

## MANAGERS' PERCEPTION OF ENTREPRENEURSHIP CONCEPT IN REGIONAL SCIENCE PARK OF KTU

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### Abstract

There is emphasized that changing environment for business precondition different and complicated conditions for practical activity, also changes of theoretical concepts of phenomena, objects and etc. Entrepreneurship is not an exception. Knowledge-based economy (KBE) raises new challenges for business from practical viewpoint. Theoretically solved practical business questions take a new context and essence.

The formed preconditions allow revealing *scientific research problem* of this article: how entrepreneurship concept is perceived in entrepreneurial enterprises in Lithuania; how managers of enterprises perceive entrepreneurship concept in regional science park of Kaunas University of Technology (KTU), incubating more or less entrepreneurial enterprises. *The aim* of the article is to perform the research by interviewing managers of regional science park of KTU enterprises, in order to clarify the theoretical definition of entrepreneurship concept in KBE.

Research is based on theoretically grounded considerations on entrepreneurship concept. Research implementation method is interview.

Interview results are based on revealing important and non-important characteristics of entrepreneurship concept by perception of enterprises' managers of regional science park of KTU.

The most important implication of research is that enterprises of regional science park of KTU are considered as highly entrepreneurial. Managers of those enterprises are able to make valuable considerations on entrepreneurship concept.

Research is valuable as clarifying entrepreneurship concept in KBE from practical business positions.

### Keywords:

**Entrepreneurship; knowledge-based economy (KBE).**

### Introduction

Entrepreneurship as phenomenon has old traditions. The first research works on its concept may be found in 1730. Phenomenon has a lot of different definitions. It is possible to clarify a lot of characteristics, reflecting complicated context of entrepreneurship. Some tendencies of development of entrepreneurship context are seen. After World War II researchers of social and other sciences made their work more intensive. A lot of new tendencies, paradigms and theories were developed. The new impulses might be found in entrepreneurship concept development. The impact of knowledge-based economy (KBE) is crucial for concept interpretation and perception as well.

The meaning of entrepreneurship in development of economy is very important. Actuality of research concerning perception of entrepreneurship concept in KBE is obvious. Considering above mentioned aspects, *the research problem* being solved in this article should be constructed as follows: how entrepreneurship concept is perceived in entrepreneurial enterprises in Lithuania; how managers of enterprises perceive entrepreneurship concept in regional science park of Kaunas University of Technology (KTU), incubating more or less entrepreneurial enterprises. *The aim* of the article is to perform the research by interviewing managers of regional science park's enterprises, aiming to clarify the theoretical definition of entrepreneurship concept in KBE. *The object* of research is entrepreneurship

concept and its characteristics. *The tasks* of article are: shortly present theoretical background of the research of entrepreneurship concept, present research methodology for determination of managers' perception of entrepreneurship concept, and evaluate research results.

### Crystallization of theoretical characteristics of entrepreneurship

As theoretical research problem reveals, entrepreneurship concept is changing depending on economic and social development and its transformation. Importance of entrepreneurship as phenomenon is nevertheless smaller than in previous economic situation, but the context and its perception may be different.

Analyzing research works on entrepreneurship and related questions (Shumpeter, 1934; McClelland, 1961; Shapero, 1975; Vesper, 1980; Pinchot, 1983; Hisrich 1986,1989; Siropolis, 1986; Peters, 1989;

Drucker, 1992; Lydeka, 1996, 2000, 2001; Mintzberg, 1998; Jucevičius, 1998; Swedberg, 2000; Messeghem, 2003; Grebel, 2004; Zakarevičius, 2004; Stokes, 2004; Bannock, 2005; Martinkus, Žičkienė, 2006; Fuller, 2001, 2006; Warren, 2006; Ginevičius, Sūdžius, 2006; Kvedaravičius, 2006; Kriščiūnas, Daugėlienė, 2006; Janiūnaitė, 2007 ir kt.), and analysing the evolution of research schools, it is possible to disclose characteristics of entrepreneurship concept. Those characteristics systematically can be divided into appropriate groups. Those groups encounter different theoretical characteristics of entrepreneurship, expressed in economic, managerial, social, and technological (also environmental) activity. Those mentioned characteristics are crystalized from analysing scientific theories of economy, knowledge management, complexity, change management, economic sociology, organizations, starting from Schumpeter works. In totality they reflect the context of entrepreneurship concept in KBE (see Figure 1).

Theoretical characteristics of entrepreneurship in KBE	
<u>Economic activity</u> Striving for profitability Striving for activity effectiveness Striving for competitiveness Creation of new job places Economic risk Economic vitality Meaning of added value creation Meaning for financial investments Risk capital investments Meaning of production process Coordination of production factors Activity dynamics Value of trade mark	<u>Social activity</u> Responsiveness to the owner Responsiveness to investors Responsiveness to employees Responsiveness to society Friendliness to problematic social groups
<u>Managerial activity</u> Innovation creation and usage Change management Knowledge creation and usage Human resources quality and management Learning and training Implementation of sustainable development concept Existence of team work Existence of entrepreneurial motivation Organizational development Meaning of leadership Meaning of decision making Networking Appliance of intrapreneurship Appliance of virtuality Appliance of consumer needs' research	<u>Technological (also environmental) activity</u> Appliance of scientific and technological and their results appliance Appliance of new technologies Usage of information technologies Saving of resources Implementation of cyclical production Implementation of cleaner production

**Figure 1.** Theoretical characteristics of entrepreneurship

Combination of theoretical entrepreneurship characteristics can disclose perception of entrepreneurship concept in an appropriate researched area or object. The whole complex of characteristics

should reflect fuller perception of entrepreneurship concept and implementation of entrepreneurship characteristics in practice, developing activity in KBE.

### **Research methodology for determination of managers' perception of entrepreneurship concept**

Research is based on interviewing managers of enterprises of regional science park of KTU. Enterprises of the park are considered highly entrepreneurial, competitive, and innovative. For that reason they are meaningful and appropriate for research of perception of entrepreneurship concept. The aim of interview is fulfilling research of entrepreneurship concept perception by managers of the park, achieving to clarify theoretical concept of entrepreneurship.

The regional science park of KTU joins 44 enterprises and 25 enterprises – as associate members. Interview was fulfilled in 12 enterprises, found as the most progressive and competitive in the park.

The research instrument was an interview questionnaire. The questionnaire was constructed from 5 parts, based on theoretical reasoning on entrepreneurship. The first part of questionnaire is devoted to relativity of characteristics of entrepreneurship. The second part is appointed to research the meaning of entrepreneurship characteristics for overall business success. Characteristics of entrepreneurship, meaningful for Lithuanian business, are presented and evaluated by managers of the park. The third part of questionnaire is devoted for meaning of entrepreneurship characteristics in selected enterprises. The fourth part of interview questionnaire was constructed for displaying entrepreneurship characteristics in researched enterprises. The fifth part of questionnaire is constructed for evolution of entrepreneurship characteristics.

Question types are various for seeking to guarantee reliability and exactness of information, as well as informatively.

Interview results' analysis is from several stages:

- 1) Analytical tables are made, based on theoretical considerations and entrepreneurship characteristics. These reflect frequency and expression of characteristics in different enterprises.
- 2) Analysis of characteristics of entrepreneurship is revealed on characteristics' level of frequency.
- 3) Factors and sources changing entrepreneurship concept are analyzed.
- 4) The overall results evaluation is made.

### **Interview results**

As it was mentioned earlier, the interview was implemented for several purposes.

The relativity of entrepreneurship concept was disclosed by sources, changing concept, and factors,

influencing perception of entrepreneurship concept. As the main sources, changing the perception of entrepreneurship concept by managers of regional science park of KTU, are learning and training, business science literature, government decisions and measures, business contacts and practical activity of competitors or partners. As important factors, influencing perception of entrepreneurship concept, were emphasized such characteristics as business science literature, EU policy, business promotion measures, and visits of experts, life-long learning, high school graduates, and business practical activity. Business practical activity was mentioned as a main source and factor changing the entrepreneurship concept and influencing its perception.

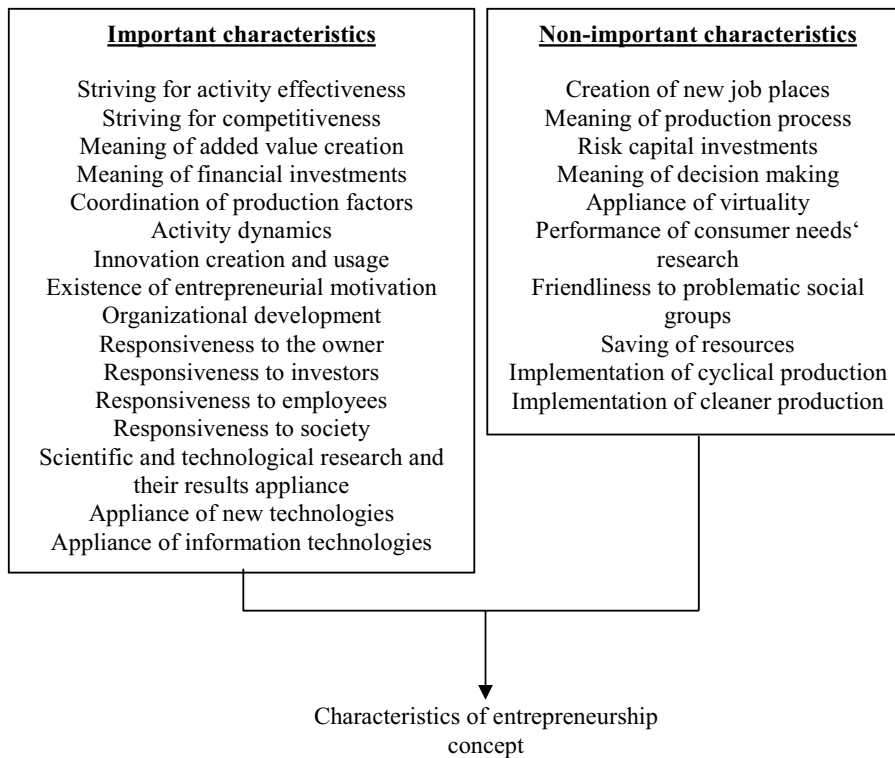
As interview results' analysis shows, it is possible to disclose important and non-important characteristics, actual for overall business success, by perception of managers of the park (see Figure 2). All characteristics can be divided into groups according enterprise activity; it means economic, managerial, social, and technological (also environmental) activity characteristics of entrepreneurship.

As important characteristics of entrepreneurship for overall business success can be mentioned striving for activity effectiveness, striving for competitiveness, meaning of added value creation, financial investments meaning, coordination of production factors, activity dynamics, innovation creation and usage, existence of entrepreneurial motivation, organizational development, responsiveness to the owner, responsiveness to investors, responsiveness to employees, responsiveness to society, scientific and technological research and their results appliance, appliance of new technologies, appliance of information technologies (see Figure 2). As non-important characteristics with point of interest may be mentioned such characteristics as meaning of production process, performance of consumers needs' research, meaning of decision making.

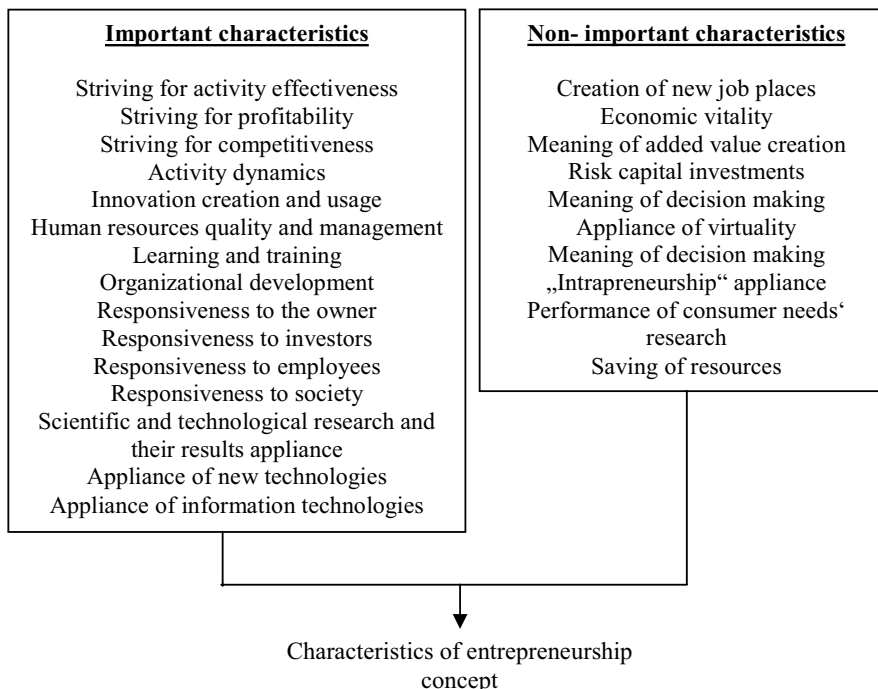
As important characteristics of entrepreneurship concept, actual for Lithuanian business by perception of managers of regional science park of KTU, were mentioned and might be emphasized such characteristics as striving for profitability, striving for activity effectiveness, striving for competitiveness, activity dynamics, innovation creation and usage, human resources quality and management, learning and training, responsiveness to the owner, responsiveness to investors, responsiveness to employees, responsiveness to society, friendliness to problematic social groups, scientific and technological research and results appliance, appliance of new technologies, appliance of information technologies (see Figure 3). As interview results show managers

of the park perceive that saving of resources is non-important characteristic for Lithuanian business. It is interesting point for deeper analysis is the future

because Lithuania is not a country with big amounts of different resources. Saving of them is a question of anxiety for everyone, not only for business.



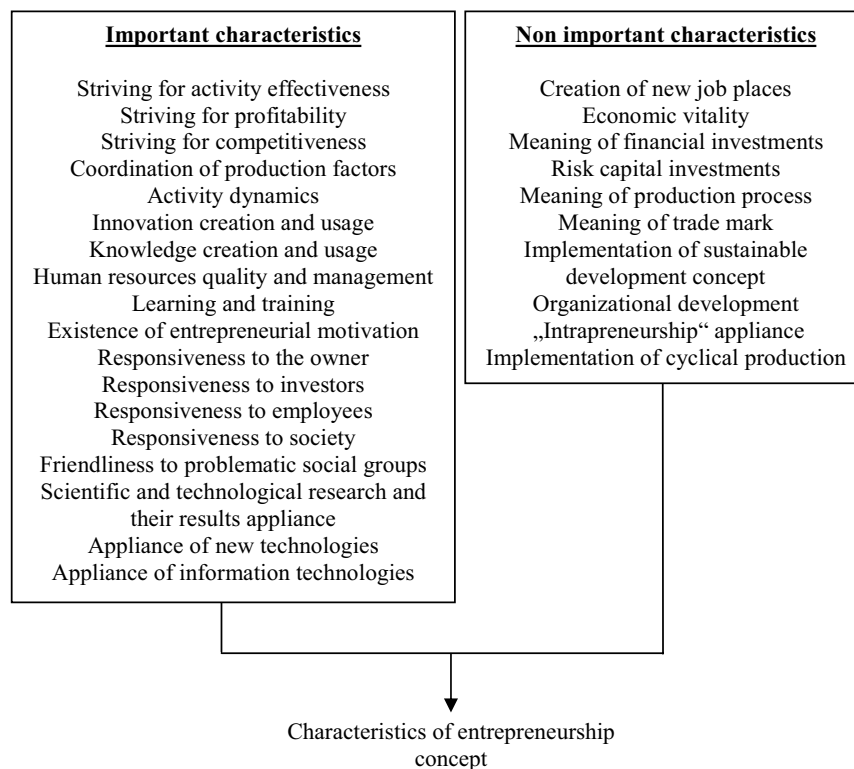
**Figure 2.** Important and non-important characteristics of entrepreneurship concept for overall business success by perception of managers of the park



**Figure 3.** Important and non-important characteristics of entrepreneurship concept for Lithuanian business by perception of managers of the park

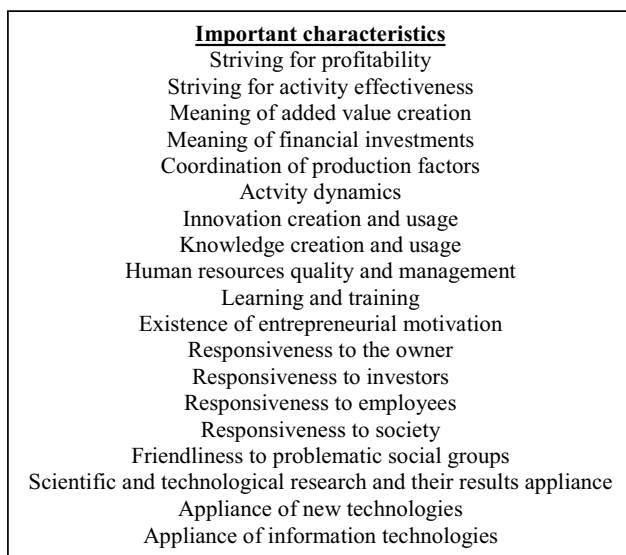
The analysis of interview results revealed such characteristics of entrepreneurship, actual to the interviewed enterprises' activity, perceived by managers of the enterprises (see Figure 4). It is interesting to

notice that managers perceive such characteristics as importance of financial investments and risk capital investments as non-important characteristics.



**Figure 4.** Important and non-important characteristics of entrepreneurship concept for interviewed enterprises' activity by perception of managers of the park

Considering all results it is possible to distinguish the most important characteristics of entrepreneurship concept, perceived as actual for the concept by managers of regional science park of KTU (see Figure 5).



**Figure 5.** The most important characteristics of entrepreneurship concept by perception of the park's managers

Such characteristics of economic activity as striving for profitability, striving for activity effectiveness, meaning of added value, meaning of

financial investments, coordination of production factors, activity dynamics might be evaluated as traditional characteristics, which are important for entrepreneurship development. Innovation creation and usage, knowledge creation and usage are managerial characteristics, important entrepreneurship concept, and especially actual in KBE. Human resources' quality and management, learning and training, existence of entrepreneurial motivation are characteristics, describing managerial side of human resources in entrepreneurship context. Social activity characteristics such as responsiveness to the owner, responsiveness to investors, responsiveness to employees, responsiveness to society, and friendliness to problematic social groups were mentioned as important perceiving entrepreneurship concept in enterprises of regional science park of KTU. Such technological characteristics as scientific and technological research and their results appliance, appliance of new technologies, appliance of information technologies are directly connected with KBE context and important in recent economic situation.

The most important characteristics of entrepreneurship revealed by interviewing managers of regional science park of KTU reflect the collection of basic characteristics of entrepreneurship in KBE analysed in theoretical works on entrepreneurship questions.

## Conclusions

1. The concept of entrepreneurship is changing and relative category, in appropriate period characterising such expression of entrepreneurship in economic, social, managerial and technological activity as it is perceived as entrepreneurial. In KBE entrepreneurship concept is based on a lot of characteristics, rather “old” and newly revealed.
2. The fulfilled theoretical analysis concerning evolution of entrepreneurship concept allowed formulating a background for empirical research aiming to clarify entrepreneurship concept in practical business activity.
3. The empirical research was made interviewing entrepreneurial enterprises in regional science park of KTU. The interview disclosed the importance of researched area to final results and important and non-important characteristics of entrepreneurship concept, perceived by managers, in three levels: overall business, Lithuanian business, activity of regional science park enterprises of KTU.
4. The most important characteristics of entrepreneurship perception in KBE may be mentioned these: striving for profitability, striving for activity effectiveness, meaning of added value creation, meaning of financial investments, coordination of production factors, activity dynamics, innovation creation and usage, knowledge creation and usage, human resources quality and management, learning and training, existence of entrepreneurial motivation, responsiveness to the owner, responsiveness to investors, responsiveness to employees, responsiveness to society, friendliness to problematic social groups, scientific and technological research and their results appliance, appliance of new technologies, appliance of information technologies.
5. The whole complex of implemented characteristics of entrepreneurship reflect strongly entrepreneurial activity, developing in KBE.

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The article has been reviewed.

Received in March, 2008; accepted in April, 2008.

DOI: 10.5755/j01.eis.1.2.25805