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ORIGINAL SCIENTIFIC PAPER

Participation of Women in Institutionally Sponsored Entrepreneurship Programs in Serbia: Some Statistical Facts

Kosovka Ognjenović[1]
Institute of Economic Sciences, Belgrade, Serbia

A B S T R A C T

The analysis of female entrepreneurship in Serbia is the main topic of this paper. The analysis of entrepreneurship takes into account the underrepresentation of women in the self-employed population. Studies analyzing entrepreneurial intention, self-efficacy, and self-perceived employability similarly show a lower representation of women choosing the professional path of entrepreneurs. Studies on institutional support for women who participate in entrepreneurship programs are rare. Therefore, determining how participation in institutionally sponsored active labor market policy programs influences the growth of female entrepreneurship in Serbia is the purpose of this paper. According to the results of this research, Serbia has a substantial gender difference in self-employment. Less than one-third of business owners are women. Women made up almost half of those taking part in entrepreneurship training. In 2021 and 2022, they received more than half of all subsidies for entrepreneurs. However, these findings do not significantly affect the trend of self-employment in Serbia.

KEYWORDS: *active labor market policies, entrepreneurial programs, Serbia, unemployed men and women*

[1] E-mail: kosovka.ognjenovic@ien.bg.ac.rs

Introduction

Active labor market policies, as well as subsidies for entrepreneurship development, began to be implemented in the early 2000s as part of upcoming privatization reforms that left a large number of workers without jobs (ILO & Council of Europe, 2007; EBRD, 2016). First of all, they were intended for surplus employees and harder-to-employ categories, which include women, representatives of minority groups and long-term unemployed persons (Ivanović & Kufenko, 2023; Stefanović et al., 2013). Their implementation was started by the National Employment Service (NES) with the financial support of the Government of the Republic of Serbia, donors, and even through state loans from financial organizations in order to support the implementation of reforms. It was a model that was tested in other former transition countries, and in Serbia, it was implemented as an example of 'good practice' that would encourage the reactivation of unemployed persons on the labor market (Palalić et al., 2020). This practice was later applied to persons entering the labor market for the first time so that young people, along with support through employment subsidies, were given the opportunity to develop as future entrepreneurs.

After more than two decades of implementation of active labor market policy measures, which refer to subsidies for self-employment and the development of entrepreneurship, self-employment does not make up a significant portion of overall employment in Serbia. Ten years ago, the share of the self-employed in the total employment in Serbia was almost one quarter, and today it is at the level of 16.4%. At the same time, total employment increased from 2.3 to over 2.9 million, and the active population aged 15 years and over exceeded 3.2 million in 2022. A similar trend is characteristic of the EU-27. However, the share of the self-employed in total employment is decreasing much more slowly, as indicated by a rate of 13.8% in 2022, which is equivalent to a relative decline of 1.5 percentage points compared to the period ten years ago (Eurostat, 2023).

Women in Serbia make up 22.4% of self-employed persons in 2022, while at the EU-27 level, there are two self-employed men for every self-employed woman (Eurostat, 2023). This implies the existence of a significant gender gap in self-employment rates. Before the COVID-19 crisis, there was a favorable climate for the development of female entrepreneurship in Serbia, so their number in total employment increased. However, the fragility of this sector is indicated by the fact that the crisis

affected the decline in self-employment, which is also a feature of the sectoral representation of self-employment among women. A worrying finding is that despite the increase in the active and employed population, the share of the self-employed in total employment is decreasing. The number of self-employed women in 2022 was only 70% of those women who were involved in this sector ten years ago.

Therefore, the aim of this paper is to determine whether the participation of women in institutionally sponsored entrepreneurship programs affects the growth of female employment. Also, one of the issues that arise when implementing active labor market policies is to estimate the effects on the employment of beneficiaries at least six months after exiting the measure. If it is not about innovative entrepreneurship, which is mostly covered by specific support measures, entrepreneurship is seen in this paper as a mechanism that tries to raise the level of inclusion of unemployed persons, including harder-to-employ categories. An active employment policy is only one way to help the functioning of the labor market, primarily through inclusive entrepreneurship. However, there are still other incentive and promotional measures, which include education and training, in order to encourage generations of young entrepreneurs to get involved in the development of this sector and contribute to its sustainability. They are especially important for low-income countries which provide fewer opportunities for upskilling the female labor force (Achakpa & Radović-Marković, 2018).

Despite the decline in the total number of self-employed in Serbia, the results for the entire Western Balkans region are encouraging and show that the entrepreneurial readiness and knowledge needed to establish and run a business is growing (Ratten et al., 2017). That potential is, first of all, carried by young people, as well as prime-age employees who, on the basis of the acquired experience, want to make a turn in their career leaving the wage sector (GEM, 2023). Considering the large diaspora, its importance for the development and internationalization of the entrepreneurial sector in the Western Balkans region cannot be ignored either (Schmutzler et al., 2021).

The structure of this paper is as follows. The next section offers an overview of the most recent works written about this subject in Serbia and the Balkans. A separate part describes the materials and methods, including the data utilized for statistical analysis. In a separate part, together with the discussion, the major findings of the statistical analysis of the effects of

specifically tailored active labor market policies for (self)employment of registered jobless persons are presented. The final section of this study presents a summary of the key findings and a conclusion.

Literature Review

The trend of Entrepreneurship Development

Financial support for the development of entrepreneurship is crucially important in transition economies and countries with a low level of development since it can prevent deeper poverty and stimulate economic development (Achakpa & Radović-Marković, 2018). It is worth noting that the entrepreneurial initiative is a generator of private sector development in those societies that later decided to restructure their economic systems (EBRD, 2016). It is also one of the ways to enable fair inclusion for participants in the labor market who have less chance of getting a job (Palalić et al., 2020). Among them are also women, especially those who belong to the category of harder-to-employ persons, and one of the features of their unfavorable status may be the lack of required skills (Ognjenović, 2023a).

When it comes to entrepreneurship as a way to encourage greater employment of women in the countries of the Western Balkans – where transitional reforms caused a significant decline in the participation of women in the labor market – there are several studies that show that women, due to more difficult access to sources of financing, opt for more expensive types, such as small-amount loans, credit cards, etc. (EBRD, 2016; GEM, 2023). This puts them in a disadvantageous position and is one of the causes of lower survival rates of women's businesses (GEM, 2023). On the other hand, this led to significant imbalances manifested through gender differences in employment, wages, and even in entrepreneurship rates. Along with financial assistance, recent research results show that it is necessary to increase the capacity of women entrepreneurs through training, mentoring and networking opportunities (Laudano et al., 2019; Semenčenko et al., 2016; Schmutzler et al., 2021). Ratten et al. (2017) used the Global Entrepreneurship Monitor database to investigate the reasons in the Balkan countries that lead to the choice of an entrepreneurial career. The authors concluded that individual abilities and knowledge are the main weighting factors that lead to entrepreneurial risk-taking. In addition, for the survival

of businesses whose owners are women, one of the crucial factors is the sector of activity to which women are more inclined (Pavlović et al., 2022).

Entrepreneurial Intention Studies

Women have less entrepreneurial self-confidence than men. This feature cannot be tied to a specific region or level of development of the country. And it is quantified by a significant difference in the rate of entrepreneurship between men and women (EBRD, 2016; GEM, 2023). A lower inclination towards entrepreneurship hinders people in their intention to realize their entrepreneurial ideas, so it is necessary to find additional internal and external motivational factors that will help them decide to take that step. Obstacles from the real environment, such as difficult access to funding sources or low trust in institutional support, also act as a disincentive.

It is well documented in empirical studies for Western Balkan countries that there are significant gender differences in entrepreneurial intention among the young and adult population (Cera et al., 2020; Knezović, 2023; Ognjenović, 2023b). Among the most frequently researched determinants of entrepreneurial intention are entrepreneurial attitudes, behavioral control, subjective norms, other motivational factors and entrepreneurial education. In most studies, only entrepreneurial attitudes and behavioral control factors are singled out as statistically significant determinants of entrepreneurial intention among young people (Ognjenović, 2023b; Vasileiou et al., 2023). Kariv et al. (2023) showed that formal entrepreneurial education forms a statistically significant and positive relationship with entrepreneurial intention among the population of university students. Particularly important is the finding that shows that one's own assessment of employability is an important determinant of entrepreneurial intention (Knezović, 2023). This result can be correlated with the importance of institutionally sponsored programs for the development of entrepreneurship in the countries of the region, with a specific focus on women as a harder-to-employ category. These findings also imply that in addition to financial support, which can be an obstacle to the realization of entrepreneurial intention in times of crisis (Kariv et al., 2022), self-efficacy training is also important, as well as the acquisition of other skills necessary for starting and running a business.

Institutionally Sponsored Entrepreneurship Programs

Employment initiatives for unemployed persons in the countries of the European Union are different; however, the largest number of participants in active labor market policies are involved in various vocational training. According to the figures from the annual report of the European Commission on active labor market policy implementation, in 2020, 2.6 million were included in vocational training, 1.1 million in measures of support to (re)employment and rehabilitation, 0.6 million were involved through measures of direct job creation, while 1.0 million participated in start-up incentives (European Commission, 2023). In relative terms, start-up incentives that include subsidies for self-employment are one of substantial employment measures in countries of the Union such as Croatia, Spain, and Poland. Different measures within this incentive are tailored for women and young adults under 25 years of age. Among the countries of the region that are in the Union, Croatia (20.2%) and Slovenia (4.5%) stand out with significant relative rates of women's participation in start-up incentives.

Although data on beneficiaries of active labor market policy measures are collected at the level of each EU member, quantitative evaluations of their impact on the employment of beneficiaries are not published as a series of regular research. When it comes to start-up initiatives, they are usually provided as a support package and differ from country to country. In particular cases, they include the promotion of entrepreneurship (for example, in Bulgaria). For similar employment initiatives in the Western Balkans countries, impact analyses are rare and are limited to evaluations of the effects of individual programs (Balavac-Orlic & Posadas, 2023). In Serbia, for example, NES reports annually about the beneficiaries of subsidies for entrepreneurship and monitors the effects of program implementation (National Employment Service, 2023).

Data and Methods

Two main sources of secondary data are used in this paper. Firstly, data from the EU Labor Force Survey (LFS) are analyzed in order to indicate the main trends in employment, self-employment and activity of men and women. This analysis focuses on the last ten years, from 2013 to 2022, depicting the most recent developments in particular labor markets. The main source of this data is Eurostat, both for widening countries (including

Serbia) and for the harmonized average at the Union level (EU-27). The data are analyzed according to professional status so that the total number of self-employed is divided into two components, including self-employed with employees or employers and individuals who do work for their own account, that is, self-employed without employees. Contributing family workers are excluded from this analysis. However, they are included in the total number of employed persons.

Besides the relative changes in the number of self-employed persons, absolute changes are also calculated, so the annual increment in the total number of self-employed can be analyzed. These annual changes in data series may be provisional due to breaks in the methodology of data collection. For the time sample that includes *n* years, the following set of formulas can be applied to obtain annual increments in the number of self-employed persons:

$$Inc_t = y_t - y_{t-1} \quad (1)$$

$$Inc_{t+1} = y_{t+1} - y_t \quad (2)$$

…

$$Inc_{t+n} = y_{t+n} - y_{t+(n-1)} \quad (3)$$

Another descriptive indicator was used in the data analysis. The entrepreneurship gender gap (EGG_t) for year *t* is calculated as a difference in the share of self-employed men and self-employed women in overall employment for the same time period *t*:

$$EGG_t = r_t^m - r_t^f \quad (4)$$

The difference in self-employment rates between men (r_t^m) and women (r_t^f) is obtained using LFS data for Serbia and EU-27 for corresponding years.

The second set of data comes from the annual NES reports. These data cover the period of the last four years, i.e., from 2019 to 2022. This period coincides with the implementation period of the current Employment Strategy in Serbia. The data comprise beneficiaries included in the two measures of active labor market policy aimed at supporting the promotion of entrepreneurship development. The first measure includes participants in

training for entrepreneurship entitled 'The Way to Become a Successful Entrepreneur' [sr. 'Put do uspešnog preduzetnika'], and the second includes beneficiaries of the subsidy for self-employment. These data are aggregated at the annual level and allow gender analysis, as well as analysis by age and education. In 2021, the duration of training for entrepreneurship was extended to three days.

Results and Discussion

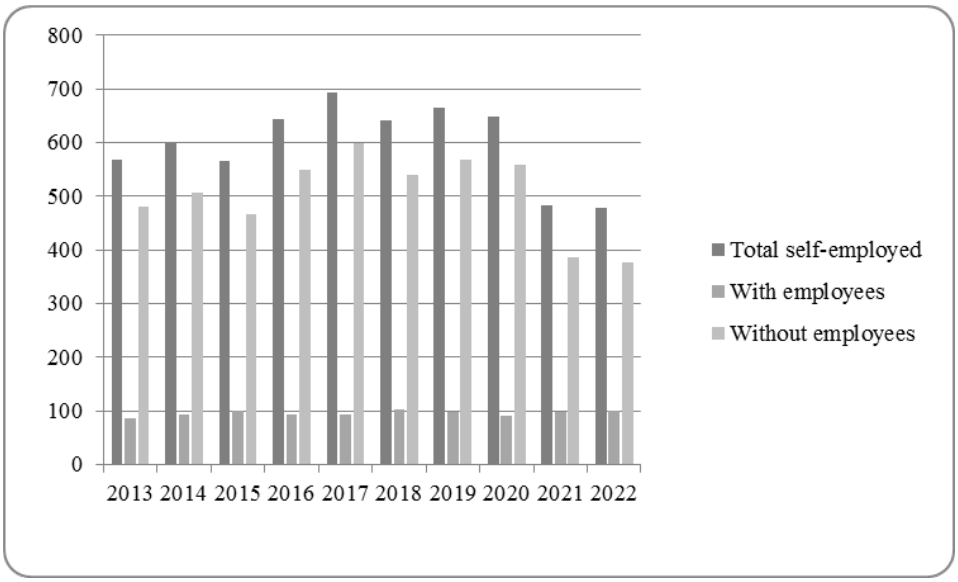
Dynamics of Self-employment

Despite the growth of total employment and activity of the population in Serbia, the number of self-employed persons is decreasing on an annual basis. During the 2013-2022 period, total employment in Serbia, according to LFS data, increased from 2.3 to 2.9 million (Figure 1). At the same time, the contingent of active population increased from 2.9 to 3.2 million. The population aged 15 and over is included in the analysis because the self-employed work longer on average than those who work for a salary. However, the number of self-employed persons is constantly decreasing and in the analyzed period it declined from 0.6 to 0.5 million.

It can be concluded that the dynamics of the self-employed population is very volatile and that the causes of this dynamic cannot be explained only by the change in the methodology of monitoring the movement on the labor market, but also by other factors that cannot be identified from the aggregated annual data. This conclusion is all the more relevant since the number of self-employed women decreased from 0.15 to 0.11 million, and of men from 0.42 to 0.37 million.

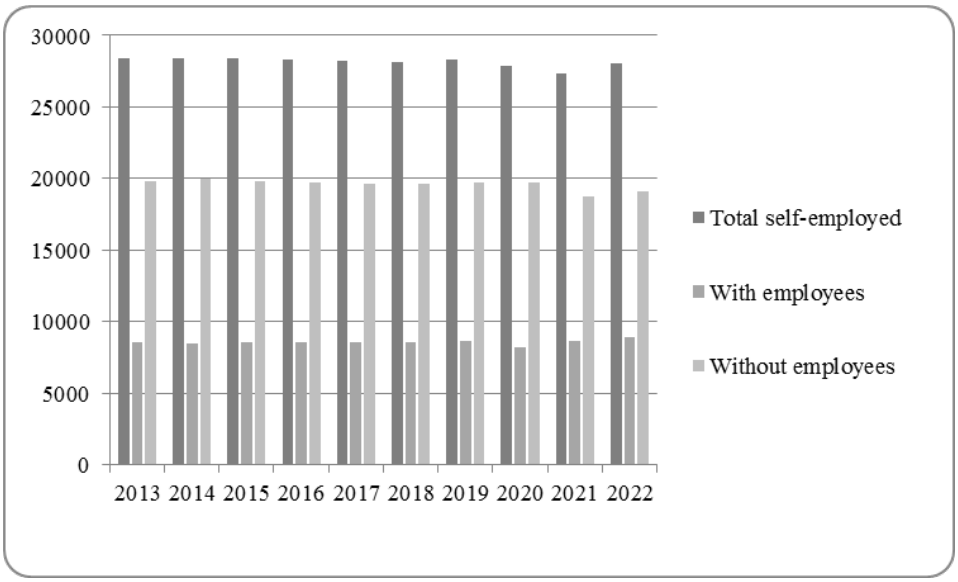
As can be noticed in Figure 1, from 2017 to 2020, self-employment grew slightly, thanks to the faster growth of the number of solo entrepreneurs than those who employ other persons. Own-account self-employed accounted for more than 85% of the total number of self-employed, but during the COVID-19 crisis, their number decreased to below 80%, or in terms of gender, it fell to below 80% and 75% for men and women, respectively. These results are not surprising, since empirical studies have indicated a weaker inclination towards entrepreneurship during the COVID-19 crisis, especially among the population of female entrepreneurs (Kariv et al., 2022; Ognjenović, 2023).

Figure 1: Trend of self-employed, self-employed with employees and self-employed without employees in Serbia (000 persons)



Source: Eurostat (2023), author's calculation.

Figure 2: Trend of self-employed, self-employed with employees and self-employed without employees in EU-27 (000 persons)

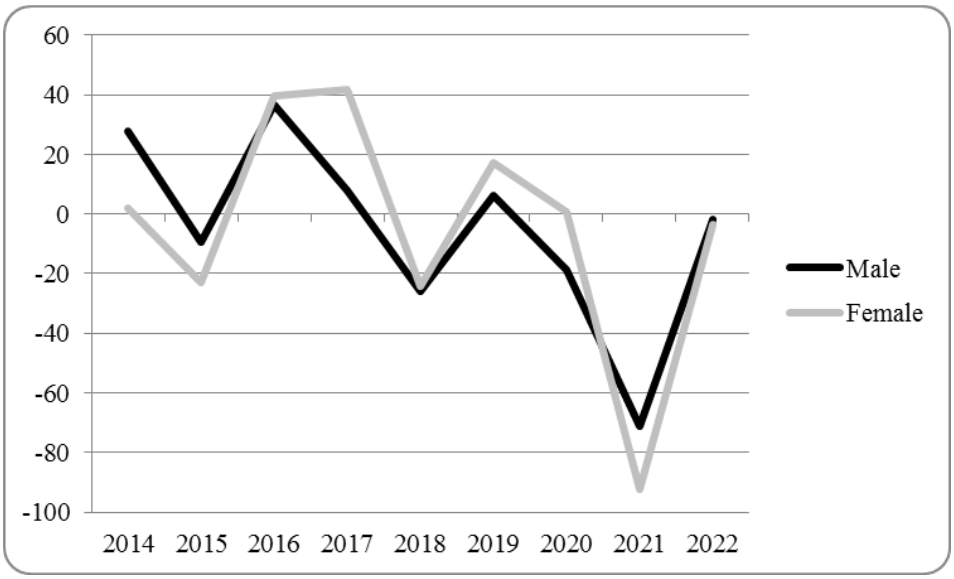


Source: Eurostat (2023), author's calculation.

The dynamics of self-employment at the EU-27 level is far less volatile, as can be seen in Figure 2. The COVID-19 crisis did affect the decline in the number of self-employed and a weaker inclination towards entrepreneurship, which can be seen in the sharp decline in the number of own-account workers. However, the number of self-employed persons who employ other persons increased from 8.5 (2013) to 8.9 (2022) million. This reservoir of employers represents a solid basis for the growth of total employment. The total number of self-employed at the EU-27 level is over 28 million (2022), and it was 28.4 million (2013), while women make up one-third of this number.

The increment in the number of self-employed men and women was positive between 2016 and 2017 and immediately before the COVID-19 crisis, as can be seen in Figure 3. At the same time, the increase in self-employment among women was higher than among men, which is also confirmed by their greater inclination towards entrepreneurship. Measures implemented to stimulate the development of female entrepreneurship contributed to this, on one, and solving the problem of unemployment among the harder-to-employ categories, on the other hand.

Figure 3: Increment of the total number of self-employed men and women in Serbia (000 persons)



Source: Eurostat (2023), author's calculation.

Table 1 shows the increment in the number of self-employed by gender, as well as by age groups in Serbia and EU-27. What women entrepreneurs in Serbia and the EU-27 have in common is that their profession is much more vulnerable to external shocks and crises, but also that the recovery is stable. Although the EU has start-up incentives for the development of entrepreneurship among young people up to 25 years of age, their interest is decreasing, more so among young women than among men (European Commission, 2023). Therefore, the research on this phenomenon is highly represented in recent studies (Kariv et al., 2022). In the EU-27, at the same time when two young men opt for an entrepreneurial profession, only one young woman makes the same choice, and in Serbia, this ratio is even more unfavorable with regard to young women.

Table 1: Increment of the number of self-employed by gender and age in Serbia and EU-27 (000 persons)

Year	Total		Age groups					
	Gender		Male			Female		
	Male	Female	[15-24]	[25-49]	[50-]	[15-24]	[25-49]	[50-]
				Serbia				
2014	28.0	1.8	-0.3	16.1	12.1	-1.2	6.6	-3.7
2015	-9.3	-23.0	-2.7	-1.5	-5.0	-0.5	-8.3	-14.1
2016	36.6	39.5	1.8	2.6	32.1	1.5	8.6	29.4
2017	7.9	41.7	1.3	2.0	4.6	-2.1	17.6	26.2
2018	-26.0	-24.3	-2.5	-11.4	-12.1	0.4	-13.0	-11.7
2019	6.3	17.1	-0.7	3.5	3.5	0.1	6.8	10.2
2020	-18.8	0.9	0.4	-9.2	-10.0	-0.6	-2.8	4.4
2021	-71.2	-92.3	-3.3	-15.2	-52.6	-0.5	-29.1	-62.7
2022	-1.8	-3.6	-0.8	1.1	-2.2	0.4	1.1	-5.3
				EU-27				
2014	3.1	53.0	-5.0	-174.3	182.5	-12.1	10.9	54.2
2015	-144.4	80.1	2.7	-214.4	67.3	-5.1	-33.4	118.5
2016	-128.5	50.1	3.4	-169.5	37.6	1.9	-36.2	84.6
2017	-36.7	-48.2	-20.0	-204.6	187.8	-5.1	-74.8	31.7
2018	-52.6	14.6	6.0	-259.2	200.7	-15.7	-65.8	95.9
2019	53.3	77.6	-1.0	-56.8	111.0	1.8	21.6	54.3
2020	-297.8	-104.4	21.3	-179.5	-139.5	-2.2	-121.7	19.5
2021	-349.1	-196.3	-5.5	-302.5	-41.1	10.5	-63.0	-143.9
2022	243.7	413.3	35.9	41.5	166.2	2.8	190.4	220.2

Source: Eurostat (2023), author's calculation.

All the mentioned findings influenced the fact that the entrepreneurship gender gap was reduced in Serbia, which is the focus of this analysis, but also in the EU-27. However, the participation rates of the self-employed in total employment in the EU-27 are far more stable than in Serbia. In 2022, the gender gap in self-employment amounted to 9.1 and 4.7 percentage points in Serbia and the EU-27, respectively.

Entrepreneurship Development through Active Labor Market Policy

The NES supports the development of entrepreneurship through two active labor market policy measures. The first relates to entrepreneurship training and the second to financial subsidies. In this paper, only the last four years are analyzed to include the period before the adoption of the new strategic document for the implementation of employment policy in Serbia, which refers to the period 2021-2026. Until 2020, entrepreneurship training 'The Way to Become a Successful Entrepreneur' lasted two days and was attended by unemployed people who decided to apply for a grant in the next step. Starting with 2021, the training lasts three days and 70% of the curriculum relates to the development of a business plan, on the basis of which the right to a grant is realized and is organized not only in person, but also online.

According to the figures in the NES annual report, women are underrepresented in this active labor market policy measure (Table 2). However, this can be explained by the fact that discouraged long-term unemployed women self-select out of the labor market. Empirical findings show that women's entrepreneurial behavior is highly dependent on their beliefs, risk-taking, reconciliation of family responsibilities and business life, etc. (Kariv et al., 2022; Knezović, 2023; Vasileiou et al., 2023). Gender differences in participation in entrepreneurship training may be important for policy advisors.

Table 2: Participants in training for entrepreneurship by gender

Year	Male		Female		Total	
2019	5,619	51.2%	5,366	48.8%	10,985	100.0%
2020	6,403	51.4%	6,065	48.6%	12,468	100.0%
2021	7,429	54.2%	6,269	45.8%	13,698	100.0%
2022	5,199	50.6%	5,067	49.4%	10,266	100.0%

Source: NES, Annual Reports for 2019-22, author's calculation.

Unemployed prime-age individuals are the most frequent participants in entrepreneurship training. A similar pattern is seen for gender (NES, 2019–2020). The result obtained by looking at the structure of the data in Table 3 is encouraging because it shows that the number of young people who decide to participate in this training for the potential realization of an entrepreneurial project is growing.

Table 3: Age structure of participants in training for entrepreneurship

Year	[Up to-30]		[30-49]		[50-and more]		Total	
2019	2,839	25.8%	5,888	53.6%	2,258	20.6%	10,985	100.0%
2020	3,241	26.0%	6,723	53.9%	2,504	20.1%	12,468	100.0%
2021	3,799	27.7%	7,274	53.1%	2,625	19.2%	13,698	100.0%
2022	2,733	26.6%	5,489	53.5%	2,044	19.9%	10,266	100.0%

Source: NES, Annual Reports for 2019–22, author's calculation.

The education structure is dominated by people with three- and four-year secondary schools (Table 4). In the structure of the unemployed, this category of people is the most represented, indicating that their employability is low and they most likely do not have the necessary skills to find a job in the wage sector. As for women, they most often start businesses in the service sector (Pavlović et al., 2022). Looking at the education structure of women, both the group of unemployed registered with the NES and the participants in entrepreneurship training are mostly women with secondary education (NES, 2019–2020).

Table 4: Participants in training for entrepreneurship by educational attainment

Year	Less than secondary		Secondary		College/Faculty		Other		Total	
2019	1,736	15.8%	6,193	56.4%	3,048	27.7%	8	0.1%	10,985	100.0%
2020	1,875	15.0%	6,931	55.6%	3,647	29.3%	15	0.1%	12,468	100.0%
2021	2,262	16.5%	7,807	57.0%	3,623	26.4%	6	0.0%	13,698	100.0%
2022	1,724	16.8%	5,711	55.6%	2,829	27.6%	2	0.0%	10,266	100.0%

Source: NES, Annual Reports for 2019–22, author's calculation

The direct support measure for entrepreneurship development is funded from several sources (Table 5). The main source of funding is the budgetary resources available to the NES to provide grants to unemployed persons

who have completed entrepreneurial training. This type of support covers up to 70% of beneficiaries. Local Self-Governments (LSs) also cover a significant number of beneficiaries with their budgets to support entrepreneurship development implemented through employment plans. This measure is implemented within the framework of NES technical assistance. Other sources of funding are the Vojvodina budget and project funding (NES, 2019–2020).

Table 5: Beneficiaries of subsidies for entrepreneurs by sources of financing

Year	NES	% of women	Co-financing NES and LSs	% of women	Other	% of women	Total	% of women
2019	3,141	50.5%	1,048	47.6%	295	51.5%	4,484	49.9%
2020	2,727	49.7%	875	48.2%	202	53.0%	3,804	49.5%
2021	2,836	59.6%	1,051	41.5%	322	53.7%	4,209	54.6%
2022	2,956	55.6%	1,132	41.7%	335	54.3%	4,423	52.0%

Source: NES, Annual Reports for 2019–22, author's calculation.

Women are less represented in entrepreneurship development plans implemented at the local level. According to the figures in Table 5, the share of women decreased significantly during the COVID-19 crisis, accounting for two-fifths of the beneficiaries. However, as the total number of grants awarded increases, so does the number of women opting for this employment promotion measure (Table 6).

Table 6: Beneficiaries of subsidies for entrepreneurs by gender

Year	Male		Female		Total	
2019	2,247	50.1%	2,237	49.9%	4,484	100.0%
2020	1,920	50.5%	1,884	49.5%	3,804	100.0%
2021	1,911	45.4%	2,298	54.6%	4,209	100.0%
2022	2,125	48.0%	2,298	52.0%	4,423	100.0%

Source: NES, Annual Reports for 2019–22, author's calculation.

Tables 7 and 8 show the age and education structure of subsidy recipients. The age and education structure of the beneficiaries of the entrepreneurship development program through self-employment subsidy corresponds to the structure of the participants in the entrepreneurship

training, since most of the people who complete the training apply for the subsidy. This methodology was adopted by the NES and has been used for many years. However, as of 2021, the obligation to prepare a business plan was introduced.

Table 7: Age structure of beneficiaries of subsidies for entrepreneurship

Year	[Up to-30]		[30-49]		[50-and more]		Total	
2019	1,093	24.4%	2,248	50.1%	1,143	25.5%	4,484	100.0%
2020	995	26.2%	1,870	49.2%	939	24.7%	3,804	100.0%
2021	1,124	26.7%	2,049	48.7%	1,036	24.6%	4,209	100.0%
2022	1,225	27.7%	2,161	48.9%	1,037	23.4%	4,423	100.0%

Source: NES, Annual Reports for 2019–22, author's calculation.

Table 8: Beneficiaries of subsidies for entrepreneurship by educational attainment

Year	Less than secondary		Secondary		College/Faculty		Total	
2019	690	15.4%	2,522	56.2%	1,272	28.4%	4,484	100.0%
2020	651	17.1%	2,069	54.4%	1,084	28.5%	3,804	100.0%
2021	711	16.9%	2,249	53.4%	1,249	29.7%	4,209	100.0%
2022	703	15.9%	2,481	56.1%	1,239	28.0%	4,423	100.0%

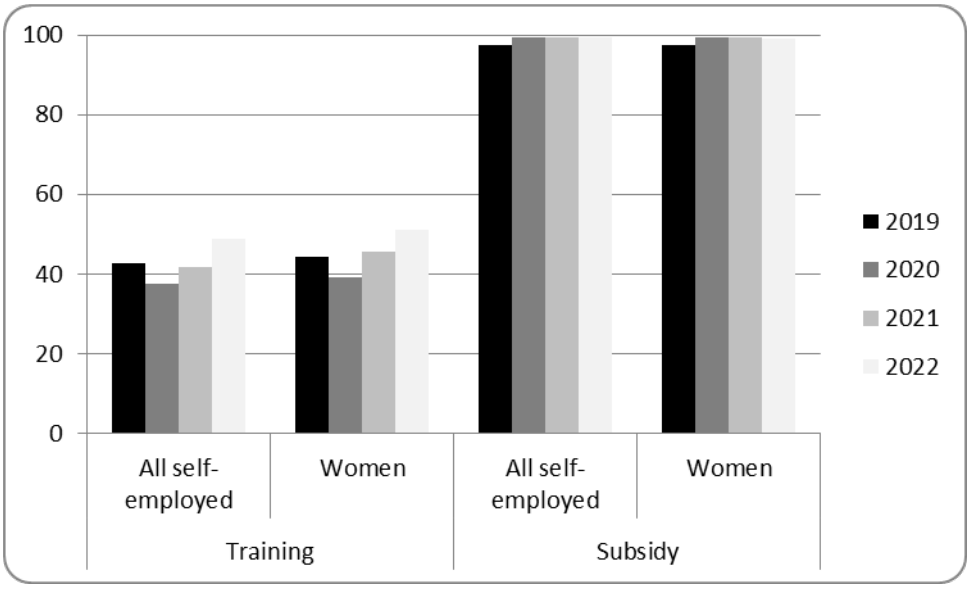
Source: NES, Annual Reports for 2019–22, author's calculation.

In addition to subsidies to promote employment with employers, subsidies for self-employment are also available to young people in Serbia (NES, 2019–2020). This is an encouraging result, showing the increase in the number of beneficiaries among young people under 30 years of age, as well as the improved structure by education, with an increase in the number of people with higher levels of education (Table 8). This may be a sign that the potential for the development of innovative entrepreneurship is growing with a higher survival rate of the founded enterprises. A similar trend can be observed in the EU-27. However, in the relative structure of participants in start-up initiatives, the share of young people is declining, especially among young women (European Commission, 2023).

Effects of Labor Market Policies on Self-employment

The effectiveness of entrepreneurship promotion policies through self-employment subsidies is high when measured by the number of people who continue their businesses after leaving the measure. In other words, the gross effects of the measure on beneficiary employment are high six months after exit from the measure (Figure 4). They have continued to increase after 2019. However, there are still some beneficiaries who do not survive in the business they started. The question arises as to what is the impact of these measures when the time horizon for monitoring beneficiaries' activities is extended. Therefore, it is necessary to determine if there are weaknesses in this measure to increase the survival rate of the businesses created. It is also necessary to find a way to allow more people who are undergoing entrepreneurship training to benefit from the support.

Figure 4: Gross effects of measures six months after exiting measure (in %)



Source: NES, Annual Reports for 2019-22, author's calculation.

Conclusion

Research dedicated to the phenomenon of entrepreneurship development, especially among women, is significantly represented in

published works (Knezović, 2023; Ognjenović, 2023b; Vasileiou et al., 2023). The main reasons for women's reluctance to opt for this type of employment are the fear of failure and falling into financial difficulties (Kariv et al., 2022). Also, one line of research indicates that better entrepreneurial education would increase interest in entrepreneurship, especially among young people (Achakpa & Radović-Marković, 2018; Cera et al., 2020; Laudano et al., 2019). Research for Serbia specifically points to the need to raise the entrepreneurial capacities of women, as well as empowerment through various forms of informal support through mentoring, networking and similar activities, so that women are more ready to take advantage of the opportunities presented to them (Semenčenko et al., 2016). It is also important to listen to how young people determine themselves according to the idea of becoming entrepreneurs (Ognjenović, 2023), and the encouraging result is that more and more young people opt for a subsidy to start their own businesses (NES, 2019–2020).

This research has shown that in Serbia, the mode of employment through support for future entrepreneurs is appreciated. This is indicated by the data on the increasing number of people participating in entrepreneurship training, as well as the survival rate of businesses started with subsidies. However, if aggregate data is analyzed at the country level, a decreasing trend of the participation of the self-employed in total employment can be observed. This trend of self-employment is particularly characteristic of the female population. On the other hand, the fact that the gender gap in entrepreneurship is decreasing can be encouraging, but the volatility of the self-employed category in total employment is worrying. The causes of this phenomenon should be paid attention to in future research. Therefore, it can be concluded that continuous support to unemployed persons through subsidies for the development of entrepreneurship does not significantly contribute to the increasing trend of self-employment in Serbia.

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