

Informal Female Entrepreneurship in the Rural and Formalisation Strategies: A Case Study from the Middle East Region

Dr Ufi Cullen

Senior Lecturer

Falmouth University, School Of Entrepreneurship

ABSTRACT

This qualitative research paper aims to develop a better understanding of the characteristics of informal domestic entrepreneurship, the cultural environment facilitating it and the formalisation strategies within the rural context of the Middle East Region. The region is represented with a case from Turkey. The data collected through in-depth interviews was analysed in two steps: meaning condensation and meaning categorisation. For the purpose of the meaning categorisation the Globe Project culture dimensions and their two levels as high and low were used. The data analysis showed that culture is a multi-layered phenomenon that can vary across the different levels of a country (e.g. national, regional), and therefore regional cultures may differ from the national culture within any country. Second, the persuasion strategy works well among others to transform the informal female entrepreneur into the formal one.

KEY WORDS: Informal Female Entrepreneurship, Culture, Middle East, Formalisation

Introduction

Over the past decade or so, there has been a growing recognition that entrepreneurs sometimes operate partly or wholly in the informal sector, especially when starting business ventures. Informal entrepreneurship is a major component of the informal economy as a whole. The ILO (2012) revealed that one in six (17%) of the global non-agricultural workforce are engaged in informal sector entrepreneurship as their main job (Williams, 2016) and the emergence of informal institutions is accepted as an uncontrollable process (Theurl & Wicher, 2012).

This qualitative research paper aims to develop a better understanding of the characteristics of informal domestic entrepreneurs, the formal and informal institutions facilitating it and the formalisation strategies within the rural context of Turkey as a representative country case of the Middle East Region. The paper contributes to our understanding of the perceived societal context that may account for the informal entrepreneurial activities of women within the rural Turkey, this remaining an untapped source in entrepreneurship. Second, the paper does not use the country findings of the Globe Project model to identify the sociocultural context within

the region but describes it through the eyes of the informal female entrepreneur, living and surviving her informal commercial activities, in the region instead. This approach enables us to compare the findings of the Globe Project and the perceived culture by the informal female entrepreneur within the regional context to develop a better insight into the fact that culture is a multilayered phenomenon that can vary across the different levels of a country (e.g. national, regional), and therefore the cultural environment may be different within a region from the national-level measurements.

The qualitative research presented here was conducted with 38 domestic informal female entrepreneurs who participated in an EU-funded project in Turkey. The first chapter of this article examines the main causes of informal entrepreneurship at institutional and individual levels and introduces the mainstream formalisation strategies of informal entrepreneurial activities. The second section discusses women's status and female entrepreneurship in Turkey, while the third introduces the national culture along Globe Project dimensions. The fourth section presents the methodology and sampling procedure, followed in turn by the findings and discussion sections.

Informal Entrepreneurship and Formalisation Strategies

An entrepreneur is an individual who exploits market opportunity through technical and/or organisational innovation (Schumpeter, 1965), has the ability to organise social and economic mechanisms to turn resources and situations to practical account and accepts risk and failure (Eroglu and Picak, 2011). And yet, informal domestic entrepreneurship is defined as self-employed individuals and new business owners who are engaged in any form of home-based commercial activities for which they receive a payment that is not declared, partly or fully, for tax, benefit and labour law purposes when it should be declared (OECD, 2015). Home-based entrepreneurs constitute the most invisible segment of the informal sector. This invisibility is reinforced by the fact that home-based entrepreneurs usually have substantial constraints to their employment because of, for women, a lack of male permission or heavy care responsibilities. In many cases, female home-based entrepreneurs' wages are immediately taken by their male family members and they are given little (Ustek, 2015).

A large part of this informal economic activity is undertaken by social groups that are disadvantaged in the labour market. Countries with large shares of immigrants and ethnic minorities in the population tend to have more informal entrepreneurship (Basu, 2008). New immigrants may not have the legal rights to live and work in the host country, which will force them into undeclared work and informal self-employment. Cultural barriers may also prevent migrant or minority entrepreneurs, especially women, from operating in the formal sector (OECD, 2015). Managing the demands of both work and family is a continuing challenge for female entrepreneurs (Shelton, 2006). Therefore, the flexibility offered by informal

entrepreneurship mostly benefits women who may have a preference for a home-based business.

Two billion of the world's employed population aged 15 and over work informally, representing 61.2% of global employment (ILO, 2018). The shares of informal employment in total employment are 50% in Turkey as compared to less than 20% in the EU.

The Main Causes Of Informal Entrepreneurship: Institutional Level Factors

The size of informal entrepreneurship is affected by a host of economic, institutional and social factors whose importance depends on the development stage of the country (OECD, 2015).

Macroeconomic conditions such as low GDP: The decision to work in the informal sector is influenced by macroeconomic conditions, as higher GDP per capita levels are linked to lower informality rates. The GDP per capita level in Turkey is \$26700 as compared to \$40220 and \$42943 in the EU and in the UK respectively (OECD, 2016).

Labour market conditions such as high unemployment: Since entrepreneurship is ultimately an employment choice, labour market conditions will influence the decision of whether and how to start a business. Thus, high unemployment and low labour market participation will cause higher numbers of informal necessity-driven self-employed workers. The unemployment rates in Turkey, in the EU and in the UK are 13% (TUIK, 2018), 6.7% and 4% respectively (OECD, 2018). The labour market participations rates are 58%, 73.6% and 78.5% for Turkey, the EU and the UK respectively (OECD, 2019). Ratio of female to male labour force participation rates are 45%, 85% (ILO, 2018) and 84% (European Commission, 2016) for Turkey, the EU and the UK respectively.

Macroeconomic trends such as economic recession: Variations in economic growth and unemployment also have repercussions on informal entrepreneurship. Recessions will prod more entrepreneurs into the underground economy to cope with declining revenues, whereas periods of economic expansion will reduce the incentive for entrepreneurs to remain informal by generating new opportunities in the formal sector.

Industry structure such as that services and construction are more prone than manufacturing to informal self-employment, so that countries with a large services sector or a booming construction industry will tend to show higher rates of informal entrepreneurship. The share of informal employment in total employment in the service industry are 57.2% and 15.3% in the developing and developed countries respectively (ILO, 2013).

Taxation such as high taxes: Taxation affects informal entrepreneurship in multiple ways. High taxes on labour income are thought to increase informal self-employment. Taxes on personal income as the total percentage of GDP are 3.6% and 9.1% in Turkey and in the UK respectively. Taxes on corporate profits as the total percentage of GDP are 1.7% and 2.8% in Turkey and in the UK respectively (OECD, 2017).

Business regulations: Compliance with business rules and regulations implies cost and time, which are proportionally bigger for own-account workers and new entrepreneurs still waiting for the first revenues to flow in.

Social security systems: National social security systems often contain disincentives to formal entrepreneurship especially when the self-employed pays the social contributions of their pensions in full.

Lack of deterrence: A loose government approach to contrasting the informal economy tends to lead to higher rates of informal entrepreneurship (Tanzi, 2002).

Ethnic minorities and immigrants: Countries with large shares of immigrants and ethnic minorities in the population tend to have more informal entrepreneurship. New immigrants may not have the legal rights to live and work in the host country, which will force them into undeclared work and informal self-employment. Cultural barriers may also prevent migrant or ethnic-minority entrepreneurs, especially women, from operating in the formal sector (OECD, 2015). The UK population was 14.4% foreign-born and 9.5% non-British citizens in 2017 (University of Oxford, 2018). Ethnic minorities makeup 5,5% of the entire Turkish population (Kizilay, 2017)

Corruption: Corruption is heralded as a key factor leading entrepreneurs to exit the formal economy and to operate informally (Williams & Shahid, 2016). The corruption perceptions index ranks 180 countries and territories by their perceived levels of public sector corruption according to experts and businesspeople, uses a scale of 0 to 100, where 0 is highly corrupt and 100 is very clean. The corruption indexes are 40 and 82 for Turkey and for the UK respectively (TI, 2017).

The Main Causes Of Informal Entrepreneurship: Individual Level Factors

Age: Younger people are less likely to operate formally (Williams and Schneider, 2013).

Income: Lower-income groups disproportionately engage in informal entrepreneurship.

Education and skill levels: There is a positive relationship between the level of educational attainment of entrepreneurs and the tendency to operate on a formal basis (Copisarow & Barbour, 2004).

Gender: Women entrepreneurs are more likely to operate in the informal economy than men. It is the case in Turkey where the gendering of entrepreneurship is segregated along sectorial lines (Williams & Shahid, 2016).

Age of business: Many studies reveal that business start-ups are likely to operate in the informal sector (Small Business Council, 2004). The informality enables nascent entrepreneurs to test their ventures.

Exclusion from the formal sector: Informal entrepreneurship is accepted to be more prevalent amongst necessity-driven entrepreneurs who engage in such entrepreneurship due to their involuntary exclusion from the formal entrepreneurship (Williams & Shahid, 2016). However

there is evidence to claim that informal entrepreneurship is a voluntary action to escape the costs of formality (Small Business Council, 2004).

Turkey in Numbers

The female population constitutes 49.8% of Turkey's population (Turkstat, 2018) with only 32.5% of the labour force participation rate (WEF, 2017) as compared to male participation of 72%. The EU labour participation rates are 76.9% and 65.3% for men and women respectively. The unemployment rate for women is 14.8% as compared to 11.7% for men (Turkstat, 2018). The average unemployment rate in Turkey is twice that of the EU with its 7.1% unemployment rate (EUROSTAT, 2018). Turkey ranked 131 out of 144 countries on the Global Gender Gap Index (WEF, 2017).

When it comes to domestic responsibilities, it is striking to learn that men in Turkey take no childcare responsibility at all and leave it to the rest of the household. Motherhood is the main career of women in the country. The arranged-marriage tradition is still prevalent in Turkey. Almost half of first marriages (47.8%) are arranged by families. With respect to the form of solemnization of marriages, 97.1% of all solemnizations are both civil and religious, 1.8% are only civil and 1.1% are only religious (TUIK, 2017).

Compulsory primary education (12 years) is the biggest factor reducing illiteracy in the country. Turkey's literacy rate is around 94,6%. 9% of the women population is illiterate which is 5 times more than that of the male population. This gap partly closes in the higher education category where 13.1% of women holds an undergraduate diploma as compared to 17.9% of males. Women cannot complete their education mostly for the reasons of the family's not allowing, economic reasons and getting married/engaged/becoming mother/being pregnant (Turkstat, 2016). In order to provide a clearer picture of the institutional context of the country, Table 1 shows a comparison between the UK and Turkey on a range of indexes.

<Table 1 is here>

Female Entrepreneurship in Turkey

Entrepreneurship appears to be a field dominated by patriarchy and masculine rationality— leadership, risk taking, initiative and qualities such as powers of communication, the ability to establish informal social networks, competence in developing relations of trust, benevolence and sharing (Yetim, 2008). Factors such as gender barriers, male domination, low pay, prejudice and discrimination frustrate women trying to advance in their careers, forcing them to initiate their own businesses mostly in retail and service sectors, in both developed and developing countries (Yetim, 2008). Correspondingly, the female employment rate is less than half of the male employment rate in Turkey (Turkstat, 2018). Males are six times and two times more frequently employers and self-employers respectively than females. Only 1% of women hold employer status, whilst 9.7% are self-employed. As for the scale of women businesses, the majority are micro businesses.

OECD Economic Surveys Turkey Report (2018) asserts that, the inequalities between men and women in educational attainment, labour force participation and decision-making is initially rooted in cultural patterns discouraging women's formal employment. The only GEM country report for Turkey was released in 2010. The report shows that the entrepreneurial activity rate for women is 3.71% as compared to 13.39% for males in Turkey (GEM, 2010). Turkey still has one of the highest male/female self-employment ratio of 10 among all OECD countries. This ratio is 2.6 for the UK (OECD, 2017).

And yet, informal domestic entrepreneurship is prevalent, especially in rural Turkey. The country is in fourth place in terms of the size of the informal economy among developing countries who are members of the Organization for Economic Co-operation and Development (OECD). About 42% of women who work in Turkey do so informally (ILO, 2018), 98% of which do not have access to social security and their economic activities are not regulated (Turkstat, 2018). Among women in any form of employment, only 5% are in the formal economy (ILO, 2018).

The Turkish government has been receiving significant external support, especially from the EU, to enhance female entrepreneurship in the country. The Turkish government was granted 1.7 billion lira (1 Turkish lira equals 0.13 GBP) in 2017 to support small female businesses predominantly in the rural through various support schemes. Reportedly, 47% of the money has been wasted (Aksam, 2018) by a proportion of the granted businesses due to a spectrum of reasons, one of which can be explained through the contradictory actions of the government regarding its women-related policies and its efforts to promote female entrepreneurship. From the women's side, they need flexibility and the ability to work from home when contributing to the household income, which is only possible through committing to informal domestic entrepreneurial activities.

Turkish Culture

Although Hofstede is the pioneer researcher of culture and its effects on business management, this study chooses the Globe Study due to its offering a wider perspective and understanding of both values and practices with nine dimensions, and within each dimension it tries to understand both the values and practices at the societal level. Also, the dimensions are in large measure an extension of the work of Hofstede (1980), and also draw heavily from McClelland (1985) as well as other works in the study of culture (Shi & Wang, 2011).

According to the Globe Project culture-visualisation tool, Turkish society has a relatively low-to-medium degree of performance orientation (3.83 out of 7), human orientation (3.94), future orientation (3.74) and uncertainty avoidance (3.63) dimensions; a relatively high degree of assertiveness (4.53), a medium degree of institutional collectivism dimension, a relatively-high-to-high degree of power distance (5.57) and in-group collectivism (5.88). Turkey is in the 'Middle East' cluster, comprising the countries of Qatar, Egypt, Morocco, Turkey and Kuwait.

The illustration of the culture composition and the explanation of each culture dimension can be found in Figure 1 and Table 2.

<Figure 1 here>

<Table 2 here>

Formalisation Strategies

Formalisation strategies sit on three policy pillars: deterrence, incentives and persuasion. While the first two approaches try to alter the cost-benefit ratio for entrepreneurs to stay in the informal sector, the third seeks to win their “hearts and minds” by fostering a culture of compliance (OECD 2015, p.3).

We observe deterrence actions are predominantly taken to tackle the informal economy in developing and under developed countries.

Although, deterrence measures are the most commonly used to tackle the informal economy as a whole, they may not be suitable to detect informal commercial activities. As a result, incentives will play a more important role in coping with informal entrepreneurship. These can either target the entrepreneurs (e.g. supply-side incentives) or the consumers who source products and services in the informal sector (demand-side incentives). On the supply side, incentives will include tax breaks and welfare bridges that facilitate the welfare-to-work transition of informal entrepreneurs, while on the demand side sector-based tax deductions, vouchers and VAT exceptions are the most common incentives. Persuasion measures can be an important complement to the traditional policy of sticks and carrots. In particular, they can be useful for social groups disadvantaged in the labour market (e.g. ethnic minorities, low-educated, residents of deprived neighbourhoods) where participation in informal entrepreneurship is the result of multiple forms of deprivation (e.g. cultural barriers and lack of skills) which deterrence and fiscal incentives alone are unlikely to solve (OECD 2015, p.3). This paper used the OECD conceptual framework for formalisation strategies as illustrated on Figure 1.

<Figure 2 is here>

The Turkish government has employed a series of radical deterrence actions to hinder the accelerated growth of the informal economy in recent years. The use of online shopping platforms such as Amazon, Etsy and eBay has drastically stimulated the growth and the scale of the informal economy in the country. The government’s immediate response to this was to withdraw PayPal and restrict access to the popular online shopping platforms. These deterrence actions have created new informal sectors, such as agents providing PayPal or Amazon accounts obtained from other countries through international contacts. For example, one of the participants of this study pays 15% of her relevant profit to an individual in Pakistan to use his PayPal account as hers on a shopping website to attract international customers.

Therefore, the deterrence strategy of formalising informal entrepreneurial activities seems not to have worked within the Turkish context.

Methodology

The data was collected through in-depth interviews with 38 women and analysed in two steps: meaning condensation and meaning categorisation. The coded meaning units were assigned to the relevant culture categories whereas there were eighteen categories consisted of the Globe culture dimensions and their two levels as high and low. The interview questions were tested with 5 participants in a pilot study to evaluate whether the questions were clear and straightforward; appropriate for the level and whether there was any sensitive statement which might have potentially offended them. After this pilot study “living together with a partner” option was removed due to the fact that having a relationship with no solemnizations -either civil or religious- was not publicly acceptable.

Sample Group

This study was executed with the project participants (N=38) in conjunction with the duration of the project entitled ‘Grant Scheme Programme for Promotion of the Civil Society Dialogue between the EU and Turkey: Developing Rights of Women’, which was conducted in rural north-west Turkey. The project partners were the local Chamber of Commerce, Balikesir University and one of the most influential NGOs in Turkey, the Turkey Association for the Support of Contemporary Living. The project aimed to improve the added value and economic mobility of housewives and to formalise their entrepreneurial activities through collecting them under the roof of a **cooperative**.

The participants were selected on a voluntary basis from among 500 applicants who had been informal domestic entrepreneurs for more than 5 years and were eager to set up a cooperative as the main intended outcome of the project. Thirty-eight women took part both in the project and in this research.

Findings

In total, 1,771 codes were generated from the interview scripts and assigned to the relevant culture category. The results showed that the regional culture rates high on power distance, uncertainty avoidance, human orientation, institutional collectivism and in-group collectivism; and low on assertiveness, gender egalitarianism, future orientation and performance orientation. Among all the cultural dimensions, high power distance seems to take the lion’s share as the most dominant (influential) culture dimension of the participants’ entrepreneurial decisions and perceptions, as Table 3 shows.

<Table 3 is here>

This analysis enabled comparison of the culture at the regional and the national level. The study produced different levels of uncertainty avoidance (UA), institutional collectivism (IC) and assertiveness (A) than those of the Globe Study. The Globe study results assert that

Turkey is a society with low UA, moderate IC and moderate A, whilst at the regional level, the culture scored high, high and low on UA, IC and A respectively, as shown in Table 4.

<Table 4 is here>

The profile of the informal domestic female entrepreneur reflects a middle aged (41 to 50) woman, married with children and literate with a low-level education (up to secondary school). The low educational level is an outcome of the unequal access and inadequate educational opportunities for Turkish women. Women cannot complete their education primarily because the family does not allow it, for economic reasons, and getting married/engaged/becoming mother/being pregnant (Turkstat, 2016). Age is one of the moderating factors facilitating women setting up a formal business when the children are older and domestic responsibilities are fewer, explaining why the participants considered formal self-employment after the age of 40. Table 5 shows the demographics of the participants.

<Table 5 is here>

All participants had previous entrepreneurial experience through home-based informal commercial activities, such as making and selling handicrafts, selling cosmetics from home or providing catering or cleaning services. The participants were necessity-type entrepreneurs gradually transformed into pull-type entrepreneurs in time. Their current entrepreneurial motivations were improved independence and self-confidence; improved social status, prestige and recognition; and an improved set of skills and freedom and being a role model for other women. They also wanted to create a better future for the children. They had obtained the necessary support to survive their entrepreneurial activities only from their social networks, predominantly from the husband. Paradoxically, they described the husband as both the biggest facilitator and the strongest barrier to formal entrepreneurship

The Formalisation Process

The project implementers aimed to achieve the project targets through adapting the persuasion strategy to formalise informal entrepreneurial activities. Persuasion aims to foster a behavioural change through an improved relationship between the state and the entrepreneurs (OECD, 2015). Therefore, the executers took a broad set of actions, from the simplification of the business environment to tailored business advice and training services for the participants. The participants had to agree to take active part in the establishment of a cooperative and to act as facilitators. The training programme was designed and delivered by the academic partner, whilst the other partners provided mentorship, business advisory and moral support throughout. The formalisation has achieved great success and the cooperative has survived to date. Currently, the cooperative has 2,000 members and 16 branches across the region. The project participants are still active members. Based on the interview data, Table 6 exhibits an evaluation of the suitability of the formalisation process within the context of the regional culture.

<Table 6 is here>

Discussion and Conclusion

This paper aims to develop a better understanding of the characteristics of informal domestic entrepreneurship and the cultural environment facilitating it within the context of Turkey. It also examines the impact of a particular persuasion strategy on the success of formalising informal entrepreneurial activities.

Based on the interview data, the domestic informal female entrepreneur (DIFE) is a middle-aged (41 to 50) woman, married with children, literate with low-level education (up to secondary school), a necessity-type entrepreneur at the beginning who gradually evolves into a pull-type sociocultural entrepreneur in time and an expert in balancing her domestic responsibilities with her home-based informal business.

The culture surrounding them is high on power distance, uncertainty avoidance, human orientation, institutional collectivism and in-group collectivism, and low on assertiveness, gender egalitarianism, future orientation and performance orientation, slightly different than those of the Globe Study on three culture dimensions: Uncertainty Avoidance, Institutional collectivism and Assertiveness. With this culture composition, the regional culture can be categorised as socially-supportive culture (Hayton and Cacciotti, 2013, p. 713). Socially supportive culture reflects high human orientation, low assertiveness and descriptive norms based on repeated experiences of supportiveness and helpfulness. This culture composition is one of the facilitators of informal entrepreneurial activities and creates a fertile and socially legitimised ground for informal commercial activities of women.

Female are forced into domestic informal entrepreneurship (DIE) lies with the tangible factors such as tax evasion, lower start-up costs, home-based work and flexible work arrangements; and the intangible factors such as culture, social legitimisation and lack of self-efficacy.

There are three conditions for a DIFE to consider formalising her commercial activities. First, her business cannot afford flexibility and requires better established structures and commitment to survive, due to drastically or gradually occurring growth. Second, external projects facilitate a DIFE considering the formalisation, such as the project explained in this paper. Third, divorced and single women, classified as misfits, consider formal entrepreneurship in the absence of the husband's pressure and also due to financial necessities.

Looking into the success that the project achieved (i.e. survival and growth of the cooperative) through persuasion, the reasons include improved network capacity and knowledge resources through engagement with a number of weak ties, such as the chamber of commerce and the university; provided formal support; improved entrepreneurial capabilities through tailored training; increased self-efficacy; raised commercial awareness through business mentorship; suitable conditions for collective action; suitability for the culture; constructive experience

enabled through facilitation of the use of previous entrepreneurial knowledge and experience; and provided instrumental or tangible support.

Social capital is a crucial asset affecting new ventures' longer-term success; therefore, policy makers and educational institutions that aim to promote entrepreneurship as a way of improving economic performance assist individuals in building their social capital by forging links between inventors, potential entrepreneurs, venture capitalists and other related key actors who control start-up resources. In line with this view, the project enabled the participants to improve their social capital through various networking opportunities provided them, such as visits to the Chamber of Commerce and Turkey Association for the Support of Contemporary Living. Supporting evidence shows that social-capital-building events, such as meetings and conferences, facilitate entrepreneurship, especially for those who do not perceive themselves as having adequate access to entrepreneurial resources (Audretsch, et al., 2011). Furthermore, the establishment of the cooperative led its initial members to become a close-knit community, which reduced the problem of uncertainty and information asymmetry. Similarly, Zhang's (2011) research with Beijing and Singapore start-up communities demonstrates that to the extent that social networks are useful information channels, entrepreneurs are more likely to turn to interpersonal ties for seeking contacts or acquiring resources (Zhang, et al., 2011), crucial for entrepreneurial success. Another key success factor was the strong leadership exhibited throughout the project and at the start-up phase. The high power-distance culture requires exhibiting a strong leadership and a father or a mother figure within this structure to maintain and survive the law and order. The leader of the cooperative was a male who adopted the autocratic leadership style to strengthen and emphasize the power imbalance between the leader and the members. High power-distance climate and strict rules and regulations to manage internal and external relationships and operations reduced the uncertainty. The leader controlled and managed forming teams, rather than letting it occur naturally, to reduce the potential conflicts and to avoid discouraging the members with accelerating conflicts, especially at the storming stage of team building (Tuckman & Jensen, 1977). The persuasion strategy seems well fitted to the cultural climate, and it has been feasible, suitable and sustainable for entrepreneurial growth in this case (the co-operative has 2,000 members and 16 branches now, as opposed to 38 members and 1 branch initially). Also, this kind of structure forces the whole supply chain and marketing channels to be visible and formal.

In the effort to formalise informal entrepreneurship, any initiative that facilitates informal female entrepreneurs establishing groups and acting as a group works well in Turkey. Collective action (such as establishing a cooperative) is the only way for some, whilst it is a temporary solution for the others until they feel fully confident to create a venture individually. For both groups, the persuasion strategy of bringing informal entrepreneurial activities of females under

the roof of a cooperative looks like a suitable, feasible and sustainable way of formalising informal entrepreneurship. Furthermore, formal structures reduce the degree to which the market exploits females. For a female informal entrepreneur, the furthest accessible point in the supply chain to sell her products is open markets or shops nearby. For example, a woman who makes and sells handicrafts takes them to a market stall owner or someone who knows a market stall owner, or to a nearest shop or someone who knows a shop owner. These actors in the supply chain pay a minuscule amount of money to the entrepreneur herself and put a high price tag on her products in the market. The justification for that is that these formal structures and actors (a market stall and a shop) pay rent, tax and other overhead, which they must reflect in the price.

This study supports the view that culture is a multilayered phenomenon that can vary across the different levels of a country (e.g. national, regional), and therefore the cultural environment may be different within a region from the national-level measurements. Thus, any research attempting to examine the culture-entrepreneurship relationship may require an understanding of the cultural climate within a particular context and a region, rather than directly applying the Globe or Hofstede results to the case.

The established view asserts that entrepreneurial societies are high on human orientation, institutional collectivism, assertiveness, gender egalitarianism, future orientation and performance orientation; and low on power distance and uncertainty avoidance. Previous research might widely support this view, but the type of entrepreneurship is a variable that has the potential to change the culture-entrepreneurship relationship in different directions. Although a significant amount of research findings indicate that the Turkish culture is unsuitable for female entrepreneurship to flourish (e.g. Ozgen 2012; Davidsson and Wiklund 2001; De Clercq *et al.* 2010; Wennberg, et al. 2013), it definitely creates a fertile ground for informal domestic entrepreneurship to start and grow, and the interaction between culture and entrepreneurial activity stimulates the evolution of entrepreneurial actions into different forms, such as informal domestic entrepreneurship (Thornton, et al., 2011).

Informal domestic entrepreneurship is prevalent especially in rural Turkey, and the government has adopted various strategies to formalise it, particularly with EU-funded projects like the one this paper explains. Universities and women-related organisations aiming to support and enhance female entrepreneurship in Turkey need to adopt adequate measurement methods to evaluate the actual entrepreneurial capacities, experience and skills of those women, to tailor their training programmes and business mentorship schemes to be appropriate to their needs. Women living in the rural areas do not have a chance to travel to bigger cities to benefit from the amenities of women-related organisations provided for their members. Therefore a deliberate effort is required to make their programmes accessible to those rural women through launching branches close to where they live. Lastly, the strong

need for flexibility that those women require should be taken into account in providing any kind of support for them.

The Turkish culture and the high rate of informal female entrepreneurial activities within the north-west region indicate that the culture-entrepreneurship relationship is a complex and layered phenomenon and, paradoxically, getting closer to the phenomenon increases its complexity. Understanding and unfolding this complexity is crucial to feed the mechanisms intended to enhance entrepreneurial behaviours.

Bibliography

- Basu, A., 2008. Ethnic Minority Entrepreneurship . In: M. C. N. W. B. Y. Anuradha Basu, ed. *The Oxford Handbook of Entrepreneurship*. s.l.:Oxford Handbooks.
- Copisarow, R. & Barbour, A., 2004. *Self-employed in the Informal Economy: Cheats or Contributors*, s.l.: Community Links Trust Ltd. .
- Davidsson, P. & Wiklund, J., 2001. Levels of Analysis in Entrepreneurship Research: Current Research Practice and Suggestions for the Future. *Entrepreneurship Theory and Practice*, 25(4), pp. 81-99.
- De Clercq, D., Danis, W. M. & Dakhli, M., 2010. The moderating effect of institutional context on the relationship between associational activity and new business activity in emerging economies. *International Business Review*, 19(1), pp. 85-101.
- Eroglu, O. & Picak, M., 2011. Entrepreneurship, National Culture and Turkey. *International Journal of Business and Social Science* , 2(16), pp. 164-151.
- European Commission, 2016. *European Semester Thematic Factsheet*. [Online] Available at: https://ec.europa.eu/info/sites/info/files/european-semester_thematic-factsheet_labour-force-participation-women_en_0.pdf [Accessed 06 04 2019].
- EUROSTAT, 2018. *European Commission - EUROSTAT*. [Online] Available at: http://europa.eu/rapid/press-release_STAT-18-2801_en.htm [Accessed 01 07 2018].
- Hart, K., 1973. Informal Income Opportunities and Urban Employment in Ghana. *The Journal of Modern African Studies*, 11(01), pp. 61-89.
- Hofstede Insights, 2018. *Country Comparison*. [Online] Available at: <https://www.hofstede-insights.com/country-comparison/> [Accessed 01 07 2018].
- Hofstede, 2018. *National Culture*. [Online] Available at: <https://www.hofstede-insights.com/models/national-culture/> [Accessed 26 06 2018].
- Hofstede, G., 1980. *Culture's consequences: International differences in work related values*. Beverly Hills: Sage.
- Hofstede, G., 2015. *Geert-Hofstede*. [Online] Available at: <http://geert-hofstede.com/turkey.html> [Accessed 14 November 2015].
- Hofstede, G., 2015. *Geert-Hofstede*. [Online] Available at: <http://geert-hofstede.com/countries.html> [Accessed 20 July 2015].
- House, R. J. et al., 2004. *Culture, Leadership, and Organizations*, s.l.: Sage.
- ILO, 2013. *Women and Men in the Informal Economy: A Statistical Picture*, s.l.: International Labour Organization .

- TUIK, 2018. *Dönemsel Gayrisafi Yurt İçi Hasıla, I. Çeyrek: Ocak - Mart, 2018*. [Online]
Available at: <http://www.tuik.gov.tr/PreHaberBultenleri.do?id=27826>
[Accessed 30 06 2018].
- TUIK, 2018. *Labour Force Statistics*. [Online]
Available at: <http://www.tuik.gov.tr/PreHaberBultenleri.do?id=24626>
[Accessed 04 06 2019].
- TUIK, 2019. *Turkish Statistical Institute Labour Force Statistics*, Ankara: TUIK.
- Turkish Statistical Institute (TURKSTAT), 2018. *Labour Statistics*. [Online]
Available at: http://www.turkstat.gov.tr/PreTablo.do?alt_id=1007
[Accessed 30 06 2018].
- Turkstat, 2012. *Marriage and Divorce Statistics*. [Online]
Available at: <http://www.turkstat.gov.tr/HbPrint.do?id=10844>
[Accessed 28 01 2019].
- Turkstat, 2016. *Family Structure Survey*. [Online]
Available at: <http://www.turkstat.gov.tr/PreHaberBultenleri.do?id=21869>
[Accessed 01 07 2018].
- Turkstat, 2016. *Statistics on Family*. [Online]
Available at: <http://www.turkstat.gov.tr/PreHaberBultenleri.do?id=24646>
[Accessed 01 07 2018].
- Turkstat, 2017. *Adult Education Survey*. [Online]
Available at: <http://www.turkstat.gov.tr/HbPrint.do?id=24695>
[Accessed 24 01 2019].
- Turkstat, 2018. *Labour Force Statistics*. [Online]
Available at: http://www.turkstat.gov.tr/PreTablo.do?alt_id=1007
[Accessed 24 01 2019].
- Turkstat, 2018. *Labour Force Statistics*. [Online]
Available at: <http://www.turkstat.gov.tr/PreHaberBultenleri.do?id=27688>
[Accessed 01 07 2018].
- Turkstat, 2018. *Women in Statistics*. [Online]
Available at: <http://www.turkstat.gov.tr/PreHaberBultenleri.do?id=27594>
[Accessed 01 07 2018].
- University of Oxford, 2018. *The Migration Observatory*. [Online]
Available at: <https://migrationobservatory.ox.ac.uk/resources/briefings/migrants-in-the-uk-an-overview/>
[Accessed 04 04 2019].
- Ustek, F., 2015. *Invisibility, struggle and visibility: women workers' strategies for survival in the informal sector*, s.l.: University of Oxford.
- WEF, 2017. *World Economic Forum Annual Meeting 2017 Overview*. [Online]
Available at: http://www3.weforum.org/docs/WEF_AM17_Overview.pdf
[Accessed 06 04 2019].
- Wennberg, K., Pathak, S. & Autio, E., 2013. How culture moulds the effects of self-efficacy and fear of failure on entrepreneurship. *Entrepreneurship & Regional Development*, 25(9-10), pp. 756-780.
- Williams, C., 2006. *The hidden Enterprise Culture: Entrepreneurship in the Underground Economy*. Cheltenham: Edward Elgar.
- Williams, C. C., 2016. *Informal Sector Entrepreneurship*, s.l.: OECD.
- Williams, C. C. & Schneider, F., 2013. *The Shadow Economy*, London: Institute of Economic Affairs.
- Williams, C. C. & Shahid, M. S., 2016. Informal entrepreneurship and institutional theory: explaining the varying degrees of (in)formalization of entrepreneurs in Pakistan. *Entrepreneurship & Regional Development*, 28(1-2), pp. 1-25.

Yetim, N., 2008. Social Capital in Female Entrepreneurship. *International Sociology*, 23(6), pp. 864-885.

Yetim, N., 2008. Woman Entrepreneurs as Social Capital: Example of Mersin, Turkey. *International Sociology*, 23(6), pp. 864-885 .