

Women and Entrepreneurship – Albanian Case

Dr. Anna Xheka

University “Aleksander Moisiu”-Durrës, Albania

xhekaanna@gmail.com

Abstract

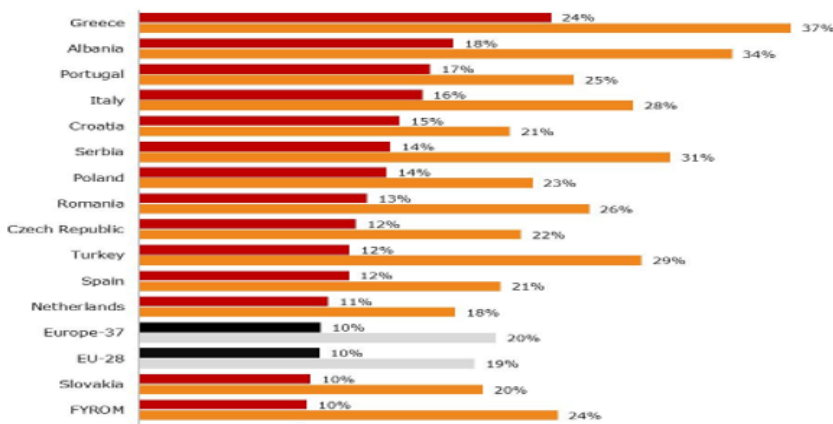
Women's entrepreneurship is a powerful source, regarding to the women's economic independence and empowerment, as well as regarding employment generation, economic growth and innovation, development and the reduction of poverty as well as one of the terms of gender equality. This poster presents the situation of women's entrepreneurship in Europe in comparative terms, with special focus in Albania. The paper has a descriptive nature. Describes three different plans in comparative terms; the representation of men and women in entrepreneurship, the representation of women in entrepreneurship in different countries of Europe and of Europe as a whole, as well as compare to gender quota. Through the processing of secondary data from various reports and studies, this poster concludes that although that the gender equality goal is the equal participation of men and women in all sectors, including the entrepreneurship, in this sector, gender gap it is still deep. Another significant comparative aspect, it is the difference between full and part –time women entrepreneurship. While in full time entrepreneurship in a convince way, men are those that dominate, in part time entrepreneurship clearly it's evident the opposite trend, women's representation is much higher. It's very interesting the fact, that the women's entrepreneurship in Albania, presented in a significant optimistic situation, ranking in the second place, after Greece in the European level.

Keywords: Women's Entrepreneurship, Gender Equality, Europe, Albania

Europe and women's entrepreneurship situation

Actually women constitute 52% of the total European population, while the women entrepreneurs in Europe, constituted only 29% of entrepreneurs, increasing since 2008 with 3% and presenting in a very high level, (78%) the model of one – person enterprise (European Commission, [EC], “Growth,” 2016). The analysis of the available data on women entrepreneurs in 37 countries, which include the 28 EU Member States, Albania, Former Yugoslav Republic of Macedonia (FYROM), Iceland, Israel, Turkey, Liechtenstein, Montenegro, Norway and Serbia, shows very interesting figures.

European Commission uses the entrepreneurship rate as indicator, to compare the entrepreneurial level of women and men in and between countries, which expresses the percentage of entrepreneurs in the total active labor force. (EC, 2014, p.7).



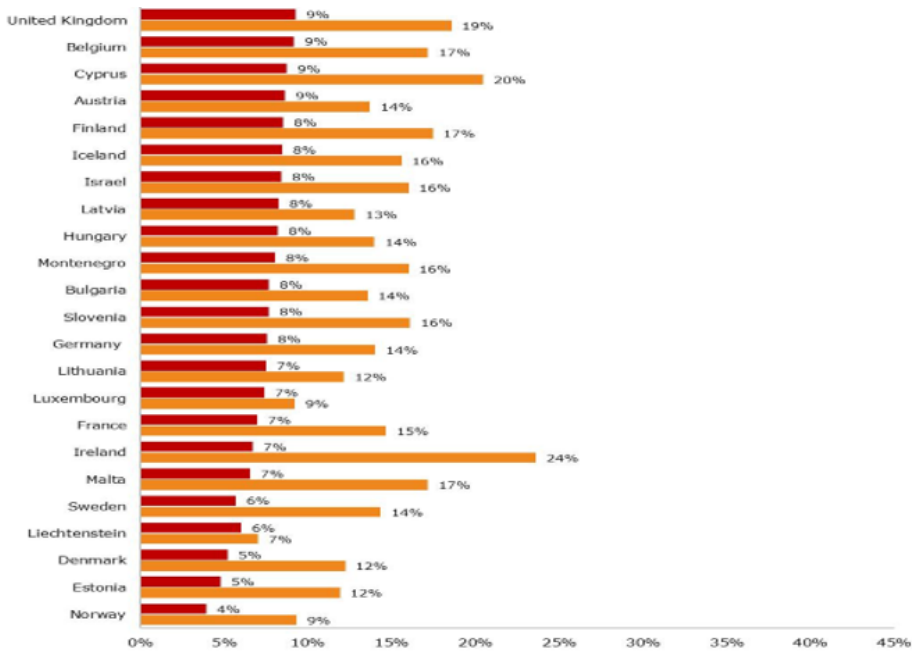


Figure Nr. 1: Percentage of entrepreneurs in total active labour force (entrepreneurship rate) by gender and country in Europe-37, 2012

Source : EC. (2014) *Statistical Data on Women Entrepreneurs in Europe*. p. 8.

The above data shows that, the average of the entrepreneurship rate, referred to 37 European countries analyzed, as well as those 28 of the European Union, it is in a very critical level for women, only 10%, compared respectively with 20% and 19% for men.

If we compare countries between them, it is clearly evident that the differences are significant. Greece is on the top of the European ranking with women's entrepreneurship rate of 24%, compare to 37% of the men, followed by Albania with women's entrepreneurship rate of 18%, compared to 34% of the men. In the end of the ranking there are countries such Estonia with women's entrepreneurship rate of 5%, compared to 12% of the men and Norway with women's entrepreneurship rate of 4%, compared to 9% of the men.

Another important distinctive characteristic between women and men entrepreneurs is their status regarding "solo entrepreneurs"¹ and "employers"².

The European Commission report, (EC,2014, p.10) shows that in 2012, 78% of women entrepreneurs in Europe -37 were "solo-entrepreneurs" and 22% were "employers", while regarding the men entrepreneurs active in Europe-37, 81% were "solo-entrepreneurs" and 19% were "employers". The percentages for EU-28 were respectively as follow, 23% of women and 30% of men entrepreneurs were "employers".

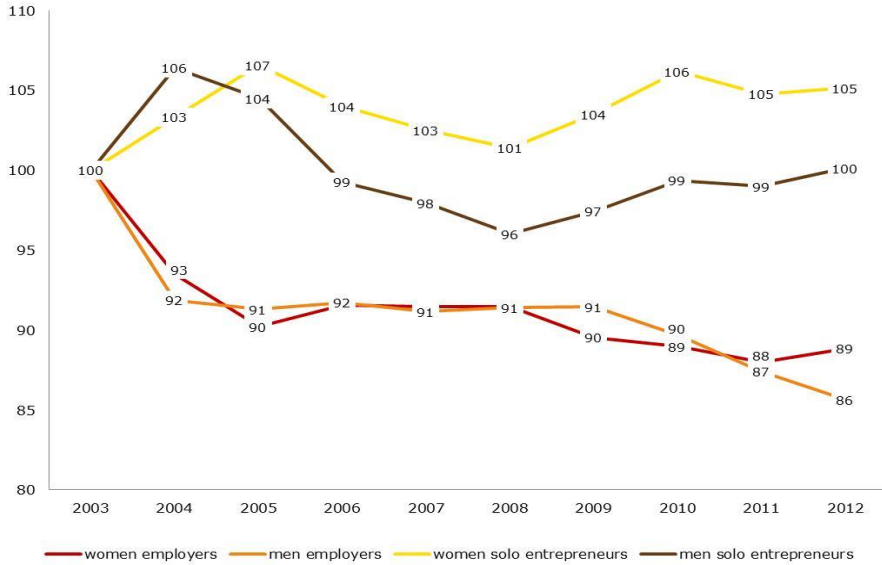
There are large differences between countries. Montenegro followed by Hungary and Ireland had the highest proportion of women employers, and Romania and Albania the lowest.

Figure Nr 2: Change in the percentage of solo entrepreneurs and entrepreneurs who are employers in the active labor

1 Solo entrepreneurs is a professional who chooses to go into business by themselves ("go solo"), collaborate with others, grow their business without boundaries and, more than likely, without employees. See (EC, 2014, p.9).

2 Employers are persons who operate their own economic enterprise, or engage independently in a profession or trade. They employ one or more persons and/or family workers. See *ibid*.

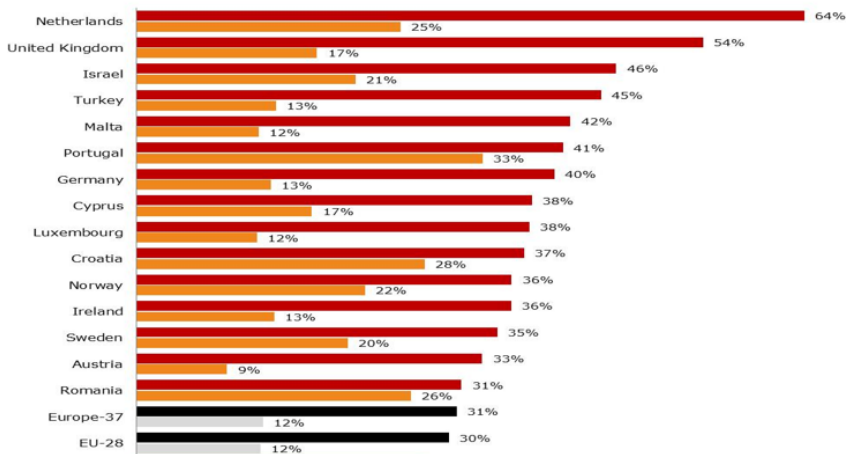
force by gender in Europe-37, 2003-2012 (index 2003=100)

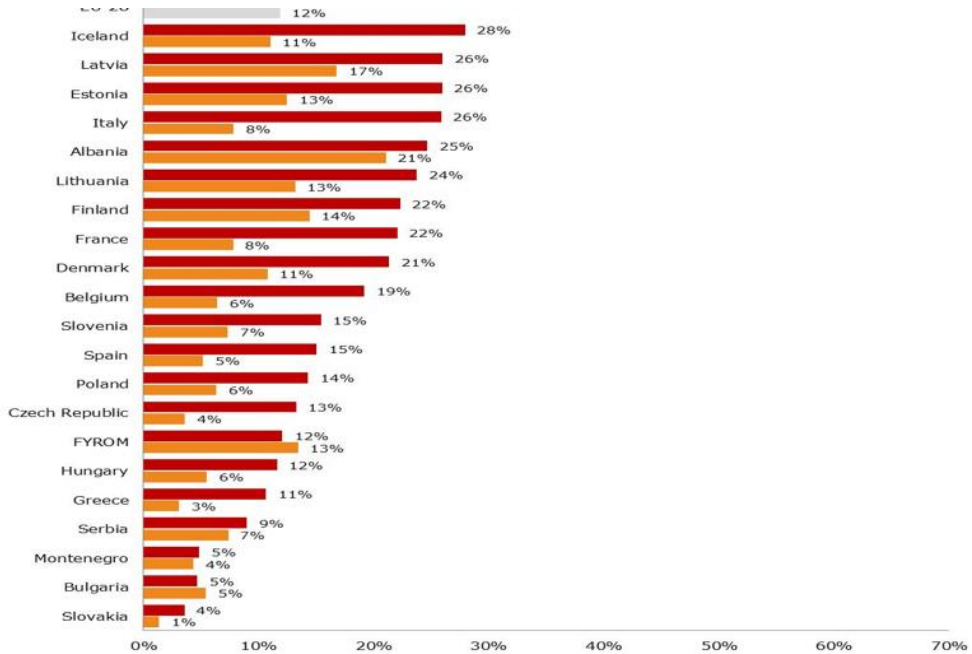


Source: EC. (2014) *Statistical Data on Women Entrepreneurs in Europe*. p. 10.

While the percentage of women in full-time entrepreneurs it's in every case less than the men's percentage, it's presented an opposite trend regarding to the part-time entrepreneurship. European Commission dates (EC,2014, p.11) shows that while, between the countries there are big differences, in the EU -37, 31% of all women entrepreneurs were working part time in their enterprise, compared with 12% of men entrepreneurs. The percentages for EU-28 were almost in the same level (30% and 12%, respectively). This is another factor that brings inequalities between genders in the sector.

Figure Nr.3: Percentage of part-time entrepreneurs by gender in Europe-37, 2012





Source : EC. (2014) *Statistical Data on Women Entrepreneurs in Europe*. p. 11.

European Commission experts, in their analyze pointed out, that women face a number of difficulties and obstacles in their entrepreneurship challenge, such are : the absent of access to finance, double burden of home and work responsibilities, unfavorable business regulations, cultural barriers, choice of business types and sectors, information and training gaps, lack of contacts and access to social support and networking, differences regarding the entrepreneurship approach, education and occupational segregation, less managerial experience, ect. The lack of the property rights often deprives them from credit access to start or develop entrepreneurship activities. They suffer also lack of confidence and the lack of role models of female entrepreneurship.

Albanian case

Albanian economy continues to be dominated by small, very small and micro enterprises, each employing one to four people. These enterprises presents 92% of all registered businesses and 62% of these are active in trading, tourism and catering pattern: women’s contribution is 96%, whereas men’s is 4% (UN, 2011, p. 78). As it is shown above in this paper, Albania presents the second top country regarding the high level of women entrepreneurship rate (18%) in 2012, compare with 34 % men’s rate. In 2011, almost 27% of active enterprises were run or owned by women, while the solid majority of 73% of active enterprises is run by men, having also a higher increase of 3% from 2007 to 2011 compare with the men’s small enterprises (MMRS, 2014, p. 38). Although such increase of women’s businesses is quite positive, women are still limited to self-employment and small business. Access to credit is particularly limited for small businesses. However, 96.2% of enterprises owned by women belong to this category.

In long term perspective they might be facing lack of growth or bankruptcy. In 2011, female ownership of bigger enterprises with 5-9, 10-49 and over 50 employees is approximately 14% or 15% (MMRS, 2014, p. 38). The growing tendency of new enterprises led by women is very encouraging. This may show that women have been capable to find new ways to continue or open businesses, or they have been better protected from the financial crisis or business ups and downs. The situation it is also connected to some special found programs applied in the country during this period of time.

But in the same time, despite the fact that there are such achievements as above, regarding women’s entrepreneurial opportunities, there are few opportunities for women in rural areas. The UN report (UN, 2011, p 79), states that more than

50% of women in rural areas works in agriculture, but they only own and manage 6% of farms. The majority of farms are small and under subsistence farming with limited production and marketing potential, and a large part of women's work on these family farms, remains unpaid.

Conclusion

Women entrepreneurs in Europe still represent a minority of entrepreneurs, although the attention given to the issue in many countries. Through the processing and analyzing different secondary data from various reports or studies, this poster concludes that although that the gender equality goal it's the equal participation of men and women in all sectors, including the entrepreneurship, in this sector the gender gap is still larger, referring the gender equality quota and compare to the other sectors in European level.

During the recent years there is significant improvement in terms of women in entrepreneurship. In European level the women's enterprise percentage has achieved the figure of 30%, which is considered as minimum gender quota in all sectors of life, while the percentage of women it's more than 50% of the total population in Europe. Referring to individual aspects of the European countries, the situation is considerably below and above this minimum.

While the quantitative improvements are visible, the situation in essence it is not so positive. Women are still limited to self-employment and small business as well as in part time entrepreneurship.

The other negative aspect of the situation it is the fact that from this positive quantitative trend of the analysis, are excluded women in rural areas, as it is the Albanian case, where despite the evidence that more than 50% of women in rural areas works in agriculture, they only own and manage 6% of farms.

References

- EC. (2008) Promotion of Women Innovators and Entrepreneurship.
- EC. (2014) Statistical Data on Women Entrepreneurs in Europe. Available at:
[file:///C:/Users/as/Downloads/Statistical%20Data Women%20Entrepreneur Report.pdf](file:///C:/Users/as/Downloads/Statistical%20Data%20Women%20Entrepreneur%20Report.pdf)
<http://ec.europa.eu/enterprise/policies/sme/promoting-entrepreneurship/women/>
- IDM.(2012) Monitoring and Assessment of Security Sector Governance in Albania.
- JICA. (2010) Albanian Country Gender Profile.
- MMSR (2014) Raport Kombëtar për Zbatimin e Platformës për Veprim Pekin + 20.
- UN.(2011) National Report on the status of women and gender equality in Albania 2011.