

BY THE ENTREPRENEUR WOMEN IN THE WEST OF ROMANIA**Pop Coșuț Ioana****University of Oradea, Faculty of Economics**

The present paper aims an incursion in the concern for researches in the field of feminine entrepreneurship – as a research theme, the study directions of the feminine entrepreneurship, on the basis of the special literature in the field. The applicative part of the paper refers to the research taken in the field of feminine entrepreneurship in Romania, through the project AntrES, in the area of the initiation way of business by entrepreneur women investigated and aligns aspects regarding the research methodology, the study of the way of initiating a business, the length with the age of manager women, the occupational situation at the moment of business initiation and their previous experience.

Key words: Entrepreneurship, feminine entrepreneurship, women entrepreneur, business start up, occupational situation

JEL code: E24, R11, J24,

Feminine entrepreneurship – research theme

Entrepreneurship is defined, from historic point of view, as a area with predilection masculine. The first characteristics of the entrepreneur included the notion of „*the leader of industry*”²⁰⁸ („*Captain Man*”), „*man with initiative*”²⁰⁹ (enterprising man), „*basis man*” „*Key man*”²¹⁰ or „*the man who organizes the firm and/or increases its productive capacity*”²¹¹. Also, the literature in the field, describes the entrepreneurial theories as being „*created by men, for men and applicable to men*”²¹². These definitions centered mainly on the entrepreneur, are not surprisingly because,

²⁰⁷ Paper realized on the basis of the studies and reports realized in the project entitled: *Entrepreneurship and the Equality of Chances. An Inter-regional Model of Women School of Entrepreneurship*, financed by the European Social Fund - “Invest in people!” Contract nr. POSDRU/9/3.1/S/5. **Inter-regional coordinator:** University of Oradea, Faculty of Economics, **Partners:** [National Agency for Chances Equality between men and women](http://www.nationalagencyforchances.ro); West University of Timișoara; “Aurel Vlaicu” University of Arad; North University, Baia Mare; “Eftimie Murgu” University, Reșița; “Commercial Academy of Satu Mare” Foundation; Scientific Society of Management in Romania, **Project manager:** prof.univ.dr. Anca Dodescu, Implementation period: 01.05.2009 – 01.05.2010, Value: 12.500.104 lei, www.antres.ro

²⁰⁸ Schumpeter J., *The theory of Economic Development*, Cambridge, M.A, Harvard University Press, 1934; sorbed after Brush Candida G., *Women entrepreneurs: a research Overview*, chapter 23 from Casson Mark; Yeung Bernard; Basu Anuradha, Wadson Nigel (Editori) – *The Oxford Handbook of Entrepreneurship*, Oxford University Press, 2006, p. 611;

²⁰⁹ Collins O.F and Moore D.G., *The enterprising man*, East Lansing: Bureau of Business and Economics research, Graduate School of Business Administrations, Michigan State University 1964, quoted after Casson Mark; Yeung Bernard; Basu Anuradha, Wadson Nigel (Editors), op. cit., p. 611;

²¹⁰ Hebert R.F and Link A.N., *The entrepreneur: Implications of family educational, and occupational experience*, 1982, in J.A. Hornaday, J.A., Timmons and K.H. Vesper (Eds), *Frontiers and Entrepreneurial Research*, pp 255-70. Boston, MA: Babson College, quoted after Casson Mark; Yeung Bernard; Basu Anuradha, Wadson Nigel (Editors), op. cit., p. 611;

²¹¹ McClelland, D., *The Achievist Society*, New York; The Free press, 1961; 205, quoted after Casson Mark; Yeung Bernard; Basu Anuradha, Wadson Nigel (Editori), op. cit., p. 611;

²¹² Holmquist, C. and Sundin, E., *The Growth of Women’s Entrepreneurship – Push or Pull factors?*, 1989:1, citată după Carter M. Nancy; Henry Colette; Cinneide O Barra; Johnston Kate (Editori) - *Female Entrepreneurship – Implication for education, training and policy*, Ed. Routledge Taylor & Francis Group, London and New York, Routledge Advances in Management and Business Studies collection, New York, 2007; p. 11;

from historical point of view, for many decades, they have been the most active in initiation, ownership and developing businesses.

More recent definitions of the entrepreneurship are less gender centered, suggesting that entrepreneurs that make activities that bring an added value depending on certain conditions²¹³. Like this, entrepreneurs are definite as being all who²¹⁴:

- try to find opportunities without considering the resources they control;
- create economic innovative organizations to obtain advantages and grow under risk and incertitude conditions;
- discovers, evaluates and exploits the opportunities to introduce new goods and services.

Even though the feminine entrepreneurship is defined in terms of creative activity, owner of the business of self-employed, a very big percentage of men and women are implied in entrepreneurship in all developed countries, even though there is a tendency of growing the feminine entrepreneurship in many of these countries.²¹⁵ In the period 1975-1995, the percentage of women entrepreneur has raised with more than 60%, comparatively to the 20% growth of men entrepreneur²¹⁶. This growth has been registered until 1955, when, the percentage of those remained 12%, percentage who registered a tendency to increase only after the '90's.²¹⁷ In Europe, women entrepreneur are a minority, even so the proportion of those varies considerable from over 20% in England, Ireland, Sweden to 40% in Belgium and Portugal²¹⁸.

Into the first notable article dedicated to the feminine entrepreneurship published at the middle of '70's, published by Eleanor Brantley Schwartz's (1976), the article „Entrepreneurship – a new feminine border”²¹⁹, the writer appreciated that, the same like men, women are motivated by the wish of accomplishment, work satisfaction and independence. Also, other authors, Schwartz (1976)²²⁰, followed by Hisrich and Brush (1983, 1984, 1985, 1986, 1987)²²¹ who have described the abilities of women entrepreneur and their business, reached to the conclusion that women's motivations are similar with men's motivations, but they are less qualified, less capable, less trained in the field of business, have a smaller inclination to entrepreneurship and manage to settle a business in a slower rhythm than men. Even though the preoccupations in the field of studying feminine entrepreneurship are growing, authors who have hold on inspection the profession bibliography²²² show that approximately 7% of the articles published between 1969 and 1994 have included and have centered on business women. In 2000, the percentage of the

²¹³ Acs, Z.; Audretsch, D.B; “*Innovation and Technological change: The new learning*”, in G.D.Libecap (ed.) *Advances in the study of Entrepreneurship, Innovation and Economic Growth*, Greenwich, CT.: JAI Press, 109-42; 1993; quoted after Casson Mark; Yeung Bernard; Basu Anuradha, Wadeson Nigel (Editors), op. cit., p. 611;

²¹⁴ Casson Mark; Yeung Bernard; Basu Anuradha, Wadeson Nigel, op.cit., p. 611;

²¹⁵ Simon, C. Parker, *The Economics of Entrepreneurship*, Cambridge, University Press, Cambridge, 2009, p. 184;

²¹⁶ Budig M.J., Intersection *on the road of self-employment: gender, family and occupational class*, Social Forces, 84(4), pp.22-23, 2006, quoted after Simon, C. Parker, op.cit., p. 184;

²¹⁷ Wellington, A.J, *Self-employment: the new solution for balancing family and career*, Labor Economics, 13, pp. 357-386, 2006, quoted after Simon, C. Parker, op.cit., p. 185;

²¹⁸ Cowling, M., *Are entrepreneurs different across the countries?* Applied Economics Letters, 7, pp. 785-89, 2000; quoted after Simon, C. Parker, op.cit., p. 185;

²¹⁹ Casson Mark; Yeung Bernard; Basu Anuradha, Wadeson Nigel, op.cit., p. 611;

²²⁰ Schwartz, E.; “*Entrepreneurship: A new female frontier*” Journal of Contemporary Business, 5 (1): 47-76, 1976, quoted after Casson Mark; Yeung Bernard; Basu Anuradha, Wadeson Nigel op.cit., p. 611;

²²¹ Hisrich și Brush (1983, 1984, q985, 1986, 1987), quoted after Casson Mark; Yeung Bernard; Basu Anuradha, Wadeson Nigel, op.cit., p. 612;

²²² Brush, C. G., “*Research on women Business Owners: Past trends, a new perspective and future directions*”, *Entrepreneurship Theory and Practice*, 16 (4): 5-30 (1992); Baker, (1997), quoted after Casson Mark; Yeung Bernard; Basu Anuradha, Wadeson Nigel, op. cit. p. 611;

articles on this topics reached 6%²²³. Also, other authors who have reviewed the articles written in the field of feminine entrepreneurship, counting over 400 scientific papers and several articles, published in professional magazines in the last years, have reached the same conclusion, which is that women entrepreneur represent, for sure, a field very little researched. This thing is surprisingly considering the fact that they register the most significant growth in line of entrepreneurs, the contributions of women entrepreneur being significant in innovation, creating workplaces and developing the business environment. Even though there is in the last decades an obvious concern for the domain, the specialty papers highlight that they have not managed to build adequate theories, particularly over the gender concept and the way in which entrepreneur's women experience are reflected in the socio-economic context²²⁴. Though, the research directions synthesize by the specialty papers in the field of feminine entrepreneurship are centered on the following directions²²⁵:

- characteristics and motivations of women entrepreneurs, with subthemes: differences in psychological characteristics between men and women, social background and business differences between women and men, the effect of labour market in the women's decision to start in business;
- the start-up patterns, resources and constrains, with subthemes: motivations, processes and structures used at start-up businesses, resource acquisition and mobilization including finance, social and human capital; the business start-up pattern and long-term performances of the business; Programs and development politics of women entrepreneurs;
- management of female-owned firms, with the following sub-themes: women's management style and approach to leadership; the family business and the wish of accomplishment; gender effects over the performance of the business;
- finance issues of female start-up businesses, with the subthemes: access to financing resources, guarantees on loans and relationship with external lenders and women's credibility;
- business relationships built by the female entrepreneurs, with the subthemes: gender differences in building business relationship; gender differences in the contain and the different approach to forming relationships;
- business performances and their growth, with subthemes: gender differences and criterions used in obtaining business performance; business performance in nowadays business performances.

Synthesizing these research directions, we observe that referring to Romania, the interests for studying female entrepreneurship are modest. A review of the publications in this field shows a lack of preoccupation of the researches for this field, even though it is registered a similar trend to the European one, of growing the number of female entrepreneurs in the last ten years.

Even so, the research directions emphasized in the specialty literature, have raised interest in the research activity realized during the project AntrES, who through the research made until this moment and the one that is prefigured to be outlined at the end of the project (January 2011), aligns in the study interests of the Romanian female entrepreneurship, especially on the North-West of Romania.

²²³ Brush, C.G și Edelman L. "*Women entrepreneurs Opportunities for Database Research*" (2000), in J. Katz (ed.) Databases for the study of Entrepreneurship to be filled, C, New York, JAI Press, quoted after Casson Mark; Yeung Bernard; Basu Anuradha, Wadson Nigel, op. cit. p. 611;

²²⁴ Carter M. Nancy; Henry Colette; Cinneide O Barra; Johnston Kate (Editors) - *Female Entrepreneurship – Implication for education, training and policy*, Ed. Routledge Taylor & Francis Group, London and New York, Routledge Advances in Management and Business Studies collection, New York, 2007; p. 11;

²²⁵ Carter M. Nancy; Henry Colette; Cinneide O Barra; Johnston Kate (Editors), op.cit., p. 14;

Aspects regarding the research methodology

The data base that stays at the basis of the present paper is constituted from the answers registered at the Questionnaires of research-monitoring²²⁶ applied on a total number of 153 respondents – manager women²²⁷, from the territorial centers created in the AntrES project, distributed as it follows: Baia Mare - 24, Satu Mare - 24, Oradea - 30, Arad - 27, Timișoara - 24, Reșița - 24.

The questionnaires applied to this target group I –manager women, have been constituted in a number of 52 questions, grouped as it follows: 39 questions in section A – Questions about entrepreneur/manager women and their businesses; 13 questions in section B – Aspects regarding the psychological profile of women entrepreneur/manager.

The present paper proposes to analyze answers given by women manager at section A – questions that have outlined at female entrepreneurs the following characteristics: the way of acquiring the business, the length with the age of business women, their previous experience.

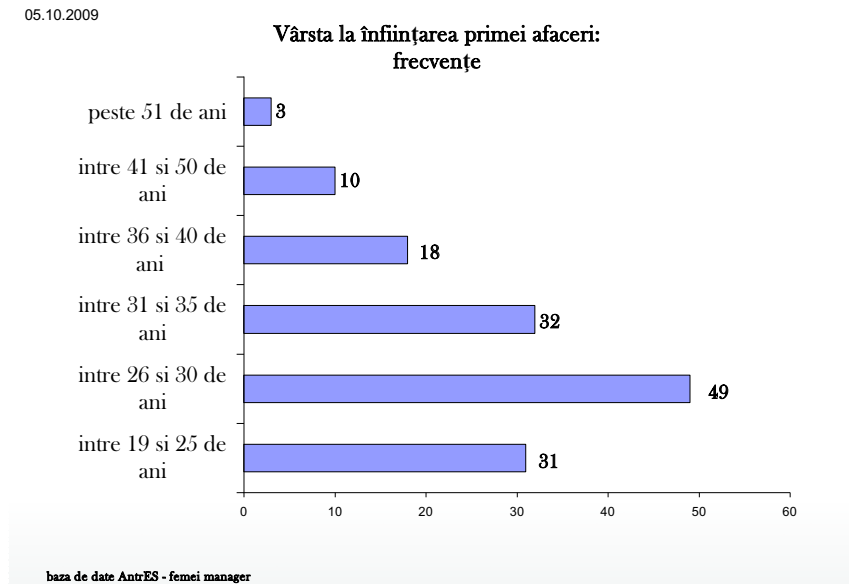
The study of the way of acquiring the business and the lengths validated

The majority of the persons from the data base of the manager women from AntrES, respective 85%, are at their first business developed, so the valid affirmations for the actual business are valid for the first business as well as a result. In the case of the first business, the age of respondents at its start-up is, for most of them, in the group 26-30 years, followed, with frequencies approximately equal, by the groups of 19-25 years, respective 31-35 years. This means that 78% of the persons who answered were, at the moment of starting-up their own business, aged under 35 years, *thing that confirms the appetite for entrepreneurship and for risks higher in younger ages* (Graphic nr.1 – *The age of manager women from AntrES research at the start-up of their first business*).

²²⁶ These questionnaires have been applied, in the period 07.17.2009-07.31.2009, according to the Methodology of developing the research-monitoring activity using questionnaires, with the Instructions of application of the questionnaires and with the Instructions of filling in the data base, documents realized in AntrES project.

²²⁷ Target group I in the project AntrES – business women – *who which to develop their business, form the counties situated along the West border (Maramureș, Satu-Mare, Bihor, Arad, Timiș, Caraș-Severin)*. For this target group, the projects wants to develop the managerial abilities, intra and entrepreneurial, in order to develop the existing business, for the optimum utilization of the opportunities existing on the market, of the success factors that raise competitiveness, of the management and marketing strategies etc. and promoting the adaptability, with effects upon performance, the SME's stability and the occupation level.

Graphic nr. 1. The age of manager women from AntrES research at the star-up of their first business



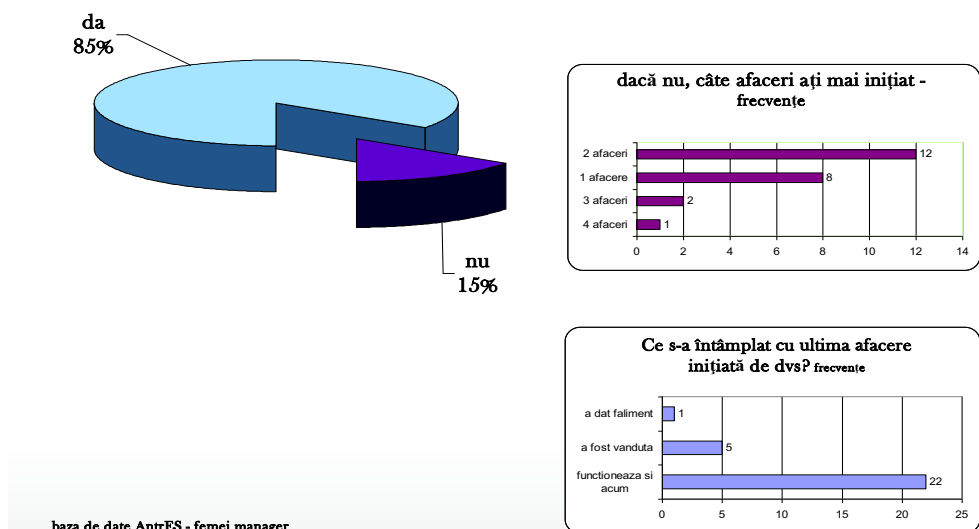
Source: ****Progress report nr. 2 –Research-monitoring study - aggregate and comparative – at inter-regional level*, realized in the project “*Entrepreneurship and the Equality of Chances. An Inter-regional Model of Women School of Entrepreneurship*”. Project financed through the European Social Fund - “Invest in people!” Contract nr. POSDRU/9/3.1/S/5. **Project manager:** prof.univ.dr. Anca Dodescu, www.antres.ro;

Though, the entrepreneurs have not been out of any professional experience at the beginning of their business, 78% of them declare that they have not worked forever in their own business, so they had previous workplaces, before their started their own business (**Graphic nr. 2. Previous experience of entrepreneur of the manager women form AntrES data base**). In average, manager women who have worked in other places than their own business, had two previous workplaces, the highest number of previous workplaces being 6.

Graphic nr. 2. Previous experience of entrepreneur of the manager women form AntrES data base

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Source: ****Progress report nr. 2 –Research-monitoring study - aggregate and comparative – at inter-regional level*, realized in the project “*Entrepreneurship and the Equality of Chances. An Inter-regional Model of Women School of Entrepreneurship*”.

Regarding the present businesses of the respondents, as it can be noticed in the first table, The way of acquiring the business, 51% have been conceived personally by the entrepreneur women, 37.2% have been initiated together with other persons, 5.4% have inherited the family business, 1.4% have bought the business. Only 4.8% have acquired the business in other ways, either joined an existing firm or got a franchise.

Table nr.1. The way of acquiring the business

Your business was:	Frequency	Valid percentage
Started by you personally	76	51,0
Started by you together with someone	55	37,2
An inherited family business	8	5,4
You bought the business	2	1,4
I joined an existing firm	6	4,1
Franchise	1	0,7
Total	148	100,0

Source: ****Progress report nr. 2 –Research-monitoring study - aggregate and comparative – at inter-regional level*, realized in the project *AntrES*.

As the majority of the entrepreneurs begun their business alone, it is interesting to emphasize the main reasons, as well as the context in which they decided to start-up their own business. So, referring to the occupational situation in the moment of business start-up, 35.3% of the respondents have declared that they had a workplace but the salary was unsatisfying, 16.7 % did not have a workplace, 15.7% were happy with their workplace, 8.7% had a workplace but were going to lose it, 5.3% had a workplace but the conditions were difficult, 4% declared that they had a workplace but the relationships at the workplace were unsatisfying. Quantifying, over two

thirds of them either did not have a workplace or were going to lose it, or they were unhappy with their workplace that they had because of their salary, work conditions, climate etc.

Though, it is to be remarked that the unhappiness towards the occupational statute from the respective moment has been associated with the apparition of a special business, with a favorable conjuncture 29.45% or with a special business opportunity (28.77%).

These conditions – unhappiness towards *status quo*, but the favorable moment for expressing the business idea – describe the context in which the nowadays entrepreneurs have assumed the risks of starting-up a business.

Regarding the business start-up determined by the motivation of self-determination, participants have been asked in to what extent they agree the affirmation „I started the business to demonstrate myself and those around me that I can succeed”; only 7.8% declared that they have not been determined at all by such motivations, while 41.8% have declared that they largely agree with this affirmation (24.8% have declared that totally they agree with the affirmation, and the same percentage has been registered for those who have declared their agreement in a small percentage with the affirmation).

Conclusions

As a result of our study, we conclude with emphasizing on the following correlations: there is a significant negative correlation between the age and the year of the business start-up, in other words as much as the age of the respondents grows as much the year of starting up the business decreases; the average age of women who have always worked in their own business is significantly smaller than the average age of the women who had other work places as well, on the extent to which the age increases at the moment of the business initiation, increases the number of workplaces that they had previous. The analyses did not emphasize a significant relationship between the age of the entrepreneurs at the moment of present business settlement and the number of businesses started up until present. In other words, we cannot state that older women have a bigger experience in entrepreneurship comparatively with the younger ones. The factors considered more important in the decision to initiate a business look to be those bounded to the opportunity and not to need, even though enumerating the problems from the occupational situation from the start up moment, the problem of the unsatisfying salary appears as prevailing, followed by the lack of a work place (more than 53% of the respondent persons have stated that at the moment of the business settlement they had a workplace but were not happy with the salary). It is, like this, possible that the answers related to the entrepreneurial mobile to be rather desirable and not to present correctly the accent on opportunity towards the need. On this conclusion join, besides, the results obtained as a result of a study taken on the theme of entrepreneurship, made by 162 Romanian firms initiated after 1990²²⁸, study that revealed that the main reason for which the Romanian entrepreneurs have started their businesses has been the “opportunity”, followed by “the wish to use their experience”. This result coincides with the entrepreneurial theories accepted all around the world, according to which “the opportunity” is the main reason for starting-up a business²²⁹.

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