

ENTREPRENEURIAL MOTIVATIONS: ARE WOMEN DRIVEN BY DIFFERENT MOTIVATORS THAN MEN? (II – SOME EVIDENCE FOR EU AND ROMANIA)

Bădulescu Alina
University of Oradea
Faculty of Economic Sciences

The present article has the goal to reveal the (eventually) differences between entrepreneurial motivations between men and women, in the case of EU and Romania. In the first part, we make a brief research into the literature related to this subject, and in the second part we shall reveal the facts and figures in the EU and Romania.

Key words: entrepreneurship, women entrepreneurship, motivation for business start-up

JEL code : M13, G32

1.Methodology

In order to reach both the primary objective of finding the motivation driving women to enter the entrepreneurship, and the second one, of identifying similarities or differences between female and male motivators, in Romania and in the EU, we used the dataset “Enterprises managed by the founder - broken down by gender of the entrepreneur”, available in Eurostat database. We select from this database the data regarding the start-up motivation available for Romania and European Union (aggregate changing according to countries available), NACE: Industry and services excluding public administration and management activities of holding companies. Available data are for the year 2005.

First, we select the data for the EU, broken by the gender of the founder and manager of the firm and search to arrange the motivation starting with the most important, e.g. more nominated by the respondents. Second, we did the same thing for the data available for Romania, sorting them by relevance. Third, we tried to make some comparison between:

- Male versus female entrepreneurs in EU
- Male versus female entrepreneurs in Romania
- EU women entrepreneurs versus Romanian women entrepreneurs.

Finally, we will conclude and emphasize some implications of the findings.

2.Discussion

The main driving forces motivating women to enter into entrepreneurship is the desire for independence, with the answer “desire to be one’s own boss” indicated among main motivators by 73.7% of the female entrepreneurs. The second motivation, indicated by 70.6% of the respondents, is the prospect of making more money, which expresses the desire for financial independence and payoff. The third motivation is the desire for new challenges.

It is remarkable the pre-eminence of full factors, generating the classical, opportunity entrepreneurship, and also motivation directly related to the Schumpeterian-innovative approach: realizing an idea for a new product or service. Besides the classical factors, it is to note the relatively great importance of the push factor “avoiding unemployment”, indicated by 54.8% of the female entrepreneurs. Another push factors, indicating the extension of the necessity entrepreneurship, are: getting away from unsatisfactory work situation; only possibility to carry out profession.

As expected, motivations related to work-family balance are present: “combining work and private life” indicated by 49.5% and „children are big enough” indicated by 22.6%. The last motivation indicates the women previously forced to be involved in family and child care activities, activities which had not left them enough time for work (self-employment or wage-employment).

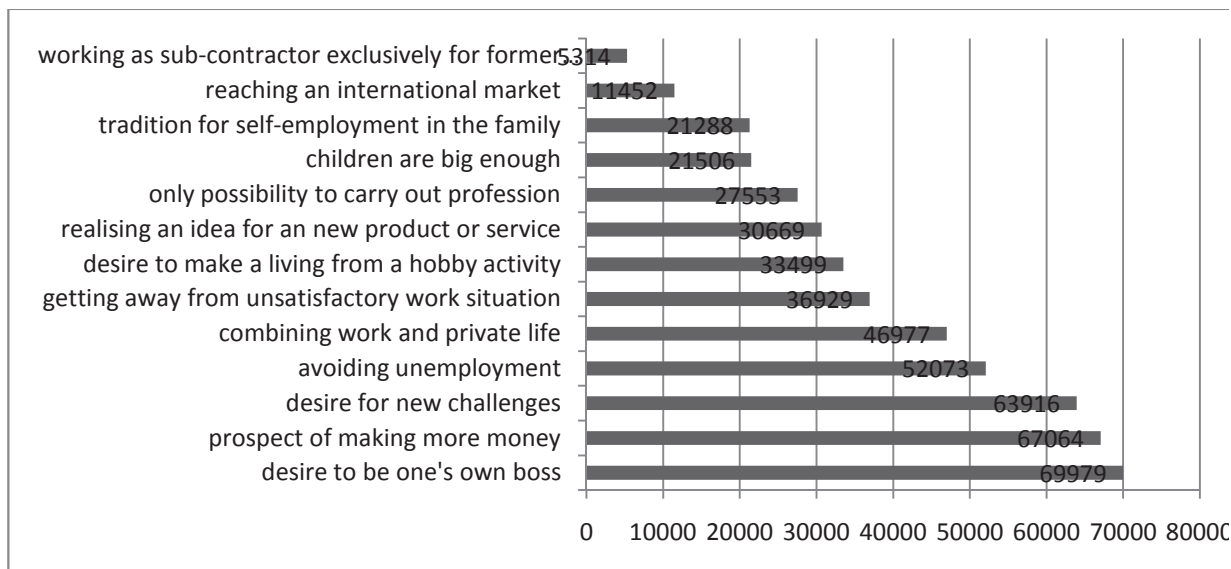


Chart 1. The motivation for start-up of the enterprises founded by the manager – EU 2005, women

Source: own calculation based on Eurostat database

Male entrepreneurs bring out mainly the same motivations, the top 3 indicated motivators being the same. The desire for independence, more money and new challenges motivate men to start up a business. The pull factors are the most important drivers, but there are also present the push factors, such as: avoiding unemployment, getting away from unsatisfactory work situation.

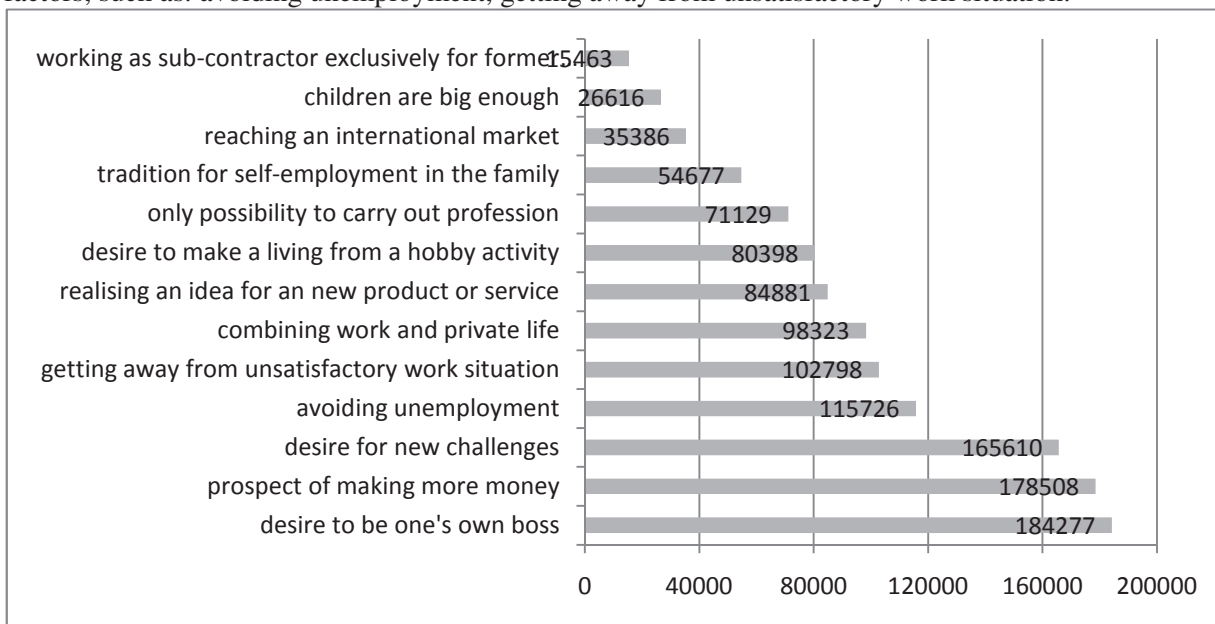


Chart 2. The motivation for start-up of the enterprises founded by the manager – EU 2005, men

Source: own calculation based on Eurostat database

A brief comparison between females and males reveal that the motivations are basically the same. Nevertheless, some differences can be drawn:

- The “children are big enough” motivator was indicated by 22.6% of the women, twice the proportion of 11% of the males; this fact is a major difference, indicating that child carrying is still a women activity, and gender matters a lot when it is about to factors inhibiting the economic participation of females;
- The “combining work and private life” motivator was nominated by 49.5% of the females but only 40.5% of the males; the work-family balance (including the children carrying issue) is a more concerning problem for women than for men;
- “avoiding unemployment”, motivator indicated by 54.8% of the women versus only 47.6% of the men, testify that unemployment is usually a problem affecting women more than men, and thus the concern has a gender dimension;
- The last motivation indicated in a greater measure by women than by men (but with not a big gap) is “desire to make a living from a hobby activity”; this can be related with the fields of services, arts etc., field and profession more associated with women than with men, and where female entrepreneurs tend to operate rather than males.

The other motivations were rather indicated by men than women, but the differences are far not to be as important:

- desire to be one's own boss (75.8% males versus 73.7% females)²⁰⁵;
- prospect of making more money (73.5% males versus 70.6% females)²⁰⁶;
- desire for new challenges (68.2% males versus 67.3% females)²⁰⁷;
- getting away from unsatisfactory work situation (42.3% males versus 38.9% females)²⁰⁸;
- realising an idea for an new product or service (34.9% males versus 32.3% females)²⁰⁹;
- reaching an international market (14.6% males versus 12.1% females)²¹⁰;
- working as sub-contractor exclusively for former employer (6.4% males versus 5.6% females).

Virtually with the same frequency among men and women there are: “only possibility to carry out profession” and „tradition for self-employment in the family”. The complete picture is shown in Table 1.

Table 1. Start-up motivations: females versus males, EU versus Romania (2005)

Start-up motivation	Nominated by ... % of the females (EU)	Nominated by ... % of the females (RO)	Nominated by ... % of the males (EU)	Nominated by ... % of the males (RO)
prospect of making more money	70.6	81.6	73.5	86.5
desire for new challenges	67.3	76.3	68.2	79.1
desire to be one's own boss	73.7	62.5	75.8	68.7

²⁰⁵ Are men willing and loving freedom and independence more than women?

²⁰⁶ Are men more money-oriented?

²⁰⁷ Are men more adventure and change oriented?

²⁰⁸ Are men suffering more in the case of unsatisfactory work? Are women more resigned?

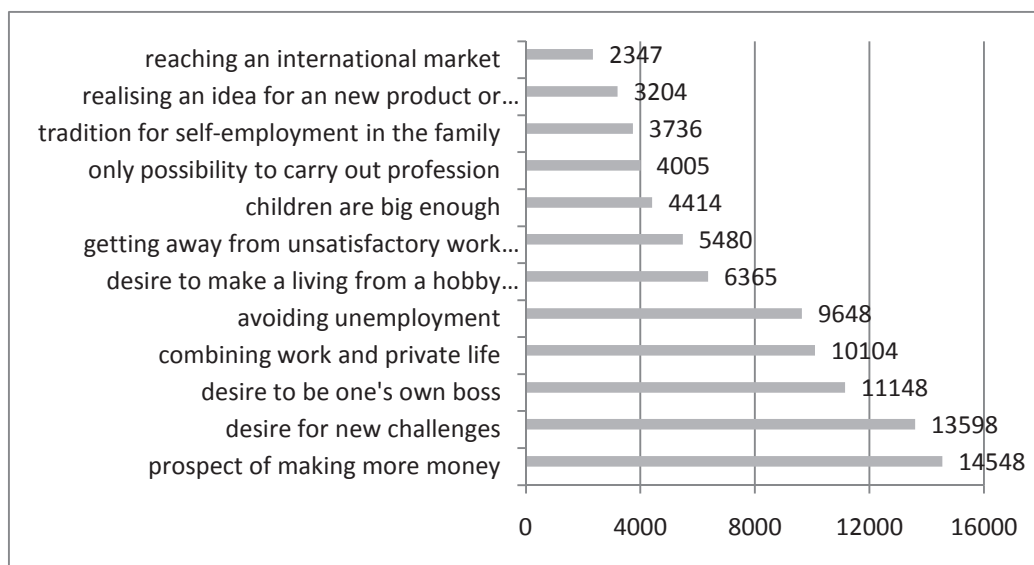
²⁰⁹ Are men more innovative or more self-confident? Do the prevalence of their technical education play a role?

²¹⁰ Are men more desiring of adventure, more open to unknown, or simply more self-confident?

Start-up motivation	Nominated by ... % of the females (EU)	Nominated by ... % of the females (RO)	Nominated by ... % of the males (EU)	Nominated by ... % of the males (RO)
combining work and private life	49.5	56.7	40.5	55.7
avoiding unemployment	54.8	54.1	47.6	54.1
desire to make a living from a hobby activity	35.3	35.7	33.1	37.8
getting away from unsatisfactory work situation	38.9	30.7	42.3	28.5
children are big enough	22.6	24.8	11.0	20.4
only possibility to carry out profession	29.0	22.5	29.3	22.6
tradition for self-employment in the family	22.4	21.0	22.5	24.0
realising an idea for an new product or service	32.3	18.0	34.9	21.9
reaching an international market	12.1	13.2	14.6	19.6
working as sub-contractor exclusively for former employer	5.6	6.3	6.4	6.9

Source: own calculation based on Eurostat database

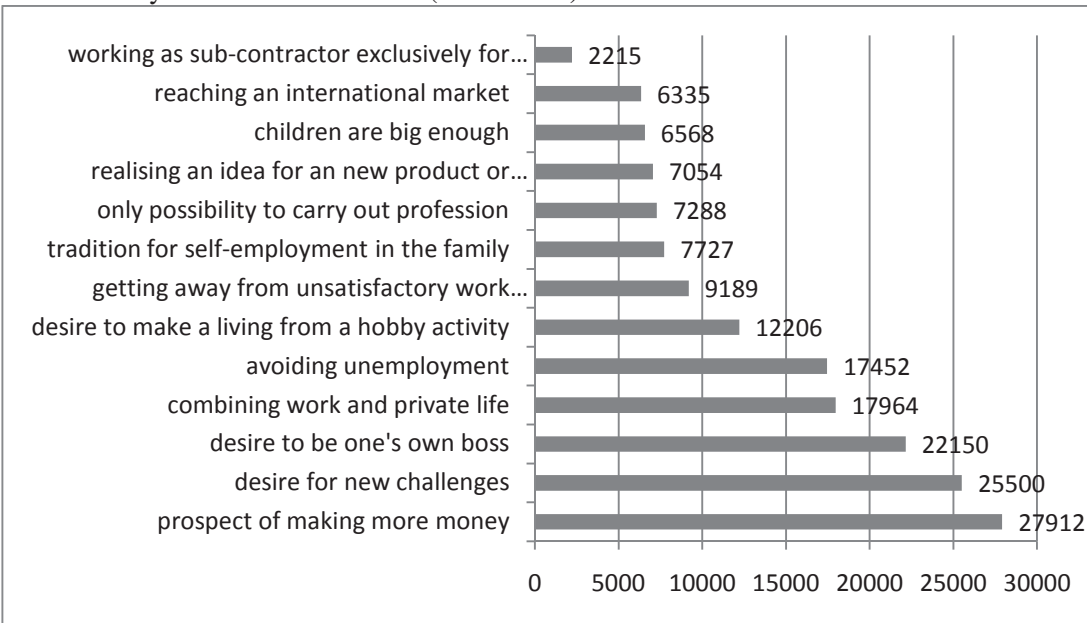
The second problem we try to answer holds of a eventually national determination, e.g. are there or not noticeable differences in the motivations of female versus males entrepreneurs in Romania. In order to draw the picture, we use the same database, available for the year 2005, for Industry and services excluding public administration and management activities of holding companies. Mostly, females are driven into entrepreneurial activities by the need for money. It is hard to say if this motivator is a pull or a push factor, given the low income level of the majority of the households. Other motivations indicated were the desire for new challenges, the desire for independence, the work-private life balance and the avoidance of unemployment. The other factors are mentioned at a considerable distance (see Chart 3).



**Chart 3. The motivation for start-up of the enterprises founded by the manager – Romania
2005, women**

Source: own calculation based on Eurostat database

About the Romanian male entrepreneurs, the first 7 out of 12 indicated motivators are the same. The need and desire for independence, financial payoff, new challenges, but also the necessity factors related to family-work like, unemployment, and also the desire to change either activity or unsatisfactory work are mentioned (see Chart 4).



**Chart 4. The motivation for start-up of the enterprises founded by the manager – Romania
2005, men**

Source: own calculation based on Eurostat database

As was the case with the EU dataset, the only relevant difference is related to the family issues. The more “feminine” motivations (see Table 1) are:

- children are big enough: 24.8% of the females indicated this motivation, against 20.4% of the males;
- getting away from unsatisfactory work situation (30.7% of the females versus 28.5% of the males);
- combining work and private life (56.7% of the females versus 55.7% of the males);

Women appear to be less money oriented, less willing for independence and new challenges, the prospect of making more money motivating –motivated, less motivated by tradition factors, innovative ideas or international dimensions. Briefly, Romanian women entrepreneurs appear to be more conservative than man, more oriented to family and children carrying issues, an less motivated by money making than men. Virtually the same role irrespective to gender have the push factors: avoidance of unemployment, the entrepreneurship as the sole possibility to carry out profession etc.

3.Concluding remarks

Finally, putting together all motivations indicated by females and males in EU and Romania, we conclude (see Table 1) that:

- the prospect of making more money is a greater motivator for males than for females, both in Romania and EU, but the strength of the motivator appears to be

more obvious in Romania compared to the EU average; this fact can be related with the reality of more opportunities to make profit on the Romanian market, full of shortages and thus with better prospects for rapid gains, but it also can be related with the lower level of well-being and the higher level of poverty in Romania, factors that strongly motivate people, and also create great expectations regarding the entrepreneurial profits;

- The desire for new challenges is considerably a stronger motivator for the Romanians entrepreneurs; however, surprisingly, “getting away from unsatisfactory work situation” motivated considerably less Romanian as other EU citizens;
- The desire for independence is also not as strong for the Romanian entrepreneurs, largely habituated with the employee role;
- “Combining work and private life” and “children are big enough” are stronger motivators for the Romanian entrepreneurs; this fact can be related with the traditional cultural models, but also with the insufficient child care services and facilities etc.
- The motivation of realising an idea for an new product or service is considerably less motivating for Romanian entrepreneurs; its nomination is nearly half in the case of women;
- The motivation of avoiding unemployment is mentioned in the same measure by Romanian women and men and EU women entrepreneurs; only EU male entrepreneurs appear to be less concerned about that possibility
- It is interesting that tradition for self-employment in the family is nominated in very similar measures by male and female in Romania and Europe; that means that there are already functioning the entrepreneurial family models, but it could also mean that the prrsence of entrepreneurial models in the family acts not so strong as motivator.

The final conclusion is that there are no outstanding differences between entrepreneurial motivations between men and women, with the exception of those related to the family-work balance. This conclusion holds also for the analysis in terms of EU male entrepreneurs versus female entrepreneurs, but also in the case of Romanian male versus female entrepreneurs. It appears also that there are several difference on a international basis comparison, revealing enhanced motivators for Romanian entrepreneurs than in case of other countries: the prospect of making more money, the desire for new challenges, combining work and private life. In the same time, Romanian are considerably less motivated as entrepreneurs by the desire to be one's own boss, by getting away from unsatisfactory work situation, and especially by realising an idea for an new product or service. More necessity and less opportunity and innovation entrepreneurship appear to characterise Romanian entrepreneurs' motivations.

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