



## Female Entrepreneurship in Agricultural Sector. The Case of Municipality of Pogoni in the Period of Economic Crisis

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### Abstract

Purpose of this field research is the study of the multifunctional role of rural women both in development and primary sector's businesses. The survey was conducted in 2014, in Municipality of Pogoni, Greece, by personal interviews and questionnaire with women holding a small business in primary sector. Thus, the results about female entrepreneurship are unique for this specific rural area. It is concluded that within modernization of agricultural sector, the role of rural women has greatly improved in production and organization of agricultural labor. Female entrepreneurship networking, small businesses' succession, and necessity and opportunity entrepreneurship in primary sector's businesses are examined and also how these affect female entrepreneurship. Women entrepreneurs' opinions were catalogued. Factors such as education and vocational training are important in enhancing the role of rural women. Finally, main problems woman entrepreneur faces, mainly economic and managerial, were pointed out, while economic crisis seems to affect negatively the agricultural sector of this region.

**Keywords:** Female Entrepreneurship; Smes; Small Business; Agricultural Sector; Agribusiness; Women Entrepreneurs.

### 1. Introduction

On a global scale, the role and importance of women in development has been discussed a lot, especially from 70's, while many programs that had been developed aimed at improving the living conditions of women in rural areas and increasing their family income.

In 80s, European studies for rural areas showed increasing research interest for women farmers and focused their attention primarily on the position of women in farm, decision making, and family agricultural work, and secondarily in land ownership (Whatmore, 1988).

Agriculture is an important sector for women's employment, and is the seventh largest sector of women employment and the fifth largest of men employment in E.U. Many women contribute as spouses or business partners of farm owners, while exceptional, occasional and seasonal work, f.e. at harvest time, seems to be an important feature of female employment in this sector (European Commission, 2000).

Woman, today in rural society, has many roles and participates in family, rural and social environment, and economic development. The contribution of women farmers is important and they can benefit whole society with their many productive activities, such as working on farm, and managing household and family.

Farms in Europe are family businesses where couples often work together, with woman to possess an auxiliary role. A percentage of 38% of the total workers in family businesses in E.U. are women. Dealing with agriculture considered predominantly male profession (Vounouki and Iakovidou, 2001). In European countries, women belong in the category of unskilled workers, and are helpers of their husbands (Mazariegos, 1989; European Commission, 2006).

Nowadays, women farmers contribute significantly to economy and rural society. It is widely known that women produce half of world food production, while this percentage varies between 60% and 80% in developed countries (Akpinar et al., 2004).

The proportion between men and women in the workforce of Greek agricultural sector from 1961 to 1991 has almost doubled (from 1.5:1 to 2.8:1). This ratio for Thessaly amounts to 4:1, while at ages over 65 years is 6.3:1 (Gidakou and Kazakopoulos, 2001; Kazakopoulos and Gidakou, 2003).

With reform of Common Agricultural Policy in the last decades, a serious effort is needed by mainly the producers to solve structural problems of Greek agriculture, increase competitiveness at international level, and rediscover the position of rural women in contemporary rural society (Zaridis, 1996).

Purpose of this field research is the study of the multifunctional role of rural women both in rural development and primary sector's businesses.

## 2. Area Characteristics

Prefecture of Ioannina belongs in Region of Epirus, which is considered one of the poorest in European Union (Rontogianni and Zaridis, 2006).

The area of Pogoni has a particular research interest because it is just 35 km from Ioannina, it is a mountainous region that connects Epirus with Albania and presenting a great interest in agriculture and rural development that allows us to examine the different roles of women farmers under various conditions (Rontogianni and Zaridis, 2006).

In agricultural sector of Region of Epirus, a significant decline to 7.6% in employment was observed in period of 1993-1996. At the same time, female employment in primary sector of Epirus fell by 11.7%, while male employment fell by 4.4% (National Statistical Service, 2001).

Municipality of Pogoni is located in northwestern region of Prefecture of Ioannina and its inhabitants are mainly engaged in primary and tertiary sectors, while in Prefecture, mixed farms (agricultural and livestock) are at a rate of 72.05% of total holdings, pure livestock are 14.28%, and pure agricultural 13.67% (National Statistical Service, 2001).

In Municipality of Pogoni, only small number of people involved with rearing sheep and goats, while most producers have mixed farms and few are those who have only dairy cows (Rontogianni and Zaridis, 2006). In this area, extensive or semi-extensive farming prevails, and few are those dealing with the full intensive form of it, while main crops of the area are forage plants, such as corn, alfalfa, cereals, etc. (Rontogianni and Zaridis, 2006).

Research was conducted in Municipality of Pogoni at Prefecture of Ioannina during the period of the second half of 2014.

## 3. Methodology

In research, we used a questionnaire with closed and open-ended questions for a personal interview. The questions concerned the general characteristics of women themselves and their families (age, education, marital status, children, etc.), characteristics of their businesses, and techno-economic elements of them.

Furthermore, we posed questions about views of women farmers for E.U. programs, quality of their life's in this area, the way of living in the countryside, and finally, about their views on the future and the problems faced in business actions.

Stratified sampling was used for sample selection and particularly, homogeneous stratum based on age characteristics (Campbell & Stanley, 1974; Dimitropoulos, 1994).

Total number of women entrepreneurs divided into four subgroups according to their age: 18-40 years old, 41-55 years, 56-65 years and then 65 and older. Stratification was not chosen randomly, but with regard to the structural programs of E.U. on the improvement of the agricultural population's age composition, we proceeded to the separation of these strata, since the age of 40 is the deadline for joining the Young Farmers Program, while early retirement starts at 55 years, and retirement at 65.

Number of women entrepreneurs was measured and simple random sampling was applied within each stratum (Javeau, 1996).

On first visit, it was determined the sample size and sampling frame and then names of farmers who would take part in the survey were chosen by simple random sampling. On second visit, a questionnaire was used for data collection (Daoutopoulos, 1998; Katsillis, 1998).

Use of interview as a research tool ensures personal communication with interviewee and thus, is the best way for statistical data collection and considered the most reliable research tool, because personal interview leads to more reliable results, and interviewer is able to clarify questions posed and provide explanations to respondents (Paraskevopoulou,

1993; Kiochos, 1993; Dimitropoulos, 1994; Kyriazi, 1999). Data obtained from questionnaires were statistically analyzed to export results.

#### 4. Results

In this research, characteristics which determine the attitude of female farmers of specific area about their social and economic life were examined, such as their age, educational level, and the exclusivity of agricultural activity of rural women.

About alternative forms of agriculture and tourism - organic farming, organic livestock production and agritourism - 82% of women respondents know what organic farming is and 75% of what organic livestock production is, but there is a relatively little participation in those E.U. programs. The respondent farmers would like to be informed and involved in organic production programs.

This area has a significant comparative advantage in organic production, mainly livestock, and responds to siting, and sociological and environmental goals of modern agriculture (Rontogianni and Zaridis, 2006), while female entrepreneurs have the opinion that they would like to visit other regions or producers for acquiring knowledge about organic farming or other alternative production.

Moreover, about 54% know about agritourism and mostly younger farmers, while agritourism is not enough developed in area, since there are few agri tourism businesses managed by women entrepreneurs, despite the fact that agritourism is helpful for total business income in primary sector.

Older rural women – 41 years and over – know few things about agritourism, while 33% of women know about it from informative programs on TV. The majority of respondents (43%) doesn't want to engage in agritourism in the future, while 25% would welcome the idea and 22% are also positive under conditions. We note a decline of percentages for those that were positive in the period of economic crisis, compared with our previous research, due to the significant recession in tourism in the region during this crisis.

Interviewees believe that agricultural activities are low-paying (73%), relatively well (18%), satisfactorily (6%), and well-paying only 3%. The answers were affected from economic crisis, too.

With C.A.P. implementation, a large amount of primary sector's business income comes from E.U. subsidies. Women entrepreneurs surveyed participated in E.U. subsidies programs. So, they consider the existence of subsidies and economic incentives of very importance for primary sector's activities, and 49% of them believe that are quite informed about E.U. programs, 30% moderately and 21% not at all.

Lack of information about E.U. structural policy's programs occurs mainly in older ages. In younger age groups and in combination with the higher level of education, we observed greater interest in these alternative sectors of rural economy.

In this specific area, about 75% of women work together with their husbands in everyday activities, while about 25% is working on their own, due to the fact that their husbands do not participate either because of age or because of their non-agricultural activities.

Working hours for women entrepreneurs range from 8-12 hours/day, while 8.5 hours/day spent in housekeeping. Also, young women farmers were working fewer hours a day in business activities (5-8 hours/day) because of agricultural mechanization.

Also, it was found that younger farmers – up to 30 years – with a high level of education are not limited to agricultural income, but look for other non-agricultural income. Some of these try to improve their educational level in order to seek non-agricultural employment in urban areas and are not satisfied from their farm income, while they believe that there are more prospects for better quality of life in a big city. A small percentage of women farmers, mainly young ones, have the will to remain in rural area – even if they have a high level of education – under the condition that there will be a state support in order to remain on their land.

According to data obtained from interviews, 52 % of respondents believe that women agricultural cooperatives promote interests of women and wish to participate, while 32 % believe that cooperatives do not meet the needs of women and not wish to participate – which concerns the older age groups (over 55 years) – and 16 % are positive for women's cooperatives conditionally.

Female farmers answered that they wish to participate in an agricultural sector cooperative or a network – clustering – in percentage of 29%, while 47% do not want, and 24% expressed a neutral attitude that can be positive, depending on the type of production, the existence of financial incentives and state support.

A percentage of 68% of all respondents was fully and exclusively employed in agriculture, while 32% didn't have only agricultural income. The off-farm employment concerns smaller age groups (up to 50 years) mainly, while in women

over 65 years employment in agriculture is exclusive. An increase of fully and exclusively employed in agriculture women was noted in the period of economic crisis.

Referring to business succession to their children, majority of women gave a negative answer (61%) due to the difficulties encountered, and directs their children in finding another job. However, 39% of them want their children to continue working on existing business.

Another important point arising from research is the relationship between agricultural mechanization and women farmers' age. From results analysis, agricultural activities are done manually at the rate of 64%, while only 36% of women farmers use mechanical equipment, especially those under 40 years old. In contrast, older aged women hesitate to use equipment and consider it 'men's work'.

On women's participation in training seminars, about 52% of female entrepreneurs wanted the existence of such seminars on topics of plant and animal production, and marketing and distribution of agricultural products. A percentage of 31% of them do not wish to attend seminars, mainly the older age group (55 years and above), while the rest 17% showed interest only on matters relating to their job subject. Also, their majority wants to attend seminars in their area and not far from it.

EU subsidies play a great role for the viability of farms. Younger women farmers are trying to benefit from financial support of EU programs, such as programs for investments, livestock purchase, infrastructure, genetic improvement.

A percentage of 65% responded that they engaged in agriculture due to the fact that their parents were also farmers, 18% reported that they had no alternative in area, 9% because their husbands were farmers, and only 6% (aged to 40 years) because they liked the idea to remain in their area and work there, while 2% mentioned that engaged in the period of economic crisis because of economic reasons.

Women farmers face obstacles such as sex discrimination, difficult living conditions, and problems related to nature of their business.

The majority of them mentioned the existence of many problems, such as difficult transportation to prefecture's capital, inadequate public (health, education, etc.) and social services in their area, lack of other employment opportunities, while they expect the improvement of agricultural sector through government's structural measures.

## 5. Discussion

In Municipality of Pogoni, women-owners of farms are 63.4% of total women employed in primary sector, mainly in mixed farms (crop and livestock). Women entrepreneurs' businesses in primary sector of area constitute 29.7% of total agricultural businesses, which is considered significantly large. The corresponding figure for Portugal has reported that reaches 16.4% (European Commission, 2000).

Women entrepreneurs in primary sector of area are not quite satisfied with services in their area, which is consistent with other regions of European countries, since the decline of public services has led to farmers' marginalization. Usually, women farmers in these areas face particular problems of social exclusion due to geographical reasons (O'Hara, 1998). In our case, road link to Ioannina is satisfactory.

Study results indicate that educational level of women farmers decreases with age. Lioudakis (2000) in a survey conducted in Crete ended up comparable outcomes.

In agricultural activities, the coexistence and cooperation between two sexes is necessary for business viability. Women involve in agricultural activities, especially when they are manually. The participation of women is reduced when these activities are done by using technological equipment, due to women's inadequate education and denial of new productive methods. A comparative study conducted in 20 European countries showed that 13 % of operators of agricultural machinery were women (Whatmore, 1998).

With respect to management of agricultural businesses, our study pointed that contribution of rural women was mostly formal rather than substantive, since there aren't many women undertaking substantial financial and administrative management, result consistent with similar of previous research (Vounouki and Iakovidou, 2001).

Summarizing study results, we found the following for future development of female entrepreneurship in rural areas.

Women entrepreneurs in primary sector of Municipality of Pogoni want to produce organic products at the future, since they consider that this kind of agricultural activity will improve their quality of life and income, while their incomes are considered to be low by majority of women respondents. Similar results were found by previous research, indicating that young women consider agricultural occupation as the profession with the lowest income and as a temporary job, seeking a better one (Gidakou, 1999; Gidakou et al., 2000). Also, Akpinar et al. (2004) reported that only 54 % of women were satisfied with their rural incomes, on a survey conducted in Turkey.

Youngest women farmers work for fewer hours a day than older ones, because they use more mechanical equipment and advanced technologies in their work. Thus, they are significantly increasing time spent on personal pursuits and social life, while have significantly less leisure time than the corresponding urban women in Ioannina.

In a survey conducted in France, significant differences were found between daily working hours of women and men residing in rural and urban areas. The study showed that time spent on housework was on average 6.15 hours / day and on leisure 1.55 hours / day for women farmers. Respectively, time was 4.40 and 2.50 hours / day for city women that have almost twice free time (European Commission, 2000).

A study conducted in the Netherlands showed that rural women spent an average of 50 hours per week for household and 22 hours on the farm. In Catalonia - Spain, rural women work on average 77 hours a week. Kaur and Sharma (1991) showed that women farmers in more than 50% did not have any free time, and only those involved in livestock production use modernized methods of work (European Commission, 2000).

Concerning potential participation in future training programs for rural development, women farmers were mostly positive, particularly for topics such as plant and animal production, marketing - distribution of agricultural products, and specific issues related to their own farm. In contrast, a study conducted by European Commission (2000) for Greece pointed that rural women were not interested in issues such as livestock, arboriculture, horticultural and agricultural equipment - less than 20 % of learners - while many more prefer to take part in seminars with topics like handicraft, agricultural economics, food processing and agritourism.

Women entrepreneurs had negative attitude about business succession from their children due to business difficulties encountered by them. Some farm families push their children to higher education in order to achieve social recognition helping them to escape from hard life (Segalin, 1981), either shortage of land's plots doesn't permit more than one child to work in agricultural activities (Vounouki and Iakovidou, 2001). This seems to happen in our study, too.

Daughters are reluctant to follow mothers' lifestyles and migrate to urban areas (O'Hara, 1998). The rejection of farming by young women may be explained by the marginalization of women in rural areas, and family strategies related to succession of family business (Gidakou, 1999; Gidakou et al., 2000).

Gourdomichalis (1991) in a study conducted in Thessaly pointed that only 3% of women wanted their sons to become farmers, 15% were neutral, and 81% were negative. Also, 76% of women were against the idea their daughters to marry a farmer. Women entrepreneurs in our study kept similar negative attitude about their children's occupation.

Women farmers expressed their positive view about rural cooperatives. Female cooperatives aim at increasing family income and upgrading women's social position (Koutsou, Iakovidou and Gotsinas, 2003). Cooperatives may also contribute to the promotion of alternative forms of tourism (Kovani, 2003). Female cooperatives created a source of income for women farmers and gave them independence, power of control and self-esteem. Moreover, cooperatives contributed to development of geographical areas through alternative tourism (Iakovidou, 2002).

Women farmers of Pogoni seek recognition and respect based on their professional capabilities. The future of family farming business that primarily dominates in the region depends on the programs of agricultural and regional policy. For this reason, organized rural development policies should be applied, and also networking of rural areas and farmer's support should be implemented for economic development of their region.

Some specific data decreased in comparison with our research conducted before crisis and therefore, attention will be needed since economic crisis seems to affect negatively the agricultural sector of this region.

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