

ENTREPRENEURSHIP AND FEMALE ENTREPRENEURSHIP IN MARAMUREȘ COUNTY

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Initiating and developing a business involves a considerable risk and a sustained effort in order to defeat the inertia against what is new. The person initiating a business, assuming the responsibility and risk of its development and benefiting from the results of this work is the entrepreneur. In the context of economical development, the number of entrepreneur-women has increased significantly in comparison with the past periods. The spectacular modification of family life and professional activity made that more and more women got involved in businesses. The entrepreneur-women differentiate from the other women by the fact that they are more inclined to assume the risk, they are much more determined and firm and have a greater wish to control their own destiny.

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M: Business Administration and Business Economics; Marketing; Accounting

1. Dimensions and evolutions of the entrepreneurial phenomenon

Ever since the notion of “entrepreneur-woman” was elaborated by specialists in entrepreneurship and small enterprises in the mid '70s (Catley și Hamilton, 1998), the research among entrepreneur-women has extended and developed considerably (Carter et al, 2001). Nevertheless, there are some little studied areas in the research about entrepreneur-women, linked mostly to the way in which the social environment is built and how it affects the entrepreneurship (Ahl, 2002:168, Driga, O., Lafuente, E. – Female entrepreneurship in Romania: Personal characteristics and the effect of socio-cultural variables. Centre for Entrepreneurship & Business Research. CEBR working paper series, WP 02/2007, page 3).

Following is the diagnosis for Maramureș County from the small and medium enterprises point of view:

Table 1. Evolution of the number of small and medium enterprises in Maramureș County, on size categories, in the period 2000-2007.

	2000	2001	2002	2003	2004	2005	2006	2007
Total	6157	6725	7553	8944	9705	10402	12150	12628
Microenterprises	5200	5740	6529	7868	8596	9232	10957	11345
Small enterprises	825	839	845	878	902	924	935	993
Medium enterprises	132	146	179	198	207	246	258	290

Source: County Direction of Statistics Maramureș, 2008.

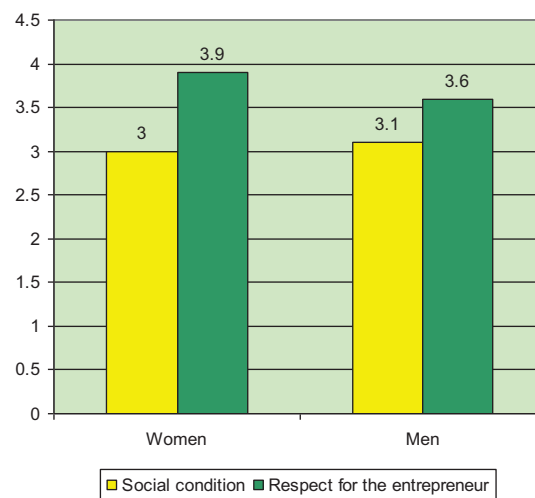
The companies led by women in Romania, benefit from an increase of 39%, much faster than those led by men, with a development percentage of only 31%. Although relatively small, the difference is significant, is shown in a study of CEBR (Centre for Entrepreneurship & Business

Research), company of consultancy and research in businesses. There is not any relevant study yet, regarding the possibility of delimiting in Maramureş County, as exact as possible how many companies are led only by women, in order to establish an evolution of this situation or the percentage of entrepreneur-women in total companies led by men.

2. Stimulating factors

The decision of a woman-person, to get involved in entrepreneurship by setting up and managing a business, can be affected by a series of perception variables, which refer to the perceptions regarding the way in which the society "regards" entrepreneurship and success, as the case, failure in their businesses. Thus, in the societies where entrepreneurship represents an admired activity (due for example, to the independence and courage that often associate with the entrepreneurs), the entrepreneur persons can realize that getting involved in such activities, will bring them, besides economical benefits, also a certain social statute, admired by the other members of the society. In such conditions, this factor, can therefore act as a stimulus to become an entrepreneur-woman.

Graphic 1. Perception variables



Adaptation after source: Otilia Driga (CEBR), Esteban M. Lafuente González (CEBR) Working Paper Series, 02-2007- Female entrepreneurship in Romania: personal characteristics and effect of socio-cultural variables, August, 2007, page 6.

In Maramureş County, the stimulating factors of entrepreneurship, are linked to business opportunities, like: maintaining services, activities regarding wood processing, crafts based on traditions, unique in the country and in the world, tourism and mainly rural tourism, confections, constructions, food industry

(http://www.infofirme.ro/opportunitati+de+afaceri_Maramures_simpla.html).

Other stimulating factors, are linked to the existence of the Business Incubator from Maramureş County, of organizing, annually, by the Chamber of Commerce, the top of companies in Maramureş County, after different performance criteria, of exhibitions and fairs, like Fair Rivulus Dominarum, Tourism fair, Traditions and Culture, Fair of educational offers, Fairs of health-nutrition, Fairs of Furniture (http://www.ccimm.ro/search/events_list.php?reset=1&menu_id=15, page 1). Will be organized also by the Chamber of commerce, in the period 16-18 May 2009, first **European week of small and medium enterprises**, a campaign of promoting entrepreneurship in Europe and of informing the entrepreneurs from the county, about the help they could benefit from at European, national and local level. This event puts at the disposition of small and medium enterprises from

Maramureș, a large variety of information, advice, support and ideas, in order to develop their activity. The most important Informative Bulletin of the Chamber of commerce is Hermes Contact Maramureș, in which there appear all the press communicates, monthly, regarding entrepreneurship in the county, and also a Catalogue with the exporters from Maramureș.

3. Disparities of gender in the female entrepreneurial field

The annual statistic data, state substantial differences between the situation of women and men, and data comparison in time, reveals the fact that the differences on economic plan between the situation of women and men, have an increasing tendency. The data from the last 50 years show that in the assembly of population, the percentage of women was situated in average, at over 50%. If at the end of 1999, the women represented 46.2% from the total busy population, fact that reveals the tendency of diminishing the differences, other data come to complete and nuance this image. The salaries from the sector in which the proportion of women is the majority among the employees, are lower than those of men who detain the weight. The salaries from the budgetary sectors, in which over 2/3 from the personnel are women, are situated under the average level on economy (Coica, Liliana, Coțescu Valentina, Dimitriu Doina, Ilinca Cristina, Negruțiu Florentina – National report regarding the equality of chances between men and women, Bucharest, 2002, page 4).

The women work mainly in the following fields of the national economy: health and social assistance (78.8%); financial, banking activities and insurances (71,3%); education (69,5%); hotels and restaurants (66%); commerce (55,4%); post and telecommunications (53,9%); agriculture (50,4%). As along years the above percentages suffered **insignificant** modifications, we can state that traditionally in these fields of activity work majority women (National report regarding the equality of chances between men and women, Bucharest, 2002, page 5). Housewives occupy a percentage of 50%. 40% from the women in rural environment are interested in the rights on the work market, and 20% in initiating a business. Most women from the rural environment have incomes under 500 lei, they take care of the house, get informed from television, go to vote, but get little involved in taking decisions, according to a study of the National agency for equality of chances between women and men made public in March 2008.

The National agency for equality of chances between women and men (ANES) developed in the period January - February 2008, an analysis at national level regarding the situation of women in rural environment. Concerning the professional situation, the study shows that the women in rural environment address mainly to fields like public administration, health, agriculture, social assistance or education. Women are interested in the fair of work places, in proportion of 56%, according to this study.

4. Particularities of female entrepreneurship

The number of entrepreneur women has seriously increased in comparison with the past periods. The modification of family life and professional activity, made more and more women get involved into businesses. The entrepreneur women are different from the other women by the fact that they are more inclined to assume the risk, they are much more determined and firm and they have a greater wish to control their own destiny. **The particularities of female entrepreneurship** can be mentioned by means of the analysis of differences between entrepreneur men and women in Maramureș County.

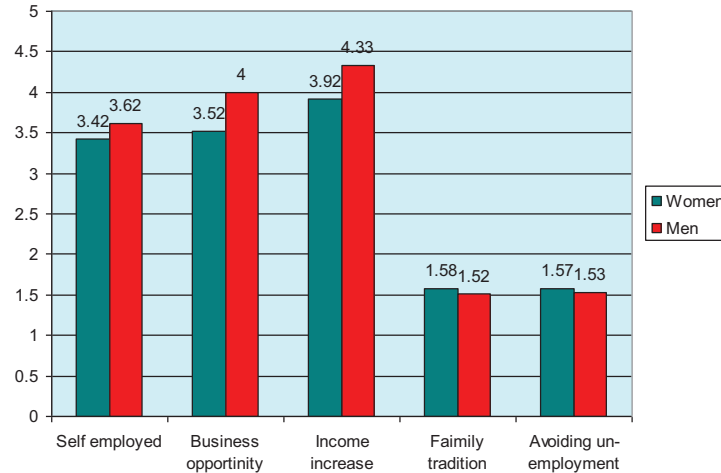
Differences between entrepreneur men and women

Although the characteristic features of entrepreneur men and women are generally very much alike, the entrepreneur women differ from men under the following aspects: motivation, reasons, financing sources, instruction, personality characteristics, environment conditions, support groups, business field.

Regarding the reasons to create a new business (graphic 2): the main motivation seems to be that of increasing the income by developing your own business. This reason seems to have a greater

importance in the case of men, thus confirming an idea postulated in the specialty studies, according to which, women are less interested in financial award, they aiming through businesses to reach other purposes like, gaining a plus of independence or completing the family life with the working one.

Graphic 2. Entrepreneurial motivations, potential entrepreneurs



Adaptation after source: Otilia Driga (CEBR), Esteban M. Lafuente González (CEBR) Working Paper Series, 02-2007- Female entrepreneurship in Romania: personal characteristics and effect of socio-cultural variables, August, 2007, page 4.

Motivation. Women tend to be more motivated by the need of achievement resulted from the frustration at the working place caused by the lack of promotion possibilities and manifestation of talent. **Reasons.** Both men and women have similar reasons to get involved into businesses. Both of them generally have a strong interest and a rich experience in the business field in which they want to get into. Women often leave the former working place with a deep feeling of frustration and a special enthusiasm for a new business, without taking experience too much into account, making transition more difficult in a way. **Financing sources.** Women generally rely on personal premises and savings. This is because women obtain loans more difficult than men from banking institutions. **Instruction.** Most women have an administration experience, limited to average levels of management, mainly in services field. **Personality characteristics.** Most personality characteristics are similar both to entrepreneur men and women. Both men and women are energetic, independent, sociable. Yet men are often more self-confident and less flexible and tolerant than women, fact that can lead to the existence of some very different management. **Environment conditions.** Most women are a bit older than men when they start businesses (35-40 years old, compared to 25-30 years old). **Support groups.** Women ask first for husband's advice, then their close friends' and only after that the specialists'. Also women ask for the support of different commercial associations and feminist groups. **Business field.** The nature of businesses made by men and women differs too. Women tend to start businesses especially in the field of services and retail commerce. Consequently, businesses owned by women are often smaller and lower income than those of men. Yet, business opportunities for women have an increasing tendency without precedent as the field of services registers a strong tendency of development.

Difficulties faced by entrepreneur women

Women face a series of difficulties that men do not usually have. Banks and other financial institutions are more conservative in giving loans to entrepreneur women. An explanation is the fact that some banks see characteristics of successful entrepreneurs mainly in men. **In**

Maramureş County, women get into business mainly in the field of services and retail commerce.

Entrepreneur women face an additional difficulty also by the fact that they have to deal with family problems too. Some researches reveal the fact that there is a direct connection between satisfaction in business and family happiness. Moreover, entrepreneur women have a greater satisfaction in work than those who are managers, satisfaction generated by the possibility of controlling their own destiny. In the following table, we present the results of a study regarding the main difficulties that entrepreneur women face both in initiating businesses and during their development.

Table 2. Difficulties faced by entrepreneur women in Maramureş County

Difficulties in initiating businesses	(%)	Difficulties during the business development	(%)
Lack of instruction in business	30	Lack of experience in financial planning	28
Obtaining credits	28	Affecting personal relations	25
Lack of experience in financial planning	20	Obtaining credits	23
Lack of guarantees	21	Lack of guarantees	13
Lack of support and counseling	1	Lack of instruction in business	11

Source: CEBR Romania, female entrepreneurship, entrepreneurial studies and businesses.

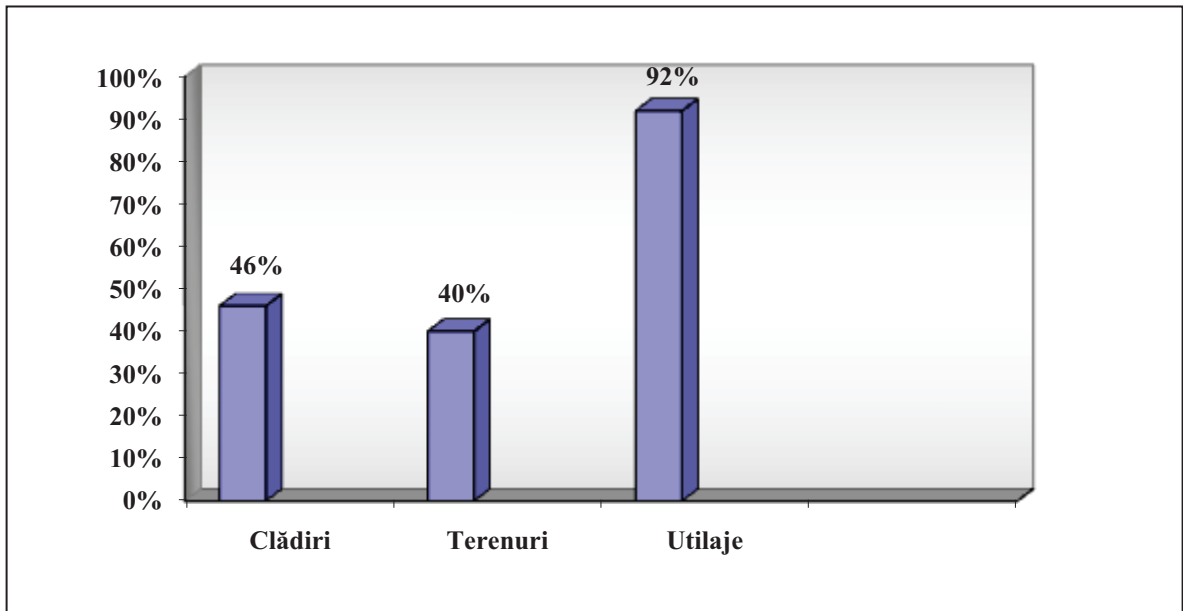
5. Case of success: women companies managers, entrepreneur – women in Maramureş County

Confstil Aura SRL Baia Mare, entrepreneur Ungureanu Aurelia . The company was founded in 11.01.1996, with business activity the production of clothes, ready-made clothes from woven or knitted materials for women, men and children, clothes, suits, jackets, trousers, skirts, plus custom tailoring. The company Confstil Aura was in 2007 on the 20430rd place in profit top, on the 46411rd in income top, on the 52727rd in expenses top and on the 5795rd on employees top. Today it has 3 branches. The financial data regarding the evolution of Confstil Aura SRL, are:

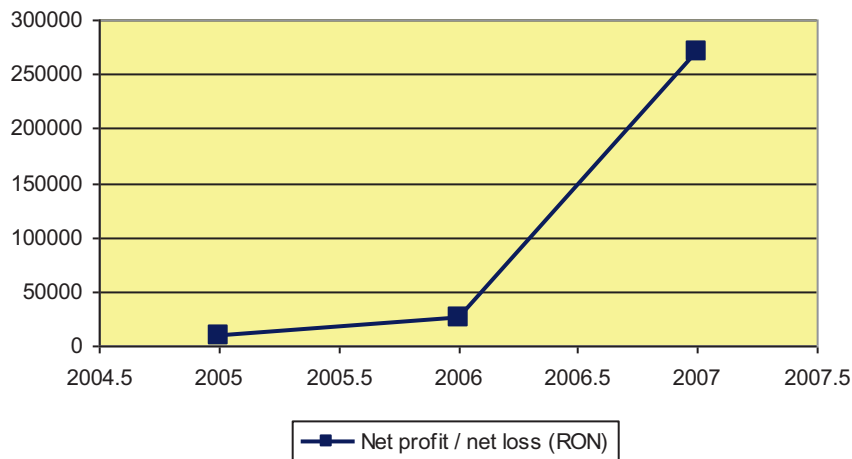
Table 3. Financial data regarding Confstil Aura SRL Baia Mare, between 1999-2007

Balance year	Turnover (RON)	Income (RON)	Expenses (RON)	Net profit / Net loss (RON)	Number of employees
1999	702.211,10	747.602,70	745.163,70	2.439,00	58
2000	312.567,70	392.555,70	372.354,90	20.200,80	77
2001	363.501,80	364.872,00	359.312,20	4.556,40	79
2002	575.909,00	579.733,00	570.612,10	3.843,10	81
2003	858.416,40	858.460,40	853.296,20	2.453,10	81
2004	1.048.988,30	1.049.020,70	1.039.099,40	4.640,40	105
2005	875.341,00	877.089,00	864.126,00	8.778,00	106
2006	1.117.294,00	1.125.556,00	1.091.613,00	26.315,00	114
2007	980.288,00	1.584.981,00	1.261.440,00	270.064,00	97

Source: <http://www.totalfirme.com>, www.mfinante.ro



Graphic 3. The profitability evolution (RON) at Confstil Aura SRL. Baia Mare, between 2005-2007



Adapted after the source : <http://www.totalfirme.com>, www.mfinante.ro

During 2005-2007, the profit rose, suited the data and the graphical representation of those. The profit rate in 2007 (the last year with profit > 0), at Confstil Aura SRL Baia Mare, was 27,55%, which is a positive aspect in the evolution of economical and financial results of the company.

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