



# Promotion Strategy for Female Entrepreneurship

**MTÜ ETNA in Estonia**

**Compiled by: Kairi Talves**

**MTÜ ETNA in Estonia  
University of Tartu**



Supported by the EU

**Tartu 2005**



## **Principles for the Development of Female Entrepreneurship**

Compiling a strategy is similar to building a house. A house must become a good and beautiful home for its residents. Let's start from the foundation; if this is sturdy, the house will also be stable, or we must have sturdy knowledge about female entrepreneurship: in addition to gender-sensitive statistics about business, we need research result on the attitudes and opinions of female entrepreneurs themselves.

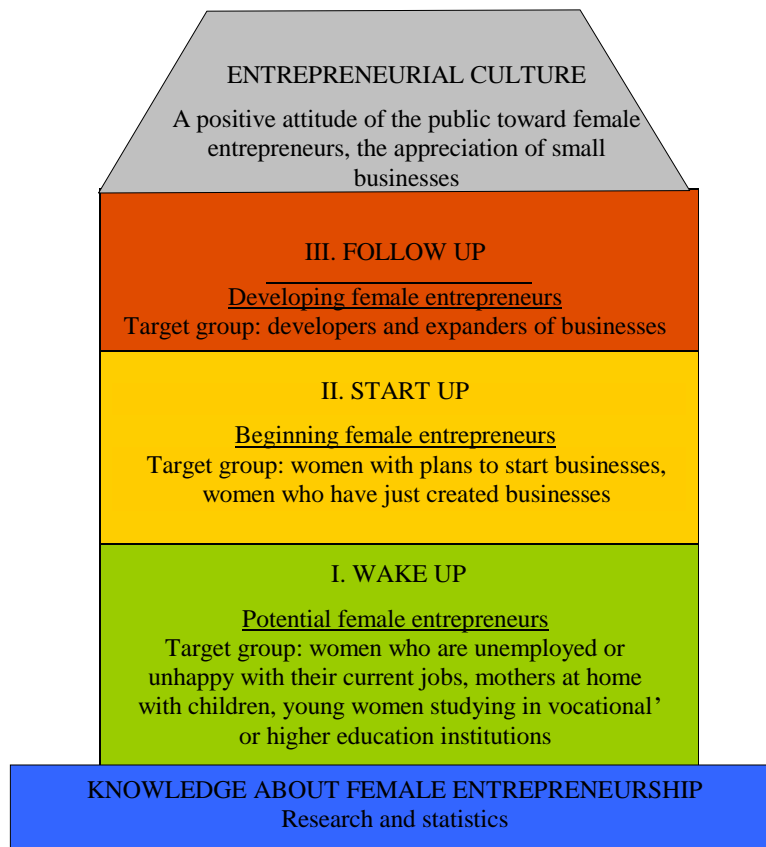
The foundation is followed by separate floors. We decided to build a three-story house. Potential female entrepreneurs, who maybe have not even thought about become entrepreneurs, "live" on the first floor. They require knowledge and support, in order to find the activity that interests them, and from this a sprout may grow, which can develop into a business idea. They also must understand that enterprise is a possibility for everyone, that it is a lifestyle.

The "residents" on the second floor—beginning female entrepreneurs have already made it clear to themselves that they will become entrepreneurs. They need encouragement and support, to take their first steps on this road.

The "inhabitants" on the third floor—developing female entrepreneurs who wish to expand or change the fields of the company's activity, who wish to refresh their activities, and are looking for new challenges. For them, it is necessary to re-evaluate the direction of the activities, and they need encouragement and support to continue.

The roof is the last to be completed and it must be strong, so that rain cannot get in and the house would be comfortable for all its residents. The roof is our entrepreneurial culture or environment, which surrounds the female entrepreneur. The entrepreneurial environment must support enterprise or a positive and favourable attitude toward female entrepreneurs must prevail, and small businesses as a whole must be appreciated, since the majority of enterprises created by women are small.

The building materials, which we will use to build our house is the **counselling, training, financing of female entrepreneurs, as well as networking and co-operation** or activities that guarantee sustainable development for female enterprise.



Some principles to follow that are our helpers in building the house:

**Co-operation** – tolerance, involvement, contacts, trust

**Openness** – availability, flexibility, trustworthiness, receptivity

**Activeness** – quick action, implementation, improvement, development

**Sustainability** – long-term, effective, balanced

**Proficiency** – knowledge, experiences, skills, dedication

### **Structure of the Strategy**

In the preparation of this strategy for female entrepreneurs, the influence of existing state policies and programmes on female entrepreneurs have been taken into account, along with data from research on female entrepreneurship. The principle of the strategy is to reach the objective through the development of human resources (entrepreneurs) and the creation of a balanced entrepreneurial environment. In addition to the promotion of the activeness and co-operation of female entrepreneurs, it is necessary to work out a support system that corresponds to the needs of female entrepreneurs, together with

counselling, training, and financing opportunities, as well as support for co-operation and networks.

The strategy consists of five parts: the first part includes an overview of the nature of female enterprise and the more important research that has been conducted in the field; the second part includes a short overview of the treatment of female enterprise in the European Union and the EU policies and programmes; the third part includes an overview of the studies conducted in Estonia and the statistics on existing enterprise. The fourth and fifth parts are dedicated to the objectives and plan of action for the promotion of female enterprise.

This document contains a short summary of the main positions of the strategy.

## **Female Enterprise in Estonia**

### **Number of and statistics on enterprises**

According to the Commercial Code, there are five types of companies in Estonia. These are general partnership, limited partnership, private limited company, public limited company, and commercial association (CC §2 subsection 1). Companies are registered in the Commercial Register (table 1). The most popular form of a company is the private limited company, for which the share capital minimum established by law is 40,000 kroons (CC §136) and the public limited company, for which the share capital minimum established by law is 400,000 kroons (CC § 222).

**Table 1. The companies entered in the Commercial Register as of 1 March 2005.**

Region	Companies					Sole proprietor	Branches of foreign companies	TOTAL
	Public limited company	Private limited company	Commercial association	General partnership	Limited partnership			
Register Department of the Tallinn City Court	4,221	41,359	367	202	228	7,559	358	54,334
Register Department of the Tartu County Court	909	9,317	134	74	50	5,597	20	16,101
Register Department of the Pärnu County Court	542	5,448	106	27	232	4,789	9	11,153
Register Department of the Lääne-Viru County Court	514	4,544	157	66	157	3,768	4	9,210
<b>TOTAL</b>	<b>6,186</b>	<b>60,668</b>	<b>764</b>	<b>369</b>	<b>667</b>	<b>21,753</b>	<b>391</b>	<b>90,798</b>

*Source: Register Centre of the Ministry of Justice of the Republic of Estonia*

As Table 1 shows, most Estonian companies are sole proprietors and private limited companies, and most are quite small. In addition, small businesses constitute a large part of the total number of Estonian companies, and their growth is the fastest. While in 1999, the proportion of micro-companies (with less than 10 employees) was 69%, a year later they constituted 75% of the total number of companies, whereas the number of all the other types of companies decreased (Table 2).

**Table 2. The number of operating companies in 1999-2000**

	1999	Proportion (%)	2000	Proportion (%)	Change (%)
<b>TOTAL</b>	29,535	100	31,346	100	6
Micro-businesses	20,541	69	23,429	75	14
Small businesses	6,215	21	6,106	19	-2
Mid-sized businesses	1,203	4	1,128	3	-6
Large businesses	178	1	177	1	-1
Undetermined businesses	1,398	5	506	2	-64

*Source: Entrepreneurial Estonia 2002: 11, reference to the Tax Board*

Every natural person has the right to be a sole proprietor (CC §3 subsection 1). The Sole Proprietor Register is kept by the Tax and Customs Board (Table 3). Sole proprietors are entered in the Commercial Register at their own request or by compulsory procedure according to the Value Added Tax Act, when their annual turnovers exceed 250,000 kroons (VATA §19 subsection 1).

**Table 3: The number of sole proprietors as of 1 November 2004.**

County	Number of sole proprietors in Estonia	Number of sole proprietors, men	Number of sole proprietors, women	Proportion of female sole proprietors	Number of residents 2003	Percentage of Estonian residents	Percentage of sole proprietors
Tallinn	17458	9,880	7,578	43.4	397,150	29.3	25.5
Harju County	5,085	3,129	1,956	38.5	125,102	9.2	7.4
Hiiu County	1,049	699	350	33.4	10,348	0.8	1.5
Ida-Viru County	5,095	2,899	2,196	43.1	176,181	13.0	7.5
Jõgeva County	2,844	1,868	976	34.3	37,886	2.8	4.2
Järva County	2,487	1,563	924	37.2	38,408	2.8	3.6
Lääne County	1,920	1,251	669	34.8	28,232	2.1	2.8
Lääne-Viru County	3,986	2,527	1,459	36.6	67,052	4.9	5.8
Põlva County	1,981	1,305	676	34.1	32,121	2.4	2.9
Pärnu County	5,768	3,661	2,107	36.5	90,127	6.6	8.4
Rapla County	2,531	1,623	908	35.9	37,270	2.7	3.7
Saare County	3,270	1,956	1,314	40.2	35,584	2.6	4.8
Tartu County	6,695	4,091	2,604	38.9	148,992	11.0	9.8
Valga County	2,004	1,253	751	37.5	35,242	2.6	2.9
Viljandi County	3,665	2,336	1,329	36.3	57,148	4.2	5.4
Võru County	2,522	1,572	950	37.7	39,202	2.9	3.7
<b>Total Estonia</b>	<b>68,360</b>	<b>41,613</b>	<b>26,747</b>	<b>39.1</b>	1,356,045	100.0	100.0

*Sources: Tax and Customs Board*

The performance of research on female and male enterprise in Estonia is hindered by the lack of gender-sensitive statistics. The Gender Equality Act (§ 11 subsection 2) specifies that employers must collect gender-based statistical data on employees. The procedure for gathering information and the list must be established by a regulation of the Government of the Republic, but this has yet to be done, and therefore a law has not been enacted in this respect. The existence of gender-sensitive statistics would help to simultaneously analyse the influence of state policies on both genders. From the standpoint of enterprise, the collection of such statistics would help to raise the awareness of gender in enterprise and would provide more opportunities enterprise researchers.

To date, the makers of Estonian enterprise policy have not felt the necessity to support or advance female enterprise. Since most of the companies established by women are smaller, and therefore they invest less and create fewer jobs, they are not a priority for the growth-oriented Estonian economy. Enterprise Estonia (EE), which distributes entrepreneurial supports, also does not wish to connect itself with “subsistence enterprise” rhetoric—for instance, in the distribution of start-up supports for companies, the projected turnover, innovativeness, and number of jobs to be created is very closely tracked. *The National Development Plan of Estonia for the Implementation of the Structural Funds of the European Union (RAK)* states that one of the priorities for the distribution of structural supports is to reduce gender inequality and also to promote female enterprise (RAK 2004: 195). Practice has shown, however, that there are more men’s names in the list of those who receive business supports. This is for two reasons: first, there are proportionally more male companies; and second, women are engaged mainly in the service sector, in which the competition is very intense and in order to stand out among the others with one’s business plan, one has to make a great effort.

## **Research on female enterprise**

Business research has been conducted to a smaller or greater extent in the different areas of Estonia. They have also included a brief information about female entrepreneurs, although primarily through statistical indicators, the treatment of women as a separate group of entrepreneurs has remained the prerogative of the studies focused on female enterprise. Unfortunately, only a few such studies can be mentioned in Estonia. These too have only been conducted with the help of international initiatives or on a project basis.

In 2001, a study of Harjumaa female entrepreneurs was conducted within the framework of the Phare WOMEN XXI project. During the course of this research, an attempt was made to ascertain female entrepreneurs’ evaluations of their activities and entrepreneurial environment, to assess their expectations and needs, and to ascertain the need to support them. It was discovered that the greatest obstacle to female entrepreneurs is difficulty in procuring financing (both for start-up and development), the lack of experience and knowledge, problems related to procuring information, and the non-recognition of female entrepreneurs as a separate target group in the documents and programmes related to national enterprise policies (Venesaar, Taklaja 2001: 89).

With the support of the International Labour Organization (ILO) programme *More and Better Jobs for Women*, an Open Estonia Society research group, led by Ivi Proos and Iris Pettai, researched female entrepreneurs, and analysed what opportunities women for dealing with business and what barriers are hindering women’s business activities. Separately, sole proprietors have been studied in Viljandi,

Lääne-Viru, and Pärnu Counties. Based on the results, the authors highlighted the three greatest barriers that hinder women's business activities: first, problems with unifying work (or enterprise) and family life; second, women have a greater fear of taking risks than men; and third, the preconception that results from comparing women's and men's enterprise, according to which only a woman who is more successful than a man is accomplished (Proos, Pettai 2001: 8).

Anu Laas (1998) has studied women's preparedness for enterprise and female entrepreneurs in Tartu, Valga, and Viljandi Countries. She has also interviewed female entrepreneurs from Põlva Country who participated in the Materra project. All these studies confirm that women's entry into business is often connected to overcoming great barriers both within themselves as well as among those surrounding them. Women must be more accomplished and make greater efforts to be noticed, to be treated as equal business partners, and to be accepted (Laas 2003: 4). In addition, women spend more of their resources (money, time, energy) on creating and preserving so-called negative networks, which means communicating with relatives and friends. The resources spent by women often do not bring a monetary return or positive emotions (ibid: 8).

In addition to international projects and the studies conducted within their framework, the projects that have been directed at Estonian female entrepreneurs are AITÜMA1 (We will help everyone who is energetic to step over the hill), AITÜMA2 (We will help everyone who is energetic to develop into a master), and small-loan groups. Of the latter, only a few groups operate in Estonia and only with the help of foreign money, the state has not felt it necessary to contribute to micro-credit opportunities for women.

The study conducted within the framework of the FEM project was the first of its kind in Estonia, since, for the first time, the questionnaire included such a large number of respondents from all the counties of Estonia. Six hundred and four female entrepreneurs and woman wishing to become entrepreneurs were interviewed. Of the entrepreneurs, three-quarters are sole proprietors; the majority was middle-aged or older, married, with one or more children. The main fields of activity were agriculture, trade, and tourism. In addition to their main fields of activity, many women also deal with some other activity, which is mostly related to the main activity and helps to spread risks (for instance, a woman who deals with handicrafts also organises handicraft-related hobby groups for children).

It turned out that the support of one's family is very important for women and influences their undertakings and initiative to a great extent. The majority of family members support the women's activities, although women are plagued by a shortage of time—when dealing with enterprise, one has less time to spend with one's family, to deal with one's own hobbies and pastimes, and to communicate with friends and relatives. The opportunities for female entrepreneurs to take are also limited, half of the respondents have not been able to take any vacation, and a third have had to reconcile vacations with business activities. A big problem is finding replacements and the seasonality of work, where business is the most intense in the summer, and it is complicated to reconcile vacations with other family members.

The majority of respondents have the necessary desire, initiative, and a clear business idea to deal with enterprise, but a big problem is the lack of start-up capital—there is no start-up money; it is not possible to save from the family's income; and loans are difficult to get.

The main reason for starting a business in the case of rural women is to create a job (along with health insurance) and income, questions related to self-realisation is also important—the wish to be financially

independent; the wish to put oneself to the test; and the wish to acquire new experiences and knowledge.

The greatest obstacle in everyday business activities and the enterprise development is the shortage of money—a small income, the main reason for which is considered to be the low purchasing power of the population, high tax burden, and the complexity of borrowing related to the lack of guarantees. A big obstacle is the constant changes in legislation and the resulting bureaucracy and complexity of transacting business in various offices. Positive is that enterprise allows one to plan their time, to be flexible, offers opportunities for personal self-realisation and development, and provides the opportunity to offer others what they need.

Women's need for training and counselling is great—fully 96% of entrepreneurs feel a need for training, and this indicator is even higher among beginners. Priorities in the training field are laws, foreign languages, and marketing or sales-advertising-product design-market research. Counselling related to enterprise is desired primarily in questions related to bookkeeping and taxes as well as information on support funds, aid programs, and legislation. Interest in export-related counselling is slightly higher among beginners than among operating entrepreneurs. Beginners are primarily looking for an encouraging and supportive attitude from business counsellors, so as not to be left alone with one's idea. There is a need for personal counsellors or mentors—over half of the respondents feel that they need a mentor.

There is little use of enterprise supports through state (Labour Market Board, EE) measures, although entrepreneurs possess information about them. There is a great need for measures specifically directed at female entrepreneurs—counselling centres, supports, loans, networks, mentoring, and joint services.

To date, most entrepreneurs have used personal or family savings to finance their businesses. Loans have been taken not from banks, but from friends and relatives. In the future, however, more of them would like to use project aid and opportunities offered by local and state support measures. The borrowing (and risking) potential is changing—in the future, 40% wish to take enterprise loans from banks. Every tenth one would like to borrow a million kroons or more. The size of the amount to be borrowed increases as does age and the time the business has been operating. Two-fifths of the respondents are ready to co-operate in the name of loans.

In the future, the respondents would like primarily to expand their businesses—to add new fields of activity, to expand their markets in Estonia and abroad.

**In summary**, the following differences have been found between female and male entrepreneurs, which must be taken into consideration when forming enterprise policies and promoting female enterprise:

- 1 the motivation for creating companies
- 2 the companies' fields of activity
- 3 the companies' size and growth potential
- 4 the companies' locations
- 5 social network of the entrepreneurs

## **Spheres of Female Enterprise Development**

### **Counselling system for female entrepreneurs**

#### Description of the sphere

The counselling services offered by current enterprise support structures does not always guarantee correct and up-to-date information nor are they sufficiently available. Another big problem is the support and understanding of ideas on the part of enterprise consultants. Totally missing is counselling at the grassroots level, potential entrepreneurs feel that they have nowhere to turn with a nascent business idea in order to receive understanding and support to continue with their idea.

In the counselling sphere, it is important to further develop the existing counselling system. The main attention is directed at supportive and personal counselling, whereby the needs and problems of the entrepreneur can be best understood and supported.

**Objective: a personal, supportive, and competent counselling system for female entrepreneurs that corresponds to the needs of various target groups**

#### Courses of action and activities

1. Counselling of potential female entrepreneurs (*wake up*).

Target group: women who are unemployed or unhappy with their current jobs, mothers at home with children, young women studying in vocational or higher education institutions

- 2 supportive counselling, development of self-confidence, development of psychological readiness, support and encouragement;
- 3 destruction of myths, providing information about risks and opportunities related to enterprise, risk analysis;
- 4 distribution of information related to enterprise;
- 5 enterprise-related career counselling, analysis of suitability to become an entrepreneur;
- 6 the ABCs of creating a business: which documents you need, which administrative agencies you need to visit to register the company;
- 7 **“incubating” an idea**, market analysis, and product or service analysis.

2. Counselling of beginning female entrepreneurs (*start up*).

Target group: women with plans to start businesses, women who have just created businesses

- 8 development of self-confidence, development of psychological readiness, support and encouragement;
- 9 enterprise-related career counselling, enterprise suitability analysis;
- 10 distribution of information related to enterprise;
- 11 information on financing opportunities;
- 12 information on training and information days, help in selecting out the necessary;
- 13 the ABCs of creating a business: which documents you need, which administrative agencies you need to visit to register the company;
- 14 **“registration” of an idea**, financial analysis, compiling a business plan.

### 3. Counselling of developing female entrepreneurs (*follow up*)

Target group: developers and expanders of businesses

- 15 development of self-confidence, development of psychological readiness, support and encouragement;
- 16 enterprise-related career counselling, enterprise suitability analysis;
- 17 distribution of information related to enterprise;
- 18 information on financing opportunities;
- 19 information on training and information days, help in selecting out the necessary;
- 20 the multitude of ideas, “**sifting out**” an idea, market analysis, product or service analysis, business plan.

### 4. Creation of support institutions

#### **Development of a system of meeting places**

Women’s Meeting Places:

- 21 are idea and information centres;
- 22 are centres that offer specialised services for the development of female enterprise
  - work and support
  - starting a new business
  - implementation and development of co-operation networks
  - international contacts and finding new markets for entrepreneurs
  - development of management skills
  - improvement of competence: IT, tourism, health, social planning, etc. based on a woman’s perspective
  - start up of local development projects, innovative thinking and international co-operation—using effective methods
- 23 does not compete with other business support organisations, rather supplements their activities;
- 24 take the nature of the region into consideration and work at the grassroots level;
- 25 are consultation and activation support frameworks to promote equal opportunities;
- 26 belong to the co-operation network of meeting places in the Baltic Sea Region;
- 27 operate at the local, regional, and European level.

**The meeting places have an important role to play in strengthening women’s position in society, and in local and regional development.**

At the Women’s Meeting Places, you will find:

- 28 a possibility to use the telephone, computer, and Internet;
- 29 a support person—co-ordinator, who organises the everyday activities at the meeting place;
- 30 a database on the experts and institutions necessary for the development of female enterprise;
- 31 support for the activities from the local and regional authorities;
- 32 local women and their networks as the users of the service;
- 33 implemented co-operation with organisations at the local and regional level that deal with the development of industry and/or enterprise and/or support (also banks).

### **Development of a network of support persons**

The function of a support person is to support and counsel the entrepreneur according to the needs of the respective entrepreneur, which depend on the length of her entrepreneurial career, the region and field of activity in which she operates. The support person is a volunteer. The principle of a support person's work is a personal approach—the entrepreneur knows the person to whom to turn. The support person knows and understands the enterprise support network, and if necessary, can guide the entrepreneur to find help.

The role of the support person:

- 34 the support of restoration or preservation of existing unused labour skills, the will to work and competitiveness;
- 35 increasing the self-knowledge, wish to cope, and competitiveness of rural women, organising training;
- 36 promotion of a positive mental attitude;
- 37 searching for contacts with potential and beginning entrepreneurs;
- 38 listening to, supporting and advising entrepreneurs;
- 39 evaluating ideas and providing help in their development, co-ordination of respective expert help;
- 40 the support of financing opportunities for enterprises and the co-ordination of respective expert help;
- 41 writing projects;
- 42 psychological and social support;
- 43 organising co-operation with enterprise centres and information centres in Estonia and other regions;
- 44 finding and brokering economic, taxation, and legal information;
- 45 organising information days and seminars for the area's entrepreneurs;
- 46 support for finding co-operation partners and organising co-operation to find both domestic and foreign markets;
- 47 instigating co-operation between entrepreneurs, co-ordinating network work and activities.

### **Counselling based on the principle of mentoring**

Mentoring is a counselling method for entrepreneurs in which the mentor's, or counsellor's, role is filled by someone experienced in management and the one being counselled is taking the first steps on the ladder to an entrepreneurial career. This is experience-based counselling, which gives this type of counselling a great added value. Mentoring as a management method creates new opportunities for personal as well as professional development, expands communications networks, and encourages women starting careers to take management responsibility. Through mentoring a learning situation develops, which often is accompanied by development on the organisational level.

Training days are organised for mentors and t, where the possibilities of mentoring are introduced in more detail and a more realistic picture is created of mutual communications, objectives and goals are agreed upon, and plans of action and schedules are determined. Those being mentored think over which fields of activity they would like to develop and articulate their personal development plan. The partners agree on the frequency of meetings (not less than once a month) and the suitable communications channels. Meetings have to be recorded in writing. Mentoring is very necessary since entrepreneurs need support and knowledge that they are doing the right thing; an outside person is needed who will identify the situation, and this is a very useful lesson for entrepreneurs. A contact network for future co-operation develops based on mentoring.

The advantage of **paired mentoring** is the person-to-person relationship between the mentor and the one being mentored, which differs from a group relationship. This suits entrepreneurs who prefer private communications and do not wish to open up in a group. Another advantage of paired mentoring is the clarity of communications, since the number of people in the relationship is small. Paired mentoring is also a sufficient load for the mentor who is also an entrepreneur and performs counselling alongside their main work. It must be kept in mind that the satisfaction with the relationship depends on both parties. In the case of paired mentoring, it is important to support the survival rate of companies and to “sell” free help, or the principle of mentoring.

The advantage of **group mentoring** is the creation of synergy within the group or the principle that expressed thoughts provide solutions in a conversation. Estonian entrepreneurs lack the willingness to speak about setbacks or why things do not succeed; but knowing the right answers, wrong decisions could be avoided. However, there are still people who are not comfortable exchanging thoughts in a group, and therefore, participants in a group always have the opportunity for an individual relationship with a mentor.

## **Training system for female entrepreneurs**

### Description of the sphere

Preparedness to train oneself is very high among women. The problem is rather with the effectiveness and relevance of the training. Therefore, great emphasis must be placed on finding out the training needs and the preparation of the training package to correspond to the needs.

The principle of enterprise training is the sentence, “Enterprise is a lifestyle”, and this has to be distributed at various levels. When organising training the principle of sustainability must be followed. In addition to enterprise-related training, psychological as well as development and co-operation training should also be conducted.

### **Objective: up-to-date and available training opportunities that corresponds to the needs of female entrepreneurs**

#### Courses of action and activities

1. Preparation of training
  - 48 mapping the training needs of female entrepreneurs;
  - 49 preparation of training programmes that correspond to the needs and operational level of female entrepreneurs, further development of a follow-up training system:
  - 50 finding instructors;
  - 51 the notification for training–sufficiency of information intervals;
  - 52 conducting training on the spot, small groups, individualised approach
2. Training of potential female entrepreneurs (*wake up*).

Target group: women who are unemployed or unhappy with their current jobs, mothers at home with children, young women studying in vocational or higher education institutions

- 53 psychological, personality development training;
- 54 co-operation training;
- 55 know-how training – study and ideas trips to entrepreneurs;
- 56 seminars and information days in local study groups and schools, interactive, presentations in both theory and practice (operating entrepreneurs);
- 57 **enterprise training (level I) – development of entrepreneurial ability:** starting a business, creating a business, legislation, marketing, training combined with enterprise-related career training;
- 58 IT training;
- 59 family training (information days), the training is attended with one's family and one's activities are introduced, contacts and ideas are exchanged.

### 3. Training of beginning female entrepreneurs (*start up*).

Target group: women with plans to start businesses, women who have just created businesses

- 60 psychological, personality development training;
- 61 co-operation training;
- 62 know-how training – study and idea-trips to entrepreneurs;
- 63 **enterprise training (level II) – development of an entrepreneur:** creating and establishing a business, legislation, marketing, bookkeeping (also on computer), selection and motivation of personnel, occupational safety and first aid, learning about cultures, language instruction
- 64 product training: product development, pricing, packaging, and advertising;
- 65 preparation of a business plan and financial analysis;
- 66 writing and managing projects;
- 67 advertising and public relations: analysis of different advertising channels, communicating with the media and other external interest groups;
- 68 IT training;
- 69 family training (information days), the training is attended with one's family and one's activities are introduced, contacts and ideas are exchanged.

### 4. Training of developing female entrepreneurs (*follow up*)

Target group: developers and expanders of businesses

- 70 psychological, personality development training;
- 71 co-operation training;
- 72 know-how training – study and idea-trips to entrepreneurs;
- 73 **enterprise training (level III) – development support:** legislation, marketing, bookkeeping (also on computer), personnel selection and motivation, occupational safety and first aid, strategic management;
- 74 **enterprise training (level IV) – globalisation:** know-how training, using e-commerce and Internet opportunities, product development (preparing product samples, packaging, advertising), participating in outdoor events, learning about cultures, foreign languages;
- 75 product training: product development, pricing, packaging, and advertising;
- 76 writing and managing projects;
- 77 advertising and public relations: analysis of different advertising channels, communicating with the media and other external interest groups;
- 78 IT training;
- 79 family training (information days), the training is attended with one's family and one's

activities are introduced, contacts and ideas are exchanged.

## **Financing system for female entrepreneurs**

### Description of the sphere

Studies have shown that the access of female entrepreneurs to financial resources for financing their company activities is worse than for men. It is more difficult for women to get enterprise supports and bank loans, since they operate in very competitive field of activity (services) that generate little profit. Therefore, greater attention needs to be paid to the development of a support system for female entrepreneurs and to offering more available loan opportunities.

**Objective: supports for female entrepreneurs, loan products with flexible guarantee requirements and repayment conditions.**

### Courses of action and activities

1. The development of micro-credit opportunities

**Network loan programme for rural women** helps women living in rural areas to start up as independent entrepreneurs or to further develop their companies using co-operation, training, and loans as resources. Women that wish to participate in the programme create 5-7-member groups, sign co-operation agreements, and submit applications for receiving money from the network loan program.

About the program:

- 80 a process manager is assigned to the group for two years, who has received network loan related training and knows about enterprise;
- 81 a loan resource is allocated to the group, which the group members can borrow under co-operation conditions to start up their businesses or to develop them further;
- 82 annual training money is provided for two years, which is to be used for training to increase and update one's enterprise-related knowledge;
- 83 in addition to borrowing, a "saving deposit" is opened in the group, into which each group member contributes, the collected money can be used in an appropriate manner, for instance to pay for training, to pay loan payments, etc.

The programme is launched for an indeterminate period.

According to the idea for a **Female Entrepreneurs' Savings and Loan Association** (Women's Bank), a fund is created, in which the members can deposit money at a higher percentage than in a bank, loans are granted on the base of the collected capital, flexible guarantee and repayment requirements for loans, the organisation will not seek to make a profit.

## **Networking and co-operation of female entrepreneurs**

### Description of the sphere

Studies have shown that women have fewer networks necessary for dealing with enterprise. Contacts and knowledge are key factors in successful business activities. Therefore, more attention than before

must be paid to co-operation between entrepreneurs themselves, as well as the greater involvement of the public, private, and non-profit sector.

**Objective: operating co-operation networks between (female) entrepreneurs, local governments, and the non-profit sector.**

### Courses of action and activities

#### 3. Creating networks for potential female entrepreneurs (*wake up*).

Target group: women who are unemployed or unhappy with their current jobs, mothers at home with children, young women studying in vocational or higher education institutions

- 84 the creation of a practice training base for young people in co-operation with businesses, work education, enterprise camps;
- 85 creation of networks, support groups at respective levels or fields of activity for female entrepreneurs, concentration and movement of information, expressed thoughts provide solutions in conversation, additional support and information for creating ideas;
- 86 co-operation with local governments, needs based on local development plans as opportunities for the creation of business ideas;
- 87 co-operation with scientific institutions, research and development activities as opportunities for the creation of business ideas.

#### 2. Creating networks for beginning female entrepreneurs (*start up*).

Target group: women with plans to start businesses, women who have just created businesses

- 88 creation of networks, support groups at respective levels or fields of activity for female entrepreneurs, concentration and movement of information, expressed thoughts provide solutions in conversation, additional support and information for creating ideas;
- 89 co-operation with other female entrepreneurs, success stories, both positive and negative experiences;
- 90 co-operation in the same region or field of activity in the merchandising of products and services (emphasising both differences as well as similarities), advertising;
- 91 co-operation in the development of joint services: child care, home services, bookkeeping, transportation services, product delivery to consumers;
- 92 co-operation for creating teleworking opportunities

#### 3. Creating networks for developing female entrepreneurs (*follow up*)

Target group: developers and expanders of businesses

- 93 creation of networks, support groups at respective levels or fields of activity for female entrepreneurs, concentration and movement of information, expressed thoughts provide solutions in conversation, additional support and information for creating ideas;
- 94 co-operation with other female entrepreneurs, success stories, both positive and negative experiences;
- 95 co-operation with other female entrepreneurs, attending international contact events;
- 96 co-operation in the same region or field of activity in the merchandising of products and services (emphasising both differences as well as similarities), advertising;
- 97 co-operation in the development of joint services: child care, home services, bookkeeping, transportation services, product delivery to consumers;

98 co-operation for creating teleworking opportunities;

99 co-operation with educational institutions for the skill and placement training of workers, establishment of study-practice training bases.