

# Entrepreneurial Climate – Management of Women's Entrepreneurship

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*Abstract. Entrepreneurship, which people can have without formal economic education, is a tendency acquired through upbringing in the family, competition in school, implies risk and constant self-affirmation through the acquisition of profits and losses, so that it represents the sum of successes and failures, victory and defeat. In the last thirty years, female entrepreneurship has been developing more and more, especially in less developed countries, the reason for such growth is primarily reflected in the promotion of equality between men and women, the right to education, and the development of democracy. Female entrepreneurship is a significant factor in economic development, so the national economy becomes richer. The subject of this research are the entrepreneurial climate in the Balkans compared to the world in terms of female entrepreneurship, what is the role of the family in starting a small business, as well as its survival and growth. In the study the results of previous research in this area. The research method is based on a comparative analysis of studies dealing with this problem from the territory of Balkans. It can be concluded that in the Balkans, female entrepreneurship is still in its infancy, it is about a very small percentage of female entrepreneurs, although according to research, it is evident that there has been no major progress in the last 15 years. Recommendation In the countries of the Balkans, there is a good entrepreneurial climate for the development of female entrepreneurship, especially because women can work from home, and in the future it is necessary to go in this direction.*

*Keywords: Entrepreneurship, Management, Women, Balkans*

## Introduction

Enjoying the wealth that has been created should be what everyone should strive for, this is how personal wealth can be created for the society in which one lives. Today, changing the way of thinking and attitude towards money is becoming more important than earning. Today, the race for money separates man from all other activities, he becomes a robot that is programmed how to act, how to do certain things and at what time, there are no feelings, no companionship, everything simply boils down to money. There are many paths to wealth today. In the whole process, it is important to master the techniques and skills of acquiring money [1].

The technical-technological revolution that at that time organized the way of production fundamentally shook feudal societies in which wealth was based on land ownership. Trade took place through cheap products; costs could be reduced only by mass production. The solution lay in manufactures, which were in cities at the crossroads of trade routes, that is, in a mobile layer of entrepreneurs who procured raw materials in bulk, hired qualified craftsmen to work in their facilities for wages and sold products for their own account. Manufactures worked in parallel with craft shops, in which a qualified master,

craftsman, procures raw materials for the needs of his work, performs all stages of production with the help of workers, and sells his product to a known customer, the client. Such organization of work determined the structure of the family and the roles foreseen for the man, husband, and father, who provides means of living, increases the wealth of the family and creates reputation, that is, the woman, who organizes the household, takes care of children and contributes to reputation with her appearance and behavior [2].

Female entrepreneurship refers to a career opportunity for women of all ages, which includes taking over and performing specific business management activities. Although there are more women than men in Europe, female entrepreneurs represent only a third of the self-employed in the EU [3].

The purpose of this study is to show analysis of the role and importance of the entrepreneurial climate from the aspect of the development of female entrepreneurship in the territory of the Balkan countries.

## 1. Literature review

Entrepreneurs, managers, and marketers are often in a situation where their vision and mission, goals and objectives, habits and way of life, interests and attitudes - all of which together make up the culture of life, are opposed to the goals, habits, interests and lifestyle of the wife. Often absent from the family, due to the need to spend most of the working age on business trips, many entrepreneurs, managers, and marketers fail to save their marriage and family. The optimal solution is that by dividing the roles in the family, the spouse is motivated to play the role of the pillar of the family, that is, to increase the autonomy of the woman in the house. According to some statistics, it is considered that women in Europe and in the Balkans start or have started every fourth new business, also from the same it can be seen that women do 2/3 of the work in the world, but in terms of economy in relation to world income, only 1/10 [4].

The knowledge acquired through education also largely determines the economic status of women through the profession they engage in, as well as their earnings. Also, better education contributes to better information of women, which has positive effects on their decisions both at the micro level - the level of the family, and at the level of the local and national economy. Differences in knowledge acquired through education are relatively small in economically developed countries but very significantly in all countries depending on the differences in the level of social wealth, the level of natural increase, social customs, and state policy [5].

Female entrepreneurs in Serbia, as well as in other Balkan countries, are on average middle-aged women, predominantly from urban areas, with secondary education, women who are mostly married and live in medium-sized families and households and usually have children. Trade is the most represented branch of activity among female entrepreneurs of all education categories, although the largest participation is in the category of female entrepreneurs with secondary professional or general (gymnasium) education [6].

In the Act on Small Enterprises in Serbia, indicators for monitoring the development of female entrepreneurship were also proposed in 2010, and within the so-called of the first principle "creating an environment in which entrepreneurs and family businesses can develop, and entrepreneurship is rewarded"[11].

Five areas were proposed in which the indicators of the development of women's entrepreneurship are monitored, namely: the framework for supporting the policy to encourage women's entrepreneurship and data on women's businesses, training, financing, the national network of women entrepreneurs, the transfer of business, and their further improvement is underway.

The extent of female entrepreneurship can be estimated in several ways: through the participation of women in the total number of entrepreneurs, through the share of female entrepreneurs in the total number of employed, working or adult women, etc. The first method allows to directly and precisely measure the gender gap in entrepreneurship, but it does not say anything about the total scope of entrepreneurship in a given society, or whether this gap is established in conditions of high or low prevalence of entrepreneurship. [6].

Depending on what kind of occupation we have, there is a need to adjust or change the current way of life, behavior, living... so very often during life it happens that we do not perform the tasks for which we were educated. To a large extent, everything depends on the "climate" in which we live and work, so it is very important to note the differences between male and female entrepreneurs. The biggest burden on women is represented by traditional prejudices related to the fact that a woman's place is next to the family, the kitchen, giving birth and raising children. This attitude is most often a hindrance to advancement at work. Opportunities for women entering the world of entrepreneurship are growing, but this process depends on the type of activity, because different activities provide different opportunities for faster development of entrepreneurship among women. The biggest obstacles and difficulties that today's female entrepreneurs face is related to the provision of financial resources, information, markets and education, also the issue of female entrepreneurs is an important issue that is raised before the legislation [4].

The position of middle-aged women in BiH is quite marginalized due to limited financial independence. A poor financial situation directs a woman to struggle for mere survival, so that she can devote little time to a career or political involvement. The fact is that, with a built-up material existence, there are ambitions for inclusion in the spiritual spheres of life, in the work of the social community and in general a greater commitment to society [7].

The competitiveness of the economy depends to a significant extent on its ability to introduce innovations. There is agreement between researchers and business practice on the great importance of the innovation management process, especially in the earliest phase when it is necessary to recognize business opportunities and find the best opportunities for their realization [8].

In Bosnia and Herzegovina as well as in the world, the importance of the development of female entrepreneurship and its overall contribution to economic development is increasingly being recognized. Entrepreneurship contributes to new jobs, which is important for Bosnia and Herzegovina, which has a high unemployment rate, and is of great importance for young women and youth. According to the data of the Agency for Statistics of Bosnia and Herzegovina, our community has the lowest rate of female labor force participation in Southeast Europe, therefore female entrepreneurship can certainly ensure the productive placement of well-educated and underutilized talents [9].

## 2. Research and Discussion

The aim of the work is to determine the state of female entrepreneurship in the Balkans.

The research method is based on a comparative analysis of studies dealing with this problem from the territory of Balkans.

The results presented in this paper are based on the data obtained based on the analysis of relevant research documents from this field, a review of the situation over the last 15 years.

Based on the Global Entrepreneurship Monitor report from 2022/23 Figure-1, it is evident that only a few countries from the Balkans participate in the GDP in addition to male and female entrepreneurship. Those countries refer to Serbia, they say, and the percentages of participation refer to 5% to 14% in favors of male entrepreneurship, the Republic Croatia 9% to 17% in favor of male entrepreneurship, the Republic Romania 6% to 9% in favor of male entrepreneurship and the Slovak Republic 9% to 13% also in benefit of male entrepreneurship.

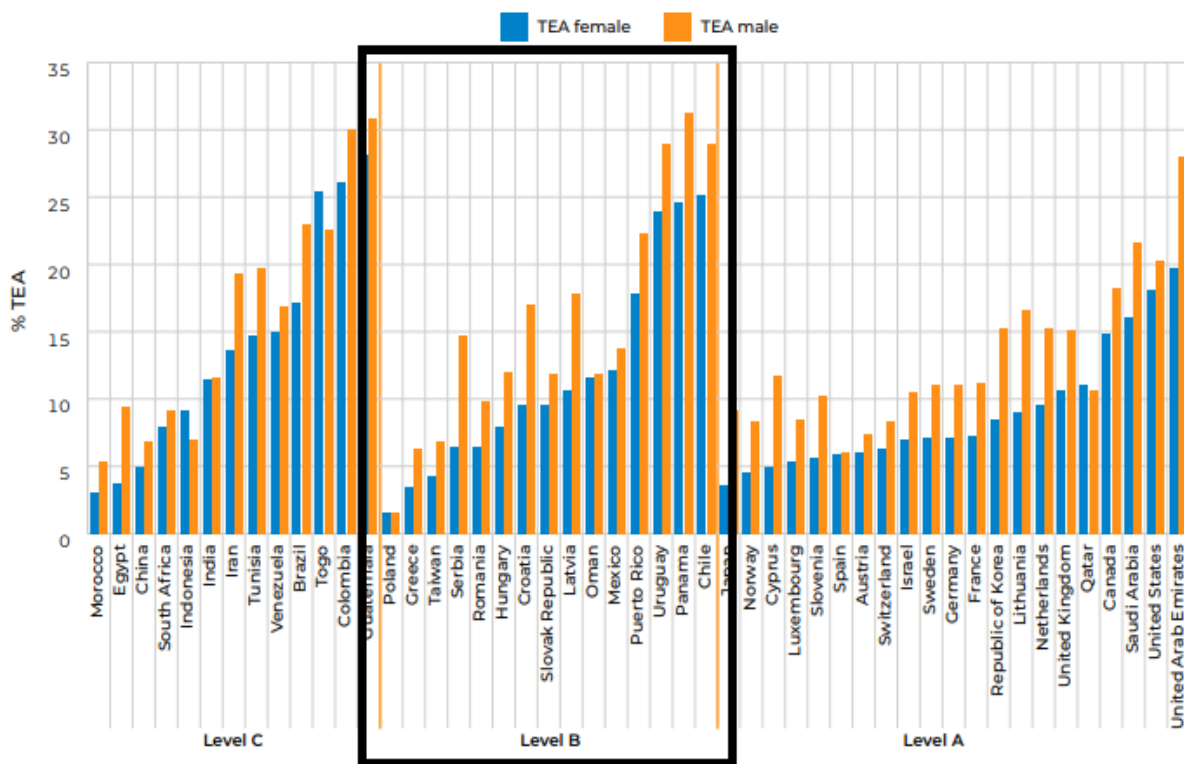


Figure 1. (Global Entrepreneurship Monitor -Global Report, 2022/2023) \*

\* Retrieved from: [10]

Also, according to the GEM research conducted in 2008, the following data from Figure 2 were obtained regarding the number of male and female entrepreneurs: The prevalence of entrepreneurship among women is significantly lower but among men in all observed countries. Among the observed countries, Serbia ranks relatively high, and in terms of representation of men's entrepreneurship it is in third place (behind Greece and Portugal), and in terms of women's entrepreneurship it is in fourth place (behind Greece, Portugal and Hungary). The gender gap in the prevalence of entrepreneurship is most pronounced in Serbia and amounts to 7.9 to 19.9 percentage points in favor of men.

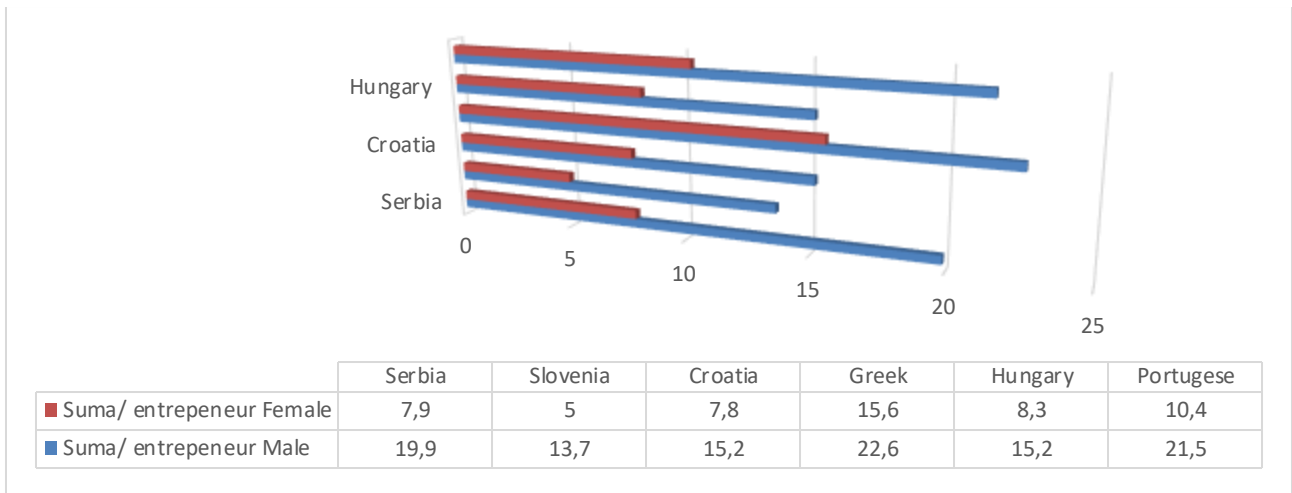


Figure 2. Baseline study on women's entrepreneurship \*

\*Source: Baseline study on women's entrepreneurship [6]

The fact that women's entrepreneurship in 32% of cases takes place through some form of shop, while the same applies to men's entrepreneurship in 68% of cases, is confirmed by the fact that women's entrepreneurship is more pronounced than men's willingness to register their entrepreneurial ventures in the form of shops. Data from the research should shed more light on this phenomenon, but it can be assumed that due to the generally weaker property and economic position, women opt for the form of shop more than men. When looking at the ownership of shops, the situation is quite simple, considering that 80.5% of shops are in the hands of men while only 19.6% of shops are in the hands of female entrepreneurs. Figure 3.

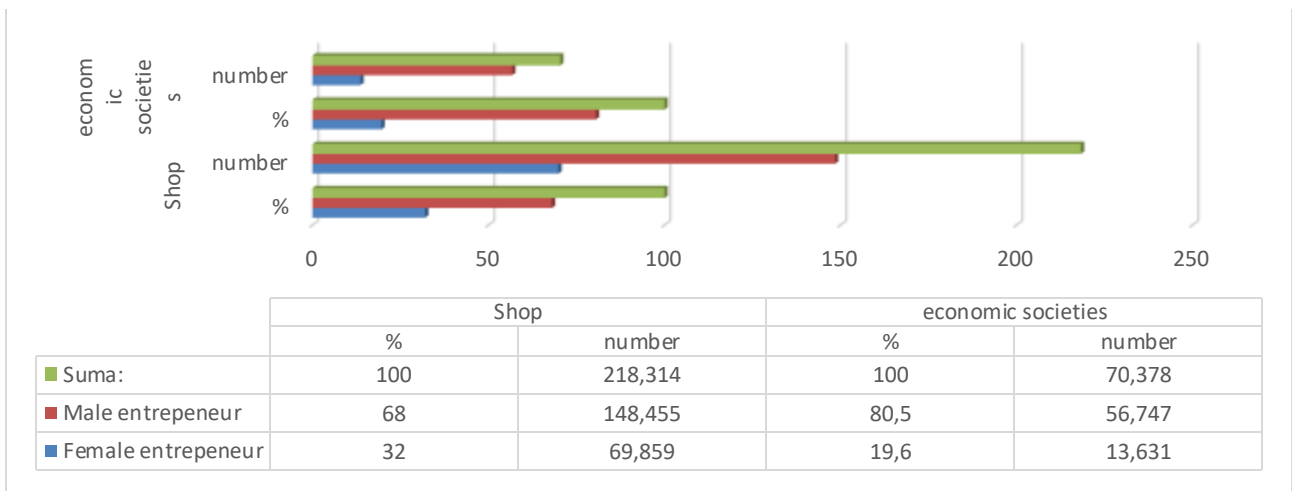


Figure 3. company base RZS, 2011 \*

\* Retrieved from: [6]

## Conclusions

It can be concluded that in the Balkans, female entrepreneurship is still in its infancy, it is about a very small percentage of female entrepreneurs, where that percentage ranges from 5-9% in 2023, although

according to research done in 2008, it is evident that there has been no major progress in the last 15 years. Also, according to the author's earlier research, which was carried out in 2020 in the Balkans with a special focus on Serbia and Bosnia and Herzegovina, female entrepreneurship was developed in the rural areas of these countries, where it is exclusively about handicrafts and old crafts, while there are no educational profiles for old crafts in the system of secondary vocational education, but it is possible to train for these occupations in the workshops of experienced craftsmen. Today, social networks represent a very economical and profitable way of advertising products, which represents a glimmer of hope that female entrepreneurship will be much more visible in the world than it is today. After the analysis of the situation in the previous 15 years and the current situation, it can be said that there are good prerequisites, i.e. good entrepreneurial climate for the development of female entrepreneurship, especially because women can work from home.

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