



WOMEN'S ENTREPRENEURSHIP IN REPUBLIC OF MOLDOVA

Victor Dima

Faculty of Economics, Ovidius University of Constanta

Abstract: This is the final report of a study, the purpose of which was to identify and analyze the problems that are faced by the women's entrepreneurship in the Republic of Moldova. Some causes that made these problems appear were identified and some recommendations have been proposed for the development and growth of the women's entrepreneurship in the Republic of Moldova.

Keywords: Women's entrepreneurship, success, manager, economic activity.

JEL: L26, O12

INTRODUCTION

Over time, women's rights have been repressed in different ways, not being successful and putting the successes and innovations at the managerial level on the brink of luck. Even if we live in the 21st century, manager women are still seen with a bit of reluctance. In general, it has been observed that there is a tendency for women to be more often criticized than men for the way they behave, dress, speak, etc.

PRESENTATION

If men prefer to run their own business or with a partner, women tend to unite their forces. More than 50% of female entrepreneurs in Moldova associate with other business women in several spheres of activity, not just in the sale-purchase. 26.6% of these are members of women's networks and business associations. Another 19% plan to join the associations¹.

These are the findings of an opinion poll, organized by the National Institute of Economic Research (INCE) under the command of the National Platform of Women of Moldova (PNFM). The results were summarized and presented at the Forum organized in Chisinau “Women's Entrepreneurship – Regional Development Potential” by Elena Aculai, Doctor of Economic Sciences, associate professor of INCE. According to the data of the National Bureau of Statistics, the share of men in the total number of entrepreneurs is 72.5%, and of women – 27.5%. Female entrepreneurs relatively more frequently manage micro enterprises (79.4%), while the share of men is 67.8%. Similarly, 28.2% of women manage businesses with a business period of up to 2 years, compared with 22.9% of male-run companies².

The survey was conducted between March and May 2017. 266 women entrepreneurs participated in the questionnaire, participating in the BAW project, managed by ODIMM and funded by the European Union.

Interestingly, most women (32.8%) do not have the purpose of setting up a business for money. They tend to show new entrepreneurial qualities. Another 30.6% have the intention of increasing personal or family income. For 26.7% of women, a business is the way to ensure a minimum standard of living. 89% of respondents intend to develop their own business due to increased sales and profits³. However, fewer women are interested in expanding the sales market and the number of employees. And only 6% want their output to be exported. Most say that their products / services are quite demanded on the Moldovan domestic market. Others say that the production volume is not big enough to cover the foreign market.

¹ STRATAN, Alexandru, REPORT ABOUT SCIENTIFIC AND INNOVATION ACTIVITY IN 2017, ince.md.

² National Bureau of Statistics, <http://statbank.statistica.md>.

³ Main indicators of business activity, 2014–2017, <http://statbank.statistica.md>

Businesses can be developed by expanding the range of production, introducing new types of activity, looking for funding sources, etc. 64.2% of women want to pass the business in succession. 12.8% have no plans, and 23% have not decided.

There are three main problems of the entrepreneurs, which hinder business development. These are: limited access to financial and human resources; tax burdens, inspections and controls by the state; political and economic instability, corruption, the quality of laws and their implementation.

Why is women's entrepreneurship in Moldova underdeveloped? In 26.6% of cases, the cause is the excessive burden of women in the family. Here we can add the poor development of public institutions, which would facilitate the domestic work of female sex representations. In 21.6% of cases the main impediment is represented by men's mentality and for 12.1% – the traditions in society as a whole. Likewise, 13.9% of the respondents consider that the main problem is the particularities of the female character (the unwillingness to risk, the lack of confidence in their own forces, etc.) and another 13.9% – in the education of the girls in the family, it is not oriented towards the development of entrepreneurial qualities.

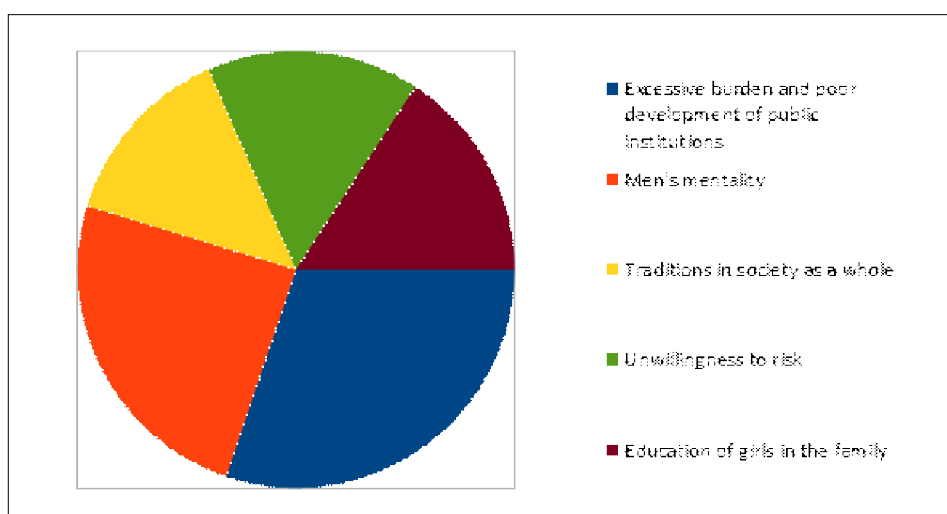


Fig. 1. *Main causes of the undevelopment of the women's entrepreneurship*

In order to develop their business, women need financial resources (86%); information (65.2%); training and consulting (63% each)⁴.

There are some points that should be developed:

- State measures to support female entrepreneurship need to be differentiated for potential / beginner entrepreneurs and for competitive companies with development potential;
- At the legislative level, a policy to encourage the development of family businesses must be implemented, including by developing a simplified mechanism for passing on business in succession;
- Promote cluster policy that contributes to the development of exports, develop and implement a mechanism to support clusters at the stage of their establishment;
- Improving entrepreneurs' access to resources, first of all, financial ones. It is important that all information on the financing opportunities of domestic enterprises be placed on a single web page and updated on a permanent basis (including that on foreign donor projects and European programs);

It is also important to explain to state and control officials that one of their functions is to offer advice to entrepreneurs, as businessmen ensure the competitiveness of the region, create jobs and form budget revenue.

In training women entrepreneurs and during wider discussions in round tables and other forums, it is important to focus on:

⁴ Business Activity in Territorial Profiles, 2014–2017, statbank.statistica.md

Table. 1. Focus points.

	Main points to focus on for bussines development
1	Strategic business development issues that would ensure their long-term development, including through the implementation of innovations;
2	Attracting investment and promoting export;
3	Human Resources Management. Entrepreneurs need to understand that labor is the main resource for business development;
4	Export of products / services: training or recruiting specialists who will be involved in the export business;
5	Familiarizing entrepreneurs with the positive and negative consequences of the implementation of the Moldova-EU Association Agreement;
6	Great qualities of feminine character;
7	Drawing attention on topics related to risk and crisis management; psychological and emotional support in certain situations.

CONCLUSION

It is recommended for women to be more active, cooperating with other entrepreneurs, in particular by: participating in the establishment and development of business associations, creating and developing clusters, joint search for business solutions for business development issues. Entrepreneurs should consider the possibility of engaging young family members in the business, training their successors and reflecting on the mechanism of transferring business in succession.

REFERENCES

1. **Stratan, Alexandru.** Report about scientific and innovation activity in 2017, ince.md.
2. National Bureau of Statistics, <http://statbank.statistica.md>.
3. Main indicators of business activity, 2014–2017, <http://statbank.statistica.md>.
4. Business Activity in Territorial Profiles, 2014–2017, <http://statbank.statistica.md>.

Contacts:

Victor Dima

Student, Faculty of Economics, Ovidius University of Constanta

Address: blvd. Mamaia, 243-245, Constanta, Romania.

E-mail: dimavictor@gmail.com
