



Promoting **Women  
Entrepreneurship**  
in Eastern Europe



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# About the publishers

## **European Liberal Forum**

The European Liberal Forum (ELF) is the foundation of the European Liberal Democrats, the ALDE Party. A core aspect of our work consists in issuing publications on Liberalism and European public policy issues. We also provide a space for the discussion of European politics, and offer training for liberal-minded citizens. Our aim is to promote active citizenship in all of this.

Our foundation is made up of a number of European think tanks, political foundations and institutes. The diversity of our membership provides us with a wealth of knowledge and is a constant source of innovation. In turn, we provide our members with the opportunity to cooperate on European projects under the ELF umbrella.

We work throughout Europe as well as in the EU Neighbourhood countries. The youthful and dynamic nature of ELF allows us to be at the forefront in promoting active citizenship, getting the citizen involved with European issues and building an open, Liberal Europe.

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The Project office for Southeast Europe of the Friedrich Naumann Foundation for Freedom implements the activities and programmes of the Foundation in Macedonia, Bulgaria, Romania, and Moldova in close cooperation with a high number of local partners – liberal political parties, think-tanks, institutes, and civil organisations. Focus areas of our current work at national and regional levels are anticorruption and transparency, freedom of media, economic entrepreneurship, and education. We provide consultancy on all these topics in order to facilitate a transfer of knowledge and best practices. With a large number of diverse public activities and publications we strive to raise the awareness on the principles of liberal democracy, to increase civic engagement, and last, but by far not least, to foster good governance in our four project countries.

**[www.fnf-southeasteurope.org](http://www.fnf-southeasteurope.org)**

## **Global Entrepreneurship Network Moldova (GEN Moldova)**

GEN Moldova is an association that aims to develop the entrepreneurial ecosystem in Republic of Moldova through developing entrepreneurial spirit, culture, its stakeholders, forming partnership nationwide and the community overall locally, nationally and globally, part of the Global Entrepreneurship Network; GEN Moldova is a community of doers, makers and creators across Moldova who are helping new entrepreneurs get started and young firms become successful.

**<http://genmoldova.co/>**

# Promoting Women Entrepreneurship in Eastern Europe

## **Abstract**

Gender mainstreaming in different areas of activities and policy has become one of the core themes of many nations in the Western World. While policies of gender equality have been steered in the EU member states, Eastern Europe is behind in promoting women in different roles in the society. Thus there is a need in assessing the regions specific causes of this gap. This has the potential of unveiling the full of spectrum of challenges for women entrepreneurship development as a whole and the needed shift in attitudes, aspirations and abilities to improve processes for women to be able to realize their ambitions socially, economically and politically. The publication identifies different opportunities for evidence based backing actions at various levels of business development taken the specifics of existent attitudes in the communities they live in and differentiating rural and urban areas with their particular cultures.

As a means to creating solutions, the research highlights the potential of women entrepreneurship support groups in the region that can drive gender-equality by changing social paradigms, altering attitudes through advocacy, endorsement, transfer of experience, mentoring, peer exchange and real empowerment.

The publication is part of a project on "Promoting Women Entrepreneurship in Eastern Europe", financed by the European Parliament, organized by the European Liberal Forum (ELF) with the support of the Southeast Europe Office of the Friedrich Naumann Foundation for Freedom. As part of this project, three events were in organized in three cities from the Republic of Moldova, organized: a conference in Chisinau and two workshops in Cimisia and Ungheni. Some findings included in this publication are based on the conclusions from these three events.

# Foreword

*The paper “Promoting Women Entrepreneurs in Eastern Europe” comes as a result of the work carried out under the ELF project run together with Friedrich Naumann Foundation and Global Entrepreneurship Network Moldova, which has gathered more women entrepreneurs and community builders from Eastern Europe. The focus of this paper is going to be on what has been done so far among different stakeholder groups in Eastern European countries, targeted areas of influence, identified gaps and what is to be done next to improve the environment for women entrepreneurs.*

*The experience of the four authors involved complemented with the work done within the project together with women entrepreneurs and community builders from the ten countries should depict the current trends and best practices on how to encourage more women to become successful entrepreneurs. In order to get a better understanding of the overall situation of women’s entrepreneurship in the region, the report will highlight the roles and activities of various civic leaders, community builders, business associations, local and central administration, media in the region, their diverse opinions about ways to bring higher awareness, stronger civic engagement, and broader public participation in empowering women’s entrepreneurship.*

*At the same time, women entrepreneurs from different countries of the region will tell their stories of resilience against hardship, achievements and lessons learned and shared during the conference to inspire and motivate other entrepreneurs and entrepreneur hopefuls to start businesses. These stories reflect on how women leaders support other fellow women to become entrepreneurs.*

*Finally, to epitomize the situation of women’s entrepreneurship at different regional levels, key findings and conclusions will be drawn from the national conference that took place in June 2017, in Chisinau, “WE in Eastern Europe - Promoting Women’s Entrepreneurship in Eastern Europe” with international representatives and its subsequent district-level workshops in Ungheni and Cimislia.*

by **Olesea Fortuna** , GEN Moldova



# Overview of the Situation of Women's Entrepreneurship in Eastern Europe

BY LUCIA UŞURELU

**THE ROLE THAT WOMEN PLAY** in contributing to global economic development is no longer questioned. A Pew Research Center analysis shows that women make up 40% of the workforce in 80 countries.<sup>1</sup> In 2012, *The Economist* projected that nearly 1 billion women will enter the labour force over the next 10 years.<sup>2</sup>

The phenomenon of women's entrepreneurship, both the women business owners and their businesses, is viewed as a potential source of economic and social development. The focus is largely on what these women do and do not accomplish compared to men and then filters into the "who," "why," "where", and "how" questions that go along with understanding the founding, development, and growth of the businesses.

The development of entrepreneurship has important benefits, both economically and socially. Entrepreneurship is not only a driving force for job creation, competitiveness and growth: it also contributes to personal fulfilment and the achievement of social objectives.

<sup>1</sup> <http://www.pewresearch.org/fact-tank/2017/03/07/in-many-countries-at-least-four-in-ten-in-the-labor-force-are-women/>

<sup>2</sup> <https://www.economist.com/news/economic-and-financial-indicators/21564857>

Women constitute, on average, 30% of entrepreneurs in the EU (36% start-ups, 20% industry). In SEE countries that share is approximately 15-30% (*Anna Danti (2010) SMEs and Entrepreneurship Policy: European Actions for Women Entrepreneurs, AER Conference on Women Entrepreneurship, DG Enterprise and Industry, Unit*)

The Global Entrepreneurship Monitor (GEM) provides a valuable and irreplaceable pool of information about women entrepreneurs across different countries. Sarfaraz and Faghieh (2011, p.52) note that “GEM’s contribution to providing consistent cross-country information and measurement of women’s entrepreneurial activity are useful tools to identify entrepreneurial dimensions and rank different countries in this field as well”. The lack of official information about women entrepreneurs represents an important obstacle to trustworthy research, since a ‘base set of measures cannot be shown to decision-makers’. (Hontz and Rotanu, 2010).

Based on the data from the GEM Reports, according to the Total Entrepreneurial Activity (TEA) index for women, it can be concluded that women from Montenegro, Croatia, Serbia, Bosnia and Herzegovina and Greece are active in their efforts to establish or manage any personal business. The TEA index for Macedonia, Romania, Slovenia and Turkey is around 3%. Data for Albania and Bulgaria, as Balkan countries, do not exist in these reports (Kelley et al., 2011; Allen et al., 2008); nevertheless studies have been published about entrepreneurship in Albania (Dana, 1996; 2010) and Bulgaria (Dana, 1999, 2010).

Despite the obstacles women face while starting and managing their businesses, more and more women establish their own enterprises. Although women’s entrepreneurship is on the rise, might growth increase further if barriers are eliminated or at least reduced? We are in favour of structural reforms to facilitate the creation of new ventures as suggested by OECD (1998).

**1. Economic:** Women entrepreneurs create jobs for themselves and others. The creation of private firms by women enables the capitalization of experience, acquired skills and training.

**2. Sociological:** The establishment of private enterprises as an alternative to unemployment of women would give them the opportunity to balance work and family responsibilities, and there will also be a rise in family welfare and improvement of social cohesion. These will be the real challenges for women entrepreneurs.

**3. Political:** The establishment of small enterprises owned by women can help reduce the disparity between men and women, would increase women’s autonomy and opportunities for a more active and representative role in the country’s economic and political life.

## Barriers faced by women entrepreneurs

Women entrepreneurs faced a variety of barriers: lack of management skills, business skills, cash flow, technical skills, and the ability to recruit qualified staff.

In addition, the authors found that they have limited access to appropriate technology and have difficulty in networking.

According to Still (2005), barriers or problems that women face in starting a personal business are divided into three groups:

**The first group** of barriers has to do with women who are motivated by the so called **push factors** (Dana, 1997). Barriers for this category of women entrepreneurs have to do with the lack of skills, small initial capital, access to capital, the inability to find a mentor or advisor regarding the establishment of private businesses or similar. These 'push' factors are presented in Table 1.

**The second group** of barriers has to do with women who are motivated by pull factors. Barriers for this category of women entrepreneurs deal with lack of

**Table 1. Barriers for women entrepreneurs motivated by push factors**

1	Creating confidence necessary to start businesses
2	Finding the proper sources for help and advice
3	Providing access to financial resources
4	Lack of mentors and advisors for individual owners
5	Issue with feelings of isolation/adapting to the change from employee of a company to self-employed
6	Accepting the offers provided by suppliers, other businesses and clients
7	Difficulties in managing family and business affairs
8	Self-management issues (in terms of time and self-esteem)
9	Low entrepreneurial spirit
10	Bypassing risks
11	Lack of skills
12	Access to business network
13	Using assistance provided through government programmes for training and development
14	The culture of priority

**Table 1. Barriers for women entrepreneurs motivated by pull factors**

1	Lack of financing
2	Access to venture capital, capital market and real networks-business consultants
3	Unprepared to implement managerial control
4	Creating a robust management with access to mentors, knowledge and information necessary for business growth

financing, the inability to carry out management and control, creating a strong management team and/or similar, which are presented in Table 2

A significant role is also played by cultural factors, i.e. experience in the perception of the private business owner by the government and society and the level of social acceptance of private ownership.

Barriers to women's entrepreneurship in Eastern Europe countries can be classified in 3 groups:

**1. Economic barriers:** unclear and often changing legal regulations concerning starting and developing own businesses, exorbitant taxes, lack of capital and difficult access to sources of financing; low demand resulting from high unemployment and indicators of low economic growth; competition from large domestic or foreign companies; limited access to foreign markets due both to difficulties in achieving standards set by advanced countries and costs of promotion on these markets; unfavourable state policy for the development of SME businesses and lack of support from the local authorities.

**2. Educational barriers:** lack of available consultation and advisory centres both for people who want to start their own business and for those who want to develop them; limited access to knowledge and information; high costs of highly specialized training available on the market - only few countries have been developing programmes refunding the participation of business owners in training programmes; lack of opportunity for continuous education (education for life).

**3. Cultural barriers:** lack of social acceptance of private enterprises, lack of respect for entrepreneurship; lack of tradition in educating the society for entrepreneurship; apprehension about making life changes; gender-biased socio-occupational segregation which makes access to a position in business particularly difficult for women.

While economic growth in Eastern Europe has been remarkable over the last years, the region still faces two important **challenges**: the first is creating better

jobs for an increasingly educated young workforce; the second is diversifying its economy away from the traditional sectors of agriculture, natural resources, constructions, and public works and into sectors that can provide more and better jobs for young people, that are more export oriented, labour intensive, and knowledge driven. That can only be achieved by more innovative and diverse investors and entrepreneurs. In this context, the private sector must play an even bigger role than in the past.

In most Eastern European countries, and especially those in the Soviet camp, female entrepreneurs struggle with the representation of women in the economic and political sphere, where it remains at a very low level. The underlying barriers have imposed relatively lower economic costs than at present, when women, after decades of investment in their education, account for almost half of the region's human capital, especially among younger generations. The costs of gender barriers are becoming higher because of the untapped potential of female entrepreneurs and the value it can create.

Gender differences across some countries and regarding certain aspects of the business environment in countries from Eastern Europe suggest some degree of differential treatment of firms based on the gender of the principal owner. Attitudes towards women and work may be less favourable to working women and, by extension, to women entrepreneurs. In some countries from the region there is still stigma attached to women's leadership (as a poor reflection on her male kin's ability to provide) or belief that men should take the lead and therefore are more deserving of scarce jobs, especially given the region's past high rates of unemployment.

To overcome the above mentioned challenges and barriers, there are two general pillars to support women entrepreneurs:

- 1.** Reform the business environment to help create opportunities for all investors, especially women. There is a need to draw in all potential entrepreneurs, producers, and investors. Women with education, ideas, skills, and financial resources want to join in.
- 2.** Reducing social norms and gender-specific legal treatment, which especially affects women. Attitudes to women's work and leadership need to change, from considering it to be useless and to the detriment of the family's wellbeing to regarding it as a valuable contribution to society. Promoting the environment and infrastructure to better balance work and family is crucial.

Based on these pillars, women can take the initiative in innovating, taking risks outside the traditional sectors of agriculture and reducing the region's dependence

on renting natural resources, investing and prospering as entrepreneurs. These technology-based ventures can provide more and better jobs for young people—sectors that are more export oriented, labour intensive, and knowledge driven.

Empowering and building Eastern European women entrepreneurs can create a source for progress for the region. Formal business development benefits entrepreneurship, social appreciation, cultural support regardless of gender—and the economy as a whole.

Female entrepreneurs can become an engine of growth. Women leaders can play a great role —creating more and better jobs, diversifying economies into modern sectors, and empowering women. By contributing new ideas, technologies, and production methods, these businesses can boost productivity growth across the economy, even spurring existing firms to raise their productivity. Eastern European countries are already benefiting from female entrepreneurship, rooted in a long tradition of women being active, but there is room for expansion and advancement.



“Coming together is a beginning, keeping together is progress, and working together is success” - Henry Ford

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# Moldova Country Profile with regard to Women's Entrepreneurship

BY LUCIA USURELU

According to the National Bureau of Statistics, on January 1, 2015 the population of Moldova was 3555.2 thousand, of which 52% were women and 48% were men. The economically active population registered 1232.4 thousand people (606.9 thousand women), of which 1184.9 thousand people were employed, including 588.3 thousand women.

The group of women (588.3 thousand persons) active in the labour market is the subject of this study and is analysed in relation to means of interaction, the current circumstances, but also the opportunities offered by the business climate at the time of this study.

Approximately every sixth person resident in the country is a woman employed in the economy and business, which accounts for 16% of the country's population. We can easily see that this group influences or can greatly influence the development of the country in all areas, not just its economic dimension.

The employment rate for women in 2014 was 37%. The employment rate dropped considerably compared to 2000 from 54% to 37%, being the lowest employment rate in the Eastern Partnership countries and 1.6 times less than the employment rate of women in European countries (60 %).

According to an analytical note of the National Bureau of Statistics<sup>3</sup>, most of the unpaid work in Moldova is carried out by women: about 66% of the total time allocated to work is unpaid work (4.9 hours per day), with men allocating almost twice as little time to these activities (2.8 hours per day). Such differences are also observed in other countries, but in comparison with Moldova, to a lesser extent: in OECD countries, women allocate on average 2.5 hours per day for unpaid labour, while men 1.7 hours per day.

Women's participation in the labour market contributes to raising personal income, family income, diminishing the women's poverty rate and welfare, employment for their communities, and products and services that bring new value to the world around them. So far nothing new. Men do this as well. What is different for women is the specific manner of thinking in business and of giving different solutions to men's in management and organization and of addressing the challenges of business and in terms of the opportunities.

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3 p://www.stasca.md/public/files/publicai\_electronice/Ulizarea\_mpului\_RM/Note\_analice\_rom/07\_brosur\_ROM.pdf

If men have greater motivation when they decide to become entrepreneurs, women most often pursue social goals and visions that include positive impact on the community. In Moldova, women are more motivated to open a business due to the need for independence and professional fulfilment not found in the workplace, while men are driven by the need for control and challenges. Also, women's participation in the economic life improves the image of women in society, contributes to self-affirmation, but also to involvement in political and social and cultural activities.

Not only is women's presence in entrepreneurship significantly lower than that of men, but the business areas chosen are also different. Women's human and professional capital is capitalized on the labour market in different sectors of the economy. Women have a different professional and occupational status, often due to traditional stereotypes and perceptions based on the social roles currently assigned to women and men. Unfortunately, there is a gender imbalance in the percentage of women and men in the sectors of the national economy.

During the analysed period, women held a high share in 2 sectors: public administration, education, health and social care (over 71%) and the wholesale and retail trade, hotels and restaurants (around 59%). Women are less present in the constructions, transport and IT & Communications sectors. Women focusing only on certain sectors can affect their economic and social security and that of their families, sometimes even diminishing their potential for prosperity, career growth or self-affirmation.

Moreover, the regulatory framework and entrepreneurship support programmes seem to disregard the specific needs of women in general and of women entrepreneurs in particular - the burden of combining family and professional life, discouragement and mistrust, such as and sexist stereotypes that demonstrate that the collective mentality regarding Moldovan women's involvement in business is still under development.

The consequence is that equal opportunities are suspended. Thus, even if we can recall some welcome initiatives, they have either addressed general objectives, including support for female entrepreneurs, or have been consumed in a synchronization exercise with the EU, without substantial consolidation of female entrepreneurship.

Women's opportunities in economy and business are opportunities for employment and for starting or developing a business. The most important determinants for generating opportunities are the local and national economic development programmes from development partners and central public authorities, but also structural changes at community and regional level and changing the lifestyle promoted in society at family level; all these can offer many opportunities that women can use in the economic field.



## Entrepreneurial Opportunities:

Just like in many countries in the region, the Republic of Moldova has not clearly defined what we call “women entrepreneurs” or the proportion of “female entrepreneurship” in all entrepreneurial activities. As this vocation or occupation is growing and growing, some countries are making efforts to produce women’s entrepreneurship indicators and report them at regional level, but the Republic of Moldova fails to do so: “All SEE-CEL countries, with the exception of the Republic of Moldova, report to the European Commission the indicators of policies in the field of female entrepreneurship”.<sup>4</sup>

The latest national study on women’s entrepreneurship was carried out in 2009 - the paper “Conditions for Creating and Developing Businesses: Analysed through the Prism of Gender”<sup>5</sup>. According to the data from this study, the number of women entrepreneurs is 2.6 times smaller than the number of male entrepreneurs. Most of those indicators have lost their momentum. The study shows that until the beginning of the entrepreneurial activity in the researched enterprises, the majority of respondents (62.8%) worked as employees, 12.6% of the respondents had previous experience in business, and only 8% of people started a business not having previously worked as an employee.

We can see that there is a potential starting point for developing strong female entrepreneurship in identifying cheap and affordable sources of funding for women. The results of the survey show that female respondents in Moldova are more likely to seek loans (27.6%), compared to firms owned by men (25.4%)<sup>6</sup> - this makes us believe that women have entrepreneurial spirit, but also a desire to take risks for the sake of the business. The study also noted significant differences in the rejection of loan applications by type of business owner or manager (28.1% rejection rate for women-led firms and 19.7% for men-led firms).

These differences confirm the perceptions of the population about women’s ability to lead a business, but also the mistrust in the economic potential of women. Following a qualitative survey<sup>7</sup> including factors involved in the promotion of female entrepreneurship, it has emerged that the preferred methods of access to finance used by women entrepreneurs are: own funding - from family, friends; grants, preferential loans; then start-up financing, and bank loans are only fourth. These clues also highlight the fact that sometimes the reduced presence of women in business can be determined to a certain extent by the lack of financial and entrepreneurial education of women.

4 Women Entrepreneurship Training Needs Analysis, SEECEL, 2014, page 20 (<http://www.seecel.hr/UserDocImages/Documents/WETNAS.pdf>)

5 Condițiile de creare și dezvoltare a întreprinderilor: analiză prin prisma de gen / Elena Aculai; [http://www.stasca.md/public/files/publicai\\_electronice/condii\\_intreprinderi/Condii\\_creare\\_intreprinderi\\_ro.pdf](http://www.stasca.md/public/files/publicai_electronice/condii_intreprinderi/Condii_creare_intreprinderi_ro.pdf)

6 <http://www.enterprisesurveys.org/data/exploreeconomies/2013/moldova#finance--gender-of-top-manager>

7 Study on Women’s Entrepreneurship in the Eastern Partnership Countries-Case Study: Moldova, High Quality Studies to support the activities of the Eastern Partnership - the EU in cooperation with ETF

A proof of the existence and potential of women entrepreneurs is their presence, for example, in the newly created national network of business incubators across the country. Women in the Republic have successfully started to explore the entrepreneurial opportunities offered by the development of these infrastructures. Tenant businesses run by women and women's jobs amount to over 30% in most business incubators created in different areas of the country.

Analysing some statistical data for the same period, we notice that women account for 26% of the total number of business leaders. Women manage companies in various fields, especially in the manufacturing industry (textiles, clothing, accessories, etc.), wholesale, services, health and social services, agriculture, even in constructions.

Another recently completed regional research shows that women in the Republic of Moldova are more actively involved in company decision-making processes than women in the Eastern Partnership countries<sup>8</sup>, even surpassing the average of EU countries.

However, there are untapped reserves of potential female entrepreneurship in the Republic of Moldova. They are not always capitalized, either because of active stereotypes or as a result of being unfamiliar with or ignorant of the opportunities women currently have in business development, such as the implementation of ODMM women's EBRD consultancy programmes or other opportunities offered by different women's associations or networks (AFAM, ICAWB, GEN, etc.).

Women in economy and business have a considerable capacity and real opportunities to choose from, act or participate more actively in the economic and social life, the private and the public, have an enormous potential to transform wishes and objectives into concrete results that can contribute to producing a change in terms of sustainable human and economic development.

## Impact of women entrepreneurs

We know that women's entrepreneurship plays a key role in creating jobs and driving economic growth. As something that concerns the situation of half the world's population, we firmly believe that creating equality of opportunity for women in business is not only a gender issue, but also an economic priority. We consider it necessary to give women entrepreneurs the opportunity to be supported and the necessary framework to succeed and be more involved in business.

Women entrepreneurs create value for their societies in many different ways. When they self-employ, they create a source of income for themselves and their families, often involving other value network participants who benefit from their work. Those

<sup>8</sup> <http://capacity4dev.ec.europa.eu/hqstep/document/women-power-and-decision-making-eastern-partnership-study-report>

who try to grow and employ others create jobs in their communities and beyond. Innovative entrepreneurs bring new solutions to market, with new sources of value that have not been offered by competing options. In venturing beyond their national borders, internationalizing entrepreneurs contribute to their economy's global competitiveness. Finally, women entrepreneurs play critical roles in a diverse mix of industries.

Women's entrepreneurship in the Republic of Moldova is one of the areas of major importance for the development of the business environment. Until now, however, this area has not enjoyed wider support from the State, and the economic environment in Moldova has contributed in recent years to the fact that more and more women want to open their own business.

The need to develop female entrepreneurship is even more visible in rural areas, where job finding is difficult and sometimes even impossible. Female entrepreneurship in rural areas must also be seen as a solution that can solve several problems: eliminating the gaps between rural and urban areas, creating new jobs for women and men, increasing local budget revenues, reducing the emigration rate and developing the unexploited potential of women in rural areas.

Unlike Moldova, many EU countries have recognized the major benefits that entail greater involvement of women in business, which is why they initiated and supported various government programmes designed to support and facilitate the development of women's entrepreneurship.

Based on the above, we consider that a national strategy for the development of women's entrepreneurship in the medium and long term is needed, which should be supported by an action plan with concrete interventions focused especially on the development of women in business in rural areas. It is important to consider implementing measures to help women in the Republic of Moldova and to provide them with all the necessary tools to enable them to develop their own businesses.

We find that there is a need for a consistent and reliable commitment between Government representatives and the private sector to develop such a strategic document, which will signal not only the government recognizing the importance of women's involvement in the business environment but also the solidarity and partnership created between the government and entrepreneurs to achieve economic welfare and facilitate European integration.

Promoting the inclusion of women in business is vital to realising the full economic potential of any country. We know that women's entrepreneurship plays a key role in creating jobs and driving economic growth, however women-led small and medium-sized enterprises face increasing challenges in accessing the financing and the know-how they need to develop and grow. We believe there are more opportunities

for women entrepreneurs, and development partners and financial institutions in these countries must work to tackle these obstacles, engage women more fully in business, and help economic engines run at full speed.

## Obstacles faced by women in entrepreneurship

Starting a business has enough challenges of its own, but being a woman starting a business has its own set of challenges. Usually, half of small businesses fail within three years. Couple that with additional biases women face in obtaining critical capital to get them started and it's astounding that women-owned businesses are outpacing the national average. I'm hoping that by being aware of these additional obstacles, you're inspired to help a female entrepreneur that you know.

Women entrepreneurs face a variety of barriers and limitations that can be divided into three broad categories: economic & financial, soft and contextual aspects.

**Economic obstacles:** Economic and financial impediments are among the most important barriers faced by women who want to become entrepreneurs. Research and expert opinions show that women start businesses mainly with their own money, or that of relatives, friends, resorting less to bank loans. Often in the traditional Republic of Moldova, the property is in the name of the husband, rarely of the wife. If a married woman needs it, the husband's consent must be obtained, but the pledge of the property by the husband will not always require the consent of the wife according to the usual practice.

**Soft barriers:** In addition to the lack of financial support and external and contextual factors influencing the decision of women who want to become entrepreneurs, there are also intrinsic, personal obstacles such as the lack of self-confidence, skills and competences needed to start a business, multiple responsibilities in the family. To become an entrepreneur, you have to be an ambitious, persevering person, be responsible, have decision-making powers, know how to deal with regulators once you are flexible and adapt to the existing circumstances and challenges in the Moldovan society.

Traditional women's roles create some limitations when it comes to balancing personal and family life with professional life. Women need to be continuously available and very flexible, accept extended work hours or continuous training to obtain hierarchical positions similar to men. For example, the IMAGES study mentions the stereotypes that "family responsibilities are women's" and women "have to take time for their family and give up their career."

Of course managing a business involves accepting some personal and family sacrifices. Women are regarded as suitable for a family environment rather than business,

which is considered to be tough, risky, corrupt and men's place.

Corruption remains a bigger barrier to women starting and developing businesses than to women registering or closing a business. From these points of view, women have to overcome many obstacles, both internal and external.

**Contextual constraints:** Such obstacles may be educational choices, stereotypes and traditional women's principles, as well as horizontal and vertical segregation in employment, the field of business development (for example science and technology, innovation and inventions, constructions, ICT are areas associated with men, making them less attractive to women). We create situations that are not under the control of our women, but act upon them directly by influencing them.

# Croatia - One of the Leaders in Promoting Women's Entrepreneurship in the Region

PREPARED BY EFKA HEDER

In Croatia entrepreneurship is seen as one of the keystones for establishing and developing a competitive and inclusive entrepreneurial society. The promotion of entrepreneurship and entrepreneurial mindset is essential for the economic and overall development of all countries, regardless of their development level. This includes women's entrepreneurship as a special focus issue that is part of a comprehensive development agenda. In Croatia, the effective development of women's entrepreneurship is seen as an important part of an overall sustainable development agenda and it is a very important element for economic growth. For that reason it is important to have in place a policy framework with a supportive infrastructure to contribute to the economic impact on the overall development agenda, although this could be viewed as a gender issue with an impact on the social and political context, which requires a set of gender-sensitive policies covering economic, social, fiscal, educational and employment topics. It is important to specify that we consider women's entrepreneurship to be primarily an economic issue, even though it could be considered a gender issue impacting the social and political context. The SME sector in Croatia closely reflects the same issues which are being addressed in the European Union as well - in Croatia it accounts for almost exactly the same percentage of SMEs as in the EU, namely 99.7% of the total number of entrepreneurs; micro-entrepreneurs are dominant, with a 92.2% share, employing on average 5 employees. When talking about women, about business and craft business owners, we have to point out that they own or co-own approximately 26% of companies, and 33% of craft businesses. Today, women's entrepreneurship is currently developing in the form of micro-sized and small-sized enterprises, mainly through self-employment. The importance of women's entrepreneurship has been recognized in Croatia quite a long time ago – the first separate project which encouraged entrepreneurship among women was implemented in Croatia in 2003; and since then numerous activities have been carried out at governmental / ministry level aiming to provide various kinds of support to women entrepreneurs

Apart from the measures taken, the major step forward was the adoption of the first Strategy for Women's Entrepreneurship Development for the Period 2010 – 2013 and since June 2014 there is a second strategy in place, for the period 2014 – 2020. Women entrepreneurs usually point out several key issues which affect them: social

preconceptions of women as entrepreneurs; discrimination against women; the mistrust of investors; constant balancing of work and family and the stress associated with business. In order to address these issues, the Strategy sets four main goals:

- 1.** Improvement in terms of alignment and public policies networking - regardless of the quality of an individual policy or programme, only its harmonized implementation leads to successful results. Therefore, achieving the goals set out in the Strategy is only possible through synergy between the various policies and programmes that are important for creating a stimulating environment for the development of women's entrepreneurship.
- 2.** Improving systematic support to women's entrepreneurship - women entrepreneurs particularly emphasize the need for stronger networking of women and the exchange of information and knowledge. Continuous advice and support are vital in the early stages of starting a business, as women are more cautious and less prone to risks. For this purpose it is necessary to organize experience exchanges between successful entrepreneurs and beginners, through mentoring, as well as public presentations of their own experiences.
- 3.** Introduction of women's entrepreneurship to the overall institutional infrastructure - knowledge and experience exchanges among women have been already pointed out as an important issue, so it is necessary to encourage an institutional infrastructure throughout Croatia easily accessible to women entrepreneurs and incorporate appropriate measures for the development of women's entrepreneurship in local / regional development plans.
- 4.** Promotion of women's entrepreneurship - promoting entrepreneurship in two directions. The first relates to encouraging women to start thinking about becoming entrepreneurs by becoming acquainted with examples of good practices, various forms of support available, particularly important at the initial stage, and later on maintaining and increasing employment and business growth. The second direction is pursuing the provision of relevant information needed to formulate public policies, by implementing the measures and activities of the Strategy.

Almost to the end, I would like to draw your attention to SEECEL - South East European Centre for Entrepreneurial Learning - an institution founded in 2009 at the request of the countries of the Western Balkans and Turkey to establish structured regional cooperation in the field of human capital development, with its headquarters in Zagreb.

SEECEL's core activities can be divided into three groups:

- Entrepreneurial learning: SEECEL supports the efforts of its Member States to incorporate entrepreneurship as a key competence into their education systems.
- SME skills: SEECEL also supports the development of a systematic approach to upgrading the capacities of SMEs in the region in order to increase their competitiveness.
- Women's entrepreneurship: SEECEL also supports the development of women's entrepreneurship as a job creation engine for South East Europe, including through developing tools for identifying the training needs of women entrepreneurs, developing training modules and strengthening the role of women's business associations.

Both the Ministry and the SEECEL were recognised as a strong supporter of women entrepreneurs and as such were invited by the European Commission to be members of the Advisory Board of WEgate, an online platform established by the European Commission and the EASME, the European Union's Executive Agency for SMEs. The WEgate mission is to provide much-needed information and support for women's entrepreneurship. Access to finance, how to grow a business, where to get help in your region, tips, training and learning opportunities, mentoring programmes, good practices, case studies, success stories and related news and events can all be found on WEgate. WEgate also acts as a hub for online networking, exchange and cooperation among aspiring and current women entrepreneurs and stakeholders.



# Women's Entrepreneurship in CIS countries and Specifically Belarus, Ukraine and Russia

BY ANNA NOVITSKAYA

During the last 25 years Belarus, Ukraine and Russia have undergone a transition from a command to market economy. Therefore, privately owned businesses have a short history in these countries, which poses institutional, societal and cultural barriers to the development of entrepreneurship. The contribution of SMEs to the GDP in these countries is still far below the level of other European countries, which exceeds 50%.

	Belarus	Ukraine	Russia
Contribution of SMEs to GDP, % <sup>1</sup>	14.3	15	20

In Belarus, Ukraine and Russia the development of entrepreneurship has not been actively supported by the government. State-owned enterprises and large businesses were the main focus of the economic strategy for decades of transition. Due to several economic crises and the strategy of supporting state-owned businesses appearing to be inefficient, the government has started to recognize the driving force of SMEs for economic development. Now several programmes have appeared in these countries including fiscal incentives, financial support and consulting. However, the majority of the population treat government efforts to improve conditions for running businesses with suspicion, which might be connected to the abundance of bureaucratic procedures and frequent changes in legislation.

The Soviet heritage also causes the negative perception of entrepreneurship by the society. People tend to perceive business owners as greedy and dishonest people. Also the society does not accept the right to mistakes, which leads to the fear of starting a business and lacking not only the support of the society, but also of family and friends. However, this attitude is slowly changing, mainly due to the generation change and success stories of young entrepreneurs.

The discussion around female entrepreneurship has been raised recently in these

countries. Historically, women were always considered as having equal opportunities for employment. Thus, during the chaotic times of the economic transition no attention was paid to the differences in opportunities and conditions between men and women as regards starting and running a business. Due to the risk and uncertainty associated with entrepreneurship women used to choose employment instead. However, in the 1990-2000s a certain number of women became entrepreneurs, driven mainly by the absence of any other opportunities to earn a living.

Historically, in Belarus, Ukraine and Russia women were employed in sectors such as services and trade. As a consequence women tend to start businesses in the same fields. Usually such businesses are significantly smaller as regards size, incomes and assets. As economies are becoming more service-oriented, more opportunities for women entrepreneurs are arising in terms of business development and income growth. Also, women are more inclined to care about social issues, and entrepreneurship serves as a tool to make a difference and contribute to the positive change in society. As the government and corporations become more socially responsible, women have more opportunities to obtain help to start and run businesses and solve social problems they care about.

Given the economic and cultural background and gender specific factors, the common set of barriers to the development of women's entrepreneurship in Belarus, Ukraine and Russia can be identified as follows:

### **Cultural stereotypes**

There is a perception in the society that earning money is a prerogative of men, and women should take care of family issues. Therefore, women often lack support from the society, family and friends in starting and running a business. Also, women are less confident and more risk-averse when running a business. The society often judges successful women entrepreneurs and thinks that they have had some help.

### **Policy gaps**

The difficult economic situation and a business environment influenced by bureaucracy and corruption render women less able to compete in business. Conditions are the same for men and women, but usually women are more affected due to risk-averseness and lack of ability to make backdoor decisions. The legislation in these countries does not provide any special conditions or support actions for women entrepreneurs.

### **Weak institutional support**

Poor access to financing and inappropriate tax rates make it difficult for women to run businesses. The issue is not only the lack of funding and difficulties in repaying credits but also psychological readiness to fund women-owned ventures.

Moreover, there is a lack of mentoring and communication, associated with PR and network management. Women tend to be dependent on the opinion of society and family. Promoting success stories of women entrepreneurs would allow other women to feel more confident, and mentoring would enable spreading best practices within the community.

There is only one women's entrepreneurship support programme that functions in all three countries - The Women in Business programme in the Eastern Partnership countries (Armenia, Azerbaijan, Belarus, Georgia, Moldova, and Ukraine) funded by the EBRD, the European Union, Sweden and the Early Transition Countries Fund. The programme helps women-led SMEs access both the funding and the advice they need to grow, offering financing through local partner financial institutions, technical assistance for participating financial institutions and business advice for women entrepreneurs. Financial support - this programme supports women-owned companies of any industry and sector of the country with up to 200 employees and a maximum turnover of less than € 50 million. The overall funding available within the programme is USD 55 million.

However, more programmes aimed at experience exchanges and entrepreneurial trainings at international level could allow women from Belarus, Ukraine and Russia to compare economic barriers, realise and overcome cultural prejudices and stereotypes.

## Belarus

Women's entrepreneurship has appeared on the country's economic policy agenda just several years ago. There is still no official statistics available regarding women in business. Only at the beginning of 2017 has the Ministry of Economy recognized the necessity to address women's entrepreneurship in the strategy for SMEs development, and governmental initiatives in this area are yet to come in the near future.

The open dialogue around female entrepreneurship has started due to the efforts and support programmes of the European Bank of Reconstruction and Development, the Swedish Embassy in Belarus and the United Nations Development Programme. Thus, in 2016 Belarus joined the "Women in Business" programme run by the EBRD. Also in 2016 UNDP included gender equality as one of the sustainable development goals in Belarus. These two initiatives include the organization of events devoted to women's entrepreneurship to stir media attention and open public dialogue.

Belarus is one of the 15 countries around the world in which the Human Development Index for women is equal to or higher than for men (UNDP, 2014). Also, the level of education in the country is one of the highest, and more than 50% of working women have higher and secondary special education. These two facts prove the importance of developing the female entrepreneurship agenda to unleash the economic potential of the country.

Generally, women make up 51.7% of the total number of employees in the country

(National Population Census 2010). According to the World Bank Enterprise Surveys, 32.7% of firms have a female top manager, and 43.6% of firms have female participation in ownership (The World Bank, 2013). These numbers look comparatively optimistic, however it is important to mention that traditionally women in Belarus are more likely to work and found their business in such areas as trade and services (hospitality and tourism, pharmaceuticals, finance, textiles, beauty and sports industry, health and social services, advertising and media), which have low profit margins compared to manufacturing and constructions, which are typically male dominated. Businesses founded by Belarusian women are also smaller in size: the average head count is 50 as opposed to 78 in men-owned companies.

Another important statistics is provided by the research of the European Bank of Reconstruction and Development: for every 10 men taking loans for the development of their own enterprise, only one woman attracted the same loan. Furthermore, the probability of loan rejection is 55% higher for women than for men in Belarus. Such financial constraints to women's entrepreneurship might have roots in cultural and gender stereotypes, as well as in the above-mentioned low margins of women-founded businesses.

In 2017 The Belarusian Economic Research and Outreach Center BEROCC published its research paper on barriers and drivers of women's entrepreneurship in Belarus based on interviews with female entrepreneurs and top managers of Belarusian companies. The following barriers to the development of women's entrepreneurship were identified:

### **1) A variety of social roles and balancing between work and family.**

According to official statistics women spend on average 4 hours and 36 minutes a day on household care, whereas this activity takes only 2 hours 17 minutes for men (National Statistical Committee of the Republic of Belarus, 2016). At the same time, having children can be a very strong motivation for women not to return to work as an employee. Flexible working time is the major incentive for young mothers to become entrepreneurs.

Due to the several social roles and responsibilities women are more likely to borrow money from family and friends than to take loans from a bank to start and develop a business. Also, women tend to depend on the opinion of the society and their close circle of friends and relatives, which makes it difficult for them to make a decision. Also, there is a lack in successful role models in the society.

### **2) Academic and business education.**

Due to time and budget constraints women are less likely to take an MBA course. Also lack of technical education is one of the reasons women do not found businesses in high-margin sectors such as manufacturing and constructions.

### **3) Managerial practices and strategic development.**

Due to career breaks and maternity leave women are lacking in relevant knowledge and skills, as well as a network of contacts. Thus, due to weak managerial skills women are less likely to have time for the strategic development of their businesses.

### **4) General challenges of the business environment.**

The overall economic situation in the country is not perceived positively by entrepreneurs. The negative perception is also aggravated by the difficulties of the business environment: insufficient attention paid by the state to business development and at the same time strict control of all activities, weak competence of civil servants, imperfect legal framework in the sphere of business regulation.

The difficult economic conditions affect both men and women, however men are more capable of taking risks and making backdoor decisions in contradictory cases.

The following women's entrepreneurship support programmes are implemented in the country:

**1)** The “Women in Business” programme of the European Bank of Reconstruction and Development is carried out in cooperation with 3 banks (BNB-Bank, BelinvestBank and IdeaBank) and offers financing to women-led businesses. Partnering banks not only provide financing, but also take on an informative, educational and consulting function. The overall funding available within the programme in Belarus is USD 10 million.

**2)** The programme of the Belarusian Development Bank for the support of female entrepreneurship in the regions of the country. The programme grants women credits at reduced interest rates. Women can use not only financial support but also education, consulting and information services.

**3)** ProWomen.by – a community of women who want to start or have already started businesses. ProWomen.by focuses on education, community and networking.

## Ukraine

According to The United Nations Economic Commission for Europe (2016) 47.3% of the working population in Ukraine is made up of women. The majority of women are employed in such areas as science and education, art, entertainment and media, fitness and beauty, tourism, human resources management and marketing. Ukrainian women own 20-22% of SMEs in the country (UN, 2014). One of the main reasons why women start businesses in Ukraine is the necessity and desire to earn a living and to have a better life.

The research coordinated and supported by the University of Phoenix, USA (2015) revealed the following barriers in the development of female entrepreneurship in Ukraine:

- 1) Bureaucracy and bribes;
- 2) Lack of financing;
- 3) Lack of staff/talent on the market;
- 4) Lack of confidence.

Ukrainian women entrepreneurs do not perceive gender stereotypes as an impeding factor for their success. Moreover, they think that it is important not to conduct business as men do in regard to bribes, tough negotiation, etc.

Many women acknowledge that the conditions for starting a business are now worse than 10 years ago due to economic conditions and new regulations. 10 or even 5 years ago there were more open discussions, research and support programmes concerning female entrepreneurship.

We identified the following key women's entrepreneurship programmes applied in Ukraine:

1. "Women Entrepreneurs" coordinated by iHub and supported by the Embassy of Finland in Kiev. The Programme for Development of Female Entrepreneurship aims to popularize innovative entrepreneurship for women and to provide them with the necessary knowledge, expertise and support.
2. The "Women in Business" programme, implemented by the European Bank for Reconstruction and Development (EBRD).
3. The HERA international grants program provides grants to women-owned ventures and initiatives in Central and Eastern Europe to prevent dangerous migration and trafficking.
4. Self-made Women, programme for developing women's potential in their profession, personal growth, relationships with themselves and men.



“Our start up has two founders, both are women. We love bicycles, this is how we decided to solve the problem of bike thefts. With regard to female entrepreneurship, the conditions for start-ups in Ukraine are quite fair, but the conditions for cooperating with Western companies oblige us to register the company in Europe or the US. There are a lot of talented startupper in Ukraine, but unfortunately many of them leave the country due to the need to sell the product to larger markets and to find funding, especially at an early stage. We started from zero, we did not have any experience, and it was complicated especially when looking for seed capital. Apart from that, I have not noticed any other obstacles. I see no difference between doing business as a female founder and a male founder. Contrariwise, I feel and notice interest in our start-up because we are girls. I can say that at finder.beacon, a female start-up, we receive positive reactions from the surrounding world. No matter who you are, man or woman, it is important what you do and how you do it”.

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Quote from **Kateryna Stetsenko**, founder of Finder.beacon.

## Russia

According to the research conducted by Grant Thornton International, 43% of top managers in Russia are women. Thus, women have all the opportunities to build a successful career. Moreover, according to the Russian Academy of Business and Entrepreneurship 25% of women managers have higher salaries than their male colleagues. This means that Russian women are not discriminated in terms of employment opportunities. Russian workplaces are generally sexism-free. Russian women tend to do best in creative, tech, and media fields.

The situation of women's entrepreneurship in Russia is not as positive as it is for employment opportunities. According to Opora Rossii's Committee for Women's Entrepreneurship Development and Index of Women Entrepreneurs 2017 one third of all entrepreneurs in the country are women. Businesses founded by women pay 17% of taxes. Most women entrepreneurs say that they are affected by cultural and gender stereotypes that impede their perception as leaders. For example, most Russians think that successful women entrepreneurs have had some help. The traditional perception of a woman as a married household keeper is especially strong in the regions. Thus, banks in the regions are less likely to grant loans to women than men. Thanks to the media and popular lifestyle trends society is slowly starting to perceive women entrepreneurs more positively. Thus, according to the Women Business Index (2017) survey, 42% of women entrepreneurs note improved public sentiment towards them.

There are several initiatives and support programmes in Russia. The need to support women was also recognized by the government, and in 2017 the national strategy for action in the interest of women for 2017-2022 was developed and launched. Also, there are several national and international research institutions that study women's entrepreneurship in the country. The most recent research, "What are the aspirations of women entrepreneurs in Russia?", was conducted by Ernst&Young in April 2017.

Overall, except for the gender specific barriers mentioned earlier Russian women encounter the same difficulties as men while running a business:

1. The business environment, including high tax burden, economic uncertainty, a decline in consumers' purchasing power and administrative barriers, unfair competition, corruption and bureaucracy.

The majority of respondents (69%) to the Women Business Index (WBI) survey conducted in Q1 2017 do not expect improvements in the economic environment for startups in the short run.



## **2. Scarce access to funding**

Both women and men entrepreneurs have little access to governmental funding and are unaware of governmental support mechanisms. Only 7% of women entrepreneurs have received subsidies and grants under start-up support programmes in the last five years. 35% of respondents to the WBI survey expect access to funding to worsen further.

## **3. Lack of knowledge and experience**

The findings of the RSBI survey provide the evidence: 58% of female respondents did not get additional management degrees. At the same time, those who got business education say that their newly acquired knowledge is helpful.

## **4. Lack of staff and talent on the market**

## **5. Lack of infrastructure**

## **6. Lack of information about the market and opportunities**

Today the key reasons why women start businesses include the desire to increase their social contribution, in addition to the possibility of improving financial security and self-actualization. Many women now opt for social projects that are less profitable but are more valuable socially. Also according to Hays, 69% of women entrepreneurs place most value on a healthy work-life balance.

# Important Stakeholders, Practices in Areas of Influence in Developing Women's Entrepreneurship in the Region

BY OLESEA FORTUNA

**FIRST OF ALL**, the starting point would be defining what Eastern Europe is in the new framework since the Baltic Countries were recently delineated by the United Nations Statistics Division as part of Northern Europe. Now Eastern European countries include Belarus, Bulgaria, Czech Republic, Hungary, Moldova, Poland, Romania, Russia, Slovakia and Ukraine.

In order to increase collective efficiency by engaging women in the entrepreneurial circuit and use its potential to increase the value of the overall regional economies, the entrepreneurial ecosystem approach is recommended. Thus, various groups of stakeholders of the entrepreneurial ecosystem are identified and their role in supporting women's entrepreneurship development is assessed.

These groups and their roles are as follows:

- entrepreneurial communities - the main focus is to better understand entrepreneurs' needs, advocate for them, lobby their interests with the government and support them in communicating with various stakeholders
- financing institutions - improve access to funding and investment and offer alternative resources for business development
- government - creates the policy framework and programmes to support women entrepreneurs at different levels, support for social infrastructure (child care programmes) and other initiatives to increase the value of women's entrepreneurship to the economy
- academia - prepares the talent pool for entrepreneurship, develops skills, provides training, offers consultancy, a source of innovation, technological transfer and advanced tools for women entrepreneurs
- business support institutions - support women entrepreneurs with resources for developing their enterprises while meeting women entrepreneurs' needs, offer strategic consultancy, advice, and coaching
- media and culture - creates information resources for entrepreneurs and the general public, success stories, shares best practices and is the foundation for interaction among communities of entrepreneurs in a particular society.

Of course these roles can be further complemented and described, but it is of the utmost importance to understand the connections and dynamics of their relationships. A community of drivers and builders can be formed by integrating these roles and shifting attitudes towards female entrepreneurs and encouraging more leadership from the personal domain to the contextual one.

Support associations formed from representatives of the above mentioned groups can assist on one hand, female entrepreneurs at each level of business advancement from ideation to scaling up on global markets through individual backing, and on the other hand, collectively, through elimination of contextual constraints linked with the definition of gender roles in the society, culture around women executives, thus crafting policies and legal frameworks to incentivize female entrepreneurs and leaders.

In order to empower women as job creators, entrepreneurial communities have the opportunity to support them by creating a habit of preparing and highlighting women as role models in all arenas.



“Because culture is a matter of ethical habit, it changes very slowly - much more slowly than ideas. When the Berlin Wall was dismantled and communism crumbled in 1989-1990, the governing ideology in Eastern Europe and the Soviet Union changed overnight from Marxism-Leninism to markets and democracy. Similarly, in some Latin American countries, statist or nationalist economic ideologies like import substitution were wiped away in less than a decade by the accession to power of a new president or finance minister. What cannot change nearly as quickly is culture. The experience of many former communist societies is that communism created many habits - excessive dependence on the state, leading to an absence of entrepreneurial energy, an inability to compromise, and a disinclination to cooperate voluntarily in groups like companies or political parties - that have greatly slowed the consolidation of either democracy or a market economy. People in these societies may have given their intellectual assent to the replacement of communism with democracy and capitalism by voting for “democratic” reformers, but they do not have the social habits necessary to make either work.”

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**Francis Fukuyama**, *Trust: Human Nature and the Reconstitution of Social Order*

# Supportive Agencies for Women Entrepreneurs in Moldova and Other Eastern European Countries

BY LUCIA USURELU

**Supporting women entrepreneurs through finance** and know-how contributes to women's financial independence and empowerment, as well as to economic growth.

Lack of entrepreneurial training and its non-institutionalization since primary school reduce women's entrepreneurial and professional development opportunities. In 2017, two women's programmes were launched: the Women in Business Pilot Programme and the Women's Business Academy, two programmes specifically dedicated to women (including counselling, mentoring programs) aimed at improving women's employment rates in various economic fields, but also encouraging women to choose a professional career in business.

The "Women in Business" Pilot Programme. The purpose of the Programme is to provide women with financial support and consultancy for starting or developing their own business by providing grants and services relevant for businesses managed by women.

The programme is divided into three components and offers support at various stages of the activity of an enterprise, from launching it until its modernization. At the same time, the programmes for entrepreneurship education will be diversified and the success stories of business women will be promoted.

The programme focuses on women in business sectors with growth potential through expansion of the market, export and innovation.

Innovation of the programme

- Integrated assistance model
- Support for pre-investment planning and investment readiness
- Necessary capital investment support and equipment
- Support provided at all stages of business development

Correlation to the national support structure.

Participation in the programme is possible at each of the steps of business development:

**Support for launching businesses** - women who plan to start their own business in the next 12 months after applying for the programme services and support: training and guidance for women planning to start a business.

- Support for start-up enterprises that are registered less than 2 years ago, founded and managed by women - programme services and support: small scale investment and business development support to reduce the risk of business failure in its early stages and preparing for business growth.)
- Growing companies - companies active for more than 2 years, founded and managed by women, with plans to increase turnover/jobs over the next 18 months by expanding the marketplace, export and innovation. Programme services and support: large scale investments for expanding the market and the competitiveness of exports, with advisory support directed towards maximizing the impact of investments.

**The programme is launched initially for a period of 36 months**, with implementation costs of over RON 51.5 million.

## The Women Business Academy Programme

The objective of the programme is to promote the economic and social empowerment of women in rural areas, reduce gender inequality and increase their access to financial resources, services, innovative technologies and development opportunities; to enable women to realize their entrepreneurial potential by developing management skills; to facilitate women's access to productive technologies in order to strengthen and increase the capacity to maximize the revenues of women's businesses.

The target group: women entrepreneurs or managers aged 25-50 years old; women entrepreneurs founding firms operating no less than one year on the Moldovan market; women managing companies operating not less than one year on the Moldovan market, where at least one of the company's associates is female; women entrepreneurs working in the Transnistria region or on the basis of an entrepreneurial patent for no less than two years.

Project activities include: analysis of the current situation of women entrepreneurs in the country; selecting and training 6 support organizations; selection and training of trainers for selection and training of 300 women entrepreneurs and managers; selection of 10 business ideas and grants worth EUR 6000; application of the PLATO training programme elements; launching the Business Plans Contest; Mentor programme and Training component based on the PLATO programme.

The PLATO programme is a tool for improving the entrepreneurial skills of entrepreneurs, developing the strategic thinking needed to grow women-led businesses and develop their collaborative networks. A vast advantage of the PLATO programme is that participants learn from each other based on the experience gained during their work in the training process within the Women Business Academy project. The essence of the PLATO programme is sharing in the experience of programme par-

ticipants and gaining the knowledge and expertise of managers and experts from large enterprises in different fields. During the training sessions, the participants will address subjects relevant to their businesses, thus identifying a wide range of options, solutions and ideas for solving particular issues. The uniqueness of the training programme is that participants learn from the experience of those present in the training.

The Women Business Academy programme is funded by the European Union through the Directorate-General for Development and Cooperation (EuropeAid), implemented by the Organization for the Development of Small and Medium-Sized Enterprises (ODIMM) in partnership with the International Center for Advancement of Women in Business (ICAWB).

**The Women in Business Programme - EBRD Business Advisory Services (BAS)** Moldova enables SMEs to access a diverse range of consulting services by facilitating projects with local consultants on a cost sharing basis. Direct assistance to enhance enterprise performance is combined with systemic market development activities to create sustainable and commercially viable infrastructures for MSME support in the countries where the bank carries out its operations.

Assistance is offered to businesses run or owned by women, women start-ups, and businesses where most employees are women. Support will also be provided for diversifying consulting services offered by women-consultants.

## **EBRD Women in Business Programme**

The European Bank for Reconstruction and Development programme is designed for women-led small and medium-sized enterprises (SMEs) to help promote women's participation in business. From accessing finance to business advice, it can help them to gain the skills, knowledge and resources needed to take the next step.

EBRD provides access to financing through credit lines to local banks dedicated to women-led SMEs, alongside business advice to help businesses become more competitive. Also, the program offers training, mentoring and other support to enable women entrepreneurs to share experiences and learn from each other as peers.

EBRD works closely in partnership with financial institutions to help them offer financial products that better meet the needs of women-led businesses, changing the way they work. This programme is funded by the EBRD, the European Union, and Sweden.

### **UN Women: Programme Associate on Women's Economic Empowerment**

Support and initiatives to:

- Improve access to information and services for women entrepreneurs, primarily those in rural areas, from marginalized and disadvantaged communities
- Advance legislation and policy aimed at better jobs for women, improving wages, working conditions and benefits.

- Advocate for the State Women's Entrepreneurship Programme
- Promote Women Migrant Workers rights
- Advance Women and Girls' access to ICT
- Promote Women' Empowerment Principles within the private sector

## **The “Equal Opportunities in Working Life for Moldovan Women” Project**

The “Equal Opportunities in Working Life for Moldovan Women” Project is carried out in cooperation with BPW Moldova and AFAM Moldova. The Project aims to encourage Moldova's enterprising young women to take leadership roles in social and professional life, and to help women reach their personal professional targets. To raise awareness and overcome the bottlenecks faced by Moldova's young women in the labour market, in setting goals in their professional life and in entrepreneurship. To develop their skills regarding effective communication, creating contacts and carrying out negotiations and to teach them how to reach key positions. The project will include 3 training programmes of 2 days where 40 women will be trained in each training session during 2017-2018. The project is financed by the Ministry of Foreign Affairs of the Republic of Estonia.

Women entrepreneurs are an important untapped resource within the business sector. If we accept that entrepreneurship is important, being the basis for development, we propose that entrepreneurship should be assisted by supportive government policies. To support their commitments, women entrepreneurs need appropriate assistance both in running and developing the business. As Carlson Nelson said:

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**“Perhaps, the most important obligations for the women's business community and its organizations is maintaining continued vigilance and visibility because, much like changing a business culture, leading societal change requires long-term effort. It is critical that women entrepreneurs continue to have a voice in public policy matters”**

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*In addition, our recommendations for areas that still need to be supported by the Government are:*

- To extend credits to support access to funding through credit lines granted to local banks dedicated to women-led SMEs
- To provide training and develop special programmes dedicated to SMEs managed by women;
- To provide business advice to help businesses become more competitive
- To provide support to micro-enterprises;
- To establish a database and policies for women entrepreneurs
- To develop gender disaggregated data and analysis continually, especially concerning the impact of government programmes on women-owned businesses
- To ensure that the tools women entrepreneurs need are available and accessible through government, the private sector and public-private partnerships;
- Sharing best practices across borders.



“Women’s entrepreneurship and investments is becoming a hot topic, however there is still a lot of work to be done, especially in the areas that are traditionally late in adopting new market trends, such as Eastern Europe. A good example focusing on women entrepreneurs and investments is Rising Tide, a women-led fund of 99 women investors, started in the US and already at its second edition in Europe, having also recently launched its African chapter.

The importance of this topic is also recognized by the European Commission, which initiates projects such as Lean In, focused on prospective women business angels and entrepreneurs, building a community and a knowledge centre. The project offers a series of free online trainings that are easy to follow, as well as networking opportunities and events. There is also a number of organisations in Europe led by or focused on women in the early stages on the market, and the number is growing. Some of them are: Nordic Female Business Angels Network, Ukrainian Business Angels Network, Seed and Click, Addidi.”

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By **Ana Barjašić**, European Business Angels Network

# The Story of Successful Strategic Regional Cooperation in the Area of Entrepreneurial Learning and Women's Entrepreneurship Led by SEECEL

BY EFKA HEDER

The South East European Centre for Entrepreneurial Learning (hereafter: SEECEL) is an institution founded in 2009 at the request of the countries of the Western Balkans and Turkey<sup>9</sup> to establish structured regional cooperation in the field of **human capital development**. Croatia and the Ministry of Economy, Entrepreneurship and Crafts of the Republic of Croatia, as a SEECEL co-founder and host, EU member state and coordinator of the activities within the EU SME Envoy network is committed to working as an equal partner in all SEECEL initiatives. SEECEL was supported financially by the European Commission, Croatia and in the area of Women's Entrepreneurship by Sweden through the SIDA financial instrument.

Key methodologies applied in all SEECEL activities are EU evidence-based policy learning and making and the EU Open Method of Coordination.

SEECEL's core human capital development activities can be summarised into three groups:

- **Entrepreneurial learning:** SEECEL supports efforts by its member states to incorporate entrepreneurship as a key competence into their education systems.
- **SME skills:** SEECEL supports the development of a systematic approach to upgrading the skills of small and medium-sized enterprises in the region in order to increase their competitiveness.
- **Women's entrepreneurship:** SEECEL supports the development of women's entrepreneurship as a job creation engine for South East Europe, including through developing tools for identifying the training needs of women entrepreneurs, developing training modules and strengthening the role of women's business associations.

SEECEL's goals and approach are fully in line with European Union documents, in particular with the Small Business Act for Europe (SBA), the EU's Entrepreneurship Action

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<sup>9</sup> The eight SEECEL member states are Albania, Bosnia and Herzegovina, Croatia, Kosovo\*, the former Yugoslav Republic of Macedonia, Montenegro, Serbia and Turkey. (\* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.)

Plan 2020 and with the UN's Sustainable Development Goals, with the ultimate goal that every citizen should think and act entrepreneurially and of supporting the entrepreneurial ecosystem at local, national and international level.



## Women's Entrepreneurship

In South East European (SEE) countries, which aspire to become part of the European Union in the coming years, women entrepreneurs are still a partially dormant potential source of business and job creation. There is a substantial gap between male and female entrepreneurship. Different business associations of women and initiatives of women entrepreneurs are considered to be an important player in a policy dialogue in each of the targeted countries.

In accordance with economic trends, the countries participating in the project need to capitalize on the achievements in the field of women's entrepreneurship and find ways to make women's roles at home compatible with economic and political participation. The purpose of this very extensive and complex project was to help raise awareness about the specifics of women's entrepreneurship in participating countries, having enhanced capacity women's entrepreneurial networks and associations to contribute to the development and successful implementation of national policies, as a final result.

The project entitled "Women's Entrepreneurship – a Job Creation Engine for South Eastern Europe", supported financially by the Swedish International Development Cooperation Agency (SIDA), was initiated in 2012. The activities within the scope of the project were all in line with the SBA and thus contribute to the SBA drive and preparation for future EU accession in each country. It is important to mention that Moldova joined in the activities dedicated to women's entrepreneurship and participated in all development initiatives and activities as an equal partner to the SEECEL member states.

## State of play: the economic case for women's entrepreneurship

Women play a crucial economic role in the introduction of innovation to markets, in employment-creation and in contributing not only to the overall wealth of economies<sup>10</sup>, but to the development of local communities<sup>11</sup>. These arguments have prompted a shift in the policy paradigm, with women's entrepreneurship increasingly seen as primarily an economic issue, not a gender equity issue. Economies worldwide have turned towards expanding women's economic opportunities as smart business and increasingly find it as one of the most important driving forces behind economic growth<sup>12</sup>. Thus, when new companies and industries flourish, everyone benefits<sup>13</sup>.

The percentage of women entrepreneurs from the total number of entrepreneurs varies in South Eastern Europe, Turkey and Moldova, from 12, 44 to 32%, depending on the country<sup>14</sup>. Considering that women represent around half of each country's population, it is not surprising that they are considered a large pool of entrepreneurial potential in Europe<sup>16</sup>, with further arguments from the European Commission stating that female creativity and entrepreneurial potential are not sufficiently recognised as a source of economic growth and jobs<sup>17</sup>.

## Women's entrepreneurship: from project to process – the SEECCEL approach

The goal of the "Women's Entrepreneurship – a Job Creation Engine for South Eastern Europe" project was to promote best policy practices in women's entrepreneurship in line with the SBA and to work on expanding the capacity of national and regional women's entrepreneurial networks and associations in order to better support and represent women entrepreneurs and their interests. The results of the project include:

- the development of a new set of indicators of women's entrepreneurship for the SBA
- a report on the training needs of women entrepreneurs

10 Brush, C. G. (2006) Women entrepreneurs: A research overview. In *The Oxford handbook of entrepreneurship*, eds. M. Casson, B. Yeung, A. Basu, and N. Wadeson, 611-28. Oxford: Oxford University Press.

11 Court K. L. (2012) Mapping the Economic Contribution of Women Entrepreneurs, *Journal of Entrepreneurship, Management and Innovation (JEMI)*, Vol. 8, Issue 4, 97-114.

12 Simavi, S., Manuel, C., & Blackden, M. (2010). *Gender Dimensions of Investment Climate Reform*. Gender Dimensions of Investment Climate Reform. Washington DC: World Bank

13 Mitchell, L. (2011). *Overcoming the gender gap: women entrepreneurs as economic drivers*. Kansas City: Ewing Marion Kauffman Foundation

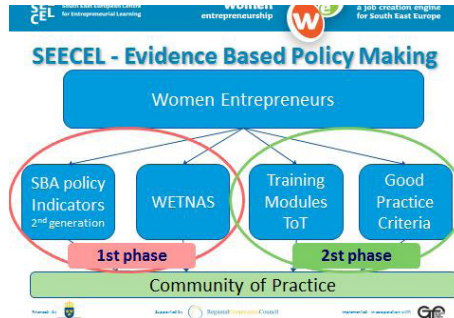
14 European Commission (2014). *Statistical Data on Women Entrepreneurs in Europe*. DG Enterprise & Industry, Brussels: European Commission

15 SEECCEL (2014), *Women entrepreneurship Training Needs Analysis System*, Zagreb, p. 19

16 European Commission. (2013). *Entrepreneurship 2020 Action Plan - Reigniting the Entrepreneurial Spirit in Europe*. European Commission, DG Enterprise & Industry, Brussels: European Commission.

17 European Commission. DG Growth official web page, available at: [http://ec.europa.eu/growth/smes/promoting-entrepreneurship/we-work-for/women/index\\_en.htm](http://ec.europa.eu/growth/smes/promoting-entrepreneurship/we-work-for/women/index_en.htm)

- training modules for women entrepreneurs (developed according to the analysis carried out in each respective country)
- videos featuring good practice examples of women entrepreneurs
- the creation of a strong, responsive network of women’s entrepreneur associations across the region.



What was a project at the beginning became a women’s entrepreneurship process and consensus was reached among all participating countries and stakeholders for further actions to be taken:

- Firstly, a consensus was reached regarding the need for policy makers to highlight the *economic case* for women’s entrepreneurship, via policy efforts focused more strongly upon women entrepreneurs and the barriers or impediments that impact women’s ambition, ability and aspirations to start a business.
- Secondly, a consensus was reached regarding the fact that an *equality case* is also necessary, focusing on equal access for all talent and human capital and benefiting from the necessary education, advice and support, thus creating a skills base to ensure the competitiveness of the economy. In so doing, not only will women entrepreneurs be encouraged and supported but those who for personal reasons do not wish to engage in a start-up will nonetheless be empowered.
- Thirdly, a consensus was reached on the need for an *eco-system case* for women’s entrepreneurship, which needs to be both self-sustaining and crucially, continuously improving.

In addressing the three consensuses it was agreed upon the need for policy makers to create a top down framework for women entrepreneurs that **is targeted and integrated, that strengthens the role of associations as the bridge between national policy and practice, and that fosters intra and inter-regional cooperation.** To achieve such an ambition it was felt that formalised structures are needed to ensure effective and informed dialogue with existing and successful practitioners feeding into policy as

a bottom-up perspective. Furthermore, in order to achieve an effective and self-sustaining eco-system a number of issues were identified. Three key considerations were highlighted for policy-makers, specifically:

- **Data:** Start the systematic collection of data on women entrepreneurs, make it publically available and analyse it to measure the impact of policies for increasing women's entrepreneurship (and the social and economic impact of women's entrepreneurship).
- **Training:** Make evidence-based decisions on what women entrepreneurs need in terms of knowledge and skills in each country, design training solutions for these specific requirements, make them increasingly available to women entrepreneurs and further support training quality assurance via monitoring and evaluation.
- **Partnership / networking:** Further strengthen dialogue among women entrepreneurs through the established regional platforms. Furthermore, women entrepreneurs from each participating country have called for more intra-regional and intra-sectoral business-to-business (B2B) meetings, thus building their social capital, increasing the possibilities for regional clusters and increasing competitiveness.

### Future perspectives

Developing women's entrepreneurship in South Eastern Europe, Moldova and Turkey during the last four years has been an invaluable experience which yielded numerous gains, successful stories, but also ideas for follow-up activities that build on the momentum of the project's achievements. In particular, five building blocks were identified for the improvement and future promotion of women's entrepreneurship, which all highlight the importance of strengthening the human capital. These activities then build the national stock of entrepreneurial competences which in turn increases national competitiveness and thus promotes entrepreneurial culture in line with the G20<sup>18</sup>, B20<sup>19</sup>, C20<sup>20</sup> and W20<sup>21</sup> priorities.

1. **“Start and grow”:** Support for women with potential to create growing enterprises via specific training, mentoring and coaching, which is backed-up with access to financing measures. This package should be designed, piloted and scaled-up by each country's business support associations.
2. **Growing businesses:** Make available country-wide specific training, mentoring and coaching to women-owned enterprises experiencing higher rates of growth in sales or employment. These activities should be strengthened via networking and access to financing measures.

18 G20 Priorities (2015) available at: <https://g20.org/wp-content/uploads/2014/12/2015-TURKEY-G-20-PRESIDENCY-FINAL.pdf>

19 SMEs & Entrepreneurship Taskforce Policy Paper (2015) available at: [http://b20turkey.org/policy-papers/b20turkey\\_sme.pdf](http://b20turkey.org/policy-papers/b20turkey_sme.pdf)

20 Gender Equality Policy Paper (2015) available at: [http://c20turkey.org/uploads/C20PolicyPaperOnGenderEquality\\_v3.pdf](http://c20turkey.org/uploads/C20PolicyPaperOnGenderEquality_v3.pdf)

21 W20 Priorities (2015) available at: <http://w20turkey.org/w20-priorities/>

- 3. Internationalisation:** While activities increasing human capital for growing enterprises and those going internationally are closely related, there is need for more training on regulatory and international standards across all countries.
- 4. Women entrepreneur role models:** In order to further build a critical mass of women entrepreneurs and create an entrepreneurial culture, measures should be developed to promote women entrepreneurs as role models by show-casing their success stories.
- 5. Training Navigation System<sup>22</sup>:** All trainings for entrepreneurs should be designed based on training needs analysis surveys, which collect evidence from entrepreneurs themselves on their needs for additional knowledge and skills. Building on this, in the next step (women) entrepreneurs should be engaged in the process of designing the training packages in regard to both content and delivery. Trainings should be made available across countries, and once the trainings are delivered, their impact should be monitored, evaluated and made publicly available. In order to take care of all the steps this system needs independent quality assurance for each step in the form of an expert body.

Furthermore, the above mentioned recommendations were integrated in the “Zagreb Charter on Lifelong Entrepreneurial Learning: A Keystone for Competitiveness, Smart and Inclusive Growth and Jobs in the SEECP Participants” which was adopted in December 2016 by all South-East European Cooperation Process participating countries during the SEECP Croatian Chairmanship in Office, which was also welcomed by Commissioner Binekowska.

The European Commission has recognized SEECEL as best practice in strategic regional cooperation, best practice for good conceptual solutions in the field of entrepreneurial learning as a key competence and women’s entrepreneurship and best practice in line with the principles 1 and 8 of the Small Business Act for Europe and nominated SEECEL as a centre of expertise. SEECEL also actively participates in the Advisory Board of EU’s WEgate at the request of the European Commission’s DG GROWTH.

SEECEL has become a point of reference for EU Member States and was awarded the following titles and accolades:

- Selected as the only EU institution in the top 5 finalists for the **Startup Nations Award for Groundbreaking Policy Thinking 2016** by the Global Entrepreneurship Network (from 170 countries) for instrumental analysis, innovative policy approaches and groundbreaking programme concepts that significantly expand the frontier of entrepreneurship policy thinking around the world;
- **“Creators for centuries”** in 2014, for its contribution to the development of

22 Srhoj, S., Heder, E., & Ljubić, M. (2015) Training Needs Analysis and Quality Assurance for SMEs – Western Balkans and Turkey’s Small Business Experience. Zagreb: South East European Centre for Entrepreneurial Learning (p. 72-74)



entrepreneurship in South-East Europe, awarded to SEECEL by an independent international committee during the Regional Summit of South-East Europe Entrepreneurs “the best 300”;

- National Winners in 2014 at the **European Enterprise Promotion Awards (EEPA)** for Promoting Entrepreneurial Spirit, awarded by the European Commission;
- **The Champion of Regional Cooperation** of 2013, awarded to SEECEL by the Regional Cooperation Council for its active and dynamic approach to regional cooperation and contribution to the SEE 2020 preparation process;
- **The European Projects Awards** IPA 2013 for the project entitled “Developing the Entrepreneurial Society in Western Balkans and Turkey”, in the category ongoing projects and best actors in Regional and Local Development (2013);
- **The Knowledge Economy Network (KEN)** international Best Practice Award for “original and successful practice in any domain of knowledge society and economy development” and especially for “good practice in successful regional cooperation in training and education”.

SEECEL's publications: “Women Entrepreneurs' Indicators”, “Women Entrepreneurs' Training Needs Analysis”, “WE Training Modules and Good Practice Criteria”, “Women Entrepreneurs' From Project to Process & Future Perspective”.

# Resilience Stories of Women Entrepreneurs in Eastern Europe

BY OLESEA FORTUNA AND MARINA LITA, GEN MOLDOVA

**THERE ARE A LOT OF SUCCESS STORIES** around different categories of women entrepreneurs and while it is highly appreciated that the story creates role models for young girls to identify with, there is a need to show the full picture of entrepreneurship. In telling the story of a woman entrepreneur it is important to highlight the lessons learned, the obstacles, failures and achievements. By enforcing an idealistic perception of entrepreneurship, women get set for disaster. To avoid that, the project focuses more on stories, where women entrepreneurs from Eastern Europe are showcased as leaders who have become resilient in the process of building their venture.

During the project, we have interviewed different women from Eastern Europe, but also from Western Europe to illustrate the specific challenges of their individual enterprises and how these women overcame them.

During the conference, the women were invited to an open discussion about their start-ups via the Women Entrepreneurs Startup Huddle - a pitching format in front of a business community, with the aim of getting the advice of peers in sorting out different obstacles in business development in different industries. The women interviewees came from different industries, such as consulting, IT, real estate, bio-tech and the food industry, originating from various countries in Eastern Europe. Below are the interviews of four women entrepreneurs from Eastern Europe and two quotes from Kristie Lamers and Vasilisa Smirnova, who participated in the conference in June.



## Anita Klasanova

### **ROOBAR, Bulgaria**

#### **Introduce yourself**

“I’m Anita Klasanova, I was born and live in Sofia, Bulgaria. My first job was graphic designer. Then I switched to the food industry by opening, in 2006, the first organic store in Sofia. Later on, I made the decision to change my diet, and also started to create my own recipes and tested them in my shop. This way I validated my idea and it was a huge success that marked the starting point of our current company. We established it in 2012: me, my husband and one more strategic partner. It’s a family business.”

#### **Why did you go from graphic designer to the food industry?**

“I felt that I needed to connect to people, to share my knowledge that I had gained from the experience of changing my diet and eating healthier. It was this need to feel connected and have purpose, have an impact on our world and help people that were dealing with all kinds of diseases that we had as a result of our current lifestyle. I found that it was something that I could do - create an alternative snack for me, my kids, my friends. Since it came out of my beliefs and values, it reached many people, each of them had their own personal story. That of course always makes people feel connected. That is power! When you do things from your heart, because you really love it, people see that and they are attracted to you. I think I created a product, a brand, but it’s more than that! **It’s the experience, it’s inspiration and it’s following your dream!** This gives people so much more than a healthy snack.”

#### **But your way wasn’t an easy one. What were the main problems and struggles that you faced?**

“There were many challenges. One was that we self-financed the company and we started the project with the idea that we were going to produce energy bars for the German market. It turned out that there are no ready solutions for this kind of pro-

duction. What I mean is I needed machinery, technology, so I have a food technologist degree in confectionery and bread making and this gave me the confidence to deal with some of these challenges. On the other hand, we had to find the machinery that works best for us. For example, if you want to produce yoghurt, you call a company and they give you a ready solution, but for our product there were no ready solutions. How did we deal with that? – We created a brand of cookies for the local market. We sold them for 9 months and earned enough money to buy our own machinery to pack the bars. It was the only way to deal with the challenge. This was the hardest part. **The rest we did by intuition, by trying to see how it works.”**

**How did people react to your product? How did you manage to convince them to switch to your healthy option?**

“It was a long process. When we opened the shop, people were telling us that we’ll close soon, that we would never succeed with the prices and products we had. I took this information and continued, without closing the shop. It was our tiny food revolution and it’s so hard when you are the first one. It’s much easier and more supportive when you build in your community, when there is a community. So, if you have many shops opening at the same time, this supports the whole industry, the whole organic sector.

Now this can occur a bit differently. Things are happening really fast now due to digitalization, means of obtaining information. Back then, in 2006 **we had to fight every day and find a reason not to close the shop**. It was a difficult time, we couldn’t make a living from that. We had to be flexible and innovative. It was a time when we made and tried new things. But it was also the period during which we learned the most and it brought us to where we are now. It’s about education, setting a good example and making people realise how important it is to be healthy and how responsible we are when we choose the products that we put it in our bodies. It’s a long process, but I guess now it’s a bit different than it was 12 years ago.”

**So many hardships in the beginning, what other challenges are you facing today?**

“The biggest issue now is being local on all the markets. We have started selling on a wider market. In the first year we sold in 25 countries. Second-third year, we reached up to 46. I was thinking that we were quite successful and popular, but it’s not about how many countries you sell to, it’s more what are the relationships with your local partners there and how you build a sustainable brand. The current issue is how to establish these relationships.”

**Still, what is innovative about your product?**

“The simplicity of the recipe. We use 4 to 5 ingredients and it’s ridiculously available, because when you see the ingredients list you realise that you can make it at home.

It's transparent and clear. And also awesome, because it gives you sustainable energy. We are brave enough to offer quality. We don't aim to make just gluten free or vegan products, we make a combo of all the qualities possible and our products are simple. It's not only about the food. **Food is essential, but we bring the feeling that you are part of it and it makes you smile, feel good.**"

### **If the recipes are open and available, how do you protect your product, your intellectual property?**

"We can't protect the recipe, we can bring value to the people. By giving away the ingredients we promote the idea that **healthy food is not sophisticated**. We make a change. It's not about protecting it, it's about sharing it. We make an impact to create the world we want. Maybe that's another innovation?"

### **You mentioned your community. How did you start to build it and how did it grow?**

"What we did in the beginning with the bars was to just go out to the people we knew and give away products. We didn't have any marketing experience, but our intuition told us that we should be out there and give people the opportunity to try our products. We never forced them: Try this, Buy this, Like this! We gave them the chance to choose. What we made clear was our purpose, because it's important to say what you stand for, it becomes part of your DNA. When the message is clear, people are attracted and they want to be part of the community.

We also organized workshops for kids and shared with them our skills, taught them to make bars by showing how easy it was. This offered people transparency and the opportunity to create their own bar. This way I acquired a lot of knowledge about what people want. They want the experience, they want to be part of something. It's not just a brand that is somewhere, closed off from people's needs or problems. **Businesses are here to give solutions to customers' problems.** As long as we know this, we can have a good relationship with our customers.

This year we have 90 employees and we really focus on having an impact at different levels. We have an initiative called *Team Roobar*, a community of athletes that supports us. People are everywhere, we have a selection of different disciplines and we support them at their events, races and they became our ambassadors.

I still do the workshops with kids, because it's so creative and I see myself as a person who can educate kids and give them the feeling of **"I can make it, nothing can go wrong, I deserve healthy foods"**. This works brilliantly with kids and I have a current project providing healthy school lunches and teaching kids from Bulgaria how to make their own school lunch. There is a huge need. We have to do it now and I see the smallest things we can do to respond to this need.

I never thought about how to build the community, what the steps are, how I am going to do it, how much I should invest in it. I just do what I think is right and respond to the needs of people around me. This turns out to be the right thing. Building a business implies a lot of intuition.”

### **What are the countries where your products are known?**

“We sell in Europe, almost to all the countries. This year (2017) we crossed the ocean and conquered the USA & Canada. Huge markets that we are trying out taking baby steps are Japan and China. Our top markets are Germany, Austria, Switzerland, Spain, Portugal.”

### **This experience has taught you a lot of lessons. Share three of them with us.**

First of all, **in order to succeed you have to build a great team**. No one can do it alone and we really had some challenges when we started the company, because I was used to working alone. I'm a graphic designer, I work alone on the computer. If I continue to grow at what I'm good at and give others opportunities to be good the company becomes more powerful. The best thing is when you have people to celebrate with: the wins, the failures.

**Forget about perfection**. Women entrepreneurs have the tendency to wait till they have a perfect product or service. We are not brave enough to put it on the table, to work with the team until it's perfect. I'm breaking this habit in myself and I think it's a huge message to all women, all female founders in the future – we should abandon this way of thinking. If you wait till it's perfect you lose all the opportunities. Just say what you want, be proud of what you are doing and be more open.

Third it's more personal. **How you can balance personal life with work** when you are an ambitious person. At one point I realised that I had to take care of myself, because I was building a company and a philosophy based on healthy foods so it didn't make sense to be overworked. It took me some time to find my balance. It's much easier when you do what you love and don't feel that it's work. When people are giving back it makes you feel you can do more and more. If you feel good, everybody feels good. It's a personal responsibility to allow ourselves to have fun, to sleep, to feel good and the rest.

### **What are your plans for the future?**

“I see the company creating a global product. I see no borders in producing high quality products from Bulgaria. I see the company offering people more than just deserts, providing experiences.”



## Catrinel Zaharia

### **Extind Management, Romania**

#### **Introduce yourself**

“My name is Catrinel Zaharia, I’m a strong supporter of femininity. I’m an economist, with an MBA in International Management and I’m working on my PHD on Gender and Emotions, Femininity and Leadership. Together with my husband, I’m co-owner of a company, Extind Management, specialized in consultancy in real estate and we also promote outsourcing in our region and IT development. Furthermore, we have recently opened a coworking space. It’s a collateral operation, Fab Lab (Fabrication Laboratory), a new project within our community. Moreover, I’m involved in different projects for women’s personal and professional development. We also run the first GALA for the IT industry in our region.”

#### **What is new and innovative about your business?**

“As I said, we do promote a lot the IT industry and outsourcing activities, we have several divisions in our business: consultancy for real estate and promoting the IT industry and outsourcing. The new coworking space opened in our home town relies more on the IT sector, it’s a place where people can create, give life to their idea, come up with several prototypes that can become businesses.”

#### **Coworking spaces are bringing people together. How do you build your community?**

“Through various events and conferences. We have the only Gala that rewards the players in the IT industry in our region. It’s happening once a year and it’s an acknowledgement of their input in the development of the IT sector in the region and not only. Moreover, I personally organise conferences for women’s development that bring together not only women, but people from other communities.”

**How do you protect your business ideas?**

“Going deeper into the concept, I really think there is a place for everybody. I don’t see myself competing with other players, but cooperating with them. Our business does not operate against them, but for them. This is how we plan our strategy and meetings.”

**How do you see the evolution of your business?**

“Our business has definitely evolved. If at the beginning we were a company providing consultancy only in real estate, we realized that it was not enough. Big players will not come to a region that is not really promoted. Also, we are part of this community, we really love this region and want our children to live here, to want to live here, and not be forced to stay here. Therefore, we are a strong promoter of our city, our region, of this industry that we work for – IT and outsourcing, because it’s rather new, and it has a strong growth, and a huge potential here, and it has strong support. We are still evolving. I think of myself as a beginner. I started as an entrepreneur in 2014, but the company was founded in 2008.”

**Why do you continue to be an entrepreneur?**

“There are a lot of challenges on a monthly basis, as a woman and a strong promoter of femininity I experience the rewards as an entrepreneur. There are moments when I work more than I used to when I was an employee. Generally, I’m able to keep a work-life balance, because this is why in the beginning I decided to go on my own and become an entrepreneur. I really want it to bring me a work-life balance and, furthermore, I learned to let other people do the work.”

**What are the struggles that you went through?**

“Fiscal law posed the main challenges – you have to constantly adapt your business and strategy to the fiscal law. There are external factors that we have to take care of and all the external challenges only affect small entrepreneurs. The other thing is that as an employer you have a completely different view of how you work and how to do it. Of course you have a strategy, but you have to care of yourself, your family, business, employees, now you are an employer. You always have to think into the future, to have a different vision. You have to plan, monitor and adapt this plan continuously. This is much more difficult than it sounds.”

**What are the most important lessons that you learned?**

“**Never forget your main goals.** Sometimes we tend to forget why we are here and why we do something. Being engrossed day in day out in your routine, trying to do everything, you go too much into details and forget about the whole picture. **Always**



**take care of your family**, never forget why you started your business. For me there was a work life balance, but there are moments as an entrepreneur when you tend to work more then you used to. Always keep in mind that a Work Life Balance means taking care of your family and of yourself. As long as you **keep a high level of quality, and deliver on time you have a successful business**. That is for now, maybe later on it will be different.”

### **How do you share these lessons with the entrepreneurial community?**

“Through all my public work: conferences, organizing our own events and participating in others as a speaker. Moreover, we go to students and talk to them. We share, we share a lot. Another way to communicate to our community is via media outlets, giving interviews, comments and expertize. We are willing to share, because these are not secrets that we have to keep. The more we grow, the better it will be for everybody.”

### **What plans do you have for the future?**

“I really want to finish my PHD and to expand my business in women’s entrepreneurship development. I have some activities, but I want to have more. Also with our core business, I want to learn more. Keep it and develop it.”



## Viorica Rumleanski

### **VIOSER, Moldova**

#### **Introduce yourself**

“My name is Viorica Rumleanski, I am the owner of VIOSER Consulting and VIOSER Accounting, two companies that provide accounting, consulting services for start-ups and companies that want to start a business in Moldova.”

#### **What is the profile of your company?**

“In 2014 I set up my first company, VIOSER Consulting, providing consultancy services for both local and international companies that wanted to start a business in the Republic of Moldova. Our main services are: accounting, fiscal consultancy, consultancy on business and work permits in Moldova, drawing up business plans and feasibility studies, payroll services and liquidation of companies. So we provide a full package to other companies that want to outsource this type of services.

In 2016, when the number of clients grew, we decided to separate the accounting, HR and payroll services from the consulting services. We set up the VIOSER Accounting company that provides all these services to companies.

However, VIOSER Consulting provides consultancy if you want to start a business, draw up a business plan, a feasibility study, local market research and follows up with fiscal or tax consultancy, helping customers make the most efficient decisions about transactions, based on tax optimisation, work and stay permits for foreigners to the Republic of Moldova. We provide tax due diligence services and, finally, if the company decides not to go forward, we help them with liquidation.”

#### **What kind of innovations do your companies bring to Accounting and Consultancy?**

“First of all, we do not just do the bookkeeping, we analyse the numbers, the figures, and we give the customer solutions in order to optimize and make the right decision at a managerial level. In the near future we plan to make a mobile application where the

client will be able to see at any moment the numbers and daily worksheets, any time they want.”

### **What are the steps taken to build a community around your business?**

“Besides doing business, we are responsible for the education of the community working in the accounting and financial field, so we do organize free entry events on a regular basis: *Taxes at Dinner*. This event brings together accountants, chief financial officers, students at accounting faculties and together we set a topic and we analyse it, come up with examples, the expertise and experience of the participants on this topic. This way we clarify all misunderstandings or gaps in the legislation, trying to help others that are currently in that type of situation. From our point of view, based on that, we contribute to educating and increasing the level of quality of these services on the local market.”

### **How do you protect your Intellectual Property?**

“We set up a security policy within the company, based on specific standards, allowing us to work in a secure environment and we follow this security policy every day. Both the employees and the employer sign this non-disclosure agreement, which protects our sensitive and personal data and any other information inside the company. One month ago (October 2017) we registered our brand (VIOSER) with the State Agency on Intellectual Property of the Republic of Moldova and now we can protect our identity on the local market.

If at the beginning we focused mostly on accounting and HR services, later on we developed further our payroll services, especially for international companies that had a branch here in Moldova and we also adopted a new direction organising seminars and trainings for accountants from different industries (agriculture, trade, manufacturing, food and safety). Last year we recreated our range of services.”

### **Why do you continue to be an entrepreneur?**

“It’s the passion of mine and I just love it.”

### **What were the struggles that you faced?**

“The basic challenges are recruiting professional employees as our recruitment market at the moment is pretty difficult, because of the migration of young talented people. But we still have many young students and experienced professionals. Our only task is to motivate them to come and work with us. Another challenge is educating the customer on the fact that the outsourcing accounting company is not just an expense for the company. It’s difficult to make them understand that we are helping them make decisions at a managerial level, based on our

studies, the numbers that we provide and thus they are able to grow as a company, make decisions in order to expand their operations. We give them a better understanding of the value of accounting services, that it is not an expense, but an investment that brings added value in time.”

**What are the lessons learned?**

“People can change. There are no people that you can’t change. Always keep moving forward, even if you feel that you are breaking down, when you feel that that’s it! If you trust and believe in what you want to do, it will become true. I am sure of this!”

**How do you share your lessons with entrepreneurial community?**

“I am a member of a few Community Associations, where I’m often invited to share my experience in business, how it is to do business in Moldova. Also, we organise meetings with businesswomen in order to discuss and exchange experiences and to be better at the things that we do. It’s not about competition, it’s about learning from each other so as to develop a sustainable local and international business. I’m never afraid to tell people what it’s like to grow a business, what are the steps that we need to take to get there.”

**Share also some future plans.**

“We are working on a new business idea. I can’t tell you now, but I will be back with this information in 6 months!”



## Geta Rasciuc

### BabyMoon, Moldova

#### Introduce yourself.

“My name it’s Geta Rasciuc, I’m founder and CEO of BabyMoon. We are working on developing smart ergonomic baby carriers that would contribute to implementing attachment parenting techniques, while measuring the children’s vital signs. **We’re putting babies in their parents’ arms**, while also analysing them.”

#### How and when did you start your business?

“It’s a long story. 11 years ago, when I had my first born, I started my baby carrier business. At that time my oldest was only 6 months old. But long story short: in the 11 years that I have worked with parents and hospitals, I saw the need for improving attachment parenting techniques, especially from early on, inside the maternity wards. I saw the need for more data about children outside the hospital or other patients that need to be monitored. That idea came to me in early 2016. It took about 3 months of R&D, developing technical components (sensors, devices, textile sensing technologies) and then we designed it and we started working. In the first months after September we managed to get into the Digital Health Accelerator in the Netherlands. We registered as a Dutch company and now we are working on hardware development. Things are looking pretty well. We are fundraising at the moment, to obtain the means to **support increasing babies’ survival rates and to diminish mortality rates among them.**”

#### The innovation of my product is...

“First, we use the latest technologies in electronics and textiles. Another big component of our business is the fact that a baby carrier promotes secure attachment between parents and baby. Especially when children get sent to day care very early. Basically, it promotes closer interaction between the two generations in this rela-

tionship and creates a better understanding of each other. Particularly with regard to health, knowing that you have quality, easy, accessible reports on the health status of your child is a useful tool for parents, but also for health professionals. So basically, we get all these groups of people to communicate for the most efficient healthcare and health decisions and a better life for the next generation.”

### **How do you protect your innovations?**

“We are now patent pending, we filed for our patent. Our patent has three components: one is for the textile pattern that we use, because we have an in-house patent on the pattern for the baby carrier. The next part is for data points and the algorithms that we use for data analytics. The third part is the circuitry mapping, because that is also something that we develop in-house. We have a three-fold intellectual property component, but because the patents are public documents for further protection, they are intentionally broader and then the super-secret recipe is kept confidential.”

### **Please tell me more about your market**

“We focus on both the B2B and the B2C market, but before we get to that stage, we go to the consumer market, which is a tricky target audience in some ways. Given that we have the baby carrier consulting community, the baby carrier alliance, influencers in the parenting groups are our supporters, we are continuously growing our network of supporters among buyers and users of the product. We also keep and update our social media presence. On Instagram we have around 1,000 followers, then a couple hundred of people on our mailing list, but the community that we connect to, which I manage amounts to approximately 50,000 followers, mainly from Eastern Europe, Moldova and some worldwide, through diasporas. The “Mamici Fermecate” community uses the Romanian language, for now.”

### **How did your business evolve?**

“The evolution of the business was quite rapid: having come up with the idea in March of 2016, in October we tested the first prototype, in less than one month we went to another country, we were selected to the Rockstart Accelerator. All this was happening really, really fast. After nine months at the Accelerator, it took a while to get back on our feet. It was not a break, because we were constantly working. At the moment we had to set the direction and decide where we were going and how things were developing. So now I’m happy that we are in a steadier phase, going step by step, instead of that crazy speed, which was really uncomfortable. Now we are looking at two directions: for our consumer version we are communicating with a project in Gambia for clinical validation or remote monitoring validation. See how things go there.”

### **Why do you continue to be an entrepreneur? What motivates you?**

“I don’t know. I guess I’m crazy. But seriously, the thing is that even before those smart carriers I tried to quit, but apparently it doesn’t work for me. I believe it’s important and there is a pull from parents and supporters. So I can’t disappoint those children and parents that support us and demand from us that we give them an incredible baby hugging experience.

After 10 years of working in a non-office environment, spending nine months in an office, during the Accelerator, I realized that I liked the flexibility of being an entrepreneur and having your own schedule. Also, I have my own personal motivation, being **a role model for my kids to grow and live by**. Meaning that you should be responsible for what you do and do your own thing and create stuff that’s important and has an impact on lives and helps people. Being an example for my children makes me want to constantly grow and **be the best version of myself**, not just this weird mum that walks around telling everyone to make their beds.”

### **What were your major struggles?**

“Funding is a big issue, but it’s something that all start-ups have in common. Well, for us it’s a little more complicated, because even if I’ve been here for one year, I’m still out of my typical environment, so I’m still exploring the landscape of the Dutch funding opportunities. And because BabyMoon does something that is in a grey area: we overlap with the fields of fashion, fintech, digital health and IoT, it’s also a big issue that involves a lot of different aspects from different markets and areas. It makes you explore even more topics. But we are managing it.”

### **What are your biggest challenges?**

“Finding the right people for our team. It gets quite overwhelming with the considerable amount of work to be done. Also, having 4 kids now, I have to juggle the kids (11, 9, 7 and the last one is 6 months old), plus the start-up, plus the funding. The youngest one is chief executive baby. He came with me to pitch for funding and it was really funny, because banking people are not used to dealing with babies.”

### **Share some lessons learned growing your business**

“Not sure, I’m not done with my entrepreneurial journey. The most important thing is to keep focusing on that point, on the horizon. That’s a skill to develop. Because when you know where you are going, situations go by, good or bad. You know where you want to get and it’s much easier. Also, you need to be flexible, to be ready to adapt at any moment.

At the same time you have to think: Are you building a start-up or are you building a business? I prefer to think that I'm building a business that's in a start-up phase, rather than jumping from one idea to another. I don't think that there is a lot of long term thinking in start-ups."

**Where do you see your BabyMoon in the future?**

"We plan to take over the world, but it will take some time. However, if we are talking about 5 years from now, I hope we will have all the certifications that we need. We will have established the distribution network. Also, I am hopeful we will get the certifications, and our product will be used from day one and will save lives due to kangaroo care, as it was initially envisioned."



# WE in Eastern Europe: Promoting Women's Entrepreneurship

BY OLESEA FORTUNA

**AROUND 50 PEOPLE**, entrepreneurs from the Republic of Moldova, as well as from Romania, Holland, Bulgaria, European politicians, civil society representatives, academics and members, participate in the International Conference on Supporting and Promoting Women's Entrepreneurship at local and regional level, held in Chisinau during 10-11 June.

# Key Findings at the ELF conference “WE Conference - Promoting Women Entrepreneurship in Eastern Europe”

BY OLESEA FORTUNA

The conference had several components, such as Discussion Boards, which addressed promoting women in business through political, social, media programmes; Open Spaces, which debated the challenges faced by business representatives, World Cafe - presentation of participating programmes to stimulate women’s involvement in leadership positions.

Traveling through the social, economic and political dimensions of women’s entrepreneurship with various ecosystem players from Eastern Europe, possibilities for adjusting policy initiatives to the needs of women were discovered.

Women entrepreneurs with a high potential along with community builders can become the drivers for change and set the development of women’s entrepreneurship on the agenda of the whole society by systematically connecting stakeholder groups. This can be done:

- to empower leadership and enable a better integration of women in the economic lifecycle of the region,
- to align to the government’s commitment to include the development of women’s entrepreneurship as a priority,
- to improve attitudes and cultural support for women entrepreneurs
- to boost entrepreneurial literacy through media and education
- to activate civic organizations and business associations
- to nurture aspirations and unleash the potential for innovation and entrepreneurs from the region

Reinforcing the development of women’s entrepreneurship and encouraging women-led businesses by promoting specific policies, programmes, actions at the level of:

## 1. School education

- Include women entrepreneurs as role models from the early stages of education
- Create gender-sensitive programmes for entrepreneurship development in schools
- Invite parents, entrepreneurs of different genders to speak about entrepreneurship in schools in order to validate a better choice for women entrepreneurs

- Develop partnerships between schools and women's entrepreneurial associations to provide training on business skills in schools
2. University and further education
- Develop mentorship programs for young ladies to expose them to tech skill learning and alternatives for self-employment
  - Advance mentorship programmes and acceleration programmes for women interested in entrepreneurship
  - Recognize the value of entrepreneurship by introducing it in the curriculum
3. Community, business clusters and civic associations
- Consolidate women's business associations and improve lesson and experience sharing among women members, by promoting better inter-regional networking and opportunities to learn from the example of other countries
  - scheduling online events so women can benefit, but also care for their families or events with child care programmes
  - creating spaces for women entrepreneurs to start their entrepreneurial activity, but also become part of the community of women entrepreneurs so they can build, test and validate their business ideas
4. Corporate support
- corporations should be encouraged through Corporate Social Responsibility initiatives to support women-owned businesses and be appreciated for that
  - partnerships with corporations can be developed to create women co-working spaces for women-led start-ups with childcare programmes
5. He For She and She For She
- invite male influencers to support and promote women entrepreneurs
  - mobilize male and female advocates for women's entrepreneurship to stand together, speak up for women entrepreneurs, and encourage real support for them
  - acknowledge ways in which we all benefit from equality in business and the value created for the economy
  - refer to good women entrepreneurs with high business ethics to promote accountability and good practices
  - celebrate women entrepreneurs by promoting women achievers in entrepreneurship
6. Media
- promote positive role models and women entrepreneurs via media outlets
  - increase the visibility of women innovators in non-traditional sectors
  - promote women mentors that support other entrepreneurs



“The Friedrich Naumann Foundation is actively involved in promoting women’s entrepreneurship not only locally, but also at regional level. During the event we used different ways to promote women’s entrepreneurship not only in Moldova, but also in Eastern Europe. Our Foundation believes that this is the key to bringing economic development and prosperity to all states, without exception.”

By **Daniel Kaddik**, Friedrich Naumann Foundation for Freedom, South East Europe Office, Programme Director



“Internationalization of the business should be a priority for entrepreneurship, especially since technological development allows us to manage business without our physical presence, so you need to know the international trends, identify the field of expertise and build up a mutually beneficial relationship with partners that will benefit both parties.”

By **Anna Novitskaya**, president of GEN Belarus.



“The expertise and motivation of entrepreneurs in different countries also inspire and teach that any business in any field can reach its long-awaited success against all odds. That women from different countries manage to develop their businesses, balance their personal life, share with the community is to be appreciated.”

By **Ludmila Ursatiev**, Head of the Department of Economic Reforms of the Ungheni Municipal Council.



“Personally, I have no connection to entrepreneurship, but my wife manages a business, so I know all the stages a business goes through, as well as the challenges and opportunities that arise once you start on this road. It is therefore important to discuss and offer solutions to promote and stimulate growth and increase the number and quality of women entrepreneurs.”

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By **Olle Schmidt**, Vice President of the European Liberal Forum,  
Member of the Board of Directors.



Entrepreneurship is gaining more and more ground in the Moldovan media. Interakt Media supports and promotes people with an entrepreneurial spirit. At the same time, entrepreneurs would do well to realize that websites such as Agora.md, Ea.md are also businesses that, in order to develop, need support and to support readers and, why not, entrepreneurs. The mutually beneficial collaboration helps to develop entrepreneurship in the Republic of Moldova and the media to become the fifth power and more pluralistic and strong, as it should be.

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**Irina Ghelbur**, INTERAKT MEDIA, Moldova.



“Flourishing together is the best for all. Entrepreneurship is a way of thinking and a way of life. People need to see this as an option before they make a choice. Seeing an opportunity and seizing that opportunity is the beginning of entrepreneurship!”

### **1. Let entrepreneurship be an option.**

Courage and guts are necessary if you want to start your own business. As an individual you have to stand on your own two feet, want to learn every day and be able to deal with the unknown. But local government can stimulate people in a creative way and inspire them to become entrepreneurs. Examples of this are holding a competition each year for young people to start a mini-company and reward the best idea. Successful entrepreneurs share their experience with young people to inspire them. These ideas stimulate people at individual level. But this is not enough to stimulate entrepreneurship.

### **2. Infrastructure is the key**

A good infrastructure is the basis for a healthy business climate. This starts with the essentials, local government must focus on good accessibility and a well-functioning internet connection. The second step is that there should be financing possibilities, for example in the form of revolving funds. A place to work and meet entrepreneurs is important. Local government can provide a real space for building start-ups, where people can rent at a good price and take part in acceleration programmes to develop as entrepreneurs. Local government must also think entrepreneurially and keep evolving.

A flourishing business climate creates a flourishing region. That is good news for the entrepreneur and for the local government. Working together towards growth, innovation and entrepreneurship is therefore a shared interest and a shared opportunity. Take that chance!”

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By **Kristie Lamers**, Local Public Administration, Nimegen, Netherlands

# Local Workshops for Rural Communities of Women Entrepreneurs from Cimislia and Ungheni

BY OLESEA FORTUNA

The “Promoting Female Entrepreneurship in Eastern Europe” Conference has had continuity in the regions. During June 13-14, two workshops for women entrepreneurs from Cimislia, Basarabasca and Ungheni were organized.

The Conference aimed to determine ways of co-designing better initiatives and incentives for the development of women’s entrepreneurship in the regions.

The main objectives were to understand the local ecosystem for the development of women’s entrepreneurship; identify major actors and the realities around already implemented measures; setting up future realistic small actions each stakeholder group could commit to.

During the event, the following activities were carried out:

- Stakeholder Box exercise: ensure understanding of the value created by each group and how they interact with each other
- World Café exercise - had two stages: the first, understanding the reality is and second, what the possibilities for supporting women entrepreneurs in each region are based on the following stakeholder groups:
  - School education
  - Community, business clusters and civic associations
  - He For She and She For She
  - Media
  - Local and National Government

The exercise was adjusted to the specific context, numbers, the role of the group, location, and other circumstances, which were factored into each unique invitation, design, and choice, with the following components:

1) Setting: Created the setting, most often modelled after a café, small tables covered with flipchart paper, block paper, coloured pen and stickers. Five chairs at each table.

2) Welcome and Introduction: The host started with a warm welcome and introduced the World Café process, setting the context, sharing the Café Etiquette, and using ice breakers to put participants at ease.

3) Small Group Rounds: The process began with the first of ten minute rounds of conversation for the small group sitting around a table, where they stayed and covered the topic. At the end of the ten minutes, each member of the group moves to a different new table, but the guest host, who welcomes the next group and briefly fills them in on what happened in the previous round.

4) Questions: Each round is prefaced with a question related to a stakeholder group, specifically crafted for the specific context of the World Café.

5) Harvest: After the small groups, guest hosts were invited to share insights or other results from their conversations with the rest of the large group.

The basic process is simple and easy to learn, but complexities and nuances of context, numbers, question crafting and purpose can depict the situation related to the questions asked. In the second stage the exercise is repeated with a focus on possible incentives and contributions from various stakeholder groups.

Café Etiquette included the following rules:

1. Active inclusion of all participants by all hosts
2. Openness with regard to receiving ideas - no idea is wrong
3. Equidistance and facilitation of the process
4. Create a Hospitable Space
5. Connect Diverse Perspectives
6. Share Collective Discoveries
7. Max. two minutes out of ten can be assigned for complaining.

## Promoting Female Entrepreneurship in Eastern Europe in Cimislia

The workshop in Cimislia was opened by a panel, with the Deputy President of the District Council, Iurii Stoianov, who welcomed the participants and remarked on the importance of women's entrepreneurship in the rayon, linking the economical gap between the genders with the cultural biases in the society about women's roles in families and communities.

Olga Postovanu, the then Manager of the Business Incubator, talked about existing opportunities via national, regional and local programmes.

Vladimir Gilca mentioned the opportunities for development through the Friedrich Naumann Foundation and the European Liberal Forum and the programmes and opportunities they develop through various partners.



GEN Moldova presented the work they do for developing and connecting the ecosystem locally and globally. After the opening, the manager of the incubator kindly made the introductions for the 25 participants, remarking on the characteristics of the region and their contribution as women entrepreneurs.

The first working session was aimed at understanding what the ecosystem was and creating a sense of personal worth within the ecosystem and of participating in, learning from, creating support for the community. The stakeholder box exercise helped us discover what group each participant best identifies with and what values they created and what they needed to develop better.

In Cimislia we had women from local governance, media, business support organizations and entrepreneurs running businesses in the fields of food, education, beauty and health.

The second session was meant to identify the dynamics of the ecosystem. Who the major role models among women entrepreneurs in the district and what the overall situation of the entrepreneurial community and the key findings were. Some women entrepreneurs are recognized as leaders in the local authorities, but there is very little interaction among women entrepreneurs and even less participation in general associations and clusters, little trust and networking, little respect from the society towards entrepreneurs, little cultural support and almost no understanding of the value of entrepreneurship in the society and even less perception of the contribution of women's entrepreneurship in the overall economy.

The third session - what can be done to improve the ecosystem. Among actions that could be taken to improve the overall situation the following were included:

- Extended social programmes for children in schools and kindergartens, opening kindergartens for younger children
- School programmes to teach children how to become entrepreneurs and sell, school bazaars
- Start networking by meeting monthly with women entrepreneurs to build trust. In the beginning these sessions should be facilitated by external invitees
- Developing programmes for women entrepreneurs to go to schools and talk about their experiences (both good and bad) as women entrepreneurs and as a career opportunity for pupils
- LPA has suggested an external assessment for identifying the gaps and what can be done to improve women's entrepreneurship in the district
- Organizing and recognizing women and men entrepreneurs on a monthly basis by holding a Woman Entrepreneur of the Month and of the Year Award, but first the criteria need to be established and the media must be supported to publish these recognitions
- The media could focus more on entrepreneurs rather than problems

## Promoting Female Entrepreneurship in Eastern Europe - Ungheni

The workshop in Ungheni was opened by the President of the District Council, Ludmila Guzun, Alexandru Ambros, mayor of Ungheni City and Natalia Iepuras, Chief Manager of Free Economic Zone Ungheni.

The President welcomed the 45 participants and talked about the need for collaboration with the local administration and why she felt that women can become better at supporting women entrepreneurs by getting involved and participating more.

The mayor talked about the value added created by women entrepreneurs in Ungheni town and that it was one of the highest participation rate for women across the country.

Natalia Iepuras talked about the possibilities within the Free Economic Zone and the current rate of occupancy for women. The hosts, the Department of Economy and Reforms of the Council talked about the need for such actions in rural areas, GEN Moldova and FNF representatives, Marina Lita and Vladimir Gilca, talked again about the opportunities for women entrepreneurs that the European Liberal Forum, FNF and GEN Moldova provide.

The first working session was aimed at understanding what the ecosystem was and creating a sense of personal worth within the ecosystem and of participating in, learning from, creating support for the community.

The stakeholder box exercise helped us discover what group each participant best identified with and what values they created and what they needed to develop better.

In Ungheni we had more women from local governance, business associations support organizations and entrepreneurs running businesses in the fields of beauty and health services, bakeries, food stores and tourist resorts.

The second session was meant to identify the dynamics of the ecosystem and who the major role models among women entrepreneurs in the district and what the overall situation of the entrepreneurial community and the key findings were: women entrepreneurs were not really recognized as heroes, men were more heroic, but they were more active in associations, more keen to collaborate with the media and with the local government. They recognized the value of the activities carried out by the local government and were very appreciative. In Ungheni businesses were more celebrated than in other regions according to women's statements. People were more appreciative of entrepreneurs no matter the gender. A lot of deals were done with Romania, so more education on how to properly achieve internationalization of the business was needed. In villages, mayors had complained about little participation by rural entrepreneurs and they would have liked to learn more about how to engage them. There was the Businessman of the Year recognition award and there would be a third edition, also

there was a long debate about separating it into two categories, whether to include a separate category or not, but finally the community said they would prefer to compete with male founders in the same category. When discussing what could be done to improve the ecosystem, among actions that could be taken to improve the overall situation the following were included:

- Schools need to provide better education for financial, entrepreneurial literacy
- Need for educational programmes for women entrepreneurs from the regions and villages
- LPA suggested encouraging decentralization so they can better support women entrepreneurs and entrepreneurs locally and use fiscal contributions from regional areas
- More public tenders awarded to women and optimizing the public procurement law, so that it has a minimal quota of women enterprises participating in the bidding process
- More sustainable programmes for women entrepreneurs and providing continuous support
- Need to change the cultural support for women entrepreneurs in Ungheni

# Spurring Creativity through Design Thinking in Rural Moldova

PREPARED BY ANNA NOVITSKAYA

Design thinking workshops were provided within the “Promoting Women’s Entrepreneurship in Eastern Europe” programme organized by the European Liberal Forum in collaboration with the Friedrich Naumann Foundation and GEN Moldova. The workshops were held in two rayons, Cimislia and Ungheni, gathering regional representatives from villages and from the town itself.

The main objectives included helping women entrepreneurs and civic builders better understand creative approaches to solving problems, learn the customer-centric approach to business and the design-thinking process for their individual businesses and fortify their community of entrepreneurs and, in the process of discovering unmet needs of potential customers, to diversify their production or find new ventures and eventually apply design thinking tools for better life management, for personal and professional purposes.

The workshops offered the participants the opportunity to be creative and open to new ideas and collaborate with each other. The results and the whole experience differ in Cimislia and Ungheni.

Women entrepreneurs in Cimislia were agile, inspired and motivated by their hands-on experience, showed a positive attitude and readiness to take action. Like in other Eastern European and post-Soviet countries, women from Cimislia cared about social problems, felt a desire and energy to solve them provided that they had financial support from the government and moral support from family and society.

At the same time, the group from Ungheni was larger and more diverse, thus the interviewing process took longer and the women got caught up in their discovery and willingness to share within the community and agree on issues to be addressed through open dialogue. Therefore, they needed more time to convert customer insights into concrete business ideas to solve the problems in their city.

Generally, women are more open to creative experiences than men, understand better empathy and intuition and act on it. Workshops on creativity and design thinking help women entrepreneurs understand their strengths, open up their inner potential, activate their emotional intelligence and therefore feel more confident about starting and running a business.

Female entrepreneurship in rural areas can only develop if decision-makers foster lasting collaborations and agree on finding solutions to the challenges faced by women in the business world in the particular environments taken into consideration.

# CONCLUSIONS:

## Women Entrepreneurship Communities

Female entrepreneurship has been under discussion only recently, since 1976 and growing out of two major fields of study: Feminist Theory and Gender Studies. These studies were focused more on psychology and comparable analysis between men and women entrepreneurs. There should be no opposition between women and men in supporting women entrepreneurship because of the added value to the global economy.

To accelerate the rise of female entrepreneurship, all the endorsement available should be integrated into actions that will grow the number of women-led businesses, increase the potential of their companies, enable them technologically, diversify them and interconnecting them.

Considering the aforementioned endeavors ran in various countries generally and together with ELF, FNF and GEN Moldova., these ventures could be led by entrepreneurial communities, governments and supporting agencies. Admitting that communities led by entrepreneurs respond faster to actual necessities, struggles and market and technological developments, these should legitimate drivers to the solutions. Certainly the support of other ecosystem players should be sought and consolidated. Taken the experience above the following conclusions were drawn:

1. Women entrepreneurship needs a community of builders and leaders that should research the issue more profoundly, in real time and continuously to make the change immediate for implementation.
2. These diverse communities in different countries, cities within the region should be made up from representatives coming from business, government, media, financial institutions and other support groups as to exchange knowledge and experience in ways of development
3. In pursuance of growing the density of female entrepreneurship in Eastern Europe, more girls and young women should be connected to programs that stimulate an entrepreneurial mindset through inspiration, mentorship, education, tech, business and professional skill enabling.
4. These movements should be interconnected with Women Entrepreneurship support platforms, that will subsequently develop durable collaborations regionally, will support professional networks to access different types of bestowment, funding, investment and partnering opportunities,

5. Attract champions in entrepreneurship to support women to start their businesses. This will increase the prestige of women job creators, reinforce credibility of women entrepreneurship as a whole and support trust formation within the community with realistic expectations and seeing the holistic spectrum of advantages created by particular initiatives at the local level. (For ex: Mompreneur initiatives can support women, but can also positively affect the other members of the family).

6. Women and men entrepreneurs can grow more entrepreneurial families by educating business skills, mindsets and ambitions in children from an early age, thus growing family business literacy regionally and integrating principled business values and allowing their children perceive themselves worthy of an active leadership position, regardless of the gender.

7. Regional collaborations should be based on internal synergies that will support women entrepreneur association in seizing opportunities collectively, increasing their group efficiency and individually. By establishing a community with clear rules and realistic expectations, trust mechanisms become functional within the community, common values are enforced and distinctive interests are respected, balancing for a competitive ethical environment that invites progress and inclusiveness of new entrants and diversifies the community with new knowledge and expertise.

In furtherance of continuous innovation in these communities, the builders and leaders of these communities should foster dynamic interactions among players, an ethos of co-creation, endless learning and mutual support and recognition."

# About the authors:



## Ms. Efka Heder

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Efka Heder, Director of South East European Centre for Entrepreneurial Learning (SEECEL), has over twenty years of professional experience as an international education expert, in the field of lifelong entrepreneurial learning, educational reforms and development of educational policies, development of learning outcomes, national qualification framework and national curricula, training of teachers, and policy development for education with a special focus on knowledge management. Efka is an education policy analyst and advisor in development and reforms of the human capital dimension within the Small Business Act for Europe (SBA). Moreover, she is committed to promoting and building a highly active entrepreneurial and educational environment. Efka Heder holds a MA in Geography from the Faculty of Natural Sciences at the University of Zagreb in Croatia, M.Sc in Economics, Entrepreneurship and Education from Delaware University, USA and M.Sc in Economics. She is certified and accredited for international courses from the National Council on Economic Education Program from Economics America USA and is currently working as Director of the South East European Centre for Entrepreneurial Learning - SEECEL.



## Ms. Olesia Fortuna

### **GEN Moldova President, Moldova**

Olesia Fortuna has extensive experience in executive management of various community building and leadership projects and private enterprises, entrepreneurship ecosystem and development programs, large events, acceleration programs, with business and institutional development training and consulting experience of over 14 years. She has a leading role in the education of startups in Moldova, being the President of GEN Moldova (Global Entrepreneurship Network). She has been involved as a speaker, mentor, group coach, experimental trainer in projects focused on business development at both international and national levels. Her interests revolve around supporting and building communities to assist entrepreneurs in creating, launching, developing national and international businesses and particularly in creative industries and sustainable business models. She believes strongly in peer-to-peer learning, sharing, job-shadowing for entrepreneurs and international programs that build mutual understanding, collaboration and value exchange. Among projects deployed in the country, she co-designed the first fashion acceleration program in collaboration with Fashion Technology Accelerator from Milan and a French fashion consulting agency, has participated in the design of the first rural entrepreneurship cup (a rural business competition deployed and acceleration program with Estonian partners and with several rural incubators).. She was invited as a national country expert in an EU-funded project “Women Entrepreneurship – A Job Creation Engine for South Eastern Europe”. She was nominated and accepted the role of WED World Ambassador for Moldova for 2015 and 2017 Her project portfolio includes managing and consulting projects funded by private companies from Moldova, US Legislative Branch, USAID, EU Delegation, Swedish Government, Estonian Agency for Development, Czech agency for Development.





## Ms. Anna Novitskaya

Anna Novitskaya was leading Global Entrepreneurship Week in Belarus in 2014-2016 representing Imaguru startup hub. She has profound experience in community building and has been working with startups, universities, government, investors, corporations and mass media. Anna is an advocate of user-centri approach and facilitates workshops in design thinking.

Anna has graduated from Master`s Program in Strategic Project Management, MIP Politecnico di Milano and participated in fellowship programme «Creation of incubators, accelerators and technoparks for innovative businesses» (Detroit, USA).



## Ms. Lucia Usurelu

Lucia Usurelu is a fully qualified consultant in project management for SME sector, Women Entrepreneurship Program on international and national level. She initiates ideas to develop results. She has elaborated expertise in business consulting, strategic planning, international management, budgeting, financial reporting, fiscal and taxation system. Lucia conducted several projects on SMEs development and women entrepreneurship, and initiated many projects targeting on women and young entrepreneurs supporting Moldova's economic growth by encouraging them. Mrs. Usurelu possesses comprehensive knowledge of modern networking techniques besides that she has superb coaching and mentoring skills in delivering impressive presentations to individual or group audiences.

# The associated events



**ELF CONFERENCE**  
**"Promoting Women Entrepreneurship in Eastern Europe"**  
10 - 11<sup>th</sup> of June 2017,  
Chisinau city,  
Republic of Moldova

**ELF WORKSHOP**  
**"Promoting Women Entrepreneurship in Eastern Europe"**  
13<sup>th</sup> of June 2017,  
Cimislia city,  
Republic of Moldova



**ELF WORKSHOP**  
**"Promoting Women Entrepreneurship in Eastern Europe"**  
14<sup>th</sup> of June 2017,  
Ungheni city,  
Republic of Moldova

Efka Heder | Olesea Fortunal  
Anna Novitskaya | Lucia Usurelu

# Promoting **Women Entrepreneurship** in Eastern Europe

Gender mainstreaming in different areas of activities and policy has become one of the core themes of many nations in the Western World. While policies of gender equality have been steered in the EU member states, Eastern Europe is behind in promoting women in different roles in the society. Thus there is a need in assessing the regions specific causes of this gap. This has the potential of unveiling the full of spectrum of challenges for women entrepreneurship development as a whole and the needed shift in attitudes, aspirations and abilities to improve processes for women to be able to realize their ambitions socially, economically and politically. The publication identifies different opportunities for evidence based backing actions at various levels of business development taken the specifics of existent attitudes in the communities they live in and differentiating rural and urban areas with their particular cultures.

As a means to creating solutions, the research highlights the potential of women entrepreneurship support groups in the region that can drive gender-equality by changing social paradigms, altering attitudes through advocacy, endorsement, transfer of experience, mentoring, peer exchange and real empowerment.