

Dorota KOBUS-OSTROWSKA¹

ENTREPRENEURSHIP IN POLAND IN TIMES OF CRISIS AND ECONOMIC SLOWDOWN

Summary

Entrepreneurship is widely regarded as the key to economic development. In spite of the crisis is here, more and more companies are established. The aim of this article is the answer the question: does this difficult situation trigger an entrepreneurial spirit, effectively discourage us from taking on new challenges and make us more creative? An important factor creating entrepreneurship in Poland, in times of crisis and economic slowdown is the availability of funds for economic activity. Currently, people who want to start a business in Poland may apply for funds from many sources. The multitude of available resources and growing competition for their acquisition encourage creative people to create their own place in economic reality.

Key words: crisis, entrepreneurship, development, support

1. Introduction

The crisis is here, it is proved by the information provided to the public. Companies announce bankruptcy, others, even though they do not give up, report to labour offices that they are planning redundancies, and others who do not see chances of further development lay off employees. The falling Gross Domestic Product rate² (since 2009) followed by the decreased demand for many products and services³ and rising unemployment⁴ are the absolute measures demonstrating the scale of the risk. It is worth noting that only in a first quarter of 2011 the courts declared as many as 158 bankruptcies in Poland.⁵ For comparison, a year earlier in the first quarter of 2010, 168 entities

¹ Dorota Kobus-Ostrowska, Ph.D. – Institute of Economics, University of Łódź; e-mail: ostrowskad@uni.lodz.pl

² GDP growth in Poland in constant prices (previous year = 100), correspondingly, 2007 – 6.8 percent, 2008 – 5.1 percent, 2009 – 1.6 percent and in 2010 – 3.9 percent, 2011 – 4.5 and in 2012 – 1.9 percent [See: gus.stat.gov.pl, access: 02.05.2013].

³ Domestic demand in Poland, in constant prices (previous year = 100) respectively in 2007 – an increase of 8.7 percent, 2008 – an increase of 5.6 per cent, in 2009 – a decrease of 1.1 per cent. And in 2010 – an increase of 4.6 per cent, in 2011 – an increase of 3.6 but in 2012 decrease of 0.2; while respective total consumption in constant prices (previous year = 100) changed accordingly: in 2007 – an increase of 4.6 percent, 2008 – an increase of 6.1 percent, in 2009 – an increase of 2 percent, and in 2010 – an increase of 3.4 percent but in 2011 an increase of 1.6 in 2012 – an increase of 0.6 only.

⁴ Total unemployment rate (as at end of year) was, respectively, in 2007 – 11.2 percent, 2008 – 9.5 percent, in 2009 – 12.1 percent and in 2010 – 12.2 percent in 2011 – 12.5 percent, 2012 – 13.4 percent.

⁵ At the same time, new companies and new entrepreneurs register in KRS (National Business Register). For comparison, only in January 2011 and only in KRS, 1,653 new commercial companies were registered

declared bankruptcy, i.e., 33 per cent more than in the same period of 2009⁶. What is more, there is a noticeable lack of stability both in relation to share prices indices and national currency indices. Paradoxically, more and more companies are established. Why? Does this difficult situation trigger an entrepreneurial spirit and make us more creative? Or does it effectively discourage us from taking on new challenges and pursuing new investment? Or maybe the crisis affects only the unprepared? So how should we behave in times of crisis to use it for further development?

These and other questions will be discussed in this paper.

2. Entrepreneurship in theory and practice

Entrepreneurship is a concept differently understood and defined. It may be considered as:

- the set of characteristics/behaviours that enable the creation and implementation of projects designed to achieve the intended objective,
- the process of creating something new, valuable,
- the type of human activity consisting in using opportunities emerging in the vicinity [Janasz, 2004, p. 18-24].

According to J. Schumpeter entrepreneurship is expressed in constant search of new “combinations” of factors of production. J. Wiklund defines entrepreneurship as “taking advantage of opportunities by novel combinations of resources in ways that have impact on the market” [Wiklund, 1998, p. 13]⁷. Entrepreneurship is manifested in:

- deciding on the resources used and methods of their involvement,
- taking risks in business,
- initiating and implementing new technologies.

Therefore, the entrepreneur is a person “sensitive” to new opportunities, who recognizes existing opportunities. It is a creative person and always willing to take risks, operative, able to quickly adapt to changing conditions [Malecka, 2000, p. 15].

The concept of entrepreneur emerged relatively late in the economic literature. The terms: merchant, craftsman, farmer (J. B. Say) were more frequently used. The lack of

(limited liability companies, joint stock, limited partnerships, limited by equity, partnerships, cooperatives, and branches of foreign companies). Apart from companies, every day, a lot of individual businessmen start their business activity registering in the National Business Register.

⁶ The next months will confirm that the slow downward trend will be replaced by a strong upward trend. Industry that stands out negatively in comparison with other sectors is, unfortunately construction, where upward trend in bankruptcy has persisted since 2008 – reports Coface in a report on the bankruptcy of companies in Poland in the first quarter of 2011. The difficult situation in the construction industry has been caused by a payment gridlock, which intensifies in this sector. Many companies have troubles with the implementation of contracts concluded in unfavorable price conditions, some of these contracts are broken off, and some bring losses to general contractors. Delays in the execution of contracts and lack of profitability have a direct impact on paying obligations to subcontractors and distributors of building materials. For more see: [www.egospodarka.pl, access: 30.04.2012].

⁷ “Entrepreneurship is defined as taking advantage of opportunity by novel combination of resources, in ways which have impact on the market”.

uniformed definition of entrepreneur favoured assigning different functions to an entrepreneur. An entrepreneur was identified with a person who intends to create a product at their own risk and for their own profit. The activities of an entrepreneur were identified with a transfer of economic resources from areas of lower productivity and lower income to areas of higher productivity and higher income. Adam Smith on the other hand compared an entrepreneur to the owner or capitalist. For P.F. Drucker an entrepreneur is someone who “shifts economic resources out of lower and into higher productivity and greater yield” [Drucker, 1992, p. 30]. D. Ricardo saw an entrepreneur as an entity which gains competitive advantage by the introduction of technological progress [Blaug, 1994, p. 466].

And although in theory we find many times the statement that an entrepreneur is an integral part of each entity, what are therefore characteristics of an entrepreneur?

A. Gibb indicated the following attributes of an entrepreneur: “initiative, strong *persuasive* powers, (...) flexibility, creativity, problem solving ability, and need for achievement, imagination and leadership” [Gibb, in: Piasecki, 1998, p. 24]. These features may occur with varying intensity. To a large extent they depend on conditions in which the entrepreneur operates, but also on the reliability of suppliers, customers, and colleagues and on the aggressiveness of competition. An entrepreneur is also a person who not only believes that what he’s doing is right, but is also able to affect the environment, and is the organizer and coordinator of economic resources and the arbitrator who chooses alternative applications [Blawat, 2001, p. 77]. As the economy was developing new features were attributed and new functions were entrusted to entrepreneurs including the ability to:

- acquire and motivate people,
- organize and run economic activity,
- introduce new innovative solutions,
- disrupt equilibrium and create market,
- notice opportunities not perceived by others,
- overcome difficulties which are insurmountable for others.

An entrepreneurial attitude is characterized by initiative, activity, independence and innovation both in personal and social life, and at work. Entrepreneurship is also independence, individual motivation, and ability to take risks. In many cases, it is an innate trait, but it can also be acquired or even learned. It turns out that self-employment is not only a way to make money. It is also developing of one’s own interests and passions. If we are predisposed to run our own business, this will bring us more satisfaction than being a full-time employee. It is important to select an area which interests us. Then we will have a feeling that our work translates into financial results and it is not working full-time.

Entrepreneurship is widely regarded as “the key to economic development, but also as an impetus for new jobs” [Collins, Hanges, Locke, 2004, pp. 38-45]. Why do so many people decide to conduct business? They may be motivated by their personal characteristics such as resourcefulness, independence or the need for recognition and self-

realization. Following the Polish experience, we can distinguish the following reasons for conducting business:

- favourable situation in the market,
- unemployment and the need to find a job
- a desire for greater independence,
- an urge to increase their income,
- an urge to get rich,
- an urge to invest their own funds,
- a desire to continue family traditions,
- an inherited company.

Favourable situation in the market is one exterior motive, independent of man, for setting up a business. Unemployment is a counterweight, which in many cases is not a motivating factor, but a determining factor for the start-ups. Unemployment emerging in a local community has forced many young, creative and energetic people to find their “own place in the world,” understood as the creation of independent work place. It is followed by the desire for greater independence, but also by greater responsibility for their decisions. Two objectives can be identified in this motivation: the first is the need to test oneself in an unassisted action, and the second ability to free oneself from the sometimes rigid organizational structures. This independence and the ability to decide their fate translates into financial independence. For many entrepreneurs the driving force is the desire to increase their income and the desire to get rich [Gibb, Davis, 1990, pp. 15-31]. The continuation of family tradition or inheritance of a company is rarely mentioned as determinants of activity in business life.

“Being the first” in the industry is an important success factor followed by finding a niche market in a local or regional market. The one, who first finds a chance for himself and combines it with skills and predisposition to connect people, increases the likelihood of success. Still, these are the innovative ideas, and not the copied patterns, that are in great demand. Well, with the exception of new habits we have brought from abroad. If only these comebacks were followed by the money earned there, and language skills, they would become a great opportunity to start and conduct business in the country. If in addition we could spot market niches, we would have a chance to lead the company to success. Thus, the entrepreneurship is a way of thinking and the process of designing and developing business thanks to the ability to take risks.

3. The crisis and entrepreneurship

Let us to look at the crisis through the prism of benefits. The time of crisis is a great moment to attract highly skilled employees. What’s more, the growing unemployment in many regions helps employers attract workers with limited financial expectations⁸. This creates not only an opportunity to reduce costs, but gives the possibility of

⁸ Assuming that the job seekers are not in the high-risk long-term unemployed group and are really, with particular qualifications and abilities, willing to work for a certain pay rate.

providing high quality service, assuming that the entrepreneur is a strategist and in the given circumstances, seeks to gain advantage in the market.

Another very important argument is that suppliers more willingly negotiate the prices of goods or services they offer themselves. For many, it is almost a struggle for existence which drives them to make concessions, deferred payments, etc. In this context it is worth looking at the existing situation from the perspective of an entity that in order to maintain a positive image in the market and continue to provide services, must use preferential payment conditions, and even strives for these conditions in various ways. Is there another reason why the entity “does this so fervently”? Yes, there is, the situation has been strengthened by the amendment to the act on sharing business information⁹. The new regulations open up for any entity the possibility of informing the Register of Debtors of the Economic Information Office. The access to the services provided by the Economic Information Office has also been granted to debt collectors. The new law makes it much easier to recover late payments. Entering the debtor’s name to the Register increases the chances of an entrepreneur and even a consumer to recover late payments, since only when the obligation has been paid the debtor’s data are removed from the database. This is confirmed by the fact that for the economy, especially in conditions of crisis, but not only, it is important to improve the process of recovering late payments. Unpaid on time debts and increased overdue receivables deteriorate liquidity of entities. In consequence, it may lead to bankruptcy of many small and micro enterprises¹⁰.

Let us see how the number of self-employed changed in Poland between 2006 and 2012. The table 1. shows significant changes in the number of self-employed. The analysis of the data allows drawing the following conclusions: in 2010, the number of self-employed, both women and men, increased for the first time. In the context of the global crisis, the question arises: Why has this happened? The choice of the fourth quarter for the analysis is not accidental. During the analysed period, due to seasonality, the number of businesses commenced over the year is the lowest.

Among the entrepreneurs who decide to set up a company and run business on their own account, we can note a significant proportion of women, who in addition to the typical entrepreneurial traits have also excellent intuition. Perhaps thanks to the intuition the number of women who have been more and more active in business has been constantly increasing. The CSO data shows that most women worked on their own account in areas such as: financial activities, insurance, tourism, catering and trade, health, and education. Definitely less frequently they owned the newly created transport, industrial or construction companies. Table 2. presents the proportion of women among the employers and the self-employed in particular quarters between 2008 and 2012.

⁹ The amended Act of 9 April 2010, on Disclosure of Business Information and Exchange of Economic Data [Journal of Laws No. 81, pos. 530] entered into force on 14 June 2010.

¹⁰ The situation will improve with increased effectiveness of timely payments for the goods delivered and services rendered.

TABLE 1.
The number of self-employed according to the labour market status 4th quarter between 2006 and 2012.

Description	2006	2007	2008	2009	2010	2011	2012
Self-employed	2911	2942	2914	2906	3036	2969	2898
Men	1893	1928	1923	1914	1989	1964	1937
Women	1018	1014	991	992	1047	1004	961
	Dynamics of change (previous year = 100)						
Self-employed	X	101.1	99.1	99.7	104.5	97.8	97.6
Men	X	101.8	99.7	99.5	103.9	98.7	98.6
Women	X	99.6	99.7	100.0	105.5	95.9	95.7
	As a share of self- employed persons (%) (current year = 100)						
Men	65.0	65.5	66.0	65.8	65.5	66.2	66.8
Women	35.0	34.5	34.0	34.2	34.5	33.8	33.2

Source: [*Economic activity of Poland's population...*, 2006-2012].

TABLE 2.
The number of self-employed in particular quarters between 2008 and 2012

Quarters	Employers and self-employed (ths.)					
	Total			Including employers		
	Total (ths)	Including	Women (%)	Total (ths.)	Including	Women (%)
1Q 2008	2970	1042	35.08	639	200	31.30
2Q 2008	3032	1062	35.03	657	196	29.83
3Q 2008	2965	1024	34.54	632	186	29.43
4Q 2008	2914	991	34.01	638	193	30.25
1Q 2009	2994	1014	33.87	660	195	29.54
2Q 2009	3035	1056	34.79	680	191	28.08
3Q 2009	2982	1035	34.71	644	193	29.96
4Q 2009	2906	992	34.14	631	190	30.11
1Q 2010	2994	1017	33.94	683	194	28.40
2Q 2010	3005	1019	33.91	679	193	28.42
3Q 2010	2969	1026	34.56	647	185	28.59
4Q 2010	2970	1011	34.04	642	194	30.21
1Q 2011	2977	1000	33.59	662	195	29.45
2Q 2011	2996	1007	33.61	661	197	29.80
3Q 2011	2973	1019	34.27	651	200	30.72
4Q 2011	2969	1004	33.81	651	204	31.34
1Q 2012	2955	992	33.57	623	181	29.05
2Q 2012	2965	1003	33.82	640	189	29.53
3Q 2012	2950	989	33.52	679	216	31.81
4Q 2012	2898	961	33.16	659	207	31.41

Source: [*Aktywność ekonomiczna ludności Polski...*, 2012; *Aktywność ekonomiczna ludności Polski...*, 2009].

Based on the data in Table 2, the following changes can be demonstrated: firstly, the highest share of women in the whole period was recorded in the first quarter of 2008, 35.08 per cent, and the lowest in the fourth quarter of 2012 and amounted to 33.16 per cent. Secondly, the proportion of women among employers is usually high in the first

and fourth quarters of each year due to the seasonality of work of men who are employers, who in winter either suspend or close down their businesses.

Although the years 2010-2011 were characterized by a significant economic recovery which to a large extent translated into improvement of the conditions in which SMEs operated, but this “momentary relief” did not last long [Raport..., 2013, p. 8]. In 2012, and even in the second half of 2011, there was a significant slowdown, which in the context of assessing the profitability of conducting or even starting a business resulted in a significant reduction in self-employment. The weakening of economic activity in Poland aggravated macroeconomic determinants of business. This state of affairs was directly affected by: weak domestic demand, slowdown in exports, decline in investment and deterioration of liquidity of many companies. And thus, the weakening consumption growth was a result of a significantly worse situation in the labour market and the fear of losing jobs. What is more, at this time, the average employment in the economy fell and many households were in a much worse situation with a decrease in real income [Raport..., 2013, p. 9]. Strong restrictions on lending, also on mortgage loans and consumer loans made the situation even worse. Noticeable was also a decrease in the rate of investment loans for businesses, the growth was observed only in working capital loans. This situation indicates, however, that companies while desiring to overcome financial problems in terms of current liquidity raised working capital loans. The situation was exacerbated by the fact that in 2012 there was a significant decline in business investment by 1.7 per cent, which compared with 8.5 percent growth in 2011 [Raport..., 2012, pp. 41-42] meant that the investment decreased by as much as 10.2 percentage points. On the one hand, it was how businesses responded to the worsening outlook for sales in foreign markets; on the other hand it was the effect strong reduction of investment by local governments. Not without significance was the decline in the number of guarantees granted by funds which contributed to the slowdown in lending activity undertaken by banks and entrepreneurs themselves increasingly more carefully made decisions about taking out loans [Ośrodki innowacji..., 2012, p. 140].

4. Availability of funds for economic activity

An important factor creating entrepreneurship in times of crisis is the availability of funds for economic activity. Currently, people who want to start a business may apply for funds from one of the following sources:

- the Labour Fund
- the European Social Fund under the Human Capital Operational Programme¹¹

¹¹ EU assistance for starting your own business can be obtained for almost any kind of economic activity. However, following business activities are not eligible for EU funding for formation of new business: fisheries and aquaculture, mining, agriculture, and also road transport of goods in the event of purchasing vehicles for this transport.

- the European Agricultural Fund for Rural Development under Operational Programme Rural Development,
- the European Regional Development Fund under the Operational Programme Innovative Economy (Measure 8.1)
- loan funds.

For example, a grant from the Labour Fund in the amount of PLN 19.000 is granted for:

- unemployed people who lost their jobs due to redundancies,
- unemployed people with disabilities,
- unemployed registered in Local Job Centres at least 3 months before the application,

and those who:

- have not conducted business in the past 12 months,
- have not refused, without a justified reason, to accept a proposal for training, apprenticeship, and vocational training in the workplace or to perform socially useful work, exercise intervention works and public works during the 12 months preceding the application¹².

TABLE 3

The number of self-employed and amount of grants from the Labour Fund in Poland between 2008 and 2012.

Description	2008	2009	2010	2011	2012
Amount of grants	698 961	1 093 888	1 389 123	419 864	686 037
Self – employed	52 155	63 964	77 017	21 108	39 410
Dynamics of change (previous year = 100)					
In amount of grants	X	156.5	127.0	30.2	163.4
Self – employed	X	122.6	120.4	27.4	186.7
As a share of self-employed in amount of grants from the Labour Fund (%) (current year = 100)					
Self – employed	7.5	5.8	5.5	5.0	5.7

Source: [*Annual Labour Funds Surveys...*].

The Human Capital Operational Programme (HC OP) 2007-2013 – Measure 6.2 – Support and promotion of employment provided the financial resources to start a business, assuming that the maximum value of the acquired funds is PLN 20, 000. Funding is available for people who want to start a business and who did not have a registered business over the 12 months prior to the project (does not apply to business outside Polish borders). In order to obtain funding for starting a business a participant in the project must pass a series of free trainings and make use advisory services. This is an excellent opportunity to gain knowledge and skills needed to set up and run a business,

¹² What's more people who want to start a social co-operative may also apply for funds from Labour Fund in the amount of PLN 14,960. It's much lower but very helpful especially when two or more people want to run their own business together.

covering such topics as bookkeeping, marketing, and law and consulting in the diagnosis of training needs, development of an individual program for each participant in the project.

Particularly advantageous is bridge support paid within 6 months from the date of commencement of a business, amounting to the equivalent of the gross minimum wage in force at the date of disbursement of the grant and the fact that the grants are non-returnable¹³.

TABLE 4
The number of self-employed The Human Capital Operational Programme (HC OP) 2007-2013 – Measure 6.2 in Poland between 2008 and 2012.

Description	2008	2009	2010	2011	2012
Measure 6.2	21 660	54 882	96 892	124 503	148 603
Measure 6.2 people 15-24 years	3223	8058	13 674	21 314	26 455
	Dynamics of change (previous year = 100)				
Measure 6.2	X	253.4	176.5	128.5	119.4
Measure 6.2 people 15-24 years	X	250.0	170.0	155.9	124.1
	As a share of self-employed 15-24 years in amount of grants from Measure 6.2 (%) (current year = 100)				
Measure 6.2 people 15-24 years	14.9	14.7	14.1	17.1	17.8

Source: Developed by the author based on: [*Sprawozdanie roczne z wdrażania PO KL...*; *The Human Capital Operational Programme...*].

It is worth noting that the grant should be earmarked for capital expenditure, not for the costs of current activity, and therefore the funds may be used only for:

- purchase of fixed assets (including means of transport apart from entities operating in the transport of goods),
- purchase and acquisition of intangible assets,
- purchase of current assets,
- cost of repair and construction works.

In conclusion, the target groups, which can count on the support, include natural persons who:

- work (excluding people who had a registered business in the period of 12 months prior to the application),
- have remained unemployed for at least 12 months in the past two years,
- are entering the labour market for the first time or coming back after an absence caused by giving birth to or raising a child,
- are disabled with a determined degree of disability,

¹³ Financial resources for development of entrepreneurship and monies as a bridge support are granted non-returnable, unless the conditions of the contract under which the funding was granted are violated. It should be noted, however, that the project participant who has received a grant for the development of entrepreneurship is required to repay received funds plus interest, if the business was conducted for less than 12 months.

- are residing in rural and rural/urban gminas (communes) and residents of cities with up to 25,000 residents.

Other interesting solutions include the funds that can be obtained for investment in agriculture and processing under the Operational Programme for Rural Areas Development – Measure 3.1.2¹⁴. The aim is to increase the economic competitiveness of rural areas, development of entrepreneurship and the labour market and, consequently, increase employment in rural areas. There are various forms of assistance which allow acquiring:

- PLN 100 000 – when the business plan provides 1 to 2 jobs (calculated as annual average full-time jobs),
- PLN 200 000 – if the business plan provides for more than 2 and less than 5 jobs (calculated as annual average full-time jobs),
- PLN 300 000 – if the business plan provides for at least 5 jobs (calculated as annual average full-time jobs).

The program assumes that the investment implemented by newly established or already operating companies will involve, e.g.: providing services for the population, craftsmanship, handicraft, utilities, energy production from biomass, etc. [See: *2007-2013 Rural Development Programme...*, 2010].

Measure 8.1 IE OP is an important support for people who are interested in establishing and development of business in electronics (digital services). However, the entrepreneur must¹⁵:

- run their business and have seat on the territory of Poland,
- apply for support before the end of the first year of running their business,
- apply for support before starting the project,
- maintain the sustainability of the project for at least 3 years following project completion.

It is also worth noting that the amount of support may represent up to 85 per cent of the project's expenditure eligible for the support and may not be less than PLN 20,000 and not more than PLN 1 million. The loan funds are an attractive form of support for entities that are in the early stages of development. The funds may be used for such projects as:

- creation of new jobs,
- purchase of machinery and equipment,
- expansion or modernization of commercial, service or manufacturing facilities.

¹⁴ Assistance is granted to entities for investments in the creation and development of micro-enterprises operating in such areas as: services for agriculture and forestry, craftsmanship and handicraft, production of biomass energy products, tourist and sports services, recreation and leisure, processing of agricultural and edible forest products.

¹⁵ The following entrepreneurs are not eligible for funding:

- those engaged in road transport of goods, who would like to raise funds for the purchase or transport equipment,
- those who wish to provide electronic mail services or register and maintain internet domains or trade products.

In this context it should be remembered, however, that the actions taken by loan funds contribute to the increase in competitiveness and innovativeness of the economy on the local and regional level. The funds offer the possibility to finance current and investment operations | including in particular in the initial stage of their development. The loan can be granted to entrepreneurs who cannot use traditional bank financing or have limited access to it [*Ośrodki innowacji...*, 2012, p.126]. During the economic downturn, under the impact of the global financial crisis and with reduced other forms of borrowing, including bank loans the loan funds are often the only source of financial support for companies seeking external funding.

Certainly, these actions helped by EU funds are an important element of “forward retreat” against the crisis.¹⁶ The multitude of available resources, variety of investments, and growing competition for their acquisition encourage creative people to create their own place in economic reality. I am of the opinion that economic growth in Poland, in 2009 and in the following years, was in part a result of the effectively used funds. It has certainly generated more demand in many industries, especially in construction¹⁷. It is expected that in subsequent years, the impact of European funds on the Polish economy will be even greater, assuming that the funds are efficiently used.

5. Conclusion

To recapitulate, the crisis is a threat to unprepared entrepreneurs, driven in their decisions only by the current situation. For those who act in a thoughtful way and plan, the crisis may actually stimulate growth, giving impetus to seek new market opportunities and reduce costs. One issue remains to be considered. Namely, whether self-employment is an expression of entrepreneurship or the effect of coercion? While the stakeholders themselves often point to the need to become independent and find their place in economic reality, many however treat this form of action as a necessity because increasingly, entrepreneurs are forcing their employees to register a business and work as principals. The entrepreneurship is extremely important from an economic perspective. It is the safe-employment that is becoming an alternative from the viewpoint of a job-seeker and is the driving force of the economy in the macro-economic scale. Thus, economic activity brings economic and social benefits. Economic benefits due to new jobs, higher incomes and spending, and social benefits because economic activity allows finding a place in economic reality and encourages others to take creative initiatives. The question comes back: “Is the economic crisis, therefore, a good time to set up one’s own business?” It is always worth considering starting one’s own business. Especially in times of crisis, when companies announce layoffs and no one can guarantee permanent employment. In such situation setting up one’s own business might be a better option than waiting for vacancies. Many treat this form of action as a necessity because

¹⁶ In this context it is worth noting that the crisis and changes in the economy and require thus new initiatives, which should be favoured by a friendly legal, organizational, structural and political environment.

¹⁷ Despite bankruptcies of some construction companies.

increasingly, entrepreneurs are forcing their employees to register a business and work as principals. Certainly, owning your own business involves greater risk and threat of failure. And although one has to be careful, above all, one should be an optimist. One cannot, at the outset, assume the failure of business. It is also worth remembering that running your own business, especially at the beginning, means above all, a major personal contribution. The success in business depends on the degree of determination, hard work and support of loved ones, meaning not only the financial support. The aid funds are certainly helpful; many people have started or expanded their businesses thanks to these funds. Finally, the success in business is not just a matter of idea and capital; it's also the continuous development.

Bibliography

- 2007-2013 Rural Development Programme, Measure 3.1.2 "Establishment and development of micro-enterprises", Handbook for beneficiaries, Warsaw, April 2010, www.minrol.gov.pl [access: 12.08.2012].
- Aktywność Ekonomiczna Ludności Polski 2006*, 2007, GUS, Warszawa.
- Aktywność Ekonomiczna Ludności Polski 2007*, 2008, GUS, Warszawa.
- Aktywność Ekonomiczna Ludności Polski 2008*, 2009, GUS, Warszawa.
- Aktywność Ekonomiczna Ludności Polski 2009*, 2010, GUS, Warszawa.
- Aktywność Ekonomiczna Ludności Polski 2010*, 2011, GUS, Warszawa.
- Aktywność Ekonomiczna Ludności Polski 2011*, 2012, GUS, Warszawa.
- Bąkowski A., Mażewska M., 2012, *Ośrodki innowacji i przedsiębiorczości w Polsce. Raport 2012*, PARP, Warszawa.
- Blaug M., 1994, *Teoria ekonomii, Ujęcie retrospektywne*, PWN, Warszawa.
- Bławat F., 2001, *Pojęcie przedsiębiorcy w piśmiennictwie ekonomicznym*, „Gospodarka w Praktyce i Teorii”, UŁ, Łódź 1 (8).
- Collins C. J., Hanges P., Locke E. A., 2004, *The relationship of need for achievement to entrepreneurship: A meta-analysis*, "Human Performance", 17.
- Drucker P. F., 1992, *Innowacja i przedsiębiorczość. Praktyka i zasady*, PWE, Warszawa.
- Gibb A., Davis L., 1990, *In pursuit for development of growth models of small business*, "International Small Business Journal", 9 (1), 1990.
- Gibb A., 1990, *Entrepreneurship and Intrapreneurship – Exploring the differences*, Avebury, Aldershot, [in:] *Ekonomika i zarządzanie małą firmą*, B. Piasecki (red.), PWN, Warszawa–Łódź 1998.
- Janasz W., 2004, *Innowacje w okresie przedsiębiorczości w procesie transformacji*, Difin, Warszawa.
- Malecka E., 2000, *Przedsiębiorca a menadżer. Podobieństwa i różnice*, „Gospodarka w praktyce i teorii” 1(6).
- Tarnawa A., Zadura-Lichota P., 2013, *Raport o stanie sektora małych i średnich przedsiębiorstw w Polsce w latach 2011-2012*, PARP, Warszawa.
- Tarnawa A., Zadura-Lichota P., 2012, *Raport o stanie sektora małych i średnich przedsiębiorstw w Polsce w latach 2010-2011*, PARP, Warszawa.

The amended Act of 9 April 2010, on Disclosure of Business Information and Exchange of Economic Data (Journal of Laws No. 81, pos. 530) entered into force on 14 June 2010.

Wiklund J., *Small Firm Growth and Performance*, [in:] *Entrepreneurship and Beyond*, Jonkoping International Business School.

www.efs.gov.pl, [access: 30.06.2013].

www.mpips.gov.pl, [access: 05.06.2013].

www.parp.gov.pl, [access: 06.12.2013].

www.sooipp.org.pl, [access: 07.12.2013].

www.stat.gov.pl/gus, [access: 02.05.2013].

www.egospodarka.pl, [access: 30.04.2012].