

EXPLORING ENTREPRENEURIAL MOTIVATIONS AND BARRIERS: A STUDY OF WOMEN BUSINES OWNERS IN THE REPUBLIC OF MACEDONIA

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Abstract: *The aim of this paper is to provide analysis of the current conditions in women’s entrepreneurship development in the Republic of Macedonia in order to explore challenges and opportunities for its development, as well as motivations and obstacles for Macedonian women entrepreneurs. In order to gain a better picture of current motives, problems, and perspectives of Macedonian women in entrepreneurship, a survey was conducted during the period of December 2017 – March 2018. Focus group discussion with women entrepreneurs also was used as data gathering instrument. In concluding observations, we offer policy recommendations to the Government and relevant stakeholders to increase women entrepreneurship through various schemes, incentives, and promotional measures. Finances, lack of information, and knowledge of how to run and manage a business as well as the challenge to balance the work and family engagements are the main problems facing women entrepreneurs in the Republic of Macedonia. Other constraints include socio-cultural barriers; barriers relating to networks of information and assistance, and access to finance and investment funds.*

Keywords: *women’s entrepreneurship; challenges; barriers; policy recommendations; Republic of Macedonia*

Clasificare JEL: *L26, J16, J48*

1. Introduction

The emergence of women entrepreneurs in the last 20 years in the developed world is closely linked to the democratization of society, in particular, with equal opportunities for men and women, primarily in terms of education, health, but also in science and politics. Female entrepreneurship is therefore related to the woman's image in society, and implicitly to culture and mentality (*Constanta, 2017*). However, the contribution of women entrepreneurs depends on the success of their work, which in turn depends on the barriers to the implementation of the ideas for their own business.

Women’s entrepreneurship drawn the attention of both the academic sector (*see: de Bruin et al. 2007; Brush et al. 2009; Ahl, & Nelson, T. 2010; Hughes et al. 2012; Jennings & Brush, 2013; Goyal & Yadav 2014; Henry et al. 2016*) and the development sector as an important “untapped source” of long-term economic growth, innovation and job creation (*Bosma & Levie, 2010; Global Entrepreneurship Monitor (GEM) 2016/17*). They contribute to poverty reduction, mobilization of entrepreneurial initiatives, and provide society with different solutions to management and business problems (*OECD, 2004*).

Women and their role in entrepreneurship receive increasing relevance both in developed countries and countries in transition. A special feature of developed economies is given the vital role of entrepreneurship as a central pillar of economic growth (*Buşan, 2015*). Research estimates that gender gaps in entrepreneurship cause an average income loss of 15 percent in OECD economies, 40 percent of which is due to entrepreneurship gaps. Losses are estimated to be significantly higher in developing countries (*Cuberes & Teignier, 2016*).

Women entrepreneurs play an increasingly vital role, socially, professionally and economically, in turning developing countries into more knowledge and innovation-driven economies (*GEM, 2016/17*). According to *Minniti (2010)*, the gender gap in entrepreneurship is most visible in middle income and transitional countries where men are 75 percent more, and in developing countries where they are 41 percent more, likely than women to start a business; yet it is relatively small in high-income countries where men are 33 percent more likely to start a business. The transition countries are characterized by various social and cultural characteristics of women entrepreneurship.

In the six Western Balkan Countries - Albania, Bosnia and Herzegovina, Macedonia, Kosovo, Montenegro, and Serbia - women face more disincentives and barriers when entering the labor market. From unfavorable laws and regulations to rooted social norms, women face greater challenges to get a job, become entrepreneurial and develop as professionals. Data shows that gender equity can reward these countries and increase their average per capita income by around 20 percent if they introduce policies to equalize women's access to jobs (*World Bank, 2018*). Female Entrepreneurship Index in Western Balkan Countries is significantly lower than the EU countries, with indexes for Albania 12.5, Bosnia and Herzegovina 27.2, Macedonia 30.0, Kosovo 11.1, Montenegro 23.9, and Serbia 29.8 (*GEM, 2015*).

In the Republic of Macedonia, similar to other transition countries the unemployment still affects women more than men, so that in 2016 the female employment rate was 39%, compared to 61% for men. Only about 4% of employed women are business owners, and only 11% receive wages above the average (*SSO, 2018*). According to information available by the State Statistical Office and the Central Register of the Republic of Macedonia, the share of legal entities established by at least one woman (with a share of more than 50 percent) in the total number of new registered or established legal entities in the last 7 years varies between 25-27 percent (*SSO, 2016*). Nevertheless, despite women's available human potential and capabilities for successful development of women entrepreneurship, there is a need for strong governmental support in order to increase female entrepreneurship in Macedonia. Negligence of enabling factors for women entrepreneurship would result with a continual low engagement of females in business, untapped resources, non-equal gender opportunities and maintenance of the high unemployment rate among females.

It is in this context the current study seeks to provide critical analysis of the current conditions for female entrepreneurship in the Republic of Macedonia, explores the Macedonian women individual entrepreneurial motives within the macro socio-economic context, as well as the challenges and difficulties they are facing. In concluding remarks, we offer policy recommendations to the Government and relevant stakeholders to increase women entrepreneurship through various schemes, incentives, and promotional measures.

2. Theoretical Background

Motivation is a psychological feature of a person who influences its future and which satisfies certain developmental, economic and social needs of the person. The person is motivated to satisfy a need that is the strongest at the moment. In order to meet their needs, women are increasingly choosing an entrepreneurial career by setting their own goals, planning actions and taking benefits for the accomplished goals. The factors that motivate women to start and grow a business are different from those related to men and therefore their exploration in the specific context is needed (*OECD, 2004; Bosma & Levie, 2010*). Examining the factors of a motivation of female entrepreneurship is considered one of the key success factors and causes special attention in the entrepreneurial literature (*Carter, 2000*).

The literature often reveals various “push” and “pull” factors as motivators for business start-up (*Alstete, 2002*) or alternatively negative and positive factors as discussed by *Carter & Jones-*

Evans, 2000). Factors that have negative connotation such as unemployment, inadequate family income, career dissatisfaction, difficulty in finding a job, the frustration of economic crisis, job insecurity, inability to generate own innovations, need for flexible work schedule are so-called “push” factors that can initiate women’s aspiration to start own business. Also, *Welsh (1988), Carter and Cannon (1988) and Carter et al. (2001)* showed evidence of a “glass ceiling effect” that impede executive women from reaching more senior executive positions and thus pushes them from management positions into their own business. At the same time self-employment is often a strategy to balance paid work with domestic tasks (*Still, 2005*).

“Pull” factors have a positive connotation and attract women to be entrepreneurs i.e. to establish and run their own business because of the prospective benefits both in business terms and individual perspective. Among the usually mentioned pull factors are: desire for personal development, making profit and wealth motive, ambition, social mission, the desire for flexibility and independence (*McKay, 2001*), creativity, innovation, self-fulfillment and satisfaction from the achieved, restricted progression opportunities in the workplace, social status and power (*Alstete, 2002; Orhan & Scott 2001*), challenge of business ownership and having control (*Carter & Cannon, 1992*).

Women are motivated by a number of different inter-related “push” and “pull” factors to become entrepreneurs and set up their own business (*Orhan & Scott, 2001*). We would single out some of them: securing the existence - the women are more and more the pillars of the family and they are struggling to provide existence for themselves and their families; the desire for independence - women want to be economically independent, that is to have their own business; desire for self-accomplishment - women always have a great need for self-fulfillment, they are persistent and combat, and in no way lag behind the man; desire for autonomy in relation to men - every woman wants to be economically independent from her husband, because this independence further influences the future of the whole family; desire for children to inherit business - a woman is most often recognized as a mother and she wants her children to have something to inherit; providing security for old age - a woman does not want to be anyone's burden when she is no longer able to work, she simply strives to provide security; desire for success and independence - most women need and desire to be successful, have their own career and are independent of anyone; the need for work satisfaction - the woman always looks at work with emotion and sensitivity; she simply wants the job that satisfies her; economic needs - every woman has economic needs like a man, and she wants to be independent; establishing and leading a business for a woman is a life strategy, and she directs her entire work, her time, her money towards it. Like *De Martino & Barbato, (2003)* noted a growing number of women are motivated by professional freedom, self-direction, and dynamic challenges. Self-employment when compared to traditional employment is often viewed by women business as a choice in life - a way of connecting family and career needs, providing more free time and facilitating childcare responsibilities. *Rosa et al. (1996)* suggest that women do not enter business for financial gain, but to pursue intrinsic goals such as independence and flexibility, to balance family and work commitments. A successful woman who runs her own business is also a successful wife and a mother, because her family and her children are still a bigger driver in the desire to succeed and endure. The importance of the financial gain is not usually the case with female entrepreneurship as, typically, it is linked to low profit and growth aspirations *Parker (2001)*.

Women face many essential and specific barriers in developing and running a business (*McKay, 2001*), that makes them different from men entrepreneurs. Barriers to women entrepreneurs are divided into several groups: basic barriers; specific barriers to starting a business; specific barriers to firm management; and specific barriers to firm growth (*OECD, 2004*). Some of the basic barriers that women entrepreneurs face are: lack of the basic skills and knowledge, lack of the support from relevant networks and associations, and lack of access to finance and investment funds. Women have less experience when starting and running a business

than men and therefore this is considered a big barrier for women entrepreneurs. Acquiring appropriate training (*Walker & Joyner, 1999*) and experience is very important, the greater is the experience, the greater are the possibilities for better problems solving and success of the business. Women entrepreneurs' cooperation and partnerships in national and international networks can facilitate the promotion of women entrepreneurship in the global economy. Associations are considered one of the main factors for start-up, running, growth and business success, exchange of experience, easier access to resources and very important for mutual support and affirmation of women entrepreneurs.

Regarding the specific barriers to starting a business, the biggest are access to external financing and gender discrimination (*Carter & Jones-Evans, 2000*). Women have less personal financial assets and property ownership than men. This means that women are given fewer opportunities, so they need to provide additional resources to take advantage of entrepreneurial opportunities. Also, women are facing a longer period of time to get finances for the same business opportunities as men (*Brush, et al. 2009; Carter et al., 2001*). Women find it harder to get finances due to gender discrimination. Financial institutions are in many cases skeptical in granting loans to women entrepreneurs and that makes woman marginalized in getting the initial capital to start a business. Gender discrimination is not only one of the obstacles to obtaining finance, but an obstacle to run and expand the business (*Bruni et al., 2004*).

Women face problems and management barriers in business relations with customers, banks, suppliers, employees. All previously mentioned, tend not to see the woman as a manager. Often, the roles of the manager, the mother and the person who takes care of the household cannot be combined. However, it is considered that women have the ability to cope with all those roles and show strong managerial characteristics.

Another problem and barrier that women entrepreneurs face is the growth of the firm in particular the growth of sales. While men have ambitions to achieve company growth, women have ambitions to achieve job satisfaction. The reasons why women do not have enough growth in the firm are finances. The lack of support from the family and the overcoming of cultural barriers are considered to be one of the biggest obstacles for women entrepreneurs (*McKay, 2001*). This is often the case in countries in transition where the Republic of Macedonia belongs, especially in the rural areas, where a woman's primary role is as a wife and a mother.

Several features of women entrepreneurs' specific to efficiency-based economies¹ (where the Republic of Macedonia belongs) can be highlighted. Hence, it can be concluded that:

- Women are 30 percent less likely than men to start a business;
- Women in the age groups 25-34 and 35-44 are more likely to report entrepreneurial activity than those in the age group 18-24;
- Women with post-secondary education and higher education are more likely to start a new business than women without education; and
- Women with positive perceptions of their skills and abilities are more likely to start a new business (*GEM, Women's Entrepreneurship Report, 2016/2017*).

3. Materials and Methods

This study aimed to collect, systematically present and analyze the most recent data on women's entrepreneurship in the Republic of Macedonia, challenges, and opportunities for its development, as well as the problems that Macedonian women entrepreneurs are facing. The theoretical framework was chosen with considerations that women's entrepreneurship in Macedonia is developed under specific complex social and economic circumstances. The research has four purposes:

¹ GEM divides countries by level of development into three groups: economies whose development is based on the basic factors of production, economies based on increased efficiency and economies based on innovation.

- To collect information about the personal details of respondents (age, marital status, education level, entrepreneurial field etc.);
- To explore the factors for the motivation of female entrepreneurs;
- To identify obstacles, barriers, and challenges faced by female entrepreneurs.
- To recommend future policy measures to relevant stakeholders.

Choice of the research methodology has been made in the line with the study’s purpose, relevance, and complexity of the researched phenomenon. The theoretical background is largely based on the classical methods of desk-based research of the available literature review and analysis of the empirical data retrieved from comparable international databases and national statistic.

To gain a better picture of current motives, problems, and perspectives of Macedonian women in entrepreneurship, ”face-to-face”, semi-structured, in-depth interviews were conducted with 40 local Macedonian women entrepreneurs during the period of December 2017 – March 2018, to complement secondary sources. The in-depth interview approach allowed a better understanding of the logic that underlies women’s entrepreneurship, generation of insightful findings and contextualization of the findings (*Zahra and Wright, 2011*). “Face to face” interviews allowed to both, researcher and interviewees to raise additional questions that followed the conversations flow, as well as to observe respondents reactions and non-verbal communication. Themes were identified to guide the interviewer and the relative informality of approach facilitated exploration of the issues. The interviews took place in different locations – at the business or home – depending on interviewee preference.

First, the respondents were asked questions about their personal characteristics (age, family status, education), then information about their enterprises (sector/field in which their enterprise is functioning, size of the business, years of the business existence, number of employees, form of enterprise, revenues realized, as well as the management problems). Then the respondents were asked open-ended, semi-structured questions about their motives for entrepreneurship, difficulties they face, future goals and visions for their enterprises, how they balance between work-life and family (personal) life, support they get from their families and so on.

Focus group discussion with women entrepreneurs also was used as data gathering instrument. The debates were a good way of exchange of views, ideas, and experiences, however emotionally and logically expressed, but without privileging particular positions or individuals. The study is also interpretive in nature, in line with *Lockett et al.’s (2013)* suggestions, as it allowed the study to capture women’s actual experiences, their meanings, and interpretations (*Johnson et al., 2006*). The interpretive approach allowed for a better understanding of the women’s entrepreneurial motives and challenges (*Gephart, 2004*). In the next section, we present results from the research.

4. Results

Considering women entrepreneurs’ age at the time when they started their business, most women belong to the age group of 36-45 years (45 percent) reflecting global trends (*Gender Entrepreneurship Monitor, 2016/17*). See *Table 1*.

Table 1: **Women entrepreneurs’ age**

Age Category	< 25 years	26-35 years	36-45 years	46-55 years	> 55 years
%	5%	27,50%	45%	15%	7,50%

Education is often mentioned in the relation with entrepreneurship, because provides necessary skills and competencies and increases the chances for success of the business. Although most of

the educated women in Macedonia are streaming toward better-paid positions as employees, our results showed an almost equal number of women entrepreneurs with higher (42, 5 percent) and with secondary education (47, 5 percent). Only 7, 5 percent of them have only primary education, and only one woman had master degree.

Women bussaines owners were asked about their family background. 80 percent of women said that they are married or have a partner and 65 percent of them have one or more children. Only 20 percent of respondents said they are not married, while 17, 5 percent stated that they don't have children. The flexibility of an entrepreneurial career is very important to the married women and for women who are not married yet. According to their answers, women usually work two jobs - at home and at the workplace and at the same time take care of elder members in the family.

From respondents answers was recorded that the majority of women entrepreneurs in the Republic of Macedonia own and manage micro enterprises and have from 1 to 9 employees. Thus, 75 percent of women run micro-businesses, and 22, 5 percent of the women manage small or medium-sized enterprises, while only by 2, 5 percent of women entrepreneurs in the Republic of Macedonia run large businesses with over 250 employees. Considering the size of the business, women entrepreneurs in Macedonia run smaller businesses than men. Mainly, this reason is due to several reasons: lower initial capital, lower number of employees, and smaller profits. The second thing is the desire of women to have control of the business they own and maintain at the level that gives them desirable work satisfaction.

Women entrepreneurs tend to occupy marginal positions in the labour market, segregated in the female, labour intensive, service sector. The results show that the woman - entrepreneur is most active in the field of services (45 percent) and trade (37, 5 percent). The production component is represented only by 5 percent, while in the craftwork 12, 5 percent of women. It has been noted that, in terms of new venture creation, women in R. Macedonia, tend to be more attracted to the services sector, starting businesses in sectors: Hair/Beauty; Gastronomy & Catering Service; Training & Consultancy; Fitness; Language teaching; Bookkeeping & Accountancy. Others start businesses in Retail; Fashion and Clothing; Childcare Providers; Arts and Crafts and a range of Professional services (wedding organizer, layer etc.). Furthermore, women-led businesses have a tendency to be small-scale ventures; not growth-oriented; risk-adverse and under-capitalized. Indeed, they have often been negatively categorized as “typical women’s businesses”.

Respondents were requested information on motivational factors for starting a business (selected most relevant “push and pull” factors from previous literature survey) and it had been given the opportunity to choose from multiple choice answers. In *Table 2* are presented main motivational factors of an interviewed group of female entrepreneurs. From it can be seen that the first ranged motive of women entrepreneurs in Macedonia is to have control and freedom in decision-making process (47, 5 percent of the surveyed respondents), followed by profits and wealth creation (45 percent), the third motive self-accomplishment (42, 5 percent), having faith in the products/services offered in the market (25 percent), etc.. In the category of other motives for having private business most frequently mentioned are having a flexible working carrier and the long-term unemployment.

Table 2: Motives for having a private business of women entrepreneurs in R. Macedonia

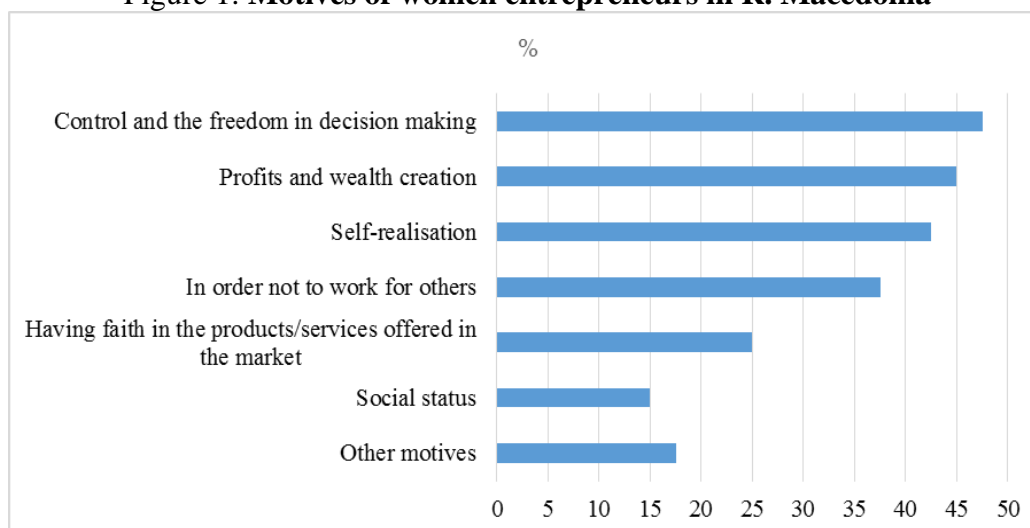
Motives	%
Control and the freedom in decision making	47,5
Profits and wealth creation	45
Self-realization	42,5
In order not to work for others	37,5

Having faith in the products/services offered in the market	25
Other motives	17,5
Social status	15

Women in Macedonia are more cautious than men when starting a business. Motivational factors for men and women entrepreneurs for starting a business are mostly the same. They behave independence, autonomy, achievement, higher profit, recognition. The difference is that men initially start the business because for economic reasons, while women for family needs. While men see entrepreneurship as a business decision, women see it as a choice in life - a way of connecting family and career needs. Women define success differently than men. For women, success means having control over their own lives, building ongoing relationships with customers and doing something that fulfills them.

As outlined in *Figure 1*, which summarizes the Macedonian women’s motivation for entrepreneurship, the majority of the respondents were “pulled” towards entrepreneurship for personal reasons: as a result from transition of the country to market economy numerous people lost their job, many of whom became self-employed out of necessity, for the desire for independence or the need for freedom, accomplishment, fulfillment, personal development and having control over their lives. Neither one of the interviewed entrepreneurs was not stated only one motivational factor, but the mix of “push or pull” factors. Many of them experience a continuous struggle between their roles of mother, wife and employer. The majority of women in this study had children (65 percent) and chooses a career that would allow them to balance their personal and career-related lives. All of them wanted to offer better living conditions and to create jobs for their children in the future. Family support is very important to them, not only as financial support but also emotional support.

Figure 1: Motives of women entrepreneurs in R. Macedonia

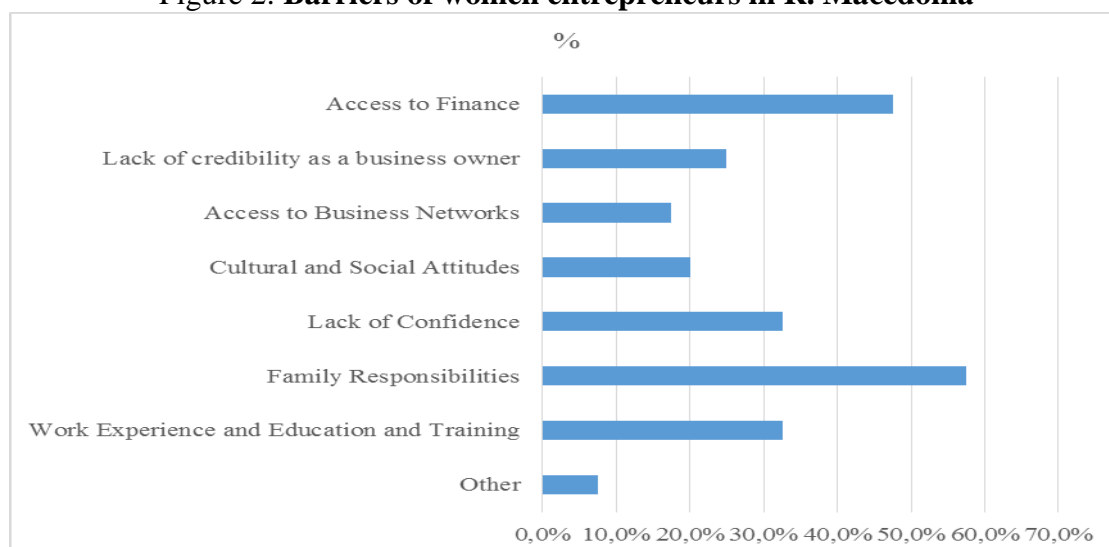


From available literature review mentioned before, the most prominent barriers and obstacles for women’s entrepreneurship had been included in the survey and respondents had the opportunity to choose multiple choice answers. Results are shown in *Table 3*.

Table 3: **Barriers for having a private business of women entrepreneurs in R. Macedonia**

Barriers	%
Access to Finance	47.5%
Lack of credibility as a business owner	25%
Access to Business Networks	17.5%
Cultural and Social Attitudes	20%
Lack of Confidence	32.5 %
Family Responsibilities	57.5%
Work Experience and Education and Training	32.5%
Other	7.5%

As can be noticed from *Figure 2*, the first ranked problem that women entrepreneurs in the Republic of Macedonia are facing is difficult to establish a balance between family and work (57.5 percent). As a consequence, they bear a double load of “full-time work and all domestic responsibilities.” A large share of problems is due to access to finance (47.5 percent). Financial constraints negatively affect women’s personal motivation to engage in the entrepreneurship. Women complain about the discouraging attitude of financial institutions towards them and a significant number of them found the process too complicated. Personal characteristics of female entrepreneurs sometimes may also create opportunities or barriers for them. There are a high proportion of females who have a fear of failure and lack of the confidence in their abilities (32.5 percent). Follows 32.5 percent who have obstacles such is lack of working experience, due to insufficient time to enhance their skills through various training and workshops. All women business owners expressed high demand for greater access to information and training in order to grow their businesses. Also, 17.5 percent of respondents noted that they want to be part of Business networks because they need additional support and access to information, contacts and knowledge. Problems in lack of credibility as a business owner are identified by 25 percent of women and 20 percent of respondents noted cultural and social attitudes as an obstacle for running a business. So-called “patriarchal syndrome” perceives a female as mother and housewife and neglects female’s individuality, equality and right to work. Only 7.5 percent of the surveyed women mentioned other reasons or they don’t face any obstacles in managing their business.

Figure 2: **Barriers of women entrepreneurs in R. Macedonia**

According to the findings presented above, we could make several conclusions. Macedonian women entrepreneurs are middle-aged (45 percent belong to the age group of 36-45 years),

married or living with a partner (80%) and have one or more children (65%). They own micro-enterprises, with no more than 10 people employed (75 percent), mostly in the service sector (45 percent) and trade (37, 5 percent). They are individualistic, creative, enthusiastic, initiative and flexible and have to deal with real problems in managing their business, such as selection and recruiting of the employees, making contacts with creditors, meetings with relevant stakeholders, dealing with customers and suppliers, payment of taxes and various bills and so on. Women mainly start their own business with their own savings, with the help of business partners, or spouses, parents, and less with loans from banks. Family support with resources and finances or providing with necessary contacts is very important for them.

According to motivational factors, it seems that most of them were “pushed” into entrepreneurship. The findings of this study, confirming earlier research point out that women are less motivated by wealth creation and career advancement reasons. Most of the surveyed women became entrepreneurs because of the desire for independence as well as a sense of self-accomplishment, and for family-related lifestyle reasons. Macedonian women entrepreneur is dealing with difficulties such as lack of financing, small initial capital, no property ownership, discrimination by the consumers, governmental and financial institutions, and unserious acceptance from male colleagues during meetings and business contacts, insufficient support from family, discriminatory socio-cultural values and traditions and insufficient institutional support mechanisms.

5. Discussion

After qualitative analysis of the results of our research and sublimated data from interviews, focus groups and public debates,² we would single out some of the most important challenges and perspectives in the women’s entrepreneurship development in the Republic of Macedonia. The most prominent are:

Access to **finance** for the business remains one of the most significant issues for women entrepreneurs in Macedonia. Financial support of the parent(s) or partner was the most mentioned source of financing among the surveyed women entrepreneurs. As our respondents confirm, financial institutions in many cases are skeptical in granting loans to women entrepreneurs, so that the women are marginalized in getting the initial capital to start a business. Gender discrimination is not only one of the obstacles to obtaining financing, but an obstacle to the everyday operation and growth of the business.

Investors and banks are often reluctant to finance start-up businesses run by women. **High cost for borrowing and loans from banks** and a savings institution, with the interest rates above 10% and special calculations favorable only to banks. Almost every one of the surveyed respondents noted that they have a tendency to rely on personal savings at the start-up phase of their business, only seeking bank loans or other sources of funding as the business develops. From respondents answers can be concluded that the higher level of education of women means greater cooperation with the banks. It is necessary to **provide support to micro-enterprises**. We found that almost 75 percent of surveyed women entrepreneurs in the Republic of Macedonia own micro-enterprises. A large number of women are ready to establish, expand or innovate in their companies, but high-interest rates and large-scale banks' requirements prevent such steps. Macedonian banks have high requirements for the collateral, usually in the form of a mortgage, which is particularly a barrier for potential female entrepreneurs, because in the reality females in Macedonia very rarely possess

² Public debates were held on the topic: *Is there a climate for the development of women entrepreneurship?* As a part of the activities of the project: "Strengthening the contribution and efficiency of civil society organizations from the women entrepreneurship to the EU integration policies in the field of economic policy (WE - Contribute)"- Association of business women Macedonia.

these assets (during traditional societal norms). It is necessary to establish guarantee and investment funds to support the start-up of women enterprises, to introduce credit lines for females, to provide assistance and support for using various financial instruments and to simplify administrative procedures for getting credit loans.

It has also been suggested that women entrepreneurs have **less confidence in their entrepreneurial abilities** than men which is an important requirement for achieving entrepreneurship. Women with the same level of education as male are filing less confident about their self-perceived knowledge. This is due to the traditional view of women as mothers and careers rather than as entrepreneurs and risk-takers. Women have less self-confidence in the start-up phase and that also affects their future business decisions and actions. They have lower self-beliefs about their personal capabilities, they have less management experience, they are unfamiliar with the business language, and they don't know how to access finances. Women prefer a field of action where new and different experience with small restrictions is possible, with some degree of certainty about the outcome and with less risk exposure. Self-confidence should be enhanced by changing their attitude to risk, by participating in well-developed women's professional networks, by attending the specific training, panel discussions, conferences, and business forums, by providing consulting services, and by conducting cooperation programmes with countries from the region and the wider area.

Due to intensive reforms in several reform areas, Macedonia has managed to improve many dimensions of its business environment. But, **an unfavorable entrepreneurial environment** in the country still exists. If there was a real entrepreneurial climate in the country, economic growth would be much higher, and the unemployment rate much lower. A key to accelerating job creation is fostering an entrepreneurial environment. Although the conditions are more favorable now than they were ten years ago, there is substantial space for improving the overall business climate and to encourage entrepreneurial initiatives. Ease of Doing Business in Macedonia averaged 26.90 from 2008 until 2017, reaching an all-time high of 69 in 2008 and a record low of 10 in 2016. In this respect, the Government should create favorable, friendly business climate which means good protection of property rights, effective execution of contracts, rule of law, an enabling legal and regulatory and institutional environment, access to Science, Technology and Innovation (STI), ICT tools, stable and predictable government policy, fight against corruption, elimination of administrative and bureaucratic barriers, favorable tax policy, etc. (*Ramadani et al, 2013*).

According to the respondents' answers, women in R. Macedonia face many obstacles related to the **traditional gender role**, which in turn affects their economic opportunities. In most cases, they have no ownership of the property, have little or no support from the institutions, find it difficult to access information, as well as finances. One of the vital obstacles faced by the women entrepreneurs was combining work with family responsibilities (57, 5 percent). Despite the efforts to overcome all discriminatory forms and efforts to reject all stereotypes that exist in society, unfortunately, some subtle forms of stereotypes still exist, they are changing slowly and they are difficult to dismiss. There is a need for institutional support, particularly in rural areas, like providing kindergartens, schools, banks, educational training programs for women.

Entrepreneurial **mentoring** is still an underdeveloped form of support in the Republic of Macedonia, especially in the domain of female entrepreneurship. Existing practices most often treat mentoring as one segment of a wider set of business support services without clearly differentiating it from coaching and without establishing a longer-term, standardized approach to supporting entrepreneurs.

Insufficient **stimulation of awareness** for the business. Lately, more attention is paid to encouraging awareness of women entrepreneurs, but the overall situation shows that this is still of a distant level than it is necessary. Awareness of the specifics of women's entrepreneurship can be developed with the active involvement of all stakeholders in the field of entrepreneurship: institutional decisions and incentives, cooperation with the non-governmental sector and in

communication with women entrepreneurs or those who have the desire and intention to be. In the last ten years, some efforts were made, yet not enough because they are only declarations on paper or marketing campaigns.

The huge rate of **unemployment and poverty of the local population**. This entails economic difficulties for all businesses, and especially small and start-up businesses.

Lack of a sufficient business connection between regions in the country, especially in the area of small businesses. There are no real regional development programs by local authorities that will increase the connection with the communities in the neighboring countries that will facilitate business activities between the business entities of those local areas. Women entrepreneurs face difficulties in **finding a market** for their products and have limited access to training, particularly in rural areas. Female entrepreneurship can emerge from the framework of micro and small businesses and increase the number of employees with more frequent business meetings at the regional level for new partnerships.

An insufficient number of business incubators. In a state such as the Republic of Macedonia, there are only six such centers that have recently undertaken appropriate efforts for the development of entrepreneurship, as well as organizing trainings for women entrepreneurs. Yet to experience greater benefits requires every city in the country to have such a center which will produce 20-30 new businesses annually. Again, local self-government can play a major role, at least with premises for such centers.

The passivity of Universities. Although the last years have made great progress in this field, however, higher education institutions should be more actively involved in developing entrepreneurial study programs, carrier development support, with a special focus on female entrepreneurship and family businesses.

Unused potentials for women entrepreneurs exist in many fields - what is really happening is that women mostly focus on the service sector and on those activities they are familiar with. A small proportion of women entrepreneurs are focused on working with technology, science, energy, and the like. According to the Association of business women of Macedonia, there is a lack of STEM education (science, technology, engineering, mathematics) for women entrepreneurs (*Ivanova, et al, 2016*).

6. Conclusions

Women's entrepreneurship in Macedonia is still underdeveloped and there is a lack of Governmental support into concrete policies. Previous results point out to the need to create measures to encourage women entrepreneurs in the Republic of Macedonia, especially measures that would increase the number of employees in legal entities owned by women, as well as measures that would increase the business activities of women in rural areas. This indicates that the conditions that support women to establish and develop enterprises are different from those that help men and hence, it is necessary to further explore the factors influencing female entrepreneurship development in Republic of Macedonia. Women's domestic work is not valued, but as an activity, tradition, and custom it is a great national wealth. However, for women to demonstrate their maximum potential, should be actively involved in the process of management as owners and managers, which will confirm their true abilities, knowledge, and skills, and thus their entrepreneurial spirit that should be supported and developed. It is often the case that woman is the legal representative of the company, but practically company is operated by a man who is employed in a public administration or other private company. Nevertheless, despite the available human potential and capabilities of women, the successful development of women entrepreneurship requires strong support both by the Government and by the local self-government and all other stakeholders in the respective areas. Therefore a broader and more specific research on female entrepreneurs and family enterprises in Macedonia is needed.

Even though there are many economic factors contributing to the abovementioned problems women face, the difficulties in balancing private and professional life have been particularly recognized as a reason that contributes to the high level of female inactivity at the labour market. At the same time, a lack of childcare facilities and the necessity to do household work is a hurdle to professional growth and career advancement (CSF, 2018). The main obstacles are gender discrimination and difficulties for women to reach finance. The roles between men and women need to be clarified to achieve economic stability and empower women in entrepreneurship. The economic empowerment of women depends primarily on their access to resources, the possession of skills to use them, the availability of specifically designed active measures for women entrepreneurs, and the recognition and promotion of women as leaders and business professionals. Today, unfortunately, the woman still remains to be a strongly unused, underestimated and unrecognized business resource. At the same time, the woman as an entrepreneur faces a number of additional challenges arising from the traditional gender division of roles, the unequal distribution of tasks, and the lack of specifically designed measures to support female entrepreneurship, and the unequal treatment of women in the business community.

Adoption of the National Strategy for Women’s Entrepreneurship in the Republic of Macedonia, making a database for women entrepreneurs, as well as developing the awareness for increasing the number of women entrepreneurs in the country are part of the goals that need to be realized as soon as possible. It is vital to establish gender-sensitive policies aimed towards improving women’s economic status, to implement different social and educational programs, and deliver training sessions.

7. Bibliography

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