entrepreneurship as an innovation capacity includes the ability to generate or select new ideas, approaches and projects; the ability to determine the promising areas of investment; a critical attitude to the out-of-date cliches and stereotypes, a conceptual approach and striving for maximum awareness in one's business; initiative, a tendency to experimentation, tolerance to uncertainty. Entrepreneurship as a practical implementation includes energy, commitment, activity; the ability to implement ideas and projects; realism and practicality in setting goals and defining the means for their achievement; pragmatic orientation of initiatives, which is to be taken into account when solving the current and future economic problems; tolerance for opposition, competitiveness. Internality is understood as willingness to actively and creatively manage one's life and destiny, take personal responsibility for one's own actions and decisions, properly analyze one's mistakes and failures, and make necessary conclusions so as to prevent them.

Psycho-emotional tone implies emotional stability and overall balance; self-confidence and positive self-esteem; optimism, absence of fear of the possibility of failure, stress-resistance in difficult situations, the ability to withstand significant neuropsychiatric loads; the ability to make responsible decisions when there is lack of time and information, or when they are associated with risk. Volitional persistence is revealed in purposefulness, in the ability to smooth implementation of planned strategies despite any difficulties and obstacles, in volition makings, resistance to external influences.

A comparative analysis of managerial and entrepreneurial capacities revealed the following:

- managerial and entrepreneurial capacities are integral personal formations;
- managerial and entrepreneurial capacities have common components that are important for the formation of innovation managerial and entrepreneurial personnel;
- personal components that are necessary and common for the performance of managerial and entrepreneurial activities include: intellectual abilities; communicative qualities; creativity (for the managerial capacity) and innovative entrepreneurship (for the entrepreneurial capacity); leadership and organizational capacity; internality.

Organization of professional training of students for starting their own business requires different ways of psychological support of the educational process intended for increasing the number of students of management profile, personally prepared for entrepreneurial activity: elaboration of psycho-diagnostic

tools for conducting psychological monitoring of students readiness to entrepreneurial activity; identification of those who are prepared to start their own business and providing them with the necessary information, education, marketing and other forms of assistance; conducting behavioral trainings, trainings on creative and innovative thinking to enhance personal preparedness for entrepreneurial activity; introduction of trainings on collaboration in business teams in conditions of the innovative educational infrastructure.

The research that has been carried out shows that the degree of development of entrepreneurial capacity may be different, which, in its turn, may prevent the achievement of success in business. Therefore, the issues of identification of those among the students specializing in management and economics, who are potentially prepared to carry out entrepreneurial activities, as well as providing them with the support of the business incubator in creating their own small business, are pressing and well grounded [3].

We believe that the system of psychological support in solving this problem should include:

- psychological diagnostics of the degree of students' readiness to start their own business;
- introduction of innovative forms of training in the educational process and additional education, including behavioral trainings, which include "School of leadership", trainings on the development of creative and innovative thinking, trainings on the psychological foundations of the ability to learn throughout one's life for the development of prompt consideration, intellectual lability, contextual reflection; trainings "Congruential communication of an entrepreneur", "Prevention and overcoming of communicative barriers in conversation", "Mental health - adequate communication – success", providing of special psychological training on recruitment for the team according to the principle of complementarity of business qualities required for successful business.

Business communication needs highly developed psychological culture of communication, as well as constant study and consideration of the emotional component of business relations. For the students with a low degree of development of communicative skills it is recommended to master the following five techniques in the location of interlocutors: "own name" technique; "the mirror of relations" technique; "a patient listener" technique; "personal life" technique; "compliment" technique. It is recommended to learn how to make use of these techniques in everyday life so as to be prepared for using them in professional communication. In order to be successful in business communication it is necessary to know the most typical psychological errors of communication most often made by one's business partners, as well as the possibilities to correct them according to the developments of humanistic (American) psychology. In addition to the psychological mechanisms of avoiding psychological errors in

personal and business communication it is necessary to be able to use three techniques of congruent communication: "You – a message" technique; "I – a statement" technique; "Resolving of conflicts" technique.

In order to achieve effectiveness in business communication it is recommended to use twelve ways of persuasion which will allow you to make interlocutors share your point of view: avoidance of disputes; expression of respect for the opinions of others; recognition of one's own wrongness; expression of one's friendly attitude at the beginning of communication; application of techniques that will make the interlocutor say "Yes" from the very beginning; giving the interlocutor an opportunity to speak out; creating the situation in which an interlocutor will become confident that the idea belongs to him/her; trying to see the situation through the eyes of the other person; expression of compassion to the thoughts and desires of other people; providing "visibility" to one's ideas; promoting nobility, noble motives; creating the situation of competition to disclose the abilities of other people.

For business communication in unfavorable, strenuous circumstances it is recommended to apply nine rules which will allow you to influence people, without causing them to feel resentment or contempt: recognition of dignity of your interlocutor; pointing out the errors indirectly rather than directly; first recognition of one's own mistakes, and only then the criticism of the others; giving the others an opportunity to save their dignity; expression of sincere endorsement, even about small success; use of incentives; asking one's interlocutor questions instead of giving orders; creating situations in which one's subordinates are happy to do what the head has suggested them.

**Conclusions.** Improvement of the technology of training would-be managers must take into account the modern methodology of resource approach, which implies the notions of "creative abilities", "competence", "professionalism", and requires the advanced approach to training managers, creation of conditions for the creative development of personality, securing the formation of the following features and advantages that will allow them to make a successful management career or become a social innovator in business. Analysis of the results of the studies shows that the innovative approaches, required for training of innovative managerial staff should include restructuring of the educational and professional space of an institution of higher education into the component of the innovative and educational infrastructure in the region. Identification, development and promoting the entrepreneurial capacity of students specializing in management during their professional training at the university of management is an innovative approach in solving the problem of formation of innovative personnel for the economy of the region.

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