

Research program:
“Entrepreneurship courses for all? The effects of entrepreneurial education on labor market performance”

Annex Code 8

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Research subject

Entrepreneurship is considered one of the driving forces of economic growth and innovation. Furthermore, from a labor market perspective it may be a relevant port of entry into employment, especially for individuals “at the margin” of the labor market (such as immigrants, women and the young) and in years of shortage of job opportunities as dependent workers.

The European Commission has recently stressed that, in order to foster the entrepreneurial dynamism of our economies, it is crucial to reinforce entrepreneurial education in schools and universities. Through the Entrepreneurship 2020 Action Plan and the Rethinking Education Communication, the European Commission has emphasized the need to embed entrepreneurial learning in all sectors of education, including non-formal learning. The aim is to provide all young people with a practical entrepreneurial experience before leaving compulsory education.

The impact of entrepreneurship education goes actually beyond the creation of business start-ups, since it makes young people more employable and “intrapreneurial” also when they work as employees in existing companies or organizations.

Entrepreneurship education is getting more and more relevance also in our University, particularly in the departments/degrees with a management vocation.

While there is a large body of literature on the effects of entrepreneurship education on the creation and performance of new start-ups, little is known on the effect of such type of education on the performance of (young) people in dependent employment.

This is a relevant issue for both research and policy making, provided that the majority of the students who take one or more entrepreneurship courses during their years of formal education will be employed as dependent workers once entering into the labor market.

The aim of this research project is hence to empirically study whether and how entrepreneurial education affects the performance of young individuals entering the labor market as employees. Several indicators will be considered, such as the probability to gain stable employment, the probability to experience unemployment spells, earnings and skills differentials.

The identification of a “true” causal effect in this context is a challenging task, since a number of sources of endogeneity could bias the relationship between entrepreneurial education and labor market outcomes. Individuals with higher innate ability or innate entrepreneurial skills (such as ability to deal with risk, attitude towards change and multitasking ability) could actually self-select into entrepreneurship courses and they could be subsequently more successful in the labor market regardless of the education they got. In order to properly deal with this problem and to get useful policy implications, a great effort of the empirical analysis will be devoted to data selection and identification strategy.

More specifically, other than using existing data-sources providing information on (entrepreneurial) education and labor market performance (such as the Global Entrepreneurship Monitor), we shall exploit the features of the plan of studies of some

Master's degrees of our University (particularly those with compulsory or elective entrepreneurship course) to build a "quasi natural" experiment and use this research project to carry out a pilot survey with a representative sample of former students in order to get detailed information on their job careers (including indicators of perceived satisfaction and wellbeing).