

**INVOLVEMENT IN BUSINESS OF YOUNG GRADUATES
OF VOCATIONAL EDUCATION AND TRAINING INSTITUTIONS:
THE CASE OF THE REPUBLIC OF MOLDOVA**

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Young people from the Republic of Moldova, who intend to initiate or to develop their business are one of the targeted support groups within the framework of the state policy. This article analyzes various aspects of engaging young people in entrepreneurial activity: a brief assessment of statistical indicators is given; support measures for young entrepreneurs, implemented by the Moldovan government and proposed by international/foreign organizations are outlined; features of young entrepreneurs and self-employed are revealed. The emphasis is placed on young graduates of Vocational Education and Training (VET) institutions. The main results and conclusions are largely based on a survey applied on graduates of vocational education and training institutions who have already set up their own business or are self-employed. The survey has been implemented during 2016-2017 with the active participation of the authors. The results of the study showed that young people are interested in entrepreneurship and that learning the basics of entrepreneurship has a significant motivating influence on the initiation of their business and self-employment. Often, the businesses of the young people are unregistered and they are combined with employment. Only one third of the respondents know about organizations that can provide them various forms of support. One of the conclusions of the study presents that positive changes can be achieved much faster by combining the efforts of different stakeholders, in this case – the government, educational institutions, non-profit organizations and external donors.

Keywords: *young entrepreneurs, involvement of young people in business, small and medium-sized enterprises (SMEs), SMEs support policies, Vocational Education and Training (VET) institutions, Republic of Moldova.*

În Republica Moldova, tinerii, care intenționează să inițieze sau să își dezvolte afacerea, constituie unul dintre grupurile-țintă vizate în cadrul politicii de stat. Articolul analizează diferite aspecte ale implicării tinerilor în activitatea antreprenorială: este prezentată o scurtă evaluare a indicatorilor statistici; sunt analizate măsurile de sprijin pentru tinerii întreprinzători, implementate de Guvernul Republicii Moldova și propuse de către organizațiile internaționale/străine; sunt dezvăluite caracteristicile tinerilor antreprenori și ale lucrătorilor independenți. Accentul se pune pe tinerii absolvenți ai instituțiilor de învățământ profesional tehnic (IÎPT). Rezultatele și concluziile principale se bazează, în mare parte, pe sondajul aplicat absolvenților IÎPT, care și-au creat propria afacere sau au o activitate independentă. Studiul a fost realizat în anii 2016-2017 cu participarea activă a autorilor. Rezultatele studiului au arătat că tinerii sunt interesați de activitatea de antreprenariat, iar studierea bazelor antreprenariatului are o influență motivațională semnificativă asupra inițierii activității de antreprenariat și a desfășurării activităților independente. Adesea, afacerea tinerilor este neoficială și este combinată cu angajarea în câmpul muncii. Doar o treime dintre respondenți știu despre organizațiile care le pot oferi diferite forme de sprijin. Una dintre concluziile studiului subliniază că schimbările pozitive pot fi realizate mult mai rapid prin combinarea eforturilor diferitelor părți interesate, în acest caz ale guvernului, instituțiilor de învățământ, organizațiilor non-profit și ale donatorilor externi.

Cuvinte-cheie: *tineri antreprenori, implicarea tinerilor în afaceri, întreprinderi mici și mijlocii (IMM-uri), politici de sprijin pentru IMM-uri, instituții de învățământ profesional tehnic, Republica Moldova.*

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В Республике Молдова молодые люди, намеренные инициировать или развивать свой бизнес, являются одной из целевых групп поддержки в рамках государственной политики. В статье проанализированы различные аспекты вовлечения молодежи в предпринимательскую деятельность: дана краткая оценка статистических показателей; изложены меры поддержки молодых предпринимателей, внедряемые молдавским правительством и предлагаемые международными/иностранными организациями; выявлены особенности молодых предпринимателей и самозанятых. Акцент в работе сделан на молодых выпускниках учреждений профессионально-технического образования. Основные результаты и выводы во многом базируются на опросе выпускников учреждений профессионально-технического образования, которые уже создали свой бизнес либо обеспечили самозанятость. Опрос был реализован в 2016-2017гг. при активном участии авторов. Результаты исследования показали, что молодежь проявляют интерес к предпринимательской деятельности, а обучение основам предпринимательства оказывает значительное мотивирующее влияние на инициирование ими бизнеса и обеспечение самозанятости. Нередко бизнес молодых предпринимателей является незарегистрированным и сочетается с работой по найму. Лишь одна треть респондентов знает об организациях, которые могут предоставить им различные формы поддержки. Один из выводов исследования: позитивные изменения могут быть достигнуты значительно быстрее при объединении усилий разных стэйкхолдеров, в данном случае – правительства, образовательных учреждений, некоммерческих организаций и внешних доноров.

Ключевые слова: молодые предприниматели, вовлечение молодых в бизнес, малые и средние предприятия (МСП), политика поддержки МСП, учреждения профессионально-технического образования, Республика Молдова.

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Introduction. In the Republic of Moldova, as in other European countries, the state policy of development of small and medium-sized enterprises (SMEs) is aimed at supporting various groups of entrepreneurs, one of the most significant being the group of young people. Special attention to young entrepreneurs is explained by the fact that citizens under 35 years old represent a significant group of active population, in numeric terms, many of whom often cannot find a job that meets their needs in the country. The choice of the country where young people prefer to live and to work in the future depends on whether their work is claimed and paid by the society, as well as on their self-realization. Moreover, the active involvement of young people in entrepreneurial activity can also revive business itself, since young people propose innovative entrepreneurial ideas, new and daring business models, new solutions for the existing problems. Therefore, the use of various methods for involving young people in business together with their training and support at the stage of launching their own business represent important elements of the state policy and are also reflected in the activities of foreign donors and international projects operating in Moldova.

In the recent years, a special attention has been offered to young graduates of Vocational Education and Training (VET) institutions, who have professional knowledge, but no practical work experience, thus facing considerable difficulties in getting employed. In such conditions, self-employment or the establishment of a micro-business gives to young people an additional chance for developing a career in their own country.

Involving young people in entrepreneurial activities: a review of scientific materials and EU business development policy documents

A significant number of European researchers [6; 15] emphasized that there is a consistent evidence of positive advantages of stimulating youth entrepreneurship. Young entrepreneurs are more likely to hire fellow youths; they are more responsive to new opportunities and trends; they possess better IT&C related skills; young people are more present and interested in high growth sectors and young people with entrepreneurial skills are better employees. In this context, the issues of teaching entrepreneurial skills to youth, analyzed in recent years in the scientific literature, have a practical orientation in many respects – with the aim of reasoning and improving the state policy.

One of their starting points of research is to discuss the specifics of the business of young people that appear due to their age. Moreover, there is a point of view that even within the framework of young entrepreneurs, it is advisable to emphasize separate age groups. In particular, the English researcher F. Chigunta suggests that there are three phases of youth entrepreneurship: (1) *the initial stage*, (2) *the stage of development, growth* and (3) *the flowering stage*. The first stage comprises young people aged between 15 and 19 who are preparing for entrepreneurial activity. Young people face a transition period in which they have to make a choice between home, study, or job. The second stage includes entrepreneurs aged 20-25 who have already gained some experience, business skills and have earned the initial capital required to set up their own business. In the flowering stage the entrepreneurs are aged 26-29 years old. These entrepreneurs have a business experience already. This is the main advantage of these entrepreneurs compared to the beginners [7].

For the analysis of young entrepreneurs, the age criterion is not sufficient, being absolutely necessary to analyze various factors. This aspect was investigated by K. Lewis and S. Massey who analyzed the next young entrepreneurs according to two criteria – the entrepreneurial level of training of young people and the level of intent to start a business, and correspondingly determined 4 groups of potential young entrepreneurs [13].

Many works in the specialty literature have been devoted to the issues of entrepreneurship education. Researchers A-M. Zamfir, E-O. Lungu, C. Mocanu, have analyzed the process of choosing an entrepreneurial career among university graduates from 13 European countries and concluded that the educational profile of graduates influences their opportunities to become entrepreneurs, especially the teaching methods used, the number of years of education and the acquired skills. At the same time, during the first five years after graduation, 11.4% of graduates have become entrepreneurs [16].

The problem of involving young people in entrepreneurial activity is present largely not only in scientific materials, but also in EU policy documents. In the documents of the most European countries and at the EU level, it is now recognized that sustainable economic growth is largely determined by the development of the SMEs sector. In the main framework document of the EU, aimed at supporting SMEs – the “Small Business Act” for Europe, one of the support measures highlights the necessity to “enhance the spirit of innovation and entrepreneurship among young people. Thus, entrepreneurship becomes a key element of school curricula, especially in general secondary education. The document mentioned above ensures that these guidelines are properly taken into account in teaching materials” [8].

The necessity of the state support for entrepreneurial activities of young people is reflected in a number of subsequent documents developed by the European Commission. In 2013, the Entrepreneurship 2020 Action Plan was adopted at the EU level, aimed at strengthening the entrepreneurial potential of Europe [10]. The plan suggests three areas for immediate intervention, one of which is “Dynamising the culture of entrepreneurship in Europe: *nurturing the new generation of entrepreneurs*”, including from the group of young people.

In order to support the young people, a special attention is devoted to the enhancement of the role of entrepreneurial education. For example, in the Guide for Entrepreneurship Educators, it is stated that reinforcing entrepreneurial education in schools, vocational education institutions and universities will have a positive impact on the entrepreneurial dynamism of economies of European countries. The necessity and efficiency of investing funds in this area is substantiated. In particular, it is stated that investing in entrepreneurship education is one of the highest return investments that Europe can make: research shows that pupils and students who have participated are three to six times more likely to start a business at some point later in life than those who did not receive entrepreneurship education [9].

Analysis of the quantitative indicators regarding the participation of young people in the economy, including in entrepreneurial activity in the Republic of Moldova

Analysis of demographic indicators shows that in the Republic of Moldova on January 1, 2018, the number of the young people (aged 15-34 years old) was 1.241 thousand people, or 32.4% of the total number of population. In the total number of youth, the proportion of men is slightly higher (51%), while the proportion of women accounts for 49%. Relatively more young people live in rural areas (56.9%), while respectively, 43.1% live in urban areas (Table 1).

Table 1

**Distribution of young people from the Republic of Moldova by age groups,
gender and place of residence, on January 1, 2018**

Indicator	Share, %
Total	100.0
including young people,	32.4
of which:	
15-24 years old	15.2
25-34 years old	17.2
Out of the total number of young people:	
Men	51.0
Women	49.0
Out of the total number of young people:	
Urban	43.3
Rural	56.7

Source: Calculated by the authors based on the data provided by the National Bureau of Statistics of the Republic of Moldova [4].

The activity of the young people on the labour market is reflected in the following data: over a third of young people aged 15-34 years old are employed, meaning they have a job place; 64.0% are economically inactive. Among the latter, more than half (35.6%) are involved in the National Education System [4]. The high level of unemployed among young people has been observed over the past few years, which is evidenced by the indicator ILO unemployment rate. The unemployment rate in the whole economy accounts for 4.1%; for young people aged 15-34 years old, this indicator is 1.6 times higher, amounting to 6.6% (Table 2).

Table 2

ILO unemployment rate, 2017, %

Age group, years old	ILO unemployment rate
Total, including:	4.1
15-34	6.6
15-24	11.8
25-34	5.1

Source: Calculated by the authors based on the data provided by the National Bureau of Statistics of the Republic of Moldova [3].

Out of the total number of population of 15 years old and over, who are employed or are searching for a job abroad, more than half (54.1%) were young in 2017, from which 15.9% are between 15 and 24 and 38.2% – 25-34 years old. Therefore, young people, including those who graduated an educational institution, often turn out to be less in demand on the labour market due to the lack or insufficient work experience.

The analysis of the main income sources of youth showed that the most important income sources of young people (14-34 years old) are financial means coming from the wages, especially being involved in the non-agricultural sector (32.1%), and from the parents/support (23.8%). The income from the entrepreneurial activity, craft and free professional activity is less significant and amounts to only 5.3%, while the self-employed agricultural activity – 8.5% (Table 3).

Table 3

Distribution of main income sources of youth (15-34 years old), 2017, %

Main income sources	2017
Total income	100.0
including income from:	
Wage activity in the non-agricultural sector	32.1
Support	23.8
Transfers from abroad	10.8

Main income sources	2017
Social benefits	10.7
Self-employed agricultural activity	8.5
Entrepreneurial activity, craft and free professional activity	5.3
Scholarships	5.1
Wage activity in the agricultural sector	3.3
Other income source	0.4

Source: Calculated by the authors based on the data provided by the National Bureau of Statistics of the Republic of Moldova [4].

Business statistics in the Republic of Moldova do not provide enough data for analyzing entrepreneurs differentiated by the age groups. The most representative data concerning the involvement of young people in business activities in Moldova date back to 2009. In accordance with the existing indicators, the proportion of young people from the total number of entrepreneurs accounted for 22.7% from which 2.4% in the group of 15-24 years old and 20.3% in the group of 25-34 years old [1]. Recent data makes it possible to assess only the *involvement of young people in self-employment*: in 2017, the proportion of young people with the professional status "Self-employed workers" accounts for 24.4% in the total number of self-employed. This indicator is relatively lower than the proportion of young people in the total number of employed population – 31.6% (Table 4).

Table 4

Self-employed young workers by age group, 2017, %

Age groups, years old	Share in the total number of employed population	Share in the total number of self-employed workers
Total	100.0	100.0
15-24	6.6	5.2
25-34	25.0	19.2

Source: Calculated by the authors based on the data provided by the National Bureau of Statistics of the Republic of Moldova [3].

Given the relatively high unemployment rate among young people, the significant proportion of migrants among this group of the population, as well as their insufficient involvement in business/self-employment, we can conclude that the development of entrepreneurship may be an additional opportunity for the young people. This opportunity will provide them a certain level of income in order to feel more confident not only in the economy, but also in all spheres of activity, to participate more active in the public life and probably most important – to choose to live and to work in the home country.

Assessment of the state support policy for SMEs, with an emphasis on attracting young people in business in the Republic of Moldova

By signing the Moldova-EU Association Agreement, the Republic of Moldova is not only interested, but also obliged to take into account the main trends in implementing the policy of supporting entrepreneurship at the level of the European Union, including the successful experience of individual European countries. The analysis of the state policy of SMEs support in the Republic of Moldova demonstrates that a number of laws, strategies and action plans provide support for various groups of the population who want to establish or to develop their own business. This support is aimed to a large extent at involving youth in business.

The article 11 from the Law of the Republic of Moldova on Small and Medium-Sized Enterprises [12], which entered into force in 2016, is devoted to state programs for the development of SMEs. In particular, there are 6 main directions, and for some of them, state programs are envisaged, the first of which being the support of young entrepreneurs in launching a business in the country.

The main policy document adopted at the national level – Small and Medium Enterprise Sector Development Strategy for 2012-2020 [11] and the Action Plan for the implementation of the given strategy for 2018-2020 also includes a number of measures to support the youth intending to create their own small private business or those who already have it. First of all, there are proposed funding and training to young people as part of a targeted program (point 2.4.1. *Implementation*

of the National Pilot Program "START pentru TINERI" / "START for YOUTH"). Sometimes the focus of state support on young entrepreneurs is carried out only through indicators of progress. For example, measure 2.3.1. *Financing of business in accordance with the Program of attracting remittances to the economy "PARE 1+1"* provides the following data as an indicator of progress: 160 funded investment projects annually, for women and youth. In recent years, along with the Ministry of Economy and Infrastructure and the Organization for Small and Medium Enterprises Sector Development of the Republic of Moldova (ODIMM), the Ministry of Education, Culture and Research has been included in the implementation of measures aimed at engaging in business and supporting young entrepreneurs. In particular, the Ministry is obliged to support actions and initiatives to promote entrepreneurship among young people (p.3.2.3.).

In addition, targeted programs are implemented in the Republic of Moldova directly, aimed at supporting young entrepreneurs. The main ones are presented below.

The program "START for YOUTH: a sustainable business at home". The Ministry of Economy and Infrastructure in cooperation with ODIMM agency has recently launched the national program financed from the state budget. The program aims to integrate young people from the Republic of Moldova into the economic circuit by facilitating the launch and development of sustainable businesses. The program offers two forms of support: (1) financial support, which is implemented through a "business voucher" for access to training and consulting services, as well as financing an investment project, which will not exceed 80% of the required investment in the amount of up to 180 thousand MDL. The second form of support (2) consist in informational, advisory and mentoring assistance at the stages of the development and implementation of an investment project for the next 2 years.

The project "Joint Opportunities in Business for Youth", through which there were presented activities aimed at increasing the entrepreneurial and managerial abilities of young people by applying modern and innovative techniques, developing realistic business plans, promoting and stimulating team spirit, various ways of presentation. The project is funded by the European Union through the Moldova-Ukraine Cross Border Cooperation Program and it is implemented by ODIMM in partnership with Ukraine's "New Generation" Youth Public Organization.

The cross-border entrepreneurial training project *"Joint Opportunities in Business for Youth" (JOBS4YOUTH)*. Its purpose is to initiate innovative businesses with a cross-border, social and economic impact, and to guide young entrepreneurs aged between 18 and 35 years. The "Joint Business Opportunities for Youth" project offers them the opportunity to train and also to meet new potential business partners in Ukraine. The project is implemented under the Moldova-Ukraine Cross-Border Cooperation Program and it is financed by the European Union.

"Create YOUiACT" project offers a chance for young people aged 14-25 years to participate in the pre-accelerating program of business ideas. "Create YOUiACT" will include several elements: exchange fields, international mentoring, project ideas contest, training, field trips, etc. The project will focus on seven cities: Chisinau, Soroaca, Falesti, Ungheni, Cimislia, Palanca (Stefan Voda), Dubasarii Vechi (Criuleni), and other communities interested in participating. YOUiACT participants have multiple opportunities from which we mention: to benefit from the transfer of ideas and exchange experience; to discover entrepreneurship; to plan and to test a project that will bring a change to the community or the city they live in; to launch a business idea or a project of a social, cultural or economical nature; to take advantage of mentoring and international coaching; to test their creative, competitive and entrepreneurial spirit; to discover their own strengths; to identify patterns of income generation; to present a business idea and identify the audience, and so on.

Facilitating credits for youth. The launch of the Youth Credit Facility is initiated by the Ministry of Finance and it is fully based on the available funds of current investment credit lines funded by state external loans for the real sector development, which are granted by the World Bank and the International Fund for Agricultural Development. Implementation of YCF aims to reduce the constraints related to young people's limited access to favourable financial resources and to provide additional support by reducing interest rates on loans.

In addition, a few digital platforms are launched to help young entrepreneurs as the Platform for Cooperation and Business Support on "Promoting Innovation among Young Entrepreneurs"; UpFactory; FabLab Chisinau, etc.

Together with public institutions, business associations also get involved in the process of supporting young entrepreneurs in the field of business. For example, the National Association of Young Managers with the support of the ARGIDIUS Foundation, ODIMM and local partners, organizes the National Youth Business Plan Contest. The participants are involved in training courses and mentors' consultations, they present the developed business plans in front of a professional jury, and finally, the winners receive grants for business initiation or development [2].

Ensuring self-employment and involvement of graduates of vocational education and training institutions in business

In accordance with the Education Code, centres of excellence, colleges and VET schools are related to the vocational and technical education in the Republic of Moldova. Education in these institutions is offered for more than 80 professions and 100 specialties, which are adjusted annually considering the requirements of the labour market. Currently, 11 model centres, 32 colleges and 44 vocational schools are operating in the country. In the scholar year 2018-2019, 7.700 pupils were enrolled in secondary technical education and 29.000 pupils in post-secondary technical vocational education.

In recent years, many significant innovations have been made in the VET system in the Republic of Moldova: dual education has been introduced, the financial autonomy of VET institutions has been increased, and measures have been introduced to improve career guidance, etc. The most significant innovations include the implementation in 2012-2016 of a series of measures of teaching the basics of entrepreneurship to students from vocational education and training institutes. In this respect, the National Curriculum for the "Entrepreneurship Basics" discipline has been developed within the secondary vocational technical education institutions. The discipline is oriented towards the formation of competencies in pupils that will allow them to capitalize efficiently their own professional potential, and for the future – the effective initiation and management of some entrepreneurial activities. In a wider context, these skills must help young people to become more creative and active in any activity they will carry out in their personal and social lives. In addition to the Curriculum, a set of documents has been developed for teachers, aimed at increasing the quality of the teaching process and providing support for pupils in assimilating the new discipline. The set of documents include: The Methodological Guide for Teachers; Suggestions for designing lessons in the "Entrepreneurship Basics" discipline; Student specifications notebook. Further, taking into account that the role of the lecturer in the learning process is a priority, training programs have been organized for the teachers involved in teaching the "Entrepreneurship Basics" discipline. Also, there were organized trainings for those who were interested and prepared business plans for investors. The purpose of this action was to facilitate the establishment of the businesses by the graduates of the technical vocational education institutions. Some of the training participants received mini-grants to initiate their own business. Most of the above mentioned actions have been implemented by the Centre for Entrepreneurial Education and Business Support jointly with the Ministry of Education, Culture and Research with the support of the external donor.

In order to assess the implementation of the noted measures in 2016-2017, the Tracer study on the professional route of the graduates of technical professional education institutions in the Republic of Moldova was conducted, which was organized by the Centre for Entrepreneurial Education and Business Support (Executive Director – Sofia Shuleansky). The study has been carried out within the framework of MEEETA – Moldova project (IIIrd phase) "Employment and Entrepreneurship Education and Training Activity" implemented with the financial support of the Liechtenstein Development Service Foundation [5].

Tracer Study Results. During the study, 90 graduates of VET institutions have been surveyed. The average age of the surveyed graduates was 22.3 years old. Boys dominated (57.8%) in the sample. Relatively most of the respondents (55.6%) live in rural areas.

Almost half of the respondents (47.6%) indicated that they are employed. In the same time, a relatively high proportion of respondents – 39% initiated a business or were self-employed: 32.9% established a business where they were self-employed and another 6.1% – established business and employed people. Also, some of the graduates indicated that they were employed and established a business at the same time. 4.9% were unemployed during the survey (Table 5). Girls indicated that they were employed relatively more often than the boys; young men relatively often noted that they had established their own businesses.

Table 5

Labour status of graduates of VET institutions	
Labour status	% of respondents
I am employed	47.6
I set up a business where I am a self-employed	32.9
I set up a business and I hire employees	6.1
I am unemployed	4.9
Others	8.5
Total	100.0

Source: Outcomes of the survey [5].

Graduates who created their business or were self-employed indicated that various people or events encouraged them to establish a business. Most often (42.0%) they referred to family members and close relatives. Every fifth respondent (20.0% of the sample) noted that teachers from education institutions encouraged them to start a business. Examples of surrounding people who already have a business also served as a significant reason – 16.0% (Table 6).

Table 6

Sources of encouraging the establishment of the own business	
Sources of encouraging the establishment of the own business	% of respondents
Family, close relatives	42.0
Teachers from the educational institution	20.0
Examples of surrounding people who already have a business	16.0
Friends, neighbours	8.0
Success stories read in literature, Internet	8.0
Others	6.0
Total	100,0

Source: Outcomes of the survey [5].

Among all the respondents, 90% of the surveyed graduates have studied the "Entrepreneurship Basics" discipline. 78.8% of the respondents indicated that the knowledge gained in the framework of this discipline influenced significantly the students to start a business. For 15.2%, the impact of the discipline was not significant (6.1%), or was absent – 9.1% (Figure 1).

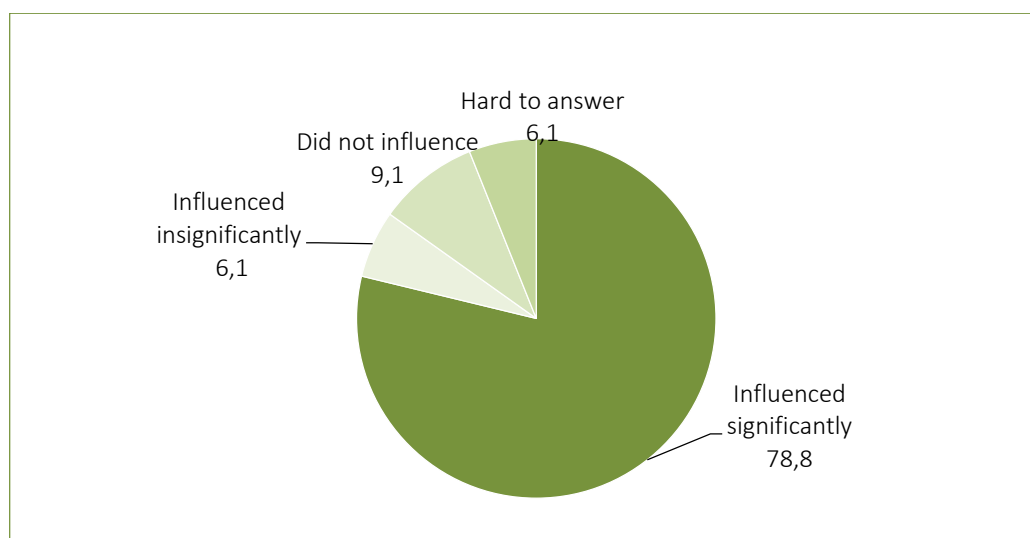


Figure 1. Influence of the "Entrepreneurship Basics" discipline on the decision to establish a business, %

Source: Outcomes of the survey [5].

82.2% of the respondents from graduates of VET institutions completed post-VET training on entrepreneurship. The graduates involved in the trainings, in general, highly appreciated their importance for their careers. When giving a general evaluation of the training, 80.8% indicated on its high importance (32.9%) and very high importance (47.9%). In fact, all graduates of VET institutions, who subsequently participated in business training, have set up their own business.

2/3 of respondents (66.7%) mentioned that starting a business was not easy for them. The businesses created by the graduates, in most cases (77.4%) are not registered. Young entrepreneurs, while explaining the reasons why they did not register their businesses, indicated, first of all, on high tax rates or small turnover / income / profit, which makes official business registration unprofitable. Directly or indirectly, this was noted in most responses. Other reasons for informal business activity include lack of building and agricultural land (for registering a peasant farm), seasonal work. Only one answer indicated on the lack of financial resources to establish a business.

The graduates involved in entrepreneurship were asked what is the biggest obstacle for them to develop their business. The lack of financial resources was indicated most often (in every fifth response). Other obstacles were related to the lack of qualified personnel, the general economic situation in the country, the narrow internal market and high competition, as well as insufficient experience in the field. Half of the graduates pointed the business problems that are caused by limited access to resources (lack of equipment, premises, expensive raw materials), as well as unfavourable conditions of the business environment related to legislation, high tax rates and local administration activity.

Analyzing the perspectives of the business/personal career in 1 year and 5 years, a relatively large proportion of the respondents expressed the intention of developing/ expanding their business. 48.6% of the respondents indicated on this perspective in 1 year; in 5 years, even more respondents (60.6%) saw the prospect of growth for their business. Maintaining the business at the same level in 1 year is planned by 40.0% of graduates, while in 5 years this number will be much less 33.3%. Only 5.7% of the respondents see the prospect of closing their own business in 1 year. The same percentage of the respondents (5.7%) plan to go abroad to search a workplace or to emigrate (Table 7).

Table 7

**Career perspectives of business / personal business
in 1 year and 5 years, % of respondents**

<i>Career perspectives</i>	<i>In 1 year</i>	<i>In 5 years</i>
Develop / expand the business	48.6	60.6
Maintain the business at the same level	40.0	33.3
Closing the business and looking for a job as an employee	5.7	-
Migration to work or emigration	5.7	6.1

Source: Outcomes of the survey [5].

The respondents have also indicated on the required support. Accordingly, the first place is occupied by the need for finance (37.5%). To a lesser extent, but also significant, there was a need for information (20.0%), consultations (15.8%) and training (13.3%) (Table 8).

Table 8

The need for support for successful development of the career

<i>Types of support</i>	<i>% of respondents</i>
Financial resources	37.5
Information	20.0
Consultancy	15.8
Training	13.3
Space	10.8
Others	2.6
Total	100.0

Source: Outcomes of the survey [5].

The majority of the respondents (66.7%) do not know about institutions that can offer such kind of support. The graduates that recognized the supporting organisations, indicated on the

following ones: CEDA (Centre for Entrepreneurial Education and Business Support); AFA (Business Women Association of Moldova); ODIMM (Organization for Small and Medium Enterprises Sector Development of the Republic of Moldova); IFAD (International Fund for Agricultural Development); financial institutions.

Main conclusions

The policy of the government of the Republic of Moldova aimed at supporting SMEs is focused on engaging various groups of population in business, first of all – the young people. This is reflected both, in the basic laws and policy documents related to the development of SMEs, and in the targeted programs, projects and other initiatives to promote entrepreneurship among young people. Opportunities for learning entrepreneurship, as well as financing of youths' businesses at the stages of initiating, establishing and developing their business, are mainly provided.

The analysis of the statistical indicators shows that in the Republic of Moldova the unemployment rate among the young people is relatively higher than the average for the economy. In the same time, young people amount for more than half of the total number of population of 15 years old and over, employed or searching for a job abroad; the share of young people involved in self-employment in the total number of self-employed is relatively lower than the proportion of young people in the total number of employed population. The data mentioned above suggests that the development of entrepreneurship/self-employment among young people is very important. It can serve as an additional opportunity for youth that could provide them a certain level of income, to feel more confident in all spheres of life, to actively participate in public life and to remain living and working in their country.

The experience of engaging young graduates of VET institutions in entrepreneurial activity was analyzed in the framework of the Tracer study on the professional route of the graduates of technical professional education institutions in the Republic of Moldova. Nearly half of the respondents indicated that they were employed. At the same time, a fairly high proportion of the respondents (39%) initiated a business or were self-employed. Some graduates indicated that they are employed and have their own business, which can be explained by the insufficient level of entrepreneurial income. Low income is largely due to the fact that the businesses created by the graduates of VET institutions, in most cases are not registered. It is also important to mention the fact that a relatively large part of the respondents indicated the intention to develop or to expand their business: almost half of the respondents indicated such a prospect for the following year and even more respondents saw this as an opportunity for the next 5 years.

The public administration body that develops and implements education policies (Ministry of Education, Culture and Research) acted as motivator and partner to involve the graduates of VET institutions in the business. Together with the non-governmental non-profit organization they actively supported reforms in the educational sphere, promoting entrepreneurship in the field of vocational education (CEDA – The Center for Entrepreneurial Education and Business Support). In this process were involved also the external donor interested in supporting the education system in Moldova (LED – Liechtenstein Development Service) which provided financial resources, and, of course, vocational institutions that are aware of the need for a change. This proves that the support of young people in ensuring self-employment and the establishment of enterprises becomes more successful due to the joint efforts and close cooperation of the interested organizations.

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