



Women's
Entrepreneurship
in Serbia

10
years later



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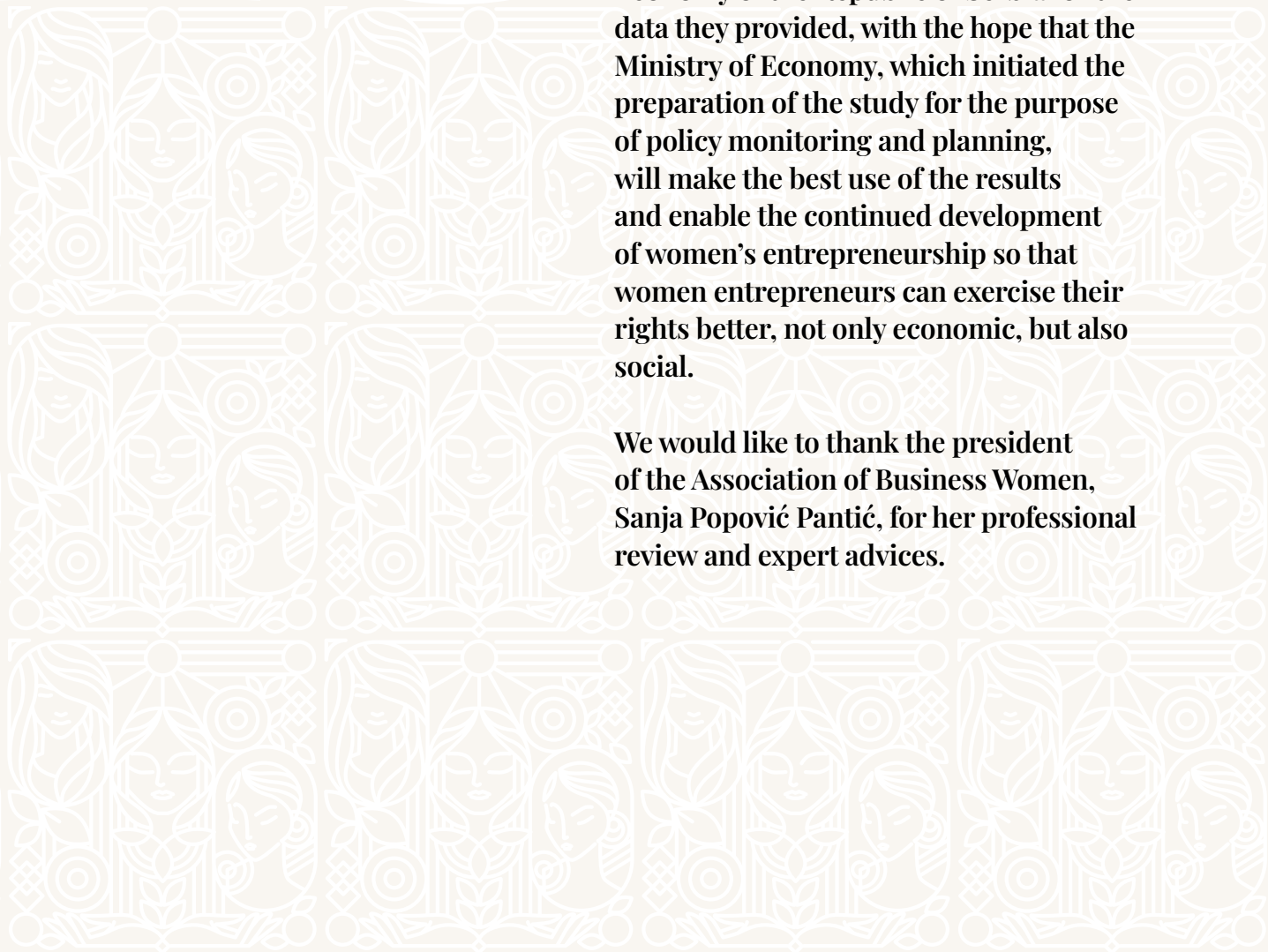
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We would like to thank the president of the Association of Business Women, Sanja Popović Pantić, for her professional review and expert advices.



ABBREVIATIONS

AOFI	Export Credit and Insurance Agency	NHIF	Republic Health Insurance Fund
CATI	Computer Assisted Telephone Interviewing	OECD	Organization for Economic Co-operation and Development
CAWI	Computer Assisted Web Interviewing	RAS	Development Agency of Serbia
EIGE	European Institute for Gender Equality	RS	Republic of Serbia
ERP	Economic Reform Programme	RSD	Serbian dinar
EU	European Union	SBRA	Serbian Business Registers Agency
FREN	Foundation for the Advancement of Economics	SBS	Structural Business Statistics
GDP	Gross domestic product	SIEPA	Serbia Investment and Export Promotion Agency
GEM	Global Entrepreneurship Monitor	SIPRU	Social Inclusion and Poverty Reduction Unit of the Government of the Republic of Serbia
GVA	Gross value added	SME	Small and medium-sized enterprises
HEI	Higher education institutions	SMEE	Small and medium-sized enterprises and entrepreneurs
ICT	Information and communications technologies	SORS	Statistical Office of the Republic of Serbia
IT	Information technologies	TIN	Tax identification number
LFS	Labour Force Survey	UCN	Unique citizen number
ME	Ministry of Economy of the Republic of Serbia	UN WOMEN	United Nations Entity for Gender Equality and the Empowerment of Women
MSME	Micro, small and medium enterprises	VAT	Value added tax
NARR	National Regional Development Agency		
NES	National Employment Service		

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1 INTRODUCTION

Background and purpose

The first study on women's entrepreneurship in Serbia was published in 2012 based on research conducted by SeConS, an organization for applied research and policy analysis, at the initiative of the then Ministry of Economy and Regional Development, with the support of UN Women. The baseline study also contained a large number of recommendations aimed at informing the policies to encourage the development of women's entrepreneurship and close the gender gap in entrepreneurship and beyond, in economic participation or employment.

In 2021, the Ministry of Economy launched a new initiative to review the state of women's entrepreneurship after a little more than ten years and to identify changes, achievements, challenges and the potential of women's entrepreneurship that future policies should focus on.

This new research was carried out by the organization SeConS with the support of UN Women as part of the project *Support to priority actions for gender equality in Serbia*, with the aim to provide the Ministry of Economy with the findings necessary for the formulation of policies focused on encouraging women's entrepreneurship.

Goals

The goals of the research were diverse:

- to establish whether there have been changes in the scope, structure, and characteristics of women's entrepreneurship;
- to establish how the profile of women entrepreneurs looks like today and whether there have been any changes in this regard, which would be an indication that certain groups of women enter and stay in business more while other groups stay less compared to the period ten years ago;
- to find out what obstacles women entrepreneurs encounter today and whether these obstacles and challenges differ from those encountered ten years ago;
- to establish how successful women entrepreneurs are today and what are the factors of such success;
- to establish how the COVID-19 pandemic affected women's entrepreneurship, how helpful state support measures were to them while dealing with business conditions marked by the pandemic, and how resilient women's businesses are in general to this and other similar crises;
- to examine the extent to which women entrepreneurs are informed and aware of the impact of climate change on their business, to what extent they apply "green" business practices, i.e. those practices that reduce or have no harmful impact on the environment and the climate, and what is their potential for the transition towards "green" business that is essential for the "greening" or decarbonization of the economy;
- to answer the question of how women entrepreneurs harmonize their private and business lives and whether they differ in terms of the balance between these two spheres of life compared to former women entrepreneurs?

In addition to these goals that were aimed at the comprehensive monitoring of various characteristics of women's entrepreneurship and the monitoring of changes, the research also had a special goal to examine the effects of two programmes designed by the Ministry of Economy to support women's entrepreneurship: *Entrepreneurship development programme through financial support for beginners in business* and the *Programme for promotion of entrepreneurship through financial support for women entrepreneurs and young people*.

THE STUDY IS ORGANIZED into eleven chapters. The introductory chapter contains a presentation of the theoretical and research definition of entrepreneurship, especially women's entrepreneurship, a description of the methodology, the sample and the relevant normative, institutional and socio-economic context. The assessments of the scope of women's entrepreneurship and basic characteristics are presented in the second chapter based on the analysis of the official register of the Serbian Business Registers Agency (SBRA). The profile of women entrepreneurs is given in the third chapter, while the fourth chapter presents the findings concerning the availability of resources and starting an independent business. The fifth chapter deals with the characteristics of businesses and their success.

The sixth chapter presents the findings on obstacles and challenges faced by women entrepreneurs, as well as their expectations and plans for the future. The seventh chapter presents the findings on the impact of the COVID-19 pandemic on women's entrepreneurship, while the eighth chapter is dedicated to the perception of the impact of climate changes and the tendencies of "greening" the business, as well as to the implementation of the principle of decent work. In the ninth chapter, the situation regarding the reconciliation of private and business life is described. The tenth chapter contains biographical stories of women entrepreneurs that illustrate different challenges, experiences, as well as survival and development strategies of women entrepreneurs of different profiles. The last chapter presents the conclusions and recommendations for policies, measures and activities that should contribute to the improvement of women's entrepreneurship.

1.1 Defining women's entrepreneurship

The baseline study on women's entrepreneurship presents a more detailed discussion of various definitions, both theoretical and applied, of entrepreneurship in general and in particular of women's entrepreneurship.¹ Taking into account different theoretical definitions of entrepreneurship, in the baseline study, the entrepreneurs were defined at the theoretical level as *"economic actors who combine factors of production and other relevant resources in an innovative way and thus transfer them from a sector of lower to a sector of higher productivity and higher income. In these efforts, they discover and exploit opportunities in a given context and evaluate and accept the risks of their decisions and actions."*² It was pointed out that entrepreneurs are not the same as owners and managers of companies; they operate in the interspace between the owners and operational managers, while possessing the elements of both roles. Ownership of the company enables them to control the resources (means of production, capital, etc.), while the managerial role enables strategic decision-making, so entrepreneurs have both prerequisites for entrepreneurship.

At the operational level, women entrepreneurs are classified as women who are either registered as entrepreneurs or are simultaneously (co)owners and chief managers of companies. In the baseline study on women's entrepreneurship, women entrepreneurs were identified as women who simultaneously own (at least a part of) the company and play a key managerial role, regardless of how they acquired ownership of the company. In this definition, no threshold was set for ownership share, i.e. women were recognized as entrepreneurs if they were co-owners of any ownership share in the company, but under the condition that they played the main managerial role.

In the meanwhile, UN Women issued a Toolkit for Gender-Responsive Public Procurement³ in 2017, in

¹ See Babović, M. (2012). *Polazna studija o preduzetništvu žena u Srbiji*. Beograd: UN Women. Available at: <https://secons.net/wp-content/uploads/2022/01/87-publication.pdf>

² Ibid, p. 16.

³ Keric, C. (2017). *Power of Procurement: How To Source From Women-Owned Businesses Corporate – Guide to Gender – Responsive Procurement*. New York: UN Women.

which a definition of a women's enterprise was given, which includes the minimum requirements such as ownership, control and independence (p. XIII): (1) at least 51% owned by one or more women; (2) actual management of the company's business operations on a daily basis and long-term business decision-making by women; (3) independence from non-women-owned businesses.

Due to the need to ensure comparability with the situation described in the baseline study on women's entrepreneurship, it is necessary to apply the same definition of women entrepreneurs, which means that women who are co-owners of a company in any ownership share, but who at the same time play a leading managerial role, will be identified as entrepreneurs. Another reason for applying this definition is that the Serbian Business Registers Agency is unable to identify the size of ownership shares by gender in the current database. Due to the mentioned limitations, the analysis based on SBRA data will only be able to recognize women entrepreneurs as registered entrepreneurs and (co) owners of companies that simultaneously play the main managerial role, regardless of the share of ownership they hold. When it comes to the data obtained by survey, the analysis, for the sake of comparability with the baseline study, also relies on this definition, which does not set the condition of majority ownership.

It should be noted that in the sample of 559 female entrepreneurs included in the survey (the sample was made in cooperation with SBRA and based on the official register of SBRA, which includes registered entrepreneurs and private companies), the share of female entrepreneurs who are minority owners in the total sample of the research is extremely small (14 women).

That is why it was not possible to conduct any comparative analysis with women entrepreneurs who are majority owners.

When it comes to their basic characteristics, they do not differ from other women entrepreneurs, and their

small number could not significantly affect the results, so in the further analysis they were treated together with others within the entire sample.

The discussion on defining female entrepreneurship is also present in the international framework. To clarify and distinguish different types of inclusion of women in the business sector, the International Organization for Standardization (ISO) presented definitions of related terms, which were the result of the agreement after a global online discussion in 2020.⁴ This is how the terms "women-owned business" and "woman-led business" differ. A business owned by women is a business that is owned by one or more women in a proportion greater than 50% of the capital, in which women perform a managerial role and control, in which the woman is the legal representative and the person authorized to sign documents and financial accounts and which operates independent of other businesses that are not owned by women.⁵ A business led by a woman is one in which at least 25% of the ownership is owned by one or more women, in which management and control are performed by one or more women, in which at least a third of the board members are women (if they have such boards) and in which there is a woman a legal representative and a person authorized to sign documents and financial accounts and who operates independently of other businesses that are not owned by or run by women.⁶

In relation to the definition of women's entrepreneurship, a few more remarks should be made. Classical entrepreneurship is linked to the private sector and not to the public or civil sector or other forms of collective ownership. This "classical" entrepreneurship is aimed at making a profit, which distinguishes it from social entrepreneurship, which occurs more often in the legal forms of collective property or citizens' associations (although it may also be realized through classic private companies), which do not aim to make a profit, but to achieve other forms of social "benefits".

4 More details at the following link: <https://www.iso.org/obp/ui/#iso:std:iso:iwa:34:ed-1:v1:en>

5 Independence is defined as the ability of a company to operate in its activity without substantial reliance on the finances or other resources (equipment, space, vehicles) of another company that is not owned or run by a woman.

6 See more about dilemmas and debates in defining female entrepreneurship in: Popović-Pantić, S. (2020). *Dve decenije ženskog preduzetništva u Srbiji*. Beograd: Institut Mihajlo Pupin – Centar za istraživanje razvoja nauke i tehnologije. Available at: https://www.researchgate.net/publication/345388317_Institut_Mihajlo_Pupin

Therefore, social entrepreneurship is not included in this study because it most often takes place in organizational forms that are not private for-profit companies and that contain a limitation regarding the disposal of the earned profits (they can be reinvested exclusively in the achievement of social goals). In addition, the economic goals and functions in social enterprises are set differently, in interaction with the social goals, which significantly distinguishes them from classic for-profit entrepreneurship.⁷ Serbia recently adopted the *Law on Social Entrepreneurship*, which defined in more detail the conditions for registration and operation of social enterprises.⁸

1.2 Research methodology

The research on women's entrepreneurship was conducted through three basic components, by applying mixed research methods:

1. Desk analysis;
2. The baseline research that was carried out for the purpose of the project included two components:
 - a. Quantitative research on a representative sample of active women entrepreneurs, derived from the SBRA database on the criteria that women are registered entrepreneurs or that they are simultaneously (co)owners and directors of a registered company;
 - b. Qualitative research with selected women entrepreneurs from the same survey sample formed based on the SBRA database;
3. Analysis of the effects of selected support measures for women entrepreneurs based on data from the Ministry of Economy of the Republic of Serbia.

DESK ANALYSIS

The desk analysis was carried out on various documents, such as legal, current policies, and reports from other researchers, while the most important part of this analysis was carried out on administrative data on registered entrepreneurs and companies provided by the SBRA. The goals of the desk analysis were to shed light on the current legal and political framework, to draft an overview of available support measures and reconstruct the institutional framework that is important for supporting women's entrepreneurship.

The analysis of secondary data aimed to measure the share of women among the entrepreneurs in the full range of registered active companies, and provide insights into some basic aspects of women's entrepreneurship, such as sector structure, dynamics of establishment and closure, regional distribution, structure according to legal forms and alike, and to compare women's entrepreneurship in 2021 (period for which the SBRA data is provided) with that of 10 years ago, as well as with male entrepreneurship today.

RESEARCH ON WOMEN ENTREPRENEURS

The quantitative component of the research was conducted on a representative sample of 559 women entrepreneurs, 60 of whom were from an additional (booster) sample that included the beneficiaries of the support programme of the Ministry of Economy. In order for the sample to be representative, the method of unit selection was a simple random sample within two strata:

1. women owners and directors of companies (LLC, limited partnerships and partnerships) – 14.34%, and,
2. women entrepreneurs, i.e. owners of sole trade businesses – 85.66%.

The survey was conducted in the period from 7 February to 10 April 2022, and data was collected by applying three data collection methods: CATI method (Computer Assisted Telephone Interviewing), CAWI method (Computer Assisted Web Interviewing) and surveying in the field, using the “face-to-face” method.

7 Cvejić, S., Babović, M. & Vuković, O. (2008). *Mapiranje socijalnih preduzeća u Srbiji*. Beograd: UNDP. Available at: <https://secons.net/wp-content/uploads/2022/01/23-Mapiranje-socijalnih-preduzeca-u-Srbiji.pdf>

8 Zakon o socijalnom preduzetništvu (Law on Social Entrepreneurship), *Sl. glasnik RS*, br. 14/2022. Available at: <https://www.paragraf.rs/propisi/zakon-o-socijalnom-preduzetnistvu.html>

The data were collected on the basis of a standardized questionnaire developed in complementarity with the questionnaire used in the Baseline Study on Women's Entrepreneurship to ensure comparability of key aspects. The questionnaire covers the following units:

- Socio-economic and entrepreneurial profile of women entrepreneurs,
- Starting a business and access to capital,
- Business characteristics,
- Success factors,
- Plans for the future,
- Establishing a balance between entrepreneurship and private life.

Unlike the previous study, this time the questionnaire also contained a module on the impact of the COVID-19 pandemic on women's business operations, as well as a set of questions that allowed insight into "green business" and questions that will reveal women's awareness and perception of opportunities for the transition towards green business and experiences in such ventures.

Also, when monitoring the results, it is necessary to take into account that the research was conducted during the pandemic. It is especially important to keep in mind that the financial indicators refer to the period 2019-2020 because, at the time of the research, that was the last period for which companies and entrepreneurs could have complete data.

SAMPLE DESCRIPTION

The sample of female entrepreneurs included in the survey was formed based on the Serbian Business Registers Agency list of registered female entrepreneurs and companies that simultaneously have a woman as the owner and chief director. The obtained data on the characteristics of female entrepreneurs from the sample shows that the sample reflects the characteristics of all registered female entrepreneurs when the sectors of activity are compared, which indicates a good representativeness of the sample. The table below shows the data on the distribution of women entrepreneurs by sectors of activity according to the SBRA database and the conducted research.

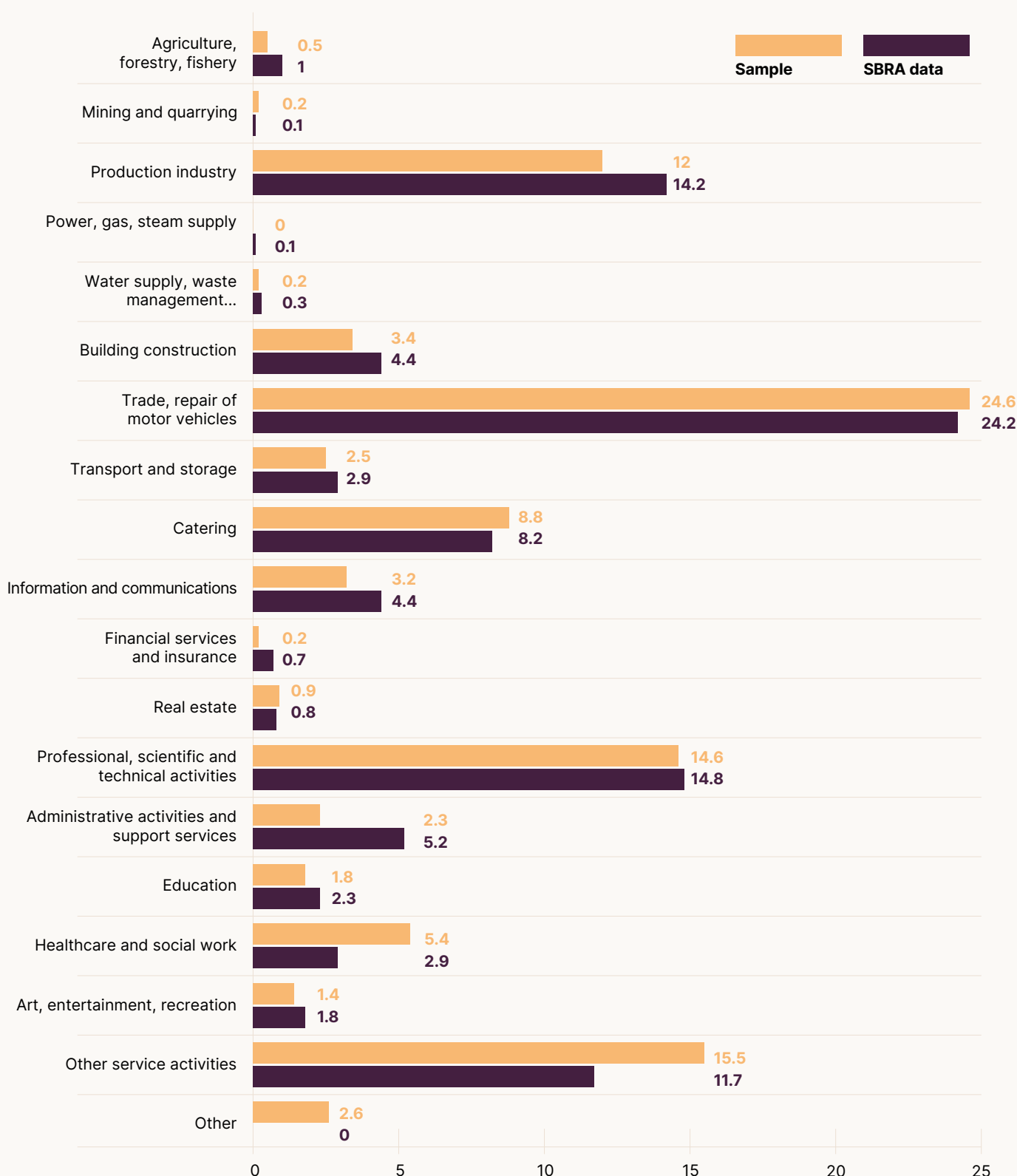


Chart 1: The sectoral structure of women's entrepreneurship in the research sample and according to SBRA records (%)

Source: SBRA, 2021.

The **qualitative component** included 15 in-depth interviews with women entrepreneurs of various profiles, including:

- 10 interviews with women entrepreneurs from different sectors,
- 2 interviews with women entrepreneurs who founded local women's associations with the aim of encouraging women's entrepreneurship,
- 2 interviews with beneficiaries of the support programme of the Ministry of Economy,
- 1 interview with a woman entrepreneur who is in the transition to a green business.

Analysis of the effectiveness of support programmes

The quantitative component also collected data for the analysis of the effects of two entrepreneurship support programmes of the Ministry of Economy:

1. Entrepreneurship development programme through financial support for beginners in business,
2. Programme for promotion of entrepreneurship through financial support for women entrepreneurs and young people.

Part of the questionnaire contained questions about experiences in relation to the mentioned programmes. The collected data made it possible to measure the awareness of women entrepreneurs about support programmes, provided data on the number of women entrepreneurs who tried or succeeded in getting support, but also made it possible to compare the success and business development of those who received support measures with those who did not use such measures.

In order to gain a deeper insight into the effects of the support programme, two interviews were conducted with the beneficiaries of the Entrepreneurship development programme through financial support for beginners in business.

1.3 Relevant context

Legal framework, institutions and policies

The establishment and operation of private companies and entrepreneurs are regulated by the *Companies Act*.⁹ Companies are legal entities that perform activities with the aim of making a profit (Article 2). They obtain the status of a legal entity by being registered in the Register of legal entities in accordance with the *Law on the Procedure of Registration with the Serbian Business Registers Agency*.¹⁰ The companies can be established in one of the following forms prescribed by the law: partnership,¹¹ limited partnership,¹² limited liability company,¹³ and joint stock company.¹⁴

According to the *Companies Law*, an entrepreneur is a legally capable natural person who conducts an activity in order to gain profit and who has been registered as such pursuant to the registration act (Article 83). The same article of this Law also considers a natural person registered in a special register, who performs the activity of a liberal profession, to be an entrepreneur. An entrepreneur is liable for all his obligations arising from performing his activity with all of his personal assets, including the assets acquired with regard to the performance of the activity. Liability for obligations does not cease by deletion of the entrepreneur from the register (Article 85).

The process of registering entrepreneurs and companies is regulated by the *Law on the Procedure*

9 Zakon o privrednim društvima (Companies Law), *Sl. glasnik RS*, br. 36/2011, 99/2011, 83/2014 - dr. zakon, 5/2015, 44/2018, 95/2018, 91/2019 i 109/2021. Available at: https://www.paragraf.rs/propisi/zakon_o_privrednim_društvima.html

10 Zakon o postupku registracije u Agenciji za privredne registre (Law on the Procedure of Registration with the Serbian Business Registers Agency), *Sl. glasnik RS*, br. 99/2011, 83/2014, 31/2019 i 105/2021. Available at: https://www.paragraf.rs/propisi/zakon_o_postupku_registracije_u_agenciji_za_privredne_registre.html

11 A partnership is a partnership of two or more partners who are jointly and severally liable for the obligations of the partnership with their entire assets. The partners contribute to the company with contributions of equal value, unless otherwise specified in the memorandum of association, and acquire shares in the company in proportion to their contributions (Companies Law, Article 93).

12 A limited partnership is a company of at least two members, at least one of whom has unlimited joint and several liability for the liabilities of the company (general partner), and at least one of whom has limited liability up to the amount of his unpaid, or not entered contribution (limited partner) (Companies Law, Article 125).

13 A limited liability company is a company in which one or more company members own shares in the company's share capital, provided that company members are not liable for the company's obligations (Companies Law, Article 139).

14 A joint stock company is a company whose share capital is divided in stocks held by one or more stockholders who are not liable for the company's obligations. A joint stock company is held liable for its obligations with all of its assets (Companies Law, Article 245).

of Registration with the Serbian Business Registers Agency, and the business operations of companies and entrepreneurs are regulated by a large number of laws and regulations, which, in addition to general ones, also include special laws related to certain activities and alike. Two types of regulations are particularly important, because they regulate the general obligations of entrepreneurs and companies - regulations that regulate obligations regarding the payment of taxes and contributions and regulations related to employment and labour rights.

The responsibility for the development of entrepreneurship is delegated to several institutions. **The Ministry of Economy** is, among other things, responsible for the position and connecting of business entities and other forms of organisations for the performance of activities, proposing measures to encourage investments and coordinating work related to investments, except in the area of the food industry, coordinating the work of public agencies responsible for the promotion of exports and encouragement of investments, economic policy measures for the development of crafts, small and medium-sized enterprises and entrepreneurship, coordination of work related to connecting the companies with strategic investors, proposing and implementing financial and other measures to encourage business operations, competitiveness and liquidity of business entities.¹⁵ Within the Ministry of Economy, there are, among others, the **Sector for the development of small and medium-sized enterprises and entrepreneurship and the Sector for commercial companies and registers**. The Ministry also launched the **Entrepreneurship Portal**¹⁶ intended for entrepreneurs and those who want to become entrepreneurs. The portal provides information about what needs to be done to start a business, to get the information and support needed for business survival or development. The portal contains information about special support programmes, application instructions, necessary forms and other tools that facilitate access to information and support programmes.

The Ministry of Finance is, among other things, responsible for the system and policy in relation to

taxes, fees, duties and other public revenues, the basis of the social security contribution system and the customs system. The Tax Administration performs professional tasks related to the register of taxpayers, determination of taxes, tax control, regular and enforced collection of taxes and secondary tax payments, etc. **The Ministry of Agriculture, Forestry and Water Management** is responsible for the policy of development of agriculture and the food industry, as well as the incentives in the field of food industry, for the improvement of agricultural production, etc. **The Ministry of Trade, Tourism and Telecommunications** is responsible for the functioning of the market, trade development strategy and policy, internal trade, quality control of industrial and non-food products in production and circulation, and control of services. The Ministry also performs tasks related to the development of tourism, the field of telecommunications and the information society. **Ministry of Labour, Employment, Veterans and Social Affairs** performs tasks in the field of labour relations and labour rights, while the **Ministry of Environmental Protection** performs state administration tasks related to the system of protection and improvement of the environment and its activities are of a special importance for the development of entrepreneurship in the area of the circular and green economy.

When it comes to gender equality, the **Coordinating Body for Gender Equality of the Government of the Republic of Serbia** plays a significant role, as it represents the national coordination mechanism for gender equality issues with the mandate to coordinate the work of state administration bodies and other institutions in order to promote gender equality. The **Ministry of Human and Minority Rights and Social Dialogue** also plays a significant role.

The Serbian Business Registers Agency is an institution of key importance for entrepreneurship. The Agency was established by the *Law on the Business Registers Agency*¹⁷ in 2004 with the aim of keeping the registers as unique centralized electronic databases and implementing the reform of the registration system in order to facilitate the conditions for starting a business, improving the economic environment and attracting investments.

¹⁵ Zakon o ministarstvima (Law on Ministries), *Sl. glasnik RS*, br. 128/2020 i 116/2022. Available at: https://www.paragraf.rs/propisi/zakon_o_ministarstvima.html

¹⁶ The Entrepreneurship Portal can be accessed via the following link: <https://preduzetnistvo.gov.rs/>.

¹⁷ Zakon o Agenciji za privredne registre (Law on Serbian Business Register Agency), *Sl. glasnik RS*, br. 55/2004, 111/2009, 99/2011. Available at: <https://www.paragraf.rs/propisi/zakon-o-agenciji-za-privredne-registre.html>

In order to simplify the registration procedures for small and medium-sized enterprises and entrepreneurs, a one-stop registration system was introduced, which shortened the time of registration and issuance of the tax identification number (TIN). Thanks to this improved system, the business entities being registered with the SBRA based on the memorandum of association, simultaneously receive a registration number, tax identification number (TIN), application for flat-rate taxation or payment of personal income or VAT, as well as the number of the insured person for health insurance issued by the NHIF. In addition, the procedures for registration and deregistration of workers have been simplified by submitting a single form at a single counter.

From 1 January 2018, it is possible to establish an entrepreneur electronically (through eRegistration) in the SBRA. From July 2022, SBRA registers the gender of entrepreneurs, founders of companies, and legal representatives.

However, data on the gender of the founder and the legal representative are available only for those entrepreneurs and companies that were registered after that, as well as those that were re-registered in the meantime in a way that includes a change in the persons who are founders or representatives, while other changes (for example, seat address) will no longer enable the identification of founders and representatives by gender.

The institutional framework of importance for entrepreneurship also includes important funds, while the map of institutions and organizations also includes chambers of commerce, development agencies, the Export Credit and Insurance Agency, as well as the National Employment Service. **Development Fund of the Republic of Serbia** with the means allocated by the Ministry of Economy implements the measures to encourage the business operations of legal entities and entrepreneurs by providing financial support and loans and for the development of small and medium-sized enterprises and entrepreneurship. The fund provides "start-up" loans for beginners in business, encourages the development of entrepreneurship through various development projects, gives special

loans for business in underdeveloped and extremely underdeveloped areas, provides credit support for women entrepreneurs and young people, as well as a programme of financial support to business entities for maintaining liquidity in difficult economic conditions caused by the COVID-19 pandemic.

The Innovation Fund promotes connections between science, technology and economy and contributes to encouraging the development of innovative entrepreneurship by supporting innovative entrepreneurship, especially in the early stage of development; connecting scientific research organizations and private companies for the development and commercialization of innovations; enabling new products, technologies and services to enter the market; establishing long-term institutional support of the state for innovative entrepreneurship in cooperation with international financial institutions, organizations, donors and the private sector.

When it comes to policies for encouraging and promoting entrepreneurship, one of the key policies is the **Strategy for supporting the development of small and medium-sized enterprises, entrepreneurship and competitiveness** which covered the period 2015-2020, while the development of a new strategy is planned. At this moment, the **Industrial Policy Strategy of the Republic of Serbia from 2021 to 2030 applies**. In addition, the **Strategy for gender equality for the period from 2021 to 2030**¹⁸ determines comprehensive measures aimed at overcoming the gender gap and achieving gender equality as a prerequisite for the development of society and the improvement of the daily life of women and men, girls and boys in the Republic of Serbia.

The process of gender-responsive budgeting, implemented by the Republic of Serbia since 2015 in accordance with the Law on the Budget System and the Law on Gender Equality, has improved the support for women's entrepreneurship because the principles of gender equality in the planning of measures and programmes have been introduced by key institutions, such as the Ministry of Economy, ministry without a portfolio for innovative entrepreneurship, Offices for public procurements, Innovation Fund, Ministry for environmental protection and others.

¹⁸ Strategy for gender equality for the period from 2021 to 2030, available at: <http://socijalnoukljucivanje.gov.rs/rs/usvojena-strategija-za-rodnu-ravnopravnost-od-2021-do-2030-godine/>.

Entrepreneurship support measures and programmes

Special programmes/state support measures

intended for entrepreneurs at the very beginning of their business represent a significant incentive for the development of MSMEs in Serbia. The programmes include financial support, usually in the form of:

- **Start-up programmes** which represent a type of financial support (a combination of loans and grants) through which business beginners can acquire the equipment necessary to start a business, finance the current costs of maintaining the business or production premises, as well as cover basic operating costs. The programme is implemented by the Ministry of Economy and the Development Fund of the Republic of Serbia.
- The **Early Development Programme** of the Innovation Fund is intended for young companies that develop a technological innovation for which there is a need in the market. The programme was designed with the aim to support the survival of companies during the critical phase of research and development and to allow for the development of business capacities that will enable the introduction of innovations to the market.
- **Training for entrepreneurship and subsidies for self-employment** represents a financial support measure intended for unemployed persons who are registered with the National Employment Service and have completed training for starting their own business. These programmes are implemented by the National Employment Service.
- **Programme for promotion of entrepreneurship through financial support for women entrepreneurs and young people.** This programme was implemented for the first time in 2021 and is a combination of grants and a favourable loan from the Development Fund. The funds allocated by the program are intended for the purchase of equipment and delivery vehicles, ongoing maintenance of business or production premises, and for operational costs. The program is intended for entrepreneurs, micro and small enterprises. The programme is implemented by the Ministry of Economy and the Development Fund of the Republic of Serbia.

The second large group of programmes refers to **the support for the growth and development of**

enterprises which includes a number of support programs for MSMEs that are not related to the very start of business. This group of programmes includes investments, business improvement measures, support for new employment, as well as support programmes aimed at specific sectors. Some of the measures that are particularly important for supporting entrepreneurship:

- **Investment loans for entrepreneurs** are intended primarily for entrepreneurs who need funds for the purchase of equipment, machines, plants, for the construction or purchase of production or business premises.
- **Guarantees under the Development Fund programme** are intended to secure loans, i.e. to secure other activities of the applicants. It is intended for micro, small, medium and large enterprises.
- **The procurement of equipment through the programme "Support program for small businesses for the purchase of equipment"** is intended, among other things, for entrepreneurs, micro and small enterprises, and allocates the funds for co-financing the procurement of new equipment for the execution of construction works and new equipment directly involved in the production process of tradable goods, in particular:
 - " Production equipment and/or machines;
 - " Transport and manipulation machines required for the production process and internal transport;
 - " Parts, specialized tools for machines;
 - " Machines and equipment for improving energy efficiency and ecological aspects of production.

The programme is implemented by the Ministry of Economy, the Development Agency of Serbia, commercial banks and leasing companies. Part of the funds was provided from the budget of the Republic of Serbia, and part from the EU-IPA pre-accession funds.

- **A standardized set of services** is a programme of non-financial support intended for potential and existing micro, small and medium enterprises and entrepreneurs aimed at improving the availability, scope and quality of services. The support included in this programme refers primarily to the provision of information related to starting a business, national programmes for the support of small and

medium-sized enterprises and entrepreneurs, the help in submitting applications, information related to the business association of small and medium-sized enterprises, etc. The programme is implemented by the Ministry of Economy, the Development Agency of Serbia and accredited regional development agencies.

- **Loans for permanent working capital** are intended for entrepreneurs, micro, small, medium, and large enterprises, with the aim of helping them with the financing of current obligations that arise from regular business. The programme is implemented by the Development Fund of the Republic of Serbia.

The Government of the Republic of Serbia is particularly oriented to financially and non-financially encouraging the establishment and development of innovative companies.

Accordingly, there are specially developed **programmes/support measures** for those entrepreneurs who deal with the development of **innovations, digitization and the development of the green economy**. Below are some of the support programs from this group:

- **Innovation co-financing programme** of the Innovation Fund is intended for companies that need significant financial resources for the commercialization of research and development. The programme aims at further development of existing knowledge-based innovative companies, encouraging the establishment of cooperation with international partners and increasing the number of technological companies.
- **The acceleration program Catapult** of the Innovation Fund is intended for entrepreneurial ventures in the early stages of product development and market conquest, as well as for companies with proven market traction that aim to accelerate their growth and collect additional financial resources.
- **Innovation vouchers** are a simple financial incentive by which the Innovation Fund enables micro, small and medium-sized enterprises to use the services of the scientific research sector and thereby increase innovation and competitiveness on the market.

Associations of female entrepreneurs play an important role in supporting female entrepreneurship, and one of the oldest is the **Association of Business Women in Serbia**, an association of business women that promotes successful examples in female entrepreneurship, programs to strengthen female entrepreneurship, networking, mentoring support, and education for the further development of women's businesses.

Economic trends and climate for entrepreneurship

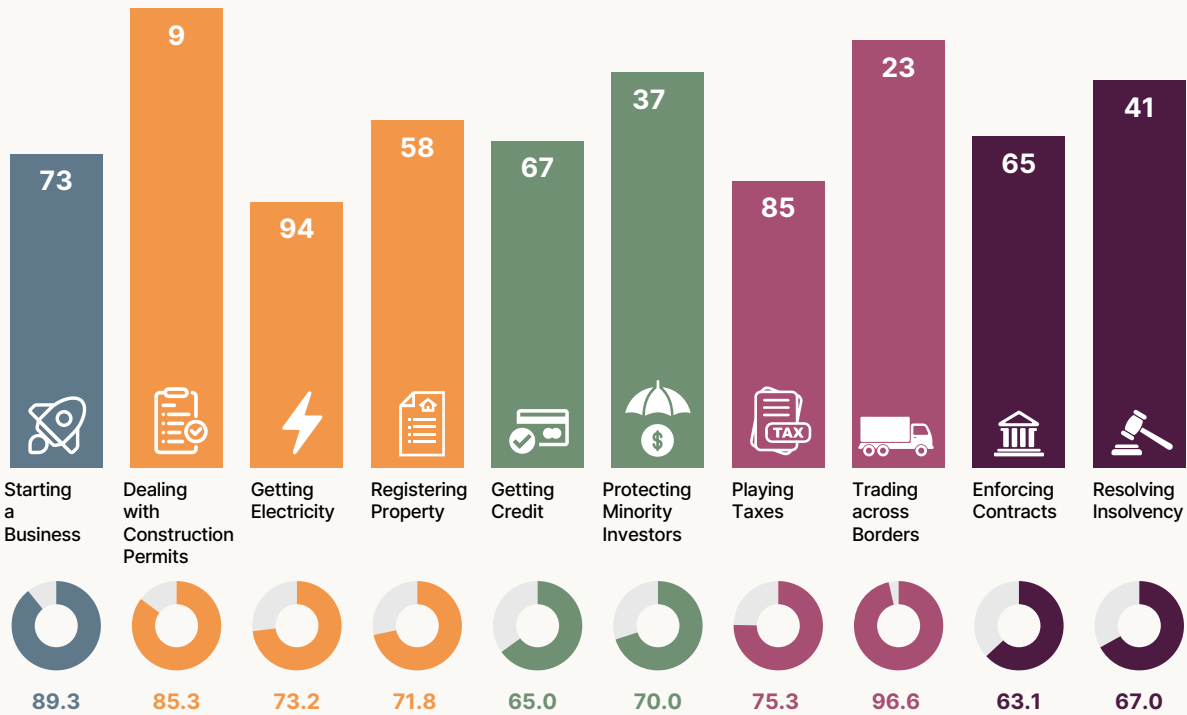
At the time of drafting of the Baseline Study on Women's Entrepreneurship, the economic context was marked by the impact of the international financial crisis of 2008, which hit Serbia hard at a stage when the reforms associated with the post-socialist transformation were still incomplete or at an early stage. The effects of the crisis were evident until 2014, manifested through unstable trends in economic growth and unfavourable trends in the labour market. The great depression hit the MSME sector hard throughout the recessionary period (2009-2013).¹⁹

The period from 2015 to 2019 was a period of stable economic growth at rates of 1.8% (2015), 3.3% (2016), 2.1% (2017), 4.5% (2018) and 4.3% (2019). In that period, positive trends in the recovery of the entrepreneurial sector were also evident.

In the period 2014-2018, the number of business entities increased by 51,150 SMEs, the number of employees increased by 155,577, and the GVA by 35.9%, which significantly exceeded the value of GVA from 2008. The average annual growth rate of labour productivity in the same period was about 6.2%.²⁰ The number of registered entrepreneurs increased from 272,969 in 2018 to 298,279 in 2020, the number of micro-enterprises increased in the same period from 41,451 to 42,317, the number of small enterprises from 11,219 to 12,187 and medium-sized enterprises from

¹⁹ Danon, M., & Šormaz, N. (2018). *Izveštaj o malim i srednjim preduzećima i preduzetništvu za 2018. godinu*. Beograd: Ministarstvo privrede. Available at: https://privreda.gov.rs/sites/default/files/documents/2021-08/Izvestaj-MSPP-2018_FIN.pdf

²⁰ Ibid.



↑ **Chart 2:** Ease of Doing Business Index Values by Domain, 2020

Source: World Bank, 2020

2,517 to 2,716, which means that and employment basically in the SMEE sector grew in this period.

The COVID-19 pandemic, which was declared in March 2020, interrupted these positive trends, but not for long. While in 2020 a negative rate of economic growth of -0.9% was registered, in 2021 this rate recovered to 7.5%. In the second quarter of 2022, the growth rate was 3.9%.²¹ The pandemic also had an unfavourable effect on employment, so in 2020 the number of employed persons decreased (by 6,200 persons or 0.2%), but also the number of unemployed (by 49,300 persons or 14.7%), while the number of inactive persons increased (by 25,800, i.e. 1.0%). As early as in 2021, these trends have reversed and the number of employed persons has increased (by 72,100 persons or 2.6%), the number of unemployed persons also increased (by 53,200 persons or 17.8%), while the number of persons outside the labour force has decreased by 162,500 persons (or 5.8%).²²

21 Statistical Office of the Republic of Serbia, National Accounts Statistics, available at: <https://publikacije.stat.gov.rs/G2022/Html/G20221275.html>

22 SORS (2021). *Labour Force Survey in The Republic of Serbia, 2020*. Belgrade: Statistical Office of the Republic of Serbia. Available at: <https://publikacije.stat.gov.rs/G2021/PdfE/G20215671.pdf>; SORS (2022). *Labour Force Survey in The Republic of Serbia, 2021*. Belgrade: Statistical Office of the Republic of Serbia. Available at: <https://publikacije.stat.gov.rs/G2022/PdfE/G20225682.pdf>

According to the World Bank's "Ease of Doing Business" index, Serbia ranked 44th out of 190 countries in 2020, with 75.7 points out of a possible 100.²³ The best business conditions were recorded in terms of cross-border trade and starting a business, and the least favourable in terms of fulfilling contractual obligations and obtaining loans (**Chart 2**).

According to data from the World Economic Forum, before the outbreak of the pandemic, Serbia ranked 72nd out of 141 countries according to the value of the global competitiveness index, with a value of 60.9 points out of a possible 100. Progress compared to the previous year (2018) was recorded in the area of institutions and infrastructure in the context of a supportive environment, while deterioration was recorded in relation to the adoption of ICT. When it comes to human capital, progress was recorded in

23 World Bank. (2020). *Doing Business 2020 – Economy Profile Serbia*. Washington: International Bank for Reconstruction and Development, World Bank. Available at: <https://archive.doingbusiness.org/content/dam/doingBusiness/country/s/serbia/SRB.pdf>

relation to skills, while deterioration was recorded in relation to health. In the market dimension, progress was recorded in the labour market, in the financial system and in terms of market size, while a negative trend was observed in the goods market. In the field of innovation, progress was observed in the dynamics of business and the capacity to innovate.²⁴

After a break of almost 15 years, research was again conducted in Serbia within the framework of the international consortium Global Entrepreneurship Monitor (GEM). The findings of the research will be available in their entirety only in the next year, and for now, the first findings are available based on the component that represents the research with national experts.²⁵ According to these findings, physical infrastructure, recovery from the consequences of COVID-19, commercial and service infrastructure were rated most favourably, and training and education, availability of financing, transfer of research and development, as well as cultural and social norms, were rated least favourably (Table 1).

The findings also indicate that experts are somewhat more optimistic than female experts in their assessment of the situation.

Gender equality and economic participation

The findings on women's entrepreneurship can only be understood in the broader context of gender equality. Despite some progress measured by the Gender Equality Index of the European Institute for Gender Equality (EIGE), pronounced gender inequalities are still present in Serbia, which are systematically manifested in various areas of participation in public life as well as in the sphere of private life and family relationships.²⁶

↓ **Table 1:** General conditions for entrepreneurship – comparison of mean values (2022)

Source: GEM research, 2022

General conditions for entrepreneurship	Serbia	Men	Women
Availability of financing	3.69	3.77	3.50
Availability of financing	4.26	4.61	3.52
Government policies	5.29	5.54	4.70
Government programmes	5.00	5.04	4.91
Education and training	3.03	3.20	2.67
Transfer of research and development	3.88	4.16	3.26
Commercial and service infrastructure	5.23	5.55	4.60
Market openness	4.94	5.33	4.01
Physical infrastructure	6.96	7.25	6.20
Cultural and social norms	3.95	4.34	3.15
Recovery from the consequences of COVID-19	6.12	6.58	5.17
Achieving the UN Sustainable Economic Development Goals	4.78	4.89	4.51
Average	4.76	5.02	4.18

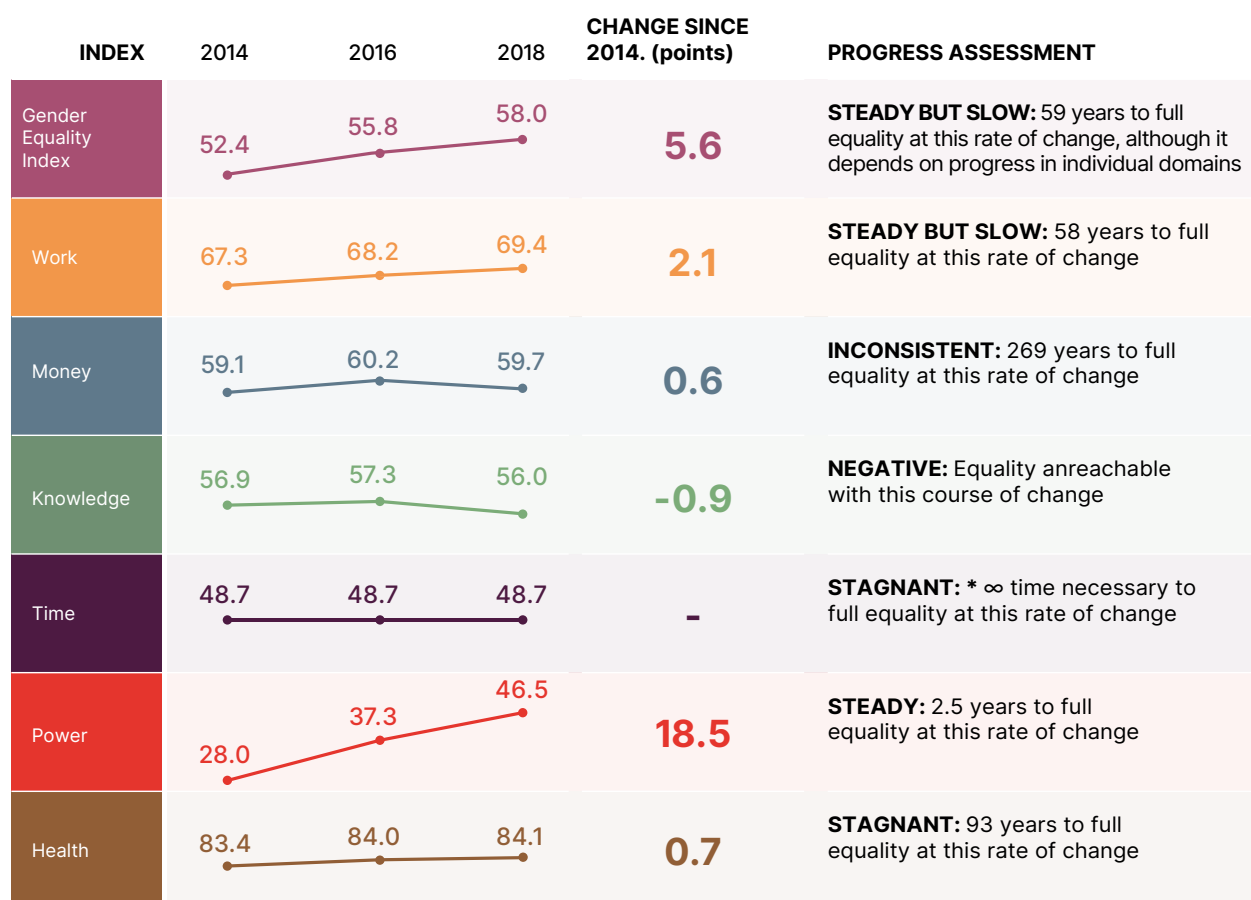
24 FREN. (2019). *Konkurentna pozicija Srbije u 2019. godini prema Izveštaju Svetskog ekonomskog foruma*. Beograd: FREN. Available at: <https://fren.org.rs/wp-content/uploads/2019/10/KONKURENTNOST-SRBIJE-ZA-2019.-GODINU.pdf>

25 The data are available at the following link: <https://www.gemconsortium.org/file/open?fileid=51147>. In this component of the GEM research, 38 national experts participated, including policymakers, entrepreneurs and scientists, who were asked to express their views on 12 framework conditions that can encourage or limit entrepreneurial activities in Serbia.

26 Babović, M., & Petrović, M. (2021). *Index of Gender Equality in the Republic of Serbia 2021*. Belgrade: SIPRU. Available at: <https://secons.net/wp-content/uploads/2022/01/141-publication.pdf>

In 2021, compared to the first year when the Index was measured (2014), the value of the index increased by 5.6 points, while the gap compared to the average value of the index for the EU was reduced. Monitoring results show uneven progress in achieving gender equality, as continuous progress is registered in the domains of power and labour, contradictory tendencies in the domains of money and knowledge, and stagnation in the domains of time and health (Chart 3).

In areas that are important for women's entrepreneurship, gender inequalities are manifested in numerous ways: through large differences in the choice of education between women and men,²⁷ weaker access to property²⁸ and other resources (such as access to information and technologies²⁹) important for economic participation and opportunities to start entrepreneurship, generally lower participation in the labour market and focus on the services sectors and the market economy of care.



* Data for domain of time are available only for year 2015, and therefore stagnation is the consequence of the lack of new data

↑ **Chart 3: Gender equality index for the Republic of Serbia, in total and by domain, 2014-2018**

Source: Babović, Petrović (2021). Gender Equality Index in the Republic of Serbia 2021

27 Gender differences are not significant in terms of inclusion in primary and secondary education, but already at the level of secondary education there are significant gender differences in the choice of educational fields. Thus, boys are three times more likely than girls to graduate from secondary vocational schools, while girls are more oriented towards grammar schools, and even when they enrol in secondary schools, they more often opt for fields such as textiles, leather, personal services, healthcare, etc. (SORS, Women and Men in Serbia, 2020).

28 According to the data of the Republic Geodetic Authority, women are the owners of only 25.6% of all immovable and co-owners of 12.8% of immovable. Observed by type of real estate, women own 24.2% of all land plots and 25.6% of all buildings. Gender analysis with proposal of indicators, available at: <http://upisnepokretnosti.rs/Files/00071/Rodna-analiza-sa-predlogom-indikatora.pdf>

29 Women use computers and the internet somewhat less often than men, especially those in the older generations. According to the findings of the research on information and communications technologies, during the three months preceding the research, 78.8% of men and 70.9% of women used computers. During the same period, 83.6% of men and 78.8% of women used the internet. There is no difference in the use of mobile phones, because in all generations except the elderly, both women and men use them in 100% of cases (Kovačević, Šutić & Rajčević, 2021).

The gender gap in employment is very pronounced. Women have lower rates of activity and employment and higher rates of unemployment and inactivity than men.

↓ **Table 2:** Labour market indicators by gender, population 15+, 2021 (%)

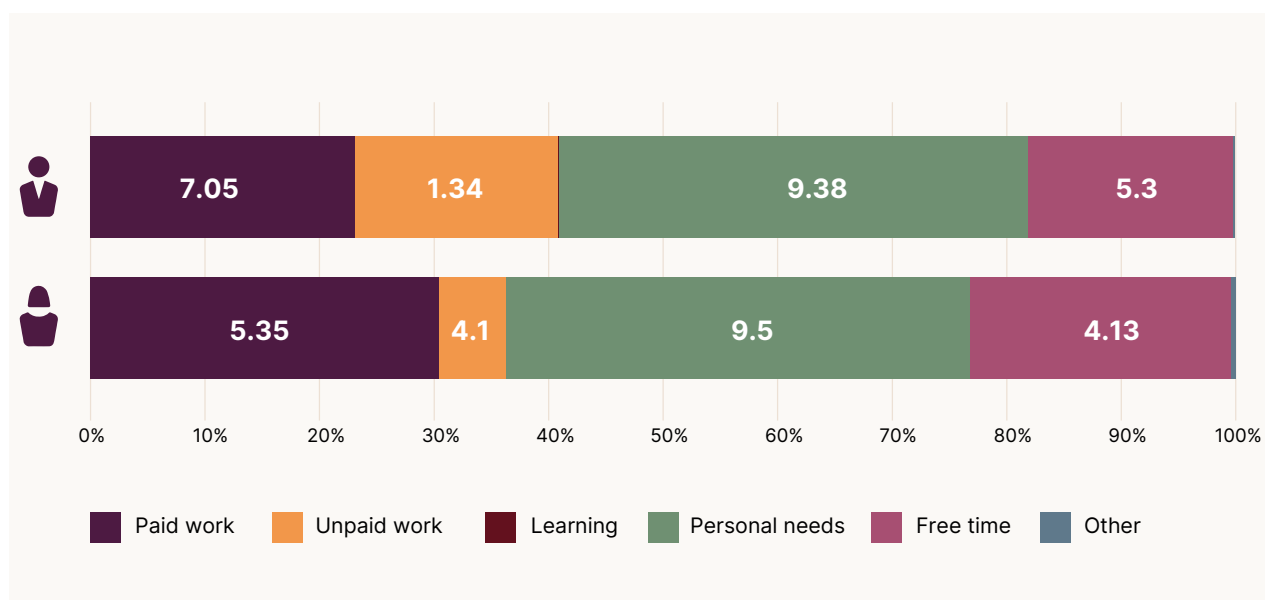
Source: SORS, 2021

Labour market indicators	Female	Male
Activity rate	47.0	62.9
Employment rate	41.3	56.5
Unemployment rate	12.1	10.2
Inactivity rate	53.0	37.1

Caring for the family is a much more frequent reason for inactivity among women than among men. Among the persons who are not employed and are not looking for employment due to taking care of children or other family members, 97% are women.

Women are mainly responsible for taking care of the family and maintaining the household. The time-use research conducted in 2015 showed that women in Serbia spend less time per day on paid work than men (on average 42 minutes less), but much more time on unpaid household work (on average 2 hours and 18 minutes more). The total working time (paid and unpaid work) is longer for women, while the time devoted to leisure activities is shorter.

Access to transportation is another area marked by a gender gap. Women are less likely to use private vehicles and rely more on public transport, as a result of which their mobility patterns are less autonomous than the patterns of men. Only 32% of passenger vehicles are owned by women, only 35% of women have a driver's license compared to 71% of men.³⁰



↑ **Chart 4:** Average number of hours spent in daily activities, employed persons aged 15+ by gender, Serbia 2015

Source: SORS, 2016

³⁰ SeConS & Dornier Consulting International GmbH. (2019). *Gender Equality in Transport in Serbia*. Belgrade: Ministry of Construction, Transport and Infrastructure. Available at: <https://secons.net/en/publikacija/gender-equality-in-transport-in-serbia/>

2

THE EXTENT OF WOMEN'S ENTREPRENEURSHIP – THEN AND NOW

KEY FINDINGS

- From July 2022, during the registration of entrepreneurs and companies, persons who are entrepreneurs, founders of companies and main representatives are recorded according to gender. However, this type of registration is not applied retroactively, so data on the gender of the founder and legal representative is available only for those entrepreneurs and companies that were registered after that, as well as those that were re-registered in the meantime in a way that includes a change of persons who are founders or representatives.
- Statistics for monitoring female entrepreneurship have not been improved during the last 10 years, and it is not possible to easily measure the share of female entrepreneurship, as well as to monitor the dynamics of establishment, shutdown and basic structural characteristics.
- Compared to the starting year of 2011, the total number of active entrepreneurs increased (from 221,541 to 290,387 and companies from 102,215 to 118,158), and the participation of women's businesses in total entrepreneurship increased from 28.1% to 31.2%.
- The sectoral structure of women's entrepreneurship is still significantly different from that of men, but there are noticeable changes in the structure of women's entrepreneurship with a significant decline in trade and a slight decline in catering, with an increase in the share of business in the sector of professional, scientific, innovative and technical activities.
- Women's entrepreneurship shows greater dynamics, i.e. a higher rate of business establishment and closing.

The inclusion of women in Serbian entrepreneurship officially began after the creation of legal conditions with the entry into the period of post-socialist transformation. The principles expressed in the EU Act on Small Enterprises from 2008 were of particular importance for the regulation of the legal framework. Since this period, various support programs for small and medium enterprises have been developed. Over time, among the users of these programs, more and more women and young people appeared who represent *opportunities*, and not *entrepreneurs of necessity*, that is, who chose entrepreneurship as a result of their own choice, and not as a last chance on the labour market.³¹

³¹ Popović-Pantić, S. (2020). Dve decenije ženskog preduzetništva u Srbiji. Beograd: Institut Mihajlo Pupin – Centar za istraživanje razvoja nauke i tehnologije. Available at: https://www.researchgate.net/publication/345388317_Institut_Mihajlo_Pupin

Not even ten years after the initial study, the situation regarding the capacity for monitoring women's entrepreneurship and measuring its extent, as well as for identifying its basic characteristics, is not favourable. In July 2022, the SBRA introduced the registration of the gender of the founder and the main representative of the company, but this identification is not applied retroactively, so it will be possible to track entrepreneurship by gender based on this record only for companies founded after that period or those that changed owners and representatives (not those that have undergone other changes, such as changing the company headquarters, etc.).

There are no completely adequate regular surveys to monitor women's entrepreneurship. The labour force survey, which monitors the state of the labour market, does not sufficiently distinguish between the self-employed and entrepreneurs, and the GEM survey, which represents a valuable source for monitoring entrepreneurial inclinations and the basic characteristics of entrepreneurship, was conducted only in 2022, after a break of almost 15 years.

Also, project initiatives to introduce statistics on structural business characteristics (Structural Business Statistics – SBS), which are applied in Serbia in line with the EU methodology – have not taken off, so this source of monitoring (SBS) of economic entities cannot, for now, distinguish men entrepreneurs from women entrepreneurs.

SBRA data from November 2021 show that compared to 2011, the number of active companies and entrepreneurs has increased significantly – from 323,556 to 408,545. The share of registered entrepreneurs in the total number of privately owned businesses increased slightly, while the share of other legal forms decreased (**Table 3**).

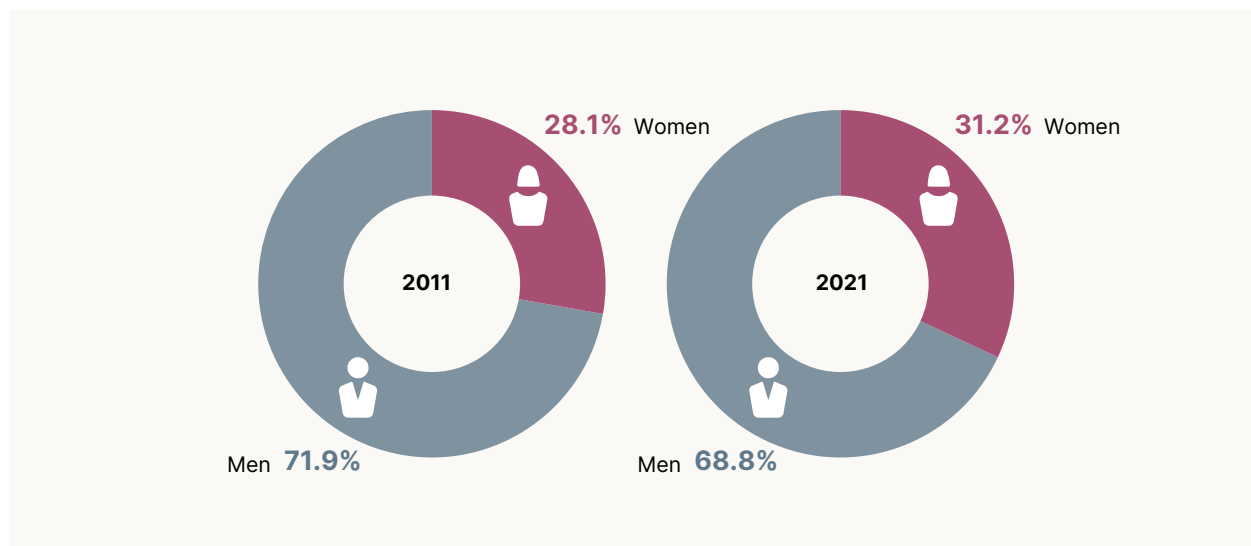
⬇ **Table 3:** Structure of active business entities according to legal form and gender of entrepreneurs, 2011 and 2021 (%)

Source: SORS, 2011; SBRA, 2021.

Type of the business entity	2011		2021	
	%	N	%	N
(Women) Entrepreneurs	68.5	221,541	71.1	290,387
Limited liability companies	30.0	97,115	28.5	116,402
Partnerships	0.8	2,458	0.2	798
Limited partnerships	0.1	398	0.0	137
Joint stock companies	0.6	2,044	0.2	821
Total	100	323,556	100	408,545

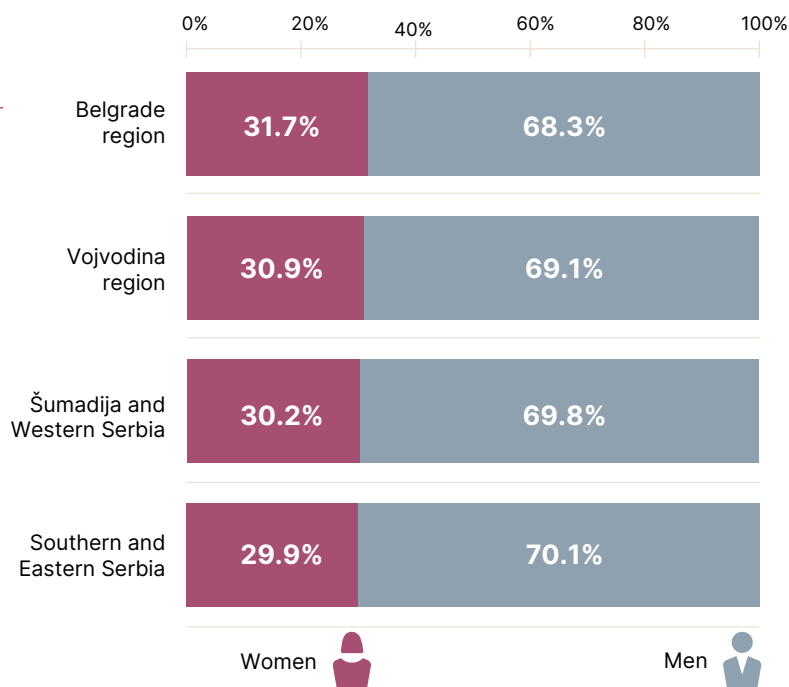
In the period between 2011 and 2021, there was an increase in the share of women in the total number of entrepreneurs (including registered entrepreneurs and persons who are simultaneously (co)owners and main representatives of companies) from 28.9% to 31.2% (Chart 5).³²

The proportion of women and men entrepreneurs is fairly evenly distributed by region, with a slightly higher share of women entrepreneurs in the Belgrade region and a lower share in the region of Southern and Eastern Serbia (Chart 6).



↑ **Chart 5:** Share of women and men in the total number of entrepreneurs (including registered entrepreneurs and companies) (%)

Source: SORS, 2011; SBRA, 2021



³² In both 2011 and 2021, for a number of companies it was not possible to reconstruct the gender of the entrepreneur (for example, foreign companies, missing UCN through which the gender of the owner and main representative may be identified), or both men and women were among the owners and among the main legal representatives. These percentages were calculated only for the set of companies for which it was possible to unambiguously identify the gender of the entrepreneur, while other companies were excluded. Thus, in 2021, out of 408,545 active registered entrepreneurs and companies, there were 115,299 women's and 254,568 men's companies, i.e. it was possible to unequivocally classify 369,867 out of 408,545 companies according to gender. In 2011, out of 323,556 companies, it was possible to unequivocally classify 297,262 companies as either women's or men's.

↑ **Chart 6:** Share of women and men in the total number of entrepreneurs (including registered entrepreneurs and companies), by region %

Source: SBRA, 2021

Compared to 2011, the share of women among entrepreneurs increased in all regions: in the Belgrade region from 28.7% to 31.7%, in the Vojvodina region from 29.8% to 30.9%, in the Šumadija region and Western Serbia from 28.8% to 30.2% and in the region of Southern and Eastern Serbia from 28.7% to 29.9%.

Sectoral structure of “women’s” and “men’s” businesses

When it comes to the sectoral structure of women’s and men’s businesses, the data indicate the

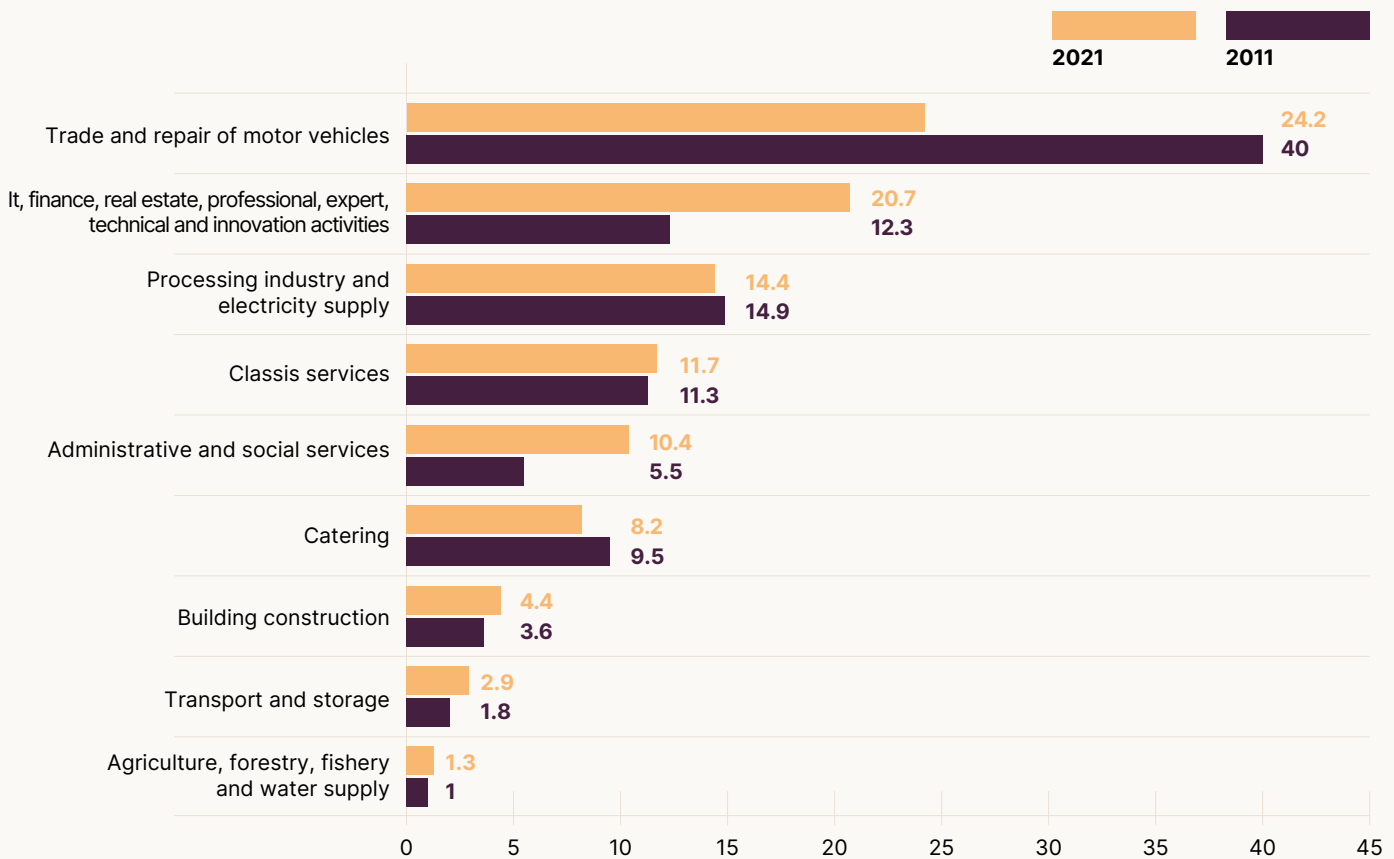
reproduction of pronounced patterns of segregation according to the sectors of activity between “women’s” and “men’s” businesses (Table 4), but with simultaneous significant changes in the sectoral structure of women’s businesses (Chart 7). Gender segregation in the sectoral structure of businesses is manifested through a lower representation of women’s businesses compared to men’s businesses in the areas of industrial production, agriculture, construction, transport, information and communications, and greater representation in the areas of trade, hospitality, professional, scientific and technical activities, administrative social service activities such as education, healthcare, and other service activities that include the spectrum of classic personal services.

↓ **Table 4:** Sectoral structure of businesses according to gender of entrepreneurs, 2021 (%)
Izvor: APR, 2021.

Sectors	Female entrepreneurs	Entrepreneurs
Agriculture, forestry, fishery	1.0	2.0
Mining and quarrying	0.1	0.1
Industrial production	14.2	15.9
Production of electricity, gas, steam...	0.1	0.1
Water supply, waste management...	0.3	0.5
Building construction	4.4	12.8
Trade, repair of motor vehicles	24.2	20.5
Transport and storage	2.9	12.6
Catering	8.2	7.2
Information and communications	4.4	7.7
Financial services and insurance	0.7	0.6
Real estate	0.8	0.6
Professional, scientific and technical activities	14.8	9.7
Administrative activities and support services	5.2	3.1
Education	2.3	0.7
Healthcare and social work	2.9	1.0
Art, entertainment, recreation	1.8	1.2
Other service activities	11.7	3.8
Total	100	100

Although the gender segregation is still present in terms of the sectoral orientation of “women’s” and “men’s” businesses, comparative data for 2011 and 2021 indicate that there have been noticeable changes in the sectoral structure of women’s businesses: the share of women entrepreneurs operating in the trade sector has decreased significantly, the share of those operating in the catering sector has decreased to some extent, while the share of those operating in the IT and communications sector, real estate

and especially professional, scientific, technical and innovative activities has increased, whereas the share of businesses in the administrative and social services has nearly doubled, primarily due to the increased share of business ventures in the field of education and healthcare. The slight increase in the share of business ventures in the field of construction is also interesting, possibly hinting an initial trend of women entering this field, which traditionally did not include women.

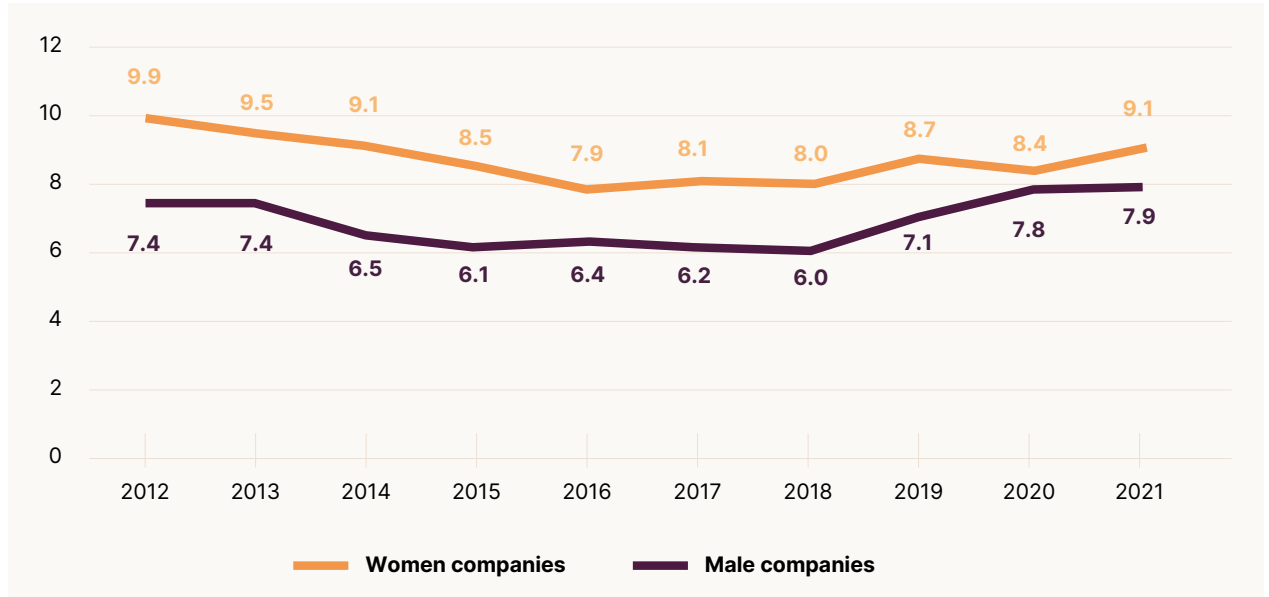


↑ **Chart 7:** The share of different sectors in total women's entrepreneurship in 2011 and 2021 (%)
Source: SORS, 2011; SBRA, 2021

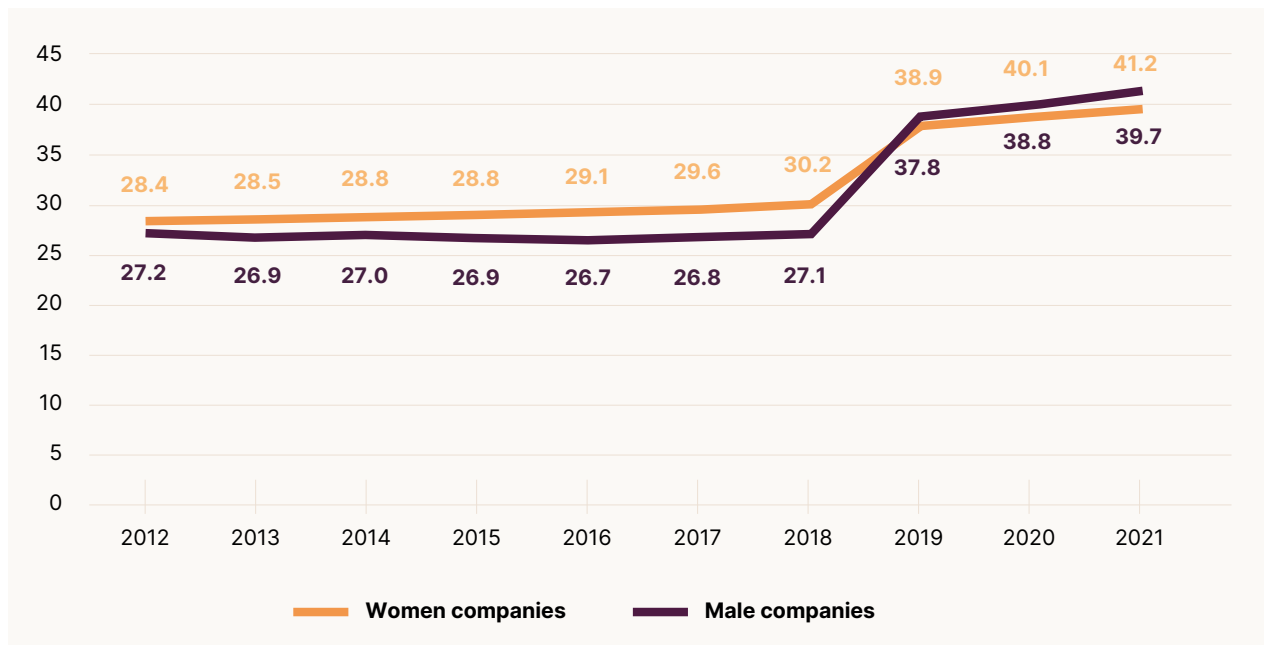
“Demography” of entrepreneurship

SBRA data indicate a continuous growth in the number of companies headed by women entrepreneurs and a slightly more pronounced but also more fluctuating growth in the number of companies headed by male

entrepreneurs. More women's companies are founded compared to those headed by men. Namely, the rate of establishment of companies (the share of newly established companies in the total number of active companies in a given year) is higher for “women's” businesses than for “men's” (Chart 8).



↑ **Chart 8:** The rate of establishment of business companies according to the gender of the entrepreneur, (%)
Source: SBRA, 2021



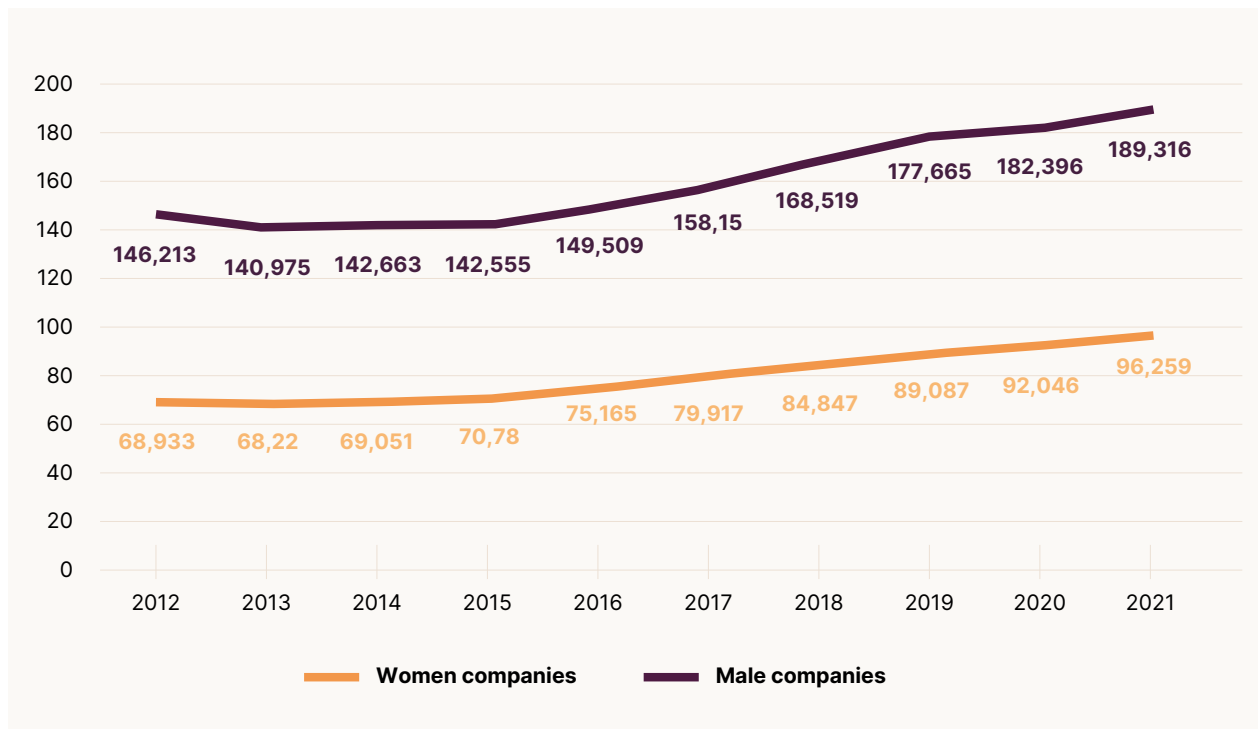
↑ **Chart 9:** Closing rate - the share of deleted companies in the total number of companies (active and deleted) during the reference year (%)
Source: SBRA, 2021

When it comes to the closure of companies, the SBRA data for the period 2012-2021 show that until 2019, the share of companies deleted from the register in the total number of registered companies was higher among the companies of women entrepreneurs, but later the situation reversed and the share of deleted companies was higher among those led by male entrepreneurs (Chart 9).

Similar trends are observed when it comes to registered entrepreneurs, with a continuous increase among both women and men (Chart 10).

In this case, the rate of newly registered entrepreneurs is also higher among women (12.3% versus 9.9% in 2021), but so is the rate of deletion from the register (64.6% versus 60.0% in the same year).

The described trends indicate very dynamic processes of establishing and closing entrepreneurial ventures, which in the end have a positive result, not only due to the increased number of entrepreneurial businesses, but also due to at least a slight increase in the share of women entrepreneurs in total entrepreneurship.



↑ **Chart 10:** Number of registered active entrepreneurs, both women and men

Source: SBRA, 2021

3

PROFILE OF WOMEN ENTREPRENEURS – THEN AND NOW

KEY FINDINGS

- Today's women entrepreneurs are in most cases "new" entrepreneurs, i.e. they started their entrepreneurial activities during the last decade, which also affected the overall profile of women entrepreneurs.
- The profile of women entrepreneurs has changed over the last decade: they are on average older, more educated, the structure of their businesses has changed in the direction of a significant decrease of business in the trade sector and an increase in the sector of expert professional services, they operate in wider markets more than in local ones in a slightly higher percentage, and now the majority of women entrepreneurs work for *opportunities* and not for *necessities* as was the case ten years ago, which is reflected in the greater success of their entrepreneurial ventures.
- However, some aspects of their entrepreneurial profile have remained the same: in the clear majority of cases, these are micro businesses, concentrated in urban areas.
- Certain differences are also present in terms of the family situation which can reflect in their business – today's women entrepreneurs are less often married and less often have underage children compared to ten years ago. Data on difficulties in running a business indicate that the possible reasons for this are unfavourable conditions, i.e. inadequately regulated maternity and parental leave, due to which young women do not engage in entrepreneurship or leave it when they become mothers.

One of the basic questions answered by the research is: who are today's women entrepreneurs? Are these the same women who were entrepreneurs in 2011 or has a new contingent of women arrived who started their own businesses? Are today's women entrepreneurs different in terms of their socio-demographic characteristics and entrepreneurial profile compared to women entrepreneurs in 2011? If they differ, how do these differences manifest themselves, do they speak of pronounced changes in the profile of women entrepreneurs and the characteristics of their businesses, or are these rather minor changes that indicate continuity? This chapter attempts to provide answers to these questions by comparing the socio-demographic and entrepreneurial profile of women covered by the research in 2011 and 2022.

3.1 Socio-demographic profile of women entrepreneurs

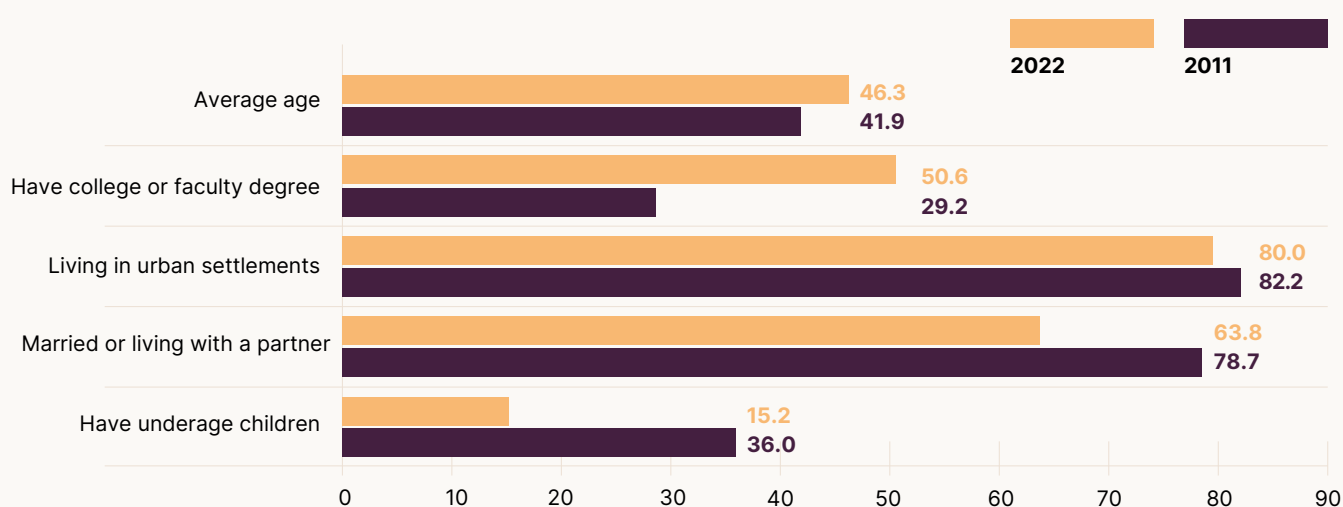
Women entrepreneurs from the research sample in 2022 in the majority of cases (70%) were not entrepreneurs at the time of the previous research in 2011. Therefore, it can be said that they are newer entrepreneurs. Their entry into entrepreneurship changed the socio-demographic profile of women entrepreneurs. Today's women entrepreneurs are, on average, somewhat older, more educated, less burdened by family obligations, they less often live with a partner and twice less often have underage children. Areas of continuity are in their concentration in urban areas and regional distribution (Chart 11).

When looking more closely at the age structure of women entrepreneurs in the two time periods, it is noticeable that in the sample from 2022, more than half of women entrepreneurs belong to the age category of the so-called “older workforce”, aged 45–64.

An extremely small share of young women entrepreneurs (aged 19–29) can be a warning that young women today have a harder time deciding to start a business than ten years ago.

The reasons for such a trend could not be established adequately by research on a sample of women entrepreneurs. However, as will be seen later, among the active women entrepreneurs, the reasons related to the right to maternity and parental leave are often among the obstacles, which shows that these rights are not adequately regulated for women entrepreneurs, which can be a demotivating or excluding factor for young women to venture into entrepreneurship.

While the share of young women entrepreneurs is significantly lower in the sample from 2022, the share of older women, i.e., women who are 65 and older and who could be retired but are still active, has increased. The question arises, who are these women and why are they still active?



↑ **Chart 11:** Socio-demographic profile of women entrepreneurs

↓ **Table 5:** Women entrepreneurs by age, 2011 and 2022 (%)

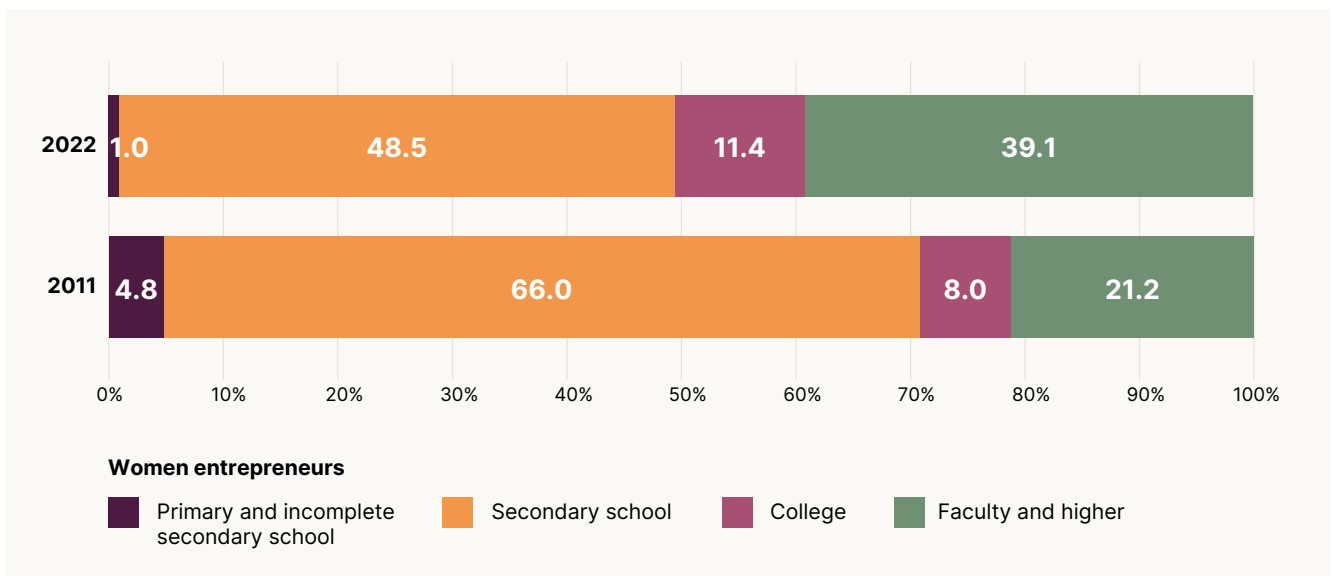
Age groups	2011	2022
19-29	12.7	4.5
30-44	44.0	39.3
45-64	42.4	52.1
65+	0.9	4.1
Total	100	100

More than a half of older women's businesses (52.2%) were founded before 2011, and one quarter of business run by older women (26.1%) were founded in the 1990s.

Therefore, we are talking about "older businesses" that are stable and, as later analysis will show, also successful in a large percentage. It can be assumed

that this very success of the business motivates women entrepreneurs to remain active for a long time.

When it comes to education, the findings of the new research indicate big differences compared to the profile of women entrepreneurs ten years ago. While the category of women with secondary education dominated in the sample from 2011, in the sample from 2022 the majority are women with college and university education (**Chart 12**).



↑ **Chart 12:** Women entrepreneurs by education, 2011 and 2022 (%)

In the total sample of women entrepreneurs from 2022, there is a smaller share of those who live with a partner and a significantly smaller share of those who have underage children.

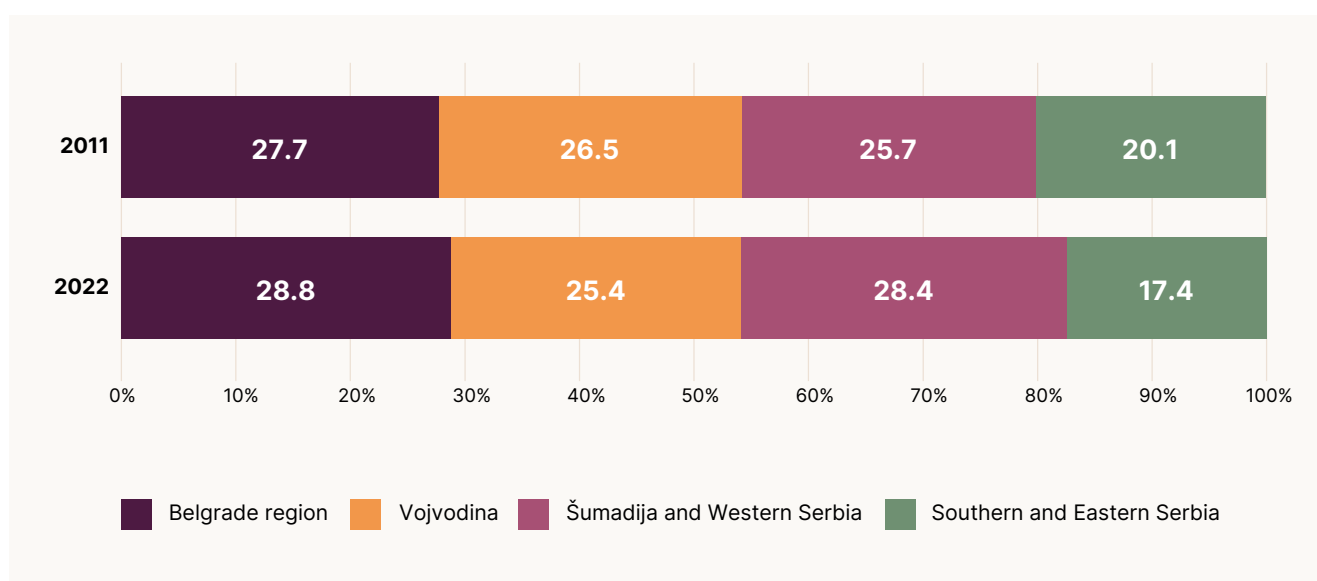
This is another piece of information that warns about the inadequacy of the legal framework that regulates the parental rights of women entrepreneurs, but also about the general situation in terms of the distribution of obligations when it comes to family care (which was shown in the description of the context), and that the profile of women entrepreneurs is being shaped in the direction of greater participation of women who have fewer family obligations.

The regional distribution of women entrepreneurs does not show major changes. However, there is a noticeable decrease in the share of women entrepreneurs from the regions of Southern and Eastern Serbia and Vojvodina and an increase in the share of women entrepreneurs from the Belgrade region and the region of Šumadija and Western Serbia.

3.2 Business profile of women entrepreneurs

The business profile of women entrepreneurs has also changed:

- although these are still predominantly micro enterprises, the share of small enterprises has also increased;
- although they still operate in the service sector, the types of services have changed - there has been a large drop in the share of entrepreneurship in the trade sector, while the share of business in the sector of professional, scientific, innovative and technical activities has increased;
- although the majority of women entrepreneurs still operate only on the local market, the share of those entering the regional, national and international markets has also increased;
- today's women entrepreneurs rely less on the family entrepreneurial tradition than women entrepreneurs from ten years ago;
- today's women entrepreneurs are mostly *entrepreneurs of opportunity* and not of *necessity*, in contrast to women entrepreneurs from 2011, who in most cases became entrepreneurs because they could not solve the issue of unemployment in any other way.



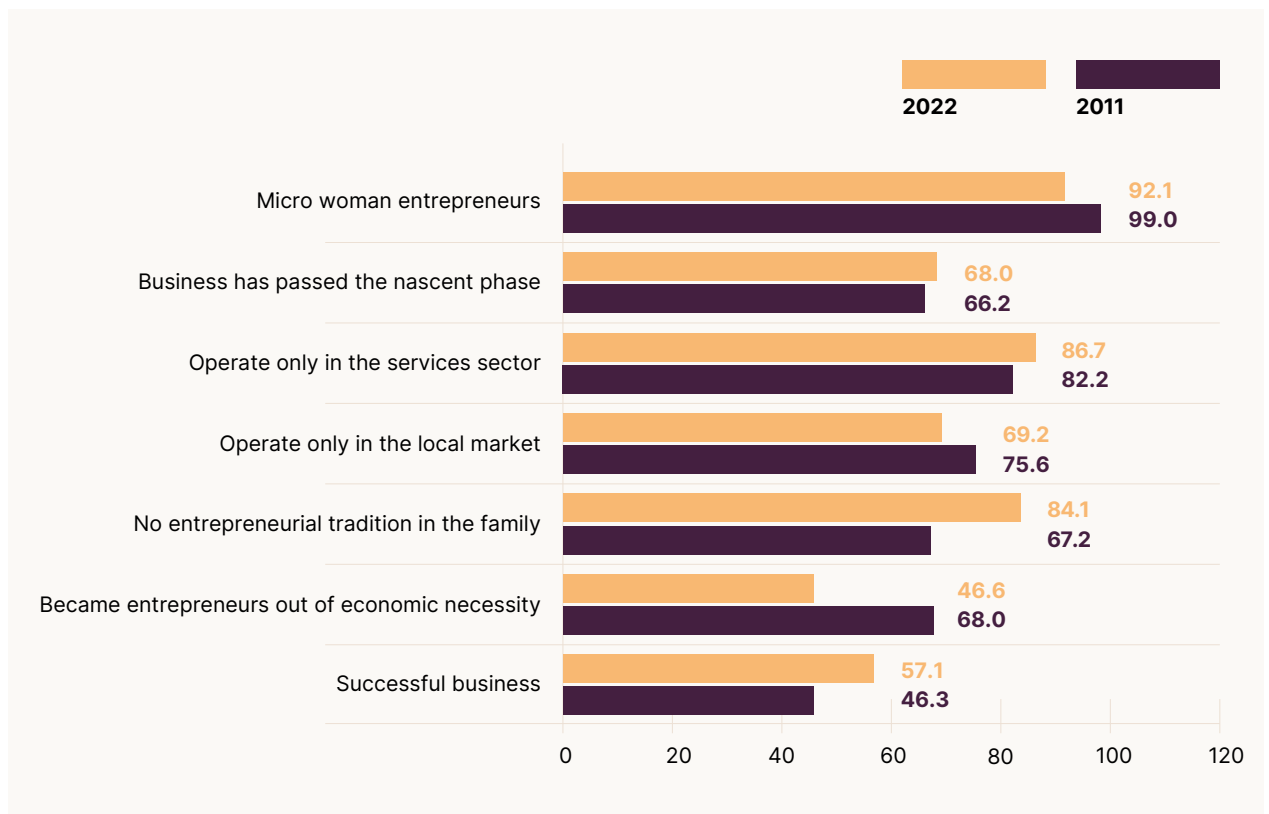
↑ **Chart 13:** Women entrepreneurs by region of residence, 2011 and 2022 (%)

Although the entrepreneurial ventures of today's women entrepreneurs are predominantly micro businesses, it is important to note that the share of small businesses in overall women entrepreneurship has increased (from 1% in 2011 to 7.9% in 2022). This indicates the greater capacity of today's women's businesses to employ labour.

In the 2022 sample, the "oldest" company was founded in 1997, 48.4% of companies were founded after 2015, and more than a quarter of companies (26.3%) were founded less than 4 years ago. The differences are not noticeable in terms of the

"maturity" of the business compared to the situation in 2011; in both periods about two-thirds of the businesses left the nascent phase, which according to the GEM methodology is set at 4 years from the establishment of the business. This nascent phase represents a period when the risks of shutting down the business are high, so this data can be understood as a kind of certainty that most businesses have now entered stable waters and acquired a certain resistance to risks.

Thanks to the data on registered entrepreneurs and companies, it is possible to compare the sectoral structure of women entrepreneurs in two time periods (2011 and 2022) on the total set of registered active women entrepreneurs and not only on research samples, which provides the most reliable data.



↑ **Chart 14:** Business profile of women entrepreneurs 2011, 2022 (%)

These data indicate that there have been noticeable changes in the structure of the predominant activity, primarily in terms of a large drop in the share of women entrepreneurs operating in the trade sector, with a noticeable increase in the share of women entrepreneurs operating in the sector of professional, scientific, innovative and technical activities. Growth is also noticed in the sector of transport, ICT, administrative and auxiliary service activities, education, healthcare and social protection, art, entertainment and recreation, and other service activities.

These tendencies point to the shift in women entrepreneurship from the sector of traditional, tertiary services, to the sector of highly qualified, quaternary services.

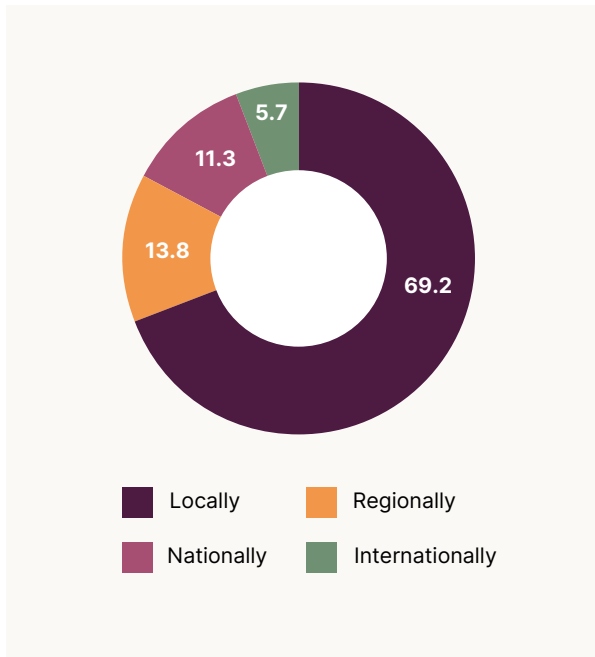
The largest share of women entrepreneurs operates on the local market, i.e., on the market that includes the municipality where the company is seated or the district area. However, although 93.4% of the women entrepreneurs from the sample operate on the local market defined in this way, a slightly smaller share (69.2%) operates exclusively on such market, while the rest also enter wider markets. Thus, 13.8% of women entrepreneurs work in the regional market in addition to the local market, 11.3% also work in the national market, while 5.7% work in the international market. When different international markets are considered separately, in the total sample of women entrepreneurs, 2.7% operate in EU markets, 3.9% operate on the markets of the former Yugoslav republics, while 2.3% operate in other foreign markets.³³

Table 6: Women entrepreneurs by sector of activity (%)

Women entrepreneurs by sector of activity	2011	2022
Processing industry	14.9	14.2
Building construction	3.6	4.4
Wholesale and retail trade	40.0	24.2
Transport and storage	1.8	2.9
Accommodation and catering services	9.5	8.2
Information and communication	1.3	4.4
Professional, scientific, innovative and technical activities	9.6	14.8
Administrative and auxiliary service activities	3.0	5.2
Education	0.8	2.3
Healthcare and social protection	1.8	2.9
Arts, entertainment and recreation	1.0	1.8
Other service activities, including personal services	10.3	11.7
Other	2.6	3.0
Total	100	100

³³ Women entrepreneurs could indicate several different foreign markets.

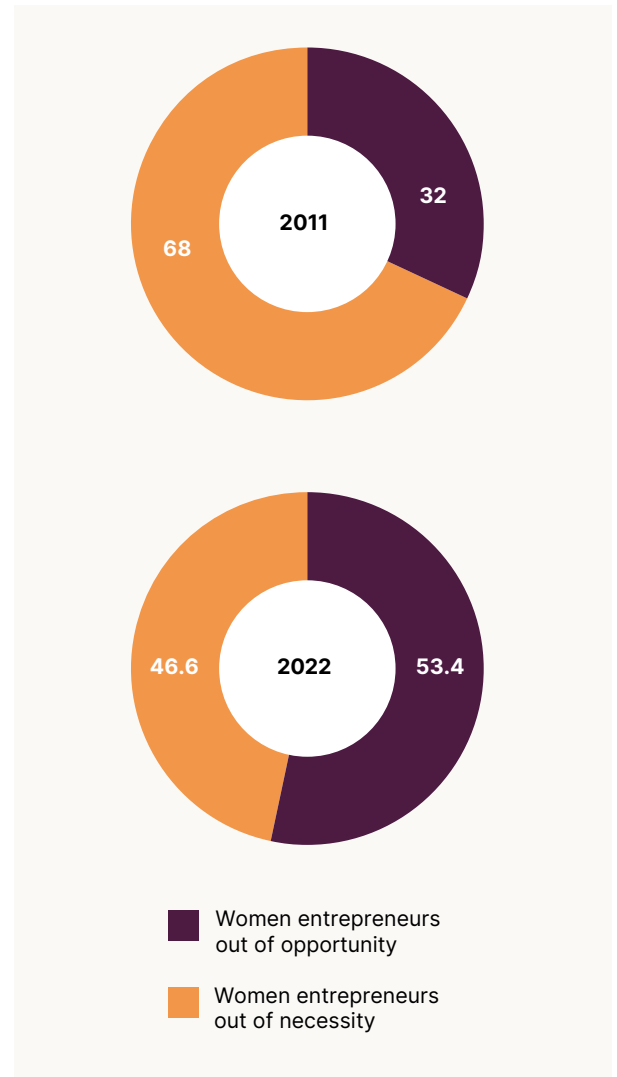
Compared to those from 2011, today's women entrepreneurs have a slightly smaller percentage of experience with the family entrepreneurial tradition in their parents' generation (67.2% vs. 84.1%), and in only 7.1% of cases they share their current business with their partner/spouse or another family member, so the business can be classified as family business.



↑ **Chart 15:** Women entrepreneurs according to the markets they operate in, 2022 (%)

Certainly, one of the most important findings is that today's women entrepreneurs are predominantly entrepreneurs of opportunity and not of necessity.

Findings on the success of women entrepreneurs are presented in a separate chapter.



↑ **Chart 16:** Women entrepreneurs according to the key motive for starting an independent business (%)

4

ACCESS TO RESOURCES AND STARTING A BUSINESS

KEY FINDINGS

- Through the regular education system, women entrepreneurs in most cases got the knowledge and skills that were essential for starting and running a business, but only a minority received more practical information about how to start their own business through regular education.
- Women entrepreneurs with higher education got more useful information about entrepreneurship, which may indicate that higher education institutions attach more importance to this issue than secondary vocational schools.
- It is notable that compared to ten years ago, today's women entrepreneurs indicate in a higher proportion that the educational system was beneficial for their entrepreneurial career.
- Every fifth women entrepreneur attended a specialized course or seminar where she acquired the knowledge necessary for starting her own business.
- Women entrepreneurs have a relatively favourable financial status, and they also claim that they have a good standard of living in most cases: almost all of them live in housing units that are owned by the household, more than a third own business premises, one in ten lives in a household that also owns land, in general half of the cases live in households that own more than one vehicle.
- Despite the good property status of the household, women entrepreneurs are less often the owners of immovable property, except for business premises, which in almost two-thirds of cases are owned by the respondents.
- Most women entrepreneurs entered the business after being employed, and this work experience was precisely in the field in which they founded their business.
- When it comes to motives for entering entrepreneurship, they specify their desire for independence, their desire to implement good business ideas, and their desire for higher earnings. In a smaller proportion, the motives such as the desire to solve the problem of unemployment or to better balance family and work life are also present.

- Although today they rely more on specialized institutions, such as SBRA, chambers of commerce and alike for information on business start-up procedures, there is still a relatively large proportion of those who rely on informal social networks, acquaintances and friends, especially those who have already gone through the business registration process.
- In most cases, they used money from family or personal savings to start their business, while professional knowledge related to business technology is considered to be a key resource for starting a business by the largest percentage of respondents.
- As the most important obstacles in starting an independent business, they pointed out familiarity with the regulations on financial obligations, securing initial financial resources, finding clients, finding an adequate workforce, knowledge of labour and employment regulations, standards of activity, sanitary conditions, but also finding suitable premises, suppliers, as well as the inability to share their fears and risks with someone.
- In overcoming these difficulties, they mostly relied on family members and friends and very little on institutions and specialized organizations for support.

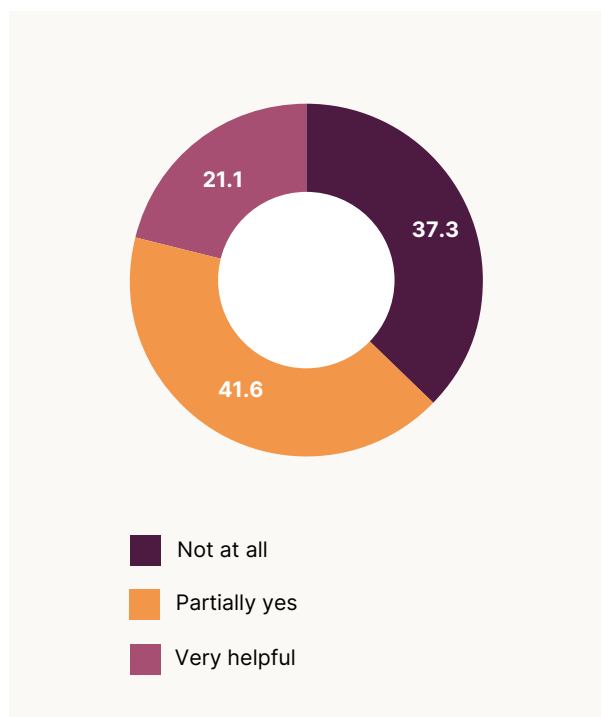
In order to understand business beginnings, i.e. the decision to start an independent business and the possibility of implementing such a decision, it is important to know the resources that women entrepreneurs have at their disposal (including immovable and movable property, access to financial resources, advice, information, etc.), motivation to start an independent business, as well as the obstacles encountered when establishing the company and at the beginning of its business.

4.1 Access to resources

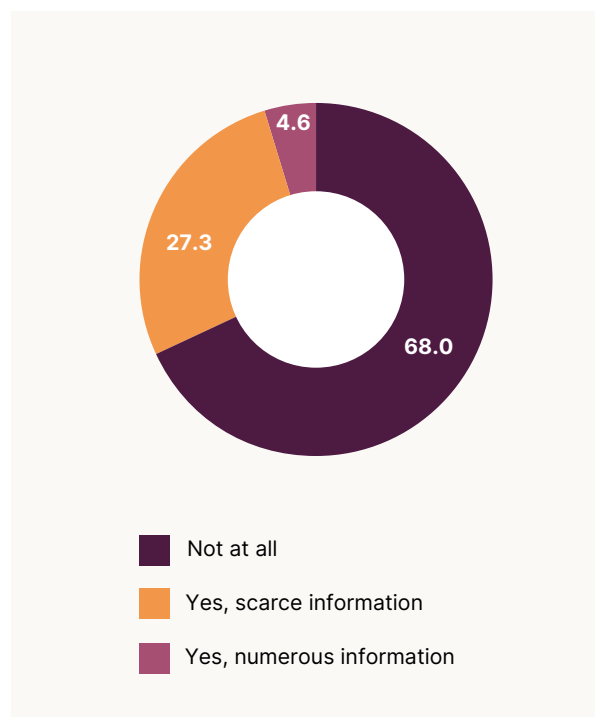
Education and entrepreneurial skills

It has already been pointed out that today's women entrepreneurs are on average more educated than ten years ago. In addition to formal education, both cycles of research examined the opportunities for women entrepreneurs to be informed about the possibilities of

entering entrepreneurship through regular education, and to acquire knowledge and skills important for starting and running a business through formal and informal additional education. The majority of women entrepreneurs from the sample in 2022 (62.7%) said that during regular education they acquired the skills and knowledge that were important for them to start an independent business (Chart 17). However, a minority said that during their education they had the opportunity to receive more specific information on how to start an independent business (Chart 18).



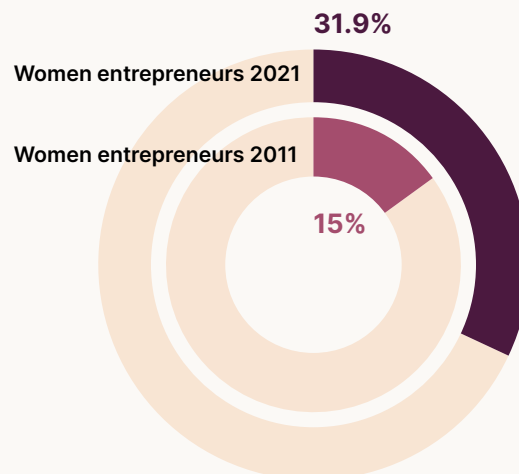
↑ **Chart 17:** Were the knowledge and skills acquired during formal education important for you to start your own business? 2022 (%)



↑ **Chart 18:** Did you receive information about how to start your own business during your regular education? 2022 (%)

In this regard, there are no significant differences between women entrepreneurs of different ages, but there are significant differences depending on the level of education, i.e. the type of school the women entrepreneurs attended. The largest share of those who said that they acquired knowledge and skills that helped them to start their own business during formal education is among women who graduated from three-year secondary education (32.5%) and from universities (35.2%), which is significantly more than among women entrepreneurs who completed a four-year secondary vocational school, such as medical, economic, legal, graphics (8.1%), grammar school (0%) or college (15.6%).

**TEN YEARS LATER:
Women entrepreneurs who received information on how to start their own business during their education (%)**



When the data on the availability of information important for starting an independent business is compared with the experiences of women entrepreneurs ten years ago, it is noticeable that the share of those who received some information about starting an independent business through regular education has doubled, which may indicate that school and higher education programmes now offer more information about entrepreneurship.

Data from the survey indicate that information about starting an independent business is most often received by women entrepreneurs who have completed high school or faculty (39.3% and 45.6% respectively), which is significantly more than among women entrepreneurs who have completed vocational secondary school for labour occupations or four-year secondary vocational school (20% and 20.3% respectively). When these data are viewed together with the data on the increased share of women with higher education among entrepreneurs, they can indicate a positive trend that referral to entrepreneurship during studies also has positive effects in terms of choosing an entrepreneurial career.

In addition, almost every fifth woman entrepreneur (19.8%) attended a specialized course or seminar that provided the knowledge necessary to start an independent business. These were most often courses on establishing a company, self-employment, entrepreneurship (26.6% of all women entrepreneurs), or courses for obtaining licenses, professional development (26.6%), then vocational courses such as hairdressing and cosmetology (17.4%), and somewhat less often courses in the field of marketing (11.9%), management (8.3%), computer use (5.5%) or other professional or artistic courses (8.3%).

Ownership of movable and immovable property

The property status and economic resources available to women entrepreneurs and their households are also important for the potential of starting an independent business. The women in the sample live in relatively wealthy households.

In the clear majority of cases (95.7%) they live in a housing unit owned by the household. However, it is more often owned by the husband (47.7%) or other male members of the household (12.7%), less often by women entrepreneurs (26.7%) or other women in the household (5.2%), and rarely in the joint owned by the women entrepreneur and her husband (6.5%).

In more than a third of cases (36.3%), the women entrepreneurs' households own one or more business facilities, with women entrepreneurs being the owners or co-owners of these facilities in a higher percentage than when it comes to the housing unit of the household (in 62.1% of cases). Almost every tenth household of women entrepreneurs from the sample (9.1%) owns land, and women entrepreneurs are owners of land in 31.4% of cases, co-owners in 25.5% of cases.

In 47.2% of cases, the household owns one, and in 47.4% of cases, more than one vehicle. Women entrepreneurs own one or more vehicles in 64.1% of cases, which is twice as much as in the general population of women. As the research on gender equality in traffic showed, in Serbia, 69% of households own one or more passenger cars, and women are the owners of passenger cars in 32% of cases.³⁴

Most women entrepreneurs have a good standard of living: 72.1% claim that they can cover all basic living expenses in the household and have some money left

over, for example for vacations, trips and alike, 5.7% can afford whatever they want, while 20.8% may only cover basic expenses and satisfy basic needs, while 1.4% are facing financial difficulties. Among women *entrepreneurs out of necessity*, the share of those who live in households facing economic difficulties is higher than among women entrepreneurs of opportunity (32.7% vs. 13.1%).

4.2 Starting a business

Position in the labour market before establishing the current company

In accordance with the findings on the changed entrepreneurial profile of women from the sample, there are also findings about the way of entering the business. In most cases, women entrepreneurs from the sample were previously employed (75.3%), while 15% were unemployed and 9.7% were inactive. Among those who were employed before starting their current business, the largest share was formally employed by another employer (77.9%), 10.7% were informally employed by another employer, 8.6% had their own informal job, and 2.9 had a previous registered company.

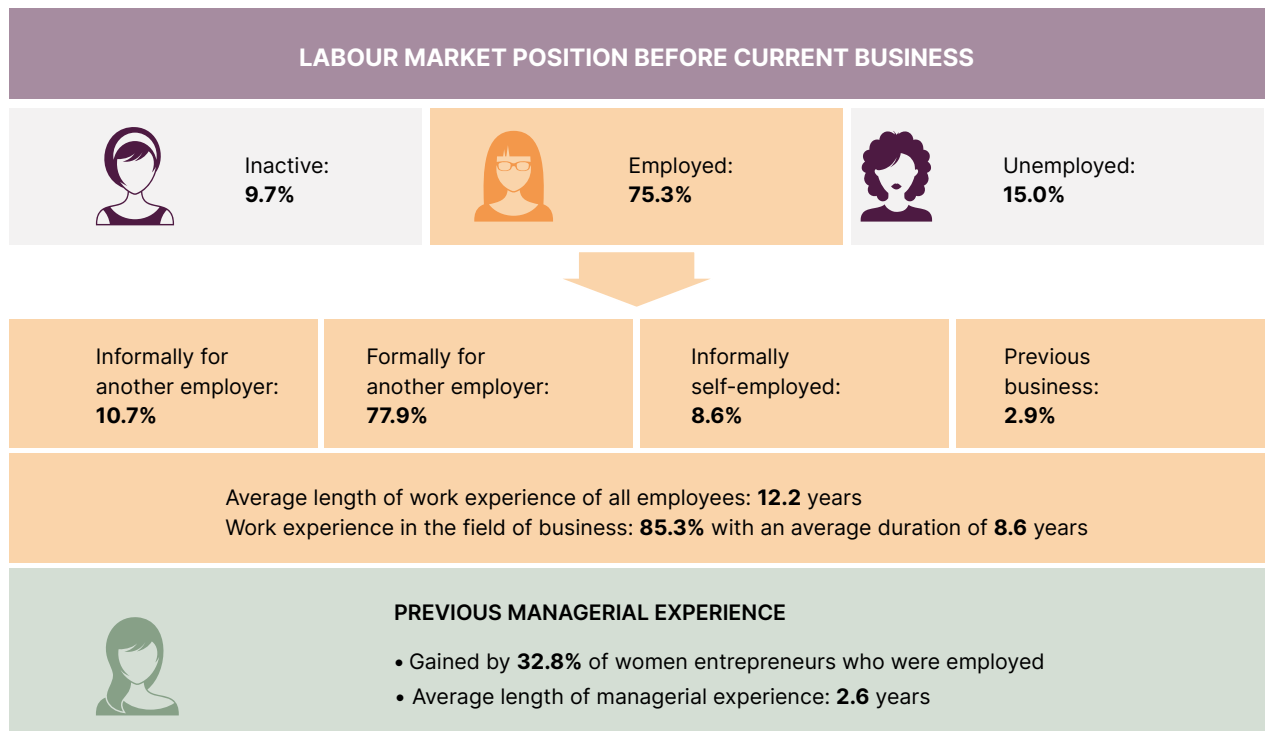
Differences in terms of previous work experience are present between women entrepreneurs of different levels of education. In all categories except primary school, the largest share of women entrepreneurs was formally employed before the current business, but the share increases with the level of education, so among women who completed a three-year secondary school for labour occupations it is 52.5%, among women entrepreneurs who completed a four-year secondary school 56.1% and among the highly educated 64.1%.

Women entrepreneurs who were employed in any way before the current business had an average of 12.2 years of work experience when they founded the current business. More than a quarter (21.6%) had no more than five years of work experience, more than a half (51.8%) had no more than ten years of

³⁴ SeConS & Dornier Consulting International GmbH. (2019). Gender Equality in Transport in Serbia. Belgrade: Ministry of Construction, Transport and Infrastructure. Available at: <https://secons.net/en/publikacija/gender-equality-in-transport-in-serbia/>

work experience, and 13% of women entrepreneurs decided to start their own business after 20 years of formal employment. The sample included 32.8% of women entrepreneurs who had managerial experience before founding the current business. Such managerial experience lasted 2.6 years on average.

A clear majority of women entrepreneurs (85.3%) who were previously employed had previous work experience in the field in which they founded their current business, such experience was on average accumulated during 8.6 years of work.



Given the small number of women entrepreneurs who had another business before their current business (12), it is not possible to carry out a more detailed analysis of the characteristics of such business. There is one hairdressing salon, one veterinary surgery and ten shops of different profiles. The reasons for closing the company in most of these cases were of a financial nature, i.e. debts ("I couldn't pay the duties", "problems with cash registers, inspection, payment of fines"), competition ("too many similar small and large shops", "pharmacy chain shut us down" etc.). Although it is a small subsample, it is interesting to analyse the reasons why they decided to start a new independent business after the failure of the first one. The narratives of these women entrepreneurs indicate

a desire to continue working ("to continue doing the same job", "to continue working", "to be able to work as I think is principled"), as well as to perceive better chances in other sectors/activities, implement new ideas they got in the meantime, but also to choose a more suitable legal form, so some of them started a new business not as entrepreneurs, but as a limited liability company.

Most women entrepreneurs made contacts at their previous job that helped them start their own business: 46.1% had relatively well-developed contacts and 15.4% had very developed contacts, while 38.5% did not establish contacts that would be significant for establishing the current business.

Today's business: motivation and getting started

In the clear majority of cases (94.5%), women entrepreneurs started their business by establishing a company on their own or with others, while in a small number of cases they bought a company or the share in the company (2.0%) or inherited it (3.5%).

On average, they were 37.6 years old when they established the current company or came into its possession. Five women entrepreneurs have another company in addition to the company included in the research sample, four of them in the country and one abroad. Seven women entrepreneurs also have

ownership/shares in other companies, five in one company and two in several companies.

In 92.8% of cases, women entrepreneurs are also the sole owners of the company. In 5% of cases, the co-owner is the husband/partner, in 0.4% the father and mother, in 0.9% another male relative, in 0.7% another female relative, in 0.2% several relatives.

Among the motives for entering into entrepreneurship, the need for independence is highlighted by half of the surveyed women entrepreneurs, followed by the desire to implement good business ideas and the desire for higher earnings, which appear in more than a third of cases, then the desire to solve the problem of unemployment or to find better work-life balance, which occurs in more than a quarter of cases, as well as facing new challenges, while the other reasons occur less frequently.³⁵

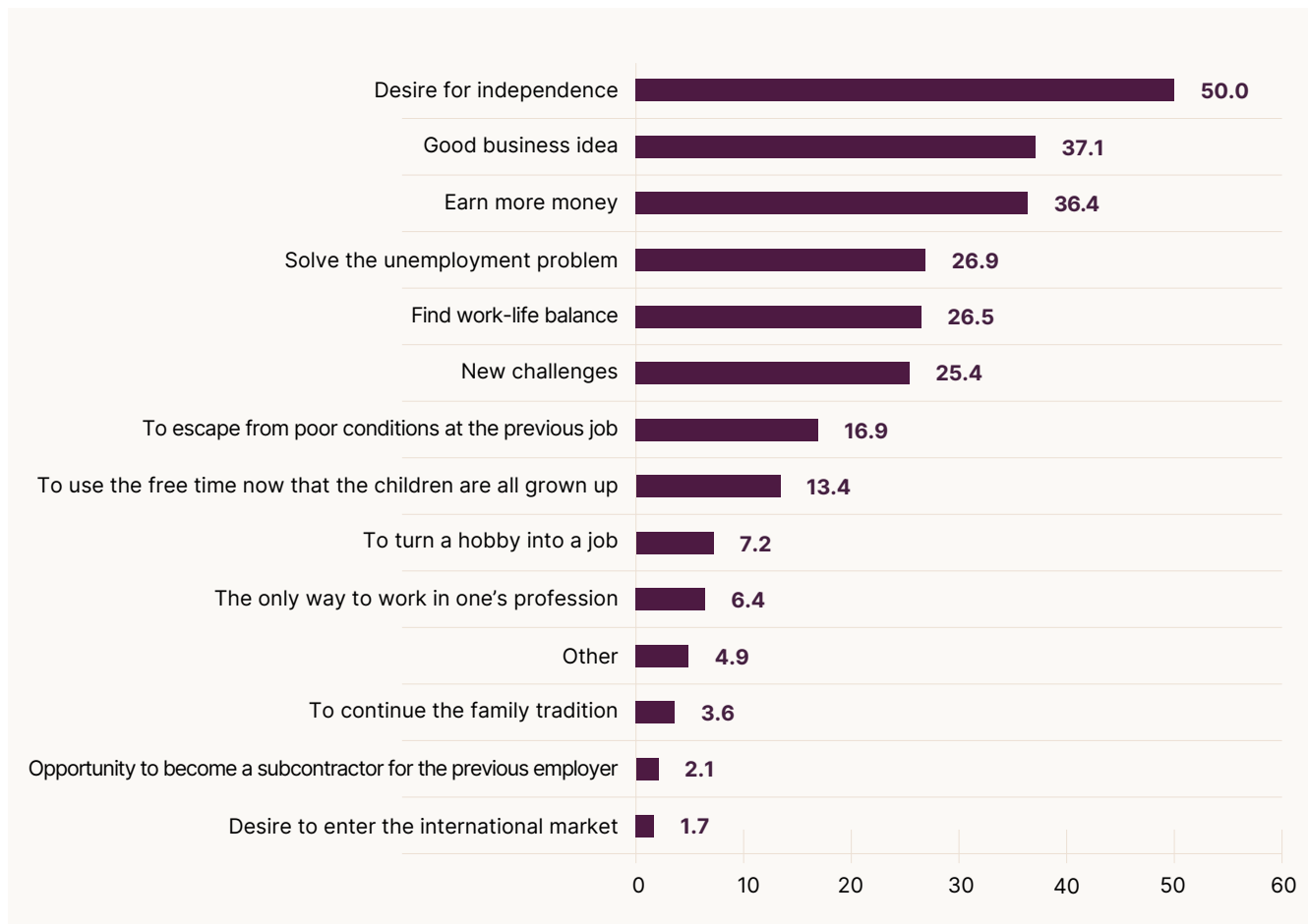


Chart 19: Motives for entering entrepreneurship, multiple answers, % of cases

³⁵ In answering this question, women entrepreneurs could mention up to three different motives.

Availability of resources important for starting a business

The information on registration procedures and conditions that women entrepreneurs have to fulfil in the initial stages of business in whatever form they want to start their business is a valuable resource. Although less than a third of women entrepreneurs (29.6%) acquire such information from the Serbian Business Registers Agency, in which they must also be registered, it is noticeable that compared to ten years

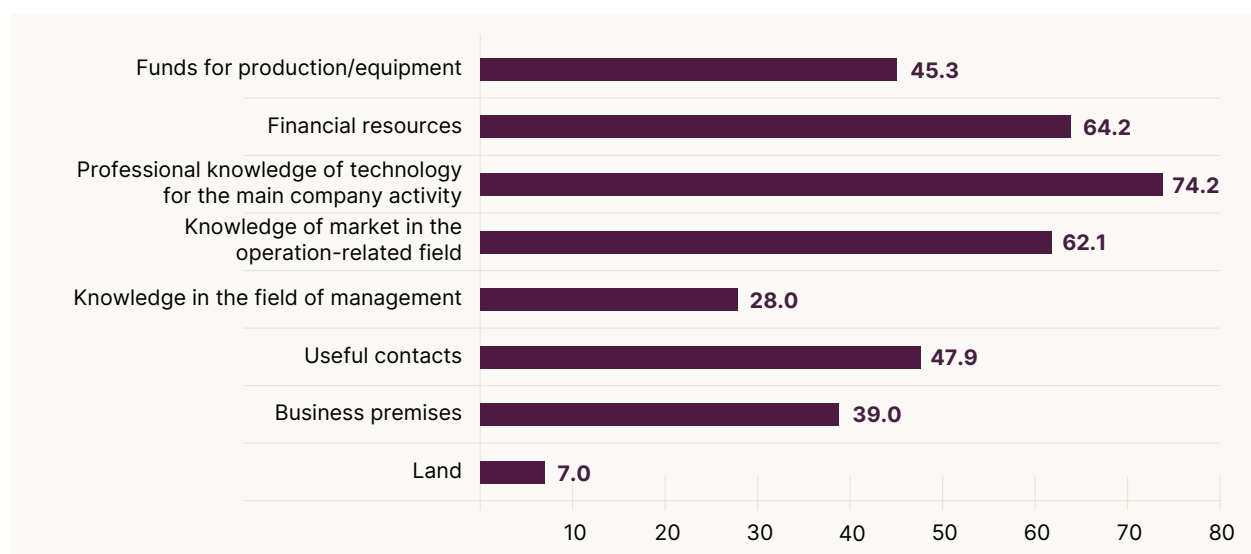
ago, SBRA was mentioned more often as a source; reliance on information from friends and acquaintances who have already gone through the registration procedures is much less frequent, while the share of those who get information from other sources, such as the Chamber of Commerce, other institutions or organizations, has also increased (Table 7).

When it comes to other resources needed to start an independent business, the following chart shows that technical knowledge of the company's main activity, initial funds and knowledge of the market in the company's field of activity were among the most frequently available, while other resources were available in less than half of the cases (Chart 20).

When it comes to other resources needed to start an independent business, the following chart shows that technical knowledge of the company's main activity, initial funds and knowledge of the market in the company's field of activity were among the most frequently available, while other resources were available in less than half of the cases (Chart 20).

↓ **Table 7:** Women entrepreneurs according to the source of information about the registration procedure (%)

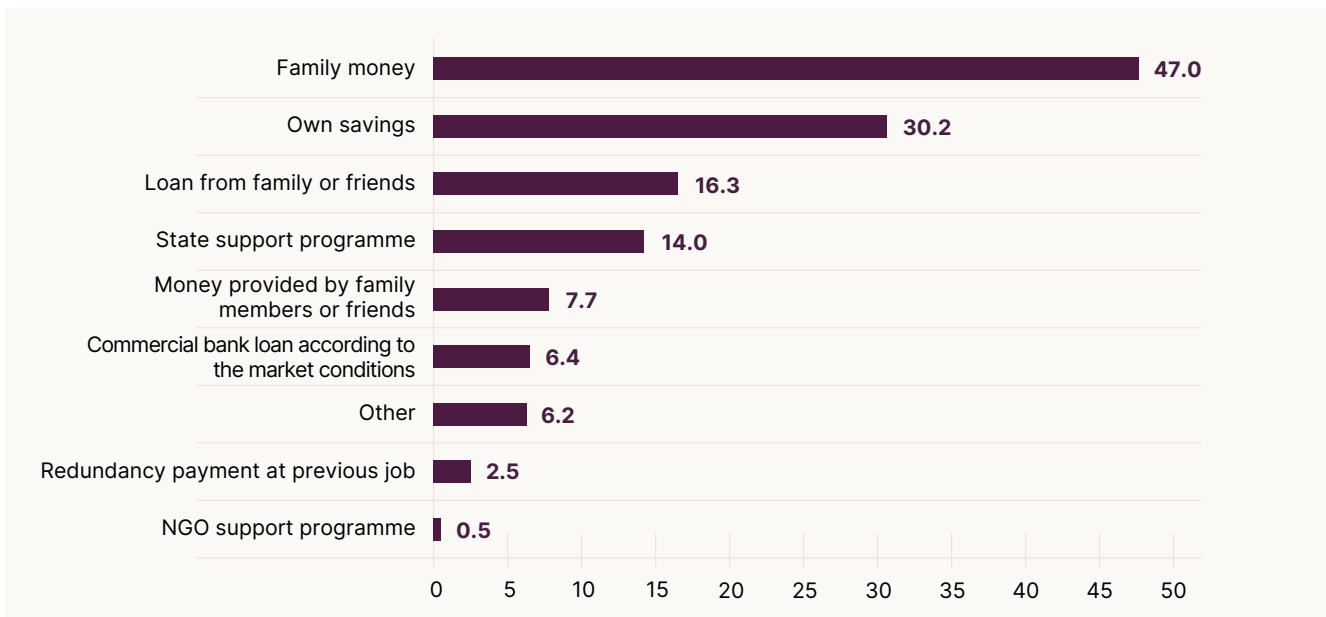
Sources	2011	2022
Serbian Business Registers Agency	25.7	29.6
People who had already gone through the same process and knew the procedures	42.5	21.5
National Employment Service	11.1	11.6
Private business registration agency	7.3	10.6
Chamber of commerce	2.2	7.5
Another institution/organization	-	7.1
Association of employers	1.8	1.2
Other	9.4	10.8
Total	100	100



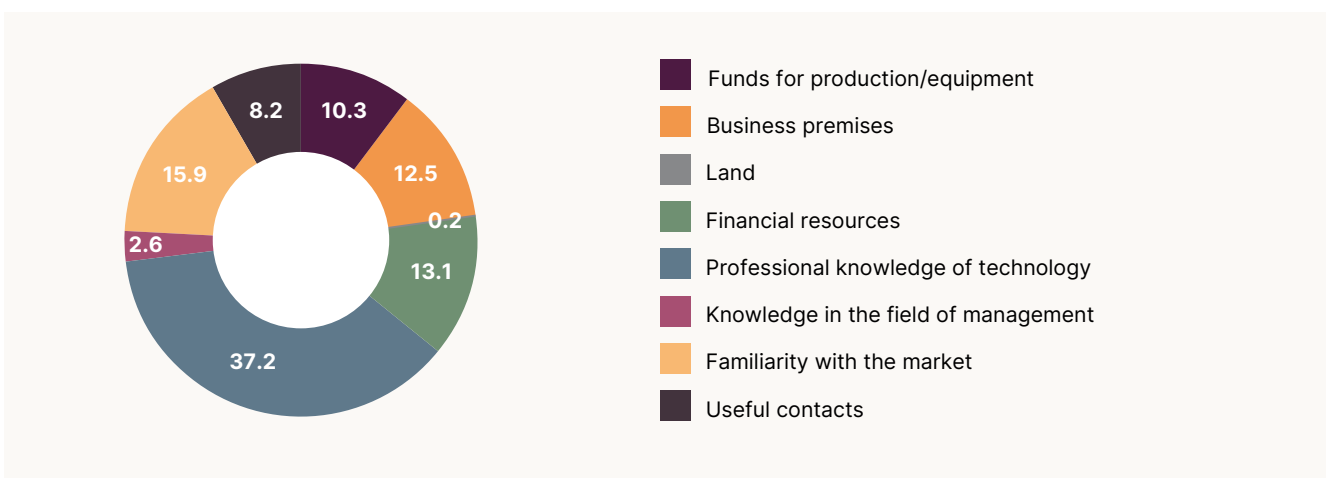
↑ **Chart 20:** The percentage of women entrepreneurs who had the mentioned resources immediately before establishing the current company

The funds with which they started their current business most often came from family savings, then from personal savings, and much less often from state support programmes for business establishment or loans from commercial banks (Chart 21). In that respect, there are no significant differences compared to women entrepreneurs from ten years ago.

Women entrepreneurs, however, value professional knowledge about the technology used to perform the activity the most, because when they were asked which of the listed resources was crucial for starting their current independent business, they most often indicated that resource (Chart 22). In addition, knowledge of the market, funds, business premises, equipment and useful contacts were mentioned as crucial resources less often.



↑ **Chart 21:** Financial means used by women entrepreneurs to start their current business, multiple answers, % of cases



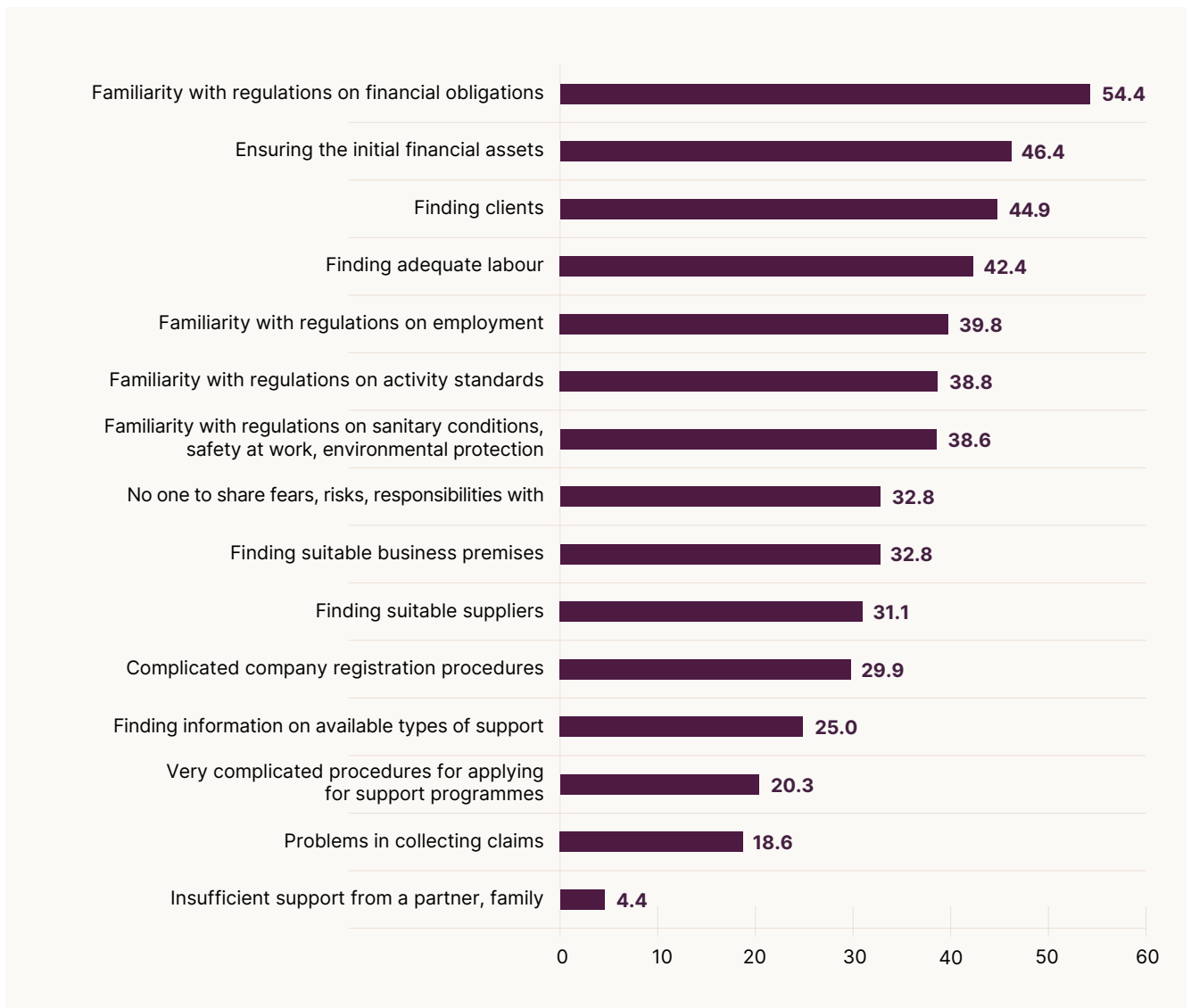
↑ **Chart 22:** What resource was the most important, decisive for them to decide to start their own business? (%)

Problems and support when starting a business

More than a half of women entrepreneurs said that one of the key problems in starting a business is familiarity with the regulations on financial obligations

(Chart 23).

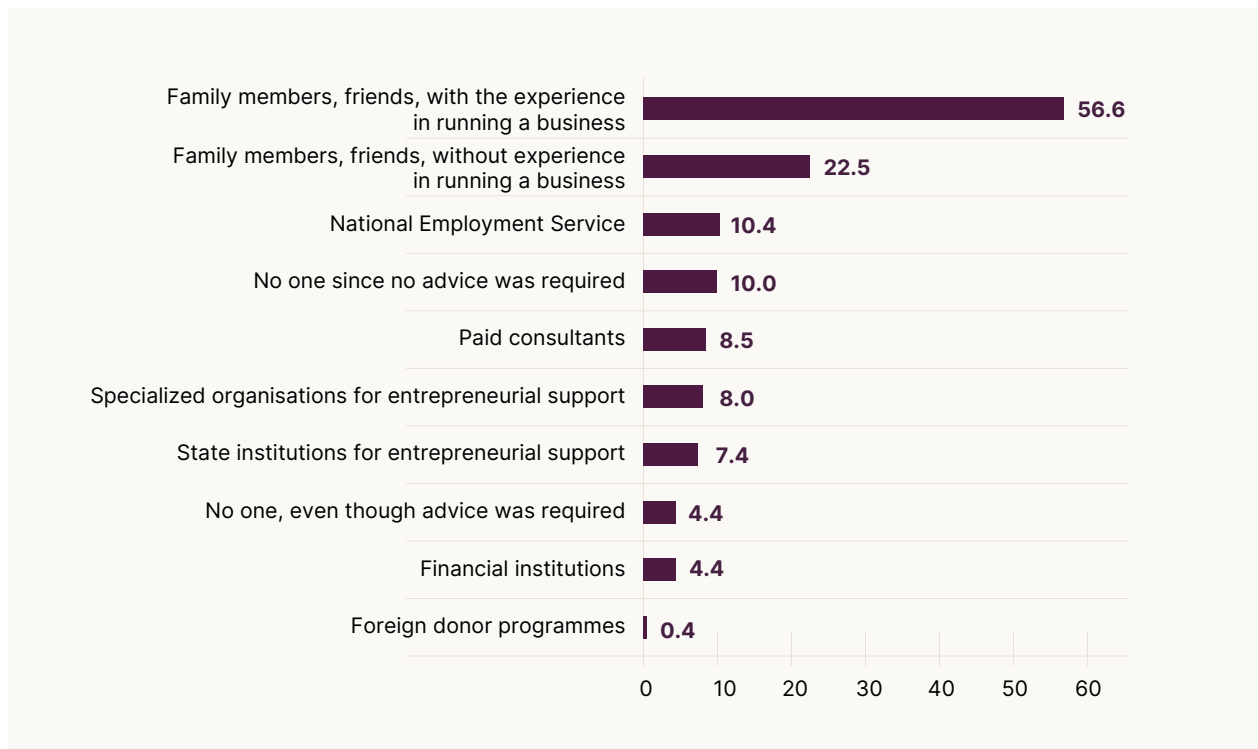
In addition, problems such as securing initial financial resources, finding clients and adequate staff, and gaining knowledge of various regulations, such as regulations on employment of workers, standards of activity, sanitary conditions and alike are also prominent. For almost a third of women entrepreneurs, it was also difficult that they had no one to share those initial fears, insecurities, and risks with. In a similar proportion, they also mentioned problems related to finding office premises, suppliers, etc.



↑ **Chart 23:** Key problem when starting a business, multiple answers, % of cases

Between a quarter and a fifth of women entrepreneurs also mentioned problems with a lack of information about available support programmes or overly complicated application procedures for these programmes.

During this initial period, they were most often supported by people from their immediate social networks, by their family members, friends, primarily those who have some experience in running a business, but also those who do not have such experience (**Chart 24**).



↑ **Chart 24:** Who gave them advice at the beginning, multiple answers, % of cases

5

BUSINESS CHARACTERISTICS AND SUCCESS

KEY FINDINGS

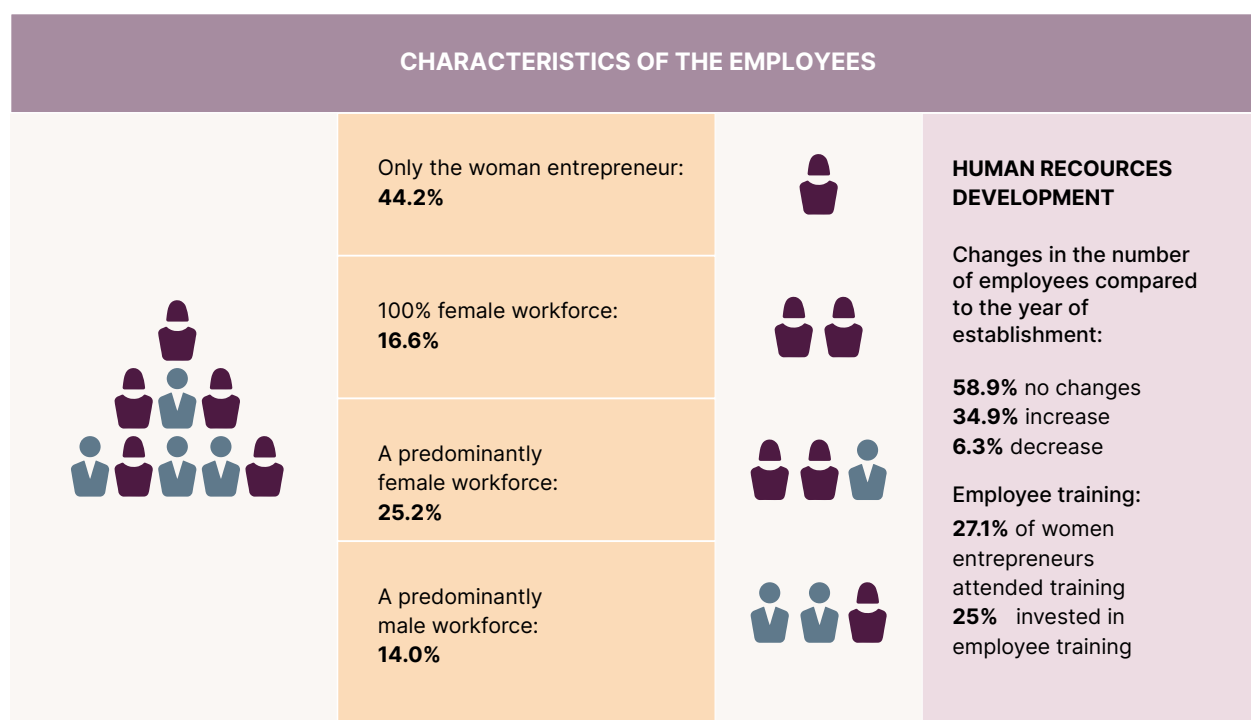
- Although these are mostly micro-enterprises, the companies in the sample are significant because they employ a predominantly female workforce (in addition to women entrepreneurs) otherwise characterized by lower employment.
- The majority believes that it is important to be educated to successfully manage a company, while only a minority actually puts it into practice. Those who are not educated explain it by the lack of need, time, money or adequate offer of training.
- Compared to the period of establishment, more than a third of women entrepreneurs increased the number of employees.
- There is little investment in innovation, only slightly more than a third of women entrepreneurs do so; when they do, these are usually product or service innovations, less often technological and marketing innovations, and least often organizational innovations.
- Today's women entrepreneurs are on average more successful than ten years ago.
- The most important success factors are innovation and investment in human resources, and not so much the sector of activity as was the case before.
- The most successful women entrepreneurs are in their thirties and early forties, while the oldest, those aged 65 and over, apparently remain active for a long time precisely because of the success of their business.

5.1 Characteristics of business

The entrepreneurial profile has already described some of the most important characteristics of the companies in the sample, such as size, age, sector of activity and the markets in which they operate. At this point, attention will be focused on some additional characteristics, primarily human resources, financial indicators of business and propensity for innovation.

Human resources

In the majority of companies from the sample (60.8%), all employees are women, i.e. in 44.2% of cases only the woman entrepreneur is employed in the company, while in the remaining 16.6% there are other women along with the woman entrepreneurs. In 14% of companies, the workforce is mostly male, while in the remaining 25.2% of cases there are both women and men among the employees, although the workforce is mostly female.



The majority of women entrepreneurs (68.1%) believe that it is important to continuously educate themselves in order to successfully run a company. In this regard, there are statistically significant differences between women entrepreneurs depending on the sector in which they operate.

Thus, the highest percentage of women entrepreneurs who work in the sectors of professional, scientific, innovative and technical activities, education, health and social care, arts, entertainment and recreation agree with the attitude that continuous training is important for business success (Chart 25).

In addition to the differences depending on the business sector, there are also significant differences depending on the level of education of women entrepreneurs. The higher the level of education, the higher the share of women entrepreneurs who believe that continuous education is important for business success. Thus, 55% of entrepreneurs who completed a three-year high school for labour occupations agree with this opinion, 58% among the women entrepreneurs with a four-year vocational high school, 77% among the women entrepreneurs with a college degree, and 80% among the women entrepreneurs with a university degree.

Despite this high valuation of continuous education, the vast majority of women entrepreneurs (72.9%) have not yet attended courses, seminars or other

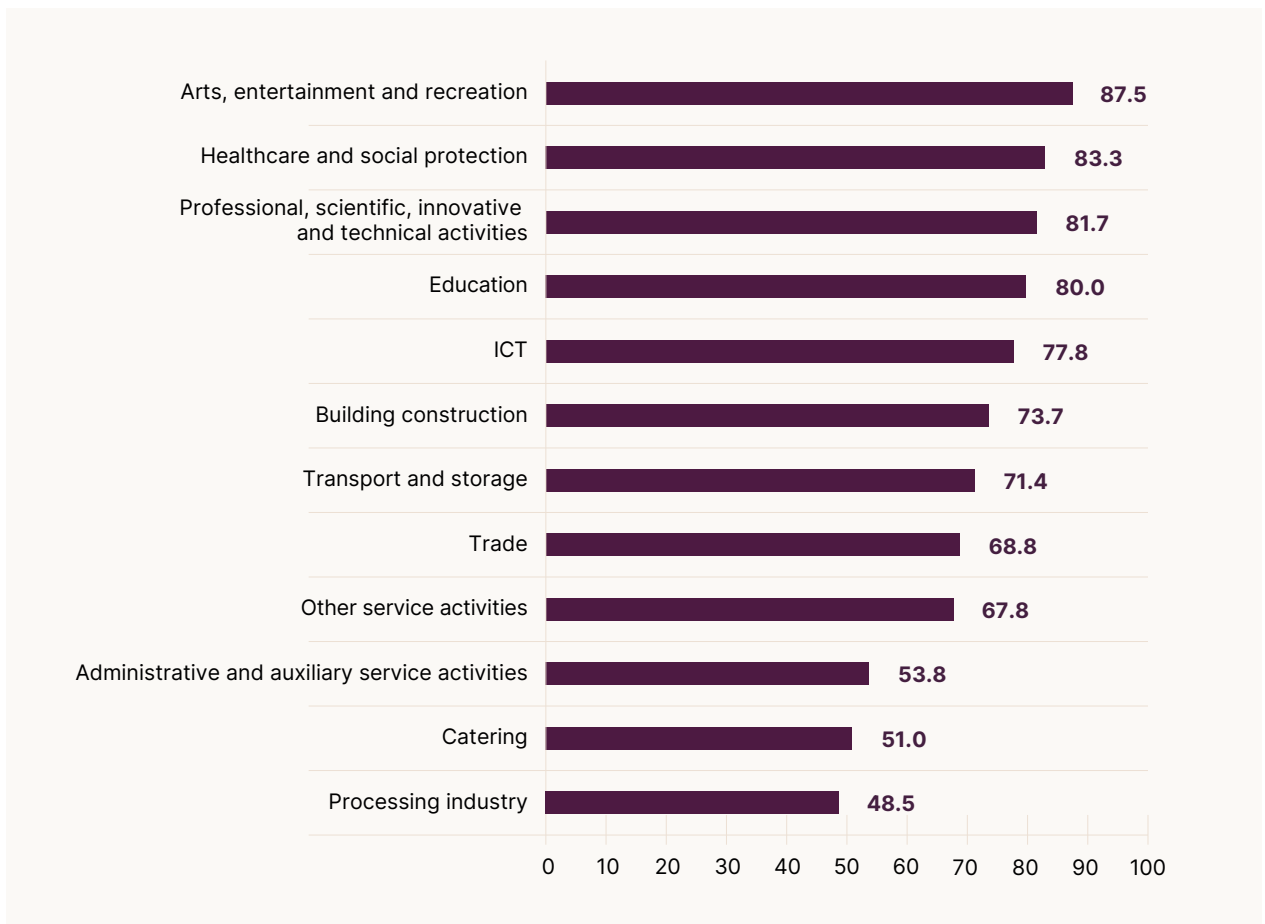


Chart 25: The percentage of women entrepreneurs who believe that it is important to continuously educate themselves in order to successfully run a company, according to the sector of activity

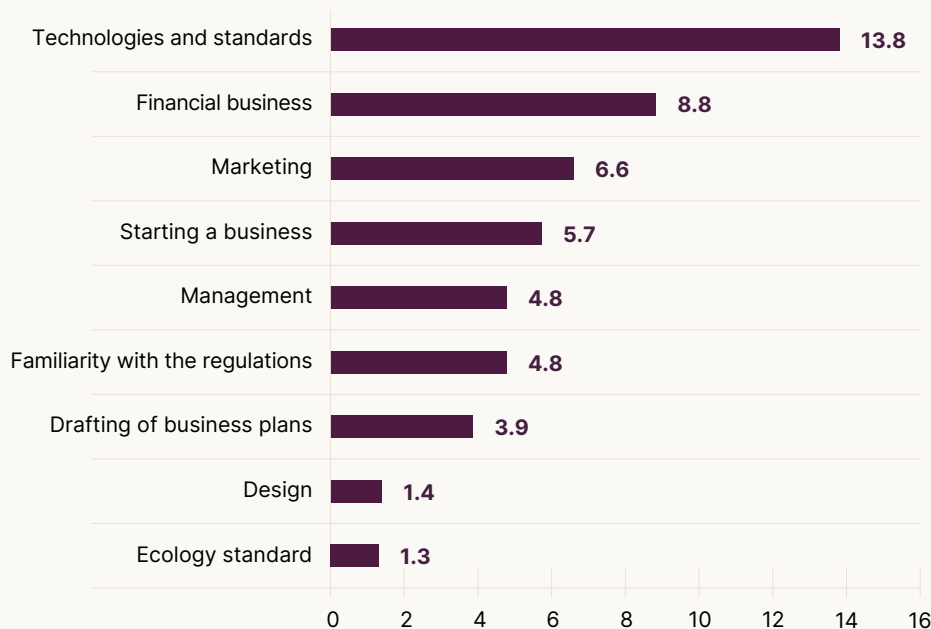
forms of educational and informational activities to improve their knowledge and skills that are important for running a company. When viewed in the total sample, the participation of women entrepreneurs in training programs or other educational activities is below 10% for most areas except for training on technologies and standards in the area they operate in (Chart 26).

Only one in eleven women entrepreneurs attended some training related to financial operations, one in fourteen in the field of marketing, and only seven women entrepreneurs from the sample attended some training in the field of environmental standards, i.e. the possibility of business improvement from the point of view of reducing harmful effects on climate change and the environment.

Training attended by women entrepreneurs was most often organized by private consulting companies (61.2%), followed by state institutions (44.1%), and least often by non-governmental organizations (13.2%).³⁶ A clear majority of women entrepreneurs from the sample believes that it is not even necessary to attend (multiple) training in order to successfully run a business (75.7%).

Among women entrepreneurs who employ labour, 25% invested in employee training in the last two years.

When it comes to the trends of changes in the number of employees, the majority of companies from the sample (58.9%) did not experience changes in the number of employees in 2022 compared to the year of establishment, while in 6.3% of companies the number of employees decreased and increased in 34.9%. In this regard, there are no statistically significant differences between the companies by sector or by region.



↑ **Chart 26:** Women entrepreneurs according to participation in various training programs or other educational activities relevant to business management and improvement, 2022 (%)

³⁶ Women entrepreneurs had the opportunity to attend several trainings from different organizers, which is why the total percentage exceeds 100%.

Innovation

Only slightly more than a third of women entrepreneurs from the sample (36%) invest in innovations. The most common are product or service innovations, then technological process and marketing innovations, while the least common are internal organizational innovations (**Chart 27**).

Business interruption

The vast majority of entrepreneurial ventures from the sample did not have any interruptions in business. Only 7.2% of female entrepreneurs had their businesses “frozen” for a certain period. Considering that there is a relatively small number of women entrepreneurs (38) and that the reasons for inactivity are very different, it is possible to indicate the types of reasons for business interruption, but not their frequency, as it would give statistically unreliable results. The reasons

mentioned include debts, the inability to collect claims, which is why they themselves went into debt and their business account was blocked, maternity leave, damage caused by floods in 2014, and the COVID-19 pandemic in 2020.

Financial business indicators

Turnover, income and profit were examined as financial business indicators. A large number of women entrepreneurs did not want or could not specify the amounts of turnover and income³⁷ during the interview, but they communicated information about whether the value of these indicators increased, decreased or remained unchanged in 2020 compared to the previous year. When it comes to profit in 2020, it was rated as excellent by 2.9%, good by 26.1%, modest by 40.4% of women entrepreneurs, while 8.8% claimed that there was hardly any profit, 17.7% had no profit and 4.1% were in loss.

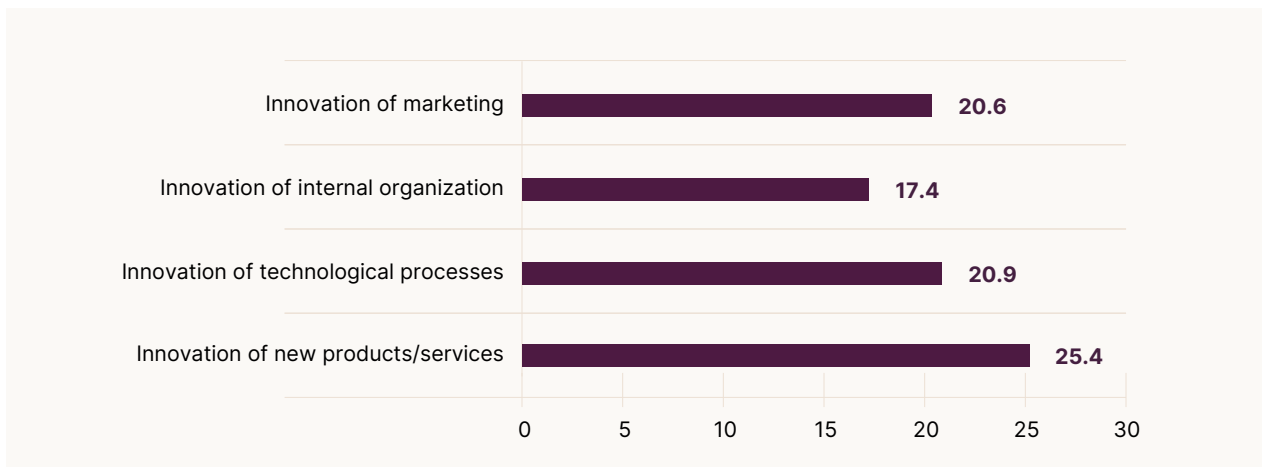





Chart 27: Women entrepreneurs according to investments in innovation (%)

³⁷ The amount of turnover was not reported by 237 (42.4%) women entrepreneurs, income by 246 (44%) women entrepreneurs, while the information on the amount was not even requested for profit, but a qualitative assessment in several categories: very good, good, modest, hardly any profit, there was no profit and the business was running at a loss.

FINANCIAL INDICATORS				
Turnover	2020/2019			
	Decreased 21.6%	Remained the same 32.6%	Increased 26.8%	Not applicable 19.0%
Income	2020/2019			
	Decreased 26.5%	Remained the same 29.9%	Increased 24.9%	Not applicable 18.8%
Profit	2020/2019			
	Decreased 24.9%	Remained the same 30.1%	Increased 26.0%	Not applicable 19.1%

↑ **Chart 28: Financial indicators**

5.2 Business success

Business success was measured by a composite index consisting of 5 variables:³⁸

- changes in the number of employees in 2020 compared to the year of establishment
- turnover changes in 2020 compared to 2019
- income changes in 2020 compared to 2019
- subjective evaluation of profit and
- changes in profit in 2020 compared to 2019

³⁸ For each of the mentioned variables, negative values were assigned to indicate decline, decrease, 0 for an unchanged state and positive values for increasing trends. Thus, the lowest possible number of points for this index was -5 and the highest was +5. Then the companies were divided into categories according to the number of points, as follows: 1) unsuccessful companies whose survival is threatened are those with -4 or -5 points (which means that they have shown a decline in almost all or all dimensions, i.e. negative values), 2) companies with problems are classified as having -3 to -1 points on the index, 3) stagnant companies are classified as having 0 points (which means either that they showed stagnation on all variables or that it is positive trend in one aspect cancelled the negative trend in another), 4) successful companies are those that had from +1 to +3 points, 5) very successful companies that are growing are the companies with +4 or +5 points, which means that on almost all or all dimensions they showed an increase and good ratings of the realized profit.

In 2022, the majority of companies from the sample (57.1%) proved to be successful, i.e. they showed growth tendencies (Table 8). Comparative data³⁹ indicate a significantly higher share of successful women entrepreneurs in 2022 compared to 2011. The share of successful women entrepreneurs in 2022 is higher by almost 11 percentage points, while the share of unsuccessful ones is lower by 18 percentage points.

Examination of the factors that influence the success of the business showed that the chances of success are not affected by the region or type of settlement in which they operate, the market they operate in, or the motives with which they started the business. Statistically significant differences exist when it comes to the age of the entrepreneur, the sector of activity, as well as investment in innovation and development of human resources.

In contrast to the baseline research, where young women entrepreneurs were more successful than older ones, the data from the latest research show that the chances of success increase with the maturity of women and businesses. However, the trend is not

³⁹ The index was formed in the same way in both research cycles, which enabled comparability.

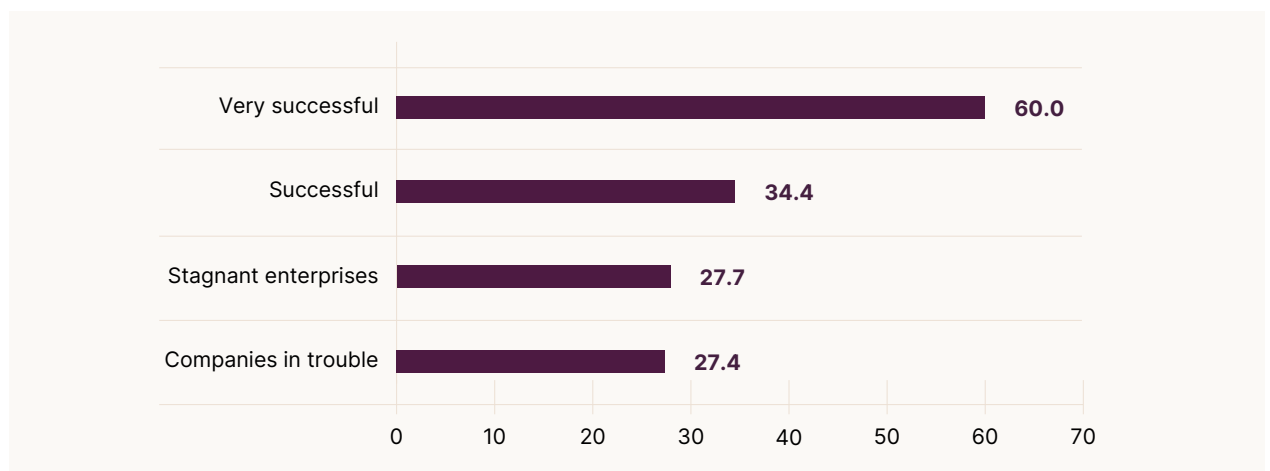
a straight line. While 48% are successful and very successful among the youngest women entrepreneurs (up to 29 years of age), among women entrepreneurs aged 30-44 there are 61.8% successful and very successful. In the age category that is designated as the older workforce in labour market statistics (45-64 years of age), the success rate is significantly lower and amounts to 54%. However, for the oldest category of women entrepreneurs (65+), the success rate is almost the same as for women entrepreneurs aged 30-44 and amounts to 60.8%. It can be assumed that it is precisely the success of the business among women entrepreneurs of this age group that motivates them to stay active longer.

Among successful women entrepreneurs, there is a higher share of those who invested in employee training during the last two years (29.1%) than among unsuccessful (17.8%) or stagnant (13.8%) companies.

Among highly successful companies, there is a far greater percentage of those in which innovations have been introduced.

↓ **Table 8:** Women entrepreneurs according to success rate (%)

Women entrepreneurs according to success	2011	2022
Very unsuccessful companies whose survival is threatened	7.9	2.0
Enterprises with sustainability risk	36.6	24.2
Stagnant enterprises	9.2	16.8
Successful enterprises	27.2	37.4
Very successful enterprises	19.1	19.7
Total	100	100



↑ **Chart 29:** Percentage of companies that innovate according to business success

6

CHALLENGES AND PLANS FOR THE FUTURE

KEY FINDINGS

- The most common problems encountered by today's women entrepreneurs are related to the unfavourable position of small companies on the market, too fierce competition, insufficient demand for products or services, the cost of labour, office premises, equipment and materials, as well as complicated regulations and administrative procedures.
- Some challenges have lower intensity today than ten years ago, such as insufficient demand for products or services, difficulties in collecting claims, the availability of government programmes for development assistance and alike, while others have higher intensity today - such as the unfavourable position of small companies in the market, the presence of monopolies, labour prices, availability of labour force with appropriate qualifications, etc.
- Differences in challenges are also related to the sector of activity, so women entrepreneurs operating in the manufacturing industry and trade sector complain more often about the unfavourable position of small companies, and those from the professional, scientific, innovative and technical sectors, as well as those from the personal services sector more they complain about the cost of labour and the availability of qualified labour.
- Today, as before, the majority of women entrepreneurs believe that it is difficult to start an independent business in Serbia, although the proportion of such women is slightly lower than ten years ago.
- Every eighth women entrepreneur states that she was discriminated against in some way during her entrepreneurial career, and most often these forms of discrimination manifested as mistrust, underestimation of knowledge, competence and abilities, sexual harassment, etc.
- For most women entrepreneurs, the first thought of planning is survival, but one in three thinks primarily about growth. Expectations regarding growth and improvement of financial performance are quite optimistic, there are significantly more of those who expect improvement more than deterioration of business in these various aspects.
- In the case of company growth, the majority plans to increase their profit and the wages of their employees, and only a smaller share to invest in various aspects of the business.

6.1 Difficulties and challenges in business

The most common problems encountered by today's women entrepreneurs are related to the unfavourable position of small companies on the market, too fierce competition, insufficient demand for products or services, the cost of labour, office premises, equipment and materials, as well as complicated regulations and administrative procedures.

These are the difficulties mentioned by between a fifth and a third of women entrepreneurs from the sample,

while other challenges were mentioned by a smaller percentage (Table 9).

It is important to note that the challenges faced by women entrepreneurs today are somewhat different than the challenges faced by women entrepreneurs just over a decade ago. Certain difficulties occur today for a smaller number of women entrepreneurs, while others have become more frequent and are reported by a larger number of women entrepreneurs. The following chart shows the challenges that today have lower intensity than before, as well as the challenges that are more frequent today, i.e. that have increased in terms of the proportion of women entrepreneurs from the sample who mentioned these challenges (Chart 30).

Table 9: Women entrepreneurs according to problems and obstacles in business (%)

Problems and obstacles in business	2011	2022
Insufficient demand for products/services	39.9	30.5
Difficulties in collecting claims	27.2	14.1
Availability of government development assistance programmes	17.0	6.3
The burden of family obligations	16.4	12.9
Availability of bank loans	14.6	8.6
Finding business partners	8.6	2.7
Unfavourable position of small companies on the market	29.3	32.4
Price of work	11.6	26.5
Market monopolies	14.8	19.7
Difficulties in defining the appropriate price of the product/service	8.7	19.1
Introduction of new technological and technical standards	6.5	17.0
Availability of labour with appropriate qualifications	8.0	15.0
Too tough competition, too many similar offers	28.5	30.2
Price of office premises, equipment, materials	25.4	25.9
Complicated regulations and administrative procedures	22.7	22.2
Corruption	5.2	4.8
Availability of risk capital	2.6	3.4
Insufficient information and expertise of managers	1.6	3.2

In addition, certain challenges have remained at the same level, i.e. the proportion of women entrepreneurs who mentioned them has not changed significantly, which is noticeable in relation to the problem of competition, the price of office premises, equipment and materials, complicated regulations and administrative procedures, corruption, availability of risk capital and insufficient information and expertise of managers.

There are differences in difficulties and challenges mentioned by women entrepreneurs depending on the sector in which they operate. It was possible to examine this aspect in more detail only for those sectors in which a larger number of women entrepreneurs operate, due to the required size of the subsample, which is further classified into categories of difficulties. Thus, the specifics regarding the challenges faced by women entrepreneurs in the sectors of processing industry, trade, catering, professional, scientific, innovative and technical activities, and other service activities were examined.

Women entrepreneurs operating in the **manufacturing industry** sector more often than the sample average mention difficulties such as the unfavourable position of small companies on the market (37.9%), the availability of bank loans (12.1%), finding business partners (9.1%) and the availability of risk capital (7.6%). Women entrepreneurs who operate in **trade** more often than the sample average mention the problems of unfavourable position of small companies on the market (44.9%), too fierce competition (33.3%), as well as monopoly on the market (24.6%), which may be conditioned by their suppression by supermarket chains and shopping malls, followed by the prices of office premises, equipment and materials (31.2%). Women entrepreneurs who operate in the **catering sector** more often than others face difficulties related to the prices of business premises (38.8%), the availability of labour with appropriate qualifications (26.5%), defining the appropriate price of a product or service (28, 6%), as well as finding business partners (10.2%). Women entrepreneurs from the **sector of professional, scientific, innovative and technical**



Increased:

- Unfavourable position of small companies on the market
- Market monopolies
- Price of labour
- Difficulties in defining the appropriate price of a product or service
- Availability of labour with appropriate qualifications
- Introduction of new technological and technical standards



Decreased:

- Difficulties in collecting claims
- Insufficient demand for products/ services
- Availability of government programmes for development assistance
- Burden of family obligations
- Availability of bank loans
- Finding business partners

⬆️ **Chart 30:** Changes in the proportion of women entrepreneurs who mention different challenges in doing business in 2022 compared to 2011

activities more often than average mention challenges related to the cost of labour (30.5%), the introduction of new technological and technical standards (24.4%), finding business partners (17.1%) and too fierce competition (36.6%). Women entrepreneurs from the sector of **other services** more often mention the difficulties associated with the price of labour and office premises (30% each), difficulties in defining the price of the service (20.7%) and too fierce competition (37.9%).

Two thirds of women entrepreneurs (66.4%) believe that it is difficult to start an independent business in Serbia today, which is less than in 2011, when 72.8% of women entrepreneurs shared this opinion. The findings of the research also indicate that women entrepreneurs nowadays less often consider the overall image of entrepreneurs in Serbia to be negative (26.1% compared to 55% in 2011). Almost a third of women entrepreneurs (31.8%) believe that it is more difficult for women in business than for men, and they describe this as mistrust and underestimation of the expertise and knowledge, abilities and experiences of women in business, "the dominance of men and their connections". The reasons related to taking care of

the family, which is mainly the responsibility of women and which creates a lot of pressure on the already overburdened women entrepreneurs, particularly stand out.

Denial of the right to pregnancy and maternity leave in the same way as granted to other employed women is another difficulty that particularly burdens women in business.

Every eighth women entrepreneur (12.3%) had the opportunity to experience different treatment compared to male colleagues during her entrepreneurial career. These experiences are different. Some women entrepreneurs have experienced situations in which their business partners do not accept them as someone who runs a company and wait for a man to negotiate a job, others stated that it is more difficult for them to establish certain business contacts than for men, there were examples of sexual harassment, etc. Young women entrepreneurs particularly emphasized discrimination in terms of parental and maternity rights.

"...I don't have maternity leave, I don't have a salary, it doesn't pay to be an entrepreneur in Serbia, and here people are talking about the white plague, old nation, and this is how women are treated in Serbia."

"There were attempts at fraud due to the prejudice that women do not understand "men's jobs"."

"They look at me as if I'm less competent and capable because I'm female."






"...yes, when I come to an institution, I have heard several times: "Ma'am, don't you have a husband to deal with this instead of you coming to us?" and when I tell them that I am the owner and that I have been doing all the work for years, that my husband has other duties, they are in shock."


6.2 Needs and plans for the future of the company

When thinking about the trends in the next two years, women entrepreneurs are very optimistic about the financial performance of the company, while they have slightly lower expectations regarding the development of products or services and the least regarding the growth of the number of employees. The majority of women entrepreneurs believe that by 2024 the

number of employees in their company will remain the same, while slightly more than a third expect an increase in the number of employees. Slightly less than half of the women entrepreneurs from the sample expect that the number of products or services they provide will increase, while the majority expect an increase in turnover, income and profit (Chart 31).

Investment plans in the event of an increase in the company's income indicate a dominant orientation towards improving earnings and profits, rather than investing in various aspects of business.

EXPECTED TRENDS BY 2024			
NUMBER OF EMPLOYEES			
	Will decrease 4.3%	Will stay the same 60.3%	Will increase 35.4%
TURNOVER			
	Will decrease 5%	Will stay the same 33.6%	Will increase 61.4%
NUMBER OF PRODUCTS OR SERVICES			
	Will decrease 4.5%	Will stay the same 45.8%	Will increase 49.7%
INCOME			
	Will decrease 5%	Will stay the same 29.7%	Will increase 65.3%
PROFIT			
	Will decrease 5%	Will stay the same 28.4%	Will increase 66.5%

 **Chart 31:** Expectations of changes in various aspects of business by 2024

When asked what will be the priority investments in the next two years if the company's income increases, the largest percentage of women entrepreneurs said that they should retain higher profits and then increase the salaries of employees (**Chart 32**).

Planning the future of the company for most women entrepreneurs focuses on survival and not on development. Almost two-thirds of women entrepreneurs (62.4%) state the survival of the company as their main strategic goal, while 29.8% plan to develop the company in some direction, of which 8.8% plan to increase the number of employees, 7.9% plan to enter new markets while 13.1% plan to expand activities, range of products or services.

In a very small percentage, there are plans to shut down the company (4.9%), merge with other companies (0.2%) or other options (2.9%).

Every fourth woman entrepreneur (24.3%) includes her own training in her company's development plans. Women entrepreneurs indicated what types

of training they need. These are usually trainings in the field of technologies and standards related to the company's activities (22.0%), in the field of financial operations, access to funding sources (19.3%), in the field of marketing (15.3%), in the field of knowledge of regulations (11.3%), in business plan preparation and strategic planning (10.4%), management (7.6%), design (4.9%), environmental regulations (3.1%) and other aspects of business (1.5%). Among women entrepreneurs who do not plan to attend additional training, the reasons given are lack of time (56), lack of money (22.3), lack of appropriate offer of courses (7.8), lack of information about course offer (10.9%), or inadequate quality of the courses being offered (3.1%).

Only 15% of the surveyed women entrepreneurs also gave suggestions on what the state could do to further encourage women's entrepreneurship. Among them, more than a half (53.7%) mentioned better information about obligations and regulations, 50% mentioned support for women entrepreneurs who are mothers with the possibility of opening and paying for pregnancy and maternity leave, 29% mentioned the simplification of administrative obligations and procedures, 22% more favourable loans, 12% non-refundable financial assistance and 8.5% higher subsidies.

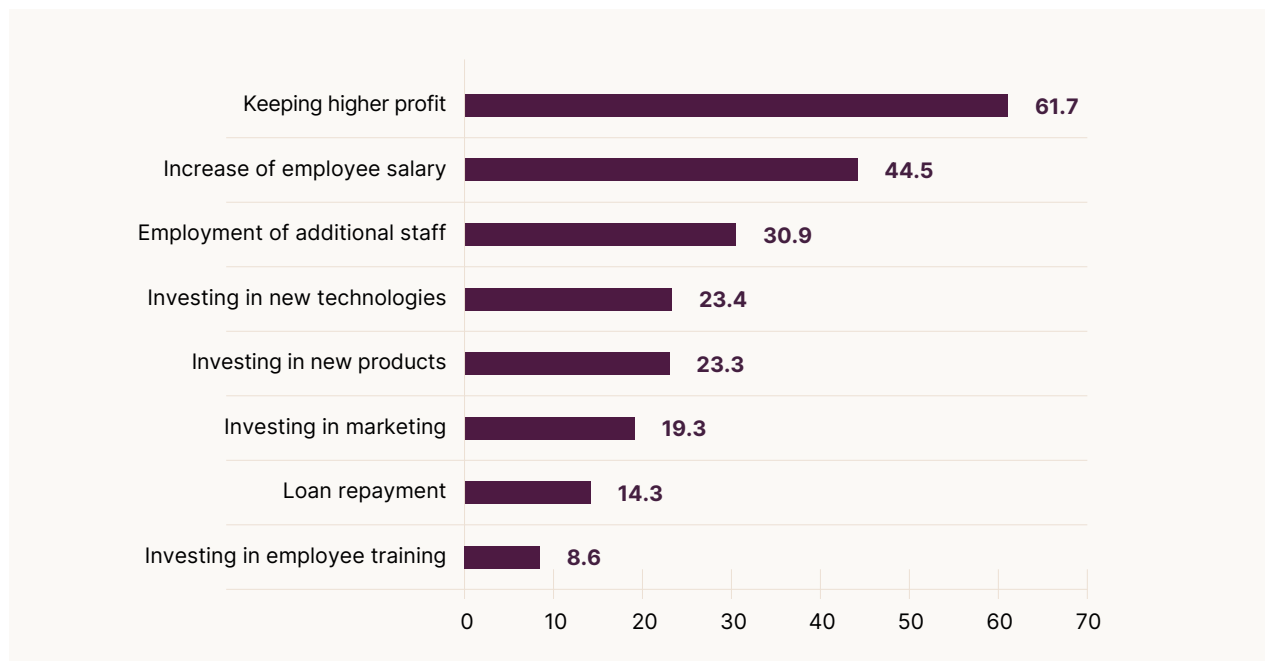


Chart 32: *If your company's income increases in the next two years, what will be the priority investment? Multiple responses, % of cases*

7

THE IMPACT OF THE COVID-19 PANDEMIC ON BUSINESS AND THE EFFECTS OF GOVERNMENT MEASURES

KEY FINDINGS

- The COVID-19 pandemic was a test of resilience of women entrepreneurship, and women entrepreneurs passed that test. More than a fifth did not even feel the impact of the pandemic on business, while the rest temporarily experienced a deterioration in business in the sense of temporary closure, reduction in the volume of work, more difficult access to clients, suppliers, etc., but they successfully overcame that period.
- The findings of the research are confirmed by the SBRA data, which do not show a jump in the rate of closure of women's businesses in the period of the pandemic crisis.
- There is a very small percentage of those who had to lay off employees or send them on forced leave.
- Nevertheless, it was difficult for a quarter of women entrepreneurs to settle their tax obligations and pay social contributions for employees.
- Two measures of the government were evaluated positively by the majority – the payment of non-reimbursable funds and the deferred payment of taxes and contributions on wages and fringe benefits.

7.1 The impact of the pandemic on business

The COVID-19 pandemic was declared in March 2020, and in the research period, the entrepreneurship of the women in the sample had already been affected by the pandemic and government measures, as well as international measures, for two years. During the pandemic, several rapid assessments of the effects of the pandemic on entrepreneurship and especially on women's entrepreneurship were carried out, which pointed to a number of difficulties faced by women entrepreneurs, especially during the state of emergency and the phases when various restrictions were introduced.⁴⁰

⁴⁰ SeCons. (2020). Uticaj COVID-19 pandemije i mera za njeno sprečavanje na preduzetnice u Srbiji. UN Women: Beograd. Available at: <https://secons.net/wp-content/uploads/2022/01/118-publication.pdf>
Srdić, M. (2021). Podrška preduzetnicama tokom pandemije COVID-19. Beograd: OEBS Misija u Srbiji. Available at: <https://www.osce.org/files/f/documents/2/7/513133.pdf>

The findings of the research carried out in the spring of 2022 indicate that despite all the challenges and difficulties, women entrepreneurs showed significant resilience, and that this was supported by the measures of the government, which were rated positively by a large percentage. Slightly more than a fifth of women entrepreneurs pointed out that the pandemic did not affect their business in any way. The same percentage of respondents said that they were forced to reduce the volume of business, one in ten was forced to temporarily suspend business due to government measures, and the same number of respondents said that they faced difficulties in reaching clients. Other difficulties, such as problems with delivering goods to the market, reduction or suspension of activities because they could not meet the conditions of physical distancing or other forms of protection, or because employees were unable to come to work, etc., were mentioned in a smaller percentage (**Chart 33**).

There is a very small percentage of those who had to lay off a part of their employees (2.6%), reduce their salaries (6.2%), send part of their employees on forced leave (14.6%), but almost a quarter pointed out that they were unable to pay taxes and contributions for employees (23.4%).

In 81% of the companies from the sample, there was no change in work arrangements regarding the place of work, while in 12.3% of cases all employees switched to working from home, and in 6.6% of cases a certain part of the employees switched to working from home. Working from home posed various challenges to women entrepreneurs, so in

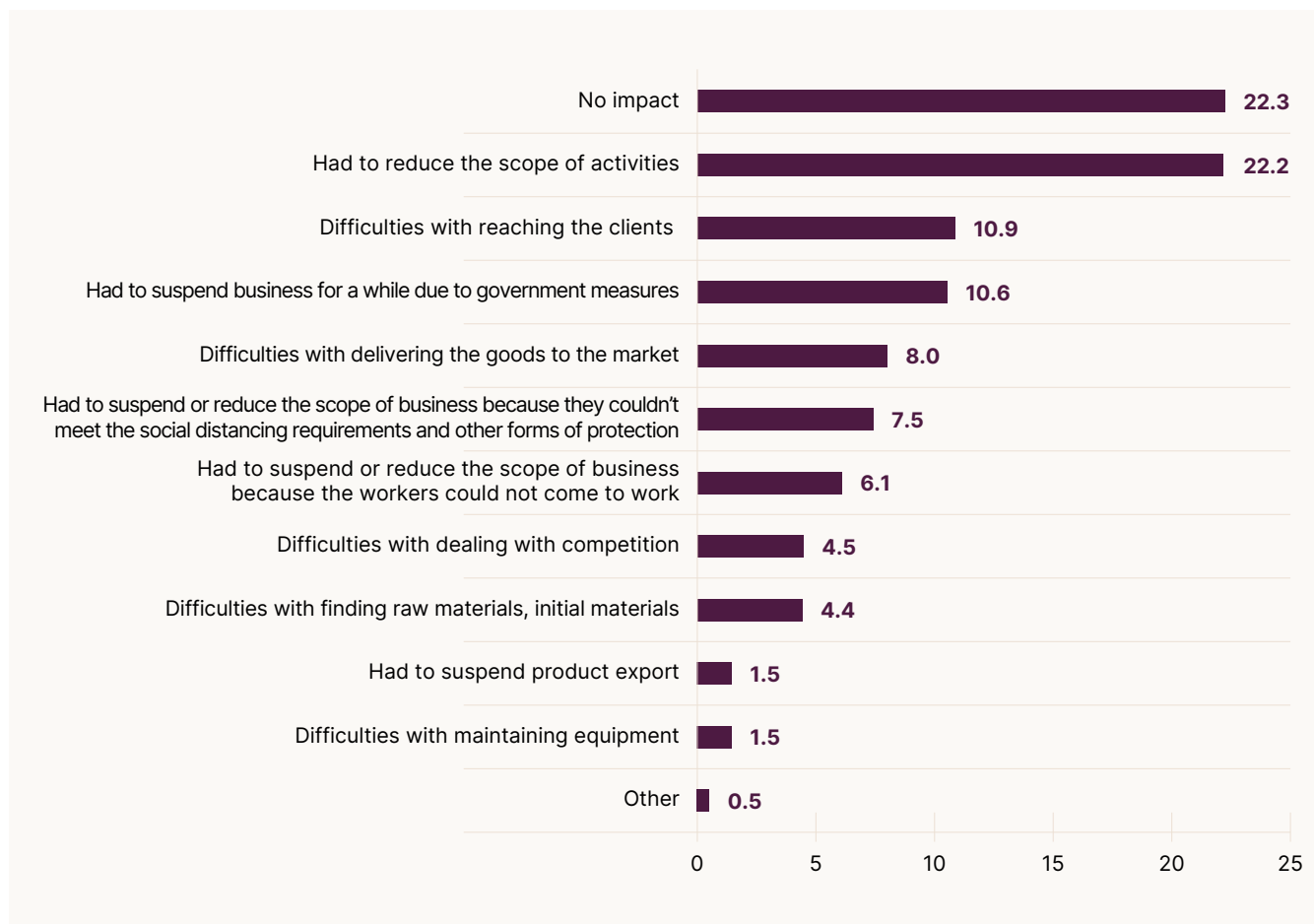


Chart 33: Impact of the COVID-19 pandemic on business, (%)

19% of cases it was difficult to supervise the work of employees, in 16% of cases women entrepreneurs noticed that employees are less productive when they work from home, in 11% of cases the problem arose in the unavailability of appropriate equipment for work and in 3% of cases it was more difficult to explain work tasks to employees.

The advantages of working from home include better healthcare for employees in 56.6% of cases, less stress among employees due to difficulties in organizing transport, taking care of children at times when educational institutions were closed, as well as greater dedication of employees to work in 7.5% of cases, their greater initiative in 3.8% of cases.

In addition, some women entrepreneurs (9.4%) noticed that, unlike those who noticed a drop in employee productivity when working from home, their employees actually increased productivity in home working conditions. However, only 12% of women entrepreneurs think that in the future they could offer their employees a work arrangement that includes working from home in some form.

7.2 Evaluation of government measures

Women entrepreneurs had the opportunity to evaluate the three government measures that have been implemented with the aim of mitigating the negative consequences of the pandemic: deferred payment of taxes and contributions on wages and fringe benefits until 4th of January 2021, deferred advance payments of corporate income tax until the submission of the final tax return for corporate income tax for 2020 and payment of grants. As can be seen from the following chart, two measures were rated positively by the majority of women entrepreneurs: the payment of grants and the deferred payment of taxes and contributions on wages and benefits.

Women entrepreneurs had the opportunity to propose support measures that would suit their needs after two years of the pandemic crisis. They mostly mentioned measures that were already offered during the pandemic crisis: more than a fifth of women entrepreneurs (21.5%) mentioned a reduction or postponement of tax and contribution payments, 17% non-refundable financial assistance, but they also mentioned some other measures such as favourable loans with extended repayment period and grace period (7%), subsidies for equipment (7%), support during maternity and pregnancy leave (8%), grants for employment of workers (3%) and others.

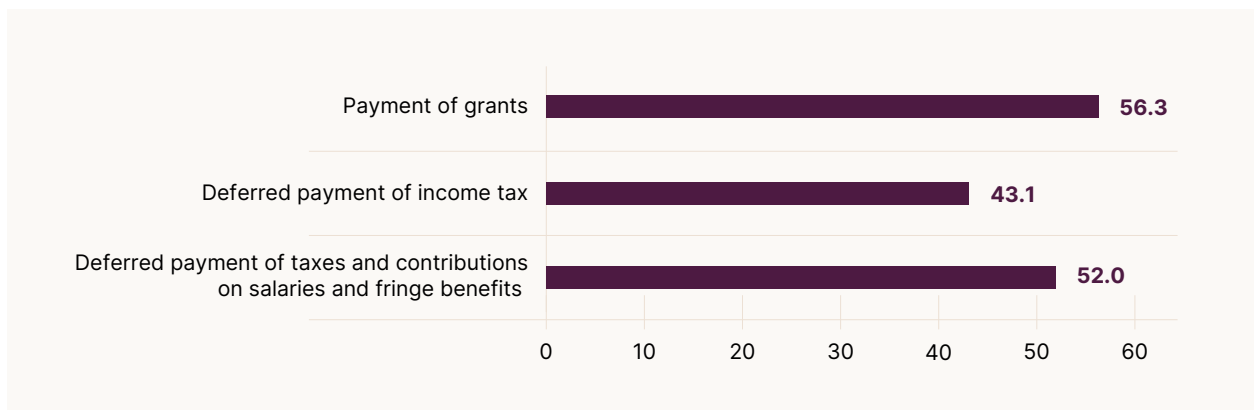


Chart 34: The percentage of women entrepreneurs who positively evaluated the government measures for the support of entrepreneurs due to the impact of the COVID-19 pandemic (answers “helped a lot” and “helped”)

8

GREEN ECONOMY AND DECENT WORK

KEY FINDINGS

- Women entrepreneurs are aware of the importance of action against climate change, but they do not have enough specific knowledge to be able to adequately assess how climate change affects their business, and how they could improve their businesses so that they reduce the harmful effects on the environment or become better adapt to climate change.
- In addition to knowing, following and respecting the basic environmental regulations, women entrepreneurs apply some of the green business practices in a small percentage. Most often, these are practices that reduce waste, save energy or increase energy efficiency, use ecological packaging or green procurement, and very few are engaged in true green business, i.e. the one that produces ecological products or provides ecological services.
- The most important reason for the weak application of green practices is insufficient knowledge of the possibility to transition to green business through these different practices and contribute to the development of a low-carbon economy.
- In the majority of cases, they are ready for new knowledge and changes.
- A significantly higher share of women entrepreneurs applies the principles of decent work, taking into account fair employment conditions, labour rights and a safe working environment. The more successful women entrepreneurs are, the more they take care of the decent work agenda.

8.1 The impact of climate change on business

Climate change, i.e. global warming caused by the emission of harmful gases into the atmosphere, leads to various environmental consequences such as extreme weather conditions, drought, sea level rise, or reduction of fertile soil. Climate change affects all spheres of life, and the rise in the price of raw materials, disruptions in the supply chain, as well as changes in customer demand are just some of the impacts of climate change in the business sphere. The term "green economy" refers to an environmentally

responsible business that aims to minimize the negative effects of business on the living environment. Ecological or “green” principles in the sphere of business imply doing business with energy-saving or increasing energy efficiency, production with as little pollution as possible, respect for circular economy principles, use of ecological products, etc.

The perception of the impact of climate change on business depends on the development of awareness of what are the manifestations of climate change and how these manifestations affect various aspects that are important for business, such as raw materials, technologies, market needs, working conditions and workforce capacity and alike.

The findings of the research show that although a very high percentage of women entrepreneurs know that the challenges associated with climate change are present, and on a more general level they know what climate change is, they do not have enough specific knowledge about it and cannot more accurately assess and predict the impacts on business, nor resort to the introduction of technologies and practices in their business that would increase the adaptability of business to the harmful consequences of climate change and that would contribute to the reduction of greenhouse gas emissions and other harmful effects on the environment. As can be seen from the following chart, the overwhelming majority of respondents agree with the statements that the temperature has changed on a global level, that climate change is happening right now, and that human activity is the cause of global warming. A slightly smaller percentage of women entrepreneurs also agree with the statement that climate change is a serious threat to life and business (Chart 35).

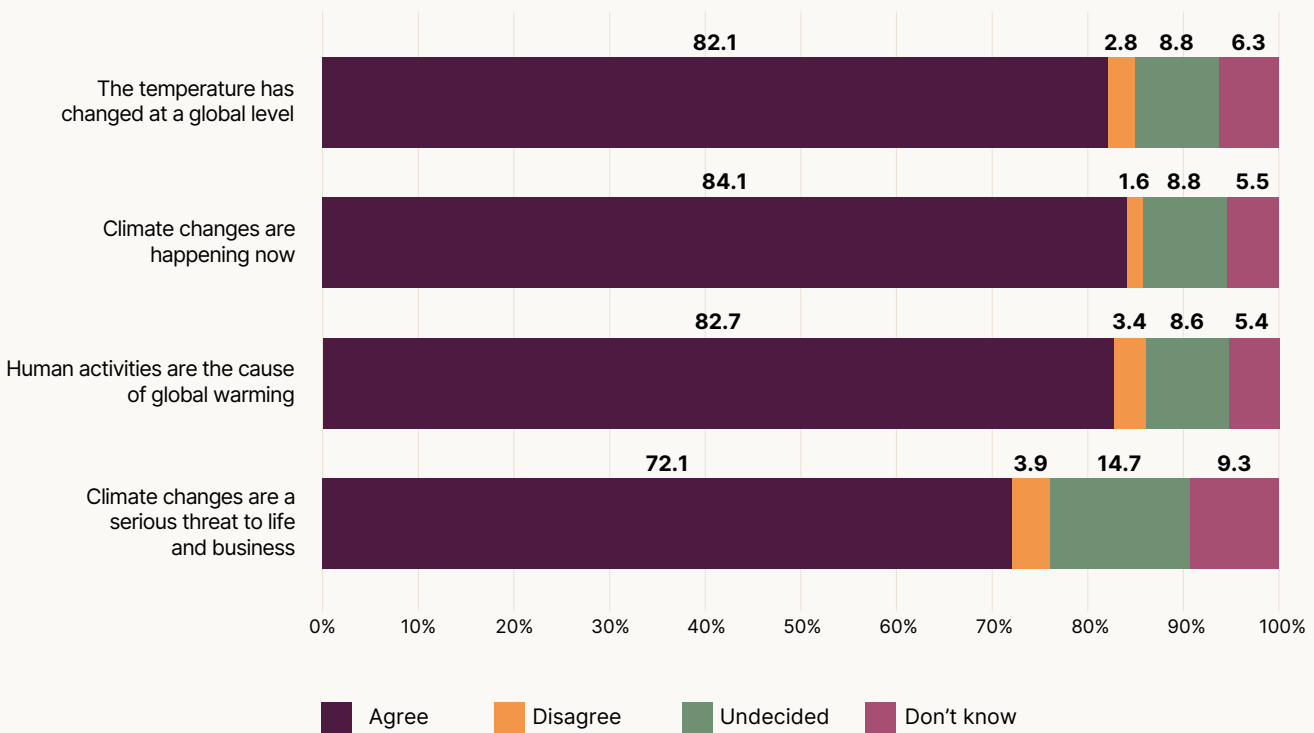


Chart 35: Agreement with attitudes on climate change (%)

Women entrepreneurs are aware that their knowledge of climate change is not at a high level, so on a scale of 1 to 5, they rated various aspects of climate change with average grades (Chart 36). On average, they gave the highest rates to their knowledge of extreme climate events, such as floods and droughts, which have the most immediate consequences, and in the recent past (2014 and 2017) when Serbia was affected by floods, they could also gain direct experience. They gave lower grades to their knowledge of the nature, sources and consequences of greenhouse gas emissions and the consequences of climate change related to deforestation, loss of biodiversity, impact on seas and oceans.

It is a very important finding that, on average, they rated their knowledge of decarbonization with low grades, i.e. the ways how to act and what mitigation measures to use to reduce the harmful effects on the climate, which can be of great importance for their businesses.

As many as 70.1% of women entrepreneurs claim that climate change does not affect their business at all. Those who consider that they still have an influence, on average rate the influence as minor, with a score of 2.05 on a scale of 1-10. However, among them there is a small number of those who were able to state more precisely how this impact manifests itself, while 59% were unable to explain how climate change affects their business. Among those who were able to state more precisely the way in which climate change affects their businesses, they most often said that it was difficult to perform work due to bad weather (32%), reduced workload due to bad weather (9%), increased workload (4%), increased prices of raw materials and products (17%), crop failure (9%), etc.

Only 3.4% of women entrepreneurs said that they had losses due to climate change and extreme weather conditions in the last 10 years. Among them, 21.1% of women entrepreneurs (N=19) claim that they have adjusted the way they do business or the equipment they use in response to the losses they suffered during the last 10 years due to extreme weather events.

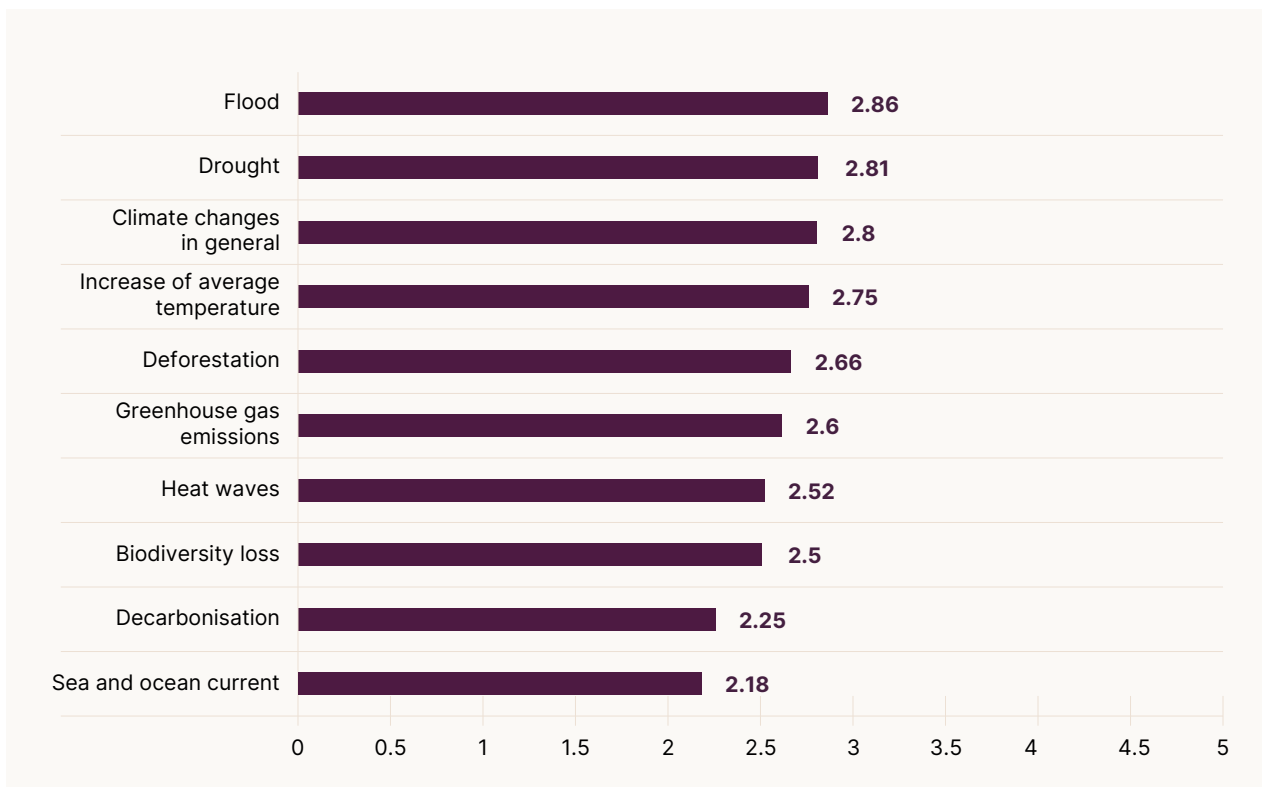


Chart 36: Self-assessment of knowledge about different aspects of climate change

8.2 Practices toward moving to green business

In addition to examining knowledge about climate change, the research also sought to examine the extent in which women entrepreneurs apply practices in their work that contribute to the reduction of greenhouse gas emissions, and more broadly, harmful effects on the environment.

Data indicate that more than a half of women entrepreneurs take into account environmental regulations, but other aspects of “green business” are relatively poorly represented.

Around a quarter of women entrepreneurs apply production or service provision practices that reduce waste generation, and/or use ecological packaging and/or save energy, i.e., increase energy efficiency. Close to a fifth of women entrepreneurs apply “green

procurement”, i.e., they acquire raw materials, semi-finished products, equipment and means of work from companies that apply the principles of “green business”, and/or apply the principles of the circular economy or otherwise strive to reduce water, soil, and air pollution. Other practices, such as “green marketing” or public relations, “green distribution” using channels with reduced carbon dioxide emissions, are less prevalent, and the share of companies producing “green products” (such as organic food, ecological products such as clothing from organic cotton, organic cosmetics, or ecological equipment such as solar panels, biofuels, etc.) or provide “green services” (such as ecological tourism, environmental education, training on environmental regulations, etc.) is very small (**Chart 37**).

On average, the companies from the sample apply 2-3 environmental practices, and in order to differentiate the companies in terms of the degree in which they are environmentally oriented, i.e. how strong is their orientation to business that takes care of environmental protection, an index of green business was created that classifies companies into categories

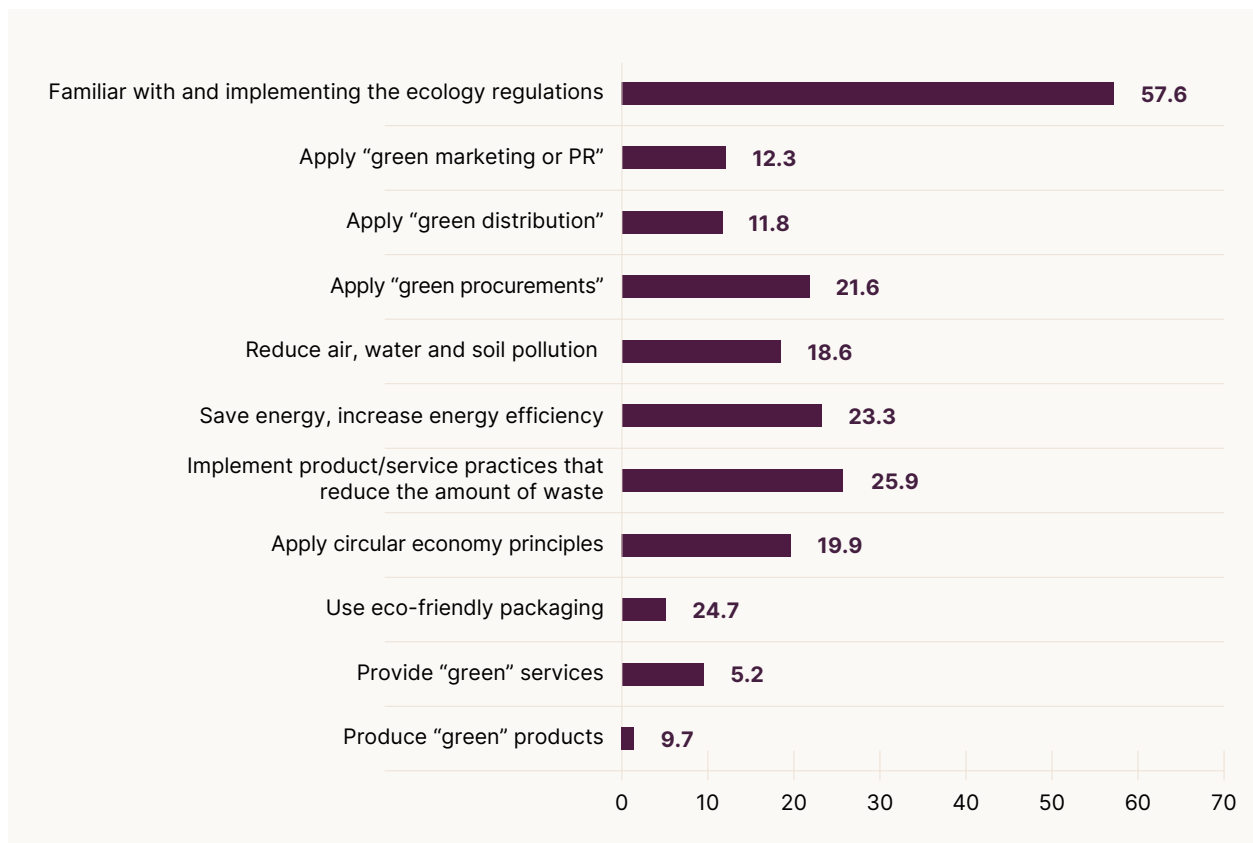
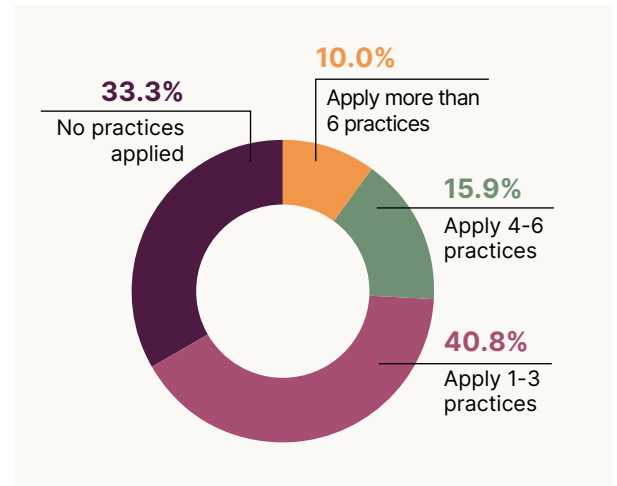


Chart 37: Percentage of companies that apply elements of “green business”

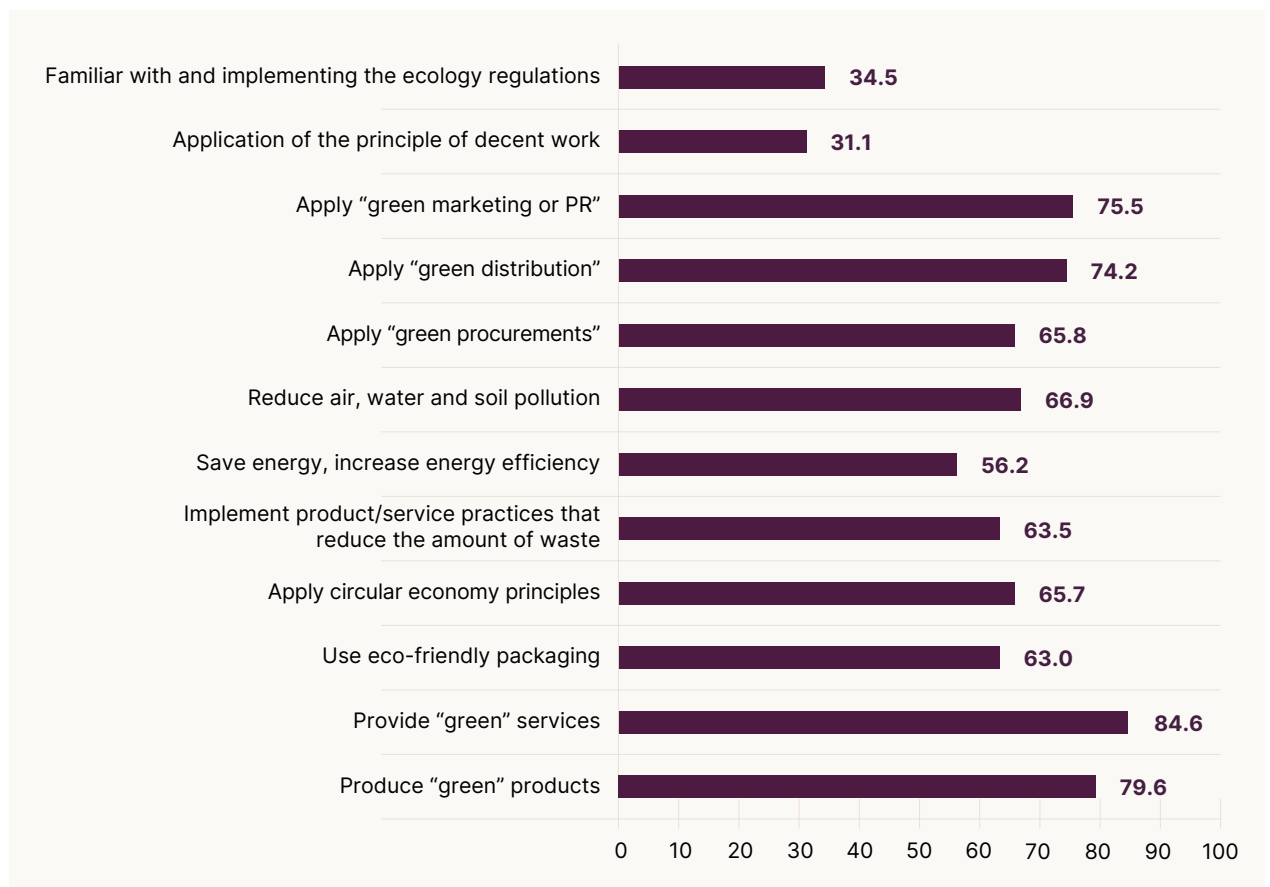
according to the number of different practices they apply. From the following chart, it may be seen that a third of the companies do not apply any of the mentioned ecological practices, i.e., “green business” practices, the largest share of companies applies 1-3 practices, while every tenth company applies more than 6 practices.

The lack of knowledge about the importance and ways in which it is possible to change practices in business so that they respect ecological principles and contribute to the reduction of harmful effects on the environment and climate change is one of the most important obstacles due to which women entrepreneurs have not implemented “green business” practices in a greater percentage. From the following chart, it may be seen that close to a third of women entrepreneurs do not know enough about environmental regulations and do not actually know how to familiarize themselves with those regulations. This is also the aspect in which the smallest share of women entrepreneurs expresses lack of familiarity

with the topic. Regarding other aspects of “green business”, the majority of women entrepreneurs express insufficient knowledge of practices, which is why they are prevented from applying such practices (Chart 39).



↑ **Chart 38:** Women entrepreneurs according to the number of ecological practices in business (%)



↑ **Chart 39:** Percentage of women entrepreneurs who report not implementing certain practices because they do not know enough about them to plan or implement them

Finally, when asked whether they are ready to improve their business practices in order to contribute to the reduction of global warming and to contribute to the transition to a “greener” economy, women entrepreneurs showed very divided attitudes, between the almost equal poles of those who are very ready and those who are not ready at all to improve business practices in this way (Chart 40).

8.3 Application of the principle of decent work

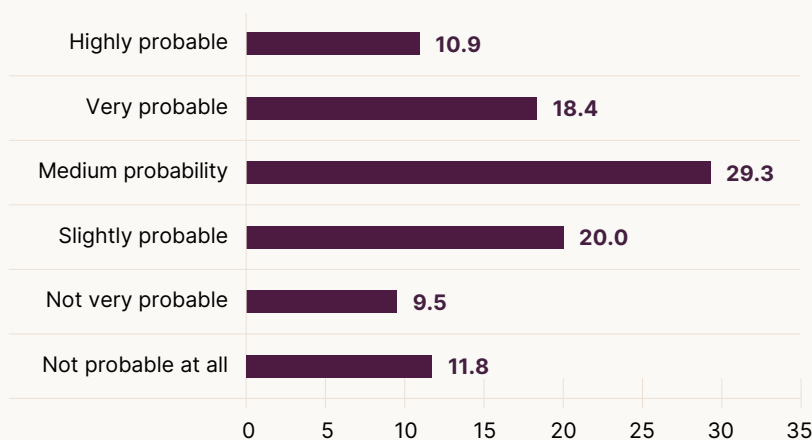
The Decent Work Agenda defines the principles that protect employees and prevent their exploitation. First of all, it implies fair wages, dignified working conditions and protection at work, but also a number of social rights that enable employees to enjoy important social rights based on their work, i.e. the right to social protection, such as pension, healthcare, paid sick leave, annual leave etc. When talking about decent work in the context of entrepreneurship, the first thing that usually comes to mind is the protection of employees. However, the issue of decent work is equally important for women entrepreneurs. Namely, for years, women entrepreneurs have been pointing to the inadequacy of the law regarding the regulation of

their rights to parental and maternity leave, in relation to which they do not have the same rights as other employed women.

For years, the associations of women entrepreneurs and business women have been pointing out to the need to change the regulations that put women entrepreneurs in a disadvantaged position compared to other mothers, both in terms of salary compensation during maternity leave, as well as during leave for child care and during pregnancy.

The key problems are:

- Women entrepreneurs, if they have complications during pregnancy due to which they need to use maternity leave, receive only 50% compensation from the state;
- If a woman entrepreneur is not employed in her shop/enterprise, the allowances for birth and care of a child and special care of a child are calculated by dividing the gross base of earnings made in the previous 18 months by 1.5, so if, for example, she earned 60,000 dinars, she will have a reduction of 20,000 dinars.



↑ **Chart 40:** Given your knowledge of the risks associated with climate change, how likely are you to improve business practices to help reduce global warming? (%)

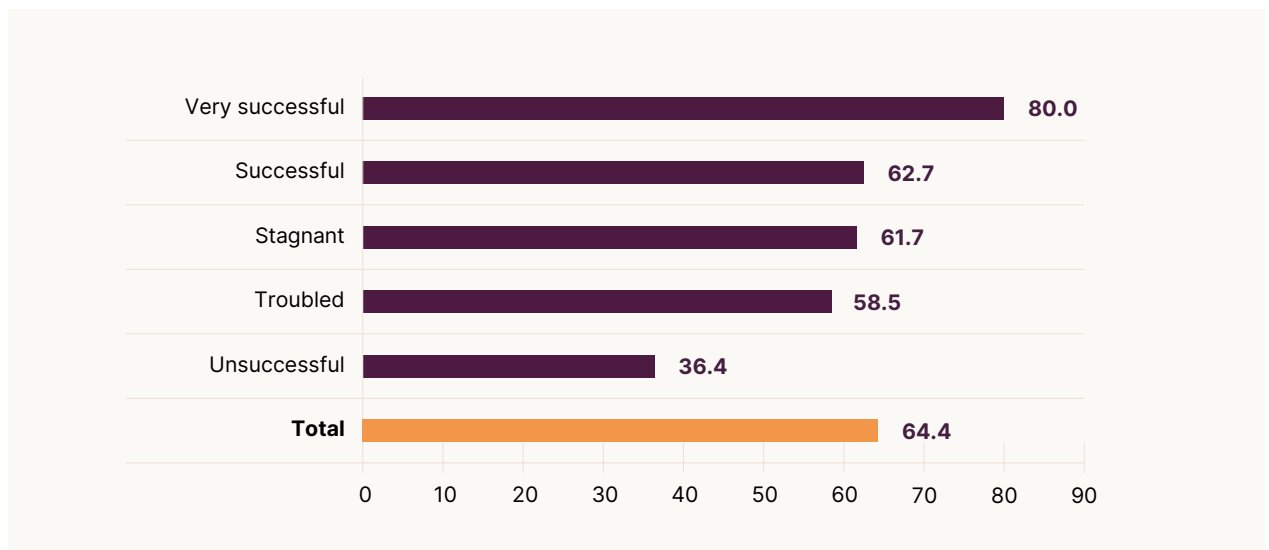
- The state does not pay contributions during maternity leave and leave from work to take care of the child, which means that women entrepreneurs have to pay a large part of the contributions themselves out of already reduced sums, or else they will not have years of service added during the maternity leave.
- For the birth of the third and every following child, women entrepreneurs do not have the right to a two-year leave like other employed women,
- Women entrepreneurs who did not establish an employment relationship in their entrepreneurial shop cannot transfer the right to leave from work to take care of a child to their partner, as other employed woman can.⁴¹

Conditions defined in this way lead to a violation of the Maternity Protection Convention and represent a form of discrimination.

The research examined whether women entrepreneurs apply the principles of decent work, i.e. pay fair wages, guarantee a safe working environment and protection at work, pay taxes and contributions on employees' wages and guarantee their rights to paid sick leave and vacation.

More than two-thirds of women entrepreneurs (64.4%) respect the principles of decent work. A more detailed examination could not determine the link between the sector, region or age of the company with the application of the decent work principles, but the link was manifested in the success of the company (**Chart 41**).

When it comes to applying the principles of decent work in relation to employees, the findings indicate that the more stable and successful the company's operations are, the greater the share of women entrepreneurs who apply the principles of decent work. Thus, while among women entrepreneurs whose business was assessed as unsuccessful, only a little more than a third apply the principles of decent work, among successful entrepreneurs there are almost two thirds who apply such principles, and among very successful 80%. It is interesting that the remaining 20% among very successful women entrepreneurs claim that they do not apply these principles because they do not know enough about them, even though the question was asked in the survey and the elements of decent work were specified, such as fair wages for employees, safety at work, social protection of employees and alike. This indicates the need for information and raising awareness of the decent work agenda among women entrepreneurs.



↑ **Chart 41:** The percentage of enterprises in which the principles of decent work are applied

41 Danas, text by Milijana Stojić Stojanovska, 27 November 2021. Available at: <https://www.danas.rs/vesti/drustvo/glas-za-mame-preduzetnice/>

9 RECONCILIATION OF WORK AND PRIVATE LIFE

KEY FINDINGS

- Today's women entrepreneurs balance their work and their family life better than the women entrepreneurs ten years ago. However, the reason for this is largely the smaller percentage of married women and women with underage children among today's women entrepreneurs.
- The change compared to women entrepreneurs ten years ago can also be seen in the practices of sharing the responsibilities and tasks in the household, because today's women entrepreneurs perform basic household chores together with their partners much more often than women entrepreneurs ten years ago. However, even with this change, they undoubtedly carry the largest share of household responsibilities, which, along with running a business, creates increased workloads.
- Changes in practices also have their roots in change of the value patterns because, as the analysis of attitudes shows, today's women entrepreneurs express a less pronounced patriarchal orientation than women entrepreneurs ten years ago.

9.1 Gender roles and division of responsibilities

Attitudes about gender roles, gender relations in the sphere of private life, family situation and the burden of caring for the family represent important aspects of life that affect the ability of women entrepreneurs to devote themselves to work, as well as to achieve a work-life balance.

Bearing in mind that gender regimes in Serbia are characterized by certain contradictions⁴² that manifest themselves in a way that even with the relatively high participation of women in the economy, emancipation and high achievements in education, the patriarchal relations remain firmly established in the sphere of private relations. This discrepancy can also be seen in the attitudes of women entrepreneurs from the sample. The following

⁴² Babović, M. (2010). Rodne ekonomske nejednakosti u komparativnoj perspektivi: Srbija i EU. Beograd: SeConS, ISIFF. Available at: <https://secons.net/wp-content/uploads/2022/01/41-Rodne-ekonomske-nejednakosti-u-komparativnoj-perspektivi-Evropska-unija-i-Srbija.pdf>

chart shows the agreement with different attitudes about gender roles. There are noticeable differences between the group of attitudes regarding partner relations, the division of power and responsibilities in the household, and the attitudes related to women's economic participation. Thus, for example, more than 40% of women agree with the attitude that most household jobs are more suitable for women, that it is better for a man to earn more, or if only one spouse can be employed, it should be the man.

The “cult” of the family embodied in the attitude that the needs of the family are more important than the personal ambitions of a woman is also presented by almost half of women entrepreneurs.

At the same time, less than a fifth agree with the attitude that family life suffers if a woman gets a job, and less than a third say that women are fulfilled even when they only perform household chores.

In short, the data indicate that the patriarchal orientation among women entrepreneurs is still highly represented, that attitudes support the patriarchal distribution of power, that there is a considerable share of women entrepreneurs who show certain level of confusion, uncertainty regarding patriarchal value orientations (undecided), and that a more pronounced disagreement is present only when it comes to women's employment, which is considered legitimate (paragraphs 3 and 4).

However, when these data are compared with the findings from the baseline study on women's

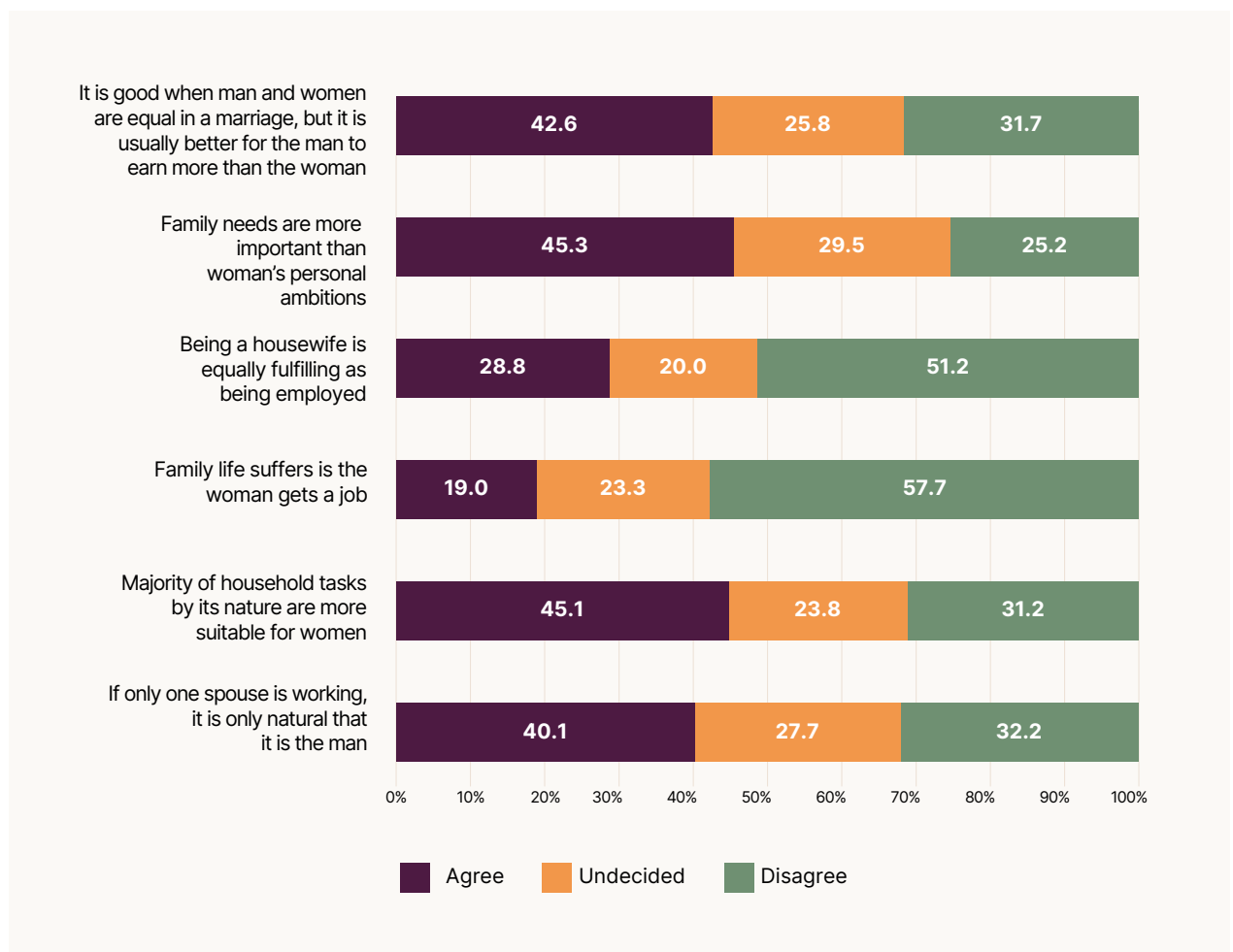
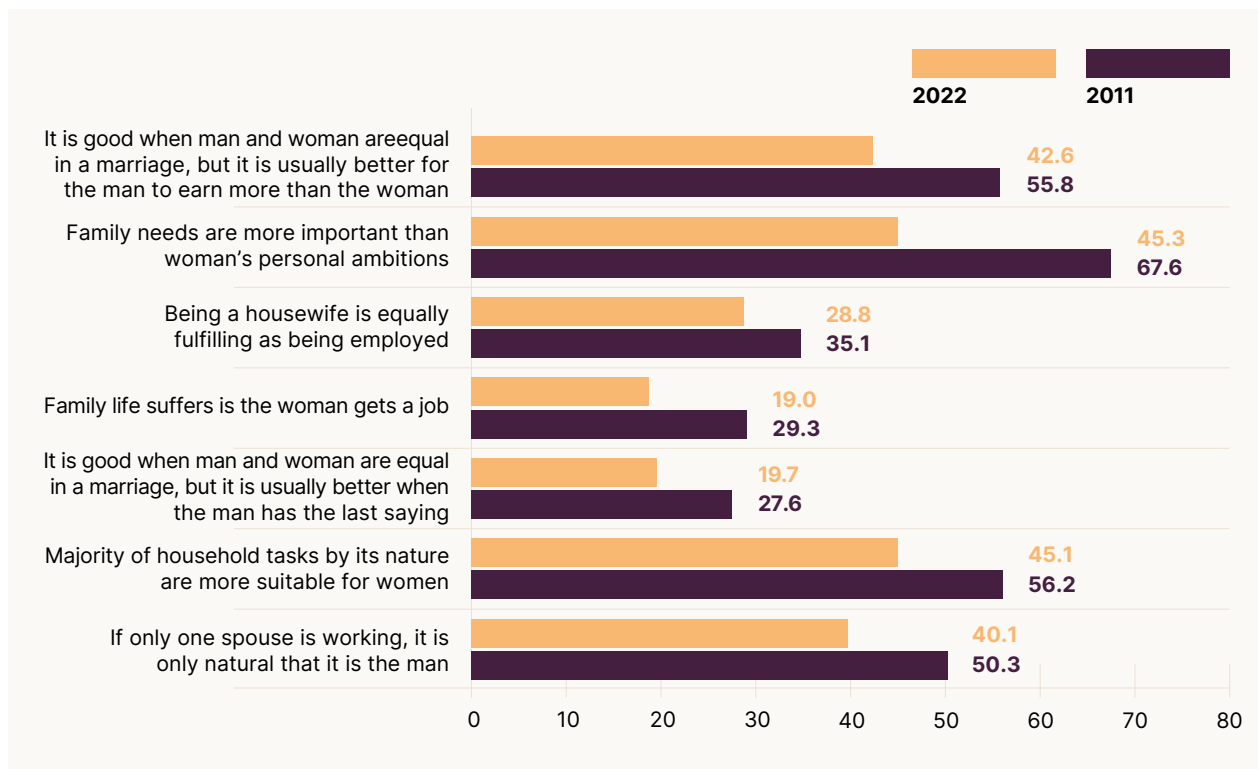


Chart 42: Agreement with attitudes about gender roles (%)

entrepreneurship from 2011, changes in the value orientations of women entrepreneurs are noticeable. From the following chart, it may be seen that the actual representation of women entrepreneurs who agree with patriarchal attitudes is lower today than it was eleven years ago (**Chart 43**).

Consistent with the decline of patriarchal orientation are the findings on the division of responsibilities in caring for the household and family among the women in the sample. Although in most cases they still carry

the main burden in maintaining the household, the option in which they perform these duties jointly, i.e. together with their partners, has also increased systematically. So, for example, while the option for a woman entrepreneur to share the cooking duties with her husband was represented in only 5% of cases in 2011, today it is represented in 14% of cases, or when it comes to dishwashing, which was shared between the woman entrepreneur and her partner in 6% of cases in 2011, today it is shared in the case of a fifth of women entrepreneurs.



↑ **Chart 43:** Percentage of women entrepreneurs who agree with the given attitude, 2011 and 2022

↓ **Table 10:** Who does most of the housework? (%)

Activity type	Female respondent	Husband/partner of the respondent	Female respondent together with her husband	Female respondent together with another woman	Other
Cooking, preparing meals	62.3	1.4	14.1	12.5	9.7
Dishwashing	55.3	0.5	20.0	17.5	6.7
Laundry	65.1	0.4	10.6	17.2	6.7
Ironing	62.8	0.4	7.7	18.8	10.3
Cleaning, tidying up the apartment	46.0	0.4	20.9	21.3	11.4

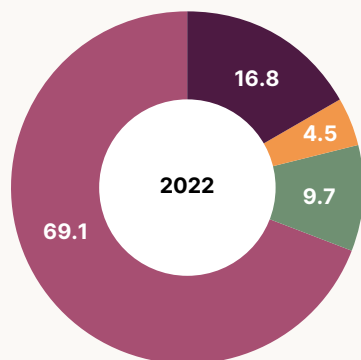
9.2 Balance between work and private life

Women entrepreneurs from the sample on average work 7.42 hours a day and 5.87 days a week. In almost a third of cases (30.9%), their earnings are crucial for the subsistence of the household because they either contribute the most to the household budget among all household members or are the only employees and support the household entirely by themselves.

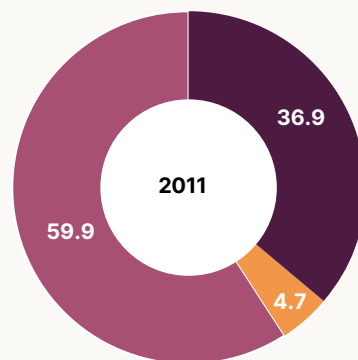
⬇ **Chart 44:** Conflict between work and family life (%)

Today's women entrepreneurs, compared to those in 2011, show a greater balance between work and family life. This can partly be explained by their different family structure, because among today's women entrepreneurs there is a smaller share of those who are married and have underage children.

As the following charts show, among today's women entrepreneurs there is a smaller share of those who claim that they cannot devote enough time to their family because of their work, and a larger share of those who claim that the relationship between work and family obligations is balanced. It is noticeable, however, that one in ten women entrepreneurs cannot devote enough time to either family or work, which testifies to a great conflict between family and work obligations (**Chart 44**).



- Failure to sufficiently dedicate to the family because of the work
- Failure to sufficiently dedicate to the work because of the family obligations
- No time to dedicate either to family or work
- Business and family obligations are at balance



- Failure to sufficiently dedicate to the family because of the work
- Failure to sufficiently dedicate to the work because of the family obligations
- Business and family obligations are at balance

10

ENTREPRENEUR STORIES

The purpose of this research was also to record the life stories of women entrepreneurs who can illustrate women's entrepreneurship from an individual perspective and experiences that cannot be seen through quantitative data. The survey showed that 87% of the respondents from the sample were satisfied with having chosen this career, i.e., with being entrepreneurs. As reasons for career satisfaction, women entrepreneurs cited the independence in running their business in 34.5% of cases, doing what they love and what fulfils them in 22.3% of cases, success and achievement in 9.8% of cases, flexible working hours in 7.5% of cases, financial aspects such as independence, ability to earn in 6.7% of cases, and other (19.2%). Those who are not satisfied with their entrepreneurial career explained the reasons for their dissatisfaction as unfavourable financial situation and insufficient earnings in 22.3% of cases, high financial duties to the state (20.2%), too many obligations, much effort and work (4.3%), not enough time for private life (6.4%), not enough work (6.4%), disadvantageous laws that are not adapted to women entrepreneurs, administrative problems (4.3%) and other (15.9%).

The majority of women entrepreneurs (88.2%) would not choose a different career, and those who would choose a different career would prefer to work for other employers, especially to be employed in the civil service. They would rather choose such options because they would imply less responsibility, fewer obligations, more secure jobs, more time for family, etc.

10.1 Entrepreneurship, but in moderation!

Form of business: sole trade business

Year of establishment: 2005

Registered office: Belgrade

Activity: television shows creation

Age: 60 years

Aleksandra has a degree in world literature, and has been a journalist by occupation for almost 40 years. Before starting her own business, she worked on radio and television. After years of working in journalism, Aleksandra was fired from the television station where she was employed at the time. As she was a single mother, she decided to start her own company so that she could continue working and financially support her daughter and herself.

“ I belong to the 25 percent of women who went into private business out of necessity, when I got fired from television, so... I didn't know what to do, and I was a single mother, so I decided to do it.”

She started her own business in 2005 with the support of her former colleagues. During the first year of business, the company's activities were dominated by marketing. Although she says that marketing and running campaigns were financially very profitable, she missed journalism. At the initiative of her colleagues and in cooperation with them, Aleksandra returned to journalism and created a television show that is still being broadcasted today, after 17 years.

The problems and biggest challenges that Aleksandra has faced since starting her own business primarily concern cooperation with accountants, but also cooperation with institutions, such as the Tax Administration.

“ I changed eight accountants in the first ten years. In the end, to tell you the truth, I really mastered it myself better than they did. (...) So, they are not skilled, they don't know what they are supposed to do, and in the last few years they got the licenses the way they did, so the agony continues. They are still unaware of their importance. Then, for example, I was a VAT tax payer for years, which I should not have been nor had to be. When I suggested to my accountant at the time that we have to end this agony with the state, she said, “I actually wanted to ask you why did you opt for VAT.”

When it comes to the Tax Administration, Aleksandra says that she has had problems with Tax Administration officials several times, and as one of the examples she mentions the situation from last year, when she waited 10 months for the registration of a document instead of the legally prescribed 15 days.

“ So, you don't have the right to make a mistake when you run your own company, and that's how it was then (when she started her company) and that's how it is now; the very moment you become a taxpayer, you are immediately visible to the Tax Administration, the state and everybody else, but not to those who need to employ you.”

Aleksandra has no other employees in her company and has never had the desire to expand the business. She considers it a success that she was able to afford her daughter everything she needed, that she provided a decent life for the two of them, and that she “led her daughter on the right path”. She points out that it is very important for her to have time for herself and her family and friends in addition to work, and she is not someone who would sacrifice time for rest and private obligations for higher earnings.

Journalism is a job that allowed Aleksandra to have flexible working hours, which was crucial for balancing private and work obligations, especially during the period while her daughter was growing up. She believes that everyone who has an occupation with flexible working hours, and especially women who have children, should take advantage of such opportunity and work for themselves. This also allows them to be, as Aleksandra says, “masters of their own time”.

“ So, if I hadn't been involved in this business, I would never have been able to do it, to give myself that luxury... to open a private company... My daughter got everything and got the maximum thanks to the fact that, I mean, I am, for one, very well organized, I have to admit that now, both in space and in time, but I want to say thanks to the fact that I engaged in work that generally does not entail working hours.”

“I think that only few women can afford such freedom, but anyone who doesn't have working hours should go to the private sector...”

The only form of support Lidija used were commercial loans, as well as the state aid to mitigate the consequences of the corona virus for small and micro businesses.

10.2 Second chance but diversified! or Family business, but headed by a woman!

Form of business: LLC (the respondent has 100% ownership and is the legal representative)

Year of establishment of the company: 2007

Registered office: Niš

Activity: adult education (company's predominant activity), but also translation services, directing and editing services, event management...

Respondent's age: 49 years

Svetlana is 49 years old and she lives with her husband and daughter in Niš. She was born in Pirot, where she lived and worked until the age of 40, when the entire family moved to Niš, where she and her husband opened the company in which they currently work. Svetlana graduated from teacher education academy, but never worked in the field.

While living in Pirot, Svetlana and her husband worked in the media sphere for many years and were owners of a local radio and television. Svetlana points out that this was a very dynamic and creative job, but also a job that is not profitable and is subject to pressure from various sides. Together with her husband, she decided to shut down the former company, move to Niš and start a completely different business. As she says, that's when they made a "complete turn".

After they moved to Niš in 2007, they founded a company whose predominant activity is adult education. The original idea was to open a centre that would organise retraining courses and foreign language courses. While the first idea was successfully implemented and Svetlana's company today provides training for various crafts, it turned out that the language school is a risky business for which there was not much interest at that time. However, Svetlana knew how to recognize good business opportunities, so she switched from language school to providing translation services. Translation services quickly became one of the company's most successful activities, and it was the provision of translation

services that opened the door to cooperation with various clients, not only from Serbia but also from the region. Svetlana points out that she managed to create an extremely good translation team, which currently includes around 70 translators. In the following years, Svetlana launched other sectors within the company and began engaging in event management, as well as the production of radio and TV commercials.

Svetlana's example proves that entrepreneurship requires constant work, effort, flexibility, but also lifelong learning. In addition to learning and improving the company's activities, knowledge in the field of entrepreneurship, i.e., the skills in running a company, are also required. As she points out, managing the previous company was a valuable experience for her, because she saw the good ways of doing business, but also the mistakes she should avoid.

“ We changed the fact that we started to think a little more for ourselves, we came up with some different solutions, we didn't want to take loans and create bigger problems for the company during that period, because it creates quite a lot of pressure when you have to work, when you constantly have to think about the fact that you have obligations towards someone for something, so practically all these years the company absolutely didn't operate with overdraft nor used such types of services.”

Although Svetlana and her husband founded the company together, she is the owner and the director. She believes that this division of roles is useful for the company, because, while the men are more operative “in the field” and communicate with a large number of people, the women are more thorough in their work and more responsible for the stability of the company.

“ Women are much more thorough. It seems to me that somehow they have a better sense when it comes to business. I mean, to keep the company, to take care of it.”

Nevertheless, she considers her husband to be her “right hand”, a necessary support in business and someone she consults with when making numerous business decisions.

“ We have a situation where a woman takes more care than a man, but that does not mean that they are not important, they are very important, because we as women would not be able to work independently without them. That's how I see it from my point of view, because we are still a family business. So, we are in the business together, the fact that I am the owner of the company does not mean that I always make the decisions independently. I have to consult with him and it would certainly be much more difficult for me if I didn't have him, so to speak, as a big support in making decisions. And I think that now a woman who, for example, does not have a stable man by her side, not only in a private sense, but in business in general, it is probably much more difficult for her to make a decision than it would be if she had a man by her side.”

For Svetlana, the indicators of the company's successful operations are the fact that the company is “stable” and that all obligations to the state are paid on time. On the other hand, in order to achieve this kind of success, she believes that the high quality of services they provide is necessary, so she always tries to have the best possible staff in her team. Speaking about success, she states that in her environment, the success of her company is often mistakenly perceived as the result of various protections.

“ ...everyone will say, they have political support, there must be someone, this person helped you... someone helped you. No one helped, but when I say that, they won't believe me. People like to say that there is always someone who has our back.”

When it comes to work-life balance, Svetlana points out that certain jobs require great sacrifice, especially if you are a wife and mother. She believes that “a woman was not created to be only in business”, but that, in order to achieve everything, she has to give equal importance to both work and family life.

“ Perhaps it will seem a little cruel to say, however, for us, the company is our first child.” So, my daughter is my daughter and I love her immensely and I would do anything for her, but the company is the one that feeds us all these years. So you have to look at the company as another child. When it comes to topics about whether work should be done on Saturdays, Sundays, weekdays, holidays and so on, we work when there is work. We don't have a non-working day.”

She even points out that in addition to business and family obligations, she manages to make time for herself, because in her opinion rest and self-care are very important.

“ I try my best to be with my family at all times, but that doesn't mean I have to neglect myself.” I have to take care of myself and so in addition to the work, I have some additional activities that divert my energy to something else, I energise myself in some other way, because this work that we do every day is intellectual work. It consumes a person extremely, and then when you come home, you can't, you don't have the strength, you need two hours of alone time in order to rest.”

Although they were forced to stop certain projects due to the corona virus pandemic, the interest in translation services was enough to overcome this period. Due to this situation, Svetlana concluded that every company that has such option should engage in several different activities in order to survive in the periods of crisis.

“ Anyway, I think that the success of any company is not to focus on just one thing. It is better when you have several segments to work on for a little while, than to have only one. Well, when that source dries up, that means you're already facing a problem. For some it is possible, for some it is not; we deal with services, so it's a little easier for us.”

As she states, her company didn't have to apply for state support programmes and she believes that such opportunities should be left to new companies and young women entrepreneurs.

10.3 Against all odds

Form of business: sole trade business

Year of establishment: 2005 (at the current company, in the previous one she was the co-owner with a colleague)

Registered office: Belgrade

Activity: cosmetics

Respondent's age: 53 years

After completing the Medical College, Marina completed the School for Cosmetologists, wanting to switch from medicine to cosmetology. At the age of 25, she started working at a beauty salon in Belgrade where she had a lot of work, which allowed her to learn a lot in a short time, to master her skills and get the work experience she needed to start her own business. Two years later, Marina and her colleague (physiotherapist), with whom she had become friends, decided to become independent and open their own salon. As they did not have enough money to equip the salon themselves, they rented an already equipped salon and invested all their savings in renting the salon for 6 months, hoping that during that period they would be able to develop their business.

“So, we had knowledge in our heads and in our hands, we had the desire and simple belief that we would succeed.” And, just when you wish for something, it probably happens.”

Marina's decision to start her own business was not supported by those around her. One of the main reasons was the situation in the country at the time, i.e. the social and economic crisis at the end of the 90s, which is why many believed that there would not be much interest in cosmetic services in Belgrade.

“Those were difficult times, 1998-1999, those were difficult war years and the situation wasn't good as far as material resources are concerned, people had very low salaries, everything related to cosmetics was considered a luxury, so I didn't have much support from my relatives, everyone believed that it could not succeed because people hardly had money for their basic needs, let alone for indulging themselves. However, I say, I am, I knew how to do what I did well, I loved doing it and I had a vision that it had to succeed.”

However, the fact that at that time Ivana's salon was one of the few in Belgrade and that she and her colleague tried to provide the best possible service led to their salon becoming a success in a short time. As the business developed, after a couple of years, Ivana and her colleague, the former co-owner of the salon, decided to separate and continue independently. After that, Marina started a sole trade business by herself and opened a salon in a new location, in a rented space, where she spent the next 11 years, until she bought her own space and stopped working with the obligation to pay rent.

The difficulty encountered by Marina during the first years of business was the high cost of advertising. As it was a time before the mass use of the internet and before the social networks, the only place she could advertise were the magazines for women. But this meant that Ivana had to write articles about different cosmetic treatments for magazines and thus promote her salon and her services, which certainly represented additional work.

“It was a struggle... we needed advertising and advertising was expensive... so, I mean, you work 8 hours in a salon and then you go home, sit down and write articles.”

Marina believes that becoming a mother early was an advantage for the development of her entrepreneurial career. After the birth of her two daughters, she was still in her twenties and had enough energy for all business ventures, but she also considers good organization to be an important factor.

” I was able to do that, I had enough energy for the household and for the children and to be a wife and to be a business woman and to really raise my business to a higher level, because simply this continuity speaks of the fact that I also worked well. So, I say, it wasn't, now from this perspective, it wasn't easy, it required good organization.”

Proof of success in business for Ivana is the satisfaction of clients who return to her salon. She believes that their satisfaction with the treatment at the salon, in addition to the quality of the service provided, also depend on her - her personal satisfaction and mood.

” The idea that guided me was that I should, above all, be satisfied, because if I'm not satisfied, if I'm tired, under stress, surrounded by, I don't know, negative atmosphere, bad people, I can't do anything good for the people who come to me. This is a specific activity, and the fact is, when a woman comes to a beauty salon, she first of all comes to relax.”

Although Marina's business developed nicely from the very beginning and she had no major business problems, it took her 15 years of work to buy space for her salon. This was an important step for Ivana that brought her great relief, because she no longer felt pressure or worried about whether she would earn enough money to cover all expenses for that month.

Marina hasn't used state support measures so far. She explained this with insufficient information about the programmes and options that are available to women entrepreneurs, as well as with the mistrust towards the state, which she believes does not deal with the problems of entrepreneurs sufficiently to be able to provide adequate help. She believes that the best support would be subsidies for hiring new workers, where the employer would have the option of choosing whom to hire.

She points out that the corona pandemic did not significantly affect her business, as most clients continued to come to the salon.

When it comes to “greening the business”, Marina points out that she tries to ensure that the products she uses in the salon are organic and in biodegradable packaging. However, although she says that she would be the first to agree to work exclusively with green/eco-friendly products, many clients still have more trust in “traditional” beauty products.

Marina believes that women have the same chances in independent business as men, and as an entrepreneur (i.e. as a woman in business) she has not encountered a single obstacle in her career so far. She believes that women have no reason to be afraid and that they should independently achieve their goals and be independent.

” I don't think women should be afraid of anything.” They should go and achieve their goals; they shouldn't wait for someone else to achieve them. It's much nicer and sweeter when you're on your own. My husband works, we both work all our lives, we each have our own business and it has nothing to do with it. I think we are much happier; I am much happier and more satisfied precisely because I am aware that I can succeed on my own and that I don't depend on anyone.”

10.4 Multi-entrepreneur

Form of business: several companies, some are LLC and some sole trade businesses. Some of them have been shut down, and some are still active.

Registered office: Pančevo

Respondent's age: 42 years

Sanja is an entrepreneur from Pančevo, she is 42 years old and a technologist in food production by occupation. Sanja had her own chicken farm for 25 years and was engaged in the processing and retail sale of chicken meat. As she says, she has been in business all her life, which is somewhat true, considering that she sold chickens at the market as a child. This business was originally operated by Sanja's parents, however, not long after Sanja joined them in their business, the business began to expand and

that was at her initiative. At the age of 13, she already sold at two stands and had her first employee. At the age of 18, she completely took over the business with the aim of establishing her own company, building a slaughterhouse and a production line. A few years later, she registered her parents' family farm as a company in her own name. Thanks to good organization, but also a lot of effort and work, she managed to simultaneously develop her business and finish high school and then faculty.

“I've been getting up at 3:15 a.m. all my life. I have been getting up at 3:15 a.m. for the last 3 years. I graduated from university while getting up at 3:15 a.m. every day. So, for me, ever since I was 13, my life starts at 3:15 a.m. I was at primary school and I went to the market on weekends, worked from 3:15 a.m. or 4 a.m.”

Sanja points out that what she “inherited” from her parents was just the idea of selling chicken meat, which she continued to develop, but after that she acquired everything on her own - she bought the farm and the land on which the farm was built.

In the beginning, a few years after the establishment of the company, her sister also worked with Sanja, more as an external associate. However, as her sister primarily engages in a completely different job, she soon stopped working with Sanja. Apart from her sister, Sanja had no support from other family members. Moreover, the parents were against the idea of opening a company and expanding the business. They believed that it was not a job for a woman and that Sanja would endanger her own safety in that way.

“They went crazy when I started the company, like everything else, because it was like... you will get killed because it was such an era and things were happening (the 1990s), and it was a male society...”

She points out that the fact that she was a woman was the main reason for the lack of support and why she constantly had to prove her abilities, which were being questioned.

“All those who have sons, all sons are successful and they work for their sons.” So, you understand, they support them at any time because they are their sons. And the son will inherit, the son will be the one, and with me it was the opposite. I had to prove myself all the time to my family, to show them that I am the son, just in a skirt... And that's where everything comes into question, your competence, your skills, your abilities, and the question comes: What now? Will you get married? So, everything is questioned, everything.”

Unfortunately, Sanja actually received threats, and on one occasion there was an organized robbery at her company and all the goods were stolen. However, neither the lack of support nor various problems prevented her from continuing to work and develop her business.

“...when a person is in business, and especially when you are young, then you think about it, about your work, about business, you like to create.” In order for you to be able to create anything, your business and all that, you have to have that urge to grab, to create, and so on.”

Her perseverance in business led Sanja to become, as she says, “the only woman in her business”, i.e. she was the only woman among the owners of farms and meat factories. Sanja's company employed around 80 workers, and she says that almost all of them are women and that the company is known for employing mostly women.

As the business developed over time, Sanja opened chicken shops and restaurants at several locations where products from her farm were sold. For 15 years, she continuously supplied products from her company to kindergartens, hospitals and other institutions.

After 25 years of the company's existence, Sanja decided to shut down the company due to certain problems. Namely, in 2018, two fires broke out at her company, which brought huge costs. Then, the corona virus pandemic caused additional financial problems, after which Sanja was forced to lay off workers and close the company.

In the course of the company's operations, Sanja applied several times for various types of state support. However, she never received such support, and in most cases not even an explanation for the rejection of her request.

“ I applied, but never received any help or support... In most cases, around 95 percent of the time, I never got an explanation.”

She believes that various forms of support are more than necessary for entrepreneurs, especially support and assistance in the form of tax benefits. She points out that the expenses are huge in the manufacturing industry and that it is almost impossible to do business without taking a loan.

“ The expenses are huge. It's just that you, as a producer, as was a problem for me, you have a very small margin left for you to control and earn. And you are practically forced, if you want to develop, to go from one loan to another and so on, and this, I just think that no one recognises the need for help that is actually needed.”

Nevertheless, even after all the business problems, bankruptcy and shutdown of the company, Sanja did not give up on entrepreneurship. During the last two years, she started businesses in several different spheres. She kept a part of the former production, with the intention of developing the sale of ready-made food. Then, she opened two medical centres that provide facial and body treatment services, as well as medical examinations. And finally, she established the production of unique coats that she designs herself, and they are hand-made by women from all over Serbia.

“ ...I hired many women from Serbia, because I believe that we are an inexhaustible source of various riches, but simply, in a way, no one recognizes it.”

For Sanja, these three seemingly completely different jobs form a meaningful whole that makes up a certain lifestyle - quality nutrition, preventive care and beauty expressed through unique pieces of clothing. Sanja hopes to find markets for new business and to develop her business again.

10.5 Stagnation

Form of business: LLC (woman entrepreneur who shares ownership with her sister)

Year of establishment of the company: 1990 according to SBRA data and 1994 according to the respondent

Registered office: Belgrade

Activity: production and sale of home lighting

Respondent's age: 50 years

Valentina is 50 years old, has two children, and has a degree in Italian language and literature. Valentina and her sister are the owners of a company that manufactures and sells home lighting. In addition to working in the company, Valentina is also engaged in another job - she gives private language lessons to children. Some 30 years ago, Valentina's father opened a small lighting store, in the first years he imported goods from Italy, and then he started to establish his own production, which was, as the respondent points out, a long and difficult process.

The company has gone through a series of changes since its establishment until today. The business started to take off successfully soon after its establishment; the customers recognized the quality of the products, and there was still not much competition on the market. The company was recognized as one of the best in its business. After Belgrade, the stores were opened in other cities as well, and sales took place both throughout Serbia and abroad.

“ ... the market was somehow different, everything was different in the 90s... the cash flow and everything was much different and greater, and perhaps there were fewer importers then because there was less competition at that moment. So, the development was relatively decent and relatively quick... I mean, except during the sanctions... when we had to travel, we had technical problems, we had to get visas... Those were the problems at that time... but in principle we never had any major difficulties.”

Valentina noticed a decrease in the volume of work after 2000, which in her opinion was the result of the decline of buying power, but also of growing competition on the market. The emergence of a large number of other companies that sell mass-produced products and are therefore able to offer lower prices to customers. On the other hand, the products of their company are handmade and each piece is made with special care, which requires skill and time, and thus attracts a smaller number of customers. Therefore, Valentina assesses the state of the company after 2000 as “decent stagnation”, and the company’s operations as “mere survival”. In the meantime, business reduced to operations only in Serbia, while other sales outlets outside Belgrade were closed. Also, the number of employees has decreased from the former fifty to ten.

“ I think that Chinese products and everything that has flooded the market sells much faster than something we do, because we stick to a traditional product that is very classic, we have very specific customers, I don’t know how to define it.” I mean, I believe that our product is appreciated and loved by a small number of people, both in the aesthetic sense and in every other way, because it’s all classic and everything is handmade...”

Nevertheless, the memory of their father and respect for his work, his sacrifice and perseverance are the main motive for Valentina and her sister to persevere in their work and maintain the family business. That is why they are very careful when it comes to making business decisions and try to make every new step according to their capabilities.

“ We will not put ourselves in a position in which we will no longer be able to cope and that would jeopardize everything we have done so far.” So, we literally work and live from it and it’s ours, and we don’t have, we don’t really have any excessive urge to become too big.”

For Valentina, success is the fact that even after so many years they still have customers, that they are still actively creating new products and are very

proud of each one of them. She also believes that it is a success that she has been working for herself for many years.

When it comes to balancing private and work life, Valentina points out that she is lucky that she agrees on everything with her colleagues and that she can be absent when necessary. She also points out that other employees are treated similarly and that their family and private obligations are respected. She says that flexibility and the possibility of reaching an agreement are key in the relationship with her colleagues.

Valentina and her sister have never applied for support programmes, because she says that they are “sceptical” about various subsidies from the state and that they stick to the slogan “stand on your own two feet”. It is important for them to maintain the quality of their products and to reach new customers who will recognize their work, because “the customer is the best support”.

10.6 Transformation with business coaching

Form of business: LLC (the respondent has 100% ownership and is the legal representative)

Year of establishment of the company: 2018 (in 2013 she founded a dance school that is still active, the school is registered as a citizens’ association)

Registered office: Belgrade

Activity: digital marketing and event management

Respondent’s age: 31 years

Ana is 31 years old, she lives in Belgrade, and is a lawyer by education. At a very young age, when she was 18, she started working as a dance instructor for children in an art school. At the very beginning she volunteered and then she started charging for her work. Ana’s main motive at that moment was to contribute financially to the household shared with her mother. Ana enrolled the law school and although she soon realized that it was not something that “fulfilled” her and what she would like to do in the future, she persisted in her intention to finish her studies and at the same time taught dance classes.

“ I got into entrepreneurship at a very young age... of course, I finished my studies and everything, but somehow my life took me away from law to something that fulfils me more.”

At the age of 22, she decided to open her own dance school. The business developed rapidly because with the opening of the school, a large number of children transferred from the previous school where she taught them to her newly opened school. Ana points out that the experience of running a dance school was of great importance for her, especially in developing organizational skills, which later enabled her to start new businesses.

After a few years, Ana, together with her brother, at his initiative, opened a wedding dress shop. Although this was not in Ana's sphere of interest, which is why she thought of giving up this job, she quickly realized that the wedding dress shop could help her easily reach clients who needed the services of event management, which better suited her business interests. In the following period, she devoted herself to the development of this business, while the dance school continued to operate on a slightly smaller scale and is still active.

“ It was exciting and stressful, there were moments when I wondered what am I going to do, whether I should give it all up or not. I didn't give up mostly because I knew that when I pushed through, I would go higher. I'm going to do what I'm really interested in.”

However, after several years of intensive business development in the field of event management, once again there is a big change in Ana's entrepreneurial career. The corona pandemic prevented any kind of celebrations, which directly affected Ana's work.

“ Everything stopped, I didn't have a single client for 6 months. Nobody had money, now, what, where, how, and I wasn't afraid of that at all. It was stressful for me, but I had no fear, I had no intention of giving up.”

At the very beginning of the state of emergency, Ana decided to seek an advice from a person who engages in business coaching, in order to get through the difficult period more easily and get guidance for further business decisions, which she assessed as the best move she could have made at that moment.

“ Basically, the corona came, I had 3 employed girls then, no, 4, they are all like (they thought), well, it will last only a short time... At that moment, I called this woman (business coach) ... I said, well, look, I need help, I didn't hesitate to say, I need help, I will go crazy on the seventh day inside the house, it was the first week, can we organize a little bit of business, this coaching, can you guide me a little bit?”

With the help of this kind of support, Ana soon concluded that she could redirect her work to a different activity - digital marketing. She and her team used the first few months of the pandemic to learn about digital marketing and perfect the skills necessary to work in a new industry. During this period, Ana's team of employees has decreased, and she currently works with two other colleagues.

Ana believes that she has achieved great success in the last two years, primarily because she did not give up in the face of all the obstacles and changes that happened. Also, for this period, she managed to achieve cooperation with a number of clients that is sufficient to maintain the company, but also provides the opportunity for further advancement.

“ For me, success is first of all the fact that I'm still here, it's just that a very difficult period had come and when a young company starts to crumble, the success is to persevere. My first success, which I am really happy about, is that I was not afraid of change, I accepted it. So, it just has to be like that and let's move on.”

When it comes to work-life balance, she points out that she tries to have time for everything. She emphasizes the importance of partner's understanding, especially if they themselves are not entrepreneurs and have a differently organized working day.

“Because my husband works in a corporation, I mean, and it’s a completely different lifestyle and a different time. So, Ana, how are you still sitting on the phone at 8 in the evening and working? ...It’s not always easy, it’s a challenge, but with good will, I think it’s ok.”

Although she says that she has been informed about various support programmes, she believes that she is not yet ready to apply for them.

10.7 Walk in woman entrepreneur’s shoes

Year of (formal) establishment of independent company: 2018

Registered office: Belgrade

Activity: unique handmade footwear

Milena is an English teacher by education, she is 44 years old, married and a mother of two daughters - aged 11 and 13. She was born in Belgrade, but in 2005 she decided to go to America with her husband. They spent over ten years there, and then returned to Serbia a few years ago. Milena’s environment is such that many people close to her are in the business world - her husband, who is an economist, has been engaged in entrepreneurship for a long time, her brother is the head of a limited liability company, her husband’s parents, although retired, are involved in tourism in Eastern Serbia, and many of her friends run their own businesses or hold high positions in some companies.

Before leaving for America, Milena worked in a newspaper dealing with economic topics (Ekonomist magazine). At this newspaper, she first worked as a translator for Serbian and English, and then she retrained and moved to the position of director for the organization of conferences, because, as she says, translation was too static and uncreative for her spirit and personality. After leaving for America, she got a job in a company where she continued to organize conferences. When the second daughter was born in 2010, the internal agreement between Milena

and her husband was that she would leave her job and be with the children until the younger daughter turned three and started kindergarten. As they were completely “left on their own” in America, there were no support networks of family or other close people who could help with childcare, so Milena’s stay at home was completely consensual, she did not feel that it was imposed on her. Just when she started to miss creative work, her younger daughter was ready to enrol in kindergarten and then Milena had the opportunity and support of her husband to start working on herself.

“Since all my life I somehow mostly expressed myself through shoes, and not so much through clothes, I found a course in Manhattan for making handmade shoes. That was, for example, in 2013... The first course was model making, then actual making – manual making, then sewing, choosing materials and so on. So I dealt with it for maybe two and a half years, and then in 2015 my friend, who is a fashion designer, was accepted at the New York Fashion week, in the section for new brands. At that time... we were in Serbia for the summer, and she called me and asked if I could design a collection of shoes for her fashion show... And of course, I said I could, as if it were nothing. ...”

Milena got in touch with a company from Belgrade and designed shoes for a collection for the fashion show, which went well and was very successful. After this fashion show, Milena, as she says, had an “aha” moment, i.e. she realized that she could create her own footwear completely independently, not for others, but in accordance with her own ideas. However, in the first period, Milena managed the business remotely, from America, although she believed that it could not be sustainable in the long term. She employed a girl in Serbia as her assistant and she launched her first collection of 205 pairs of shoes in the summer of 2016. It was a testing phase for Milena, to see if her idea could really work. During that period, Milena was still not a formally registered entrepreneur. Although after three years of working “remotely”, with the help of an assistant in Serbia, Milena realized that this is not the way she would run her business and that it is important for her to

be directly involved in all stages of the process. That was the main reason why Milena returned to Serbia with her family in 2017, and within a year her business experienced complete expansion. Although today the largest number of clients come from Serbia, a large number of them live in the countries of the region (Croatia, Bosnia and Herzegovina, North Macedonia), but they also send orders all over the world.

When it comes to the challenges she encountered since she started to design and make shoes, Milena mentions several that are prominent. In the first stages, when she was just acquiring new knowledge and skills, and attended various trainings in America, the key was how to find balance between private and professional obligations with two small children. During that period, Milena's husband worked in an office job, he had not yet entered into entrepreneurial waters, so he did not have the possibility of flexible working hours. Nevertheless, she had his full support for training and they organized themselves "as they could" - they tried to have as little overlapping in their schedules as possible, and when there was no other solution, they left the children for short periods of time with their friends. However, it is very interesting how some people from the closest environment perceived Milena's aspiration to realize her potential.

“...I don't know if it can be classified as an obstacle, but let's say the comments of my immediate family... my mom would tell me like - your shoes are great, but when are you going to find a real job... Since my mom is a retired teacher, and she worked in school all her life, and I'm an English teacher, so I should work in school too, right?!”

In the beginning, it was a very big challenge to find craftspeople in Serbia, especially those who are ready to look at things a little more broadly and can follow Milena's ideas, however unconventional they may be. As she says, she always first encounters disapproval and the answer "it can't be done", but step by step, she managed to implement her ideas. The problem, which is also very important in the long term, is that generally older crafts are dying out and Milena sees that there are fewer and fewer craftspeople who could continue to produce shoes by hand tomorrow. The entire procedure of acquiring materials, importing from Italy, the customs clearance process and transport, as well as the accompanying costs, are also a challenge. This last challenge was especially challenging in the period when the corona pandemic started, when it was necessary to adapt to the new situation and find different solutions so that the work could be done with as few problems as possible. For example, during the corona period, Milena had several orders from Australia, but it was not possible to deliver the packages there.

“So, in that sense, the corona did not disrupt anything much, I don't know now, it didn't disrupt my business as such, but on the other hand it inspired me to listen a little more to my community of customers and to find some business models that will be acceptable to them in some period of uncertainty.”

When it comes to the perception of business success, Milena points out that she takes into account two indicators of success of her business. The first indicator is the number of products sold in a certain period of time, and the second is the number of returning customers.

“...what I am working on the most is maintaining my client base, I want them to be more than satisfied, not satisfied, but overly satisfied. And I am very much in personal contact with them, because these are mostly girls, women who communicate with me through social networks. I reply to every message... So, I really try to have such a relationship with them that they would want to come back again and appreciate the handmade work, so if they have a comment that something bothered them, I always try to correct it immediately and so on. So, I think that, in my opinion, is perhaps even more important than the number of products sold.”

As she says, she sees our society as very patriarchal and closed, but she doesn't see this as a major obstacle for women in entrepreneurship. What she considers to be significant success factors in business are perseverance and life experience.

“I don't think it has anything to do with whether it's a woman or a man.” I think it is important that it has more to do with some life experience, i.e. in my case, I think it has the most to do with the fact that I lived abroad for as long as I did. I think there is a very small percentage of those who think that something should be long-term and not like, I'll hustle you quickly and get rich, and I'll think about some things later.”

Milena points out that finding balance between private and business obligations is not difficult for her, because her daughters are quite independent, and the entire family functions as a well-coordinated team in which everyone has some household duty. However, she points out that her daughters are her priority and that she organizes her business obligations in accordance with their schedule.

Transition to green business

Milena tries to make as little waste as possible during the production of shoes, so that almost every piece of material that is surplus in making shoes is used to make something else. It is important for her to use as many natural materials as possible in production, and her goal is that one day her products will be made entirely of natural materials. However, she sees a growing interest in eco-leather shoes, and would like to have a line of eco-leather products, but, she says, she has not yet found quality alternatives to animal skin to be able to venture into eco-shoe production.

“At the moment I don't have, for example, I have a lot of inquiries, especially in the last two, three years, they ask if we have anything made of eco-materials.” You know like eco leather or something. And unfortunately, no, I would really like to have such a line, and for it to be similar, produced in a similar fashion, however, I can't find enough reliable materials to be able to decide to get involved in something like that.”

11 CONCLUSIONS AND RECOMMENDATIONS

11.1 Conclusions – Women entrepreneurs ten years later

The picture of women entrepreneurs a decade after the baseline research is both similar and different at the same time. The similarities are manifested in a number of characteristics: women entrepreneurs still haven't reached a third of all entrepreneurs, they operate in micro-enterprises, they face the same difficulties: lack of financial resources for start-up, information, they mainly rely on their informal social networks for support, they first think how to survive and then eventually how to develop and take care of balancing the family obligations with an entrepreneurial career.

However, almost nothing is the same as before and today's women entrepreneurs show numerous differences compared to the women entrepreneurs of ten years ago.

- In 70% of cases, they are new entrepreneurs, they were not in entrepreneurship when the baseline research was conducted;
- On average, they are more educated, and they mostly became *entrepreneurs out of opportunity*, not *necessity*;
- They are more diversified in their business, so instead of concentrating in the trade and personal services sector as before, they are now increasingly oriented towards the knowledge economy, the sector of professional, scientific, innovative and technical activities, other qualified services, but also increasing their business in non-traditional sectors such as IT, transport, construction, etc.;
- They became entrepreneurs with more knowledge about the field in which they operate, contacts, knowledge of the market;
- They are quite aware of the importance of investing in their own education and the development of human resources;
- Their businesses are more resistant to crises, as demonstrated by the successfully passed test during the COVID-19 pandemic.
- All in all, they are more successful in the end.

However, the research also identified certain weaknesses that should be the focus of future interventions:

- Women entrepreneurs do not show an inclination towards additional education and training in a large percentage, a small percentage attend training, because they do not have the time/money to finance it, the education they need is not offered or they simply do not think that they need additional training.

- A small percentage innovate, and innovation has proven to be the key to success;
- They still mainly rely on local markets, which can reduce their potential for growth, but in the situations of crises that have been at work in recent years, it can also be a factor of greater resilience.
- They have little knowledge of climate change and their potential for transition to a green economy is low, but readiness is greater than potential and should be utilized.
- Due to the inadequate regulation of social rights related to parenthood, it seems that the potential of young women for entrepreneurship has particularly weakened.

The question arises as to how the current legal, normative, political, institutional and structural environment favours the stability and development of women entrepreneurship. The analysis has shown:

- The legal and institutional framework that defines the conditions for establishing and running a company has been established and numerous programmes and support measures aimed at encouraging entrepreneurship are evident.
- Although the development of a new strategy for the development of small and medium-sized enterprises is underway, during the previous period this area was not strategically covered and other relevant policies, such as education policy, were not adequately developed or directed towards encouraging entrepreneurship.
- A large number of measures for the initiation and development of entrepreneurship are implemented, and the female entrepreneurs from the sample perceive the availability of measures as an obstacle less often than it was the case with female entrepreneurs 10 years ago.
- The weak link in the system of monitoring and encouraging female entrepreneurship is still represented by data. It is encouraging that progress is being made on this front, since 2022 the register of female entrepreneurs and business companies SBRA records founders and legal representatives according to gender, and the GEM survey has been renewed.

- On the other hand, positive aspects are registered in the ways in which the Ministry of Economy and the Development Found keep records on beneficiaries of support programmes, which enables regular monitoring of registration and participation of women in these programmes.

11.2 Recommendations

1. It is necessary to establish a system of regular and comparable monitoring of women's entrepreneurship (over time and compared to men)

It is necessary to create conditions for regular monitoring of women's entrepreneurship, i.e., for monitoring of gender differences in entrepreneurship. The set of indicators proposed in the baseline study would have enabled such monitoring, but unfortunately, it was not taken into account since no steps were taken to improve the records and statistics on entrepreneurship. Therefore, it would be necessary to take steps for the establishment of an appropriate monitoring system in the future, which could include the following:

- regular annual monitoring of the rate of establishment and closure of companies by gender;
- attribution of the gender designation to owners and main managers in other significant records based on which small and medium-sized enterprises would be monitored, including the structural business statistics and other records, such as the financial statements, tax records, social security records, export records, etc.);
- it is necessary to introduce the gender identification of entrepreneurs in research conducted in the field of business statistics and employment statistics, such as the research on enterprise innovation, etc.;

- continue and regularly publish the findings of the GEM research in order to be able to monitor not only the characteristics of entrepreneurship according to the gender of the entrepreneur (such as size, age of the company, motivation for entrepreneurship, business sector, growth, innovation, market, etc.), but also the inclination towards entrepreneurship into the general adult population.

2. It is necessary to further improve the institutional framework for women's entrepreneurship

It is necessary to further improve the policies and measures to encourage and develop entrepreneurship, with a specific focus on women's entrepreneurship. To that end, it is possible to undertake the following:

- create and effectively implement a new strategy for MSME development and specifically foresee the development of female entrepreneurship with the Action Plan and measures for its further improvement through the allocation of adequate budget funds;
- operationalize the measures for the improvement of women's entrepreneurship defined within the framework of economic empowerment of women and improvement of the position of women on the labor market through self-employment in the Strategy for Gender Equality 2021-203;
- regularly monitor the gender aspects of the approach and effects of programmes aimed at supporting entrepreneurship and (women) entrepreneurs with possible corrections of measures in accordance with the findings.

3. It is necessary to improve the business climate and encourage motivation to enter into entrepreneurship

It is necessary to promote entrepreneurship in educational institutions and in the general public. The secondary vocational schools and universities are

suitable places for such forms of promotion. This can be done through various activities, such as:

- guest visits by representatives of entrepreneurs' associations at schools (especially according to appropriate professional profiles);
- encouraging primary schools to participate in activities marking the International Day of Girls in ICT through visits to companies where women are the founders and as such, stimulating examples for girls in the period of professional orientation;
- creating a catalogue with examples of women's entrepreneurship and distributing it in secondary schools, faculties, National Employment Service and organizing interactive workshops;
- media promotion of women's entrepreneurship with examples of successful women entrepreneurs;
- widely disseminate the information about the entrepreneurship portal and link it in the internet space visited by various groups that may be considered as potential pools for entrepreneurs.

4. It is necessary to provide support for the development of women's businesses and increase their competitiveness

It is necessary to examine the needs for education and training of women entrepreneurs and the compliance of the current offer with such needs. To this end, the following steps may be taken:

- organize a survey of the needs for educational programmes of women entrepreneurs of different profiles, from different regions and business lines. This activity may be carried out on the basis of a single standardized questionnaire that could be used to examine the needs through the chambers of commerce, regional development agencies, associations of entrepreneurs, with far-reaching coverage. Another way to do this is to conduct a one-time comprehensive survey of needs through research profiled agency;
- it is necessary to map the providers of education and training services for women entrepreneurs, as well as their programmes, and to examine to what extent they comply with the findings obtained by monitoring the needs;

- the recommendations for educational programmes and trainings would be prepared based on the results of such research, which would be distributed to the providers of such type of services, or new training programmes could be created by Ministry of Economy, National Employment Service or other central institution for entrepreneurship support;
- providing support to civil society organizations that deal with the economic empowerment of women and the development of female entrepreneurship through informal forms of education and mentoring.

It is necessary to improve financial support for female entrepreneurship. Some of the possibilities are:

- develop special financial schemes (co-financing) to support established growing women's firms that would raise their value on the market through investments in innovative activities and increase competitiveness to find strategic partners or investors, and to further development and employment;
- providing non-refundable financial support to mature women's firms that are at a turning point (downstream) and need due diligence services to prepare the firm for sale or finding a strategic partner. This type of assistance could be developed according to the voucher system, and company preparation services (due diligence, writing a business plan, etc.) could be performed by women's small consulting firms, which would encourage their involvement in supply chains, given that service activities are insufficiently present in institutional support programs. The criteria for awarding consulting contracts should be formulated in such a way that they do not violate the rules of public procurement and have the character of affirmative measures.

5. It is necessary to apply other measures of non-financial support that strengthen the capacities of female entrepreneurship

- Develop non-financial support schemes for growing women's firms to enter specific markets by increasing access to information on entering

such markets. For this type of support, it is necessary to include the existing underutilized resources of the Serbian Chamber of Commerce, as well as external consulting support that would be co-financed by the beneficiaries;

- in the mentioned support programs, it is necessary to include women's companies in the service sector as beneficiaries, which were mostly excluded in the current programs because production companies were favoured;
- provide vouchers for the digitization of women's companies and the introduction of quality standards as a necessary condition for entering the EU market;
- develop a program of measures to support inclusion in the supply chains of large companies operating on the Serbian market through training on procedures for inclusion as well as through pilot projects that would encourage large corporations to include women's companies. For example: when large companies enter our market, one of the conditions would be to help the local community by supporting small women's companies to join their supply chains both in the main activity and in a range of support services, so that service companies would also be empowered. and not just production.

6. It is necessary to improve the advisory support to women entrepreneurs either through existing institutional and organizational capacities or by creating new bodies, organizations, teams

This advisory support should be more diverse and accessible and should be diversified according to the specific needs of various forms of women's entrepreneurship and activities. To this end, for example:

- advisory support should be provided to women entrepreneurs in rural areas, for whom the support by phone could be of particular importance due to the distance from services in urban areas;
- it is necessary to provide specialized forms of counselling or mentoring support depending on

the type of entrepreneurship, for example, for export-oriented entrepreneurs, for entrepreneurs who perform technologically intensive activities, for entrepreneurs who use the franchise model, etc.;

- an internet portal with a quick response to inquiries from entrepreneurs may play an important role in providing practical advice regarding regulations, administrative procedures, solving import/export problems, access to financial markets, etc.;
- it is possible to develop a voucher system to provide certain forms of support that all women entrepreneurs need and often perceive as needed – design, marketing, professional consultation, etc.;
- it is necessary to sensitize the existing advisory services to gender so that they can provide more adequate support to women entrepreneurs.

7. It is necessary to invest special efforts to enable women entrepreneurs to improve their capacities and strengthen the efforts for the transition to a green economy

It is necessary to use various measures to increase the potential of women's entrepreneurship for those forms of business that will contribute to the transition to a low-carbon economy, increase their potential for

contributing to the reduction of harmful effects on the climate, as well as increase their resilience to climate change and capacities for adaptation to climate change. To that end, it is necessary to:

- increase the offer of information, knowledge, platforms where experiences can be exchanged regarding the specific impacts of climate change on business in various sectors, so that women entrepreneurs may recognize such impacts but also learn about the strategies that are available to them in response to such influences;
- in particular, encourage key aspects of the transition to green businesses, such as the production of ecological products and ecological services, recycling practices, practices of improving energy efficiency, etc.;
- promote successful practices (benchmarking) that could easily be further replicated.

8. It is necessary to facilitate the reconciliation of family and professional life for women entrepreneurs

It is necessary to undertake changes in the law that would prevent further discrimination of women entrepreneurs who are not employed in their companies and do not have equal rights in case of pregnancy, maternity and childcare leave.

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