

Women's Entrepreneurship in the Former Yugoslavia: Toward the Future



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Abstract This chapter comprehends briefly women's entrepreneurship, and it gives a concise and understandable review of each chapter's material. In this chapter, all ex-Yugoslavian countries are revised separately in terms of women's entrepreneurship, its status, and its future perspectives. Additionally, authors provided the final words on this topic with an extension of possible steps recommended as the future research.

1 Toward the Future

Women entrepreneurship in recent times has been advancing a lot. Industrialized countries had started this phenomenon even in the nineteenth century. Although it is traced in the Europe in the nineteenth century, as well as in the Balkans, as Vuković (2015) argued, real development was barely seen in the region of ex-Yugoslavia, however. It was due to the state systems that the whole Balkan countries had. Another reason was that women's primary role was to nurture their children (Gross and Szabo 1992; Palalić et al. 2018a) and had no time for extracurricular activities like entrepreneurial ones.

The former Yugoslavia was under the emancipation process of females in society after WWII (Simić 2011), and more precisely it dated from 1945 till now. Although this process was seen in this region as progressive, but women roles were not seen on the surface, rather hidden and limited, and yet they were involved in specific activities such as clerical and manufacturing (Mežnarić 1985) and agricultural. No

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exposure of women as entrepreneurial leaders was traced in the region that will represent an exemplary leadership of this category. All former republics of ex-Yugoslavia (Alpeza et al. 2018; Mustafa and Krasniqi 2018; Palalić et al. 2018c; Palalić and Bičo 2018; Petković and Ivanović Đukić 2018; Ramadani et al. 2018), except Slovenia (Palalić et al. 2018b), did not meaningfully support entrepreneurship development regardless of gender, yet it was considered as a destructive phenomenon to society (Dana et al. 2018; Palalić et al. 2018b).

After the resolution of Yugoslavia, in the early 1990s, a transition wave from the West gripped the region, and the economic and political transition (Ramadani and Schneider 2013) of the region started. However, this transition has taken a few decades, and still, many obstacles for entrepreneurship development (Palalić 2017) are opposing the true entrepreneurship advancements. Entrepreneurship of females was not delved deeply. Being gender-sensitive issue in this region, after the crash of the “Yugopluralist model” (Dana 2010), women entrepreneurship development is yet to start.

The *Slovenian* case, regarding women entrepreneurship, is having a good standing. Although more men are involved in businesses than women, still women’s entrepreneurship plays a significant role in Slovenian economic development. The age of female and male entrepreneurs is more or less the same, while education level of female entrepreneurs is higher than the male ones. In conclusion, Slovenian business landscape created a kind of balanced gender entrepreneurs, which contributes to its society development.

Croatia sees female entrepreneurship as one of the vital parts of its national economy. Being a woman entrepreneur in Croatia is very challenging and sometimes depriving due to many obstacles and factors that negatively influence women entrepreneurship. One of the instruments that the Croatian government uses for development of female entrepreneurship is the *Croatia Women in Business Program*, which was established in 2011. The program helps women oriented toward entrepreneurship to establish their entrepreneurial career through a variety of training, seminars, workshops, and consultancies (EBRD 2019). Over 50 projects have been implemented through this program across Croatia. It should be noted that other nonprofit organizations, like CESI (CESI 2019), contribute to women entrepreneurship since 2015, as well as many others.¹ This entrepreneurship aspect in Croatia has potential, and it is fully supported by the government, which dedicated the state’s 6-year strategy to its development (*Strategy of Development of Women Entrepreneur, 2014–2020*).

Women entrepreneurship in *Bosnia* is undeveloped. The State Ministry for Entrepreneurship does not exist. Due to complex state system structure, each entity has its own Ministry for Entrepreneurship. In awaiting for the state strategy for entrepreneurship in general, and yet to be thought for women entrepreneurship strategy, women entrepreneurs started to launch their own platforms to promote female entrepreneurial activities via several platforms, and among them are

¹For more information, please see chapter “Women’s Entrepreneurship in Croatia”.

“Poduzetnice” and “Udruženje poslovnih žena (2020)”. One of them designed a women entrepreneurship 2-year action plan from 2018 to 2020 (Poduzetnice 2018).

Bosnian government is not doing enough regarding women entrepreneurship. There are no reliable data available for this aspect since the state structure is decentralized, and thus the data are not uniformed. Data uniformity is important because a good strategy must be based on valid data for the whole country. However, women entrepreneurship has potential, but it is far behind developed and supported by its government compared to Slovenia and Croatia.

Serbian women in the labor market are still discriminated, which resulted in their aspirations to be self-employed. There are some means to support women entrepreneurship, but these are limited and dependent on many internal and external factors. Women entrepreneurs are highly motivated, but obstacles like capital, managerial experience, familiarity to a business, and house obligations are defocusing women's potentials in their entrepreneurial activities.

Kosovo, as a newly emergent economy in the Balkans, provides a wonderful place for new businesses whose taxation policy is truly favorable. Its economy is based on SMEs (99%) with unnoticed presence of large corporations. From the total number of companies, over 10% are owned by female entrepreneurs. A decade ago, the number of registered female entrepreneurs was higher compared to males (Hoxha and Krasniqi 2008), and one of the reasons was that an international community and other organizations had enormously supported this trend (Ramadani et al. 2015). This trend has its growth, but still, it is at the inception stage, due to different cultural and political factors (Ramadani and Dana 2013; Welsh et al. 2017), as well as gender issues, which are specifically related to this region (Palalic 2017).

North Macedonia has a very favorable entrepreneurial environment for new business comers. Among former Yugoslavian republics, which were not accepted by the EU, this country is the best regarding the establishing of new businesses. Women entrepreneurship in this country has challenges, and the foremost one is nonexistent database for women entrepreneurs, which could be a good basis for strategy design by the government. Secondly, females are faced with time limit for their personal and professional development regarding entrepreneurial aspirations. Additionally, work–life balance is critical, which does not provide more time for further education in entrepreneurship field. However, all these observed limitations that businesswomen (current and prospective ones) face with could be turned into opportunities if appropriate actions are undertaken by important figures (governmental, nongovernmental, and others) to support women entrepreneurship in this country.

Women in *Montenegro* face difficulties regarding their entrepreneurship perspective. Mostly, the cultural values, based on patriarchy, restrict women to develop their entrepreneurial mindset fully. Also, a low number of women in political and any other decision-making, as well as in leadership positions, show this stumbling block that does not allow this phenomenon to advance and further develop. Factors like finance access, appropriate knowledge in business field, family obligations, as well as gray economy deeply hamper women entrepreneurship development in Montenegro.

Finally, former Yugoslavian republics, even to some extent those who are already EU members, shall adopt the policy proscribed by the OECD/EU (2019) suggesting to reduce the gender gap in entrepreneurship. In overall, the tendency of reducing this gap is positive, but it is mostly due to low motivation of men to be self-employed (OECD 2019). While the situation in the EU could be exemplary to the Balkan countries, in reality, there is a much bigger gap between male and female entrepreneurs when it comes to non-EU countries. Male entrepreneurs are 50% more successful in business growth than female ones (OECD 2019). Anecdotally speaking, a huge gap exists in former Yugoslavian republics. Partially, it is due to the transition from one economic system to another that takes a lot of time (except Slovenia and Croatia), with fewer improvements in entrepreneurship development in general. Another issue, which should be researched diligently, is the regional culture that is impregnated in people's mindset, which is reflected furtherly in a low entrepreneurship development.

Taking into consideration that the EU provides many decent funds for gender entrepreneurship, governments of ex-Yugoslavian republics should work jointly on reduction of gender entrepreneurship gap and advance female entrepreneurship through certain development programs provided by the EU.

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