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Women's Entrepreneurship

The 13th e-bulletin of The Observatory of The General Secretariat for Gender Equality (GSGE) deals with the thematic area of **Women's Entrepreneurship**. More specifically, statistical data are presented for women's entrepreneurship in Greece and in the European Union.

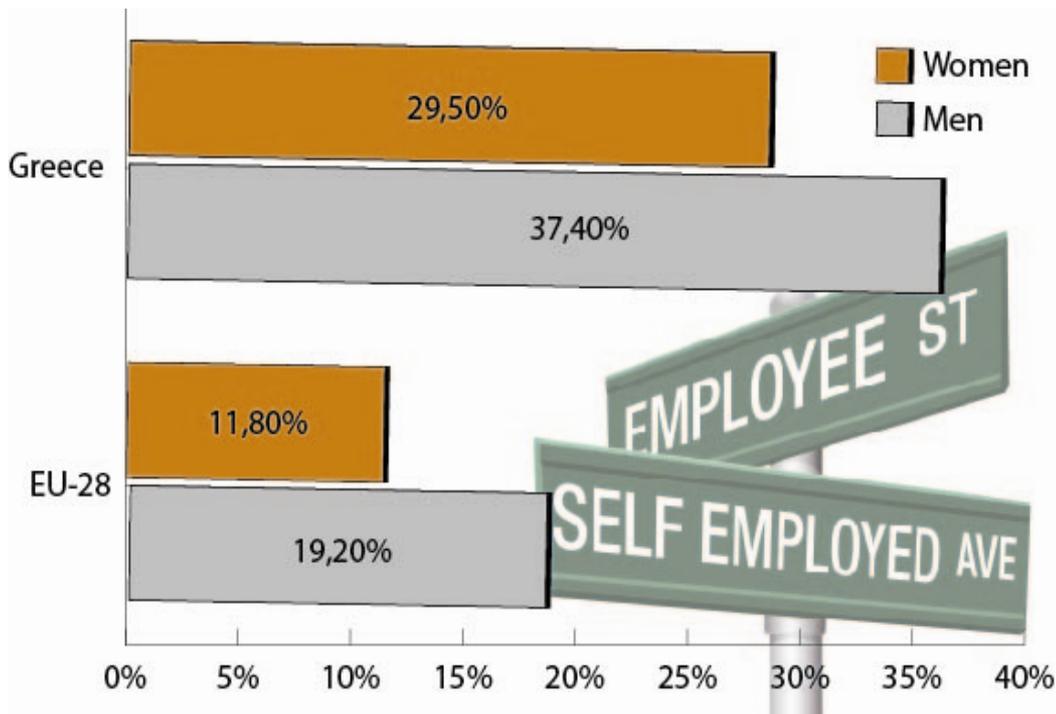
Finding a definition for women's entrepreneurship, accepted by all member states in the European Union, has been an issue for several years. There is no concord among all member states (e.g. some focus on self-employed persons, while others include freelance doctors in entrepreneurship). The European Commission usually uses the following definition for planning and implementing policies: Women's entrepreneurship refers to businesses in which 50% of the property belongs to a woman and the management is carried out by a woman.

Figure 1: Self-employed women rates over total self-employed population (Greece, EU-28, 2016)



According to the World Bank, women entrepreneurs own slightly more than 30% of the officially registered businesses worldwide. Corresponding percentages appear in Greece and the European Union, where about 1/3 of self-employed persons are women.

Figure 2: Total self-employed population over total workforce (Greece, EU-28, 2016)



In Greece, in 2016, the ratio of self-employed women and men to the total workforce is notably high, compared to EU28, as is the case for previous years.

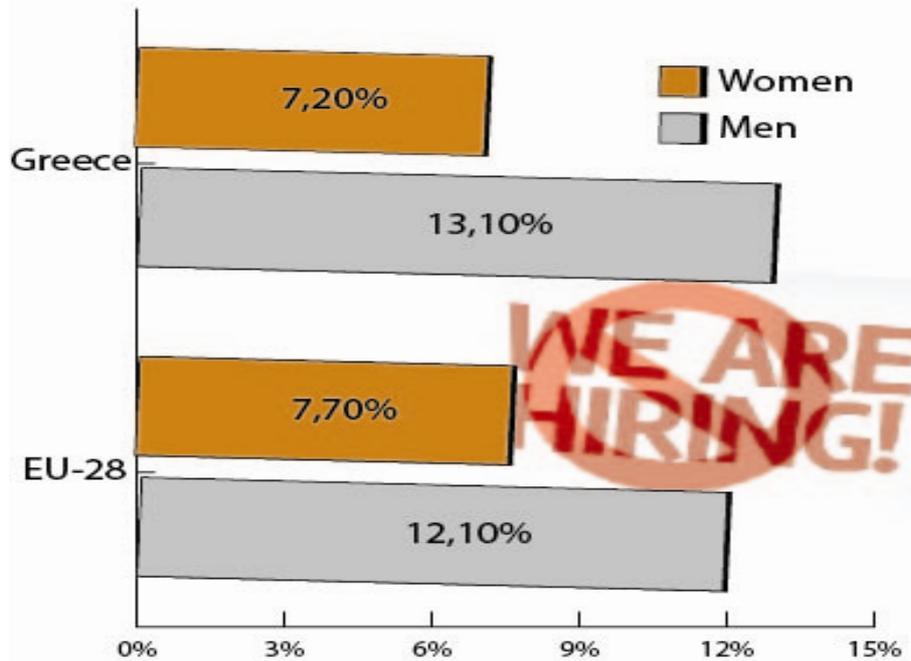
More specifically, the self-employment indicator for 2016 shows that 29,50% of total working women in Greece are self-employed, while the ratio of self-employed women to the total working women in EU-28 is only 11,80%. Generally, since 2007 (year of establishment for the specific indicator in EIGE's database), Greece precedes in women's self-employment among all member states of the European Union.

"Bogus" self-employment is a term often characterizing a significant amount of self-employed persons and refers to 4 basic elements:

- a) dependence on only one client
- b) presence of regular payments
- c) lack of capacity to freely hire new workers
- d) lack of capacity to make important decisions related to the business.

The rates of self-employed persons without employees in Greece for the 2nd quarter of 2017 are presented in the figure below.

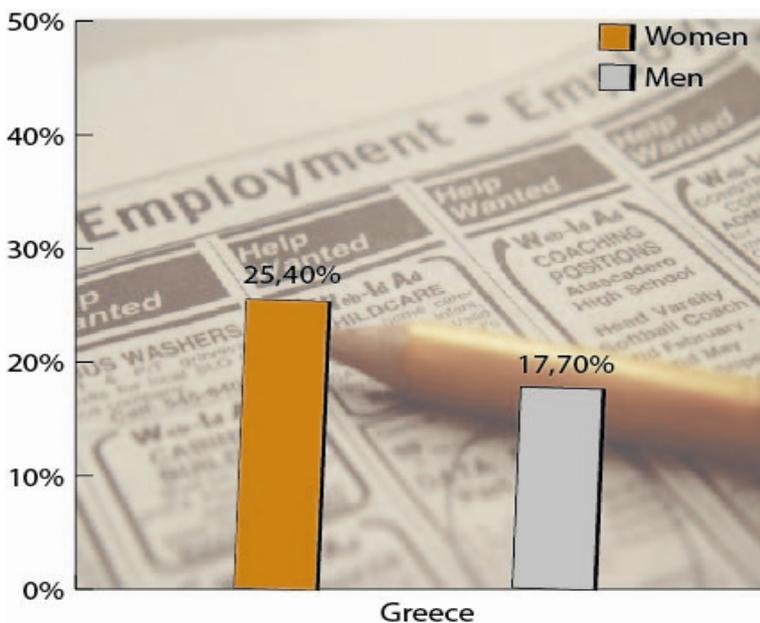
Figure 3: Self-employed population rates without employees (Greece, 2nd Quarter 2017)



It is worth mentioning that the number of self-employed persons in Greece was reduced in the last quarter of 2016, due to the reformation of the insurance/pension policies by law 4387/2016.

Entrepreneurship is also associated with unemployment. As shown below, unemployment can lead women and men to various forms of entrepreneurship.

Figure 4: Unemployment rates per gender (Greece, 2nd Quarter 2017)



In the 2nd quarter of 2017, women’s unemployment rate in Greece reached 25,4% (547.100) against 17,7% (469.500) for men. It needs to be noticed that the 2nd quarter includes the beginning of the touristic period, which implies an increase in seasonal occupation, thus a decrease in total unemployment rate is normally expected after April.

Indicatively, according to OAED, which is the national organization promoting employment in Greece, the rate of unemployed women in May was reduced by 2,71% (14.621 women), while men’s unemployment rate was reduced by 6,21 % (20.335 men). However, examining the data in the

following months reveals that women don't benefit from seasonal occupation to the same extent as men. Men's unemployment rate kept falling from April to September, while in women's rate ups and downs can be observed.

Table 1: Total unemployed women and men (Greece, April-October 2017)

Month	Men	Women
Apr-17	327.275	537.934
May-17	306.920	523.313
Jun-17	297.303	524.821
Jul-17	295.428	535.037
Aug-17	292.775	534.715
Sep-17	288.262	511.702
Oct-17	300.550	523.967

Figure 5: Total unemployed women (Greece, April-September 2017)

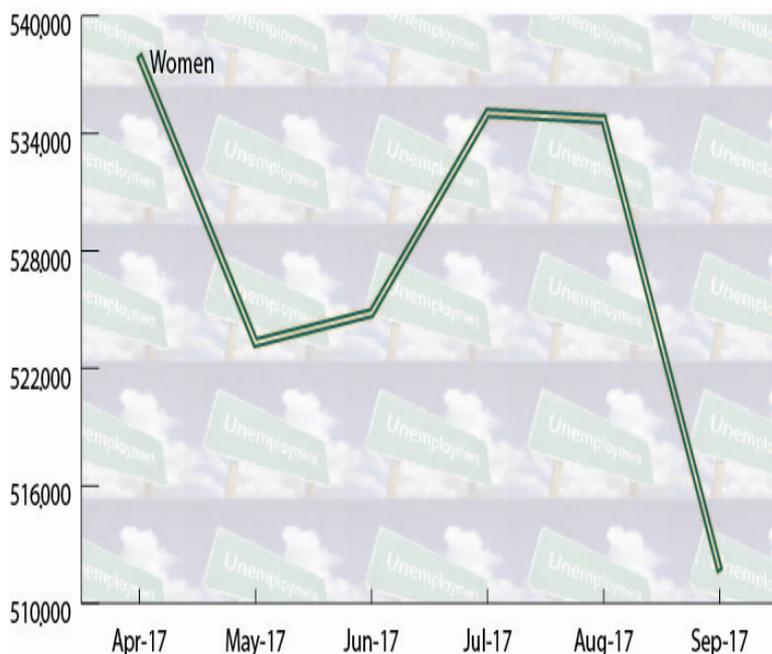
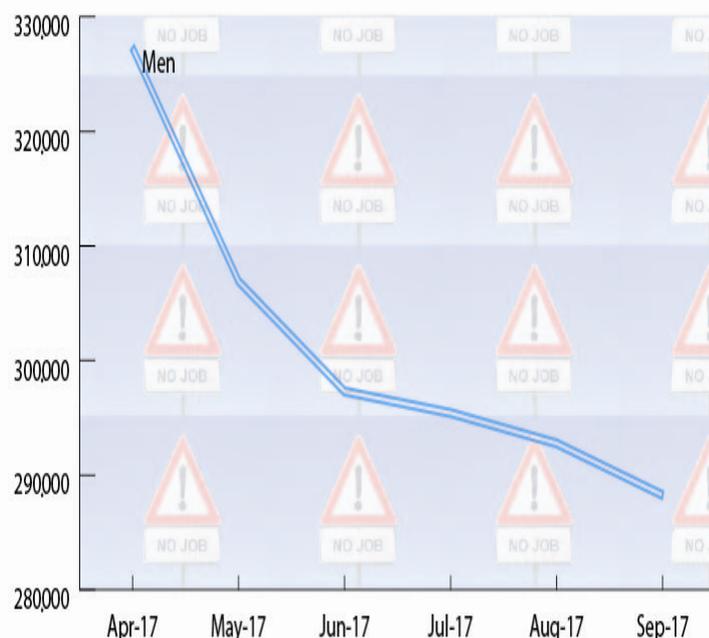


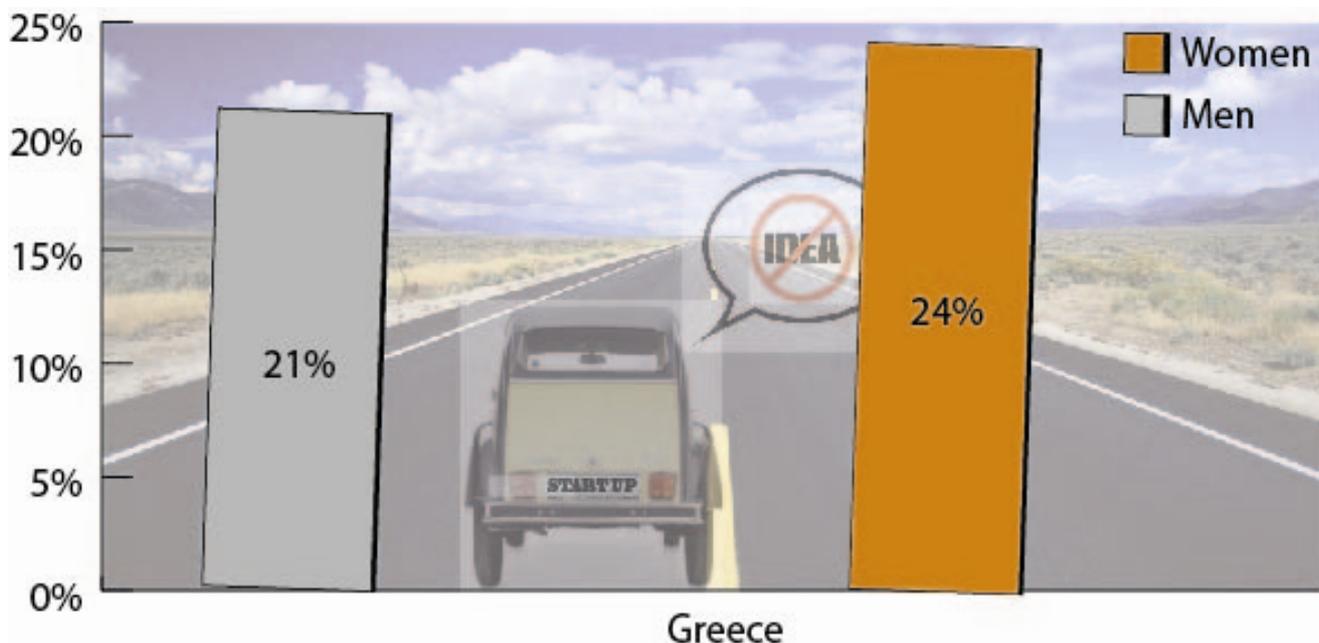
Figure 6: Total unemployed men (Greece, April-September 2017)



According to the Foundation for Economic and Industrial Research's last report for entrepreneurship, when a person is pushed to entrepreneurship due to lack of other employment options, this is called necessity-driven entrepreneurship. In Greece, because of the high unemployment rates, starting a new business is more a survival option than a chance to take advantage of a business opportunity. It is, however, positive that, in 2015, the lowest necessity-driven entrepreneurship rate was noticed since 2008, the beginning of the economic crisis in Greece.

Generally, as shown in the figure below, women’s necessity-driven entrepreneurship is only slightly higher than men’s (24% against 21%).

Figure 7: Necessity-driven entrepreneurship of women and men (Greece, 2015-2016)



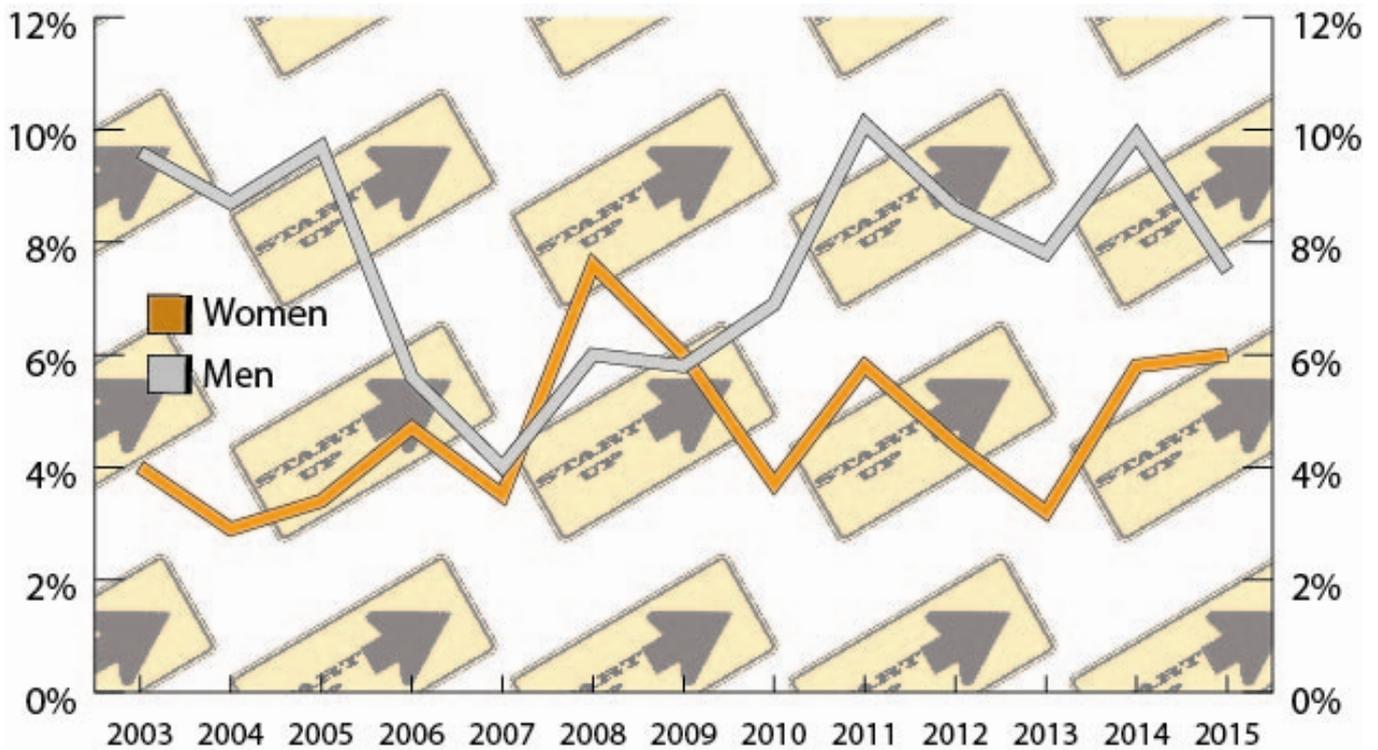
In any case, either driven by unemployment or for taking advantage of a business opportunity, the term start-up is used to define the start of a new business. The proportion of start-ups by sectors of economic activity for 2015 is shown in the figure below:

Figure 8: Rates of early-stage entrepreneurship by sector of economic activity (Greece, 2015)



Women’s start-ups in the period 2014-2015 were raised from 5,8% to 6% (210.000 start-ups), while men’s startups were decreased from 9,9% to 7,5% (250.000 start-ups)

Figure 9: Early-stage entrepreneurship progress per gender (Greece, 2003-2015)

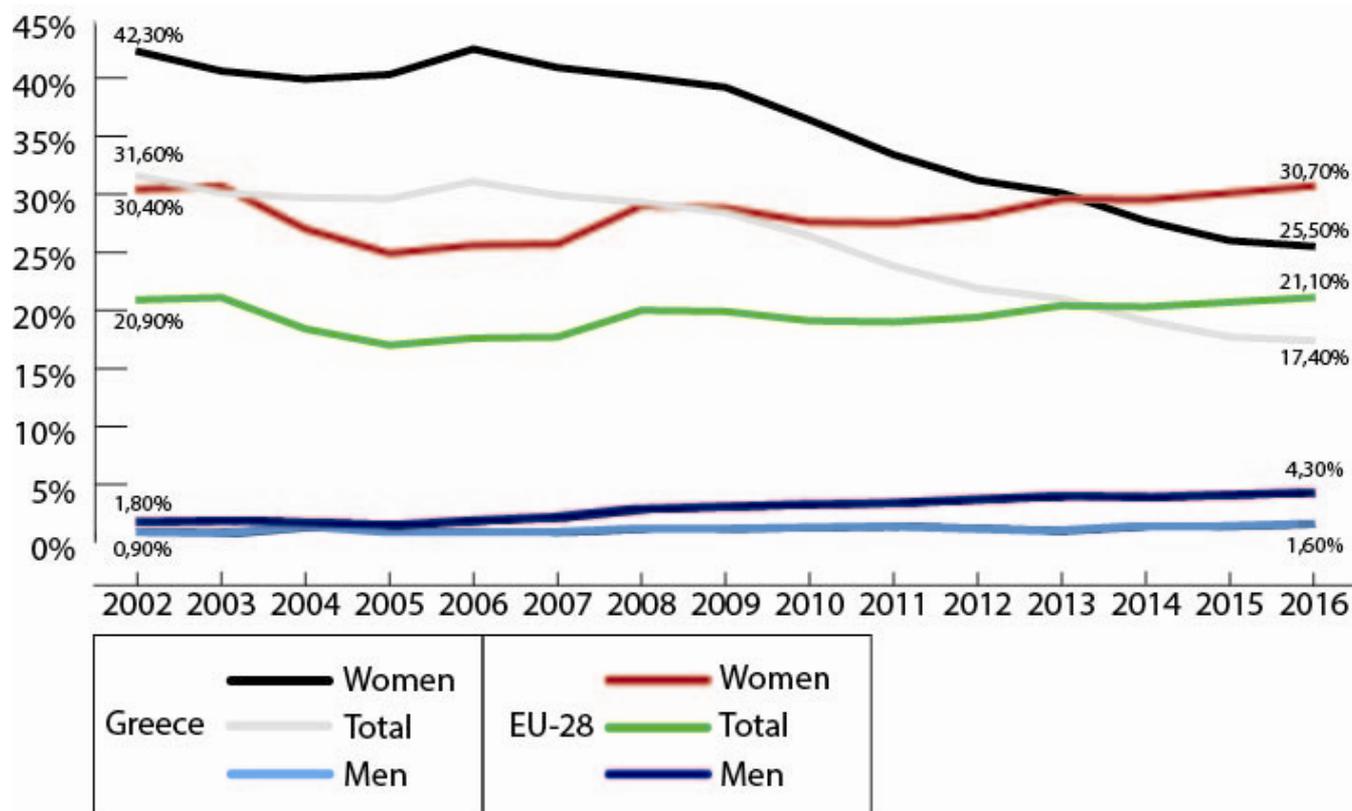


As we can see, in 2015, the entrepreneurship gap between women and men was blunted for the first time since 2009. It's also the third year in a row that there was an increase in the amount of women's start-ups, so we could say it is now a trend. Despite the difficulties in discerning between entrepreneurship and self-employment, it's a fact that women still encounter many obstacles in establishing and operating their businesses.

The fact that women still undertake more caring responsibilities than men, is a crucial factor that limits women's capability of lobbying, vocational training, keeping track of the new trends and generally involving in any activity to evolve and enhance their businesses

Indicatively, according to Eurostat data, in 2016 caring responsibilities deprived women aged 20-64 of entering the labor market at a rate of 30,7% (3.2% increase since 2011). At the same time, only 4,3% of men (0,9% increase since 2011) were deprived of entering the labor market due to caring responsibilities.

Figure 10: Rates of women and men (including total) that can not work due to caring responsibilities (Greece, EU-28, 2002-2016)



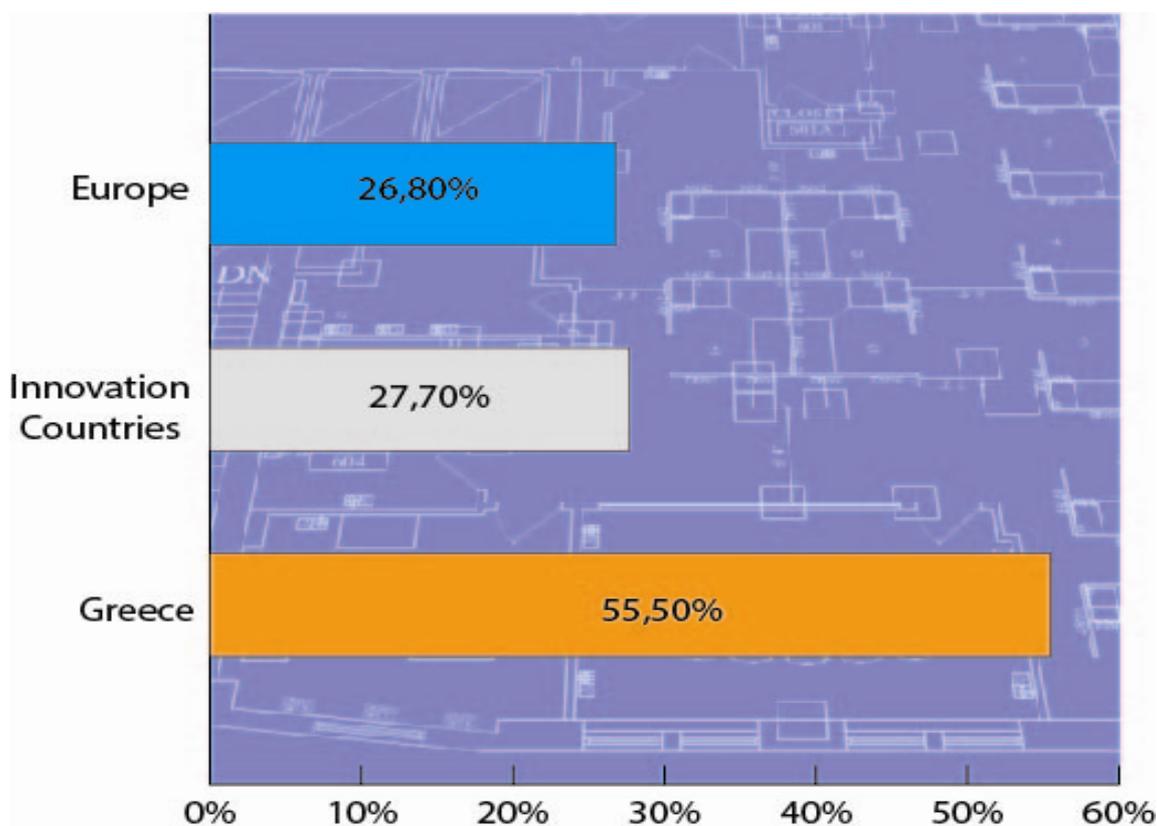
Moreover, according to the last Entrepreneurship report of The Foundation for Economic and Industrial Research, women-led businesses tend to focus on retail and service sectors where profits and growth opportunities are lower, and rarely in more profitable industries such as manufacturing, electronics or software. Men have more social connections that allow them to access business opportunities, information and contacts. As a result, women have a disadvantage from the start, having fewer business connections, role models and guidance opportunities, which may, in the long run, adversely affect their businesses.

According to the World Bank, 70% of women entrepreneurs in medium and small-sized businesses, in developing countries, can not obtain financial aid from financial institutions. As a result women-led businesses appear to have a total economic deficit of 300 billion a year.

Another category of the population related to entrepreneurship is the so-called "informal investors". The term "informal investors" refers to people who finance another person in order to start a new business without the first person being involved directly. In this occasion the person that financed the business is neither the owner nor the manager. In fact, they are people who substitute official financing mechanisms.

The role of the close family in Greece is decisive and defines the relationship between the informal investor and the recipient of the funding: 69% are people that belong to the immediate family and a 15,5% concerns people from the wider family circle. Thus, an overwhelming 85% of "informal investors" are simply family members, which may even take decisions under the psychological pressure of high unemployment rates to fund a venture that starts some member of the close family. According to The Foundation for Economic and Industrial Research, "informal investors" in Greece are mostly women. More specifically, the percentage reaches more than twice of European average (55,5% against 26,8%).

Figure 11: Informal women investors



In order to eliminate the inequalities in Women's Entrepreneurship that are mentioned in this report and according to the National Action Plan for Gender Equality 2016-2020, the General Secretariat for Gender Equality has set 4 basic objectives:

1. Promoting the principle of equality in entrepreneurship and generally in business sector
2. Encouraging female entrepreneurship (generally, but also particularly in the social economy)
3. Improving the position of women in the agricultural sector
4. Reconciliation of family and professional life

The sources used are: Greek Statistical Authority, Eurostat, World Bank, European Institute for Gender Equality (EIGE), Foundation for Economic and Industrial Research, General Secretariat for Gender Equality.

paratiritirio.isotita.gr is a special website of the General Secretariat for Gender Equality designed to include, analyze, process and diffuse statistical data and indicators for gender equality policies.

Its goal is mapping gender differentiations in 12 basic policy areas and the monitoring of any relevant trends and advances in Greece. Moreover, it includes 82 gender indicators based either on the Beijing Platform for Action or on specific national priorities and is followed by metadata.

Paratiritirio.isotita.gr

e-mail: paratiritirio@isotita.gr