

Entrepreneurship Influenced by Education and Ethnicity

A Multidisciplinary Research among Albanian and Macedonian Students in Macedonia

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Abstract: *Although entrepreneurship as a process has been present for centuries, entrepreneurship as an academic area of study has been introduced recently. And, like other economic and social disciplines it does not have clear-cut borders. Instead it overlaps, draws upon, complements and includes other areas of study including business and management, sociology, psychology, economics, finance, and public policy. This is a multidisciplinary research study among Albanian and Macedonian students in Macedonia with the aim to study the development of entrepreneurship in Macedonia, to observe factors that are triggering and fueling entrepreneurial mindsets and what makes people want to become entrepreneurs with socio-demographic characteristics, especially ethnicity and cultural differences, of the students interviewed under review (gender, age, level of education completed, occupation, parents' occupation and locality –urban or rural)*

Key words: *entrepreneurship, education, ethnicity, Macedonian students, Albanian students*

1. Introduction

A first and most necessary step in measuring entrepreneurial activity, performance and aspirations is defining what entrepreneurship and an entrepreneur are, for which there is startlingly little consensus in literature (Sorensen and Chang, 2006). This creates a fertile ground for diversified theoretical and empirical approaches on one hand, and according to Sorensen and Chang (2006) a futile ground for reconciling results of different studies. And while the problem of defining the words “entrepreneur” and “entrepreneurship” and establishing the boundaries of the field of entrepreneurship has not yet been solved (Bruyat, 2000) the question raised more than 20 years ago still remains relevant: “Is the field of entrepreneurship growing, or just getting bigger?” (Sexton, 1988, p.4).

2. Literature review

The extensive literature review done, which included search of journals, databases, whitepapers, proceedings, books, interviews and more, offers various and numerous definitions for entrepreneurship and each views entrepreneurs and entrepreneurship from a slightly different perspective but they all contain, more or less, similar notions. Mentioned traits include newness, organizing, creating, wealth and risk-taking. Yet, each definition is restrictive to a certain degree because entrepreneurs are found in all professions – law, politics, research, education, architecture, government, etc. And it can be agreed that the term and concept of **entrepreneurship** has a wide range of meanings. On the one extreme an **entrepreneur** is a person of very high aptitude who pioneers change, possessing characteristics found in only a very small fraction of the population. On the other extreme of definitions, anyone who wants to work for him or herself is considered to be an entrepreneur (Hisrich, Peters and Shepherd, 2005).

For this research it is important to choose which definition suits best our society and level of economic development, because the definitions and the differences of the same are mostly due to the time period they were created, the level of economic development and the governmental organization.

2.1 Economic development and entrepreneurship

The Global Competitiveness report was published in 2009 and it classifies countries on the basis of the relation between entrepreneurship and economic development. It is important to link the history and the development of the economy of Macedonia to entrepreneurship and provide a background for the research. Thus, gross domestic product (GDP) is used

in US dollars to determine the phase of economic development. According to this report there are three stages of economic development:

- Factor - driven economies (below 2000\$ GDP per capita)
- Efficiency - driven economies (3,000-9,000\$ GDP per capita)
- Innovation –driven economies (up to and above 17, 000\$ GDP per capita)

Macedonia is classified in the groups of countries characterized by efficiency driven economies. This means that Macedonia is in the range of 3,000-9,000 \$ GDP per capita range, having 4,656 US\$ GDP per capita in 2008 and 5,229 US\$ GDP per capita in 2011 and economic growth of 5% resulting predominantly from trade and activities in the primary and secondary sector: agriculture, industry and construction. Macedonia's economy and the economies in the efficiency-driven economies are characterized, like the name suggests, by increased efficiency. Unlike the factor-driven economies which base their competitiveness on low prices resulting from cheap labor and natural resources and the innovation-driven economies which base their competitiveness on the ability to innovate, the use of improved manufacturing processes and the ability to deliver new, innovative products and services, the efficiency-driven economies or Macedonia bases its competitiveness on quality much more than on low prices. In factor-driven economies the agricultural sector located in the rural region provides the necessary income for the population. With industry development, the surplus workers form economies of scope by moving to certain industries in certain areas. These surplus workers are the entrepreneurs of the countries because they try to create self employment opportunities for supporting the family and earning only for life. On the other far end, in the innovation-driven economies the economy is mature and the wealth is increased which results in expansion of the service sector for a high-income society. Small and innovative enterprises strive in these countries and development of innovative entrepreneurial companies is primary concern of opportunity seeking entrepreneurs. Macedonia, like it was said, is in the middle of these two and institutions are formed as a result of development of the industry and they support industrialization and increase of productivity through economies of scale. Financial institutions to help large enterprises are formed and financial capital is accumulated, thus creating the basis of the entrepreneurship (Porter and Schwab, 2009).

According to the Global Entrepreneurship Monitor's (GEM's) report (2008), which is an annual global study of entrepreneurship in the world in which 43 countries took a part in 2008, including Republic of Macedonia, Macedonia's rate of economic growth reached 5% which resulted from trade and, as previously mentioned, activities in the primary and secondary sector: agriculture, industry and construction. State's capital investments grew and public spending was increased resulting in growth of domestic demand.

According to GEM (2008) the interest rates have been decreasing since 2003, expensive banking policy supported household's consumption, banks increased credit activities towards the private sector and all of this led to increase in investments ("Entrepreneurship in Macedonia," 2008).

A foundation for creation of knowledge-based, innovative and competitive economy was achieved by increase of the knowledge-based offer to the Macedonian citizens – new educational institutions, compulsory secondary education, new state universities and over 10 private universities, curricula updates and foreign models of curricula implemented in education, etc. Apart from the positive changes in Macedonia; GEM ("Entrepreneurship in Macedonia," 2008) notes the negative impacts on the economy and the entrepreneurship. Among these, as the most influential, is the halt in the last three months of the year 2008 when the real sector started to feel the effects from the world economic crisis. The external shock has mainly impacted the industrial sector (predominantly the export oriented industries) and significantly reflected on the expectations of the enterprises.

Macedonia is at the end stage of transition economies which are economies which generally try to form market economies. Many developing countries take part in this scope. The concept of transition economies is used for countries which had socialist economic system before and now try to form market economies. With more general definition, socialist and mixed economies' process of adaptation to market economies in globalization era and in the conditions of open economy.

Transition economies from one side are trying to decrease weight of government in economy, on the other hand they are charging of very important tasks to government in effort about harmonization of economic entities and rules to market system (Yavuz, 2005) which places us on the very beginning of the axis of entrepreneurship.

Besides, giving dynamism to economy, supporting entrepreneurs and accelerating their efficiency are very important for effectiveness of market economies in transition economies (Altay, 2002).

And, because of all said, it is best to be on the end of the entrepreneurship definition defining an entrepreneur - anyone who wants to work for himself or herself is considered to be an entrepreneur.

2.2 Entrepreneurship in Macedonia- environment and support

The entrepreneurship environment is important for the economy and that is why it is linked to the phase of economic development. As stated above, there are three stages of economic development according to the Global Competitiveness Report (Porter & Schwab, 2008): factor-driven, efficiency-driven and innovation-driven which are all present in all economies and the thing that varies is the prevalence of each and thus the entrepreneurial climate basis. For these reasons, having different combinations and prevalence of different phases of economic development in different countries, experts agree that one model or approach to entrepreneurship cannot be valid, although it used to be so (Easterly, 2001). GEM explains that basic requirements, like infrastructure, education and health, and “necessity-motivated” entrepreneurship are a characteristic of factor-driven phases of economy. Other form of entrepreneurship is “opportunity-driven” entrepreneurship which is an advance state of economies of scale. For the countries whose economic development is primarily based on innovations, environment becomes intrinsic for support to the economic development, as opposed to the factors or efficiency driven economies. In GEM's reports (“Entrepreneurship in Macedonia,” 2008) the importance of environment for support to entrepreneurship is emphasized, while the GEM consortium defined 10 requirements – areas which comprise environment.

The experts were asked to assess the environment in Macedonia that influences entrepreneurship (previously defined in questionnaire equally applied in all countries included in GEM) with rankings from 1 to 5.

The lowest ranking – 1, was given if the experts felt that the listed conditions “are inexistent or unfavorable for development of entrepreneurship” and the highest ranking – 5 was given if the listed condition was “present or favorable”.

The Table which follows represents the overview of different fields, influential to or influenced by entrepreneurship in Macedonia, and the countries in this region. It also gives the GEM average for comparison between the countries. This Table represents expert's views and is regarded as highly relevant. According to the table and the experts, Macedonia has highest ranking for: education and training – need for external support in planning to start business and interest for innovation – valuing innovations from view of consumers. The first is much higher than the GEM average.

The lowest score is given to: research and development and is lower than most of the countries in the region. At the same time, the experts feel that women have the necessary support for starting business.

In comparison to other countries, Macedonia has the highest rank for existence of government policies for support and regulations. Furthermore, the score is high for interest for innovations – from view of enterprises. With reference to education and training – elementary and secondary education, commercial services and infrastructure, and capacities for starting business, Macedonia only comes second, after Slovenia. What is expected and proven by this table, given the circumstances, is that only Bosnia and Herzegovina is behind us in the overall impression. Surprisingly enough, protection of intellectual property is ranked second, after Slovenia and is higher than the GEM average.

Table 1: Average ranking for entrepreneurship environment

Conditions	BiH	Macedonia	Serbia	Croatia	Slovenia	GEM average
A: Finance	2,2	2,41	2,71	2,78	2,72	2,44
B1: Government policies - support	1,98	2,49	2,40	2,19	2,32	2,48
B2: Government policies - regulations	1,69	2,47	2,39	1,88	2,23	2,25
C: Government programs	1,86	2,43	2,39	2,65	2,69	2,51
D1: Education and training – elementary and secondary education	1,97	2,2	2,04	2,17	2,42	2,01
D2: Education and training – vocational and higher education	2,36	2,76	2,90	2,79	2,97	2,77
D3: Education and training – need for	4,08	4,30	3,86	4,20	3,81	4,07

external support in planning to start business						
D4: Education and training – existence of sufficiently quality private and/or public centers and agencies that provide appropriate training for entrepreneurship	2,72	3,08	3,09	3,10	3,49	2,88
E: Research and development	1,81	2,01	2,24	2,20	2,46	2,26
F: Commercial services and infrastructure	2,68	2,94	2,82	2,74	3,09	2,91
G1: Market openness - dynamics of internal market	3,26	3,21	3,80	3,87	3,25	2,97
G2: Market openness – limitations in internal market	2,05	2,31	2,16	2,18	2,46	2,46
H: Physical infrastructure	3,12	3,41	3,01	3,77	3,78	3,53
I: Cultural and societal norms	2,19	2,78	2,28	2,29	2,31	2,74
K: Opportunities for entrepreneurship	3,23	3,16	3,01	3,43	3,15	3,21
L: Capacity for starting business	2,05	2,38	2,20	2,26	2,72	2,36
M: Societal status of entrepreneurs	3,16	3,25	3,59	2,97	2,99	3,38
N: Protection of intellectual property	1,78	2,69	2,15	2,66	2,99	2,64
P: Support of women in starting business	2,62	3,14	3,06	2,83	3,60	3,19
Q: Entrepreneurship growth	2,08	2,85	2,92	2,62	2,81	2,84
R1: Interest for innovation – valuing innovations from view of enterprises	2,55	2,84	2,71	2,52	2,82	3
R2: Interest for innovation – valuing innovations from view of consumers	3,11	3,41	3,74	3,40	3,21	3,48

Source: Entrepreneurship in Macedonia 2008, page 43

For further analysis of the present situation it is important to know that in 2008 was the first time Macedonia was a part of the Global Entrepreneurship Monitor project ("Entrepreneurship in Macedonia," 2008), meaning that it was the first time the entrepreneurial climate was assessed, and there was no possibility to make comparisons with previous years.

However, statistical data available for 2007 show the increase of entrepreneurial activities in Macedonia. The number of entrepreneurships in the country was 90,104; including 10,262 newly registered (that is 11%). Increase of number of entrepreneurships of 10% in 2007 compared to 2006 indicates rising of entrepreneurial activities of small businesses.

GEM reports that the number of entrepreneurships in the country was 90,104, including 10,262 of newly registered (that is 11%).

GEM experts agree that one of the reasons for this growth is the fact that the Government has implemented "regulatory guillotine" which aims to support businesses through the introduction of flat tax and additional tax breaks, such as reducing income and profit tax of 10% from January 2008. One-stop shop for starting businesses reduced the required waiting time to 9 days. However, there are still some challenges for Macedonia, for example regarding the procedures for closing businesses. Also, the Government developed and declared The Program for developing entrepreneurship, competition and innovations of small and middle sized companies 2007-2010, as a strategic document which aims to improve general business framework.

With the introduction of export facilities and reforms in the State cadastre, the Central Registry and Customs, was made additional effort to facilitate further regulations for businesses.

At the same time, with increase of public expenditure for education, the course "Entrepreneurship and business" was made compulsory which was expected to have a positive influence on business abilities of future youth entrepreneurs (Klisarovska, 2011).

To better understand the present condition of Macedonia, it is useful to look at the Report of the World Bank ("Doing business 2008," 2008). There, Macedonia is assessed as one of the best four reformers with the explanation that despite numerous political, economical and social reforms, postponing of the full membership in EU and NATO, as well as global financial crisis, the macro-economy remained stable in Macedonia. Macedonia was ranked 23 in terms of starting a business in 2008 in the World Bank Report on Doing Business but in 2009 climbed its way to the 12th place according to the World Bank. ("Development report 2007," 2007)).

2.3 Legal entities segmentation

For in-depth analysis of the ethnicity as a factor, it is considered useful, to present the legal entities segmentation in order to clarify the research done in Macedonia's banks for SME loans by Macedonian and Albanian citizens for discrimination issues. Our hypothesis is that Macedonian citizens have equal rights and banks do not discriminate on the bases of ethnicity when providing SME loans.

According to the Statistical office of Macedonia the legal entities are segmented as follows:

Micro-sized enterprise¹ is the enterprise which has met the following two criteria in each of the last two accounting years or in the first year of business activity:

- The average number of employees, based on the working hours, is not more than 10 employees;
- The annual revenue is less than 50K Euros in Denar counter-value;

Small-sized enterprise² is the enterprise which has met at least two of the following three criteria in each of the last two accounting years or in the first year of business activity:

- The average number of employees, based on the working hours, is not more than 50 employees;
- The annual revenue is less than 2 million Euros in Denar counter-value, and the total turnover is less than 2 million Euros in Denar counter-value;
- The average value (at the beginning and at the end of the accounting year) of the total fixed assets is less than 2 million Euros in Denar counter-value.

Medium-sized enterprise³ is the enterprise which has met at least two of the following three criteria in each of the last two accounting years or in the first year of business activity:

- The average number of employees, based on the working hours, is not more than 250 employees;
- The annual revenue is less than 10 million Euros in Denar counter-value, and the total turnover is less than 2 million Euros in Denar counter-value;
- The average value (at the beginning and at the end of the accounting year) of the total fixed assets is less than 11 million Euros in Denar counter-value.

The enterprises which are not included in small and medium sized enterprises have status of Big enterprises (Statistical office of R.M., 2012).

3. Methodology

3.1 Scope of research

A total of 284 people, of which 13% are already self-employed, were interviewed for this survey, between 12th of December, 2009 and 30th January, 2012. By doing all these interview different aspects were gathered with different opinions on the generally accepted problems that occur. On average, interviews lasted around 45 minutes, where some of

¹ A Category - Free Lancers and VSE (according to the ALPHA BANK Skopje segmentation) is included in this group

² A, B and C category - Free Lancers and VSE, Small and Medium clients (according to the ALPHA BANK Skopje segmentation) are included in this group.

³ C category - Free Lancers and VSE, Small and Medium clients (according to the ALPHA BANK Skopje segmentation) are included in this group.

them lasted more than an hour and some lasted 30 minutes depending on the ability to give relevant information on the topic. Since the questionnaire was given to random people all over Macedonia in print and electronically, the interview environment was not controlled. The questions in the questionnaire generally followed the issues raised in the introduction, but this was not mentioned in order not to cause confusion and more importantly not to influence the answers to be given.

Overall, the results of the survey gave an in-depth knowledge for some issues that were connected with the problems of entrepreneurial activity and gave insight about what the roots and causes of these problems might be in order to have a clear picture.

Different points of view from different parties involved were collected about different problems, where most of the problems were generally accepted but with different opinions.

The national history association reports that Macedonia has 2,055,915 citizens in July 2007 which have the following age structure:

- 0-14 years: 19.8% (male 210,418; female 195,884)
- 15-64 years: 69.1% (male 715,997; female 704,739)
- 65 years and over: 11.1% (male 99,892; female 128,985) (2007 est.) ("Macedonian population," 2008).

According to these data we can conclude that there are 1,420,736 people aged 15- 64, and that makes the working-able body of Macedonia and that is the number of citizens the sample will be done for.

3.2 Research questions

Considering the literature review and looking at the objectives, the research will focus on answering two main questions which will be associated with other sub questions.

What is the entrepreneurial climate in Macedonia?

What is the entrepreneurial activity in Macedonia?

Sub questions:

Why do Macedonian students prefer to be self-employed or employed?

What are the demographic breakdowns?

Does ethnicity influence entrepreneurial activity?

Does education influence entrepreneurial activity and preference?

What is the difference in perception of entrepreneurs between the EU and Macedonia?

4. Findings

The entrepreneurial attitudes are attitudes toward entrepreneurship and are important because they present the degree to which people in one country think it is good to be an entrepreneur in terms of existence of good opportunities for starting a business, or the degree to which they attach high status to entrepreneurs. It also includes the risks perceived by the population that the entrepreneur has to undertake and the knowledge and experience in business creation.

Entrepreneurial attitudes are important because they express the entrepreneurial climate in terms of general feelings of the population toward entrepreneurs and entrepreneurship. It is important for countries to have people who can recognize valuable business opportunities, and who perceive they have the required skills to exploit these opportunities. Moreover, if national attitudes toward entrepreneurship are positive, this will generate cultural support, help, financial resources, and networking benefits to those who are already entrepreneurs or want to start a business.

Results with the following socio-demographic characteristics of respondents as breakdowns:

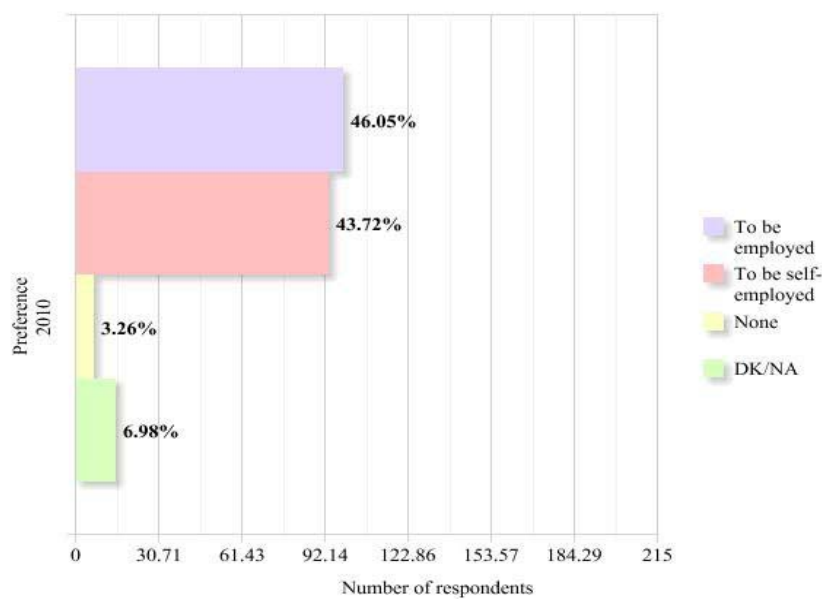
- Sex (Male, Female)
- Age (15-24, 25-39, 40-54, 55 +)
- Education (15&-, 16-20, 21&+, Still in full time education)
- Subjective urbanization (Metropolitan zone, Other town/urban\ centre, Rural zone)
- Occupation (Self-employed, Employee, Manual worker, Not working)
- Parents' occupation (Both self-employed, Self-employed & employed, Both employees)

These breakdowns mean that all the questions in the questionnaire will be broken down and analyzed according to all categories mentioned above. This research, however, will only focus on age and education, as well as ethnicity.

4.1 Entrepreneurial preference

It is important that countries have people who can recognize a business opportunity, and who consider that they have the necessary skills to exploit these opportunities. Moreover, if national attitudes towards entrepreneurship are positive, it will generate cultural cooperation, assistance, financial resources, and networking for those who are already entrepreneurs or want to start business.

Now, the existence of sufficient quality private and / or public centers and agencies that provide appropriate training for entrepreneurship, research and development, commercial services and infrastructure, market openness and government policies and programs are important to entrepreneurial climate and all have an average grade over the Balkan and because there are many opportunities for entrepreneurs, it is safe to assume that many Macedonian students want to be self-employed rather than employees, but in ideal conditions (Klisarovska, 2011).



Graph 1. Preference of employment

What we are interested in now is how this breaks down in every socio-economic factor with the aim of finding the reasons for such an outcome. The Table below demonstrates the answer to this question in terms of respondents' age, sex, education, occupation, place of residence and occupation of parents.

Table 1. Preference of employment

MACEDONIA	Employed	Selfemployed
GENDER		
Male	41 / 36.9%	53 / 47.7%
Female	58 / 54.2%	41 / 38.3%
EDUCATION		
Untill 15y of age	0	0
16-20	5	1
20+	21	27
Still in education	61 / 41.8%	65 / 44.5%

Q. If you could choose, which one would you prefer....

Of 126 students who responded to this question 65 prefer to self-indicating 44.5% positive climate for entrepreneurship. And 41.8% have a "negative attitude" mainly because of regular paychecks. On the other hand, a large number of students who want to be selfemployed present the attitude of the Macedonian students that it is as good to be selfemployed as it is to be employed who portray a neutral environment. The reasons for selecting the self-employed status is independence, fulfillment, business opportunity, improved income and other reasons. When you look at the ethnicity of respondents, we see that 44% of Albanian students would rather be selfemployed and as many students (44%) want to be employed. The remaining 2% did not answer this question.

By summarizing the results by the socio-demographic characteristics of respondents, we can conclude that men, students and those living in urban areas are more likely to want to be self-employed. Choosing self-employment decreases with age but increases with time spent in education. And who wants to be employed? It is more characteristic of women, people between 25-39 years and those who finished their education aged between 16 and 20. Ethnicity does not discriminate in employment preferences.

Interestingly enough, those with 54.2% of both self-employed parents do not prefer the self-employed status.

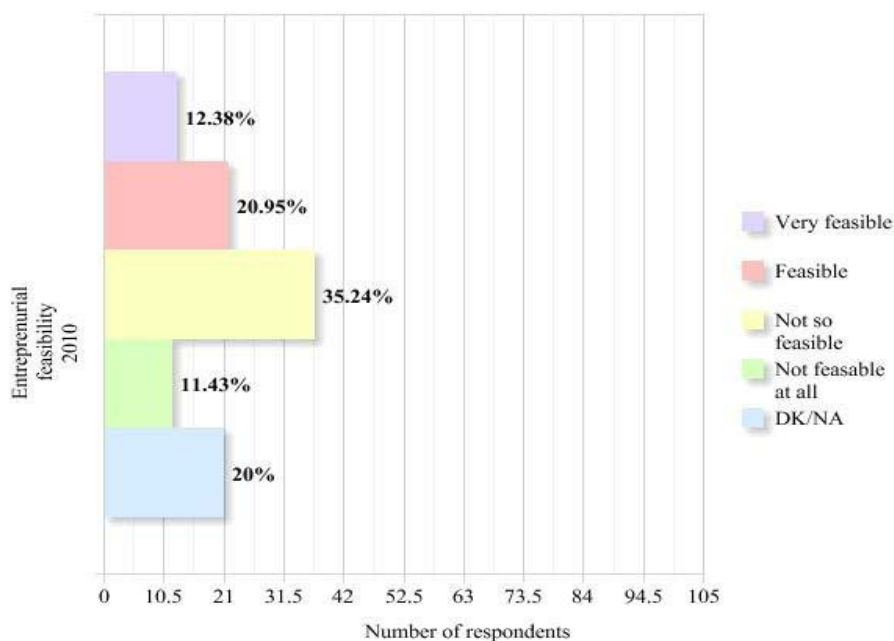
4.1.1 Comparison with EU and USA

In relation to the majority, Macedonia is like most countries in Europe, where those with employee status outnumbered those who opt for self-employment, compared with some countries, Macedonians are like Poland, Bulgaria, Latvia and Estonia.

When compared with the U.S., Macedonia is closer to the EU average than the U.S. where self-employment is a choice of 55% and employment of 36%.

4.2 Entrepreneurial feasibility

It has already been discussed and concluded that entrepreneurship is growing in Macedonia. GEM ("Entrepreneurship in Macedonia," 2007) reported an increase of number of entrepreneurship of 10% in 2007 compared to 2006 which indicates rising of entrepreneurial activities of small businesses. Their research also shows that men were much more likely to be entrepreneurs than women, having 70.3% male and 29.7% women entrepreneurs.





Graph 2. Entrepreneurial feasibility

Based on *Graph 2* we can see that the feasibility of becoming self-employed in the next five years is fairly high. 33% of all respondents believe that they will become self-employed in the next five years which predicts a growth in entrepreneurship and nascent entrepreneurship in the following 5 years.

The following table represents the socio-demographic breakdown of this question which will give, among other, the situation with students entrepreneurs in Macedonia.

Table 2. Entrepreneurial feasibility

MACEDONIA	Feasible	Not feasible
 GENDER		
Male	19 / 27.3%	25 / 49%
Female	16 / 28.6%	24 / 42.9%
 EDUCATION		
Untill 15y of age	0	0
16-20	1	3
20+	6	11
Still in education	24 / 32.9%	33 / 45.2%
Q. Is it feasible for you to become selfemployed in the following 5 years?		

Although it is proved that Macedonia is a fruitful and friendly country for women entrepreneurs and that they receive the necessary assistance and support to start a business, this research shows that there is fertile ground for entrepreneurs and beginners, in our case students, who after graduation will start their own business. More students (45.2%) believe that it is unfeasible to become entrepreneurs in the first 5 years of graduation, only 32.9% think that it is feasible.

Among other results obtained by analyzing this question is the fact that older people and those with less education do not feel that self-employment is feasible. Also, on one hand, the feasibility of becoming self-employed in the next five years increases with the level of education and decreases with age.

4.3 SME loans

As we already mentioned, for an in-depth analysis of the ethnicity as a factor, it is considered useful, to present the legal entities segmentation in order to clarify the research done in Macedonia's banks for SME loans by Macedonian and Albanian citizens for discrimination issues. Our hypothesis is that Macedonian citizens have equal rights and banks do not discriminate on the bases of ethnicity when providing SME loans.

Some banks, however, use their own criteria for segmenting legal entities. For example, in order to be categorized as SME, legal entity should fulfill at least one of the following criteria:

1. Total exposure less than EUR 200K
2. Total annual turnover less than EUR 500K

4.3.1 Segmentation of the banks in Macedonia

Regarding their size, banks are segmented according to the following criteria (total of 18):

1. Small banks – total assets up to MKD 5Bio (EUR 81M)
2. Medium banks – total assets between MKD 5Bio (EUR 81M) and MKD 22.5Bio (EUR 366M)
3. Big banks (4) –total assets above MKD 22.5Bio (EUR 366M)

4.3.2 Market shares of the banks at the SME segment

There is no info for the SME market share per bank due to different segmentation criteria, as well as due to the fact that some banks include SME balances in their Retail portfolios. The following table presents Retail market shares of some significant banks at the market:

Table 3. Retail market shares

	STB-big	TB-big	KB-big	Alpha-med	UNI-med
Retail loans	36%	16%	11%	5.15%	3.8%
Retail deposits	30%	18%	30%	1.5%	4.7%

The average Active IRs at the SME market are:

1. 8.8% - 12% for FX loans
2. 10.5% - 14.5% for MKD loans

Approved SME loans in 2011:

1. Medium bank: 20 to ethnic Macedonian entrepreneurs and 3 to ethnic Albanian entrepreneurs with total balance of EUR 315K
2. Big bank: 387 to ethnic Macedonian entrepreneurs and 46 to ethnic Albanian entrepreneurs with total balance of EUR 10.5M

Considering the Macedonian/Albanian ratio which is 80/20 we can see that banks do not tend to discriminate against one or other ethnic group and offer equal terms to all citizens who have a complete documentation.

5. Conclusions

Summarizing the results by the socio-demographic characteristics of the Macedonian respondents, we can conclude the men, the youngest citizens (15-24), those who are still in education, and those who live in urban areas are more likely to prefer to be self-employed. The preference for self-employment decreases with age but increases with the amount of time spent in education. And who prefers to be an employee? This is more characteristic of women, citizens between 25-39 years of age, and those who completed their education between the ages of 16 and 20. Interestingly enough, 15% of those who are self-employed, and those with 54.2% of both parents self-employed do not prefer the self-employed status. Based on the findings in this dissertation we can paint a picture of a Macedonian entrepreneur in the next five years.

In Macedonia, the typical entrepreneurs in the following five years will be male, in his mid-twenties, with higher educational level and higher income level. He would come from an urban area and would have unemployment status or student status prior to becoming an entrepreneur. This entrepreneur is most likely to have one parent employed and one self-employed.

Based on this portrait we can conclude that being familiar with entrepreneurship either through having one parent self-employed or through education contributes a lot to having more people opt for self-employment. The term entrepreneurship has recently been introduced in curricula across universities and high-school and this is the reason why students more than others see themselves as future entrepreneurs. Out of this conclusion the recommendations for future research are clear.

6. Recommendation for future researches

Based on research done in other countries and in Macedonia it was concluded that being familiar with entrepreneurship either through having one parent self-employed or through education contributes a lot to having more people opt for self-employment. Since, the term entrepreneurship has recently been introduced in curricula across universities and high-school the reason why students more than others see themselves as future entrepreneurs is obvious.

Although the impact of education in EU countries is not clear because research shows that equal proportions of EU citizens agreed, or rather disagreed, that their school education had helped them to develop a sort of entrepreneurial attitude (49%-49%) (Entrepreneurship in the EU and beyond, 2009), in Macedonia this is a newly introduced subject and is already giving results (more students than other citizens see themselves as entrepreneurs in the next 5 years)

Another thing that has been included in recent surveys on entrepreneurship throughout the world is the likelihood of respondents starting up a business in the event that a significant amount of money was inherited. Researchers believe

that this is important since their pilot research reported four in 10 people are likely to do so if they inherited a significant amount of money.

Finally, the rate of growth has also proven to be useful when examining entrepreneurial climate and preference. EU research shows that about a sixth (17%) of EU citizens would advise a friend who had just started a business to try to expand it as quickly as possible; roughly three-quarters (74%) would give the advice to grow it slowly (if at all).

To sum up the future research recommendations:

1. Research in Macedonia should be focused on students and curricula and improvement can be made based on that research
2. While doing research it has proven to be useful and vital to investigate the likelihood of respondents starting up a business in the event that a significant amount of money was inherited
3. Since there hasn't been any published work in Macedonia on rate of growth of enterprises, it will be crucial for future research in many areas apart from entrepreneurship.

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