



GUESSS

Global University Entrepreneurial Spirit Students' Survey

Entrepreneurial Intentions and Behaviour of Students
attending Kazakhstani Universities

National Report for Kazakhstan 2016

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I. Introduction

1.1. Background of the Study

The Global University Entrepreneurial Spirit Students' Survey (GUESSSS) is the research project focused on the entrepreneurial intents and activities of students all over the world. The history of the project dates back to 2003 when it was initiated by Swiss Research Institute of Small Business and Entrepreneurship at the University of St.Gallen (KMU-HSG). Since then, every two years universities all over the world are gathered under the umbrella of GUESSSS project in order to explore the readiness of university students for entrepreneurship as the prospective career path. In 2016 the research project was initiated in joint collaboration between University of St. Gallen and University of Bern and embraced 50 universities worldwide with more than 122 000 students involved in the survey (Sieger, Fueglistaller & Zellweger, 2016). The year of 2016 is the first time for the Republic of Kazakhstan to participate in the GUESSSS project. Turan University, Almaty, was entitled to act as the country delegate and arrange the whole process of the national survey with ongoing drawing up of the national report. All activities were carried out by the GUESSSS Kazakhstan Team appointed by Turan University: contacting the universities, providing an invitation letter for students to take part in the online survey, continuous consulting process with Project Manager, recycling raw data and drafting the report etc.

1.2. Research Objective and Conceptual Framework

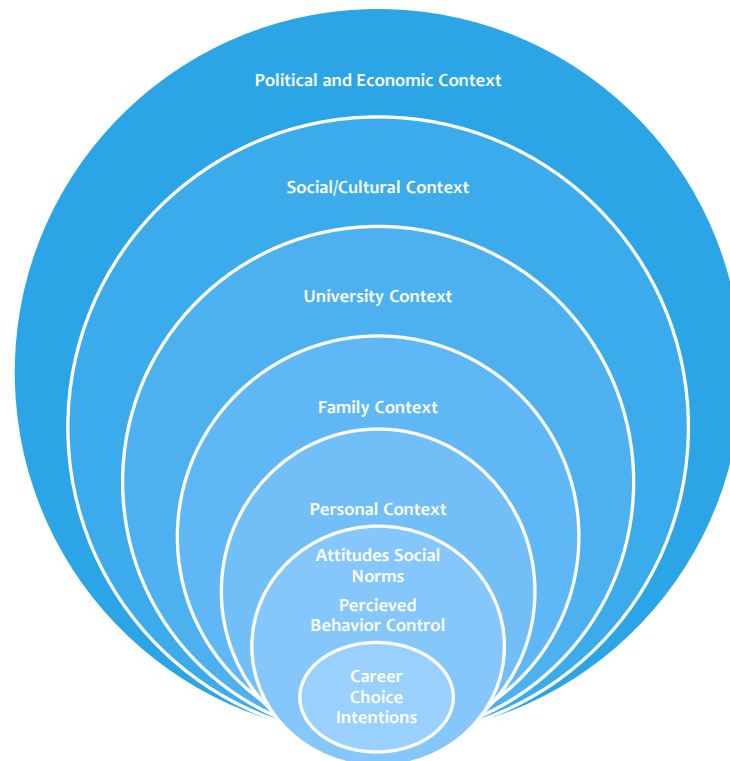
One of the main goals of research project is to monitor entrepreneurial decisions among students in cross-country context and analyze factors that are likely to affect career choices of the students. Considering the importance of the human capital for the industrial development, it is crucial to gain the insight into the specific settings that can stimulate the entrepreneurial activities.



Another goal is to assess the role of university in the stimulation of entrepreneurial mindset among students; the research has special focus on the university activities and their alignment with the entrepreneurial challenges the business environment faces. The availability of specific entrepreneurial modules and courses, development of business incubators and university support of business ideas can be seen as the important components in the transition from a student to an entrepreneur.

Furthermore, the GUESSS survey explores the impact of individual characteristics, such as age, gender, sphere of study, family background on the decision to set up a business venture. Assuming the immaturity factor associated with young adults, the influence of community can be seen as one of the main drivers of professional and personal development, which is also the focus of the research.

The study adopted the original GUESS conceptual framework and appropriated it to the Kazakhstani context. The conceptual framework is based on the Theory of Planned Behavior which claims that the behavior can be predicted through specific life settings and attitudes (Ajzen, 1991). The economic and political contexts as well play a crucial role in the assessment of entrepreneurial spirit among youth population.



(Adopted from Siger, Fueglistaller, Zellweger, 2014)

Figure 1. Conceptual framework of GUESS Kazakhstan

1.3. Kazakhstani Context

The Republic of Kazakhstan is a dynamically developing leader in Central Asia. The nominal GDP of the country is 189.6 billion USD with general growth equal to 1.2% (Ernst & Young, 2016). Entrepreneurship as a phenomenon and the inseparable part of the market economy emerged in the country in the early 1990s as an aftermath of the events connected with the collapse of the USSR and reshaping the economic environment of the Republic. Since then the government continuously makes efforts to cultivate a favorable climate boosting entrepreneurship.

One of the priority directions of economic reforms currently being enforced in Kazakhstan is the development of small and medium enterprises and stimulation of entrepreneurship, which is incorporated into the National Strategy “Kazakhstan – 2050”. Kazakhstan pursues a policy of cultivating a socially oriented market



society by supporting the undertakings of small and medium businesses. In the recent report on Global Competitiveness Index initiated by World Economic Forum, Kazakhstan took 53rd place among 138 countries. The methodology of GCI based on 12 pillars including “Innovation” involves entrepreneurial activities in the country. Regarding “Innovation” pillar, Kazakhstan is on the 59th place, which can be considered as a positive trend (Global Competitiveness Report, 2016).

1.4. Methodology & Demographics

The study applies questionnaire as the main research instrument. More than 30 Kazakhstani higher education institutions participated in the research project, however only 13 of them demonstrated significant quantitative results (Table 1).

	Higher education institution	N of students
1	Karaganda Economic University of Kazpotrebsouz	203
2	Turan University	180
3	Nazarbayev University	95
4	Kazakh-British Technical University	75
5	Karaganda State Medical University	71
6	Turan University, Astana	67
7	Almaty Management University (AlmaU)	43
8	Innovative University of Eurasia	27
9	Al-Farabi Kazakh National University	26
10	East Kazakhstan State Technical University after Serikbayev	18
11	South Kazakhstan State Pharmaceutical Academy	14
12	Zhetysu State University after Zhansugurov	11
13	Kazakh National Technical University after Satpayev	7

Table 1. Higher education institutions

The total number of entries in the online survey is (N=1017), however the figures for responding rate gradually decrease with the progression of the survey layout, which could be explained by narrowing focus on doing business experience



from question to question, by unwillingness to share information etc. The vast majority were born in the period from 1994 to 1997 (Figure 2) and 77.48% of the survey participants are undergraduate students. The second largest group consists of graduate students (10.91%) and only 3.44% of respondents are enrolled to PhD or MBA programs.

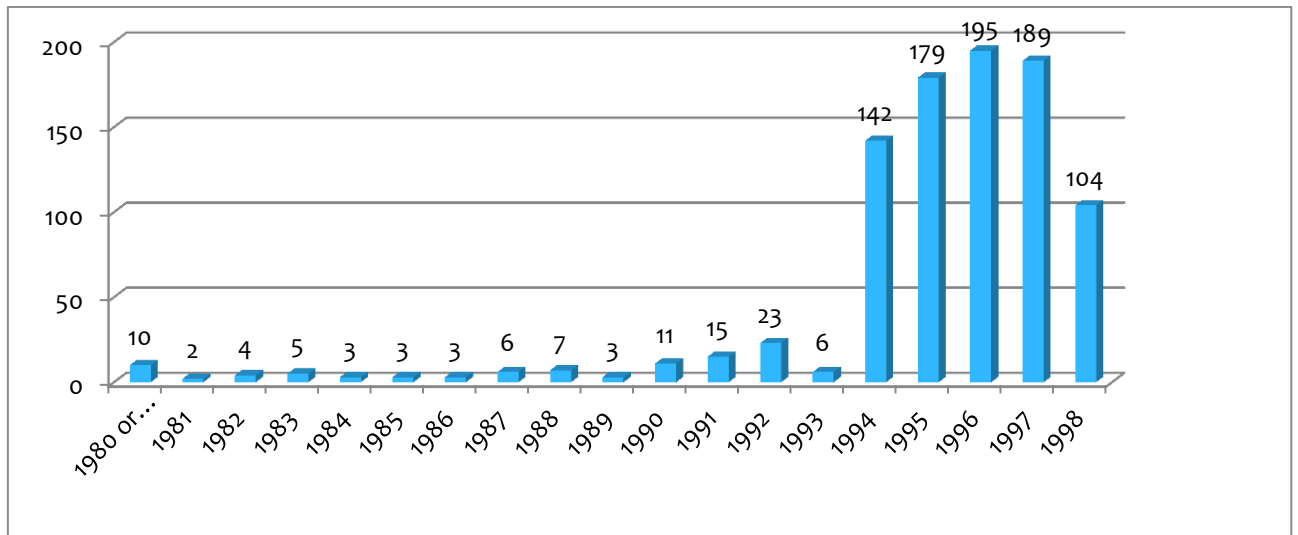


Figure 2. The year of birth of participants

Among the participants, female students prevail (N=651) and consequently make 64% of the sample, compared to male students (N=246) with total 34%. Kazakhstan is a multicultural country and it is clearly illustrated in the ethnical diversity of participants. The prevailing ethnic group – Kazakh– makes 70% of participants, the second largest ethnical group is for Russians (17%), the third largest group is for Tatar and Ukrainian participants (4%). Another significant group is for Koreans and Uigurs (3.2%). Other nationalities observable in the sample include Avar, Azeri, Armenian, Bulgarian, Buryat, Georgian, Dungan, Jew, Hindu, Kurd, German, Turk, Uzbek, Finn and Chechen.

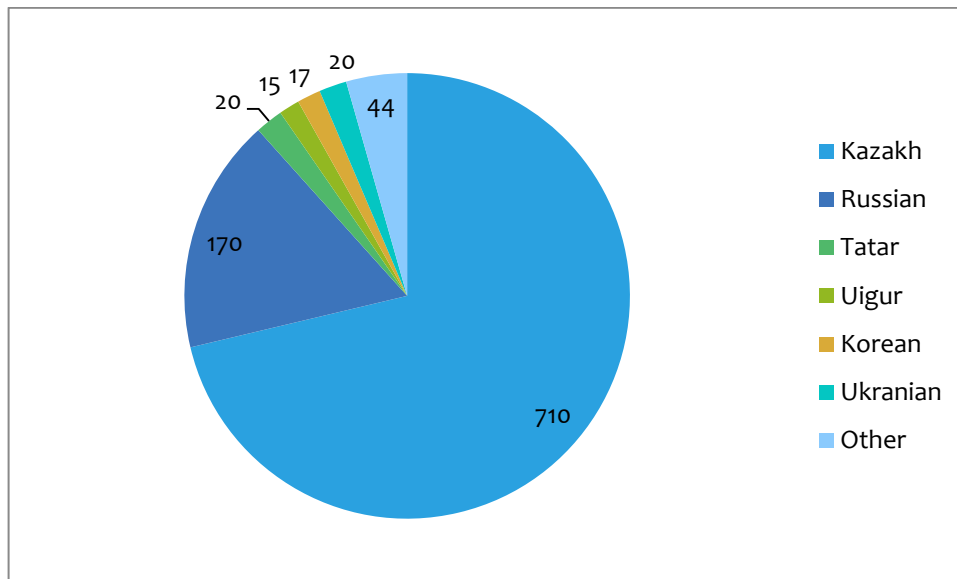


Figure3. Ethnical composition of research sample

Law, Economics and Business students (N=268) prevail among research participants, followed by students with Engineering, CS and Architecture majors (N=197) and students studying Humanities and Social Sciences (N=189). Mathematics and Natural Sciences (N=24), Arts (N=9) programs students accounted for much lower proportions in the sample. This distribution has been a typical trend for school graduates to choose “first priority” majors such as Economics or Law during a few decades, yet, it should be noted that the pattern is being reshaped currently; furthermore, the survey sample does not represent the whole structure of programs segments throughout Kazakhstan.

II. Findings

2.1. Career choice and entrepreneurial intentions

Among the major objectives of the survey is to understand how the students see their career development after university studies in the short run and in the long run. The majority of respondents see themselves as employees of medium-sized and large businesses *right after graduation* (18% and around 27% correspondingly); fewer of them would like to be employees in a small business



(around 10 %). Cumulative proportion of those who plan to be employees in business sector makes 45% in total against 80.3% of students in the international sample. Public service with its 16.1 % goes as the third rated priority for career prospects among the students in the sample. It can be explained by the fact that public servants enjoy some social benefits like low price/rent accommodation programs or a certain degree of stability. Academic and non-profit organizations seem to be far from priority choice of graduates (7.9% and 1.6% respectively). Remarkably, almost 16.1 % consider a career of a founder/ entrepreneur right after the completion of the studies against 8.8% of all students in the international survey. Those who intend to be “a successor in my parents' / family's business” account for 1.9% and those who will be “a successor in a business currently not controlled by my family” total to tiny a 0.8%. Around 13% of the respondents have not decided yet on their future prospects.

In 5 years after the graduation a staggering 52.4% of young people see themselves as business owners (this figure is higher compared to the international sample by more than 14 %: 38.2% of international students are inclined to follow a career of an entrepreneur in the long run scenario), which is indicative of their high expectations to be self-employed, however a career in a large business remains the second attractive option at this projected period (16.6%); the number of respondents in “uncertain group” is similar to that one in the “right after graduation” scenario.

	Which career path do you intend to pursue?										
	an employee in a small business (1-49 employees)	an employee in a medium-sized business (50-249 employees)	an employee in a large business (250 or more employees)	an employee in a non-profit organization	an employee in Academia (academic career path)	an employee in public service	a founder (entrepreneur) working in my own business	a successor in my parents' / family's business	a successor in a business currently not controlled by my family	Other / do not know yet	
right after completion of	82	156	231	14	68	38	139	16	7	111	862



your studies											
5 years after completion of studies	11	29	143	20	42	23	452	11	17	114	

Table 2. Intended career path of graduates

It is notable that 10.4 % of all students are already business owners (*active entrepreneurs*) and more than a third (39.6%) is currently making attempts to set up a business (*nascent entrepreneurs*). Yet, the students in the survey express quite a strong intention towards starting their own business with figures never lower than 50 % when responding to the question with relevant context, which means there is a potential for higher nascent entrepreneurs proportion. Among those who are ready to do anything to be an entrepreneur there are 57% out of 667 respondents; the professional goal to become an entrepreneur is with 50.5 %; those who will make every effort to start and run their own business make 65%; those who are determined to create a business in the future make 65.8%; those who think seriously to start business make 67%; students who have the strong intention to start a business someday make 71% (*points 5,6,7 aggregate mean for the sum of opinions tending to say most or less resolute “yes”*). As the figures show more than 10% against the surveyed sample are active entrepreneurs and almost 40% of respondents can be classified as the nascent ones with a high degree potential for this figure growth.



	Please indicate your level of agreement with the following statements							Total
	1	2	3	4	5	6	7	
I am ready to do anything to be an entrepreneur.	53	32	72	100	127	102	151	667
My professional goal is to become an entrepreneur.	63	45	82	99	117	78	142	
I will make every effort to start and run my own business.	39	28	59	70	123	99	211	
I am determined to create a business in the future.	38	27	55	69	96	110	233	
I have very seriously thought of starting a business.	39	30	44	73	123	100	223	
I have the strong intention to start a business someday.	34	24	35	61	96	101	277	

Table 3. Entrepreneurial intentions

2.2. Drivers of entrepreneurial intentions

2.2.1. University context

Now that the interconnectedness of business and education is widely discussed there is more and more proof in the literature that university environment becomes a critical factor that boosts entrepreneurial intentions. The responses to the following set of questions exemplify the extent to which students in Kazakhstan are influenced by their universities climate to undertake steps towards starting a business. Students had to grade their attitudes based on a 7-point scale (1=not at all, 7=very much). Judging by the data received 54.4 % out of 789 students (*points 5,6,7 aggregate mean as the sum of opinions tending to say most or less resolute “yes”*) of students feel that there is a favorable atmosphere at the universities that enables them to develop innovative ideas for startups, the same proportion claims that the university climate triggers entrepreneurial incentives.

Even more students (58.6%) tend to think that their universities encourage students to be engaged in entrepreneurial activities. These findings illustrate that higher educational establishments in Kazakhstan focus their attention on activities which lay the foundations for stimulating a high degree of self-reliance among the



students and seeking for the niches at the market which could become the prospect business activity.

	Please indicate the extent to which you agree with the following statements about the university environment.							
	1	2	3	4	5	6	7	Total
The atmosphere at my university inspires me to develop ideas for new businesses.	68	38	118	118	177	69	183	789
There is a favorable climate for becoming an entrepreneur at my university.	61	49	90	135	158	98	173	
At my university, students are encouraged to engage in entrepreneurial activities.	64	40	72	118	146	109	207	

Table 4. University environment

The next table narrows the focus on the curricular universities draw up and how the programs inside the curricular generate the overall awareness of entrepreneurship fundamentals, startup essentials, managerial and networking skills, ability to analyze the environment to spot the opportunity. 50.3% find that universities increased their understanding of the attitudes, values and motivations of entrepreneurs; slightly fewer students (48.3%) assume that their courses are helpful in understanding the essential set of actions to start business; almost the same proportion of students (46.9 %) believe that their courses enhance their practical management skills and 58.7% think that their networking skills are well developed by the courses offered; 50.2% suppose that they get enough of insights into how to identify business opportunities.

	Please indicate the extent to which you agree with the following statements about your studies. The courses and offerings I attended							
	1	2	3	4	5	6	7	Total
increased my understanding of the attitudes, values and motivations of entrepreneurs.	61	64	98	146	160	97	140	789
increased my understanding of the actions someone has to take to start a business.	61	69	105	133	151	103	127	
enhanced my practical management skills in order to start a business.	69	71	96	143	160	79	131	
enhanced my ability to develop networks.	43	42	69	134	141	141	181	
enhanced my ability to identify an opportunity.	64	52	94	143	138	104	154	



Table 5. University context

At the same time the survey discloses that 52.2% of the sample have not attended any course on entrepreneurship, which is almost equal to the results in international sample (55.4%); only 18% visited at least one entrepreneurship course as elective; 17.8% attended at least one entrepreneurship course as compulsory part of their studies; 5.3% study at a specific program on entrepreneurship; 13.4% chose to study at their university mainly because of its strong entrepreneurial reputation. According to the data, the universities are already introducing courses and programs focused on innovations and entrepreneurships, launch relevant programs, though the effect is not that sufficient yet. Nowadays the efforts are being made to bring university, power (government) and business together alongside with creation of technological parks in the country. It will allow for accumulating the resources and building the foundation for merging the strong sides of all stakeholders towards reshaping academic programs. Apparently, this process requires a certain amount of time, even in case of borrowing best international practices and implementing them locally minding the time for appropriation, adaptation and so forth.

	Please indicate which of the following applies to you		
	No	Yes	Total
I have not attended a course on entrepreneurship so far.	350	401	768
I have attended at least one entrepreneurship course as elective.	612	139	
I have attended at least one entrepreneurship course as compulsory part of my studies.	614	137	
I am studying in a specific program on entrepreneurship.	710	41	
I chose to study at this university mainly because of its strong entrepreneurial reputation.	648	103	



Table 6. Entrepreneurship content at university**2.2.2. The role of personal motives**

The survey targeted at a closer look on how the students perceive themselves through the entrepreneurial context, how they define their attitudes to such a lifestyle. Undoubtedly, the realm of entrepreneurs is bound to a certain degree of risk taking, change management and innovation. Therefore, personal qualities, perceptions, critical self-evaluation etc. are among the triggers which provoke an individual to engage in venture business, create “Blue Oceans”, drive innovation and take responsibility. The results demonstrate that 82.6% of students responded they can protect their own interests; 79.3% prove that they can make their plans work; 54.6% can determine what will happen in their life; 68.6% see more advantages in being the entrepreneur rather than disadvantages and 67.8% find this career attractive; 78.5% are ready to be the entrepreneurs if they had all resources necessary on hands; 72.6% would get great satisfaction in having such a career; 66% of students would choose a career of an entrepreneur among all other options (*points 5,6,7 aggregate mean as the sum of opinions tending to say most or less resolute “yes”*). Judging by the results the student community is quite resolute about their rating the entrepreneurship as a worthy engagement, yet the figures are not that high to claim that the prevailing majority would place themselves into this category; though, having favorable conditions for such an engagement increases the group to up to around 80%.

The students from Kazakhstan were also asked to assess their entrepreneurial and business skills. 609 out 1017 participants made such an attempt. 58.6% can identify business opportunities; 56% can create new products and services; 61.4% can manage innovation within a firm; 68.5% can be a leader and communicator; 63.7% can build up a professional network; 61.5% can commercialize a new idea or development; 68% can successfully manage a business (*points 5,6,7 aggregate mean for the sum of opinions tending to say most or less resolute “yes”*). More



than a half of all respondents are positive about their business skills. Notably, students feel stronger when leading and managing rather than creating and analyzing the environment for business opportunity. This gives a room to assume that the sample students have a reserve of assertiveness and self-reliance; however, these qualities are not backed up that much by other competencies which are indispensable for entrepreneurs.

	Please indicate your level of agreement with the following statements.							
	1	2	3	4	5	6	7	Total
I am usually able to protect my personal interests.	11	7	22	48	123	139	272	646
When I make plans, I am almost certain to make them work.	6	6	24	68	173	143	196	
I can pretty much determine what will happen in my life.	33	28	73	123	170	86	97	
Being an entrepreneur implies more advantages than disadvantages to me.	15	11	35	102	148	121	174	
A career as entrepreneur is attractive for me.	31	21	39	85	132	107	199	
If I had the opportunity and resources, I would become an entrepreneur.	19	14	17	54	103	99	305	
Being an entrepreneur would entail great satisfactions for me.	21	25	26	72	119	97	253	
Among various options, I would rather become an entrepreneur.	31	36	43	76	122	83	221	

Table 7. Students' intentions

Students were also asked to predict the reactions of people from their close environment if the latter learn that students pursue a career of entrepreneurs. The respondents speculated that 84.7% of their families would welcome this idea; 84.2% of friends would reassure such an activity; 76.8% of fellow students would be supportive of such an engagement of the respondents. These figures are indicative of the fact that the society accepts entrepreneurship as a very valuable asset in young people's life despite all risks this activity presupposes.

	If you pursued a career as an entrepreneur, how would people in your environment react?							Total
	1	2	3	4	5	6	7	
Your close family	4	8	14	44	77	86	353	609
Your friends	4	5	11	48	99	105	309	



Your fellow students	10	11	19	71	102	95	271	
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Table 8. Attitude in social environment

2.2.3. Family Background and Impact of the Society

In respect to the employment status of respondents’ parents, the largest share of students answered that their parents are not self-employed (69.8%); 16% respondents answered that only their fathers are self-employed; 6.8% respondents have self-employed mothers; 7.2% of respondents have both self-employed parents.

Most parents do not own a business –77.5%. The segment of parents who belong to business owners showed the following pattern: “both parents” and “mothers” categories have scored the same points (4.3%); “fathers” category makes higher proportion – 14%. This data illustrates that the share of parents representing mature entrepreneurs in the sample is less than 30% with “fathers” as predominant category among business owners.

The society as the domain of culture, beliefs, national identity, trends etc. cultivates certain stereotypes and behavioral patterns. The surveyed sample had to answer a set of questions bound to the societal patterns in terms of entrepreneurial behavior and activities. 82.1% out of 672 students hold the opinion that children take pride in the individual accomplishments of their parents; 88.5% of students think that parents take pride in the individual accomplishments of their children; 67.3 % of students keep to the point that aging parents generally live at home with their children; 72.3% of students agree that children in Kazakhstan generally live at home with their parents until they get married (*points 5,6,7 aggregate mean as the sum of opinions tending to say most or less resolute “yes”*). These figures are quite relevant to the general tendencies in the society when young adults are guided by parents until their maturation and settling down (marrying), in turn, grown up children take care of elderly parents.



	Please indicate your level of agreement with the following statements.							Total
	1	2	3	4	5	6	7	
In my society, children take pride in the individual accomplishments of their parents.	8	7	24	62	102	116	334	672
In my society, parents take pride in the individual accomplishments of their children.	6	3	13	29	71	102	422	
In my society, aging parents generally live at home with their children.	13	15	54	106	132	112	208	
In my society, children generally live at home with their parents until they get married.	18	24	41	77	121	124	241	

Table 9. Social domain

The survey questions were examining the readiness of the individuals in the society to be involved in risk-taking ventures, dealing with incremental innovation, making efforts towards bringing the change. They also stressed on the level of societal preparedness for life-long improvement and at the same time the role of the government in cultivating such values. 58.5% of respondents feel that in the society orderliness and consistency are stressed, even at the expense of experimentation and innovation; 56.3% think most people lead highly structured lives with few unexpected events; 49.3% argue that societal requirements and instructions are spelled out in detail so citizens know what they are expected to do; 55% believe that individuals are encouraged to strive for continuously improved performance. This data reveals that students tend to answer this section questions with “fifty/fifty” sentiment, which betrays their hesitant or uncertain opinions and this leaves the space for them to shape their beliefs through their future experiences.



2.3. Nascent entrepreneurs

GUESSS gives an opportunity to understand the plans, sentiments, skills, aspirations of those students who are making attempts to build their way towards an entrepreneurial career (about 40 % in Kazakhstani sample). This section will highlight the findings on this category of respondents. The majority of nascent entrepreneurs plan to found their own business in 19-24 months (44.2%); 18.8% of respondents plan to found their business in 1-6 months; 15.2% plan to found business in 13-18 months and 16.2% plan to do so in 7-12 months.

You previously said that you are currently trying to start a new business. In how many months do you plan to found your business?				
1-6	7-12	13-18	19-24 or more	Total
37	32	30	87	197

Table 10. Business plans of students

The difference between the number of respondents who want their current business idea to become their main occupation after graduation and those who are inclined to change their business activity after leaving the university is fairly similar (53.5% and 52% correspondingly). The majority of respondents claimed that they have not created another business before (75%); 28% of respondents have a prior experience of creating another business before.

The question connected with preferred economic sector that students' proposed business will be active in disclosed the following findings: Trade (wholesale/retail) , Advertising and Manufacturing taken together make the top three choices of Kazakhstani students (39.7% in total) with Trading sector being an absolute leader (14.3%); the second largest group includes Tourism, Human health, Information technology (IT) and Education (36.5% in total); Architecture and Engineering and Construction sectors appeared to be the least popular choices.

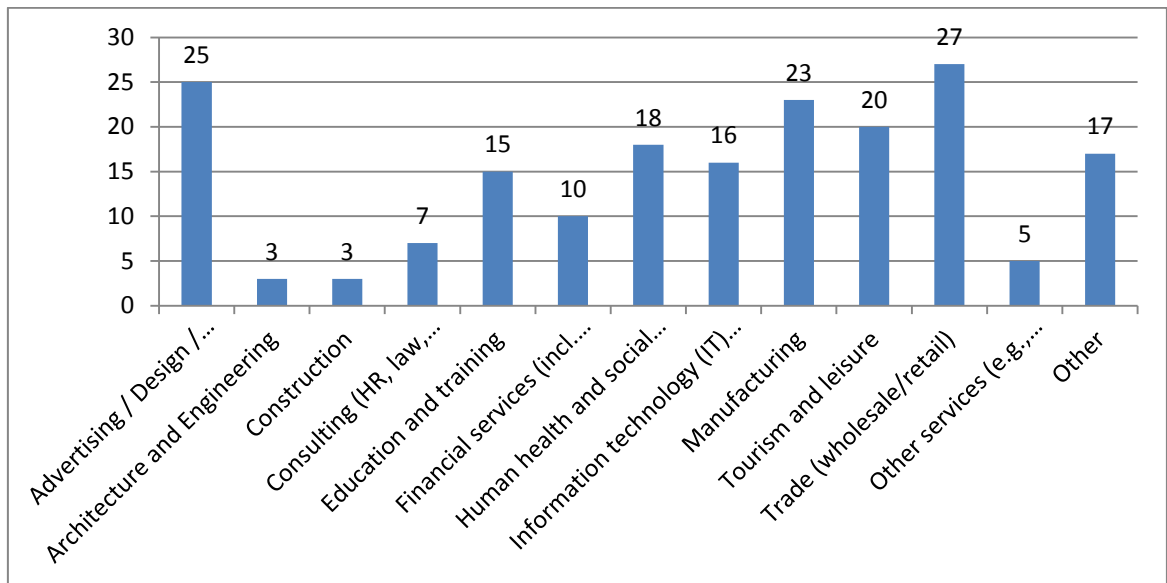


Figure 4. Future spheres of business

The students were asked to indicate what kind of business activities they have already undertaken in order to start business. Obviously, the largest group of students (35% out of 191 students) has already collected information about markets or competitors; approximately 24% of students discussed product or business idea 0,with potential customers and written a business plan; 16.8% started product/service development; 8.9% attempted to obtain external funding; 5.2 % sold product or service and about the same percent of students purchased material, equipment or machinery for the business; 3.14 % started marketing or promotion efforts and applied for a patent, copyright or trademark; 2.1% registered the business. Basically, this data is relevant to the international one and demonstrates the logical progression on starting up a business.



	Please indicate which of the following activities you have already carried out in order to start your own business		
	No	Yes	Total
Discussed product or business idea with potential customers	142	45	191
Collected information about markets or competitors	121	66	
Written a business plan	141	46	
Started product/service development	155	32	
Started marketing or promotion efforts	181	6	
Purchased material, equipment or machinery for the business	178	9	
Attempted to obtain external funding	170	17	
Applied for a patent, copyright or trademark	181	6	
Registered the business	183	4	
Sold product or service	177	10	
Nothing of the above done so far	125	62	

Table 11. First business activities of students

The next set of questions conveys the specific purpose or mission which stands behind the business initiative. 75.4% out of 187 students claim that to make money and become rich is their primary goal; 77.5% want to mainly achieve financial success; 79.1% seek for the opportunity to advance their career in the business world; 66.3% believe they will be able to signal their capabilities to others while doing business and the same amount thinks they will be able to solve a specific problem for a group of people that they strongly identify with; 65.8% wish to play a proactive role in shaping the activities of a group of people that they strongly identify with; 66.3% would like to solve a societal problem that private businesses usually fail to address; 83% intend to do something that allows them to enact values which are core to who they are; 71.2% have a desire to play a proactive role in changing how the world operates (*points 5,6,7 aggregate mean as the sum of opinions tending to say most or less resolute “yes”*). Though the objective to start business in order to provide a decent living remains a conventional priority, Kazakhstani sample finds it the second popular one and puts the highest value on promoting something important to them through business practices.



	Please indicate your level of agreement with the following statements. I will create my firm in order							
	1	2	3	4	5	6	7	Total
to make money and become rich.	5	3	11	18	56	33	52	187
to mainly achieve financial success.	3	2	5	24	40	35	70	
to advance my career in the business world.	2	2	8	15	39	38	71	
to be able to signal my capabilities to others (i.e., future employers, colleagues).	8	6	13	20	35	31	58	
to solve a specific problem for a group of people that I strongly identify with (e.g., friends, colleagues, club, community).	5	4	11	30	35	32	57	
to play a proactive role in shaping the activities of a group of people that I strongly identify with (e.g., friends, colleagues, club, community).	4	6	14	27	44	29	50	
to solve a societal problem that private businesses usually fail to address (e.g., social injustice, environmental protection).	12	6	10	22	32	29	63	
to do something that allows me to enact values which are core to who I am.	2	1	4	15	29	34	92	
to play a proactive role in changing how the world operates.	7	4	7	22	28	30	75	

Table 12. The reasons of doing business

The survey also aimed to identify the values the students will pursue as firm founders. 69% out of 178 students replied that much importance will be placed on operating the firm through solid management practices; 77% claim that a thorough business plan with financial analysis will be valued a lot; 81% of students will care of providing useful services and goods to their social environment; 89% will focus on satisfying their customers’ needs; 82% said that it will be critical for them to share views and values with their customers; 81% assert they want to be true in serving a group of people that they strongly identify with; 84% identify themselves as to be a highly responsible citizen of our world; 80% think they will make the world a “better place”. This bloc of answers proves that the students feel responsibility for the practices they plan to exercise with almost 90% of them stating that customer satisfaction is of utmost significance in their future business.



	Please indicate your level of agreement with the following statements. As a firm founder, it will be very important to me...							
	1	2	3	4	5	6	7	Total
... to operate my firm on the basis of solid management practices.	3	3	4	28	48	24	51	178
... to have thoroughly analyzed the financial prospects of my business.	0	1	9	13	40	43	54	
... to provide a product/service that is useful to a group of people that I strongly identify with (e.g., friends, colleagues, club, community).	0	2	5	11	35	40	69	
... to convey to my customers that I want to satisfy their needs rather than just to do business.	1	0	2	8	34	33	82	
... to be able to express to my customers that I fundamentally share their views, interests and values.	1	0	0	8	29	39	85	
.. to be true in serving a group of people that I strongly identify with (e.g., friends, colleagues, club, community).	0	1	6	7	31	34	79	
... to be a highly responsible citizen of our world.	0	0	4	6	34	30	86	
... to make the world a "better place" (e.g., by pursuing social justice, protecting the environment).	0	1	6	13	27	31	86	

Table 13. Values as the firm founder

The GUESSS survey was looking at the managerial practices and concepts the students plan to exercise while running the business. 168 students provided the answers in this bloc. 77% of students plan to have a strong focus on what their firm can achieve vis-à-vis the competition; 73% intend to establish a strong competitive advantage and significantly outperform other firms in their domain; 66% will have a strong focus on a group of people that they strongly identify with; 67% will support and advance a group of people that they strongly identify with; 77% are inclined to have a strong focus on what the firm is able to achieve for society-at-large; 74% will convince others that private firms are indeed able to address the type of societal challenges that their firm addresses. Taking into account the response rate it is possible to draw the conclusion that the students are quite determined to be actively involved in social changes and be the agents of change in their environment. Though the figures are not soaring, there is a positive dynamics in the responses that demonstrates the participants are aware of the significance of competitive advantage and its benefits for running the business efficiently.



	Please indicate your level of agreement with the following statements. When managing my firm, it will be very important to me...							Total
	1	2	3	4	5	6	7	
to have a strong focus on what my firm can achieve vis-à-vis the competition.	3	1	7	23	45	23	51	168
to establish a strong competitive advantage and significantly outperform other firms in my domain.	1	3	6	21	26	35	61	
to have a strong focus on a group of people that I strongly identify with (e.g., friends, colleagues, club, community).	2	3	7	29	31	34	46	
to support and advance a group of people that I strongly identify with.	2	4	7	28	34	24	55	
to have a strong focus on what the firm is able to achieve for society-at-large.	1	1	5	19	20	35	74	
to convince others that private firms are indeed able to address the type of societal challenges that my firm addresses (e.g., social justice, environmental protection).	3	5	5	17	26	32	66	

Table 14. Managerial values of firm founders

The survey sought to clear up what ownership share in running the business is preferred by respondents. The prevailing group of students (80%) chose the share proportion of more than 50 %. It prompts that the most appropriate form for such a share of liabilities is partnership and students intend to rely on this form of an organization or rather to be a single proprietor of their venture (22%), which suggests that students prefer to accept risk of unlimited liability.

It is notable that the idea of ownership share echoes that one of identifying the number of co-founders. Most students see themselves with 2 co-founders (33%); the next biggest group makes those who want to co-work only with one partner (29%); no co-founders is accepted by 20% of the respondents.

All in all, these figures reveal that Kazakhstani students sample tend to see themselves as single founders or partnerships. Speaking about the characteristics that students see in their partners the highest proportion prefers no or only one female partner as their co-founders (53%); no relatives or only one relative as a business partner are accepted by 74%; no friends or only one friend as a business partner is appropriate for 65% of students.



Entrepreneurs seek for business opportunities and inspirational drivers can come from different sources. Kazakhstani students claim that the biggest source of business ideas come from hobby or recreational pastime (28.4%); family members and university studies come as the second popular drivers (23.4% and 22.8% respectively); work activity outside the university and media close the top choice of respondents (19.1 % and 16% respectively). In contrast, international data reveals that most students worldwide are inspired by university studies, the second popular option is hobbies, and the third place belongs to work experience.

	Where did the idea for this business come from? Please tick the most relevant source(s).		
	No	Yes	Total
University studies	120	37	162
Research project at the university	142	15	
Discussion with other students	136	21	
Work activity outside the university	126	31	
Other / previous self-employment	146	11	
Friends outside the university	137	20	
Family members	119	38	
Hobby or recreational pastime	111	46	
Media (television, internet, etc.)	131	26	
Other	136	21	

Table 15. Source of ideas

2.4. Active Entrepreneurs

This section is devoted to the findings on the segment of students classified as “active entrepreneurs” because they indicated that currently they are business owners. Mainly, the students from the share of active entrepreneurs have established their businesses in the last three years (2014, 2015, and 2016). Thirty respondents have two or three employees; twenty respondents have between 3-10 employees; five students are sole proprietorships and one respondent owns a big company with more than 250 employees. Regarding the share of business ownership 41% of respondents admitted being the sole owners; 26% of respondents own a half in business share; over 15% possess only a quarter of



business. Almost a half of respondents (27 out of 62) replied they would like to change their business activity after graduation.

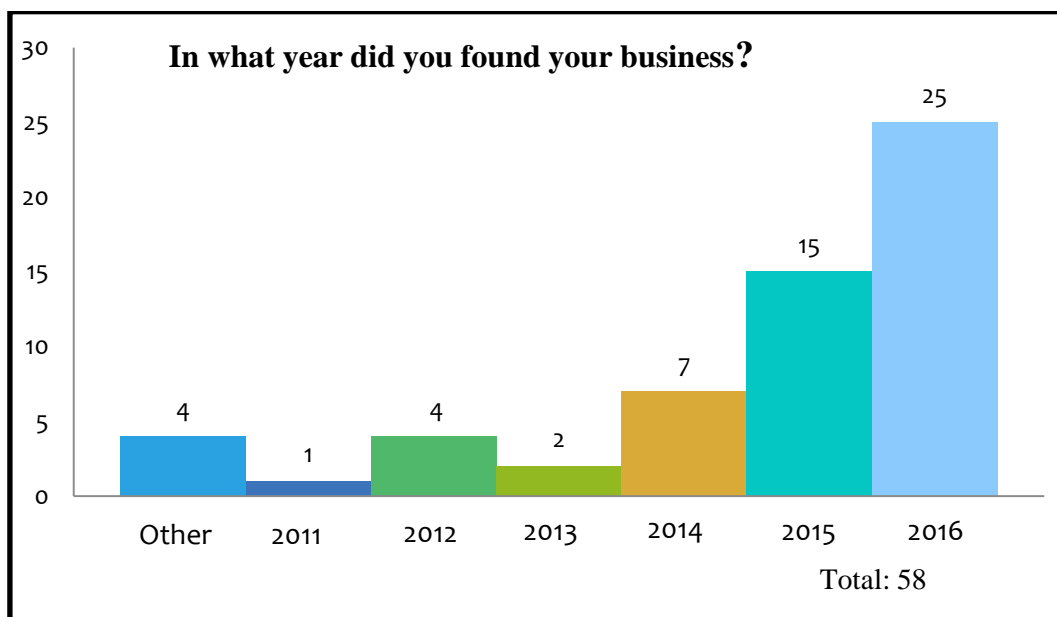


Figure 5. Year of venture foundation

Amount of employees	0	1	2	3	4	5	6	7	8	9	12	250	Total
Number of respondents	5	18	12	6	3	3	2	1	2	2	1	1	58

Table 16. Amount of employees of active entrepreneurs

Another descriptive of active entrepreneurs centers on the nature of business the students are running. It appears that 36.7 % of students are engaged in Trade and Advertising sphere, this is followed by Education and Tourism (18.3 % in aggregate value); IT and Manufacturing share the same number of respondents with 13.3% in total. A quite significant proportion of students was not able to attribute the character of their business up to the options offered and chose “other” category (20%).

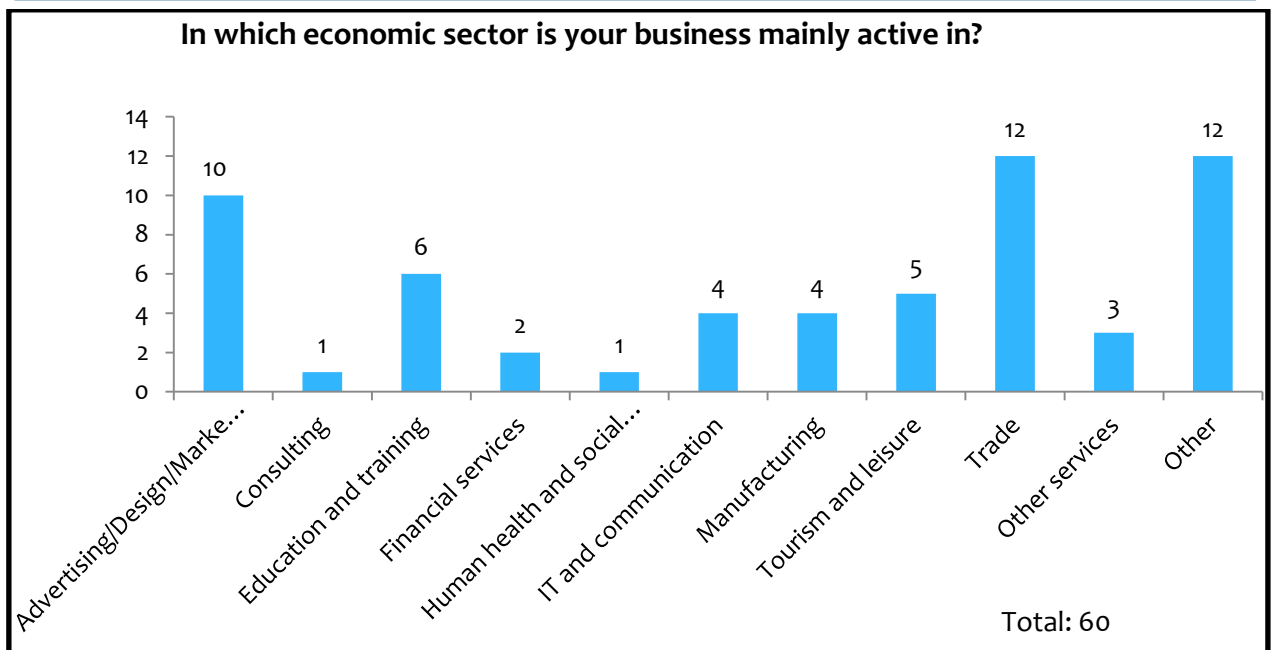


Figure 6. Sector of entrepreneurial activity

Naturally, each individual has his/her own drivers that motivate and boost self-esteem while making the way towards targeted business goals and the success factor is rated differently by individuals. Among the Kazakhstani sample the findings show that active entrepreneurs (around 70 % out 56 respondents) are driven by financial aspect “to become rich” and achieve financial success; around 60% of respondents highlighted that business career advancement and a set of valuable capabilities is their target while doing business; 58.2% consider a proactive role in reshaping state of things globally; 39% are encouraged to solve societal issues which are not tackled by private businesses. Another interesting message is traced through how the students view their relations with their clients. A staggering 86% of the sample (*values 5,6,7 added as the aggregate of “agree” scale*) wants to show the customers that they want to satisfy their needs rather than pursue only financial goals and approximately the same percent of students (84.3%) want to express vividly that they totally share the values and interests of their customers, which is indicative of strong social responsibility values of this group towards customer satisfaction. Yet, the highest proportion is stimulated by the competition factor: 87.2% admit that a competitive advantage is an essential



item of their business. This proves how young entrepreneurs are also pressed by survival factor noting that the life span of companies nowadays is much shorter than that one half a century ago and it is believed to be mostly predetermined by the ability of the company to innovate and adapt itself to the “creative destruction” waves once identified by J. Schumpeter (1942).

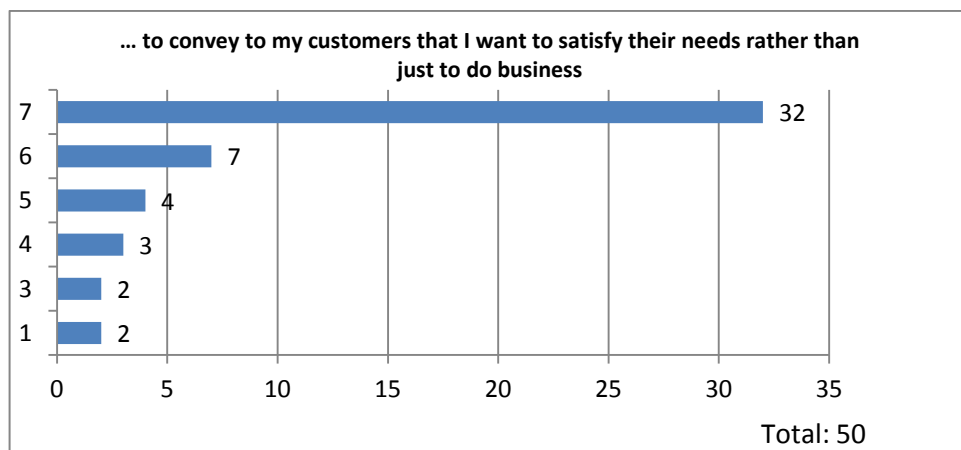


Figure 7. Drivers of business: Satisfy needs

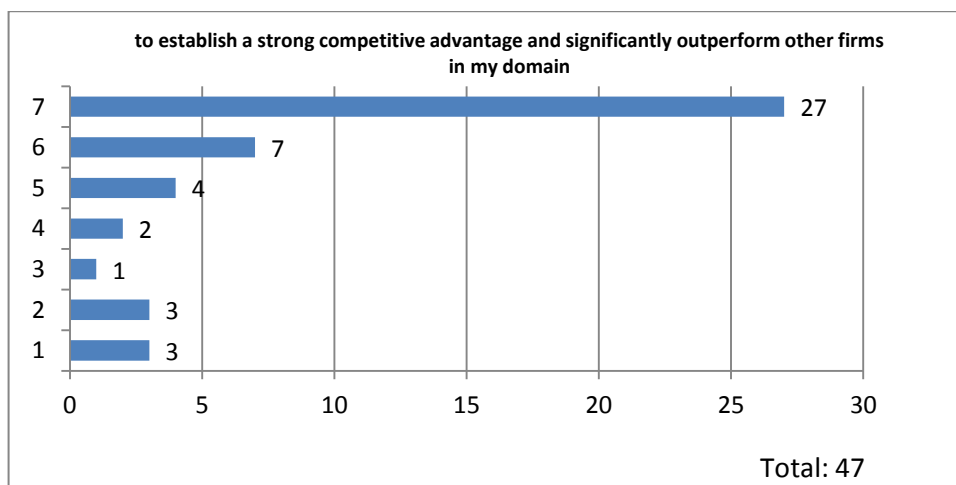


Figure 8. Drivers of business: Be competitive

The responses of students to how manage their business towards an innovative organization are quite predictable: 83.3 % of active entrepreneurs (*values 5,6,7 added as the aggregate of “agree” scale*) believe that technological innovations will keep their business afloat and 73.5% are supposed to create new products and services; 80% assume that creating new niches at the existing market is the right way to follow; 82.6% consider it an appropriate strategy to focus on



reducing the material consumption and increase yield; 87.5% believe that the effort should be made on enhancing the quality of products and services.

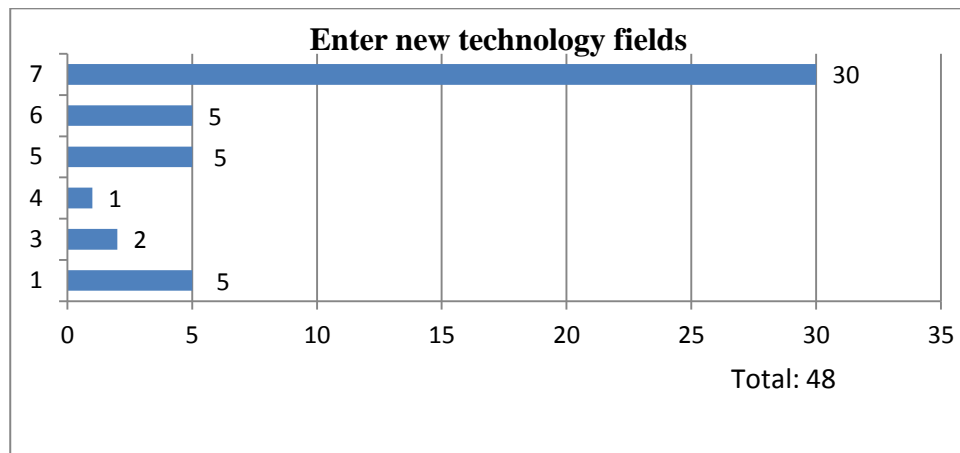


Figure 9. Business approach: New field

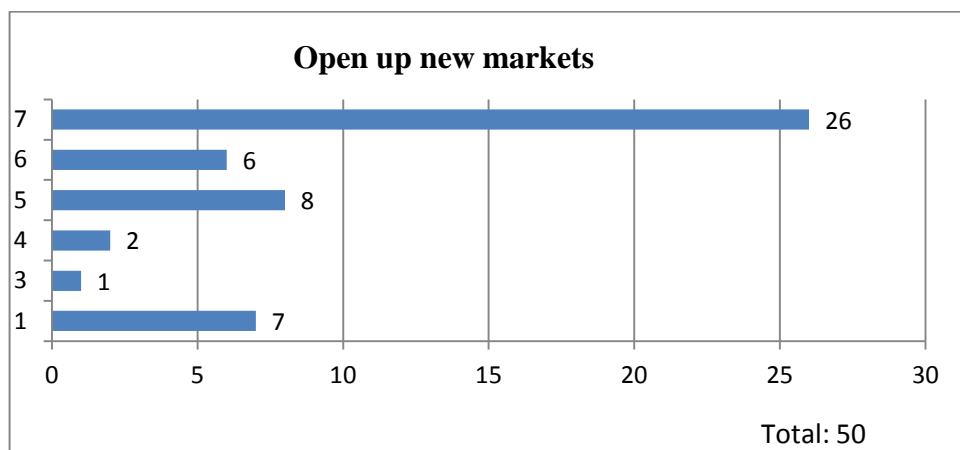


Figure 10. Business approach: New market

However, 44.2% of respondents feel quite hesitant about which strategy to follow when it comes to launching the projects with innovative products and services; the rest of the active entrepreneurs group is evenly divided between “yes” and “no” scales. Hence, the young people in the sample tend to have cautious tactics in terms of pioneering the market with new offers.

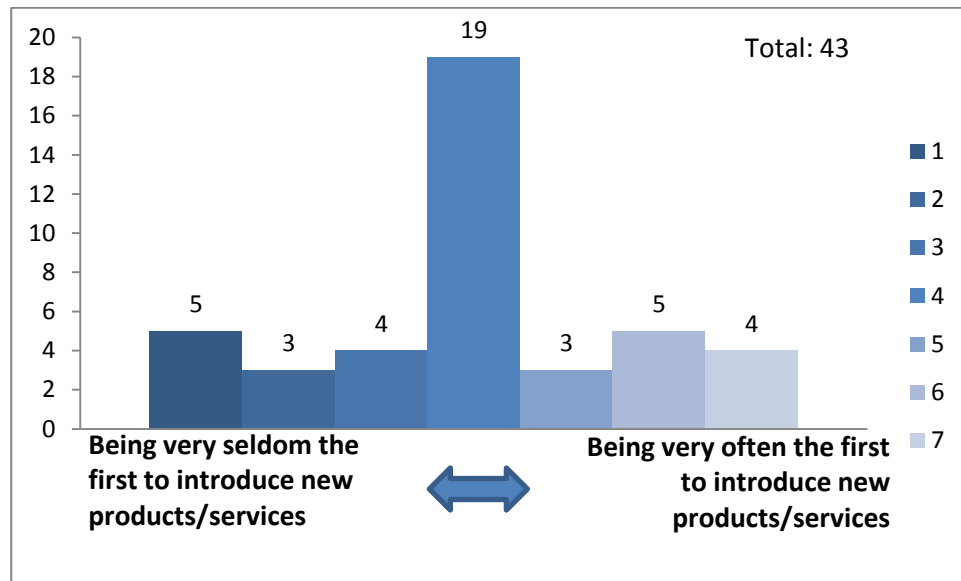


Figure 11. New products/services

Making an overall estimation of their business the sample respondents reveal that half of them are currently making profit; less than a half enjoy sales growth; 43% are successful with increasing the market share; only 16% are successful with creating new jobs. 59% are confident about their satisfaction feelings with their business career; 72.7 % of respondents express a certain satisfaction with their entrepreneurial career. All in all, 86% admit that they are able to cover their business expenses with the current rate of sales revenue

2.5. Family Business

15.6% of respondents claim that their parents currently own businesses (N=159). The bulk of these ventures were opened in early 2000s, the period characterized as the transition one for Kazakhstan. Recovery mechanisms set the grounds for the development of small and medium enterprises as well as facilitating the grounds for market infrastructure. The research data provides that these businesses are small enterprises with less than 20 employees (69.4%) and 14.5% run organizations with more than 20 employees which can be characterized as medium enterprises respectively.



The total number of employees	Answers of respondents
< 20 employees	110
21-50 employees	10
> 50 employees	13
N/A	26
Total	159

Table 17. Number of employees in family business

Only a half perceive their parents' business as "family business", however much less than half of respondents (around 30%) see parents' venture as their own capital with further inheritance or having serious intentions to take over parent's firm. Further questioning provides evidence that the sample students evaluate their parents' business as partially succeeding in different functional areas: sales growth – 53.6%; market growth – 42.4%; profit growth – 54.3%; job creation – 33.8%; innovativeness – 35.1%. This probably explains the unwillingness to continue family business in the way it is and students either feel that they will not be able to change the current state of things or see themselves doing different business. According to students' opinions, their parents would have a fairly positive attitude towards their involvement in the family venture (41%), again the figure is lower than a half and is far from prevailing majority. The economic sector where family enterprises operate mostly is the Trade and Commerce (26 %); Manufacturing and Construction share an equal proportion of about 10% for each; Human health and Social Activities and Financial Services account for 6.3% and 5.7% correspondingly. Other services category accounts for 10.8%.

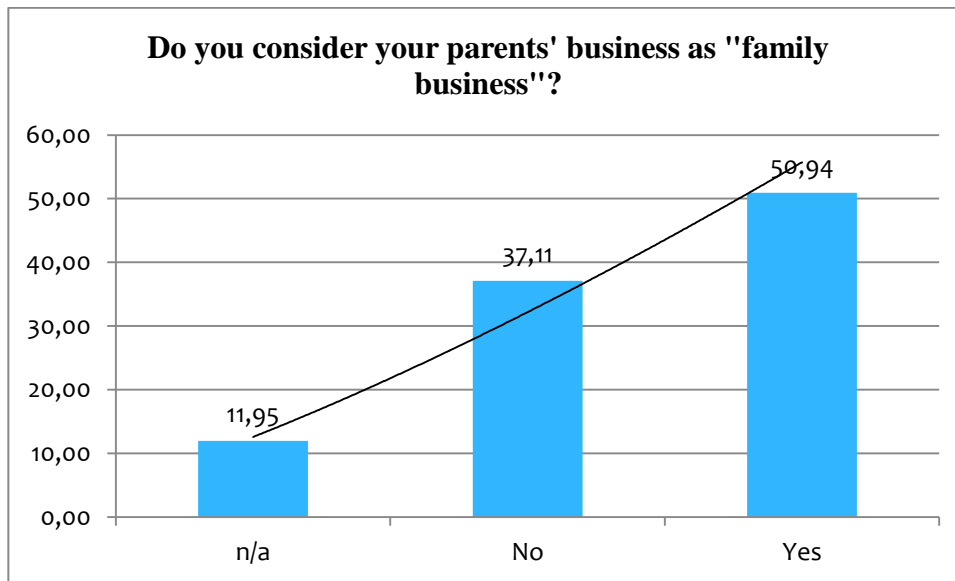


Figure 12. Attitude towards parents' business

All in all the respondents exemplified by their answers that preserving the balance in family atmosphere is more important to them rather than pursue the success of family business. It is a quite typical attitude to a family which is seen as one of the basic values in the society, however, only 54.6% students say a confident “yes” when asked if they will refuse from any claims to family business share if their siblings contributed to its development more and slightly higher proportion believe (57.3%) the well-being of all family members is a must. This insight into family context can be very subjective and serves as a complimentary overview of personal attitudes rather than a true picture of making resolute and mature decisions.

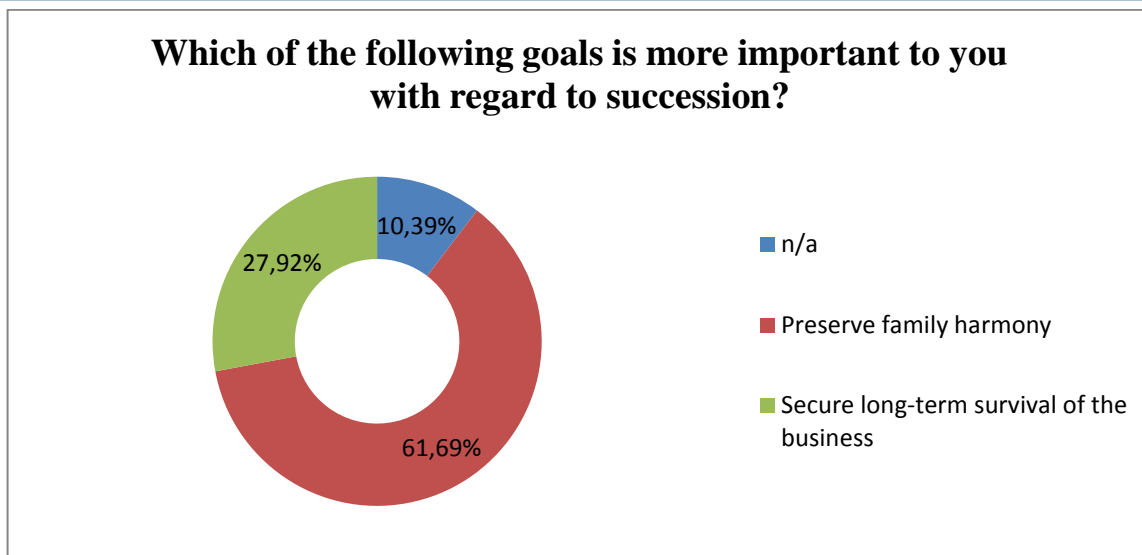


Figure 13. Succession goals



III. Conclusion

The primary objective of the current study was to explore entrepreneurial spirit and future career intentions of students in Kazakhstan and contribute to the global studies that provide a geographical as well as longitude perspective on how young people attitudes differ worldwide. Research shows that Kazakhstani students tend to pursue careers as employees in the company right after graduation and later prefer entering a private business sector. This finding echoes the results of international GUESSS report and, therefore, can be seen as the universal career path for graduates all over the world. However, some of the students have already started their own businesses (10%) and the answers of active entrepreneurs imply they do face challenges (59% satisfaction rate with business career against international rate of 57.8%). Respondents in the sample reveal a certain degree of willingness to manage sustainable entrepreneurial projects (16.1% right after graduation and 52.4% in the 5 year period respectively), which shows a high potential among Kazakhstani students.

The data received prompts the recommendation for all stakeholders of higher education: the responsiveness level of the universities to the trends in the social and economic environment should be increased to provide adequate academic policy that addresses the challenges of the society – the quality of human capital is one of them. More proactive role of higher educational establishments in close collaboration with business and “power” in shaping flexible programs to educate competent professionals equipped with entrepreneurial skills should become a widely used practice.

All in all, such kind of large scale study is a novel experience for the country and universities. It provided an insight into the area that is not thoroughly explored and supplied important information for the time being. No doubt, the longitudinal research will provide a more detailed overview of the situation in the long run and will enable to see the progress of entrepreneurs and their views in further waves.



IV. References

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