

FEMALE ENTREPRENEURS IN BUSINESS RANKINGS

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Abstract

The importance of entrepreneurship as an engine of economic growth represents a principle for the operation of some powerful economies. Thus, in this paper we have determined the place of businesses owned by women and their place in national and international rankings. Therefore, I have revealed some defining elements for the setting up of international business rankings, and continued with reporting statistics of women who own businesses and who are enlisted in the most famous tops from Romania and from the world's economic environment. We have also presented the operational issues regarding the successful development of businesses run by women and at the end of the paper I have synthesized several elements that have positively influenced the evolution of businesses owned by women

Key words: entrepreneurship, international business rankings, economic environment

JEL Classification: D-21, M-21

1. Introduction

In Romania, during the communist period, the term entrepreneur was similar to subcontractor, i.e. natural or legal entity that undertakes, based on contractual terms and conditions, to perform various works for the benefit of another company, in the exchange of an amount established beforehand. Currently this term shall be assimilated to that of trader representative for the market economy that adopts an active and innovative behaviour, which is characteristic to economic systems based on competition, risk and private initiative. In this sense, the entrepreneur is synonymous with business person i.e. the entrepreneurship as innovative action, as an engine of a strong economic development. Romanians show reduced entrepreneurial spirit compared to other European countries. Among the reasons for this situation is the lack of *Entrepreneurial Education* as a school subject and the cooling off of entrepreneurship during the communist era.

2. Forbes Rankings – from business to sensational

I did this introduction on the entrepreneurial education because this paper starts an analysis of how women in present society end up in the international rankings of richest women. The tops are influenced by the culture and education of people, thus if in America the top Forbes businesswomen work in the financial investment field, IT, mass media or commerce, in Asian countries the specific fields are heavy industry and agriculture.

In order to complete the image of entrepreneurship in a country it is necessary to analyze the role of women in these tops, their investments' portfolio, building of wealth, age, training, family etc.

In the modern business environment, the Forbes tops have become eagerly awaited both due to the sensational news and from the perspective of investment portfolio analysis. Few are aware, however, that **Forbes is, in fact, a business.**

Forbes is an American Publisher, known especially for the magazine that bears the same name, published once every two weeks. The magazine is well known for its annual lists: *Forbes 400*: — the list of most wealthy Americans, *Forbes Global 2000* — the list of the largest companies in the world — and *Billionaires' List* – the top 100 richest people of the planet.

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Forbes Company was established in the year 1917 by B. C. Forbes, who was in charge until his death in 1954. However, Forbes has remained a family business, assessed in 2006 at 1 billion US dollars, whose advertising revenue were valued at 250 million dollars annually. The main competitors are *Fortune* magazines also published once every two weeks and that publishes annual lists of a similar nature, *BusinessWeek* and *The Economist*.

The magazine sold on average 894,886 copies in 2005 and the main subjects of the magazine are businesses, money, business leaders behind the companies, etc. The first top powered by Forbes of the richest people of the planet was published 31 years ago. The list then included 140 billionaires, while today there are more than 2,200 people on the annual list.

Forbes magazine was released in Romania on 23rd March, 2009 by Adevarul Holding media, being the tenth international edition of Forbes and the only edition that has the same periodicity as Forbes USA (bi-monthly). The copies sold of the first issue totaled 63,500 (out of which 4,623 were free of charge and 19,190 were at a cost), reaching 21,000 copies in January 2010.

3. Businesswomen in Romanian rankings

In order to complete the image of entrepreneurship in a country it is necessary to analyze the role of women in these tops, their investments' portfolio, building of wealth, age, training, family etc.

Forbes list of the richest people in Romania in 2015, 2016 and 2017 includes 4 women who run various businesses and hold stable positions in the rankings.

Table 1: Top 4 richest women in Romania

Name and Surname	2015	2016	2017
Anca Vlad	23	15	13
Veronica Gușă de Drăgan	16	16	14
Olimpia Moica	105	97	100
Luchi Georgescu	102	100	101

The analysis of the value of assets shows that for 4 businesswomen the period 2015-2017 was marked by continuous growth, without spectacular increases, with an average growth rate of about 10% per year. Considering their place in the ranking this has not undergone radical changes either, just a swapping of places between Anca Vlad and Veronica Gușă de Drăgan in the first part of the top and between Olimpia Moica and Luchi Georgescu ranked 100th.

Table 2: Net worth in mil. Euros of the 4 richest women in Romania

Name and Surname	2015	2016	2017
Anca Vlad	165-170	240-250	270-300
Veronica Guță de Drăgan	200-210	220-230	220-230
Olimpia Moica	50-52	54-56	55-57
Luchi Georgescu	50-52	53-54	55-57

In the year 2017 in the top 100 there were only three women, Anca Vlad occupying the 13th position, Veronica Guță of Drăgan at no.14 and Olimpia Moica at no 1000 outranking Luchi Georgescu who was classed 101.

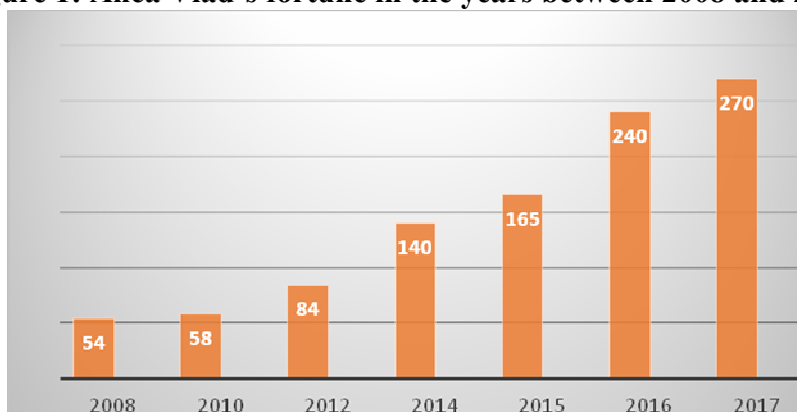
Further on there is a brief presentation of these women on order to be able to create a profile of the top 100 female entrepreneur:

- **Anca Vlad este** is a graduate of the Academy of Economic Studies, specializing in International Economic Relations in the year 2017. She is 60 years old and is ranked No. 13 in the top richest people in Romania with an estimated fortune of 270-300 mil. Euros. Her evolution is spectacular: in 2010

she occupied the 127th position with a net worth of 58-60 million Euros and in the last 8 years she has managed to increase her fortune almost 5 times;

- **Veronica Gușă de Drăgan** aged 44 is sitting 14th with an estimated fortune of 220-230 million Euros, sourcing her wealth from the LPG production and energy. Veronica Gusa de Dragan, the richest woman in Romania in the 2010-2013 charts maintains a constant position in 2015-2017. She moves up in the rankings from no 16 to 14 with same net worth of 220-230 million, after Anca Vlad;
- **Olimpia Moica** a graduate of the Faculty of Law in Bucharest (class of 1979), has been running AEM Timisoara for more than 24 years producing electricity and gas meters. She is 66 years old and her net worth is estimated at 54-56 million Euros.
- **Luchi Georgescu** is 60 years old, has an estimated fortune of 53-54 million deriving from vineyards where she owns over 1500 acres of vines in Cotești, Odobești, Panciu and Huși and also has ten wineries, three industrial platforms, a cold cuts and sausage company called Meda, a construction company and three warehouses. In the past three years she has started to invest in hospitality buying 2 hotels in Venus seaside resort: Favorit and Melodia.

Figure 1: Anca Vlad's fortune in the years between 2008 and 2017



Obviously, besides these four women who run their own companies together with a management team, there are still many women in these rankings who have built and developed important businesses together with their partners or parents. In the the 2017 ranking, it is worth mentioning the following:

- The Rapotan family ranks no 24 with a net worth of 170-180 million Euros derived from house building materials: Arabesque, Mr. Bricolage's franchise network or their own MatHaus brand;
- Păunescu family listed 23rd with a fortune of 170-180 million Euros from mass media businesses, namely Media Pro studios in Buftea, holding the majority of shares of ProTV, Gazeta de Sud newspaper;
- The Copos family lands at no 25 at 170-175 million euros from tourism and food industries. The tourism business segment - Ana Hotels Grup and Ana Pan factories - is run by George Copos and his daughter Alexandra Copos;
- The Talpeș family on the 31st position with a fortune estimated at 140-145 million Euros from IT businesses, founders of the Bitdefender Security solution which is sold worldwide and offer protection for over 500 million. They have also set up the following companies: Ascenta and Softwin.
- Marcu family ranked 59th at 85-90 million euros, operating in the medical field, respectively the MedLife network listed on the stock exchange and two years ago they also took over the medical services division Polisano

- the Dans' with a net worth of 65-67 mill. Euros sourced from metallurgical industry, Dan Steel Group being the market leader of wire products, wire mesh, nails, etc.

In conclusion, if we were to look at some of the characteristics of the most successful female entrepreneurs, it can be noticed that they have established their own businesses (except for Veronica Guşa de Dragan), they play an active part in business management, are over 60 (except for Veronica Guşa de Dragan) and have pursued higher education. It is also worth mentioning their activities within the social and cultural environment, especially Anca Vlad who, besides the cultural businesses, has many philanthropic activities.

4. Female entrepreneurs in the Forbes Worldwide Ranks

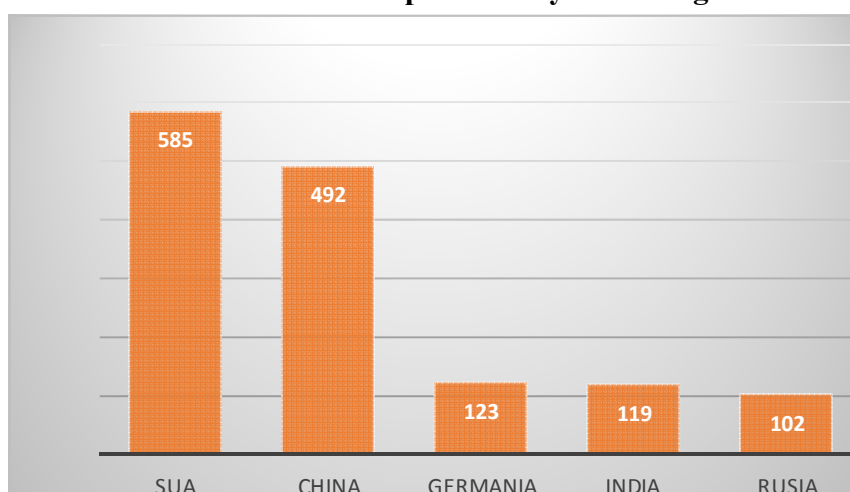
In general, women are underrepresented on corporate boards. Women hold only 17% of board positions in US Fortune 500 Organizations. In European countries women constitute only 17% of the directors of large listed companies and only 12% of these own the business. Women have the highest skills and labor market power. Females in corporate leadership make up a small but important subset of the larger population of women within business.

Based on these arguments, I consider it appropriate to analyze the position of women in Forbes Ranks. Thus, the Forbes Top (measuring the net worth up to 9th February 2018) places the Amazon founder, Jeff Bezos at the top with a fortune of \$112 billion, followed by Microsoft owner, Bill Gates with a net worth of 90 billions of dollars this year, going up from \$86 billion, and Warren Buffett who has a \$84 billion fortune. The ranking of the 32nd annual edition of the world's billionaires top marks a record of 2,208 qualified people. America has the most billionaires in the country, with 585 followed by China. Germany has the highest share in any European country, with 123 people. India has 119 billionaires and Russia 102. There are 53 billionaires in the UK, according to Forbes, going down from 54 in 2017. For the first time, a billionaire from Hungary and one from Zimbabwe land on the list (figure 2).

As for women, the richest woman sitting at 16th in the Forbes rankings is the American Alice Walton, daughter of the founder of the American Walmart giant, for whom the evaluation was made based on the collection of artwork they hold. She is followed closely, at 18th, by Françoise Bettencourt Meyers from L'Oréal Paris.

The fortune of \$27 billion of Jacqueline Mars aged 77 pushes her 34th due to her significant shares in the largest candy maker, Mars, the company her grandfather set up in 1911 in his own kitchen. This top also shows Yang Huiyan at no 43, the only Asian woman with real estate businesses, and at 58 Laurence Powell Jobs, the widow of Steve Jobs, the inventor of Apple.

Figure 2: Number of billionaires per country according to Forbes 2018 Tops



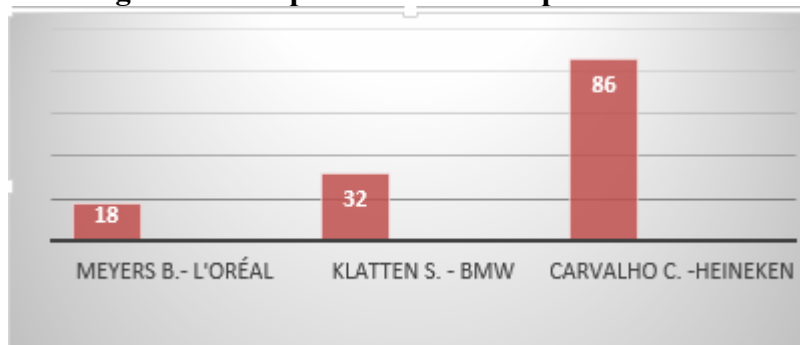
Also at no 69 one can find the Australian Gina Linehart sourcing her fortune from coal, followed at 83 by the American Abigail Johnson with shares in financial investments

and at 86 by the Dutch Charlene de Carvalho-Heineken. Looking further down the top, it is noticeable that men hold the positions up to no 176 where India's first business woman, Savitri Jindal lands on the list with businesses in the steel industry.

This top Forbes also shows other aspects of female entrepreneurship. For example, America ranks first among the richest people, with a share of 26.49% of the total, but the share of women is only 17% of all Americans, as shown in a study by George Town Institute for Peace, Women and Security, where the US is only ranked 22 in terms of business development opportunities and business security.

Regarding the situation of European women who are in the top Forbes100, it remains relatively the same as in 2017, with a slight increase of approx. 4% of the assessed fortunes.

Figure 3: European women in Top Forbes 2018



As shown in the previous figure, in the top Forbes 100 in 2018 there are three European women: the French Françoise Bettencourt Meyers (L'Oréal, ranked 18th), the German Susanne Klatten (BMW, 32nd position) and the Dutch Charlene de Carvalho-Heineken (Heineken, no. 86); also the youngest billionaire in the world is a woman, the Norwegian Alexandra Andresen, aged 21, with a fortune of \$ 1.4 billion, ranked 11th in Norway.

5. Women entrepreneurs - social and politics in Top Forbes Romania

A World Bank study shows that over 50,000 SMEs are controlled by women in the country's growth poles, such as Cluj, Timis, Constanta, Bihor and Bucharest. Given that the average funding is 100,000 euros obtained through the credit lines granted by an investment division of the World Bank, the International Finance Corporation (IFC), there would be a 5 billion euro financing potential for women entrepreneurs.

In Romania, women account for 9.7% of non-executive directors of large listed companies and 25.4% of senior executives of large listed companies. But the female business environment in Romania has grown over the last three years, and companies run by women have an annual growth rate of the turnover 2% higher than the national average of Romanian companies. Encouraging equality between women and men has become a European policy, thus the Commission encourages state companies to volunteer to increase the number of women in leadership positions.

In conclusion, female entrepreneurs in Romania are concerned with or are busy running their own businesses and cannot be found on the political stage and have no interest in media appearances.

Female entrepreneurs find themselves less popular in the other charts. For example, among the most influential women in Romania, there are many women who have public functions or are actresses, such as Princess Margareta, Codruta Kovesi or Maia Morgenstern and Anca Vlad, due to her mass media businesses.

One of the evidences of entrepreneurial maturity of women in Romania lies in the investment behavior and the way in which they relate to financial products and in the fact that they are a 'driving force' of growth for certain sectors of economy, since their main fields of

investments are health, education and trade, but also some areas symbolically called 'heavy industries' such as energy or the media.

Conclusions

To conclude, if we were to look at some of the characteristics of the most successful female entrepreneur, one can notice that they have set up their own businesses (except for Veronica Gușa de Dragan), they take active part in the management of the business, they are over 60 years old (the exception is Veronica Gușa de Dragan) and they have pursued higher education. It is also worth mentioning their activity in the social and cultural field, especially Anca Vlad who, besides the cultural affairs, has many philanthropic activities in this field and in the social one.

At present, there is a positive picture of the evolution of female entrepreneurship and management, and from the perspective of their development, the following can be noticed: entrepreneurial actions of women are increasingly publicized; there are special entrepreneurship courses dedicated to women; there are more tools from the state to stimulate the development of businesses run by women.

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