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# NECESSITY OF ACTUALIZATION OF THE YOUTH ENTREPRENEURSHIP AMONG ROMA AS POSSIBILITY FOR DECREASE OF THEIR UNEMPLOYMENT<sup>1</sup>

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### **ABSTRACT**

The Republic of Macedonia is making significant efforts in solving the social and economic problems such as youth unemployment and social exclusion. One of the greatest challenges that the municipality of Bitola is facing is the big rate of unemployment in Roma community. There is a question how to become actively involved in decrease of the Roma youth unemployment in Bitola Municipality? The answer lies at the defining the systematic – strategic frame, in which the focus will be toward the support of this marginalized group of people. The overall aim of this study is to identify the relation between the level of education and the labor engagement of the young Roma with the entrepreneur motivators. This will be the basic thing for boosting the entrepreneurship at

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<sup>&</sup>lt;sup>1</sup> original scientific paper

young Roma, i.e. the effective strategy for training young educated Roma after receiving this skills and knowledge to better integrate and position at the labor market.

**KEY WORDS:** entrepreneurship, youth unemployment, social entrepreneurship, Roma community.

### INTRODUCTION

The Republic of Macedonia has done positive step forward for the Roma as ethnic community as a part of the legal obligation and moral duty. Bitola municipality is not exception although there is the need for increased interest for improvement of the life quality in this ethnic community, especially the young Roma. In relation to young Roma, one of the basic challenges that Bitola municipality is facing is to create conditions for increase their integration on the labor market as people who belong to a risky group who are poor and socially excluded. According to the official records of the 2012 census the total number of Roma who live on the territory of the Bitola Municipality is 2613 but the new records according the NGO department tells us that this number is much higher and is over 5000 Roma. The "Bair" area is a consisting part of Bitola municipality where the highest percentage of the Roma population is concentrated. Roma ethnic group is facing huge number of problems among others are following: low level of economic activity, social welfare dependence, low level of education and higher level of illiterate people. All of these problems are causing negative perception, stereotypes and judgement toward Roma by the other non Roma population. And that involves for Roma to feel daily discrimination in every aspect. Facts show that when it come word for solving a problem that Roma community is facing, the traditional approach is still in use. Having in mind the condition of the Roma community in comparison with other communities, this traditional approach isn't giving significant results. In that sense this problem is not effectively absolved especially the employment and being employed in this group of people of Bitola municipality.

# THE ANALYSIS OF THEORETICAL KNOWLEDGE FOR ENTREPRENEURSHIP AND SOCIAL ENTREPRENEURSHIP

The concept of the entrepreneurship is changing from its beginning. It is a study that can be analyzed from many aspects related to the human act and behavior where creativity, innovation, new ideas, new way of solving problems is required to satisfy the need of the human. The entrepreneurship can be analyzed of the aspect of what kinds of entrepreneurships are there such as: youth entrepreneurship, intrapreneurship, social entrepreneurship, etc. Each concept dates since late years and opens numbers of discussions and research. Apart from that we shouldn't neglect the fact what the author Radoslav Avlijas says: entrepreneurship is a complex multidimensional frame that gives attention to the individuals, surrounding, organization and the entrepreneurship process. (Avlijas, 2010, 6).

# RESEARCH METHODOLOGY

An answer should be found for the following basic research questions: what are the basic approaches of the young Roma for starting personal business? What knowledge of the entrepreneurship and small businesses should young Roma have? What skills and competences do young Roma need to start personal business? The research had intention to define sample with its own goal which will cover the population of young Roma from Pelagonia region. The aimed sample (target group) is consisted of young Roma, between the ages of 18 - 29, who live in Bitola. Research included 100 Roma between the ages of 18 – 29, who live in Bitola. The study is about exploring of the general hypothesis: Motivators of the young Roma for starting personal business vary according to their level of formal education that they have and their work engagement. That approach allows young Roma to feel the need for identifying the skills and competences needed for starting personal business. That means that the system approach in the young Roma education for entrepreneurship will have positive affiliation in decrease of the unemployment and encouragement of the entrepreneurship spirit. One of the hypotheses that are developed in this study is: The level of the education among young Roma has influence on the motives for starting personal business. Personal Startup Business motivators are measured through: higher salary and income, the solution for the existential question and the socio - economic integrity of the young Roma in the community. Several hypotheses are taken in consideration, or thrown away through the measurement of the independent and dependent variables. Variables are measured with aimed sample of 100 young Roma, between the age of 18-29, from Bitola municipality. To process the obtained data a software package SPSS is used, applying the cross tabulation (crossing/contingency chart). The use of this procedure allows checking the relations between the variables. The relationship between the variables varies from totally independent to totally connected variables.<sup>2</sup> It is a test that measures whether the crossing of the given variables is statistically significant, if it measures whether the distribution of the values by the rows and columns is independent. According the statistic criteria when the value of this parameter is lower than 0.05 (p < 0.05) that implies on possible certain connection between the chosen variables. If p > 0.05 then, it can be seen that there is no connection between the chosen variables and that means there are no significant statistic differences. Collecting the data presents organized activity focused on the noticing and evidencing the views and opinions of the young Roma toward the youth entrepreneurship through the use of appropriately verified methods, techniques, chosen according the goals of the research. The elementary method used in the research is questioning method, it represents base for collecting the empiric data through written statements given by the questioned people (young Roma, age 18-29). The basic technique of this questioning method that is used in the research is survey, the instrument is called questionnaire. This research used a written survey, done on questioned people who have developed habits on written communication. The survey includes standardized questionnaire (survey questionnaire for entrepreneurship of young Roma). It consist of two parts, first includes the demographic characteristics of the questioned people and the second includes the scale of the views and opinions of the young Roma about the youth entrepreneurship.

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<sup>&</sup>lt;sup>2</sup> For variables, it is important to know what kind of relationship they are putting. The relationship is: an independent-dependent variable (specific hypotheses). An independent variable is one that changes the values of the other variable. A variable whose values change as a result of changes in the non-dependent variable is called a dependent variable.

#### RESEARCH RESULTS AND THEIR INTERPRETATION

The structure of the processed data is divided into two parts. First process the demographic characteristics of the questioned people and the second, the views and opinions of the young Roma about the youth entrepreneurship from several aspects. The research includes sample of young Roma whose demographic characteristics are explained on the chart below. According gender of the questioned people, the research includes both male and female. According received data, the research includes 100 people from the Pelagonia region. 78% are male, 22 % are female. The randomly structured aimed sample dominates with male population with certain age. The research includes Roma from age 18-29 years old. Received data implies to the fact that 51 % have high school degree, 47 % are with primary school degree and only 2 % have university degree. A very important fact about the research is that half of the questioned people are with high school degree. The importance is about identifying the entrepreneurship skills of the young Roma as possibility for solution of their bitter problem: employment or self-employment. Based on the results insignificant percentage of 5% are young employed in private firms and 2 % have their own business. Most of the questioned people are unemployed who without doubt expressed the need for actualization of the entrepreneurship to this marginalized group of young people. That will be the way for them to overcome the bitter problem of unemployment. If we take into consideration the present socio – economic situation in our country and the over employment in the public sector, the situation with young Roma is more than concerning. That stresses the need for encouraging the youth entrepreneurship and the way of thinking towards the startup of the personal business, in this marginalized group of young people. The motifs for startup of the personal business include the basic aspects for higher salary and income, solution of the existential question and socio – economic integrity in the community.

# Chart no. 1 the cross of the variables: level of education of the young Roma and higher salary and income

**Chi-Square Tests** 

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	3.936 <sup>a</sup>	2	.140
Likelihood Ratio	4.327	2	.115
Linear-by-Linear Association	.002	1	.968
N of Valid Cases	100		

a. 1 cells (16.7%) have expected count less than 5. The minimum expected count is 3.06.

Data in chart 1 gives us the relation between the independent variable: level of education of the young Roma and the depending variable: higher salary and incomes a basic motivator for startup of the personal business. The relation is totally independent. The cross of the chosen variables shows that it is statistically insignificant, according statistic criteria. In this case the value of the p is .140 which means that it doesn't fulfill the statistic criteria p<0.05 and by that a conclusion can be withdrawn that there is no connection between the chosen variables, which means there are no significant statistic differences. Another conclusion is that the level of education is not determined for higher salary and income, thus the motivation for higher salary and income presents inside requirement that allows the person to act towards becoming young entrepreneur. A person who wishes to succeed in the world of entrepreneurship has strong motivation that encourages him / her to take innovative actions. Startup business motivators are directly connected to achievement of the entrepreneurship goals. But the entrepreneurship is not yet fully integrated in 3 levels (primary, secondary, university), although there is a solid tendency and focus on building young people that will have entrepreneurship aspirations.

Chart no2. The cross of the variables: level of education of the young Roma and solution of the extensional question

**Chi-Square Tests** 

Chi Square 1ests				
	Value	df	Asymptotic Significance (2-sided)	
Pearson Chi-Square	.243ª	2	.886	
Likelihood Ratio Linear-by-Linear	.248	2	.883	
Association	.080	1	.778	
N of Valid Cases	100			

a. 1 cells (16.7%) have expected count less than 5. The minimum expected count is 3.69.

Data in chart 2, tell us the fact that the relationship between independent variable: level of education of the young Roma and the dependent variable: solution of the extensional question as a basic motivator for startup personal business is totally independent. The cross of the chosen variables shows that it is statistically insignificant, according statistic criteria. In this case the value of the p is .886 which means that it doesn't fulfill the statistic criteria p < 0.05 and by that a conclusion can be withdrawn that there is no connection between the chosen variables, which means there are no significant statistic differences. Not every young Roma has affinities for entrepreneurship or wish to become entrepreneur, but this is one reason why young Roma who have entrepreneur aspirations should gain such education. Through that kind of education they will gain knowledge, skills and motives for their own business.

**Chi-Square Tests** 

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	.508 <sup>a</sup>	2	.776
Likelihood Ratio	.435	2	.804
Linear-by-Linear Association	.374	1	.541
N of Valid Cases	100		

a. 3 cells (50.0%) have expected count less than 5. The minimum expected count is .54.

Chart no. 3. The cross of the variables: level of education of the young Roma and socio economic integrity of young Roma in the community.

Data in chart 3, tell us the fact that the relationship between independent variable: Level of education of the young Roma and the dependent variable: socio – economic integrity of young Roma in the community as basic motivator for startup of the personal business is totally independent. The cross of the chosen variables shows that it is statistically insignificant, according statistic criteria. In this case the value of the p is .776 which means that it doesn't fulfill the statistic criteria p < 0.05 and by that a conclusion can be withdrawn that there is no connection between the chosen variables, which means there are no significant statistic differences. Having in thought data from the chart it is no surprise to us the fact that young Roma include themselves in non-formal (gray) economy, where they do not achieve their rights on welfare, healthcare, pension fund – insurance. They are not fully socio economic integrated in the community where they live and act. The education of these marginalized young people will help them achieve dynamic entrepreneur qualities through which they can express their potential in professional career. They will also be included in the modern socio – economic currents. The level of education is not statistically significant for the personal business startup motivators; there is a need for actualization of the question for informal education. Entrepreneurship educations which will help young Roma gain certain knowledge, skills and competencies. Through informal way of learning they will gain basic knowledge of business and in that way they will have possibility to become competitive on labor market.

#### CONCLUSIONS AND RECOMMENDATIONS

According the received data from the research, the conclusions and recommendations should be towards the systematic – strategic support of this group of marginalized young people. The biggest percentages of Roma between the ages of 18-29 who live in Pelagonia region are unemployed. From written above, one of the solution is to actualize the entrepreneurship and social entrepreneurship through active participation of the Bitola municipality. Although this group of young people is facing unemployment problem and the question for finding a job, they still show increased interest for entrepreneurship. Basic startup motivators for personal business are higher salary and income, the solution for the existential question and the socio – economic integrity of the young Roma in the community. Apart from the motifs for startup personal business there are de-motivating factors that prevents young Roma from being part of the entrepreneurship. Three essential de-motivators that are preventing young Roma to startup their own personal business are: tough approach to finances, lack of self-confidence and lack of knowledge for dealing with the ideas. Unstable business climate in the country can also be a de – motivator. What this group need is institutional support so they may get education in the area of finances, taxes, programs and measures for startup personal business. They can do that through effective communication with relevant institutions. On this way they can increase the possibilities for building the entrepreneurship culture among young Roma. For them, the entrepreneurship means realization of new business idea, opening up a store (shop market), getting out of the poverty, making effort and finding the right period to escape from the hard socio – economic condition. That is why, their knowledge for entrepreneurship is still shallow and they need to deepen it. The improved skills and knowledge will allow them to find better, easier ways to outcome the barriers. Those barriers are noticed in the development of the presenter skills, computer skills and the knowledge of foreign language and certain crafts. Another important thing is to mention that when it come word about sources of finances, this group gives biggest trust to banks and grants /donations. That means that actualization of the entrepreneurship and social entrepreneurship as modern and contemporary areas that are dealing with youth entrepreneurship. There is a need for creating politics, platforms, strategies and plan documents with which young Roma will become significant factor. They can increase their awareness for startup personal business as an opportunity to solve the most bitter question connected with employment and self employment.

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