

Women Entrepreneurs in Tourism – With Special Reference to the Moravica District

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Abstract

The research was focused on analyzing the role of women entrepreneurs in business sector of tourism within the Moravica District, or more precisely the focus was on the experience and challenges of women entrepreneurs within the researched territory. The research results indicated to reliable insight into the current position, as well as possibilities and threats of further tourism development, by considering concrete advantages and difficulties that might occur on the basis of starting their own business, especially in the case of women entrepreneurs. In respect to that, the research results provided a realistic perception of opportunities, as well as barriers for further development of women entrepreneurship in tourism of the Moravica District. The research results pointed to the fact that women from the Moravica District, who are independently engaged in tourism, are faced with various challenges. These challenges mainly occurred by the absence of appropriate trainings and educations in tourism industry, as well as by insufficient access to financial resources for starting or improving their business. All together might provide a basis for organization of educations and trainings that will obtain all the necessary information on different subventions that might facilitate the business operations of female entrepreneurs.

Keywords: women entrepreneurs, entrepreneurship, start-up business, tourism, Moravica District

Introduction

Raising influence of entrepreneurship as a contemporary scientific discipline has been noticed in recent decades within management as important aspect of the economic science (Bobera, 2010). Women entrepreneurship is a special branch of entrepreneurship, which is initiated and founded by women who start it with their innovative ideas and who are actively involved in its management (Ribeiro et al., 2021). Entrepreneurship itself might also be considered as a skill or activity that involves starting, as well as leading operations, but also the overall organization of business in line with the aim of making a material profit, which is the main reason why

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raising number of females decided to start their business in recent decades (Stoica, Roman, & Rusu, 2020). Women entrepreneurship is another way for providing the better position of females in society, due to the fact that there is a raised awareness on their readiness for taking the risk of this type of business, nothing less comparing to the male entrepreneurs (Boldureanu, et al., 2020).

This research is focused on representation of the main characteristics of the women entrepreneurship in tourism industry within the territory of the Moravica District. The main subject of this research is, therefore, related to representation of the profile of female entrepreneurs in tourism industry, as well as their concrete position in entrepreneurship itself. The research also considered the position of tourism within the given area, on the basis of analyzing the possibilities and disadvantages for development of this activity, as well as the advantages and threats that might raise with starting personal independent business. Accordingly, it could be said that the main aim of this research is oriented towards analyzing the current state of women entrepreneurship within the territory of the Moravica District, especially in the branch of tourism, in order to represent the real possibilities, as well as barriers for its further development.

Literary review

Entrepreneurship is relatively young discipline within social sciences, which began to develop in the field of the management in the 80s of the XX century (Bobera, 2010). Nowadays, there is a clear distinction between entrepreneurship and other management disciplines and this distinction became even more expressed during the last decade of the XX century (Akin, et al., 2019; Radović Marković, 2009). A special increasing trend in development of women entrepreneurship was noticed a little bit later, just before the end of the XX century, at the same time with strengthening of the gender equality (England et al., 2020; Ribeiro et al., 2021). However, there is still no generally accepted definition of entrepreneurship and women entrepreneurship as scientific disciplines. No matter the fact, on the basis of the existing literature, it could be said that entrepreneurship actually put the emphasis on dynamic and constant search for new business opportunities, innovation, reliable intuition and assessment, as well as the readiness for taking the risk (Ćirić et al., 2019).

Theorists have been dealing with the concept of women entrepreneurship for more than 25 years (Yadav, Unni, 2016; Penezić, 2009; Radović Marković 2009; Jennings, Brush, 2017). Although obtained knowledge of these phenomena increased dramatically, numerous questions still remain unanswered. This might be a consequence of the fact that there are universal determinants that affect entrepreneurial behavior regardless of the gender characteristics and specifics of the environment, such as the economic structure of the entire society. In other words, identical variables might affect both men and women when they start their own entrepreneurial venture and make entrepreneurial decisions (Penezić, 2009). However, the fact that male entrepreneurship is systematically and significantly more represented in overall economic structures is indicating the existence of asymmetry of universal factors and different behavior of males and females in relation to entrepreneurship (Burch, 1986).

Women entrepreneurship - a new branch of entrepreneurship

Definitions of women entrepreneurship that are the most often used in the academic literature, according to several authors, pointed out that this construct is related to business started by females who founded their own companies (Bennett, Dann, 2002; Ćirić et al., 2019; Ogundana et al., 2021), or those females who own concrete businesses organization, whether they personally founded them or acquired them in other way (Aidis, 2005; Ogundana et al., 2021). Women entrepreneurship is, therefore, initiated by females who are initiators of innovative ideas with their active involvement in its management. Authors of this paper believe that the most complete definition of women entrepreneurship is: 'woman entrepreneur is a person who starts and organizes her own business with the goal of making a profit, ready to face with the risk that this venture carries' (Ćirić et al., 2019). Therefore, women entrepreneurs are persons who own more than 50% of the company and manage it, they are also actively involved in the business of the company as managers or executive directors and they create employment for themselves and the others, as well. Nowadays, 1/4 of the existing companies might be categorized as women companies (Ćirić et al., 2019; Suseno, Abbott, 2021).

It is important to indicate the fact that women entrepreneurship is understood differently in developed and underdeveloped countries. Within countries in transition, there is a special treatment of entrepreneurship which is often considered as a social category, which points out that in entrepreneurship there are mostly people who have no other choice on the labor market, and for that reason they become so-called 'entrepreneurs in emergency'. This category mainly includes women who start their own business due to the lack of choices for different types of employment. When it comes to women entrepreneurs in Serbia, it might be said that this category was initiated and conditioned by the socio-political situation. Women became active at the moment when the legal conditions were created with the implementation of reforms in the field of tourism (Cvijanović, et al., 2018; Suseno, Abbott, 2021).

The existing increases in this area, however, are not negligible and became significant since 2008 due to the fact that a favorable climate has been created for the formation of small businesses. Since then, more than half of the businesses founded by females have managed to survive in Serbia, despite the attitude that women entrepreneurship is a social category that arises out of necessity. Previous research showed that women entrepreneurship in Serbia has 'a great potential in generating economic growth and development' (Ćirić et al., 2019), or more precisely that it is experiencing an evolution in a direction from social to economic category (Popović-Pantić, 2014; Suseno, Abbott, 2021).

Women entrepreneurship in tourism of the Moravica district

Administrative District of Moravica is located in central and southwestern part of the Republic of Serbia, surrounded by Zlatibor, Kolubara, Šumadija and Rasina Districts. It covers an area of 3,016 km². The largest settlement and administrative center of the District is the City of Čačak (Marković, Popović, 2016).

The biggest development and tourism strengths of the District are natural resources, mostly represented in forms of the mountains, such as Kopaonik, Rogozna, Čemerno, Željin, Goč, Rudnik. There are also lower mountains, such as Jelica, Gledičke planine and Kotlenik. Ibar and Morava are the largest rivers flowing through the District and they possess extremely high hydro potential favorable for energy and thermal mineral springs. This area is suitable for

spa tourism due to the existence of the following spas: Vrnjačka, Ovčar, Slatinska, Jošanička, Bogutovačka, Novopazarska and Mataruška, Gornja Trepča, as well as the spa near Novi Pazar (Marković, Popović, 2016).

Within the Strategy of Sustainable Development of the City of Čačak as well as the Moravica District, tourism is considered and represented as a part of the overall services (<https://turizamcacak.org.rs>). Women of the Moravica District are increasingly engaged in entrepreneurship in tourism industry. However, the existing problem in entrepreneurship is related to the question of the gender equality. In Serbia, in wider terms, as well as in the Moravica District, in narrow one, women represent one of the most vulnerable groups, although in the past period there have been major changes in terms of harmonization of legislation and relevant institutions with the EU. Remaining problems are related to inequality in terms of social and economic inclusion (Bobić, 2017). Serbia is behind the EU in terms of general gender equality based on the Report on the Gender Equality Index (Vlada Republike Srbije, 2016). This report showed that the biggest gap in equality between males and females is in the field of employment (including the unfavorable working conditions for women) and more difficult access to capital for women entrepreneurs. There is also a big gap in terms of entrepreneurship. Within registered companies, a total of 26% are partially or wholly owned or started by women (Babović, 2012). A survey published by the Center for Advanced Economic Studies on attitudes about entrepreneurship showed that difference in entrepreneurial intentions is not so pronounced. More precisely, 27% of women in Serbia would rather start their own business than work for a salary in the private or public sector. This percentage for men is 33% (Bobić, 2017).

Tourism sector provides various entry points for the employment of women and opportunities for self-employment in a small and medium-sized enterprises and entrepreneurial structures. Tourism represents an opportunity in a direction of supporting the gender equality and economic empowerment of women. The share of women employed in tourism industry is high, but such employment is usually characterized by unskilled, low-paid jobs. In addition, it should be emphasized that numerous forms of employment in tourism are seasonal ones and they oscillate in accordance with the changing nature of the industry (Pavlović, Krstić, 2016).

In general, profession and position of women in tourism industry of the Moravica District might be considered as horizontal and vertical gender segregation in the labor market. Horizontally, women and men are engaged in different occupations. Vertically, the 'gender pyramid' predominates in tourism sector, so women dominate at lower levels and occupations with less career opportunities, while men dominate within the key managerial positions. Although women in the Moravica District achieve a higher level of education, their share within the management positions remains unacceptably low (Simić, 2015). Integrating of the gender perspectives in the field of tourism is especially important because tourism industry is one of the main sectors with numerous employment opportunities for women (Bobić, 2017).

Methodology

Instrument

The research was conducted on the basis of the survey research, by using the questionnaire formed for this purpose. Open ended questions, 23 in total, were divided into the several main fields, such as socio-demographic characteristics of the respondents, including the households' characteristics, as well as their gained skills and trainings related to starting the new venture.

All of these questions were focused on analyzing the role of women entrepreneurs in business sector of tourism within the Moravica District, or more precisely the focus was on the experience and challenges of women entrepreneurs within the researched territory.

Sample

The sample obtained 30 female entrepreneurs that are operating in the form of the legal entities, individuals and associations in tourism within the Moravica District. More precisely, these females are owners of bed and breakfast services, restaurants, cafes, travel agencies and accommodation units.

The youngest respondents were at least represented in the sample, while the number of the respondents in other age groups was relatively approximate, which is consistent with the aging process of the population in the Moravica District. More precisely, 18.4% of the respondents have between 20 and 29 years, 27% are aged between 30-39 years, 28.8% of the respondents have between 40 and 49 years, while the oldest group, aged between 50 and 60 years, represents 25.8% of the total sample.

Basic data on the respondents' profile showed that majority of them are middle-aged women, who live in the medium-sized households, they are married and have children. In terms of their education, 60% of the respondents gained the secondary education degree, while the rest of them (40%) have the faculty degree level of education. Equal share of the respondents was from developed and underdeveloped municipalities. However, it is interesting to notice that 20% of the respondents were born outside the Moravica District.

Only 56% of the respondents has up to 10 years of working experience in tourism sector. The other 44% have over 10 years of working experience. It is also important to indicate that 26% of them are over 15 years in tourism business and they indicated that they passed through difficult periods to form their own tourism brand.

Majority of the respondents, 70% of them, indicated that their monthly incomes amount between 588 USD and over 883 USD. Even 87% of the respondents said that they are not satisfied with their incomes, as well as that their financial resources are insufficient, comparing to their potential and numerous ideas they would like to realize.

Results and discussion

In order to examine the motives for starting their entrepreneur ventures, the research observed the position in which the current women entrepreneurs were in the labor market just before they started their own business. The research was also focused on identifying the forms of the capital they had at their disposal during the start-up period, as well as the sources and forms of support they had. The research results indicated that majority of the respondents, even 64% of the total sample, was employed before the establishment of their own business, formally or informally, independently or within the business of other employer. In the Table 1 it could be seen that the largest percentage of current female entrepreneurs were formally employed by the other employer. However, a significant share of women entrepreneurs in the sample (37%) was directly unemployed before they started their own business.

Table 1. Status in which women entrepreneurs were before starting their own business

Status	Percentage (%)
Formally employed by another employer	43
Informally self-employed	6
Informally employed by another employer	9
Previously owned a company which was closed in the meantime	5
Unemployed (did not worked formally nor informally, they were actually actively involved in searching for the employment)	21
Inactive due to their education process	8
Inactive due to their care of children and family	4
Inactive for other reasons	4
Total	100

Source of the data: Research Results

Among the respondents who were unemployed before starting their current job, 40% of them had never even been employed and they were in a position of looking for their first job, 17% of the respondents lost their job as a technological surplus, 11% of them lost their jobs due to the liquidation of the company in which they worked for, 13% of them made a career break due to their maternity absence, while 17% of the total sample voluntarily left the job due to unfavorable working conditions.

Majority of the unemployed respondents were long-term unemployed (55%), while minority of them had another individual business before the current one. Among the respondents who were employed, 40% of them had managerial experience (about 10 years long working experience within the managerial position) during a previous working career. Most of the respondents did not have family support, because their families considered that entrepreneurship requires a great risk for a woman to start-up their individual business in tourism. A smaller number of the respondents had the family support, because the members of their families are also involved in the common business. In these cases, the woman that start-up the business is considered as a director/manager of such business, while the rest of the family members are actively involved in the business development.

The main motives for starting their own business and entering the entrepreneurship are mostly, even in 46% of the cases, associated with the need for business independence, personal advancement and the economic independence. This is followed by their motivation for realization of their business ideas. Their need for higher earnings, as well as their need to face with new business challenges is the reasons in 54% of the cases and it is related to the fact that area in which they live contains great tourism potentials.

According to the research results, represented in the Table 2, it could be seen that there are two main reasons that might be considered as crucial for starting the entrepreneur ventures. These two reasons are related to the economic necessity and good business opportunities. However, percentage of the respondents who indicated the economic necessity as the main reason is still predominant. According to these research results, it could be concluded that in the Moravica District, although it is an exceptional in terms of tourist potentials that require creativity in every sense for its further development, majority of the respondents decided to start their independent business out of the economic necessity, which means that these women entrepreneurs could not solve the problem of their unemployment, or low-quality employment, in a different manner. Minority of them started their own business due to the

recognized business opportunities or business ideas. In respect to that, all examined women entrepreneurs within the Moravica District might be divided into those who started their independent business out of necessity (60%) and those who started their entrepreneur venture due to the chances that appeared (40%), in order to stand out their creativity.

Table 2. *Motives for starting the entrepreneur ventures*

Motives	Percentage (%)
Good business idea, concrete business opportunity perceived	9
The need for new challenges	12
The need to be independent in business	18
The need to convert the hobby into the business	10
The need to dedicate themselves to business after the children have grown up	8
The need for earning the additional money	22
The need to solve the problem of the unemployment	9
The need to escape from unfavorable business conditions on the previous job	6
It was the only way to work in their professions	6
Total	100

Source of the data: Research Results

Respondents from the Moravica District, more precisely 43% of them, started their entrepreneur business on their own, while 65% of them had to associate with other women business partners. It is not such a surprising fact, having in mind that, nowadays, an increasing percentage of young women are entering in this kind of business. According to the research results, it could be said that respondents had the appropriate professional knowledge regarding the entrepreneurship, tourism, they had useful business contacts when starting their business ventures, and however, they often did not own enough financial resources, which is the main reason for establishing the business partnership with other women.

Most of the respondents indicated that they used the family money to start their business together with other family members, but they also used their own savings, or the money borrowed from friends/family members, as it could be seen in the Table 3.

Table 3. *A source of the first capital for starting the entrepreneur venture*

Motives	Percentage (%)
Common family money	38
Personal savings	26
Borrowed from friends/family members	13
Gift from friends/family members	6
Severance pay from the previous job	3
Loan from a commercial bank according to the market terms	3
Entrepreneurship support program from a state institution	6
Other	5
Total	100

Source of the data: Research Results

Even 60% of the respondents believe that their business might be considered as sustainable, precisely because of attractiveness of the Moravica District and the great tourism resources that this region contains, while the rest of them are worried about their business ventures, because they are faced with problems of financing and innovating their business or offer in general on a daily basis.

In addition to general problems and obstacles that stand in the way of sustainability and development of the entrepreneur business venture in the field of tourism, it was also important to examine the attitudes and perceptions of the respondents in terms of the gender equality. Majority of the respondents, even 93% of them, consider that starting the entrepreneur venture is harder for women, comparing to men within the Moravica District. Prejudices are mainly manifested in the form of underestimation of their abilities, or even in the form of refusal for cooperation, where sabotage and disrespect are also often emphasized by the others.

Besides the problems related to the gender equality, the respondents also emphasized the other problems, that are common for both, women and men entrepreneurs. Thus, respondents pointed out the aforementioned problem of gaining the financial resources, followed by complicated procedures related to the registration of their business.

Finally, even 68% of the respondents pointed out that they did not have enough support from the competent institutions on the local, regional and national level to start and later improve their own business. They also pointed out that there are many business barriers that are contrary to the potential and opportunities for sustainable tourism business. It is very difficult to start a business on your own today, in circumstances of inaccessible financial resources and complicated administrative procedure.

Conclusion

Women tend to engage in entrepreneur ventures for a variety of reasons, such as a need for a better quality of life and financial independence, or need for increasing their own monthly incomes. However, the research results pointed to the fact that women from the Moravica District, who are independently engaged in tourism, are faced with various challenges. Lack of favorable banking credits, insufficient support from the authorities, difficulties in obtaining the European Commission funds or the lack of financial incentives for tourism entrepreneurs forces the majority of accommodation units' owners in the Republic of Serbia, including the Moravica District, to use only their own funds for starting the new business venture.

Due to the fact that the main focus of the research was on women who are engaged in their own business in this area, the research showed that they are facing the same obstacles, as well as male entrepreneurs and these problems are mostly related to insufficient financial resources. The research results also indicated that women entrepreneurs have not yet sufficiently supported by the authorities, as well as by the local environment. The government has no specific programs to help women entrepreneurs. The only help that these women receive is in the form of a possible tax exemption within the already known program "help to small entrepreneurs".

No matter the fact that there has been a growing trend in women entrepreneur within the Moravica District in recent decades, it could reach the maximum of its development only through greater support in the future in order to become competitive in tourism market.

The main limitations with this research is unavailability of informations and also insufficient of public support. But if we look from the bright side, the woman entrepreneurship is in the growing phase so there is a space for this theme to develop further research.

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