



FEMALE ENTREPRENEURSHIP IN TOURISM: A STRATEGIC MANAGEMENT PERSPECTIVE IN MACEDONIA

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Abstract

The entrepreneurship is one of the most important factors that contributes to the initiation of the self-development. By introducing a female entrepreneurship, the participation of women in the process of economic development has been increased in many ways. Yet, many obstacles are noted in the line of empowering women in their entrepreneurial achievement. Unlike other countries, men and women in Macedonia slightly differ in sectors in which they are engaged, generally depending on the managerial gender. The paper elaborates the main findings from a survey undertaken when evaluating the role of women working in tourism and running a tourism business in Macedonia. Moreover, the study assesses the current position of women in tourism in terms of detecting the most profound obstacles for their entrepreneurial advancement. For that purpose, a self-administered questionnaire was distributed among managers and employees working in travel agencies and tourism service facilities in several locations in Macedonia. While women share the same view with men concerning many investigated issues, their perception towards participation of women entrepreneurs in tourism in Macedonia strongly differs. Hence, men did not have unique attitudes whereas women's perception is that their participation in tourism entrepreneurship is moderate and needs to be improved. Furthermore, the paper outlines the specific problems that women are faced with when being employed in tourism. Finally, in order to over-bridge the gap and move from the current to the vision of change, based on the research findings, the paper recommends many interventions to be implemented.

Key words:

Entrepreneurship, Strategic management, Tourism, Women enhancement, Macedonia.

INTRODUCTION

The state of gender equality in the labor market is a phenomenon that is increasingly gaining importance in the European Union and in Macedonia as well. Gender mainstreaming and the balanced participation of men and women in the labor market is a crucial indicator for further action and initiate policies that may improve the

society. The gender equality in Macedonia is guaranteed by the Constitution as a fundamental human right and one of the most important goals and priorities of the country. At the same time, the employment in Macedonia is characterized by a very unfavorable gender structure, unstable economic and social conditions, and a mismatch between the available and needed profiles on the labor market.

The objective of this paper is to assess the current involvement of women in entrepreneurship in tourism sector in Macedonia. In particular, the paper attempts to explore and identify the specific problems that women are faced with when being in a position to become an entrepreneur in tourism domain. The focus is put on detecting the major profound limits for improving women entrepreneurship, in the first line by assessing the perception of managers and employees working in travel agencies and catering facilities in selected destinations in Macedonia. The contribution of the study is the fact that it enriches the poorly developed academic work in Macedonia addressing this issue.

The paper is structured in several parts. After the introductory part, the rest is organised as follows: Section 2 provides a background material on women entrepreneurship from global and national perspective. Section 3 presents the methodological frame, while the analysis, results and discussion of the research are noted in Section 4. The closing remarks, future challenges and recommendations are presented in the final section.

LITERATURE REVIEW

There is a large body of literature elaborating the importance of female entrepreneurship. Various approaches have been applied to investigate this issue and to identify the main motif that urges women to do business, which is often a successful one (Birley, 1989; Cromie & Hays, 1988; Scott, 1986; Star & Yudkin, 1996; Zapalska & Brozik, 2014). It is even noted that women are more motivated than men by non-economic goals, like personal fulfillment and independence (Burke et al, 2002; Orhan & Scott, 2001; Schindehutte et al, 2003).

Furthermore, Hisrich and Brush (1983) argue that the most common features which are considered to create an overview of the profile of women entrepreneurs are: age, marital status, education, career, past experience, ethnic identity, work-family clashes, reasons for starting a private business or similar. Yet, women who started business in their early twenties have more growth oriented ventures compared to forty years old women (Mitra, 2002). They choose self-employment due to the flexibility to make balance between family and work obligations (Ufuk & Ozgen, 2001).

BACKGROUND MATERIAL

Global perspective on women entrepreneurs



Entrepreneurship is the strongest expression of individual freedom of men to realize their potential through free and sovereign realization of ideas (Stein et al, 2013). The number of managers and professionals within the existing businesses and companies that can be described as entrepreneurs is constantly increasing. These are people who have entrepreneurial qualities in realizing innovative projects in larger companies. However, very few enterprises are run by women, and women managers work mainly in businesses owned by women. The analysis based on a survey by the World Bank (2009), where are considered small, medium and large businesses shows that 36% of surveyed enterprises are owned by women, and 18% are managed by women. In this way, businesses owned by women are defined as businesses in which at least one of the owners is a woman, and businesses run by women are those managed by women. Thus, women manage 10% of enterprises owned by men and 33% of businesses are owned by women.

In this respect, Minniti (2010) and Van der Zwan et al, (2011) suggest that the ownership of women's businesses are behind men and why they are untapped "source of entrepreneurial energy." Bardasi et al, (2011) notes that women entrepreneurs are more concentrated in certain sectors such as retail and hospitality, while men are present in all sectors of the economy. Finally, the concentration in the informal sectors is explaining the gender gap in the productivity of the firms, resulting with productivity in different sectors (Minniti & Naudé, 2010).

In the context of ECO (Europe and Central Asia), a recent study by Paul and Sarma (2013) explore the gender gap, which participates with 6.5% in self-employment, which is characterized by several aspects. Companies established on the Balkan are considered to be companies with the most profound gender gap. It is very important, as Paul and Sarma (2013) have pointed out, that self-employed women in middle-income countries on the Balkans and the CIS (Community Innovation Surveys) are more likely to pay bribes in order to succeed in the business than women in other regions. In Russia, where there are various databases on this issue, Gamberoni and Posadas (2012) show that the income gap between men and women is 26% in favor of men. Based on the survey data, it is found that those businesses run by women sell less than businesses run by men, although having higher value added per worker.

Women entrepreneurs are marked as new engines of growth and economies in developing countries that contribute to the prosperity and well-being. They are appointed as an important "untapped source" of economic growth and development (Minniti & Naudé, 2010). World Economic Forum on Women Entrepreneurs at their annual meeting in 2012 identifies them as "the way forward." Others named them as "new social movement" and claim that "... forget about aid, focus on women entrepreneurs as key drivers of growth and development" (Forbes, 2011).

Women have similar entrepreneurial potential as men and are able to contribute to wealth creation, self-employment, as well as to starting and developing their own businesses. Unfortunately, their potential is not fully realized and exploited because of systemic challenges faced by women entrepreneurs (Hanson, 2009). Globally, women who choose to pursue entrepreneurial ventures have limited representation in the construction industry, which limits their contribution to economic development (Verwey, 2005; Worrall et al, 2008).

If you analyze the gender gap in entrepreneurship in the EU as a whole, reflecting the trends in the rest of the developed world, including the United States, there has been a significant growth in female entrepreneurship in the recent decades. The employment rate of women in the EU is largely unaffected by the recession and the number of male entrepreneurs decreased by 17% between 2008 and 2010 (EC, 2010). Specifically, studies have shown that the rate of self-employed women in France, the Netherlands, Sweden and the United Kingdom has grown steadily over the past decade (Hatfield, 2015).

While this is an encouraging trend, the percentage of women is only 29% of 40 million entrepreneurs in the EU in 2012, in line with the rest of the developed world in which women own and manage about one third of all companies in developed countries (McClelland et al, 2005). It also shows that the rate of female self-employment is behind male equivalent in each EU country, and the biggest difference is found in Ireland, Sweden and Denmark and the lowest in Luxembourg and Portugal (Hatfield, 2015).

National perspective on women entrepreneurs

Unlike other countries, men and women in Macedonia slightly differ in the sectors in which they are engaged. No matter whether it is a male or female, the business does not depend on the gender of the manager or the owner. The majority of businesses are run by women in the retail sector, while a larger percentage of men are found in transport, construction, clothing and metal processing. More businesses run by women than men can be found in the sectors of retail, chemicals, food industry, plastics and rubber. Similar patterns of distribution by sector can be found if making a breakdown by gender of the owner. Businesses run by women are equally productive like businesses run by men whether you measure productivity by the volume of sales or by the value added per worker.

Women entrepreneurs in Macedonia are faced with many obstacles in exercising their entrepreneurial potentials. According to the GEM (2012), most of them feel that there are very few opportunities for doing business and they do not possess the necessary skills. An equal number of men and women would not have started a business regarding the fear of its failure. 22% of respondents feel that they will have a good chance to start a business in the next six months, which is a small number compared to the participants. It is interesting to note that although there are similarities between



spotting the business opportunities by men and women, more men realize them. This is confirmed by the percentage of the total number of new entrepreneurs who recognized the possibility of starting a business: 9.35% were men and 2.83% were women. Data shows that women recognize the support for starting a new business with self-employment in Macedonia (3.14%), which is on a higher level from Croatia (2.80%). They also see it as an acceptable option for their career. In addition, 4.38% of them say that they are equally capable of starting a new business, as opposed to Zenit in Ireland (3.95%), and Croatia (2.95%).

TABLE 1. WOMEN SUPPORT IN STARTING BUSINESS

Table with 5 columns: Statement, Macedonia, Ireland, Slovenia, Croatia. Rows include statements like '...there are sufficient social services available...' and 'Average'.

Source: GEM. (2012:55).

Note: The scale of possible answers is from 1 to 5 where 1 denotes complete disagreement with the statement, whilst 5 signifies complete agreement with the statement.

It is difficult to confirm the rates of female entrepreneurship in Macedonia, as the Central Registry of the Republic of Macedonia does not provide reports on the gender of the owner of the company. When compared, women entrepreneurs in Macedonia have similar opportunities to realize business opportunities as Croatia, Slovenia and Ireland.

Furthermore, Macedonian women entrepreneurs along with Slovenian seem to possess much higher level of knowledge and skills for starting a new business, than the Irish. The average score for support for women to start a business in Macedonia is lower than in Slovenia, but higher than in Croatia. There is a gap between the perception: "Men and women are equally capable of starting a business" and the low percentage of businesses started by women in the country. The 9.35% of new entrepreneurs are male, while only 4.54% are women. However, according to Table 1, most experts agree that men and women have equal opportunities to start a business.

In Macedonia, slight movements are registered making some efforts to raise the awareness about the role of women into the economy and society in general. This is the case of the Association of Women Organizations in Macedonia. Moreover, several non-government organizations take active policy actions aimed to activate and involve women in the economic and political life of the country. Nevertheless, despite women's available human potential and capabilities for successful development of women entrepreneurship, strong governmental support is indispensable. More precisely, by providing material or non-material governmental support, women slowly but surely find their place in the Macedonian economy (Tašaminova, 2012). Studies generational dynamics of employment shows that in overall, entrepreneurial firms led by women grow proportionately faster than other firms. Moreover, in the long term, entrepreneurial firms create positive externalities leading to more jobs.

Indicators of perception of entrepreneurial potential and skills needed in Macedonia, according to gender show that women are high in all positions, except in the view of the fear of failure (44.2%), where men expressed greater indicator in that position (45.6%).

TABLE 2. PERCEPTION OF ENTREPRENEURIAL POTENTIAL AND NEEDED SKILLS IN MACEDONIA ACCORDING TO GENDER (%)

| Entrepreneurial perception | Women | Men |
|---|-------|------|
| Possibilities for starting a business | 32.3 | 29.2 |
| Fear of failure* | 44.2 | 45.6 |
| Personal acquaintance of entrepreneur** | 38.2 | 24.4 |
| Possesses skills for running a business | 64.2 | 45.7 |
| Total new entrepreneurs | 9.4 | 4.5 |
| Set businesses | 9.2 | 4.2 |
| Total new entrepreneurs with possibilities to start business | 4.8 | 1.6 |
| Total new entrepreneurs who started business due to necessity | 4.4 | 2.8 |

Source: Data from Global Entrepreneurship Survey 2008-2010-2012 (p.53).

Notes:

*Calculated from the percentage of sample at age of 18-64 who feels that there are good business start-up opportunities.

**Calculated from the percentage of sample at age of 18-64 not involved in entrepreneurial activities.

METHODOLOGY AND RESEARCH FRAME

The study involved a field survey conducted in July 2015 with the main aim to evaluate the role of women working in tourism and hospitality in Macedonia. In that line, a self-administered questionnaire was distributed among managers and employees working in travel agencies, and catering facilities like hotels, motels, private villas, restaurants and taverns.

The respondents were previously well informed about the aims of the survey undertaken in several locations in Macedonia. A total of 317 questionnaires were distributed, out of which 270 were complete and usable yielding an overall response rate of 85.2%. The respondents were asked to assess the current position of women in



tourism. Hence, they were asked to express their level of agreement with the statements posed in Table 3. More precisely, the respondents were asked to choose just one choice from the five-point Likert scale, where 1 equals to strongly disagree; 2 - disagree; 3 - neutral; 4 - agree; and 5 - strongly agree. Furthermore, the respondents were asked to detect the most profound obstacles for enhancing female entrepreneurship in tourism. In this line, the respondents were asked to choose between the options of "not present," "present in low/medium/high intensity," and "I do not know" (Figure 1). Due to the lack of standardization, limited reliability, and scarce measurement, simple tests were applied and processed in SPSS.

ANALYSIS AND FINDINGS

Table 3 presents the statements for assessing the current position of women in tourism. It is interesting to note that women share the same view as men regarding some issues. Namely, they agree that there is equity in payment between women and men (for the same job), the opportunities for employment and career development in tourism and hospitality are equal, women have sufficient knowledge and skills to work in tourism and working in tourism and hospitality requires knowledge and skills.

Yet, women have completely different opinions from men concerning other issues. In fact, women absolutely oppose to men who disagree that the work in tourism is safe and secure. They also disagree with men and strongly share that prejudices do exist regarding the ability and expertise of women. Another confronting attitude is the statement that women working in tourism should be attractive and should know how to cope with indecent comments of guests. Namely, men agree but women totally disagree. While men disagree that if working in rural areas they can be employed much more easily than women, the female have neutral opinion.

The situation is the same referring the statement that male family members have priority in job search. In the cases of investigating the opinion for the unavailability of funding sources as an obstacle for tourism business run by women entrepreneurs, and the membership of woman in the Tourism Committee can improve the position of women entrepreneurs in tourism sector, the female respondents strongly agree opposite to the male respondents who did not have unique attitude. Regarding the following statements that in tourism the work is well paid, that it is much easier for men than women and the existence of sexual harassment and mobbing, one may not draw any statistically significant conclusions with gender cross-tabulation, due to the very split opinions of the respondents.

TABLE 3. SUMMARY OF STATEMENTS

| |
|---|
| There is equity in payment of women and men (for the same job). |
| Employment opportunities in tourism are equal for women and men. |
| Opportunities for career development are equal for women and men. |
| Work in tourism and hospitality sector is safe and secure. |
| Prejudice exists regarding the ability and expertise of women. |
| Men more often participate in training, specialization or other types of specialization compared to women. |
| Women working in tourism and hospitality should be attractive and should know how to cope with indecent comments of guests. |
| Living in rural areas is a barrier for employment. |
| Men working in rural areas get employed much easier than women. |
| Women have sufficient knowledge and skills to work in tourism and hospitality. |
| Male family members have priority in job search. |
| The work in tourism and hospitality is well paid. |
| Working in tourism and hospitality requires knowledge and skills. |
| Working in tourism and hospitality is much easier for men than women. |
| There is sexual harassment and mobbing in the tourism and hospitality sector. |
| Unavailability of funding sources is an obstacle for tourism business run by women entrepreneurs. |
| Membership of women in the Tourism Committee can improve the position of women entrepreneurs in tourism sector. |

Source: Authors

Figure 1 presents the key findings upon the summarized survey results on the main profound limits for improvement. The processed data gave in-depth conclusions concerning the entrepreneurial advancement of women in tourism in Macedonia. It is interesting that women share the same view as men relating many investigated issues. Yet, their perception towards participation of women entrepreneurs in tourism in Macedonia strongly differs.

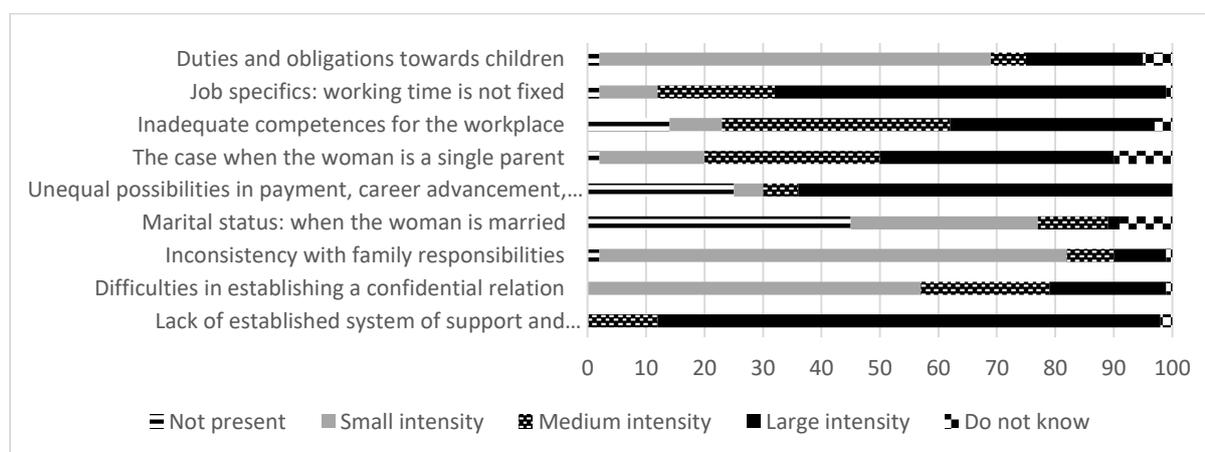


FIG. 1. SUMMARIZED SURVEY RESULTS

Source: Authors



The following indicators were most commonly selected. Between 70% and 98% of respondents denoted presence at a medium to high level of intensity:

- Lack of established system of support and understanding by the employer;
- Job specifics: working time is not fixed;
- Inadequate competences for the workplace;
- Unequal possibilities in payment, career advancement, participation and professional development of women; and
- The case when the woman is a single parent. Four-fifths of the respondents identified the 'Difficulties in establishing a confidential relation' as being of medium significance.

The results also reflected a significant variation in respondents' attitudes towards the indicators regarding the 'Duties and obligations towards children' as well as the 'Inconsistency with family responsibilities', which most probably stems from different understandings of the issues. Nonetheless, it is interesting to note that the 'Marital status: when the woman is married' as a significant obstacle for women enhancement in tourism was generally indicated as "not present" by large number of respondents, which does not, however, detract from the importance of being a factor that may profoundly affect entrepreneurial advancement of women.

CONCLUSION

The paper examined the possibility of empowering female entrepreneurs in tourism in Macedonia. It identified the major characteristics related to women managerial work in tourism sector, and analyzed some profound difficulties they are faced with. The findings presented are from a survey among managers and employees in tourism and hospitality sector in Macedonia aimed to evaluate the role of women.

There is an agreement that women are underrepresented in entrepreneurial activities in Macedonia. However, this is the case for most countries in the world, and is also due to the different social and cultural traditions and norms. The social aspect is very important for development of women entrepreneurship, in terms of a better cooperation and harmonization between kindergartens and institutions to assist the women entrepreneurs who are also mothers so they can be directed towards the development and normal functioning of the business world. On the other hand, it is mostly sure that to some extent there are developed female entrepreneurs in Macedonia.

In order to over-bridge the gap and move from the current to the vision of change, based on the research findings, the following interventions are recommended:

- Interventions for career awareness;
- Media and marketing blitz focusing on promoting tourism as an attractive career choice;

- Tourism awareness campaigns that will help raise the profile of tourism and hospitality as a challenging and prosperous working environment;
- Interventions for recruitment;
- Media and marketing blitz focusing on employment of women under the slogan “Tourism is a career of choice”;
- Promotion of stimulating courses and career programs for unemployed women as new recruits for tourism;
- Interventions for employment of women entering and empowering tourism and hospitality sector;
- Sponsoring best-practice tourism management policy from the destination in the line of promoting and coordinating establishment of tourism as preferred employer (known as performance through people);
- Dissemination of materials for raising awareness for necessity of introducing systems and support mechanisms to encourage and facilitate women’s participation in a decision-making process;
- TV and radio campaigns for creating positive attitude for women entering tourism, particularly assisting women to return to work after pregnancy and maternity period;
- Workshops on promoting a fair and equitable sharing of benefits from tourism. Special modules on: Valuing and paying for work carried out by female; Adopting and enforcing equal pay for equal work policies; Ensuring equal access to all resources, etc.;
- Informative meetings and dissemination of materials on promoting “Women’s Voices and Leadership”. Information on approaches for promoting women’s involvement in all aspects of tourism and hospitality functioning. Spreading the importance and necessity of ensuring that women’s voices are heard at local level;
- Capacity building of women for running tourism business with special focus of funding; and
- Round tables for clarifying the importance of the membership in the Tourism Committee in terms of improving the position of women entrepreneurs in tourism. Supporting credit cooperatives or other schemes providing groups of women with access to credit, technology and market linkages.

The study underscores the importance of continuous, systematic analysis of specific problems that women are faced with when being employed in tourism and hospitality in Macedonia. This research may be enhanced by broadening it with additional significant indicators for better assessment of the possibilities for entrepreneurial advancement of women in tourism. Yet, besides the limitations of the scope of the research, this article possess relevant conclusions upon which serious measures and activities may be initiated for detecting the negative impacts for female entrepreneurship in tourism in Macedonia.



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