

Women in Bosnia and Herzegovina and Starting Their Own Business



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ABSTRACT

This paper gives a comparative overview of the increased willingness of women in Bosnia and Herzegovina to start their own business, on a turnover from the 20th in the 21st century. There are presented the current state of unemployment of women, as well as their educational structure depending whether or not they are ready to start their own business. Alongside there are results of target researches, which lists the reasons why a number of women are not ready to start your own business.

Introduction

Women are important, but "unrecognized" forces in the economy of Bosnia and Herzegovina. In the years after the war, despite the positive legal and political change in favor of women, the fact is that women are still "vulnerable" in its economic status comparing to men.

In Bosnia and Herzegovina, women have significantly lower participation in the labor force of only 35.6%, compared with a global

average 52.5%¹; It can be said that they are "suffering" from high rates of unemployment and earn on average less than men².

The fact is that women in a small number choose to start their own business.³ According to the results of research from 2007. (2007, Labor Force Survey) only 22.6% of people employed in Bosnia and Herzegovina are self-employed; of this number 26.9% are women. According to the research, at the same time, women make up 69.3% so called "unpaid family workers".

However, here are listed basic statistical data, but in most domestic and foreign institutions and organizations it is very difficult to obtain information related to the socio - economic status of the female population of Bosnia and Herzegovina. From that very reason, it was difficult in one place to present and objectively assess the willingness of women in Bosnia and Herzegovina to start his own business and how this change over the years.

Women and Unemployment

Entrepreneurship creates jobs, which is very important in a country with high unemployment as in case of Bosnia and Herzegovina. Since the Bosnia and Herzegovina has the lowest share of female labor force in South Eastern Europe⁴, women's entrepreneurship may provide significant opportunities up to certain preconditions.

Table 1.⁵ Participation of women in the population of Bosnia and Herzegovina

- Expressed in thousands

	Total population	Working age	Force employed
Women	1.645	1.371	317
%	51,2	51,7	35,6

¹ IFC, MI-BOSPO (2008), "Voices of Women Entrepreneurs in Bosnia and Herzegovina", Washington, USA, pg.6.

² Ibid.

³ Ibid.

⁴ World Economic Forum, (2007); US Census Bureau, Yemtsov i Tiongston, 2008.

⁵ Agencija za statistiku Bosne i Hercegovine, (2008), "Anketa o radnoj snazi 2008", Sarajevo.

The fact is that of the total registered unemployed, a higher percentage is in the female population. All this happens as a consequence post-transition and socialist heritage, but also as a consequence of the general subordinar position of women in Bosnia and Herzegovina during the war 1992-1995.

Table 2.⁶ Gender structure of unemployment

Total number:	Unemployed	Unemployment rate in %
Women	244.096	50,9
Men	235.200	49,1
Total	479.296	100

Even when employed, women are earning significantly less than men. Women's income are much lower than male colleagues in both Bosnia and Herzegovina's entities.⁷ In the U.S., for example, employed women earn on average, 77 cents for every dollar that men employees earn. However, the data in Bosnia and Herzegovina have shown much greater gap between women and men.

Table 3.⁸ The structure of employment
- Expressed in thousands

	Employed	Self-employed	Helping members
Women	230	54	33
Total	654	197	48
%	35,6	27,4	68,9

Data from 2005. show that women in a smaller entity of Bosnia and Herzegovina, Republika Srpska, monthly earn less income when employed: U.S. \$ 48, compared with U.S. \$ 116 for men. In the Federation, second entity of Bosnia and Herzegovina, women's average monthly

⁶ Agencija za statistiku Bosne i Hercegovine, (16.01.2009.), "Registrovana nezaposlenost u novembru 2008. godine", Issue no.11

⁷ DFID, (2005), "Labor and Social Policy in Bosnia and Herzegovina: The Development of Policies and Measures of Social Mitigation. Living in BiH: Panel Study, Wave 4 Report", Bosnia and Herzegovina Council of Ministers, Sarajevo.

⁸ Agencija za statistiku Bosne i Hercegovine, (2008), "Anketa o radnoj snazi 2008", Sarajevo.

income was higher in 2005. year amounted to U.S. \$ 104, compared with U.S. \$ 157 for men employees. The specified difference in earnings can be justified partly by the reason that women are less time volume employed, but may also be associated with the fact that women are mostly employed in occupations which are paid less.

Women in Bosnia and Herzegovina and Starting Their Own Business on the Crossing of the 20th in the 21st Century

The reasons for starting a business can be different from pure intuitions, motives to have more freedom in the earnings until the necessity for self-employment, if there are conditions.⁹ When we have in mind the economic situation in Bosnia and Herzegovina at the moment, the last reason gained in significance.

There is willingness to start their own business among the female population in Bosnia and Herzegovina, mainly as a way of solving their own existence and way of dealing with existential issues.

*Table 4. STAR Research 2002.
The question of whether to start your own business?¹⁰*

Yes	255	59,58
No	170	39,72
I do not know	3	0,70
Total	428	100

In relation to the STAR research from 1998.¹¹, when over 18% of women reported to the willingness of entrepreneurs, we can say that it made significant progress. Even 16.67% of women respondents from the STAR pilot research in 2002. is in the capacity of private entrepreneurs and have the possibility of opening new jobs.¹²

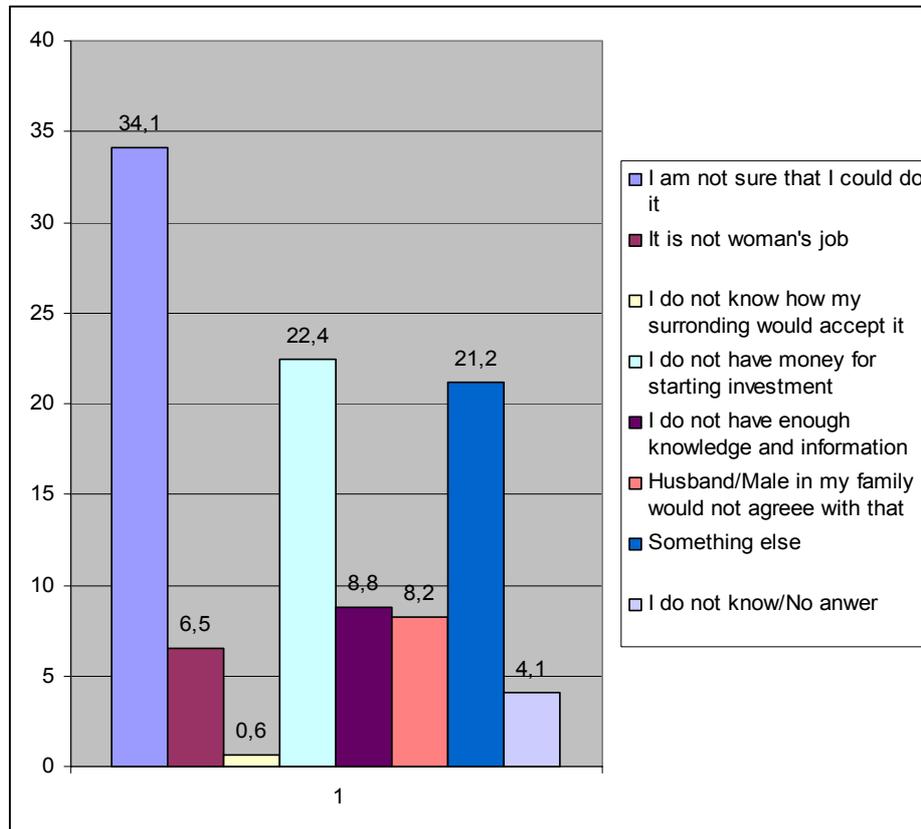
⁹ Dostić, Prof. dr. Milenko, (2002), "Management of small and medium enterprises", Sarajevo School of Business, Sarajevo, pages 57-59.

¹⁰ STAR Pilot Istraživanje, (2003), „Socio – ekonomski status žena“, Sarajevo.

¹¹ STAR Istraživanje, (november 1998.) „Žene u ekonomiji: Danas i sutra, socio-ekonomski status žena u BiH“, (Research conducted by Prism Research), Sarajevo.

¹² STAR Istraživanje, (2003), "Socio – ekonomski status žena u BiH", Sarajevo.

Displaying 1. Willingness to launch their own business, Socio - economic status of women in BiH, STAR Research 2002. year



Increase in the percentage of women willing to start their own business, it can be interpreted in the light of the overall economic situation in Bosnia and Herzegovina. Since unemployment represents one of the biggest problems of Bosnia and Herzegovina, in women, regardless of level of education, increases the willingness to start their own business as a possible way of solving economic problems.

Pilot study survey, on the willingness of women to start their own businesses in MCO organization "Women for Women", was organized in 2006. (Survey period of 23.10-01.11.2006). Respondents were female members of the joint household of 18 years and upward. Researches are carried out in three regions of Bosnia-Herzegovina: Banja Luka, Mostar and Sarajevo.

It is necessary to point out that the survey was followed by additional problems:

- Lack of central gender database,
- Lack of uniform statistical data,
- Lack of state jurisdiction in the area of economic, social and cultural rights, etc.

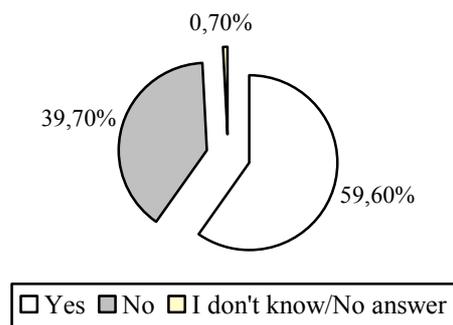
In Bosnia and Herzegovina, there is a very strong connection between the social roles of women, the education and occupations.¹³ For this reason it is very important to present following view, which compares the level of education are willingness to start own business.

Displaying 2.

a) Table. Comparison overview of education and willingness to launch own business, research, "Women for Women", 2006.

Education	Yes	No
No school	1,96	12,35
Not completed elementary school	8,63	22,35
Elementary school	13,73	19,41
Not completed secondary school	14,12	12,94
Secondary school	40,00	22,35
Faculty	21,57	10,59
Total	100%	100%

b) Picture. Willingness to launch own business, research, "Women for Women", 2006.



¹³ Agencija za ravnopravnost spolova BiH, (2009), Bosanskohercegovački Gender Akcioni plan, Poglavlje VI, page 2.

Data of willingness of women to start own business in comparison to their education, presented by research from the STAR 2002. and compared to the STAR research from 1998.¹⁴, register increased willingness to start own business among women who have primary and secondary education, while at the same time register decreased percentage among women who have higher education. Thus 1998. 6.1% of women with a primary education and 24.9% with secondary education, declared willingness to start a business, and 28.4% with a completed university degree.

In the group of women who were negatively expressed in connection with the willingness to start a business, it is not difficult to establish a connection with the level of education.¹⁵ Lack of education, knowledge, information, and etc. impact them to distrust their own abilities on the one hand, and creates objective difficulties on the other side. Therefore, it is close to half of women that said that they do not have security in their ability, knowledge, or that do not have the information needed to start independent businesses / uncertainty to be 34.12% and that do not have enough knowledge and information, 8.82%.

The reasons that we can subsume under the patriarchal power and that are limit the willingness of women to start businesses we have in 15.30% respondent: this is when business is presented as something that is off from the domain of women's activities (this is not women's work 6.8%) and rejection of such actions by the male members of the family (8.24%).

Conclusion

What can be concluded from the given data is that women in Bosnia and Herzegovina mostly are not highly educated. Often, this is the reason why they can not easily find jobs, but they are more and more willing to create jobs. Data show a trend of growth in the previous period, speaking in support of such claims.

We can say that the inclusion of women in the sphere of private entrepreneurship in Bosnia and Herzegovina is a consequence, on the one hand, huge unemployment and the desire to provide their own existence,

¹⁴ STAR Istraživanje, (november 1998.), „Žene u ekonomiji: Danas i sutra, socio-ekonomski status žena u BiH“, (Research conducted by Prism Research), Sarajevo.

¹⁵ Marković Radović Prof. dr. Mirjana, (2005), „Žene i mali biznis“, Poslovni biro, Beograd, pages 54 – 56.

and on the other hand, efforts to try the business world and implement their ideas.

Considering that the increasing willingness of women to turn to entrepreneurship, in a situation when a vacancy or new position comes almost five hundredths of unemployed, we need to think about further education and business training of such women. Since the major increase is recorded in women with secondary and lower education, it would be very reasonable to give them the knowledge of business skills which would ensure the increase of ability of their business success, and, on the other hand, reduce the risk of possible business failure. It would be possible, through targeted specialized business education seminars and educational workshops, which would make a lot to training women in various spheres and types of businesses.

In this regard, the initial activities were made, at least formally. Already mentioned the Gender Action Plan set the goals that connect three concepts: entrepreneurs, women, and government held activities. In this regard, in a period of two years from the adoption of the Gender Action Plan set the following goals:¹⁶

- Conduct research on the possibility of self-employment of women in Bosnia and Herzegovina,
- Develop a strategy for women to utilize planned programs to support entrepreneurship,
- Strengthen the capacities of women entrepreneurs through education in companies,
- Initiate making decision, that at least 30% of users of credit markets that are launched by Government are women entrepreneurs, etc.

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¹⁶ Agencija za ravnopravnost spolova BiH, (2009), „Bosanskohercegovački Gender Akcioni plan“, Poglavlje VI, Sarajevo, page 28.

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