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WOMEN'S ENTREPRENEURSHIP IN THE DEVELOPMENT OF THE NATIONAL ECONOMY*Received 02 June 2022; accepted 08 June 2022; published 15 June 2022*

Abstract. *The paper is devoted to the socio-economic issue of women's entrepreneurship in the national economy. The features and benefits of the state-level support for women's entrepreneurship have been identified, the main barriers and complexities of women's entrepreneurship development were determined. The defining ranks in the system of female entrepreneurial orientation were characterized. Development models the women's entrepreneurship in the national economy of the country have been developed.*

Keywords: *women's entrepreneurship, models of women's entrepreneurship development, European women, gender aspects, ranks in the business orientation system, countries of Central and Eastern Europe.*

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Introduction

In the context of the modern radical reformation of public relations in Central and Eastern Europe, the role of women in society is changing radically; its social functions are differently defined. A woman is actively involved in various types of livelihoods driven by the needs of a market economy, including the entrepreneurship system (Ambrish, 2014). The gender dimension of modern market economic relations is of particular importance given that women continue to be one of the decisive factors of social production on the whole. Another reason is the following: deployment of women's entrepreneurship creates opportunities to enhance the innovative potential of the modern European economy today.

Literature Review

Publications (Ahl, 2002; Allen and Truman, 1993) on the contemporary economic situation of women in business address such major issues as the current status and problems of women in the labor market in the context of economic transformations, women's unemployment, causes and consequences of gender segregation in the labor market, causes of gender differences in salary, relationship between reproductive and productive labor in women's lives. A number of papers (Gatewood et al., 2009; Jennifer & Candida, 2013) are dedicated to a particular phenomenon in the European economy - women's entrepreneurship. Thus, (Robertson, 2010) analyzes gender features of entrepreneurship, a team of researchers (Meyer and Mostert, 2016) identifies and characterizes ways of women's entry into business, and (Shane, 2003) identifies and characterizes major barriers

to women's involvement in entrepreneurship. Therefore, the issue of women's entrepreneurship requires more detailed research.

Methods

The methodological bases of our study have economic, social and psychological aspects, they are related to the fact that women's entrepreneurship is a special type of the person's economic activity performed by women aimed mainly at self-realization of social qualities, self-affirmation in society, proof of their abilities, through the creation of new forms and improvement of the former types of production. It is conducted by the self-selected risk, despite the difference between men's starting positions and various prerequisites for business (education, capital, and power), as well as the need for specific female household functions.

Results

Conceptual foundations of becoming female entrepreneur

The conceptual basis of the authors' position on the essence of women's entrepreneurship is the understanding that this is a special type of economic activity performed by a women aimed at, unlike the men activities, mainly on the implementation of their social qualities, self-affirmation in society, proof of their abilities, through creation of new forms and improvement of former types of production. It is conducted by the self-selected risk, despite the difference (in comparison with men) of starting positions and various prerequisites in doing business (education, capital and power), as well as the need for a remained specific female household function.

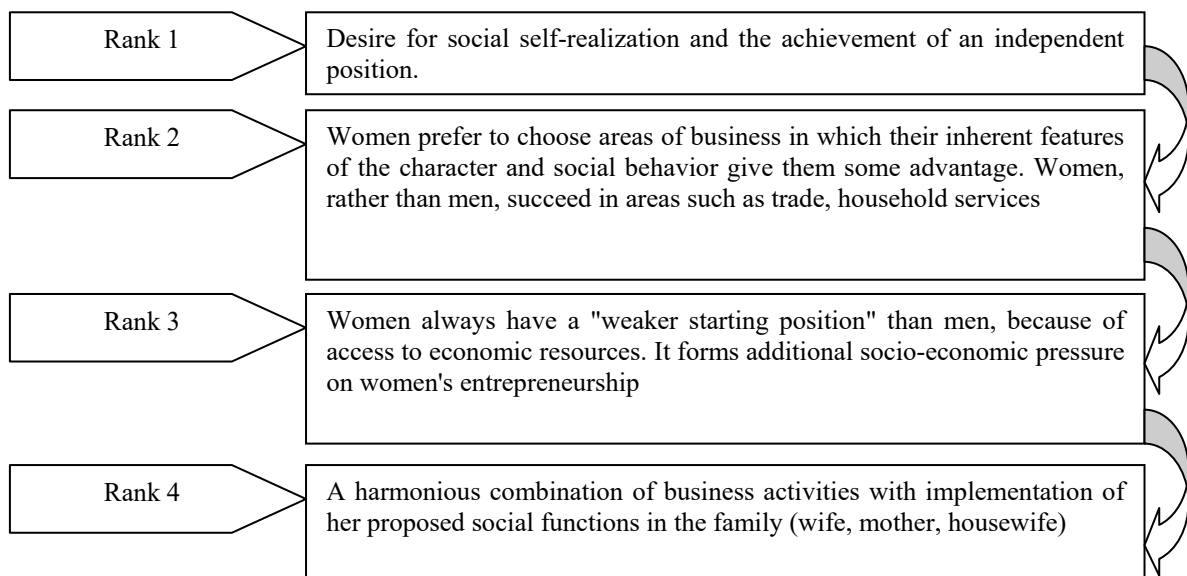


Figure 1. Determinative ranks in the system of female entrepreneurial orientation

Thus, in our opinion, women's entrepreneurship has a special structure of motivation for doing business, which is different from the men's motivation. This gender difference makes it possible to consider women's entrepreneurship as a particular type of entrepreneurial activity (Manolova et al., 2008). We define the hierarchy of ranks in the system of female entrepreneurial orientation (Fig. 1).

At the same time, gender stratification in business is a process of the status and the main trends in overcoming the differences between men and women, as well as perception of these differences in the society regarding: (1) doing business on the whole; (2) "specializations" in different types of entrepreneurship; (3) business management opportunities based on differences in education, accessibility to power, and availability of capital (McAdam, 2013).

A woman has mastered many spheres of business professional activity in the national economy, but the business with its dynamics is able in relatively short time to reveal ability or

inability of the manager to lead the organization to success. It means that the woman's entry into the business will demonstrate business potential and inspire confidence, it will help to overcome outdated performances.

Today, a non-traditional management style fosters to the transition to a new management paradigm. Its essence is a shift away from managerial rationalism towards greater openness and flexibility. The so-called one-dimensional management styles are more typical for men: authoritarian, corporate, bureaucratic, and patriarchal. There are also multi-dimensional management styles, such as delegation of authority. Women in business are mostly archive success by the "intuitive" methods. The intuition allows to form creative lines of behavior in the business environment with many unknowns.

A woman's success in business may not be achieved by approaching a male management style, but by creative use of her possibilities, own stereotypes of behavior that has recently considered as unacceptable in leadership. The main factors and trends in the development of European women's business are: (1) the absolute and relative gap between women and men in terms of entrepreneurship; (2) increase in the share and volume of women's unemployment, spreading of its "chronic" forms among women as a factor of the women's business deployment; (3) dramatic reduction and displacement of women from the sphere of production management, less opportunities for privatization of state-owned enterprises; (4) distorted indicators of women's entrepreneurship in connection with the registration of women's businesses under actual male leadership; (5) educational and industry disparities leading to relevant gender issues in business; (6) higher level of family well-being in a businesswoman than in other groups of women; (7) women's focus on business for the purpose of expressing themselves and acquiring a position independent from men; (8) predominance of hiring managers among female entrepreneurs, their number is less between co-owners or owners of firms (Orhan and Scott, 2001).

The main obstacles to the women's entrepreneurship development in the countries of Central and Eastern Europe are: 1) not only economic and legal barriers are hindered to the mass women influx into business today, but also unrestrained prejudices, eternal willingness of women to be on the second roles. From the point of view of efficiency, the optimal demographic structure of private business envisages an equal (50/50) number of women and men; 2) as in the whole world, the problem of unequal conditions for equal access of men and women to public resources is a topical issue in the countries of Central and Eastern Europe; (3) it is especially difficult to organize employment for women in agriculture, including in the field of agricultural processing; (4) gender aspects are not sufficiently taken into account in the development of government programs at different levels; (5) poor awareness of women entrepreneurs about governmental business support programs, about women's business lending programs; (6) underdeveloped training infrastructure for women entrepreneurs; (7) bank relationships are started from a micro-credit at the first stage (Simonin, 2006; Walker and Webster, 2007).

Assessment of women's entrepreneurial activity at the international level

Global Entrepreneurship and Development Institute (GEDI) uses the Female Entrepreneurship Index (FEI) to assess women's entrepreneurial activity at the international level. Calculating the index envisages comparison of three indicators: status of the business environment, business ecosystem, direction of entrepreneurs. The leaders in the ranking are the USA, Australia, the United Kingdom, Denmark and the Netherlands. The indicator reflects the level of the business and social environment promotion for the development of women's entrepreneurship. Most women (96%) who took part in the FEI survey are positive about entrepreneurship, many women (75%) see themselves as entrepreneurs, but 11% of women are not ready to do business. Unlike men, the main motive to engage in entrepreneurial activity for women-entrepreneurs is the possibility of obtaining additional income (37%) and the need for self-realization (28%). Women have a strong creative start, intuition, desire to save and increase, they are less at risk and not so confident compared to men. At the same time, 53% of women are convinced that it's possible to learn entrepreneurship and compensate possible gaps in special knowledge (Global Entrepreneurship Index (2018) (Fig. 2).

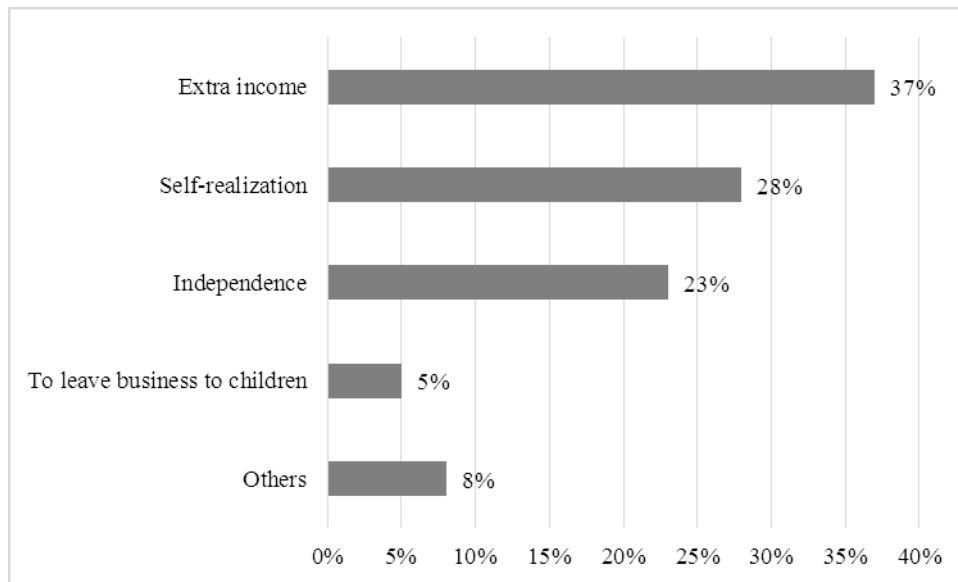


Figure 2. The main reasons for the transition of European women into entrepreneurship
(Women in business, 2018. Grant Thornton International Business Report)

It should be noted that women are actively involved in business in Europe, even if they aren't owners and are employed. Poland and Germany are leaders by the number of women-managers. 40% of senior management positions are held by women, 43% of companies are headed by women in Central Europe, while this indicator is significantly lower in the countries with developed market economy. Thus, this indicator is 8% in Japan, in Germany - 14% (Women in business, 2018. Grant Thornton International Business Report).

Models of women's entrepreneurship development at the national level

According to the basic theoretical assumptions in the women's entrepreneurship sector, we propose to identify two large models not antagonistic in nature but define very different sets of tools for its development (Table 1).

Table 1
Development models of the women's entrepreneurship in the national economy of the country

Model I	Model II
Characteristic:	
women entrepreneurs, which are satellites of the large and medium-sized business	women entrepreneurs, independent from the large and medium-sized business
connection and dependence on other business entities:	
it is determined by the status development of small and medium-sized business	it is not directly dependent on the development of large and medium-sized business
qualification needs:	
it makes high demands on qualification, competence and training	it does not require highly skilled workforce
growth restriction:	
it is a component of a "distributed" production system - it depends on the parameters agreed with the large business	it is an element of the independent network - it depends on the disclosure of the entrepreneurial potential of the nation
main social parameters:	
there is not any reaction to the public needs in the labor market	rapid absorption of labor surplus
update rate:	
low upgrade rates (low level of bankruptcy and exit from the market)	high upgrade rates (high level of bankruptcy and exit from the market)

Sustainability	
relatively high constancy	low constancy, high risk
external assistance needs:	
they are components of state support for industries / sectors	possibility of development with little need or lack of government support programs and budget funds
main partners' requirements:	
continuity and timeliness	new ideas, dynamism
equipment requirements:	
it often requires high-productive specialized equipment, critical requirements for space and transport infrastructure	average needs in universal equipment, non-critical requirements for space and transport infrastructure
availability of market niches for new entities	
low, depends on the needs of "parent" companies	high, determined by new ideas
key development indicators:	
share in GDP, sales volumes	number of jobs
"Bonus" development indicators:	
number of jobs	share in GDP
share of the value added:	
in a wide range	in a wide range
barriers to the market entry :	
relatively high	mostly low
policy tool:	
above all, it is a tool of economic policy	above all, it is a tool of social policy

The subjects of female entrepreneurship of model I are full-fledged economic entities differed in size only. It determines their orientation to highly specialized market niche, where the scale effect on which they lose does not matter much. All regulatory requirements may be applied to model I entities, as well as to medium or large businesses, as they are often linked by a single production programs. These women's business entities require highly skilled workforce and cannot dynamically link the excess of human resources resulting from all kinds of economic turmoil. They don't almost influence the market competition development; there is limited horizontal competition with potential attraction to monopoly in the sector (Robb and Coleman, 2009). The development of the Model I entities is a natural continuation of the evolution of 'parent' companies of large or medium-sized business, which reduce the need for low-skilled labor, relying on efficiency, productivity and introduction of new technologies.

Female entrepreneurship entities of the Model II are highly dynamic, with a short life duration and high market entry / exit rates. Due to the minimal own resources, they naturally concentrate in the traditional spheres of rapid capital movement (trade, services) and mostly do not use highly skilled workforce. Accordingly, they have a high potential to "bind" excess workforce. Positive influence is performed only in terms of their size. The high rates of renewal make their need for simple and understandable regulatory and tax requirements. Due to their high dynamism, large number and mostly low barriers to entry, they operate in a highly competitive environment, which, in case of lack of ownership, encourages them to search for new market niches and products.

These differences in Models I and II define a different set of social outcomes (with a focus on purely economic outcome or mainly social outcome) and, accordingly, require different instruments of state support. Model I government policy expects rapid GDP growth and the subsequent redistribution of national wealth through budgetary mechanisms, so it should provide first and foremost support of big business entities and introduce the same regulatory and tax rules, as well as separate programs to support a limited range of female entrepreneurs (Brush and Cooper, 2012). Model II government policy expects high public employment and economic autonomy, and

therefore should focus on offsetting the risks of high changes rates in the female business environment by fundamentally simplifying regulatory and tax rules for business entities.

In the context of the economic crisis and the post-crisis recovery, model II becomes critical to the social climate in society. In the context of stable socio-economic development, model I comes first. It should be emphasized that the priority of model II does not include the development of model I subjects, but the priority of model I almost completely excludes the possibility of development of model II subjects.

Discussion

The recommendations are related to the further use of two fundamentally different models of women's entrepreneurship, characterize their socio-economic characteristics and determine the specificity of public policy tools aimed at developing national women's entrepreneurship. Taking into account the differences between these two models and defining at the level of the main social groups the key goal of the development of women's entrepreneurship can be the basis for developing an effective strategy for its development in the countries of Central and Eastern Europe. The results of this study explain the difference in the most commonly used approaches to the formation of national policy for small business development policies and can be the methodological basis for a new strategy of the development of national women's entrepreneurship in European countries.

Conclusion

Therefore, it can be argued that women are less able to implement their activity in the field of business due to the presence of institutional barriers and obstacles of different nature, which negatively affects the women's activities and career achievements, thereby reducing their self-esteem and desire for self-fulfillment. Although women-entrepreneurs in Central and Eastern Europe are a quarter of business owners, they own mostly small businesses. Women-led businesses are less profitable, regardless of industry, size of business, and their income. Especially important in today's realities is to promote the development of women's entrepreneurship, because entrepreneurship awakens women to take an initiative for business activity and economic activity, without expectations for the care of the state, which deprives them of the kept psychology and promotes the formation of the middle class.

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