



Women's
Entrepreneurship
in Serbia

10
years later

PROFILE
OF WOMEN
ENTREPRENEURS

SeConS Expert Team

Marija Babović

Milica Stević



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PROFILE
OF WOMEN
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SeConS
development Initiative group

ABBREVIATIONS

| | |
|----------|--|
| EU | European Union |
| GEM | Global Entrepreneurship Monitor |
| ICT | Information and communications technologies |
| IT | Information technologies |
| MSME | Micro, small and medium enterprises |
| ME | Ministry of Economy of the Republic of Serbia |
| NES | National Employment Service |
| RS | Republic of Serbia |
| SORS | Statistical Office of the Republic of Serbia |
| SBS | Structural Business Statistics |
| SBRA | Serbian Business Registers Agency |
| UN WOMEN | United Nations Entity for Gender Equality and the Empowerment of Women |

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1

INTRODUCTION

This report was created based on the study *Women's Entrepreneurship in Serbia – ten years later*. The report presents the profile of female entrepreneurs in Serbia – their socio-demographic and business profile. The data are presented in comparison with the data from the *Baseline study on women's entrepreneurship in Serbia*¹ to determine whether there have been changes in the profile of today's female entrepreneurs compared to their profile ten years ago.

The data presented in this report is the result of a survey of female entrepreneurship in Serbia, which was conducted in 2022 and represents one of the research components that was conducted to write the study *Women's Entrepreneurship in Serbia – ten years later*. The survey research was conducted on a representative sample of 559 active women entrepreneurs, derived from the Serbian Business Registers Agency (SBRA) database on the criteria that women are registered entrepreneurs or that they are simultaneously (co)owners and directors of a registered company.

1 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>

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 of the Republic of Serbia, 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 of the Republic of Serbia 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 *Key steps to gender equality*, to provide the Ministry of Economy with the findings necessary for the formulation of policies focused on encouraging women's entrepreneurship.

2

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.² 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."*³

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 Procurement⁴ in 2017, in 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 daily 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

2 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>

3 Ibid, p. 16.

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

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), which 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 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 2020.⁵ 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.⁶ 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.⁷

Concerning 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”.

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.⁸

Serbia recently adopted the *Law on Social Entrepreneurship*, which defined in more detail the conditions for the registration and operation of social enterprises.⁹

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

6 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.

7 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

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

9 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>

3

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.¹⁰

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 1**).

↓ **Table 1: Structure of active business entities according to legal form and gender of entrepreneurs, 2011 and 2021 (%)**

Source: SORS, 2011; SBRA, 2021.

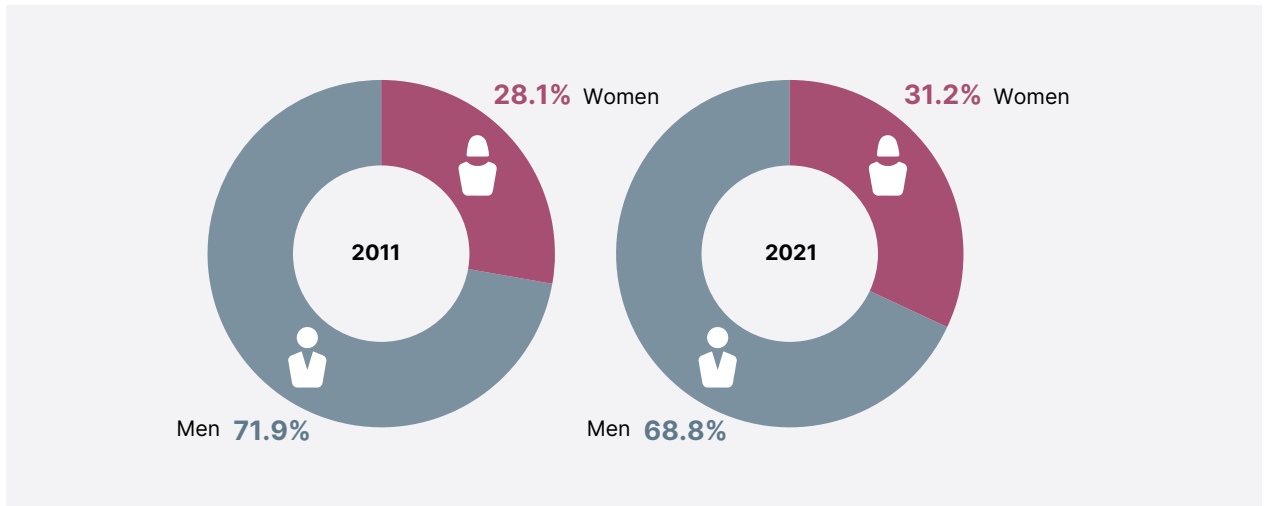
| Type of the business entity | 2011 | | 2021 | |
|-----------------------------|------------|----------------|------------|----------------|
| | % | N | % | N |
| (Women) Entrepreneurs | 68.5 | 221,541 | 71.1 | 290,387 |
| Limited liability companies | 30.0 | 97,115 | 28.5 | 116,402 |
| Partnerships | 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 |

¹⁰ 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

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 1).¹¹

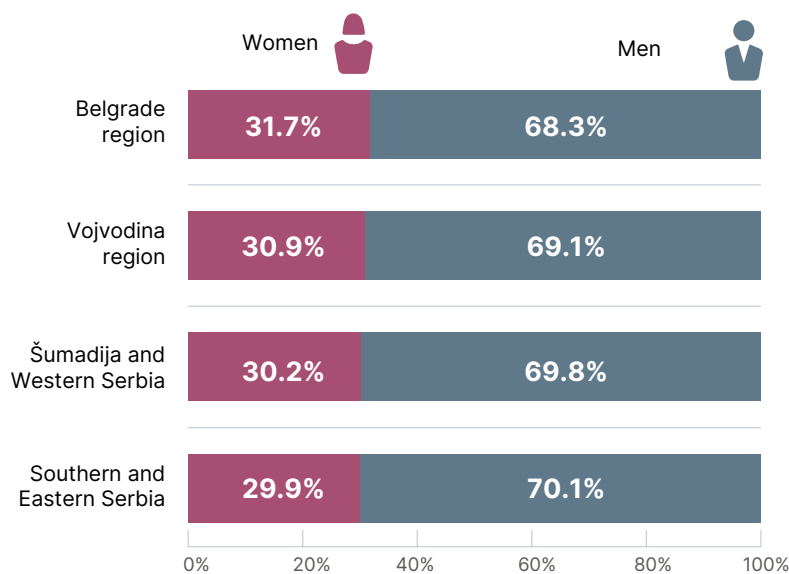
The proportion of women and men entrepreneurs is fairly evenly distributed by region, with a slightly

higher share of women entrepreneurs in the Belgrade region and a lower share in the region of Southern and Eastern Serbia (Chart 2). 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%.



↑ **Chart 1:** Share of women and men in the total number of entrepreneurs (including registered entrepreneurs and companies) (%)

Source: SORS, 2011; SBRA, 2021.



↑ **Chart 2:** Share of women and men in the total number of entrepreneurs (including registered entrepreneurs and companies), by region %

Source: SBRA, 2021.

¹¹ In both 2011 and 2021, for a number of companies it was not possible to reconstruct the gender of the entrepreneur (for example, in 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.

4

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 enter the parenthood phase.

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 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.

4.1 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, 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 3**).

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.

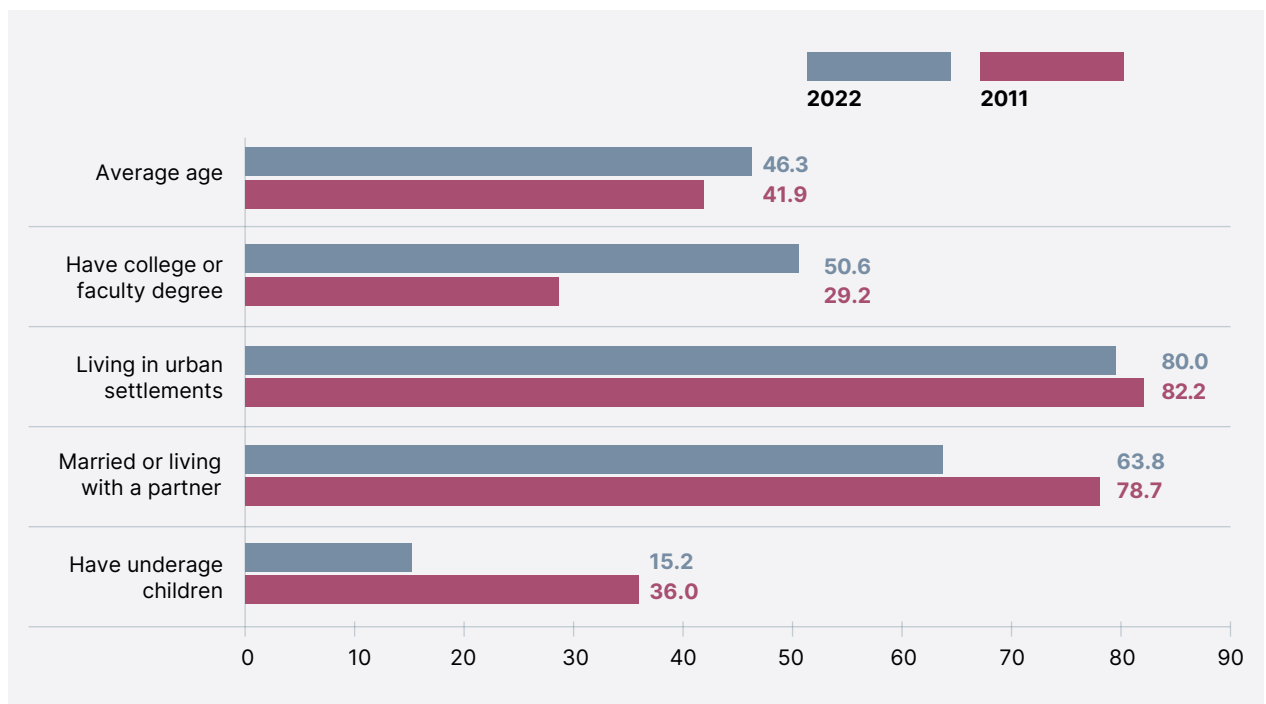


Chart 3: Socio-demographic profile of women entrepreneurs (%)

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?

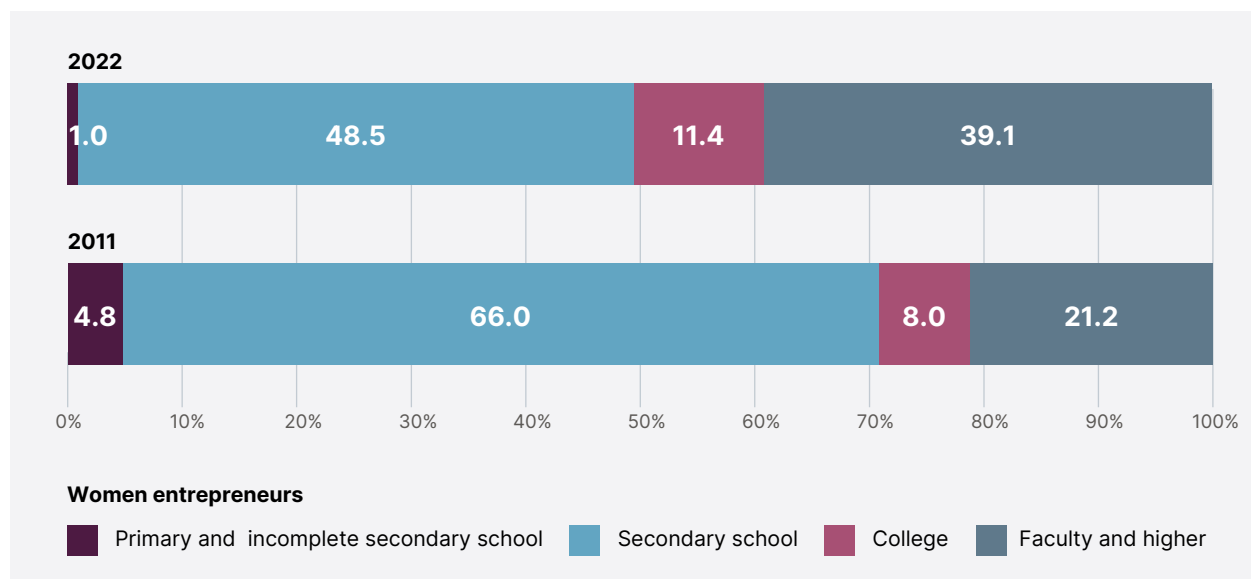
More than half of older women’s businesses (52.2%) were founded before 2011, and one-quarter of businesses run by older women (26.1%) were founded in the 1990s.

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 4**).

⬇ **Table 2:** 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 |



⬆ **Chart 4:** 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 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.

4.2 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 in 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;

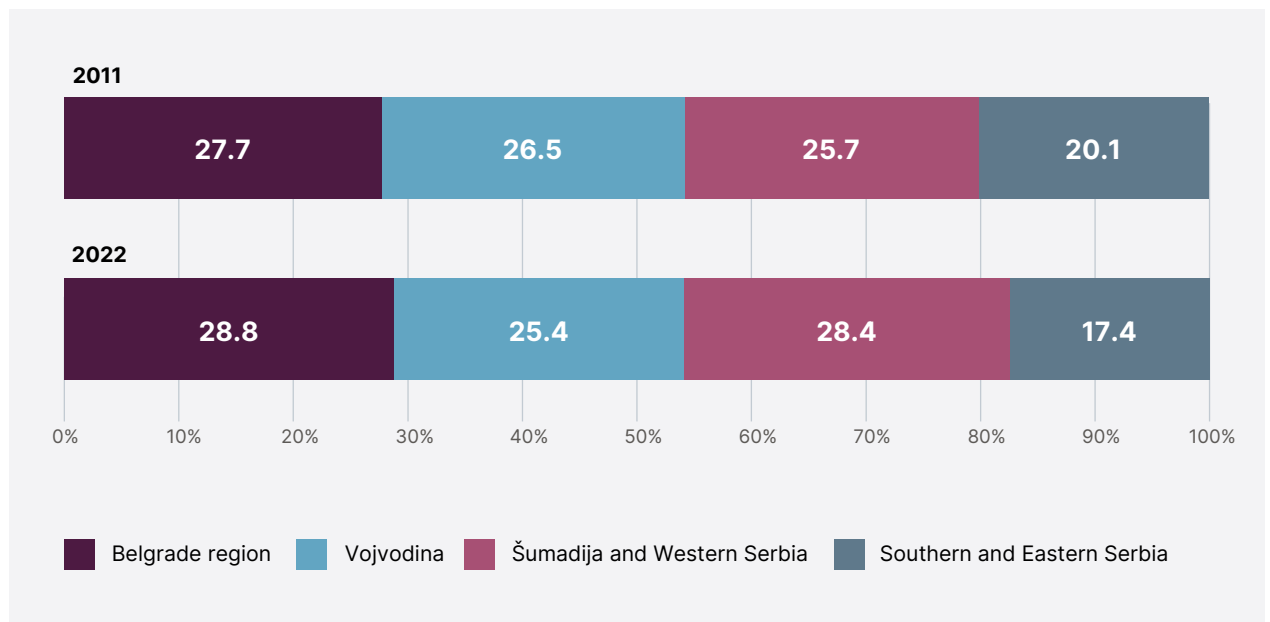


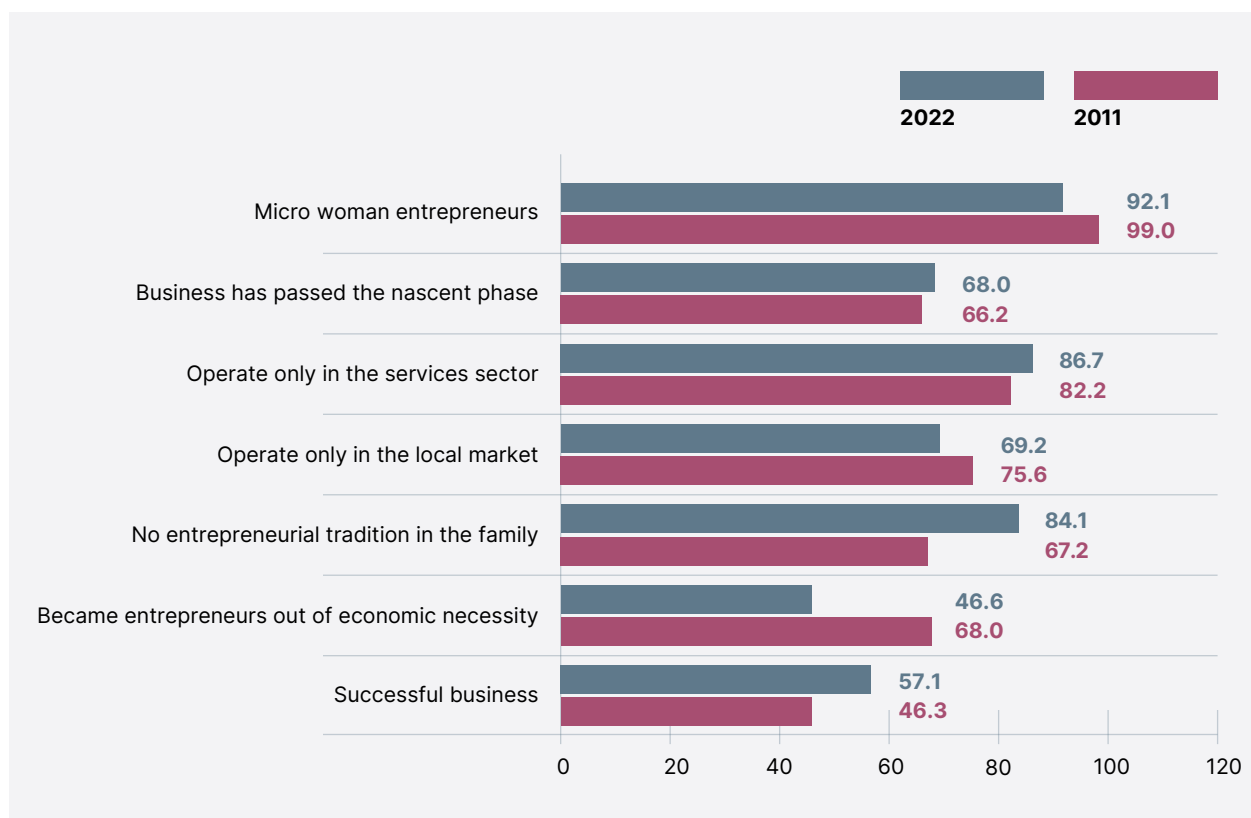
Chart 5: Women entrepreneurs by region of residence, 2011 and 2022 (%)

- 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.

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 6:** 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 in the local market defined in this way, a slightly smaller share (69.2%) operates exclusively in such market, while the rest also enter wider markets.

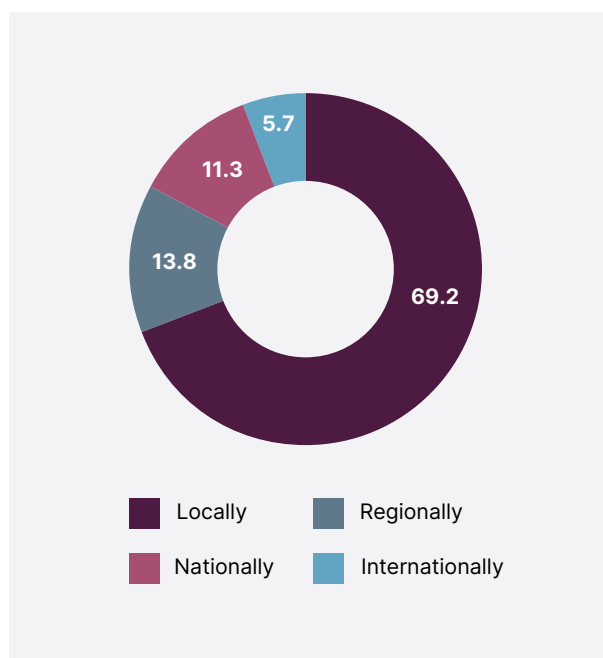
Thus, 13.8% of women entrepreneurs work in the regional market in addition to the local market, 11.3% also work in the national market, while 5.7% work in the international market. When different international markets are considered separately, in the total sample of women entrepreneurs, 2.7%

 **Table 3:** 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 |

operate in EU markets, 3.9% operate in the markets of the former Yugoslav republics, and 2.3% operate in other foreign markets.¹²

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 a family business.

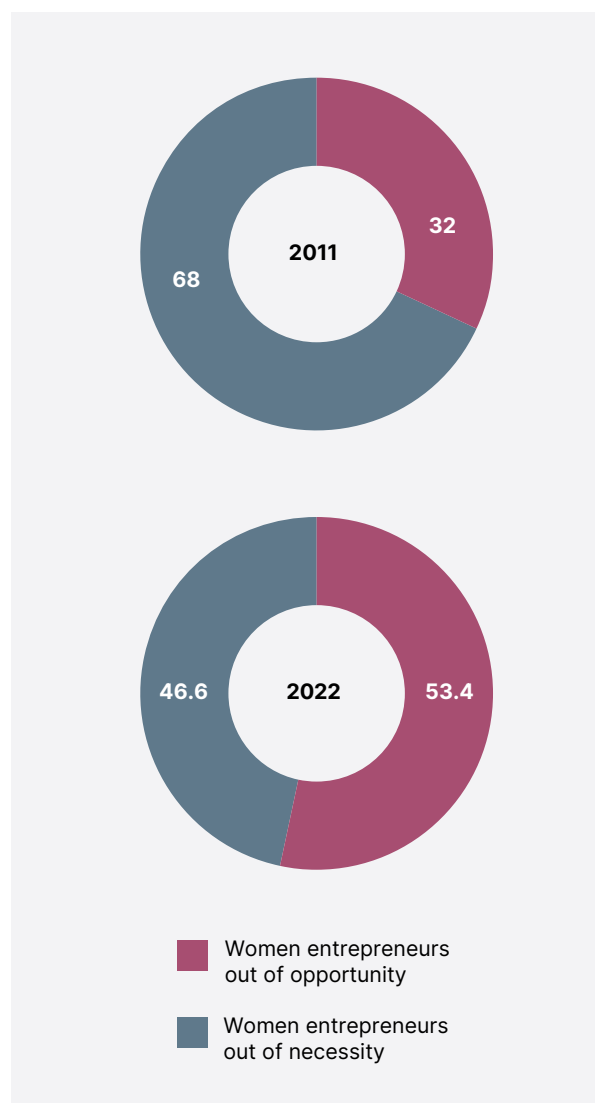


↑ **Chart 7:** Women entrepreneurs according to the markets they operate in, 2022 (%)

¹² Women entrepreneurs could indicate several different foreign markets.

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

This implies that the key motives of today's female entrepreneurs for entering entrepreneurship were to a greater extent good business ideas and business opportunities that they recognized, rather than economic necessity, i.e. the inability to find any or suitable employment.



↑ **Chart 8:** Women entrepreneurs according to the key motive for starting an independent business (%)

5

CONCLUSIONS

The profile of female entrepreneurs in Serbia today shows numerous differences compared to the profile of female entrepreneurs 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 on 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.;
- Certain differences are also present in terms of the family situation, which can be reflected in the business – today's female entrepreneurs are in a slightly smaller percentage than those of ten years ago married and less often have minor children. Data on difficulties in running a business indicate that the possible reasons for this are unfavorable conditions, that is, inadequately regulated maternity and parental leave, because of which young women do not engage in entrepreneurship or leave it when they enter the parenthood phase.

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.

6

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 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 following 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. 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, and 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 based on a single standardized questionnaire that could be used to examine the needs through the chambers of commerce, regional development agencies, and associations of entrepreneurs, with far-reaching coverage. Another way to do this is to conduct a one-time comprehensive survey of needs through a 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 the 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 favored;
- 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, and 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, entrepreneurs who perform technologically intensive activities, 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.

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