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National and Regional Women Entrepreneurs' Networks

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Biographical note

Mariana Dragusin (b.1961) - is Professor in the Department of Commerce at the Faculty of Commerce, Academy of Economic Studies from Bucharest (2003-2007). Since 1999 she is also vice-dean of the faculty and member of its Council. She graduated the same faculty in 1984 with excellent results and obtained her PhD in Economics in 1998 at the same university. Mrs.Dragusin attended several national (1996, 1991, 1986) and international training courses (Austria/ 2002; 1999; 1993; 1992). In 2005 she was accepted as Visiting Research Professor at Tampa University in Florida (U.S.A.).

During her academic career (1991-2007) she taught courses and seminars in the Academy of Economic Studies and other private universities in: Management; Commercial Management; Small Business Management/ Entrepreneurship; Leadership Business Communication; Enterprise's Economy; Diagnosis and Evaluation of Commercial Enterprises. She is author and co-author of 15 books (among them: "Management of Commercial Organizations" (2003); "Commerce – main coordinates of commercial activities" (2000); Management of commercial small and medium sized enterprises" (1999)). Mrs. Dragusin published more than 70 articles and scientific paper and was involved in 16 national and international research projects as consultant/expert. She was awarded with „Georgescu Roegen” Diploma for special contribution in scientific research (in 2001, 2002, 2005); She is also: Member of several professional bodies; member in the Managing Board of a Romanian Trade Company.

Her major fields of competence and interest are: Management, Commercial Management, Entrepreneurship and Leadership.

Abstract

Women Entrepreneurship tends to become worldwide a driving force both in terms of number and gross revenues, playing an increasing role in the process of wealth creation

and innovation. The dynamic networking phenomenon is helping to strengthen female entrepreneurship's positive impact. The network can offer psychological, managerial and financial support by providing information, innovative and adapted consultancy and technical assistance to women entrepreneurs and aspiring ones.

This paper outlines the main forms of networking and their impact, both at national and regional level, as instruments of economic development and as a response to business women's need of dealing with a highly complex and fluid environment.

Motto: It takes teamwork to make the dream work.

Women's entrepreneurship is expanding all over the world. The growth of women's businesses is central to wealth creation, innovation and economic development in all countries. The movement of women into business ownership is an undeniable phenomenon. The growth rate in number of women owned firms is higher than the same rate for men in more and more countries. Statistics and many studies are providing a comprehensive image of the role played by women involved in entrepreneurial activity in the world economy. Women entrepreneurs are creating jobs, hope and opportunities in every community.

1. Woman and the entrepreneurial process in Romania

In Romania, a country with low entrepreneurial culture, the small business sector had to be practically recreated after decades of centralized economy. It is beyond doubt that the small business sector is vitally important for Romania and can be the driving engine toward prosperity. The statistical figures in the White Charter of Romanian SMEs (¹), issued in 2006, confirms once again that this sector can be one of the main sources of growth that Romania should rely on as the new member of EU family.

The increasing number of SMEs, both men and female owned, reflects a favourable business environment in the country. The SMEs distribution by development regions is not homogenous and shows the highest concentration in the following regions: Bucharest - still having the highest weight, North-West and Centre. From the density indicator point of view, Bucharest is on the top of the list (48, 5 SMEs / 1000 inhabitants), opposed to the North-East region, ranked on the last position (18 SMEs / 1000 inhabitants). Bucharest takes the lead for turnover too. The distribution of entrepreneurs by level of

¹ xxx White Charter of Romanian SMEs – 2005, Tipogrup Press, Bucharest 2005

education shows that the percentage of those with higher education increased from 21, 2% (1995) to 42, 7% (2004). By region, Bucharest has the most educated entrepreneurs - 58%, followed by the North-East Region (45, 8%) and West Region (45, 2%).

Understanding and appreciating the social and economic impact of women entrepreneurs is a key to a more effective identification, preparation, and utilization of a most valued human resource sector of Romania which contributes to the vitality and well being of the economy. Women Entrepreneurship tends to become rapidly a force in the economic regional development. Women's weight in the total population amounts to 51,2% and their presence in the total active population represents 47,6%. As a consequence, women represent a readily available pool of potential entrepreneurs that each Romanian region can leverage to improve its economy. An inquiry of the Statistic National Institute outlines women presence in the small business sector: almost 38% of the total active SMEs were lead by women entrepreneurs in 2005. There are important regional differences as far as the weight of their enterprises in the total: higher in the North-West Region (42, 0%), West Region (38, 8%) and South-West Region (38, 6%). The South Region has the lowest weight (29%) of enterprises run by women. This situation is correlated not only with the overall distribution of SMEs but also with cultural features.

Men and women have in Romania, at least theoretically, equal opportunities to start their own businesses. In fact, entrepreneurship is viewed by many persons as more suitable for men than for females ⁽²⁾. The conservative, traditional approach according to which women should stay at home, raise children and reinforce traditional family values on a day by day basis is still wide spread. Recent findings ⁽³⁾ revealed that such gender stereotype of women as main householder is still strong. Even though, the businesswomen phenomenon is rising continuously.

² www.ele.ro / "Businesswomen un fenomen care ia amploare", 2005

³ www.iccv.ro / Barometrul de opinie publica; 2004,

A recent study ⁽⁴⁾ revealed that, *in terms of personality*, businesswomen can fit, just like men, to a successful *profile* proving: high energy, courage, discipline, goal orientation, enthusiasm, innovation, persistence, passion, vision, client focus and wish to work hard. The Romanian woman-entrepreneur is, in most of the cases, married with children, educated (high school or faculty), devoted to her business and able to overcome barriers but not interested in politics. However, in contrast to men, women tend to be more flexible, balanced and tolerant, more realistic. Romanian businesswomen are mainly motivated by the need of independence (81, 1%), comparing to men who tend to be driven by the desire to be in control, to make things happen. Other motivator factors are: professional achievement (62, 2%), higher income (45, 6%), by necessity (unemployment) (2, 7%).

Women's businesses tend to be smaller and less expensive to operate than those of men. Even if, the largest share of women owned companies is in the service sector they tend to continuously expand into non-traditional industries. Anyway, Romanian women entrepreneurs are involved in a larger variety of economic sectors (other than retail, services) comparing to those of European Union or U.S.A., as a natural consequence of their active role played as employees in the former centralized economy ⁽⁵⁾. Factors in the start-up process of a business for male and female entrepreneurs are also different. Women's decision to become self-employed is complex. Women are more likely than men to shoulder family-related obligations.

Romanian businesswomen do not feel discriminated comparing to men. They also face immediate competition and tend to bear the full cost of their businesses. The majority of women entrepreneurs provide all the required start-up capital themselves.

More and more business women consider joining a professional women's association to find a support network for their ideas and work. This trend indicates that Romanian businesswomen are beginning to understand the importance of membership in

⁴ xxx International Conference Women Entrepreneurship in Romania, Nov. 2006: C. Rotaru, Ph. D.

⁵ xxx Amfiteatrul Economic, nr. 17/2006, p.

associations and how combining their efforts can have a great impact on local and central administration bodies.

2. Networking – an option for women entrepreneurs

One of the main globalisation's effects is the increasing dependency of the economic actors. *Networking is the response to the companies' need of dealing with a high complex and liquid environment.*

The network brings to its members the opportunity to share risks and uncertainty. Based on cooperation the network is a new dynamic form of organisation that allows each member to follow its own objectives. The enterprise developing internal and external networks has higher chances to increase its competitiveness.

Affiliation to associations, as forms of networking, plays an important role in women entrepreneurship's success. The creation of women networks facilitates the increase of their members' awareness. Usually it is assumed that if a woman knows at least one other entrepreneur, she will have some access to experience-based information about how to start and manage a business.

Women associations have the mission to help, counsel, teach, encourage and inspire women entrepreneurs. They also contribute, through their activities, to a higher visibility of businesswomen. A survey (⁶) pointed out noticeable differences by gender in participating in associations, namely a larger interest in the case of men comparing with women. On the top of their expectations to be met is placed the desire to gain more and reliable market information as well as information about legislation and technologies. According to G.E.M.'s Report 2005 (⁷), the first cross-national assessment on women's entrepreneurial activity, **network development** and mentoring is one of the main key that **would enable the increased involvement of women in new venture creation**. Start-ups success is highly dependent not only on education and experience, but also on a

⁶ www.nfwbo.org / "Health and needs of SMEs"; Survey Brochure, 2004

⁷ xxx G.E.M.'s (Global Entrepreneurship Monitor) Report 2005 on Women and Entrepreneurship

better networking. Role models and social networks are an important source of both information and access to resources. In many cases, the networks women rely on operate quite differently from those dominated by men. As stated in the Report, women in low-income countries ⁽⁸⁾ like Romania, often have significantly smaller networks and less geographical mobility. As a result, they construct relatively personal but strong networks that allow them to partially substitute these personal network relationships for formal legal contracts. Thus the position of woman entrepreneur within larger structures can influence her ability to observe role models and acquire resources.

3. Networking – a dynamic process at national and regional level

As the main governmental body responsible for the small business sector in Romania, the Ministry for SMEs, Commerce, Tourism and Liberal Professions has important strategic priorities aiming to create a business environment favourable to establishing and development of SMEs. The “National Multi-Annual Programme for 2005-2008 for the development of entrepreneurial culture among manager women from the SMEs sector” is the first in Romania, entirely dedicated to women. The goal of this programme is to promote a system that facilitates women mobility on labour market and help them to get involved in private economic structures and also maintain the balance between family and work. The programme’s primary objectives are to:

- develop the entrepreneurial spirit among women;
- raise the level of information about women entrepreneurship;
- stimulate self employment;
- raise the number of women entrepreneurs within the business community;
- create new start-ups;
- equal access to the knowledge based economy.

Thus stimulated by a favorable legal and institutional framework, **women entrepreneurs networking in Romania** *is at its beginning, but it numbers already a lot of national and local associations, focused on promoting women’s access to the world of businesses.*

⁸ The 34 nations participating in the G.E.M. study in 2004 were divided in three categories: the *high-income group*, including countries with per capita incomes exceeding 25 000 \$; the *middle-income group*, including countries with per capita incomes between 10 000\$ and 25 000 \$; the *low-income group*, including countries with per capita incomes not exceeding 10 000 \$.

The Romanian **networking process** among businesswomen is surprisingly **dynamic** and **wide**. In a relatively short period of time, 20 business women associations were founded all over the country (Table nr.1).

Table nr. 1 – Main Romanian Business Women Associations

NR.	NAME:	LOCATION	SITE
1.	COALITION OF WOMEN BUSINESS ASSOCIATIONS	Bucharest	www.cafa.ro
2.	ROMANIAN WOMEN ENTREPRENEURS ASSOCIATION	Bucharest	www.afir.ro (inactive)
3.	ASSOCIATION FOR WOMEN ENTREPRENEURSHIP	Bucharest	-
4.	WOMEN'S ASSOCIATION OF ROMANIA (1990)	Bucharest	www.afr.ro
5.	'PROWOMEN' ASSOCIATION	Bucharest	-
6.	F.A.C.T.S. WOMEN ASSOCIATION	Bucharest	-
7.	BUSINESS OPPORTUNITIES FOR WOMEN ASSOCIATION	Bucharest	www.asoaf-bow.ro EU project (sumar)
8.	ASSOCIATION OF BUSINESSES WOMEN AND TOP MANAGERS IN BRASOV	Brasov	www.afafci.ro , www.feminavip.ro
9.	WOMEN NATIONAL ASSOCIATION FROM RURAL ENVIRONMENT	Brasov (Bran)	
10.	ROMANIAN ASSOCIATION FOR WOMAN PROMOTION	Timis	www.apr.dnttm.ro inactiv
11.	TIMIS WOMEN ENTREPRENEURS ASSOCIATION (1998)	Timis	www.afmt.ro active engl./ partial
12.	DOLJ WOMEN MANAGERS ASSOCIATION	Dolj	-
13.	RAMNICU VALCEA WOMEN MANAGERS ASSOCIATION	Valcea	
14.	GIURGIU BUSINESS OPPORTUNITIES FOR WOMEN ASSOCIATION	Giurgiu	-
15.	CALARASI BUSINESS WOMEN ASSOCIATION	Calarasi	-
16.	GALATI WOMEN ENTREPRENEURS ASSOCIATION	Galati	-
17.	CONSTANTA BUSINESS OPPORTUNITIES FOR WOMEN ASSOCIATION	Constanta	-
18.	BIHOR WOMEN ENTREPRENEURS ASSOCIATION	Bihor	-
19.	CLUJ BUSINESS WOMEN ASSOCIATION	Cluj	-
20.	UNITED WOMEN ASSOCIATION FROM IASI	Iasi	-

As suggested by their name and their documents (7 of them on their sites too, some of them with English version), these associations aim to inspire women to raise the bar on their performance and achieve career and personal success.

Coalition of Business Women Associations in Romania (CAFA) (⁹), launched at the beginning of 2004, is a coalition of 17 associations, having a well defined statement of principles, a code of conduct and clear stated principles of action. The forth Women in Business' Conference, which took place last year and gathered more than 100 participants from all over the country, had on the agenda the topic of the economic environment's evolution and its impact on the women's firms.

Among *the most important activities* deployed by women associations are the following:

- monthly meetings which includes company presentations and debates of the latest developments in business, finance and legislation;
- exchange of experience with other women entrepreneurs from other counties and regions of Romania;
- business partnerships among women;
- business skill-building;
- promotion of members and their companies in local and national media;
- participation in national and international events, workshops, round tables, debates, press conferences.
- receive information about business and training opportunities, newsletters, studies, and reports concerning gender issues.
- help women to develop their entrepreneurial spirit
- aiming at contributing to the improvement of the business environment in Romania.

Each woman member of the association can bring its own contribution, express its opinion and come up with new issues to be discussed. This is an efficient way to expand members' knowledge, become more self-confident, more open-minded.

The regional distribution of women association (Table nr. 2) is relatively homogenous, except for Bucharest. This situation reflects the efforts to enhance women's potential in

⁹ xxx www.cafa.ro

each region. The largest number of associations is concentrated in Bucharest (35%), region accounting the highest number of SMEs and women entrepreneurs.

Table nr. 2 – Distribution by Regions of Romanian Business Women Associations

NR	DEVELOPMENT REGION	Number of associations
1.	BUCHAREST REGION :	7
2.	CENTER REGION -Brasov (Brasov county); - Bran (Brasov county);	2
3.	WEST REGION - Timisoara (Timis county);	2
4.	SOUTH-WEST REGION: - Craiova (Dolj County) - Ramnicu Valcea (Valcea county)	2
5.	SOUTH REGION: - Giurgiu (Giurgiu county) - Calarasi (Calarasi county)	2
6.	SOUTH-EAST : - Constanta (Constanta county) - Galati (Galati county)	2
7.	NORTH-WEST : - Oradea (Bihor county) - Cluj-Napoca (Cluj county)	2
8.	NORTH-EAST : - Iasi (Iasi county)	1
	TOTAL	20

These associations are acting like important vectors for raising women' awareness and enhance regional levels of entrepreneurial behaviour. Along with other professional networks, like - Career Justice Women Association, University Graduated Women Association; Equal Opportunities for Women Foundation, "IF" Association for Women, Roma Women Association of Romania, Partner ship for Equality Centre etc. - are important entities promoting and managing innovative actions in the field of regional and local development.

Conclusions

Women entrepreneurship is becoming an important development factor both at national and regional level.

Women's businesses low weight in the total number of SMEs compared to women's weight in the total active population reveals an important unexplored pull of potential entrepreneurs. Networks development is one of the most effective options that can raise women's involvement in new venture creation. Findings suggest that the networking process in Romania, even if at its beginning, is surprisingly dynamic and wide and counts 20 associations. Their regional distribution homogenous (except for Bucharest) is reflecting the efforts to enhance women's potential in each region.

Implementing specific programs along with achieving a higher visibility of the existing associations can raise women's awareness about entrepreneurship and provide them with role models and networking possibilities.

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