



Faculty of Economics, University of Niš, 16 October 2015

International Scientific Conference

**CHALLENGES IN BUSINESS AND ECONOMICS:
GROWTH, COMPETITIVENESS AND INNOVATIONS**

**CREDIT SUPPORT TO WOMEN'S ENTREPRENEURSHIP
AS A POTENTIALLY IMPORTANT FACTOR
FOR SOCIO-ECONOMIC DEVELOPMENT**

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***Abstract:** The process of engendering, as one of the dimensions of the new concept of socio-economic development, ensures that men and women have equal access to and control over resources. However, research both on the national and international level, has shown that women face greater obstacles in access to information, training as well as adequate credit support to start and grow their businesses. Property gender gap, differences in the specific characteristics of poverty of women and men and access to money in the household reduces the chances of women to provide sustainable self-employment or entrepreneurship. Lack of capital is an obstacle to the establishment and to access to the additional financial resources such as bank loans to expand their business. Better access of women to various sources of funding will have influence as an incentive for greater participation in the market economy. Also, the commercial banks in developed countries and in developing countries, increasingly recognize targeting women's market as a profitable activity within what they provide credit support to women entrepreneurs, which is in line with their needs. The aim of this paper is to analyze the opportunities and challenges of providing adequate credit support to women's entrepreneurship as a precondition for starting innovative and creative potential of women as unused human resource for socio-economic development.*

***Keywords:** engendering, women's entrepreneurship, bank loans, socio-economic development*

1. Introduction

Gender equality means that women and men have equal opportunities, rights and obligations in their social, professional and family environment. Women and men have

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UDC 316.346.2-005.2

005.961:005.914.3

different needs and power and these differences should be identified and viewed simply in a way that reflects the lack of balance between the sexes. Although gender perspective implies the inclusion of specific needs and activities related to men and women, in linguistic practice it has become an axiom for a female point of view. This is a consequence of treating male as universal throughout history and resisting putting in the same level of male and female views on professional and personal level. Implementations of the measures and the realization of activities with the inclusion of the gender dimension is achieved through a process of gender mainstreaming, which ensures that men and women have equal access and control over resources, benefits of development and decision-making at all levels of the development process.

Economic empowerment of women is a key factor for achieving gender equality and an important factor of socio-economic growth and development, especially in countries in transition. However, in these countries, as is the case of Serbia, the perception of the problems of gender inequality is vague, limited to a small number of aspects. Lack of awareness about gender differences is partly due to the lack of precise data¹.

Balanced economic development is not possible without an adequate inclusion of women in the market economy, especially through financial support.

In one aspect market economy means innovation and creation of new solutions that can be realized through entrepreneurial ventures. Women entrepreneurs have special strategic needs and interests that are socially determined. In this sense, an important link is the analysis of opportunities and challenges of providing adequate credit support to female entrepreneurship as a precondition for starting innovation and creative potential of women as unused human resource for social development.

2. The Formal Framework of Gender Equality and Development of Women Entrepreneurship

Gender mainstreaming has been established as a major global strategy for improving gender equality (UN, 1995): governments and other stakeholders should upgrade an active and visible policy of gender perspective introduction in all policies and programs in order to, before taking a decision, carry out the analysis on its effects on women and men. The goal of the Millennium Declaration of the United Nations (adopted at 6-8. September 2000, by UN General Assembly) is to promote gender equality and giving rights to women. The special significance of UN Agency for Gender Equality and the Empowerment of Women (UN WOMEN) is reflected through the formulation of principles for the empowerment of women in corporate social responsible business, which should encourage governments and their institutions, the business sector, civil society, to upgrade gender equality in the workplace, marketplace work and community.

At EU level, equality between women and men is defined as one of the basic rights and their equality in the labor market as one of the most important strategic directions of EU policy EU. The establishment and upgrading of gender equality is defined by the

¹ In order to establish effective social policies aimed at fostering economic empowerment of women and measurable effects, the collection of data by the state, local governments and other stakeholders and recording by gender, is of special importance.

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European Council Directives such as: equal treatment in the recruitment process, professional training, working conditions and promotion, equal pay for equal work or work of equal value, special care for pregnant women and mothers who have recently given birth and protection of the self-employed.

Gender mainstreaming is particularly reflected in the strategic framework for the encouraging of women entrepreneurship, which consists of the Green Paper on Entrepreneurship, Small Business Act for Europe, Think Small First, Competitiveness and Innovativeness Framework Programme (CIP). European Commission launched the European Network to Promote Female entrepreneurship (WES) with members from 31 European countries (the EU-28, Iceland, Norway, and Turkey). In transitional European countries, in general, women entrepreneurship is to a lesser extent treated as a development issue, and it is not in the focus of official policies and development strategies.

The Republic of Serbia is a signatory to a number of important and binding international documents which guarantee the equality of women and men and prohibit discrimination on grounds of sex (acts of the Council of Europe: European Social Charter and the European Convention for the Protection of Human Rights and Fundamental Freedoms and the United Nations Convention on the Elimination of All Forms of Women Discrimination (CEDAW)). Apart from the Constitution of the Republic of Serbia (2006) which establishes gender equality as a fundamental constitutional right, the legal framework covering these issues includes the Law on Gender Equality (2009), the Law on Prohibition of Discrimination (2009) and the Labour Act (2005) (UPS, 2013).

In Serbia, there is no strategy that is directly and exclusively related to the development of female entrepreneurship. (Croatia and Montenegro, from the surrounding countries, have adopted the Strategy for Development of Female entrepreneurship). Various aspects of encouraging and developing female entrepreneurship are included in the strategies aimed at the development of entrepreneurship in general, promotion of employment and the promotion of gender equality and women's economic empowerment (UPS, 2013).

The National Strategy for improving the position of women and gender equality promotion, which was adopted in February 2009, represents a turning point in public policy towards women and as one of the strategic goals equality in economic participation is determined, which includes the eradication of economic inequality between men and women and better use women's resources for socio-economic development. In the action plan for the implementation of the National Strategy for improving the position of women and gender equality promotion, among other things, a number of activities for encouragement of female entrepreneurship are defined (organization of training for women to establish enterprises and their business management, preparation of special programs in the scope of funds to encourage entrepreneurship and self-employment, encouraging various forms of economic association, forming a special credit lines to support institutions dealing with credits, etc.). National Employment Strategy for the period 2011-2020, recognizes the dual dimension of the labor market and women as a vulnerable group, especially when they are endangered on multiple grounds (i.e, uneducated women in rural areas, Roma women, etc.) but the focus stays on marginalized groups in general. For the development of female entrepreneurship the Strategy Support the Development of Small and Medium Enterprises, Entrepreneurship and Competitiveness for the Period from 2015 to 2020, is of great immediate importance.

3. The Importance of Women's Economic Empowerment and Development Potential of Female Entrepreneurship

On the first place, economic safety and economic independence are essential prerequisites for a person to be independent, empowered and in control of its life. Economically empowered individuals become agents of development and motor of progress. Economic empowerment of women is one of the main preconditions for poverty reduction, economic growth and sustainable development. There is considerable literature on the negative impact of gender inequality in employment on economic growth (Klasen, Lamanna, 2008). Studies have shown that enterprises owned by women and run by women, are more efficient, socially more responsible and contribute to the empowerment of other women and persons at a disadvantage position. (Soares et al., 2011). In addition, the quality of families is improving, investments in the education and health of children are increased, all of which affects the higher quality of the human capital of the next generation and, consequently, economic growth.

Entrepreneurial activities are an important factor for creating and increasing the number of new jobs and fostering economic growth. Therefore, the development of female entrepreneurship is globally recognized as important not only to improve the status of women, but also for the development of society as a whole. Because, even in mature market economies, it is typical that the number of female entrepreneurs is significantly smaller than the number of male entrepreneurs, but it is more pronounced in transition economies and developing countries. Globally, women's entrepreneurship is increasingly perceived as a development rather than a social category (except one part of the world, such as Latin America, Africa, part of Asia) which is followed by continuous efforts for its further improvement. In the United States, for example, women-owned firms are growing at more than double the rate of all other firms, contribute nearly \$ 3 trillion to the US economy and are directly responsible for 23 million jobs in developing countries (CWBR, 2009).

The nature, prevalence and potential economic contribution of women entrepreneurship affects first, formal, ie legal and institutional framework. Insufficiently developed institutional framework can limit the economic integration of women, primarily by limiting their access to external sources of financing that are necessary for the realization of business ventures. In addition, the development of female entrepreneurship may be affected unfavorably by the negative perception of women entrepreneurial opportunities in the informal framework of gender equality (social values, norms and general position) due to the gender division of roles and burdens with unpaid home work, care about children and elderly family members.

Drivers of female entrepreneurship are different in developed countries and developing countries and transition economies. In developed countries, women, with the desire for a full affirmation, leave work for wages, because in self-employment they see the opportunity to realize all their potentials. At the same time they have the option of flexible determination of working hours and may find it easier to combine family and work responsibilities. Women become "entrepreneurs of chance", with all the features of this group, which always and everywhere leads to economic growth (Babović, 2012).

In developing countries and transition economies, the lack of other alternatives to provide or supplement the household's income, runs women, which means that they actually become "entrepreneurs out of necessity."

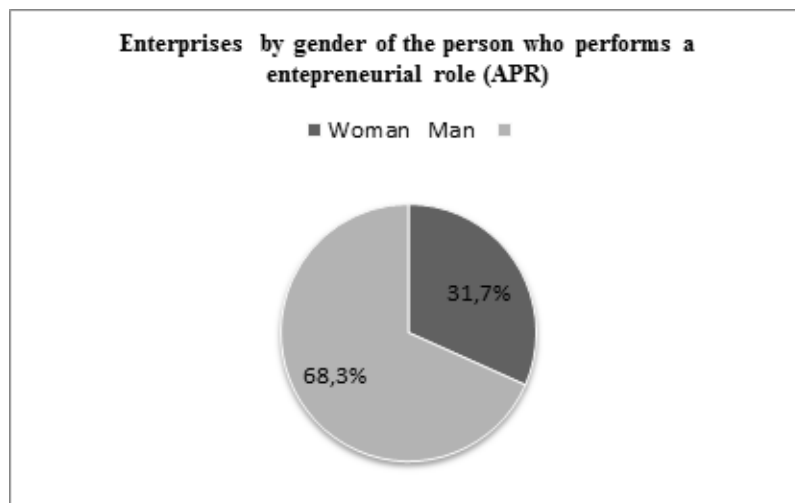
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In countries where the role of the public sector in the employment of women reduces, the women can not easily find a job and build a career in the private sector, so, they are trying to be self-employed and start a business themselves. This is the case with Serbia. Only 32% of women in Serbia go into business because of a good business opportunity recognized and 68% do so out of economic necessity (whereas in the EU member states that ratio is almost completely reversed: 66.5% and 33.5%) (USAID, 2012).

Economic status of women can be seen, above all, according to their position in the labor market. In Serbia, women make up 51.3% of the total population with the largest proportion of women in the category of dependent person (57.6%), compared to men, in the most part (58%), whose main source of livelihood are earnings. The employment rate of women (aged 15 to 64) is low (about 40%) and among them there are twice less self-employed, than it is the case with men (14% versus 29%) (RZS, 2014). On average, women have lower earnings (for 15%), longer waiting for a job, perform less well-paid jobs, in the small percentage they are owners of real estates, land, businesses, participate more in the home, unpaid work² (Stojadinović et al., 2010).

According to the NARR (2014), participation of women entrepreneurs is 32,8%. According to the APR, the number of enterprises by gender of the person who performs a entrepreneurial role for 2014, it amounts to 31,7% (Picture 1), where nearly 85% are registered in the form of shop which might be explained with the lower risk appetite, weaker economic strength, simpler operation, lower municipal taxes, mainly operating under the obligatory limit for entry into the VAT system.

Picture 1: The gender gap in entrepreneurship in Serbia



Source: Babović (2014)

² The burden of household chores in the Republic of Serbia is largely borne by women (in more than 95% of households, women perform the cooking, dishwashing, laundry...) as evidenced by the research "Gender equality at the local level" which was done in Pcinja and Jablanica District in 2010 through the United Nations program (PBILD).

The rate of female business termination is 47,2%, the rate of male enterprises termination is 38% , on the other hand very successful companies that grow make up only about 19% (Babović, 2012). Gender-based differences are also present when it comes to sectoral orientation. Women are concentrated in the less productive sectors such as the retail sector and personal services (Babović, 2014).

Based on the previous information, it can be clearly observed pronounced gender gap through worse economic position of women and preponderance of male compared to female entrepreneurship. It can be concluded that, on this basis, the economic potential of women in Serbia is not sufficiently utilized.

4. The Importance of Financial Support to Female Entrepreneurship

The importance of access of women to adequate and diverse sources of financing can be observed from two aspects. Firstly, increased access to sources of financing contributes to the economic awakening of women and their empowerment. In many countries the inferior position of women is expressed in access to sources of financing and it does not only maintains poverty, but also inequality between men and women (Staveren, 2001), so, overcoming of it is value itself in achieving gender equality. Secondly, there are negative macroeconomic implications of smaller access of women to sources of financing (Morrison et al., 2007). From the perspective of the public sector, unused and in particular, educated female workforce is expensive and not effective.

Compared to men, women are starting a business with less capital (for example, a recent study in the UK shows that women enter businesses with about a third of the starting capital used by men (Carter and Shaw, 2006) and the gender gap is especially pronounced in access to external sources of financing especially formal bank loans (Morrison et al. 2007).

Differences between male and female entrepreneurship in accessing financial resources suggest that women increasingly face problems securing funds to start a business (first barrier to financing) followed by providing the means for its further expansion and development (second barrier). From this outcomes the need for improvement of access of women to sources of financing through the definition and implementation of appropriate policies and programs of financial support to female entrepreneurship at both national and international level.

IFC (International Finance Corporation), a part of the World Bank Group, supports the participation of women in business (through the expansion of access to credits and the provision of advisory services) as an important part of its mission to foster sustainable private sector growth in developing countries³.

³ IFC's Banking on Women Program plays a catalyzing role for IFC partners and financial institutions to help them profitably and sustainably serve women-owned businesses. IFC issued the first-ever Banking on Women Bond in 2013 that raised US\$165 million to be invested in projects that will support women entrepreneurs in developing countries. In March 2014, IFC and Goldman Sachs 10,000 Women launched the first-ever global finance facility dedicated exclusively to women-owned small and medium-sized enterprises (SMEs). The facility is a \$600 million effort to enable approximately 100,000 women-owned SMEs to access capital. For more information see: (<http://www.worldbank.org/en/results/2013/04/01/banking-on-women-extending-womens-access-to-financial-services>)

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The EU Programme for the Competitiveness of enterprises and SMEs (COSME), of the Horizon 2020 program, which includes support for innovative small and medium-sized enterprises and the Programme for the development of enterprises from the territory of Western Balkans (WB EDIF) that are available also in the Republic of Serbia (Strategy Support the Development of Small and Medium Enterprises, Entrepreneurship and Competitiveness) be of significance for female businesses.

Globally it is widely accepted that microfinancing programs⁴ serve as a catalyst for economic empowerment of women. This so-called "Banking for the poor" in the modern world is increasingly becoming one of the most important levers of economic development. That gender recognized as a limitation in access to sources of financing is also reflected in the focus of the micro-credit program for women. Focusing on women entrepreneurs in developing countries, micro-crediting pointed out the potential of female self-employment.

In the Republic of Serbia, just developing certain incentive measures at the national level, affected the accelerated development of women entrepreneurship. The programs of credit support to small and medium-sized enterprises and start-up loans of the Development Fund of the Republic of Serbia and the support program for the development of the competitiveness of the National Agency for Regional Development (also provides support to women's entrepreneurship through the allocation of grant funds) all together are of great importance. Serbia Investment & Export Promotion Agency (SIEPA) supports domestic enterprises which contribute to increased export. National Employment Service (NES) conducts training programs for entrepreneurship, subsidizes self-employment, provides mentoring services and provides subsidies for new jobs creation. Although all forms of assistance are not gender sensitive, nor are specifically designed in order to stimulate female entrepreneurship, still are of great importance for its development (UPS, 2013).

Gender analysis of government measures for support entrepreneurship in Serbia shows that the start-up loans and subsidies for self-employment are more popular programs among women than programs designed for already developed companies. Regarding support programs for developed companies, only 12% of women are beneficiaries of these programs, primarily because they require significant co-financing (50%). In addition, a large part of female entrepreneurs who have participated in support programs comes from less sustainable and traditionally "female" sectors of the economy, such as other services, including hairdressing and beauty salons (Avlijaš et al., 2012).

Foreign sources of financing and support programs, primarily include credit lines from international financial institutions (such as a credit line of the European Agency for Reconstruction - Brussels, Revolving Credit Fund (EAR), credit line from the European Bank for Reconstruction and Development (EBRD), the European Credit Line investment Bank, EIB, etc.) as well as the funds and programs of the EU (Chamber of Commerce). The Innovation Fund from 2012 within IPA funds, also provide support the newly established innovative companies, whose implementation is in charge of the World Bank.

⁴ Name of microcrediting comes from small value loans that are provided by microfinance institutions. The essence of microfinancing is to meet the needs and preferences of the client (contrary to the practice of banks where the client adapts to banks' requirements). It is especially trying to reach out those people who usually lack the classical guarantees to fulfill the restrictive requirements of banks (instead the promissory notes are used, evidence of salary, group guarantees, etc.).

Microfinance in the Republic of Serbia is poorly represented even though it is an important alternative for economically weakest companies (which often can not meet the requirements for obtaining bank loans) and thus to women entrepreneurs. Microfinance organizations (Agroinvest, Micro Development Fund and MicroFinS) receive financial support from international donors, but they can not place directly financial resources, except through commercial banks which significantly complicates the procedure and increases the price of these assets for end users (The Strategy Support the Development of Small and Medium Enterprises, Entrepreneurship and Competitiveness 2015-2020). Establishing a legal framework for incorporating non-bank non-deposit microfinance institutions in the financial system of the Republic of Serbia is of particular importance for women's access to financing resources. In the Republic of Serbia there are insufficiently developed other alternative forms of financing, such as leasing and factoring (UPS, 2013).

Generally, small and medium-sized enterprises sector concerning the external financing is mostly directed to formal bank loans (USAID, 2012). However, access to bank loans is particularly more difficult for women because they are, in modest percentages, owners of properties that banks require as collateral particularly for start up loans and loans with greater amounts (15% women own a flat or house, 19% own business space and in 18% of cases part of the land is inscribed on women) (Babović, 2014). Therefore, on top of the barriers, women are facing with, when starting their own business, are difficulties in securing financial resources (in addition to numerous others like, complicated registration procedures, lack of regulations' knowledge, etc.), and in comparison to the EU, in Serbia there are more pronounced perceptions of the unavailability of financial capital. The most common source of money for "start-up" to women, is private family money or personal saving (61.8%), while loans of commercial banks under market conditions are less frequent (3.5%) as well as loans from microfinance institutions (0.5 %). Insufficient availability of bank lendings is identified as a significant barrier to further business and enterprise development (Babović, 2012).

5. Crediting of Female Entrepreneurship from the Perspective of Banks - Discrimination Against Women or Profitable Market Niche

5.1. Restrictions on the supply side of bank loans

Most of the research of credit support to women entrepreneurs by banks refers to the demand but there is rarely seen offer of loans perspective. Access of female entrepreneurs to bank loans is limited by various factors within the bank loans offer.

Considering that gender discrimination in crediting of economy is under the regulatory loupe in many countries (especially in the USA), the researches focus on the examination the existence of difference in crediting of women and men entrepreneurs by credit suppliers or whether gender plays a role in financial exclusion. Gender differences in financing were studied in relation to the rate of rejection of claims and level of interest rates. Some studies found that female-managed and women-owned firms are more likely to be rejected by a bank and are charged higher interest rate than men (Muravyev et al., 2009). However, the results of other studies do not find clear evidence of gender discrimination in the credit market (Coleman, 2000; Carter and Shaw, 2006). The explanation for lower women's access to bank loans is to be found in a high risk and the quality of the projects

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themselves and not in the gender. Because of the asymmetric information existence (because these are customers without a credit history, young and smaller enterprises), banks require collateral (such as parts of the property that they most often do not have) or require high interest rates. Granting small loans to women entrepreneurs can be attributed with less profit as to their demand for such loans and because of the relatively smaller size of the loan, women debtors are burdened by relatively high interest rates (Coleman, 2000).

Considering the characteristics of women as debtors and their businesses, in the direction of their lower use of bank loans can act as gender neutrality of the bank's policies and procedures relating to crediting because they can often have "unintended differential impact on men and women." (World Bank and OECD/INFE, 2013, 13). Through a conservative analysis of loan requests (observing: credit history, business experience, etc.) and requiring traditional collateral, banks unfairly discriminate against women entrepreneurs with regard to their relatively low level of economic integration in relation to men.

As limiting factors of loans offer for women entrepreneurs also regulatory requirements (eg, restrictions with regard to the collateral that banks can accept), may occur as well as the lack of a legal framework for the introduction of alternative banking products, which would more correspond to women than loans with traditional collateral.

Furthermore, banks may lack the specialized knowledge to design products that suit the needs of women clients or motive to serve a market that they perceive as risky and costly to serve. Banks are often focused on individuals and companies with high and predictable income and are not motivated to extend their reach to small borrowers such as the formally unemployed, rural people or women who are characterized by the lack of traditional collateral (land, property, etc.), lack of credit history, the lower and informal businesses and low incomes. Less interest of banks for this type of clients is affected by the lack of competition, which does not encourage them to explore and conquer new market segments. However, in the changing business environment and increasing competition of non-bank financial institutions that provide financing to small and medium enterprises, the loyalty of these banking clients decreases. It encourages banks to explore non-traditional markets such as the "women entrepreneurs market".

5.2. Women entrepreneurs as a potentially profitable market segment for banks

The experiences from women microcrediting showed that the provision of financial services to marginalized groups can be profitable as well as that women are more conscientious in terms of loan repayment. This is confirmed by the experience of commercial banks having successfully entered the "women market"⁵. Also, it was found that the number of women-owned businesses is growing at a faster pace comparing to male but it has not been proven and that they are decaying at a faster pace OECD (2012).

⁵ For example, experience of IFC's partnership with commercial banks through direct crediting of women with alternative collateral (jewelery, contracts with reputable companies, etc.) the banks that have entered into a partnership with the IFC and the IFC credit line used to design women's financial products have increased the share of loans to women entrepreneurs nearly 30% of loans to small and medium-sized enterprises. Also, they achieved the benefits of less uncollectible loans comparing to men clients. Opening of new deposit accounts had further positive impact on revenues of banks (Narain, 2009).

Keeping all this in mind, the commercial banks have begun to recognize women entrepreneurs as unused, growing and profitable market both in developing countries and in developed countries. Moreover, in terms of growing availability of alternative non-bank sources of financing small and medium enterprises is vital for banks to position themselves in this market (Ernst and Young, 2013, 5) and in that sense, of particular interest are female businesses that are "too big for microfinance and too small for traditional loans".

Growing awareness of banks about the potential profitability of enterprises owned by women and need for breaking into this market is not always followed by appropriate action dynamics (such as developing niche expertise, targeted products and custom solutions), that would also enable this market conquest. Along with identifying the reasons of this situation and overcome the limitations of women's businesses may be long-term, sustainable source of profit for banks. Regarding this it is significant The Global Banking Alliance (GBA) for Women - worldwide consortium of best practice banks serving the women's market. GBA members provide global best practice examples on targeting women entrepreneurs as a competitive segment strategy (Narain, 2009).

In order to improve the access of women entrepreneurs to bank loans a mutual effort in the direction of reducing information asymmetry is required. Banks, in addition to creating a package of services tailored to women (which include both loans that are tailored according to their capacities and needs in terms of the amount of the loan, the terms and conditions of repayment as well as advisory services), should also include the actions to improve transparency and to provide relevant information. Information geared towards female entrepreneurs should raise their awareness about options for financing, criteria, required collateral loans and such. On the other hand, women often seek smaller loans or are discouraged from even applying for a loan due to the perception that they will be rejected. Instead of such a "timid" approach banks as potential financiers of their businesses, there is a need for women to master the skills that are necessary to present viable business plans and to develop their projects in a convincing way with realistic forecasts for growth and business development.

Increased access to bank loans by women entrepreneurs is of the interest to the banks which are looking for new profitable markets and woman business owners seeking sources of financing for their sustainable growth. Mutual actions of both sides in the direction of achieving their own interests also have significant synergy effects at the macro level: reducing the gender gap in access to sources of financing and contribution to economic growth and development.

5.3. How do banks in the Republic of Serbia "see" women entrepreneurs

Many banks in the Republic of Serbia, offer loans to small and medium-sized enterprises, loans to entrepreneurs and some even microcredits. However, banking sector credit offer is generally unfavourable for the small and medium enterprises due to the relatively high interest rates, high collateral requirements and a lack of long-term loans (USAID, 2012). Guarantee schemes are not sufficiently developed. When the banks have the opportunity through programs, financed by the EU, to provide loan guarantees for existing credit lines intended for small and medium-sized enterprises but interest is extremely weak and that means are underutilized (The Strategy Support the Development of Small and Medium Enterprises, Entrepreneurship and Competitiveness).

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A high percentage of loans with repayment problems and weaknesses of the enforcement procedure for the collection of collateral are some of the reasons for the weak interest of banks to finance SMEs in general. On the other hand, poor compliance of products and services to the needs of small and medium-sized enterprises is affected by the weak demand for loans. Lack of knowledge of the characteristics and needs of the sector in general and in particular women's business makes it difficult for creditors to recognize good opportunities for crediting.

In the offer of bank loans generally there are no particularly designed loans to stimulate female entrepreneurship, but equal lending conditions apply to both men and women. This business policy is often explained by the fact that favoring the client by gender, would be a form of discrimination (although positive), which is in contradiction with applicable laws and regulations in the Republic of Serbia (UPS, 2013). The experiences of women entrepreneurs in Serbia show that they get loans easier as individuals rather than as entrepreneurs (USAID, 2012). The perception of women entrepreneurs as risky clients by the banks could be affected by the fact that female entrepreneurship is characterized by a higher rate of enterprises closing, while half of the firms has stagnated or is facing difficulties in business operations and survival as well as that most women begin independent operations due to economic necessity and not for business ideas and identified favorable conditions (Babović, 2012). Prejudices surrounding women's entrepreneurship can have a role in it (that women do not have sufficiently developed business contacts like men, they can not give their best because they have a double working time (at work and at home), etc.) (USAID, 2012).

Banks do not publish data on how many women entrepreneurs competed for loans, how many of them received a loan and at what interest rates, compared to men in order to determine whether there is discrimination against them⁶. In 2009, request for a loan (of any kind) submitted 24% of women and 29% men and credit was given to 94% of women and 92% of men. Although the difference between the percentage of rejected applications for men and women is not sufficiently pronounced to talk about discrimination, but still the reasons for refusal indicate gender differences. Among women there were insufficient guarantees and adverse credit history or its absence are more common reasons for rejection than men, while among men more often than women, represented reasons like improper business plan and inadequate documentation and other reasons (Babović, 2014).

The good practice of providing credit support to women entrepreneurs in the Republic of Serbia is crediting women entrepreneurs with guarantees from the Guarantee Fund of AP Vojvodina, but the achievements of this action are limited. Only one bank has introduced a special kind of loan for the improvement of women's entrepreneurship. This bank approves the "start-up" loans and loans for the purchase of equipment for women entrepreneurs that operate up to three years and the fund guarantees 100% of approved credit line. Also, credits are approved only to women entrepreneurs operating on the territory of AP Vojvodina (UPS, 2013).

Women entrepreneurs do not enjoy credit support by banks to the extent that they need (and that is not only for the establishment of enterprise but for its survival, growth and development). Consequently, the existence of appropriate institutional support programs to

⁶ The regulator that deals with financial stability this data engendering is of no importance. But banks, as services providers collect a lot of data about their clients and generally have or may have data engenderin.

start-ups and also to developed women's businesses is particularly gaining in importance. At the same time, the demand of women's entrepreneurship for finance resources remains beyond their public and banking offer and there is a space for greater penetration of banks in this market segment by developing a targeted approach and customized credit products.

Conclusion

Gender equality is officially enshrined in the constitutions of many countries in the world but its application in society and especially in the economy may still show open or hidden discrimination against women. Therefore, gender-conscious development policy is conducting with consideration of the gender perspective, the inclusion of the gender dimension and taking a gender approach as a starting point.

Female entrepreneurship is a major unused source of innovation, new jobs and economic growth in both developing countries and developed countries. Therefore, developing entrepreneurial skills of women is not only a question of equality but also economic potential, as well as one of the preconditions for stable and sustainable economic development. Accordingly, in recent years there is a noticeable increasing trend in the number of programs of economic empowerment of women and support to women's entrepreneurship.

In the strategic framework in which women's entrepreneurship is functioning in the Republic of Serbia there are noticeable weaknesses. A gender perspective is not sufficiently integrated into economic policies and the importance of female entrepreneurship is not sufficiently recognized and included in the gender equality policies. Progress in this area could be achieved by making a special strategy / action plan for the development of women's entrepreneurship. It is necessary to improve women's access to sources of financing. This can be done by a review of existing and creation of new state support programs and the establishment of special and more favorable credit lines, guarantee instruments and alternative sources of financing of women entrepreneurship. On the other hand, it is necessary to carry out long-term measures to raise awareness about a variety of available funding sources and their characteristics. There has been "gender blindness" present in the policy of approving bank loans to the economy and despite the absence of explicit discrimination, it leads to the disadvantage of women compared to men when approaching formal bank loans.

The potential for women's contribution to economic development in the Republic of Serbia has not been exhausted, so to their more complete activation, a better understanding of their specific needs and characteristics from the side of the banks, would contribute to. Thereby, it should be noted that also the characteristics of female entrepreneurship are not universal. Adequate banking credit support to women entrepreneurs (in terms of height of the loan, and repayment period, the required guarantee) should therefore be more tailored to their specific needs, capacities and circumstances with a higher level of personalization and build long-term business relationships. Targeted and innovative strategies can lead to significant benefits both for the banks themselves, and for the development of women entrepreneurship and the wider economy. Adequate banking credit support to women entrepreneurs (in terms of the amount of the loan, repayment period, the required guarantee) should therefore be more tailored to their specific needs, capacities and circumstances with a higher level of personalization and build long-term

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business relationships. Targeted and innovative strategies can lead to significant benefits both for the banks themselves and for the development of women entrepreneurship and the wider economy.

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KREDITNA PODRŠKA ŽENSKOM PREDUZETNIŠTVU KAO POTENCIJALNO ZNAČAJNI FAKTOR DRUŠTVENO- EKONOMSKOG RAZVOJA

Rezime: Proces urođnjavanja, kao jedna od dimenzija novog koncepta društveno-ekonomskog razvoja osigurava da muškarci i žene imaju jednak pristup i kontrolu nad resursima. Međutim, istraživanja, kako na nacionalnom tako i na međunarodnom nivou, pokazala su da se žene suočavaju sa većim preprekama u pristupu informacijama, obuci kao i adekvatnoj kreditnoj podršci za pokretanje i rast njihovih poslova. Imovinski rodni jaz, razlike u specifičnim karakteristikama siromaštva žena i muškaraca i pristup novcu u domaćinstvu umanjuje šanse žena da obezbede održivu samozaposlenost ili preduzetništvo. Nedostatak kapitala predstavlja prepreku kako za osnivanje tako i za pristup dodatnim finansijskim resursima poput bankarskih kredita to expand their business. Bolji pristup žena raznovrsnim izvorima finansiranja delovalo bi podsticajno na veće uključivanje u tržišnu ekonomiju. Takođe, i komercijalne banke, kako u razvijenim zemljama tako i u zemljama u razvoju, sve više prepoznaju targetiranje women's market kao profitabilnu aktivnost u okviru koje pružaju kreditnu podršku ženama preduzetnicama koja je u skladu sa njihovim potrebama. Cilj rada je da analizira mogućnosti i izazove obezbeđenja adekvatne kreditne podrške ženskom preduzetništvu kao preduslova za pokretanje inovacionog i kreativnog potencijala žena kao neiskorišćenog ljudskog resursa za društveni razvoj.

Ključne reči: urođnjavanje, žensko preduzetništvo, bankarski krediti, društveno-ekonomski razvoj