

Robert Majkut, Dariusz Wójcik

Wrocław School of Banking

Entrepreneurship in Poland after joining the European Union

Abstract: Entrepreneurship is one of the most important economic and social growth factors. Being a significant social and economic phenomenon, it has become a subject of numerous analyses. Besides the empirical studies which provide quantitative and qualitative information concerning the enterprise transformation both at present and from the historical perspective, one can also notice a pursuit for notional accuracy for this category. In this context, numerous conditions forming the entrepreneurial foundations are being characterised. The purpose of this article is, in the first instance, to characterise the notion of entrepreneurship in a general, theoretical and interdisciplinary manner, taking the economic, psychological, social and cultural premises into consideration, secondly – to indicate the entrepreneurial conditioning resulting from the support provided under various EU projects, and thirdly, to establish the main quantitative characteristics with regard to entrepreneurship before joining the European Union and after the accession.

Key words: entrepreneurship, European Union, National Cohesion Strategy

1. Entrepreneurship and the problem of its definition

“Entrepreneurship is a supranational and timeless social and economic phenomenon. In Poland, since the beginning of 1990s, it has been reinforced by the conditions created by the market economy, and particularly by implementation of the principles of economic democracy assuming freedom of establishment and management of enterprises for all citizens as well as equal rights regulating their functioning. Owing to the principles of economic democracy, entrepreneurship has become a process strengthening the market economy and gradually changing its ownership structure to the benefit

of the private sector”¹. Bearing the foregoing in mind, one can claim that development of entrepreneurship is a significant factor of sustainable economic development.

Entrepreneurship has been a subject of studies in numerous fields of knowledge, hence it is absolutely justified to assume an interdisciplinary approach. The notion of **entrepreneurship** is generally referred to as a human activity, an undertaking aimed at creating something new, bearing a specific value, at the same time. This requires both physical as well as psychological efforts, and consumes time.

It can be perceived from the angle of an individual’s abilities, stressing the aspect of resourcefulness comprising the general capacity to cope with the problems of scarceness of resources. Under such a broad understanding, entrepreneurship is an attribute related to a human being’s ability to gain more than just tangible goods, but also social or psychological goods. Assuming this perspective, one can speak of creativity, resourcefulness or inventiveness of individuals. A more narrowed attitude towards entrepreneurship refers it to the domain of economic resources management. It is an indispensable component of functioning under the conditions of market competition. In a more subjective understanding, with reference to an **enterprise**, it is a determinant of economic growth. Therefore, the development of entrepreneurship, establishment of one’s own enterprise and fostering entrepreneurial initiative is a positive phenomenon from the standpoint of raising the value of an economic basis, increasing the supply and demand capacities and consequently improving the quality of a society’s existence.

Entrepreneurship, as P.F. Drucker would claim, is reflected in an intentional search for the sources of innovation, in a pursuit of changes and their symptoms indicating the possibilities of introducing successful innovation. Therefore, entrepreneurship can be brought down to seeking changes and using them as opportunities. Innovation, on the other hand, constitutes a specific instrument of entrepreneurship, being an activity providing the resources with a new ability of creating welfare, and hence it does not need material character. It may well be an idea, a new way of acting. Systematic innovation consists in an intentional and organised search for changes as well as systematic analysis of the opportunities those changes may create for the sake of economic or social innovation².

2. Conditions of entrepreneurship

As aforementioned, the nature of entrepreneurship is interdisciplinary. Consequently, it seems to be a little superficial approach to describe the individual

¹ *Przedsiębiorczość i zarządzanie firmą. Teoria i praktyka*, eds. J. Targalski, A. Francik, C.H. Beck, Warszawa 2009, p. 13.

² P.F. Drucker, *Natchnienie i fart czyli Innowacja i przedsiębiorczość*, Studio Emka, Warszawa 2004, pp. 22-39.

factors shaping entrepreneurship. The best solution would be to describe them in a complementary manner. However, for the sake of some degree of taxonomy, one may attempt to describe the factors that combine to a greater extent with some of the scientific fields that deal with entrepreneurship.

The development of economic entrepreneurship depends on the freedom of transfer of goods, lack of demand and supply restrictions as well as reduction of the fiscal and non-fiscal burden, increasing the accessibility of capital sources, establishment of new economic structures in markets, and increasing the qualifications of entrepreneurs or the whole human capital³.

The notion of an entrepreneur is believed to have been characterised for the first time in details by a French economist, R. Cantillon (1680-1734). He was focused on the supply aspect of how entrepreneurs function⁴. As a practitioner of economic life, he enriched the concept in question with a technical sense, and at the same time, he stressed the important role played by an entrepreneur in economy. An entrepreneur, as he would put it, is a man seeking opportunities to sell his goods with profit. However, this simple principle is encumbered with a risk that an entrepreneur must bear when buying at a defined price, established by a wholesaler or retailer, but selling at an undefined price. Therefore, an entrepreneur thrives on uncertain proceeds which differentiates him from an employee who lives on certain proceeds⁵.

It is a common belief among the authors of various publications in the field in question, that it was not R.I. Cantillon that initiated the scientific considerations upon the question of what entrepreneurship is and what function it plays in economy, but that it was indeed J.B. Say. This conviction results from the fact that J.B. Say coined a definition of entrepreneurship that has been essentially functioning up till now. From his perspective, an entrepreneur is an independently operating producer using a combination of all the relevant production factors which contributes to emergence of new goods.

Among various considerations upon the notion of entrepreneurship, one of the most highly valued is the theory of J. Schumpeter. However, it does not lack controversy, mainly due to the fact that an entrepreneur is described as a creative destroyer. Anyway, J. Schumpeter attached great importance to the special role played by entrepreneurs in economy. He treated this social category, along with all its entrepreneurship, as the main factor, and even accelerator of economic growth. Furthermore, he claimed that this category consisted of individuals characterised by a "sense of entrepreneurship", and therefore, not only may it comprise

³ J. Śliwa, S. Wymysłowski, "Podstawowe czynniki warunkujące rozwój przedsiębiorczości w Polsce", in: *Przedsiębiorstwo na przełomie wieków*, eds. B. Godziszewski, M. Haffer, M.J. Stankiewicz, Wyd. UMK w Toruniu, Toruń 2001, p. 190.

⁴ T. Gruszecki, *Przedsiębiorca w teorii ekonomii*, Cedor, Lublin 1994, p. 33.

⁵ T. Piecuch, *Przedsiębiorczość. Podstawy teoretyczne*, C.H. Beck, Warszawa 2010, p. 17.

capitalists, but also persons lacking capital, still creative and inventive, taking advantage of the available market opportunities. J. Schumpeter also believed that “entrepreneurs of all economic systems are exceptional [...], and the stimulus for their activity is the willingness to fulfil themselves, be creative and undertake innovative ventures”⁶. Moreover, being an entrepreneur can also be considered in a sociological dimension, with reference to the mobility in a stratification system. Owing to one’s entrepreneurial spirit, individuals may change their social status, thus improving the quality of life⁷.

The scientific output of J. Schumpeter has exerted a strong influence on the subsequent theories of entrepreneurship. Among many authors, I. Kirzner was inspired by the former. He would claim that the main imperative for undertaking economic activity is the profit, being at the same time the most efficient motivation. Moreover, the profit is a specific reward for the entrepreneurs’ efforts related to restoring market balance. In a short period of time, entrepreneurs adjust to the environment, whereas in a long-term perspective, they invent new opportunities, thus contributing to development⁸.

The studies on the nature of entrepreneurship were continued by F. Knight. By distinguishing between various types of risk involved in a human activity, he focused on the sphere in which an entrepreneur functions, where one acts under the conditions of uncertainty, risk of capital loss, both one’s own capital as well as entrusted capital, and therefore one should be able to reserve the right to dispose of the risk accordingly. F. Knight also believed that there were no barriers for anyone to become an entrepreneur. However, the chances for succeeding in business are diverse and they depend on various factors, such as certain psychological properties, including those pertaining to undertaking actions encumbered with a risk of capital loss⁹. One of the fundamental properties of an entrepreneur should be innovativeness, which has been emphasised by numerous concepts, as well as the inclination to establish organisations. Furthermore, an entrepreneurial individual is usually endowed with the ability to adjust to the surrounding conditions, take advantage of them and procure favourable changes¹⁰. In his studies of entrepreneurship and entrepreneurs, F. Knight was also interested in the role of profit. He believed that profit is compensation for facing the challenges of uncertainty and risk one cannot be secured against. According to his standpoint,

⁶ J. Schumpeter, *Teoria rozwoju gospodarczego*, PWN, Warszawa 1960, p. 8.

⁷ Ibidem.

⁸ I. Kirzner, “The Entrepreneurial process”, in: *The environment of Entrepreneurship*, torment, 1984, p. 41.

⁹ More in the topic: ibidem, p. 50.

¹⁰ More on this topic: D. Golik, “Znaczenie rozwoju lokalnego oraz przedsiębiorczości w polityce regionalnej”, in: *Przedsiębiorczość a lokalny i regionalny rozwój gospodarczy*, ed. J. Targalski, Wyd. Akademii Ekonomicznej w Krakowie, Kraków 1999, p. 192.

profit is a very complex category, being an outcome of multiple factors, among which he stressed three: the entrepreneur's skills that enable him or her to notice the emerging opportunities, lack which, under the conditions of uncertainty and risk, is necessary to succeed, and the situation at the market where the entrepreneur operates [...]. The compensation for having the anticipatory ability more developed than others, caution and readiness to face the risk is the profit attained"¹¹. Therefore, in this respect, he perceived profit in the same manner as I. Kirzner did, i.e. as a specific reward for playing a special role in the economy and as a benefit resulting from the ability and inclination to take a risk being an inseparable element of business activity.

While trying to answer the theoretical questions of what entrepreneurship is and who an entrepreneur is, one must not disregard the concept of P.F. Drucker. He treated entrepreneurs as persons of special abilities to introduce innovation into the social and economic life. However, according to this author, an entrepreneur is not merely an enterprise owner, a man living at his or her own account. According to him, managers play a very important role in the contemporary economy, and hence they are the ones whom one should call entrepreneurial.

To sum up the above consideration, an analysis of the theory of entrepreneur and entrepreneurship enables distinguishing between certain stages typical for the individual theories. The original concepts of entrepreneurship referred more to the individual entrepreneurship. In light of these approaches, an entrepreneur was a person having the ability to establish and run one's own business. Then the concepts in question shifted the point of focus onto the sector of small and medium-size enterprises being the main factor of social and economic development. Assuming such a perspective, other issues being considered included management of business entities as an entrepreneur's attribute. And finally, the latest theories that emerged touched upon the entrepreneurship of large companies. From this perspective, entrepreneurship is treated as any kind of activity undertaken by men, not only in the aspect of business operations. Entrepreneurship is a negation of passiveness and stagnation, and not only should it characterise individuals but also organisations of various dimensions, and not only the economic ones. For entrepreneurship is possible on every level of management of any enterprise: regardless of whether it is small, medium-size or a large one"¹².

A synthetic summary of the entrepreneurship concepts assuming an economic point of view can be as follows:

- mercantilism stressed the support for technological progress being an effect of entrepreneurship, innovativeness and creativity. Entrepreneurship is the engine of economic growth,

¹¹ T. Piecuch, *op. cit.*, p. 29.

¹² *Ibidem*, p. 35.

- according to *laissez faire* and liberalism, a freedom of economic activity, economic liberty is the very prerequisite of enterprise development,
- in classical economics, entrepreneurship manifests itself through inventiveness, creativity, identification and taking advantage of opportunities, but also through the ability to save and mobilise capital (A. Smith). The notion of entrepreneurship should also be associated with seeking ways to increase performance and profitability of the ventures undertaken as well as with creativity and taking risk (J.B. Say),
- in neoclassical economics, entrepreneurship is perceived to be based on certain features such as innovativeness, willingness to take risk, leadership and establishment of business;
- according to the theory of institutionalism, entrepreneurship must be founded on the grounds of specialist managerial knowledge. By that means, it can stimulate economic growth and technological progress;
- in neo-liberalism, an entrepreneur is an individual taking risk and acting under the conditions of uncertainty¹³.

From the perspective of the economic development, escalation of the entrepreneurial behaviour is an important and desired phenomenon. However, in order to implement solutions that could enhance it, one must also take the role of social and psychological factors into consideration.

There is a common belief being followed in the sphere of psychological considerations of entrepreneurship that an entrepreneur must possess specific features, both acquired and innate, of personality and character. However, no synthetic model of the characterological properties of entrepreneurial individuals has ever been developed. An attempt to define the characteristics of an entrepreneur synthetically was the concept provided in a publication referred to as the Encyclopaedia of Entrepreneurship where one can find a description of 42 features of an entrepreneurial person¹⁴. Among such numerous features, the following are worth mentioning: creative attitude, initiative in action, positive approach towards the reality, independence, willingness to lead others, willingness to dominate, obstinacy, diligence, inventiveness, ability to make decisions, ability to maintain interpersonal relations and inclination to take risk. Complementary to those personal and characterological properties are the well-founded knowledge and the will to gain profit. All these features are strongly bound by the firm need for achievement.

In this context, a theory particularly worth stressing is the one developed by A.P. Wiatrak¹⁵. He discussed the features facilitating and hindering entrepreneurial actions. A synthetic summary of this concept has been provided in Table 1.

¹³ *Współczesne przedsiębiorstwo*, ed. J. Engelhart, CeDeWu, Warszawa 2009, p. 90.

¹⁴ D.C. Kent, L. Sexton, K.H. Vesper, *Encyclopedia of Entrepreneurship*, New York 1982.

¹⁵ A.P. Wiatrak, "Pojęcie przedsiębiorczości, jej cele i rodzaje", in: *Uwarunkowania rozwoju przedsiębiorczości – szanse i zagrożenia*, ed. K. Jaremczuk, PWSZ w Tarnobrzegu, Tarnobrzeg 2003, p. 31.

Table 1. Psychological features facilitating and hindering development of entrepreneurship

Facilitating features	General categories	Hindering features
Inclination to dominate Inclination to possess Pursuit of ownership and autonomy Performance focus	Psychological needs	Relying on care and support of others Submissiveness Rejection and isolation
Pursuit of ownership and autonomy Inclination to expand the assets held Performance and success focus	Motivation	Fear Willingness to retain what is at hand, and not to multiply
Determination Consistency Decisions adequate to the situation	Decisions	Difficulty in making decisions Indecision Instilled helplessness
Treating risky situations as challenges, opportunities to succeed Making risky decisions	Risk	Avoiding risky situations and decisions
Psychological immunity High tolerance for stress and frustration Ability to act in difficult situations	Success and failure	Lack of psychological immunity Low tolerance for stress and frustration
Attitude of a pioneer Creative skills Intuition	Innovation and creativity	Conservative attitude Conformism No creative skills
Extravagance Leadership Creative management Confidence in people Ability to negotiate and stimulate others	Cooperation	Introversion Difficulties in contacts and collaboration with others Lack of leadership
Optimism and activeness Knowing oneself	Barriers	Fears and anxieties Laziness Pessimism
Sanguine disposition High energy and balance	Temper	Melancholy

Source: A.P. Wiatrak, "Pojęcie przedsiębiorczości, jej cele i rodzaje", in: *Uwarunkowania rozwoju przedsiębiorczości – szanse i zagrożenia*, ed. K. Jaremczuk, PWSZ w Tarnobrzegu, Tarnobrzeg 2003, p. 31.

A considerable group of the scholars interested in the analysis of the psychological premises of entrepreneurship believe that one can be taught entrepreneurship. One of such authors is T. Kraśnicka who claims that entrepreneurship may or even should be taught and moulded. In this context, a special role is played by the appropriate socialisation¹⁶. A similar standpoint is followed by W. Maderthaner who claims that market economy, by means of the right incentive, satisfaction of the work done, necessity of becoming personally involved and showing initiative as well as through readiness to take risk and the necessity of striving for success, can turn an ordinary labourer into an entrepreneur. All the aforementioned conditions must obviously be triggered in the given person¹⁷. A similar message can be found in P. Drucker's opinion on the possibility of teaching entrepreneurship. He claims that it is the practice, strategy or functioning that activates entrepreneurship, and not inborn personal properties. Entrepreneurship is "a mode of behaviour [...]. Its foundations lie in the concept and theory, and not in intuition"¹⁸.

A completely different opinion is followed by L.H. Habert who categorically claims that entrepreneurship is an innate feature. It is linked to the notion of a personality of *homo hubris*, being an entrepreneurial man having a deeply rooted need for success and inclination to take risk. By nature, an entrepreneur is a non-conformist with firm conviction of personal value, and those as well as other inborn features cause one to feel the motivation to expand one's range of activity, to seek for something new in such spheres as economic activity, to establish new enterprises¹⁹. This attitude is typical of the individuals functioning under the conditions of modern society with highly developed market economy. In such environments, the personality of *homo hubris* is built, drawing abundantly from the strengths hidden in a human being that force one to undertake actions aimed at boosting one's self-esteem, self-perfection, achieving higher and higher positions, accepting changes and innovations. Quenching those aspirations arouses satisfaction and pride, nourishes the feeling of personal safety, blends the individuality, enables one to optimistically perceive the world and endows the life with meaning. Those hubristic motivations are becoming the regulators of the entrepreneurship development²⁰.

¹⁶ T. Kraśnicka, "Uwarunkowania rozwoju przedsiębiorczości – podejście wielowymiarowe", in: *Przedsiębiorstwo w procesie transformacji*, ed. K. Jaremczuk, Wyd. WSAiZ w Przemysłu, Przemysł 2000.

¹⁷ H. Pietras, "Przedsiębiorczość w warunkach gospodarki rynkowej", in: *Przedsiębiorczość w teorii i praktyce gospodarczej*, ed. W. Grzybowski, Cedor, Lublin 1994.

¹⁸ P.F. Drucker, op. cit., p. 29.

¹⁹ L.H. Haber, "Przedsiębiorczość – rynkowym parametrem podmiotowości człowieka w procesie pracy", *Humanizacja Pracy* 1997, No. 4.

²⁰ The need for achievements and successes as well as the hubristic motivation are related to the motivations of Kratos (critical) that stand for the pursuit of higher and higher positions in the structures of power and leadership.

Hence there is no unanimity as regards the question of whether one can actually be taught entrepreneurship. Therefore, the optimum solution is to choose the golden mean as proposed by authors like L. Milian who claims that entrepreneurship is a kind of personal disposition enabling one to undertake entrepreneurial activity. He further claims that entrepreneurship is to a certain extent both an innate psychological disposition and an ability acquired in the course of one's development. For instance, an innate feature is intuition, an ability to quickly estimate the situation and anticipate future events. In every kind of enterprise, those features are particularly significant and, to a large extent, they condition the success of managers and their crew. Inborn properties may also be strengthened by education, as they can be moulded in people who do not possess them by instilling the appropriate principles, methods and techniques applicable in action²¹.

The phenomenon of entrepreneurship can also be analysed from a socio-cultural perspective. In his context, what is particularly stressed is the socialising aspects as being those that determine the entrepreneurship to a far greater extent than the innate personal features. These concepts correspond to the aforementioned standpoints of the authors indicating that entrepreneurship can in fact be taught. J. Schumpeter emphasised that development of entrepreneurship requires a favourable social climate. Economic innovations introduced by entrepreneurs cause distortions which cannot be absorbed in an ongoing and soft manner, but they impose a separate process of adaptation²². Entrepreneurs, unlike production managers, represent a type of individual economic leader. They act outside the sphere marked by tradition and experience. They overcome the resistance of a society while implementing new concepts. According to J. Schumpeter, this requires characteristics that only a small part of the society is endowed with²³. Furthermore, an entrepreneur may be called a social individual, and referring to F. Znaniecki, a social subject distinguishable to the extent in which he or she shows social originality in their activities. It leads to an individual, active opposition against the requirements of such a moral type, and hence against social obligations the given individual is to stand for, or possibly to complementation of those requirements that are supposed to lead to establishment of a new moral type²⁴.

The very basis of social life, and consequently of the economic system and development of entrepreneurship as well, is culture. Culture, being the foundation of social life, influences all aspects of lives of individuals by moulding the frame-

²¹ T. Piecuch, *Przedsiębiorczość. Podstawy teoretyczne*, C.H. Beck, Warszawa 2010, p. 64; E. Otołiński, "Istota i kreowanie przedsiębiorczości", *Przegląd Organizacji*, 1996, No. 9, p. 25.

²² J. Schumpeter, *Business Cycles. A Theoretical, Historical and Statistical Analysis of the capitalist Process*, Porcupine Press, Philadelphia 1989, p. 75; P. Wechta, "Socjologiczna analiza przedsiębiorcy w teorii Josepha Schumpetera", in: *Problemy socjologii gospodarki*, eds. S. Banaszak, K. Doktor, Wyd. WSKiZ w Poznaniu, Poznań 2008.

²³ P. Wechta, op. cit.

²⁴ F. Znaniecki, *Wstęp do socjologii*, PWN, Warszawa 1988, pp. 305-307.

work of their activities. They also include the entirety of economic life by shaping selected social attitudes, for instance those related to entrepreneurship. Culture can be pro- and anti-developmental. It is one of the most important factors of innovation or conservation, although certainly not the only one²⁵. Having assumed the socio-cultural perspective, one may claim that entrepreneurship will evolve better if a climate supportive to entrepreneurs emerges in the surrounding based on the attitudes of people who reinforce, accept and respect, acting at their own account. "Entrepreneurship is interpreting the culture and not influencing it. Entrepreneurship is deeply rooted in culture and completely moulded by it"²⁶. This phenomenon was discussed in further details by M. Gronevetter. He purported that economy and economic activities are instilled in social structures. Economic activity, and so entrepreneurship as well, are rooted in broader social relationships²⁷.

The tradition to investigate the socio-cultural relations with entrepreneurship can be traced to M. Weber²⁸. It may also be reminded that according to M. Weber, the development of new ethics and morality brought by the Protestant Reformation influenced the escalation of entrepreneurial behaviours in societies giving birth to the growth of capitalism²⁹. For M. Weber, entrepreneurship and capitalism are inseparable, and capitalism is "the most powerful force of life"³⁰. He was convinced that capitalism emerged in Europe owing to ideas. Those of particular importance were the religious ideas, mainly Protestant, or Calvinistic, to be even more precise, as their ascetic nature led to the birth of the "spirit of capitalism". Among various features, it is characterised by rationalistic organisation of a capitalist enterprise which, in turn, would not have been possible if not for having distinguished a household from an enterprise, being the contemporary economic principle, as well as the related "rationalism of accounts"³¹.

On the other hand, R. Ezra Park, an American sociologist representing the Chicago school, stressed that one of the most significant elements of the social system was competition, being the most fundamental process typical of territorial communities. It is becoming a form of "interaction without a social contact". It pertains to the phenomenon of the struggle for existence, but it also includes the phenomena of economic competition³². Based on such a conviction, the concept of "a marginal

²⁵ J. Gardawski, L. Gilejko, J. Siewierski, R. Towalski, *Socjologia gospodarki*, Difin, Warszawa 2006, p. 66.

²⁶ *Kultura przedsiębiorczości*, ed. B. Berger, Oficyna Literatów "Rój", Warszawa 1994, p. 17.

²⁷ R. Swedberg, M. Granovetter, *The Sociology of Economic Life*. Boulder, Westview Press, Colo 2001; S. Partycki, *Zarys teorii socjologii gospodarki*, Towarzystwo Naukowe KUL, Lublin 2003, pp. 46, 145.

²⁸ Compare: M. Weber, *Etyka protestancka a duch kapitalizmu*, Aletheia, Warszawa 2010.

²⁹ Ibidem.

³⁰ Ibidem, p. 8.

³¹ Ibidem, p. 12.

³² J. Szacki, *Historia myśli socjologicznej*, PWN, Warszawa 2002.

man” was developed to describe a man living in two worlds simultaneously, such as for instance a European Jew, an American Mulatto or the Simmelian stranger who becomes an individual of a more extensive perspective, brighter intelligence and more independent world view. The marginal man often gets involved in economic activity at his or her own account which is a response to the lack of social acceptance manifesting itself in limiting the opportunities at the labour market. Hence it is highly probable that many entrepreneurs belong to the group of marginal men³³.

Some of important socio-cultural factors influencing the development of entrepreneurial attitudes are motivations related to the social stratification system. In this respect, one may speak of actions motivated by the entrepreneurs’ willingness to attain social prestige. Especially the social mechanisms described by T. Veblen are worth mentioning. He perceived an economic process as a derivative of a social process, and the course of the latter, in turn, was defined through an institutional framework. Institutions were defined as “predominant modes of thinking entailing the individual functions of both an individual and a community”. The way of life, consisting of various institutions acting simultaneously, may be [...] characterised as spiritual attitudes predominant at the given time or a predominant concept of life³⁴. While discussing the higher social class of the turn of the twentieth century, T. Veblen observed a specific kind of attitudes noticeable in the societies of those times, which could essentially be brought down to winning prestige by being active in the economic sphere. Therefore, a significant factor moulding the economic activeness of individuals is the willingness to attain respect of the environment, namely prestige. This is reinforced by purchasing powers which depend on the pecuniary resources at hand. Consequently, with reference to T. Veblen, this factor should also be considered as an important determinant of the entrepreneurial activities undertaken at one’s own account.

By no means does the above discussion of the entrepreneurship development factors exhaust the complexity of the problem of conditions under which independent economic activity is conducted. Hence one should also focus on the factors related to the everyday existence of the contemporary Polish enterprises operating under the conditions determined by the European Community.

3. Conditions of the entrepreneurship development in Poland after joining the European Union

One of the most important factors influencing the entrepreneurship in Poland after its accession to the European Union is the entrepreneurship support programmes. The EU programmes mainly target small and medium-size enterprises.

³³ Ibidem.

³⁴ T. Veblen, *Teoria klasy próżniaczej*, PWN, Warszawa 1971, p. 171.

In order to discuss the matters related to the EU support the entrepreneurs may rely on, one should focus on several operational programmes for the years 2007-2013 being the instruments of the National Cohesion Strategy.

The National Cohesion Strategy (NCS) or the National Strategic Reference Framework (NSRF) are strategic documents establishing the priorities and spheres of application as well as the system of implementation for the following EU funds: the European Regional Development Fund (ERDF), the European Social Fund (ESF) and the Cohesion Fund under the Community's budget set for the years 2007-2013. The strategic objective of the NCS (NSRF) is to create conditions favourable for the growth of competitiveness of the Polish knowledge and entrepreneurship-based economy, ensuring increase of employment and the level of social, economic and territorial cohesion. All these objectives are mainly pursued by means of Operational Programmes (OP), such as:

- the Infrastructure and Environment Operational Programme – ERDF and CF,
- the Innovative Economy Operational Programme – ERDF,
- the Human Capital Operational Programme – ESF,
- 16 Regional Operational Programmes – ERDF,
- the Operational Programme for Development of Eastern Poland – ERDF,
- the Technical Assistance Operational Programme – ERDF,
- the European Territorial Cooperation Operational Programmes – ERDF³⁵.

Within the years 2007-2013, the Polish entrepreneurs could and still can apply for the EU co-financing both on the national and regional level. In practice, it means that one can apply for the funds to central institutions as well as to Marshal's offices of the individual provinces (*voivoideships*). On the regional level, the assistance can be obtained under 16 regional operational programmes (ROP). The regional programmes are mainly sources of support for small enterprises as well as for persons willing to commence economic activity. The ventures planned under ROPs include the following activities:

- direct financial support for the investments of enterprises,
- assistance in participation in fairs, exhibitions and both domestic and foreign missions,
- support for the business environment institutions,
- support for the ventures aimed at adjusting small and medium-size enterprises to the requirements of environmental protection,
- support for tourism projects,
- support for private medical and nursing practices as well as for non-public health care centres.

³⁵ European Union Funds: www.mg.gov.pl.

However, not all ROPs provide a full range of support. Not all of these ventures are also focused on the entrepreneurship development priorities (the provincial authorities are at liberty to decide on how to plan the programmes).

The main programme targeting entrepreneurs is the Innovative Economy Operational Programme the main purpose of which is to support innovation in its broad context. For companies, the most important part of the programme is the one that focuses on increasing the level of competitiveness of enterprises by reinforcing the demand for new or modern economic solutions. The projects that gain support are mainly characterised by high level of innovativeness of major importance for the Polish economy including ventures of higher value.

The activities undertaken under the Innovative Economy Operational Programme included investments for innovative ventures the main purpose of which is to increase the innovativeness of Polish enterprises. This activity covers various entrepreneurial projects comprising implementation of one's own new technologies or the purchased ones. As a supplement to the support for the companies investing in R&D, counselling as well as the investments necessary to conduct the R&D activities are co-financed including preparation of the entrepreneurs to obtain the status of a centre for research and development. Another valuable activity performed under this project is the support for new investments of high innovativeness potential. The main purpose of this activity is to support the investment projects implemented by manufacturing and service rendering enterprises. It also reinforces new investments as well as the counselling and training projects required for their implementation (due to the key aspect the development of which should be supported by the given programme, i.e. innovativeness, the projects being assisted must cover implementation of technological solutions that have been applied worldwide for 3 years at maximum). This kind of support is addressing all entrepreneurs including large companies.

Another programme provides support for enterprises in the scope of implementation of the best available techniques. It assumes assistance for the investments enabling the entrepreneurs to implement the best available techniques allowing for adaptation of large enterprises to the requirements of the EU legal regulations (being necessary from the perspective of their operations under the conditions of a Single European Market). The activity has been addressing large enterprises. The kinds of projects gaining support include:

- technological modifications for the sake of elimination of deleterious impacts and nuisances through prevention of emissions into the natural environment,
- technological modifications for the sake of reduction of energy, water and raw material consumption, particularly with reference to recycling of waste heat and prevention of waste generation,
- technological modifications addressing reduction of emissions of certain compounds and energy to the levels defined in the relevant national and Community regulations.

The EU funds also ensure financial, factual and advisory support when a company is being established and in the initial period of its activity. This is to ensure sustainability and continuity of the ventures undertaken. For instance, under the Human Capital Operational Programme, one can obtain financial support assumed for the persons willing to commence economic activity (co-funding of up to PLN 40 thousand per person). Additionally, one can apply for funds to be allocated on advisory services and training concerning the establishment of one's own business. It is also assumed that financial assistance referred to as bridging support can be granted for periods up to 6 or 12 months to the person who have started economic activity under a project and covering advisory on efficient utilisation of subsidies and financial support up to the amount not higher than the minimum wage. All individuals may apply for support under this activity, except for those who conducted a registered economic activity within the period of the first year before the application for support under the project was submitted. However, the group of people supported in particular include the unemployed, women returning to the labour market after a maternity break, persons of no more than 25 years of age, the handicapped, persons above the age of 45 and inhabitants of rural areas willing to take up employment in non-agricultural professions. Moreover, under the activity in question, one can obtain co-funding for promotional and informational campaigns pertaining to entrepreneurship and self-employment as well as popularisation of good practices in the scope of entrepreneurship development.

The Environment and Infrastructure Operational Programme is also worth mentioning, mainly due to the grants for wind farms (power plants). The programme assumes support for the ventures adapting the enterprises to the relevant environmental protection requirements. The main purpose of the activity is to assist large companies in implementation of investment projects decreasing their negative environmental impact by reducing the amounts of pollutants emitted into the atmosphere and discharged in waste water as well as reduction of the wastes generated³⁶.

Therefore, it can be clearly noticed in the above general consideration of the support forms offered to entrepreneurs under the EU programmes that there are plenty assistance programmes which may considerably stimulate entrepreneurship and exert positive influence on the increase of competitiveness of the enterprises operating in national markets. However, one should also stress how poorly those programmes are being performed due to the lack of reliable analysis of their actual efficiency in terms of attaining the objectives assumed, which particularly applies to the qualitative objectives.

On this stage of analysis, one may pose a question: has the assistance for entrepreneurs and persons willing to commence business activity offered under the EU programmes indeed significantly contributed to the enterprise stimulation in Poland?

³⁶ More on this topic at e.g. www.dotacjeue.org.pl.

4. Influence of the accession to the European Union on the main quantitative characteristics of entrepreneurship in Poland

The statistical data concerning the number of economic entities operating in Poland in the first decade of the 21st century clearly show the condition of entrepreneurship in the phase of transition from the pre-accession state to the state after Poland's integration with the European Union (1st May 2004). The analysis of the available statistical data implies that almost within the whole period examined, there was an increase in the number of private enterprises dominated by individuals conducting economic activity. Poland's accession to the European Union itself was not reflected in a radical change of the number of economic entities, however, one can observe a certain increase in terms of private companies.

The statistical data imply that in two periods, there were deviations from the trend of increase in the number of Polish enterprises. It happened in the year 2004, when a decrease of the number of private enterprise by 4,333 was reported as compared with the previous year, and 2009, when the decrease in question reached the number of 14,346 entities (0.38%). This tendency was also noticeable among the individuals running economic activity. With reference to the data from 2009, it is now difficult to forecast whether it was a beginning of a new trend or merely a deviation from the regularity observed within the whole period analysed.

An analysis of the data provided in a breakdown into the individual industries implies predominance of the enterprises operating in the sectors of commerce and

Table 2. National economic entities as per the REGON (business statistical number) system

Years	Total	Private enterprises	State-owned enterprises	Individuals conducting economic activity
2000	3,185,040	3,182,772	2,268	2,500,952
2001	3,325,540	3,323,486	2,054	2,600,127
2002	3,468,218	3,466,267	1,951	2,714,118
2003	3,581,593	3,579,857	1,736	2,795,860
2004	3,576,830	3,575,524	1,306	2,763,380
2005	3,615,621	3,614,592	1,029	2,776,459
2006	3,636,039	3,635,126	913	2,765,348
2007	3,685,608	3,685,036	572	2,787,650
2008	3,757,093	3,756,730	363	2,845,231
2009	3,742,673	3,742,384	289	2,815,617

Source: Central Statistical Office.

repair services within the whole period studied. However, after joining the EU, the number of the said entities was dropping year after year. For instance, in 2001, there were 1,128,899 economic entities operating in the sector of commerce and repair services, in 2003 – there were 1,199,688, whereas in 2004 – 1,189,174, in 2005 – 1,185,282, in 2006 – 1,160,914, and in 2008 – 1,136,409. On the other hand, the most significant increase in the number of enterprises could be noticed in the construction sector. In the year 2003, there were 360,600 companies operating in this branch of industry, in 2004 – 355,575, but in 2005 – already 358,018, in 2006 – 367,513 and in 2008 – 425,027. The boom of construction investments which occurred after the accession to the European Union and triggered the increase in the number of construction enterprises was also crucial for the increase of the number of companies managing real estate, rendering services to other companies and handling public utilities in the post-accession period. The period directly following Poland's integration with the European Union was also characterised by an increase in the number of enterprises providing financial intermediation. This growth was not even hampered by the financial crisis (this phenomenon is illustrated by the following figures: in 2006, there were 129,605 companies offering financial intermediation, with as many as 13,302 in 2007 and 137,137 in 2008). Within the whole period in question, the number of hotels and restaurants as well as educational institutions was also increasing.

Having analysed the statistical data pertaining to the entrepreneurship in Poland, one can claim that the enterprise conditions in Poland, triggered by numerous factors including the accession to the European Union, caused that in 2009, there were 3,742.7 thousand national economic entities registered in the business statistical system (REGON) – excluding the persons managing independent agricultural companies – i.e. 14 thousand fewer than at the end of 2008. Among the entities registered, 120.5 thousand operated in the public sector (3.2% less than in 2008), and 3,622.2 thousand in the private sector (decrease in the number of enterprises by 0.3%). An increase in the number of commercial law partnerships and foundations was observed, whereas the number of registered civil law partnerships, individuals conducting economic activity, cooperatives and state-owned enterprises decreased. Micro-enterprises, i.e. companies employing from 0 to 9 persons, constitute a decided majority of the active ones being those actually conducting economic activity. In 2008, their number came to 1,787 thousand which constituted 96% of all active enterprises. Small enterprises (i.e. those employing from 10 to 49 persons) account for 3% of all companies (54.9 thousand entities), whereas medium-size enterprises (employing from 50 to 249 persons) account for less than 1% (16.3 thousand). A negligible statistical part of all companies (0.2%) is constituted by the large ones (employing at least 250 persons). In 2008, there were 3.2 thousand. As compared with the structure of companies operating in the EU-27, an interesting fact is the percentage of small companies being more than twice as high in the EU

(7%), comparable share of medium-size enterprise (1.1%) and identical percentage share of the large ones (0.2%). Consequently, in the EU, the percentage share of the micro-enterprises is significantly smaller than in Poland (91.8%). This may imply certain structural problems encountered by the micro-enterprises in Poland due to which some of them face considerable obstacles while trying to rise to a higher level of development (exceeding the headcount of 9 employees).

In 2009, the number of newly established entities came to 349.6 thousand being the highest result since 2000. Compared to 2008, the number of newly established enterprises increased by 10%, however, the largest dynamics of growth were observed among limited liability companies (increase by 15%), with the number of civil law partnerships dropping by 17%. The number of newly established entities increased in most sectors, and the largest increase was reported in mining (by 40%), hotel trade and fishing. The decrease in the number of newly established entities was observed in construction and financial intermediation. In 2009, a significant increase (from 245 to 357 thousand) was observed in the number of unregistered entities due to the introduction of the new classification of economic activities (PKD 2007) and the resulting update of the business statistical number (REGON) register. The increase in the number of unregistered entities could also be influenced by the economic slowdown causing various issues including serious liquidity problems of some enterprises. The sectors in which the number of unregistered entities was the highest were financial intermediation, health care, agriculture, hunting and forestry as well as construction. Only in the sector of education was the number of unregistered entities decreasing.

In 2009, enterprises managed to increase their revenues and even attained profits higher than in 2008. However, the profits of companies were not translated into an increase of assets (the value of investment expenditures was higher than in the previous year), but into a decrease of indebtedness (short-term liabilities) or short-term investments (in the financial markets)³⁷.

5. Conclusions

Entrepreneurship is a major determinant of the economic and social growth which has been stressed in numerous interdisciplinary theoretical studies. In Poland, after joining the European Union, entrepreneurs can take advantage of a series of support programmes which, from the statistical perspective, influence the

³⁷ Statistical Yearbook of the Central Statistical Office: *Przedsiębiorczość w Polsce*, resources of the Ministry of Economy, Warszawa 2010 developed by the Department of Economic Analyses and Forecasts in collaboration with the following departments: Dept. of Economic Development, Support Instruments and Economic Regulations.

quantitative and qualitative changes taking place in the structure of enterprises. The relevant problems of definition as well as theoretical and empirical characteristics of the entrepreneurship transformation have merely been elucidated in this article. The relevance of the problems in question requires further detailed analyses to be undertaken.

To conclude the whole consideration, one more problem is also worth emphasising. Entrepreneurship is currently treated as a priority, thus numerous enterprise support programmes are offered and implemented. Much has been talked about the role played by enterprises in the contemporary society. Therefore, how is the social image of the persons operating individually and on their own account being perceived?

Under the survey conducted in 2010 by PBS DGA, entitled *Opinions on Entrepreneurs*³⁸, among those enquired the following question: “Do you think the successful Polish entrepreneurs are honest?”, 3% of those surveyed replied “definitely yes”, 38% replied “rather yes”, 16% – “definitely no”, 32% – “rather no”, and 11% of those surveyed did not express any opinion on the matter. The distribution of the replies obtained implies that the opinions on the integrity of entrepreneurs are rather negative, since most of those surveyed expressed negation to the statement that entrepreneurs are honest.

Another question contained in the survey referred to was: “What do you consider to be the most important aspect of business success in Poland?” In this respect, 34% of those surveyed replied that the single most important aspect of business was business contacts. For 23% of the respondents, the most crucial aspect was business talent. 19% of those surveyed replied that the most significant aspect of success in business was the ability to “strain the law wherever possible”. An equal number of those surveyed (19%) replied that the most important aspect was honest and hard work. 5% of the respondents could not define their standpoint in the matter in question. The conclusion which can be drawn based on the analysis of the distribution of answers is that Poles are very little inclined to perceiving the “spirit of capitalism” as the driving force of entrepreneurship.

And finally question 3 pertained to the matter of independence in business activity: “Do you think that the State should be more involved in controlling the entrepreneurs?” The results obtained show that 39% of those surveyed were definitely in favour of the concept of the State’s extended control over the entrepreneurs, and further 40% were rather in favour of that idea. 11% of the respondents did not rather approve of the concept of increased governmental control over the entrepreneurs, and 6% definitely rejected the concept. 4% of those surveyed were ambivalent.

³⁸ The survey was conducted by application of the CATI technique by the PBS DGA market research agency on 7-8th May 2010 based on a group of 1,000 adult Poles; www.pbsdga.pl/x.php?x=788/Opinie-o-przedsiębiorcach.html.

In light of the foregoing survey results, it can be claimed that the social climate for entrepreneurship and free market economy is not too favourable in Poland which may prove to be a major obstacle in terms of the entrepreneurship development.

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