

Do the Students of Keleti Faculty Want to be Entrepreneurs?

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Abstract: Albeit students of Keleti Károly Faculty of Budapest Tech don't seem to be more informed about SMEs than any other young people – or perhaps for this reason – most of them can imagine to become an entrepreneur – alone, or together with a colleague. Alternatively, they find it possible to undertake their family's business. There is almost nobody, who would like to do it immediately after graduation - except for some of them, who are entrepreneurs already. Among the asked 415 persons – mostly Economic Managers, Technical Managers or Economic Informatics- with regards to the underlying motives for entrepreneurship – the differences are small except of economic managers.

Informatics; real-estate trade; financial consultation; wellness-fitness; construction industry; waste-recycling; event organizing; catering; logistic; transportation; tourism; bookkeeping; security services; utilization of renewable energy-resources; biotechnology; advertising & media; personal services; office- and house-cleaning; headhunting; funeral business; professional consulting; administration; education of adults; car-repairing; production of environment protection equipments – areas that seem to embrace most opportunities for the future of small and medium size businesses according to the students of Keleti Károly Faculty of Budapest Tech. Among the 415 questioned students – they are 19-24 years old – only 15 had no idea what the role of SMEs' can be nowadays in the Hungarian economy. That means, that most of them are quite well informed in this field, however, almost half of them study technical management subjects, which provide them carrier opportunity mostly available in large companies.

There are quite a lot family-owned business in the family of students: 168 – 40.48%. 67 of the 415 students already work in their family's business.

An even more interesting question, however, if the surveyed students want to be entrepreneurs. Almost nobody plans to become an entrepreneur immediately after graduation – with the exception of those 14 students, who already run their own business parallel with completing their studies. Two-third of the questioned young women and men can imagine starting a new business or undertaking the existing family company sometime in the future. Two motives are common: almost all want to be his/her own master and hope that he/she make more money with being self-employed. Fewer, but quite a lot of them answers that he/she wants to be

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independent (however most of them do not mention what or who they wish to be independent from). Additionally, many students find it a crucial aspect to be able to manage their own time schedule by being self-employed. For some of them the entrepreneurial framework provides with the possibility to select their colleagues, those whom they want to work together. Unfortunately, only few students feel “born to be self-employed”. Relatively many of them are afraid that the lack of job will force them to start a business, or work in the family business. A lot of them elude the question: „if I had a good idea”, „if I had enough starting capital”, or „if I had enough ambition” - they write.

There are 168 businesses run by the students’ families – only 67 students actually work in those. (The reason – partially - is that the business is in the village, and they learn in Budapest.) Some of them do not work in the family business, because it is one-person enterprise: the father is taxi driver, doctor or lawyer. Some of them refuse working in the family business, because of the poor performance of those enterprises – already the parents can hardly live from it. Many people consider to undertake the family business; however they do not work currently in those. 45 students work in the family business already today, and very much would like to continue it after finishing the college, and overtake completely when they are ready for it. Only 4-5 ones are hesitating about it. In 2-3 cases the older sister/brother is planned to undertake, leaving no room for the students in question. One student will get a ready bookkeeping business after finishing the school! The remaining part of the population state that they have not interest in the activity of the family business, so they do not work in it, and in no case would like to undertake it. (It is very different from the West-European and American praxis.) Many of the students do not see the future of the family business – first of all whose business is in the agriculture. Some students plan to start his/her own grown-up life in abroad.

It is no surprise that students, who want to start an own business as soon as possible despite of their young age; already work in one... Their areas of interests include video-program making, bookkeeping, car- and motor service and trade, construction, website design/construction. Some of these businesses are not registered yet.

To the question of what the pros are for establishing a new business nowadays, they mostly think specifically in their terms only. Hence for another question inquiring if they ever want to start a business their answer was almost the same. Also, they gave a lot of unserious, ambiguous or unreasonable answers, mostly due to lack of experience.: „Freedom”, few effort, a lot of money”, I have no boss”, „it is not necessary to make hard physical work”, „I am not a slave of the work”, „I can provide security for my family”, „financial safety”, „I can establish new connections” „it seems exciting”, „less tax”, „EU support”, „I can try myself”. There were also very realistic, clear answers: - unfortunately not too many: „it provides self-fulfillment”, „who starts his/her own business perhaps can realize his/her dreams”, „I work for myself”, „who is capable, can achieve great

profit”, “entrepreneurs establish working place for himself and for others”, ”if you can give bill, you can get more assignments”, etc.

Even fewer factual answers, real arguments were given in response to the question of: Why not establish a business? „lack of experience” – wrote 7 people, as if it wouldn’t be obtainable in Hungary. „Administrative difficulties”, „the laws”, „lack of start-up capital, or it is very difficult to get it for start” – while we know, that the administrative limits are far not so big, as they were 10-20 years ago, at the time of the boom. To get capital is also not as difficult as it was earlier, and not all type of business needs much capital. Naturally they mentioned a lot of reasonable argument against establishing a new small business: The Hungarian economy is unpredictable, the taxes are very high, the competition of multies are strong, the lost capital – a failure is for lifelong.

Many students are afraid of the responsibility (about ten percentages), the risk (twenty percentages), the failure (about five percentages), and also many of them concerned about the required hard work – and the skills needed. Latter are mostly those who never want to start a business.

It is good to see that two students mentioned lack of business integrity/ethics.

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Branch	There is enterprise in the family		The student works in the family enterprise		The student does not work now in the family enterprise, but (perhaps) would be ready to undertake it		The student would be ready to undertake the family enterprise, and he/she works also now in it		The student wants establish his/her own enterprise		The student has already own enterprise		The student does not want own enterprise	
Gazdálkodási menedzser (102 persons)	43	42,10%	5	11,60%	7	16,20%	11	10,78%	16	15,60%	3	2,90%	18	17,60%
Műszaki menedzser (193 persons)	84	43,50%	12	14,20%	13	6,75%	25	29,76%	94	48,70%	9	4,60%	21	10,80%
Gazdasági informatikus (73 persons)	28	38,30%	3	4,10%	0	0,00%	8	10,90%	29	39,70%	0	0,00%	9	12,30%
Gépész (18 persons)	5	26,30%	0	0,00%	0	0,00%	0	0,00%	7	36,00%	0	0,00%	2	10,50%
Post-secondary education (14 persons)	4	28,50%	1	7,10%	2	14,20%	0	0,00%	4	28,50%	0	0,00%	5	35,00%
Others, does not writes which (15 persons)	4	26,00%	0	0,00%	1	6,50%	2	13,00%	5	33,00%	2	13,00%	1	0,06%