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### "SOFT" SKILLS DEVELOPMENT OF YOUNG ENTREPRENEURS THROUGH EDUCATIONAL-TRAINING ENTERPRISES

This report presents a study on the possibilities of Educational-training Enterprises which recently are initiated in high school education to master the key competencies in entrepreneurship. Along with this, however, it is proved that its effective functioning leads to and requires development of personal skills and qualities in high school students as young entrepreneurs outside the perimeter of general economic competence. Defined as "soft" skills they constitute the human of change and guarantee the successful manifestation of the entrepreneural competence.

*Key words:* practice companies; entrepreneurial process; personality ("soft") skills framework; model of concept thinking.

**Introduction.** In the last two decades in Bulgaria at higher education and especially at professional high schools in Economics with "Entrepreneurial" direction "Entrepreneurship" Educational- training enterprises (ETE or firms) began to be used as a form of awakening of entrepreneurial activity among young people. Their biggest impact is in the implementation of the work of knowledge and skills in economic disciplines as well as accumulation of experience in entrepreneurial activity. Along with this, however, it is established that effective assimilation and operation of professional skills called "solid" require to be accompanied by developed personable skills in students more often called "soft" or "portable" skills [1; 2; 3]. They are currently outside the perimeter of achieving the general economic and in particular the entrepreneurial competence defined as *ability to switch from ideas to action (Entrepreneurship)* or "conversion of ideas into action"<sup>1</sup>. Such personal skills and qualities these days are called "soft" skills.

The contribution of this study is visible in several directions. On the one hand, this is an attempt for the personable ("soft") skills to be brought out and structured in a Frame that could play a role of standard development of young entrepreneurs while they are still at school. On the other hand, as acmeology approach, the standard could serve as principal point of reference to supplement and specify a complex range of personable skills necessary for successful realization of personal potential of the modern young man through other non-economic educational subjects. On the third hand, the study of the possibilities of ETE as a priority extracurricular training reveals a deficit of theoretical understanding of some of the key "soft" skills and directs towards its development. In the present study the author finds it necessary and possible to fill this gap through creating a model of conceptual thinking as the key to create entrepreneurial concepts based on the already known 12 steps of the entrepreneurial process [4].

Methodology and Method of the research. Key conceptual points. What is the Educational-training enterprise? Currently there are 7,500 Educational-training enterprises in 43 countries, and in 1994 the first training firms is set up in Bulgaria. This form of training is transferred from Austria (*Übungsfirma*) and provides a model for establishing, launching and

<sup>&</sup>lt;sup>1</sup> At the meeting of the Council of Ministers of Education, Youth and Culture of the European Union (May 19, 2006) among the ten key competences the entrepreneurial competence is defined: 1) ability to communicate in mother tongue; 2) ability to communicate in a foreign language; 3) mathematical abilities; 4) core competencies in science and technology; 5) skills related to the use of ICT; 6) "to learn how to learn", 7) interpersonal, intercultural and social competences; 8) civic competences, 9) ability to move from ideas to actions (entrepreneurship), 10) cultural competence.

guidance of a virtual company from students. Without any use of goods and money the Educationaltraining enterprise provides opportunities for:

- contacts with national and international educational establishments;
- job rotation;
- meeting with experts from practice and attracting managers and company mentors;
- introduction to some basic documentation required for the functioning of an enterprise;
- familiarization and preparation of documents for job applications;
- participation in exhibitions and fairs of training firms national and international<sup>2</sup> etc.

Educational-training enterprises (ETE) provide students whit integrated mastering of knowledge, skills and experience:

- Entrepreneurship and Economics;
- Foreign languages and intercultural competence;
- Information and Communication Technologies;
- Social competence;
- Emotional Intelligence;
- Organizational competence;
- Management competence;
- Strategic thinking and activity competence, etc.

Once established, ETE provides students whit extremely useful contacts required of every entrepreneur in real business. Institutions that students work whit are: Registry Agency; National business communications directory of training firms; National Revenue Agency; Commission for Personal Data Protection; Patent Office; Bank of training firms-BUKTBANK; Municipal and Regional Government; Direction of the school; Clients; Distributors, etc.

The most important praxiology effect of the creation of Training enterprises is the "live" participation of students in the overall activities of the company – from the discussion of its creation, through the building a comprehensive concept to its establishment and the working process of school. In order to manifest this effect in fact, it appears necessary to bet on the development of entrepreneurial skills. To enable students to respond adequately to the different positions required to work in ETE, they have to develop some "soft" skills which provide flexibility, adaptability, etc. Thus students prepare themselves in practice for detection and management of its entrepreneurial business, but for successfully applying for a job and working both at home and abroad.

Recently and in our country people talk about the need to develop personal, soft skills. For example, at the end of the XX century D. Shopov and M. Atanasova presented in theoretical terms the difference in "soft" and "solid" values in the management of human resources by relying on the ideas of Lege [4]. According to the authors "soft" values of human resources management "focus on the integration of employees with organizational objectives through the use of options they have... the system of training and career development... involvement in the management of the organization, system of diversifying the labor... etc." [6, p. 22]. "Solid" values "focus on administrative injunction, on formal requirements of disciplinary rules and developed standards" [6, p. 23]. By maintaining the "solid" values managers "disregard motivational factors and don't need employees to engage with the organization, but the rest is the work of its management" [ibid].

We believe human resource management through "soft" skills tolerate flexible (changeable according to the situation) qualities in man such as *ability to adapt* (the establishment of attitude towards something relatively new), *for integration* (according to us *acceptance, commitment and dedication* of relatively foreign interests), *for compatible goal setting* – personally and

<sup>&</sup>lt;sup>2</sup> In our country such fairs are organized in April every year in the town of Plovdiv. And this year the researched ETE of PHSET "Rayko Tsonchev", Dobrich takes part in it.

organizationally in unity; for orientation towards achievements, for labor enrichment, for building a career, for taking managerial responsibility in the workplace, etc.

As it is evident, "soft" skills are those that provide the individual with *mobility*, *flexibility*, *dynamism* to different and changeable standards that the current situation requires. "Solid" skills are skills to "cover" the requirements of already established professional standards, without any admission for its alteration. In other words, the identification of the so-called "soft" skills of a dynamically manifested man allows them to be classified within a Framework (or a Standard) as a reference point for necessary development of training conditions, that may be continuously updated.

*Methods of the survey.* The aim of the study lies in the study of the most important personality ("soft") skills of students needed for work in ETE. They are investigated during the creating of ETE in the Private high school in entrepreneurship and tourism "Rayko Tsonchev", Dobrich – from the appearance of the conception, discussing, launching and implementation of a real entrepreneurial process.

*Object* of the research is the specifics of the startup company to which the necessary personal skills appear with a view to streamlining their educational (frame) and identification of the most important - in the case, the establishment of concept, as skills for conceptual thinking. *Object* of the research are the exhibiting skills of students of PHSET "Rayko Tsonchev", Dobrich during the establishment and functioning of ETE, called "Kanela" (from the verb *каня, подканвам* in Bulgarian that means urge, invite, call on).

The main research hypothesis lies in: if in school, in classes it is working on a clear framework of personal skills as well as specialized and generally binding on subjects so it should be expected that ETE will attract in its activities not only students from profile "Entrepreneurship", but also from profile "Tourism", and partners among teachers, parents and other organizations and companies. The main *research methods* are monitoring, complicity with the students in the creation of ETE, analysis, synthesis, abstraction and modeling.

**Results from the research.** The study of the process of creating the ETE in PHSET "Rayko Tsonchev" starts from the beginning of October 2015 and continues until the end of May 2016. It was found that the creation of student company is identified with the following attributes.

**The Idea:** *Educational enterprise Cafe-bookstore "Kanela" combines the comfort of home and professional service.* 

**The name of ETE:** Educational enterprise Cafe-bookstore "Kanela" (from `каня, подканвам`).

**The motto:** *Share your coffee with a book!* 

**The Mission:** *Here you can enjoy a well-made cup of coffee and spend quality time with a book.* 

The Vision: We care for you, choosing the highest quality products.

The logo and the Stamp: logo combines the company name and slogan to resemble a cup of coffee seen from above.

**The product (service):** The bookstore is specialized in offering books by Bulgarian authors, giving its customers the opportunity to enjoy a good book in a pleasant atmosphere. For customers who are unable to visit the bookstore locally, home delivery is provided. To provide total comfort resembling comfort of home, to customers are offered a diverse selection of drinks, sandwiches and desserts prepared with ecological products suitable for vegans.

Human resources and posts: Manager, Web designer, "Marketing and Advertising" specialist, "Purchases and sales" specialist.

**Events:** *Cafe-bookstore "Kanela"* organizes number of events such as readings, book presentations, readers clubs, etc.

**ETE fair:** In April ETE "Kanela" participated in the annual exhibition of educational establishments in Plovdiv, where students presented their products, made numerous sales and contacts with other participants, competed in contests for best promotional material, best website, etc.

*1. Model for conceptive thinking* 

The undertaken output of the model for conceptive thinking is dictated by the need, firstly, to develop skills to find opportunities for rational use of the abundance of information. More and

more new knowledge is required and will be applied to "include in the work", which requires skill to create a concept. On the other hand, there is increased indispensability to create concepts under the so-called "design thinking" or "project work" in practice and in science. And the creation of design and creation of the project, which we believe include the same key skills means creating a mental construct of ideas for practical needs to solve a problem. The presented model below is an attempt to respond to those needs.

Our study shows that in the so-called "solid" (i.e. irrevocable) entrepreneurial skills, as constituting entrepreneurial competence includes the following: 1) Selection of object of activity; 2) Decision to create your own business; 3) Opening of the new idea (product); 4) Assessment of the capabilities and limitations of the new product; 5) Creating the new product; 6) Analysis of the external environment; 7) Entrepreneurial analysis of resources; 8) Localization of entrepreneurial activity; 9) Institutionalization of activity; 10) Creating an entrepreneurial plan; 11) Management of entrepreneurial activity; 12) Shutdown of entrepreneurial activity (if necessary due to inactivity or bankruptcy) [5], more about entrepreneurship and competence see in [8; 9; 10; 11].

The process of overcoming the various "solid" structured stages of entrepreneurial activity by students has helped to highlight model of creating a concept for ETE. We believe it can serve at all as a guide for conceptive thinking in areas beyond the enterprise (see Scheme 1).



Scheme 1. Model for conceptive thinking

Briefly the components of the presented model indicate: **What?** – skills to detect a problem and what to change; **Who am I?** – what skills I possess to solve the problem – if I do not possess any, what skills must be developed, or with whom to partner; **Why?** – in the name of what benefit (internal motivational and situational aspect) and for whom (social aspect) initiate to solve the problem; **How?** – what technology to use; **When and Where?** – how to manage time and space in implementing the change; **Create!** – from what stages and appropriate means the process of implementing the change will be held to solve the problem?

How the conceptive thinking is linked to the problem of development of creativity, the author examines elsewhere [7]. It can easily notice that, although the creation of the model is based on "solid", i.e. established entrepreneurial steps, each of its components "opens" opportunities to take "soft" skills.

### 2. Frame of personality skills.

It is considered that the "soft" skills, also called personality or portable (transitive), predetermine 85% of the success of the individual, but they are outside the scope of professionality skills that are considered as "solid", i.e., in standards for a given profession. More and more employers in the country share the acute need for "soft" skills for successful business development – it is necessary not just someone to do a job but to choose one who will do it best.

On the other hand, once acquired, such skills form the personal profile of the individual and can be applied by him in various spheres of activity, but also give resistance to his professional suitability. On the third hand, the degree of its growth presents the *value added* of the individual chosen for a given work. In other words, his personal life time adds extra value to the organization.

The most valuable personal qualities for the employers themselves are: *adaptability, actions in unexpected situations, flexibility*, etc. In the course of the study the author participated in Scientific-practical conference: *"Personality ("soft") skills and the experience in an international environment – competitive advantage in the labor market"*. There it was shared the frame of soft skills necessary for the labor market, as a product of Project "Valorization of highly skilled migrants" (VALORIZE) by the International Institute of Management at the Higher School of

Management, Varna in international partnership. The following frame of "soft" skills borrows more of its grouping, and its content is the results of the study itself. It is also added a fourth group – of (self)reflexive skills [12; 13].

# 1) Ability to organize work in the workplace:

- Knowledge Management (converting information into knowledge);
- Designer thinking (creating concepts);
- Planning skills;
- Time Management [12];
- Motivation;
- Adaptability and flexibility;
- Management of responsibilities;
- Observance of discipline, etc.

# 2) Social skills:

- Teamwork;
- Customer and Colleague Care (care to people as a whole, not only to consumers and team members);
- Ability to evaluate labor [8];
- Conflict Management [14; 15; 16];
- Communication skills for dialogue focused on change, for presentation, for persuasion, for discussion, arguing, debate and so on [17];
- Intermediation skills (mediation) [18];
- Mentoring skills;
- Coaching and training skills;
- Ability to train others;
- Skills for moderation;
- Facilitation skills;
- Ability to build trust;
- Ability to deal with resistance to new things, etc.
- 3) Ability to achieve results:
  - Problem solving [17; 19];
  - Creativity and innovation [7; 20];
  - Critical and conceptive (structured) thinking [ibid];
  - Decision making skills;
  - Ability to negotiate (and commercial);
  - Leadership leadership skills [16; 21];
  - Ability to create and develop career [22];
  - Ability to follow (the leader) [16; 21] etc.

# 4) Reflexive skills:

- Ability to self-knowledge [12];
- Self-esteem skills;
- Self-control skills;
- Personal development skills, etc.

**Conclusion.** The survey reveals that the study of an educational training enterprise, initiated in high school education with a view of acquiring professional key competence in Entrepreneurship, can help the appearance of other personal skills and qualities, recently called "soft" skills. They are valid not only for young entrepreneurs, but also for the constitution of human of *the man of change* outside the perimeter of general economic competence. One such skill is that for the creation of concepts. The definition and structuring of personal skills in standard (or a frame) can become a guarantor for a successful manifestation of the entrepreneurial competence, but for higher efficiency of the overall educational process.

As well as the model of conceptive thinking, but also the frame of personal skills will be specified in the training and In practice. It is important to originate.

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### **"SOFT" SKILLS DEVELOPMENT OF YOUNG ENTREPRENEURS THROUGH EDUCATIONAL-TRAINING ENTERPRISES**

**Abstract.** Introduction. Entrepreneurial activity among young people began to be used as a form of awakening at higher education and especially at professional high schools in Economics with "Entrepreneurial" direction "Entrepreneurship" Educational- training enterprises(ETE).

Their biggest impact is in the implementation of the work of knowledge and skills in economic disciplines as well as accumulation of experience in entrepreneurial activity. It is established that effective

assimilation and operation of professional skills called "solid" require to be accompanied by developed personable skills in students more often called "soft" or "portable" skills. They are currently considered to be outside the perimeter of achieving the general economic and in particular the entrepreneurial competence or "conversion of ideas into action". Such personal skills and qualities these days are called "soft" skills.

Purpose. This report presents a study on the possibilities of Educational-training Enterprises which recently are initiated in high school education to master the key competencies in entrepreneurship.

Results. Along with this, however, it is proved that its effective functioning leads to and requires development of personal skills and qualities in high school students as young entrepreneurs outside the perimeter of general economic competence. Defined as "soft" skills they constitute the human of change and guarantee the successful manifestation of the entrepreneurial competence.

Originality. The author stages that the most important praxiology effect of the creation of Training enterprises is the "live" participation of students in the overall activities of the company – from the discussion of its creation, through the building a comprehensive concept to its establishment and the working process of school. It is noted that to enable students to respond adequately to the different positions required to work in ETE, they have to develop some "soft" skills which provide flexibility, adaptability, etc.

The authors believes human resource management through "soft" skills tolerate flexible (changeable according to the situation) qualities in man such as ability to adapt, for integration, for compatible goal setting – personally and organizationally in unity; for orientation towards achievements, for labor enrichment, for building a career, for taking managerial responsibility in the workplace, etc.

Conclusion. It was found that the creation of student company is identified with the following attributes as the Idea, the name of ETE, the motto, the Mission, the Vision, the logo and the Stamp, the product (service), human resources and posts, events, ETE fair. The definition and structuring of personal skills in standard (or a frame) can become a guarantor for a successful manifestation of the entrepreneurial competence, but for higher efficiency of the overall educational process.

*Key words:* practice companies; entrepreneurial process; personality ("soft") skills framework; model of concept thinking

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