



Women Entrepreneurship in Small and Medium Enterprises in North Macedonia

Atixhe Maksuti

Vision Academy, Tetovo, North Macedonia
atixhemaksutii@gmail.com

Ali Maksuti

University of Tetovo
Ali.maksuti@unite.edu.mk

ABSTRACT

The entrepreneur is one of the most important and essential input used in the production and services process and have effect in growth of economy of the country or nation. So and in microeconomic aspect, entrepreneurs have an important role in building and creating a new companies. They also are contributors in most of the time promoting the creation of new era of business and incorporation new technology, new management in the markets. So , in this case we can say that entrepreneur is part of economic development , open new opportunities for employment and increase other economic sectors in an open economy. But, and in another hand, the women also play an important role in the social and economic development of any country. Two main factors that were presented in process of being the women in transition economy and her contribution in social and economic development, firs is the traditional role and the second countries like North Macedonia that is part of developing countries , where all the process of transition was in hand only of politicians. But, after time things has changed and last years women is important part of the increasing entrepreneur and is part of small and medium businesses.

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Expect the political and economic transition of North Macedonia, in our country is presented and transition from traditional to modern function of the society that open doors to women to be part of contribution in economic growth.

Last years, North Macedonia has changed the percentage of women that are part of business, all details offer us that last 10 years the percentage has increased for 6%. About this, have worked in this research paper to present that women are part in every sector of economy, are part of joint venture, are part of NGO-s that contribute to establish mindset of entrepreneur , are part of foundations that contribute for increasing the efficient of entrepreneur etc.

1. Introduction

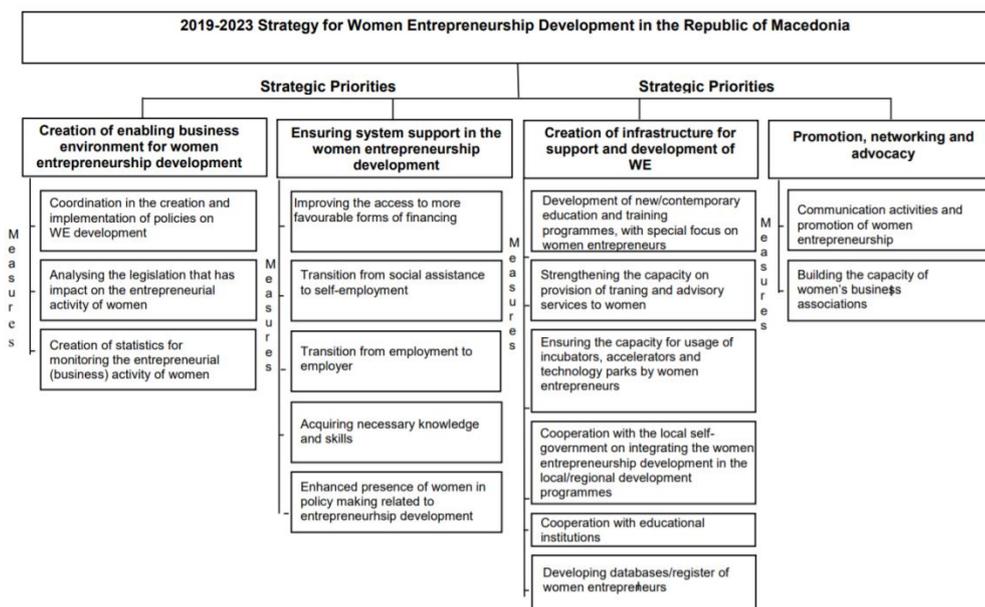
Entrepreneurship has directly impact and its essential factor for the employment in an open economy, especially in country like is North Macedonia. And in another hand, the women make up about 48% of population of North Macedonia, and main reason of this research paper is to present and in same time to promote the status and impact of the women entrepreneur in North Macedonia and to demonstrate women’s participation in small and medium business of women in our country. Step by step will give details and report for the situation of the position of the women in North Macedonia.

1.1 The concept of the women entrepreneur in North Macedonia

Women entrepreneur concept in universal term we can understand the process which women organize all aspects of services, production, being part of start-up business, take multi tasks risks, protect rising of unemployment and providing employment opportunities for other, being males or females.

Last year’s North Macedonian government has prepared a strategy to incorporate more the women in entrepreneurship, with The Strategy for Women Entrepreneurship Development in the Republic of North Macedonia, with the aims goals by creating enabling business environment and providing support to the development of their potential, which shall contribute to the development of existing and starting new enterprises, creation of new jobs and hence, enhancing the overall economy (Min.Economy, 2019).

Table 1 – Strategy for Women Entrepreneurship Development in North Macedonia



Source, Ministry of Economy, Report 2018

Even this is the strategy of government of North Macedonia, the situation is not so well of women entrepreneur position in society and economy, in 2015 North Macedonia was ranked in bad position as a entrepreneur over all the world considering the position of North Macedonia and its aspiration for integration in Union Europe.

Table 2 – Women entrepreneur (Gender Inequality Index GII), 2016

Country	GII	Ranking
Greece	0.117	23
Croatia	0.14	31
Montenegro	0.156	33
Bosnia & Herc.	0.158	34
North Macedonia	0.16	36
Serbia	0.185	40
Bulgaria	0.223	45
Albania	0.267	51
Worl average	0.443	

Source, Human Development Report from 2016

At the table 2 are shown report about the situation of North Macedonia compare to neighboring countries, the situation is that North Macedonia is with 0.16 GII and can say that is in middle standard, from others. But this report is universal term of women being part of the economic process, not directly the women like entrepreneur. For that reason, government of North Macedonia has prepare strategy to increase the percentage of women entrepreneur in all economic sectors.

1.2 Present functions of women entrepreneur

As the status of the women at every sector of economy, before doing any work, its process should be thoroughly tested. Similarly, a women entrepreneur has to complete all the obligations involved in starting a new business and running a small business or medium. For that reason, first steps in this situation are to prepare a program for training the women before enter in market, from the project of the government , NGO-s or from the support of the countries that has had success in part of the function of women entrepreneur. At the same time, women entrepreneur the main role in business could achieve based in five essential functions: exploration of the prospects of starting a new business entrepreneur, investigate and deal with all the economic uncertainties involved in business, introduction, management coordination and integration , supervision and effective leadership. (Harbison, 1964).

1.3 Participation of women in small and medium business

Participation of the women in small and medium business is part of the growing economy of North Macedonia and particular term is connected and with the managing the business. The percentage of women in participation in business is variable in different periods.

In the table below is shown the results in percentage of women being part of participation in business area in North Macedonia

Table 3- Entrepreneurial activity of women in men in Macedonia 2008 – 2017

TEA	2008	2010	2012	2013	2015	2017
TEA MAN	20.30	11.70	9.35	9.37	8.6	9.3
TEA WOMEN	8.60	4.00	4.54	3.82	3.5	3.7
TEA MAN/WOMEN	2.36	2.93	2.06	2.45	2.46	2.51

Source , (a) for 2008, 2010, 2012 and 2013: Polenakovik, *GEM – Entrepreneurship in Macedonia, fourth study, Macedonian Enterprise Development Foundation and Faculty of Mechanical Engineering – New Business Development Centre, 2014.* (b) for 2015.: Kelley, D., Singer, S. and Herrington, M.: *GEM 2015/16 Global Report, 2016* (c) for 2016: Kew. P and Herrington M: *GEM2016/2017 Global Report*¹

From the table is shown that the difference of the women and man in participation is in high level difference. The reasons of this situation are many of factors that we have identify from this research paper.

2. Literature review

Women in our society have had many roles in everyday life, they have manage family life in one way and everyday working life, but the percentage of the contribution in entrepreneurial activity. But in global level, women can be considered as the fastest growing entrepreneurs in the world (Muhammad Sajjad, 2020). Women as part of entrepreneurs is important and their role is in process of producing new jobs, wealth, reducing unemployment, reduce poverty, rise of education, health and nation's development, developing other economic sectors. There are many success stories of women entrepreneurs which have been discussed in the literature and illustrated the main constraints on to their way (Muhammad Sajjad, 2020). In situation of our in North Macedonia, exist many aspects to increase women entrepreneurship such as self-fulfillment, creative ideas, independence of work, political power and social status in our society. Even there are increasing percentage of women entrepreneurs, but for the situation of North Macedonia there are a lot of space that exist to improve women us a factor. According to the report of Small Business Act for 2016, the women entrepreneurship development was well supported by diversified training programs offered by the state, the regional authorities, the nongovernmental organization and international donors, as well as by the high number of opportunities for networking, such as fairs and meetings. The Association of Business Women of Macedonia has been managing a platform since 2013, which may be used for further reinforcement of partnership between these diverse parties. (Strategy for Women Entrepreneurship Development in the Republic of Macedonia,, 2018)

3. Research methodology

This research paper has been planed to analyze the situation of the women entrepreneurship in North Macedonia and the impact of women in process of economic development in our country. Data and details of this study have get from relevant government institutions of North Macedonia (Ministry of economy, Statistic institutions of North Macedonia) and from international institutions which has worked in case of North Macedonia about the process of women like part of economic development. In this study have used two independent variables which are women entrepreneur and gender inequality and depend variable is economic development of North Macedonia. Women entrepreneurship has been measured by FEI report from the period 2008 to 2018 from GED. Gender inequality has been measured

¹[https://economy.gov.mk/Upload/Documents/EN_Strategy%20on%20Women%20Entrepreneurship%20of%20RM%20-%20draft-%2018%20Oct%202018\(1\).pdf](https://economy.gov.mk/Upload/Documents/EN_Strategy%20on%20Women%20Entrepreneurship%20of%20RM%20-%20draft-%2018%20Oct%202018(1).pdf)

from GII coefficient (which is shown at the table 1) and the economic development, like dependent variable has been measured from HDI.

Independent variables

- Women entrepreneurship
- Gender inequality

Dependent variables

- Economic development

In this research paper target part of population are only female entrepreneurs from all cities of North Macedonia.

4. Empirical results

From the table 4 the value of R-squared is 0.911 where is shown that gender inequality (GI) and women entrepreneurship (FEI) have combined impact on economic development (HDI) in North Macedonia up to 62%. High regression its shown the positive report among variables and observed dependent variable. The results are that the null H2 and claim that if the GI (gender equality) increase one point that the economic development (HDI) will decrease 27 points. There is a significance of the variable which also have been observed because of its p – value which is less than 0.05%. And the coefficient of gender equality (GI) is 0.0011 from which can be concluded that if gender equality will increase for more than 1% then there will increase of 0.014 in economic development (HDI). And the p-value of gender equality is 0.145 which is more than 0.05%, we can conclude that gender equality is significant variable for the model and doesn't support the H1. Coefficient of women entrepreneurship is 0.001 shown what women entrepreneur have positive impact on economic development. If women entrepreneur will increase then economic development will increase because of impact that will be there. As the p-value of women entrepreneur (FEI) is less than alpha of 0.05%, so we can conclude that women entrepreneur is significant variable of the model. So, at this model H1 is accepted.

Table 4

Variable	Coefficient	Std.Coffec.	Str.Error	t-statistic	Prob.
GI	0.0011	0.125	0.0011	1.323	0.145
FEI	0.001	0.151	0.001	2.517	0
C	0.422	0.316	0.061	7.657	0
R-Squared	0.769				0.869
Adj.R.-Sq.	0.911				0.251
F-statistic	94.646				1.864
Prob.F-stat	0				

Source, Authors with SPSS

Standardized coefficient in table 4 shown the importance of individual variables on the total output. The results shown us that the contribution of women entrepreneur in economic development of North Macedonia is about 27%. The value of Adj.R. square is 0.911 which give us result that the descriptive power of the model. P-value of F-statistic is 0.000 , so is less than 0.05 level of significance. Based on this value it can be safely said that overall, the model is significant and valid.

5. Conclusion

The results of this research paper and this study shown that the role of women entrepreneurship is with

positive impact in economic development in North Macedonia. Expect this, the contribution of women entrepreneurship is in term of education, health society, increase of economic standard, decrease the poverty , reduce unemployment etc. So, the study was initiate to measure the impact of women entrepreneur on economy of North Macedonia, and gender inequality on economic development. And there were hypotheses who were formulated.

So, apart from technical and financial expertise, women have to overcome the cultural and ethical barriers as well if they want to be successful. Gender inequality found to have significant but reverse relationship with the economic development. The more the differentiation between males and females, the less development in economy. (Kirti Gupta, 2021)The effect of such gender imbalances can be reduced by improving the collective understanding of the society about gender roles and clear policies of gender equality from governments. Empirical results supported all the hypotheses of this study, and it is concluded that there is positive and significant role of women entrepreneurs in the economy of North Macedonia. This study uniquely addresses the contribution of women entrepreneurs in the economy of North Macedonia which is still an unseen but a powerful benefactor of development. These studies used the primary data, and their main focus was to address the antecedents of entrepreneurship in the context of educational institutions. The underlying study contributed in the body of knowledge by addressing the actual contribution of female entrepreneurs in the world economy at macro level.

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