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## Ideas into Action – Entrepreneurship for Youth Workers based on Local Economy Needs

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Slovakia – National Research Report

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## PRIMARY RESEARCH – SLOVAKIA

### Profile of the organisations taking part in the research:

We involved 5 organisations in the research that are active in the field of work with young people in Slovakia. We tried to select organisations that have a different profile and different approach to work with the same target group. However, the connecting idea was that all participating organisations are involved in activities that try to motivate young people to become active and take up responsibility for their own life and the well-being of the people in their local communities.

3 organisations are active directly in the town of Čadca.

1 organisation is active in a rural area – Stará Bystrica, about 25 kilometres from Čadca.

1 organisation comes from a different region – Rožňava, in the east of Slovakia.

**KERIC, Čadca** – 2 people involved in the research (1 youth worker, 1 project coordinator)

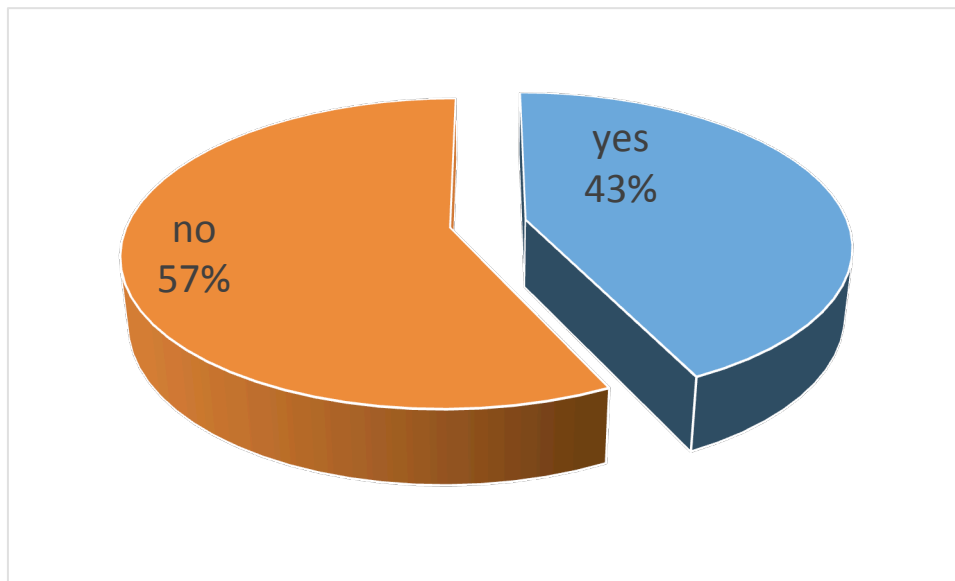
**PDNS, Čadca** – 1 youth worker involved in the research

**Centrum Voľného Času, Čadca** – 2 people involved in the research (1 youth worker and 1 volunteer)

**Centrum Voľného Času, Stará Bystrica** – 1 youth worker involved in the research

**Priestor, Rožňava** – 1 youth worker involved in the research

**1. Have you been involved in any Entrepreneurship focused projects?**



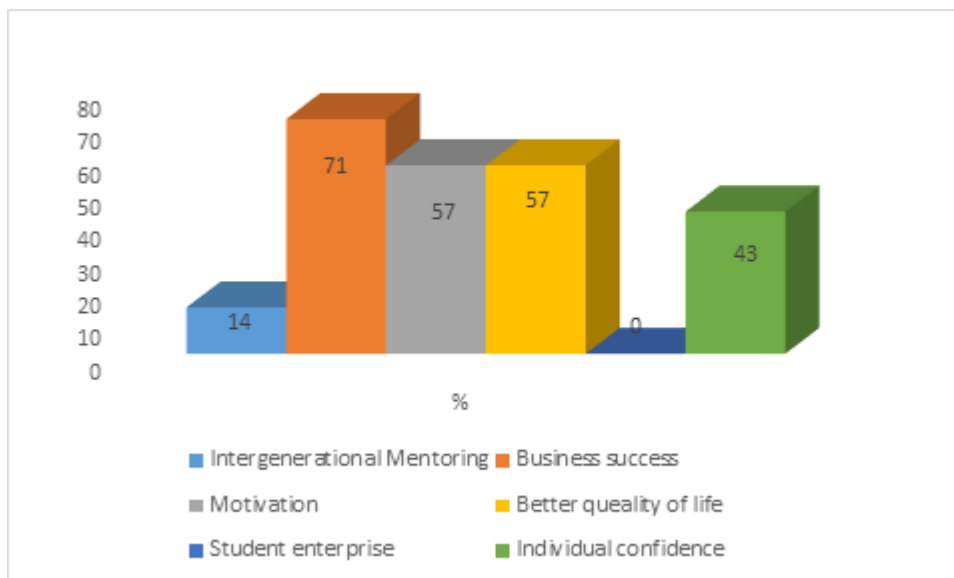
**57% of respondents have never been involved in any entrepreneurship focused projects while 43% have had this opportunity.**

**1a. If yes, what projects have you been involved in? Please describe in 30 words or less.**

The organizations that have been involved in entrepreneurship focused projects are basically EVS hosting organizations where the volunteers have a possibility to develop their own projects, and develop their key competences including entrepreneurship skills. However, they have never been involved in a project whose focus would be only on entrepreneurship.

One organization, KERIC, coordinates several projects (EuroAsian Empowerment project, QuNeCo, English language trainings, etc) which are aimed at development of youth leaders' and young peoples' skills, including entrepreneurship.

**2. What do you think the outputs, benefits and impacts of Entrepreneurship projects are? (tick all that apply)**



Business success is the most sought for in entrepreneurship projects at 71%, followed by motivation and better quality of life at 57%, and then individual confidence of life at 43%, and lastly intergenerational mentoring at 14% and student enterprise at 0%

**3. What do you think the main challenges are for Entrepreneurship projects?**

- Young people are not motivated.
- Expecting guidance from adults.
- Finding suitable international partners for entrepreneurship projects.
- Activating young people into entrepreneurship.
- Poor Quality of the partnership.
- Lack of Expertise.

**4. What do you think are the potential benefits of bringing entrepreneurship and education together?**

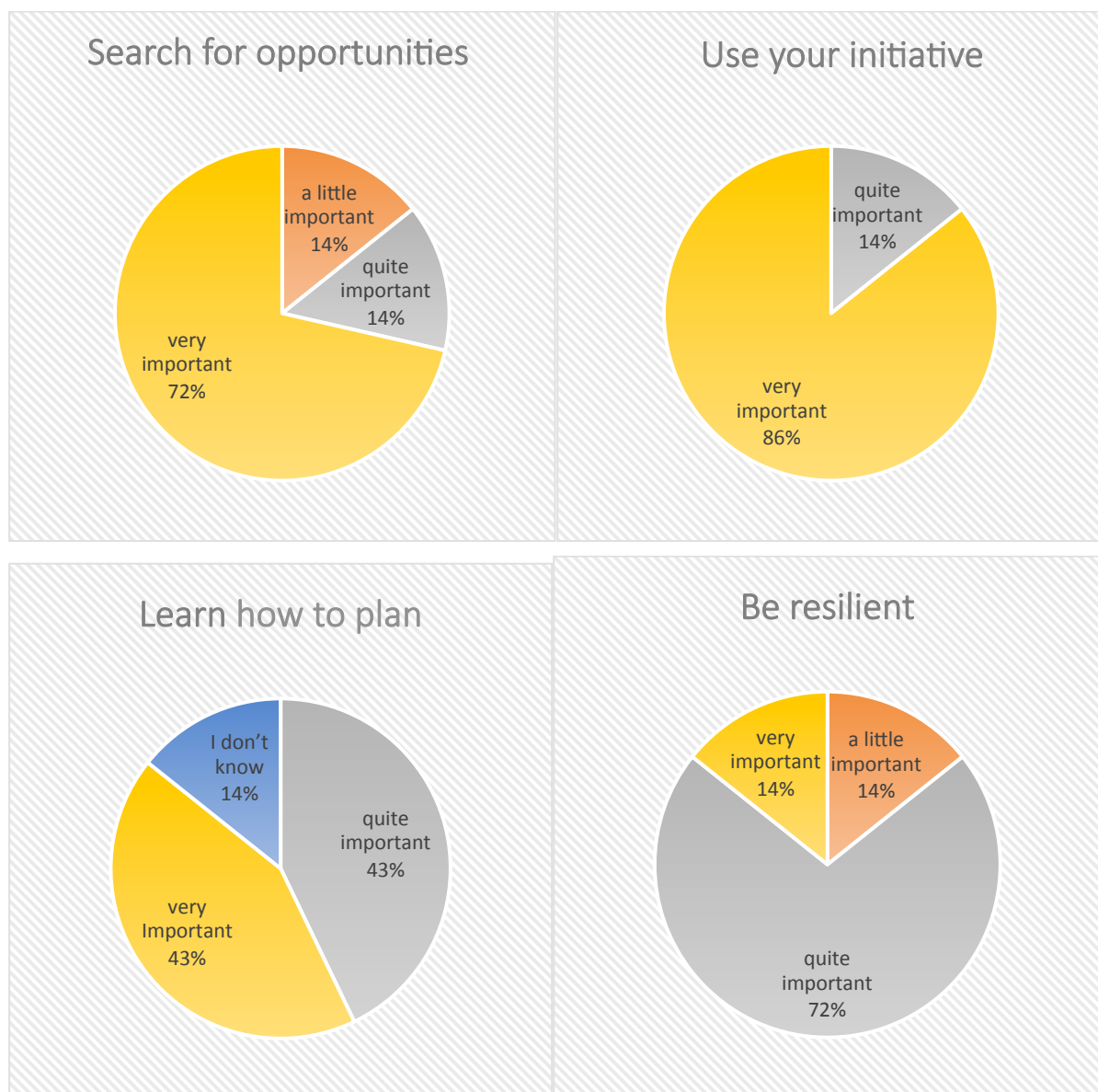
- It is always good to combine education and motivation, ideas and possible business plans.
- As our target group are low-qualified people, the education together with entrepreneurship ideas together is a perfect approach that will enable the people to increase their employability.

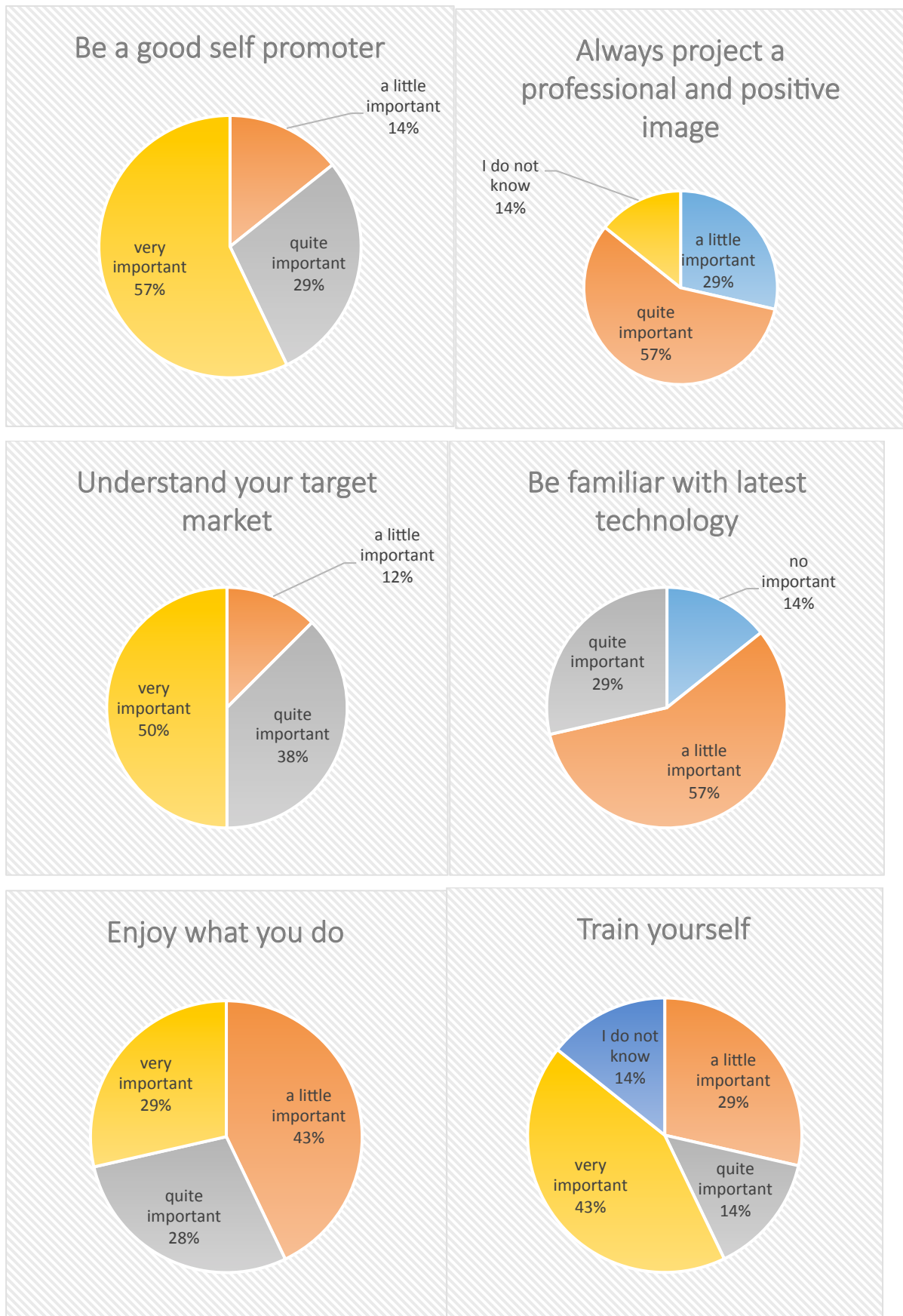
- Practical life, young people are prepared for job market better.
- Knowledge and skills gained, have a high chance to be actually realised.

**5. What support materials and resources are most useful for entrepreneurship projects?  
Provide URLs if possible.**

We find counselling and personal coaching as the most powerful tool, then trainings /seminars, and experience sharing

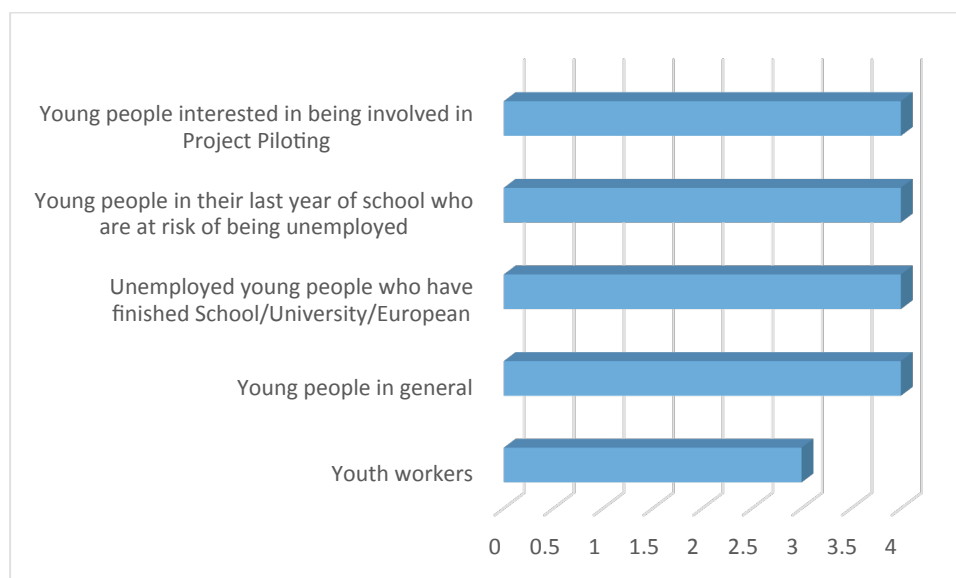
**6. What competences and characteristics do you think young people need to succeed in entrepreneurship?  
(Please rate from not important to Very important)**







**7. What are your target groups? Please tick all boxes that apply?**



At 57.14% we had young people in general, unemployed young people who have finished School/University/European Voluntary Service, young people interested in being involved in Project Piloting and young people in their last year of school who are at risk of being unemployed, while at 42,86% we had Youth workers

**8. If you are interested in being involved in the Ideas into Action Project or if you want more information please complete the details below.**

Most of our respondents 85,7% were interested in being involved in the ideas in to Action project, and 14,3% were not interested (6 yes, 1 no)



## **SLOVAKIA: STATE OF THE ART**

### **1. Provide a definition of Entrepreneurship specific to your country.**

It is the ability of individuals to come up with innovative ideas and put them into action. It involves taking the responsibility for these actions, accepting possible risks and thus reach the set aims.

By the general public, entrepreneurship is viewed as the ability (and success) to start your own business.

In Slovakia, more people are starting new businesses than managing established ones. This result has been stable 2011 - 2014, and places Slovakia among the less developed countries. However, the World Economic Forum currently classifies Slovakia as an innovation-driven (most advanced) economy.

The biggest environmental enablers of entrepreneurship in Slovakia are:

- Good physical infrastructure and access to services
- Access to commercial infrastructure for entrepreneurs
- Market openness

### **CURRENT TRENDS**

While the entrepreneurship situation in Slovakia is far from optimal, the positive developments seen in the 2014 survey provide reasons to be cheerful. Slovakian entrepreneurship is bouncing back, both in quality and quantity, after three years of negative trends. Both early-stage entrepreneurship and established business ownership rates have increased (with Slovakia outperforming the EU average in both cases), together with an increase in opportunity-motivated new businesses and a decline in the necessity motive. In addition, almost a quarter of the adult population perceive good opportunities to start a business, a considerable increase - albeit still below the EU average. Almost all of the Entrepreneurial Framework Conditions (EFCS) evaluated by experts have shown qualitative improvement. While in most cases the evaluation remains negative, this is a good sign.

The rate of entrepreneurial intention among those not currently running a business has increased to 15.2%, after a three-year decline culminating in a low of 10.6% in 2013. Since attitudes toward entrepreneurship have remained generally stable, we may attribute this reversal to increasingly positive views of the conditions for entrepreneurship. Slovaks are very self-confident, with 54.4% of adults believing they have the skills required to start up and run a business - the 2nd highest in Europe. On the other hand, 36% declared that fear of failure would prevent them from starting a business.

Societal attitudes towards entrepreneurship have been relatively stable in Slovakia, with the % of respondents agreeing that entrepreneurship gets good media attention close to the European average. However, Slovakia falls below the European average in terms of the % of respondents agreeing that entrepreneurship is a good career choice and that entrepreneurs receive high status. While the increase in entrepreneurial intention is a positive development, these attitudes emphasise

the need for a long-term focus on improving the institutional framework for entrepreneurship in Slovakia.

### Challenges for the Future

Slovakia needs to work on making entrepreneurship available to all, especially seniors. Entrepreneurs need to strengthen their focus on innovation and expanding into foreign markets. Finally, cultural and social norms towards entrepreneurship need to improve in order to create a more positive environment for entrepreneurship.

Percentage of 18 - 64 population (individuals involved in any stage of entrepreneurial activity excluded) who see good opportunities to start a firm in the area where they live

Perceived Capabilities: 54%

Entrepreneurial Intention: 15%

Fear of Failure: 36%

The biggest environmental constraints for entrepreneurship in Slovakia are:

- Insufficient prioritization of, and support for, entrepreneurship in government policies
- A heavy administrative and bureaucratic burden
- Insufficient support programs for entrepreneurship
- Inadequate R&D transfer
- Lack of entrepreneurial skills development at all levels of education

<http://www.gemconsortium.org/country-profile/106>

## 2. What are your specific Economy Needs at Local Level?

**Kysuce** is a traditional informal name of a region in north-western Slovakia, situated around the Kysuca river and bordering the Orava region in the east, Poland in the north and the Czech Republic in the west. It consists of two districts: Čadca and Kysucké Nové Mesto.

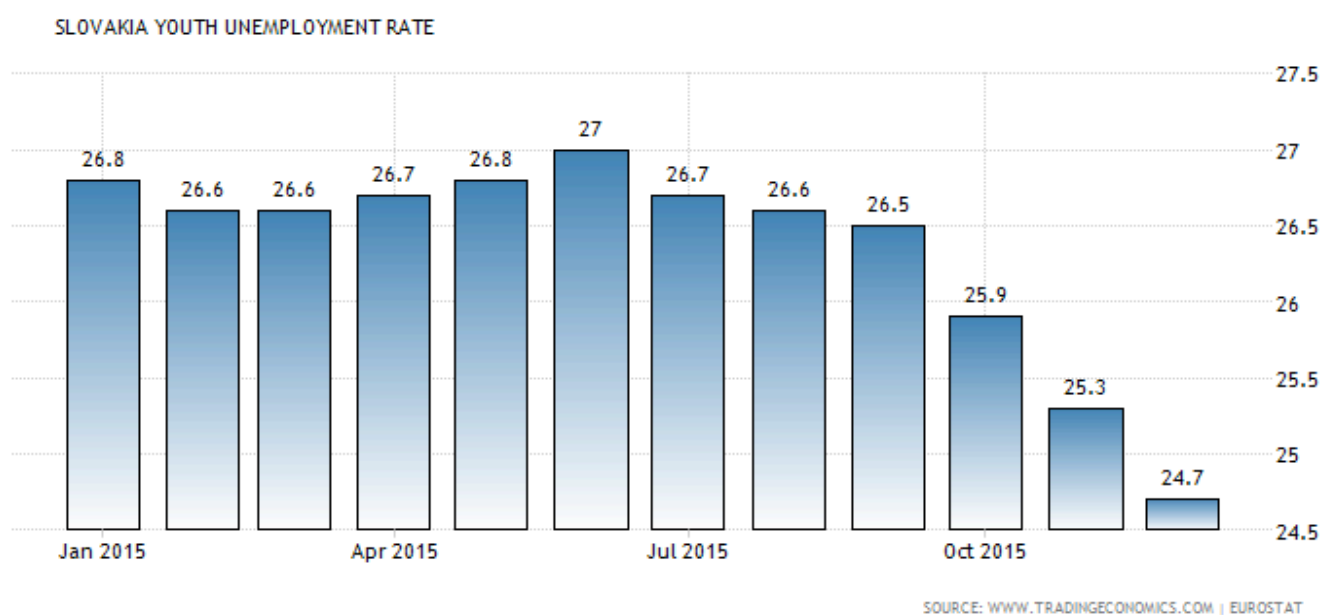
Traditionally, Kysuce is considered to be one of the poorest regions in Slovakia. Inhabitants of Kysuce have to commute for work elsewhere, for example to the coal mines in the Ostrava Region in the Czech Republic, as the region has little industry, particularly today. The worst situation was in the 1990s when many factories were shut down or reduced. However, the regional economy is now recovering and growing thanks to the good ski and cross-country conditions and the *Snow Paradise* center in Veľká Rača-Oščadnica is one of the most developed ski resorts in Slovakia. There are also many other tourist attractions available, for example the switchback railway near Nová Bystrica, or museum of the Kysuce village also near Nová Bystrica, which was created in 1974

primarily for the purpose of saving buildings from the villages inundated by the Nová Bystrica reservoir.

<https://en.wikipedia.org/wiki/Kysuce#Economy>

### Youth Unemployment Rate

Youth Unemployment Rate in Slovakia decreased to 24.80 percent in July from 25.50 percent in June of 2015. Youth Unemployment Rate in Slovakia averaged 31.08 percent from 1998 until 2015, reaching an all time high of 39.70 percent in April of 2001 and a record low of 18 percent in September of 2008. Youth Unemployment Rate in Slovakia is reported by the Eurostat.



<http://www.tradingeconomics.com/slovakia/youth-unemployment-rate>

Our region Kysuce, is one of the less developed regions in the country. Therefore, the needs at regional level are as follows:

- Increase the employability of people, especially young people, in the labour market;
- Decrease the percentage of unemployed people and people working for minimum salary;
- Increase the standard of living;
- Change the trend of young people leaving the region to work in Bratislava or abroad due to a lack of employment opportunities, low standard of living and fewer facilities;
- Increase awareness and interest of people in public issues as well as European issues;
- Increase awareness and accessibility of professional information and advice (legal advice, economic issues, social welfare issues, information about opportunities for young people etc.) to people;

- Develop competences of people, especially IT competences, language skills and stimulate their entrepreneurial thinking and creativity.

According to Eurobarometer 10 research, only 33 % of Slovak people would prefer to be self-employed than an employee. Furthermore, 65% of people consider the possibility to start their own business within the next 5 years as completely impossible. The biggest obstacle seen by the people asked in this research was the lack of financial sources needed to start their own business. Furthermore, more than 65% of people stated that they lack professional advice in legal, economic, social and welfare areas in their everyday life. If they wanted to start their own business, they would really appreciate expert advice and information from professionals or from other “more experienced” entrepreneurs.

### **3. Are there any Entrepreneurship policies relating to the education of young people at Local, Regional and National level? (Give details)**

Concerning youth education and entrepreneurship policy, Slovakia follows the common guidelines of the **EU Strategy for youth**. As far as I know, there is not a specific entrepreneurship policy.

For the years 2014 – 2020 Slovakia set the following aims:

- Increase of young people with a university degree from 32% to 40% of the population;
- Decrease the number of school-leavers from secondary education;
- Decrease the number of students leaving university education (about 5% of university students leave education);
- Support for sports activities of young people (to help fight an increase in obesity and serious diseases among young people).

Priorities for the years 2014 -2020 are:

- Stimulation of innovative approaches to education;
- Validation of competences acquired in education, especially in non-formal education;

Creativity and entrepreneurship of young people are seen as an important issue, but not as the main aim of the policy for young people.

### **4. Who is promoting Entrepreneurship generally at Local, Regional and National level?**

Implementation of the entrepreneurship policy as well as its promotion happens through:

1. State school system institutions (elementary, secondary schools, universities, vocational centres, adult education organisations)

These institutions are passive in their approach, they mainly deliver the tasks that are in their curriculum or they do activities designed for them by the Ministry of Education. Entrepreneurship is promoted within lessons of Social science and ethics as well as within club activities or outside of school events.

The promotion is done at national, local as well as regional level.

In our region, all secondary schools and universities take part in an annual promotion event called 'The Days of Career', where various opportunities for education as well as job opportunities, entrepreneurship ideas and projects are promoted.

2. Labour offices all over the country

[http://www.upsvar.sk/statistiky/aktivne-opatrenia-tp-statistiky.html?page\\_id=1248&lang=en](http://www.upsvar.sk/statistiky/aktivne-opatrenia-tp-statistiky.html?page_id=1248&lang=en)

They are offices established by the Ministry of Labour, Social affairs and Family. Their target group are unemployed people.

The promotion of entrepreneurship thinking is done through a promotion of several schemes which give certain advantages (especially financial ones) to (young) unemployed people who decide to start their own business or who wish to gain working experience and working habits.

This information is promoted on the website of the Labour offices and through info campaigns at national level.

At regional level, the most powerful promotion tools are through personal contact with staff of each Labour office. The Labour offices are in each bigger town (i.e. a town of about 20,000 inhabitants).

The local Unemployment office in our town regularly organises a promotion event – 'The Days of Career' – where schools, companies, NGOs and other actors in the field take part.

3. IUVENTA – a state organization directly managed by the Ministry of Education, Science, Research and Sport of the Slovak Republic.

Their target group are children and youth in Slovakia.

<https://www.iuventa.sk/en/IUVENTA/Our-Mission.alej>

<https://www.facebook.com/iuventa?fref=ts>

IUVENTA performs tasks resulting from the state policy towards children and youth. The mission of the organisation is to “support young people, so they know, are able and can use opportunities for their better life”.

IUVENTA offers educational, methodical and informational activities for various target groups, coordinates and implements activities to promote and develop research in the field of youth, administrates grant programs of the Ministry of Education, Science, Research and Sport of the SR (ADAM) and the European Union (Youth in Action, Erasmus +). They are active in the field of non-formal education and have several schemes and projects running at local level supporting the entrepreneurial thinking of young people – the most popular ones are KOMPRAX and PRAKTIK.

As IUVENTA is the seat of Eurodesk – European information network for youth and youth workers, it is able to reach regions all over Slovakia through a network of staff providing information and organising events in the regions.

IUVENTA organises various campaigns, events and directly manages support schemes aiming at the promotion of non-formal education and the development of key competences, including entrepreneurship.

4. Non-profit organisations and training centres all over the country. A lot of the work in promoting entrepreneurship, training young people and offering guidance and support to young entrepreneurs is done by the NGO field which follow the needs of the young people in the regions through local initiatives, projects and trainings.

#### **4. Entrepreneurship specifically for Youth Education**

What are the main approaches and practical methods; Locally, Regionally and Nationally to encourage **Entrepreneurship and support the Employability of Young People?**

Approaches and schemes for young people of the actors mentioned above:

1. State school system institutions (elementary, secondary schools, universities, vocational centres, adult education organisations)

As mentioned above, these institutions are passive in their approach, they mainly deliver the tasks that are in their curriculum or they do activities designed for them by the Ministry of Education. Entrepreneurship is promoted within lessons of Social science and ethics as well as within club activities or outside of school events.

## 2. Local Unemployment offices and labour offices

Their target group are unemployed people. The promotion of entrepreneurship thinking is done through the following schemes:

- An opportunity to take part in training and education activities free of charge - for all unemployed people regardless of age;
  - Special practicum opportunities for young people up to the age of 26. They can work 20 hours a week in a company or an NGO of their choice, where they gain practical professional skills and get into the working “routine”. The company is expected to train them and to provide a motivating working environment for the young people. A financial contribution of 128 € is paid to the young people by the Labour office for the work which they do in the companies or NGOs;
  - Counselling and advice, providing information materials and leaflets;
  - Unemployed people who have been unemployed for a period over 6 months can receive a financial support of 3000 € to start their own business. This is provided based on participation in Entrepreneurial courses and on submitting a business plan. The company has to be active for a minimum of 2 years;
  - Online courses [http://www.upsvar.sk/sluzby-zamestnanosti/informacne-a-poradenske-sluzby/kde-hladat-informacie-o-podnikani/on-line-kurzy-o-zakladoch-podnikania.html?page\\_id=233751](http://www.upsvar.sk/sluzby-zamestnanosti/informacne-a-poradenske-sluzby/kde-hladat-informacie-o-podnikani/on-line-kurzy-o-zakladoch-podnikania.html?page_id=233751)
3. IUVENTA –offers methodological support, provides information and promotes opportunities for young people and children. They are active in the field of non-formal education and have several schemes and projects running at local level supporting the entrepreneurial thinking of young people.

The most important schemes/ projects / support tools which they have are:

- KOMPRAX - national project in the area of the work with youth. KomPrax is the abbreviation of Competences for Practice. The KomPrax project was realised by IUVENTA between 2011 and 2015. Within this project, over 12 000 young people aged 15 to 30 gained practical skills needed for a future career and increase their employability in the future. The first step was to participate in a 3-day training event where the young people improved their communication skills, project management skills and stimulated their entrepreneurial thinking. They could “try out” these skills in practice, as they realised their own small project. For this project, they received €200. Like this, young people all over Slovakia realised over 10 000 small projects. For example, they renovated a children playground, school library, organised a regional sports day or a festival of traditional food. Each young person followed his/her own idea and interests. After realising their project, young people met again for another 3-day-training, where they evaluated their project and looked back at the skills which they have gained. Throughout the whole project and training, the young people were supported by trainers and special KomPrax staff with methodological guidance and personal assistance. The project was financed from the European Social Fund and it cost over 6 million Euro. More information can be found at [www.komprax.sk](http://www.komprax.sk)

- PRAKTIK – a currently-running state project, similar to KomPrax. The aim of the project is gaining practical skills through non-formal education in the work with youth. The project is also supported by the European Social Fund.
- IUVENTA was the seat of the National Agency for the Youth in Action Programme in 2006 - 2013, now it is the seat of the National Agency Erasmus + in the field of Youth. They organise a lot of information campaigns, seminars and trainings for youth workers, youth leaders and young people themselves to help them gain information, knowledge and practical skills to be able to prepare, run and evaluate youth projects. Entrepreneurial projects are a priority this year.

4. Non-profit organisations and training centres all over the country.

This area will be researched through the activities of this project, we plan to contact local and regional organisations that are active in the field and ask them for concrete information about their activities.

### **5. What events and activities are taking place promoting Entrepreneurship?**

As has been mentioned above, 'The Days of career' are an annual big event in our region.

Other big events were connected with KomPrax project and took place between 2011 and 2015. The big final KomPrax Conference took place 28<sup>th</sup> May 2015, the photos and comments can be seen at <https://www.facebook.com/media/set/?set=a.10152722125956292.1073741848.198079261291&type=1>

Similar events are planned within the currently running Praktik project.

A regular event within the business field are Profesia Days, where companies present themselves, their job offers and seek for people interested to work for them. Organisers, NGOs, and other actors provide counselling and advice to people seeking employment at this event. Young people who seek employment can get inspiration, information but also a job offer. Even though it is real "job market" the event offers inspiration for entrepreneurial ideas and is worth visiting. <http://www.profesiadays.sk/en/o-podujati/>



## REFERENCES / RESEARCH APPENDIX

1. <http://www.gemconsortium.org/country-profile/106>
2. <http://ec.europa.eu/digital-agenda/en/made-slovakia>
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4. <http://www.tradingeconomics.com/slovakia/youth-unemployment-rate>
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