



## STUDY OF THE CURRENT STATE

# ON YOUNG WOMEN ENTREPRENEURSHIP SUPPORT BULGARIA

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### List of Abbreviations

Abbreviation	Term
EC	European Commission
EU	European Union
OPHRD	Operational Programme “Human Resources Development” 2014-2020
OPIC	Operational Programme “Innovations and Competitiveness” 2014-2020
RAPIV	Regional Agency for Entrepreneurship and Innovations - Varna
SoC	Study of the Current State on Young Women Entrepreneurship
VFU	Varna Free University “Cherorizets Hrabar”
YWE	Young Women Entrepreneurs

## Executive Summary

The Study of Current State on Young Women Entrepreneurship Support (SoC) in Bulgaria analyses and synthesizes the state of the art when it comes to young women entrepreneurship. It uses four various methodological anchors to describe the situation and derive policy implementations and conclusions: (1) analysis of secondary data, available from different national and international institutions, (2) quantitative research results (based on the survey with young women willing to start or already running own business, aged 15 to 34), (3) qualitative research based on interviews with the key stakeholders; and (4) interview-based case studies/biographies.

Main conclusions, triangulated by different methods, are as follows:

- Most women quoted the wish to earn a reasonable living as most motivating factor and then come the job security or employment. On the other side, they would rather prefer starting business for personal satisfaction and realization of a dream, as well as capitalization of a business idea. Role model and achievement of better social status are among less important motivator for becoming of entrepreneur.
- The main financial obstacle for YWE is the access of finance, followed by lack of savings and high interest rates. The most important competences barrier is the lack of information about how to start business, followed by lack of entrepreneurial skills. Surprisingly, the respondents do not consider that traditional views about role of women in society as a high barrier. The highest “soft” barrier for them is uncertainty about the future in case of starting own business, followed by the risk of losing the balance between work and personal life. As it comes to macroeconomic and policy barriers – the highest one is the high level of corruption, followed by the red tape. Surprisingly, the respondents rated on the 3<sup>rd</sup> place of importance high taxes even Bulgaria is known to have a quite favorable tax environment.
- Analyzing the aspects in the success of the most recent start-ups, we can see that the most helpful for YWE are advisory support, mentoring, consulting and market research. The highest influence for YWE for deciding whether to start business or not has the close family and friends. Colleagues and acquaintances could also influence them in taking of such decision.
- The most preferable type of training is counseling and consulting, followed by trainings; events and networking and coaching and mentorship. The most valuable business needs for training are declared to be finance and budgeting; accounting; management; entrepreneurship; marketing; business plan development.

Policy makers should be concerned with development or improvement of tools for YWE support focused to several areas:

- Fostering of establishment and development of companies in specific sectors production and knowledge based services, owned and/or managed by women;
- Improvement of a cooperation between academia and business
- Fostering of internationalization of SMEs, owned and/or managed by women;
- Improvement of entrepreneurial and managerial knowledge and skills of business women;
- Awareness rising of business women;
- Providing of financial instruments (bank loans, preferential rates, risk capital, etc.) for WEs.

## 1. Introduction

The aim of the **Study of Current State on Young Women Entrepreneurship Support in Bulgaria** is to synthesize the findings concerning youth female entrepreneurship and enables Bulgarian project partners to elaborate evidence-based strategies to deal with the impact of youth challenges, their unemployment and prospects that can be found in entrepreneurial endeavors. The report in particular presents the barriers and needs of the youth female entrepreneurs as well as the opportunities to support them within the policy framework.

The report focuses explicitly on the opportunities of the female entrepreneurship in Bulgaria. Besides describing the barriers and needs of youth entrepreneurs, in particular women, the screening of available policy instruments are performed.

Therefore, a central question that arose when considering the entrepreneurial potential of young women was what factors determined entrepreneurial intention and success among youth in Bulgaria. Thus, the objective of this study is to examine the current state of the young woman entrepreneurship in Bulgaria and to identify key drivers and motivations, as well as obstacles and barriers of entrepreneurial activity. The available literature and research give explanations to this issue highlighting the impact of the personality traits on the entrepreneurial intention and the success of the entrepreneurial attempt. However, a vast array of social, cultural, political, economic, and demographic factors surrounds the person, and personality traits cannot be taken as the only explanation of entrepreneurial intention. In this regard, the main aims of the study are:

1. To illustrate the Bulgarian economy and the business environment through relevant economic and business demography indicators.
2. To present, if there is any, young entrepreneurs or female entrepreneurs related policy, strategy, an action plan on national and/or other governmental levels (specific instruments/measures for women entrepreneurship and how successful they are; specific tax incentives for women entrepreneurship etc.)
3. To identify the main characteristics of women entrepreneurship in Bulgaria.
4. To identify the main barriers of young female entrepreneurs in Bulgaria.
5. To identify the main needs of young female entrepreneurs in Bulgaria.
6. To identify challenges connected to youth women entrepreneurs and policies aimed to deal with them.
7. To identify main opportunities to support young women entrepreneurs in Bulgaria.

## 2. Methodology

The SoC has been prepared in two steps. During the first step, VFU and RAPIV teams conducted a survey among the young women willing to start or already running their own business, in order to get the better understanding of their needs and barriers they face in business. Alongside, both teams conducted interviews with the main stakeholders. In the second step, RAPIV has provided a country overview on the young women entrepreneurs (YWE) presenting existing national statistics, as well as analyses of the existing documents and strategic documents tackling this problem. The report synthesizes the findings of the following activities:

### **1) Analysis of secondary data, available from different national and international institutions**

All available relevant documents and reports are used to offer a general presentation of the Bulgarian economy and the business environment as well as young entrepreneurs or female entrepreneurs related policy. First, data available from National Statistical Institute of Bulgaria and other relevant national institutions (such as ministries and other governmental institutions) are used. It is important to note that much statistical data on the performance of the business system are not systematically collected or analyzed by national institutions. Then, the study analyzes secondary data derived from the relevant international institutions such as the World Bank, EUROSTAT, OECD, GEM reports, etc. In other words, this activity is about desk research of the existing and available administration data relating to the targeted age/sex group.

### **2) Quantitative research based on the survey with young women willing to start or already running own business, aged 15 to 34**

The main objective of a survey among the young women willing to start or already running own business is to indicate their needs and barriers they face in business and/or entrepreneurial attempt. To collect data, a questionnaire was used that consisted of 19 questions divided into six groups. In the first group, control questions were presented related to gender, the age of respondents, and the country from which she comes. The second group of questions related to the entrepreneurial status of the respondents and the company information that the respondent possibly owns. In the third part, motivations and obstacles to entrepreneurship were examined, while the fourth part was about entrepreneurial self-efficacy. The fifth part concerned country cultural and normative profiles as potential facilitators of entrepreneurship. The fifth group aimed to identify the primary needs of young female entrepreneurs and the main opportunities to support young women entrepreneurs. Questions in the sixth group were related to the demographic data of the respondents.

Data collection was carried out using the online software LimeSurvey. Invitation for participation in the research was distributed by e-mail, and the invitation letter consisted the link to the online survey.

### **3) Qualitative research based on interviews with the key stakeholders**

The interviews were conducted to understand the main characteristics of women entrepreneurship in Bulgaria better. The aim of the interviews is fourfold:

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1. To perform mapping, evaluation and benchmarking of the current situation as well as the assessment of potential obstacles faced by youth women entrepreneurs and assessment of instruments and measures to overcome them;
2. To reveal local discourses concerning youth, entrepreneurship and women entrepreneurship;
3. To map the existing policies (measures and activities) focusing on youth, women, and entrepreneurship; and
4. To find out what kind of data is collected and used by the national actors to measure youth women entrepreneurship.

RAPIV and VFU jointly selected representatives of relevant institutions engaged in dealing with young women entrepreneurs (and each of the categories: youth, gender issues, entrepreneurship) to be interviewed.

Both PPs selected and contacted 13 representatives from different institutions representing the defined categories:

- Non-Institutional Regional Authority – 2;
- Institutional National Authority – 1;
- Educational System Representative – 1;
- Business Support Organization – 6;
- Regional/National/International NGO Representative – 2;
- Employment Services Representative – 1.

The selection was based on experience with YWE and the scope of its services for this target group. Each interview with a stakeholder included seven major themes:

1. The description of the organization and interviewed person.
2. Perspective on the regional developmental pathways in the area of youth, women entrepreneurship: past, present, and future.
3. Challenges, policies, projects, and programmes related to entrepreneurship, and in particular young women entrepreneurs.
4. Data on youth women entrepreneurs in the country (existent and possible data sources/databases, data needs).
5. Perspective on how youth women entrepreneurship matters in the action fields of the organization.
6. Organizational engagement (how the organization the interviewed person represents is affected by youth challenges, in particular, employment).
7. Recommendations

RAPIV and VFU conducted 7 interviews with stakeholders – both in written and face-to-face. After collecting all the interviews and creating all the summaries, interview findings summary was prepared.

#### **4) Interview-based case studies/biographies**

In order to give the YWE the possibility to present them and to enhance the portrait provided by the observation of the statistical data or the interviews with the stakeholders, the short description of young women entrepreneurs, their motivation and the needs they were or are still facing are prepared. This is presented in the form of interview-based case studies/typical biographies. Each interview with a young women entrepreneur included four themes:

1. The description of the interviewed person;
2. About her entrepreneurial attempt;
3. Resume;
4. Recommendations;

The results of all these activities are presented in the chapters below.

### 3. Republic of Bulgaria

#### 3.1. General presentation of the country

The Republic of Bulgaria is a country located in Southeastern Europe. It is bordered by Romania to the north, Serbia and Macedonia to the west, Greece and Turkey to the south, and the Black Sea to the east. The capital and largest city is Sofia; other major cities are Plovdiv, Varna and Burgas. With a territory of 110,994 square kilometers (42,855 sq mi), Bulgaria is Europe's 16<sup>th</sup>-largest country.

About 30% of the country's territory is covered with plains. The hills and highlands occupy approximately 41%. The southwestern part of the country has more mountainous character.

The temperate climate prevails in Bulgaria. Stara Planina creates a barrier effect that strongly influences the climate in the country - the northern part gets more rainfall and is experiencing lower temperatures. During the winter the continental air masses are carrying snow and in the summer the Mediterranean air masses are responsible for the hot and dry weather.

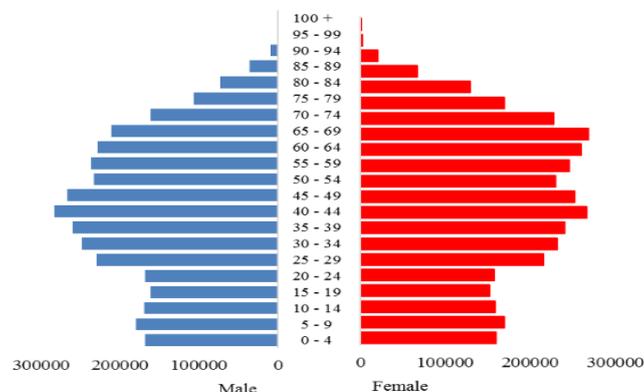
The country has a well developed river network of approximately 540 rivers, most of which are relatively short and with low water levels. The only exception is the Danube River.

Bulgaria has a wide variety of minerals and natural resources. The Coal Basin near Maritza river is rich in lignite. There are brown coal reserves in Bobov Dol and Rila. Western Stara Planina is rich in copper. Fossil-energy and mineral resources are a very strong factor for the development of the primary (extraction) sector of the national economy, the territorial position of the mining industry and the development of the secondary sector (manufacturing).

By 2017, the population is 7.1 million people, representing 1.4% of the population of EU.

Male population is 48.5% and female 51.5%. Males prevail among the population aged up to 53 years. The number and share of females into the total population have increased among the elderly (Figure 1).

Figure 1: Age structure of population in Bulgaria as of 31.12.2017



With regard to unemployment for people aged 15 and over, in the second quarter of 2018 unemployment rate of 5.5% was observed. The unemployed are approximately 182.2 thousand.

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Of these, 109.8 are men and 72.4 are women. For the country, the long-term unemployment rate is 3.2%, with men 3.7% and women 2.6%.

Furthermore, 58% of women have secondary school-level education, as per data from 2017 (Figure 2). More women currently attend university than men (Figure 3).

Figure 2: Graduated high-schools students by gender

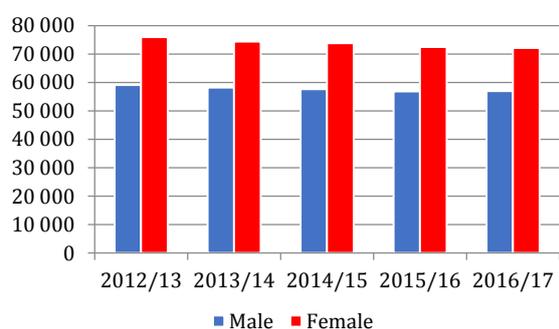
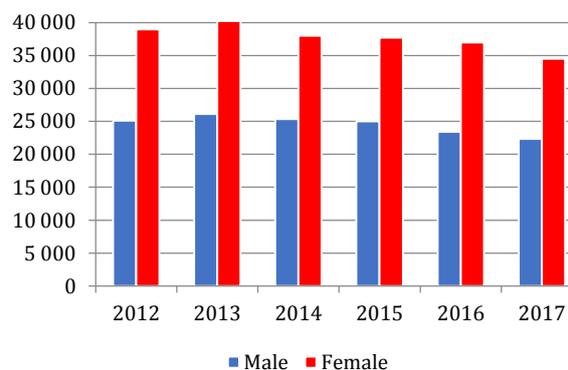


Figure 3: Graduates universities by gender



Since Bulgaria joined the EU in 2007, state policies are almost entirely outlined in strategic documents developed at the request of the EC. The European Structural Funds through national operational programmes become the main and almost unique source of state-level governance initiatives and become a key factor for the growth of the national economy. A significant number of policy measures in support of SMEs - e-Justice and e-government strategies, a new Public Procurement Act and a better regulation program (including the impact assessment and impact assessment guidelines) have been adopted in 2014 and the first quarter of 2015.

The Ministry of Economy is developing a Strategy for the Promotion of Women Entrepreneurship, together with women entrepreneurs' organizations. Support for women's entrepreneurship by the Ministry of Economy is implemented through the measures envisaged in the Entrepreneurship 2020 Action Plan for Bulgaria, which is part of the strategy.<sup>1</sup>

The promotion of entrepreneurship and in particular women's entrepreneurship is based on the following strategic documents:

- Small Business Act (SBA)
- Innovative strategy for smart specialization of the Republic of Bulgaria 2014- 2020
- Operational Programme "Innovations and Competitiveness" 2014-2020 (OPIC)
- Operational Programme "Human Resources Development" 2014-2020 (OPHRD)
- National Development Programme: Bulgaria 2020
- National Strategy for Small and Medium-sized Enterprises 2014-2020

<sup>1</sup> <https://www.mi.government.bg/bg/news/ministar-lukarski-razrobotvame-strategiya-za-nasarchavane-na-jenskoto-predpriemachestvo-2492.html>

- Entrepreneurship 2020 - Bulgaria Entrepreneurship Action Plan

SBA adopted in June 2008 reflects the Commission's recognition of the central role that SMEs and entrepreneurship play in the EU economy. It introduces a comprehensive policy framework for SMEs for the EU and its Member States. The aim of the Act is to improve the overall approach to entrepreneurship and to impose the "Think Small First" principle in policy development - from provisions to public services. The law promotes the growth of SMEs by helping them solve the problems hampering their development, in particular by focusing on initiatives that support small businesses by:

- Reducing bureaucracy
- Providing access to finance
- Increasing access to markets

The law aims to lead to a longer-term change in attitudes - by raising awareness of the role entrepreneurs play in society, and by encouraging and inspiring potential new entrepreneurs. These four key areas of the SBA remain a priority for the coming years. Furthermore, 5<sup>th</sup> priority is the need to address the shortage of skilled labor.<sup>2</sup>

Through the Innovation Strategy for Intelligent Specialization 2014-2020, Bulgaria declares its vision for policy change and overcoming the existing socio-economic challenges:

- low labour productivity;
- low share of high-tech production;
- demographic crisis - prevention of brain drain, attracting successful Bulgarians and youth entrepreneurship;
- ensuring a better and healthier lifestyle.

Innovation Strategy for Intelligent Specialization 2014-2020 has been developed in line with the Europe 2020 Strategy for Smart, Sustainable and Inclusive Growth as well as in the implementation of thematic objective 1 of Art. 9 of Regulation (RE) 1300/2013 - "Strengthening research, technological development and innovation". RIS2 is a thematic precondition of Annex XI of the same Implementation Regulation, which is the allocation of funds under the Operational Programmes "Innovation and Competitiveness" and "Education and Science for Smart Growth". Innovation Strategy for Intelligent Specialization 2014-2020 has been developed in line with Bulgaria's vision set out in the NRDP Bulgaria 2020 Danube Strategy Action Plan to "Unlock the Potential of the Economy." During the current programming period, the development of Innovative Strategies for Smart Specialization at Region Level according to NUTS II classification), but the needs and challenges at the regional level are the basis of Innovation Strategy for Intelligent Specialization 2014-2020 and a key element in the implementation of the activities of the strategy.

The role of the strategy is to identify the areas with the greatest potential for growth and the support to be targeted at them. The following priority sectors are identified:

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<sup>2</sup>[http://publications.europa.eu/resource/cellar/febe233a-ec15-11e5-8a81-01aa75ed71a1.0002.03/DOC\\_1](http://publications.europa.eu/resource/cellar/febe233a-ec15-11e5-8a81-01aa75ed71a1.0002.03/DOC_1)

- Information and Communication Technologies;
- Mechatronics and clean technologies;
- Industries for healthy life and biotechnology (including food);
- New technologies in creative and recreational industries.

The mobilization of limited internal resources through various forms of international scientific, technological and innovation cooperation and the integration of the country into supply chains at international and global level are the main objectives of the innovation strategy for smart specialization. The role of the internationalization of the innovation process in Bulgaria and the integration of Bulgarian research and innovation into the overall successful EU entrepreneurship framework is of the utmost importance. This is undoubtedly the most difficult and lengthy process, but it leads to real achievements in the field of research and innovation as well as to achieving the country's sustainable competitiveness.

The strategic aim of the Innovation Strategy for Intelligent Specialization is by 2020 Bulgaria to be moved from the group of "incomplete innovators" to the group of "moderate innovators". In practice, this change will be realized through an effective policy to promote:

- innovation, research and the development of human capital;
- investment in high-tech areas, where Bulgaria has traditions, specialists and successfully competes on the international market;
- Export-Oriented Industries.

The strategic goal will be realized through the achievement of two operational objectives:

Objective 1: Focus on investment to develop innovation potential in the identified thematic areas (to create and develop new technologies leading to competitive advantages and increasing the added value of national products and services)

Objective 2: Support for accelerated technology, methods, etc. enhancing resource efficiency and ICT implementation across enterprises across the industry.

The measures for the implementation of Innovation Strategy for Intelligent Specialization 2014-2020 are mainly foreseen in the Operational Programmes "Innovation and Competitiveness 2014-2020" (OPIC) and "Science and Education for Smart Growth 2014-2020" (SESG) and the part that remains at the expense of the state budget is included in the budget of the Ministry of Economy for the respective year.

State enterprise support policy is based on two complementary approaches:

- creating a favorable environment for business and business
- improving access to finance for both start-ups and emerging companies.

The main objective of the first approach is to implement a policy of reducing administrative barriers, reducing barriers to trade, privatizing and demonopolizing, improving taxation, developing eGovernment, and creating a positive public attitude and entrepreneurial culture.

The second approach is implemented through the implementation of a variety of programs to support entrepreneurs in addressing a number of specific issues - preparation for business start-ups, financing and investment, company growth, quality management, export activities, staff training and development, etc. are implemented by national and European programs and funds.

Essential for enterprises is the main national tool for encouraging innovation OPIC. The OPIC envisages a number of procedures and financial measures to increase the productivity, efficiency and innovation of Bulgarian enterprises. The program aims to overcome the following weaknesses and challenges:

- low level of innovation resulting from insufficient cooperation with science and universities, small volume and inefficient investment in R & D and innovation;
  - difficult access to sources of financing and low investment activity;
  - low degree of internationalization (95% of SMEs are characterized by low internationalization and the country ranks 27th in the EU);
  - Insufficient entrepreneurial culture, activity and skills for effective management of innovation and marketing;
  - Deteriorated export structure (mainly based on exports of commodities and commodities with relatively low added value);
- a high level of resource and especially energy intensity of production, low application of new technologies - the Bulgarian economy is the most resource intensive and energy intensive (per unit of output) among the EU economies.

Women's entrepreneurship support measures are presented under **BG16RFOP002-2.024 "Promotion of Entrepreneurship"**, which aims to create and develop new enterprises in the priority sectors of the National Strategy for Promotion of Small and Medium-Sized Enterprises 2014-2020 and Specific Spheres related to overcoming European and regional challenges. The procedure gives priority to young female entrepreneurs up to 29 years.

Another program that also supports entrepreneurship is **Operational Programme "SME Initiative"** endorsed by EC at the end of 2015 for ERDF support under the Investment for Growth and Jobs Objective. It aims to improve access to debt financing for SMEs in Bulgaria. The Programme complements OPIC in the area of access to finance for SMEs.

**Operational Programme "Human Resources Development" 2014-2020 (OPHRD)** contributes actively to achieving two of the targets of the European Strategy for Smart, Sustainable, and Inclusive Growth Europe 2020. These are the targets in the fields of employment and the fight against poverty and social exclusion.

Taking into account these challenges, the OPHRD is set upon the following three pillars:

- (1) Higher employment rate and better quality employment.
- (2) Reducing poverty and promoting social inclusion.
- (3) Modernisation of public policies.

The first pillar focuses the OPHRD efforts on achieving higher and better quality employment. The key priorities of the National Reform Programme (2012-2020), on which the OPHRD specific targets are focused in the area of unemployment and employment, are the fight against

unemployment among labour market vulnerable groups, above all youth and long-term unemployed, and also the achievement of higher employment rate among older-age people. This is necessary also with a view of mitigating and overcoming the ramifications of the economic crisis with respect to the overall labour market development in Bulgaria.

Ensuring higher and better quality employment may become a fact through the application of measures under four interrelated headings: (1) increasing the economic activity and at the same time improving access to employment for unemployed job-seekers, as well as promoting the voluntary geographic and professional mobility of the labour force; (2) providing the employed, enterprises and entrepreneurs with opportunities to adapt more easily to the changing needs of the economy and labour market, including by developing workers' knowledge and skills according to the qualifications and competences required by the business, introducing new forms of labour organisation and promoting geographical and professional mobility; (3) supporting start-ups and job-seekers' entrepreneurship; (4) promoting the voluntary transnational mobility of the labour force through modernization of labour market institutions such as public and private employment services, and also through schemes of mobility and better cooperation between the institutions and the relevant stakeholders.

BGN 70 million from the OPHRD budget is directed to the **Fund for the financing of start-ups and social enterprises**. BGN 12.5 million from it is dedicated for young people up to 29 years of age who will start a business, become a self-employed or start a micro-enterprise. Funds will grant loans with low interest rates between BGN 5000 and 50 000. It is expected that throughout the programming period at least 440 youth businesses will be supported through the Fund.

**BG05M90P001-1.023 "Support for Entrepreneurship"** is a procedure under OPHRD which main purpose is to prepare individual, including unemployed, inactive or working, incl. youngsters up to 29 years old, wishing to develop their own business. Additionally, the program aims to provide a set of trainings and services to assist target groups in developing and assessing their entrepreneurial ideas, acquiring knowledge and skills needed for business management and business development, and developing business ideas in viable business plans.

**National Development Programme: Bulgaria 2020 (NDP BG2020)** is a framework long-term document based on an analysis of the country's situation and identifying development trends by defining the vision and common strategic objectives of national policies by 2020 covering all sectors of socio- policies and their regional dimension. The main goal of NDP BG2020 is to achieve quality and balanced long-term economic growth. The socio-economic analysis and the formulation of the economic policies set out in NDP BG2020 have been carried out using the achievements of modern macroeconomic theory and practice in the field of economic growth. NDP BG2020 is the basis for the programming of strategic documents in relation to the implementation of both national policies and EU policies. The program helps to optimize the programming of the development of Bulgaria by 2020, ensuring the connection between the national priorities of the Republic of Bulgaria and the EU objectives in the context of the Europe 2020 strategy. NDP BG2020 provides the framework for setting the priorities for the allocation of public funds (national and European) and the mobilization of private funding. On the basis of the formulated vision and objectives, eight priority axes have been identified. The priority axes  
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concern both the formulation and implementation of stand-alone national policies and the implementation of pan-European policies, which encompasses the full range of state actions in the field of socio-economic development.

**The National Strategy for Small and Medium-sized Enterprises 2014-2020** was established in implementation of Art. 5, para. 1 of the Small and Medium Enterprises Act. It is a medium-term policy document through which the Government of the Republic of Bulgaria demonstrates its vision of state policy in support of small and medium-sized enterprises (SMEs) in the country. The strategy has been developed in accordance with both the program "Government, Development, Justice" and the European Union's policy in this area. The overall strategic objective of the the strategy is to increase the competitiveness of small businesses by helping start-ups and viable small and medium-sized enterprises in their efforts to be innovative, environmentally and export-oriented, creating favorable conditions for their development by improving their access to finance; encouraging entrepreneurship and enhancing entrepreneurial skills; simplifying administrative and regulatory requirements, especially for small and micro-enterprises.

### **Entrepreneurship 2020 - Bulgaria Entrepreneurship Action Plan**

- By Protocol No. 33 dated August 10, 2016, the Council of Ministers adopted an addendum to the Entrepreneurship 2020 - Bulgaria Entrepreneurship Action Plan with a new measure "National Network of Local Centers and Business Development Incubators" to Area of Action No 2 "Creating Favorable environment for growth and enterprise development".
- On November 11, 2015, the Council of Ministers adopted an Action Plan "Entrepreneurship 2020 - Bulgaria" with a list of 31 specific measures in line with the European Commission's Action Plan "Entrepreneurship 2020 - Entrepreneurship Revival in Europe" (COM / 2012 / 0795 final).
- With the adoption of the Action Plan "Entrepreneurship 2020-Bulgaria" and the proposed measures in compliance with the recommendations of the European Commission until 2020, our country is committed in the long term to the promotion and creation of new enterprises by the Ministry of Economy.

### **3.2. National economic development**

Bulgaria has an open, upper middle income range market economy where the private sector accounts for more than 70% of GDP. From a largely agricultural country with a predominantly rural population in 1948, by the 1980s Bulgaria had transformed into an industrial economy with scientific and technological research at the top of its budgetary expenditure priorities.

The main economy sectors are trade and industry. Less developed is the role of agriculture and tourism. Obstacles to the country's development are the high levels of corruption and the worsening demographic situation. Bulgaria ranks 75<sup>th</sup> in the Corruption Perceptions Index<sup>3</sup> and experiences the worst levels of corruption in the EU.

#### **Economic indicators**

<sup>3</sup> [https://en.wikipedia.org/wiki/Corruption\\_Perceptions\\_Index#2016](https://en.wikipedia.org/wiki/Corruption_Perceptions_Index#2016)

<sup>4</sup> [https://www.mticg.government.bg/upload/docs/Transport\\_Strategy\\_2020\\_last\\_r.pdf](https://www.mticg.government.bg/upload/docs/Transport_Strategy_2020_last_r.pdf)

The Yugozapaden planning area is the most developed region with a per capita gross domestic product (PPP) of \$26,580 in 2016. It includes the capital city and the surrounding Sofia Province, which alone generate 42% of national gross domestic product despite hosting only 22% of the population. PPP GDP per capita and the cost of living in 2017 stood at 49 and 48.4% of the EU average, respectively. Economic growth statistics take into account illegal transactions from the informal economy, which is the largest in the EU as a percentage of economic output.

Table 1: Actual GDP per capita and growth rate for 2013-2017 (in euro)

Year	2013	2014	2015	2016	2017
Actual GDP per capita in euro	5400	5500	5800	6000	6300
Rate of growth	1.4	1.9	4.3	4.7	3.9

Source: NSI

### Administrative partition

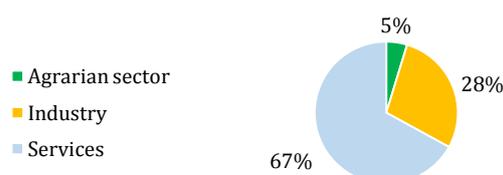
Since 1999, the Republic of Bulgaria has been administratively divided into 28 regions: Blagoevgrad, Bourgas, Varna, Veliko Tarnovo, Vidin, Vratsa, Gabrovo, Dobrich, Kardzhali, Kyustendil, Lovech, Montana, Pazardzhik, Silistra, Sliven, Smolyan, Sofia-capital region, Sofia region, Stara Zagora, Targovishte, Haskovo, Shumen, Yambol. All 28 districts have a total of 265 municipalities since 25.07.2014.

### Infrastructure

From 2010, the development of transport infrastructure is a priority of the state government with a view to facilitating and deepening the economic interaction and development of production and trade. In Bulgaria's transport strategy (up to 2020) some basic guidelines are laid: economic efficiency, a sustainable transport sector (including limiting the negative impact of transport on the environment and human health), integrating the Bulgarian transport network into the European one.<sup>4</sup> At the end of 2017, the total length of the national road network is 19 861 km, 734 km of which are highways, 2928 km of first-class roads. Four of the ten pan-European transport corridors - IV, VII, VIII and IX - pass through Bulgaria.

In terms of energy dependence, lignite is the main local resource. Nuclear energy accounts for a local source and contributes significantly to improving energy independence. Bulgaria's energy dependency is significantly lower than the average for the EU member states.

Figure 4: GVA for Bulgaria in 2016



### Import/Export

The Bulgarian economy is open. Exports of Bulgarian goods in 2016 are mainly directed to Germany, Romania, Italy, Turkey, Greece and Belgium, with a total export volume of 47 183.6 billion.

<sup>4</sup> [https://www.mtitc.government.bg/upload/docs/Transport\\_Strategy\\_2020\\_last\\_r.pdf](https://www.mtitc.government.bg/upload/docs/Transport_Strategy_2020_last_r.pdf)

The volume of imports in Bulgaria in the same year was 51 206.2 billion, while the largest importers are Russia, Germany, Italy, Romania, Greece and Spain.

### Economic sectors, GVA

For 2017 the Gross value added – GVA (at basic prices) is BGN 87 643 million. The distribution per sectors is given in Figure 4.

### Innovations and R&D

Spending on research and development amounts to 0.78% of GDP, and the bulk of public R&D funding goes to the Bulgarian Academy of Sciences (BAS). Private businesses accounted for more than 73% of R&D expenditures and employed 42% of Bulgaria's 22,000 researchers in 2015. The same year, Bulgaria ranked 39th out of 50 countries in the Bloomberg Innovation Index, the highest score being in education (24th) and the lowest in value-added manufacturing (48th). Chronic government underinvestment in research since 1990 has forced many professionals in science and engineering to leave Bulgaria.

According to NSI data, innovative enterprises in the country in 2016 represent 27.2%. The funds invested in R & D are in the amount of BGN 734 274, while the private sector spends approximately BGN 538 000, the state - BGN 156 000. The universities themselves spend about BGN 38 000.

Table 2: GVA by industry and current prices (million bgn)

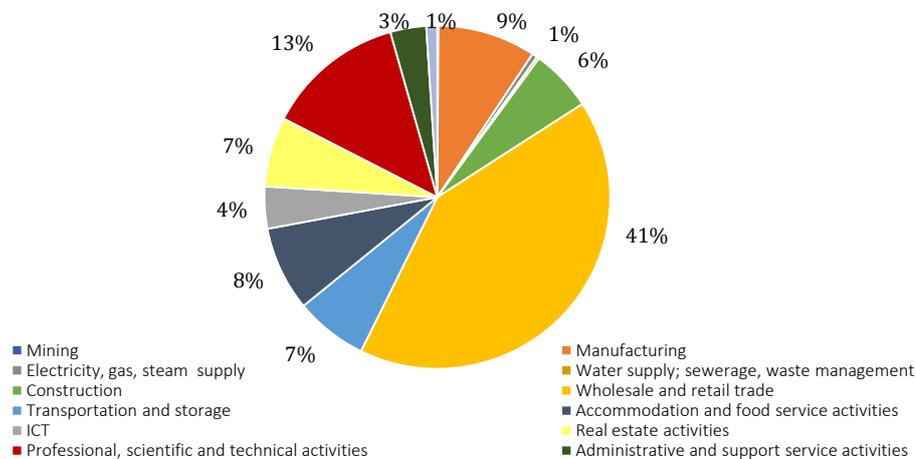
Nº	Sector	Million BGN
	Agriculture, forestry and fisheries	406.517
	Mining industry; processing industry; production and distribution of electricity, heat and gaseous fuels; water supply; sewerage, waste management and restoration	4 692.531
	Construction	810.780
	Trade, repair of motor vehicles and motorcycles; transport, storage and mail; hotels and restaurants	3 489.631
	Creation and dissemination of information and creative products; telecommunications	931.420
	Financial and insurance activities	1 642.529
	Real estate operations	2 252.623
	Professional activities and research; administrative and support activities	1 021.708
	Government; education; human health and social work	3 241.302
	Culture, sport and entertainment; other activities; household activities as employers; undifferentiated activities of households in the production of goods and services for own consumption; activities of extraterritorial organizations and services	293.436

Source: NSI

The total number of enterprises in 2017 in Bulgaria is 406 310.

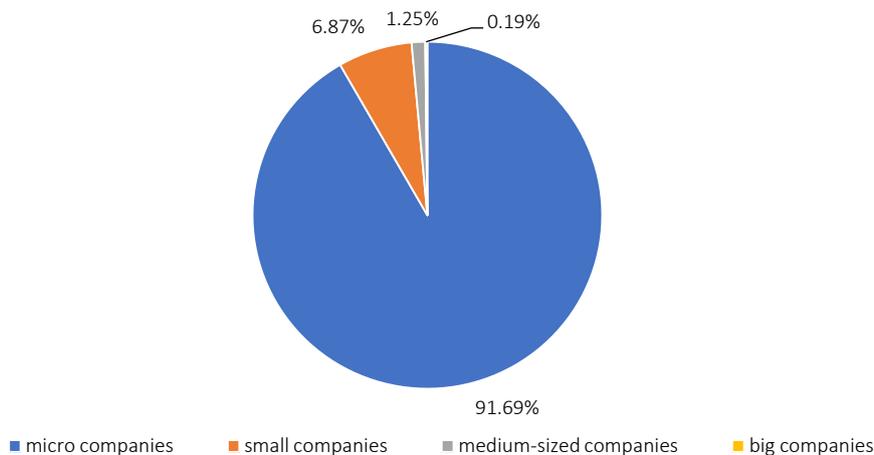
Most of them (Figure 5) are operating in the wholesale and retail trade sector (141 059), followed by professional, scientific and technical activities (44 394) and manufacturing (31 272).

Figure 5: Number of enterprises per sectors in 2017 in Bulgaria



The structure of the Bulgarian companies per their size is given on Figure 6. The largest share have the micro companies – 91.69% (0-9 employees), followed by small-sized companies (10-49 employees) – 6.87% and medium-sized ones (50-249 employees) – 1.25%.

Figure 6: Structure of Bulgarian companies in 2017 per size



In terms of the structure of employment, it is indicative that employment of women on management positions is low, only 34 % in 2016 (Figure 7), while it is 66 % for men.

Project co-funded by European Union Funds (ERDF, IPA, ENI)

Figure 7: Managers, CEO, working owners by sex

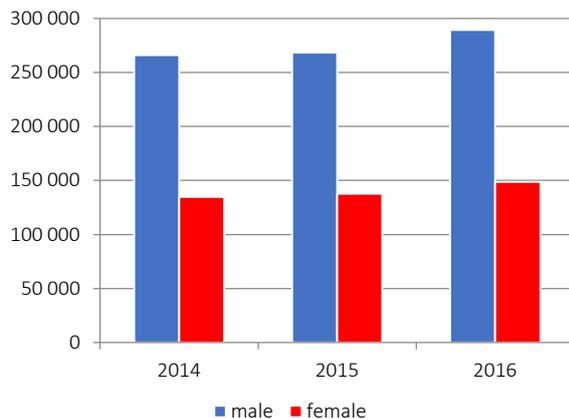
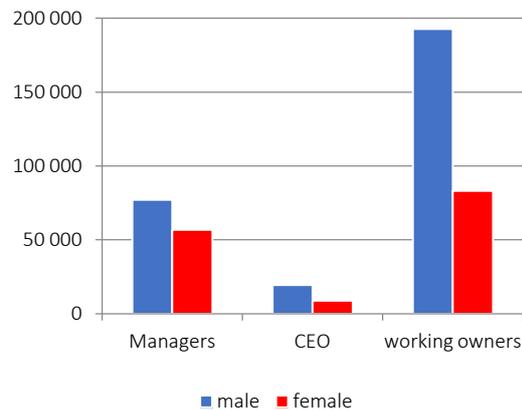


Figure 8: Structure of employment by sex in 2016



Source: NSI

The share of female working owners in 2016 is hardly 30% from the total amount of working owners. This rate for women-managers of the companies for the same period is a little bit higher - 42% and for female CEOs – 31% (Figure 8).

According to the GEM Bulgaria report for 2016/2017, women are less likely to engage in entrepreneurial activity than men. Most studies claim that women face greater difficulties in engaging in entrepreneurship for a variety of reasons:

- higher levels of family responsibility;
- lower levels of education;
- lack of role models women;
- access fewer networks with business focus in their communities;
- lack of capital and assets;
- a culturally lacking self-confidence;
- less confidence in their ability to succeed in business.

These factors can prevent women from realizing entrepreneurial opportunities as well as from acting in relation to them.

Male Total Early-stage Entrepreneurial Activity (TEA) in Bulgaria is one percentage point above women's TEA, both of which are remarkably low (Figure 9). Women's ratio to men's ratio is slightly higher for Bulgaria than for reference countries, which shows more gender equality in terms of entrepreneurial efforts at the start-up phase. According Figure 9 5.4% of the adult male population in 2016 were engaged in TEA activity while this rate for women is 4.3%.

In addition, in Bulgaria the most entrepreneurially active group is the 25-34-year-olds (8.6%), and the group of 18-24-year-olds shows a participation rate almost as high as the 35-44-year-olds (Figure 10).

Figure 9: TEA rates per gender in Bulgaria in 2016

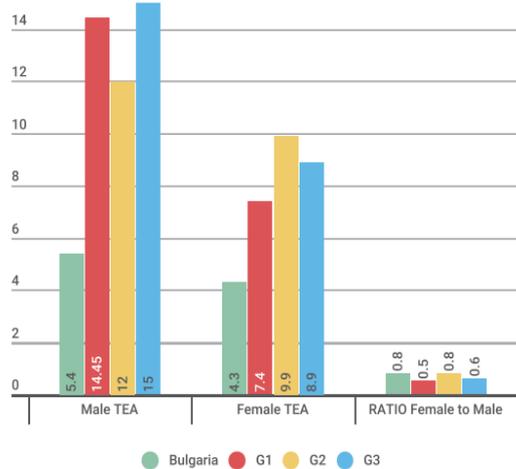
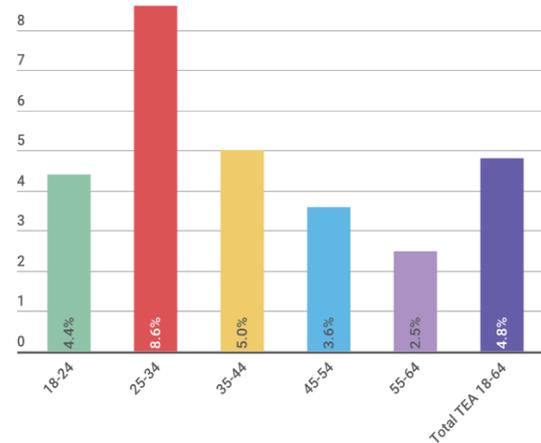


Figure 10: TEA rates per age group in Bulgaria in 2018



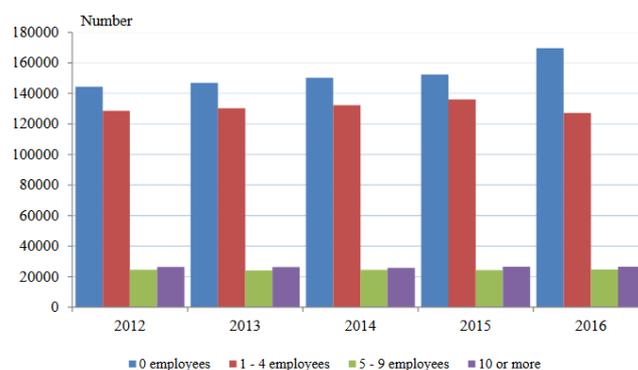
Source: GEM Adult Population Survey 2016, individual level data

## 4. Female entrepreneurship in quantitative perspective

### 4.1. Country's enterprise statistics

According to the data from the last study<sup>5</sup> of the demography of the enterprises conducted by NSI, there were 347 962 active enterprises in 2016, 48.7% (169 625) from which are without employees (Figure 11) and 36.6% are in the next group (from 1 to 4 employees).

Figure 11: Bulgarian active enterprises by size



For the period 2012 - 2016, the number of newborn enterprises that did not hire employees is the highest - 29 635 newborn enterprises followed by the '1 - 4 employees' group with 12 291 enterprises. Almost 81.1% of the enterprises born in 2015 survive one year later, as in the group of '10 and more employees' this share is 91.5%. In 2016 almost every second company dealing with trade has gone bankrupt. In 2015 the number of dead enterprises is 34 853 or 10.0% of the total number of active enterprises during the year. As result of their death 2.7% of the employees lost their jobs during the year. The most viable were the enterprises in the following sectors: 'Mining and quarrying', 'Water supply; sewerage, waste management and remediation activities', 'Electricity, gas, steam and air conditioning supply', where dead enterprises are less than 1%.

The classification of the enterprises by turnover shows that 83.84% of the companies generate the turnover € 132,461 mln. annually and give work to 1 997 640 employees.

The average monthly salary is about € 570<sup>6</sup>. The highest rate of the average monthly wages is in the ICT sector - € 1360, the lowest - € 360 in accommodation and food service activities.

The average monthly salary in public sector is almost the same as the one in the private sector - € 586.

<sup>5</sup> [http://www.nsi.bg/sites/default/files/files/pressreleases/BDE2016\\_en\\_Q7MR9FT.pdf](http://www.nsi.bg/sites/default/files/files/pressreleases/BDE2016_en_Q7MR9FT.pdf)

<sup>6</sup> <http://nsi.bg/en/content/6410/total>

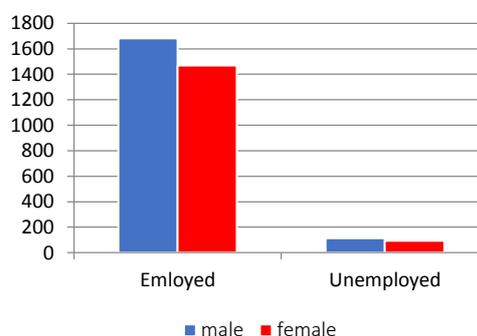
According to the recent Global Competitiveness Report, Bulgarian economy is among the average competitive in the region which can be seen in selected indicators below<sup>7</sup> we can see that our country, according to the indicators relevant to this project, is unfavorably ranked:

- Female participation in labor force – rank 36/140
- Cost of starting a business – rank 31/140
- Time to start a business – rank 107/140
- Attitudes toward entrepreneurial risk – rank 92/140
- Growth of innovative companies – rank 71/140
- Innovation capability – rank 48/140
- Quality of vocational training – rank 99/140
- Efficiency of legal framework in challenging regulations – rank 83/140

#### 4.2. Active population by Labor Force Survey

The labor force and rates of economic activity of the population aged 15 and over were examined in the second quarter of 2018. The total labor force for the country is 3339.3 thousand people and the economic activity coefficient is 55.5%. Looking at data by gender (Figure 12) the labor force for men is 1787.9 thousand, and for women - 1551.4. The age group of 15-24 years old has a workforce of 153 thousand people and the age group of 25 to 34 years is 723 thousand.

Figure 12: Bulgarian labor force by gender in 2017



Additional information derived from this report is related to the structure of persons in employment by sectors of activity. It shows that 23% of them worked in services, then in industry and construction 20% and 18.90% in agriculture, forestry and fishing.

Table 3: Employment per sector in 2018 Q2

No	Sector	%
1.	Agriculture, Forests and Fishing	18,9
2.	Industry	20,1
3.	Construction	5,0
4.	Wholesale and retail; transport; accommodation; food services	23,7
5.	Information and communication	2,7
6.	Financial and insurance services	1,8
7.	Real estate	0,8

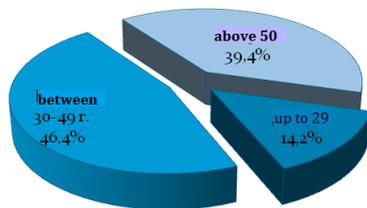
<sup>7</sup> <http://www3.weforum.org/docs/GCR2018/05FullReport/TheGlobalCompetitivenessReport2018.pdf>  
Project co-funded by European Union Funds (ERDF, IPA, ENI)

<b>8.</b>	Professional, scientific, technical activities. Administration and support services	<b>7,0</b>
<b>9.</b>	Public administration, defense, education, health, social services	<b>15,4</b>
<b>10.</b>	Art, entertainment, recreation. Others	<b>3,2</b>

Source: Eurostat

According data available is NSI for 2017, the activity rate of youths is 26.3% (30.5% for men and 21.8% for women). Unemployment rate for young men is almost the same as the one for young women – 13.3% vs 12.4%.

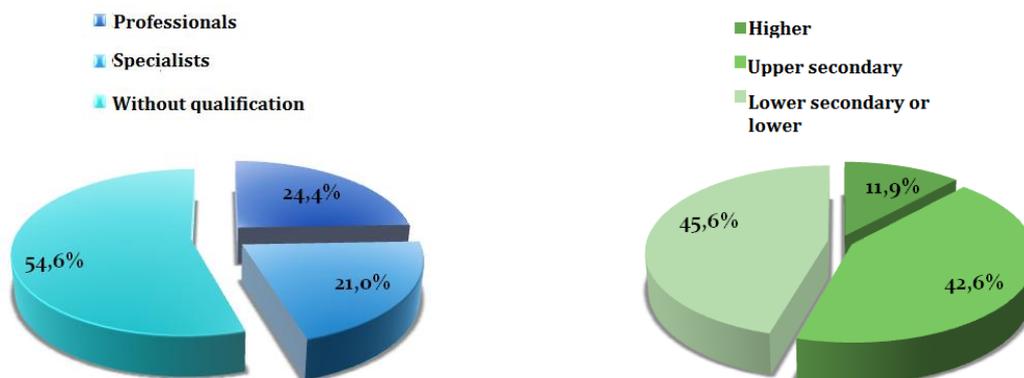
Figure 13 Distribution of unemployed by age groups in 2017



The distribution of the unemployed by age groups shows that in 2017 the share of persons over 50 years of age shrank by 1.3 percentage points on an annual basis, at the expense of the other two groups under consideration, where there is a slight increase of the share in the general structure. Based on this, it can be concluded that in the past year the unemployed persons over 50 years of age were included in the labor market at a faster pace than the other age groups.

Nearly 75% of the registered unemployed with secondary education have a vocational qualification, while over 80% of the non-skilled have basic and lower education.

Figure 14: Professional and educational structure of registered unemployed in 2017



The educational structure of persons in employment shows that the 45.6% persons have finished the basic or lower education, followed by persons who have graduated the secondary school 42.6% and persons who graduated from college, university or have postgraduate degrees 11.9%.

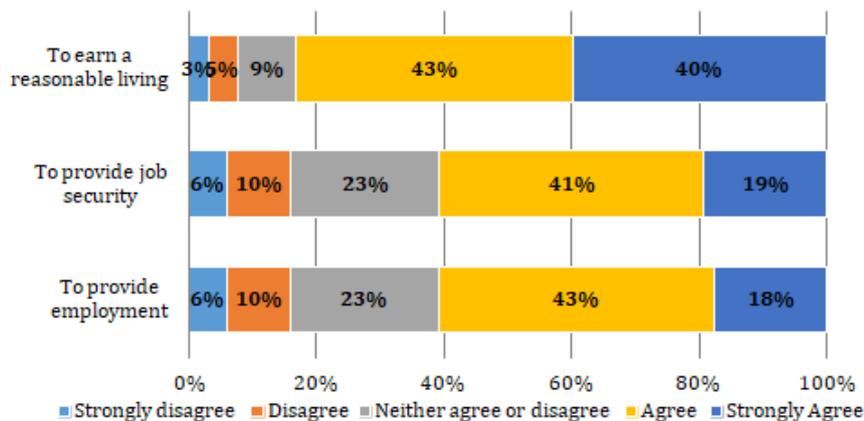
### 4.3. Results of the Survey

The survey was conducted among young women aged between 15 – 34, entrepreneurs and would-be entrepreneurs, located in Bulgaria. Number of respondents is 233 with the average age of 27. 23% of the respondents have already started their own business. Among non-entrepreneurs - 28% of them definitely consider becoming one, 22% of them are not sure and 19 % would not consider trying and be an entrepreneur.

As to the educational background, the average Bulgarian business woman has a university degree. In fact, 73% of women entrepreneurs confirmed to have tertiary education, whereas 17% stopped school after secondary school, and 2% launched their enterprise with a degree of primary education.

When questioned about the reasons for starting their business, most women quoted the wish to earn a reasonable living (83%) as being the most important one. In second place comes the job security or employment (60%).

Figure 15: How important are/were the following barriers for starting own business?



Source: Survey on barriers and needs of young women entrepreneurs in Bulgaria

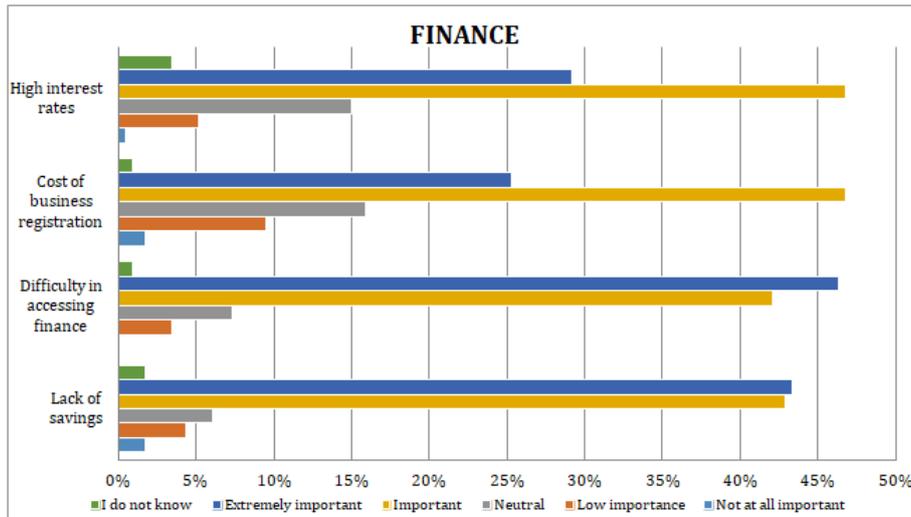
When we talk about autonomy, the most important factors for starting business for YWE are personal satisfaction and realization of a dream, as well as capitalization of a business idea. Role model and achievement of better social status are among less motivator for becoming of entrepreneur.

The main goal of the survey is to identify the main barriers and needs faced by young women when starting own business. Barriers are studied in several directions: financial barriers, competency, risk and other outside factors, macro-economy and policy.

Lack of finance is usually one of the main barriers in every entrepreneurial initiative. As it was expected the main problem of YWE is the access of finance, followed by lack of savings and high interest rates. Having in mind that the minimum required capital for establishing a company is

only 2 BGN, it is not surprising that the cost of business registration factor is defined by the respondents as a lowest barrier.

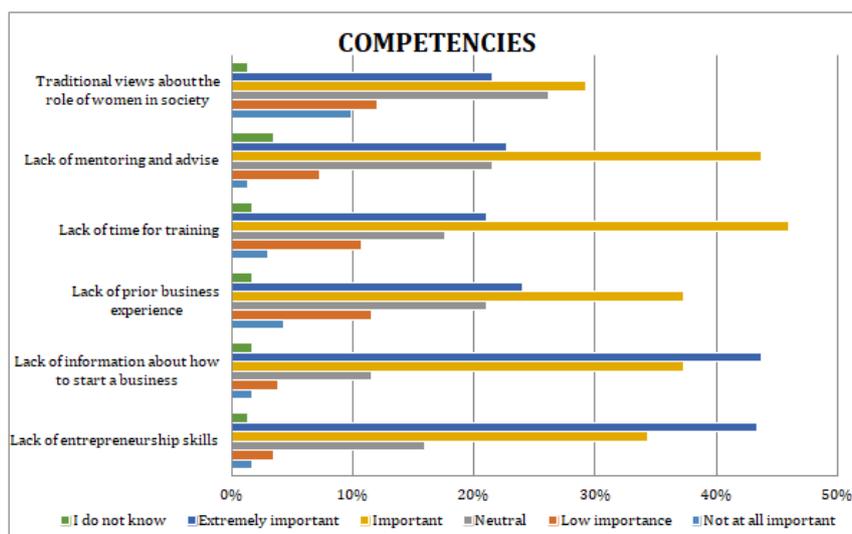
Figure 16: Financial barriers



Source: Survey on barriers and needs of young women entrepreneurs in Bulgaria

The most important competences barrier is the lack of information about how to start business (81%), followed by lack of entrepreneurial skills (78%). Surprisingly, the respondents do not consider that traditional views about role of women in society as a high barrier.

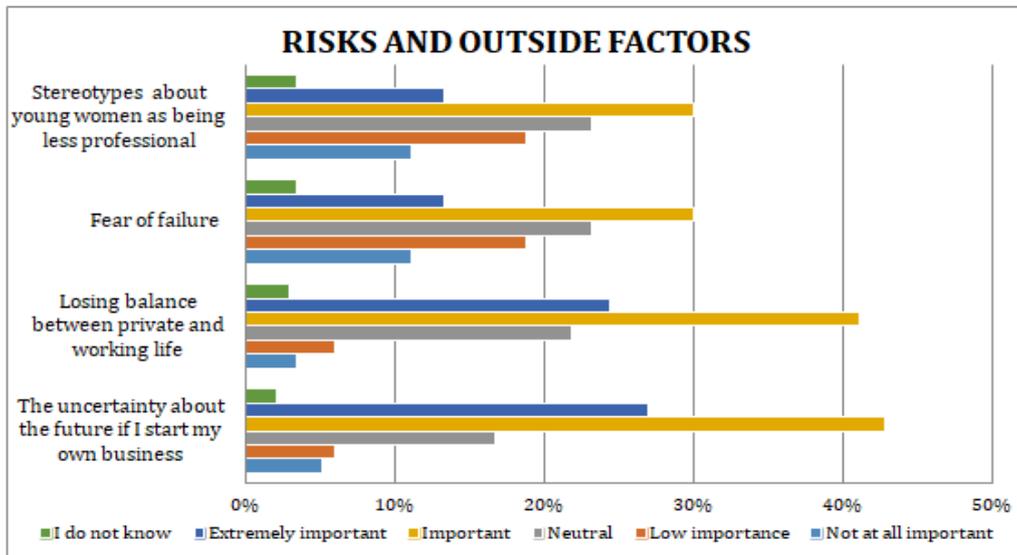
Figure 17: Competences barriers



Source: Survey on barriers and needs of young women entrepreneurs in Bulgaria

The highest “soft” barrier for the respondents is uncertainty about the future in case of starting own business, followed by the risk of losing the balance between work and personal life.

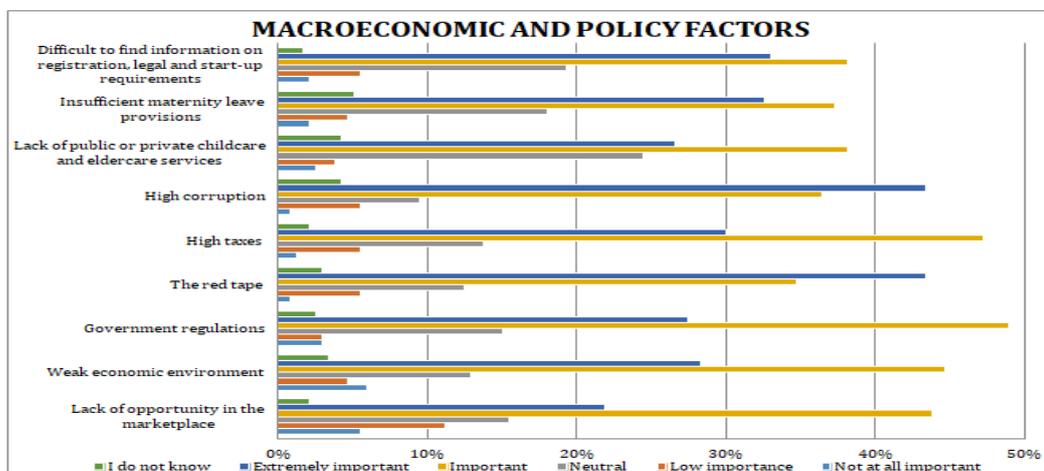
Figure 18: Risks and other outside factors



Source: Survey on barriers and needs of young women entrepreneurs in Bulgaria

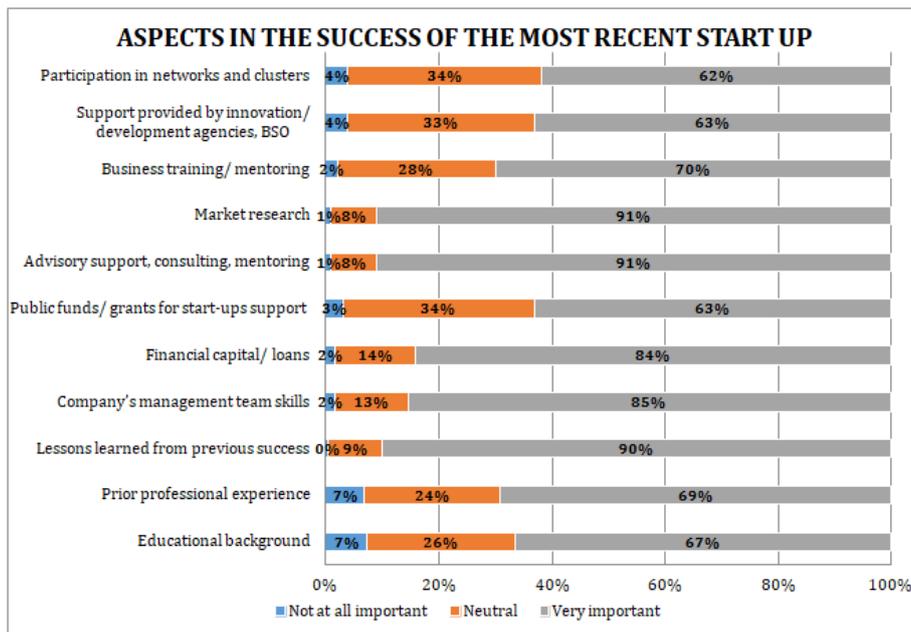
The most important macroeconomic and policy barrier is the high corruption (44%), followed by the red tape (43%). Surprisingly, the respondents rated on the 3<sup>rd</sup> place of importance high taxes (30%) even it is supposed that tax environment of Bulgaria is quite favorable (fixed 10% corporate tax, 20% VAT).

Figure 19: Macroeconomic and policy factors



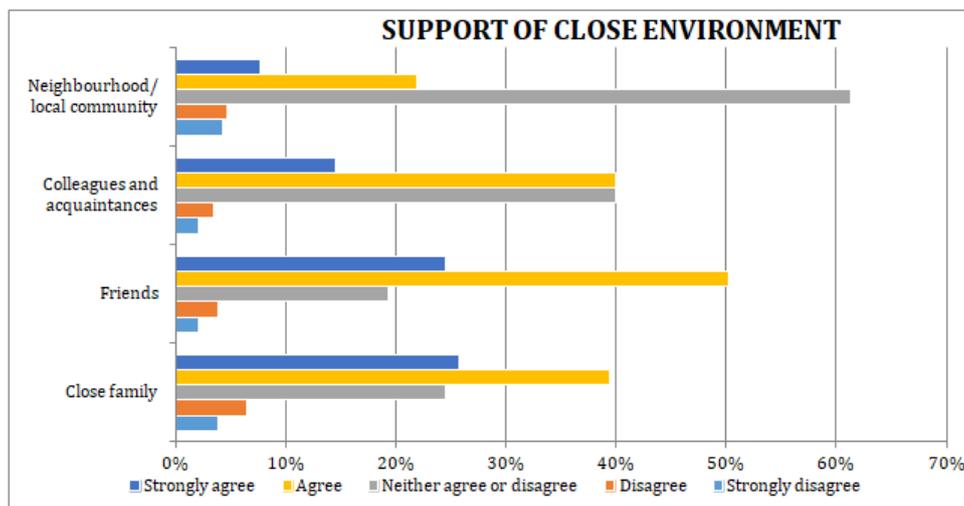
Analyzing the aspects in the success of the most recent start-ups, we can see that the most helpful for YWE are advisory support, mentoring, consulting and market research. Two less important factors are financial resources and managerial teams' skills.

Figure 20: Aspects in the success of the most recent start-ups



The highest influence for YWE for deciding whether to start business or not has the close family and friends. Colleagues and acquaintances could also influence the respondents in taking of such decision.

Figure 21: Support of close environment



Having in mind that almost half of the respondents are employees in private or public sector (51.93%) it is hard for them to attend trainings on place, so that is why the most preferable type of training is counseling and consulting (70%), followed by trainings (60%); events and networking (45%) and coaching and mentorship (45%). The most valuable business needs for training are declared to be finance and budgeting; accounting; management; entrepreneurship; marketing; business plan development. The average desired duration for training is 11 hours/week and about 10 weeks/ training. 13% of the respondents are not available for attending training at all.

Figure 22: Preferred type of training

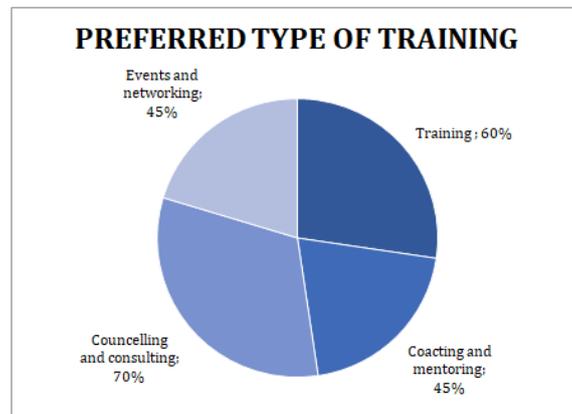


Figure 23: Training needs



## 5. Characteristics of youth female entrepreneurship

### 5.1. General characteristics

In order to better understand characteristics of youth female entrepreneurship in Bulgaria we conducted a set of interviews with important stakeholders for this issue in the country. We identified some major and very relevant institutions for female entrepreneurship and they are briefly elaborated in the following text.

- The Ministry of Economy of Bulgaria - a leading public institution fostering entrepreneurship development.
- The Employment Agency is an implementation agency under the Ministry of Labour and Social Policy for realization of the governmental policy for fostering the employment. Its main functions are to improve the employment levels, professional orientation, organization of qualification and motivation trainings, intermediate services for ensuring of employment, analysis of labour market demand and supply, prognosis for labour market changes.
- The Regional Administration – Varna is a public institution that supports activities of the executive government on the regional level.
- Varna Economic Development Agency (VEDA) is a not-for-profit, non-governmental association, registered to operate in public benefit. It is located on the territory of Varna District in Bulgaria, East Europe. The agency was established in 1997 under the joint program of Varna Municipality and USAID to assist the advancement of regional economic development. Since 1998 VEDA is a member of the network of the Bulgarian Association of Regional Development Agencies and Business Centers (BARDA).
- Chamber of Commerce and Industry - Dobrich (DCCI) was established in 1990 as a non-governmental organization based on the principles of volunteering, autonomy and self-financing. DCCI is created with the belief that the promotion of local activities and entrepreneurs will contribute to regional economic development and prosperity. The objectives are to stimulate international trade and investment, to promote exchanges and to represent the interests of its members on a local and international level. DCCI is the host organization of the European Enterprise Europe Network, which helps SMEs make the most of the European market opportunities. The network operates through 600 local business organizations in over 60 countries across Europe, Asia, America and beyond.
- Association "To Preserve the Woman" is a non-profit association, a legal entity registered for public benefit since 1997. For 20 years, NGOs have supported girls, young women and women from the working population for motivation, training, education and professional development. More than 44 European, national and local projects have been

implemented, covering 66,000 children, young people and citizens. Significant results have been achieved: Annual Women's Entrepreneur and Manager of the Year Contest; nominated and awarded ladies have the right to be a member of the Entrepreneurial Women Society; There are 4-5 thematic annual trainings for business women; a public forum "Dostoina varnenka" is also being held to highlight the contribution of women from different specialties for community development.

- Innovation starter is a specialized agency for innovations in Bulgaria established in 2012. It is an innovation agency that is part of the business and public sector to design a long-term culture of innovation. It is a founder of the Innovation Explorer Innovation Forum, in partnership with Capital, Iconomedia as well as of the Academy of Innovation Project, in partnership with the leading universities in Bulgaria. The Academy is a public-private educational partnership which develops entrepreneurial skills of the students and finances their first business ideas. In 2016 the Agency also opened a specialized room for innovation training in Bulgaria - d.house Co-inventive Incubator in partnership with SAP Development Center.

## ***5.2. Perceived characteristics of young women entrepreneurs in Bulgaria***

The typical Bulgarian women entrepreneur is aged between 30 and 40; with family, well educated – university degree. The sectors they choose are mainly related to services and trade. Mostly start micro or small businesses. Young women who want to develop their own businesses usually have a lack of managerial knowledge and skills, as well as a low level of awareness of changes in legislation and opportunities for participation in projects and programs funded by EU and national funds.

According to the interviewed policy makers, SMEs have a major role in development of Bulgarian economy as they generate 60% of GVA and 75% of employment among all enterprises. The entrepreneurial environment is dynamically developing in terms of number of newly established companies. However, these companies are not willing to develop innovations, thus the innovation activities are mainly concentrated in experienced medium-sized and big companies. It is noticed a steady tendency of increasing the number of women-company owners and recently it was recorded that their share increased to 32% from all business-owners. The entrepreneurial gender gap in Bulgaria is due mainly because of the social role of women (family and child care).

There is a lack of appropriate business knowledge and skills among young women. The main skills need to be developed among YWE are business management, team work, risk management, entrepreneurship, foreign languages, digital skills, etc. Therefore, it is necessary that additional funds to be foreseen under Operational Programmes for trainings and education, as well as under the national budget.

On the other hand, the representative of the Employment service noticed that in the recent years women are more willing to start own business. They represent a new group of entrepreneurs. The perspectives for development of women entrepreneurship are promising. It is expected that the gender gap in the field of entrepreneurship will not deepen as there are several initiatives for support business women. On policy level it is adopted Law on equality of women and men Project co-funded by European Union Funds (ERDF, IPA, ENI)

(26.04.2016). It provides a guarantee for long term governmental support in this specific field. Economic empowerment of the women is the base for reaching the equality among the genders. Participation of women in the economy mobilise their potential and talent, foster their realization in all spheres of live. Eliminating of the pay gap is an important support for women entrepreneurs. The main reason for this gap is because women are much more threaten to remain unemployed.

According to the business support organizations this shows that Bulgaria needs to place a stronger focus on the consistent and in-depth implementation of its SME policies. A clear focus is placed on start-ups with high technology and high growth in the National SME Promotion Strategy 2014-2020 and the Innovation Strategy for Smart Specialization 2016-2020. The large number of start-ups in the first five years of their existence can be explained to some extent by the dominant role of the retail / wholesale sector, the low level of internationalization and the lack of business support infrastructures.

According to the opinion gave by business support organizations, decisive measures are being taken to improve the environment and support for SMEs, including support for female entrepreneurs. In this respect, some strategic documents and plans adopted to support the development of entrepreneurship play a significant role. It is encouraging that some progress has been made over the last few years.

Unfortunately, corruption limits growth and development in many sectors by imposing artificially non-market players.

Comparing to all EU countries, Bulgaria is the leader in women's engagement in the IT sector. Youth employment is rising, due also to the growth of youth career guidance organizations, career forums, flexibility of employers in traineeships and distance employment.

Higher education in Bulgaria is not at the required level (even the best Bulgarian university "Sofia University" is outside the top 100 of the best universities in the world). But many young people return to Bulgaria after studying abroad. Critical skills and knowledge that are lacking are: start-up finance, project management, sales.

But the main needs of YWE are still continuing support and funding to achieve a sustainable business model.

There are no tools targeted at women. In 2018, OPIC for the first time, there is a measure for supporting young women entrepreneurs. Regulatory and legal framework for starting a business is good: low costs of registering and maintaining of companies

The new Pre-school and School Education Act entered into force in August 2016, introducing the subject of "Technology and Entrepreneurship" in schools. New or updated curricula and entrepreneurship programs are introduced in 34 out of 43 universities in Bulgaria.

A strategy for the promotion of entrepreneurship among women was developed by the Ministry of Economy but was not formally adopted by the Council of Ministers.

According to the NGO dealing with women support issues, the challenges for women are related to: the lack of incentives; of institutional support; bank and insurance support through preferential specialized schemes and programs; overcoming staggering stereotypes that women

are good performers, not executives; for equal work they continue to receive a 25 to 33% lower reward; overcoming discriminatory practices in society; family and university; overcoming violence in all its manifestations, over women of all ages, especially girls and young women.

There are no specialized incentive policies for family reunification in women's business commitments in Bulgaria, such as in Germany and other EU countries.

Social schemes supporting people at risk have not been updated, as a result of which many young women, instead of working and developing entrepreneurship, care for children and adults with disabilities.

There are no specialized training courses, short-term, long-term, for the novelties in management, marketing, communication, enhancing language training and digital skills of young women. There are few opportunities for interested NGOs to be motivators, organizers, trainers and promoters of entrepreneurial activity of girls and young women. In schools and universities there should be included optional faculties selected for female entrepreneurship, leadership

There is no specific and organized data collection present in Bulgaria on the young women entrepreneurship. Gender equality is a priority of the European Union, a key objective of the European Employment Strategy and a necessary condition for the convergence of the Lisbon growth and jobs objectives. Bulgaria has a National Strategy to promote gender equality, with 4 out of 5 priority areas being applicable to female entrepreneurship.

### **5.3. Results of the interviews**

In the area of equality of women and men for participation in economic, social and political life in Bulgaria there are a number of achievements. The State is striving to protect the political and social rights of women and men, promotes equality in the fields of employment, labor and social security, career and career development, reconciliation of work and family life, the right to use parental leave. There is no significant gender discrimination in the country, but there are still enslaving old stereotypes about the role of man and woman in both public and private life, which largely predetermine the existence of certain differences between the situation of women and men. Certain attitudes exist that some professions, roles in the family, or spheres of activity are more appropriate for a particular sex. In many sectors there is vertical and horizontal segregation by gender. Although there is no attitude in the country that female labor is cheaper, there are still some differences in the pay of both sexes. The reason is that in the sectors where women are predominant, labor is less paid (education, health, services, state administration) or women occupy less paid jobs, with the pay gap between the total of women and men in some sectors reach even 30%.

Despite the provisions on equal treatment of men and women in individual laws, there are not yet fully established conditions for ensuring the equal treatment of women and men in all spheres of public life. There are no regulated issues such as a mechanism for coordinating a unified national policy on equal opportunities for women and men; no legal framework has been established to achieve real equality or equality on the ground by implementing specific measures in this field.

## 6. Typical biographies of young women entrepreneurs

Apart from conducting interviews with relevant stakeholders to better understand the position of young women entrepreneurs, we assessed typical biographies of YWE from Bulgaria which are presented below.

### BIOGRAPHY 1

#### Industry of entrepreneurial attempt: DigitalKidZ

##### 1. About her:

She is an entrepreneur, a business development and strategic marketing consultant, an Intunity Coach, and a mother.

In 2015 she was awarded by Darik's "40 to 40" as a person who is changing Bulgaria. She won also "Woman of the Year" award in 2016 edition, in category "Innovation and Technology". She is also awarded by the President of the Republic of Bulgaria - Rumen Radev for a high public contribution in the field of computer science - John Atanasoff 2017 award. She was nominated by the Special Jury at the "Web-site of the Year 2018" for a special contribution to influence the development of web and digital technologies in Bulgaria.

She is a Manager of Newtrend Agency - Agency for Strategic Marketing and Business Development.

She is also the founder of the Digital Initiative to Support Digital Literacy and Innovative Education - **DigitalKidZ**: An Open Source School with the ambition to change the modern teaching methodology in school and to enhance the digital literacy of our society. Today, the DigitalKidZ® brand is recognizable throughout Europe as one of the successful projects for transformation and innovation in education. It brings together an international conference, programming clubs for children across the country (DigitalKidZ STEAM Club), educational programs, tools and methodologies, educational games, books, manuals and alternative playgrounds produced under the brand name DigitalKidZ, in line with brand values and in support of digital hygiene and adolescent habits.

##### 2. About her entrepreneurial attempt:

The most valuable lesson that she shared in her entrepreneurial experience and two successful companies, is that it is extremely important for a person to be familiar with its profile - whether he/she is a good employee and need to invest their energy in the development of his/her careers or is an entrepreneur. For more than ten years she hasn't confessed to herself that her profile is

from the second type: "an entrepreneur". Despite all the additional activities and despite all the consulting hours like freelance, she never thought that her soul was actually this "to create" and not to "do" while a friend helped her to become more self-confident and to start believing in her business abilities.

She said that the successful business is the one who can identify the audience and its needs to offer the most tangible solutions to satisfy them. Then it is critical to adapt and change the solutions offered along with the changed habits and environment of that same audience. Being a woman has nothing to do with business goals - business is a game of mind where you win the best. Being a woman taught her that women do business in a completely different way than men, and it is important to realize it on time.

### **3. Resume:**

Learning and challenging – the main tools for success: she likes to learn new things constantly, to challenge herself. She puts passion and personal attitude in the things she creates. Besides, she has extremely combined mind, creativity and analytical skills and uses them skillfully.

### **4. Recommendations:**

She recommended to policy makers to be approved legal changes to encourage (in the financial sphere) business to hire students in a way to increase their motivation for learning, as well to clarify the direction of their professional realization.

Entrepreneurship is a direct consequence of innovation skills, and together with much of the so - "Skills and competences of 21st century" are almost absent in curricula and teaching methodologies in modern classrooms. The need for a reform of the education system must serve the needs of the business environment in the country.

## **BIOGRAPHY 2**

### **Industry of entrepreneurial attempt: MilliArt**

#### **1. About her:**

Militsa has begun to study and process glass at the beginning of 2010. Four years later she got TechnoStart Project funding and opened a studio in Varna. There is a practical and technical opportunity to process the glass in more detail. She makes stained glass, melting, cutting, grinding and mostly painting on glass. Part of her personal ideology is the protection of Mother Earth pure and beautiful. The idea of the project is a combination of these two things. She admits that she has to learn quite a lot about glass melting and processing. But she is hoping that she will grow more in the field of art glass. Her initial fascination with glass has quickly become a passion for creating objects that use the unique aspects of this material, eventually it has grown into the creation of a "MilliArt" studio.

Project co-funded by European Union Funds (ERDF, IPA, ENI)

## **2. About her entrepreneurial attempt:**

She thinks that any kind of state support to start-ups and small businesses is necessary and helpful. The main difficulties for her are lack of supporting laws in Bulgaria. She couldn't find any help from the state for the fact that she is also a young mother with two children and has her own business. But at least, she didn't meet any institutional barriers.

But she still believes that the laws in Bulgaria should support small and medium businesses, not choke them. All start-ups, good purpose, green methods, innovative ideas and everything will be better for the world and the future of the planet in any sphere.

## **3. Resume**

The main support has been received by family and friends.

## **4. Recommendations**

### **BIOGRAPHY 3**

#### **Industry of entrepreneurial attempt: EOS 2013 Ltd**

##### **1. About her :**

Milena has grown into a family of entrepreneurs, and since she has developed a kind of thinking having a strong family role model. The decision to create and develop her own business was born during her Bachelor's degree at the Varna University when she had to make the important decision whether to develop a career or develop her own project to be useful to society and to have the freedom to make own decisions in a way she wants to.

She perceives herself as a creative, conceptual and purposeful personality, inquisitive and with a drive for development. She accepts her business as hobby of pleasure and satisfaction. Life inspires her every day, and she strives to see and draw only the best of any situation, and with small steps to go forward, and to turn back only to successful examples and lessons - yet mistakes are a means of self-learning and improvement.

Its sphere of activity is related to the creation and development of online training platforms – CUBE. In order to achieve success, the first important thing is to be innovative. Milena constantly followed success stories in the same field and aimed for constant improvement. Equally important is the feedback from users asked for at every stage of interaction with them. The customers' opinions and comments help for constantly update the services and training offered, according to the needs of consumers and businesses.

Being up-to-date on the market, helping with coping with all sorts of problems, and training people is the direction we meet for diverse needs.

She has always received the most important support from her relatives. This encouraged her to continue in the most difficult moments.

## **2. About her entrepreneurial attempt:**

At the beginning, the difficulties she had encountered were mainly linked to interactions with state institutions. All types of information to solve a problem is available on the Internet, with the exception of clear rules and procedures, deadlines and fees, necessary documents and steps in procedures when interacting with state institutions. There is a lack of information and control in Bulgarian institutions. The procedures of work are obsolete and not working in the realities of the 4<sup>th</sup> Industrial Revolution. The lack of an education system (schools do not yet have educational programs to fill the needs and prepare the necessary staff in today's technology society); the lack of a state system to support start-ups, together with the lack of tax breaks and precise and clear procedures, are priority areas for improvement before state institutions and organizations.

## **3. Resume**

She never needed or asked for institutional help, and always managed to get what she needed using her knowledge of network of people. But, it is usually bureaucracy that constraints anything.

## **4. Recommendations**

She concluded that today, the digital form of globalization opens doors for small businesses and start-ups. Even the smallest companies can be present on the global market and compete with the largest multinationals.

In the future, a critical factor in the successful operation of companies will be a talent to a much greater extent rather than capital. This will lead to a growing divide in the market for "low education and therefore low paid" and "highly educated, highly paid" staff. In the future, this division will cause serious social strain if the state does not intervene in time and does not establish exact wage ranges, job descriptions, jobs and roles, and clear and transparent rules and procedures.

## **7. Challenges connected to youth women entrepreneurs and policies aimed to deal with them**

### **7.1. Policy competences, institutional actors involved**

Gender Equality represents an important element of democracy and prerequisite for complete exercising of human rights. Equality is of key importance for attainment of social justice and drawing closer together, sustainable, intelligent, and affiliated economic growth. It touches upon all fields of life, thus the integration of the gender equality principle in all policies is a requisite condition and guarantee for good management and progress of society.

Republic of Bulgaria carries out a consistent policy of gender equality, coordinated in line with the national specifics and undertakings assumed under international agreements, in which Bulgaria is a party, including in the capacity as EU Member State.

The strategic objective of the policy pertains to the promotion of gender equality, prevention and elimination of gender based discrimination. The policy of gender equality is based on the principles of equal opportunities of women and men in all spheres of public, economic, and political life; equal access for women and men to resources; equal treatment of women and men and disallowing of gender based discrimination and violence; balanced representation of women and men in decision making bodies.

The legal guarantees for equality and equal treatment of women and men are contained in the currently effective Bulgarian legislation – the Constitution of Republic of Bulgaria, the Labour Code, the Social Security Code, the Discrimination Protection Act, the Social Assistance Act, the Employment Stimulation Act, the Domestic Violence Protection Act, the State Employee Act, and a number of other special and sector laws.

#### **Institutional mechanism**

The gender equality policy is horizontal and unites the actions of the executive at all levels. This policy is conducted via combined implementation of integrated (mainstreaming) approach and temporary stimulation (targeted) measures, requiring an effective national institutional mechanism.

Since the year 2000 the Ministry of Labour and Social Policy (MLSP) organizes and coordinates at national level the implementation of the state policy of the Republic of Bulgaria in the field of gender equality (CMD No 155 dated 2000, promulgated SG, Issue 65 dated 2000), in cooperation with a number of institutions and organizations. Since the year 2004 a specialized unit was set up in the MLSP. Currently this is the “Equal Opportunities, Antidiscrimination and Social Project co-funded by European Union Funds (ERDF, IPA, ENI)

Assistance Benefits” Department (EOASAB) with the Directorate “Policy for Persons with Disabilities, Equal Opportunities, and Social Assistance Benefits” (PPDEOSAB). The Department is also the Secretariat of the National Gender Equality Council with the Council of Ministers.

In 2004 the foundations were laid of the national coordination structure at the highest level of the executive by the creation of the National Council on Gender Equality with the Council of Ministers (CMD No 313 dated 17.11.2004, promulgated SG, Issue 104 dated 26.11.2004). The Council is a permanently acting body for implementation of consultations and coordination between the bodies of the executive authority and the NGOs during the development and conduction of the national policy on gender equality. The Minister of labour and social policy chairs the Council. The Council’s members include deputy-ministers from all ministries, agency heads, Commission for Protection against Discrimination, Council for Electronic Media, National Statistical Institute, National Social Security Institute, and associated members – social partners, scientific community, National Association of Municipalities in Republic of Bulgaria, NGOs, and workers in this field. The Ombudsman possesses observer status. Experts are invited at the Council’s sessions in line with the deliberated topics. During the years of its functioning, the National Council won recognition as a stable model of cooperation between institutions, social partners, and civil society. In 2014 the Regulations on the Council’s structure and organization of work were amended (CMD No 108 dated 10.05.2014, promulgated SG, Issue 42 dated 20.05.2014) in view of further development and consolidation of the national institutional mechanism on gender equality.

The coordinators on equality of women and men are part of this mechanism. Currently exerts are selected and trained in all institutions and organizations responsible for coordination of the policy for equality of women and men in the respective sector, keeping contact with the Secretariat of the National Council.

The efficient functioning of the national institutional mechanism represents a guarantee for the successful implementation of the integrated approach (i.e. similar respect of problems, needs, and opinions of women and men) during the development and conduction of all sector, regional, and local policies and execution of analysis and impact assessment prior to the adoption of resolutions. The integrated approach (i.e. gender mainstreaming) and application of temporary stimulation measures are mutually supporting strategies, leading to factual equality of women and men during the conduction of the uniform policy.

### **Principal documents**

The National strategy for promotion of gender equality for the period 2009-2015 (adopted by the Council of Ministers on 10.12.2008) represents the principal strategic document of the conducted uniform policy for equality of women and men. The policy is directed towards provision of equal opportunities of women and men for complete and active participation in all Project co-funded by European Union Funds (ERDF, IPA, ENI)

fields of life and the disallowing of gender based discrimination. The national strategy corresponds to the similar European strategic documents. The strategy is executed via the implementation of annual National action plans for stimulation of equality of women and men, adopted on part of the Council of Ministers. The annual planning marked its commencement in 2005. The plans contain specific measures of the competency of various institution and organizations in priority directions: state policy on gender equality; equal degree of economic independence; improved combination of professional, personal, and family life; stimulation of equal participation of women and men in the decision making process; dignity, sanctity of the individual, and prevention of gender based violence; elimination of gender based stereotypes and counteraction of multiple discrimination; popularization and application of good European practices. The results are presented in an annual Report on gender equality, recording the performance of specified measures and the progress of the conducted policy. The MLSP prepares the Report, summarizing the information provided on part of the involved institutions. The Council of Ministers approves the report.

A process of execution is also under way for an inter-institutional Action plan for implementation of concluding recommendations towards Bulgaria, directed on part of the UN Committee on the Elimination of Discrimination Against Women (CEDAW), adopted by the Council of Ministers in 2013 (CMD No 438 dated 25.07.2013). The concluding recommendations dated July 27<sup>th</sup>, 2012 towards Republic of Bulgaria are in connection with the review of the consolidated IV-VII periodic report on Bulgaria (CEDAW/C/BGR/4-7), held on July 12<sup>th</sup>, 2012 in New York pertaining to the performance of obligations of Republic of Bulgaria on the UN *Convention on the Elimination of All Forms of Discrimination against Women* (in force for Bulgaria since 10.03.1982, promulgated SG, Issue 17 dated 02.03.2010). The recommendations are connected to the observation of rights of women and gender equality in various fields – education, employment, healthcare, economic and social support, participation in political and social life, violence, people trafficking, stereotype discrimination practices, temporary special measures, disadvantaged women, legal framework for equality, appeals submittal mechanism, national mechanism for attainment of progress by women, marriage and family relations, etc.

### **Involvement in the gender equality policy on the European level**

The experts from the specialized unit of the MLSP provide standpoints during the process of development of correlative normative and strategic documents at the EU level – directives, strategies, conclusions of the Council, and provide information, replies to questionnaires, etc. They participate in the work of key topical bodies and structures (councils, committees, expert groups) in the field of equality of women and men, with the European Commission and the Council of Europe. This provides the possibility for popularization of the national policy on gender equality, current exchange of good practices and participation in the formulation of the policy on the European level.

Project co-funded by European Union Funds (ERDF, IPA, ENI)

## Execution of topical projects

The national gender equality policy is also assisted by the implementation of projects, financed by the state budget, European and other sources. The MLSP, via Directorate PPDEOSAB, represents the contact point in the directions „Gender equality” and „Antidiscrimination” of the „Program for employment and social solidarity PROGRESS” 2007-2013 and with the objective „stimulation of equality between women and men and gender mainstreaming” of the Program „Rights, equality, and citizenship” 2014-2020 of the European Commission.

### **7.2. Policies aimed to deal with youth women entrepreneurs**

The challenges for women are related to: the lack of incentives; of institutional support; bank and insurance support through preferential specialized schemes and programs; overcoming staggering stereotypes that women are good performers, not executives; for equal work they continue to receive a 25 to 33% lower reward; overcoming discriminatory practices in society; family and university; overcoming violence in all its manifestations, over women of all ages, especially girls and young women.

There are no specialized incentive policies for family reunification in women's business commitments in Bulgaria, such as in Germany and other EU countries.

Social schemes supporting people at risk have not been updated, as a result of which many young women, instead of working and developing entrepreneurship, care for children and adults with disabilities.

There are no specialized training courses, short-term, long-term, for the novelties in management, marketing, communication, enhancing language training and digital skills of young women. There are few opportunities for interested NGOs to be motivators, organizers, trainers and promoters of entrepreneurial activity of girls and young women.

In schools and universities there should be included optional faculties selected for female entrepreneurship, leadership

The main programmes available for youth and women entrepreneurship support are:

- Within OP Innovation and Competitiveness 2014-2020- “Improvement of the production capacity and development of specialized digital services for SMEs”. The main goal of the procedure is improvement of production processes, increase of the production capacity and managerial capacity for increase of the export potential of existing SMEs.
- Within OP Human Resources Development 2014-2020

- The scheme “Development of policies and instruments for labour conditions improvement in SMEs in the production chain of multinational companies”.
- Implementation of the operation “Entrepreneurship support” also continues in 2018. It provides a complex of trainings and services for business development of the target groups.
- Another possibility for vulnerable group is the on-going scheme “Fostering of the social entrepreneurship” under OP HRD.
- Another active possibility is the financial instrument “Microcredit with shared risk”.

## OUTLOOK, CONCLUSIONS and RECCOMENDATIONS

National culture in Bulgaria is still not supportive enough for women entrepreneurs, does not encourage women to engage in entrepreneurship and advance in their careers. However, for those who are successful, the biggest support is found in their families and inner circle of friends. The main financial obstacle for YWE is the access of finance, followed by lack of savings and high interest rates. The most important competences barrier is the lack of information about how to start business, followed by lack of entrepreneurial skills. Surprisingly, the respondents do not consider that traditional views about role of women in society as a high barrier. The highest “soft” barrier for them is uncertainty about the future in case of starting own business, followed by the risk of losing the balance between work and personal life. As it comes to macroeconomic and policy barriers – the highest one is the high level of corruption, followed by the red tape.

Relevant interviewees have important suggestions and recommendations. There is a need to be developed **more tools for YWE support** focused to several areas:

- Fostering of establishment and development of companies in specific sectors production and knowledge based services, owned and/or managed by women;
- Improvement of a cooperation between academia and business
- Fostering of internationalization of SMEs, owned and/or managed by women;
- Improvement of entrepreneurial and managerial knowledge and skills of business women;
- Awareness rising of business women;
- Providing of financial instruments (bank loans, preferential rates, risk capital, etc.) for WEs.
- More opportunities for applying for specialized women entrepreneurship projects by NGOs are also needed.

Additionally, policy makers should be concerned with development or improvement of:

- o specialized programmes for business women start-ups;
- o mentorship programmes;
- o programmes for supporting participation in fairs in Bulgaria and abroad;
- o women managerial and soft skills.
- o government policies to stimulate female entrepreneurship and leadership in business
- o Strategy to harmonize the business environment with the family environment for support and relief for women in their care for children, elderly parents, family life and recreation.

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## ANNEX 1: Table with information about institutional actors

#	Organization	Surname	Name	STAKEHOLDER TYPE
1	Ministry of Economy	Enev	Zheliaz	National Authority
2	Employment Agency	Nikolov	Dragomir	Employment Agency
3	Regional Administration - Varna	Stoilova	Silvia	Regional Authority
4	Varna Economic Development Agency	Dimitrova	Todorka	Business Support Organization
5	Chamber of Commerce and Industry - Dobrich /EEN - Dobrich/	Gicheva	Tatyana	Business Support Organization
6	Association „To preserve the woman”	Nencheva	Yordanka	Interested NGO
7	Innovation Starter	Aslanova	Leona	Business Support Organization

## **ANNEX 2: Table with information about young women entrepreneurs**

<b>#</b>	<b>Organization</b>	<b>Surname</b>	<b>Name</b>	<b>STAKEHOLDER TYPE</b>
1	DigitalKidZ	Atanasova	Ivelina	Young Women Entrepreneur
2	MilliArt	Dimitrova	Militsa	Young Women Entrepreneur
3	EOS 2013 Ltd	Georgieva	Milena	Young Women Entrepreneur

## ANNEX 3: Questionnaire

# WOMEN IN BUSINESS SURVEY

Dear Madam,

By participating in this survey you will contribute to the research about the needs and barriers young women are facing, when trying to run their own business. The results of the questionnaire will serve to study the current state of women entrepreneurship across the Danube Region, to develop tailored training models and policy recommendations. This survey is part of the activities within the WOMEN IN BUSINESS project co-financed by Danube Transnational Programme, with the aim to strengthen the entrepreneurship of young women in the Danube Region.

If you are women, age from 15-34, join us, fill in the survey and share your views and experiences with us to support the development of young women entrepreneurship. The study consists of 19 questions divided into 6 groups and it takes 10 minutes to complete. Participation is completely anonymous; therefore, it does not require your name or any other identifying information.

To begin the study, click the "Next" button.

Thank you for your time and participation!

"Women in Business" Project Staff

If you have any technical issue with the survey, please contact [lejla.turulja@efsa.unsa.ba](mailto:lejla.turulja@efsa.unsa.ba).  
For more information about the project, please contact [petkova@rapiv.org](mailto:petkova@rapiv.org).

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- 
- G Gender: M/F (eliminary)
- A Age: \_\_ (eliminary)
- C Country/ Region: (eliminary)
- a. Austria
  - b. Bosnia and Herzegovina
  - c. Bulgaria
  - d. Croatia
  - e. Germany - Baden-Württemberg and Bavaria
  - f. Hungary
  - g. Republic of Moldova
  - h. Romania
  - i. Slovenia
  - j. Other country (to be eliminated from further survey)

Thank you for your interest in research. However, this research is intended for women aged 15-34 and from specified countries.

#### I - ENTREPRENEURIAL INTENTION

1. Are you already an entrepreneur? (Do you already have your own business)?
  - a. Yes
  - b. No
  
2. Are you seriously considering becoming an entrepreneur? (if Yes in #1, skip this question)
  - Would not consider
  - Might or might not consider / I am not sure
  - Definitely consider.
  
3. How many employees does your company have? (if No in #1 skip this question)
  - Only one
  - Less than 10
  - 10 and more
  
4. What is the sector of your activities? / chose only 1/
  - Agriculture and mining
  - Manufacturing and transportation
  - Wholesale and retail
  - ICT
  - Health/ Education/ Social Services
  - Financial/ Administrative/ Consumer Services

- R&D

5. Please mark if you (within a company or within an entrepreneurial attempt) introduced the following innovation/IPR:

- Service Innovation (a new or significantly improved services)
- Goods Innovation (a new or significantly improved goods)
- Process Innovation (a new or significantly improved process)
- Apply for Patent
- Register a Trademark
- No previous experience with innovation/IPR

## II – MOTIVATIONS AND OBSTACLES TO ENTREPRENEURSHIP

6. Why would you or did you start your own business?

Indicate your level of agreement with the following statements from 1 (total disagreement) to 5 (total agreement).

	1 - Strongly disagree	2 - Disagree	3 - Neither agree or disagree	4 - Agree	5 - Strongly Agree
<b>EMPLOYMENT</b>					
EMP1 <sup>8</sup> To provide employment					
EMP2 To provide job security					
EMP3 To earn a reasonable living					
<b>AUTONOMY</b>					
AUT1 For my own satisfaction					
AUT2 For better social status					
AUT3 To be my own boss					
AUT4 To realize my dream					
AUT5 To get away from frustration of previous job					
AUT6 To have a flexible job that allows me to combine my personal and working life					

<sup>8</sup> All codes are to be used for internal purpose. Codes will not be visible for respondents.

AUT7 To capitalize on a business idea that I had					
AUT8 A friend/ family member entrepreneur was a role model					

7. How would you describe yourself in everyday life?  
Indicate your level of agreement with the following statements from 1 (total disagreement) to 5 (total agreement).

	1 - Strongly disagree	2 - Disagree	3 - Neither agree or disagree	4 - Agree	5 - Strongly Agree
<b>CREATIVITY</b>					
CRE1 I always suggest new ways to achieve goals.					
CRE2 I always come up with new and practical ideas.					
CRE3 I search for new technologies, processes, techniques, and/or product ideas.					
CRE4 I am a good source of creative ideas.					
CRE5 I exhibit creativity when given the opportunity.					
CRE6 I come up with creative solutions to problems.					
CRE7 I often have a fresh approach to problems.					
<b>INDIVIDUAL INNOVATIVENESS</b>					
IN01 I often surprise people with my novel ideas.					
IN02 I prefer coming up with new ideas to					

mastering skills.					
IN03 I prefer work that requires original thinking.					

8. How important are/were the following barriers for starting own business?  
Indicate the level of importance of following barriers for you personally, from 1 (not at all important) to 5 (extremely important).

	1 – Not at all important	2 – Low importance	3 – Neutral	4 – Important	5 – Extremely important	9 – I don't know
<b>FINANCE</b>						
FIN1 Lack of savings						
FIN2 Difficulty in accessing finance						
FIN3 Cost of business registration						
FIN4 High interest rates						
<b>COMPETENCY</b>						
COM1 Lack of entrepreneurship skills (financial, marketing, planning, technology etc.)						
COM2 Lack of information about how to start a business (e.g. rules and regulations)						
COM3 Lack of prior business experience						
COM4 Lack of time for training						
COM5 Lack of mentoring and advise						
COM6 Traditional views about the role of women in society						
<b>RISKS AND OTHER OUTSIDE FACTORS</b>						
RIS1 The uncertainty about the future if I start my own business						

RIS2 Loosing balance between family and working live.						
RIS3 Fear of failure						
RIS4 Stereotypes about young women as being less professional						
<b>MACRO-ECONOMY AND POLICY</b>						
MAC1 Lack of opportunity in the market place						
MAC2 Weak economic environment						
MAC3 Government regulations						
MAC4 The red tape (such as long and costly bureaucracy procedures and standards to be met before running a business)						
MAC5 High taxes						
MAC6 High corruption						
MAC7 Lack of public or private childcare and eldercare services						
MAC8 Insufficient maternity leave provisions						
MAC9 Difficult to find information on registration, legal and start-up requirements						

9. In your opinion, how important are the following aspects in the success of entrepreneurial attempt?

	1 - Not at all important	2 - Neutral	3 - Very important
M1 Your educational background			
M2 Your prior professional experience			
M3 Lessons learned from previous success			
M4 Company's management team skills			
M5 Availability of financial capital/ loans			
M6 Availability of public funds and grants for start-ups support /EU, national, regional, local/			
M7 Advisory support, consulting, mentoring			
M8 Market research			
M9 Business training courses and mentoring			
M10 Support provided by innovation/ development agencies, business support organizations			
M11 Participation in business and/ professional networks and clusters /female, international, European, national/			
M12 Received societal support /working childcare or elderly care service, adequate maternity leave provisions, etc./			

### III - ENTREPRENEURIAL SELF-EFFICACY

10. Considering your own efficiency, indicate your level of agreement with the following statements from 1 (total disagreement) to 5 (total agreement).

	1 - Strongly disagree	2 - Disagree	3 - Neither agree or disagree	4 - Agree	5 - Strongly Agree
SE1 It is easy for me to follow my aims and					

accomplish my goals.					
SE2 Thanks to my resourcefulness, I know how to handle unforeseen situations.					
SE3 I can solve most problems if I invest the necessary effort.					
SE4 When I am confronted with a problem, I can usually find several solutions.					
SE5 If I am in trouble, I can usually think of a solution.					
SE6 I can usually handle whatever comes my way.					

#### IV – CULTURE OR NORMATIVE PROFILE AND SOCIAL SUPPORT

11. Considering the entrepreneurial culture in your country, indicate your level of agreement with the following statements from 1 (total disagreement) to 5 (total agreement).

	1 - Strongly disagree	2 - Disagree	3 - Neither agree or disagree	4 - Agree	5 - Strongly Agree
CUL1 In my country, the creation of new ventures is considered to be an appropriate way to become rich.					
CUL2 The national culture is highly supportive of individual success achieved through own personal efforts.					
CUL3 In my country, setting up a new business is a necessity.					
CUL4 The national culture encourages creativity and innovativeness.					
CUL5 The national culture encourages entrepreneurial risk taking.					

CUL6 Most people view becoming an entrepreneur as a desirable career choice.					
CUL7 Successful entrepreneurs have a high standing in the community and are respected.					
CUL8 Most people think of entrepreneurs as competent, resourceful individuals.					

12. If you decided to create a company, or you already own one, would people in your close environment approve that decision? Indicate from 1 (totally disapprove) to 5 (totally approve).

	1 - Strongly disapprove	2 - Disapprove	3 - Neither approve or disapprove	4 - Approve	5 - Strongly Approve
SUP1 Your close family					
SUP2 Your friends					
SUP3 Your colleagues and acquaintances					
SUP4 Your neighbourhood/local community					

#### V - TRAINING NEEDS

13. If you would have possibility, which type of support would you prefer? Select all that apply (obligatory)

TR1 Training	
TR2 Coaching and mentoring	
TR3 Counselling and consulting	
TR4 Events and networking	

14. In which business fields you would need additional knowledge? Select all that apply (obligatory)

B1 Management	
B2 Human resources management	
B3 Entrepreneurship	
B4 Finances and budgeting	
B5 Accounting	
B6 Marketing	
B7 Export	
B8 Social media in business	
B9 Business plan development	
B10 Sales	
B11 Business law	
B12 IT in business	
B13 Business Communication	
B0 Other:	
B14 I don't need additional education	

- A15 What would be your availability in length and frequency of the training (obligatory)
- maximum number of hours per week: \_\_\_\_\_
  - maximum number of weeks per training: \_\_\_\_\_
  - not available at all

## VI - DEMOGRAPHICS

A16 Personal status:

- a) Living in independent household  
How would you describe your personal status

If yes, please mark:

- Single
- In steady relationship
- Married

- Divorced
- Widowed

b) Living as part of a household

If yes, please mark:

- Single
- In a steady relationship
- Married
- Divorced
- Widowed

A17 What is your education level:

- Primary
- High school
- Vocational training
- University – Bachelor
- University – Master

A18 What is your present occupation?

- Student
- Private sector employee
- Public sector employee
- Self-employed or entrepreneur
- Unemployed but seeking employment
- Unemployed but not seeking employment

A19 Roughly speaking, what is the total monthly income in your household?

- Below the average in your country
- Average
- Above the average in your country
- I do not know

Thank you for taking the time to complete this survey. We truly value the information you have provided.