



**FFEM - Fostering Female
Entrepreneurship Mindset**

**I06 – Policy Paper for fostering
female entrepreneurship**

UTH, October 2021

Fostering female entrepreneurship in the EU: Policy recommendations[↗]

Abstract

Due to deep-rooted traditional gender roles and due to economic disincentives (or unfavorable structural characteristics), the participation of women in the EU labor market is anything but self-evident. This, in turn, reproduces gender inequalities, bringing a significant part of female population on the verge of economic and social exclusion, halts economic growth, burdens public finances, and casts doubts on the achievement of the “Europe 2020” Strategy objectives. The paper is part of FFEM Project and aims at providing some clear-cut policy recommendations towards enhancing the employability of women by the means of fostering female entrepreneurship.

Key-Words: female population, EU labor market, economic and social exclusion, female entrepreneurship, policy recommendations

[↗] The paper is part of FFEM (Fostering Female Entrepreneurship Mindset) project [Project number: 2019-1-FR01- KA204-063048]. See <https://ffem.eu/en/home/> for details. The project is co-funded by the ERASMUS+ Programme of the EU. This publication reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.



Table of contents

Introduction.....	3
1. Setting the scene	3
2. Training needs for women entrepreneurs: Pilot survey	6
3. Policy recommendations	7
References.....	9



Introduction

This policy paper is part of the FFEM (Fostering Female Entrepreneurship Mindset) project. The project is cofounded by the Erasmus+ Programme of the EU. The present policy paper aims to set and present recommendations based on the feedback received from the piloting of the FFEM material and platform. Furthermore, the present set of recommendations are based on the best practices/success stories. The University of Thessaly as leading organisation of developing the policy paper was in charge to collect and formalise the data received in order to create the present policy paper.

The Policy Paper considers the following two key issues:

1. the changing role of adult professionals in future education provision with the proliferation of online platforms
2. the need for bespoke female entrepreneurship programmes to stimulate and support economic development in communities

The present document reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

1. Setting the scene

Female population encounters difficulties – sometimes insurmountable – towards accessing the EU labor market. Indeed, due to deep-rooted traditional gender roles and due to economic disincentives (or unfavorable structural characteristics), the participation of women in the EU labor market is anything but self-evident (Honeyman and Goodman 1991, Costa 2000, Del Boca and Pasqua 2002, Pissarides et al. 2005, Sánchez-Mangas and Sánchez-Marcos 2008, Cipollone et al. 2014, Gehringer and Klasen 2015, Christiansen et al. 2016, *inter alia*). This, in turn, reproduces gender inequalities, bringing a significant part of female population on the verge of economic



and social exclusion, halts economic growth, burdens public finances, and casts doubts on the achievement of the “Europe 2020” Strategy objectives¹.

The difficulties that female population encounters towards accessing the EU labor market persist despite the fact that, according to EUROSTAT Gender Statistics, the proportion of women aged 30–34 that had attained tertiary education exceeds that for men by 10.5 percentage points (year 2019) and despite the fact that the EU has made institutional arrangements in order to ease female participation in the EU labor market².

EUROSTAT Labor Force Survey highlights the difficulties that female population encounters towards accessing the EU labor market. Female employed population in the EU represents the 46.3% of the total employed population (year 2019). Female employed population dominates in part-time employment, representing the 75.6% of total part-time employed population (year 2019). It comes that the 31.3% of female employed population has a part-time job comparing to the corresponding 8.7% of the male employed population (year 2019). In other words, only the 68.7% of the female employed population has a full-time job, comparing to the corresponding 91.3% of the male employed population. EU unemployment reaches the level of 6.1% of the total active population (year 2019). The corresponding level of male active population

¹ “Europe 2020” Strategy is the EU strategy for “smart, sustainable and inclusive growth” (European Commission 2010).

² *Inter alia*, the Barcelona European Council set objectives for the removal of disincentives to female labor force participation (the so-called Barcelona objectives), considering the demand for childcare facilities (European Commission 2002), and the Council of the EU, launched the Directive 2010/18/EU, implementing the revised Framework Agreement on parental leave (2009) and repealing Directive 96/34/EC (Council of the European Union 2010). The achievement of the Barcelona objectives has been considered as a necessity towards the achievement of the “Europe 2020” objectives. Against this backdrop, the Directive 2010/18/EU states that the EU countries are required to implement employment-related family policies, towards reconciling the parental and professional balance (responsibilities), bringing into force the laws, regulations, and administrative provisions necessary. The Directive entitles men and women workers to an individual right to parental leave on the grounds of the birth or adoption of a child to take care of that child until a given age. The leave shall be granted for at least a period of four months and, to promote equal opportunities and equal treatment between men and women, should, in principle, be provided on a non-transferable basis. At the end of parental leave, workers shall have the right to return to the same job or, if that is not possible, to an equivalent or similar job consistent with their employment contract or employment relationship. Rights acquired or in the process of being acquired by the worker on the date on which parental leave starts shall be maintained as they stand until the end of parental leave.



reaches the 5.9%, whereas the corresponding level of female active population reaches the 6.4%.

EUROSTAT Social Scoreboard Indicators present aptly the gender inequality in the EU labor market. Particularly, the gender employment gap³ reaches the level of 11.3 percentage points (year 2020), the gender gap in part-time employment⁴ reaches the level of 20.3 percentage points (year 2020), and the gender pay gap in unadjusted form⁵ reaches the 14.1% of average gross hourly earnings of men (year 2019).

Overall, female employed population is less than the corresponding male population, the share of female employed population that is employed on a part-time basis is higher than the corresponding share of male employed population, female unemployment is higher than male unemployment, and the earnings of women are significantly lower than the earnings of men. Given that these figures are EU average figures, apparently the access of female population in the labor market becomes even more difficult in specific EU countries.

The paper is part of FFEM Project and aims at providing some clear-cut policy recommendations towards enhancing the employability of women by the means of fostering female entrepreneurship. Unfortunately, a significant part of female population lacks basic knowledge on how to start and run a business, and, even more so, lacks the broad range of competencies that permeates the entrepreneurial process. Such lack necessitates the provision of policy recommendations not only towards female (potential) entrepreneurs *per se* but also towards professionals (such as trainers, teachers, social workers, and social educators).

³ The gender employment gap is defined as the difference between the employment rates of men and women aged 20–64. The employment rate is calculated by dividing the number of persons aged 20 to 64 in employment by the total population of the same age group.

⁴ The gender gap in part-time employment is defined as the difference between the share of part-time employment in total employment of women and men aged 20–64.

⁵ The indicator measures the difference between average gross hourly earnings of male paid employees and of female paid employees as a percentage of average gross hourly earnings of male paid employees. The indicator has been defined as unadjusted because it gives an overall picture of gender inequalities in terms of pay and measures a concept which is broader than the concept of equal pay for equal work. All employees working in firms with ten or more employees, without restrictions for age and hours worked, are included.



2. Training needs for women entrepreneurs: Pilot survey

Entrepreneurship – the process of designing, launching, and running a business – is considered to be one of the main factors of production, and plays vital role in economic development. Cantillon (1755) defined entrepreneurship as the process of making decisions about obtaining and using the resources, aiming at exploiting opportunities to maximize financial return, while admitting the risk of enterprise. Schumpeter (1976) argues than an entrepreneur is willing and able to convert a new idea or invention into a successful innovation, and thus entrepreneurship is the gale a creative destruction in an economy.

FFEM project argues that the promotion of female entrepreneurial attitude, behavior, and skills may enhance female employability. To this end, FFEM project offers a set of complementary female entrepreneurship curricula: (a) entrepreneurial competences, (b) soft skills for entrepreneurs, (c) skills for the reconciliation of professional and personal life.⁶ Entrepreneurial competences refer to: (a) design and model skills of entrepreneurship opportunities, (b) financial management and cost skills, (c) information management – digital skills, (d) project management and strategy skills, (e) marketing skills, and (f) sales and promotion skills. Soft skills for entrepreneurs refer to: (a) decision-making, (b) confidence, (c) stress management, (d) problem solving, (e) team working, and (f) time management. Skills for the reconciliation of professional and personal life refer to: (a) assertiveness, (b) balance between work and social life, (c) supporting employees in issues of work-life balance, (d) gender issues related to employment and work-life balance, (e) practical ways to support work-life balance, and (f) supporting careers development of workers with children.

On the basis of the offered female entrepreneurship curricula an evaluation and satisfaction pilot survey has been conducted within the framework of FFEM project. The survey was addressed to both female (potential) entrepreneurs and to professionals (such as trainers, teachers, social workers, and social educators) in FFEM partner countries (i.e., France, Greece, Poland, Portugal, Spain) and has been conducted either face-to-face or through online platforms. Overall, 50 female

⁶ The FFEM project female entrepreneurship curricula are analyzed in detail in the corresponding Intellectual Outputs of the project.



(potential) entrepreneurs⁷ and 25 professionals have participated in the survey.⁸ The duration of each pilot survey was approximately 2.5 hours. The pilot survey has been conducted in July – August 2021.

Within the framework of the pilot survey, the context of the FFEM curricula (i.e., entrepreneurial competences, soft skills for entrepreneurs, and skills for the reconciliation of professional and personal life) have been presented to the participants. The participants went through the contents of the curricula and completed the corresponding exercise. On the basis of the pilot survey, an extensive discussion took place with the participants. Female entrepreneurs have been asked to indicate the most interesting units of the FFEM curricula. Both female entrepreneurs and professionals have been asked to rate some aspects of the FFEM curricula and to provide any additional feedback. The vast majority of participants evaluated positively the FFEM curricula in terms of structure, interest, and usefulness and they stressed the necessity for the conduct of follow-up sessions, in a face-to-face fashion if possible, and to expand the project so as to include even more participants.

3. Policy recommendations

The pilot survey conducted within the framework of FFEM project offers a solid ground for the provision of clear-cut policy recommendations to both female (potential) entrepreneurs and to professionals.

The extensive discussions that are conducted with female entrepreneurs indicated the need to enhance the employability of women by the means of fostering female entrepreneurship. Entrepreneurship is a response (or the response) to unemployment for the most economically vulnerable part for the labor force, and particularly for women in fragile situations. This is, actually, the bias of FFEM project. Yet, the extensive discussions that are conducted with female entrepreneurs indicated, also, that women enter into entrepreneurship mostly due to necessity (i.e., due to the difficulties that encounter towards entering the labor market *per se*) rather than in pursuit of opportunity. Such a distorted perception of entrepreneurship needs to change. Given that the emerging post-COVID19 environment offers, through the

⁷ 10 from each partner country (i.e., France, Greece, Poland, Portugal, and Spain).

⁸ 5 from each partner country (i.e., France, Greece, Poland, Portugal, and Spain).



introduction of teleworking and staggered hours, a rather favorable environment for female entrepreneurship, the necessity to support the entrepreneurship of opportunity becomes even more evident. To this end, the EU and the national governments may support female entrepreneurship through financing the offer of FFEM-like training courses. Indeed, the positive reactions of participants highlight the need for such surveys to be conducted in a systematic (i.e., not in an *ad hoc*) basis. The respondents of participants highlighted, also, the need for such surveys to be offered in a continuous (i.e., not in one-off) basis in order to ensure their success.

The need for the constant provision of FFEM-like training courses to female entrepreneurs stems from the fact that a significant part of female population lacks basic knowledge on how to start and run a business, and, even more so, lacks the broad range of competencies that permeates the entrepreneurial process. Entrepreneurship is, apparently, not-an-easy process as, *inter alia*, it requires, even though there is no “magic formula” for beings a successful entrepreneur, management skills, leadership skills, teamwork skills, networking skills, customer service skills, financial skills, problem-solving skills, critical thinking skills, planning skills, technical skills, and time management skills. Some of the skills required may, in fact, be innate or natural. Yet, the vast of majority of skills can be honed through training.

Critical is thus the role of trainers. On the one hand, trainers must understand and appreciate the total spectrum of entrepreneurship process and the entrepreneurship competences needed. Training should provide articulated, concrete, and well-focused goals for women helping them to conceptualize their feasibility. On the other hand, trainers must adjust their training courses to the specificities and the uniqueness of each trainee, putting trainees at the epicenter, so as to capitalize on the already-existing strengths and capabilities. Besides the provision of theoretical knowledge on entrepreneurship, it is important for a successful, and with added value, training program to embrace experiential knowledge. The ultimate aim is not only to provide entrepreneurship knowledge but also, and most importantly, to empower the trainees. Personal empowerment is essential for female population, especially for the part that is on the verge economic and social exclusion.

Crucial for women is the provision of post-training support, on a constant basis, as the success of their entrepreneurial activity has a long-term effect. The cognizance that there is a reference point in which women after training can respond, based on,



and/or receive feedback constitutes a pivotal factor for the sustainability of their entrepreneurial evolution. Trust and confidence are characteristics that could be elicited from that support point and give more inspiration and strength to women. An online networking portal with the role of communication point with other female entrepreneurs could equally provide a feedback as well as links of solidarity and collaboration between women.

The stakeholder ecosystem plays a vital role in embracing women entrepreneurs and for this reason the training and the advancement of capabilities of women should be broadly notified. The agenda of women entrepreneurship might be reinforced by the proactive engagement of stakeholders and the establishment of proper relationships with the female (potential) entrepreneurs. Bringing the stakeholders on board increases the possibility of success initially in the involvement of women in the entrepreneurial environment and then in the maintenance of their position in the labor market. Community and institutions might ease the women entrepreneurship in terms of motivations and therefore any attempt of advancement of the women role in the society should be accompanied with the corresponding actions of stakeholders. Conversely, the opportunities of the women entrepreneurs are increased in the promotion of their business and in the development of the marketing channels when they create networks with the stakeholders as well. Consequently, a two-way communication network between female entrepreneurs and stakeholders should be consolidated.

References

Cantillon R. (1755), *Essai sur la nature du commerce en général*, London: MacMillan.



- Christiansen L. E., Lin H., Pereira J., Topalova P. and Turk R. (2016), Individual choice or policies? Drivers of female employment in Europe, *IMF Working Paper*, 16/49.
- Costa D. L. (2000), From mill town to board room: The rise of women's paid labor, *Journal of Economic Perspectives*, 14(4): 101-122.
- Council of the European Union (2010), Directive 2010/18/EU, *Official Journal of the European Union*, L68/13, 18.3.2010, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02010L0018-20140101>, (last access: July 2021).
- Cipollone A., Patacchini E. and Vallanti G. (2014), Female labour market participation in Europe: Novel evidence on trends and shaping factors, *IZA Journal of European Labor Studies*, 3: 18.
- Del Boca D. and Pasqua S. (2002), Labour market participation of mothers in Italy: Facts, studies and public policies, *CHILD Working Paper*, 4.
- European Commission (2002), *Barcelona objectives: The development of childcare facilities for young children in Europe with a view to sustainable and inclusive growth*, Brussels: Official Publications of the European Communities, <https://op.europa.eu/en/publication-detail/-/publication/fb103a95-f680-4f6e-bd44-035fbb867e6a>, (last access: July 2021).
- European Commission (2010), *EUROPE 2020: A European strategy for smart, sustainable, and inclusive growth*, Brussels: Official Publications of the European Communities, <https://ec.europa.eu/eu2020/pdf/COMPLET%20EN%20BARROSO%20%20%2007%20-%20Europe%202020%20-%20EN%20version.pdf>, (last access: July 2021).
- EUROSTAT, *Gender Statistics*, https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Gender_statistics#Education, (last access: July 2021).
- EUROSTAT, *Labor Force Survey*, <https://ec.europa.eu/eurostat/web/lfs/data/database> (last access: July 2021).
- EUROSTAT, *Social Scoreboard Indicators*, <https://ec.europa.eu/eurostat/web/european-pillar-of-social-rights/indicators/social-scoreboard-indicators> (last access: July 2021).
- Gehring A. and Klasen S. (2015), Labor force participation of women in the EU – What role do family policies play? *cege Discussion Papers*, 242.

Honeyman K. and Goodman J. (1991), Women's work, gender conflict, and labour markets in Europe, 1500-1900, *Economic History Review*, 44(4): 608-628.

Pissarides C., Garibaldi P., Olivetti C., Petrongolo B. and Wasmer E. (2005), Women in the labor force: How well is Europe doing? in Boeri T., Del Boca D. and Pissarides C., (eds.), *Women at work: An economic perspective*, Oxford: Oxford University Press, 9-120

Sánchez-Mangas R. and Sánchez-Marcos V. (2008), Balancing family and work: The effect of cash benefits for working mothers, *Labour Economics*, 15(6):1127-1142.

Schumpeter J. (1976), *Capitalism, socialism and democracy*, London: Routledge.