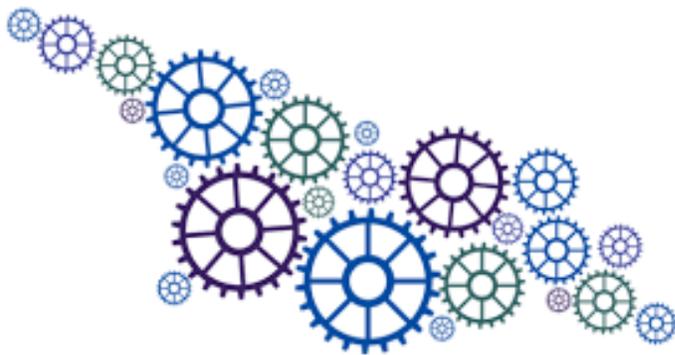


Entrepreneurship in Education: **Georgia** in focus



A research and data analysis of the reality of the implementation of entrepreneurship education in Georgia in order to mainstream successful practices and seek solutions for transforming the needs and challenges concerning entrepreneurial mindset and competences into visions and actions.

With the support of the
Erasmus+ Programme
of the European Union



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<http://www.droni.org>

ISBN code:
© Youth Association DRONI
Tbilisi, Georgia
2019



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Introduction

Project

This research was created within the framework of the **Entrepreneurship Tool HUB** Capacity Building project in the field of Youth – Eastern Partnership – Erasmus +. The project aims to explore the basic concepts and characteristics of entrepreneurship by developing a vision of what a company should be, and then executing that vision by translating it into concrete steps and what needs to follow through. It targets young people so that they learn about entrepreneurship and social entrepreneurship; community needs and problem analysis; market research and understanding the personal strengths; introduction to a business plan and a financial strategy; targeted recruitment and management etc. Furthermore, the module focuses on the soft skills and the role of an entrepreneur, aiming to understand values and attitudes towards business, developing entrepreneurial competencies of participants by strengthening personal skills, understanding personal limits, and developing strategies and systems to transcend these limits.

Youth and entrepreneurship in Georgia

Youth policy framework and entrepreneurial regulations in Georgia

In Georgia, the Youth Policy was adopted in 2014. The age set for young people is 14-29. The priorities of the Policy are indicated youth participation in social, economic, cultural and political activities, as well as the promotion of youth education, employment, etc. It does not include provisions on the development of youth or female entrepreneurship. There are some provisions to supporting educational programs for youth living in the regions. The Georgian National Youth Strategy document was developed in 2015 by the Ministry of Sports and Youth Affairs of Georgia.

The Government of Georgia has designed the “SME Development Strategy 2017-2020”, which includes provisions on the importance of reinforcing female entrepreneurship, and for this matter, several priorities are set, yet youth entrepreneurship is not in the priority list, nor there are provisions in the Strategy in this regard. One of the main strategic directions included though is the development of skills and entrepreneurial culture.

The country’s economic development strategy “Georgia 2020” has the following section: “one of the main directions of work for legal entity of public law Entrepreneurship Development Agency will be the development of entrepreneurial skills of the start-ups and small businesses’ representatives.

Emphasis will be made on enhancing the entrepreneurial skills of pupils and students studying in educational institutions, especially in vocational training schools/centers”

The Rural Development Strategy 2017-2020 with its action plan was approved by the Government of Georgia. One of the priority objectives set is “Raising awareness in innovation and entrepreneurship. In addition, the promotion of cooperation through contributing to the skills development and employment issues (especially for young people and women)”.

Georgian legislation does not recognize the term of Social Enterprise and Social Entrepreneurship. Although several central and local government strategies consider social entrepreneurship as a tool of support for vulnerable groups of people (economic empowerment, rehabilitation, employment, access to social services, etc.) and a support mechanism for social innovation, no single legislative act defines social entrepreneurship and/or social enterprise. Though there several attempts for developing legal frame for social entrepreneurship, but because of a lack of mutual position there was no success on this matter. There are few mechanisms which are available in Georgia for receiving tax credits or being exempt from taxes. The Small Business Tax Relief, allows for faster depreciation on equipment deduction where businesses can choose to claim the expense in year one as opposed to over several years. Another tax incentive is “Job Tax Credit”, where enterprises in Georgia earn credits according to how many jobs and the place they were developed (the annual tax saving can reach 4.000 USD). If the enterprise develops 50 jobs in a 2-year period, and the wages are at least 10 percent above the average level in Georgia, tax credit can be 2500-5000 USD per job. Another incentive, which can be favorable in terms of female entrepreneurship is “Child Care Tax Credit”, where enterprises who build or buy qualified childcare facilities are eligible to earn income tax credits equal to 100 percent of the cost of construction. In the framework of “Georgia Rural Zone Tax Credit” program, certified enterprises can receive 2.000 USD credit per new full-time equivalent job per year for up to 5 years.

Promoting and boosting youth entrepreneurship in Georgia

According to the National Statistics Office of Georgia, the number of active enterprises in 2014 was 70 760 (94% SMEs in total). Geographically, half of all SMEs were located in the capital while the rest of them were distributed mainly in two big regions of Georgia (Imereti and Adjara). Women were 32 percent of the owners of newly registered enterprises in 2014.

Entrepreneurship education is incorporated in various higher educational institutions, which are specialized in Economics and Business. It is worth to mention that in 2017 Tbilisi State University

published a research name “Social entrepreneurial development trends in Georgia”, which was aimed at informing young people on the concept and development in this field.

In 1998 Caucasus School of Business²⁴ was established, which is providing business administration undergraduate and graduate programs.

The National Bank of Georgia developed and approved the National Strategy for Financial Education in 2016. The guideline for activities under the Strategy for 2017–2019 has been drafted but is not yet enforced. The activities include training, awareness-raising campaigns, etc. It is planned to integrate financial literacy topics in the national curriculum in schools (in math classes and in civical education classes). The pilot of the program “School-Bank” is already in action and NBG is delivering training for pupils, as well as trainings for teachers in 11 public schools.

In regards to social entrepreneurship education, it is being conducted through non-formal educational activities, mainly through civil society organisations. For example, since 2016, Students Competition is organised under the framework of the European Union-funded CSRDG project "Social Enterprise: innovative approach for social and economic changes". The project is open for students of Georgian universities and colleges. The selected ones during the project are having experience exchange with social entrepreneurs from Georgia, and the winners of the competition receive the opportunity for international study travel on social entrepreneurship. Together with Europe Foundation Impact Hub, Tbilisi launched Social Impact Award, designed to promote the knowledge and practice of social entrepreneurship. In the list of public organisations for youth are “Children and Youth Development Fund” (under the Ministry of Sport and Youth Affairs of Georgia), which has also a priority on social entrepreneurship and National Youth Palace, which is an educational and training establishment providing extracurricular activities for young people as well. One of the main institutions supporting entrepreneurship is “Entrepreneurship Development Agency” (established in 2014 under the Ministry of Economy and Sustainable Development). It also runs a state programme "Produce in Georgia". This programme is providing grants (5 000, 10 000 and 15,000 GEL) as well as technical support to women. According to the statement of the representative of Produce in Georgia, in total 3205 business ideas have been funded so far, thus covering approximately 4900 beneficiaries/individuals. Technical assistance and retraining were provided to 8880 individuals. About 30 percent were women.

Another institution is Georgian National Investment Agency, which implements innovation grant programs and provides the Mini-Grants Programme and Micro Grants Programme to support innovation. The Ministry of Agriculture, through the Agricultural Project Management Agency, is also implementing more than 10 projects under a unified agro project to support entrepreneurial developments in agriculture.

In cooperation with One Georgia Authority another program has been launched in Georgia: “Entrepreneur and Small Business Loan Guarantee Program”, through which the State can provide loan guarantees (35.000-250.000 USD) to spur entrepreneurial growth in specified rural communities throughout Georgia.

Within one of the projects of the Technological Development Fund: “Business Incubator” beginner entrepreneurs are being supported, and laboratories are being established in Tbilisi State University and Georgian Technical Universities.

For the promotion of Social Entrepreneurship in Georgia, a separate unit named “The Center for Social Entrepreneurship” has been established under the Center for Strategic Research and Development of Georgia.

The initiative, which state support to female entrepreneurship is the Academy of the Ministry of Finance, which offers free for women, as well as “Startup Georgia”. Women represent 37% of the beneficiaries of the projects implemented by the

Agency in January-April 2017²⁹. As well as another project is implemented by the Ministry of Agriculture: “Women in Rural Areas”, which is implementing various projects such as Agro-Credit and Agro-Insurance, and women are constituting on average 20% of beneficiaries.

The Entrepreneurship Competence Framework

The European Commission has proposed ‘A New Skills Agenda for Europe: Working together to strengthen human capital, employability and competitiveness’ to address the skills challenges that Europe is currently facing. The aim is that everyone should have the key set of competences needed for personal development, social inclusion, active citizenship and employment. These competences include literacy, numeracy, science and foreign languages, as well as more transversal skills such as digital competence, entrepreneurship competence, critical thinking, problem solving or learning to learn.

The Entrepreneurship Competence Framework, also known as EntreComp, offers a tool to improve the entrepreneurial capacity of European citizens and organisations¹. The framework aims to build consensus around a common understanding of entrepreneurship competence by defining 3 competence areas, a list of 15 competences, learning outcomes and proficiency levels, which current and future initiatives can refer to.

EntreComp was developed by the Joint Research Centre (JRC) of the European Commission on behalf of the Directorate General for Employment, Social Affairs, and Inclusion (DG EMPL). The current report is

the first publication to be released by the EntreComp project after an intensive process of research and stakeholder consultations.

The origin of this work goes back to 2006 when the European Union proposed 8 key competences for lifelong learning, one of which was a 'sense of initiative and entrepreneurship'.

DG EMPL is working together with the JRC to strengthen the uptake and use of EntreComp in Europe.

The competence list includes the following elements:

Spotting opportunities, Creativity, Vision, Value ideas, Ethical and sustainable thinking, Self-awareness and self-efficacy, Motivation and perseverance, Mobilizing resources, Financial and economic literacy, Mobilizing others, Taking the initiative, Planning and management, Coping with uncertainty, ambiguity and risk, Working with others, Learning through experience.

Research Guideline and Objectives

According to the project logic, each promoter was expected to run a national research campaign involving stakeholders of the education system, business sector, local/national authorities and young people to identify best practices alongside the needs and challenges when it comes to entrepreneurial education and entrepreneurship in education.

The research aims to collect the data about the reality of the implementation of entrepreneurship education in one of the participating countries - Georgia with the mission to mainstream successful practices and seek solutions for transforming the needs and challenges into visions and actions. Data collection and assessment allowed to analyze the role and perception of entrepreneurship education, the way entrepreneurial skills are learned, nurtured and improved as well as the correlation between deliverables and future job skills requirements in Georgia. With this purpose in mind, we hope, that the paper outcomes will contribute to developing the best tools for studying entrepreneurship education flexible to be adapted to any education system and accommodated to continuous growth and change and needs of practitioners.

To have a versatile, multilayer about the situation regarding entrepreneurial education and entrepreneurship in education in Georgia, we decided to involve different target groups. Three main groups, stakeholders, which were targeted included: Georgia's Innovation and Technology Agency which

a part of the Ministry of Economy and Sustainable Development of Georgia. To include statements and opinions of this sector - public officials, we contacted Ani Davlasheridze, who is a manager at Georgia's Innovation and Technology Agency, mainly focusing on FABLAB - fabrication laboratory), small-scale workshops offering digital fabrication. Besides, we met an operational director of Future Laboratory (profit company) Mr. Giorgi Khachidze, which enabled us to make conclusions based on the opinions of the business sector/educational program advisor also. The third group we targeted are young Georgians, current and former students of Economics & Business administration. We were eager to learn the intentions and opinions of those youth, who are studying the field on a daily basis.

Research Methodology

To research and assess the issue we used combined research methodology involving both quantitative and qualitative variables and methods. The very first method we exploited was content analysis - we were curious to learn more about the field in the country, to find out what is the situation in Georgia concerning entrepreneurship in education, relevance of entrepreneurial mind and competences, what kind of entrepreneurship competences are being transferred in the educational establishments of Georgia, whether the high rate of unemployment is somehow connected with the lack of transversal skills and competences, what are the target groups for entrepreneurial programs and lastly, what are those good practices and successful cases which had long-lasting results. Two documents were carefully examined in the first stage of the study: EntreComp: The Entrepreneurship Competence Framework (funded by the European Commission and Youth Entrepreneurship In Eastern Partnership Countries: The Way Forward by Eastern Partnership Civil society forum (funded by the European Union).

The group of researchers also analyzed the latest press releases regarding innovations and start-up businesses in Georgia within the involvement of young people.

Except for the in-depth interviews and secondary data analysis, we used the survey, which can be reached here: <https://bit.ly/2KGoMme>

The interview questions and also the survey were available in Georgia to make the respondents feel comfortable and open in their native language. Though the last question (commentary) was not obligatory, respondents still commented and provided their opinions.

Interview 1.

During our research, we conducted interviews with the operational director of Future Laboratory (profit company) Mr. Giorgi Khachidze. Future Laboratory is working in different directions: the first direction

is developing a startup community, secondly, they are working on educational activities. UG Startup Factory is part of Future Laboratory and it is based in The University Of Georgia. This center was founded in 2017 and aims to help startups from the very beginning (forming business idea). If some groups have an innovative idea, the center helps them to implement ideas in real life, they are giving theoretical and practical input about how to run a business, find investors, how to sell products on the global market. All these activities are happening under the project “UG startup accelerator”.

As we have already mentioned, Future Laboratory is also working on educational activities. They are teaching future professions in the schools, for example, piloting of Drone, how to be professional specialists of industrial robots and so on. 4 of those schools are private and 1 is public. “Future profession lessons” is obligatory for everyone in these schools. Also, the main direction of learning is STEM education. In total 2000 children are learning this subject already 1 year in 5 different schools. These are private modern schools and only one of them is public. In Georgia, it is kind of hard to work with the public school and therefore, this team decided to break stereotypes and to show others that it is also possible to make changes even in public schools.

The methodology of that subject is project-based learning. During the lessons, mentors are using lots of non-formal educational elements and practical activities (learning-by-doing), which means that students work on the real story-based problem and solve it in a creative way. For example, once they had to create an evacuation plan for the city constructed by themselves and to calculate the time for evacuation. In this activity, they used lots of geometrical theory and even physics in practice, i.e. how to measure speed, time and other stuff.

10th class students are studying basic business elements. They have their own pre-accelerator where they can work on their own ideas to develop them. At the end of the academic year, they have innovative projects (startups). The success of the program is shown in the sparkle eyes of the student, in the motivation to develop their own ideas and willingness to study more.

One of the most successful projects of the Future Laboratory is the one constructed by ‘TTM Group’. They created a device that controls the spread of the car depending on the location. They won 100, 000 GEL Grant from Georgian innovation and technological center. This project had the highest mark point from the international jury.

As for the entrepreneurial education in Georgia and its challenges nowadays, Mr. Giorgi Khachidze thinks that in Georgia the concept of entrepreneurship is perceived in a wrong way, it doesn't necessarily

mean to start a business. Entrepreneurship, entrepreneurial mindset, and competences mean much more, including creativity at problem-solving, openness to changes, innovation, readiness to act, critical mind et cetera. In his words, the children and young people should be taught to create their own business, start something new and employ others rather than aiming to be employed somewhere.

Unfortunately, there are not a lot of successful startup businesses in Georgia. Reasons that were named by our respondent can be seen below:

1. After finishing school, pupils have not a clear understanding of future plans and fields of their interest. Studying Business is considered popular and prestigious but since the students have no clear idea of what is taught there and what is their real interest, after a long time they find out that this sphere is not the right one for them;
2. On the university level, there should be more practical learning methodology rather than theoretical. Project-based learning is a really good tool and a successful case in Finland and in the USA, which can be implemented here, in Georgia as one of the best practices from abroad.
3. The main competences that need to be improved in our society include creativity, self-development, communication, collaboration, and critical thinking.

Giorgi assumes that the main competence which the Georgians surely do not lack is Creativity, there are a lot of interesting ideas. However, we have a huge problem with communication, especially with public speaking skills and sharing our ideas clearly. According to the statistics, critical thinking will be one of the main demanded competences by employers for the year 2020. “We have to teach our children math not only to calculate a problem, but math is also needed to think logically and develop smart thinking, based on the real situations.”

Future Laboratory is mainly using non-formal education methodology. The teacher is not teaching with its classical meaning, they are much like facilitators. The teachers provide tasks and form groups, in case somebody needs help, they provide suggestions. Otherwise, students are totally free, they brainstorm by themselves how to solve that task in an innovative way.

The interview demonstrated the significance of the teacher’s role. They have the key importance in this whole process and for this reason, they should be informed, trained and specialized in the field. Because of that reason future laboratory is spending lots of time and energy on planning and conducting training for teachers. In the future, there are plans to establish the TC center and implement training for trainers. Vocational education is one of the most important parts of the entrepreneurship education and development process. If a person is professional in their field and adds some business skills, she can

succeed and be successful in her business. “We have nice examples of it, one IT guy created company which is making games, they are currently working for a global bazaar.” - said Giorgi. In order to make vocational education attractive and popular among Georgians, it is necessary to make it equal to academic degrees. For example, if it is equal to a Bachelor’s degree, a person should be able to continue studying to obtain a Masters degree. Lots of more changes are necessary including: adding useful, relevant professions and courses, changing and training the teachers, changing the syllabus and general curriculum, readiness and act for changes, et cetera.

As for the main locations where the entrepreneurial education is available, it includes universities: the University of Georgia and Ilia State University, where students have theoretical and practical lessons for developing their entrepreneurial skills, business ideas, and action plans. Professional courses and vocational education courses are also concentrated on the development of entrepreneurial skills. As mentioned, this kind of education is also available in a number of private schools and only one public school.

As a response to the question: “Business ideas, essential competences, innovations - which one do Georgians lack mainly?” Mr. Khachidze stated: there are lots of ideas! Besides, the ideas can be copied, but without the necessary competences, one can’t make it. Even if it is not your idea, you should try to make it better than the original one. Therefore, I go for the competences.”

Interview 2.

Interview with Ani Davlasheridze, Project Manager of FABLAB

From the interview with Ms. Davlasheridze, we found out, that Georgia's Innovation and Technology Agency was established in the year of 2015 and it’s mission is a formation of an ecosystem which improves all kinds of innovations and technologies in the country, to promote a commercialization of knowledge and innovations, to stimulate using them in all fields of economy, to create an environment for the growth of innovations and high-tech products and developing high-speed internet nationwide. To achieve these goals Agency is planning to develop its own infrastructural zoom to improve innovations and technologies, to provide their powerful commercialization mechanisms according to country’s innovation and technology development priorities; Facilitate the growth of venture capital and even private companies’ participation in the process of researches and commercialization of innovations,

creating effective mechanisms for increasing competitiveness, including the active enrichments of distance learning tools. For the effective implementation of these missions, the Agency specifies the priority directions to invest in the development of the infrastructure for innovations, which will be expressed in opening technological parks, innovation centers, and industrial laboratories. Agency also cares about forming an innovative and technological commercialization support instrument, to reach a high-level internet access across the country, also frequently conducting quality and deficient in a labor market trainings due to growth competitiveness, including for trainers, as well; The Agency initiates legislative packages to stimulate innovations and technology development and availability of financing mechanisms.

The agency provides different kinds of support for young people and such projects are:

Business Incubator

Startup Friendly

Startup Beats

IT training

IT specialists Innovative camp

Georgian Innovation and Technology Agency is focused on creating and developing tools, that will contribute a stable economy with sustainable and high-quality actors. The organization offers a set of products and services to interested parties and potential beneficiaries, which is focused on helping the innovations and technology-oriented entrepreneurs and startups to walk the distance from the idea to the functionality income models. Georgian Innovation and Technology Agency is regularly trying to introduce such directions in their business operations that increase the productivity of inventors and startappers, provides access to a vital key for their successful activities such as finance, knowledge, and infrastructure. At the current stage, **small grants program, Startup Friendly, Startup Beats, Boot Camp, common working space, Incubator, Registry of Ideas, training portal and the IT support system** is a combination of products and services that are key tools for developing a stable startup ecosystem. These products help startups and innovations and technology-oriented entrepreneurs to journey to the market from the idea with fewer risks and more confident. Also, it helps the entities which have already formed income model to gain knowledge, contacts, finances and general possibilities that could radically change their growth rate and the direction line.

Except for the technical support, Techno Park provides educational support especially for the beginner startappers and young people. Space hosts numerous training. Mostly, the educational activities are concerning 3D modeling and studying the equipment which is available in the center. Besides, there are

workshops and training for those people who want to continue working on foreign platforms like Amazon.com, Ebay.com, Etsy.com et cetera.

There are 3 technoparks and 24 fablabs all across Georgia. Agency hosted an innovative project called ‘**Launch your business together with Fablab**’. Here can be seen the description for this program: At the initial stage of the project, ten teams are selected to create innovative products in Fablab. Participating teams have the opportunity to use high-tech equipment available at Technopark Fablab for product development. In about 2 months, with the active involvement of Fablab specialists and video training, the participating teams develop the product and idea in the right direction. At the final stage of the program, an exhibition-sale is held to support business idea teams to sell their product. The goal of the project is to create more innovative startups in Georgia and enable citizens to turn the idea into a real business. This will further promote the development of technologies and the growth of Georgian production. During the two years, 4 phases of the project were implemented and 100 teams participated, out of which 20 startups purchased their own equipment and today successfully produce the product both in Georgian and international markets.

From time to time the agency provides 2-3 days Hackathons and various events, which hosts a lot of students and other young people, who are given different tasks and problems and they have to brainstorm, work in groups and solve the issues with common efforts.

During the interview, Ani told us about recent news regarding the position of Georgia in the Global Innovation Index. Georgia has advanced its position in the Global Innovation Index 2019 (GII) and was ranked 48th out of a total 129 countries, which is an 11-point improvement compared to the 2018 index, where Georgia took 59th place. Georgia’s recent success means that now it is among the top 50 most innovative countries in the world. The main indicators of such an important success are Georgia’s high-tech import, the export of information and communications services (ICT) and industrial design. Head of the Innovation and Technology Agency of the Ministry of Economy and Sustainable Development, Avtandil Kasradze, says Georgia has made some big steps in terms of innovations. He noted that Georgia is not going to stop here and aims at more development and success.

She added that one of the most important things the agency has achieved is that the words: ‘Start-up’, ‘Entrepreneurship’, ‘Innovation’ is nothing surprising for the majority of now. The terms became popular and the awareness has been raised.

According to Ani, instant changes in the general education system is key. For this reason, the agency/Technopark is in an active collaboration with the Ministry of Education of Georgia and also

several universities. This collaboration aims to implement practice-based learning in educational institutions. She commented that it's necessary to start educating youngsters from early childhood age because 'changing mindset seems impossible in the age of 25 or more.'

We asked Ani to name the professions of the future, which should be paid attention to in educational establishments. Here's the list from her: 3D Modeling Specialist, IT Technician, Computer Engineering, Digital Professions in general, Developers, Digital Marketing and Media Specialist, Fablab Specialists who know how to work with Graphics and Modern Technologies, 2D Specialist, Technical Consultant, etc.

In the end, she summarized, that the main problem in Georgia which hinders the development of entrepreneurship is the lack of competences in people.

Survey Results Analysis

Our group has conducted a survey with young people about entrepreneurship education in Georgia. The survey conveyed open (3 in total) and closed (6 in total) questions. Three age groups were targeted: aged between 17-20, 21-23, and 24-26. The reason for this kind of division was to learn the ideas of those people, who have just started studying in the university, those who have finished their bachelor course and those engaged on their Master's degree. We also indicated the Gender to be able to assess the results of the research according to this element, too. We tried to narrow down the survey of those youngsters who are/have been studying economics/business or related fields. The survey intended to reveal the intentions and reason which are hindering start-up business and entrepreneurship in young people. We also wanted to find out if those young people believed there is a connection with the high-level unemployment and lack of entrepreneurship competences.

26 respondents participated in the survey, the biggest part accounting 50% of them were aged between 17-20, the second in number accounting 38.5% were aged between 21-23 and lastly, 11.5% were young people between 24-26 years old. As for the gender of the respondents, 53.8% of the respondents identified as Male, 42.3% identified as Female and 3.8% as Other. The professions/Fields of the respondents were mostly students or alumni of the following courses: **Economic and business, Business Administration and Management**. An unexpectedly high number of respondents identified themselves as unemployed. An absolute majority of them graduated or continue studying in the most prestigious universities of Georgia and that is why it was unexpected. Only one person stated that they are self-employed. Similarly,

only one person noted, that they own business or produce any kind of product. The biggest part of the respondents accounting 60% in total commented, that they are employed in a company.

26,7% of the people noted the option Other. Surprisingly for us, the researchers found out that the whole 79.2% of the people participating in the research noted, that they intend to establish and run their business in the future. Only 5 people noted that they are not going to have their own business and continue to work as an employee.

One of the questions in the survey (can be seen in the annexed documents) was the following:

What are the factors hindering starting the business in Georgia? This question was marked as obligatory and therefore, all 26 respondents had to answer it. The possible answers to this question were:

- Lack of resources
- Lack of motivation;
- Insufficient competence/qualification;
- Political instability;
- Economic instability;
- Lack of essential educational programs;
- Lack of experience;
- An overly competitive environment;
- I have no clear business idea;
- I don't have a team (mates).

The most commonly named reasons were **Economic Instability** (accounting 61.5%), **Political instability and lack of experience** were stated as the main reasons equally (both of them accounting 53.8%). 11 respondents (42.3% persons) named **Lack of competences/ Qualification** as the main reason.

It has to be mentioned, that the conclusions made by the representatives of government agencies and educators in the field of entrepreneurship education are extremely different from the ones stated above by the participants of the survey. In the interviews, it was stated that the reason for the high rate of unemployment and lack of start-up and innovative projects is caused by a lack of **competences**.

The smallest grades got **An overly competitive environment** (2 votes), **I don't have a team (mates)** (4 votes) and **Lack of essential educational programs** (5 votes).

The last part of the survey was an open question: “Do you think that the high level of youth unemployment in Georgia is related to the lack of entrepreneurial competences?” only two persons

commented that these two are not related and the reason for the unemployment is lack of the will of young people to be employed.

“Obviously, we go to university just for a diploma, and we don't even understand these two words together (entrepreneurship competences) if we don't encounter them at exams somehow.”

“In my opinion, the lack of entrepreneurship competences is a result of the general education system. In addition to the entrepreneurial field, young Georgians need to develop competences in many areas and not just that.”

In the end, the respondents had a free space to comment on whatever they would like according to entrepreneurship education and competences. They turned out to be quite talkative and stated their opinions.

“I think the problem with the high level of youth unemployment is that there is no labor code. Worker's rights are not protected. There are no student jobs, which will be flexible in the time frame and where the salaries can be meaningful, too.

“I think young people find it difficult to start a business, a start-up in the field which is already competitive, but, from my perspective, youngsters are open to new ideas and initiatives.”

“I think that in Georgia more attention should be paid to self-employed people or those who want to start their own businesses, I didn't even think about starting my own business because the university didn't even provide enough education on how to start a business, though I'd love to.”

“For now, we're somehow dealing with the modern challenges, however, if the education system in Georgia is not transformed, we might even forget how to read properly.”

Survey Translation

Thank you very much for participating in the survey on entrepreneurial education and youth employment. Your participation is very important to us. The questionnaire contains 9 questions, of which 6 are compulsory. Your anonymity is protected.

Your age

17-20

21-23

24-26

Your gender

Female

Male

Other

Your faculty/field name

Are you currently employed?

Yes
No

If you picked YES as an answer, please select from the following options:

I am self-employed
I am employed at a company
I own a business
Other

If you are unemployed or an employee at a company, do you intend to start your own business or plan to become an entrepreneur in the near future?

Yes
No

What factors are hindering the development of small business/entrepreneurship in Georgia? (select several)

- Lack of resources Lack of motivation
- Insufficient competence/qualification
- Political instability
- Economic instability
- Lack of essential educational programs
- Lack of experience
- An overly competitive environment
- I have no clear business idea
- I don't have a team (mates)

Do you think that the high level of youth unemployment in Georgia is related to the lack of entrepreneurial competences?

Your commentary:

Research Summary

The study has shown, that, apparently, Entrepreneurship and innovation is a high priority for Georgia and it is reflected in the governmental programs that the Ministry of Economy and Sustainable Development of Georgia provides for young people, entrepreneurs, and startups. Georgia created an opportunity for creative thinkers to utilize their entrepreneurial talents and innovative potential by building the country's first High Technology and Innovation Development Centre called Technopark.

The Technology Park aimed to promote scientific research and innovative ideas in Georgia as well as create a partnership between innovation and technology. Except for this one, two other parks are also located in Georgia. To strengthen the processes, in 2015 Georgia's Innovation and Technology Agency was established. The Agency's mission is a formation of an ecosystem which improves all kinds of innovations and technologies in our country, to promote commercialization of knowledge and innovations, to stimulate using them in all fields of economy, to create an environment for the growth of innovations and high-tech products and developing high-speed internet nationwide.

During our research we tried to identify what type of competences are being transferred to the fellow citizens of Georgia in different educational institutions, which ones are lacking in society and which competences are in place from the list:

Spotting opportunities, Creativity, Vision, Value ideas, Ethical and sustainable thinking, Self-awareness and self-efficacy, Motivation and perseverance, Mobilizing resources, Financial and economic literacy, Mobilizing others, Taking the initiative, Planning and management, Coping with uncertainty, ambiguity and risk, Working with others, Learning through experience.

Data collection and assessment allowed to analyze the role and perception of entrepreneurship education, entrepreneurial skills are learned, nurtured and improved as well as the correlation between deliverables and future job skills requirements in Georgia. With this purpose in mind, we hope that the paper outcomes will contribute to developing the best tools for studying entrepreneurship education flexible to be adapted to any education system and accommodated to continuous growth and change and needs of practitioners.

To research and assess the issue we used combined research methodology involving both quantitative and qualitative variables and methods. The very first method we exploited was content analysis - we were curious to learn more about the field in the country, to find out what is the situation in Georgia concerning entrepreneurship in education, relevance of entrepreneurial mind and competences, what kind of entrepreneurship competences are being transferred to the students, also, we tried to explore whether the high rate of unemployment is somehow connected with the lack of transversal skills and competences, what are the target groups for entrepreneurial programs and lastly, what are those good practices and successful cases which had long-lasting results.

Entrepreneurship is being taught in different education institutions of Georgia. Firstly, these are private schools, colleges, vocational education centers, universities, professional courses and trainings provided by the Georgian Innovation and Technology Agency.

Georgian Innovation and Technology Agency is regularly trying to introduce such directions in their business operations that increases the productivity of inventors and startups, provides access to a vital key for their successful activities such as finance, knowledge and infrastructure.

At the current stage, small grants program, Startup Friendly, Startup Beats, Boot Camp, common working space, Incubator, Registry of Ideas, training portal and the IT support system is a combination of products and services that are key tools for developing a stable startup ecosystem. These products help startups and innovations and technology-oriented entrepreneurs to journey to the market from the idea with less risks and more confident. Also it helps the entities which have already formed income model to gain knowledge, contacts, finances and general possibilities that could radically change their growth rate and the direction line.

In regards to social entrepreneurship education, it is being conducted through non-formal educational activities, mainly through civil society organisations. For example, since 2016, Students Competition is organised under the framework of the European Union-funded CSRDG project "Social Enterprise: innovative approach for social and economic changes". The project is open for students of Georgian universities and colleges. The selected ones during the project are having experience exchange with social entrepreneurs from Georgia, and the winners of the competition receive the opportunity for international study travel on social entrepreneurship. Together with Europe Foundation Impact Hub, Tbilisi launched Social Impact Award, designed to promote the knowledge and practice of social entrepreneurship.

As for the results of the two interviews with the representatives of Georgian Innovation and Technology Agency and an educational advisor of the Future Laboratory, that the main competence which the Georgians surely do not lack is **Creativity**, there are a lot of interesting ideas. However, there is a huge problem with communication, especially with public speaking skills and sharing one's ideas clearly. According to the statistics, critical thinking will be one of the main demanded competences by employers for the year 2020. "We have to teach our children math not only to calculate a problem, but math is also needed to think logically and develop smart thinking, based on the real situations. We need project-based learning and more practical knowledge" - Said Mr. Khachidze.

Using survey we tried to address the issue of the lack of enterprises, small businesses and startups, especially the ones who have an academic knowledge of business, economics and entrepreneurship. The most commonly named reasons by the youngsters themselves were **Economic Instability** (accounting 61.5%), **Political instability** and **Lack of experience** were stated as the main reasons equally (both of them accounting 53.8%). 11 respondents (42.3% persons) named **Lack of competences/Qualification** as

the main reason. The students commented that the failure of the general education system is one of the main indicators to the failure in entrepreneurial skills, too. It was surprising to find out that if the representatives of public body perceive lack of competences to be the main reason for the lack of enterprises and startups while the students and university alumni think that the economic and political instability is the main issue hindering the development of entrepreneurship in Georgia.