

## ENTREPRENEURSHIP IN THE EUROPEAN UNION

Bachelor Studies in International Business  
(Undergraduate IB Course)

English Track Course for Bachelor Students  
(Undergraduate ETUG-ERASMUS Course)

FALL SEMESTER 2011/2012

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<b>Professor:</b>	Dr. Krzysztof WACH
<b>Unit:</b>	Department of Entrepreneurship and Innovation
<b>Office:</b>	Building B, Room 473 (4th floor)
<b>Office Hours:</b>	Wednesdays 14.00-15.30 & 17.15-18.00, Thursdays 13.00-14.00 or by appointment
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<b>eLearning:</b>	<a href="http://cel.uek.krakow.pl">http://cel.uek.krakow.pl</a> (login, password and enrolment key required)

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### COURSE DESCRIPTION

The European Union creates great opportunities for entrepreneurship, especially for small and medium-sized enterprises (SMEs). Thus, the course will be focus on the following thematic issues: Freedom of Establishment. Effective competition on the European market. Business activities in the European Union. Business environment in the European Union. Business taxation in the European Union. The European Charter for Small Enterprises. Small Business Act for Europe. Community long-term programs for enterprise and entrepreneurship. Instruments to support SMEs in the EU.

The course aims also to provide students with practical skills necessary for managers of European businesses. Preparing students for active participation on European and international markets as entrepreneurs and employees. The aim of the course is to develop knowledge of the importance of SME sector in the EU economy and to develop skills in the field of Euro-management and performance characteristics of micro, small and medium-sized enterprises on the EU and international markets.

### COURSE CONTENT

Themes of the Classes	Lectures	Workshops
<b>1. Course Overview</b> 1.1. Course Syllabus 1.2. The Conditions of the Course Credits and Grades 1.3. The Content and Learning Outcomes of the Course 1.4. The Conditions of Studying 1.5. The Rules for Cooperation between the Professor and Students	<b>1h</b>	-
<b>2. EU and Its Four Freedoms Supporting Entrepreneurship</b> 2.1. EU enlargement history 2.2. Four Freedoms of the European Single Market 2.3. Euro Zone and European Businesses 2.4. Schengen Area and European Entrepreneurs 2.5. Internal Market: EU / EEC / EFTA and so on ...	<b>1h</b>	-
<b>3. European Union's Freedom of Establishment</b> 3.1. Definition and dimensions of the term 3.2. Beneficiaries of the Freedom of Establishment 3.3. Types of Establishment 3.4. Fields of Application and Corollaries of the Establishment 3.5. Reasons to Choose the Destination Member State	<b>1h</b>	-
<b>4. European Business Environment in Comparative Perspective</b> 4.1. Level of Economic Freedom in the EU states (IEF) 4.2. Registration Time 4.3. Registration Costs 4.4. Minimal Capital	<b>1h</b>	<b>1h</b>
<b>5. Pan-European Legal Forms of Doing Business</b> 5.1. European Economic Interest Grouping, EEIG 5.2. European Company, SE 5.3. European Cooperative Society, SCE 5.4. European Private Company, SPE	<b>1h</b>	<b>1h</b>
<b>6. Tax Competition in the European Union</b> 6.1. Accepted vs. Harmful tax competition 6.2. EU Taxation Policy 6.3. Harmonization of Indirect Taxes within the EU 6.3. Taxes in the EU states in comparative perspective 6.3.1. Fiscal burdens 6.3.2. Corporate taxation 6.3.3. Individuals taxation 6.3.4. VAT 6.4. Social Contribution Schemes Coordination in Europe	<b>2h</b>	<b>1h</b>
<b>7. Defining the SME sector</b> 7.1. Qualitative and quantitative criteria 7.2. Definition of the SMEs in the European Union 7.3. Defining SME / SB in other parts of the world (US, Japan)	-	<b>1h</b>
<b>8. Role of SMEs in the European Union</b> 8.1. Historical Background on Small Business 8.2. Importance and Role of Small Business for Economies 8.3. International Comparisons of Small Business Sector 8.4. Small Business in Poland in Historical Perspective	<b>1h</b>	-

<b>9. EU Policy in favour of SMEs and Entrepreneurship</b> 9.1. <i>Green Paper on Entrepreneurship.</i> 9.2. The European Charter for Small Enterprises. 9.3. Small Business Act for Europe. 9.4. <i>BEST Initiative.</i> 9.5. Community long-term programs for enterprise and entrepreneurship. 9.6. <i>Instruments to support SMEs in the EU.</i>	<b>1h</b>	<b>1h</b>
<b>10. Europeanization of Small and Medium-Sized Enterprises</b> 10.1. The Triad: Internationalization - Globalization – Europeanization 10.2. The Motives for Internationalization within the EU and Outside 10.3. Ways (Modes) of Internationalization of SMEs 10.4. Theories of Firm Internationalization 10.5. Facts and Figures on SMEs Internationalization in the EU	<b>2h</b>	<b>2h</b>
<b>11. Standardization and Certification for Business in the EU</b> 11.1. EU Product Security System: CE marking 11.2. EU Food Safety System: HACCP, GHP, GMP 11.3. EU Ecological Certificates: Organic Farming, Eco Label 11.4. EU Regional Products Certificates: PDO, PGI, TSG 11.5. EU Traditional Products Register	<b>2h</b>	<b>2h</b>
<b>12. Structural Funds for Business in the European Union</b> 12.1. Sources of the EU Funds for Businesses 12.2. EU Structural Funds within the Community Regional Policy 12.3. EU Structural Funds 2007-2013	<b>1h</b>	-
<b>13. EU Structural Funds for Business and Entrepreneurship in Poland</b> 13.1. Poland as a Beneficiary in comparison to V4 and EU-27 13.2. Polish Operational Programmes of EU SFs 13.3. Application Rules for Entrepreneurs and Businesses	<b>1h</b>	<b>2h</b>
<b>14. Cultural Differences and Conducting Business in the EU</b> 14.1. Classifications and typologies of cultural differences 14.2. John Mole's European Map of Entrepreneurial Culture 14.3. Richard Gesteland's cultural behaviour in the EU-27 14.4. Rules for negotiation with European partners	<b>1h</b>	<b>1h</b>
<b>15. Case Study</b> 15.1. In-Class Task / Implementation of the Gained Knowledge 15.2. Discussion	-	<b>2h</b>
<b>16. Course Summary</b> 16.1. Final Test 16.2. Recapitalization of the Course 16.3. Collecting Signatures "Wpisy" for Regular Students	-	<b>1h</b>
<b>TOTAL in teaching hours</b> <b>(1h) – 1 teaching hour (45 minutes)</b>	<b>15h</b>	<b>15h</b>
	<b>30h</b>	

## **TEACHING METHODS**

This course will draw on information gleaned from textbooks, periodicals, and cases illustrating entrepreneurial management issues in diverse business domains. The course involves a variety of teaching and learning methods. Course elements include:

- ✧ Literature studies / Topical readings
- ✧ Case discussions
- ✧ Documentaries including governmental policies
- ✧ In-class role-plays and exercises
- ✧ Team project

The course will be taught as a blended learning course, that means regular classes will be supported by some e-learning materials.

All course materials will be available via Moodle platform at the Centre of e-Learning (CEL) of Cracow University of Economics or at the tutor's website. Some copies of essential course material will be provided to students in class. All other material will be available in the main university library.

## **REFERENCES / LITERATURE / BIBLIOGRAPHY**

### **GENERAL READINGS:**

1. N. Daszkiewicz, K. Wach, *Internationalization of SMEs. Context, Models and Implementation*, Gdansk University of Technology Press, Gdansk 2012 (forthcoming)
2. D. Johnson, C. Turner, *European Business*, 2nd edition, Routledge, London – New York 2006
3. Ph. Harris, F. McDonald, *European Business & Marketing*, SAGE Publications, London 2004
4. S. Mercado, R. Welford, K. Prescott, *European Business*, 4th edition, Prentice Hall, London 2001

### **DETAILED READINGS:**

The full list of reading materials will be provided during the first meeting and/or in a separate electronic file at WEB-based class information area. Detailed readings will be announced before each class and/or in the schedule.

## PERFORMANCE EVALUATION

Final grade will be based on the cumulative results of individual and group work assignments plus individual written final work, which will be assessed according to the value of information writing skills. Oral work (if any) will be assessed according to the significance of the information presented and the efficacy in which it was presented. Evaluation of student performance will be based on a combination of team and individual activities:

<b>1) In-Class Tasks and Case Studies</b>	<b>40%</b>
<b>2) Exams</b> (one final test or two modules) including:	<b>60%</b>
1) Mid-Term Test (covering the first part of the material)	30%
2) Final Test (covering the second part of the material)	30%
<b>Total</b>	<b>100%</b>

### IN-CLASS TASKS

During the workshops students will be working in teams. The team-working will focus on different kinds of tasks, exercises and the incident studies (a simplified version of case studies). Some of the mini-case studies will be evaluated and will be taken into account for the final grade.

### FINAL EXAM (Mid-Term Test + Final Test)

The final written exam will cover the content of all lectures and workshops and will take place on the last lecture/class. There is no final exam scheduled during the University Final Exam Period. The assessment will have a form of a test with two parts:

- a) one answer to be selected from several options
- b) multiply choice questions.

The students (of all of them declare the change) can ask for two tests in order to divide the material into two parts: the **Mid-Term Test** covering the first part of the material and the **Final Test** covering the second part of the material.

### BONUSES

During lectures (and sometimes workshops) the 'surprises' may occur. They normally will not be taken into account into final grade, however some students (the best results) will be able to obtain bonuses (extra points) to be added to the final scoring to make the final grade higher.

### SCORES AND GRADES

The scores and grades are as follow:

<b>Scores</b>	<b>Grades*</b>	<b>Description</b>
92 – 100	<b>5.0</b>	Excellent (A)
85 – 91	<b>4.5</b>	Very Good (B+)
76 – 84	<b>4.0</b>	Good (B)
68 – 75	<b>3.5</b>	Satisfactory (C+)
60 – 67	<b>3.0</b>	Sufficient (C)
0 – 59	<b>2.0</b>	Failed (D)

\* Polish university gradation was applied

## OTHER POLICIES

1. **Changes to course syllabus.** The course schedule is subject to change at the discretion of the instructor. Among other reasons, scheduling changes may occasionally be required to accommodate changes in the availability of guest speakers. Schedule changes will be announced in class as well as on the course website.
2. **Class e-mail communications.** Class announcements may be distributed via e-mail. In order to receive these announcements, **make sure the e-mail address listed for you is correct.** This e-mail list is created during the first lecture. You are the only one who can change it.
3. **Notice about WEB-based class information:** Password-protected class sites will be available for this course. Please note that all accredited courses taught at The University have access to Moodle Platform. Syllabi, handouts, assignments and other resources will be available within these sites. Site activities could include exchanging e-mail, engaging in class discussions and chats, and exchanging files. In addition, class e-mail rosters will be a component of the sites.
4. **Standards of professionalism.** All students are expected to fulfill basic standards of professional behavior. Failure to adhere to these standards may be reflected in your course grade. Professionalism includes:
  - a. On-time arrival to class.
  - b. Appropriate preparation for class. "Cold calling" may occur.
  - c. Not having side conversations during class.
  - d. Turning cell phones off.
  - e. Showing courtesy to guest speakers (if appreciate).
5. **Laptops.** Laptops are allowed during class sessions.
6. **Grievance procedure.** If you feel you have been graded unfairly in this course, you may use the following procedure to voice your complaint. Within **FIVE DAYS** of receiving the grade, give me a written appeal (may be via e-mail). Be sure to document your reasons by referring to inconsistency in grading standards, incorrect point calculations, etc.
7. **Scholastic dishonesty.** The responsibilities of both students and faculty with regard to scholastic dishonesty should be a mere decency. Please, be aware that cheating during exams is strictly punished!

**BIOGRAM**

Last updated: October 2011

**Dr. Krzysztof Wach**

Ph.D. in business management / entrepreneurship (2006), M.Sc. in foreign trade (2001). Diploma of Teaching Qualification (2001) within the specialization of active methods of economics and management education (graduate *cum laude*). Certificate in University Teaching Qualifications (2004).



Associate professor at the Department of Entrepreneurship and Innovation of Cracow University of Economics. Visiting lecturer at Jagiellonian University in Cracow as well as University of Science and Technology AGH in Cracow as well as 'Ignatianum' Jesuit University College in Cracow. The ex-dean of the Faculty of Insurances of Cracow Higher School of Insurances.

He gave quest lectures for Grand Valley State University (Grand Rapids, USA: visiting professor), Newcastle Business School – Northumbria University (Newcastle, UK: visiting lecturer), University of Sienna (Sienna, Italy: contract lecturer), National University of Life and Environmental Sciences of Ukraine (Kiev, Ukraine: guest lecturer), Slovak University of Agriculture in Nitra (Nitra, Slovakia: guest lecturer).

The author of 6 monographic books and 4 textbooks, the coauthor of 2 monographic books, the author or the coauthor of 13 chapters in books, as well as the author and coauthor of over 100 scientific papers, articles, mainly on entrepreneurship and management of small and medium-sized-enterprises.

The author or coauthor of 11 research projects finances within government funds (Ministry of Science and Higher Education, Ministry of Science and Information Society, State Committee of Scientific Research of the Republic of Poland) and the coauthor of the international research project financed by the Ministry of Education of the Republic of Slovakia.

Eight times awarded by the Rector of Cracow University of Economics for individual scientific achievements (2003, 2004, 2006, 2007, 2008, 2009, 2010, 2011). Twice awarded once awarded by the Rector of Cracow University of Economics for teaching achievements (2009, 2011). Additionally once awarded by the Rector of Cracow University of Economics for individual organizational achievements (2008).

The member of *Polish Economic Association* (PTE) seated in Warsaw (Poland) as well as the member of *European International Business Academy* (EIBA) and *European Academy of Management* (EURAM) seated in Brussels (Belgium). The member of the pan-European network of Knowledge Transfer Offices and companies affiliated to universities and other public research organisations *ProTon Europe* seated in Brussels (Belgium). The member of *Entrepreneurship Research and Education network of Central European Universities* (ERENET) seated in Budapest (Hungary).

The external expert of the *National Centre for Research and Development* (NCBiR) seated in Warsaw (Poland). The expert of University of Targu-Mures in the field of entrepreneurship education within the project CNCISIS/EDARO financed by the Romanian Government (2007-2008). The coordinator of CEEPUS project on entrepreneurship education (2003-2004). The co-coordinator of ATLANTIS-STAIR project (2008-2013).

Within his research and teaching activities he specializes in broadly understood entrepreneurship, especially the functioning of small and medium-sized enterprises on European markets. The consultant and adviser in the field of doing business in the European Union. A trainer of management and entrepreneurship during numerous courses and workshops for entrepreneurs, bankers and public administration workers including European Employment Service (EURES) advisers as well as teachers. As a teacher he promotes active methods of teaching including *blended e-learning* (in his field He was a tutor within „iCOLL” project realized within Socrates-Minerva program and fully financed by the European Commission (2006-2007). For over 2 years he ran his own consulting firm, thus in his research and teaching work he links his rich practical experience and theoretical background. Additionally for a couple of months he worked as the head of the Department of European Consulting in one of popular consulting firms in Poland.

COURSE	<b>Entrepreneurship in the European Union</b>		
HOURS	30 (15 lectures+15 tutorials/workshops)	ECTS:	2
YEAR	2011/2012	SEMESTER	Winter Semester
Name/title of the professor:	<b>Dr Krzysztof WACH</b>		
Course Description:	The European Union creates great opportunities for entrepreneurship, especially for small and medium-sized enterprises (SMEs). Thus, the course will be focus on the following thematic issues: Effective competition on the European market. Business activities in the European Union. Business taxation in the European Union. The European Charter for Small Enterprises. Small Business Act for Europe. Business environment in the European Union. Community long-term programs for enterprise and entrepreneurship. Instruments to support SMEs in the EU.		
Learning Outcomes (Goals and Objectives of the course):	The course aims also to provide students with practical skills necessary for managers of European businesses. Preparing students for active participation on European and international markets as entrepreneurs and employees. The aim of the course is to develop knowledge of the importance of SME sector in the EU economy and to develop skills in the field of Euro-management and performance characteristics of micro, small and medium-sized enterprises on the EU and international markets.		
Entrance qualifications:	Basic knowledge on the European Union is recommended.		
Course Content:	<ol style="list-style-type: none"> <li>1. Freedoms of European Single Market supporting Entrepreneurship</li> <li>2. European Union Freedom for Establishment</li> <li>3. EU Policy in favour of SMEs and Entrepreneurship</li> <li>4. Europeanization of Small and Medium-Sized Enterprises</li> <li>5. Strategies of Europeanization of Enterprises</li> <li>6. Pan-European Legal Forms of Doing Business</li> <li>7. Tax Competitive in the European Union</li> <li>8. Standardization and Certification in the EU</li> <li>9. EU funds for Business</li> </ol> <p>Knowledge obtained during the lecture will be necessary for workshops participation as they will be supplementary for lectures.</p>		
Assessment policy (examination):	<p>Final grade: Evaluation of student performance will be based on a combination of team and individual activities.</p> <p><b>1. Class Projects– Group Work Assignment (40%)</b></p> <p><b>2. Final Written Test – Individual Work Assignment (60%)</b></p> <p>Final grade will be based on the cumulative results of individual and group work assignments plus individual written final work, which will be assessed according to the value of information writing skills. Oral work (if any) will be assessed according to the significance of the information presented and the efficacy in which it was presented.</p>		
Course materials / bibliography:	<p>All course materials will be available via Moodle platform at the Centre of e-Learning (CEL) of Cracow University of Economics (<a href="http://cel.uek.krakow.pl">http://cel.uek.krakow.pl</a>) or at the teacher's website (<a href="http://www.uek.krakow.pl/wachk">www.uek.krakow.pl/wachk</a>). Some copies of essential course material will be provided to students in class.</p> <p><b>Course Literature:</b></p> <ul style="list-style-type: none"> <li>– D. Johnson, C. Turner, <i>European Business</i>, 2nd edition, Routledge, London – New York 2006</li> <li>– C.K. Volkmann, K.O. Tokarski, M. Grunhagen, <i>Entrepreneurship in a European Perspective</i>, Gabler, Berlin 2010</li> <li>– Ph. Harris, F. McDonald, <i>European Business &amp; Marketing</i>, SAGE Publications, London 2004</li> <li>– S. Mercado, R. Welford, K. Prescott, <i>European Business</i>, 4th edition, Prentice Hall, London 2001</li> </ul>		
Methods of Instruction:	Interactive lectures, power-point presentations, analysis of the literature, in-class debates, preparing real applications for EU funds.		