

ENTERPRISE AS A COMPONENT OF ECONOMIC SUCCESS

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Abstract: *Enterprise development and building of entrepreneurial attitudes among the existing communities is the key to success and economic development as well as satisfaction of individuals functioning within it. The free market economy and freedom of a man force the awareness of enterprise, its significance and the potential of its opportunities in the present world. Enterprise is also an important factor in shaping the standards of mutual relations in a society and career paths.*

Keywords: *Enterprise, free society, free market economy, ethics*

JEL Classification: *L53, P42*

1. INTRODUCTION

The aim of the paper is to introduce the importance and reasonableness of the perception of enterprise in economic terms, taking into account the important element, that is, a man as an entrepreneurial individual. A man, the most important link in this process, is a part of the economy and the society which functions within it. Enterprise in economic terms, as a key element of a free market economy, recognizes and takes the form of actions whose end result is the creation of the new economic entities. Another, very important element in this approach is individual enterprise, allowing an individual a conscious shaping of their careers and success, through their active entrepreneurial activities. This activity affects the economy both directly and indirectly.

2. REFERENCE TO HISTORY AS A BASIS FOR ASSESSING THE SIGNIFICANCE OF ENTERPRISE

Landes describing the uniqueness of Europe states that according to today's economic history scholars, who would be asked to assess the likelihood of mastery of Europe over the world based on its status from the tenth century, their assessment would be close to zero. However, after five hundred years, this value would come close to one. This view of economists, based on the lack of external dangers for Europe, pointed to its growth as a natural process in secure living conditions and the existence of opportunities for development. The removal of all obstacles is an element stimulating self-development. The process of development and growth, however, requires enterprise, which does not arise spontaneously. 15th and 16th century were the ages of the development of European economy, which has been stimulated by a series of organizational innovations and adaptations, mostly initiated from the bottom up, and then disseminated through imitation. There has been the development of crafts and hence competition. In this period, new trade instruments were implemented, commercial codes were developed and introduced, organizational regulations of companies establishment, and all that was aimed at improving cooperation between the lenders and contractors, between the providers of capital and goods, and those who venturing to far distant countries sold and purchased their goods there. All that commercial

revolution was attributed to the mercantile community. In case of emerging problems, the rules prevailing in a particular city or country were circumvented, by looking for new places to exchange goods, thereby creating a separate world over existing cumbersome patchwork of political units. As a result, greater security was achieved, transaction costs were lowered and the market conducive to specialization and division of labour was expanded [10, pp. 49-66].

Notes concerning the eighteenth century Polish economy were written by Adam Smith, and it is described as follows: "In Poland there seems to be no industry, with the exception of the production of items needed in an ordinary household, without which no country could exist"

"Poland, where the feudal system still continues to exist, is as much a poor country, which it was before the discovery of America" [17, p. 20, 345].

Description Adam Smith showing in two sentences then-contemporary Polish economy, seems to be a good starting point and comparison for the presentation of the route of enterprise in Poland and its importance for the Polish economy.

3. ENTERPRISE AND FACTORS FORMING IT

M. Friedman and R. pay attention to the condition of presenting everyone in the form of productive resources, which is partly due to randomness and partly choices made by ourselves or others. The incidental circumstances include our genes, and our physical and mental capabilities associated with them, in which family and culture we are born, which has a direct impact on our physical and mental development. Randomness is also attributed to the material goods inherited from parents or other benefactors, whose value as a result of an incident can be raised or destroyed. An important role is played by the choice of our decisions concerning the use of resources. These include decisions related to e.g. the type of work, profession, decision on savings, which has an impact on whether we squander or use and multiply the available resources [3, p. 562]. The impact on the level of the possessed enterprise has the human genome and tabula rasa written after the birth, which shapes our enterprise. Therefore, it should be cared for.

Genetics is an element which we have no influence on, while instilling characteristics shaping our entrepreneurial attitudes from the birth, has a substantial impact on our subsequent entrepreneurial behaviour. In addition, this affects the awareness of the necessity of being enterprising and understanding this phenomenon. Fundamental to this process, further to the above mentioned environment in which we come to grow up, has the process of education that is provided from the education system. In the Polish education system, the main burden of learning about entrepreneurship is attributed to the subject called "Introduction to Business". It is part of the curriculum in the secondary schools and it is in line with the European trend, whose aim is to change the way of thinking about enterprise, starting from the earliest school years [2, p. 1-2].

It is considered that the first and decisive element that shapes the entrepreneurial behaviour leading to the foundation of the company, are intentions. A model of entrepreneurial event is shown in Figure 1, indicating aspects such as willingness, feasibility and disposition to act.

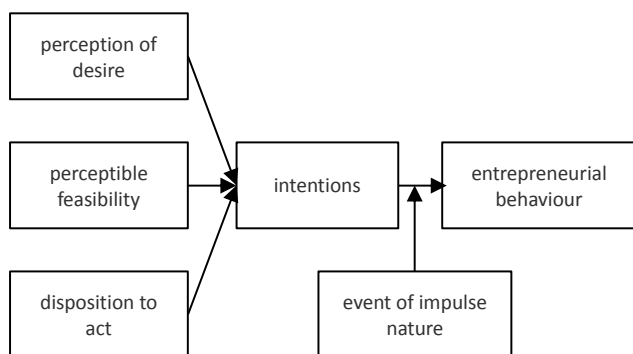


Figure 1 Model of entrepreneurial event
 Source: [8, p. 21]

Making a decision about one's own business activity is caused by a number of determinants that condition the process of its creation. The factors based on three levels, i.e. macro, meso and micro are considered to be the most prevalent. The analysis of micro-conditions is aimed to clarify the factors influencing the motivation and decision-making process concerning employment of the given individual (psychological characteristics of an individual's personality, work experience, education, salary affecting the decision to start one's own business, etc.). To study of the level of entrepreneurship in the meso scale includes a study of the given industry sector which is a planned place to start business activity (degree of competition, the profitability of the particular sector). The analysis of macro level includes economic, demographic, institutional, technological and cultural conditions [7, p. 23].

So what is entrepreneurship, the state which makes people desire to start their own business activity, the desire to realize their own ideas, which in the form of companies creates a much-needed economy of the SME sector? I quote a few definitions:

Krueger (2000) defines entrepreneurship as a "way of thinking, in which the opportunities outweigh the concerns". Holcombe (2003) defines an entrepreneur "as a creator of entrepreneurial opportunity." According to Sarason (2006) entrepreneurship is "a dynamic process in

which the individual reacts to the opportunities, while being under the influence of sources of this opportunity."

Polish language dictionary defines opportunity as "favourable circumstance, the opportunity to do something" [9, p. 16].

In the subject literature we can find many definitions of entrepreneurship, which are dependent on research perspective [12, p. 1]. For the purposes of this paper, it seems necessary to present the definition of enterprise found in the entrepreneurship course book, because the subject of shaping entrepreneurial attitudes is brought up. Entrepreneurship is defined there as a "human behaviour or organization involving the exploration and application of new solutions that require more energy, initiative and creativity and skilful estimation of the necessary investment (time, effort, resources) and the benefits possible to be obtained under existing constraints and opportunities, as well as willingness to take on risk and responsibility for their decisions and actions " [13, p.13].

4. ENTREPRENEURSHIP IN TERMS OF UNITS

It seems to be reasonable, due to the size of the Catholic population, to recall the parable of the talents according to the Gospel of St. Matthew. Many existing interpretations provide that every man is bound to grow and multiply their talents, and for this effort they shall be rewarded. In that parable, the servant who was to not obey this rule, was deprived of the talents and what is more the talents taken back from him were passed to the servant who demonstrated his ability to multiply them. Additionally, the servant whom the Lord has taken his talents back was named indolent and bad, and was thrown out in the dark; where weeping and gnashing of teeth are bound to face him. Lord said: "Whoever has will be given more, and they will have an abundance. Whoever does not have, even what they have will be taken from them" [15, p. 114-123]. Treating these messages literally, it can be considered that this is an accurate reflection of the essence of the need to be entrepreneurial.

Political changes that have been made in Poland after 1989 have radically affected the need for change in human activity and the way of understanding the new rules and conditions in which an individual must operate. The new challenges that a free society must consciously meet, require conscious actions based on knowledge and understanding. In addition to coping with the challenges, it is very important to use the opportunities and possibilities that a free society and every individual of the society has.

Freedom of a man means also responsibility for one's own fate. The success of a man to a greater extent than ever is dependent on the proper use of one's "talents". Finding areas of usefulness, satisfactory activity is the most severe form of discipline imposed by a free society. In such a society, no one is able to guarantee the proper use of one's abilities. It does not matter what talents someone has got, because in a free society, the value of his services will be low. In the case of reaching with one's skills those who need them most, he will succeed. The more inclined someone is to blame others for his failures or search of the circumstances blocking us, the more our displeasure and effectiveness is increased. In a free society, we are rewarded for the proper use of skills and not for their

possession. Therefore, we must adapt to the needs arising from our education and ethos [4, p. 89-92].

People help themselves and other people, mainly through being entrepreneurial. It creates jobs and work. Innate need for reciprocity and the desire to give back are part of a human nature. In psychological terms, entrepreneurship is a set of qualities such as perseverance, an open mind and tolerance for risk. Enterprising people are in every community, but only in some communities they can do useful things [1, p. 306-307].

However, attention should be paid to a complex aspect of human nature, hindering the development of entrepreneurial attitudes, namely the human propensity for easier absorption of negative programs in the form of hatred for the enemy, jealousy towards people who in their subjective assessment have better conditions than positive enterprises. The fact that this phenomenon frequently takes place has become almost a law of human nature [5, p. 155].

A great impact of enterprise can be seen on many areas of a man and free society, e.g. how through its activities, the level and shape many areas of our life are shaped and dependent. Conditions and the system in which we exist, force the shaping of conscious entrepreneurial attitudes as the possibility of conscious influence of the individual on the shape and the level of their own lives and the satisfaction that comes from it. The lack of adequate demonstration of entrepreneurial traits is a threat of individual's dissatisfaction and a number of negative phenomena related to this. It affects his daily life and the community within their environment.

5. ENTERPRISE IN ECONOMIC TERMS

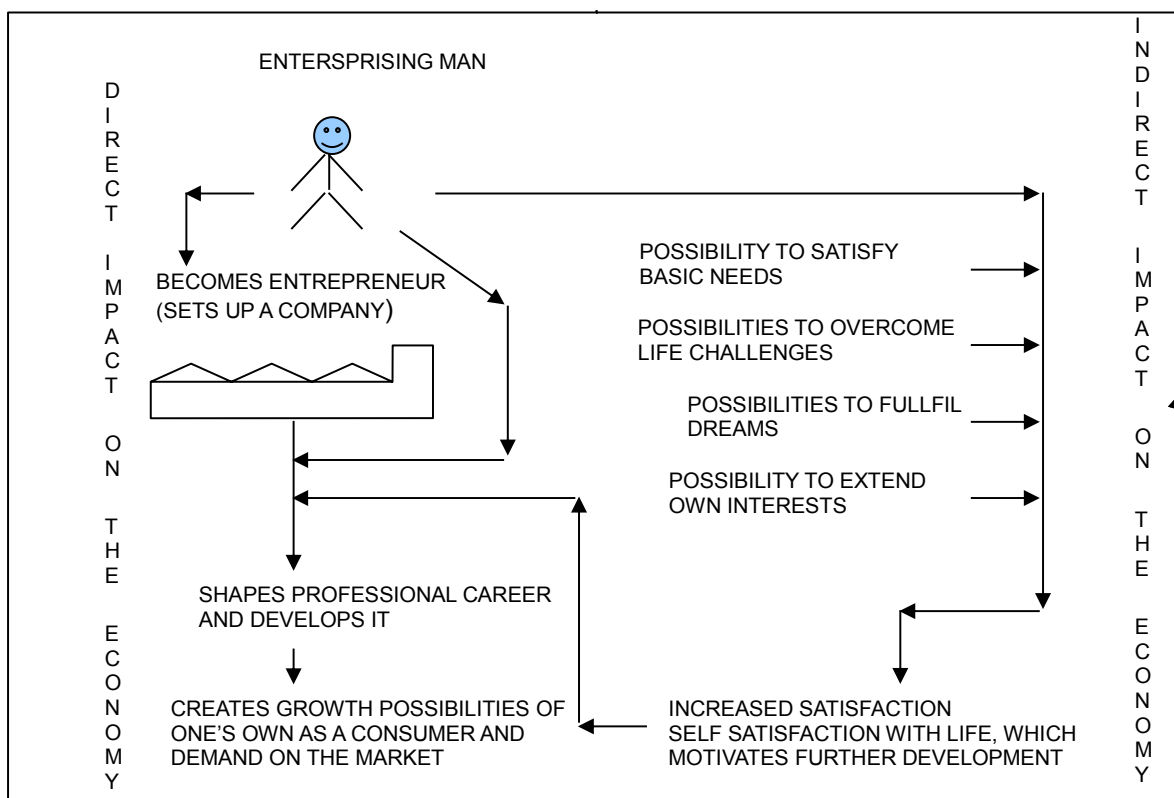
Economic changes that occurred after 1989 in the form of transformation of the Polish economy from a centrally planned to a free market one, released mechanisms for activating entrepreneurial attitudes, giving the opportunity

to create own businesses. This type of entrepreneurship is of undeniable importance for the Polish economy. This is evidenced by the size of the SME sector, its impact on unemployment rate, GDP figure, and the volume of budget revenues. Enterprise in the form of companies, is an important factor for economic growth and social welfare. It is the increase in the innovativeness of the economy, its competitiveness which as a result is reflected in the improvement and increased security status of the country.

Another important branch of the economy derived from entrepreneurial attitudes is little appreciated sector of family businesses, amounting to almost 1/3 of the companies employing from 1 to 100 people. These include e.g. pre-war brands such as: A.J. Blikle and Z. Grycan and formed the resurgence of the market economy, e.g. : Fakro, Ziaja, Koral, Mokate [6, p. 53].

The size of accumulated capital and increase in the added value of enterprises over the past 25 years shows entrepreneurship in terms of economic success. If additionally we point to data such as; size of investment outlays (74.49 billion PLN in 2012) or the number of employed in this sector (69.41% in 2012) and a share in GDP (48.5% in 2012), then the emerging picture is confirmation of the importance of entrepreneurship to the economy [14, p. 29, 38].

The impact of enterprising people on the state of the economy and its development is a key element of a free market economy in which a free society has the ability and the right to use their "talents" in order to obtain self-satisfaction and satisfaction with the lifetime achievements. All these elements of entrepreneurial human activities, aimed to give him gratification and satisfaction are closely related to the economy and have a key influence on it (Fig. 2).



An element directly influencing the shape of economic process is a career which one of the many existing definitions included in the literature, defines as a unique sequence of positions and professions, roles and values of individuals, shaped by the period prior to professional work and the subsequent period [11, p. 477]. When considering the issue in terms of the initiating entity and entity forming the career, individualistic theories accept the phenomenon that the main centre of shaping a career is an individual [11, p. 478]. In the process of shaping a career important factor is the venturesome attitude of an individual.

6. ENTERPRISE AND ETHICAL RESPONSIBILITY

Being entrepreneurial is also a huge responsibility. One should resist the attitudes, probably rooted in a previous era of perceiving entrepreneurship as adroitness or cunning. Such perception of entrepreneurship is for its development and social recognition very harmful and unjustified. Persons deprived of their ethical qualities, not observing the social norms of functioning and all applicable legal norms cannot destroy the image of entrepreneurial, ethically correct individuals. It seems that in today's world, presenting enterprise with the understanding of its enormous impact on shaping a positive image and the applicable standards allowing for the creation of a positive process of imitation for young entrepreneurship students is often forgotten or ignored. We must be aware that people characterized by a high entrepreneurial activity have a greater impact on shaping the norms and principles, thus they bear enormous

responsibility for the shape of society following the standards.

Arthur Schopenhauer already in 1851 drew attention to the fact that despite the diversity of human characters, once repelling and at other times attracting, there must have been community life, there must exist courtesy and good manners [16, p. 7].

7. CONCLUSION

Enterprise exposed in the form of companies created in the economy as well as care for the very individual for their own development and their satisfaction with existence, is a very desirable, positive, purposeful process. It has a very large impact on both, the economy and the whole communities as well as individuals functioning in them. It shapes the society, develops standards, provides satisfaction and provides opportunities for the individual.

The genome, which creates it is only part of an enterprising attitude possessed by a man. *Tabula rasa*, created and saved by a human largely affects the shape of having to be entrepreneurial in a man. The education system is largely responsible for building such attitudes in a society. Public acceptance of such attitudes is a necessary phenomenon, giving the green light to follow suit with the approval and support of the society. Society should even require such attitudes and educate in such spirit, because it gives a chance of a stable economic growth and a higher level of satisfaction of a society.

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