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WOMEN'S ENTREPRENEURSHIP IN AGRICULTURE AND RURAL DEVELOPMENT IN SERBIA

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Abstract: Women's entrepreneurship in agriculture represents an important, yet still insufficiently explored, segment of rural development in the Republic of Serbia. In the context of long-standing structural challenges facing rural areas such as depopulation, population ageing, and limited economic opportunities the role of women in the development of agricultural holdings and related activities has become increasingly significant. The aim of this paper is to examine the role of women entrepreneurs in agriculture and their position within the rural development process in Serbia, with particular emphasis on the forms of entrepreneurial activities, development potentials, and constraints they face. The paper is based on an analysis of relevant domestic and international literature, as well as an examination of the institutional and socio-economic framework within which women pursue their entrepreneurial initiatives. The findings may serve as a basis for further research and for the formulation of policies aimed at providing stronger support to women in rural areas.

Keywords: Women's entrepreneurship, Agriculture, Rural development, Serbia, Sustainability

INTRODUCTION

The agricultural sector in the Republic of Serbia has very high economic and social importance, as it makes a significant contribution to gross domestic product and employs a large number of people (Milanović et al., 2020). However, for many years negative trends have been present, reflected in rural depopulation, population ageing, a decline in economic activities, and limited employment opportunities. Contemporary approaches to rural development indicate that the revitalization of rural areas cannot be based solely on primary agricultural production, but instead requires the diversification of economic activities, the strengthening of local entrepreneurship, and the more active inclusion of all social groups in development processes. Entrepreneurship is increasingly recognized as one of the key mechanisms for stimulating economic growth, employment, and social cohesion in rural areas (OECD, 2019). In the literature, women's entrepreneurship is defined as a set of entrepreneurial activities initiated and managed by women, emphasizing its role in economic empowerment, poverty reduction, and the improvement of quality of life, particularly in less developed areas. Entrepreneurs Hendratmi et al. (2022), women entrepreneurs participate in all aspects of entrepreneurship, taking risks and identifying opportunities in their environment to combine resources in innovative ways that enhance the profitability of their ventures. Hendratmi et al. (2022) further reveal that an increasing

number of women engage in entrepreneurship with the aim of achieving a better work-life balance and contributing to their communities.

Special attention in contemporary research is devoted to the role of women in the rural economy. The World Bank (2012) notes that women's entrepreneurship is often linked to agriculture, food processing, the production of traditional products, rural tourism, and other activities based on local resources and knowledge. Although women represent a significant share of the agricultural workforce and play an important role in maintaining agricultural holdings and households, their contribution is often insufficiently visible and institutionally recognized. Anupama et al. (2024) point out that women farmers play a vital role in sustaining agriculture, yet their contribution is frequently undervalued. Numerous studies indicate that women in rural areas are less likely to appear as formal owners of farms or as entrepreneurs, which directly affects their access to financial resources, incentives, and markets (FAO, 2011). The FAO and the World Bank emphasize that greater inclusion of women in entrepreneurial activities in agriculture can have a significant positive impact on productivity, food security, and sustainable rural development. FAO (2011) states that reducing the gender gap in access to resources could lead to increased agricultural production and improved food security, particularly in developing and transition countries.

Vujičić and her co-authors point out that the development of women's entrepreneurship in Serbia is shaped by a combination of individual factors, such as education and entrepreneurial skills, as well as institutional factors, including the availability of financial support and public policies (Vujičić et al., 2012, 2013). The authors particularly emphasize that women's entrepreneurship has the potential to contribute to reducing unemployment and strengthening local economies, but that this potential remains largely underutilized in practice. In addition to domestic research, relevant international literature highlights that women in rural areas often face additional barriers to entrepreneurial development. Among the most frequently identified obstacles are limited access to capital, unresolved property rights issues, weaker links to markets, and insufficient institutional support (OECD, 2019; European Commission, 2021). These challenges are particularly pronounced in agriculture, where formal ownership of land and farms often represents a basic prerequisite for accessing support measures. The contemporary concept of rural development increasingly emphasizes an integrated approach that includes economic, social, and institutional dimensions of development. Therefore, women's entrepreneurship should not be viewed solely as an issue of gender equality, but rather as an important development resource that can contribute to employment, income diversification, and the long-term sustainability of rural communities. As noted by Doss et al. (2018), the economic empowerment of women in agriculture has the potential to generate positive effects not only at the level of the individual and the household, but also at the level of the local community.

LITERATURE REVIEW

Women's entrepreneurship represents a specific segment of entrepreneurial activity that is increasingly viewed in contemporary literature as an important factor of economic and social development, particularly in less developed and rural areas. Research shows that the inclusion of women in the agricultural sector can significantly improve productivity and innovation, which are essential for maintaining market competitiveness (Vujičić et al., 2025). The OECD (2019) emphasizes that entrepreneurship in rural areas plays a key role

in diversifying economic activities, reducing dependence on primary agriculture, and strengthening the resilience of local economies. Women's entrepreneurship gains additional importance because it combines economic objectives with social and developmental effects. The World Bank (2012) highlights that the inclusion of women in entrepreneurial activities contributes to economic growth, poverty reduction, and improved social inclusion. This is particularly relevant in rural areas, where employment opportunities are limited and women's entrepreneurship often represents one of the few sustainable ways of economic engagement and population retention in villages. The findings of Vujičić et al. (2025) clearly indicate that women in agriculture, despite facing numerous difficulties, possess significant potential to improve their production activities and contribute to rural development.

International literature points out that women play a significant but often insufficiently visible role in agriculture. FAO (2011) notes that women participate in almost all stages of agricultural production, from primary production to processing and distribution, yet their contribution is often not reflected in formal ownership of resources or decision-making processes. This situation limits their access to finance, technology, and markets. Doss et al. (2018) further emphasize the problem of the "invisibility" of women's work in agriculture, noting that statistical data frequently fail to capture the actual extent of women's involvement. Eurostat (2022) shows that women are significantly underrepresented among holders of agricultural holdings compared to men, even though they constitute a substantial share of the rural workforce. They are often perceived as merely "assisting" the male head of the household, which renders their contribution invisible in official statistics (Chowdhry, 1993; Agarwal, 2003). Similar trends are observed in Serbia, where women are frequently engaged as members of family farms but less often as formal owners or holders of business activities.

The contemporary concept of rural development emphasizes the need for an integrated approach that connects the economic, social, and institutional dimensions of development. Within this framework, women's entrepreneurship is recognized as one of the factors that can contribute to employment, increased household income, and the preservation of rural communities (OECD, 2019). FAO (2020) states that women in rural areas often develop entrepreneurial activities in agricultural processing, value-added food production, rural tourism, and traditional crafts. These forms of entrepreneurship strengthen local value chains and increase the competitiveness of the rural economy. Vujičić et al. (2012) emphasize that women's entrepreneurship in Serbia has the potential to reduce female unemployment and strengthen local economies, but that its development is conditioned by institutional and market factors. The authors stress the importance of tailoring support measures to the specific needs of women, particularly in rural areas. Vujičić et al. (2013) point out that women's entrepreneurship in Serbia continues to face numerous obstacles, including limited access to financial resources and insufficient support through development policies. They conclude that without a systemic approach and long-term strategies, the potential of women's entrepreneurship remains underutilized, especially in agriculture and rural areas.

Numerous studies indicate that women entrepreneurs in rural areas face specific challenges. The World Bank (2012) identifies limited access to capital, unresolved property rights, and weaker integration into business networks as key barriers to the development of women's

entrepreneurship. The European Commission (2021) further emphasizes that institutional barriers, complex administrative procedures, and inadequately tailored support programs particularly affect women in rural areas. In Serbia, these obstacles are often linked to the formal status of farm holders, which represents a prerequisite for accessing agricultural support measures. Vujičić et al. (2012) note that women entrepreneurs in Serbia often have lower initial capital and more limited access to financial institutions, which constrains the scope and growth of their business activities. Such conditions further hinder the development of women's entrepreneurship in agriculture, where investments in equipment, standards, and technologies are necessary for competitiveness.

MATERIAL AND METHODS

In order to examine the role of women's entrepreneurship as a factor of rural development in the Republic of Serbia, this study applies a methodology that combines theoretical and empirical approaches. The starting point of the research is a detailed analysis of domestic and international literature in the fields of women's entrepreneurship, rural development, and agriculture. A review of relevant theoretical approaches and empirical studies made it possible to identify key factors influencing the development of women's entrepreneurial activities in rural areas, such as access to resources, institutional support, market conditions, education, and social context. This theoretical framework served as the basis for defining the research objectives, formulating hypotheses, and designing the research instrument, thereby ensuring methodological consistency between the theoretical assumptions and the empirical part of the study.

The empirical research was conducted using a quantitative methodology through a structured questionnaire survey. The study was carried out on a sample of 78 women entrepreneurs operating in rural areas of the Republic of Serbia, including respondents engaged in agriculture, agricultural processing, rural tourism, and other activities related to the rural economy. The sample consisted of women who are formally registered as entrepreneurs or holders of agricultural holdings, as well as those who perform entrepreneurial activities within family farms. This approach enabled the inclusion of different forms of women's entrepreneurship in rural areas and provided a more realistic assessment of their contribution to local development.

The structure of the questionnaire was designed to guide respondents gradually from general to more specific questions. The first part of the questionnaire focused on the basic sociodemographic characteristics of the respondents, including age and level of education. The second part was aimed at examining the characteristics of entrepreneurial activity in a rural context. Respondents provided information on their motives for starting a business, sources of financing, access to markets, and the challenges they face in their daily operations. Particular attention was paid to questions related to institutional support, the availability of incentives, and cooperation with local institutions, as these factors are frequently highlighted in literature as crucial for the development of women's entrepreneurship in rural areas. The third part of the questionnaire addressed the respondents' perceptions of the impact of their entrepreneurial activities on rural development. This segment examined the contribution of women's entrepreneurship to employment, increased household income, diversification of economic activities, and the

preservation of local communities. In this way, women’s entrepreneurship was considered not only as an individual business activity but also as a broader development factor.

All responses in the second and third parts of the questionnaire were measured using a five-point Likert scale, where a value of 1 indicated complete disagreement with a given statement, and a value of 5 indicated complete agreement. This measurement approach enabled quantitative analysis of respondents’ attitudes and comparison of different aspects of women’s entrepreneurship in rural areas.

After data collection, the responses were processed and analyzed using the statistical software package SPSS. Descriptive statistics were applied to examine the basic characteristics of the sample and the distribution of responses. To analyze the relationships between key variables, correlation and regression analyses were used. The reliability of the measurement scales was assessed using Cronbach’s alpha coefficient.

Table 1. Scale reliability

Measurement scale	No. of items	Cronbach’s alpha (α)
Motives for starting entrepreneurship	5	0.83
Barriers to business development	6	0.81
Perceived economic effects	5	0.85
Contribution to rural development	5	0.87

The results obtained provide a solid basis for further empirical analysis and may serve as a starting point for future research in this field.

RESEARCH QUESTIONS AND HYPOTHESES

The study is guided by the following research questions:

RQ1: To what extent does women’s entrepreneurship contribute to income generation and economic security in rural Serbia?

RQ2: What are the main institutional and market barriers faced by women entrepreneurs in agriculture?

RQ3: How do women entrepreneurs perceive their role in rural development and community sustainability?

Based on the literature, the following hypotheses were formulated:

H1: Women’s entrepreneurship has a positive effect on household income and economic security.

H2: Limited access to finance and markets significantly constrains the development of women-owned agricultural businesses.

H3: Women entrepreneurs perceive their activities as contributing to rural development and community stability.

RESULTS AND DISCUSSION

The results of the research conducted on a sample of 78 female respondents operating in agriculture and rural areas of the Republic of Serbia provide insight into their attitudes, experiences, and perceptions related to entrepreneurial activities, economic empowerment,

and contributions to rural development. An analysis of the basic demographic and socio-economic characteristics of the sample shows that the study included women of different ages, educational levels, and entrepreneurial experience. The largest number of respondents belongs to the age group between 36 and 55, indicating women who possess considerable life and work experience while still being in a phase of active economic engagement. The presence of younger respondents (up to 35 years of age) points to the gradual involvement of younger women in entrepreneurial activities in rural areas, while the inclusion of respondents over the age of 55 confirms the continuity of women’s work and entrepreneurship in agriculture, often based on family tradition. Regarding educational structure, most respondents have secondary education, while a significant number hold higher or university-level degrees. This structure suggests that women engaged in entrepreneurship in rural areas possess the knowledge and skills necessary for independent business decision-making, monitoring market demands, and adapting to changes in their environment.

Table 2. Key descriptive results (Likert 1-5)

Key dimension	Mean	SD
Motives for entrepreneurship	4.21	0.62
Barriers to business development	3.89	0.71
Perceived economic effects	4.07	0.66
Contribution to rural development	3.94	0.69

The research results indicate that the motives for initiating entrepreneurial activities among respondents are multiple and intertwined. The most frequently cited motives relate to the need for additional or more stable income, the desire for economic independence, and the opportunity to remain and work in a rural environment without migrating to urban centers. A significant number of respondents emphasize that entrepreneurship in agriculture enabled them to balance business obligations with family life, which is particularly important given the traditional gender roles that are still prevalent in rural areas of Serbia. At the same time, some respondents state that the decision to enter entrepreneurship resulted from a lack of alternative employment opportunities, indicating that women’s entrepreneurship in rural areas often has the characteristics of “necessity entrepreneurship.” However, even in such cases, the results show that women gradually develop a sense of personal responsibility, self-confidence, and pride in their own business activities.

The respondents identified numerous obstacles they face in their entrepreneurial work. The most prominent problems include limited access to financial resources, complex administrative procedures, and insufficient institutional support. A large number of respondents believe that the conditions for obtaining loans or subsidies are unfavorable for small women-owned agricultural holdings, particularly for women who do not have property registered in their own name. In addition to financial barriers, limited access to markets represents a significant challenge, especially with regard to placing products beyond the local community. Respondents often report being forced to rely on local markets, open-air markets, or direct sales, which restricts the scale of their operations and growth potential. A lack of information about modern sales channels, as well as insufficient digital literacy among some respondents, further complicates market positioning.

The research results clearly indicate that most respondents agree that entrepreneurship has contributed to increased personal economic security and independence. Women emphasize that running their own businesses allows them greater control over income, as well as increased involvement in decision-making at the household level. These findings confirm that women's entrepreneurship has a broader social significance that goes beyond purely economic effects. A significant number of respondents state that entrepreneurial activities have increased their self-confidence, willingness to take responsibility, and more active participation in the local community. Some respondents note that they have become role models for other women in their villages, indicating the potential of entrepreneurship to act as a factor of social change in rural areas.

With regard to the impact of women's entrepreneurship on rural development, the research results show that respondents recognize their contribution through the preservation of local production, the employment of family members and other women from the surrounding area, and the enhancement of local product offerings. Particular emphasis is placed on food production, agricultural processing, and the preservation of traditional knowledge and skills.

The respondents largely believe that their business activities contribute to reducing rural depopulation, as they enable women and their families to remain in rural areas. Although they are aware of the limitations they face, most view entrepreneurship as a realistic opportunity for the long-term survival of rural communities. The research results indicate that women's entrepreneurship in agriculture represents an important, yet still insufficiently utilized, potential for rural development in Serbia. The respondents demonstrate a high level of motivation and willingness to work, but they face structural barriers that limit the further growth and development of their business activities. The findings confirm that the economic empowerment of women through entrepreneurship generates multiple positive effects, both at the individual level and at the level of the local community.

The conducted research showed that the respondents' decision to engage in women's entrepreneurship is most often based on a combination of economic and social reasons, including the need for more stable income, the desire for independence, and the opportunity to remain in a rural environment. These results are consistent with findings from both domestic and international studies, which indicate that women's entrepreneurship in rural areas often takes the form of "necessity entrepreneurship," but gradually evolves into a conscious and strategic business choice. The results related to business obstacles confirm that structural problems remain strongly present. Limited access to financial resources, insufficient institutional support, and complex administrative procedures were identified as the dominant challenges. These findings are in line with studies showing that women in agriculture are more likely to lack formal ownership of assets, which directly affects their creditworthiness and access to development funds (OECD, 2020; European Commission, 2022). Such constraints further deepen gender inequalities and reduce the development potential of local communities. A particularly important aspect of the research relates to the respondents' perception of their own economic empowerment. Most women emphasize that entrepreneurship has enabled greater financial security, as well as increased participation in household decision-making.

The research results also point to the important role of women's entrepreneurship in preserving local production and traditional knowledge. Respondents often state that their business activities are based on local resources, traditional recipes, and family knowledge, which contributes to the preservation of rural identity. These findings correspond with contemporary approaches to rural development that emphasize the importance of endogenous development potentials and local initiatives (van der Ploeg et al., 2015). Another significant finding concerns the role of women's entrepreneurship in preventing rural depopulation. The respondents largely believe that running their own business enables them to remain in rural areas and secure livelihoods for their families. This perception confirms that entrepreneurship can play a preventive role in migration processes, particularly among women, who are often the first to leave rural areas in search of more secure income sources. The results support the conclusions of authors who argue that the economic empowerment of women is a key factor of sustainable rural development (Bock, 2015; FAO, 2020).

However, the research also indicates the existence of untapped potential. Although women recognize the importance of markets and innovation, a large number of respondents still rely on traditional forms of sales and local markets. Limited digital literacy and insufficient awareness of modern distribution channels represent significant barriers to further development. This finding points to the need for targeted training and support programs that would enable women easier access to markets and greater visibility of their products. Overall, the research results clearly indicate that improving the position of women entrepreneurs requires an integrated approach encompassing financial support, education, institutional networking, and the recognition and promotion of women's work in rural areas.

CONCLUSION

The research conducted for the purposes of this paper shows that women's entrepreneurship represents a significant, yet still insufficiently utilized, factor of rural development in the Republic of Serbia. The results indicate that women in rural areas increasingly engage in entrepreneurial activities as a response to limited employment opportunities, as well as a means of achieving economic independence, professional identity, and remaining within their local communities. In this way, women's entrepreneurship goes beyond the individual level and becomes an element of broader socio-economic development in rural areas. The findings confirm that women's entrepreneurial activities contribute to increasing household income, preserving local production, and strengthening the economic resilience of rural households. These results are consistent with the findings of FAO (2019, 2021), which emphasize that the economic empowerment of women in agriculture has a direct impact on productivity, food security, and the sustainability of rural communities. In addition, the OECD (2020) highlights that the inclusion of women in entrepreneurship contributes to the diversification of rural economies and the reduction of regional development disparities.

The research also points to pronounced obstacles faced by women entrepreneurs, particularly limited access to financial resources, insufficient institutional support, and restricted access to markets. These findings confirm the conclusions of the European Commission (2022), which indicate that women in rural areas continue to be in a less favorable position in terms of access to resources, information, and support networks. A

specific contribution of this research lies in its examination of the broader social role of women's entrepreneurship. The results show that entrepreneurship positively affects the respondents' self-confidence, their role in household decision-making, and their visibility within the local community. Such findings support arguments regarding the multidimensional impact of women's economic empowerment. Based on the obtained results, it can be concluded that women's entrepreneurship in agriculture has considerable development potential, but its further strengthening requires systematic support. It is necessary to improve access to finance, provide educational programs focused on market and digital empowerment of women, and develop institutional mechanisms that recognize and value women's contribution to rural development.

This study has several limitations. The sample size is relatively small and limited to women entrepreneurs who were accessible through local networks, which may restrict the generalizability of the results. In addition, the study relies on self-reported data, which may be affected by subjective perceptions and social desirability bias. Future research should include larger and more regionally diverse samples and combine survey data with objective performance indicators.

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