An Empirical Study on Entrepreneurship Education Ecology in Korea

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Purpose of this Study

To Suggest a Recipe for Knowledge and Technology Start-ups

- the youth such as college students and graduate school students can directly take part in, as one of alternatives for breaking through the serious crisis of youth unemployment during a global economic depression.

To Establish a Proposal for Training and Cultivating the Creative and Innovative Start-ups

- That will lead the prospective ‘Creative Economy’ focused on knowledge and technology.
Survey Subjects

Field Survey

• Univ. Incubation Centers and Students’ Entrepreneurship clubs

Questionnaire Survey

• The actual conditions of the youth Knowledge technology Start-ups
  • **SAMPLES:** Total sample size = 1,200 (by Stratified Sampling)
    - 800 Students, 200 Professors, 200 Representatives of the firms in the Business Incubation Centers
  • **FOCUS:** the general status of youth employment, the awareness of the youth start-ups, start-up education, start-up activity, problems of youth employment, and recipes for the invigoration of the youth start-ups
1. Outline of Survey

2. Major Findings
   Of Actual Conditions of Youth Knowledge Technology Start-ups

3. Implications
   Of Korean and Foreign Youth Knowledge Technology Start-up Success Stories

4. Policy Agendas
   For the Invigoration of Youth Knowledge Technology Start-ups
Major Findings

Actual Conditions of Youth Knowledge Technology Start-ups

✅ The older people were, the more people had negative perceptions of the youth start-ups.

“To start a new business, they must have plenty of money, an infrastructure such as a factory, and a business item.”

“One can start a company with a business item alone.”

Educators must be educated first
Major Findings

✓ The **Success of a family member or relative** in a business start-up has a very important effect on the decision regarding a youth start-up.

Binary Logistic Multiple Regression Analysis Model

Population of 800 college (graduate school) students

Possibility to start a business

4.232 times
Major Findings

✔ When students plan to start a business, the most promising field for them are all in the **knowledge and technology industries**.
Students who experienced Entrepreneurship education were more active in establishing a prospective start-up plan.

83% of students said, "Entrepreneurship education was helpful in reinforcing my will to start a business."

Only one of ten students in Korea has experienced in a student-led Incubation club.

Students involved in a Student-led incubation club are very highly likely to actually establish a start-up plan.
Students of famous universities in Seoul have showed a conservative attitude toward start-ups.

Due to

Students of famous universities in Seoul tend to prefer stable employment.

The Start-up support system hasn’t been properly organized and arranged.

Korean students have a negative attitude about business start-ups.
INDEX

1. Outline of Survey

2. Major Findings
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   Of Korean and Foreign Youth Knowledge Technology Start-up Success Stories

4. Policy Agendas
   For the Invigoration of Youth Knowledge Technology Start-ups
Implications of Success Stories

Korean and Foreign Youth Knowledge Technology Start-up

To activate the youth knowledge technology start-ups, there must be a system or a social culture that minimizes the risks for start-ups.

Socially share the risks of start-ups

- Expanding system that allows people to socially share the risks of start-ups together in Korea, like in the US and in Finland

Make Second and Third Attempts

- Well-organized system that enables young business starters to make second and third attempts after the experience of failing in business
- Without a huge monetary burden throughout the pre-incubation phase

Including: Entrepreneurship education, Idea gathering, Business incubation and Venture start-up
Implications of Success Stories

✓ The new technology development and the youth start-ups have been achieved through **cross-fertilization between dense high-tech industrial complexes and colleges.**

Have provided a **diversity of Research & Development** and **incubation support programs**

Encourage the activation of **various business ideas, business incubation and patent technology development**

• By serving as ‘Meeting Places’ where students, researchers and entrepreneurs can meet together at any time

In which academia and industry are in close quarters
Universities worldwide have provided diverse entrepreneurship education programs to develop the challenging and enterprising spirit of entrepreneurs.

‘The entrepreneur is not born, but is trained through education.’
Various start-up support programs must be systematically organized by start-up phase.

- The government and universities have provided active support for all phases, ranging from idea-gathering to active business incubation.
- Well-organized system that allows students to directly start a business at a lab based on the innovation ecosystem.
- Concentrating on expanding the exchange among students.

Finland

- Silicon valley has promoted learning activity for actual information & human networking and information sharing and new technology and management techniques.
- Through the regional chamber of commerce and venture capital.

Silicon Valley
INDEX

1 Outline of Survey

2 Major Findings
   Of Actual Conditions of Youth Knowledge Technology Start-ups

3 Implications
   Of Korean and Foreign Youth Knowledge Technology Start-up Success Stories

4 Policy Agendas
   For the Invigoration of Youth Knowledge Technology Start-ups
Policy Agendas

Accelerating the youth start-ups

Improving the effects of the promotion of the government’s Entrepreneurship Education policies

✔️ It is necessary **to reinforce the coordination** of the government’s Entrepreneurship support projects.

**BY**
- Building up an organic and systematic cooperation system among the competent ministries and central-regional governments

**TO**
- Reinforcing the connectivity among the Entrepreneurship support projects

GOALS

- Accelerating the youth start-ups
- Improving the effects of the promotion of the government’s Entrepreneurship Education policies
Only 20% of respondents had experienced entrepreneurship education.
(While the remaining 80% had never experienced entrepreneurship education)

Includes entrepreneurship education in the regular school curriculum of colleges.

Has concentrated on fostering the innovative entrepreneurs through entrepreneurship education ranging from the elementary, middle and high school level to the graduate school level.
When the students had a relative or family member who had already operated a successful business, the number of students who were likely to plan to start a business was 4.232 times higher than the number of students who were not.

The cultural factor has a very significant influence on deciding whether the young are likely to pursue a business start-up.

The possibility that college (graduate school) students will take part in start-up activity is affected the most by how many family members or relatives students have who had a successful start-up stories.
Policy Agendas

- The government should facilitate the development and invigoration of *industry-academia fusion complexes*.

Have expanded the industry-academia fusion complex, improving the spatial accessibility to reinforce permanent and direct contact between industry-academia-research.

- The most reasonable way to reduce the risk of a youth start-up is to guarantee the lab start-up through the buildup of the fusion complex.
Policy Agendas

✔️ It is necessary to expand support for the nationwide invigoration of student-led incubation clubs.

Alto University (Finland)

<Alto Club for Spirit of Entrepreneurship>

Strives to form an entrepreneurial ecosystem.

‘Success breeds new success and activity.’

Hoseo University (Korea)

The student-led incubation club’s activities have been pursued the most actively through the student business incubation center.
Policy Agendas

✓ For the invigoration of the youth start-ups, a diversity of support initiatives must be pursued in addition to the above policies.

Build up a DB of start-up information promoted by each ministry and local government

Improve the efficiency of prospective youth start-up support projects

Customized support can be provided by start-up phase, and the benefit to the user will be improved by forming a DB on all processes of start-up support projects

Including: start-up education, company foundation, prototype development, commercialization and market development
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Thank you.