

# Female entrepreneurs and equal opportunity in Hungary



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Foundation for Small Enterprise Economic Development

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## SEED Foundation

- **NGO since 1990.**
- **Goals:**
  - **To develop entrepreneurship in Hungary;**
  - **To expand the business knowledge of Hungarian entrepreneurs;**
  - **To improve competitiveness of micro- and small enterprises.**
- **Education (trainings), events, networking, counselling, research, studies, recommendations to the policy makers.**
- **Main target groups:**
  - **Female entrepreneurs;**
  - **Family businesses;**
  - **Start-up enterprises;**
  - **Micro-enterprises, which want to grow.**





## Sizes of categories in Hungary

- 12% of the adult population shows entrepreneurial activity:
  - 8% of women, 15% of men
- Among male entrepreneurs 60%, among female entrepreneurs only 33% owns opportunity based enterprise.



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## Important learnings of the GEM Report

There are three important factors highly correlating to opportunity based entrepreneurial activity of women:

- Level of women's employment in the country;
- Access of women to social and financial capital;
- Level of women's self-confidence in the country.

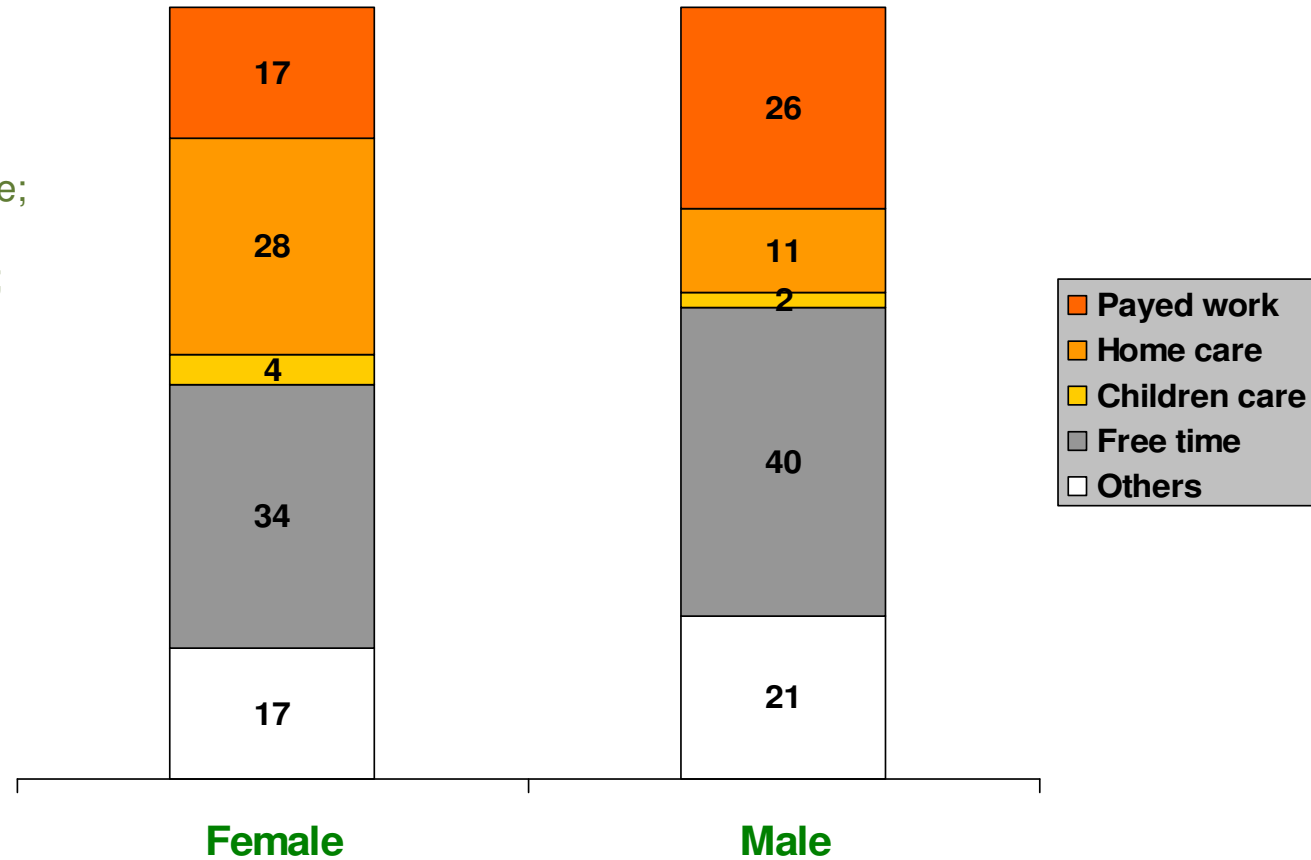


Source: GEM Report on Women and Entrepreneurship 2007



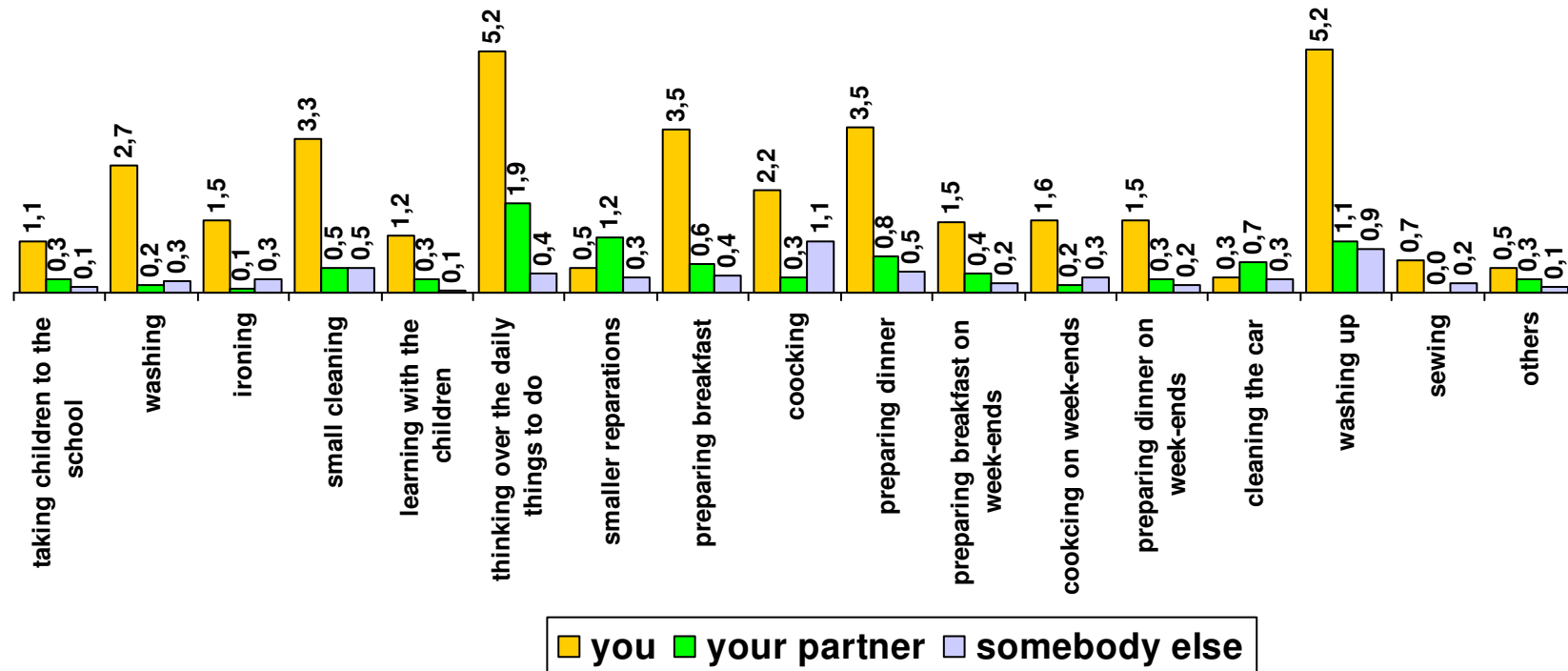
## Time-scale

- Lower employment means:
  - Less working experience;
  - Less money;
  - Less business contacts;
  - Less business ideas.
- Less time for networking.
- Less time for learning.
- Less time for recreation.





How often do you, your partner or somebody else do this activity?

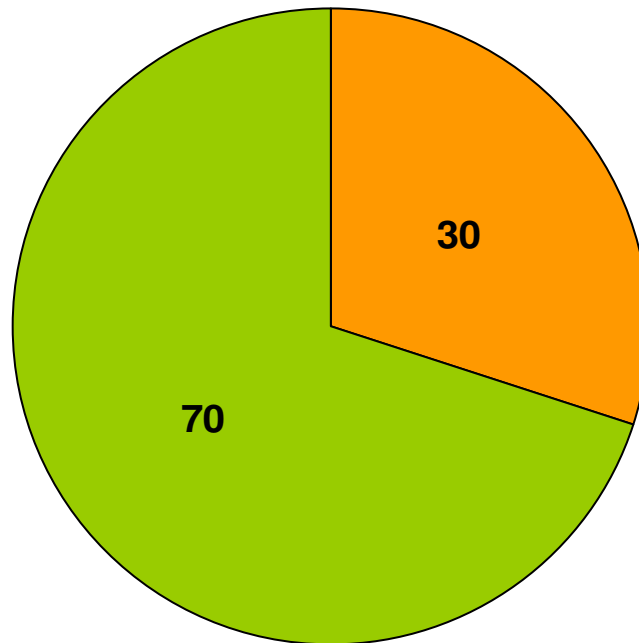


Source: SEED survey on female entrepreneurs



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Have you already co-operated in buying, selling, production, innovation or applying for grants with other enterprises? (%)



For men it is more, than 50%.

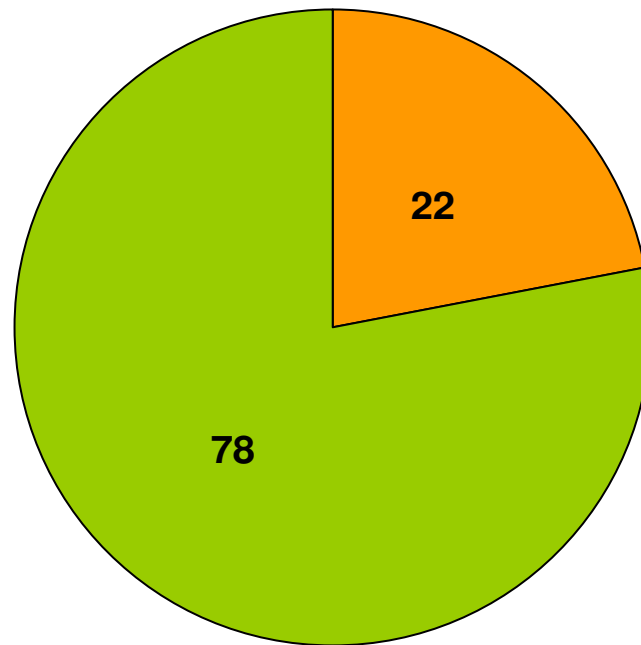
yes no



Source: SEED survey on female entrepreneurs



**Have you already used bank credit for your enterprise? (%)**

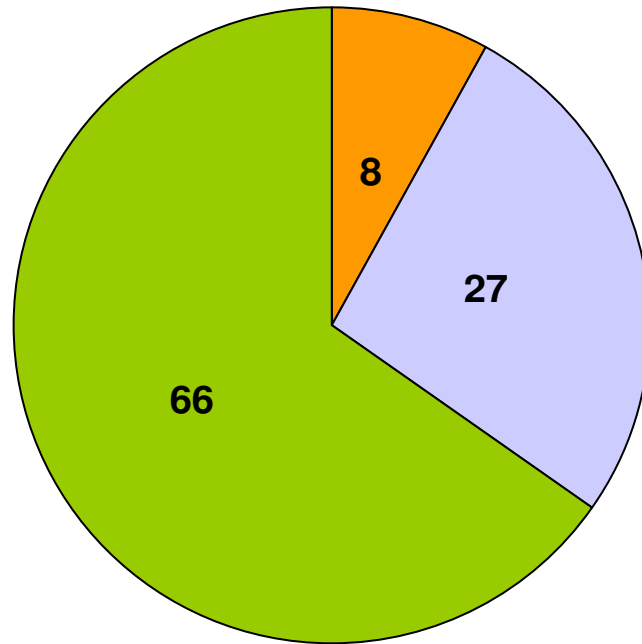


For men it is 25% higher.

yes no



**Do you plan to apply for grant this year? (%)**



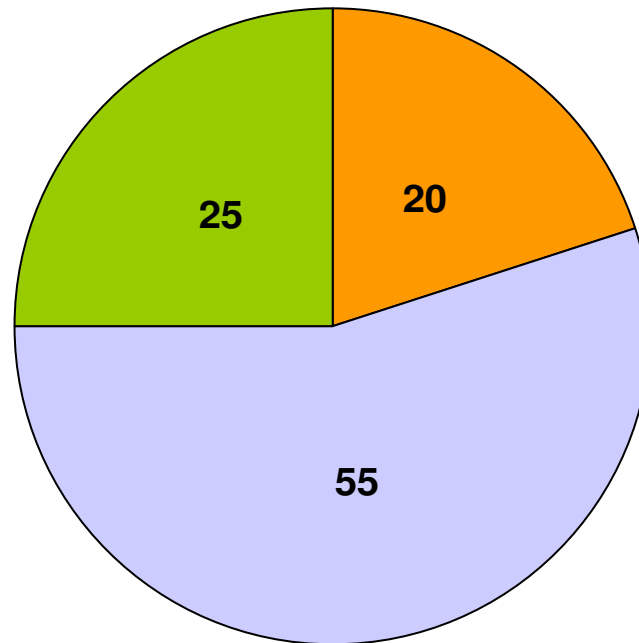
■ yes 
 ■ no 
 ■ do not know suitable source

Men are aware of suitable grants in bigger proportion.

Women think in bigger proportion, that they do not have chance to win, or they do not fit the terms.



**How will the turnover of your enterprise change this year? (compared to the previous one, %)**



Among men, 62% more expect increase.

■ increase ■ does not change ■ decrease



## Major risk of starting a business

Personal training experience in a group of women preparing for starting a business (10 persons mentioned both out of 20 participants):

*„Less time for caring for the family.”*



*„There will be a conflict with my partner, if I will be too successful.”*





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## Recommendations to increase women's entrepreneurial activity

### Employment:

- Promoting flexible employment forms.
- Promoting female enterprises offering caring of children or elder family members.
- Using the employment potential of SMEs (also micro-enterprises).
- Common trainings for future female entrepreneurs and their female employees.



Source: SEED Foundation



## Recommendations to increase women's entrepreneurial activity

### Access of women to social and financial capital :

- Specialized enterprise development programs for women, instead of single actions, complex outreach projects.
- Elements of such programs:
  - Organising and supporting networking possibilities.
  - Special education programs for female entrepreneurs.
  - Special programs for growing female enterprises to help them becoming supplier of bigger companies.
- Dedicated financing sources for female enterprises.
- Focused support of being presented on the web.



## Recommendations to increase women's entrepreneurial activity

### Self-confidence, optimism:

- Targeted communication, making successful women visible in the media.
- Promoting men to share home- and child-care with women.
- Increasing consciousness, counselling, EDUCATION.
  - Usage of computer and Internet;
  - Self-knowledge, increasing self-confidence, communication, negotiation technique;
  - Business planning, financial and marketing knowledge.
- Further topics for **growing enterprises:** leadership, customer service, innovation management, intellectual property management, quality management. All of them also for their employees.



## Investment and return

*„The returns to the investment in women are much higher, than for men.*

*Women are more likely to share their gains in education and resources with members of their families and their communities at large.*

*Women are simply more likely to work for and share their economic and non-economic rewards with other people.”*