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INNOVATIVE APPROACH FOR FACING ROMA EXCLUSION WITH SOCIAL ENTREPRENEURSHIP TRAININGS

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Abstract: The Roma minority is considered the most marginalised ethnic community in Eastern Europe. Their social exclusion is a consequence of the high unemployment rates, low level of education and skills, in addition to the numerous conditions resulting from their past and traditions. On the other hand, the importance of social entrepreneurship as a promoter of change in the social sector and innovative approach in facing the social challenges is widely acknowledged. This paper aims to investigate the missing skills and capabilities of the Roma youth population for developing, establishing and running a social enterprise. Therefore, the situation of the Roma minority in Macedonia is analysed and the main challenges that influence their social exclusion are determined. Based on the findings, an appropriate research methodology, consisting of secondary research and a survey, is designed and implemented. The research results provided valuable insights that served as a foundation for proposing efficient and effective training methodology for capacities building for the relevant social entrepreneurship competences. The contributions of this research are twofold. It adds to the literature on marginalised groups and minorities, but also has some practical valuable implications for the national and local policymakers and the providers on formal and informal entrepreneurial education.

Keywords: Roma, entrepreneurship, social entrepreneurship, training, youth unemployment

1. INTRODUCTION

Roma ethnic community in Eastern Europe is largely marginalised [1-5]. Facts show that the poverty of the Roma is much higher than the poverty of any other ethnic group, due to numerous factors resulting from their past, traditions and their permanent social exclusion. The long-term unfavourable economic tendencies in the Republic of Macedonia that affected the overall population causing negative impact on the living standard, led to an even greater impoverishment of the Roma community [6-8].

The youth unemployment is significant problem in Macedonia and other countries from the region [8-8]. Youth Roma, especially NEETs (Not in Education, Employment or Training), are among the most marginalised category in the country. Two factors are commonly identified as causing the marginalisation of Roma – low levels of education and discrimination. The low level of education determines most of the Roma to the lowest and least paid jobs, usually physical work that currently are difficult to obtain, since the offer of work force is high.

On the other hand, entrepreneurship and social entrepreneurship are determined as key areas for addressing the unemployment and social challenges through self-employment and achieving social impact in the strategies of many developed societies [10-12]. The development of the entrepreneurial culture has been often analysed by many economic theoreticians and practitioners, focused on the development of small and medium sized enterprises (SMEs), and promoting the entrepreneurship as a driver of the economic development and as an opportunity for overcoming the economic recession and improvement of the socio-economic conditions within the society [13-15]. In order to utilise these potentials for creating new jobs and stimulating economic prosperity, the policy makers in Macedonia design and implement different policies and measures for supporting innovation, entrepreneurship or (self) employment [16]. In the context of this analysis and considering the specific (unfavourable economic and social) state of the Roma population, these support measures, instruments and activities are of even greater importance as they can, first, contribute to raising the awareness and later also improve the inclusion and socio-economic conditions of the Roma in the country.

This research is part of the European project RISE (Roma Inclusion through Social Entrepreneurship). The aim of the project RISE is to contribute to the social inclusion and empowering of the Roma youth community in the Macedonian society by providing better understanding of the policies and measures for increasing employment and entrepreneurship (including social entrepreneurship). Based on the research findings and undertaken analysis, this paper provides conclusions on principles and scopes that should be implemented in

order to create appropriate training methodology for enhancing the skills for social entrepreneurship, and with that increasing the inclusion of Roma youth in the social processes on a national level, primarily to the business world and the labour market.

2. LITERATURE REVIEW

In this section, the main literature researching the Roma population in Europe, with special attention to the educational circumstances of Roma youth and labour market discrimination, as well as other studies on employment and entrepreneurship are revised. Also, the stage of development of the social entrepreneurship in Macedonia is briefly discussed.

Economic literature of the Roma community, which is among the largest and the poorest ethnic groups in Europe remains scarce, due to the limited availability of appropriate micro-level data [17]. The rights of this transnational minority are regulated by each individual country within its legislative borders, most often in compliance with the related EU guidelines. Some studies suggest that for diminishing the marginalization, it is crucial equal access to and involvement in all aspects of life, including importantly in the political process [18], [19]. However, some cases show that granting of legal equality does not necessarily change the disadvantaged socio-economic situation of this ethnic group [20].

The challenges for the Roma are well-known: overcoming poverty, increasing access to education and diminishing labour market discrimination. Access to public education has tended to be below normative levels where Roma children are concerned [21]. The serious inequalities in the access to secondary and tertiary education significantly affect the life and career opportunities of Roma adolescents in Europe [22]. The risks to Roma youth educational interests are recognised internationally, which is reflected in many policy initiatives and instruments on European level. When it comes to minorities, special attention is paid to a specific form of labour market discrimination, known as wage discrimination that exists when the relative wages of non-Roma exceed the relative wages that would have prevailed if Roma and non-Roma were paid according to the same criteria [23]. Moreover, the discrimination outside the labour market also affects the acquisition of human capital (i.e. education and professional competences) by Roma and indirectly leads to differences in incomes and additional disadvantage in the labour market. A direct implication of the lower absolute returns to education accruing to Roma is that their lower educational participation is, at least in part, due to rational economic calculus; consequently, policy needs to address both low educational participation and labour market discrimination contemporaneously [24].

On the other hand, the area of social entrepreneurship is considered as a promoter of change in the social sector in many developed societies. One of the views for differentiating social entrepreneurship from other forms of entrepreneurship in the relatively higher priority given to promoting social value and development versus capturing economic value [10]. The concept of social entrepreneurship in the Republic of Macedonia is not completely understood and identified, not only by the general public, but also by the key stakeholders and policy makers in the field. Social entrepreneurship in the country can be found in different legal forms – associations, foundations and cooperatives being the most common ones. General perspective is that there is a low level of awareness on the important role that the social entrepreneurship plays when it comes to the social development and economic prosperity. The attempts for creating the legal framework are welcomed, in July 2015 the first proposal on Law for social entrepreneurship was drafted, but until now there hasn't been done any step further nor adaptation on the Law that proves that there is a need for stronger political will during the overall process. The largest weakness is the lack of a strategy and well-defined steps for development of the social entrepreneurship within the country. There is a need for increased coordination, promotion and development of the overall field of social entrepreneurship. The fragmented approach in this regard haven't yielded any particular achievements in the past, and therefore the coordinated approach should precede and treat social entrepreneurship as multi-sectoral, instead of treating as one separate sector. Finally, the analysis of the social entrepreneurship in the Republic of Macedonia indicates that there is a low level of entrepreneurial culture, lack of entrepreneurial skills in the field, particularly concerning management and financial skills.

3. METHODOLOGY

For investigating the training needs of the Roma population, especially of the young people, a survey was implemented in May 2017. The aim of the questionnaire was collecting some general data and status of the surveyed person in the society, the perception, benefit and experiences regarding entrepreneurship, determination of the skills owned by the surveyed people, as well as their particular needs for training and their readiness to participate in certain programs – trainings which might be of significant importance for the development of their entrepreneurial potential.

In total, 305 respondents were included in the research – 126 or 41% were female, while 179 or 59% were male. According to the Sturges rule [25], we divided the respondents in seven age groups: 63 persons, i.e. 21% of the respondents were aged 16-18; 90 persons (29%) aged between 19-21; 45 persons (15%) aged between 22 and 24, 43 persons (14%) are aged between 25-27; 26 persons (8%) aged between 28-30; 17 persons (6%) were aged between 31 and 33 and the rest 21 person, i.e. 7% were aged between 34 and 36. Mostly included were persons aged between 19 and 21, while least included were the persons aged between 31 and 33.

Vast majority of the respondents, or 192 out of 305 (63%) were from Skopje. In addition, 39 respondents were from the cities of Stip and Bitola, while 32 persons are from Kumanovo. Finally, lower percentage of the respondents were from Kichevo, Gostivar and Ohrid.

4. ANALYSIS OF THE RESEARCH RESULTS

The analysis of the collected data was conducted through structuring, processing and systematization. In the upcoming paragraphs, we will elaborate the analysis results of the primary data in order to determine the general conclusions and recommendations which shall give clear picture for creating training programs for development of the social entrepreneurship among the Roma youth population.

Taking into account the findings from the primary and secondary research, the main pillars of the training program for enhancing the capacities of the Roma youth population for (social) entrepreneurship were determined. In this regard, the programme is divided in three fields that can be further additionally elaborated:

- Entrepreneurship, social entrepreneurship and generating a business idea;
- Basic ICT skills;
- Project management, communication and soft skills.

Entrepreneurship, social entrepreneurship and generating a business idea

The basis for entrepreneurship, especially the social entrepreneurship, is the creation of a feasible business idea, which is one of the most desirable possible solutions that could improve the situation of the Roma youth population in Macedonia. Although the Roma minority is characterised with low level of education and rare cases of self-employment, over 30% of the respondents in our field analysis stated that they had a business idea, which is the foundation and the base of the entrepreneurial initiative and a successful business project. Figure 1 shows the respondents' entrepreneurial preferences, initiatives and efforts for starting own business. This also shows the potential of creating Roma-entrepreneurs and businesspersons, which would further have significant impact to the situation of the Roma population and of the socio-economic aspect of all citizens. Therefore, fostering social entrepreneurship is of exceptional importance since most of the employees in the companies whose owner is a Roma persona are also from the Roma ethnic group and they understand the social and economic aspects of the vulnerable categories in the country which gives them additional advantage and entrepreneurial potential.

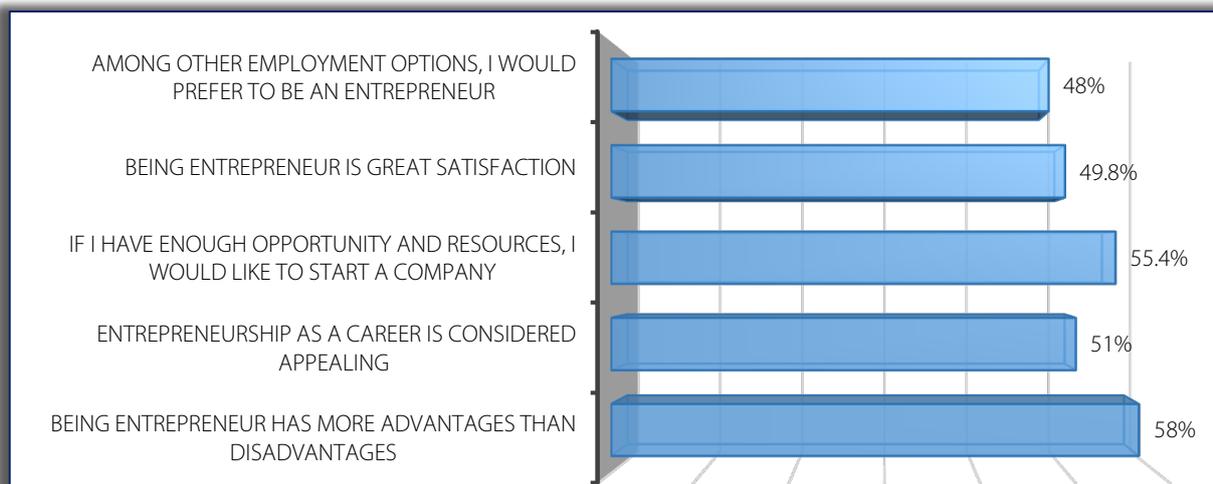


Figure 1. Entrepreneurial preferences and initiative

The results from the research shown on Figure 2 regarding the preferences of the Roma youth for choosing a career as an entrepreneur demonstrated strong orientation, or a significant percentage of 50% of the respondents would decide and/or intend to try to become entrepreneurs. One of the questions emphasizes the financial aspect, i.e. 55% of the Roma youth population stated that if they had sufficient financial resources they would open own business. If we analyse the entrepreneurial intentions and decisions of the respondents regarding opening own company, the same relation is evident, or around 46% had positive attitude towards

the decision to start their own company, whereas 51% would put significant efforts to open their own business. A significant, high percentage of the respondents also had a positive answer that they would do anything to become entrepreneurs.

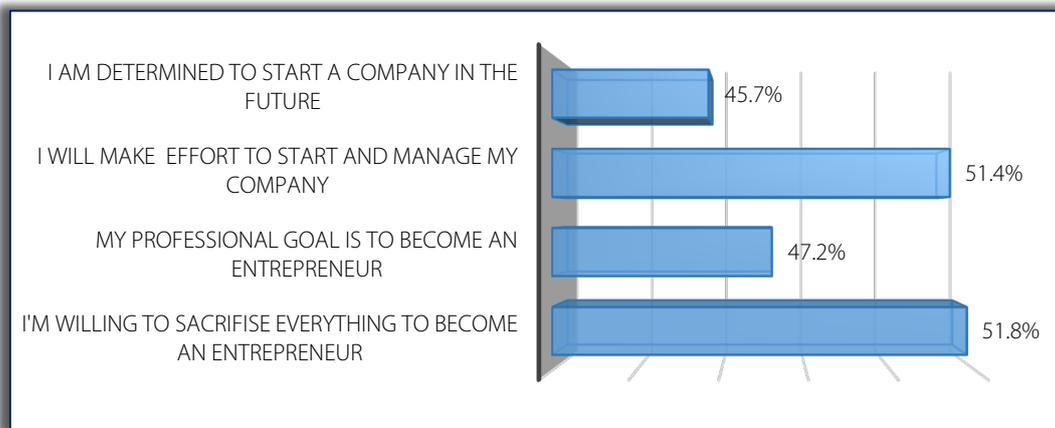


Figure 2. Entrepreneurial intention and effort/decision to start a company

The previous data, together with the information that 30% from the respondents claimed to have a business idea, clearly shows that willingness of the Roma youth population and the positive perception towards the entrepreneurial initiative and their efforts for opening own company are exceptionally high. These results provide the ground for organizing trainings and other activities to canalize and structure this potential – from creating a good/realistic business idea, to its presentation, financing and realization.

Basic ICT skills

ICT skills are one of the basic skills without which we cannot imagine how one individual could operate in the economic, social and societal life. Considering that the entrepreneurship requires innovations, communication, presentation and realization of the idea in the complex economic surrounding, the knowledge of the basic ICT is an irreplaceable need. Therefore, taking into account the responses of the research study we determine the need of strengthening the capacities of the Roma youth population in order to be able to use computer software smoothly.

The respondents claimed to know the following programs the best:

- around 40% have knowledge in Microsoft Office Word and Internet
- around 20% have knowledge in Microsoft Office Excel and PowerPoint
- around 15.7% have knowledge in Microsoft Office Outlook

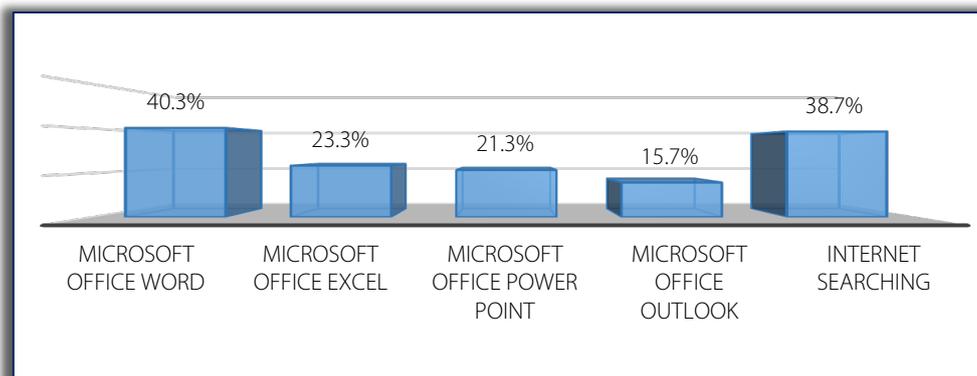


Figure 3. Knowledge of basic ICT tools

The results showed that generally there is a need for further capacity building in almost every of the basic ICT packages (more than 1/3 of the respondents) while individually, the need for further increase of the capacities is as presented on Figure 4.

The econometric analysis also confirmed that the need for trainings for further development is correlated to the need for training in Excel and Word. It could be noticed that the coefficient of simple correlation $r=0.52$ is for both Word and Excel, while the coefficient $r=0.86$ shows strong connection between the need for training in Excel and Word, i.e. the respondents which prefer training for one, think that they need training and improvement for the other software, too.

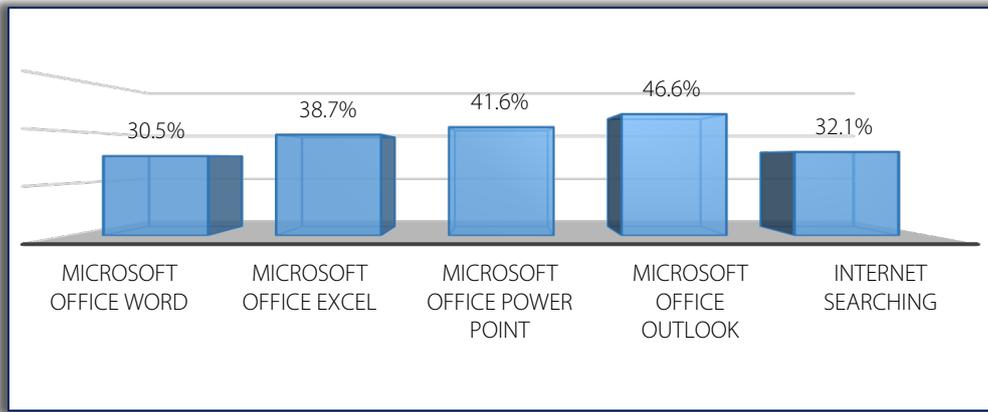


Figure 4. Need for enhancing ICT capabilities

Project management, communication and soft skills

The skills related to project management, communication and soft skills are of utmost importance for a successful entrepreneur and businessperson. The analysis reveals the uncertainties, which at the same time shows the fields that require strengthening of the capacities of the future entrepreneurs from Roma origin. Around half of the respondents in the survey stated their doubts and weaknesses regarding the key questions related to the realization of the business project, opening and successfully running their own business (Figure 5).

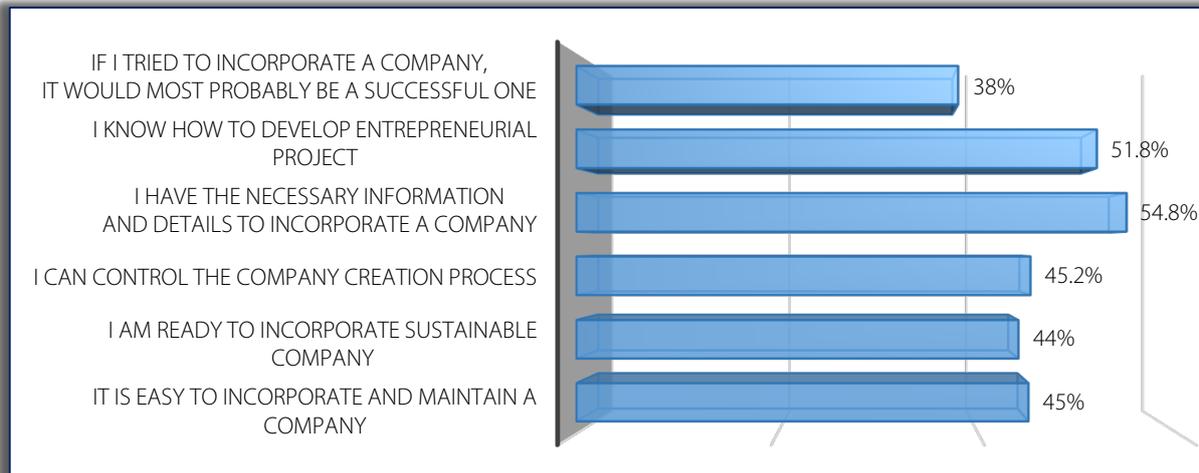


Figure 5. Doubts and uncertainty analysis regarding the realisation of the business projects

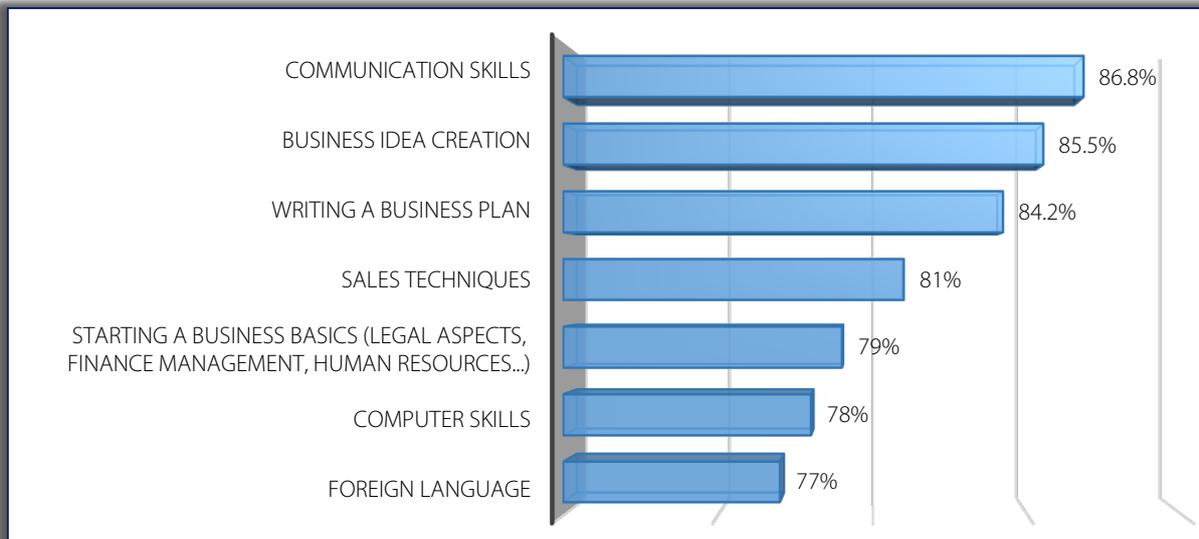


Figure 6. Which skills you should possess in order to initiate a successful own business

The analysis regarding which skills the respondents should possess in order to start a successful own company clearly shows the directions and which topics the trainings program should cover (Figure 6):

- Around 85% of the respondents believe that in order to start own company the following skills are the most important: writing a business plan, creating a business idea, and communication skills.
- High 81% consider sales skills as important.
- Around 78% consider the basics for opening own business (knowledge in legal, financial aspects etc.), computer skills and knowledge of a foreign language as highly important.

Regarding the fields that should form part of the capacity building program, the analysis shows clear guidance as the respondents gave their opinion which is summed up on Figure 7.

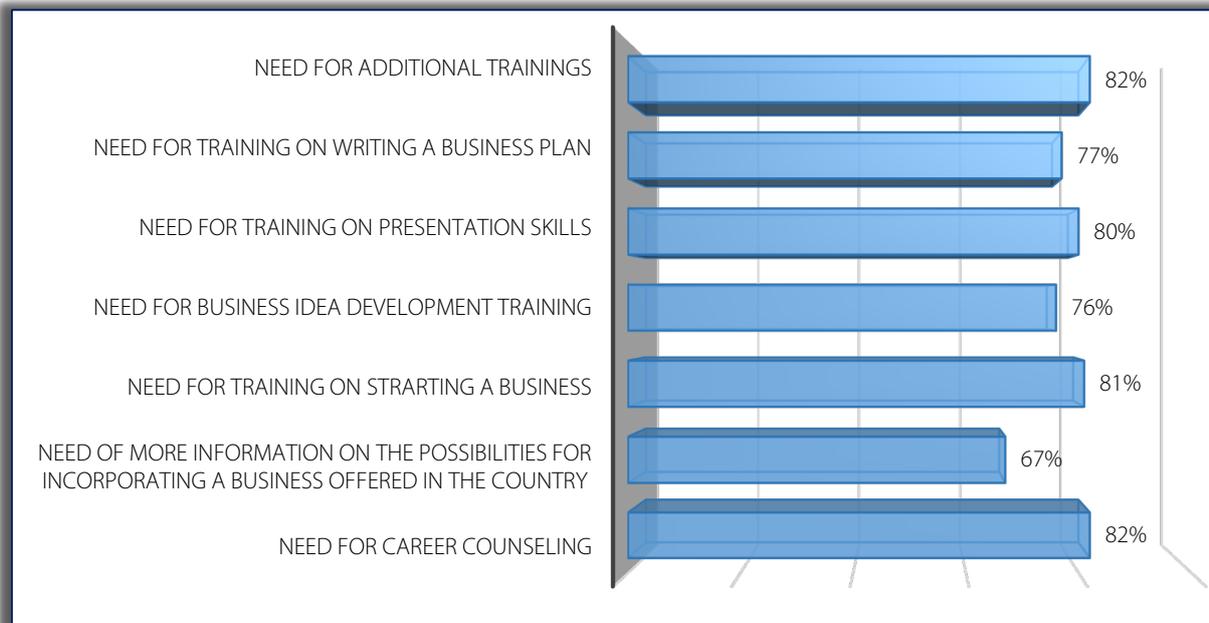


Figure 7. Training needs for enhancing the capacities

Significant part of these results was confirmed by the regression and correlation analysis that supported the correlation between the soft skills, project management skills and the skills needed for opening and running an own company as strong determinants of the entrepreneurial initiative and the establishment of an own company.

In general, it can be concluded that the majority of the respondents are aware of their capacities and their level of skills and knowledge, as well as of the need for additional trainings and workshops that would improve their capabilities for (social) entrepreneurship and inclusion on the labour market.

5. CONCLUSIONS

In summary, the most important challenges for the Roma youth, that were discussed are overcoming poverty, increasing access to education and diminishing labour market discrimination. On the other hand, the basis for entrepreneurship, especially the social entrepreneurship, is the creation of a feasible business idea, which is one of the most desirable possible solutions that could improve the situation of the Roma youth population in Macedonia. The field analysis conducted in this research pointed out that, despite the lower education levels, significant percentage of the respondents had a business idea, which is the foundation and the base of the entrepreneurial initiative and a successful business project. Considering the entrepreneurial skills as innovativeness, communication, presentation and realization of the idea in the complex economic surrounding, the knowledge of the basic computer tools is an irreplaceable need. Therefore, taking into account the responses of the research study the need of strengthening the capacities of the Roma youth population is determined. Finally, the skills related to project management, communication and soft skills are of utmost importance for a successful entrepreneur and businessperson. The analysis revealed the uncertainties, which at the same time show the fields that require strengthening of the capacities of the future entrepreneurs from Roma origin.

Taking into account the analysis of the secondary data, the descriptive statistical analysis of the primary data and the econometrical analysis, it can be determined the main pillars of the capacity building training program for enhancing the capacities of the Roma population for (social) entrepreneurship. In this regard, a programme that covers the three main fields:

- Entrepreneurship, social entrepreneurship and generating a business idea;
- Basic computer skills; and
- Project management, communication and soft skills is proposed.

The findings of this study have significant theoretical and practical implications. The analysis of the primary and secondary data about the Roma youth population in Macedonia contributes to the existing literature on marginalised groups in the region, critically reviewing the national initiatives, programmes and efforts to address their problems and challenges on a national level. Practically, the importance of this study is significant for both, the marginalised target group on one side and for the policymakers and the formal and informal educational institutions on the other. The targeted Roma youngsters who will undertake the training programme will benefit greatly from the gained skills for developing, establishing and running a social enterprise. This research could assist the policymakers in the creation of future programmes for minorities, while the knowledge providers could directly apply the findings and proposed methodology to their training curricula.

Further research in this direction could adopt a longitudinal design in the analysis in order to assess and evaluate the practical long-term gains for the society from the application of this training methodology. In addition, the focus on this study was the context of Roma population in Macedonian society. Future work should consider testing the applicability of the proposed methodology in different countries from the region with significant Roma population.

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