

Gender, Age, Support and Performance of SMEs in a Transition Economy – Evidence from Bulgaria

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Abstract

Competitive performance of Bulgarian SMEs is crucial because of the specifics of the economy – small and open, and opportunities offered by the single European market, Eastern-European emerging market, and globalization. Bulgarian entrepreneurs face diverse challenges to their competitive performance, and this is especially valid for women and youth as inclusive entrepreneurs. This paper explores the profile and specific features of women and youth entrepreneurship and how gender, age, and support relate to performance and internationalization by using data from two empirical studies of Bulgarian SMEs. On a sample of 500 enterprises, we found more differences in determinants of performance between gender-based groups compared to age-based groups. Gender differences concern international entry modes, importance of profit and growth goals and management motivation, realized versus planned profit, fostering technological innovation, searching for new international markets and support needed for internationalization. Age differences relate to the first and top three foreign markets, importance of profit and growth goals, attracting customers by innovation and fitting with foreign markets. Bulgarian SMEs are mostly engaged in lower-risk and less resource demanding forms of internationalization. Profile of internationally active women entrepreneurs differs from the general profile of Bulgarian women entrepreneurs in terms of sectors – the first mostly operate in production and the latter – in services and trade. Data from a survey of 176 enterprises evidence that Bulgarian women entrepreneurs are highly educated and mainly over 40 years. Their entrepreneurial performance is motivated by a desire for independence, higher income, and self-expression. Meanwhile, entrepreneurial performance is confronted by challenges as successfully balancing family and business commitments, underrating of women's qualities and limited popularity of inspirational examples of women business leaders.

Key words: performance, determinants, women, youth, age, gender, internationalization, SMEs, institutional support, inclusive entrepreneurship, self-employment, Bulgaria, transition context, Emerging Europe